

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance

Name of Management : ANJA Siais Palm Oil Mill – PT ANJA Siais Subsidiary of Austindo Nusantara
 Organisation : Jaya Agri
 Plantation Name : Lembah Subur Utara Estate and Lembah Subur Selatan Estate
 Location : Village of Pardomuan, Sub District of Angkola Selatan, District of Tapanuli Selatan, Province of Sumatera Utara, Indonesia
 Certificate Code : **MUTU-RSPO/046**
 Date of Certificate Issue : 25 September 2014 Date of License Issue : 25 September 2018
 Date of Certificate Expiry : 24 September 2019 Date of License Expiry : 24 September 2019

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-4	23 to 26 July 2018	Trismadi Nurbayuto, Mohamad Amarullah and Steve Mualim	Ardiansyah	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	17 September 2018

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Figure 1. Location Map of PT ANJA SiaIs

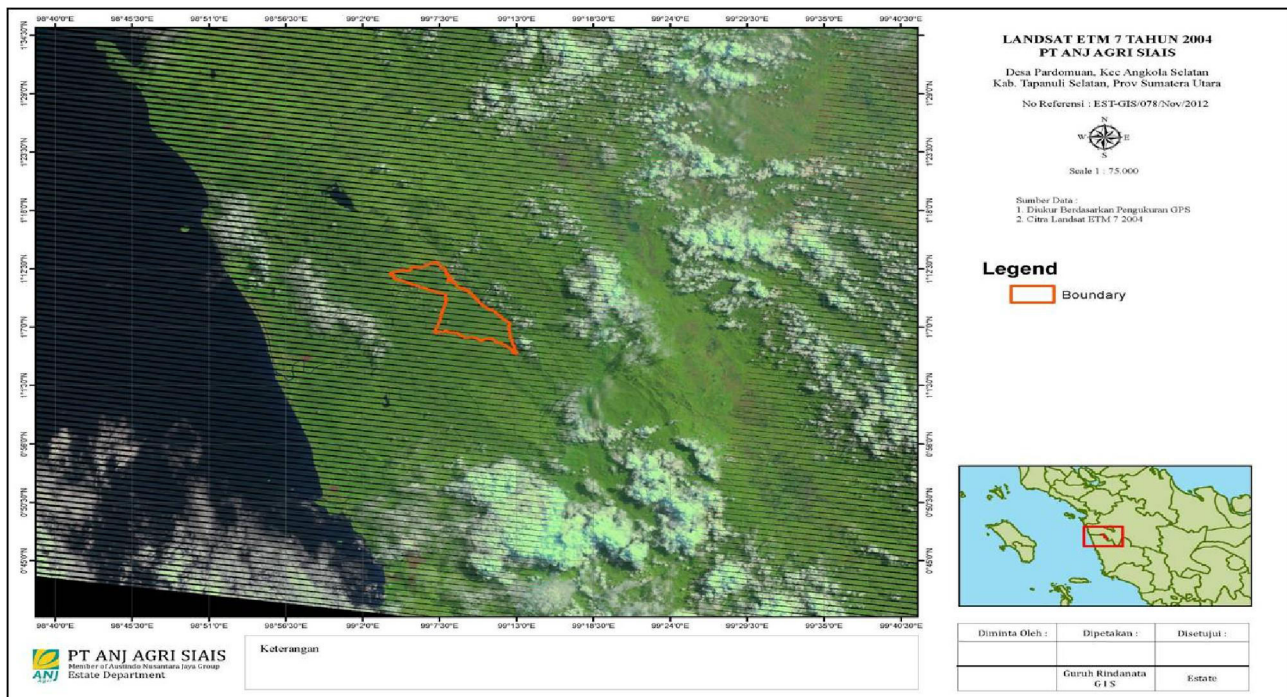
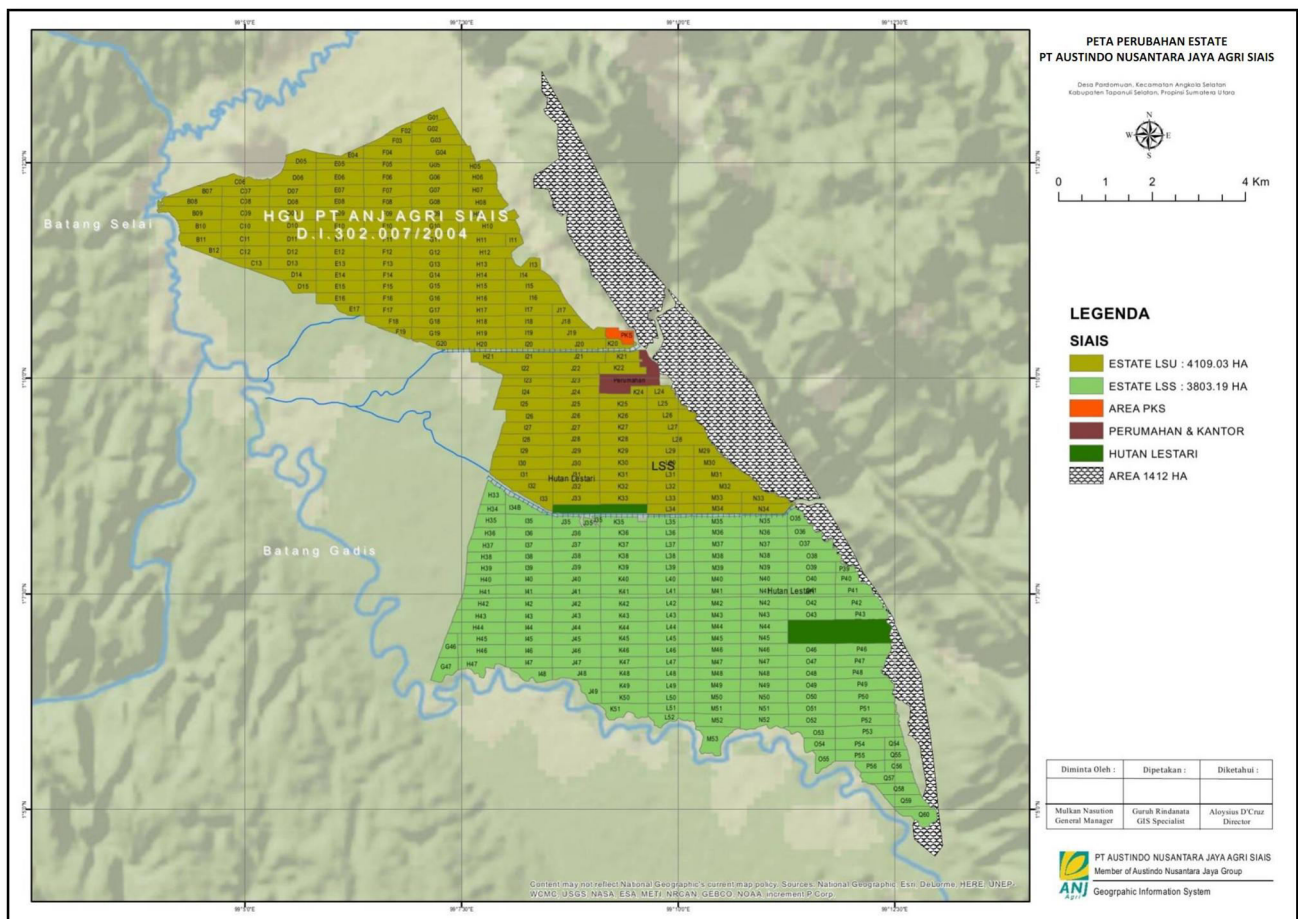


Figure 2. Operational Map of PT ANJA SiaIs



Abbreviations Used

ANDAL	:	Environmental Impact Assessment
ANJA	:	PT Austindo Nusantara Jaya Agri
ASA	:	Annual Surveillance Assessment
BOD	:	Biological Oxygen Demand
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
CH	:	Certificate Holder
CPT	:	<i>Circle, path dan TPH</i> / Circle, path and FFB collecting place
CSR	:	Corporate Social Responsibility
CPO	:	Crude Palm Oil
EFB	:	Empty Fruit Bunch
EHS	:	Environmental Health and Safety
FFB	:	Fresh Fruit Bunches
GHG	:	Green House Gases
GM	:	General Manager
GMO	:	General Manager Office
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha (Land Use Permit)</i>
HIRA	:	Hazard Identification Risk Assessment
HIRAC	:	Hazard Identification Risk Assessment Control
HIRADC	:	Hazard Identification Risk Assessment Determining Control
HRO	:	Human Resources Officer
IPM	:	Integrated Pest Management
IUCN	:	International Union for Conservation of Nature
KER	:	Kernel Extraction Rate
LSS	:	Lembah Subur Selatan
LSU	:	Lembah Subur Utara
LUCA	:	Land Use Change Analysis
MSDS	:	Material Safety Data Sheets
NGO	:	Non-Government Organizations
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
RaCP	:	Remediation and Compensation Plan
RKL	:	<i>Rencana kelola lingkungan</i> (Environment Management Plan)
RPL	:	<i>Rencana pemantauan lingkungan</i> (Environment Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened and Endangered
SIA	:	Social Impact Assessment
SCCS	:	Supply Chain Certification System
SOP	:	Standard Operating Procedure
UKL-UPL	:	<i>Upaya Pengelolaan Lingkungan dan Upaya Pemantauan Lingkungan</i> (Environment management and Monitoring Plan)
WI	:	Work Instruction
WTP	:	Water Treatment Plant
WWTP	:	Wastewater Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 30th September 2016. RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill). RSPO Certification System for Principles and Criteria, 14 June 2017. 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Austindo Nusantara Jaya Agri Siais	
1.2.2	Contact person	Antoperis Tarigan	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> RSPO registered company: Sinar Mas Land Plaza 7th Floor Jl. Pangeran Diponegoro, No. 18 Medan, Sumatera Utara, Indonesia, 20152 Liaison Office: Atrium Mulia, 3A Floor, Suite 3A-02 Jl. H.R. Rasuna Said, Kav. B10-11, Jakarta 12910, Indonesia 	
1.2.4	Telephone	(62 61) 453 7480	
1.2.5	Fax	(62 61) 453 8366	
1.2.6	E-mail	antoperis.tarigan@anj-group.com	
1.2.7	Web page address	www.anj-group.com	
1.2.8	Management Representative who completed the application for certification	Taupan Sibarani (General Manager)	
1.2.9	Registered as RSPO member	1-0032-07-000-00 on 27 February 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: ANJA Siais POM, Lembah Subur Utara Estate and Lembah Subur Selatan 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
	ANJA Siais POM	Village of Pardomuan, Sub District of Angkola Selatan, District of Tapanuli Selatan, Province of Sumatera Utara, Indonesia	N 01° 10' 29.29" E 99° 09' 22.85"

1.4.2	Location of Certification Scope of Supply Base						
	Name of Supply Base	Location	Coordinate				
			Latitude		Longitude		
	Lembah Subur Utara Estate	Village of Pardomuan, Sub District of Angkola Selatan, District of Tapanuli Selatan, Province of Sumatera Utara, Indonesia	N 01° 11' 44.68"		E 99° 06' 52.45"		
	Lembah Subur Selatan Estate	Village of Pardomuan, Sub District of Angkola Selatan, District of Tapanuli Selatan, Province of Sumatera Utara, Indonesia	N 01° 07' 21.50"		E 99° 06' 40.72"		
1.5	Description of Area Statement						
1.5.1	Tenure						
	• State		9,412.42 Ha*				
	• Community		- Ha				
	* HGU owned by CH is 9,171.82 Ha and there is 240.60 Ha HGU in Process						
1.5.2	Area Statement						
	• Total area		9,412.42 Ha				
	• Mature area		7,911.62 Ha				
	• Emplasmment, Oil Mill , etc		88.38 Ha				
	• HCV		1,171.82 Ha				
	• Others		240.60 Ha				
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Lembah Subur Utara Estate	Lembah Subur Selatan Estate	Total			
	2005	525.16	-	525.16			
	2006	3,292.85	-	3,292.85			
	2007	290.42	1,074.54	1,364.96			
	2008	-	1,574.82	1,574.82			
	2009	-	1,153.83	1,153.83			
	TOTAL	4,108.43	3,803.19	7,911.62			
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		1 st Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	ANJA Siais	60	281,601	61,139	21.71	13,601	4.83

	* Source of production data July 2017 to June 2018.						
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)	%
	Lembah Subur Utara	4,196.81	4,108.43	99,246.25	24.16	99,246	100
	Lembah Subur Selatan	5,215.61	3,803.19	94,679.80	24.89	94,679	100
	TOTAL	9,412.42	7,911.62	193,925.05	25.51	193,925	100
	* Source of production data July 2017 to June 2018						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	UD Boru Namora (Non Certified)	Independent smallholders	-	-	29,820.40		
	CSR – Janji Matogu (Non Certified)	Independent smallholders	-	-	30,019.37		
	Transit Tank Pargarutan (Non Certified)	Independent smallholders	-	-	16,661.48		
	UD RIRI (Non Certified)	Independent smallholders	-	-	11,174.45		
	TOTAL					87,675.70	
	* Source of production data July 2017 to June 2018						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product		Actual certified product July 2017 to June 2018 (tonnes/year)				
	• FFB Production		193,925.05				
	• CPO Production		42,442.07				
	• Palm Kernel (PK) Production		9,434.03				
1.8.2	Product selling						
	Tonnage of selling product		Period of actual selling product for period July 2017 to June 2018				
	• CSPO sold as RSPO certified product		-				
	• CSPK sold as RSPO certified product		5,200 Ton				
	• CSPO sold under other scheme		-				
	• CSPK sold under other scheme		-				
	• CSPO sold as conventional		39,181.70 Ton				
	• CSPK sold as conventional*		3,575.58 Ton				
1.8.3	Estimate of Certified FFB Claim						

Name of Estate(s)		Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
Lembah Subur Utara		4,196.81	4,108.43	102,711	25.00		
Lembah Subur Selatan		5,215.61	3,803.19	98,883	26.00		
TOTAL		9,412.42	7,911.62	201,594	25.48		
*Estimated data Period of 25 September 2018 to 24 September 2019							
1.8.4	Estimate of Certified Palm Product Claim						
Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
			Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
ANJA Siais	60	201,594	44,351	22.00	10,080	5.00	MB
*Estimated data Period of 25 September 2018 to 24 September 2019							
1.9	Other Certifications						
	ISPO		ISPO certificate from Mutuagung Lestari No: MUTU-ISPO/037 valid 30 April 2015 to 29 April 2020				
	ISO 14001: 2004		12 November 2017 to 11 November 2020 (No. 08 04 K 14070)				
	OHSAS		-				
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
Management Unit	MILL	Time Bound Plan	Estate (Supply Base)	Time Bound Plan	Location	Status	
ANJA Siais (PT ANJA Siais)	2014	Lembah Subur Utara	2014	District of Tapanuli Selatan, Province of Sumatera Utara, Indonesia	Certified on 2014		
		Lembah Subur Tengah	2014				
		Lembah Subur Selatan	2014				
Jangkang (PT Sahabat Mewah Makmur)	2009	Jangkang	2009	District of Belitung Timur, Province of Bangka Belitung, Indonesia	Certified on 2011		
		Balok	2009				
		Ladang Jaya	2009				
		Sari Bunga	2009				
		Air Ruak	2009				
Binanga (PT ANJ Agri)	2012	Estate Wilayah Timur	2012	District of Padang Lawas Utara, Province Sumatera Utara, Indonesia	Certified on 2012		
		Estate Wilayah Tengah	2012				
		Estate Wilayah Barat	2012				
Kasai (PT Kayung Agro Lestari)	2018	Sungai Gemilang Teduh 1 (SGT-1)	2018	District of Ketapang Province Kalimantan Barat, Indonesia	RaCP on process		
		Sungai Gemilang Teduh 2 (SGT-2)	2018				
		Gunung Sejahtera Tumbuh 2 (GST-2)	2018				
		Gunung Sejahtera Tumbuh 3 (GST-3)	2018				
-	-	PT Galempa Sejahtera	2020	Distict of Empat Lawang,	NPP		

		Bersama		Province of Sumatera Selatan, Indonesia	
-	-	PT Putera Manunggal Perkasa	2020	District of Sorong Selatan, Province of Papua Barat, Indonesia	NPP
-	-	PT Permata Putera Mandiri	2020	District of Sorong Selatan, Province of Papua Barat, Indonesia	NPP
-	-	PT Austindo Nusantara Jaya	2022	District of Sorong Selatan, Province of Papua Barat, Indonesia	NPP

Data source: Progressive time bound plan certification activity of PT ANJ Agri

Revision of Time Bound Plan:

PT Kayung Agro Lestari:

RSPO certification on PT KAL has conducted on 2016, target RSPO certificate issued on 2017. However, there are nonconformity related to LUCA and couldn't closed. The RSPO certification re-audit was proposed on 2018.

PT Galempa Sejahtera Bersama:

RSPO Certification targeted in 2018, however due to constrained land title process that has not been completed and also the mill is not established. So the certification plan is postpone to year of 2020.

PT Permata Putera Mandiri & PT Putera Manunggal Perkasa

Effective on September 2015, PT PPM and PT PMP were joined with PT Austindo Nusantara Jaya Agri (ANJA). Both of company was include to ACOP report year of 2016. Land compensation is not completed due to land conflict between communities. And also the mill is not established, the target of certification postpone in to year of 2020.

PT Austindo Nusantara Jaya (ex PT PAM)

In 2017, PT Pusaka Agro Makmur (PT PAM) is not registered as subsidiaries of PT ANJA. However, in ACOP report 2017 were explained that certification target in 2022.

1.10.2 **Progress of Associated Smallholders and Outgrowers for Certifiable Standard**

Associate smallholders is still on process, there are Agreement number 0707/PLS/ANJAS/2018 dated 12 July 2018, between company with Binasari Cooperative (Pardomuan Village, Angkola Selatan District, South Tapanuli Regency, North Sumatera Province) for development of associate smallholders scheme with area 157.50 Ha (81 members) with a period of cooperation until 30 June 2036. The agreement has been signed by the both of parties, however it doesn't signed by government parties.

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-4	<p>1. Trismadi Nurbayuto (Lead Auditor). Indonesia citizen. Diploma on Forest Management and Bachelor of Economic and Management. Has experienced as Field Assistant on a private oil palm plantation in 2008 and as a HCV and SEIA Assessor in 2010 to 2013. Has follows several trainings such as HCV identification and management; ISO (9001;14001; 22000); ISPO Lead Auditor; Safety Expert; RSPO Lead Auditor; OHS Auditor by Government Regulation No. 50/2012; RSPO Next, OHSAS 18001, SA 8000 and Lead Auditor SCCS 2017. Experienced conducting audit on ISPO and RSPO scheme since of 2013 as Lead Auditor with concern on environment, safety, Legality, best management practices, social, worker welfare, conflict resolutions, long term business plan and supply chain aspects. In this report he has verify time bound plan, partial certification, transparencies, legality, safety and SCCS aspects.</p> <p>2. Mohamad Amarullah (Auditor). Indonesia citizen. Master of 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 attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19011, ISO 14001, HCV, SCCS, SA 8000 etc. Has conducted several RSPO, ISPO and MSPO audit scheme in Indonesia and Malaysia since 2014, with expertise on BMP, environment, conservation, safety, legal and supply chain aspects. Fluent in Bahasa, Malay and English. In this report he has verify longterm financial viability, best management practices and worker welfare aspects.</p> <p>3. Steve Mualim (Auditor). Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as an environmental management consultant in 2012 and sustainable palm oil auditor since 2013. Has attended several trainings i.e.: ISCC, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011 and ISO 9001:2008. Has experience conducting several RSPO, ISPO and MSPO scheme audit since 2013 for environment, social, conservation and best management practices aspects. Fluent in Bahasa, English and Mandarin. In this report he has verify social, environment, HCV and GHG aspects.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-4	<p>Number of auditors: 3 Auditors.</p> <p>Number of days for ASA-4 at site: 4 days.</p> <p>Number of working days for ASA-4 at site: 12 Working days.</p>
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 ANJA Siais to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30 September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. 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 (RC). Improvement of findings from ASA-3 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> <p>The assessment program please find Appendix 2</p>
2.2.3	Locations of Assessment
ASA-4	<p>Number of units in this certification activity is two estates, which supply the raw material (FFB) to ANJA Siais POM. In conducting the assessment, the team of auditors used the $0.8\sqrt{y} \cdot z$ formula to determine the management units</p>

sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are one palm oil mill (ANJA Siais POM) and two Estates, e.g. Lembah Subur Utara Estate and Lembah Subur Selatan Estate.

Lembah Subur Selatan Estate (24 July 2018)

- **Block M39 Divisi 6.** Observation and interview with Foreman, 1 **Harvesters** and 1 **Loosefruit Picker** (work under CV Abadi Jaya) on their understanding towards technical, manpower, safety, environment and conservation aspects; as well as observation on EFB-composting mulching implementation.
- **Block N40 Divisi 6.** Observation and interview with Foreman and 2 **Pesticide Applicators** on their understanding towards technical of application and PPE management, manpower, safety, environment and conservation aspects.
- **Block N38 Divisi 6.** Observation to **barn owl box** and rat incidence marks on the field.
- **Block L43 Divisi 6.** Observation on **subsidiency pole** and monitoring record.
- **Block L43 Divisi 9.** Observation to **Watergate**, water level setting and **road maintenance** (bridge installation).
- **Block O48 Divisi 9.** Observation to **Fire Monitoring Tower**.
- **Block N48 and Block O49 Divisi 9.** Observation to **Elaidobius kamerunicus box**.
- **Block P49 and Block M46 Divisi 9.** Observation to **piezometer** and water table measurement.
- **Water gate Block B5.** Observation for water management.
- **Boundary pole ANJ 54 Block H32 Divisi 7.** Observation for legal operational area marking.
- **Boundary pole ANJ 199 Block Q60 Divisi 5.** Observation for legal operational area marking.
- **Boundary pole ANJ 120 Block Q60 Divisi 5.** Observation for legal operational area marking.
- **Batang gadis riparian Block Q60 Divisi 5.** Observation for HCV management.
- **Sibarabara riparian Block H32 d Divisi 7.** Observation for HCV management.
- **Sentosa Baru housing Divisi 9/10.** Observation for workers facilities.
- **Daycare on housing Divisi 9.** Observation for workers facilities.
- **Generator set house on housing Divisi 9.** Observation for OHS and waste management.
- **Landfill Block P49 Divisi 9.** observation for domestic waste management.

General Manager Office (25 July 2018)

- **Meeting Room.** Interview with 4 **Fertilizer Applicators** from LSS and LSU on their understanding towards technical of application and PPE management, manpower, safety, environment and conservation aspects.

PT ANJA Siais Mill (25 July 2018)

- **Security Post.** Interview with 2 **Security Officers** (outsourced from PT Nawakara Perkasa Nusantara) on their understanding towards working procedure especially on verify recording of FFB, CPO and PK trucks, manpower (wages and overtime payment system), safety, environment aspects and worker rights.
- **Weighbridge.** Observation on FFB receiving activity and interview with key personnel related to implementation of SCCS requirement.
- **Station Grading.** Observation and interview with 2 **FFB Graders** on their understanding towards technical, maintenance, manpower, safety and environment aspects
- **Station Loading Ramp.** Observation and interview with 1 Operator on his understanding towards technical, maintenance, manpower, safety and environment aspects
- **Station Sterilizer.** Observation and interview with 1 Operator on his understanding towards technical, maintenance, manpower, safety and environment aspects.
- **Station Thresher.** Observation and interview with 1 Operator on his understanding towards technical, maintenance, manpower, safety and environment aspects.
- **Station Boiler.** Observation and interview with 2 Operators on his understanding towards technical, maintenance, manpower, safety and environment aspects.
- **Station Engine Room.** Observation and interview with 1 Operator on his understanding towards technical, maintenance, manpower, safety and environment aspects.
- **Station Kernel.** Observation and interview with 1 Operator on his understanding towards technical, maintenance, manpower, safety and environment aspects.
- **Hydrant simulation.** To observe readiness of emergency facility in ANJA Siais Mill.
- **Laboratory.** Observation and interview with 1 Laborant on his understanding towards technical, chemicals and hazardous materials management, manpower, safety and environment aspects.

- **Waste Water treatment/Effluent Plant.** Observation for waste management.
- **Composting plant.** Observation for waste cycling.
- **Hazardous waste storage.** Observation for hazardous waste management.
- **Workshop mill.** Observation for OHS and worker welfare.
- **Central workshop technic.** Observation for OHS, workers welfare, and hazardous material management.
- **Water treatment plant.** Observation for water usage monitoring.
- **Chemical store.** Observation for hazardous material management.
- **Lubricants store.** Observation for hazardous material management.
- **Logistic store.** Observation for PPE stock.

Lembah Subur Utara Estate (26 July 2018)

- **Block I28 Divisi 5.** Observation and interview with Foreman, 1 **Harvesters** and 1 **Loosefruit Picker** (work under CV Abadi Jaya) on their understanding towards technical, manpower, safety, environment and conservation aspects.
- **Block L30 Divisi 5.** Observation to **barn owl box** and rat incidence marks on the field.
- **Block L31 Divisi 5.** Observation to **piezometer** and water table measurement.
- **Block K31 Divisi 5.** Observation on **EFB-composting mulching** and **subsidiary pole** and monitoring record.
- **Block G10 Divisi 2.** Observation and interview with Foreman and 6 **Pesticide Applicators** on their understanding towards technical of application and PPE management, manpower, safety, environment and conservation aspects.
- **Block J21 Division 4, Riparian Area Paraupan River.** Observation of riparian management and conservation.
- **HGU Pole No. ANJ 149 Block H9.** Observation of legal boundaries near of Binasari Plasma.
- **HGU Pole No. ANJ 040 Block G21.** Observation of legal boundaries near of Paraupan River.
- **Paraupan riparian Block J20.** Observation for HCV management .
- **Watergate Block J22.** Observation for water management .
- **Housing Divisi 1.** Observation for workers facilities.
- **Mosque Divisi 1.** Observation for workers facilities.
- **Engine room Divisi 1.** Observation for OHS and waste management.
- **Diesel fuel tank (central store).** Observation for OHS and hazardous material management.
- **Central chemical (central store).** Observation for hazardous material management and material handling .
- **Central fertilizer (central store).** Observation for hazardous material management and material handling.
- **Central logistic (central store).** Observation for material handling and management .
- **Fertilizer sack wash area.** Observation for fertilizer sack management.
- **Workshop.** Observation for safety aspect and environment management.
- **Pesticides devices applicator wash and rinse house area.** Observation for pesticides waste management
- **Work equipment & PPE storage for pesticide operators.** Observation for safety aspect and waste management.
- **Fire fighter store (central store).** Observation for fire fighting facilities.
- **Fire monitoring tower Divisi 5.** Observation for fire fighting facilities.
- **Compost application Block K31 d Divisi 5.** Observation for EFB nutrient cycling.
- **Polyclinic.** Observation for medical waste and work accident cases.

Surrounding Villages (24 July 2018)

- **Janji Matogu Sub Village.** Interview of social aspect, legal boundaries issue and cooperation of FFB purchased.
- **Binasari Sub Village.** Interviews related to the company's operational impact.
- **Labalasiak Sub Village.** Interviews related to the company's operational impact.

Government Institution on Tapanuli Selatan Regency (10 April 2018)

- **Plantation and Farms Agency.** Interview of business plantation permit, land conflict and forest fire issues.
- **Manpower, Transmigration and Social Agency.** Interview of basic wage, social insurance, and OHS aspect.
- **Environmental Agency.** Interview of environment aspect and environment pollution issues.
- **National Land Board.** Interview of land conflict issues and land title issues.

2.3.1	Summary of stakeholder consultation process.
ASA-4	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT ANJA Sia's was held by:</p> <ul style="list-style-type: none"> • Public Notification at web www.mutucertification.com on 6 July 2018. • Public consultation via email to NGO, e.g. WWF, Walhi and Sawit Watch on 20 July 2018. • Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples on 24 July 2018. • Public consultation with Agencies of Tapanuli Selatan District, e.g. Agriculture and Plantation Agency, Manpower and Transmigration Agency, Environment Agency and National Land Agency on 10-11 April 2018. • Consultation meeting and interview with Internal Stakeholder (labour union, gender committee, cooperative and contractor local) on 10 April 2018 and 24 July 2018. <p>Numbers of input from stakeholders were clarified by PT ANJA Sia's.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (RC) will be determined eight month until one year after this ASA-4 (May to August 2019).

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of ANJA Siais POM – PT Austindo Nusantara Jaya Agri operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were two (2) nonconformances against supply chain requirement for CPO mill and 10 (ten) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (document record & photographic). Those corrective actions taken that consist of 2 (two) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that ANJA Siais POM – PT Austindo Nusantara Jaya Agri complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 30th September 2016.

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 and 1.1.2	<p>List of stakeholder was updated every six months and the latest has updated on March 1st 2018. The list informed that the company (PT Austindo Nusantara Jaya Agri Siais or PT ANJA Siais) has 169 stakeholders which includes internal and external stakeholders, such as PIC from Police Department, National Army, Government Agencies, Education Institutions, Non Government Organizations (NGO), Smallholder Groups, Community and Customary Socialite, Press, Cooperatives, Internal Employee Organizations, Contractors, Youth Organizations, Community Organizations, Student Organizations, Labor Union, FFB Suppliers, Banking Institutions and Parliament. Certificate holder (CH) management mentioned that all information were transparent but are not necessarily limited to be delivered through verbal or non-verbal (written) to internal or external stakeholders such as Governemnt Agencies, NGO, Press and Surrounding Communities.</p> <p>Procedure of communication and information delivery to stakeholders is presented in document No. SOP-Leg-02 (Rev. 01) dated September 1st 2015. Since April 1st 2013, information requested were recorded in Form No. FRM-SOP Leg 02-02 (Rev. 01/01). Furthermore, procedure of document handling and management on this matters is presented in document No. SOP-SCD-01 (Rev. 01/03) dated November 10th 2014. Record of information request was checked and updated by Relation Manager every month. Every information requested will be delivered to the General Manager and External Relation Manager at least maximum for three days. Meanwhile, Responses on request will be delivered maximum for three months. For example, letter No. 075/SMK-MK/2017 dated August 28th 2017 about opportunity for student working practices has responded by the company through on September 7th 2017.</p> <p>The external relation officer is responsible for communicating to external parties related to such rejection and / or acceptance both orally and in writing, and updating the status in the log book of communication and providing external information. Based on the SOP communication, information requests are recorded in the communication logbook. Based on the observation of the document log book of communication and the provision of information, all incoming letters have been responded well in accordance with established procedures.</p>	

Among informations delivered to the Agencies in Tapanuli Selatan Regency for period 2018 are: Environmental monitoring and management 1st Quarter 2018 report (RKL/PL) for mill and estates to Tapanuli Selatan Environmental Agency on May 16th 2018, Environmental monitoring and management report 2nd Semester 2017 report (UKL/UPL) for composting plant to Tapanuli Selatan Environmental Agency on February 5th 2018, 1st Quarter 2018 waste water management report to Tapanuli Selatan Environmental Agency on April 12th 2018, 1st Quarter 2018 hazardous and toxic waste management report to Tapanuli Selatan Environmental Agency on April 25th 2018, RTE and HCV management report on June 30th 2016 to "Badan Konservasi Sumberdaya Alam" North Sumatra Province, and "Laporan Bagi Hasil Kemitraaan" with Binasari Cooperative for examples June 2018 periods on July 11 2018, Safety Committee (or P2K3) report to Manpower Agency on February 14th 2018, plantation development report (LPUP) semester II to Plantation Agency on April, and land title usage report to National Land Agency on April 2018. Furthermore, based on interview with Agriculture Agency, Manpower and Transmigration Agency, Environment Agency and National land Agency of Tapanuli Selatan Regency, as well as smallholders (representative) from Pardomuan Village, it could be concluded that the company has considered cooperative in providing information requested.

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

Certificate Holder has determined the publicly-accessed documents on the SOP of communication and information provision (Document No. SOP-Leg-02, Revision 4 dated April 1st September 2015). The SOP described in detail the type of information that can be shared to external. The mean of information provision to the external party included the company document that can be publicly access by external with management approval. For example:

External Information

Any information relating to the company without exception but not limited to oral and / or written information provided to other third parties outside the company (government, NGOs, mass media and the public). For example: Documents related to Social Activities, Employment, Environment and Occupational Health and Safety.

The results of interviews with representatives of the sub villages of Binasari and Labalasiak are known the mechanism of communication. Communication is usually done through a company representative. Communities can access information by first submitting applications and approved by the company.

Status: Comply

1.3

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

1.3.1

Certificate Holder has a written policy that contains a commitment to the code of integrity and ethical conduct contained in the Business Conduct Code of Ethics dated January 1, 2014. In the document there is a statement to comply with all applicable laws and regulations in the territory of the Indonesian republic and company's operating territory.

The code of ethics is made in Bahasa which is understood by all parties working in the company and has been socialized. Interviews with workers and contractors, such as harvesters, warehouse workers, sprayers are known that the company has socialized the company code of ethics through morning briefing. Workers also know the values / ethical behavior of the company.

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 and 2.1.2

Certificate Holder has update and applicable laws and regulations list in period 2018 full with copied document. That documents available in estate and mill offices. Procedure to make sure implemented regulations is contained in Rule

Compliance Evaluation Procedures (SOP Leg-01, Edition 01, Rev 03) 30 March 2015. Based on the Fulfillment Regulation Evaluation Procedure, it is known that the person that responsible for managing the legal requirements documents is the Legal Department which evaluates the list of regulations once a year and Informed to External Relation Officer in each unit. For example, several evidence of laws/regulation fulfilment towards RSPO Best management practices aspects are has planting materials DxP recognized by Government of Indonesia, e.g. DxP Lonsum and DxP Socfin, has conducting zero burning technique for land clearing activities, has used pesticides listed in Book of Pesticide Commision 2016 and paraquat applicators has certified by Pesticide Commission in September 17th 2015, which valid for five years.

Company shown compliance with applicable local/national regulations for examples for environmental aspects such as effluent management and discharging activities based on Tapanuli Selatan Regent permit, environmental monitoring and management based on environmental impact assessment 2003, and hazarodus and toxic waste management based on Tapanuli Selatan Regent permit. Progress for Surface water utilization permit by related agency (OFI).

2.1.3 and 2.1.4

Certificate Holder has mechanisms that ensure compliance with the law in the SOP Rule Compliance Evaluation Procedures (SOP Leg-01, Edition 01, Rev 03) 30 March 2015. Mechanism to ensure compliance with the law conducted every year and documented in the form of Evaluation of Regulatory Compliance Report 2018. The evaluation of 2018 regulatory compliance was conducted on March 22, 2017 with no. Document FRM-SOP leg 01-02 edition 01, revision 03. Based on the SOP, regulatory identification using several methods such as direct request to regulatory agencies, identification through official website, through seminars/socialization/workshops which conducted by regulatory agencies, seeking information from accredited institutions related to update regulations, etc.

2.1.1 Major Status: OFI No. 1

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 owned land rights in the form of HGU (Land Use Right) for an area of 8,000 ha (HGU No. 123/HGU/BPN/2004 dated 28 October 2004). In previous assessment it was known that the company is applying HGU for an area of 1,639.06 ha which is planned as a conservation area. The area is based on the measurement of Cadastral Land Agency of North Sumatra Province which is shown in the land map No. 047-02-10-2008 dated 23 June 2008. However, the extent of the area was revised back to 1,412.42 ha with the issuance of land map. No. 003-02-10-2014 dated 21 February 2014. This is because there were public claims of 84.22 ha (enclave), the establishment of forest area by the government of 35.42 ha (SK No. 201/Menhut-II/2006) and new license delays from the government 120.19 ha (Inpres No. 06 of 2016).

Currently CH has obtained HGU area of 1,171.82 Ha (HGU No. 52/HGU/Kem-ATR/BPN/2016 dated 2 September 2016). For the remaining area of 240.60 ha (intended for communities plantation). Currently the certificate holders was managed total area 9,412.42 Ha.

2.2.2

CH has a legal boundary map with a scale of 1: 25,000. Based on the map, it is found that there are 148 legal stake routinely monitored every 6 months. From the results of monitoring stake of second semester of 2017 and first semester of 2018 known all the stake in the condition maintained. The CH also has re-measurement of HGU No. 123 (area: 8,000 Ha) dated 27 October 2017 by National Land Agency, based on re-measurement result sighted there are 141 boundary stones. Therefore, according to Area Maps No. 40/2017 dated 27 October 2017 issued by National Land Agency, Page 1 (HGU area 8,000 Ha) and page 2 (outside of HGU with reserve area amount 10.2050 Ha (Plasma) and 41.9940 Ha (HCV). Based on field observation to several boundary stones numbers ANJ 140, ANJ 040 and ANJ 153. All boundary stones are well maintains.

The company was shown several evidence, such as:

1. Letter No. 050/LP/Siais/EM/VIII/2017 dated 21 August 2017 to National Land Agency, the company was proposed to re-measurement HGU area 8,000 ha.
2. National Land Agency were responds by letter No. 270/S-300.3/ix/2017 dated 25 September 2017, about: re-measurement cost.
3. The company has paid re-measurement cost dated 26 September 2017.
4. Minute of Meeting re-measurement activity for HGU area \pm 8,000 ha, there are 141 boundary stones. It was known

that boundary No. 064 was outside of HGU.

5. Plot Map (*Bidang Tanah*) No. 40/2017 dated 27 October 2017, page-1 with NIB. 02.10.00.00.00161 area 8,000 ha.
6. Plot Map (*Bidang Tanah*) No. 40/2017 dated 27 October 2017, page-2 there are reserve area (plasma) with area 10.2050 Ha with NIB. 02.10.00.00.00163 area 3.9652 Ha; NIB 02.10.00.00.00164 (5.1817 ha); NIB 02.10.00.00.00165 (1.0581 Ha). And also HCV area 41.9940 Ha with NIB 02.10.00.00.00166. On this map, there is information that this map only describes the boundaries of the plot, in accordance to applicant proposed. Whereas the control or ownership of the land is will investigated and examined further by Committee B Meeting. It it's identified that there is control and possession of other party by Committee B meeting. Then it will be removed from the land maps.

Based on above explanation, this nonconformity was closed with observation. Reserve area and HCV area land title progress will be verified on Re-Certification assessment.

2.2.3; 2.2.4; 2.2.5 and 2.2.6

Based on the results of interviews with the surrounding community, Sub village Binasari, Labalasiak and Janji Matogu there were no significant land disputes or land conflicts. CH is also committed not to use mercenaries and paramilitaries in the process of securing corporate activities.

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 and 2.3.4

Since the previous surveillance up to ASA 4, The Company did not undertake land acquisition / new land clearing. The results of public consultations with the surrounding communities of Sub village Binasari, Labalasiak and Janji Matogu are known that there is no communal or customary land in the operational area of PT ANJ Agri Sia's. The Company's territory is a state land and belongs to individuals who have been reimbursed and mutually agreed.

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 company has long term management plan which presented in document of 5-Year Financial Projection 2017-2021, Statement of Operation Projection. The plan has describes production, yield, extraction rate, product quality, product price, income, operational cost, maintenance, etc. For example, projection of 2019 for FFB production, OER and CPO price were 217,500 ton, 23.30 % and USD 675/ton CPO, respectively.

CH management unit stated that longterm business plan are subjected to be changed and reviewed every month by the respective management through monthly management report meeting. Record on last meeting from January to June 2018 in both estates were available. The units also mentioned that there is no plan of land expansion and increament of mill processing capacity in the near future. There is smallholders' scheme in PT ANJA Sia's operational areas. This scheme has starts since 2005 for area covers 145 ha. However, there is no plan for further expansion of smallholder areas.

3.1.2

Procedure No. SOP-AGR-28 daetd August 1st 2013 about replanting mentioned that replanting shall be conducted with consideration of productivity per hectare area of the blok, one cycle of cultivation (25 years) and due to tall palm. According to basic info, it was known that palms in PT ANJA Sia's were planted in between 2005 to 2009. Hence based on one cycle of cultivation, replanting is expected to be carried out as earliest on 2030. Thus, replanting will not be planned and conducted in the near future and not included on the current longterm management plan.

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

Estate and mill management informed that there were no additional and revision of the existing technical procedure and work instruction. Estate management shows list of procedures which presented in document No. SOP-AGR-01 to No. SOP-AGR-28 which issued by the CEO through letter No. 07/AGR/IM/IA/08/13 dated August 1st 2013. Up to audit ASA-4, latest revision (4th revision) has carried out in April 1st 2016. Furthermore, there is several Work Instruction (WI) which describes the SOP more detail. For example, WI No. IK-SOP OPR 004–001 dated June 1st 2013 has describes water level monitoring and measurement on peat area, as well as peat subsidency. Moreover, mill management shows 24 related SOP's of oil palm processing which presented in document No. ST.0/Eng-STR to ST.24/Eng-LAB. All SOP and WI above were available in Bahasa. Master list of procedure for estate and mill were keeps by Head of Research and Development and Head of Engineering, respectively. Document control of SOP was conducted by General Manager of Administration and SOP Management Compliance. Based on SOP document review, it could be concluded that all SOP's and WI's were still relevant with current situation and covers all aspect of best management practices in the estates and mill. Moreover, procedure of safe working practices towards pesticide application is presented several documents, such as Manual of OSH No. MAN-EHS-001 issued by EHS Manager on August 10th 2015, SOP No. FRM-SOP-SDV 01.001 dated August 10th 2015 about environment health and safety, which consist of 31 sub procedures, presented in document No. No. SOP-EHS-001 to No. SOP-EHS-031, material safety data sheet of agrochemicals and hazard identification risk assessment determining control (HIRADC).

Based on field observation and interview with Harvesters in Block M39 Divisi 6 LSS and Block I28 Divisi 5 LSU; with pesticide Applicators in Block N40 Divisi 6 LSS and Block G10 Divisi 2 LSU; and fertilizer Applicators from LSS and LSU in the Office, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as standard of ripeness, PPE to be used, considering wind flows during spraying process, pesticides and weeds target, prohibited areas to be sprayed (for example conservation area and riparian zone). Furthermore, based on field observation and interview with Operators in FFB Sortation Station, Loading Ramp Station, Sterilizer Station, Thresher Station, Engine Room, Boiler Station and Laboratory in ANJA Siais Mill, it could be concluded that all technical processing activities as well as safety aspect, has implemented in accordance with the procedures.

4.1.2

Update and distribution of SOP and WI to all units is carried out by General Manager of Administration and SOP Management Compliance. For monitoring of procedure implementation consistency, some mechanism had been carried out by unit management and presented in several document such as: estate head monthly report, RSPO internal audit, quality assurance and recommendation assessment report, and agronomy report.

4.1.3

Estates and mill management operational activities has recorded, monitored, evaluate regularly and reported in several documents, such as daily work plan, Foreman notes, monthly estate and mill manager and internal audit. For example, Mill Manager report on January 2018 informed that problem on OER under budget for about 0.81 % in December 2017 was identified due to underripe FFB has increased for about 0.15 %. Furthermore, FFA was passed 0.69 % from the budget. To overcome this situation, Mill Manager has instruct to control FFB quality for processing through FFB grading, avoid overnight fruit process and make coordination with estate manager on FFB harvested quality. Meanwhile, LSS Estate Manager report informed that FFB production was 23 % under budget was identified due to low planting density and high rainfall during 2017. To overcome this situation, Estate Manager has to arrange harvesting rotation in line with the schedule to avoid losses.

4.1.4

ANJ Agri Siais POM receive FFB from own estate and third party that have been documented well. Sources of FFB from third parties are: CSR Janji Matogu, UD Riri, UD Boru Namora and Transit Tank. Procedures related to the FFB supplier are regulated in the SOP of FFB supplier's requirements (ANJA-F & A-SOP 31 on 2016) and are conducted on the basis of cooperation agreement with suppliers.

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 related to soil fertility management is presented in several procedure such as No. SOP-AGR-08 about planting of cover crop (legumes), No. SOP-AGR-11 about fertilizer and manuring, No. SOP-AGR-12 about manuring in immature area and cover crop, No. SOP-AGR-23 about leaf sampling unit, No. SOP-AGR-26 about soil analysis, No. IK-SOP-AGR-011-01 about compost fertilizer and No. IK-SOP-AGR-011-007 about compost application. Based on field observation, it was found several strategy had implemented which aims to enhance soil fertility such as manuring of chemical fertilizer and by product EFB-compost application, as seen in Block M39 Divisi 6 LSS and Block K31 Divisi 5 LSU, pruned fronds stacking on the inter-rows which aims for additional nutrient K supply, planting of legume cover crop (*Mucuna bracteata*) which aims for additional nutrient N supply, and selective weeding which aims for water and soil conservation. Furthermore, based on interview with fertilizer applicators from LSU and LSS in the Main Office, it could be concluded that the applicators were able to explained and demonstrate several technical implementation such as time of application, macro and micro nutrient fertilizer placement and prohibited areas to be manured (i.e. HCV areas).

4.2.2

Estate management was able to shows fertilizer application records. For example, record of fertilizer application in LSU and LSS Estate for period 2017 and 1st Semester in 2018 were in accordance with recommendation and schedule given by the Agronomist. According to the record, it was informed that up to July 2018, fertilizer application was fully completed. The rest of fertilizer application such as Kieserite and ZA will be applied on the 2nd semester, starting from August to September 2018. Unit management mentioned that training to fertilizer Applicators was given by Assistant and Foreman through muster morning. Object of training are fertilizer placement and dosage, time of application, PPE used and areas which prohibited to be manured such as riparian zone and conservation areas.

4.2.3

Procedure of Leaf and Soil sampling for manuring recommendation are presented in document No. SOP-AGR-23 and No. SOP-AGR-26, respectively. The procedure mentioned that leaf and soil analysis shall be conducted annually and every five years, respectively. Leaf and Soil analysis was conducted by third party Laboratory namely Centre De Cooperation Internationale En Recherche Agronomique Pour Le Developpement (CIRAD) in France, while soil analysis was conducted by PT Nusa Pusaka Kencana Analytical and QC Laboratory from Asian Agri Group. Latest leaf and analysis were presented in document No. CIRAD-PERSYST/UPR 34 dated March 2017 and No. 018/RD-EXT/S/MAR/14 dated April 30th, respectively. Apart from leaf and soil sampling analysis, nutrient status of palms has also accessed through visual assessment of palm vigour and field condition by Agronomy visit, presented in Agronomy Annual report. Agronomy visit report on December 2017 for LSU and LSS were available.

The latest soil analysis results was presented in document No. Ref. No. 018/RD-EXT/S/MAR/14 dated April 30th 2013. These results were used for manuring recommendation calculation for period 2014-2018 (five years), as mentioned in procedure No. SOP-AGR-26.

4.2.4

Since 2016, the company does not applied empty fruit bunch due to composting program. The company only applied compost which is produced from processing/mixing EFB and POME for a few time. Compost application in field refer to Work Instruction Compost Application that approved by Estate Director (No. IK-SOP AGR 11 – 07 dated March 1st 2016). Field observation on Block K31 Div V LSU estate shown company have implemented well nutrient recycling strategy by compost applications (biomass by product), company also performed frond stacking as a part for soil moisture maintenance and decreasing erosion. Application dossage for compost mulching \pm 150 kg/stand (simultaneously with *Mycoriza* agent). Records of compost mulching application on each estate are available and verified by auditors for examples : on during Jan-June 2018, total compost application on Div X LSU were 2629,79 mt and on Div V LSS total compost application were 2,236 mt.

Status: Comply

4.3
Practices minimize and control erosion and degradation of soils.
4.3.1

The company has marginal map with scale 1:50,000 which derived from semi detail soil survey report dated January 1st 2015. According to soil and slope map analysis, it could concluded that fragile soils in PT ANJA Siahs was area with slope more than 40 % which covers about 1,554.18 ha (or 16.12 % from total area). Meanwhile, marginal area in PT ANJA was due to presence of peat soil which covers about 5,665.22 ha (or about 58.77 % from total area), with depth less than 3 m.

4.3.2

Estate management has procedure No. SOP-AGR-09.01 (Rev.04) dated April 1st 2016 about oil palm planting which mentioned that area classified as rolling to hilly (slope 25-40 %) shall adopting terraces planting pattern while area with slope more than 40 % or hilly to steep slope condition, shall be left for planting. This has been conducted by estate management for soil and water conservation purposes, which as also mentioned in procedure No. SOP-AGR-05 (Rev. 3) dated April 1st 2016. According to slope map analysis, slope distribution in PT ANJA Sia's was dominantly flat to undulating which covers about 81.17 % from total area. Based on field observation to LSU and LSS estate, it could be concluded that all palms were planted on flat to undulating areas. There were no planting on hilly to steep areas, hence terraces planting pattern has does not exist. However, flat area in PT ANJA Sia's were prone to flood. Hence, field drain with pattern of 1:2 to 1:4 were installed to overcome this situation.

4.3.3

Program of road maintenance is presented in annual budget document of "Road Maintenance Program for Period 2018". Activities included are grading, compaction and patching. Those activities was conducted by Local Contractor namely PT Gashabat Sukses Mandiri. Progress has been updated every month. For example, according to the record on June 2018, it was informed that road grading for period January to June 2018 in Divisi 1 and Divisi 2 had been conducted for about 27,750 m and 19,000 m, respectively. Furthermore, based on field observation to Block L43 Divisi 9 LSS, it was found new bridge installation to replace the old. Overall, it could be concluded that road conditions in LSU and LSS were considered satisfactory and easily passable for fruits extraction.

4.3.4

Procedure of cultivation of oil palm in peat area is presented in several documents such as No. SOP-AGR-04 dated August 1st 2013 about planting and management on peat area, No. SOP-AGR-05 dated April 1st 2016 about soil and water conservation, No. IK-SOP-OPR 004-001 daetd June 1st 2013 about work instruction for water level and peat subsidency rate measurement, and No. IK-SOP-AGR-05-001 dated June 1st 2015 about work instruction for water management (watergate, overflow, stop bund, piezometer, subsidency pole and water level). All procedure requires that water level shall be maintain in between 60-80 cm. Both LSU and LSS has monitor water level and water table of the field which the record had reported every month. Water level in both estate were controlled through watergate and stopbund. Estate management explained that there were 3 units of watergate and 520 units of stopbund in LSU and 2 units of Watergate and 116 stopbunds in LSS.

Monthly records of water level and water table in both estate were available. Management of watergates and stopbunds (opened-closed) has conducted in order to maintain water level on 60 to 80 cm. Main objective of water management is minimizing peat subsidency rates. Records of subsidency rate in both estate from the first time of installation in 2013, up to June 2018 in LSU and LSS are summarized as follows:

- LSU Estate: Based on the records, it could be concluded that subsidency rate in LSU were ranged between 1.80 to 5.30 cm/year with overall average about 3.28 cm/year. These figures were still bellow limits as required by Regulation of Minister of Environment No. 7 year 2006 (35 cm/5 year or about 7 cm/year), and indicates that water management has satisfactory implemented in LSU operational areas.
- LSS Estate: Based on the records, it could be concluded that subsidency rate in LSS were ranged between 2.00 to 7.00 cm/year with overall average about 4.01 cm/year. These figures were still bellow limits as required by Regulation of Minister of Environment No. 7 year 2006, and indicates that water management has satisfactory implemented in LSS operational areas.

Based on field observation to the Watergate in Block L43 Divisi 9 LSS, it was known that estate has maintain water level at 65 cm. Furthermore, as observed to subsidence pole in Block L41 Divisi 6 LSS and Block L31 Divisi 5 LSU; also to piezometer in Block M46 Divisi 9 LSS and Block K31 Divisi 5 LSU, it could be concluded that all instrument were satisfactory installed. Record of each devices were available on site.

4.3.5

According to hectare statement 2018, it was known that palms in PT ANJA Sia's were planted in between 2005 to 2009. Hence based on one cycle of cultivation, replanting is expected to be carried out as earliest on 2030. Thus, replanting will not be planned and conducted in the near future. In general, subsidency rates in PT ANJA Sia's were about 3.65 cm/year, which indicate that both estate management has satisfactory implementing water management on peat areas. Furthermore, estate management mentioned that in order to overcome floods during wet seasons, installation of water

pump in Block E17 Divisi 3 LSU was adopted to minimized the negative effect of floods where comes from Batang Air Gadis and Aek Labu River. However, estate management is encourage to conduct drainability studies for longterm viability projection for oil palm replanting. **OFI with Observation.**

4.3.6

Procedure of estate management strategy/technique on fragile and marginal areas is presented in document No. SOP-OPR-006 (Rev. 00) dated June 1st 2009. Based on field observation, it could be concluded that several strategy which already implemented by estate management to overcome soil limitation associated with the presence of peat soil, hilly to steep slope area, lowlying (flood prones) and very low soil fertility areas is presented as follows:

- To conduct water management on peat areas through watergates and stopbunds monitoring and operations which aims to maintain water level and water table in between 60 to 80 cm. Hence, peat subsidency could be minimize as low as possible.
- To conduct installation of water pump in Block E17 Divisi 3 LSU which aims to minimize the negative effect of floods where comes from Batang Air Gadis and Aek Labu River during wet seasons.
- Slope above 40 % (very steep) is prohibited to be planted.
- Selective weeding which aims to enhance organic matter and retaining soil moisture.
- Soil texture and nutrient recovery through EFB-compost mulching in mineral areas. Dosage recommended were about 75 kg/palm/year.
- Manuring management through leaf and soil nutrient analysis, which recommended by Agronomist team towards nutrient balance calculation method, maximizing fertilizer use efficiency (to choose suitable fertilizers type, time of application and placement).
- To overcome low fertility soils, the estate has conducting fertilizier application based on leaf and soil nutrient analysis as mentioned in detail on Indicator 4.2.2 and 4.2.4.

4.3.5 minor	Status: OFI No. 2 with observation
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4.4

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

4.4.1

Water sources identification and management plan are listed on 2018 water management document that consists of peat soils water management, stop bund installation, water usage monitoring on mill, water gate installation and monitoring, and HCV areas management. Based on field visits on block water gate block B5 LSS found that companies managed peat land by maintaining water level at 46 cm. For water courses for examples on Sibarabara riparian block H32 LSS and Paraupan riparian block J20 LSU, shown companies have marked buffer zone, perform revegetation with woody plants, and HCV signboard placement. During field visit also found riparian condition were forested well and there is no chemical activity indications on those riparian.

4.4.2

Management for water courses, peat land, and riparian was done based on soil and water conservation procedure (No. SOP-OPR-005) and HCV and riparian procedure (SOP-SDD-02). PT ANJ Agri Siais have been identified water courses and wetland based on HCV Assessment and the implementation for those procedure has been explained at 4.4.1 indicators. Main watersheds on PT ANJ Agri Siais are Batang Gadis riverine, and other sub watersheds streaming on estate are Paraupan and Sibarabara river. All of main wastershed/sub watersheds has been mapped with 1:65,000 scale.

4.4.3

Mill effluent produced by ANJ Agri Siais mill processed at waste water treatment plant (WWTP) based on procedure SOP-EHS-008, untill it complying with standards before it distributed into water stream based on decree of environmental agency Tapanuli Selatan Regent No. 503/870/DPMPPTSP/2017 valid until 2020. Mill effluent has been monitored every months and monitoring period Jan-May 2018 sighted that all of effluent testing parameters is compliant to the standards quality, for example BOD on June 2018 98.5 mg/l (<100 mg/l). Mill Effluent management also was reported and submitted quarterly to environmental agency of Tapanuli Selatan Regency.

4.4.4

Standards of water usage for FFB process recorded on 2018, budget projected 2.007 m³/ton FFB processed. Water usage monitoring was done periodically and recorded, for example on June 2018 FFB processe was 23,053 ton, process water usage 40,052 m³ and water usage eficiency was 1.74 m³/ton FFB processed.

Status: Comply
4.5
Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.
4.5.1

Estate management units has committed to adopting integrated pest management (IPM) which presented in several document, e.g. procedure No. SOP-AGR-20 dated April 1st 2016 about IPM; No. SOP-AGR-21 dated August 1st 2013 about rat control by barn owl; No. SOP-AGR-24 dated August 1st 2013 about rat control through chemical baiting; No. SOP-AGR-27 dated August 1st 2013 about termites control; work instruction No. IK-SOP AGR-02 dated September 1st 2015 about Oryctes control, etc. In general, main objective of the procedure was to minimize the use of pesticides through implementing early warning system, detection, census, pesticide usage control and biological method for pest population control. Among object of pest mentioned in the procedure are leaf eating caterpillars, rat, termite, oryctes, ganoderma, etc. Realization of IPM program is presented as follows:

- Rats incidence census in LSU and LSS during 2018 were ranged from 3,00 to 5,00 %, which still bellow threshold limit (5 %). Furthermore, termites incidence census in LSU and LSS during 2018 were ranged from 0.82 to 1.00 palms attacked/ha. Hence, there is no recommendation of chemical for rats and termites population control.
- Estate management has implementing biological control, as observed on the field, i.e. adopting *Tyto alba* through barn owl box (BOB) installation for rat population control as seen on Block N38 Divisi 6 LSS and Block L30 Divisi 5 LSU. It was projected one BOB is able to covers 25-30 ha area. Estate management has also adopting beneficial plants such as *Turnera subulata*, *Cassia cobanensis*, *Cassia tora* and *Antigonon leptopus* for leaf eating caterpillar population control. As observed on the field, the plants were mostly planted on the edge of collection and main road.
- 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 micrantha*, the use of Gramoxone (Paraquat Dichloride) could be substitute with Trendy (Methyl Messulfuron) or Garlon (Triclophyr Butoksi Ester).

4.5.2

Estate management unit has conducting several trainings which aims to maintain workers knowledge and skills towards IPM, for example as follows:

- Training of limited pesticide of Paraquat for 5 applicators in LSS and 4 applicators in LSU by Pesticide Commission representative, conducted in September 17th 2015. Certificate hold on this training was valid for five years.
- Training of pesticide usage in March 13th 2017, attended by 113 workers of PT ANJA Siais.
- Weed control and management training on April 5th 2018 in Block J47 Divisi 8, attended by four pesticide applicators.
- Safety training on February 23rd 2018, attended by 71 workers of PT ANJA Siais.
- Training of pest and disease on March 13th 2018, attended by 6 workers.

Based on field observation and interview with Foreman and pesticide applicators in Block N40 Divisi 6 LSS and Block G10 Divisi 2 LSU, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example HCV areas), as well as PPE's to be used and its management.

Status: Comply
4.6
Pesticides are used in ways that do not endanger health or the environment
4.6.1

Procedure No. SOP-AGR-20 dated April 1st 2016 has mentioned that the use of agrochemical should be based on census analysis evaluation when the level of incidence is more than economic threshold. Furthermore, procedure of agrochemical uses and safety is presented in document No. SOP-AGR-19 dated August 1st 2013. 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 micrantha*, the use of Gramoxone (Paraquat Dichloride) could be substitute with Trendy (Methyl Messulfuron) or Garlon (Triclophyr Butoksi Ester).

According to observation to agrochemicals warehouse and record of pesticide application, it could be concluded that all pesticides used by LSU and LSS were listed in the Book of Pesticide Commission 2016 issued by Department of

Agriculture, Republic of Indonesia. However, according to pesticide application record, it could be concluded that pesticide used in LSU and LSS were only used for weeds control. There is no pesticide used for insects and mammals. Furthermore, based on observation and interview with pesticide applicators in Block N40 Divisi 6 LSS and Block G10 Divisi 2 LSU, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with yellow poles and/or yellow mark on the palm trunks) as well as PPE's to be used as well as its management. Pesticide applicators have also mentioned that pregnant and breastfeeding women are strictly prohibited to work related with agrochemicals.

4.6.2

Record of pesticide used is presented in document of pesticide uses record and monthly manager report. For example, records of Isoprophyl Amine Glyphosate (LD-50: > 5,000 mg/kg) uses recapitulation from January to June 2018 in LSS and LSU Estate were 0.32 and 0.52 liter/ha, respectively. Furthermore, uses of Paraquat Dichloride (LD-50: 612 mg/kg) on the same period in LSS and LSU Estate were 0.46 and 0.51 liter/ha, respectively.

Record of pesticide usage which presented in the report (period January to June 2018) were extracted from raw data, as for herbicide, it was included rotation of application. Annual rotation for palm circle and selective weeding (usually on the inter rows) sanitation were conducted three and two times, respectively.

4.6.3

Estate management unit has program to minimize the use of pesticides, as follows:

- Has only use pesticide when census analysis were above its economic threshold level.
- Apart from agrochemical application, adopting biological method for pest population control were also conducted, such as Adopting *Tyto alba* through barn owl box (BOB) installation for rat population control as seen on Block N38 Divisi 6 LSS and Block L30 Divisi 5 LSU; and adopting beneficial plants such as *Turnera subulata*, *Cassia cobanensis*, *Cassia tora* and *Antigonon leptopus* for leaf eating caterpillar population control. As observed on the field, the plants were mostly planted on the edge of collection and main road.
- 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 Gramoxone (Paraquat Dichloride) could be substitute with Trendy (Methyl Metsulfuron) or Garlon (Triclophyr Butoksi Ester).

4.6.4

Based on pesticide used records in 2017 and 2018, it could be concluded that there were pesticides classified as WHO Appendix 1B, i.e. active ingredient (a.i.) Coumatetralyl and Paraquat Dichloride 276 g/l. Regarding this matter estate management has conducting several strategy which aims to reduce the consumption of those pesticide, such as by usage of pesticide with active ingredient Methyl Metsulfuron, Ammonium Glufosinat and 2,4 – Dimethyl Amine as pesticide substitute, and adopting *Tyto alba* as biological control for rat population.

Estate management has reduce usage of paraquat from 25 % of total area applied in 2017 to become only 5 % of total area in 2018. According to pesticide record, it was informed that total usage of paraquat from January to June 2018 was 0.42 g a.i./ton FFB, while at the same period in 2017, total usage of paraquat was 2.13 g a.i./ton FFB. Furthermore for rats population control, it was known that there no usage of Coumatetralyl and Warfarin in 2017 and 2018.

4.6.5

Procedure of agrochemical waste, includes pesticide containers used and washed water used is presented in several documents such as No. SOP-EHS-011 (Rev. 01/01) dated November 30th 2009 about agrochemical waste and used pesticide containers management, No. SOP-EHS-008 (Rev. 02/00) dated August 10th 2015 about waste management plan, No. SOP-AGR-18 dated August 2013 about pesticide used handling and its management, No. SOP-EHS-009 (Rev. 02/01) dated August 10th 2016 about hazardous waste management, MSDS of all pesticides has also used as reference for chemical handling (all MSDS of pesticides were available on Pesticide Store in LSU and LSS Estate), and HIRAC.

In order to maintain workers skills towards pesticide handling and management, management unit has conducting cooperation with pesticide producer to provide training for pesticide applicators for example, training on paraquat applicators in LSU and LSS by Pesticide Commission on September 17th 2015, training of pesticide usage in March 13th 2017, training of weeds control and management on April 5th 2018, and training of safety on February 23rd 2018.

Based on observation and interview with pesticide applicators in Block N40 Divisi 6 LSS and Block G10 Divisi 2 LSU, it could be concluded that the workers were able to explained and demonstrate several safe working practices in accordance with procedure such as to use complete PPE (goggle, respirator, rubber glove, apron and boot), considering wind direction during spraying, nozzle setting, pesticide handling, mixing and management of used pesticide containers, first aid action, cholinesterase check up, etc. Furthermore, based on observation to Pesticide Store in Central Store Main Office, it was found that MSDS of pesticides product were available and there is no reuse of used pesticide containers for domestic purposes in employees housing areas.

4.6.6

Procedure of agrochemicals waste management is presented in several documents such as No. SOP-EHS-011 (Rev. 01/01) dated November 30th 2009 about agrochemical waste and used pesticide containers management, No. SOP-EHS-008 (Rev. 02/00) dated August 10th 2015 about waste management plan, No. SOP-AGR-18 dated August 2013 about pesticide used handling and its management, No. SOP-EHS-009 (Rev. 02/01) dated August 10th 2016 about hazardous waste management, and MSDS of all pesticides.

Pesticide were stored on the respective Estate. Based on field observation to LSU and LSS, it was known that all pesticide were managed in accordance with best management practices, such as placed separately through first in first out (FIFO) system, proper usage record, equipped with hazardous symbols, MSDS, PPE, fire extinguisher, limited access, etc.

Record of hazardous wastes including disposal pesticide containers were presented in Indicator 5.3.2. Based on observation to LSU and LSS estate, it could be concluded that hazardous wastes had stored in the permitted hazardous waste warehouse (storeroom). Balance of hazardous waste record and manifest were available during the audit. Hazardous waste were next to be sent to licensed collector. Furthermore, storeroom condition were equipped with MSDS, eyewash, shower, alarm, first aid kit, PPE, fire extinguisher and oil trap. However, based on observation to pesticide application in Block N40 Divisi 6 LSS and Block G10 Divisi 2 LSU, it was found that reused pesticide containers for pesticide application activities were only labelled/written by Hazardous Material without hazardous Symbol. Regarding this matter, estate management has an opportunity to ensure that all reuse pesticide containers has labelled by hazardous symbol as required by Regulation of Minister of Environment No. 03 year 2008 Article 2. **OFI with Observation.**

4.6.7 and 4.6.9

Procedure of pesticide application is presented in document work instruction No. IK-SOP AGR 17-001 dated May 1st 2015, pesticide MSDS and HIRAC. Procedure has covers scope of management, technical procedure, moving, storage, delivery and distribution, transportation to the field, safety, mixing, , emergency action, recording management control and disposal. In order to maintain workers skills towards pesticide handling and management, management unit has conducting cooperation with pesticide producer to provide training for pesticide applicators, such as training of paraquat applicators in on September 17th 2015, training of pesticide usage on March 13th 2017, training of weeds control and management training on April 5th 2018 and training of safety training on February 23rd 2018.

Based on field observation and interview with Foreman and pesticide Applicators in Block N40 Divisi 6 LSS and Block G10 Divisi 2 LSU, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with red paint on palm) as well as PPE's to be used and its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals. Used containers could not be reused for domestical purposes. Cholinesterase testing has conducted once a year. Furthermore, based on field observation to Pesticides Store in Main Office (logistic area), it was found that all MSDS were available and match with pesticide stocks, symbols of risk and hazardous level, instruction and PPE used were displayed properly. Furthermore there are Pre mixing area as pesticide mixing and PPE's place in both estates. Moreover, observation to housing complex shows that there was no use of discarded pesticide containers and other agrochemicals for domestic household purposes. When workers goes for lunch, pesticide applicator devices includes PPE weared were placed separately with eating and foods area. Clean water and soap were provided by estate management for hands washed up. This has expected to prevent food contamination from chemicals.

The company has smallholders' scheme which arranged by estate management. Hence, training has also given to smallholder employees.

4.6.8

Based on field observation and information from estate management, it was informed that there were no pesticide application by plane through the air. All pesticides has applied through spraying (knapsack and/or micronherbi).

4.6.10

Traning and socialization related agrochemicals waste management last conducted on January 2018. Field visit on Central chemical store and mixing store shown that agrochemicals containers are disposed based on MSDS i.e cleanly washed on pesticides optimalization storehouse and regularly submitted to PT Amindy Barokah (last shipment was conducted on June 2018). Meanwhile ex fertilizer sack were cleanly wash on fertilizzer sack washing areas and then reused again for loose fruit on estate. All evidence for ex agrochemical disposal for examples "*berita acara pengiriman bekas kemasan pestisida*" to related trasnporter are available and verified by auditor. Both estates, LSU and LSS estate were implemented proper ways for waste disposal based on procedure SOP-AGR-18. Observation results in Div 1 housing LSU and Sentosa Baru LSS housing, found there was no pesticide containers used for garbage cans, clean water containers or flower pots.

4.6.11

The certificate holder shows the latest list of pesticide operators, there are 42 pesticide applicators (36 women workers and 6 men workers). Periodically medical checkup was conducted every quarterly, while specific medical checkup has been conducted on 29 April 2018. Based on medical checkup sighted that all spraying workers were normal conditions. Based on interview with spraying workers in LSU (Block N60, Division 6) and LSS (Block G10, Division 2) sighted there are no indication of poisoning, itching and asphyxiate.

4.6.12

The certificate holder shows a policy on not employing pregnant and lactating women (up to 9 months old infants) on chemicals-related activities. This is stated in the Internal Memo of the General Manager dated September 6, 2012. The certificate holder conducts pregnancy and lactating checkups for female pesticide operators every month by the foremen in the field then examined by the company doctor to confirm this. During last year, there are two female workers who transfer to other activity without chemical exposure in LSS, Division VII, on January and April 2018. Based on the results of field observations to spray workers d LSU and LSS, it is known that workers have known the policy and implemented in the field.

4.6.6 Major	Status: OFI No. 3 with Observation
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4.7

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

4.7.1

The certificate holder establishes the Environmental, Occupational Safety and Health Policy established on January 9th 2018 by the General Manager, President Director and Chairman of the Bipartite Cooperation Institution. The Policy includes the implementation of all regulations and procedures pertaining to the Environment, Occupational Safety and Health, reducing the number of occupational accidents and zero accident and providing a safe workplace and means of personal protective equipment and training. Based on the results of field observations and interviews with workers, it is known that workers know and understand the policy such as the obligation of the use of Personal Protective Equipment. Guiding Committee of Occupational Safety & Health has prepared a work program in 2018 that includes safety training activities, fire extinguishers inspection, personal protective equipment inspection, firefighting training, periodically medical checkup, maintenance of safety and health checks, chemical storage inspection, hazardous waste material storage inspection, safety meeting and first aid training. The certificate holder through the EHS teams, corporate doctors and unit managers, has monitored the effectiveness of health and safety plans, for example related to medical checkup that have been done by Prodia Laboratories on April 2018 and also periodically medical checkup by company doctors quarterly. The certificate holders has also conducted specific medical checkup to several workers in Mill, Polyclinic, and workshop, based on medical checkup result sighted that all workers on good conditions.

4.7.2

The certificate holder has reviewed the risks that may threaten the safety and health of all work operations listed in Hazard Identification and Risk Assessment (HIRA) Estate, HIRA Polyclinic, HIRA GMO, HIRA Civil and mill documents dated 28 April 2018. Based on the results of field observations on mill and estates activities and the HIRA document review shown, it is known that risk assessment includes all organizational processes and activities, for example spraying activities by pesticide applicators there are potential leakage chemical material. Risk control by administrative related to pesticides

applications. The certificate holder has also implemented prevention measures referring to product labels, as seen during field observations in chemical warehouses and toxic mixing sites where MSDS is placed as a guide in chemical handling. Based on interviews with spraying workers at block G10, Division 2, LSU and block N60, Division 6, LSS sighted that the foreman in the field understands the procedures in case of work accidents as well as instructions in the MSDS each product has been applied to the employees.

4.7.3

The certificate holder has training records of safe work practices provided to workers, including:

- OHS training and PPE's usage socialization to all workers and contractors dated 22 March 2018.
- Work Accident socialization to mill and estates workers dated 10 March 2018.
- Three First Aiders on each estates and mill with validity period until 30 November 2019.
- There are 12 heavy equipment operators.
- There are two boiler operators.

The certificate holder also have record of PPE's issuance to all workers, for example:

- PPE's (helmet, gloves, harvesting tools cover) issuance on February 2018.
- PPE's (masker, safety goggles) issuance on October 2017.
- PPE's (safety shoes, helmet, earplug) issuance on May 2018.

Based on field observation processing area at the mill, sighted that operator was using PPE's in accordance to HIRADC, for example: power plant operator were using ear muff to prevent high noise exposure. And then based on interview with several workers in LSU and LSS, sighted that several worker didn't know about PPE's damage replacement procedure. Clarification with management, said that all PPE's damage will be replaced. In addition that, based on field observation to central store, known that there are new PPE's stock. The company to be consider to increase understanding of PPE's replacement procedures to all workers. **OFI**

4.7.4

The certificate holder already has a certified Occupational Safety and Health Expert pursuant to certificate KEP.4835/NAKER-BISWASK3/VII/2017 and also has a Guiding Committee of Occupational Safety & Health accordance with the decree of the Head of the Manpower Agency of North Sumatera Province, No. 57-7/WIL VII/DTK/SU/2018, dated 29 March 2018. Guiding Committee of Occupational Safety & Health also regularly meets once a month to consider the concerns of health, safety and welfare of workers, for example a meeting on July, 17 2018 which was attended by 27 officials Guiding Committee Of Occupational Safety & Health discuss the Safety Index in June 2018. Based on the results of interviews with pesticide applicators on LSU Estate, it is known that for representatives of Guiding Committee Of Occupational Safety & Health meetings.

4.7.5

The certificate holder has procedures relating to workplace accidents and emergencies, including Emergency Procedures, No. SOP-EHS-015 and Emergency Response Team Procedures, No. SOP-EHS-026. Based on interviews with workers both in the field and in housing, it is known that the company conducts training and simulation of land and housing fire handling, for example firefighting training, jobdesc of each team of Emergency Response Team and simulation of fire prevention, on February, 1 2018 With facilitators Occupational Safety and Health Expert and corporate doctors.

The certificate holder also has personnel who have attended the First Aid Training and certified in the field, such as certificate No.14.13-PK3-P3K / II / 2014 and No. 14.22-PK3-P3K / II / 2014. Based on field observations in estates Lembah Subur Utara and Lembah Subur Selatan, it is known that the company provides first aid equipment submitted to first foreman. Based on field observation in the factory, it is known that the company has provided first aid box at stations according to risk analysis at each station.

The certificate holder has a policy related to the recording and reporting of accidents listed in the Work Accident Reporting Procedure, No. SOP-EHS-020. There are work accidents that have been recorded, investigated and reported by the company to the relevant agencies, for example Employment Accident Reporting Letter Phase I to the Head of Regional Manpower Agency dated 13 February 2018. Based on field observation to the processing operation, sighted there are evacuation route when emergencies conditions. Therefore, based on field observation and interview with foreman on several activities in the estates sighted that each of foreman carrying a first aid kits. They also has trained first aider and they can explained about first aid using.

4.7.6

The certificate holder has the policy to involve his employees in the Labor Social Assurance program in accordance with the laws and regulations, as set forth in Company Regulations Chapter IX stating that the company includes all workers in the program of employment insurance, death insurance and old-age benefits. The company showed evidence of depositing Workers Social Security Agency for Health period of May 2018, it has been paid on 4 June 2018. In other that, there are also payment record for CV Abadi Jaya dated 6 June 2018. Based on interview with several workers in Estates and Mill sighted that the Social Security were active. Polyclinic were registered as first health facility of Workers Social Security Agency.

4.7.7

The certificate holder has recorded all workplace accidents in the period 2018 listed in the Employee Name Document of PT ANJA Sia's who had an accident and there were one accident cases within that timeframe. The certificate holder has also investigated the workplace accident and reported it to the Labor Office and the Workers Social Security Agency for Employment, as on 13 February 2018, an accident occurred in Estate. Based on interview and document verification sighted that this cases has been paid by Workers Social Security Agency.

4.7.3 Major	Status: OFI No. 4
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4.8

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

4.8.1

The company has program of training for period 2018 which issued by Human Resources Department on January 15th 2018. The program has consist of 32 technical internal trainings, 5 technical external trainings, 8 softskill internal trainings and 17 certification trainings. As per June 2018, report on training realization has informed that company management has had conducting 18 technical internal trainings, 1 technical external trainings, 25 softskill internal trainings and 6 certification external trainings. Several training were not on the program but due to urgency and needs, it was conducted and facilitate by Human Resources Department of PT ANJA Sias and ANJ Learning Centre in Belitung. Several realization of training evidence is presented as follows:

- Fire fighting training on February 13th 2018, attended by 27 emergency team members.
- Safety training on February 23rd 2018, attended by 71 workers of PT ANJA Sia's.
- Fertilizer application training on March 2nd 2018 and March 23rd 2018 for 13 applicators from LSU and 12 applicators from LSS, respectively.
- Safety and work accident training on March 10th 2018, attended by 45 Mill workers.
- Weed control and management training on April 5th 2018 in Block J47 Divisi 8, attended by four pesticide applicators.

4.8.2

Record of training for each employees is recored by Department of Human Resources. For example, worker No. 290141 which starts work as employee on Mill since November 4th 2013 has conducting several trainings as follows:

- Need analysis training, conducted in January 26th 2016.
- Understanding on occupation of safety and health (OSH) in electrical training, conducted in August 22nd 2016.
- Certification management system training, conducted in September 7th 2017.
- Leadership for management trainee alumny, conducted in January 22nd 2018.
- Risk management training, conducted in April 6th 2018.

Certificate holder management mentioned that training for workers was considered very useful to enhance employees' awareness and competency towards company procedure and standards. Verification to workers through observation and interview on training impacts is mentioned in Criteria criteria 4.1.

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

Certificate Holder possess two Environmental Impact Assessment (EIA) document covering different area consist of AMDAL on 2003 (covered 8000 ha estate areas and 45-60 tonne mill capacity) and UKL-UPL (covered 1.639,05 Ha areas) on 2009. Both the EIA documents explained all activities for pre construction, construction, operation, and post operation covered the palm oil mill, lembah subur utara estate, and lembah subur selatan estate. Document review shown last progress for this new EIA development are still on technical meeting stage (on March 2018). Regarding progress and development for new EIA, auditors team suggest company to monitored progress of this new EIA document development.

OFI
5.1.2

In 2015 company has develop a new composting plant, regarding to this PT ANJ Agri Siais possess another EIA (UKL-UPL for composting plant in 2015). Last update on 2018 found that company has develop new EIA document (regarding organization name changes and biogas plant). Environment management and monitoring are done consistently by company based on current RKL/RPL and listed on RKL/RPL implementation report per semester.

5.1.3

Company have plan which includes monitoring protocol outlined in the RKL-RPL document and implemented to monitor the effectiveness of the management activities to mitigate negative impact and enhance positive impacts. Review of this plans has been developed on June 2018. Results of monitoring are listed on regular environmental monitoring and management report, and monitoring results for examples 1st quarter 2018 shown environmental management related to waste water, surface water quality, land fires, peat subsidence are still comply with regulation and monitoring plan.

5.1.1 Major Status: OFI No. 5
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

There are no changes for the HCV Identification assessment, since that was conducted in 2013. All HCV and the RTE species was identified by the RSPO approved assessor. RTE species that were identified based on regular monitoring and referred to IUCN Redlist are: **EN**: *Tapir* (*Tapirus indicus*) White-winged Duck, White-winged Wood Duck/Mentok Rimba (*Cairina scutulata*); Sambar Deer/Rusa sambar (*Cervus unicolor*); Hairy-nosed Otter/Berang-berang (*Lutra sumatrana*); Southern Pig-tailed Macaque/Beruk (*Macaca nemestrina*) status VULNERABLE/Rentan. Siamang (*Symphalangus syndactylus*); Owa (*Hylobates* sp.); False Gharial/Buaya senyulong (*Tomistoma schlegelii*). HCV identifying process conducted by using HCV identification guides in Indonesia on June 2008. The identification results indicate that there are HCV 1.1; 1.2; 1.3; 1.4; 2.3; 4.1; 4.3 with an area of ±1458.17 ha.

There is difference between HCV hectarage based on identification and HCV areas on basic info (1,230.17 ha vs 1,171.82 ha). Regarding this company are encouraged managed HCV areas and HCV statement areas synchronization (**OFI**).

5.2.2 and 5.2.3

Company established HCV management plan to maintain the HCV areas in operation area of PT ANJA Siais, listed on Management plan HCV 2018 documents. HCV management activities that taken by the management unit are maintain HCV attributes (HCV boundry, sign board), HCV socialization (community and worker), maintain HCV area, patrolling around HCV area, monitoring of flora and fuana, enrichment in riparian.

Interviews with the spraying team Block N40 LSS and block G10 LSU shown they have deep awareness of HCV area as a protected area and the they have also known a ban for chemical use in riparian. Workers also have known about the protected species, a ban on hunting of protected species and sanctions. Furthermore, field visit on Sibarabara riparian block H32 div VII LSS and Paraupan riparian block J20 LSU show that riparian condition has been overgrown by natural vegetation and there is no chemical activity indications on those riparians.

5.2.4

Program and realization to socialize the status of protected, rare, threatened or endangered (RTE) to all workers were available for examples HCV/RTE socialization on May 2018 for LSU and LSS workers. Monitoring for RTE species and HCV are conducted every day on each estate and summarized on HCV monthly report. Based on monitoring result period

June 2018 shows that there is no illegal logging, hunting, chemical use on riparian. The species that found during this monitoring i.e "Rotan", "Rengas", "Meranti", "Rangkong", and "Musang".

5.2.5

HCV identification results shows that there are no local communities adjacent to the company HCV area of PT ANJA Siais. According to interview with surrounding villagers Dusun Labalasiak found there is no HCV areas that overlapped with an identified local community's land.

5.2.1 Major	Status: OFI No. 6
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5.3

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

5.3.1

All waste and pollutions sources from mill and estate are identified and recorded on waste identification risk assessment 2018 such as effluent are managed at waste water treatment plant before it distributed to water stream, hazardous waste were kept at hazardous waste storehouse, etc.

5.3.2 and 5.3.3

Document review shown that company has sent all toxic and hazardous waste (including medical waste) to PT Amindy Barokah (licensed collector by decree of national environmental minister) on June 7 2018. Observation during audits at temporary hazardous&toxic waste storage shown that all of hazardous waste are compliant with the periods in permit. Inventory for all chemicals usage and it containers are available on chemicals storehouse / temporary hazardous storage. All ex chemicals containers were kept on temporary hazardous storage at CWT (*Central Workshop Technic*) and the company has a permit for hazardous and toxic waste storage issued by decree of Head of Tapanuli Selatan regent No No. 503/217/DPMPTSP/2017, valid until 2020. Based on document review and interview with management representative, shown all ex pesticide containers on estates are managed by washing them, and regularly submitted to licensed transporter. Management control for hazardous waste management (**OFI**) and water level indicator on mill waste water treatment plant (**OFI**)

All settlements waste are not disposed using open fire, certificate holder are provides landfill for domestic waste management. Field observation on block P49 LSS for example, found that companies managed settlements/housing domestic waste by provide landfill on housing.

5.3.2 Major	Status: OFI No. 7
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5.3.3 minor	Status: OFI No. 8
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5.4

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

5.4.1

Certificate Holder had planned and implemented the use of fiber and shell for fossil fuels substitution. Realization of renewable energy have been monitored every day and documented on monthly report for fiber and shell usage. On June 2018, the usage of fiber and shell for boiler resulted energy efficiency for grd electricity about 121.67 kwh/mt CPO meanwhile fossil fuel usage energy efficieny were 2.97 litre/mt CPO.

Status: Status

5.5

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

5.5.1 and 5.5.2

Policy of zero burning is presented in procedure No. SOP-EHS-005, issued by Environment Health and Safety (EHS) Manager on August 10th 2015. The procedure has mentioned fire preventive management through mapping, monitoring, maintenance of fire insulation, signboard installation and socialization. Furthermore, in term of agronomy implementation, zero burning has also mentioned in procedure No. SOP-OPR-003 (Rev. 01) dated January 28th 2005 and No. SOP-AGR-03 dated August 1st 2013 about land clering through zero burning methods. Training of fire fighting has conducted in February 13th 2018, attended by 27 emergency team members. The company has reporting fire monitoring for period July to December 2017, which had delivered to Department of Forestry has delivered on January 8th 2018.

At the moment of the first land clearing in PT ANJA Siais, estate management has already implementing zero burning as shows in document of work agreement letter No. 001/OPM-PKPL/2007 dated April 3rd 2007 about land clearing with

contractor namely PT Dwi Putra Indo Kayu, which mentioned that all method listed in the agreement were conducted through mechanical method. This is comply with official contractor works checking report No. 059/BAPP/OPM/V-2007 dated May 5th 2007. Based on observation to LSU and LSS areas, it was known that there were no marks of fire and/or open burning activities within estate operational areas. Furthermore, estate has installing fire monitoring tower, for example as observed in Block 048 Divisi 9 LSS.

Status: Comply

5.6

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

5.6.1 and 5.6.2

To reduce pollution and emissions, the company has identified the source of pollution and greenhouse gases and the measures to manage them. The efforts made by the management unit to reduce the pollution and GHG emissions through the activities including engine maintenance, effluent management and waste utilization, conduct fertilization according to the doses, conduct pesticide application according to the procedure, etc. Field visits in the mill showed that the shell and the fiber has been used as a boiler fuel, thereby it's reducing the use of diesel fuel for generators.

5.6.3

Monitoring for emission and pollutants (air emission, air ambient, odor, noise, and vibration) from estate and mill was done periodically every 6 month 1st Semester 2018 testing result indicates all parameters related to emission are still comply with standard quality, except noise level. Regarding this, company shown preventive ways with providing ear muff on high risk station on mill.

Monitoring of fertiliser, pesticide and chemical use was conducted through record of fertiliser, pesticide and chemical use quantity. The monitoring was conducted to evaluate the management plan of which has been done by management unit. ANJ Agri Siais POM conduct GHG calculation and its monitoring using RSPO palm GHG calculator V3.0.1 for its supply base. Summary of GHG emmison for ANJ Agri Siais POM for Jan-Dec 2017 periods are listed as follows:

Summary of Net GHG Emissions

Emissions per Product	tCO ₂ e/t Product
CPO	4.80
PK	4.80

Production	ton/year
FFB processed	27,0470.331
CPO produced	60,152.60

Land Use	ha
OP planted area	7,911.62
OP planted on peat	3,781.02
Conservation	1,458.17

Extraction	%
OER	22.24
KER	4.77

Summary of Field Emissions and Sinks

Description	Own Crop			3 rd party		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e
Land Conversion	70,040.30	8.85	0.35	0	0	0
*CO ₂ Emissions from Fertilizer	3,450.87	0.44	0.02	0	0	0

**N ₂ O Emissions	33,673.30	4.27	0.17	0	0	0
Fuel Consumption	662.22	0.08	0	0	0	0
Peat Oxidation	206,442.00	26.09	1.02	0	0	0
Sinks						
Crop Sequestration	-74,066.5	-9.36	-0.37	0	0	0
Conservation Sequestration	-2,079.3	-0.26	-0.01	0	0	0
Total	238,212.00	30.11	1.17	0	0	0

Summary Oil Mill Emissions and Credits

Remarks	tCO ₂ e	tCO ₂ e/t FFB
Emissions sources		
POME	32,560.30	0.12
Fuel consumption	838.15	0.00
Grid electricity	0.00	0.00
Credits	0.00	0.00
Export of grid electricity (housig)	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	33,398.40	0.12

Palm Oil Mill Effluent (POME) Treatment

Divert to compost (%)	0
Divert to anaerobic digestion (%)	100

POME Divert to Anaerobic Digestion

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

The liquid waste used for the composting process at ANJ Siais Mill is liquid waste from aerobic ponds after passing through the anerobic pond first, so that there is no POME directly flowed to compost in the GHG calculator calculation.

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 and 6.1.5

There is no changes for SIA since last assessment. PT ANJ Agri Siais has established Social Impact Assessment on 2013 by involving the participation of local communities and stakeholders. Records of meetings in the preparation of SIA documents are well documented. SIA has covered all the potential social impacts caused by plant and plant operations. Aspects of study in the document include infrastructure, social economy, social culture, environmental society health and company operations. In SIA assessment, there is no impact on smallholders farmers because the company do not have a scheme smallholders. Interview with related stakeholder such as Labalasiak sub villages, Janji Matogu sub village, and Pardomuan villagers acquired information that company has managed all social issues for examples local workers recruitment and provides CSR based on local communities needs.

6.1.3 and 6.1.4

Company developed a management plan to follow-up on an annual evaluation supported by budget and responsible officers in its implementation. From the results of interviews with the surrounding community (Dusun Labalasiak) acquired information that the community is involved in social impact review and can express their opinions freely on stakeholders meeting 2018.

PT ANJ Agri Siais has documented the management plan for social impacts on 2018. The document describes the sources of impact, management, timelines, expected results and evaluation. Management review is conducted annually for examples on April 4th 2018. Implementation for social management plan are presented on CD/CSR regular report and company has realized some programme during 2018 for examples related to local worker recruitment, infrastructure development, and free medical examination for surrounding communities. Result of social monitoring for periods 2017 found company have managed all potential social impact on surrounding villages, this matter are strenghtened by interview with local comunitties such Labalasiak sub villages, Janji Matogu sub village, and Pardomuan villagers (see indicator 6.1.1).

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

Procedures for Communication and information dissemination are presented on SOP-Leg-02 No rev 01 on 2015. This procedure explains to the user about handling communication and consultation related principles and requirements sustainability Palm Oil in each operational area palm oil company. This procedure includes guidance in planning, implementing, regarding communication and consultation among stakeholders Updated stakeholders list 2018 shown of stakeholder consist of government agencies, villagers, suppliers, farmer groups, cooperatives, contractors, educational institutions, press, customary leaders, communities.

6.2.2 and 6.2.3

PT ANJ Agri siais has appointed person in charge namely Masono Marsel Sihotang as community involvement and development officer. This PIC have job descriptions such as to conduct intensive communication with stakeholders and conduct stakeholders meeting with relevant stakeholders.interview with Dusun Labalasiak representative found that company have good relation with stakeholders and all communications until present are work smoothly, besides that mechanism to communicate wth company are socialized and implemented well. Based on interview with board of workers union, there are conflict between a worker and outsourcing security, however on resolving progress between both of parties.

Status: Comply

6.3

There is a mutually agreed and documented system for dealing with complaints and grievances, which is Implemented and accepted by all affected parties.

6.3.1

Until ASA-4 there is no changes related documented system for dealing with complaints and grievance. Company have Procedure for conflicts, complaints, grievance has been maintained and contained in documents as follows:

- Internal memo 77/GM/RS/10-2012 about procedure and monitoring for workers grievance
- SOP-LEG-02 about communications and informations
- Company policy 022/HR&GA/CP/06-09 2009 for land conflicts solving mechanism

In addition, the company has also regulated the secrecy of the information / whistle blower. The Company guarantees in full, the confidentiality of the identity of the information / whistle blower communicating confidential communications to the company whether it is confidential / non-confidential. Interview with HCV officer for examples shown that company are ensuring anonymity of whistleblower and workers complaints mechanism are implemented well.

Interview with local comunitties such Labalasiak sub villages, Janji Matogu sub village, and internal stakeholder such as Gender committee and workers during audit indicates all of them have are aware regarding complaint mechanism including complaints PIC.

6.3.2

Recorrd for Complaints and grievance resolution are documented well by company. All record regarding land dispute are

available and resolved. For example there are MoU (*Nota kesepahaman*) about Binasari and Kelompok Tani Napa land dispute between company and Tapanuli Selatan local government on July 27th 2006. All documentation relating resolution and disputes solving handled by legal department team, whereas related to internal grievance handled by supervisor at each estate. Furthermore, internal complaints are listed on complaints monitoring logbook, and document review and interview with internal stakeholder shown All 2018 complaints have been addressed by the company. Meanwhile external complaints are listed on "*Pengaduan Masyarakat external*" logbook and document review shown during 2017-2018 there is no external complaints.

Status: Comply

6.4

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

6.4.1; 6.4.2 and 6.4.3

CH have SOP of Land Acquisition which approve by director and Corporate Services Director on June 2009. The SOP described about the mechanisms to identify and calculate the land compensation. In this procedure was explained that the process of land identification is involved the community and the village government. Since the previous surveillance to ASA 4, known that CH did not undertake land acquisition / new land clearing. The results of public consultations with the surrounding communities of sub village Binasari, Labalasiak and Janji Matogu are known that there is no communal or customary land in the operational area of PT ANJ Agri Siais. The Company's territory is a state land and belongs to individuals who have been reimbursed and mutually agreed.

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

Company regulation towards salary payment has refers to the following regulations related to minimum wage for oil palm plantation sector in Tapanuli Selatan Regency, e.g. Decree of Governor of Sumatera Utara No. 188.44/61/KPTS/2018 dated February 9th 2018; Letter of Chief of Manpower Agency of Tapanuli Selatan Regency No. 560/208/2018 dated February 15th 2018; Internal Memo from Head of Human Resources Shared Services Region 1 and 2 No. 013/ANJ Agri/HRSS/IM/III/2018 dated March 16th 2018; Company Policy for period 2018-2020; and Letter of Working Agreement Article IV. According to the documents, it was stated starting from January 1st 2018, minimum salary for oil palm plantation sector in Tapanuli Selatan Regency was about IDR 2,589,870.07.

Based on document review, it could be concluded that salary payment has in accordance with Government Regulations such as salary payment as mentioned in Minister of Manpower Regulation No. 7 year 2013; overtime payment as mentioned in Decree of Minister of Manpower No. 102 year 2004. In addition, the certificate holder also explains the overtime work which briefly describes that the hourly wage calculation is 1/173 multiplied by the monthly wage and the calculation of overtime wages in accordance with government regulations, such as overtime work done on weekdays, for the first overtime paid equal to 1.5 multiplied wages 1 hour, the next paid wages equal to 2 multiplied wages 1 hour. For example, as shows in salary payroll for period June 2018 as follows:

- Worker ID No. AS/AS31/0396/48; mandays: 28 days; overtime 279 hours; Status: Monthly Permanent Worker in Mill; Basic Salary: IDR 2,755,333; Overtime payment: IDR 4,443,569; Natura (Rice): IDR 385,476 (39 kg); BPJS Manpower: IDR 198,110; BPJS Health: IDR 115,013; Deduction (BPJS Manpower and Health + Cooperative Loan + Natura): IDR 2,400,812; Total Salary Paid: IDR 5,496,689.
- Worker ID No. AS/AS22/0516/311; mandays: 21 days; overtime 0 hours; Status: Daily Permanent Worker in Department DO6 LSS; Basic Salary: IDR 2,589,871; Overtime payment: IDR 0; Natura (Rice): IDR 148,260 (15 kg); BPJS Manpower: IDR 177,225; BPJS Health: IDR 108,395; Deduction (BPJS Manpower and Health + Cooperative Loan + Natura): IDR 1,210,225; Total Salary Paid: IDR 1,813,526.
- Worker ID No. AS/AS21/0811/55; mandays: 20 days; overtime 0 hours; Status: Daily Permanent Worker in Department DO1 LSU; Basic Salary: IDR 2,589,871; Overtime payment: IDR 0; Natura (Rice): IDR 459,606 (46.50 kg); BPJS Manpower: IDR 177,225; BPJS Health: IDR 108,395; Deduction (BPJS Manpower and Health + Cooperative Loan + Natura): IDR 896,621; Total Salary Paid: IDR 2,438,476.

Based on the results of document review and interviews with workers in LSU, LSS and Mill, it could be concluded that the

company has implemented payroll in accordance with applicable regulations, there is no breach of payment related to wages and force the work. Payment of harvested wages is adjusted to the results of work, the achievement of tonnage targets and the provision of overtime premiums if passed the target.

6.5.2

Requirement on salary payment is presented in Company Regulation 2018-2020 Chapter III about salary, salary increment, facilities, subsidy, award and productivity. Regulation of salary is mentioned in Article 10. Furthermore, it was also mentioned in working agreement which provided in Bahasa. These documents has covers scope of work, rights, obligations, manpower rules, wages, facilities provided by the company and time of agreement. Contract was legally signed by employee and employer representative. Overall, there were no issues related to permanent workers. Based on document review, it was known that there were two third party or outsource for security work under PT Nawakara Perkasa Nusantara and loosefruit picker work under CV Abadi Jaya. Worker right such as BPJS manpower and health insurance payment has fulfilled by the respective company. Evidence of payment shows on salary payroll and BPJS record. Furthermore, based on interview with workers from LSS, LSU and Mill, it was known that all workers has work in accordance with their work agreement. However, to make sure that loosefruit pickers is still registered in CV Abadi Jaya, estate management is encourage to save the contract agreement between CV Abadi Jaya and loosefruit pickers. **Observation.**

6.5.3

The company shows several facilities provided for workers, such as housing units, church, mosque, polyclinic, employees hall, multipurpose building, kindergarten and elementary school, daycare, sports field (tennis, badminton and football), cooperative and minimarket, barracks, water storage tank, and buss stops. Those facilities mentioned in the former were verified during field observation with conclusion that all facilities were satisfactory maintained. Estate management shows Instrusction for constrction of six units employees house which presented in Letter No. 09-10/SCM/ANJAS-RO/III/2018 dated March 28th 2018. Furthermore, based on interview with workers in LSU, LSS and Mill, it could be concluded that facilities such as house, electricity, water, daycare and school were given and provided by the company for free. All facilities were satisfactory maintained by company management.

6.5.4

The company has support the employees' access to get adequate, sufficient and affordable food through facilitate the forming of Cooperative as mentioned in Internal Memo of General Manager No. 25/GMO/Siais/IM/IV/2013 dated April 1st 2013 about Cooperative for employees and Memo No. 52B/GMO/Siasi/IM/VII/2013 dted July 13th 2013 about to facilitate a building used for minimarket and Cooperative operations. Furthermore, based on interview with workers from LSU, LSS and Mill, it was stated that the presence of Cooperative has considered very helpful and apart from that, company has allowed the traditional food traders to come and sell their products inside estate operational areas. Moreover, presence of automatic teller machine (ATM) in estate area has accelerate the cash transactions.

6.5.2 Major	Status: OFI No. 9 with Observation
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6.6

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

6.6.1

The company has support the forming of Labor Union which presented in General Manager Internal Memo No. 72/GM/srs/09-2012 dated September 24th 2012 about freedom in forming association for workers. Socialization on this matter has conducted on May 10th 2017, attending by 76 workers. This union has registered to the Manpower and Transmigration Agency of Tapanuli Selatan Regency as shown in Letter No. 002/PB-Serbundo/PB ANJA/VIII/2016 dated August 9th 2016. Labor Union has formed in August 29th 2016 named "Serikat Buruh Indonesia" or Serbundo. Currently the member of union was 158 worker (active). Furthermore, the company has also have a "Lembaga Kerjasama Bipartite" or Bipartite Cooperation Institute, as declared by Chief of Manpower and Transmigration Agency of Tapanuli Selatan Regency through Decree No. KEP. 560/406/2016 dated March 15th 2016, valid for two years. There were 18 representatives from each employer and employee (total 36 member). Company management shows the new evidence of Bipartit registration through letter from Manpower and Transmigration Agency of Tapanuli Selatan Regency No. 560/414/2018 dated April 3rd 2018 with Reference record No. BP.04/LKS-BIPARTIT/III/TS/2018. Bipartite members were usually for workers with position as Staff and above (executive). There were no intervention by CH on Bipartite representative.

6.6.2

<p>The company and labor union has carried out communication which shows in minutes of meeting, for example presented as follows:</p> <ul style="list-style-type: none"> Minutes meeting of Serbundo and PT ANJA Siais dated April 12th 2018 in General Manager Office. There were three subject from employer and four objects being discussed on the meeting. Response from each parties were available. Minutes of Bipartite dated July 3rd 2018 in General Manager Office. There were ten issues being discussed. Approval from GM was still ongoing process (under evaluation). 		
	Status: Comply	
6.7 Children are not employed or exploited.		
6.7.1 <p>The certificate holder represents the policy on the age requirements of workers listed in article 9 of the Company Regulation for the period 2018 - 2020, the age of retirement is 56 years and the working hours of 7 working hours per day or 40 working hours per week. In addition, the certificate holder also showed Internal Memo General Manager No. 18 / GMO / Siais / IM / III / 2013, dated March 4, 2013 on Ban on Employing Children under 18 years of age. Based on the results of the Database of employees of PT ANJA Siais June 2018, no workers under 18 years old were found. Based on field observations and interviews with workers in ANJA Siais Mill, Lembah Subur Utara Estate and Lembah Subur Selatan Estate, it is known that no workers are under 18 years of age.</p>		
	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 and 6.8.2 <p>Company regulation on discrimination is presented in document Internal Memo from General Manager No. 36/GMO/Siais/IM/V/2013 dated May 14th 2013 about equality on gender and anti discrimination of worker. Based on list of employees 2018 review and interview with workers in LSU, LSS and Mill, it could be concluded that composition of workers were various in term of gender, religion, education background and ethnics. Everybody has the same opportunity to work with the company as long as meet the requirement. Based on interview with representative from Pardomuan Village and Manpower Agency of Tapanuli Selatan Regency, it was known that information on recruitment was transparent and there were never been issues or conflict associated with discrimination and those employees diversity parameter. There is also no migrant worker in PT ANJA Siais.</p>		
6.8.3 <p>Record of workers' carrier for estate and mill were available and kept by Human Resources (HR) Department. HR Assistant mentioned that there is no change of recruitment and promotion procedure which presented in document No. 018/HR&GA/CP/05-2009. Recruitment has conducted through selective and fair process as stated by General Manager through Internal Memo No. 36/GMO/Siais/IM/V/2013 dated May 14th 2013 about non discriminative towards gender, religion and ethnic on working opportunity. For example, implementation of recruitment process for worker No. AS/AS11/0418/182 from Regency of Simalungun is presented as follows:</p> <ul style="list-style-type: none"> Application letter dated January 5th 2018. Recommendation letter from the former company as excavator operator in Cooperative Air Kehidupan No. 073/KAK/121.P/IX/2013 dated August 15th 2013. Interview results with average score 7 (recommended). Police record NO. SKCK/YANMAS/1173/II/2018/INTELKAM dated February 5th 2018. Family Card No. 1208181406130001 issued on June 14th 2013. Medical check up which informed that applicant in good and health condition. Agreement Letter No. 005/HRD/Siais/SPK/04-2018 dated April 2nd 2018 about working agreement which mentioned probation and evaluation for three months. Promotion as permanent worker Through HR Letter No. 002/HRD/Siais/DEF/07-18 dated July 13th 2018 which informed that the worker with No. AS/AS11/0418/182 has promoted as permanent worker for heavy machinarr helper position starting from July 2nd 2018. 		
	Status: Comply	
6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.		

6.9.1

Based on General Manager Memo No. 003/GMO/Siais/IM/I/2018 dated 9 January 2018, the Gender Committee was change as Women and Child Protection Committee. The Committee on the Control of Sexual Harassment shows a list of training and socialization programs provided to workers including maternal and infant health check-up and socialization of menstruation and maternity leave.

6.9.2

The certificate holder has a policy to protect women's reproductive rights including Internal Memo General Manager No. 63 / GM / srs / 09-2012 on the Protection of Women's Reproductive Rights on September 6, 2012, which includes the prohibition of employing pregnant and lactating women for sprayer and other work related to chemical contamination. In addition, there is also Internal Memo No. 22 / GMO / Siais / IM / VI / 2015 dated June 1, 2015 regarding Menstruate Leave (H1). In the memo mentioned that the company does not require to work to female workers if during the menstrual period of pain on the first day and the second day by notifying the company and evidenced by a certificate from the doctor or head of the estate polyclinic. Based on interview with company doctors, there are two women workers who maternity leave.

6.9.3

The certificate holder has a special grievance mechanism that respects anonymity and protects that is set out in company regulations of article 48. Then described again in Internal Memo GM No. 77 / GM / srs / 10-2012 on Procedures and Monitoring of Employee Complaint Handling, dated October 11, 2012 and there is a Flowchart handling of employee complaints authorized by GM ANJ Agri Siais and prepared by HRO effective date October 11, 2012. Based on the results of interviews with representatives of the Women and Child Protection Committee and Workers Union Representatives and interviews with workers in field, there were no complaints related to harassment or abuse received by workers.

Status: Comply

6.10

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

6.10.1

CH set the price of FFB through commercial Department which were subsequently published and placed / posted on the entrance of Estate and Mill ANJA - Siais. There are also FFB Purchase Affairs procedure (No. Document: Anja-F&A-SOP 07 dated in 2003, Rev. 1 March 2010). Pricing mechanisms for FFB determined internally by Head Office - commercial department. In interviews with the FFB supplier (CSR janji matogu) stated that the price can be determined easily by the supplier, and also does not have any complaints regarding the price set by the company.

6.10.2 and 6.10.4

CH showed record of FFB payment, for examples dated 9 July 2018. The pricing mechanism does not account for the services of an agent / intermediary. Prices were determined considering the market price and the estimated costs. Prices set is included empty bunch so no refund or compensation given to empty fruit bunches. In interviews with the FFB supplier also recognized that the FFB pricing mechanism has been submitted by the company and understand by FFB supplier and no complaints related to the time of payment.

6.10.3

CH showed FFB purchase agreement between the company and the FFB suppliers that specify criteria for FFB, FFB sources not derived from FFB stolen or obtained in violation of the law. The agreement was kept by both parties and from interviews with FFB suppliers acknowledged that the suppliers has to understand the contents of the contract agreement and the contract is fair and transparent for both parties. Based on interview with local contractors and FFB suppliers there are no payment problem. The payment has been conducted every month.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

Company conducted stakeholder meeting regularly and the last meeting conduct on April 2018 to ensure CD/CSR plan for local development and local communities needs right on target. Contribution to local communities development are listed on PT ANJ Agri Siais corporate social responsibility monthly report, for example on Mei 2018 e.g : medical free treatment on Labalasiak villages, best management practices counseling to independent smallholder on Janjimatogu, road flushing on Janji Matogu villages, and teachers incentive on "Lingkungan" Paraupan. Furthermore, based on Document review also found that local communities employment recruitment approaching almost 40%. As listed on

CD/CSR report, to maximize employment opportunities company also have programme for improving educational facilities and infrastructure.

6.11.2

There is no smallholder scheme at PT ANJA Sia's.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1

Procedure of recruitment and promotion is presented document No. 18/HR&GA/CP/05-2009. It was mentioned that range of ages was 10 to 50 years old. Employees above 50 years shall be approved by Director of Corporate Service. However, there is no specific policy which stressed to use illegal (trafficked) workers. Based on list of employees' period 2018 review, it could be concluded that there were no illegal and foreign workers. Most of the workers were Indonesians with majority from surrounding estate areas. Furthermore, based on interview with workers in LSU, LSS and Mill, it was known that the company has fulfill workers rights such as salary as in accordance with minimum payment regulation, insurance (BPJS) for manpower and health, premium payment as mentioned in work agreement.

6.12.2

Based on document review, it was known that there were two third party or outsource for security work under PT Nawakara Perkasa Nusantara and loosefruit picker work under CV Abadi Jaya. Worker right such as BPJS manpower and helath insurance payment has fulfilled by the respective company. Evidence of payment shows on salary payroll and BPJS record. Furthermore, based on interview with workers from LSS, LSU and Mill, it was known that all workers has work in accordance with their work agreement. There is no contract substitution.

6.12.3

Based on list of employees' list record review and interview with Manpower Agency of Tapanuli Selatan Regency, it could be concluded that there is no migrant worker within PT ANJA Sia's operational areas. Mostly the workers was locals from surrounding company area.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

The certificate holder has a policy to respect the human rights listed in Internal Memo dated June 2nd 2015, Ref. No 23/GMO/Sia's/IM/VI/2015 on the Protection of Human Rights, signed by the General Manager. Internal memos include explaining that the company protects the rights or basic principles of workers and families within the corporate environment. The certificate holder has socialized the policy on 26 April 2017 attended by 83 workers. Socialization is related to human rights policy, freedom of association, complaints of employees, policy of sexual harassment committee, does not employ minors and other HR policies.

Based on interviews with workers in both the estates and the mill, it is known that the workers have been informed about the human rights policy and stated that there are no cases of human rights violations.

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 and 7.1.3

Based on documents verification, field observation and interview with stakeholders known that since previous surveillance to ASA 4, PT ANJ Agri Sia's did not expand or conduct new planting. Current SIA and EIA were able to seen on Criteria 5.1 and 6.1.

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		
There is no new planting in PT ANJA Siais. Hence, information on soil map and topography were still remain the same.		
	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		
Disclosure of Liability for ANJ Agri has been submitted to the RSPO on July 16 th 2014, while LUCA has been submitted on August 24 th 2015. RaCP for ANJA Siais unit has been submitted to the RSPO and according to email from RSPO Compensation dated July 25 th 2017, clearly mentioned that LUCA still ongoing review process with RSPO. On July 2018, company are re-sending confirmation email to RSPO related LUCA progress, based on this explanation RaCP compensation plan approval progress by RSPO will be observed on next audit (OFI).		
7.3.3		
Since the last assessment (2017), 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 (2017). HCV management plan for existing operational areas are able to seen on Criteria 5.2.		
7.3.1 Major	Status: OFI No. 10 with Observation	
7.4		
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
7.4.1 and 7.4.2		
There is no new planting in PT ANJA Siais. Currently all palms were planted on flat to undulating areas. Information on fragile and marginal soils, as well as its management strategy is explained in Criteria 4.3.		
	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 verification, field observation and interview with stakeholders known that since previous surveillance to ASA 3, PT ANJ Agri Siais did not expand or conduct new planting.		
	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 and 7.6.6		
Based on documents verification, field observation and interview with stakeholders known that since previous surveillance to ASA 3, PT ANJ Agri Siais did not expand or conduct new planting.		
	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 and 7.7.2		
There is no new planting in PT ANJA Siais. Policy of zero burning is presented in procedure No. SOP-EHS-005, issued by EHS Manager on August 10 th 2015. Based on observation to estate areas, it was known that there were no marks of fire and/or open burning activities within estate operational areas. Furthermore, estate has installing fire monitoring tower		

as observed in Block 048 Divisi 9 LSS.		
	Status: Comply	
7.8		
New plantation developments are designed to minimise net greenhouse gas emissions.		
7.8.1 and 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 (2017). Existing GHG emission calculations result are able to seen on Criteria 5.6.		
	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.		
RSPO Internal audit which had conducted in March 5 th to 9 th 2018, presented in document code No. FRM-SOP SDD 03-02. The audit identified 8 major and 9 minor non conformity which all has been fully comply on April 6 th 2018. Management review on this matters and RSPO management system has conducting on July 17 th 2018, attended by 24 Assisstant, Managers and General Manager.		
In term of best management practices several points has notes as positive actions, as follows:		
<ul style="list-style-type: none"> • Installing Elaidobious camerunicus on the field which aims to enhance pollination rates of palms, especially during wet season. • EFB-Compost mulching on the field as nutrient cycle stragey. 		
	Status: Comply	

3.2. Summary of Assessment Report of Supply Chain Requirement
3.2.1 General chain of custody requirements for the supply chain

Clause	Requirement
5.1	Applicability of the general chain of custody requirements for the supply chain
5.1.1	The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.
	All the processing of FFB's to CPO and PK are physically handles by ANJ Agri SIAIS POM and legally owned by its own facility.
	Status: Comply
5.1.2	Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.
	Based on document verification and field visit to weighbridge operator sighted that the mill not buying RSPO product from RSPO licensed traders.
	Status: Comply
5.1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.
	CH meet all registration and reporting requirements for appropriate supply chain: <ul style="list-style-type: none"> • RSPO IT Platform member registration number: RSPO_PO1000001992.
	Status: Comply
5.1.4	Processing aids do not need to be included within an organization's scope of certification.
	There are no processing aids on this Supply Chain Certification scopes.
	Status: Comply
5.2	Supply chain model
5.2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.
	The mill has applied MB model correctly, shows there are uncertified RSPO product (FFB's) received during last year license period.
	Status: Comply
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.
	The supply chain applied correctly, the mill are applying MB model, during last year license period there are CSPO and CSPK are claimed by MB.
	Status: Comply
5.3	Documented procedures
5.3.1	The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.

ANJ Agri Siais POM has Procedure Mass Balance No. SOP-SDD-06 Revision 2, dated 21 October 2014 which described the duties and responsibilities of each part; determination of supply chain format compilation, procedure to deal with overproduction. There are also others procedure related to SCCS, such as:	
<ul style="list-style-type: none"> Traceability Procedure No. SOP-SDD-05 dated 1 November 2013. CSPO and CSPK Selling System Procedure No. ANJA-F&A-SOP 29. 	
	Status: Comply
5.3.2	
The site shall have a written procedure to conduct annual internal audit	
The company has Internal Audit System Management No SOP-SCD-03 Rev 03 dated 27 November 2017. Internal audit will be conducted every year before external audit visit.	
The latest internal audit has been conducted dated 5 – 9 March 2018, there are one nonconformity related E.5.4.1 and it has been follow up by management unit.	
	Status: Comply
5.4	Purchasing and goods in
5.4.1	
The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier	
The mill not buying/purchased certified oil palm products from outsider.	
	Status: Comply
5.4.2	
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents	
The company has procedure FFB's Grading No. ST 13/ENG-STR on June 2011 as mechanism for handling nonconforming FFB's.	
	Status: Comply
5.5	Outsourcing activities
5.5.1	
In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.	
There are outsourcers activity for transportation CPO & PK, such as:	
<ol style="list-style-type: none"> Agreement number 004/ANJAS/COM/CPO/II/2018 dated 2 January 2018 valid to 31 December 2019 with Maju Bersama for CPO transports from CPO Mill to the Bulking Station in Pargarutan Batu, Angkola Timur. Agreement number 005/ANJAS/COM/CPO/II/2018 dated 2 January 2018 valid to 31 December 2019 with Mujur Trans for CPO transports from CPO Mill to the Bulking Station in Pargarutan Batu, Angkola Timur. Agreement number 004/ANJAS/COM/PK-CKG/II/2018 dated 2 January 2018 valid to 31 December 2019 with Maju Bersama for PK transports from CPO Mill to the Bulking Station in Pargarutan Batu, Angkola Timur. 	
Based on interview with PK transport, sighted that they should be comply with the RSPO SCCS, for example: every PK truck should be completed with DO.	
	Status: Comply
5.5.2	
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:	
<ol style="list-style-type: none"> The site has legal ownership of all input material to be included in outsourced processes; The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that 	

independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance

There are outsourcers activity for transportation CPO & PK, such as:

1. Agreement number 004/ANJAS/COM/CPO/II/2018 dated 2 January 2018 valid to 31 December 2019 with Maju Bersama for CPO transports from CPO Mill to the Bulking Station in Pargarutan Batu, Angkola Timur.
2. Agreement number 005/ANJAS/COM/CPO/II/2018 dated 2 January 2018 valid to 31 December 2019 with Mujur Trans for CPO transports from CPO Mill to the Bulking Station in Pargarutan Batu, Angkola Timur.
3. Agreement number 004/ANJAS/COM/PK-CKG/II/2018 dated 2 January 2018 valid to 31 December 2019 with Maju Bersama for PK transports from CPO Mill to the Bulking Station in Pargarutan Batu, Angkola Timur.

Based on document verification and interview with transporters sighted that they had been comply with RSPO SCCS requirement.

Status: Comply

5.5.3

The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.

The company has registration name and contact details each of contractor, such as:

- Maju Bersama (Mr. Sulkan Arifin) Jl. WR. Supratman No. 7 Padang Sidempuan.
- Mujur Trans (Agustinus) Jl. Selam – I No. 70, Medan.

Status: Comply

5.5.4

The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products

All contractors used has been verified during this assessment.

Status: Comply

5.6

Sales and goods out

5.6.1

The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer

There are RSPO Certified Product selling record during last certificate period to PT Pelita Agung Agriindustri. For example: Contract No. 030/ANJAS/PK/VI/2018 dated 29 June 2018 amount 300,000 Kg with PT Pelita Agung Agriindustri, addressed: Simpang Bangko Lintas Duri Dumai, Village of Sebangar, Sub District of Mandau, District of Bengkalis, Riau Province. (Franco)

CSPK

Transaction ID	Buyer	Product	Program	Volume*	Transaction Type	Status	Shipping/BL Date
TR-c76bb813-354b	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	300	Shipping	Confirmed	6/7/2018
TR-11fd58f0-8ccf	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	300	Shipping	Confirmed	4/7/2018
TR-78ba4859-9305	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	25/06/2018
TR-23edaf0e-ae90	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	20/06/2018
TR-5f1a59e7-b7d0	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	31/05/2018
TR-e5a8f5af-ec13	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	16/05/2018
TR-7100fc4e-5a7f	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	5/5/2018

TR-68c8890a-5d13	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-bf3472a3-b102	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-d13dfd80-0755	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-ae6a1e89-b69a	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-677c1291-be96	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-3b662008-ebb9	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	29/01/2018
TR-bdfaa412-dea8	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	24/01/2018
TR-9f08e93d-5619	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	22/01/2018
TR-e598561e-1e36	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	8/1/2018
TR-8687c3a7-70c7	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	3/1/2018
TR-00135b26-c5d2	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/12/2017
TR-3534301f-930e	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	21/12/2017
TR-6ef7fc1e-6349	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	13/12/2017
Total				5,200			

	Status: Comply
5.7	Registration of transactions
5.7.1 Supply chain actors who: <ul style="list-style-type: none">are mills, traders, crushers and refineries; andtake legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable	
The mill has registered their transactions in the RSPO IT platform.	
	Status: Comply
5.7.2 The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none">Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.	

- Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.
- Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

The company has registration of transactions in the RSPO IT platform, such as:

CSPO

Credits Overview					
Credit Type	Program	Credits Allocated from Physical Volume	Credits Allocated back to Physical	Credits Offered/Sold	Available/Remaining Credits
CSPO Credit	Mass Balance	30,000	0	18,086	11,914

CSPK

Transaction ID	Buyer	Product	Program	Volume*	Transaction Type	Status	Shipping/BL Date
TR-c76bb813-354b	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	300	Shipping	Confirmed	6/7/2018
TR-11fd58f0-8ccf	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	300	Shipping	Confirmed	4/7/2018
TR-78ba4859-9305	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	25/06/2018
TR-23edaf0e-ae90	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	20/06/2018
TR-5f1a59e7-b7d0	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	31/05/2018
TR-e5a8f5af-ec13	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	16/05/2018
TR-7100fc4e-5a7f	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	5/5/2018
TR-68c8890a-5d13	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-bf3472a3-b102	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-d13dfd80-0755	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-ae6a1e89-b69a	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-677c1291-be96	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-3b662008-ebb9	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	29/01/2018
TR-bdfaa412-dea8	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	24/01/2018

TR-9f08e93d-5619	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	22/01/2018
TR-e598561e-1e36	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	8/1/2018
TR-8687c3a7-70c7	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	3/1/2018
TR-00135b26-c5d2	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/12/2017
TR-3534301f-930e	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	21/12/2017
TR-6ef7fc1e-6349	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	13/12/2017
Total				5,200			

The certificate holders can't be shown that all of RSPO Certified Product transaction were recorded on RSPO IT Palm Trace. **It was raised as nonconformity No. 2018.1.**

Based on mass balance document verification period of 25 September 2017 to 21 July 2018, there are information as follows:
CSPO

- Credit allocations: 30,000 MT; Credit Sold: 18,086 MT; Remaining Credits: 11,914 MT.
- CSPO sold as Conventional: 24,705.91 MT.

CSPK

- CSPK sold as claim RSPO: 5,200 MT.
- CSPK sold as Conventional: 1,000.12 MT

However, the management unit can't be shown that all CSPO and CSPK sold as Conventional were updated (removed) on RSPO IT Palm Trace.

5.7.2 General CoC **Status: NCR No. 2018.1 with Major category**

5.8 **Training**

5.8.1

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

SCCS training will be conducted on September 2018, the latest training has been conducted dated 6 – 7 September 2018 to 36 workers.

Status: Comply

5.8.2

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

There are pre and post test report to evaluate effectiveness of training. Based on interview with security and weightbridge operators, they can explaining about RSPO SCCS critical point.

Status: Comply

5.9 **Record keeping**

5.9.1

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

The record keeping (Mass Balance) that has been created by the management unit is not yet accurate. **It was raised as Non Conformity No. 2018.2.**

At the time audit, the certificate holder shown record keeping monitor for RSPO certified product and sales. Based on document analysis sighted that the formula is only calculates the reduction of CSPO/CSPK stocks sold by Credit Allocations and Physical Sold (Claim). However the CSPO & CSPK sales as Conventional has no been included in the formula. So the current physical stock of CSPO and CSPK is not accurate yet.

5.9.1 General CoC **Status: NCR No. 2018.2 with Major category**

5.9.2

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

The company has Documentation System No. SOP-SCD-01, Rev.01/03 dated 10 November 2014. The retention time for RSPO Certification document is 5 years, tax and finance is 10 years and ISCC is 10 years. Based on document verification and field observation to the archive store, they can showing FFB consignments of three years ago.

Status: Comply

5.9.3

The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.

The certificate holder has mass balance record (volume purchased) and claimed (output), as shows in the Table bellow:

Month	FFB (ton)		
	RSPO Certified	Non Certified	Total
25 – 30 September 2017	3,648.41	1,164.25	4,812.66
October 2017	14,913.61	6,205.85	21,119.46
November 2017	12,842.38	6,600.25	19,442.63
December 2017	13,600.06	6,987.47	20,587.53
January 2018	10,656.45	7,874.11	18,530.56
February 2018	12,871.50	6,990.83	19,862.33
March 2018	15,710.69	8,732.64	24,443.33
April 2018	16,995.88	7,754.09	24,749.97
May 2018	16,911.65	8,587.06	25,498.71
June 2018	15,247.33	8,869.01	24,116.34
1 – 21 July 2018	14,924.85	5,268.21	20,193.06
	148,322.81	75,033.77	223,356.58

Status: Comply

5.10 **Conversion factors**

5.10.1

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

There are no conversion factors in this SCCS scope.

Status: Comply

5.10.2

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

There are no conversion factors in this SCCS scope.

	Status: Comply
5.11	Claims
5.11.1 The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims. Based on document verification, interview with management, and field observations known that the company didn't used RSPO trademarks.	
	Status: Comply
5.12	Complaints
5.12.1 The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints. The company has SOP communication and provision of information (Document number: SOP-Leg-02 revision 4 on September 1 st 2015). Based on document verification and interview with contractors, sighted that there are no complaints related to RSPO Certified Products.	
	Status: Comply
5.13	Management review
5.13.1 The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken Management reviews has been conducted on 17 July 2018 related to RSPO system management attended by 24 Assistants, Managers and General Manager.	
	Status: Comply
5.13.2 The input to management review shall include information on: <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. Management Review of RSPO Management System has been conducted on 17 July 2018, it was included: <ul style="list-style-type: none"> • Result of internal audits RSPO SCCS on 5 – 9 March 2018 • Customer feedback (there are complaints from buyers/PT Nubika Jaya related to PK qualities dated 1 October 2017). • Status of preventive and corrective actions on management review activity. • Recommendations for improvement about mass balance form. However there are no changes of the management system.	
	Status: Comply
5.13.3 The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. Management Review of RSPO Management System has been conducted on 17 July 2018, it was included: <ul style="list-style-type: none"> • Result of internal audits RSPO SCCS. • Customer feedback (there are complaints from buyers/PT Nubika Jaya related to PK qualities dated 1 October 2017). • Status of preventive and corrective actions. • Recommendations for improvement. 	
	Status: Comply

3.2.2 (Module E) CPO Mills – Mass Balance Requirements

Clause	Requirement																																		
E.1	Definition																																		
E.1.1	<p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>Based on the result of documents verification and field observation at the factory, it is known that PT. ANJ Agri Sia's POM is using RSPO supply chain mass balance module (E) because CH still receives uncertified FFB from communities.</p>																																		
	Status: Comply																																		
E.2	Explanation																																		
E.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. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p> <p>The estimate tonnage in periode of 25 September 2017 – 24 September 2018:</p> <ul style="list-style-type: none">- CPO: 44,522 ton- PK: 9,653 ton- FFB: 197,000 ton <p>Actual periode 25 September 2018 – 24 September 2019:</p> <ul style="list-style-type: none">- CPO: 44,797 ton- PK: 10,181 ton- FFB: 203,621 ton																																		
	Status: Comply																																		
E.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).</p> <p>CH meet all registration and reporting requirments for appropriate supply chain:</p> <ul style="list-style-type: none">• RSPO IT Platform member registration number: RSPO_PO1000001992 <p>The company has registration of transactions in the RSPO IT platform, such as:</p> <p>CSPO</p> <table><tr><th colspan="6">Credits Overview</th></tr><tr><th>Credit Type</th><th>Program</th><th>Credits Allocated from Physical Volume</th><th>Credits Allocated back to Physical</th><th>Credits Offered/Sold</th><th>Available/Remaining Credits</th></tr><tr><td>CSPO Credit</td><td>Mass Balance</td><td>30,000</td><td>0</td><td>18,086</td><td>11,914</td></tr></table> <p>CSPK</p> <table><tr><th>Transaction ID</th><th>Buyer</th><th>Product</th><th>Program</th><th>Volume*</th><th>Transaction Type</th><th>Status</th><th>Shipping/BL Date</th></tr><tr><td>TR-c76bb813-354b</td><td>PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT</td><td>CSPK</td><td>Mass Balance</td><td>300</td><td>Shipping</td><td>Confirmed</td><td>6/7/2018</td></tr></table>	Credits Overview						Credit Type	Program	Credits Allocated from Physical Volume	Credits Allocated back to Physical	Credits Offered/Sold	Available/Remaining Credits	CSPO Credit	Mass Balance	30,000	0	18,086	11,914	Transaction ID	Buyer	Product	Program	Volume*	Transaction Type	Status	Shipping/BL Date	TR-c76bb813-354b	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	300	Shipping	Confirmed	6/7/2018
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TR-c76bb813-354b	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	300	Shipping	Confirmed	6/7/2018																												

TR-11fd58f0-8ccf	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	300	Shipping	Confirmed	4/7/2018
TR-78ba4859-9305	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	25/06/2018
TR-23edaf0e-ae90	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	20/06/2018
TR-5f1a59e7-b7d0	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	31/05/2018
TR-e5a8f5af-ec13	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	16/05/2018
TR-7100fc4e-5a7f	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	400	Shipping	Confirmed	5/5/2018
TR-68c8890a-5d13	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-bf3472a3-b102	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-d13dfd80-0755	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-ae6a1e89-b69a	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-677c1291-be96	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/02/2018
TR-3b662008-ebb9	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	29/01/2018
TR-bdfaa412-dea8	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	24/01/2018
TR-9f08e93d-5619	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	22/01/2018
TR-e598561e-1e36	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	8/1/2018
TR-8687c3a7-70c7	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	3/1/2018
TR-00135b26-c5d2	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	26/12/2017
TR-3534301f-930e	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	21/12/2017
TR-6ef7fc1e-6349	PT PELITA AGUNG AGRINDUSTRI - KERNEL CRUSHING PLANT	CSPK	Mass Balance	200	Shipping	Confirmed	13/12/2017

Total		5,200	
Status: Comply			
E.3	Documented procedures		
E.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.			
ANJ Agri Siais POM has Procedure Mass Balance No. SOP-SDD-06 Revision 2, dated 21 October 2014 which described the duties and responsibilities of each part; determination of supply chain format compilation, procedure to deal with overproduction. There are also others procedure related to SCCS, such as:			
<ul style="list-style-type: none">Traceability Procedure No. SOP-SDD-05 dated 1 November 2013.CSPO and CSPK Selling System Procedure No. ANJA-F&A-SOP 29.			
Status: Comply			
E.3.2			
The site shall have documented procedures for receiving and processing certified and non-certified FFBs			
ANJ Agri Siais POM has Procedure Mass Balance No. SOP-SDD-06 Revision 2, dated 21 October 2014 which described the duties and responsibilities of each part; determination of supply chain format compilation, procedure to deal with overproduction. There are also others procedure related to SCCS, such as:			
<ul style="list-style-type: none">Traceability Procedure No. SOP-SDD-05 dated 1 November 2013.CSPO and CSPK Selling System Procedure No. ANJA-F&A-SOP 29.			
Status: Comply			
E.4	Purchasing and goods in		
E.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 25 September 2017 – 21 July 2018			
Month	FFB (ton)		
	RSPO Certified	Non Certified	Total
25 – 30 September 2017	3,648.41	1,164.25	4,812.66
October 2017	14,913.61	6,205.85	21,119.46
November 2017	12,842.38	6,600.25	19,442.63
December 2017	13,600.06	6,987.47	20,587.53
January 2018	10,656.45	7,874.11	18,530.56
February 2018	12,871.50	6,990.83	19,862.33
March 2018	15,710.69	8,732.64	24,443.33
April 2018	16,995.88	7,754.09	24,749.97
May 2018	16,911.65	8,587.06	25,498.71
June 2018	15,247.33	8,869.01	24,116.34
1 – 21 July 2018	14,924.85	5,268.21	20,193.06
	148,322.81	75,033.77	223,356.58
Status: Comply			
E.4.2			

The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	
<p>The estimate tonnage in periode of 25 September 2017 – 24 September 2018:</p> <ul style="list-style-type: none"> - CPO: 44,522 ton - PK: 9,653 ton - FFB: 197,000 ton <p>Actual period 25 September 2017 – 30 June 2018 Still appropriate and not past the estimate::</p> <ul style="list-style-type: none"> - CPO: 28,548.73 ton - PK: 6,530 ton 	
	Status: Comply
E.5	Record keeping
E.5.1	
<p>a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.</p> <p>b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (i.e. product can be sold before it is in stock.)</p>	
<p>The record keeping (Mass Balance) that has been created by the management unit is not yet accurate. It was raised as nonconformity No. 2018.2 on Indicator 5.9.1 General Chain of Custody.</p> <p>At the time audit, the certificate holder shown record keeping monitor for RSPO certified product and sales. Based on document analysis sighted that the formula is only calculates the reduction of CSPO/CSPK stocks sold by Credit Allocations and Physical Sold (Claim). However the CSPO & CSPK sales as Conventional has no been included in the formula. So the current physical stock of CSPO and CSPK is not accurate yet.</p>	
	Status: NCR No. 2018.2 with Major category.
E.5.2	
<p>In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.</p>	
<p>ANJ Agri Siais POM does not perform activities of palm kernel crushing to the independent palm kernel crushers.</p>	
	Status: Comply

3.3. Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√
ASA-4	PT ANJA Siais has trademark and certificate approval/permit from MUTU.	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-4	The Company does not use the trademark on-product and off-product in the scope of PT ANJA Siais.	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA-4	The Company does not use the trademark on-product and off-product in the scope of PT ANJA Siais.	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate logo.	X or√
ASA-4	The Company does not use the trademark on-product and off-product in the scope of PT ANJA Siais.	√
	Status: Comply	

3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of ANJA 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.

ANJA Time Bound Plan (TBP) is explaining in table section 1. ANJA has run four (4) mills and seven (7) management unit Estates in Indonesia. All mills and estates are operated in Indonesia. ANJA has informed the TBP progress through head office in Indonesia.

MUTU has verified partial certification for un-certified unit's subsidiary of ANJA based on their Time Bound Plan. . There are three (3) uncertified management unit of ANJA. 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 statement : The company are already doing internal audits.</p> <p>Auditor verification:</p> <ul style="list-style-type: none"> • PT Kayung Agro Lestari has been conducted initial assessment on September 2016 • Internal Audit for PT Putera Manunggal Perkasa and PT Permata Putera Mandiri has been conducted on September 2015.
2.2.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>Company statement: The company has been reporting disclosure and zero liability to RSPO. Progress result of review LUCA at follow up by email to RSPO.</p> <p>Auditor Verification : ANJA and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 24, 2015. The validation progress of Remediation and Compensation Plan (RaCP) for the area opened since November 1, 2005 without preceded by the identification of HCV in accordance with RACP Procedure will be observed again on the next visit audit.</p>
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>company statement: NPP has been applied</p> <p>Auditor Verification :</p> <ul style="list-style-type: none"> • PT Galempa Sejahtera Bersama, NPP date of notification on May 2, 2014 • PT Putra Manunggal Perkasa, NPP date of notification on 24 July 2014

		<ul style="list-style-type: none"> PT Permata Putra Mandiri, NPP date of notification on September 29, 2014
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 statement: There is land conflict, but there is documented evidence that land conflict has been process for resolution.</p> <p>Auditor verification : The company has had a mechanism for addressing land conflicts, described in the SOP of Handling Differences Opinion with the Community and Dispute Tenure (SOP-Leg-03, Issue 01, dated 1 September 2015),</p>
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Company statement: There is no labour disputes</p> <p>Auditor verification : The company has a mechanism for grievance described in SOP Handling of Differences of Opinion with Public and Land Dispute (Document No. SOP-EAD-01; Issue 01/00) dated August 1, 2013. A policy related to confidentiality of informant (whistle-blower) regulated in the SOP of Communication and Provision Information (Document No. SOP-Leg-02, Issue 01/04, dated 1 September 2015), it's mentioned in the section 6 of tis SOP. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries</p>
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Company statement: All legal requirement for palm oil plantation has been comply</p> <p>Auditor verification : PT Kayung Agro Lestari</p> <ul style="list-style-type: none"> Ketapang Regent Decree No. 103 year of 2004 (26 April 2004) concerning of location permit for Oil Palm Plantation Development Purposes of ± 29,400 ha and Ketapang Regent amendment by decree No. 116 year of 2007 (March 22, 2007) on location permit changes to 20,000 ha. Issued by Ministry of Forestry through Ministerial Decree No.: SK.643 / Menhut-II / 2009 (October 13, 2009) on release of Production Forest Convertible Area of 17986.90 ha. Kalimantan Barat Governor Decree No: 123/BLHD/2010 on the environmental feasibility of plantation activities (total area 18754.9 hectares) and palm oil processing mill (capacity of 85 ton FFB/hour) The total area of 10,920.36 ha, based on Decree No. 33/HGU/BPN.RI/2014, dated February 4, 2014. Buildings Use Title (HGB) for mill, offices, housing and other facilities, based on National Land Agency (BPN) decree No. 1/HGB/KEM-ATR/BPN/2016. <p>PT Galempa Sejahtera Bersama</p>

		<ul style="list-style-type: none"> • Status of PT GSB based on Forest Area Indicated (TGHK) is Non Forest Designated Area (Area Penggunaan Lain) • Location Permit No. 525/535/KEP/HUTBUNTAMBEN/2012, 20 April 2012 • Plantation Permit No. 525/423/KEP/HUTBUNTAMBEN/2013, 08 May 2013 • Environment Permit No. 211, 2013, dated 06 May 2013. • SEIA No. 210, 2013, dated 1 May 2013. <p>PT Putera Manunggal Perkasa</p> <ul style="list-style-type: none"> • Location Permit No. 522/30/II/2011, dated 09 February 2011. Total area \pm 22,195.28 ha. • Change Location Permit No. 522.2-6/206/10/2012, dated 12 October 2012. Total area \pm 22,195.28 ha. • Converted forest area release by the Republic Indonesia Ministry of Forestry No. SK.606/MENHUT-II/2012, dated 31 October 2012. • Plantation Business Permit, According to Papua Barat Governor Decree No. 525/90/V/2011, dated 10 May 2011 for 25,159 Ha and 60 Ton FFB/Hours plant. • Adjustment of plantation area According to Papua Barat Governor Decree No. 525/584/GPB/2013, dated 30 April 2013 for 23,424.38 ha and 60 ton FFB/Hours plant. <p>PT Putra Permata Mandiri</p> <ul style="list-style-type: none"> • Location Permit No. 83/2010, dated 30 April 2010. Total area \pm 40,000 ha • Change Location Permit No. 522.2/118/BSS/August Tahun 2010, dated 11 August 2010. Total area \pm 40,000 ha • Converted forest area release by the Republic Indonesia Ministry of Forestry No. SK.731/MENHUT-II/2011, dated 21 December 2011 • Plantation Business Permit, According to Papua Barat Governor Decree No. 95 tahun 2010, dated 28 June 2010 for 40,000 ha and 3 x 60 Ton FFB/hours plant. • Cadastral map from National Land Body of Republic Indonesia No. 021-33.05-2014, dated 26 March 2014 for 32,025.14 ha
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3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-3 Assessment

NCR No.	: 2017.1	Issued by	: Leonada
Date Issued	: 14 Juli 2017	Time Limit	: ASA 4
NC Grade	: Minor	Date of Closing	: 25 July 2018
Standard Ref. & Requirement	: 2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained.	
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> <ul style="list-style-type: none">Based on the result of field visit on the HGU stake No. 064 block G48 LSS Estate indicated the existence of planting area beyond the legal limit. In this case the company has not been able to show proof to ensure the area of governance in accordance with the right of land use legally.Based on monitoring care of HGU stakes in the second semester of 2016 and first semester of 2017, it is known that all the stakes are in good condition and well maintained. However, based on the results of field visits at the point of HGU stakes No.065 block G48 LSS Estate are not found The stake.			
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none">Indication of planting area beyond the legal limit (Boundary No. 064).<ul style="list-style-type: none">Based on digital map analysis sighted that boundary No. 064 which should be located on the outside of HGU, with distance ± 8 meter from previous boundary location.Different location of boundary stones, it cause the ditch which is not possible to be fitted with a boundary.Boundary No. 065 in LSS was not found, because during boundary inspection conducted that are not possible to pass.			
Correction <i>(filled by organization audited):</i> <p>The certificate holder has conducted re-measurement area by National Land Agency, to ensure that all area is legal.</p>			
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none">Routinely boundary stones monitoring to ensure legal demarcation every semester.Based on re-measurement by National Land Agency sighted that Boundary No. 064 was outside of HGU 8,000 ha. However there are reserve area/plasma plan and HCV plan (outside HGU), it will be programming as Riparian Area.			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> <p>Verification on 25 July 2018</p> <p>The company was shown several evidence, such as:</p> <ol style="list-style-type: none">Letter No. 050/LP/Siais/EM/VIII/2017 dated 21 August 2017 to National Land Agency, the company was proposed to re-measurement HGU area 8,000 ha.National Land Agency were responds by letter No. 270/S-300.3/ix/2017 dated 25 September 2017, about: re-measurement cost.The company has paid re-measurement cost dated 26 September 2017.Minute of Meeting re-measurement activity for HGU area ± 8,000 ha, there are 141 boundary stones. It was known that boundary No. 064 was outside of HGU.Plot Map (<i>Bidang Tanah</i>) No. 40/2017 dated 27 October 2017, page-1 with NIB. 02.10.00.00.00161 area 8,000 ha.Plot Map (<i>Bidang Tanah</i>) No. 40/2017 dated 27 October 2017, page-2 there are reserve area (plasma) with area 10.2050 Ha with NIB. 02.10.00.00.00163 area 3.9652 Ha; NIB 02.10.00.00.00164 (5.1817 ha); NIB 02.10.00.00.00165 (1.0581 Ha). And also HCV area 41.9940 Ha with NIB 02.10.00.00.00166. On this map, there is information that this map only describes the boundaries of the plot, in accordance to applicant proposed. Whereas the control or ownership of the land is will investigated and examined further by Committee B Meeting.			

It is identified that there is control and possession of other party by Committee B meeting. Then it will be removed from the land maps.

Auditor Conclusion

Based on above explanation, this nonconformity was closed with observation. Reserve area and HCV area land title progress will be verified on Re-Certification assessment.

Verified by : **Trismadi Nurbayuto**

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

NCR No.	: 2018.1	Issued by	: Trismadi Nurbayuto
Date Issued	: 26 July 2018	Time Limit	: 25 October 2018
NC Grade	: Major	Date of Closing	: 7 September 2018
Standard Ref. & Requirement	General Chain of Custody 5.7.2 The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none">• Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.• Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.• Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.• Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.		
Non-Conformance Description & Evidence observed (filled by auditor): The certificate holders can't be shown that all of RSPO Certified Product transaction were recorded on RSPO IT Palm Trace. Based on mass balance document verification period of 25 September 2017 to 21 July 2018, there are information as follows: <u>CSPO</u> <ul style="list-style-type: none">- Credit allocations: 30,000.00 mt; Credit Sold: 18,086.00 mt; Remaining Credits: 11,914.00 mt.- CSPO sold as Conventional: 24,705.91 mt. <u>CSPK</u> <ul style="list-style-type: none">- CSPK sold as claim RSPO: 5,200.00 mt.- CSPK sold as Conventional: 1,000.12 mt. However, the management unit can't be shown that all CSPO and CSPK sold as Conventional were updated (removed) on RSPO IT Palm Trace.			
Root Cause Analysis (filled by organization audited): Lack of knowledge regarding CSPO & CSPK sales as conventional removed on the RSPO IT Palm Trace.			
Correction (filled by organization audited): Removing CSPO and CSPK sold as conventional on the RSPO IT Palm Trace.			
Corrective Action (filled by organization audited): <ol style="list-style-type: none">1. Mass Balance monitoring by officer, if any CSPO & CSPK sold as conventional will be removed on the RSPO IT Palm Trace.2. Internal Memo from General Manager Number IM 066/GMO/SIAIS/IX/2018 about Supply Chain Certification System (Mass Balance) Officer.			

3. Annual SCCS (Mass Balance) training program to all workers.

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

Verification on 7 September 2018

The certification unit was shown several evidences, such as:

1. RSPO products sold as conventional has been removed on the RSPO IT Palm Trace CSPO: 6,619.91 MT and CSPK: 1,000.12 MT
2. Management system training record dated 6 September 2017, including SCCS key persons.
3. Internal Memo from General Manager No. 066/GMO/SIAIS/IX/2018 dated 3 September 2018, about: SCCS (MB) PIC, such as: Commercial Manager, Mill Manager and Sustainability Compliance Manager.
4. Management system training program on fourth week of September 2018.

Auditor Conclusions:

Based on above evidence, this nonconformity has been closed.

Verified by : Trismadi N

NCR No.	: 2018.2	Issued by	: Trismadi Nurbayuto
Date Issued	: 26 July 2018	Time Limit	: 25 October 2018
NC Grade	: Major	Date of Closing	: 7 September 2018
Standard Ref. & Requirement	: General Chain of Custody 5.9.1 The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The record keeping (Mass Balance) that has been created by the management unit is not yet accurateAt the time audit, the certificate holder shown record keeping monitor for RSPO certified product and sales. Based on document analysis sighted that the formula is only calculates the reduction of CSPO/CSPK stocks sold by Credit Allocations and Physical Sold (Claim). However the CSPO & CSPK sales as Conventional has no been included in the formula. So the current physical stock of CSPO and CSPK is not accurate yet.			
Root Cause Analysis <i>(filled by organization audited):</i> Mass Balance formula on excel is not covering the CSPO & CSPK stocks which sold as conventional.			
Correction <i>(filled by organization audited):</i> Revision of excel formula about RSPO Certified Products Mass Balance.			
Corrective Action <i>(filled by organization audited):</i> <ol style="list-style-type: none">1. Mass Balance monitoring by officer, if any CSPO & CSPK sold as conventional will be removed on the RSPO IT Palm Trace.2. Internal Memo from Geneal Manager Number IM 066/GMO/SIAIS/IX/2018 about Supply Chain Certification System (Mass Balance) Officer.3. Annual SCCS (Mass Balance) training program to all workers.			

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification on 7 September 2018

Certification unit was shown RSPO Certified Products record keeping, such as:

RSPO Product Monitoring

Month	FFB Processing (Kg)			CPO Production (Kg)			PK Production (Kg)		
	Certified	Non Certified	Total	Certified	Non Certified	Total	Certified	Non Certified	Total
July 2017	24,130.12	7,539.67	31,669.79	5,315.92	1,655.66	6,971.59	1,115.01	340.90	1,455.91
August 2017	22,224.15	7,110.62	29,334.77	4,943.47	1,577.30	6,520.77	1,053.10	337.25	1,390.35
September 2017	18,624.26	5,907.71	24,531.96	4,088.51	1,293.90	5,382.41	926.82	287.73	1,214.55
October 2017	15,137.81	5,981.65	21,119.46	3,453.08	1,375.55	4,828.63	738.47	292.93	1,031.40
November 2017	12,939.98	6,531.45	19,471.44	2,802.32	1,416.71	4,219.03	637.74	322.13	959.87
December 2017	13,619.94	6,967.59	20,587.53	2,909.54	1,486.82	4,396.36	676.67	344.66	1,021.33
January 2018	10,641.30	7,880.70	18,522.01	2,262.45	1,671.68	3,934.13	502.16	372.45	874.61
February 2018	12,837.50	6,993.08	19,830.58	2,798.22	1,524.96	4,323.18	611.20	330.81	942.01
March 2018	15,675.86	8,799.64	24,475.50	3,371.09	1,891.94	5,263.02	776.11	434.97	1,211.08
April 2018	17,213.64	7,574.55	24,788.19	3,734.61	1,648.82	5,383.43	825.29	363.57	1,188.86
May 2018	17,008.13	7,956.02	24,964.15	3,506.35	1,630.03	5,136.38	810.59	378.57	1,189.16
June 2018	15,642.88	7,411.10	23,053.98	3,256.51	1,523.50	4,780.01	760.88	360.92	1,121.80
Total	195,695.58	86,653.78	282,349.36	42,442.07	18,696.88	61,138.94	10,556.73	4,448.39	15,005.12

RSPO Product Monitoring

Month	FFB Processing (Kg)			CPO Production (Kg)			PK Production (Kg)		
	Certified	Non Certified	Total	Certified	Non Certified	Total	Certified	Non Certified	Total
July 2017	24,130.12	7,539.67	31,669.79	5,315.92	1,655.66	6,971.59	1,115.01	340.90	1,455.91
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May 2018	17,008.13	7,956.02	24,964.15	3,506.35	1,630.03	5,136.38	810.59	378.57	1,189.16
June 2018	15,642.88	7,411.10	23,053.98	3,256.51	1,523.50	4,780.01	760.88	360.92	1,121.80

Total	195,695.5	86,653.7	282,349.3	42,442.0	18,696.8	61,138.9	10,556.73	4,448.39	15,005.12
	8	8	6	7	8	4			
Auditor conclusions: Based on above document, this non conformity has been closed.									
Verified by	: Trismadi N								

3.5.3 Opportunity for Improvement

No	Ref. Std.	Description
1	2.1.1	Progress for Surface water utilization permit by related agency.
2	4.3.5	Estate management is encourage to conduct drainability studies for longterm viability projection for oil palm replanting.
3	4.6.6	Estate management has an opportunity to ensure that all reuse pesticide containers has labelled by symbol(s) as required by Regulation of Minister of Environment No. 03 year 2008 Article 2.
4	4.7.3	Based on interview with several workers in LSU and LSS, sighted that several worker didn't known about PPE's damage replacement procedure. Clarification with management, said that all PPE's damage will be replaced. In addition that, based on field observation to central store, known that there are new PPE's stock. The company to be consider to increase understanding of PPE's replacement procedures to all workers.
5	5.1.1	Regarding progress and development for new EIA, auditors team suggest company to monitored progress of this new EIA document development.
6	5.2.1	There is difference between HCV hectarage based on identification and HCV areas on basic info (1,230.17 ha vs 1,171.82 ha). Regarding this company are encouraged managed HCV areas and HCV statement areas synchronization
7	5.3.2	Management control on hazardous waste.
8	5.3.3	Installation on water level measurement device on Effluent Plant of Mill.
9	6.5.2	Estate management is encourage to ensure that all loosefruit pickers were an active employees of Contractor CV Abadi Jaya.
10	7.3	On July 2018, company are re-sending confirmation email to RSPO related LUCA progress, based on this expalanation RaCP compensation plan apporval progress by RSPO will be observed on next audit.

3.5.4 Noteworthy Positive Components

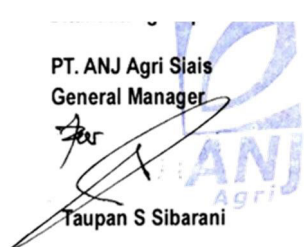

No	Descriptions
1	The Certificate holder has good commitment to implement Sustainable Management Principle.
2	The company has earn ISO 14001:2004 with Certificate No. 08.04 K 14070, valid until 11 November 2020.
3	The company has earn Gold Flag of SMK3 year of 2014.
4	Estate management has put <i>Elaidobious camerunicus</i> on the field which aims to enhance pollination rates of palms, especially during wet season.
5	EFB-Compost mulching on the field as nutrient cycle stragey.
6	Award from <i>Asosiasi Pengusaha Indonesia</i> (APINDO) and Oxfam Indonesia relate to the implementation of Gender Equality in the workplace.

3.6 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
Serbundo (<i>Serikat Buruh Perkebunan Indonesia</i>) <ul style="list-style-type: none"> • There are no discrimination related to workers union. • The company has been paid salary in accordance to regulations. • Grievance procedure through foreman or Bipartite. • All workers has been registered on Social Insurance program (BPJS). • There are conflict between a worker and outsourcing security. However on resolving progress between both of parties. 	<p>It has been verified on criteria 6.2, 6.5, 6.8, and 6.13.</p>
Local Contractor (Makmur Jaya & Setia Abadi Jaya Cooperation) <ul style="list-style-type: none"> • Renewal contract was conducted every months. • There are several activity, such as: FFB transport, infrastructure maintenance, and others. • There are no delayed payment cases. • All PPE's, Social Insurance (BPJS) is responsibility of contractor. • The company has conducted inspection and socialization related to OHS to the contractor. 	<p>It has been verified on criteria 4.6.6 regarding to Social Insurance and 6.10 related to payment.</p>
FFB Supplier (UD Boru Namora) <ul style="list-style-type: none"> • Renewal MoU was conducted every years. • FFB's sources from surrounding communities. • FFB's payment every day, maximum three days. • FFB's prices has been informed to the suppliers through Mill Office. • The company will be give an incentive, when the suppliers over target. • The suppliers has known regarding FFB criteria. • The company has socialized related to prohibition of Illegal FFB's received. 	<p>It has been verified on criteria 6.10 related to payment.</p>
Women and Child Protection Committee <ul style="list-style-type: none"> • Since 8 January 2018, there was changed name of gender committee to Women and Child Protection Committee. • Menstruation rights and maternity leave rights may be made in accordance with the results of a doctor/nurse examination. These rights are contained in the company's policies and regulations. • There are no cases of sexual harassment. • Socialization to workers is done through muster morning morning, film screenings at employee centers and during bipartite meetings. 	<p>It has been verified on criteria 6.9.</p>
Janji Matogu Sub Village <ul style="list-style-type: none"> • The company has transparent on recruitment process for local workers. • There are no land dispute issues during last year. • The company has realized the CSR program, such as: infrastructure, religious ceremony, and educational aspect. • There are no fires issues during last year. 	<p>It has been verified on criteria 2.2, 2.3, 6.5, 6.11.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
Head of Pardomuan Village <ul style="list-style-type: none"> There are three sub villages which boundaries with the company, such as: Labala Siak Sub Village, Binasari Sub Village and Janji Matogu Sub Village. The company has CSR program, and it was realised on economic development as FFB suppliers' contract. There are no fires issues during last year. The company has program Masyarakat Peduli Api to prevent fires on surrounding villages. There is no conflict or dispute with the surrounding communities. The company has been socialized HCV area and hunting prohibition to the surrounding villages. 	<p>It has been verified on criteria 2.2, 2.3, 5.2, 6.11.</p>
Binasari Sub Village <ul style="list-style-type: none"> There is no conflict or dispute with the surrounding communities. There is no negative issues related operations such as fire and environmental pollution. Cooperation in the form of plasma farmers (Binasari cooperatives) managed by company - is the concept of conflict resolution. And until the audit takes place there is no dispute with the communities. CH has informed related to data for the results of farmers assisted each month. FFB prices in accordance to Plantation Agency of Sumatera Utara Province. It has been paid dated 10th – 13th every months. Aspiration: <ul style="list-style-type: none"> The company can be improve job vacancies for youth generation from this sub village. Farmers Group of Binasari wishes that EFB application contract can be opened again. Not only for Janji Matogu Sub Villages. 	<p>It has been verified on criteria 2.2, 2.3, 6.1, 6.11.</p>
Labala Siak Sub Village <ul style="list-style-type: none"> There is no conflict or dispute with the surrounding communities. There are no fire issues during last years. There is no negative issues related operations such as fire and environmental pollution. CH has realized several CSR, such as infrastructure and religious events. 	<p>It has been verified on criteria 2.2, 2.3, 6.1, 6.11.</p>
Environment Agency of Tapanuli Selatan District <ul style="list-style-type: none"> The company to be consider to revision of Environment Impact Assessment, if any revision of company name. There are no environment pollutions issue during last year. There are no fire issues during last year. 	<ul style="list-style-type: none"> The company has sent letter No. 1546/PT.ANJAS/III/2018 dated 15 March 2018 to Environment Agency of Sumatera Utara Province. The EIA revision related to developing

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> The company has been regularly reported all the obligation report, such as: EIA Management plan report, Schedule Waste report. 	methane capture program, and revision name from PT Ondop Perkasa Makmur to PT ANJ Agri Siais. <ul style="list-style-type: none"> It has been verified on criteria 1.1 and 5.1.
Agriculture and Plantation Agency of Tapanuli Selatan District <ul style="list-style-type: none"> There are no land dispute issues during last year. There are no new development or new planting during last year. There are no fire issues during last year. The company has good communication with agency. The company has reporting LPUP (<i>Laporan Perkembangan Usaha Perkebunan</i>) The company has been realized CSR to the surrounding villages. 	It has been verified on criteria 1.1, 2.3, 6.4 and 6.11.
Section Head Land Dispute (Agraria & Tata Ruang (National Land Board)) of Tapanuli Selatan District <ul style="list-style-type: none"> There are no land dispute with mining, other company and surrounding village during last year. The company has been conducted re measurement area by Head Quarter of National Land Board. Based on expose result in Tapanuli Selatan District. Actually there are two Land Use Title. There are HGU process for plasma area \pm 240 ha. 	It has been verified on criteria 2.2 and 2.3.
Man Power Agency District of Tapanuli Selatan <ul style="list-style-type: none"> The company has been reported all Manpower report. The minimum wages in Tapanuli Selatan District is UMSP (<i>Upah Minimum Sektoral Provinsi Sumatera Utara</i>). There are no fatality accident during period of 2017/2018. The company has been registered all workers on Social Security Program (Workers and Health Insurance/BPJS) There are industrial relation cases during last year, regarding to worker transfer to other city. However this cases has been resolved by both of parties. Inspector the Mill Machinery is responsibility of Man Power Agency of Sumatera Utara Province. 	It has been verified on criteria 1.1 and 4.7.

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;">  <p>PT. ANJ Agri Siais General Manager Taupan S Sibarani Friday, 7 September 2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p>Trismadi Nurbayuto Friday, 7 September 2018</p> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1.	Plantation and farms Agency	Tapanuli Selatan Districts	-	Interview	10 April 2018	√	
2.	Manpower, Transmigration and Social Agency	Tapanuli Selatan Districts	-	Interview	10 April 2018	√	
3.	Environmental Agency	Tapanuli Selatan Districts	-	Interview	10 April 2018	√	
4.	National Land Board	Tapanuli Selatan Districts	-	Interview	10 April 2018	√	
5.	Makmur Jaya Cooperation	Pardomuan Village	-	Interview	10 April 2018	√	
	FFB Suppliers (UD Boru Namora)	Pardomuan Village	-	Interview	10 April 2018	√	
6.	Janji Matogu Sub Village	Pardomuan Village	-	Interview	10 April 2018	√	
7.	Binasari Sub Village	Pardomuan Village	-	Interview	24 July 2018	√	
8.	Labala Siak Village	Pardomuan Village	-	Interview	24 July 2018	√	
9.	Serbundo (Indonesian Plantation Trade Union)	Tapanuli Selatan Districts	-	Interview	24 July 2018	√	
11.	Gender Committee	Tapanuli Selatan Districts	-	Interview	24 July 2018	√	
12.	World Wide Fund	-	wwf-indonesia@wwf.or.id	Via email	20 July 2018		√
13.	Wahana Lingkungan Hidup Indonesia	-	informasi@walhi.or.id	Via email	20 July 2018		√
14.	Sawit Watch	-	info@sawitwatch.or.id	Via email	20 July 2018		√
15.	<ul style="list-style-type: none"> 1 Foreman, 1 Harvester and 1 Loosefruit Picker. 1 Foreman 2 male pesticide applicators. 	Lembah Subur Selatan Estate		Interview	24 July 2018	√	
16.	4 fertilizer applicators from LSU and LSS	General Manager Office		Interview	25 July 2018	√	
17.	<ul style="list-style-type: none"> 2 Security Officers. 2 FFB Graders. 7 Operators on processing stations. 1 Laborant 	ANJA Siais Mill		Interview	25 July 2018	√	
18.	<ul style="list-style-type: none"> 1 Foreman, 1 Harvester and 1 Loosefruit Picker. 1 Foreman, pesticide applicators (1 male and 5 females). 	Lembah Subur Utara Estate		Interview	26 July 2018	√	
-	-						

Appendix 2. Assessment Program			
DATE		23 to 27 July 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 23 July 2018			
06.45 – 09.00	06.45 – 09.00	JAKARTA → SIBOLGA (Garuda GA 262)	All team
09.00 – 15.00	09.00 – 15.00	SIBOLGA → PT AUSTINDO NUSANTARA JAYA AGRI –SIAIS	
15.00 – 16.00	15.00 – 16.00	Opening Meeting	All team
16.00 – 17.00	16.00 – 17.00	Verification of the previous visit non-conformance, evaluation of recurring NCR, basic information, TBP, partial certification and preparation of stakeholder consultation.	All team
Tuesday, 24 July 2018			
08.00 – 08.30	08.00 – 08.30	Field Observation on Lembah Subur Selatan Estate: <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, Water Management, Subsidence Pole, Water Level Monitoring, IPM, OHS and Worker Welfare (payments, complaint mechanism). Water Discharge, HCV area, legal boundaries, landfill, Housing Complex, Chemical Store, Schedule Waste, and Fire Fighting Simulation. Interview with Surrounding Village, FFB Suppliers & Local Contractor 	All team
08.30 - 12.00	08.30 - 12.00		<ul style="list-style-type: none"> AMR STM TNB
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Interview with Workers Union, Gender Committee Verification of the previous visit non-conformance, evaluation of re-occurrence NC at this assessment, basic information, TBP, partial certification and preparation of stakeholder consultation. 	<ul style="list-style-type: none"> TNB AMR/STM
Wednesday, 25 July 2018			
08.00 – 12.00	08.00 – 12.00	Field Observation ANJ Agri Siais POM: <ul style="list-style-type: none"> Supply Chain (Security Post & Weighbridge Station) FFB receive and process, OHS and Worker Welfare (payments, complaint mechanism). Schedule Waste (LB3), Hazardous storage, OHS, Workshop, Worker Welfare (payments, complaint mechanism) Land Application and Effluent Ponds. 	<ul style="list-style-type: none"> TNB AMR STM
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Continuing the field observation Clarification of Public Consultation and field observation Document verification and updating Verification of the previous visit non-conformance, evaluation of recurring NCR, basic information, TBP and partial certification and preparation of stakeholder consultation. 	All Team
Thursday, 26 July 2018			
08.00 – 12.00	08.00 – 12.00	Field Observation on Lembah Subur Utara Estate: <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, Water Management, Subsidence Pole, Water Level Monitoring, IPM, OHS and Worker Welfare (payments, complaint mechanism). Water Discharge, HCV area, legal boundaries, landfill, Housing Complex, Chemical Store, Schedule Waste, and Fire Fighting Simulation. 	<ul style="list-style-type: none"> TNB/AMR STM
12.00 – 14.00	12.00 – 14.00	Break	
15.00 – 17.00	15.00 – 17.00	CLOSING MEETING	All Team

DATE		23 to 27 July 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
17.00 – 20.00	17.00 – 20.00	Travelling from Mess to Padang Sidempuan	
Friday, 27 July 2018			
06.30 – 08.30	06.30 – 08.30	Padang Sidempuan → Sibolga	All Team
09.30 – 11.30	09.30 – 11.30	Sibolga → Jakarta (Garuda GA 263)	All Team