

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

### **[ ✓ ] Surveillance**

Name of Management : Kijang Palm Oil Mill, PT Buana Wiralestari Mas subsidiary of Golden Agri Organisation Resources Holdings Ltd.  
 Plantation Name : PT Buana Wiralestari Mas: Kijang Mas Estate; Kijang Kencana Plasma Estate  
 Location : Village of Sekijang, Sub District of Tapung Hilir, Kampar District, Province of Riau, Indonesia  
 Certificate Code : **MUTU-RSPO/013**  
 Date of Certificate Issue : 17 January 2017      Date of License Issue : 17 January 2019  
 Date of Certificate Expiry : 16 January 2022      Date of License Expiry : 16 January 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.2	8, 10, 12, 13, 15, 19 October 2018	Moh Arif Yusni, Steve Mualim, M. Amarullah and Hasiholan Sihombing	Ardiansyah	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.2	19 November 2018

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 on March 12<sup>th</sup>, 2014 with registration number **ASI-ACC-055**

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Figure 1. Location Map of PT Buana Wiraletari Mas

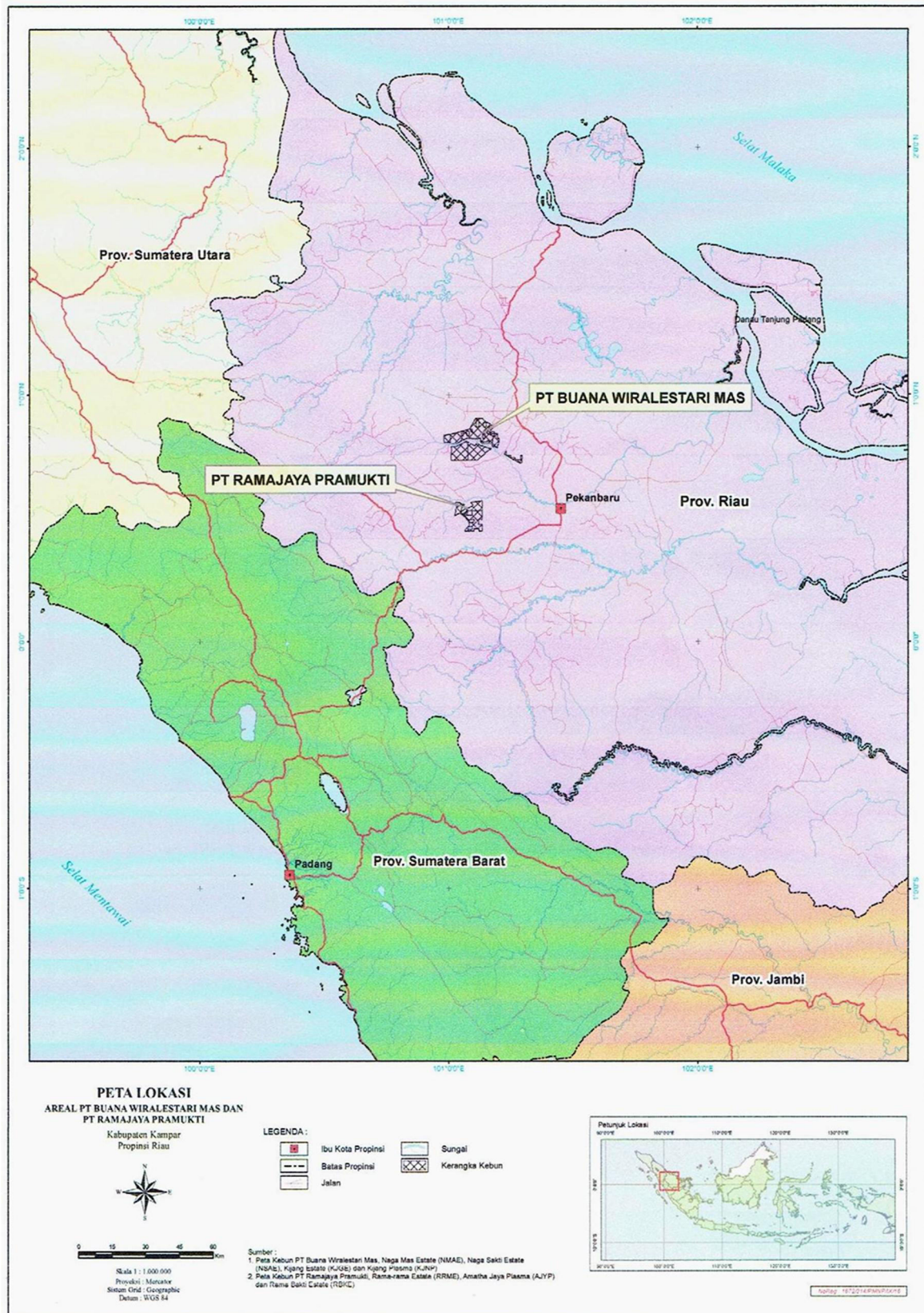
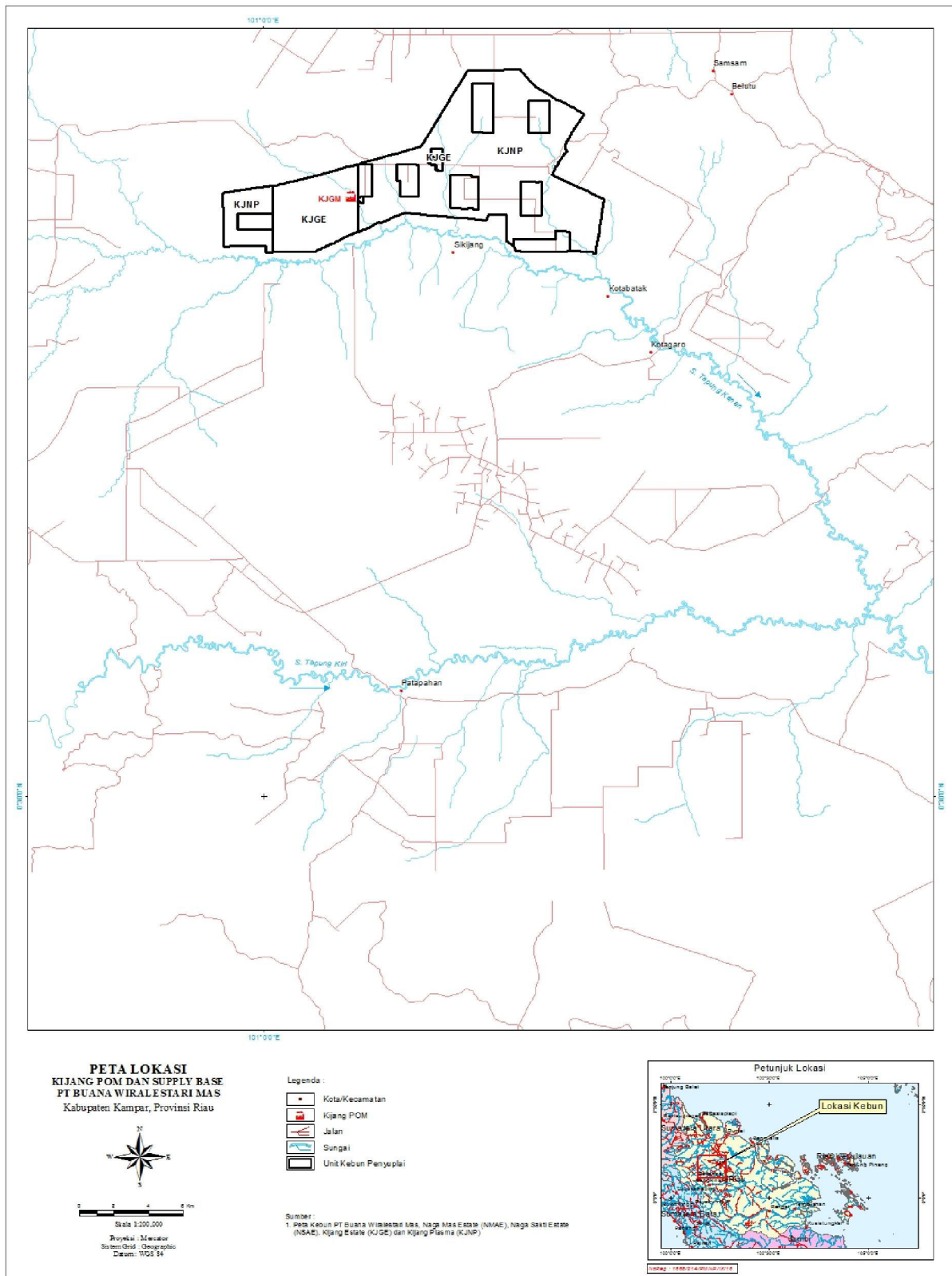




Figure 2. Operational Map of Kijang Mas Estate, Kijang Kencana Plasma



**Abbreviations Used**

ASA	: Annual Surveillance Assessment	KER	: Kernel Extraction Rate
BMP	: Best Management Practices	KJGE	: Kijang Mas Estate
BOB	: Barn Owl Boxes	KJGM	: Kijang Mill
BOD	: Biological Oxygen Demand	KJNP	: Kijang Kencana Plasma
		KUD	: <i>Koperasi Unit Desa</i> (Cooperative Unit)
BWLM	: Buana Wiralestari Mas	LD	: Lethal Dosage
CB	: Certification Body	LKUP	: <i>Laporan Kegiatan Usaha Perkebunan</i> (Plantation Activity Report)
CDP	: Community Development Program	MCMD	: Management Committee for Mill Development
CH	: Certificate Holder	MoU	: Memorandum of Understanding
CITES	: Convention, International, Threatened, Endangered Species	MSDS	: Material Safety Data Sheet
CPO	: Crude Palm Oil	MUTU	: Mutuagung Lestari
CSPK	: Certified Sustainable Palm Kernel	NGO	: Non-Government Organization
CSPO	: Certified Sustainable Palm Oil	OER	: Oil Extraction Rate
CSR	: Corporate Social Responsibility	OHS	: Occupational Health and Safety
EFB	: Empty Fruit Bunches	OHSAS	: Occupational Health and Safety Assessment Series
EHS	: Environmental, Health and Safety	P&C	: Principle and Criteria
EIA	: Environmental Impact Assessment	PIC	: Personal In Charge
FFB	: Fresh Fruit Bunches	PK	: Palm Kernel
FGD	: Focus Group Discussion	POM	: Palm Oil Mill
FR	: Frequently Rate	POME	: Palm Oil Mill Effluent
FPIC	: Free, Prior and Informed Consent	PPE	: Personal Protective Equipment
GAR	: Golden Agri resources	RC/PC	: Regional Controller / Production Controller
GHG	: Green House Gases	RJP	: Ramajaya Pramukti
GRTT	: <i>Ganti Rugi dan Tanam Tumbuh</i> (Land Compensation)	RSPO	: Roundtable on Sustainable Palm Oil
GPS	: Global Positioning System	RKL- RPL	: Environmental Management and Monitoring Report
HCV	: High Conservation Value	SCCS	: Supply Chain Certification System
HGU	: <i>Hak Guna Usaha</i> (Land Use Title/Right)	SIA	: Social Impact Assessment
HIRAC	: Hazard Identification Risk Assessment and Control	SIO	: <i>Surat Izin Operator</i> (license)
HRD	: Human Resources Development/Department	SMD Ops	: Senior Managing Directors Operation
IF	: Innovative Financing	SPO	: Sustainable Palm Oil
IPM	: Integrated Pest Management	SOP	: Standard Operating Procedure
ISCC	: International Sustainability and Carbon Certification	SR	: Severity Rate
ISO	: International Standard Organization	ST-2	: Stage-2 Assessment/Audit
ISPO	: Indonesia Sustainable Palm Oil	WHO	: World Health Organization
IUCN	: International Union for Conservation of Nature		
IUP	: Plantation Permit/Licenses	WTP	: Water Treatment Plant
KAN	: Indonesian Accreditation Body	WWTP	: Waste Water Treatment Plant
		VPA /VPM	: Vice President Agronomy / Vice President Manufacture

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>• Indonesian National Interpretation of RSPO Principles and Criteria (P&amp;C) 2013 by INA-NITF July 2016, endorsed by the RSPO Board of Governors on September 30th 2016.</li><li>• RSPO Management System Requirements and Guidance For Group Certification of FFB production, 7 March 2016</li><li>• 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)</li><li>• RSPO Certification System for Principles and Criteria, 14 June 2017</li></ul>	
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	PT Buana Wiralestari Mas subsidiary of Golden Agri Resources Holdings Ltd.	
1.2.2	Contact person	Ismu Zulfikar	
1.2.3	Organisation address and site address	<b>Head Office:</b> 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore, Singapore 118535  <b>Indonesia Office:</b> Sinan Mas Land Plaza, Tower II, 30th Floor JL. MH Thamrin No 51 Jakarta 10350 Indonesia	
1.2.4	Telephone	+62-21 50338899 ext 1184	
1.2.5	Fax	+62-21 50389999	
1.2.6	E-mail	<a href="mailto:ismu.zulfikar@sinarmas-agri.com">ismu.zulfikar@sinarmas-agri.com</a>	
1.2.7	Web page address	<a href="http://www.goldenagri.com.sg">www.goldenagri.com.sg</a>	
1.2.8	Management Representative who completed the application for certification	Ismu Zulfikar (Head of Environmental Department)	
1.2.9	Registered as RSPO member	1-0096-11-000-00 (31 March 2011)	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply bases Kijang Mill, Kijang Mas Estate, Kijang Kencana Plasma 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
			LatitudeLongitude
	Kijang Mill	Village of Sekijang, Sub-District of Tapung Hilir, District of Kampar, Province of Riau,	N 0° 50' 01"E 101° 02' 42"

		Indonesia.		
1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Kijang Mas Estate	Village of Sekijang, Sub-District of Tapung Hilir, District of Kampar, Province of Riau, Indonesia.	N 0° 49' 60"	E 101° 02' 58"
	Kijang Kencana Plasma (197 Farmer Groups; 4,073 smallholders)			
	KUD Makarti Buana Jaya (506 Smallholders)	Village of Kijang Jaya, Sub-District of Tapung Hilir, District of Kampar, Province of Riau, Indonesia.	N 0° 50' 36"	E 101° 04' 34"
	KUD Berkat Ridho (350 Smallholders)	Village of Kijang Jaya, Sub-District of Tapung Hilir, District of Kampar, Province of Riau, Indonesia.	N 0° 50' 35"	E 101° 03' 16"
	KUD Kijang Mas (387 Smallholders)	Village of Kijang Jaya, Sub-District of Tapung Hilir, District of Kampar, Province of Riau, Indonesia.	N 0° 49' 08"	E 101° 59' 45"
	KUD Makmur Sejahtera (635 Smallholders)	Village of Kijang Jaya, Sub-District of Tapung Hilir, District of Kampar, Province of Riau, Indonesia.	N 0° 50' 01"	E 101° 06' 19"
	KUD Panca Warga (611 Smallholders)	Village of Kijang Jaya, Sub-District of Tapung Hilir, District of Kampar, Province of Riau, Indonesia.	N 0° 52' 29"	E 101° 06' 45"
	KUD Budi Karya (500 Smallholders)	Village of Kijang Jaya, Sub-District of Tapung Hilir, District of Kampar, Province of Riau, Indonesia.	N 0° 52' 21"	E 101° 08' 29"
KUD Lestari Jaya (511 Smallholders)	Village of Kijang Jaya, Sub-District of Tapung Hilir, District of Kampar, Province of Riau, Indonesia.	N 0° 49' 58"	E 101° 08' 24"	
KUD Manunggal Abadi (573 Smallholders)	Village of Kijang Jaya, Sub-District of Tapung Hilir, District of Kampar, Province of Riau, Indonesia.	N 0° 48' 19"	E 101° 08' 28"	
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		2,369.39 Ha	
	• Community		8,147.79 Ha	
	<sup>1</sup> based on Land Tittle (HGU) No. 1/1994 (2,284.74 Ha); 1/1998(80.00 Ha) and HGB No. 1/2000 (4.65 Ha). <sup>2</sup> based on Ownership Right Certificates (SHM) of smallholders.			
1.5.2	Area Statement			
		Kijang Mas Estate	Kijang Kencana Plasma	Total
	• Total area	2,369.39	8,147.79	10,517.18 Ha
	• Mature area	2,074.46	8,147.79	10,222.25 Ha
	• Mill and Emplacement	57.48	-	57.48 Ha
	• infrastructure	140.33	-	140.33 Ha
	• Nursery	36.95	-	36.95 Ha

• Others area	3.36	-	3.36	Ha
• Weirs / lowland / river	56.81	-	56.81	Ha
• HCV (calculated as planted area)	31.43	-	31.43	Ha
Noted: Area that not has HGU yet 56.07 Ha not include from the scope of certification and the progress of land tanure was include in partial certification.				

**1.6 Planting Year and Cycles**
**1.6.1 Age profile of planting year**

Planting Year	Hectarage (Ha)		
	Kijang Mas Estate	Kijang Kencana Plasma	Total
1991	242.60	369.00	611.60
1992	1,762.18	2,339.00	4,101.18
1993	22.82	3,185.00	3,207.82
1994	-	1,467.00	1467.00
1995	-	504.80	504.80
1996	46.86	58.00	104.86
1997	-	52.70	52.70
1998	-	47.30	47.30
2001	-	124.99	124.99
<b>TOTAL</b>	<b>2,074.46</b>	<b>8,147.79</b>	<b>10,222.25</b>

1.6.2	New Planting area after January 2010	-	Ha
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1.6.3	Planting Cycle	1 <sup>st</sup> Cycle
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**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 (%)
Kijang	60	260,840.04	50,119.60	19.21	14,562.55	5.58

*\*Production data source from October 2017 – September 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)	%
Kijang Mas	2,369.39	2,074.46	50,676	24.4	8,911.22	17.58
Kijang Kencana Plasma (197 Farmer Groups; 4,073 smallholders)						
KUD Makarti Buana Jaya (21 FG; 506 Smallholders)	1,011.00	1,011.00	212,000.52	26.0	193,562.25	91.30
KUD Berkat Ridho (17 FG; 350 Smallholders)	700.00	700.00				
KUD Kijang Mas (19 FG; 387 Smallholders)	774.00	774.00				



	KUD Makmur Sejahtera (32 FG; 635 Smallholders)	1,270.00	1,270.00				
	KUD Panca Warga (32 FG; 611 Smallholders)	1,224.79	1,224.79				
	KUD Budi Karya (25 FG; 500 Smallholders)	999.00	999.00				
	KUD Lestari Jaya (25 FG; 511 Smallholders)	1,022.00	1,022.00				
	KUD Manunggal Abadi (26 FG; 573 Smallholders)	1,147.00	1,147.00				
	<b>Total Smallholders</b>	<b>8,147.79</b>	<b>8,147.79</b>				
	<b>TOTAL</b>	<b>10,517.18</b>	<b>10,222.25</b>	<b>262,676.52</b>	<b>25.7</b>	<b>202,473.47</b>	<b>77.08</b>
	<i>*Production data source from October 2017 – September 2018</i>						
1.7.3	FFB description from other source						
	<b>Name of sources/Organisation</b> (RSPO certified / non-certified)	<b>Type of Organisation</b>	<b>Number of smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill</b>		
					<b>FFB (tonnes/year)</b>		
	Nagamas Estate (RSPO Certified)	PT Buana Wiralestari Mas	-	4,919.10	477.92		
	Nagasakti Estate (RSPO Certified)		-	5,025.47	4,711.65		
	Other Sources (Non-Certified outsider supplier)	Independent Supplier	-		53,177		
	<b>TOTAL</b>				<b>58,366.57</b>		
	<i>*Production data source from October 2017 – September 2018</i>						
1.7.4	Product categories			<b>FFB, CPO, PK</b>			
<b>1.8</b>	<b>Tonnage of Product</b>						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT)		
	• FFB Production		272,692		207,663.04		
	• CPO Production		54,538		39,856.08		
	• Palm Kernel (PK) Production		14,998		11,637.64		
1.8.2	Product selling						
	Tonnage of selling product		Last year period of actual selling product				
	• CSPO sold as RSPO certified product		505.05				
	• CSPK sold as RSPO certified product		6,517.98				
	• CSPO sold under other scheme		29,669.69				
	• CSPK sold under other scheme		0				
	• CSPO sold as conventional		8,593				
	• CSPK sold as conventional		4,104.69				
1.8.3	Estimate of Certified FFB Claim						
	<b>Name of Estate(s)</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>		<b>Yield (tonnes/ha/year)</b>	

Kijang Mas	2,369.39	2,074.46	51,690	24.92
Kijang Kencana Plasma (197 Farmer Groups; 4,073 smallholders)				
KUD Makarti Buana Jaya (21 FG; 506 Smallholders)	1,011.00	1,011.00	26,514	26.23
KUD Berkat Ridho (17 FG; 350 Smallholders)	700.00	700.00	18,872	26.96
KUD Kijang Mas (19 FG; 387 Smallholders)	774.00	774.00	20,878	26.97
KUD Makmur Sejahtera (32 FG; 635 Smallholders)	1,270.00	1,270.00	32,856	25.87
KUD Panca Warga (32 FG; 611 Smallholders)	1,224.79	1,224.79	33,835	27.62
KUD Budi Karya (25 FG; 500 Smallholders)	999.00	999.00	27,601	27.63
KUD Lestari Jaya (25 FG; 511 Smallholders)	1,022.00	1,022.00	28,320	27.71
KUD Manunggal Abadi (26 FG; 573 Smallholders)	1,147.00	1,147.00	31,604	27.55
<b>Total Smallholders</b>	<b>8,147.79</b>	<b>8,147.79</b>	<b>220,480</b>	<b>27.06</b>
<b>TOTAL</b>	<b>10,517.18</b>	<b>10,222.25</b>	<b>272,170</b>	<b>26.63</b>

*\*Projected FFB production for 17 January 2019 – 16 January 2020*

#### 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 (%)	
Kijang	60	272,170	54,434	20	16,330	6	MB

*\*Projected FFB production for 17 January 2019 – 16 January 2020*

#### 1.9 Other Certifications

ISO 9001:2008	-
ISO 14001: 2004	-
OHSAS 18001:2007	-
ISCC	13-218-2017001318013804
Others	ISPO : MUTU-ISPO/027, 09 September 2014 to 08 September 2019

#### 1.10 Time Bound Plan

##### 1.10.1 Time Bound Plan for Other Management Units

Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
Mill	Time Bound Plan				
Pangkalan Panji (PT Sawit Mas Sejahtera)	2013	Sawit Mas Estate	2013	South Sumatera	Certified
Bumi Sawit Mill (PT Bumi Sawit Permai)	2013	Bumi Sawit Estate	2013	South Sumatera	Certified
Muara Kandis Mill (PT Djuanda Sawit Lestari)	2013	Muara Tawas Estate	2013	South Sumatera	Certified
		Muara Kandis Estate	2013	South Sumatera	Certified

		Muara Kandis Estate (HGU on progress – 574.58 Ha)	2020	South Sumatera	-
		Smallholder (KKPA Pandawa)	2019	South Sumatera	-
		Smallholder (Pandawa Plasma)	2019	South Sumatera	-
Sungai Rungau Mill (PT Sumber Indah Perkasa)	2013	Sungai Rungau Estate	2013	Central Kalimantan	Certified
		Sungai Seruyan Estate	2013	Central Kalimantan	Certified
		Terawan Estate	2013	Central Kalimantan	Certified
		Tangar Estate	2013	Central Kalimantan	Certified
		Bukit Tiga Estate	2013	Central Kalimantan	Certified
Bukit Perak EMIII (PT Bumi Permai Lestari)	2013	Bukit Perak Estate	2013	Bangka Belitung	Certified
		Bukit Permata Estate	2013	Bangka Belitung	Certified
Tanjung Kembiri Mill (PT Forestalestari Dwikarya)	2013	Tanjung Kembiri Estate	2013	Belitung	Certified
		Tanjung Rusa Estate	2013	Belitung	Certified
		Tanjung Rusa KKPA	2019	Belitung	-
Sungai Buaya Mill (PT Sumber Indah Perkasa)	2014	Sungai Buaya Estate	2014	Lampung	Certified
		Smallholder (KKPA Gedung Aji Lama)	2014	Lampung	Certified
		Smallholder (KKPA Mesuji)	2014	Lampung	Certified
Sungai Merah Mill (PT Sumber Indah Perkasa)	2014	Sungai Merah Estate	2014	Lampung	Certified
		Smallholder (KKPA Gedung Aji Baru)	2014	Lampung	Certified
Kasuari Mill (PT Sinar Kencana Inti Perkasa)	2018	Cendrawasih Estate	2018	Papua	ST-1
		Nuri Estate	2018	Papua	ST-1
		Rajawali Estate	2018	Papua	ST-1
		Mambruk Estate (PT Sumber Indah Perkasa)	2018	Papua	ST-1
Pekawai Mill (PT Agrolestari Mandiri)	2018	Kayung Estate	2018	West Kalimantan	ST-1
		Pekawai Estate	2018	West Kalimantan	ST-1

		Sungai Kelik Estate	2018	West Kalimantan	ST-1
		Nanga Tayap Estate	2018	West Kalimantan	ST-1
		Smallholder (Kayung Plasma)	2019	West Kalimantan	ST-1
Kenanga Mill (PT Kencana Graha Permai)	2014	Kencana Estate	2015	West Kalimantan	Certified
		Cendana Estate	2015	West Kalimantan	Certified
		Kenanga Estate (PT Cahaya Nusa Gemilang)	2018	West Kalimantan	-
		Delima Estate (PT Kencana Graha Permai)	2018	West Kalimantan	-
		Gaharu Estate (PT Bangun Nusa Mandiri)	2019	West Kalimantan	-
		Smallholder (Gaharu Plasma)	2019	West Kalimantan	-
		Smallholder (Kencana Plasma)	2019	West Kalimantan	-
		Smallholder (Kenanga Plasma)	2019	West Kalimantan	-
Perdana Mill (PT Binasawit Abadi Pratama)	2020	Perdana Estate	2020	Central Kalimantan	ST-1
		Lenggana Estate	2020	Central Kalimantan	ST-1
		Semandau Estate	2020	Central Kalimantan	ST-1
		Muara Dua Estate	2020	Central Kalimantan	ST-1
Kuayan Mill (PT Agrokarya Prima Lestari)	2020	Mentaya Estate	2020	Central Kalimantan	ST-1
		Kuayan Estate	2020	Central Kalimantan	ST-1
		Bukit Santuhai Estate	2020	Central Kalimantan	ST-1
		Tajur Beras Estate	2020	Central Kalimantan	ST-1
		Seranau Estate	2020	Central Kalimantan	ST-1
		Sungai Sambon Estate	2020	Central Kalimantan	ST-1
		Smallholder (Sungai Sambon Plasma)	2020	Central Kalimantan	-



		Sapiri Estate (PT Buana Adhitama)	2020	Central Kalimantan	ST-1
		Bukit Dua Estate (PT Buana Adhitama)	2020	Central Kalimantan	
		Bukit Tunggul Estate (PT Buana Adhitama)	2020	Central Kalimantan	
Belian Mill (PT Paramitra Internusa Pratama)	2018	Belian Estate	2018	West Kalimantan	ST-1
		Tengkawang Estate	2018	West Kalimantan	ST-1
		Kenari Estate (PT Bangun Nusa Mandiri)	2019	West Kalimantan	ST-1
		KerANJI Estate (PT Bangun Nusa Mandiri)	2019	West Kalimantan	ST-1
		Muara Tawang Estate (PT Kartika Prima Cipta)	2019	West Kalimantan	ST-1
		Kapuas Hulu Estate (PT Persada Graha Mandiri)	2018	West Kalimantan	ST-1
		Sungai Beran Estate (PT Persada Graha Mandiri)	2018	West Kalimantan	ST-1
		Smallholder (Belian KKPA)	2020	West Kalimantan	-
		Smallholder (Tengkawang KKPA)	2020	West Kalimantan	-
		Smallholder (Kenari Plasma)	2019	West Kalimantan	-
		Smallholders (Kapuas Hulu KKPA)	2020	West Kalimantan	-
		Kenanga Estate (PT Cahaya Nusa Gemilang)	2018	West Kalimantan	-
Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa)	2019	Sungai Kupang Estate	2019	South Kalimantan	-
		Sungai Kupang KKPA	2019	South Kalimantan	-
		Senakin Estate	2019	South Kalimantan	-
Sungai Kikim Mill	2019	Sungai Kikim	2019	South Sumatera	-

(PT Sawit Mas Sejahtera)		Estate			
		Sungai Pangi Estate	2019	South Sumatera	-
		Sungai Musi Estate	2019	South Sumatera	-
		Sungai Saling Estate	2019	South Sumatera	-
		Sungai Enim Estate (PT Bumi Sawit Permai)	2019	South Sumatera	-
		Sungai Lematang Estate (PT Bumi Sawit Permai)	2019	South Sumatera	-
Tangar Mill (PT Mitra Karya Agroindo)	2020	Sulin Estate	2020	Central Kalimantan	-
		Nahiyang Estate	2020	Central Kalimantan	-
		Katayang Estate	2020	Central Kalimantan	-
		Sungai Nusa Estate	2020	Central Kalimantan	-
		Kajui Estate (PT Agro Lestari Sentosa)	2020	Central Kalimantan	-
		Manuhing Estate (PT Agro Lestari Sentosa)	2020	Central Kalimantan	-
		Sungai Ayawan Estate (PT Aditunggal Mahajaya)	2020	Central Kalimantan	-
Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa)	2019	Sungai Magalau Estate	2019	South Kalimantan	-
Jalemo Mill* PT Agro Lestari Sentosa	2020	Balasang Estate	2020	Central Kalimantan	-
		Jalemo Estate	2020	Central Kalimantan	-
Sako Mill* (PT Adi Tunggal Mahajaya)	2020	Sulin Plasma	2020	Central Kalimantan	-
		Sapiri Plasma	2020	Central Kalimantan	-
		Sako Plasma	2020	Central Kalimantan	-
Padang Halaban Mill  (PT SMART Tbk)	2011	Padang Halaban Estate	2011	North Sumatera	Certified
		Penantian Estate	2011	North Sumatera	Certified
		Adipati Estate	2011	North Sumatera	Certified
		Kanopan Ulu Estate	2011	North Sumatera	Certified

Batu Ampar Mill (PT SMART Tbk)	2012	Batu Ampar Estate	2012	South Kalimantan	Certified
		Batu Mulia Estate	2012	South Kalimantan	Certified
		Sungai Panci Estate	2012	South Kalimantan	Certified
		Sungai Panci KKPA	2012	South Kalimantan	Certified
Tanah Laut Mill (PT SMART Tbk)	2012	Tanah Laut Estate	2012	South Kalimantan	Certified
		Kinta Pura Estate	2012	South Kalimantan	Certified
Langga Payung Mill (PT Tapan Nadenggan)	2012	Langga Payung Estate	2012	North Sumatera	Certified
		Paya Baung Estate	2012	North Sumatera	Certified
		Normark Estate	2012	North Sumatera	Certified
Hanau Mill (PT Tapan Nadenggan)	2012	Hanau Estate	2012	Central Kalimantan	Certified
		Tasik Mas Estate	2012	Central Kalimantan	Certified
		Tanjung Paring Estate	2012	Central Kalimantan	Certified
		Langadang Estate	2012	Central Kalimantan	Certified
		Medang Sari (PT Satya Kisma Usaha)	2018	Central Kalimantan	-
Semilar (PT Tapan Nadenggan)	2013	Semilar	2013	Central Kalimantan	Certified
		Sei Rindu	2013	Central Kalimantan	Certified
		Mandang	2013	Central Kalimantan	Certified
		Puri	2013	Central Kalimantan	Certified
Jak Luay Mill (PT Tapan Nadenggan)	2015	Pantun Mas Estate	2015	East Kalimantan	Certified
		Pantun Mas KKPA	2018	East Kalimantan	-
		Jak Luay Estate	2015	East Kalimantan	Certified
		Jak Luay KKPA	2018	East Kalimantan	-
		Long Buluh Estate	2015	East Kalimantan	Certified
		Bukit Subur Estate	2015	East Kalimantan	Certified
		Bukit Subur	2018	East Kalimantan	-

		KKPA			
Leidong West Mill	2014	Leidong West Utara Estate	2014	Bangka Belitung	Certified
(PT MP Leidong West Indonesia)		Leidong West Selatan Estate	2014	Bangka Belitung	Certified
Muara Wahau Mill	2014	Muara Wahau Estate	2014	East Kalimantan	Certified
(PT Kresna Duta Agroindo)		Gunung Kombeng	2014	East Kalimantan	Certified
Gunung Kombeng Mill	2019	Gunung Kombeng KKPA	2019	East Kalimantan	-
(PT Kresna Duta Agroindo)					
Rantau Panjang	2020	Rantau Panjang Estate	2020	East Kalimantan	-
(PT Kresna Duta Agroindo)		Rantau Panjang KKPA	2020	East Kalimantan	-
Jelatang Mill	2014	Bangko Estate	2014	Jambi	Certified
(PT Kresna Duta Agroindo)		Tiga Serumpun KKPA	2019	Jambi	-
		Bukit Bungkul KKPA	2019	Jambi	-
		Kubang Ujo Plasma	2019	Jambi	-
		Pamenang Plasma	2019	Jambi	-
Pelakar Mill	2019	Pelakar Estate	2019	Jambi	ST-1
(PT Kresna Duta Agroindo)		Tiga Serumpun KKPA	2019	Jambi	-
		Batang Merangin Estate	2019	Jambi	ST-1
		Batang Tembesi Estate	2019	Jambi	ST-1
		Kubang Ujo Plasma	2019	Jambi	-
Langling Mill	2014	Bangko Estate	2014	Jambi	Certified
(PT Kresna Duta Agroindo)		Bangko Plasma	2019	Jambi	-
		Bukit Bungkul KKPA	2019	Jambi	-
		Batang Gading Estate	2019	Jambi	-
		Batang Gading KKPA (PT Satya Kisma Usaha)	2019	Jambi	-
		Pamenang Plasma	2019	Jambi	-
Sungai Bengkal Mill	2015	Sungai Bengkal	2015	Jambi	Certified



(PT Satya Kisma Usaha)		Estate			
		Sungai Bengkal KKPA	2015	Jambi	Certified
		Muara Kilis Estate	2015	Jambi	Certified
		Muara Kilis KKPA	2019	Jambi	-
Bukit Kapur Mill (PT SMART Tbk)	2020	Bukit Kapur Estate	2020	South Kalimantan	ST-1
		Sungai Cantung Estate	2020	South Kalimantan	ST-1
Samsam Mill (PT Ivomas Tunggal)	2009	Samsam Estate	2009	Siak-Riau	Certified
		Samsam Estate (HGU on progress – 29.09 Ha)	2020	Siak-Riau	-
		Kandista Estate	2009	Siak-Riau	Certified
		Kandista Estate (HGU on progress – 158.46 Ha)	2020	Siak-Riau	-
		Palapa Estate	2009	Siak-Riau	Certified
Libo Mill (PT Ivomas Tunggal)	2009	Libo Estate	2009	Siak-Riau	Certified
		Nenggala Estate	2009	Siak-Riau	Certified
		Nenggala Estate (HGU on progress 419.9 Ha)	2020	Siak-Riau	-
		Sei Rokan Estate	2009	Siak-Riau	Certified
		Sei Rokan Estate (HGU on progress – 102.7 Ha)	2020	Siak-Riau	-
Ujung Tanjung (PT Ivomas Tunggal)	2009	Ujung Tanjung Estate	2009	Siak-Riau	Certified
		Ujung Tanjung Estate (HGU on progress – 557.3 Ha)	2020	Siak-Riau	-
Naga Sakti Mill (PT Buana Wiralestari Mas)	2010	Naga Mas Estate	2010	Kampar-Riau	Certified
		Naga Mas Estate (HGU on process – 253.39 Ha)	2020	Kampar-Riau	-
		Naga Sakti Estate	2010	Kampar-Riau	Certified
		Naga Sakti	2020	Kampar-Riau	-

			Estate (HGU on process – 59.79 Ha)			
			Rama Bakti Estate	2010	Kampar-Riau	Certified
Kijang Mill (PT Buana Wiralestari Mas)	2010		Kijang Mas Estate	2010	Kampar-Riau	Certified
			Kijang Mas Estate (HGU on process – 56.07 Ha)	2020	Kampar-Riau	-
			Kijang Kencana Plasma	2010	Kampar-Riau	Certified
Ramarama Mill (PT Ramajaya Pramukti)	2010		Ramarama Estate	2010	Kampar-Riau	Certified
			Ramarama Estate (HGU on process – 318.76 Ha)	2020	Kampar-Riau	-
			Amartajaya Plasma	2010	Kampar-Riau	Certified
Indra Sakti Mill (PT Meganusa Inti Sawit)	2011		Indra Lestari Estate	2011	Indragiri-Riau	Certified
			Indra Sakti Estate	2011	Indragiri-Riau	Certified
			Indragiri Plasma	2011	Indragiri-Riau	Certified
			Indrasakti Plasma	2011	Indragiri-Riau	Certified
Bumipalma Mill (PT Bumipalma Lestari Persada)	2012		Bumi Lestari Estate	2012	Indragiri-Riau	Certified
			Bumi Palma Estate	2012	Indragiri-Riau	Certified
			Bumi Sentosa Estate	2012	Indragiri-Riau	Certified
Sawita Mill (PT Sawitakarya Manunggal)	2018		Sawita Estate	2018	South Kalimantan	ST-1
			Pamukan Estate	2018	South Kalimantan	ST-1
			Sawita KKPA	2018	South Kalimantan	ST-1
*)under construction						
There are revision of time bound plan, the justification from top management is:						
1. Pelakar Mill and Rantau Panjang Mill is still process on disclosure & liability by RSPO, while Bukit Kapur Mill doesn't have land use title (HGU), the HGU is still on process.						
2. Several associate smallholders (plasma) which refuses to follow the RSPO certification, but the management unit is still communicating with the plasma for the implementation of RSPO certification.						
3. Sawita Mill had conducted pre assessment RSPO on 2015 and another entire Management Unit under PT Ivo Mas Tunggal has been RSPO certified.						
4. Rantau Panjang Mill and Estate Unit (Rantau Panjang Estate & Rantau Panjang KKPA) are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed year of 2020.						

5. Kilis KKPA as FFB Supplier to Sungai Bengkal Mill are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed year of 2019
6. PT Kresna Duta Agro (Pelakar Estate, Batang Merangin Estate and Batang Tembesi Estate was stage -1 audit in 2017. There are problem related to zero liability report to RSPO, was no response by RSPO secretariat. The main assessment postpone to 2019.
7. When the stage-2 conducted on May 2015, there are boundary stones issues in PT Sinar Kencana Inti Perkasa (South Kalimantan). Reconstruction of boundary stones will be finished end of this year, the certification target postpone to 2019.

There is revision of time bound plan on 1 October 2017 for HGU on process in PT Ivomas Tunggal (Samsam Estate 29.09 Ha, Kandista Estate 158.46 Ha, Nenggala Estate 419.9 Ha, Sei Rokan Estate 102.7 Ha, Ujung Tanjung Estate 557.3 Ha); PT Rama Jaya Pramukti (Ramarama Estate: 318.76 Ha); PT Buana Wira Lestari (Naga Sakti Estate 59.79 Ha; Naga Mas Estate 253.39 ha and Kijang Estate 56.07 ha). For this area is planned for audit on 2020 because waiting for HGU.

1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>
	Associated smallholders under scope of Kijang POM has been certified, while the FFB suppliers entering to Kijang POM are using periodical agreement.

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA 1.2</b>	<p>1. <b>Moh Arif Yusni (Lead Auditor)</b>. Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000 Awareness, RSPO lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and Supply chain for palm oil mill aspects. At this time of audit, he has verify Social, supply chain and legal aspect.</p> <p>2. <b>Mohamad Amarullah (Auditor)</b>. Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experience 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 19001, SA 8000 Awareness, ISO 14001, HCV, SCCS, etc. Has conducting several RSPO, ISPO and MSPO audit scheme as an auditor and lead auditor with expertise on best management practices for estate and mill (BMP), environment, conservation, safety, legal, social and supply chain aspects. Fluent in Bahasa, Malay and English. At this time of audit, he has verify BMP, safety and transparency aspects.</p> <p>3. <b>Steve Mualim (Auditor)</b>. Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as an environmental management consultant in 2012 and sustainable palm oil assurance auditor since 2013. Has attended several trainings i.e.: supply chain, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, ISO 9001:2008, etc. Has conducting several audit for RSPO, ISPO and MSPO scheme with expertise on best management practices, conservation and environmental management. Fluent in Bahasa and Chinese Mandarin. At this time of audit, he has verify environmental management and HCV aspects.</p> <p>4. <b>Hasiholan Sihombing (Auditor)</b>. Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO, RSPO P&amp;C Lead Auditor Course by Checkmark, SA 8000 Awareness, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), OHS General Expert, OHSAS 18001:2007, and ISO 17021 &amp; 17065. He has experienced in various audit activities related to the certification system of sustainable palm oil plantation since 2016. During this audit, he assigned to OHS and worker welfare.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA 1.2</b>	<p>Number of auditors : 4 auditor</p> <p>Number of days for <b>ASA 1.2</b> : 6 days</p> <p>Number of working days for <b>ASA 1.2</b> at site : 24 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA 1.2</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Buana WiraLestari Mas to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30<sup>th</sup> September 2016), RSPO P&amp;C Certification System 2017 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 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.</p>



Some opportunities for improvement of the results **ASA 1.2** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-1.3.

Improvement of findings from main assesment findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA 1.2 report**.

The assessment program please find Appendix 2.

### 2.2.3 Locations of Assessment

**ASA 1.2** Number of unit in this certification activity is 1 Mill, 1 own Estate and 1 scheme smallholder. The auditor team used the  $0.8\sqrt{y}$  formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder.

While, the sampling for smallholders scheme Kijang Kencana Plasma is determined by the formula  $(0.8\sqrt{y}) \times (z)$ , where (z) is the multiplier defined by the risk assessment. Auditor team determined the risk level for Kijang Kencana Plasma is Level 1 – low risk with multiplier set is 1. Total farmer group is 197 FG and 4,073 group members. Sample taken by the auditor team with number are:

- $0.8\sqrt{y}$  (5 Cooperative) = 3 Cooperative (Kjang Mas with 19 group farmers and 387 farmers; Makmur Sejahtera with 32 group farmers and 635 farmers; and Manunggal abadi with 26 group farmers and 573 farmers);
- Sampling for group former are 4 group farmers from Kijang Mas; 5 group farmers from KUD Makmur Sejahtera and 5 group Farmers from KUD Manunggal Abadi
- Sampling for farmer are 16 farmers from Kijang Mas; 21 farmers from KUD Makmur Sejahtera and 20 farmers from KUD Manunggal Abadi
- Total farmers for sampling = 57 farmers

#### Kijang Estate (KJGE) of PT BWL

- **Central Housing or Pondok in Divisi 15.** Observation to company facilities on the housing areas, such as sport fields, mosque, daycare (*Balai Penitipan Anak* or *Pamong*), domestic waste management, sanitation system, electricity and clean water availability, rented-minimarket, harvester devices Store, pesticide mixing and preparation Room (*Optimalisasi* Room), PPE Store, emergency facilities including fire facilities, pesticide Store and Clinic, on its compliance towards environment, manpower, health and safety aspects.
- **Emplacement or Central Store.** Observation to Rice Store, Hazardous Waste Store, Lubricant Store, Pesticide Store, Fuel tank, Fertilizer Store, Workshop, and Fire Fighter Store on its compliance towards legality permit, environment, manpower, health and safety aspects.
- **Sialangkalo riparian block H27 division 2.** Observation fo HCV management
- **Sialangkalo riparian block I19 division 2.** Observation fo HCV management
- **Land application block K18 division 2.** Observation related worker welfare, OHS, and pome utilization
- **Monitoring well block K18 division 2.** Observation for pome management
- **Landfill block C19 division 1.** Observation for domestic waste management
- **Manual upkeep block K17 division 2.** Observation related workers welfare and OHS
- **Block L19 Division 1 (4 harvester).** Observation of procedure application related fruit ripeness, safe working practices and interview about worker welfare.
- **Block J19 Division 1 (8 Fertilizer Applicator).** Observation on safe working practices and interview with the fertilizer workers related type of fertilizer use according to the procedure and also worker welfare.
- **Block J19/20 Division 1 (2 maintenance workers).** Observation and interview with the maintenance workers according to the procedure, safe working practices, and worker welfare.
- **Block L20/21 Division 1 (4 nursery workers).** Observation and interview with the nursery workers according to the procedure, safe working practices, and worker welfare.
- **-Block A-09, Division 1 (7 respondents: 1 foreman, 3 harvesters, and 3 loose fruit collectors).** Observation of procedure application related fruit ripeness, safe working practices and interview about worker welfare.
- **Block D-05/Block D-06, Division 1 the IPM Implementation – Planting and Upkeeping Beneficial Plants - (3**

**respondents: 1 foreman and 2 workers).** Observation and interview with the maintenance workers according to the procedure, safe working practices, and worker welfare.

- **Block D-05/Division 2 (barn owl nest observation).** To check barn owl nest condition.

### Kijang Mill (KJGM) of PT BWL

- **Water Treatment Plant.** Observation and interview with 1 Operator on his understanding towards technical, manpower, safety and environment aspects
- **Hazardous Waste Store.** Observation and interview with Store Keeper on his understanding towards technical, manpower, safety and environment aspects.
- **Chemicals Storage.** Observation and interview with Store Keeper on his understanding towards technical, manpower, safety and environment aspects.
- **Lubricant Store.** Observation and interview with Store Keeper on his understanding towards technical, manpower, safety and environment aspects.
- **Workshop.** Observation and interview with Foreman on his understanding towards technical, manpower, safety and environment aspects.
- **EFB Stacking Area.** Observation and interview with Assistant on his understanding towards technical, manpower, safety and environment aspects.
- **Hydrant Simulation.** Observation on fire fighter team and readiness of devices.
- **Waste water treatment plant.** Observation related OHS and environmental management
- **Mill Reservoir.** Observation for water source management
- **Loading Ramp (4 workers).** Observation and interview with FFB Grader related to personal understanding over sortation procedure, the implementation of sortation, fruit criteria, fruit separation with ripeness and rawness criteria.
- **Sterilizer Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Clarification Station (2 workers).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Boiler Station (3 workers).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Engine Room Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Nut and Kernel Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Workers Housing of Kijang Mill G2 (2 respondents: 1 Mill Assistant and 1 citizen).** Observation to company facilities on the housing areas, such as sport fields, mosque, daycare (*Balai Penitipan Anak* or *Pamong*), domestic waste management, sanitation system, electricity and clean water availability, rented-minimarket, harvester devices Store, pesticide mixing and preparation Room (*Optimalisasi* Room), PPE Store, emergency facilities includin fire facilities, pesticide Store and Clinic, on its compliance towards environment, manpower, health and safety aspects.

### **Kijang Kencana Plasma**

#### **KUD Kijang Mas**

- Interview with farmers group members (16 farmers) consist of OHS implementation, environment management, HCV management, waste management, land fire, workers welfare.
- Cooperative office. Interview with cooperative management related payment, work agreement, legal aspect, membership and safety aspect
- FG Sukojadi Block J7 Plot Number 607; 608; 645; 646 Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.

- FG Paguyuban Block J6 Plot Number 657; 658; 675; 676; Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare boundary marker and condition.
- FG Sahabat Block J5 Plot Number 681; 682; 719; 720; Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- FG Sari Subur Blok J4 Plot Number 721; 722; 759; 760: Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- Pesticide Mixing Area
- PPE Store

#### **KUD Makmur Sejahtera**

- Interview with farmers group members (21 farmers) consist of OHS implementation, environment management, HCV management, waste management, land fire, workers welfare
- Cooperative office. Interview with cooperative management related payment, work agreement, legal aspect, membership and safety aspect
- FG Subur Lestari Block G 40 Plot Number 2746; 2745; 2693; 2694 Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- FG Mukti Tama Block G 41 Plot Number 2695, 2696; 2743; 2744; Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- FG Suka Makmur Block G 42 Plot Number 2697; 2742; 2698; 2741; Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- FG Melati Jaya Block H40 plot Number 2757; 2804; 2817; 2803; 2758; Blok H41 Plot Number 2759; 2802; Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- FG Sido Mulya Block H 41 Plot Number 2760; 2801 Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- Pesticide Mixing Area
- PPE Store

#### **KUD Manunggal Abadi**

- **Interview with farmers group members (20 farmers) consist of** OHS implementation, environment management, HCV management, waste management, land fire, workers welfare.
- Cooperative office. Interview with cooperative management related payment, work agreement, legal aspect, membership and safety aspect
- FG Ngudi Makmur Block k47 Plot Number 3816; 3817; 3858; 3859; Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- FG Jaya Murni Block K48 Plot Number 3818; 3819; 3856; 3857: Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- FG Bunga Mekar Block K49 Plot Number 3820; 3821; 3854; 3855: Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- FG Ngudi Mulyo Block L47 Plot Number 3868; 3869; 3902; 3903; Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- FG Sinar Tani Block L49 Plot Number 3872; 3873; 3898; 3899 Observation on harvesting techniques, yield, FFB quality, PPE usage and workers welfare, boundary marker and condition.
- Pesticide Mixing Area
- PPE Store

#### **External and Internal Stakeholders**

- Lands Agency of Kampar
- Labour Agency of Kampar
- Plantation Agency Of Kampar
- Environment Agency of Kampar
- Contractor of FFB Transport

	<ul style="list-style-type: none"> <li>• Labour union</li> <li>• Committee Gender</li> <li>• NGO (Jikalahari, WWF, Walhi and Lingkar Komunitas Sawit)</li> <li>• Surrounding communities (Smallholder scheme of Kijang Kencana Plasma)</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA 1.2</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Buana Wiralestari was held by:</p> <ol style="list-style-type: none"> <li>1. Public announcement in Mutu Webstie on 27 September 2018 (<a href="http://mutucertification.com/notification-on-rspo-surveillance-1-2-assessment-of-kijang-pom-pt-buana-wiralestari-mas-subsiary-of-golden-agri-resources-ltd/">http://mutucertification.com/notification-on-rspo-surveillance-1-2-assessment-of-kijang-pom-pt-buana-wiralestari-mas-subsiary-of-golden-agri-resources-ltd/</a>)</li> <li>2. Public consultation meeting with internal stakeholders by interview (labor union, Gender Committee, Local Contractor) on 09 October 2018 and external stakeholders (Government District of Kampar) dated on 08 and October 2018.</li> <li>3. Public consultation meeting with external stakeholders by email WALHI, JIKALAHARI and WWF dated on 01 October 2018.</li> </ol> <p>Numbers of input from stakeholders were clarified by PT Buana Wiralestari Mas as a part of this report</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<b><i>Please find appendix 1</i></b>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ASA 1.3 will be determined 08 – 12 months after the date of certificate issued



### 3.0. ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Kijang POM – PT Buana Wiralestari Mas, subsidiary of Golden Agri Resources Holdings Ltd operation consisting of 1 (one) mill; 1 (one) oil palm estates and 4,073 smallholders.

During the assessment, there were no nonconformities were assigned against Major Compliance Indicator, Minor Compliance Indicators, supply chain requirement for CPO mill and there were 5 (five) opportunities for improvement were identified. Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that KIJANG POM – PT BUANA WIRALESTARI MAS, subsidiary of Golden Agri Resources Holdings Ltd complied with the requirements of RSPO Principles and Criteria (P&C) for the Production of Sustainable Palm Oil - April 25th, 2013. Indonesian National Interpretation – NITF 2013, endorsed September 2016; RSPO Management System Requirements and Guidance For Group Certification of FFB production, 7 March 2016 a 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 E for CPO Mill)

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>1.1</b>	<b>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1 and 1.1.2</b>	<p>The certificate holder (CH) shows list of stakeholder which updated on October 4<sup>th</sup> 2018 that informed that there were 59 stakeholder identified on the list, which categorized as government institutions or statutory bodies, indigenous people, local communities, workers organizations, smallholders, independent suppliers of FFB and services, as well as local, national and international NGOs. Furthermore for KJNP, there were 51 stakeholders identified, which consist of the same categories with KJGE stakeholder. Update of stakeholder list was carried out annually by Social Officer.</p> <p>Procedure of communication and consultation for company data and/or informations which could be shared or requested by public was presented in document No. SOP/SMART/UMUM/SADV/004/005 (Rev. 00) dated July 1<sup>st</sup> 2014. For example, among informations that able to be accessed by internal and external parties is presented as follows:</p> <ul style="list-style-type: none"> <li>• Policies: forest conservation (FCP), social and community engagement (SCEP).</li> <li>• Reports: high conservation value (HCV) identification, social impact assessment (SIA) and high carbon stock (HCS).</li> <li>• Procedures: free prior inform consent (FPIC), conflict and complaint resolution, communication and consultation, smallholder development, corporate social responsibilities (CSR) and stakeholder engagement.</li> </ul> <p>Furthermore, procedure of response delivery towards stakeholders request and/or suggestion was presented in document No. SOP/SMART/UMUM/SADV/004/005 (Rev. 00) dated July 1<sup>st</sup> 2014. Information request will be selected and classified by Unit Head. Time of information delivery from Unit Head to the respective Department was less than one week and should be responded immediately, or less than three weeks since the date of acceptance. Monitoring of information request, response and document arrangement was carried out by Social Officer which already appointed by KJGM, KJGE and KJNP Manager. Records of information request and response monitoring was summarized in Logbook Form No. F/SMART/UMUM/SADV/004/002. For example information/data on employees' basic salary and</p>	

Safety Committee report in PT BWL KJGE, KJNP and KJGM has delivered to Manpower and Industrial Agency on October 4<sup>th</sup> 2018.

Based on interview with government Agencies of Kampar Regency (Manpower and Industrial Agency, National Land Agency, Environment Agency and Plantation Agency), as well as surrounding community representatives from Village of Tapung Lestari, Kijang makmur and Tebing Lestari, it was known that the CH has considered transparent and cooperative in providing information requested or required, which some were a part of regulation pursuance as well.

<b>Status : Comply</b>
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## 1.2

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

### 1.2.1

Procedure No. SOP/SMART/UMUM/SADV/004/005 (Rev. 00) dated July 1<sup>st</sup> 2014 mentioned that company private and confidential (P&C) data and/or information could be accessed through official request, to obtain official approval from the respective Department or Unit. Internal communication and external communication mechanism were described in Point 2.8 and Point 2.10, respectively. Among P&C data are legal documents, finance report and longterm management plan report. For example, land title or rights of tenure and legal data shall be approved and permitted by Plantation Monitoring and Planning Division (PMNP) before accessed or distributed to the proposed parties. Those documents were stored in the respective units on SPO Room where limited to be accessed. List of informations/documents which could be accessed and/or shared to the stakeholder such as government institutions and NGO was presented in document No. F/SMART/UMUM/SADV/004/00. Up to ASA-1.2, there were 15 type of documents which could be accessed by stakeholder, e.g. workers data and list of wages, tax payment, retribution payment, environment documents, Company Acts and its revision, best management practices report (upkeep activities), land rights documents, HCV report, SIA report, CSR report, OSH Committee (P2K3) report, continuous improvement program report, RSPO audit report, human right policy, conflict resolution procedure, complaint and grievance records, etc.

Based on interview with government Agencies of Kampar Regency (Manpower and Industrial Agency, National Land Agency, Environment Agency and Plantation Agency), as well as surrounding community representatives from Village of Tapung Lestari, Kijang Makmur and Tebing Lestari, it was known that the CH has considered transparent and cooperative in providing information requested or required, which some were a part of regulation pursuance as well.

<b>Status : Comply</b>
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## 1.3

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

### 1.3.1

The CH has business ethic that issued by Regional Controller of Kampar and Kampar-Smallholder on February 2<sup>nd</sup> 2015, which mentioned as follows:

- The company has no tolerance on any form of corruption in any business practise committed by the employee. Sanction/penalty will strongly be given as in accordance with applicable regulations.
- The company has committed to code of conduct of ethic behaviour in any business practical implementation included attitude among personnel, stakeholder and broader communities.

Unit management mentioned that those ethic code of conduct has to be implemented in any transaction and business operational which refers to company shared values, i.e. integrity, positive attitude, commitment, continuous improvement, innovative and loyalty, that in line with sustainable palm oil management. The policy has been socialized to workers and contractors on August 9<sup>th</sup> 2016 and June 6<sup>th</sup> 2016, respectively. Furthermore, socialization for smallholders has conducted in July 8<sup>th</sup> 2017 in KUD Kijang Mas, KUD Manunggal Abadi and KUD Makmur Sejahtera. Policy and socialization were provided in Bahasa. Furthermore, based on interview with workers in KJGE, KNJP and KJGM, it was known that the workers were familiar with company code of conduct towards business ethics.

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

The CH has list of laws/regulations which used as reference for sustainable oil palm management purposes, presented in document No. F/SMART/UMUM/SADV/002/002. The list has consist of:

- 64 regulations related to manpower, consist of 228 items with 5 points were not applicable for Kijang Mill and its supply base. This list has also accommodate international ratifications, i.e. ILO and UN Conventions. Last update was conducted by Human Resources Sustainability Unit from Main Office-Jakarta on July 1<sup>st</sup> 2018.
- 12 regulations related to social, consist of 45 items with 0 points were not applicable. Last update was conducted by Upstream Sustainability Division on July 1<sup>st</sup> 2018
- 63 regulations related to occupational health and safety, consist of 330 items with 93 points were not applicable. Last update was conducted by Occupational Health and Safety Department on July 1<sup>st</sup> 2018.
- 52 regulations related to land tenure, permit and legal, consist of 141 items with 37 points were not applicable. Last update was conducted by Policy and Compliance Division and Document and Legal Department on August 6<sup>th</sup> 2018.
- 26 regulations related to high conservation value, consist of 74 items with 23 points were not applicable. Last update was conducted by Certification Department on July 11<sup>th</sup> 2018.
- 44 regulations related to environment, consist of 127 items with 26 points were not applicable. Last update was conducted by Policy and Compliance Division on September 3<sup>th</sup> 2018.

Procedure of laws and regulations pursuance of legal requirements was presented in document Form SOP/SMART/UMUM/SADV/II/002 dated July 1<sup>st</sup> 2014, which covers describes information of laws and regulations listed, identification of requirement, evidence of evaluation, status of pursuance, person in charge (PIC) and target. Update and evaluation of laws and regulations listed was carried out annually by the respective Department/Unit/Division and the documentation was arranged by Sustainability Palm Oil (SPO) Officer in every region on the Estate and/or Mill Unit. Number of laws and regulations as well as its last update is mentioned in Indicator 2.1.1. All laws/regulations documents were available to be accessed by all management level through SPO Officer from Department of Sustainability. List of the above has distributed to the estate, mill and smallholders management unit while the master list and document control was under respective Departments from Main Office in Jakarta.

**2.1.3**

Monitoring towards laws/regulations pursuance was conducted annually by the respective Unit or Division or Department from main office in Jakarta. Furthermore, in relation with fulfilment of RSPO requirements, the CH has also conducting internal audit which conducted by SPO Officers from Main Office. Procedure of internal audit was presented in document No. SOP/SMART/UMUM/SADV/II/009. Latest Internal audit for KJGM, KJGE and KJNP has conducted on August 6<sup>th</sup> to 11<sup>th</sup> 2018. As response, estate management has conducting management review meeting which conducted on September 8<sup>th</sup> 2018 in Regional Controller Office. Minutes of meeting informed that 17 agenda which three notes related to supply chain was predicted to be settled up in September 25<sup>th</sup> 2018.

**2.1.4**

Evaluation on laws/regulations update and its implementation was carried out by the respective Unit, Division or Department from Main Office annually. However, evaluation documents were latter on to be compiled by SPO Officer. Detail of the last update is presented in Indicator 2.1.1. Among regulation being updated during 2018 is presented as follows, for example: Governor of Riau Decree No. 373 year 2018 dated May 15<sup>th</sup> 2018 about minimum wages for plantation sector in Riau Province for period 2018; Ministry of Agriculture Regulation No. 05 year 2018 dated January 18<sup>th</sup> 2018 about zero burning for land clearing/preparation; Ministry of Agriculture Regulation No. 01 year 2018 to replace No. 14/2018 about FFB pricing; and Minister of Manpower Regulation No. 05 year 2018 dated April 27<sup>th</sup> 2018 about occupational health and safety in working environment.

<b>Status : Comply</b>
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**2.2**
**The right to use the land is demonstrated, and is not legitimately contested by local people who can**

**demonstrate that they have legal, customary or user rights.**

### 2.2.1

The Certificate Holder has had Land Use Right (HGU) No. 1 year 1994 (2,284.74 Ha); No. 1 Year 1998 (80.00 Ha) and HGB No. 1 Year 2000 (4.65 Ha) to showing legal ownership with size 2,369.39 Ha. Scope of permitted area covers Kijang Mill and Kijang Mas Estate. Documents showing the actual legal use of the land available in Area Statement as follow:

Unit	Planted and Nursery	Building/POM	Road	Drain/Swam/River	Others (scrub)	Total
KJGE	2,111.41	57.48	140.33	56.81	3.36	2,369.39
KJNP	8,147.79					8,147.79
<b>Total</b>	<b>10,259.20</b>	<b>57.48</b>	<b>140.33</b>	<b>56.81</b>	<b>3.36</b>	<b>10,517.18</b>

While, the land use for smallholder scheme of Kijang Kencana Plasma (partnership scheme under PT. Buana Wiralestari Mas management) as supply base to Kijang Mill with the total area 8,147.79 ha, with the number of Farmer group are 197 and number of farmer are 4,073 persons, as summarized following:

Cooperative	Unit Code	Village	hectarage	Number of Farmer Group	Number of Farmer
Makarti Buana Jaya	MBJ	Kijang Jaya	1,011.00	21	506
Berkat Ridho	BR	Kijang Makmur	700.00	17	350
Kijang Mas	KM	Tebing Lestari	774.00	19	387
Makmur Sejahtera	MS	Tanah Tinggi	1,270.00	32	635
Panca Warga	PW	Gerbang Sari	1,224.79	32	611
Budi Karya	BK	Tandan Sari	999.00	25	500
Lestari Jaya	LI	Tapung Makmur	1,022.00	25	511
Manunggal Abadi	MA	Tapung Lestari	1,147.00	26	573
<b>Total</b>			<b>8,147.79</b>	<b>197</b>	<b>4,073</b>

Land ownership status of smallholder scheme is individual land ownership rights (SHM) granted by the government program namely "transmigration program" since 1991. CH can shows the copy of land title of smallholder.

**Note:** The results of the document review and field visit were found outside the Land Rights Right of 56.07 Ha. Based on the decision of the Director of PT BWL is excluded from the scope of certification and included in the Additional Time Bound Plan for 2020. The progress of land tanure for area that not has HGU was include in partial certification will be monitoring on next assessment. OFI

### 2.2.2

The Certificate Holder has boundary poles monitoring report periodically every 6 months. The monitoring of poles is based on the procedures "SOP Pemeliharaan Patok HGU/HGB (SOP/SMART/CERS-EHSD/SADV/II/004), 1 July 2014". Auditor verifies the 5 poles in Kijang Mas Estate boundaries by using GPS tool (Boundaries pole No 6 block L20; No IV Block M 15/16; No 8 Block M12; No V Block M08 and No 10 Block K8) it was clearly the sighted poles are in well maintained and appropriate with coordinate points. Reference document to compare the coordinate's positions is based on boundaries pole map "Peta Posisi Patok Areal PT Buana Wiralestari Mas" Scale 1:125,000. Management unit have conducted monitoring of boundary stones once month. The monitoring results for 2018 showed that all boundary stones in certification scope are in good condition.

For smallholders, auditor verifies in 16 sampling plots area at KUD Kijang Mas, 20 sampling plots area at KUD Makmur Sejahtera; 21 sampling plots area at KUD Manunggal Abadi ensuring demarcation of boundaries. Based on field observation, markers of each plot are visibly and clearly demarcated. Plot number of each smallholder area also available on site. Farmers is able to demonstrate the neighbour borders of their land. But the farmers with the KUD need to identify and ensure the existence of lots between farmers due to in some locations some poles were buried or covered with midribs. **OFI**

### **2.2.3; 2.2.4; 2.2.5**

According to information gathered during stakeholder consultation with representatives of villages Sekijang, Tebing Lestari, Tanah Tinggi and Tapung Lestari, it was confirmed that since PT. Buana Wiralestari Mas has obtained Land Use Right (HGU) in 1995, there is no significant of land conflict is raise. If land conflict is presence. The certificate holder has had mechanism of available land dispute resolution as provided in SOP “*Ganti Rugi Tanah / Lahan*” No. SOP/NP/SMART/VII/ D&L002 (dated 1 July 2010) and FPIC procedure “*Penerapan Persetujuan Atas Dasar Informasi Awal Tanpa Paksaan/PADIATAPA*” SOP/SMART/SENS-CSR/SADV/II/003 (dated 1 July 2014), which contains the PIC, the procedure completion, the documents must be prepared, such as a minutes meeting, attendance list, Payment documents, minutes of payment, map location disputed, receipt of money compensation, etc.

### **2.2.6**

The company has a policy to circumvent instigated violence to maintain peace and order in current and planned operations described in GAR Social and Environmental Policy, issued date 8 September 2015. In section 2.1.2 stated “To refuse the use of confrontation and intimidation in land disputes”. Consultation with the stakeholders (Sekijang, Tebing Lestari, Tanah Tinggi and Tapung Lestari Village), there is no indicate that the company use the mercenary/paramiliter in operation area.

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

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

### **2.3.1; 2.3.2; 2.3.3**

PT. Buana Wiralestari Mas is one of long-established plantations company since 1993. In related to the maps of an appropriate scale that showing legal, customary or user right through participatory mapping and copies of negotiated agreements detailing process of FPIC is not applicable. This is due to no longer records dating back to the time of the decision making. The Certificate Holder has developed a mechanism of Implementation of Free Prior Informed Consent / FPIC or PADIATAPA as document No. SOP/ SMART /SENS-CSR/SADV/II/003 (dated 1 July 2014) which describes a process for FPIC included the identification, dissemination, participatory mapping, implementation of the negotiation, compensation formula and implementation of the outcome agreement.

### **2.3.4**

According to information gathered during stakeholder consultation with representatives of villages Sekijang, Tebing Lestari, Tanah Tinggi and Tapung Lestari Village, it was confirmed that since PT. Buana Wiralestari Mas has obtained Land Use Right (HGU) in 1995, there is no significant of land conflict is raise.

<b>Status: Comply</b>
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## **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 and 3.1.2**

The CH has longterm management plan for period 2018-2022 which presented in document of “*Prinsip-prinsip dan kriteria untuk manajemen perkebunan tahun 2018-2022*” issued by Director of PT BWL on June 4<sup>th</sup> 2018. Management



plan has covers projection on production (FFB, CPO and PK), product price, production cost, revenue and replanting. For example, projection of CPO production in 2018 to 2020 were about 46,049 mt, 47,485 mt and 42,083 mt, respectively. Furthermore, based on hectare statement 2018, it was known that palms planted in PT BWL which supply KJGM were planted within 1991 to 2001. Estate management is able to shows replanting projection for period 2018 to 2022. Currently there was 1<sup>st</sup> cycle of palms planted in KJGE and KJNP. Replanting for 2<sup>nd</sup> cycle will be conducted on 2019 in KJGE for about 828.59 ha and in KJNP for about 900.00 ha. Estate management mentioned that land preparation will conducted through zero burning method.

Mill and Estate Management mentioned long term projections were subjected to be changed and reviewed annually by Estate or Mill Manager, through considering actual trends and dynamic situation which predicted could be changed in the future. Moreover, it was stated that there no plan for expansion on estate operational areas and mill processing capacity.

<b>Status: Comply</b>
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**PRINCIPLE #4 Use of appropriate best practices by growers and millers**
**4.1**
**Operating procedures are appropriately documented and consistently implemented and monitored.**
**4.1.1**

There was no change over the procedure for cultivation and processing since Recertification until ASA-1.2. PT SMART as a parent company of PT Buana Wiralestari Mas has documents of SOP Technical of Oil Palm Cultivation starting from land clearing up to harvesting, approved by SMD Ops and entered into force on 12 June 2012. The SOP documents among others about planning of new area planting, replanting plans, nurseries, land clearing, planting, replanting, pest and disease control, weed control, fertilization, maintenance of immature plant, preparation ahead of harvest, harvesting, loading and transportation of FFB. The Oil Mill has SOPs covering all mill operations such as FFB Grading, Sterilization Station, Press Station, Threshing Station, Oil Room, Kernel Plant, Laboratory, CPO & PK Despatch, Engine Room, Boiler Room, Electrical, Workshop as well as Raw and Boiler Water Treatment Plant. That SOP's is available on audit site (Estate office) and written in a language (written in Bahasa) that is easily understandable for workers.

Interviews were conducted to harvester (4 workers in block K-13 and 4 workers in Block L-19 KJGE) and manuring worker (8 workers in block J-19 KJGE), and 12 workers in Kijang POM. Based on the results of interviews, it can be concluded that the workers understand the duties and responsibilities of their works in accordance with the applicable SOP.

**4.1.2 and 4.1.3**

The Certificate Holder has a procedure associated with Operational Internal Audit in the SOP No. SOP-ISCC/IMT/OIA. The SOP approved by VPA and VPM, entered into force on 1 September 2010. Ensuring consistency of procedures implementation, the Certificate Holder routinely conduct internal audit activities, both agronomic and processing. It is conducted by the Department of Operational Internal Audit (OIA) every semester. The records of internal audit on first semester of 2018 have been documented. Non-compliance records of internal audit have been corrected and verified by management. There is no revision of SOP at the ASA-1.1 assessment. In each SOP, there is page of document control that record the revision if any.

**4.1.4**

FFB sources entering Kijang Mill are from certified and non-certified suppliers. Record of origin FFB are:

Identification of certified sources:

1. Kijang Estate (KJGE): 2022
2. Kijang Plasma (KJNP): KJNP
3. Naga Mas Estate (NMAE): 2020
4. Naga Sakti Estate (NSAE): 2021

Identification of uncertified sources for last a year:



No	Code	Sources/Supplier
1	ARHX	Akbar Roy Herlambang
2	ALAX	Ali Amran
3	SWIX	Setiadi Wibawana (Loosen fruit collector)
4	IHAX	Ibnu Halid
5	NVIX	Novrizan
6	ZFKX	Zulkifli
7	LINX	Lina Wati
8	MRSX	Mutia Restina
9	KHOX	Khoirul
10	JREX	Jerry Amarta
11	ROBX	Roma Boru Pane
12	RRME NC (2120)	Rama-rama Non Certified
13	KJGE NC (2022)	Kijang Estate Non Certified
14	NMAE NC (2020)	Naga Mas Estate Non Certified
15	NSAE NC (2021)	Naga Sakti Non Certified
16	RRMX	Koperasi Petani Masyarakat Petapahan.

Certificated holder has had SOP Identification and Traceability of Certified product (SOP/SMART/CERS-EHSD/SADV/II/001) dated 2 July 2014. Mechanism for determining of unit code FFB suppliers in the computerized system entering the Kijang Mill

**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

The Certificate Holder has had a procedure to manage and maintain soil fertility (SOP of Manuring: SOP/SMART/MCAR/IX/TA-PPK). The SOP approved by SMD Ops on 12 June 2012. Maintenance in order to maintain soil fertility the Certificate Holder conducted manuring activities in accordance with recommendation from research department, POME applications, and maintain cover plant such as soft fern (*Nephrolepis biserrata*).

##### 4.2.2

Based on document verifications, the Certificate Holder has performed fertilization using inorganic fertilizers, POME, and FFB mulching application. Based on field visit in Block K-09 Division 3 Kijang Estate, it is known that SOP has been well implemented such as conducted FFB mulching with the doze 30 tonnes/ha/year and POME application with doze 750 m<sup>3</sup>/ha/year. All activities are well monitored and documented. During the assessment it is known that organic manuring of first semester 2018 at Kijang Estate and Kijang Kecana Plasma already completed and currently undergoing the 2nd semester of the manuring program.

##### 4.2.3

The Certificate Holder has routinely monitored the changes on the nutrient status based on the regular analysis of soil sampling unit (SSU) and leaf sampling unit (SSU) to determine fertilizers recommendation. The sampling spot has been determined in each division and block routinely by SMART Research Institute (SMARTRI) and it is supported by well-trained census officers in each estate. The result of leaf sample analysis has been received. Meanwhile, the soil sample is being analyzed. SSU is conducted every 5 year for trees with age of 3, 8, 18, and 23, meanwhile LSU is conducted annually. The last LSU result in Kijang Estate was issued on 05 March 2018 and 24 April 2018 with 26 samples, in Kijang Kencana Plasma was issued on 29 April 2018 with 43 samples. The last SSU result in Kijang Estate was issued on 17 July 2014 with 78 samples.

**4.2.4**

There was POME land application dose 750 m<sup>3</sup>/ha/year in Kijang Estate to enrich soil fertility, meanwhile EFB application with dose 30 ton/ha/year. Based on field observation is known that POME land application was conducted in accordance with procedure. Field observation in Block K-09 Division 3 Kijang Estate showed that EFB mulching application was conducted in accordance with procedure. The EFB application in Kijang Estate used the EBS (Empty Bunch Spreader).

<b>Status: Comply</b>
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**4.3**
**Practices minimize and control erosion and degradation of soils.**
**4.3.1**

The Certificate Holder showed the semi detail soil survey map on 1:40000 scale covering of 2,379.39 ha areas which describes the unit of soil map, land suitability, and hectareage which was composed by the Plantation Monitoring and Planning Division 2017. Based on this map, it indicates that there is no fragile soil (peat soil / slope >40%) presence on Kijang Estate

**Kijang Kencana Plasma**

Kijang Kencana Plasma showed the semi detail soil survey map on 1:50000 scale covering of 8,147.79 ha areas which describes the unit of soil map, land suitability, and hectareage which was composed by the Plantation Monitoring and Planning Division 2017. Based on this map, it indicates that there is no fragile soil (peat soil / slope >40%) presence on kijang scheme smallholders.

**4.3.2**

Field visit during audit, for instance in Block K-13 and Block K-09 Division 3 Kijang Estate, and document review showed that all of Kijang Estate areas and Kijang Kencana Plasma areas (smallholders scheme) are predominated by flat area (3% - 9 %). Therefore, it is not required any specific soil management such as constructing terrace / contour. However, the Certificate Holder still conducted selective spraying and U-shape frond stacking to maintain soil moisture and decreasing run off.

**4.3.3.**

Road maintenance budget and programme are available at budget document and Plan and Actual Road Maintenance Work 2018 for main road and collection road . For example, Kijang Estates - road maintenance realization until sept 2017 are 367 ha and for kijang kencana scheme smallholders (KUD Panca Warga) until sept 2017 are 211 ha. Field observations on kijang estate shown that, main roads and collection roads are in adequate conditions. The drainage system is well organized to ensure accessbilty in all weather conditions. Meanwhile on kijang kencana scheme smallholders found that road maintenance were conduct by each cooperatives unit collectively using gravel and sands Road maintenance budget and programme are available at budget document and Plan and Actual Road Maintenance 2018 for main road and collection road. For example, the actual road maintenance as of September 2018 in Kijang Estate are manual 3,963.37 ha (62%) and mechanical of 720 HM (48%) and in Kijang Kencana Plasma are manual of 1,960 ha (KOPSA Makmur Sejahtera), 1,450 ha (KOPSA Manunggal Abadi), and 1,748 ha (KUD Kijang Mas) Based on field observations in some blocks during audit, it can be seen that main roads and collection roads are in good conditions. The drainage system is well structured to ensure accessibility in all weather conditions.

**4.3.4 and 4.3.5**

Not applicable. Based on semi detail soil surveys 2017 surveyed by the Plantation Monitoring and Planning Division, and based on soil map with 1:50000 scale, it showed that there is no peat soil presence at Kijang Estate and Kijang Kencana Plasma areas. The soil type found on company areas are predominated by mineral soils classified as endoaquepts and dystrodepts

**4.3.6**

Based on field observation is known that the Certificate Holder has been implementing several strategies to manage sandy areas with low organic material based on procedure SOP/SMART/MCAR/IX/TA-PPK. The strategy such as EFB mulching application with a dose of 30 ton/ha/year, for example in Block K-09 Division 3 Kijang Estate. Moreover, soft weed management such as *Neprolephis* to maintain soil moisture.

Based on semi detail soil map, there is no fragile soil, peat soil / sandy soil at Kijang Kencana Plasma areas. Auditor conducted field visit at farms of KOPSA Makmur Sejahtera (farmer groups of Melati Jaya and Sido Mulyo). It is known that they have implemented frond stacking to maintain soil moisture.

**Status: Comply**

#### 4.4

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

##### 4.4.1

Water sources identification and management plan for kijang estate and kijang kencana plasma are listed on both HCV identifications and HCV management plan 2018 documents. Water management plan for both estate are included water source identification, water quality analysis monitoring, and riparian management. Water source identification shown there is some riverine on kijang estate i.e Sialangkalo riverine, meanwhile for kijang kencana plasma there is six sub riverine such as Pulut riverine, Merah riverine, putih riverine, and pelumpung riverine. Field visit on block H27 and I19 div 2 KJGE on sialangkalo riverine found that certificate holder have implemented water management plan by buffer zone marking on both sides  $\pm 50$  meters on riparian, perform revegetation with bamboo, and signboard/HCV identity placement. Kijang estate and kijang plasma also conducted surface water quality testing every semester that listed on regular environment monitoring and management implementation report.

##### 4.4.2

Procedures for riverine and riparian management are listed on procedures SOP/SMART/BCOS-EHSD/SADV/I/004. Certificate holder has identified and shown the maps for catchment areas (including riparian) with 1:50000 scale. Water source identification shown there is some riverine on kijang estate i.e Sialangkalo riverine, meanwhile for kijang kencana plasma there is six sub riverine such as Pulut riverine, Merah riverine, putih riverine, and pelumpung riverine. Field visit on block H27 and I19 div 2 KJGE on sialangkalo riverine found that certificate holder have implemented water management plan by buffer zone marking on both sides  $\pm 50$  meters on riparian, perform revegetation with bamboo, and signboard/HCV identity placement.

##### 4.4.3

Field observation on Kijang POM found that palm oil mill effluent are managed on waste water treatment plant before it distributed to Kijang estate as land application. Related palm oil mill effluent application, company shown land application permit based on Kampar regent capital investment board No 503/DPM-PTSP.PEL/LA/2017/13, valid until 2022. Kijang POM shown compliance related this pome application based on current permit for examples regular POME testing and annual soil testing on land application areas.

Waste water quality testing document review shown for April-September 2018, all of waste water testing parameters is compliant to the standards quality and mill effluent management and monitoring has been reported to related agency per three month.

##### 4.4.4

Kijang POM are able to show water usage monitoring for period January - September of 2018 with an average use of 0.66 m<sup>3</sup>/ mt FFB process. From these records, it is known that the average use of mill water does not exceed the established budget (1.15 m<sup>3</sup>/ mt FFB process). Data of water usage from January - September 2018 is obtained from daily water usage record by WTP operator through flowmeter observation. Observations on Kijang POM water treatment plant found monitoring for raw and process water usage was done by officer periodically, and flowmeters at outlet serves normally.

**Status: Comply**

#### 4.5

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

##### 4.5.1

The activity budgeted on the program consists of detection, census, and monitoring of pests infestation and diseases symptom, biological control, such as barn owl box installation, and planting of beneficial plants. According to the IPM activity records for January to September 2018 such as program and actual rat and leaf eating caterpillar census in Kijang Estate and Kijang Kencana Plasma, it could be concluded that all the census results were still under its economic threshold. This may lead to zero use of pesticides for pests and diseases control. Furthermore, according to pesticides

used record in 2016-2018 (up to September), agrochemical use was only implemented for weeds control purposes.

The Certificate Holder has a good commitment to improve the use of natural enemy such as predator as part of the Integrated Pest Control (IPM). One of natural enemy development is reproduction and the construction of barn owl box as biological control method of rat. The Certificate Holder conducted monthly monitoring of barn owl box occupation. The monitoring parameters are the existing of barn owl in the boxes, left food, and sign of reproduction such as egg or owl. Currently, there are total 201 units of barn owl boxes in Kijang Estate and 115 units in Kijang Kencana Plasma (26 units in KOPSA Kijang Mas, 61 units in KOPSA Makmur Sejahtera, and 38 units in KOPSA Manunggal Abadi. During visit, for example in Kijang Estate Bblok D-05, the Auditor conducted BOB monitoring. The BOB was in good condition and was active (occupied).

#### 4.5.2

The Certificate Holder has been conducted the integrated pest management training on 01 August 2018 attended by 14 employees from Kijang Estate and 8 employees from Kijang Kencana Plasma. The employees consists of census operators, supervisors, and field assistants. The training is facilitated by SMARTRI. The training materials comprised of detection and census, control methods (biological, mechanical, chemical control) IPM on leaf eating caterpillar, rat, rhino beetle, termite, and wild pig; disease control in nursery; weed control: and safely work in herbicide application. Based on interview with workers, for example workers at Kijang Estate, confirmed that workers has understood on IPM aspect i.e.: methodology census, type of pests and diseases and management controlling.

<b>Status: Comply</b>
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#### 4.6

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

##### 4.6.1

The Certificate Holder has SOP and work instruction on weeds management. The guidance covers about choosing, storage, application, contaminated handling, knowledge about signs and symptoms of pesticides poisoning and first aid for poisoning case. To ensure pesticide uses are in accordance with the target, the Certificate Holder conducted identification of weeds type growing in operational area. Based on document verification, it is known that the herbicide being used is appropriate for the target weeds. The Certificate Holder used *isopropil amina glyphosate*, *metil metsulfuron*, and *amonium glufosinate*, which have been registered and permitted by the government. The pesticide operators work based on instruction from supervisor's related volume, dosage and targets. Interview with supervisors obtained information if they have understood related to dosage, target and technical instructions regarding the use of Pesticides. Interview with sprayers in J19/20 Division 1 Kijang Estate its known if showed that the employees have been given regular training pesticide application including volume, weeds target, etc

##### 4.6.2

The Certificate Holder has documented records of pesticide toxicity in the document of Monthly Pesticide Toxicity Data. The document is recorded product name, active ingredients, LD50, percentage of active ingredients, total application, total active ingredients, FFB production and pesticide unit/kg FFB. This document is constantly recorded and updated monthly by Estate Sustainability Officer.

##### 4.6.3

The Certificate Holder has implemented the integrated pest management in order to reduce pesticide usage. Based on document review and field observation, several IPM program with biological approach has been implemented, such as rat control by predator *Tyto alba*, and leaf eater caterpillar control by planting beneficial plants. Moreover, applying selectively spraying and utilizing soft fern *Neprolepis bisserata* as the predators host of leaf eater caterpillar. The Certificate Holder has trend chart of pesticide use from 2013 to 2018. Based on document review, there is no use of pesticide to control pest and disease from 2016 – 2018 (as of September).

##### 4.6.4

On the August 2015, President Director of SMART Tbk issued a memorandum not to use paraquat in 2016. Regarding to Pesticides that are categorized as WHO Class 1A or 1B, there is Social and Policy that stated minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances. Based on document verification and field visit to pesticide storage, there is no paraquat and WHO Class 1A or 1B, or that are listed by the Stockholm or

Rotterdam Conventions application in 2016 until October 2017.

#### 4.6.5 ; 4.6.7 and 4.6.9

The results of field observation in warehouse and interview with 8 sprayer in Block J-19 Division 2 Kijang Estate and 1 worker of KOPSA Makmur Sejahtera of Kijang Kencana Plasma, it is known that the employees have been given regular training on pesticide handling and safe work practices. The employees were able to can demonstrate the correct way to work in accordance with the procedures including on how to use and to handle the risks in accordance with material safety sheets. There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse. The sprayer also use personal protective equipment in accordance with specified hazard identification and MSDS, such as mask, gloves, safety shoes, apron and googles. In addition, employees are also informed about the steps of secure work in each roll call in the morning before work. the results of the field visit are also known related to the food that carry out to the field, the management unit has been provided a special box to minimize risk of negative impacts

#### 4.6.6

Pesticides storing and material handling are done based on material handling procedures SOP/SMART/HESS-EHSD/SADV/I/006 on 2014. Based on field visit in KJGE and KJGM chemical storage shown there are signboards and hazardous symbols for chemical by category, complete series Material Safety Data Sheet, chemical logbook, emergency response manual, first aid kit and personal protective equipment for storage foreman. Field visit on KJGE and KJGM housing indicates there is no evidence that ex pesticides/chemical containers were used for flower pots, water containers, or other household purposes. Furthermore, KJNP do not have any pesticides storage, all pesticides used by scheme smallholders were supplied by company (kijang estate) when chemist activities will be conducted.

#### 4.6.8

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

#### 4.6.10

Company and scheme smallholders have implemented proper ways for waste disposal based on procedure SOP/SMART/LEMS-EHSD/SADV/I/002. Training for workers and staff regarding hazardous & toxic material handling has been conducted on February 2018 for KJGE and on June 2018 for KJNP representative. Field visit during audit on kijang estate dan scheme smallholders shown that agrochemicals containers are disposed based on MSDS i.e cleanly washed (triple rinse) on pesticides optimalization storehouse and regularly submitted to PT Rolimex Kimia Nusamas (last shipment conducted on January 2018 for KJGE and on Sept 2018 for KJNP). All evidence for ex agrochemical disposal for examples "*berita acara pengiriman bekas kemasan pestisida*" to related vendors are available and verified by auditor.

#### 4.6.11

CH regularly have a medical examination for pesticide operator. Kijang Estate has a list of the latest pesticide operator as many as 16 people. All spraying workers has examined health through inspection types of cholinesterase and spirometri, to ascertain the condition of workers in good health. This semester examination was conducted in 23 July 2018 for all units. Examination results stating that all workers spray are in a healthy condition. Auditor conduct interviews with spraying workers and they admit that they have not been exposed to skin disease and itches because they always use PPE while working.

#### Smallholder scheme of Kijang Kencana Plasma

KJNP has list of pesticide operator, for example for KUD Kijang Mas as many as 8 male workers, KUD Makmur Sejahtera as many as 8 male workers, and KUD Manunggal Abadi as many as 8 male workers. Based on interview with spraying worker, it is known that medical examination has been conducted on 16 July 2018. The result of examination is worker in good condition.

#### 4.6.12

CH has a policy that prohibits pregnant and breast-feeding personnel working with chemical material. Based on



interview with spraying personnel, it is known that there was neither pregnant nor breast-feeding female personnel who work with pesticide. Audit team also got information that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or breast-feeding.

#### **Smallholder scheme of Kijang Kencana Plasma**

Certificate holder has a policy that prohibits pregnant and lactating personnel working with chemical material. Based on document review, it is known that there was no female pesticide operator in KUD.

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

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

##### **4.7.1**

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

Interviews were conducted to estate workers (harvester and pesticides applicator) and mill workers (boiler operator, engine room operator, kernel operator, etc). Based on the results of interviews can be concluded that workers understand the OHS policy and it's recognized that every morning meeting is always affirmed about the importance of safety and the use of PPE in work.

#### **Smallholder scheme of Kijang Kencana Plasma**

The OHS program and policy for KJNP refers to the OHS program and policy of KJGE. For example OHS monthly meetings, first aid training, routine safety inspection, etc. Evaluation of K3 program is also conducted once a year.

##### **4.7.2**

CH shown the document of hazard identification, risk assessment and risk control which issued on January 2018. It will be reviewed if any occupational accident happen. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on site observation at workshop and agrochemical warehouse in KJGE, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the company has been reduce the potential risk by routine socialization about OHS, providing PPE, and OHS signboard are available in workplace.

#### **Smallholder scheme of Kijang Kencana Plasma**

KJNP has had risk identification for the period of January - December 2018. In addition, based on interview with workers in KUD, it is known that workers have understood about risk and work accident and have used PPE provided by KUD.

##### **4.7.3**

Based on documents verification and interviews, it is known that all operators at Kijang POM and Kijang Estate already have lisense such as boiler operators, lift carrier operators, welders and electrical technician. The management unit has had the training plan for workers exposed to high noise levels such as training of procedure, socialization of HIRAC and safety briefing before work.

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

#### **Smallholder scheme of Kijang Kencana Plasma**

Based on the results of interviews with workers at KUD Kijang Mas, KUD Makmur Sejahtera, and KUD Manunggal



Abadi, it is known that the PPE used by them is from KUD. Based on the results of field visits to KUD offices, it is known that the company provides home storage of PPE and PPE for spraying workers. PPE provided include apron, mask, face shield, gloves, and boots.

#### **4.7.4**

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

#### **4.7.5**

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

Kijang POM and Kijang Estate has already licensed first aid officers and there was first aid internal training conducted on 9 June 2018 which was attended by 100 participants. Management unit also has a first aid kit in each unit and based on observations, it's concluded that the contents in the first aid box are sufficient. There is also a checklist of observations of the contents of first aid boxes routinely performed every month by first aid officers. Auditor conducts an interview with first aid officer and concluded that first aid officers understand the function and how to use equipment in the first aid box.

#### **Smallholder scheme of Kijang Kencana Plasma**

Based on the results of interviews with workers in KUD Kijang Mas, KUD Makmur Sejahtera, and KUD Manunggal Abadi, it is known that the first aid officer in the field is the foreman. Every time there is a work accident, the worker will contact the foreman and immediately carried out the first aid.

#### **4.7.6**

CH has provide medical care for worker including contract and permanent worker. Medical care is covered by worker and health insurance (BPJS). The payment for BPJS is conducted every month according to the available rule. Besides, CH also provide medical facilities for workers if work accident is occurred. Work accident will be reported to the BPJS Agency and claim for it will be done if the medical process has been completed. Based on interview with worker in estate and mill, it is known that both worker and their family is have been registered in health insurance (*BPJS Kesehatan*). There are some contractors in certification unit. Based on interview with contractor representative, it is known that the accident insurance for contractor's workers is covered by the head of contractor itself.

#### **Smallholder scheme of Kijang Kencana Plasma**

Based on the interviews with Smallholder workers, it is known that the workers have their own BPJS and paid independently, covering for health and work accident insurance.

#### **4.7.7**

CH has calculated the Lost Time Accident every month for monitoring the recording of occupational accidents. CH shown the Lost Time Accident calculation per September 2018. This document informs the number of worker, number of working days, the number of non effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of SR and FR is reviewed regularly and will be evaluated at monthly meeting of OHS Committee.

#### **Smallholder scheme of Kijang Kencana Plasma**

KJNP has calculated the Lost Time Accident every month for monitoring the recording of occupational accidents. Based

on the document, there is no work accident during period of January – September 2018.

<b>Status: Comply</b>
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#### 4.8

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

##### 4.8.1 and 4.8.2.

CH has had training programme 2018 for staff and workers related all aspects of RSPO principles and criteria. The training programme for all employees based on identification of needs that prepared by sustainability staff. The annual training programme covered all existing estate and mill activities, among others simulation handling chemical spills, first aid, fires simulation, socialization of policies for the protection of reproductive rights, prevention of sexual harassment in the workplace.

The training record that shows historical training of each employee are well maintained in place. The management unit has had the training plan for workers exposed to high noise levels such as training of procedure, socialization of HIRAC and safety briefing before work. In addition, the company has set the working hours for employees to reduce noise exposure as 1 shift no more than 8 hours, installing the signboard in location with high noise level and area with mandatory use of PPE and monitoring the use of PPE.

Based on observation of operational activities in Kijang POM and Kijang Estate, the workers are known to have received training, and are able to demonstrate safe working practices in accordance with procedures. Interviews with local contractors are also known that contractors have been trained from management unit related safe working practices.

##### **Kijang Kencana Plasma**

There is a document of extension program and training for Kijang Kencana Plasma for 2018 such as: First Aid Training, applicator pesticide Training, Fertilization of Palm Oil Plantation, Pest Management, Emergency Response Training and Leaf Sampling.

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

Until ASA 1.2 there is no changes related to estate operational areas development, mill capacity expansion, and etc. Aspects of plantation and mill management that caused environmental impacts were identified and listed on EIA document. Certificate Holder has environmental impact assessment documents approved by Ministry of Agriculture on May 19 on 1994. This document scope covered Kijang Estate, Kijang Mill and kijang scheme smallholders (PIR-TRANS) within 15,760 ha reserves area and mill capacity of 60 mt FFB/Hour. Based on long term business plan projection, company have planned replanting activities next few years. Replanting aspect impact identifications for next following year will be observed on next surveillance audit. **OFI**

##### 5.1.2 and 5.1.3

Environmental management plan and monitoring plan for company are listed on RKL/RPL document Company also demonstrated environment and social management based on EIA document for examples : surface water quality testing, waste water produced by mill are managed on WWTP before it distributed to estate as land application, regularly emission testing for boiler, generator emission, boiler emission, and based on local stakeholder interview (sekitang villages) acquired information that companies often provide assistance to the religious activities, sport activities, education activities, road improvements and provide employment and business opportunities.

Result of monitoring for 1st semester 2018 shown that potential impact caused by operational activities have been reduced meanwhile surface water parameter (for examples O&G) on some outlets sampling point are still exceed

standard quality, this caused by natural water ways condition on inlet that are already exceeded standard quality. Review for the monitoring/management plans has been developed on January 2018 and as an output certificate holder will inserted replanting activities monitoring when replanting has been conducted.

**Status: Comply**

## 5.2

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

### 5.2.1

Kijang estate and Kijang Kencana Plasma has been conducted HCV assessment for the entire area of operations, done by the RSPO Approved Assessor on 2011. The process of HCV identification conducted by using HCV identification guides in Indonesia on 2008. These identifications indicates there is HCV 1.1, 4.1 presence on KJGE & KJNP, meanwhile HCV 6 only present on KJNP. Each HCV areas have been mapped, and covered areas with following details respectively, HCV 1.1/4.1 31.43 ha on KJGE, HCV 1.1/4/1 on KJNP 243.58 ha, and HCV 6 8.60 ha on KJNP. The HCV identification was conducted by a competent HCV team and has engaged stakeholders through public consultation on August 2010. HCV identification results also explain there is no presence of Rare, Threatened, or Endangered (RTE) species according updated IUCN-Redlist 3.1 (2017).

Based on interview with management, workers representative, and local stakeholders (Sekijang village) acquired information that currently, most often found species surrounding company was *macaca fascicularis* and *varanus salvator* and there is no RTE species present such as of *elephas maximus* and *panthera tigris*.

Based on long term business plan projection and interview with management, found that company and scheme smallholders have planned replanting activities next few years, regarding this auditor teams are encourage company for managed HCV areas / riparian based on current procedures. OFI.

### 5.2.2 and 5.2.3

HCV identification and interview with relevant stakeholders (sekijang villages and scheme smallholders) shown there is no RTE species present surrounding company. To provide protection against wild species, management unit has established 2018 HCV management plan that consist of : hunting ban signboard placement, patrolling, rehabilitation of riparian as wild species habitat, and etc.

Related to RTE species, company have RTE species protections policy established on 2011 by Managing Director. Evidence for workforce educations related to RTE species are available for examples HCV / RTE socialization on July 2018 for KJGE & KJGM workers, meanwhile HCV and RTE socialization for KJNP conducted on June 2018. Field visit on Workers housing KJGE and KJGM also found there is no RTE / wild species reared by workers.

Field visit on block H27 and I19 div 2 KJGE on sialangkalo riverine found that certificate holder have implemented water management plan by buffer zone marking on both sides  $\pm 50$  meters on riparian , perform revegetation with bamboo, and signboard/HCV identity placement

### 5.2.4 & 5.2.5

Based on field observation, document review, and interviews with KJNP cooperatives boards / farmers found there is no HCV set-asides that affected local community's rights. Company have established HCV management plan based on 2017 monitoring output. Regularly patrols and monitoring record shown company has been monitored illegal hunting, wild species present, and other illegal activities.

Records for regular patrols on KJGE and KJNP are available and verified by auditors. For examples patrols result periods October 2018 on KJGE on block I22 found kingfisher bird, meanwhile signboard and HCV marking zone on Sialangkalo riverine are maintained well. Meanwhile monitoring for October 2018 on KJNP found "*burung bubul*" on block G51, and there is no wild species trap presence during patrols by HCV officer.

**Status: Comply**

**5.3**
**Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.**
**5.3.1**

All waste products and sources of pollution have been identified and documented in identification and evaluation of pollution source document issued on 2018. Type of waste been identified for examples are :

- Estates, waste source : chemist activities, waste type : ex pesticides containers (toxic and hazardous waste), managed by stored in optimalization store and sent to related vendors
- Mill, waste source : FFB process, waste type : shell and fiber (non toxic/hazardous waste), managed by renewable energy usage for boiler
- Estates, waste source : pruning activities, waste type : oil palm frond (organic waste), managed by frond stacking
- KJNP, waste source : chemist activities, waste type : ex pesticides containers (toxic and hazardous waste), managed by stored in optimalization store and sent to related vendors
- KJNP, waste source : office activities, waste type : domestic solid waste, managed by landfill
- KJNP, waste source : FFB transport, waste type : air emission, managed by FFB transport vehicle routine maintenance.

**5.3.2**

Inventory for all chemicals usage and its containers are available on chemicals storehouse / temporary hazardous storage. All ex chemicals containers were kept on pesticides optimalization store, and company (KJGE and KJGM) has a permit for all hazardous and toxic waste storage issued by head of environmental agency, Kampar regency based on decree No. 660/BLH-WAS/ILB3/2015/12, valid until 2020.

Based on document review and interview with management, shown all ex pesticide containers on estates and plasma are managed by triple rinse on pesticides optimalization store and regular submitted to related vendors (PT Rolimex Kimia Nusamas). Meanwhile, for other toxic hazardous waste including fertilizer inner sack were stored in temporary hazardous waste storage on estate and mill.

Evidence for ex pesticides containers disposal for estate and KJNP are able to seen on indicator **4.6.10**. Document review shown that company has disposed all toxic and hazardous waste to PT Primanru Jaya (licensed collector by decree of national environmental minister) on May 2018, for examples manifest BC0041664 (KJGE) for 230 litre ex lubricants. Observation during audits at temporary hazardous&toxic waste storage shown that all of hazardous waste are compliant with the periods in permit.

**5.3.3**

Certificate holder has implemented waste management /utilization based on management plan. Field visit to KJGM shown that palm oil mill effluent are managed on WWTP before its distributed as land application; Fiber and shell has been utilized as a boiler fuel, housing trash has been collected in the garbage then disposed to the landfill area. Field visit on land application activities block K18 div 2 KJGE shown that company has utilized POME as nutrient cycle based on permit which it belongs. Related to domestic waste, field visit on KJGE and KJGM housing found that All settlements waste are not disposed off using open fire and companies managed settlements/housing domestic waste by provide landfill on each estate.

<b>Status: Comply</b>
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**5.4**
**Efficiency of fossil fuel use and the use of renewable energy is optimised.**
**5.4.1**

Company implemented fossil fuel reducing plan by renewable (fiber and shell) energy usage. Certificate holder has assess and estimated the direct energy use such as fuel usages and electricity generated by Mill operational activities for 2018 periods. Shell and fiber usage have been monitored per month and for examples realization of fossil fuel usage during September 2018 are 6455 litre. During Jan-September 2018, renewable energy usage for boiler resulting average energy efficiency about 97.45 KWh/mt CPO, meanwhile direct energy usage by fossils fuel are 1.74 litre/mt CPO.

Furthermore kijang kencana plasma also have monitored direct fossil fuel usages estimation for FFB transport per month, for examples diesel fuel usages per tonne FFB produced on September 2018 for KUD Kijang mas, KUD Makmur Sejahtera, and KUD manunggal abadi respectively are 0.74 litre/mt FFB produced 0.65 litre/mt FFB produced, and 1.25 litre/mt FFB produced

**Status: Comply**

## 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

Company policy towards zero burning was presented in document of Social and Environment GAR dated October 1<sup>st</sup> 2015 Point 1 about environment management Part 1.4 which mentioned that the company will not adopting burning method for land preparation or development. Furthermore, this policy has also presented in Circular of Senior Managing Director No. 071/SMD OPS/IX/2007 dated September 4<sup>th</sup> 2007. These policy has in accordance with Minister of Agriculture Letter No. 184/LB.130/M/B/2007 dated August 14<sup>th</sup> 2007. In order to avoid land fire, estate management is required to conduct monitoring patrol, fire fighter team, make coordination with the respective government agencies and surrounding communities, installing attention signboard and conducting zero burning method as mentioned in Act No. 18 year 2004. Socialization of this policy to contractors and workers has conducted on April 9<sup>th</sup> 2016 and August 3<sup>rd</sup> 2016, respectively. Furthermore, policy of zero burning during land preparation/clearing for smallholder was presented in Circular Letter No. 001/KOPSA-BK/SE/09/2007 dated September 6<sup>th</sup> 2007. Socialization for smallholder (plasma) has conducted on March to April 2016.

Procedure land preparation was presented in document No. SOP/SMART/MCAR/IV/TA-PLB dated September 1<sup>st</sup> 2012 and procedure of replanting through mechanical method was presented in document No. SOP/SMART/MCAR/VI/TA-RPL. Both procedure has mentioned that land clearing shall be conducted through zero burning method and in accordance with agronomy technique. According to hectare statement 2018, it was known that replanting in KJGE for about 828.59 ha and KJNP for about 700.00 ha will be conducted in 2019 and 2020, respectively. Implementation of zero burning will be verified on the next audit assessment. Furthermore, based on field observation to estate areas, as well as information from Plantation Agency and Environment Agency of Kampar Regency, it was known that estate management never been conducting burning method for pest management control.

**Status: Comply**

## 5.6

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

### 5.6.1

The CH has identified GHG sources produced from plantation and processing activities, summarized as follows:

- Plantation: manuring, pesticide application, fossil fuel consumption and land preparation.
- Processing: energy production, fossil fuel consumption, chemicals consumption (NaOH, Fosfat, EDTA, Sulfit, Alum, H<sub>2</sub>SO<sub>4</sub> and CaCO<sub>3</sub>), land application (POME).
- GHG being produced are CO<sub>2</sub>, NO<sub>2</sub> dan CH<sub>4</sub>.
- Monitoring on gas emission, particle and effluent were presented on quarter environment management and monitoring plan (RKL/RPL) report. This report was available on site.
- The CH has calculate GHG emission by PalmGHG Calculator Version 3.0.1 and already reported to RSPO Secretariat via email to [devaladevi@rspo.org](mailto:devaladevi@rspo.org) and [javin.tan@rspo.org](mailto:javin.tan@rspo.org) on October 8<sup>th</sup> 2018.

### 5.6.2

The CH has identified sources of GHG which further explained in Indicator 5.6.1. Management plan and monitoring of GHG mitigation procedure was presented in document No. SOP/SMART/CERS-EHSD/SADV/I/005 dated July 1<sup>st</sup> 2014. Among GHG mitigation plan and implementation are: efficiency of fuel consumption and utilization of by-products such as kernel shell and fibres on Boiler for energy production; fertilizer application as recommended by Agronomist, which considering an optimum dosage, time and place of application; pesticide consumption as refers to integrated pest management principle and adoption of biological method for pest population control, as well as soil subsidency; efficiency of electric consumption; and land application in KJGE.



However, according to palm GHG calculation, emission in 2017 was higher than 2016. This is due to increment on fuel consumption on the mill for almost 23 %. However, there were reduction of emission in term of land conversion and fertilizer application on the field for about 300 % and 19 %, respectively. Yet in total, emission in 2017 is increase for about 7 %. The plan for emission reduction was still remain the same with previous year but more intense on reduction of fuel consumption.

### 5.6.3

Monitoring on several emissions such as air quality, noise, vibration, odor, particulate, palm oil mill effluent, etc has conducted regularly and presented on the quarter RKL/RPL report. Furthermore, the CH has calculate GHG emission by RSPO PalmGHG Version 3.0.1, summarized as follows:

#### Summary of Net GHG Emissions

Emissions per product	tCO <sub>2</sub> e/tProduct	Extraction	%	Production	ton/year
CPO	0.92	OER	19.18	FFB Processed	265,406.71
PK	0.92	KER	5.57	CPO Produced	50,915.86

Land Use	ha
OP planted area	10,257.20
OP Planted on peat	0.00
Conservation (forested)	0.00
Conservation (non-forested)	31.49

#### Summary of Field Emissions and Sinks

	Own Crop		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha
<b>Emissions</b>								
Land conversion	19847.43	2.17	-	-	-	-	19847.43	2.17
*CO <sub>2</sub> emissions from fertilizer	5353.63	0.59	-	-	-	-	5353.63	0.59
**N <sub>2</sub> O emissions	4962.58	0.51	-	-	-	-	4962.58	0.51
Fuel consumption	666.18	0.09	-	-	-	-	666.18	0.09
Peat Oxidation	0.00	0.00	-	-	-	-	0.00	0.00
<b>Sinks</b>								
Crop sequestration	-18812.74	-2.06	-	-	-	-	-18812.74	-2.06
Conservation Sequestration	0.00	-0.00	-	-	-	-	0.00	-0.00
<b>Total</b>	<b>12017.08</b>	<b>1.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12017.08</b>	<b>1.3</b>

#### Summary of Mill Emissions and Credits

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emissions</b>		
POME	47381.09	0.22
Fuel consumption	278.29	0.00
Grid Electricity Utilization	0.00	0.00
<b>Credits</b>		
Export of Grid Electricity	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
<b>Total</b>	<b>47659.38</b>	<b>0.22</b>



**Palm oil Mill Effluent (POME) Treatment**

Divert to compost	0.00 %
Divert to anaerobic digestion	100.00 %

**POME Diverted to Anaerobic Digestion:**

Divert to anaerobic pond	100.00 %
Divert to methane capture (flaring)	0.00 %
Divert to methane capture (electricity generation)	0.00 %

Based on calculation review, it could be concluded that data which input on PalmGHG calculation were accurate with actual situation in Kijang Mill and Estate. During audits, auditor teams have been verified accurate data has been put into the RSPO Palm GHG calculator for examples related to fossil fuel usages, pesticides usages, statement area, HCV data, and etc. Meanwhile this GHG calculation are excluded LUC emission due to there is no New development after November 2005

**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 and 6.1.2**

There is no change of SIA document. The certificate holder has conducted a survey and Social Impact Assessment (SIA) in 2010 and recorded in Report SIA - "*Laporan Studi Identifikasi Dampak Sosial Perkebunan Kelapa Sawit*", by Sustainability Department. In 2012, SIA document has been revised. After the identification in 2012, then provides annual supervision and evaluation of social impact, and then be reviewed by management once in 2 years. During the Social Impact Assessment (2012), it appears that the assessment also includes stakeholders, community leaders figure, and related government agencies etc. through a public consultation which visible on participant attendance at SIA report. Based on the stakeholder consultations in the villages surrounding, there is no indication of any significant issues from surrounding communities. Related to SIA documents that are owned, companies are encouraged to increase the wider sample involvement in the preparation / review of social impact studies by taking into account the affected parties including women, youth leaders, local residents and migrants. OFI

**6.1.3**

Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment, through consultation with the affected parties. This plan has been informed the positive and negative impact including the time management planning and the person in charge for the activity, such as: local workers acceptance, realization of CSR Program and local economy development. Based on documents verifications and consultation with the affected parties this plan has been implemented for example local workers acceptances, road maintenance, realization of CSR programs and etc. The SIA document has involved the affected parties surrounding the plantation management. The Communities that participate during identification of social impacts assessment in 2010 cover 11 villages, there are Kijang Makmur village (SP 2), Tebing Lestari village, Tanah Tinggi village (SP 4), Pelambaian village, Koto Aman village, Sekijang village, Tandan Sari village, Tapung Makmur village (SP 5), Kijang Jaya village (SP 1), Gerbang Sari village and Tapung Lestari village

**6.1.4**

Review of SIA management plan has been conducted in 2017 for period 2015 and 2016. The SIA review was approved by management on May 2017. Result of Social Impact review was explained positive and negative impact, there are consist of road maintenance, river water pollution indication and working opportunities for local community.

Management has plans to reduce the negative impact as a result of the company's operations. The plan also includes time management and monitoring implementation. In addition, the plans to increase the positive impact include the realization of CSR and carry out regular visits and communication with the community. PIC for social management and

monitoring are manager in each unit assisted by SPO officer and other related staff. This social management and monitoring plan were develop by affected parties participatory. Evidence of participatory way (minutes of meeting, photo) was verified by auditor team. The results of monitoring are known that all social aspect can be implemented properly, such as: scheme smallholders and socialization of FFB prices, local business development, and local worker acceptance. Realization of CSR programs and etc. Interview with local community obtained informations there is no grievance related to social management that's has been implemented

#### 6.1.5

Scope of Kijang POM is including smallholders scheme (Kijang Kencana Plasma). Particular attention for smallholder scheme is by agronomy management supervision. The CH has agronomy officer at each cooperative and managed under smallholder manager, who responsible to the smallholders performance.

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

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

#### 6.2.1

The certificate holder (CH) shows list of stakeholder which updated on October 4<sup>th</sup> 2018 that informed that there were 59 stakeholder identified on the list, which categorized as government institutions or statutory bodies, indigenous people, local communities, workers organizations, smallholders, independent suppliers of FFB and services, as well as local, national and international NGOs. Furthermore for KJNP, there were 51 stakeholders identified, which consist of the same categories with KJGE stakeholder. Update of stakeholder list was carried out annually by Social Officer.

Procedure of communication and consultation for company data and/or informations which could be shared or requested by public was presented in document No. SOP/SMART/UMUM/SADV/004/005 (Rev. 00) dated July 1<sup>st</sup> 2014. For example, among informations that able to be accessed by internal and external parties is presented as follows:

- Policies: forest conservation (FCP), social and community engagement (SCEP).
- Reports: high conservation value (HCV) identification, social impact assessment (SIA) and high carbon stock (HCS).
- Procedures: free prior inform consent (FPIC), conflict and complaint resolution, communication and consultation, smallholder development, corporate social responsibilities (CSR) and stakeholder engagement.

Procedure of free FPIC was presented in document No. SOP/SMART/SENS-CSR/SADV/003 dated July 1<sup>st</sup> 2014. Which adopted as social approach during estate and mill development to the surrounding communities and other affected parties. Furthermore for land conflict resolution process, the procedure was presented in document No. SOP/SMART/SIGS-CSR/SADV/003 dated July 1<sup>st</sup> 2014. The CH has conducting management review towards social aspects which covers surrounding Villages, such as Kijang Makmur (SP 2), Tebing Lestari, Tanah Tinggi (SP 4), Pelambaian, Koto Aman, Sekijang, Tandan Sari, Tapung Makmur (SP 5), Kijang Jaya (SP 1), Gerbang Sari and Tapung Lestari. Based on interview with government Agencies of Kampar Regency (Manpower and Industrial Agency, National Land Agency, Environment Agency and Plantation Agency), as well as surrounding community representatives from Village of Tapung Lestari, Kijang Makmur and Tebing Lestari, it was known that the CH has considered transparent and cooperative in providing information and open for communication and consultation.

#### 6.2.2

PIC for social matters for KJNM, KJGE and KJNP were presented in Appointment Letter of Regional Controller No. 010/RC-KAMPAR/08/2017 dated August 1<sup>st</sup> 2018 and No. 007/RC-KAMPAR/11/2017 dated November 23<sup>rd</sup> 2017 and No. 009/RC-Kampar Plasma/04/2014 dated April 1<sup>st</sup> 2014, respectively. The PIC has responsible to accommodate social impact analysis, conducting communication and consultation with stakeholders, conducting a positive relationship with surrounding communities' representatives (elders, leader, clerics, etc.), in coordination with Human Resources Department towards manpower matters, and updating stakeholder list every six months.

#### 6.2.3

The certificate holder (CH) shows list of stakeholder which updated on October 4<sup>th</sup> 2018 that informed that there were 59

stakeholder identified on the list, which categorized as government institutions or statutory bodies, indigenous people, local communities, workers organizations, smallholders, independent suppliers of FFB and services, as well as local, national and international NGOs. Furthermore for KJNP, there were 51 stakeholders identified, which consist of the same categories with KJGE stakeholder. Update of stakeholder list was carried out annually by Social Officer. Records of information request and response monitoring was summarized in Logbook Form No. F/SMART/UMUM/SADV/004/002. For example information/data on employees' basic salary and Safety Committee report in PT BWL KJGE, KJNP and KJGM has delivered to Manpower and Industrial Agency on October 4<sup>th</sup> 2018.

<b>Status: Comply</b>
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### 6.3

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

#### 6.3.1

Procedure of complaint and grievance delivery was presented in document No. SOP/SMART/GIMS-SCMD/USDV/II/001 (Rev. 02) dated April 11<sup>th</sup> 2017. The procedure has guarantee the anonymous and whistle-blower. PIC of this procedure was Chief of Administrative (KTU). Socialization has conducted on August 1<sup>st</sup> 2017. Based on interview with workers in KJGM, KJGE and KJNP, as well as information from Labor Union and Gender Committee of those units, it was known that every complaints and grievances has satisfactory responded by management unit directly or less than one month officially. There is no intimidation and pressure for whistle-blower.

#### 6.3.2

Complaints and grievances was recorded by Chief of Administration on the Logbook of "Keluh Kesah". Based on logbook review in mill and all estate units, it was known that there were no complaint and/or grievances delivered by internal and/or external parties. Based on interview with workers in KJGM, KJGE and KJNP, as well as information from Labor Union and Gender Committee of those units, it was known that every complaints and grievances has satisfactory responded by management unit directly, and there were no significant issues that needs to be follow up by the superior management during 2017 to September 2018.

<b>Status: Comply</b>
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### 6.4

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

#### 6.4.1; 6.4.2

The procedure of "SOP Ganti Rugi Tanah/Lahan (SOP/NP/SMART/VII/D&L002, dated 1 July 2010)" described the mechanism for identifying legal, customary or user rights and also for identifying people entitled to compensation and determining calculation method to provide fair compensation. Evidence of Procedure Awareness was documented. It was communicated to related parties such as community leaders, and religious figures and youth leaders. While, within the FPIC Procedure No. SOP/SMART/SENS-CSR/SADV/II/003, part 2.4 describes that identification of participatory map related to legal ownership of communities are considering gender, community leader, local or transmigrant communities, ethnic groups or communal land ownership, etc.

#### 6.4.3

All the documents of land compensation is kept by legal department and if there is any inquiry from affected parties or relevant parties, the document can be accessed through officer/management permission. There is no customary people lives surrounding/within the certificate holder plantation. Documents verifications, field visits and interview with stakeholder obtained informations if there is no land acquisition from the last assessment

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

**Pay and conditions for employees and for employees of contractors always meet at least legal or industry**

**minimum standards and are sufficient to provide decent living wages.**

#### 6.5.1

The types of workers in CH are contract worker namely PKWT, permanent worker namely PT4A and permanent worker namely SKU. CH has the copy of Riau Governor Decree No Kpts.373/V/2018 about Minimum Wage for Agricultural / Rubber Plantation, Coconut, Oil Palm, and Factory Sector issued on 15 May 2018 as much as Rp2,617,500 per month. Following up the decree, CH issued CEO decree about wages, among others:

- Decree No 008/CEO 5/HR PSM 5/03/2018 about wages for daily permanent worker PT BWL which set wage for worker with working time less than 1 year is Rp 2,481,000/month and for worker with working time 1 year or more is Rp 2,483,500/month.
- Decree No 009/CEO 5/HR PSM5/03/2018 about wages for monthly permanent worker PT BWL.

CH also show the sample for payslip, for example payslip loose fruit picker in KJGE. The document show that the wage consist of basic wage, premium and deduction. Amount of loose fruit earned a month is displayed in the payslip. Based on document review, the wages for worker has meet the applicable minimum wage.

Based on interview with the harvester and committee of worker union, there were no complaint about working hours. The payment is based on tonnage. There is no complaint about wages payment too. Based on interview with worker in Mill and Estate, there is no complaint about wages. It is in accordance with Governor Decree applicable. The minimum wage for non-permanent workers such as PWKT is in accordance with the minimum wage set by the government.

#### **Smallholder scheme of Kijang Kencana Plasma**

Based on interview with cooperative staff, land owner and smallholder workers (harvester), payment calculation determined based on production volume (FFB tonnage) for harvester. Wages for cooperative staff is determined from the result of annual budget meeting.

#### 6.5.2

CH has work agreement for contract worker which explain about the wages, work hour, duty and responsibility, work termination, and others. Contract is written in Indonesian Language and workers are understood the substance of the contract. Based on interview with the worker, they know and understand the substance of the work agreement. They also has the copy of it. CH also has collective labour agreement (PKB) between company and labour union for period year 2018 – 2020. The collective labour agreement is regulated about company and worker responsibilities, recruitment process, promotion and demotion, work time management, payment system, social insurance, contract termination, and so on. Based on interview with workers in estate and mill, they know about Collective Labor Agreement (PKB) and they know about their rights and obligations that describe in PKB. They also know about the type of permanent worker namely PT4A.

#### **Smallholder scheme of Kijang Kencana Plasma**

KJNP showed work agreement between cooperative staff and the KUD itself, for example work agreement no 14/KUD LESTARI JAYA/PKHL/01/2017. The document is explain about days and working hour, term of employment agreement, remuneration, and other provisions. The work agreement is signed by both parties, namely the KUD and workers.

#### 6.5.3 and 6.5.4

Based on the results of field visits known that CH has been providing housing facilities, lighting, water, daycare, cooperatives, employee halls, places of worship, school buses, clinics and educational facilities. Company also facilitates all workers to access adequate food supply by held sudden market on payday. Moreover, there are some kiosk in housing complex. Personnel can get the staple food with reasonable price. The Company also provides rice support to all permanent worker. Based on interview with the workers, there is no house occupied by two family or mixed between single and family, each house is only for one family

**Status: Comply**

#### 6.6

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

**6.6.1 and 6.6.2**

Company's policy on providing freedom for its personnel to establish and join union is stated in:

- Collective Labor Agreement period 2018-2020 in Article II states that company guarantees the freedom of its personnel to establish and join union.
- Decree from CEO No.045/CEO5-SE/11/2010 on 16 November 2010 regarding the freedom to establish and joint union.

Based on interview with chief of labor union, there is no any intervention by CH to the election of workers representative in labor union. Every worker is free to choose whether or not to become a member of a union. This is also confirmed by the results of interviews with workers in each unit. They are given the freedom to choose whether or not to join the union.

The company has a trade union to deliver the information from the workers to company and vice versa. The union has been registered to Labor Agency and available at each unit. Based on interview committee of labor union, it is known that the worker is not forced to be a member. The labor union is held a meeting once a month of if there an issue or complaint from worker and must be discussed. There are meeting documentation such as:

- On 6 August 2018 in KJGM attended by 30 participants from the committee of KJGM Labor Union and representative of KJGM
- On 10 August 2018 in KJGE attended by 8 participants. The meeting is documented in form of minute of meeting, and list of attendees.

**Smallholder scheme of Kijang Kencana Plasma**

Based on interview with representative of KJNP, the cooperative is a gathering place and issuing opinions for members of the cooperative. KUD members may also become members of the KJGE labor union. There is no compulsion or resistance for the plasma members to join the KJGE labor union. KUD also actively conduct monthly meeting with the member.

<b>Status: Comply</b>
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**6.7**
**Children are not employed or exploited.**
**6.7.1**

Company's regulation regarding to minimum requirement is stated in Decree from HR Director No. 002/SE-HRDV/03/09 on 31 March 2009 states that the minimum age for personnel is 18 years old.

Based on interview with worker in estate and mill, they understand and know that the minimum age for worker in the company is 18 years old. Based on field observation in estate, there auditors did not found any harvester accompanied by their wife or children. Based on the results of interviews with chief of labor union and the workers in the estate and mill, it is known that the minimum age for working in a company is 18 years. There in no child workers in CH.

**Smallholder scheme of Kijang Kencana Plasma**

There is a policy no 13 / KUD-LJ / 01/2009 dated 12 January 2009 concerning the Minimum Age Limit which states that the minimum age for worker is 18 years.

<b>Status: Comply</b>
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**6.8**
**Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.**
**6.8.1 and 6.8.2**

CH has a policy of anti-discrimination through Decree from CEO No. 003/CE05-SE/06/2009 dated June, 24 2009 which regulates implementation of industrial relation in the unit, such as company gives freedom to its personnel to work in any kind of work with no discrimination against race, religion, ethnic and gender. Policy about anti-discrimination also regulated in policy of social and environment GAR approved by Head of Upstream, CEO Downstream and commercial, executive director of CFO, MD of Sustainability and Strategic stakeholder engagement dated September 8 2015, states will give equal opportunities for all worker and embrace diversity, regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation or union membership. And to ensure workers are protected from discrimination in all stages of the employment relationship.



This policy is also implemented in SOP for Employment Procurement No.SDM.A.004.00 and SOP for training, assessment, and career development no. SDM.D-010-00 dated September 1 2015 which explain that employee selection conducted according to a predetermined phase such as job application letter, result of worker interview and medical tests and promotion of employees conducted by work performance, outcomes assessment, training result, passing selection and the vacant position.

Based on field observation and interview with female worker in KJGE, it is known that there is no issue or complain from worker regarding discrimination. The company gives equal treatment to all workers. The workers that has been interviewed is came from various social origin, race, and religion.

### 6.8.3

CH kept the personal file of each worker in each unit management. Based on interview with management, the recruitment is conducted through the company requirement. Worker promotion, mutation or demotion is done through the employee performance assessment. Company showed documentation of employee recruitment, consist of application letter, result of interview, medical check up, copy of work agreement, and training documentation. There is new recruitment in 2018, for example in KJGE manager letter number KJGE/SPK-PT4A/04/2018 with manual maintenance position on 9 April 2018. The recruitment are based on skills, capabilities, qualities and health conditions.

#### **Smallholder scheme of Kijang Kencana Plasma**

Based on interviews with KUD workers and smallholders, it is known that there is no discrimination in the cooperative environment. The opportunity to work is given to everyone regardless of race, religion, race and gender

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

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

#### **6.9.1; 6.9.2; and 6.9.3**

CH has a policy of the prevention of sexual harassment and violence as outlined in Internal memo from Agronomy Unit Head No.001 / CEO5-SE / 02/2009 dated 20 February 2009. This policy is about socialization of prevention and handling of sexual harassment to all employees. In addition, for the protection of reproductive rights is written in the internal letter No. 001 / SE-VPA5 / SPO / 07/2011 dated 8 July 2011.

Based on interview with committee gender, the policies has been socialized to the workers. It is also known that there is no issue or complaint related to sexual harassment on the workplace. CH also form gender committee for handling the harassment issue around female workers. Based on interview with the board of gender committee, the company provides the female worker with pregnant and nursing leave for about 3 months. All women workers cover with policy to protect the reproductive right such as menstruation leave. CH has a circular letter No. 002 / CEO5-SE / 03/2009, 2 March 2009 concerning granting permission for menstruation. In the circular letter states that women workers who experience pain and based on a doctor's examination and notify employers, are not required to work on the first and second days of menstruation, so that each unit applies these provisions effectively.

CH also has procedure of employee grievance or complaint no. SOP/SMART/SIGS-CSR/SADV/II/003, dated 1 July 2014 which explain that the identity of the complainant is not revealed to everyone. Based on interview with the worker, they understand the complaint mechanism and there is no complaint from them.

#### **Smallholder scheme of Kijang Kencana Plasma**

There is policy no 6 / KUDLJ-SE / 01/2009 dated 2 January 2009 regarding Prevention of Sexual Harassment and Violence against Women and to Protect Women's Reproductive Rights. The policy was socialized on 1 April 2017 attended by 15 participants. Based on interview with KJNP representative, it is known that gender committee for KJNP is referring to gender committee of KJGE.

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

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



**6.10.1; 6.10.2; 6.10.3 and 6.10.4**

Unit management of KJGM and representatives from KUD Kijang Mas, KUD Tapung Lestari and KUD Tebing Lestari of KJNP has informed that price of FFB was derived from FFB Pricing Team from Plantation Agency of Riau Province. This pricing system has also presented in Article 3 on PT BWL and Smallholders agreement. For example, KJGM shows document No. 33/TPHTBS-VIII/2018 dated August 14<sup>th</sup> 2018 about FFB price for period Wednesday to Tuesday, August 15<sup>th</sup> to 21<sup>st</sup> 2018 from Plantation Agency of Riau Province. Those price were informed on time through sms, information board or could be checked to the local newspaper. FFB price information was considered transparent and in accordance with regulation. There were no issues related to FFB pricing in KJGM. Based on payment review of PT BWL to KJNP No. 003/BSM/08/18 dated August 28<sup>th</sup> 2018, it was known that the payments record were in accordance with FFB Pricing Team Decree of Plantation Agency of Riau Province. Payment was conducted through transfer banking via Sinarmas Bank. Both parties were agreed about pricing reference and satisfy with its implementation. There was no negative issues related to Inti-Plasma relationship. Up to ASA-1.2, there were no additional smallholders for KJGM.

Based in interview with representatives from KUD Kijang Mas, KUD Tapung Lestari and KUD Tebing Lestari of KJNP, it was known that payment has conducted by marketing of PT BWL in Jakarta through transfer banking via Sinarmas Bank to KJNP. Later on, KJNP will distribute payment via cash to smallholders proportionally, based on lot productivity after operational deduction cost. So far, there were no negative issues related to the time and amount of payment.

<b>Status: Comply</b>
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**6.11**
**Growers and millers contribute to local sustainable development wherever appropriate.**
**6.11.1**

Identification of community need were already identified and presented in document of social impact assessment. Furthermore, company contribution towards local development was describes in CSR program and realization report. Realization of CSR program for PT BWL (KJGM, KJGE and KJYP) was consist of 64 activities and approved by Regional Controller of Kampar Region on September 2018. The program has covers education, health, infrastructure, social, environment and economy. For example, up to September 2018, total CSR value and total expenditure were about IDR 637,548,022.00 and IDR ±2 billion, respectively. Among Village mentioned in the report are Village of Sekijang and Kijang Makmur. Based on interview with representative from Village of Tapung Lestari, Kijang Makmur and Tebing Lestari, it was known that communities has been involved in annual CSR program arrangement.

**6.11.2**

Up to SA-1.2, it was known that there were no additional smallholders in KJNP or other plasma scheme. KJNP were consist of 8 KUD's (Cooperatives), 197 Smallholder groups and 4,073 members. Registration of smallholders' non plasma members was conducted by FFB Purchasing Department. The company has support operational of plasma through human resources (Manager, Assistant and Foreman of Plasma), daily works monitoring, best management practices and safety training, fire management, hazardous and hazardous waste management, etc. Based on observation to KUD Kijang Mas, KUD Tapung Lestari and KUD Tebing Lestari of KJNP Office, it was known that Cooperative has provide special Store for Pesticides and PPE's, pesticide mixing and washing devices area, Fertilizer Store. Organization chart which mentioned personnel from PT BWL was available. Smallholders of those KUD mentioned that the CH has provide training annually, especially on oil palm agronomy technique and safe working practices.

<b>Status: Comply</b>
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**6.12**
**No forms of forced or trafficked labour are used.**
**6.12.1; 6.12.2; and 6.12.3**

Based on document review, field observation, and interviews with worker and stakeholders, it is known that there is no migrant labor, including forced labor and illegal labor. The recruitment is done according to the company's procedure. All workers have work agreement that explain about the obligation and rights of the worker, and other provision. They work based on the contract and work order. Based on field observation and interviews with the workers in Estate and Mill, it is known that there is no discrimination among them. They came from local and nonlocal worker. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children. Based on interview with worker union member, there is no issue related to force labour.

**Smallholder scheme of Kijang Kencana Plasma**

Based on field observation and interview with worker in KUD Manunggal Abadi, KUD Kijang Mas and KUD Makmur Sejahtera, it is known that there is no indication of force labor in KUD. Based on interview with land owners, harvest worker is from their family (except wife and children). Basic payment for worker who worked in each farmer plots is determined by farmers groups and cooperative unit.

<b>Status: Comply</b>	
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**6.13**
**Growers and millers respect human rights**
**6.13.1**

Policy to respect the human rights set out in the Social Policy and Community (Social and Community Engagement Policy) issued on 10 November 2011, namely point 6 Respect to Human Rights (HAM). Policy has been communicated to internal and external stakeholders.

**Kijang Kencana Plasma**

Circular letter from the chairman of Cooperatives to all farmers in Cooperatives dated 2 January 2016 regarding Human Rights Policy. In order to create a harmonious, dynamic and fair working environment, the cooperatives is committed to upholding human rights to all communities and all Cooperatives members:

- No violence or coercion in the workplace either in the office or in the field.
- Free opinion without any intimidation from any party.

Results of interviews with applicators pesticide, harvesters, fertilizer in estate, workers in Mill and farmers in KUD, so far there has never been a case of human rights violations.

<b>Status: Comply</b>	
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**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 information from Plantation Agency of Kampar Regency and CH unit management, it was known that there was no land expansion on November 2005 forward. Latest land clearing had been conducted before 2005.

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

Certificate Holder has no expansion and development of plantation area after November 2005. Based on document review and interviews with management representative indicate that land clearing was performed last in 2002.

<b>Status: Comply</b>	
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**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, 7.3.2, 7.3.3, 7.3.4, and 7.3.5**

All RSPO members for GAR has been submit Liability Disclosure on 26 October 2014. 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

<b>Status: Comply</b>	
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**7.4**

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

Certificate Holder has no expansion and development of plantation area after November 2005. Based on document review and interviews with management representative indicate that land clearing was performed last in 2002.

Related to the area outside the scope of HGU it is known that the area has been managed before 2005. The area is known based on internal audit results in May 2017 and team measurement from PNMP division from 7 - 31 August 2017. Result of document review, consultation with Plantation Office; National land agency, community and management representatives are known that there is no objection / dispute to the area

**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.**

Certificate Holder has no expansion and development of plantation area after November 2005. Based on document review and interviews with management representative indicate that land clearing was performed last in 2002.

Related to the area outside the scope of HGU it is known that the area has been managed before 2005. The area is known based on internal audit results in May 2017 and team measurement from PNMP division from 7 - 31 August 2017. Result of document review, consultation with Plantation Office; National land agency, community and management representatives are known that there is no objection / dispute to the area

**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.**

Certificate Holder has no expansion and development of plantation area after November 2005. Based on document review and interviews with management representative indicate that land clearing was performed last in 2002.

Related to the area outside the scope of HGU it is known that the area has been managed before 2005. The area is known based on internal audit results in May 2017 and team measurement from PNMP division from 7 - 31 August 2017. Result of document review, consultation with Plantation Office; National land agency, community and management representatives are known that there is no objection / dispute to the area

**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.**

Certificate Holder has no expansion and development of plantation area after November 2005. Based on document review and interviews with management representative indicate that land clearing was performed last in 2002.

**Status: Comply**

#### 7.8

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

##### 7.8.1

Certificate Holder has no expansion and development of plantation area after November 2005. Based on document review and interviews with management representative indicate that land clearing was performed last in 2002.

Emission test, GHG emission calculations and reporting the results to the secretariat RSPO able to seen at **Indicator 5.3.3**. Mitigation of GHG emissions able to seen at Indicator 5.6.2

**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.**

Action plan for continual improvement has been implemented by CH, based on a consideration of the main social and environmental impacts and opportunities of the estates/mill, include a range of Indicators covered by these Principles

and Criteria, for example:

#### OHS and Employment Aspects:

- Giving special marks to palm oil trunks that are close to electricity poles and the use of special harvesting equipment when harvesting these palm oil.
- The company provides special buildings as a storage place for harvesting equipment and special transportation to bring harvesting equipment to the field.
- The company has not used labor with casual daily workers status and has already promote all casual daily workers to become permanent workers of class 4A (PT4A).

#### Internal Audit

The Certificate Holder has been routinely conducting the monitoring of operational activities through Operational Internal Audit (OIA):

- Kijang Estate: Conducted from 29 January to 08 February 2018, all findings have been followed up and closed.
- Naga Sakti Mill: Conducted from 12 to 22 March 2018, all findings have been followed up and closed.
- Kijang Kencana Plasma: Onducted from 02 to 23 May 2018, all findings have been followed up and closed

#### BMP Aspects

- Application of EFB to improve soil fertility and soil structure in areas as recommended by the research department.
- Use of EBS (Empty Bunch Spreader) to tranport and to apply EFB.
- Use of kernel and fiber for Boiler energy.
- Use of POME (land application) to improve soil fertility
- Since 2016 the paraquat herbicide has no longer been used.
- Conservation of soft fern(*Nephrolepis biserrata*) as land covers crops to maintain moisture and to reduce soil erosion and as complex of the natural enemies of insect pest.
- Planting beneficial plants such as *Turnera subulata* and *Antijalan koleksi gonon leptosus* to prevent the infeststion of the leaf eating caterpillathe leaf eating caterpillar.
- Biological control of rat using predator, namely olw (*Tyto alba*) by installing Barn Owl Box (BOB) 1 unit per 10 - 40 ha.
- Use of grabber in loading FFB into BIN container to be trnsported to POM.
- Company policy that no longer use of Paraquat started January 2016 has well implemented.

#### Environment aspects:

Company have performed the used of renewable energy and waste reduction such shell and fiber to reduce fossil fuel usage on kijang mill. Company also conducted GHG calculations and maintained the HCV areas as a part of emissson reducing plan.

#### RSPO Internal Audit

The company carried out the RSPO internal audit held on August 6-11 2018 with an internal team of auditors from the Sustainability Policy and Compliance Division. As a follow up to the results of the internal audit, the management unit carried out a management review meeting on September 8, 2018 at the Regional Controller Office.

	<b>Status: Comply</b>	
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### 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	<p>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.</p> <p>Kijang Palm Oil Mill is Palm Oil Mill where legally under management of PT Ivomas Tunggal. The main product from this mill is CPO and Palm Kernel and the CPO placed in storage tank at the same location.</p> <p>PT Satrindo Jaya Agropalma as a CPO &amp; PK transportation services company is a subsidiary of Golden Agri Resources (RSPO membership). This company has had legal ownership and official agreement with PT Buana Wiralestari Mas</p>																																										
	Status: Comply																																										
5.1.2	<p>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.</p> <p>Kijang Miill are FFB processing mill and produced CPO and Palm kernel. Kijang Mill (KJGM) applied Mass Balance supply chain model because the mill receive and process all FFB's from certified and uncertified sources.</p> <p>Identification of certified sources:</p> <ol style="list-style-type: none"><li>1. Kijang Estate (KJGE): 2022</li><li>2. Kijang Plasma (KJNP): KJNP</li><li>3. Naga Mas Estate (NMAE): 2020</li><li>4. Naga Sakti Estate (NSAE): 2021</li></ol> <p>Identification of uncertified sources for last a year:</p> <table><tr><th>No</th><th>Code</th><th>Sources/Supplier</th></tr><tr><td>1</td><td>ARHX</td><td>Akbar Roy Herlambang</td></tr><tr><td>2</td><td>ALAX</td><td>Ali Amran</td></tr><tr><td>3</td><td>SWIX</td><td>Setiadi Wibawana (Loosen fruit collector)</td></tr><tr><td>4</td><td>IHAX</td><td>Ibnu Halid</td></tr><tr><td>5</td><td>NVIX</td><td>Novrizan</td></tr><tr><td>6</td><td>ZFKX</td><td>Zulkifli</td></tr><tr><td>7</td><td>LINX</td><td>Lina Wati</td></tr><tr><td>8</td><td>MRSX</td><td>Mutia Restina</td></tr><tr><td>9</td><td>KHOX</td><td>Khoirul</td></tr><tr><td>10</td><td>JREX</td><td>Jerry Amarta</td></tr><tr><td>11</td><td>ROBX</td><td>Roma Boru Pane</td></tr><tr><td>12</td><td>RRME NC (2120)</td><td>Rama-rama Non Certified</td></tr><tr><td>13</td><td>KJGE NC (2022)</td><td>Kijang Estate Non Certified</td></tr></table>	No	Code	Sources/Supplier	1	ARHX	Akbar Roy Herlambang	2	ALAX	Ali Amran	3	SWIX	Setiadi Wibawana (Loosen fruit collector)	4	IHAX	Ibnu Halid	5	NVIX	Novrizan	6	ZFKX	Zulkifli	7	LINX	Lina Wati	8	MRSX	Mutia Restina	9	KHOX	Khoirul	10	JREX	Jerry Amarta	11	ROBX	Roma Boru Pane	12	RRME NC (2120)	Rama-rama Non Certified	13	KJGE NC (2022)	Kijang Estate Non Certified
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14	NMAE NC (2020)	Naga Mas Estate Non Certified	
15	NSAE NC (2021)	Naga Sakti Non Certified	
16	RRMX	Koperasi Petani Masyarakat Petapahan.	
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.			
The parent company of PT Buana Wiralestari Mas are Golden Agri Resources Ltd member of the RSPO since 31 March 2011 with registration number 1-0096-11-000-00			
Kijang mill are RSPO certified Mill with Certificate Number No MUTU- RSPO/010 and and also has been registered with member ID RSPO IT Platform member registration number <b>Member id : RSPO_PO1000001062</b> and <b>License id :CB46908</b>			
Status: Comply			
5.1.4			
Processing aids do not need to be included within an organization's scope of certification.			
Kijang Mill did not have any processing aids at site			
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.			
Kijang Mill is certified palm oil mill which implement Mass balance using Module E-CPO Mill for its supply chain models, its due to Kijang Mill receive and processed FFB form non certified area and outgrower			
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.			
Kijang Mill is certified palm oil mill which implement Mass balance using Module E-CPO Mill for its supply chain models, its due to Kijang Mill receive and processed FFB form non certified area and outgrower			
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.			
Procedure of mass balance system for Kijang Mill are presented in document SOP/BWL/SCCS/MB rev 03 dated 01 August 2018. The scope of this procedure includes the process of receiving raw material consisting of FFB processed into CPO and PK sent to Bulking / KCP or the next processing unit. This procedure covers identification and traceability of RSPO certified and non-certified products, as well as responsible person in charge based on mass balance (covered certified/non certified FFB source). This procedures also mentioned that security, weight bridge clerk, grader, dispatch/kernel officer, production clerk, and etc as critical control point PIC.			
Based on field visit on Kijang Mill, acquired information that PIC for SSCS implementation (for examples weight bridge operators, security, and "Kepala tata usaha") that training and refreshment (awareness) of supply chain management system were carried out annually. FFB from certified and uncertified areas were received on weight bridge with 60 and 40 mt capacity. Software program of "Weighbridge" has used by operator to classified and separate RSPO certified and non-certified products.			

	<b>Status: Comply</b>
<b>5.3.2</b>	
<b>The site shall have a written procedure to conduct annual internal audit</b>	
<p>Procedure of internal audit is presented in document Form No. F/SMART/UMUM/SADV/009. The specific statement within the procedure as follow:</p> <ul style="list-style-type: none"> <li>• Objective: Ensuring the process of SPO internal audit in order to acknowledge effectiveness and compliances with applicable certification system requirements.</li> <li>• Internal Audit Program: an internal audit conducting annually (once a year) and possible to perform additional audit in within.</li> <li>• Internal audit has conducted annually. Every findings were discussed into management review meeting. Corrective action is taken if necessary.</li> </ul> <p>SSCS internal audit conducted on 6 Augusts 2018 and results of internal audit its known if there is no findings or no non-conformity identified related to supply chain management system.</p>	
	<b>Status: Comply</b>
<b>5.4</b>	<b>Purchasing and goods in</b>
<b>5.4.1</b>	
<b>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</b>	
<p>Kijang Mill do not buy any RSPO certified products (CSPO and CSPK) from outsource or traders. Certified product (CPO and PK) of Kijang Mill were sold to PT Ivomas Tunggal downstream (Lubuk Gaung Bulking). All data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non compliance.</p>	
	<b>Status: Comply</b>
<b>5.4.2</b>	
<b>The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents</b>	
<p>Mechanism of handling of RSPO certified and non-certified products is presented in document No. SOP/SMART/CERS-EHSD/SADV//003 dated July 1<sup>st</sup> 2014 procedure has covers identification and traceability of RSPO certified and non-certified products, as well as responsible person in charge.</p> <p>Based on field visit on Kijang Mill, acquired information that PIC for SSCS implementation (for examples weight bridge operators, security, and "Kepala tata usaha") that training and refreshment (awareness) of supply chain management system were carried out annually. FFB from certified and uncertified areas were received on weight bridge with 40 mt capacity. Software program of "Weighbridge" has used by operator to classified and separate RSPO certified and non-certified products. Every FFB from non-certified area or out grower will automatically be classified as a non-Certified product. Result interview with weighbridge operator can be demonstrated related FFB received form certified area, non-certified area and out grower</p>	
	<b>Status: Comply</b>
<b>5.5</b>	<b>Outsourcing activities</b>
<b>5.5.1</b>	
<b>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.</b>	
<p>Kijang Mill has specific mechanism related to outsource or contractors handling. This procedure namely "SOP Pengendalian Kontraktor (SOP/SMART/UMUM/SADV//006, issued 1 July 2014)". This procedure is applicable to all outsource/contractors activities to look carefully at Sustainability aspects in their operation.</p>	

	<p>There is no outsources for storage, or other outsourced activities, and there is no refining or crushing activities conducted by Kijang Mill.</p> <p>PT Satrindo Jaya Agropalma as a CPO &amp; PK transportation services company is a subsidiary of Golden Agri Resources (RSPO membership) and also as a affiliated company of PT Buana Wiralestari Mas. This company has legal ownership and official agreement with PT Buana Wiralestari Mas</p>
	<p><b>Status: Comply</b></p>
<p><b>5.5.2</b></p>	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ol style="list-style-type: none"> <li>The site has legal ownership of all input material to be included in outsourced processes;</li> <li>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.</li> <li>The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>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</li> </ol>
	<p>Certified CPO from Kijang mill are delivered to Lubuk Gaung Bulking (PT IVOMAS TUNGGAL downstream) and transported by trucks. While the PK are delivered to Kernel Crushing Plant Libo. PT Satrindo Jaya Agropalma as a CPO &amp; PK second parties (transportation services company) is a subsidiary of Golden Agri Resources (RSPO membership).</p> <p>Company have working letter agreement for each CPO dan PK transport with second parties i.e PT Satrindo Jaya Agropalma regarding CPO dan PK transport.</p> <ul style="list-style-type: none"> <li>Working letter agreement No 001/BWL/KJGM/01/2017-CPO on January 2 2017, valid until Decemver 31 2019 between PT Buana Wiralestari Mas and PT Satrindo Jaya Agropalma regarding CPO transport form Kijang Mill to Dumai bulking</li> <li>"Surat perintah kerja" for examples PK transport on 24 August 2018 about SPK No No 228/IMT-SPK/LNBGL/08/18 about PL transporter from Kijang Mill to PT Ivomas Tunggal – Lubuk Gaung</li> </ul> <p>Regarding RSPO and SCCS requirements, PT Satrindo Jaya Agropalma as FFB transporter, CPO transporter, and PK transporter shown commitment and listed on Statement letter On 09 August 2018. This statement letter shown that PT Satrindo Jaya Agropalma as transporter will provide access to CB to their respective operations, systems, and etc.</p>
	<p><b>Status: Comply</b></p>
<p><b>5.5.3</b></p>	<p>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.</p> <p>Transportation services are using second party outsources. Delivery of certified oil palm and palm kernel product is using PT Satrindo Jaya Agripalma. Record of all name and contact details of outsources and contractors are well maintained.</p>
	<p><b>Status: Comply</b></p>
<p><b>5.5.4</b></p>	<p>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</p> <p>Transportation services are using second party outsources. Delivery of certified oil palm and palm kernel product is using PT Satrindo Jaya Agripalma. Record of all name and contact details of outsources and contractors are well maintained.</p>
	<p><b>Status: Comply</b></p>
<p><b>5.6</b></p>	<p><b>Sales and goods out</b></p>

**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

RSPO certified products from Kijang Mill were sold to Lubuk Gaung Bulking. Supporting document such as contract agreement, delivery order, delivery ticket, volume of product delivered, etc. which informed RSPO mass balance supply chain products were available on site.

Based on sample Delivery Note (DO CSPK) as follow

- The name and address of the seller; PT Buana Wiralestari Mas – KijangMill
- Delivery date 20 August 2018
- Amount of Product : 200 MT
- Name of transporter PT Satrindo Jaya Agroplama
- Number certificate MUTU-RSPO/013
- Buyer PT Ivomas Tunggal - Downstream
- DO number 2051/CPO/2051/18/C026

**Status: Comply**

**5.7**
**Registration of transactions**
**5.7.1**

Supply chain actors who:

- are mills, traders, crushers and refineries; and
- take 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 parent company of PT Buana Wiralestari Mas are Golden Agri Resources Ltd member of the RSPO since 31 March 2011 with registration number 1-0096-11-000-00

Kijang mill are RSPO certified Mill with Certificate Number No MUTU- RSPO/010 and and also has been registered with member ID RSPO IT Platform member registration number **Member id : RSPO\_PO1000001062** and **License id :CB46908**

**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:

- 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.

Kijang mill are RSPO certified Mill with Certificate Number No MUTU- RSPO/010 and and also has been registered with member ID RSPO IT Platform member registration number **Member id : RSPO\_PO1000001062** and **License id :CB46908**

For certified Period 16 January 2018 until 30 September 2018 its known if there is no CPO product sold as RSPO Scheme. And PK amount 6,517.98 sold as CSPK products. The company can show the sample for shipping announcement for instance: Shipping announcement dated 15 August 2018 with transaction id TR-7a8cb383-258a, buyer reference Number 4800042798 with Volume of CSPK 303.17 MT program MB to PT IVO MAS TUNGGAL - Lubuk Gaung

Every transaction of selling certified product, this mill is using RSPO Palm Trace including Shipping Announcement, Trace, Remove and Confirm. Person in charge for RSPO Palm Trace access were located on Head Office PT SMART, Tbk, Jakarta. The company can show the removing from palm trace as follows:

Member Name	Product	Program	Stock Transaction Type	Transaction Volume (MT)
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	1,003.30
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	2,000
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	1,004.05
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	1,003.71
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	701.52
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	2,005.74
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	1,600
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	699.6
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	706.74
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	700.55
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	2,066.88
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	1,000.86
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	1,008.16
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	1,007.58
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	1,005.28
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	606.71
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	553.31
KIJANG PALM OIL MILL - PT BUANA WIRALESTARI MAS	CSPO	Mass Balance	Remove From Certified Stock	2,400
<b>Total</b>				<b>21,073.99</b>

**Status: Comply**

**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

Company shown several SCCS training programme 2018 listed on SCCS training programme 2018, for examples consists of SCCS refreshment for Mill PIC. Company have conducted SCCS refreshment training programme for 2018, for examples on 23 January 2018 for representative of SCCS PIC for Kijang Mill with the number of participants are 13 persons

**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

Company shown several SCCS training programme 2018 listed on SCCS training programme 2018, for examples consists of SCCS refreshment for Mill PIC. Company have conducted SCCS refreshment training programme for 2018, for examples on 23 January 2018 for representative of SCCS PIC for Kijang Mill with the number of participants are 13 persons

Based on interviews with security guards, weighbridge officers and managers, it is known that key persons in SCCS activities have understood the procedures and can demonstrate how documented FFB, CPO, PK are certified and not certified.

**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

Kijang Mill has maintain accurate, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases.

The record keeping saves in "Mass Balance Report of Kijang Mill for example periods 2018". Within this record, the certificate holders maintain the FFB's sources based on monthly bases.

Month	FFB (mt)		
	RSPO Certified	Non-Certified	Total
16 s/d 31 Jan 2018	9,594.37	1,905.38	11,499.75
Feb-18	17,698.64	2,754.49	20,453.13
Mar-18	23,062.42	3,010.72	26,073.14
Apr-18	5,261.48	3,264.87	18,526.35
May-18	3,312.23	3,569.71	16,881.94
Jun-18	0,986.26	2,906.72	13,892.98
Jul-18	2,635.97	4,505.02	17,140.99
Aug-18	4,087.82	4,384.39	18,472.21
Sep-18	8,196.51	6,893.53	25,090.04
<b>Total</b>	<b>34,835.70</b>	<b>33,194.83</b>	<b>168,030.53</b>

Furthermore, Kijang Mill has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well as its dispatch on a monthly and three monthly basis, presented in the Table belows:

CPO production and Dispatch for Kijang Mill

Periods	CPO production (MT)			Total	CPO Dispatch (MT)			Total
	Cert	Non Cert			RSPO	ISCC	Non Cert	
Opening stock								1688.296
16 s/d 31 Jan 2018	1,875.95	346.67	2,222.62			454.92	2,091.46	2,546.38
Feb-18	3,473.80	510.98	3,984.77			1,708.16	2,286.47	3,994.63
Mar-18	4,445.34	574.62	5,019.96			3,390.32	1,909.30	5,299.62
Apr-18	2,974.46	650.95	3,625.41			3,558.38	400.50	3,958.88
May-18	2,511.27	692.38	3,203.65			2,359.26	754.60	3,113.86
Jun-18	1,997.46	555.36	2,552.81			2,077.26	474.74	2,552.00
Jul-18	2,543.28	881.95	3,425.23			2,626.53	623.95	3,250.48
Aug-18	2,767.19	851.58	3,618.77			2,842.77	1,106.23	3,949.00
Sep-18	3,466.84	1,366.93	4,833.77			3,432.96	902.71	4,335.67
<b>Total</b>	<b>26,055.57</b>	<b>6,431.42</b>	<b>32,486.99</b>	<b>-</b>	<b>22,450.56</b>	<b>10,549.96</b>	<b>33,000.52</b>	

**Notes : CPO tank capacity 2300 mt x 2, Kernel storage bunker 150 mt x 6**

Periods	PK production (MT)		Total	PK Dispatch (MT)			Total
	Cert	Non Cert		RSPO	ISCC	Non Cert	
16 s/d 31 Jan 2018	510.64	95.18	605.82	199.89		501.24	701.13
Feb-18	950.41	140.96	1,091.36	934.09		92.03	1,026.12
Mar-18		173.15	1,539.97	713.40		626.48	1,339.88
	1,366.83						
Apr-18	788.24	170.87	959.11	976.09		270.61	1,246.70
May-18	697.58	185.81	883.40	658.48		69.93	728.41
Jun-18	578.28	152.08	730.36	399.79		125.01	524.80
Jul-18	693.46	247.74	941.20			207.24	1,288.29
				1,081.05			
Aug-18	752.79	235.86	988.65	611.60		296.04	907.64
Sep-18	1,134.59	374.41	1,509.00	943.59		582.98	1,526.57
Total	7,472.82	1,776.05	9,248.86	6,517.98	-	2,771.56	9,289.54
Status: Comply							
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 Certificate Holder has had procedure of Record and Document Handling (SOP/SMART/UMUM/SADV/II/001, issued 1 July 2014) on point 2.4.12.e All records shall be kept within 10 (ten) years. Based on document verification, the management unit can shown all recording data for two years ago. Such as: contract document, FFB Consignment, CPO and PK Ticket, etc.							
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. Kijang Mill as Certificate Holder did not purchased CPO and/or PK from any sources. This Mill only receives FFB's from Kijang Estate Certified area, uncertified areas, and uncertified outgrowers. The estimate volume of sustainable CPO and PK are recorded in the Annex of certificate.							
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 Kijang Mill only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors.							
Status: Comply							
5.10.2 Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate. Kijang Mill only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors.							

	<b>Status: Comply</b>
<b>5.11</b>	<b>Claims</b>
<b>5.11.1</b> 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.	
For All certified product claims, Management unit never using RSPO symbol or logos. A unique identification number, certificate number and supply chain model are available on relevant documents. Also, the CH using RSPO Palm Trace for communication, transaction, confirmation status and shipping announcement. The claim has been referred to RSPO Rules on Market Communications and Claims.	
	<b>Status: Comply</b>
<b>5.12</b>	<b>Complaints</b>
<b>5.12.1</b> The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
Mechanism for handling non-conforming oil palm products and complaints are specific describes within “SOP Penanganan Keluhan dan Ketidakpuasan (SOP/SMART/SIGS-CSR/SADV/II/003, tertanggal 1 Juli 2014)”. This procedure is general applied to all complaints aspects, including complaints and non-conforming products from customer/buyer.	
	<b>Status: Comply</b>
<b>5.13</b>	<b>Management review</b>
<b>5.13.1</b> The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	
management review was conducted on 08 September 2018 by SPO Region and PC Region. The content of Management Review including follow up internal audit findings (if any), customer feedback, process performance and product suitability, and recommendation for improvement	
	<b>Status: Comply</b>
<b>5.13.2</b> The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	
Result of Management Review report on 08 September 2018 the following information was discussed: <ul style="list-style-type: none"> <li>♦ Customer Feedback and Stakeholder Complaints: for 2017-2018, there are no complaints from stakeholder/Customer.</li> <li>♦ Performance of Processing Activity and Conformity of Products: Production of Certified Product, Sales and Goods Out has been appropriate with estimation and supply chain requirements.</li> <li>♦ Any changes of Management System influence: Updating for all sustainability procedures still on progress to be review by management.</li> <li>♦ Internal Audit of Supply Chain and Follow-Up Actions: there is no non compliance found during internal audit</li> <li>♦ Recommendations for Improvement</li> </ul>	
	<b>Status: Comply</b>
<b>5.13.3</b> The output from the management review shall include any decisions and actions related to:	

- Improvement of the effectiveness of the management system and its processes.
- Resource needs.

Improvement of the effectiveness of the management system and its processes and resource needs is already included within the Management Review.

**Status: Comply**

**3.2.2 (Module E) CPO Mills - Mass Balance Requirements**

Clause	(Module E) CPO Mills - Mass Balance Requirements																																																							
E.1	Definition																																																							
E.1.1	<p><b>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</b></p> <p>Kijang Mill (KJGM) applied Mass Balance supply chain model because the mill receive and process all FFB's from certified and uncertified sources.</p> <p>Identification of certified sources:</p> <ol style="list-style-type: none"> <li>Kijang Estate (KJGE): 2022</li> <li>Kijang Plasma (KJNP): KJNP</li> <li>Naga Mas Estate (NMAE): 2020</li> <li>Naga Sakti Estate (NSAE): 2021</li> </ol> <p>Identification of uncertified sources for last a year:</p> <table> <tr> <th>No</th><th>Code</th><th>Sources/Supplier</th></tr> <tr><td>1</td><td>ARHX</td><td>Akbar Roy Herlambang</td></tr> <tr><td>2</td><td>ALAX</td><td>Ali Amran</td></tr> <tr><td>3</td><td>SWIX</td><td>Setiadi Wibawana (Loosen fruit collector)</td></tr> <tr><td>4</td><td>IHAX</td><td>Ibnu Halid</td></tr> <tr><td>5</td><td>NVIX</td><td>Novrizan</td></tr> <tr><td>6</td><td>ZFKX</td><td>Zulkifli</td></tr> <tr><td>7</td><td>LINX</td><td>Lina Wati</td></tr> <tr><td>8</td><td>MRSX</td><td>Mutia Restina</td></tr> <tr><td>9</td><td>KHOX</td><td>Khoirul</td></tr> <tr><td>10</td><td>JREX</td><td>Jerry Amarta</td></tr> <tr><td>11</td><td>ROBX</td><td>Roma Boru Pane</td></tr> <tr><td>12</td><td>RRME NC (2120)</td><td>Rama-rama Non Certified</td></tr> <tr><td>13</td><td>KJGE NC (2022)</td><td>Kijang Estate Non Certified</td></tr> <tr><td>14</td><td>NMAE NC (2020)</td><td>Naga Mas Estate Non Certified</td></tr> <tr><td>15</td><td>NSAE NC (2021)</td><td>Naga Sakti Non Certified</td></tr> <tr><td>16</td><td>RRMX</td><td>Koperasi Petani Masyarakat Petapahan.</td></tr> <tr><td></td><td></td><td></td></tr> </table>		No	Code	Sources/Supplier	1	ARHX	Akbar Roy Herlambang	2	ALAX	Ali Amran	3	SWIX	Setiadi Wibawana (Loosen fruit collector)	4	IHAX	Ibnu Halid	5	NVIX	Novrizan	6	ZFKX	Zulkifli	7	LINX	Lina Wati	8	MRSX	Mutia Restina	9	KHOX	Khoirul	10	JREX	Jerry Amarta	11	ROBX	Roma Boru Pane	12	RRME NC (2120)	Rama-rama Non Certified	13	KJGE NC (2022)	Kijang Estate Non Certified	14	NMAE NC (2020)	Naga Mas Estate Non Certified	15	NSAE NC (2021)	Naga Sakti Non Certified	16	RRMX	Koperasi Petani Masyarakat Petapahan.			
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	Status: Comply																																																							
E.2	Explanation																																																							
E.2.1	<p><b>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&amp;C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</b></p> <p>Estimates of CPO and PK produced by Kijang Mill obtained from the data of 12 months before the audit activities and have been described in this this report</p>																																																							



Pass Annual Claim Certified Product	Previous Certificate Claim Start date to end date (MT) 16 January 2018 – 15 January 2018	Actual certificate product Start date to end date (MT) 16 January 2018 – 30 September 2018
FFB Process	272,692	134,835.70
CPO Production	54,538	26,055.57
PK Production	14,998	7,472.82

**Status: Comply**
**E.2.2**

**The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).**

The parent company of PT Buana Wiralestari Mas are Golden Agri Resources Ltd member of the RSPO since 31 March 2011 with registration number 1-0096-11-000-00

Kijang mill are RSPO certified Mill with Certificate Number No MUTU- RSPO/010 and also has been registered with member ID RSPO IT Platform member registration number **Member id : RSPO\_PO1000001062 and License id :CB46908**

For certified Period 16 January 2018 until 30 September 2018 its known if there is no CPO product sold as RSPO Scheme. And PK amount 6,517.98 sold as CSPK products

Certified CPK sold to each buyer period 17 January 2018 – 30 September 2018

Date	Buyer	Volume (mt)
17 January 2018 – 30 September 2018	PT IVO MAS TUNGGAL - Lubuk Gaung	199.89
	PT IVO MAS TUNGGAL - Lubuk Gaung	934.09
	PT IVO MAS TUNGGAL - Lubuk Gaung	713.40
	PT IVO MAS TUNGGAL - Lubuk Gaung	976.09
	PT IVO MAS TUNGGAL - Lubuk Gaung	658.48
	PT IVO MAS TUNGGAL - Lubuk Gaung	399.79
	PT IVO MAS TUNGGAL - Lubuk Gaung	1,081.05
	PT IVO MAS TUNGGAL - Lubuk Gaung	611.60
	PT IVO MAS TUNGGAL - Lubuk Gaung	943.59
Total		<b>6,517.98</b>

**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:**

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

Procedure of mass balance system for Kijang Mill are presented in document SOP/BWL/SCCS/MB rev 03 dated 01 August 2018. The scope of this procedure includes the process of receiving raw material consisting of FFB processed into CPO and PK sent to Bulking / KCP or the next processing unit. This procedure covers identification and traceability of RSPO certified and non-certified products, as well as responsible person in charge based on mass balance (covered certified/non certified FFB source). This procedures also mentioned that security, weight bridge clerk, grader, dispatch/kernel officer, production clerk, and etc as critical control point PIC.

Person in charge who responsible for implementation of all supply chain elements are: Security Gate, Weighbridge Clerk, Production Clerk, Administration Head and Mill Manager. During field observation, this person is able to demonstrate awareness of the procedures, including separation of certified and uncertified sources material (FFB's). While, the Administration Head is understand and aware for updating an internal Mass Balance Report.

Based on field visit on Kijang Mill, acquired information that PIC for SSCS implementation (for examples weight bridge operators, security, and "Kepala tata usaha") that training and refreshment (awareness) of supply chain management system were carried out annually. FFB from certified and uncertified areas were received on weight bridge with 60 and 40 mt capacity. Software program of "Weighbridge" has used by operator to classified and separate RSPO certified and non-certified products.

**Status: Comply**

### E.3.2

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

Procedure of mass balance system for Kijang Mill are presented in document SOP/BWL/SCCS/MB rev 03 dated 01 August 2018. SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources or uncertified sources. The procedure also explains the related officers and the responsibility in the implementation of the requirements.

Based on field visit on Kijang Mill, acquired information that PIC for SSCS implementation (for examples weight bridge operators, security, and "Kepala tata usaha") that training and refreshment (awareness) of supply chain management system were carried out annually. FFB from certified and uncertified areas were received on weight bridge with 60 and 40 mt capacity. Software program of "Weighbridge" has used by operator to classified and separate RSPO certified and non-certified products.

**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.**

Kijangs Mill has provide an update of monthly summary of RSPO FFB certified and non-certified from its supply base and external sources, with recapitulation presented as follows:

**Certified and non-certified FFB received period of 17 January 2018 – 30 September 2018**

Month	FFB (mt)		
	RSPO Certified	Non-Certified	Total
17 s/d 31 Jan 2018	9,594.37	1,905.38	11,499.75
Feb-18	17,698.64	2,754.49	20,453.13
Mar-18	23,062.42	3,010.72	26,073.14
Apr-18	5,261.48	3,264.87	18,526.35
May-18	3,312.23	3,569.71	16,881.94
Jun-18	0,986.26	2,906.72	13,892.98
Jul-18	2,635.97	4,505.02	17,140.99
Aug-18	4,087.82	4,384.39	18,472.21
Sep-18	8,196.51	6,893.53	25,090.04
<b>Total</b>	<b>34,835.70</b>	<b>33,194.83</b>	<b>168,030.53</b>

According to the Table above, it could be concluded that company management has satisfactory records FFB production and separated it into RSPO Certified and Non-Certified.

**Status: Comply**

#### E.4.2

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

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

The results of interviews with representatives of the management unit indicates that the management unit has been understood about the procedures for providing information if there is excess production of RSPO-certified products. Document review showed that the production of RSPO certified products do not exceed the estimated production in the RSPO certificate attachment of ASA-3

Pass Annual Claim Certified Product	Previous Certificate Claim Start date to end date (MT) 16 January 2018 – 15 January 2018	Actual certificate product Start date to end date (MT) 16 January 2018 – 30 September 2018
FFB Process	272,692	134,835.70
CPO Production	54,538	26,055.57
PK Production	14,998	7,472.82

**Status: Comply**

#### **E.5 Record keeping**

##### **E.5.1**

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.**
- 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.**
- The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)**

Kijang Mill has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well as its dispatch on a monthly and three monthly basis, presented in the Table bellows:

CPO production and Dispatch for Kijang Mill

Kijang Mill has maintain accurate, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases.

CPO production and Dispatch for Kijang Mill

Periods	CPO production (MT)		Total	RSPO	CPO Dispatch (MT)		Total
	Cert	Non Cert			ISCC	Non Cert	
Opening stock							1688.296
16 s/d 31 Jan 2018	1,875.95	346.67	2,222.62		454.92	2,091.46	2,546.38
Feb-18	3,473.80	510.98	3,984.77		1,708.16	2,286.47	3,994.63
Mar-18	4,445.34	574.62	5,019.96		3,390.32	1,909.30	5,299.62
Apr-18	2,974.46	650.95	3,625.41		3,558.38	400.50	3,958.88
May-18	2,511.27	692.38	3,203.65		2,359.26	754.60	3,113.86
Jun-18	1,997.46	555.36	2,552.81		2,077.26	474.74	2,552.00
Jul-18	2,543.28	881.95	3,425.23		2,626.53	623.95	3,250.48
Aug-18	2,767.19	851.58	3,618.77		2,842.77	1,106.23	3,949.00
Sep-18	3,466.84	1,366.93	4,833.77		3,432.96	902.71	4,335.67
<b>Total</b>	<b>26,055.57</b>	<b>6,431.42</b>	<b>32,486.99</b>	<b>-</b>	<b>22,450.56</b>	<b>10,549.96</b>	<b>33,000.52</b>

**Notes : CPO tank capaci y 2300 mt x 2, Kernel storage bunker 150 mt x 6**

Periods	PK production (MT)		Total	RSPO	PK Dispatch (MT)		Total
	Cert	Non Cert			ISCC	Non Cert	
16 s/d 31 Jan 2018	510.64	95.18	605.82	199.89		501.24	701.13
Feb-18	950.41	140.96	1,091.36	934.09		92.03	1,026.12
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Jun-18	578.28	152.08	730.36	399.79	125.01	524.80
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<b>Total</b>	<b>7,472.82</b>	<b>1,776.05</b>	<b>9,248.86</b>	<b>6,517.98</b>	<b>-</b>	<b>2,771.56</b>
Based on the Table above, it could be concluded that delivery of RSPO certified product (CSPO and CSPK) has only derived from a positive stock.						
<b>Status: Comply</b>						

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

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or√</b>
<b>ASA 1.2</b>	PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) do not use RSPO trademark and CB Logo. Trademark license number 1-0096-11-100-00 are available at : <a href="https://www.rspo.org/trademark/current-licenses">https://www.rspo.org/trademark/current-licenses</a>	√
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or√</b>
<b>ASA 1.2</b>	PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) do not use RSPO trademark and CB Logo. Trademark license number 1-0096-11-100-00 are available at : <a href="https://www.rspo.org/trademark/current-licensees">https://www.rspo.org/trademark/current-licensees</a>	√
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or√</b>
<b>ASA 1.2</b>	PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) do not use RSPO trademark and CB Logo. Trademark license number 1-0096-11-100-00 are available at : <a href="https://www.rspo.org/trademark/current-licensees">https://www.rspo.org/trademark/current-licensees</a>	√
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>ASA 1.2</b>	PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) do not use RSPO trademark and CB Logo. Trademark license number 1-0096-11-100-00 are available at : <a href="https://www.rspo.org/trademark/current-licensees">https://www.rspo.org/trademark/current-licensees</a>	√



### 3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Golden Agri Resources, Ltd 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

Golden Agri Resources, Ltd Time Bound Plan (TBP) is explained in table 1.10. Golden Agri Resources run eighteen (45) mills and one hundred seventy six (176) estates in Indonesia and has been RSPO certified for twenty nine (29) mills and supply base in Indonesia. Golden Agri Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri Resources, Ltd on January 31, 2016 approved by President Director and MO Sustainability Strategic & Stakeholders Engagement.

MUTU has verified partial certification for un-certified unit's subsidiary of Golden Agri Resources, Ltd based on their Time Bound Plan. There are sixteen (16) uncertified management unit of GAR. 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><b>Company Group/Holding Statement:</b> Companies are already doing internal audits. There are internal audit reports for each company.</p> <p><b>Auditor Verification:</b> Internal Audit report available for uncertified management unit:</p> <ul style="list-style-type: none"> <li>- PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base), 24 – 28 October 2016</li> <li>- PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), 24 – 28 October 2016</li> <li>- PT Agrolestari Mandiri (Pekawai Mill and supply base), 21 – 25 November 2016</li> <li>- PT Binasawit Abadi Pratama (Perdana Mill and supply base), 19 – 23 Desember 2016</li> <li>- PT Agrokarya Prima Lestari (Kuayan Mill and supply base), monitoring via SPO Scorecard online.</li> <li>- PT Mitra Karya Agroindo (Tangar Mill and supply base), monitoring via SPO Scorecard online.</li> <li>- PT Paramitra Internusa Pratama (Belian Mill and supply base), 28 Maret – 01 April 2016</li> <li>- PT Sawit Mas Sejahtera (Sungai Kikim and</li> </ul>

		<p>supply base), monitoring via SPO Scorecard online.</p> <ul style="list-style-type: none"> <li>- PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) 28 Maret – 01 April 2016</li> <li>- PT Agro Lestari Sentosa (Jalemo Mill and supply base), monitoring via SPO Scorecard online</li> <li>- PT Adi Tunggal Mahajaya (Sako Mill) (under construction)</li> <li>- PT Kresna Duta Agroindo (Pelakar Mill and supply base) 24 – 29 October 2016</li> <li>- PT SMART (Bukit Kapur Mill and supply base) 15 – 19 Februari 2016</li> <li>- PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) 19 – 23 Desember 2016</li> <li>- PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) 06 – 10 Februari 2017</li> <li>- PT Sawitakarya Manunggal (Sawita Mill and supply base)</li> </ul>
i.	<p>No replacement after dates defined in NIs Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><b>Company Group/Holding Statement:</b> GAR and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 29, 2014 and the company has been sent data evidence of LUCA to RSPO by email dated April 11, 2016. Progress result of review LUCA at follow-up via email RSPO dated October 24, 2016 to answer RSPO is still in the review process.</p> <p><b>Auditor Verification:</b> RaCP Process for:</p> <ul style="list-style-type: none"> <li>- PT Agrolestari Mandiri (Pekawai Mill and supply base)</li> <li>- PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base)</li> <li>- PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base)</li> <li>- PT Agro Lestari Sentosa (Jalemo Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Pelakar Mill and supply base)</li> <li>- PT SMART (Bukit Kapur Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base)</li> </ul>
ii.	<p>Any new plantings since January 1<sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.</p>	<p><b>Company Group/Holding Statement:</b> There is no new planting.</p> <p><b>Auditor Verification:</b></p>

		<p>Based on auditor verification there are some new planting conducted by company, but NPP has been applied these.</p> <ul style="list-style-type: none"> <li>- PT Binasawit Abadi Pratama (Perdana Mill and supply base)</li> <li>- PT Agrokarya Prima Lestari (Kuayan Mill and supply base)</li> <li>- PT Mitra Karya Agroindo (Tangar Mill and supply base)</li> <li>- PT Paramitra Internusa Pratama (Belian Mill and supply base)</li> <li>- PT Agrolestari Mandiri (Pekawai Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) any new planting since January 1<sup>st</sup> 2010 and NPP has been applied these.</li> </ul>
iii.	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><b>Company Group/Holding Statement:</b> There are no land conflicts. The Company has a land conflict resolution mechanism in accordance with the RSPO criteria 6.4; 7.5; and 7.6. This procedure is outlined in the SOP Social Conflict Management (SOP/SMART/SENS-CSR/SADV/II/02). This procedure regulates social conflict settlement agreed. Conflict resolution can be done in a participatory manner and can also be done by a third party (mediator). The company also has procedures to deal with complaints before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/II/003. The company handling complaints appropriately and quickly. GAR has been initiated to become a member of RSPO DSF as a category "out growers".</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There are no land conflicts for</p> <ul style="list-style-type: none"> <li>- PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base)</li> <li>- PT Mitra Karya Agroindo (Tangar Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Pelakar Mill and supply base)</li> <li>- PT SMART (Bukit Kapur Mill and supply base)</li> </ul> <p>There are any land conflicts but was in the process of completion for</p> <ul style="list-style-type: none"> <li>- PT Agrolestari Mandiri (Pekawai Mill and supply base)</li> <li>- PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base)</li> </ul>

		<ul style="list-style-type: none"> <li>- PT Sawit Mas Sejahtera (Sungai Kikim and supply base)</li> <li>- PT Agro Lestari Sentosa (Jalemo Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base)</li> </ul>
iv.	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p><b>Company Group/Holding Statement:</b> There is no issue of labour disputes in uncertified unit. The company also has procedures to deal with complaints workers before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/II/003.</p> <p>Procedures related employee issues is arranged in the form of internal grooves for employees included in the category of internal stakeholders. Media that is used to deliver complaint is a formal letter submitted by unions or incorporated into a suggestion box which is provided in a convenient location.</p> <p><b>Auditor Verification:</b> There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p>
v.	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><b>Company Group/Holding Statement:</b> Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 and 2.2 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/II/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p><b>Auditor Verification:</b> Land legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> <li>- PT Paramitra Internusa Pratama (Belian Mill and supply base), still in the process of Committee B and the company has got plantation business permit (IUP)</li> <li>- PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), there is a legal non-compliance.</li> <li>- PT Agro Lestari Sentosa (Jalemo Mill and</li> </ul>

		<p>supply base) and PT Adi Tunggal Mahajaya (Sako Mill) doesn't have Land Use Title (HGU).</p> <ul style="list-style-type: none"> <li>- PT Kresna Duta Agroindo (Pelakar Mill and supply base), there is a difference the concession area between Land Use Title (HGU) and Plantation Business Permit (IUP) and Permits Location.</li> <li>- PT SMART (Bukit Kapur Mill and supply base, doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Sawitakarya Manunggal there is an area is still in process for HGU (Committee B meeting).</li> <li>- PT Djuanda Sawit Lestari is an area is still in process for HGU Muara Kandis Estate (574.58 Ha)</li> <li>- PT Ivomas Tunggal there is an area is still in process for HGU Samsam Estate (29.09 Ha), Kandista Estate (158.46 Ha), Nenggala Estate (419.9 Ha), Sei Rokan Estate (102.7 Ha), Ujung Tanjung Estate (557.3 Ha)</li> <li>- PT Buana Wiralestari Mas there is an area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha)</li> <li>- PT Ramajaya Pramukti there is an area is still in process for HGU Rama Rama Estate (318.76 Ha)</li> </ul>
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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 ASA1.1 Certification Assessment**

<b>NCR No.</b> :		<b>Issued by</b> :	
<b>Date Issued</b> :		<b>Time Limit</b> :	
<b>NC Grade</b> :		<b>Date of Closing</b> :	
<b>Standard Ref. &amp; Requirement</b> :			
<b>Evidence observed</b> (filled by auditor): During Annual Surveillance Assessment 1.1, Non-Conformities against P&C Standard and Requirement of Supply Chain is absence.			
<b>Non-Conformance Description</b> (filled by auditor):			
<b>Root Cause Analysis</b> (filled by organization audited): -			
<b>Correction</b> (filled by organization audited): -			
<b>Corrective Action</b> (filled by organization audited): -			
<b>Assessor Evaluation and Conclusion</b> (filled by auditor): -			
<b>Verified by</b> :			

**3.5.2 Identification of Findings, Corrective Actions and Observations at ASA 1.2 Certification Assessment**

<b>NCR No.</b> :		<b>Issued by</b> :	
<b>Date Issued</b> :		<b>Time Limit</b> :	
<b>NC Grade</b> :		<b>Date of Closing</b> :	
<b>Standard Ref. &amp; Requirement</b> :			
<b>Evidence observed</b> (filled by auditor): During Annual Surveillance Assessment 1.2, Non-Conformities against P&C Standard and Requirement of Supply Chain is absence.			
<b>Non-Conformance Description</b> (filled by auditor):			
<b>Root Cause Analysis</b> (filled by organization audited): -			
<b>Correction</b> (filled by organization audited): -			
<b>Corrective Action</b> (filled by organization audited): -			
<b>Assessor Evaluation and Conclusion</b> (filled by auditor): -			
<b>Verified by</b> :			

**3.5.3 Opportunity for Improvement**

No	Ref. Std.	Description
1	2.2.1	The progress of land tenure for area that not has HGU was include in partial certification.
2	2.2.2	Identify and ensure the existence of lots between farmers due to in some locations some poles were buried or covered with midribs
3	5.1	Based on long term business plan projection, company have planned replanting activities next few years. Replanting aspect impact identifications for next following year will be observed on next surveillance audit
4	5.2	Based on long term business plan projection and interview with management, found that company and scheme smallholders have planned replanting activities next few years, regarding this auditor teams are encourage company for managed HCV areas / riparian based on current procedures
5	6.1.2	Related to SIA documents that are owned, companies are encouraged to increase the wider sample involvement in the preparation / review of social impact studies by taking into account the affected parties including women, youth leaders, local residents and migrants.

**1.5.4 Noteworthy Positive Components**

No	Ref Std	Descriptions
1		The company has commitment in applying the principles of sustainable palm oil management.
2		The company has undertaken the development of plasma plantations to improve the people's welfare.
3		Good teamwork.

**3.6 Summary of Arising Issues from Public and Auditor Verification**



Public Issues (Institutions / NGOs / Communities)	Auditor Verification
<p><b>Manpower and Industrial Agency of Kampar District</b>  Date: October 8<sup>th</sup> 2018  Interviewee: Kabid. PHI (Industrial Relationship)</p> <p>Notes:</p> <ul style="list-style-type: none"> <li>The company (PT BWL and PT RJP) has considered cooperative in delivering periodic compulsory report the Agency such as P2K3 (OSH Committee Report), WLTK (Manpower Compulsory Report) to the Manpower Agency in Riau Province, Accident Report, etc. Furthermore, unit management has also transparent in providing Information requested by the Agency. Information could be requested through direct conversation, official letter and official email.</li> <li>Unit management has implementing minimum wages for plantation sector in Kampar Regency period 2018, which was about IDR 2,618,500 per month.</li> <li>There was no issues related to discrimination, gender, child labor, forced labor and illegal worker.</li> <li>The company is considered has provide an adequate and good facilities for workers such as proper safety equipment's, housing, worship building, sport fields, electricity, clean water, domestic waste management, school bus, school, etc.</li> <li>The company has labor union which already registered to the Agency.</li> </ul>	<p>In general, it could be concluded that CH management has a good relationship with Agency in term of transparency of related information and has deliver several compulsory report on schedule. There is no negative issues related to manpower and safety aspects. Detail description towards the mentioned aspects are presented in Criteria 4.7 and 6.5.</p>
<p><b>Plantation, Animal Husbandry and Animal Health Service of Kampar Regency, Riau Province (Plantation Sector).</b>  <b>Date 8 October 2018</b></p> <ul style="list-style-type: none"> <li>The agency has assessed the plantation business (PUP) to PT RJP and PT BWL in 2018, but there has been no establishment of a plantation class because it is still in process. The last value of the company is class II.</li> <li>The company has a Plantation Business License (IUP).</li> <li>There are no problems with the forest area, all legality of the company has been obtained and has been in accordance with the applicable regulations.</li> <li>Company regularly report CSR assistance.</li> <li>Report on plantation business activities (LKUP) are routinely reported.</li> <li>Fire reports are regularly reported every semester.</li> <li>Fire Extinguisher Equipment of company is sufficient and one year behind there is no issue of land fires</li> </ul>	<p>It has been accordance with criteria 1.1, 2.1 and 2.2.</p>

<p>that occurred in the area of PT RJP and PT BWL.</p> <ul style="list-style-type: none"> <li>• Communication between the company and the agency is also well established, and if the office requested data, the company quickly responded.</li> <li>• The company already has plasma.</li> </ul>	
<p><b>National Land Agency</b> Date: October 8<sup>th</sup> 2018</p> <ul style="list-style-type: none"> <li>- There are no negative issues such as landfires, conflicts / disputes with local communities and other business interruptions</li> <li>- The company has had land title</li> <li>- Good communications between the company and agency</li> </ul>	<p>It has been accordance with criteria 1.1 and 2.2.</p>
<p><b>Environmental Agency</b> Date: October 8<sup>th</sup> 2018</p> <ul style="list-style-type: none"> <li>- The company has permit for toxic &amp; hazardous waste storage, EIA, and land applications permit which are still valid.</li> <li>- The Company regularly reports mandatory reporting such as hazardous waste report and report of Environment Management Plan – Environmental Monitoring Plan.</li> <li>- There is no negative issues related to environmental management.</li> <li>- There are no issues regarding a fire or environmental pollution related to the operational management of the company.</li> <li>-</li> </ul>	<p>Auditor has been verified the management and monitoring of environmental that has been conducted by the certificate holder, the explanation regarding to environmental aspect showed in criterion 1.1, 2.1,5.1, 5.3, 5.4</p>
<p><b>Gender Committee (Komisi Perempuan)</b> Date: October 9<sup>th</sup> 2018 Interviewee:</p> <ul style="list-style-type: none"> <li>• Chief of Gender Committee from Kijang Estate of PT BWL.</li> </ul> <p>Notes:</p> <ul style="list-style-type: none"> <li>• Gender committee in PT BWL (Kijang Estate and Kijang Mill) has established since 2012.</li> <li>• Existence of gender committee has considered useful for women workers. During last four year there is no negative issues related to gender matters such as sexual harassment and discrimination.</li> <li>• Socialization towards gender committee program was conducted annually. Latest socialization had been conducted on September 2018, in collaboration with Naga Sakti Clinic, on subject about cervix cancer.</li> <li>• Among committee program are <i>Posyandu</i> (Maternal Clinic), sport, clean Friday, Quran recitation, etc.</li> <li>• Compulsory pregnant test has conducted every three months in company clinic. Those who works with chemical will be transferred to non-chemical works when positive detected.</li> </ul>	<p>In general, it could be concluded that CH management has support existence of gender committee of <i>Komisi Perempuan</i> to facilitate women workers rights. There is no negative issues related to women abuse, sexual harassment and discrimination. Further detail on gender aspect is explained in Criteria 6.9.</p>



<ul style="list-style-type: none"> <li>• Leave of H1 and H2 were provided by the company, with man-days paid if recommended by paramedic.</li> </ul>	
<p><b>Surrounding Communities</b>  Date: October 9<sup>th</sup> 2018  Interviewee: Chief of Dusun 2 Sekijang Village where situated in adjacent with PT BWL (Nagasakti POM and Kijang POM audit scope).</p> <p>Notes:</p> <ul style="list-style-type: none"> <li>• Composition of villagers was varied, dominated by local Malays, followed by Javanese, Batak, Minang and Nias. Those were living in harmony with company.</li> <li>• Positive impact for villagers are opportunity as company employees and FFB transportation works through local contractor. Information of recruitment and project were considered transparent and fair.</li> <li>• The company has provide school bus and support on road maintenance, education, ambulance vehicle, clinic and scholarship program.</li> <li>• There were no land occupation and social conflict with community members.</li> <li>• There was no negative issues related to environment matters caused by company operational activities.</li> <li>• Involvement of local people on fire monitoring and management control. Incentive were given for locals whose contribute on this matters.</li> </ul>	<p>Company shown compliance related to RSPO standard and described on this report for examples, described on indicator 2.2, 6.1, 6.2, 6.3, 6.10, 6.11</p>
<p><b>Labor Union (SPSI)</b>  Date: October 9<sup>th</sup> 2018  Interviewee:</p> <ul style="list-style-type: none"> <li>• Chief of Labor from Kijang Mill dan Kijang Estate of PT BWL.</li> </ul> <p>Notes:</p> <ul style="list-style-type: none"> <li>• All labor union were already registered to the Manpower Agency of Kampar Regency. Monthly contribution was about IDR 10,000. Being union member was voluntary. However, non-members were accommodated under Cooperation Bipartite Organization (LKS-Bipartite).</li> <li>• Regular meeting was conducted every 2 to 3 months.</li> <li>• Bi-Partite Work Regulation (PKB) was still valid.</li> <li>• All workers were completely has permanent status. Work agreement were clear and covers all worker rights as mentioned in regulation. Thus, worker rights such as social insurance (BPJS) has fully obtained by workers.</li> <li>• The CH has implementing minimum wages for plantation sector for Kampar Regency period 2018, which was about IDR 2,618,500 per month, which consist of basic salary for about IDR 2,483,500 plus rice remuneration for 15 kg (equal with value IDR 135,000 per 15 kg). Quality of rice has considered satisfactory with the value. Implementation of new basic salary has starts on May</li> </ul>	<p>The auditor has verified the indicators 5.4.2, 5.2.1, 5.3.1, 5.3.2, 2.1.4.</p>

<p>2018 with back paid from January 2018.</p> <ul style="list-style-type: none"> <li>• Calculation and payment of overtime were in accordance with Indonesian regulation on manpower.</li> <li>• There is no issues towards force labor, illegal workers, child workers and discrimination.</li> <li>• The company has officially response grievance and aspiration being proposed by union in accordance with company procedure, which was less than one month.</li> <li>• The company has considered properly and satisfactory handled accident incidences in accordance with regulation. Worker right has fully implemented, for example accident in Nagamas Estate which caused death fatality to Harvester (name: Maesaki Waruhu) due to contact between electric wire and sickle; and operator accident (name: Poniman) in Thresher Station in Kijang Mill which caused man-days lost for almost one month, due to wedged by lowry.</li> </ul>	
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<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
<b>4.1</b>	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Buana Wiralestari Mas Management Representative</p>  <p><b><u>Ismu Zulfikar</u></b> Friday, 09 November 2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Moh Arif Yusni</u></b> Friday, 09 November 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.	Environmental Agency of Kampar District	Kampar District, Riau Province	-	Interview	08 October 2018	√	-
2.	Land Agency of Kampar District	Kampar District, Riau Province	-	Interview	08 October 2018	√	-
3.	Plantation Agency of Kampar District	Kampar District, Riau Province	-	Interview	08 October 2018	√	-
4.	Manpower and Industrial Agency of Kampar District	Kampar District, Riau Province	-	Interview	08 October 2018	√	-
5.	Labor Union (SPSI)	Kampar District, Riau Province	-	Interview	09 October 2018	√	-
6.	Chief of Dusun 2 Sekijang Village	Kampar District, Riau Province		Interview	09 October 2018	√	
7.	Gender Committee	Kampar District, Riau Province		Interview	09 October 2018	√	
8.	Jikalahari	Pekanbaru	-	Email	01 October 2018	-	√
9.	WWF	Jakarta	-	Email	01 October 2018	-	√
10.	WALHI	Jakarta	-	Email	01 October 2018	-	√
11.	Kijang Mill 18 Mill Workers	Kampar District, Riau Province		Interview	12 October 2018	√	
12.	Kijang Estate 28 Estate Workers	Kampar District, Riau Province		Interview	10 October 2018	√	
13.	KUD Kijang Mas 16 Farmers and 4 cooperative management	Kampar District, Riau Province		Interview	15 October 2018	√	
14.	KUD Makmur Sejahtera 21 Farmers and 5 cooperative management	Kampar District, Riau Province		Interview	15 October 2018	√	
15.	KUD Manunggal Abadi 21 Farmers and 4 cooperative management	Kampar District, Riau Province		Interview	15 October 2018	√	

**Appendix 2. Assessment Program**

DATE		08 – 19 October 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 08 October 2018</b>			
06.00 – 08.00	06.00 – 08.00	<b>JAKARTA → PEKANBARU</b>	<b>All Auditor</b>
08.30 – 10.30	08.30 – 10.30	<b>PEKANBARU → KAB KAMPAR</b>	
10.30 – 13.30	10.30 – 13.30	<b>Stakeholders consultation to government agencies of Kampar Regency</b>	<b>All Auditor</b>
13.30 – 15.00	13.30 – 15.00	<b>KAB KAMPAR → PT BUANA WIRA LESTARIMAS</b>	
15.30 – 16.30	15.30 – 16.30	Opening meeting <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	<b>All Auditor</b>
16.30 – 17.00	16.30 – 17.00	Review of previous (Initial assessment) findings Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan	<b>All Auditor</b>
<b>Wednesday, 10 October 2018</b>			
08.00 – 12.00	08.00 – 12.00	Field observation to KIJANG ESTATE: <ul style="list-style-type: none"> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area)</li> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries)</li> <li>Observation of Workers Facilities (Housing, School, Worship Place)</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> <li>Verification of stakeholder consultation result and field visit.</li> <li>Document review and completing audit checklist.</li> </ul>	<b>All Auditor</b>
<b>Friday, 12 October 2018</b>			
14.00 – 17.00	14.00 – 17.00	<b>Field observation to KIJANG MILL :</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> </ul>	<b>All Auditor</b>
<b>Saturday, 13 October 2018</b>			
08.00 – 12.00	08.00 – 12.00	Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan Verification of stakeholder consultation result and field visit. Review of Partial Certification Document review and completing audit checklist.	<b>All Auditor</b>



DATE		08 – 19 October 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 15 October 2018</b>			
08.00 – 12.00	08.00 – 12.00	Field observation to <b>KIJANG PLASMA</b> : <b>KUD KIJANG MAS</b> (sample 4 Farmers Group, 16 Farmer) <b>KUD MAKMUR SEJAHTERA</b> (sample 5 Farmers Group; 21 Farmer) <b>KUD MANUNGAL ABADI</b> (sample 5 Farmers Group; 20 Farmer) <ul style="list-style-type: none"> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area)</li> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries)</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	All Auditor
12.00 – 14.00	12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> <li>Verification of stakeholder consultation result and field visit.</li> <li>Document review and completing audit checklist.</li> </ul>	All Auditor
<b>Friday, 19 October 2018</b>			
08.00 – 09.30	08.00 – 09.30	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
09.30 – 11.00	09.30 – 11.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/</li> <li>Comments, Responses and Questions</li> </ul>	All Auditor
11.00 – 14.00	11.00 – 14.00	<ul style="list-style-type: none"> <li><b>Traveling from estate → Pekanbaru</b></li> </ul>	All Auditor
15.00 – 17.30	15.00 – 17.30	<ul style="list-style-type: none"> <li>Return flights Pekanbaru - Jakarta</li> </ul>	