

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

**[ ✓ ] Re-Certification**

Name of Management Organisation : **Tanjung Kembiri POM, PT Forestalestari Dwikarya subsidiary of Golden Agri Resources Ltd**  
 Plantation Name : **Tanjung Kembiri Estate, Tanjung Rusa Estate**  
 Location : **Kembiri Village, Membalong Sub-District, Belitung District, Bangka Belitung Province, Indonesia**  
 Certificate Code : **MUTU-RSPO/037**  
 Date of Certificate Issue : 21 April 2019      Date of License Issue : 21 April 2019  
 Date of Certificate Expiry : 20 April 2024      Date of License Expiry : 20 April 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
RC	11 to 14 February 2019	Leonada (Lead Auditor), Hasiholan Sihombing, Asystasya Aishah Silalahi, Bayu Yogatama	Hera Hendrasana	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
RC	5 April 2019

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

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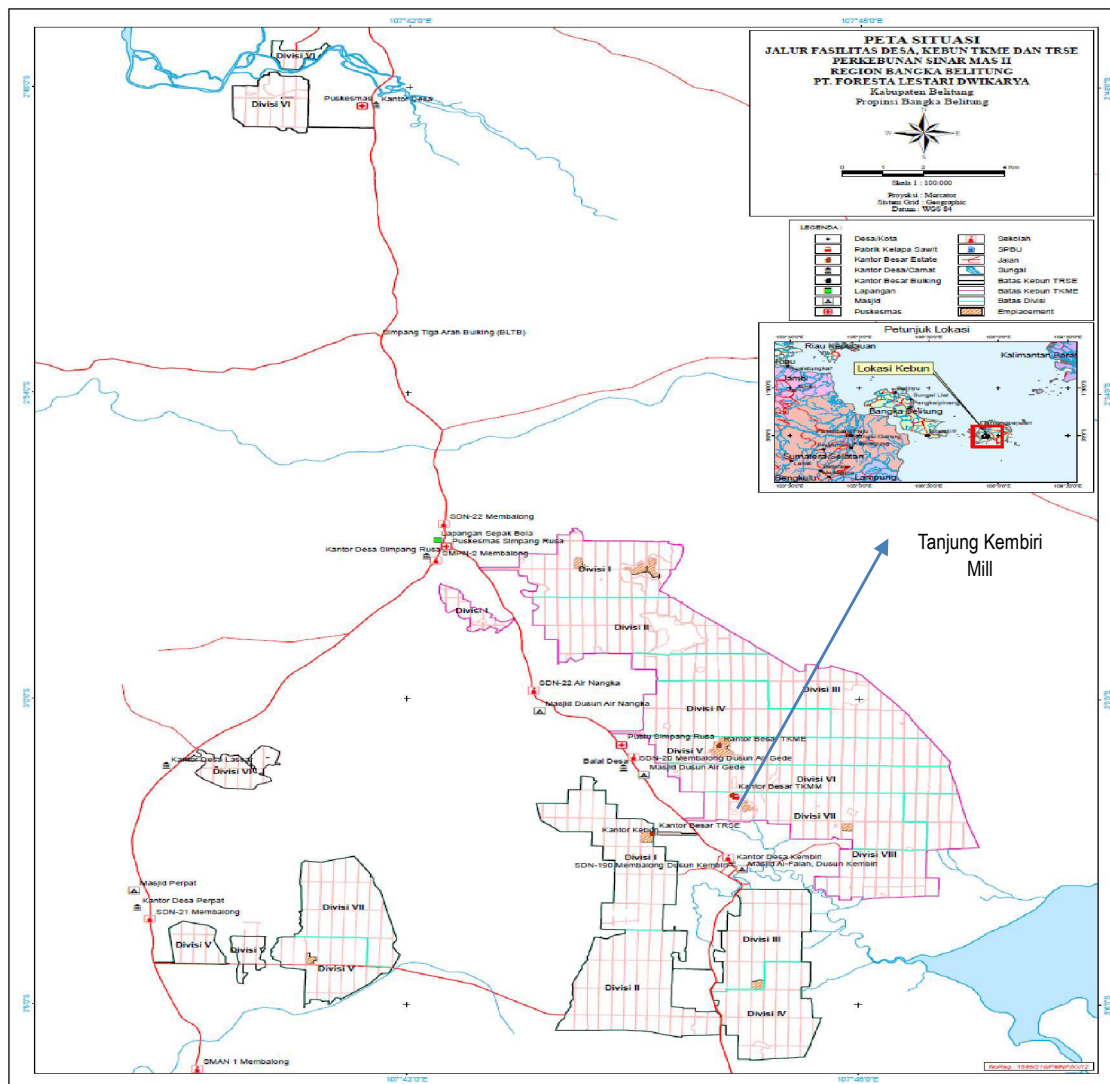
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**FIGURE**

**Figure 1. Location Map of PT Forestalestari Dwikarya**



Figure 2. Operational Map of PT Forestalestari Dwikarya



**Glossary**

ASA	: Annual Surveillance Assessment
BPJS	: <i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Agency
CPO	: Crude Palm Oil
CSPK	: Certified Sustainable Palm Kernel
CSPO	: Certified Sustainable Palm Oil
CSR	: Company Social Responsibility
EIA	: Environment Impact Assessment
EFB	: Empty Fruit Bunch
FFB	: Fresh Fruit Bunch
FLD	: Forestalestari Dwikarya
FPIC	: Free, Prior, Informed, Consent
FR	: Frequency Rate
GHG	: Green house gases
GPS	: Global Positioning System
HCS	: High Carbon Stock
HCV	: High Conservation Value
HGU	: <i>Hak Guna Usaha</i> (Land Use Title)
IPM	: Integrated Pest Management
KER	: Kernel Extraction Rate
LSU	: Leaf Sampling Unit
MSDS	: Material Safety Data Sheet
OER	: Oil Extraction Rate
OFI	: Opportunity For Improvement
OHS	: Occupational Health and Safety
P2K3	: <i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> /OHS Committee
P3SLH	: <i>Pos Pengaduan dan Penyelesaian Sengketa Lingkungan Hidup</i>
PK	: Palm Kernel
PMNP	: Plantation Monitoring and Planning
POME	: Palm Oil Mill Effluent
PPE	: Personal Protective Equipment
RC	: Recertification
RKL	: <i>Rencana Kelola Lingkungan</i>
RPL	: <i>Rencana Pemantauan Lingkungan</i>
RSPO	: Roundtable on Sustainable Palm Oil
RTE	: Rare, Treated, Endangered
TKME	: Tanjung Kembiri Estate
TKMM	: Tanjung Kembiri Mill
TRSE	: Tanjung Rusa Estate
SMARTRI	: Sinar Mas Agro Resources and Technology Research Institute
SMD	: Senior Managing Director
SCCS	: Supply Chain Certification System
SOP	: Standard Operating Procedure
SR	: Severity Rate
SSU	: Soil Sampling Unit
WTP	: Water Treatment Plant
WWTP	: Waste Water Treatment Plant

<b>1.0 SCOPE OF THE CERTIFICATION ASSESSMENT</b>			
<b>1.1 Assessment Standard Used</b>		<ul style="list-style-type: none"> <li><i>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)</i></li> <li><i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module E for CPO Mill)</i></li> <li><i>RSPO Certification System for Principles and Criteria, June 2017 (Endorsed by the RSPO Board of Governors on 14th of June 2017)</i></li> </ul>	
<b>1.2 Organisation Information</b>			
1.2.1	Organisation name listed in the certificate	PT Forestalestari Dwikarya subsidiary of Golden Agri Resources Ltd	
1.2.2	Contact person	Ismu Zulfikar	
1.2.3	Organisation address and site address	RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535  Liaison Office: Sinar 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	
<b>1.3 Type of Assessment</b>			
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base Tanjung Kembiri Mill, Tanjung Rusa Estate and Tanjung Kembiri Estate	
1.3.2	Type of certificate	Single	
<b>1.4 Locations of Mill and Plantation</b>			
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b>
			<b>Longitude</b>
	Tanjung Kembiri Mill (TKMM)	Kembiri Village, Membalong Sub District, Belitung District, Bangka Belitung Province, Indonesia	03° 01' 52" S
			107° 46' 18" E



1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Tanjung Kembiri Estate (TKME)	Kembiri Village, Membalong Sub District, Belitung District, Bangka Belitung Province, Indonesia	03 00' 54" S	107° 46' 08" E
Tanjung Rusa Estate (TRSE)	Kembiri Village, Membalong Sub District, Belitung District, Bangka Belitung Province, Indonesia	03° 02' 38" S	107° 45' 15" E	
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		11,337.58 Ha	
	• Community		- Ha	
1.5.2	Area Statement			
	• Total area		11,337.58 Ha	
	• Mature area		10,484.67 Ha	
	• Immature area		- Ha	
	• Mill + Housing Complex		86.77 Ha	
	• Infrastructure (road, bridge, and drain)		366.80 Ha	
	• River		44.38 Ha	
	• Reserved land		169.62 Ha	
	• Others		185.34 Ha	
	• HCV*		(466.13) Ha	
	Note: *Refer to HCV identification, some HCV area overlap with planted area. for example, riparian zone that planted will not replant and managed as a HCV area (no chemical activity)			
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Tanjung Kembiri Estate	Tanjung Rusa Estate	Total
	1995	1,726.48	-	1,726.48
	1996	2,080.89	1,203.24	3,284.13
	1997	1,878.19	3,157.15	5,035.34
	1998	153.55	285.17	438.72
	TOTAL	5,839.11	4,645.56	10,484.67
1.6.2	New Planting area after January 2010		- Ha	
1.6.3	Planting Cycle		1 <sup>st</sup> Cycle	
1.7	Description of Mill and Supply Base			

1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Tanjung Kembiri	60	355,762	72,800	20.46	20,470	5.75
	<i>*Production data source from February 2018 – January 2019</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/ year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Tanjung Kembiri	6,086.30	5,839.11	144,237	24.70	144,237	100
	Tanjung Rusa	5,251.28	4,645.56	111,780	24.06	111,780	100
	<b>TOTAL</b>	<b>11,337.58</b>	<b>10,484.67</b>	<b>256,017</b>	<b>24.42</b>	<b>256,017</b>	<b>100</b>
	<i>*Production data source from February 2018 – January 2019</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non- certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Tanjung Rusa Estate (Non RSPO Certified)	PT Forestalestari Dwikarya (Ascociated grower)	-	55.05	3,966		
	Tanjung Rusa Plasma (TRSA) (Non RSPO Certified)	PT Forestalestari Dwikarya (Ascociated smallholder)	382	496.99	13,568		
	Tanjung Sawit Estate (TSWE) (Non RSPO Certified)	PT Palmino Belitung Berjaya (Independent outgrower)	-	-	57,421		
	Melantan Makmur Plasma (MMKA) (Non RSPO Certified)	PT Palmino Belitung Berjaya (Independent outgrower)	-	-	5,722		
	Mitra Mandiri Plasma (MMNA) (Non RSPO Certified)	PT Palmino Belitung Berjaya (Independent outgrower)	-	-	2,398		
	Lingkar Mitra Plasma (LMTA) (Non RSPO Certified)	PT Palmino Belitung Berjaya (Independent outgrower)	-	-	2,284		
	Tunas Harapan Plasma (THRA) (Non RSPO Certified)	PT Palmino Belitung Berjaya (Independent outgrower)	-	-	3,859		
	Gang Rumpun Jaya (GRMA) (Non RSPO Certified)	PT Palmino Belitung Berjaya (Independent outgrower)	-	-	4,057		
	Mitra Sejahtera (MTSA) (Non RSPO Certified)	PT Palmino Belitung Berjaya (Independent outgrower)	-	-	339		
	Sawit Alam Permai (SAPX) (Non RSPO Certified)	PT Sawit Alam Permai (Independent outgrower)	-	-	6,151		
	<b>TOTAL</b>					<b>99,765</b>	
	<i>*Production data source from February 2018 – January 2019</i>						



1.7.4	Product categories			FFB, CPO, PK				
1.8 Estimate Tonnage of Certified Product								
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (21 April 2018 – 20 April 2019) (MT)		Last Year Actual Certified Volume (February 2018 to January 2019) (MT)		
	• FFB Production			203,800		256,018		
	• CPO Production			56,311		52,503		
	• Palm Kernel (PK) Production			15,388		14,855		
	CSPO and CSPK extended volume approved on 21 January 2019 due to an additional production from certified product							
1.8.2	Product selling							
	Tonnage of selling product			Actual selling product for last year (February 2018 to January 2019) (MT)				
	• CSPO sold as RSPO certified product			-				
	• CSPK sold as RSPO certified product			14,360				
	• CSPO sold under other scheme (ISCC)			52,503				
	• CSPK sold under other scheme			-				
	• CSPO sold as conventional			-				
	• CSPK sold as conventional			495				
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates		Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Tanjung Kembiri		6,086.30	5,839.11	150,000	25.69		
	Tanjung Rusa		5,251.28	4,645.56	115,000	24.75		
	TOTAL		11,337.58	10,484.67	265,000	25.27		
	*Projected FFB production for 21 April 2019 to 20 April 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 (ton)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Tanjung Kembiri	60	265,000	55,650	21.00	15,900	6.00	MB
	*Projected CSPO and CSPK production for 21 April 2019 to 20 April 2020							
1.9 Other Certifications								
	ISCC			EU-ISCC-Cert-ID218-20180116 (18 Dec 2018 – 17 Dec 2019)				
	ISPO			MUTU-ISPO/041 issued by PT Mutuagung Lestari 11 December 2015 to 10 December 2020				
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						

	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 – 402.41 Ha)	2020	South Sumatera	-
			Muara Tawas Estate (HGU on progress – 73.78 Ha)	2020	South Sumatera	-
			Smallholder (KKPA Pandawa)	2020	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 EMill (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 Estate (HGU on process 48.81 Ha)	2020		
			Tanjung Rusa KKPA	2020	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)	2020	Cendrawasih Estate	2020	Papua	ST-1
			Nuri Estate	2020	Papua	ST-1
			Rajawali Estate	2020	Papua	ST-1
			Mambruk Estate (PT Sumber Indah Perkasa)	2020	Papua	ST-1
	Pekawai Mill (PT Agrolestari Mandiri)	2020	Kayung Estate	2020	West Kalimantan	ST-1
			Pekawai Estate	2020	West Kalimantan	ST-1
			Sungai Kelik Estate	2020	West Kalimantan	ST-1

			Nanga Tayap Estate	2020	West Kalimantan	ST-1
			Smallholder (Kayung Plasma)	2020	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	Certified
			Delima Estate (PT Kencana Graha Permai)	2020	West Kalimantan	-
			Gaharu Estate (PT Bangun Nusa Mandiri)	2020	West Kalimantan	-
			Smallholder (Gaharu Plasma)	2020	West Kalimantan	-
			Smallholder (Kencana Plasma)	2020	West Kalimantan	-
			Smallholder (Kenanga Plasma)	2020	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 Tunggal Estate (PT Buana Adhitama)	2020	Central Kalimantan	
	Belian Mill (PT Paramitra Internusa Pratama)	2020	Belian Estate	2020	West Kalimantan	ST-1
			Tengkawang Estate	2020	West Kalimantan	ST-1
			Kenari Estate (PT Bangun Nusa Mandiri)	2020	West Kalimantan	ST-1
			KerANJI Estate (PT Bangun Nusa Mandiri)	2020	West Kalimantan	ST-1
			Muara Tawang Estate (PT Kartika Prima Cipta)	2020	West Kalimantan	ST-1
			Kapuas Hulu Estate	2020	West Kalimantan	ST-1

			(PT Persada Graha Mandiri)			
			Sungai Beran Estate (PT Persada Graha Mandiri)	2020	West Kalimantan	ST-1
			Smallholder (Belian KKPA)	2020	West Kalimantan	-
			Smallholder (Kenari Plasma)	2020	West Kalimantan	-
			Smallholders (Kapuas Hulu KKPA)	2020	West Kalimantan	-
	Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa)	2020	Sungai Kupang Estate	2020	South Kalimantan	ST-2 May 2015
			Sungai Kupang KKPA	2020	South Kalimantan	
			Senakin Estate	2020	South Kalimantan	-
	Sungai Kikim Mill (PT Sawit Mas Sejahtera)	2020	Sungai Kikim Estate	2020	South Sumatera	-
			Sungai Pangi Estate	2020	South Sumatera	-
			Sungai Musi Estate	2020	South Sumatera	-
			Sungai Saling Estate	2020	South Sumatera	-
			Sungai Enim Estate (PT Bumi Sawit Permai)	2020	South Sumatera	-
			Sungai Lematang Estate (PT Bumi Sawit Permai)	2020	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)	2020	Sungai Magalau Estate	2020	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	2011	Padang Halaban Estate	2011	North Sumatera	Certified

	(PT SMART Tbk)		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 Tapian 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 Tapian 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)	2020	Central Kalimantan	-
	Semilar (PT Tapian 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	2015	Pantun Mas Estate	2015	East Kalimantan	Certified
			Jak Luay Estate	2015	East Kalimantan	Certified
			Jak Luay KKPA	2020	East Kalimantan	-
			Long Buluh Estate	2015	East Kalimantan	Certified
			Bukit Subur Estate	2015	East Kalimantan	Certified
			Bukit Subur KKPA	2020	East Kalimantan	-
	Leidong West Mill (PT MP Leidong West Indonesia)	2014	Leidong West Utara Estate	2014	Bangka Belitung	Certified
			Leidong West Selatan Estate	2014	Bangka Belitung	Certified
	Muara Wahau Mill (PT Kresna Duta Agroindo)	2014	Muara Wahau Estate	2014	East Kalimantan	Certified
			Gunung Kombeng	2014	East Kalimantan	Certified
	Gunung Kombeng Mill (PT Kresna Duta Agroindo)	2020	Gunung Kombeng KKPA	2020	East Kalimantan	-
	Rantau Panjang (PT Kresna Duta Agroindo)	2020	Rantau Panjang Estate	2020	East Kalimantan	-
			Rantau Panjang KKPA	2020	East Kalimantan	-
	Jelatang Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi	Certified
			Tiga Serumpun KKPA	2020	Jambi	-

	Pelakar Mill (PT Kresna Duta Agroindo)	2020	Pelakar Estate	2020	Jambi	ST-2 Sept 2017
			Tiga Serumpun KKPA	2020	Jambi	ST-2 Sept 2017
			Batang Merangin Estate	2020	Jambi	ST-2 Sept 2017
	Langling Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi	Certified
			Bangko Plasma	2019	Jambi	-
			Batang Gading Estate	2020	Jambi	-
			Batang Gading KKPA (PT Satya Kisma Usaha)	2020	Jambi	-
	Sungai Bengkal Mill (PT Satya Kisma Usaha)	2015	Sungai Bengkal Estate	2015	Jambi	Certified
			Sungai Bengkal KKPA	2015	Jambi	Certified
			Muara Kilis Estate	2015	Jambi	Certified
			Muara Kilis KKPA	2020	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 Estate (HGU on process –	2020	Kampar-Riau	-



			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 Palma Estate (HGU on process – 39.21 Ha)	2020	Indragiri-Riau	Certified
			Bumi Sentosa Estate	2012	Indragiri-Riau	Certified
	Sawita Mill (PT Sawitakarya Manunggal)	2020	Sawita Estate	2020	South Kalimantan	ST-1
			Pamukan Estate	2020	South Kalimantan	ST-1
			Sawita KKPA	2020	South Kalimantan	ST-1
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.  There is revision of time bound plan on 12 March 2018 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); PT. Forestalestari Dwikarya (Tanjung Rusa Estate 48.81 Ha). For this area is planned for audit on 2020 because waiting for HGU.						
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	Smallholder under PT FLD are full managed by the company and planned to be certified on 2020.					

<b>2.0 ASSESSMENT PROCESS</b>	
<b>2.1 Assessment Team</b>	
<b>RC</b>	<p><b>1. Leonada (Lead Auditor).</b> Bachelor of agriculture for plant breeding and seed technology programme study, department of agronomy, faculty of agriculture in Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and sustainability in private company of Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: training of Indonesian sustainable palm oil (ISPO) lead auditor, training of RSPO lead auditor, RSPO SCCS training, SA 8000, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, lead auditor ISO 9001; 2008, ISO 14001; 2005, training of management development program agronomy, training of analysis base solution for operation, training of integrated pest management (IPM), use of limited pesticides training, training management of waste pesticides and fertilizers, training mediation and conflict resolution, RSPO social and worker welfare training, general safety specialist training, health and safety management system (SMK3) auditor. In this audit He conducted an assessment on Legal and land dispute.</p> <p><b>2. 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, ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. 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 verify best management practices, long term plan, OHS aspects.</p> <p><b>3. Asystasya Aishah Silalahi (Auditor).</b> Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, SCCS, and several in house training related to environmental, BMP, SA 8000, etc. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she verify Social, transparency, and Worker Welfare aspects and SCCS.</p> <p><b>4. Bayu Yogatama (Auditor).</b> Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has attended the ISO 9001: 2015 Quality Auditor / Lead Auditor Course Quality Management System (QMS) course and ISO 19011: 2011 Guidelines for Auditing Management System, ISPO Lead Training, SA 8000, RSPO Lead Training, IHT RSPO NPP, IHT RSPO RaCP, IHT ISO 17021, and IHT ISO 17065. Having experience working in plywood field as Inspector in foreign private company. Currently working for an independent certification body. During this audit, he verify Environmental Aspect, HCV, and Green House Gases.</p>
<b>2.2 Assessment Methodology, Assessment Process and Locations of Assessment</b>	
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>RC</b>	<p>Number of auditors : 4 auditor</p> <p>Number of days for RC at site: 4 days</p> <p>Number of working days for RC at site : 16 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>RC</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Forestalestari Dwikarya to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 Revised 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</p>

substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.

Some opportunities for improvement of the results RC delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.1).

Improvement of findings from surveillance assessment findings were observed by auditors at this RC assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of RC.

The assessment program please find Appendix 2.

2.2.3	<b>Location of Assessment</b>
RC	<p><b>Tanjung Kembiri Estate:</b></p> <ul style="list-style-type: none"> <li>• <b>Location of HGU overlapping with land certificate ownership block L47.</b> Observation the conditions of overlapping area</li> <li>• <b>Block J46 Division 5 (7 Pesticide Applicator).</b> Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.</li> <li>• <b>Block L56 Division 7 (3 harvester and 1 picker).</b> Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.</li> <li>• <b>Block L56 Division 7 (Loading FFB process).</b> Interview with foreman of FFB about loading FFB prosedure, administration, FFB sortation in platform, safety and health and worker welfare.</li> <li>• <b>Block J49 Division 5 (Barn Owl Nest Observation).</b> To check nest condition.</li> <li>• <b>Block J49 Division 5 (EFB Application).</b> Field observations on application of empty fruit bunch.</li> <li>• <b>Block J43 Division 5: HGU Pole No. BT 52.</b> Observation the conditions and position of legal boundary.</li> <li>• <b>Block K44 Division 6: HGU Pole No. BT 53; BT 54 and FLD 66.</b> Observation the conditions and position of legal boundary.</li> <li>• <b>TKME Office (2 Fertilizer Loader).</b> Interview with the fertilizer loader related type of fertilizer use according to the procedure and also worker welfare.</li> <li>• <b>Housing Complex Division 4,5,6 (2 workers)</b> Observation and interview regarding to feasibility of facilities, complain mechanism, waste management, clean water and access to basic needs.</li> <li>• <b>Observation of Pesticide Houses</b> Field observations and staff interviews related to the condition and facilities of pesticide houses.</li> <li>• <b>Day Care (2 workers)</b> Interview related to worker welfare, complain mechanism, and feasibility of facilities</li> <li>• <b>Generator House (1 operator)</b> Observation and interview about hazardouse maintenance, medical chek up.</li> <li>• <b>Fertilizer Warehouse Div 1 (1 Worker)</b> Field observations related to condition of the storge, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.</li> <li>• <b>Block D/E 40 Aik Mudur bufferzone river</b> Observation HCV area. the condition of the HCV area is well maintained, good delineated and signed clearly. It is also accessible.</li> <li>• <b>Barn Owl Box Blok C33 Div 1</b> Observation of IPM Implementations</li> <li>• <b>Landfill area division 1 Block C33 (2 operators).</b> Observation and interview to supervisor anorganic and organic management, and OHS aspect.</li> <li>• <b>Clinic (1 Docter).</b> Observation and interview regarding to health service and facility and infectious waste management.</li> <li>• <b>Central Fertilizer warehouse (1 worker)</b> Field observations related to condition of the storge, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.</li> <li>• <b>Interviews and Simulations with Emergency Response Groups</b> Observations related to the preparedness of the emergency response team, the ability and understanding of members, the completeness of the fire prevention equipment.</li> <li>• <b>Solar tank</b> Observation Hazardouse waste management, MSDS, Symbols and the others.</li> <li>• <b>Hazardous waste storage (1 operator).</b> Field observations related to the management of hazardous and toxic materials.</li> <li>• <b>Pesticide Warehouse (1 worker)</b> Field observations related to condition of the storge, symbols, MSDS, channels</li> </ul>

and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.

- **Material Warehouse** Field observations related to condition of the storage, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.
- **Workshop (2 operators)** Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities
- **HCV area block L50,51,52 Division 6** Observation HCV area. the condition of the HCV area is well maintained, good delineated and signed clearly. It is also accessible.
- **Upstream Jaman Akar river** Observation HCV area. the condition of the HCV area is well maintained, good delineated and signed clearly. It is also accessible.

**Tanjung Rusa Estate:**

- **Boundary poles No. 21, 22, 23, 24 (block P14), No. 63 (block L47).** Observation the conditions and position of legal boundary
- **Enclave area block M14/15.** Observation the conditions of enclave area (land that recognized as belonging to the community who are not willing to be compensated)
- **Uncertified area block P15, R17, R18.** Observation to uncertified area related to separation handling of FFB between certified and uncertified area
- **Moyang Manis Water Springs Blok P 15.** Observation HCV area
- **Block P12 Division 2 (4 Pesticide Applicator).** Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
- **Block P11 Division 2 (2 Fertilizer Loader).** Interview with the fertilizer loader related type of fertilizer use according to the procedure and also worker welfare.
- **Block R41 Division 4 (3 harvester and 1 picker).** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- **Block R41 Division 4 (Loading FFB process).** Interview with foreman of FFB about loading FFB procedure, administration, FFB sortation in platform, safety and health and worker welfare.
- **Block P11 Division 2 (Barn Owl Nest Observation).** To check nest condition.
- **Block R42 Division 4 (EFB Application).** Field observations on application of empty fruit bunch.
- **Anak Kembiri River Block N25 Division 3.** Observation HCV area. the condition of the HCV area is well maintained, good delineated and signed clearly. It is also accessible.
- **Fuel Warehouse (1 Operator).** Observation Hazardous waste management, MSDS, Symbols and the others.
- **Material Warehouse.** Field observations related to condition of the storage, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.
- **Pesticide Warehouse (1 worker).** Field observations related to condition of the storage, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.
- **Hazardous waste storage (1 operator).** Field observations related to the management of hazardous and toxic materials.
- **Generator house (1 operators).** Observation and interview about hazardous maintenance, medical check up.
- **Workshop (1 operator).** Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities
- **Central Fertilizer warehouse (1 worker).** Field observations related to condition of the storage, symbols, MSDS, channels and pesticide spill containers, and pesticide stock, and management of hazardous and toxic materials.
- **Interviews and Simulations with Emergency Response Groups.** Observations related to the preparedness of the emergency response team, the ability and understanding of members, the completeness of the fire prevention equipment.
- **Observation of Pesticide Houses.** Field observations and staff interviews related to the condition and facilities of pesticide houses.
- **Day Care (2 workers).** Interview related to worker welfare, complain mechanism, and feasibility of facilities
- **Housing Complex Division 1 and 2 (2 workers).** Observation and interview regarding to feasibility of facilities, complain mechanism, waste management, clean water and access to basic needs.



**Tanjung Kembiri Mill:**

- **Weighbridge.** Observation related to FFB reception, CPO/PK despatch and SCCS implementation.
- **Security Post (2 security).** Observation and interview with security related personnel understanding over the applicable SOP, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Loading Ramp (6 workers).** Observation and interview related to personnel 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.
- **Press 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.
- **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.
- **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.
- **Reservoir** Observation related condition in reservoir area, sign board and the others.
- **Water Intake** Observation related condition in reservoir area, pump condition.
- **Workshop (2 operator).** Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities
- **Hazardous waste storage (1 operator).** Field observations related to the management of hazardous and toxic materials.
- **Chemical storage (1 operator).** Field observations related to condition in the chemical warehouse and management of hazardous and toxic materials
- **WWTP (1 operator).** Observation related wastewater management
- **Hydrant No. 1.** Observe of preparedness and emergency response simulation
- **Land Applications Block K50,51,52,L52,53 Division 6 (2 operators)** Field observations and staff interviews related to application areas, number of beds, rotation of application land, bed capacity, working hours, work of helper, wastewater streaming techniques, bed wash, work equipment, wall bed improvement, occupational safety and health (PPE), recording of work, medical examination, BPJS membership, SPSI membership, housing, and first aid kit.
- **Water Treatment Plant (1 operator).** Field observations and staff interviews related to working hours, occupational safety and health (PPE), water sources, water treatment, chemicals used, MSDS, occupational accidents, first aid boxes, health checks, Fire Distinguisher (APAR). and workplace conditions.
- **Empty Bunch Area** Observation related Empty Bunch management.

**Surrounding Communities and previous land owners:**

- **Kembiri Village.** Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities
- **Cerucuk Village.** Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities

**Stakeholder consultation describes on appendix 1.**

**2.3 Stakeholder Consultation and Stakeholders Contacted**

<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>RC</b>	<p>Consultation of stakeholders for PT Forestalestari Dwikarya held by:</p> <ol style="list-style-type: none"> <li>1. Public announcement at web <a href="http://www.rspo.org">www.rspo.org</a> on 11 January 2019.</li> <li>2. Public consultation with government agencies of Belitung Regency conducted by visit and interview on 12 February 2019.</li> <li>3. Public consultation by interview with locals of the nearby village (Cerucuk and Kembiri Village) on 12 February 2019.</li> <li>4. Consultation meeting and interview with Internal Stakeholder (labour union, worker cooperative, gender committee and local contractor) on 13 February 2019.</li> <li>5. Consultation with NGO (Sawit Watch, WWF, Walhi and Jikalahari) via email on 29 January 2019.</li> </ol> <p>Numbers of input from stakeholders were clarified by PT Forestalestari Dwikarya.</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 ( <b>ASA-1.1</b> ) will be determined 8 – 12 month after date of certificate (February - 2020).



### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Tanjung Kembiri POM – PT Forestalestari Dwikarya, Golden Agri Resources, Ltd operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were no Nonconformities were assigned against Major Compliance Indicator raised; one (1) nonconformity were assigned against Minor Compliance Indicators raised; and no nonconformance against supply chain requirement for CPO mill raised and three (3) opportunity(s) for improvement were identified.

MUTUAGUNG LESTARI found that Tanjung Kembiri POM – PT Forestalestari Dwikarya, subsidiary of Golden Agri Resources Ltd complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30<sup>th</sup> September 2016); RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module E for CPO Mill); and RSPO Certification System for Principles and Criteria, June 2017 (Endorsed by the RSPO Board of Governors on 14<sup>th</sup> of June 2017)

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

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</b>	<p>Mechanism for consultation is listed in Consultation and Communication Procedure (SOP-SMART-UMUM-SADP-I-004) dated July 1<sup>st</sup>, 2016. The procedure explain that all the information request will be responded by company not more than 3 weeks after the incoming letter. Stakeholders also can access the company's documents, such as company's policies, licensing, reporting, and so on. The list of document can be seen in document list of information for stakeholder (F/SMART/UMUM/SADV/004/003) update January 10<sup>th</sup>, 2019.</p> <p>Based on interview with Statutory Bodies in Belitung Regency, it is known that they understand how to communicate and consult with PT Forestalestari Dwikarya. However, based on interview with representative of Cerucuk and Kembiri Village, it is known that they don't understand the mechanism to communicate with company. To respond this issue, company showed the documentation of socialization of Consultation and Communication Procedure to Kembiri, Lassar, Cerucuk, Perpat, and Simpang Rusa Village on April 11<sup>th</sup> and 12<sup>th</sup>, 2018 attended by 18 participants. The socialization is done by visiting directly to each village. The documentation of socialization such as the material (Consultation and Communication Procedure) and list of attendees.</p> <p>Company also reported mandatory report to related agencies, for example:</p> <ul style="list-style-type: none"> <li>- Land Use Report of PT FLD period of 2018 to Land National Agency of Belitung Regency on January 4<sup>th</sup>, 2019</li> <li>- Employee Report period of 2018 to Manpower Agency of Bangka Belitung Province on February 6<sup>th</sup>, 2019</li> <li>- Production and Development Plantation Report Period of July – December 2018 to January 3<sup>rd</sup>, 2019 to Food and Agriculture Security Service of Belitung Regency</li> <li>- Report of 4<sup>th</sup> quarter of 2018 about Hazardous Waste Management, delivered to Environmental Agency of Belitung Regency on January 2019</li> </ul>	

- Report of 2<sup>nd</sup> Semester of 2018 about Management and Monitoring of Environment, delivered to Environmental Agency of Belitung Regency on January 2019.
- Report of 4<sup>th</sup> quarter of 2018 about OSH Implementation, delivered to Manpower Agency on January 7<sup>th</sup>, 2019

**1.1.2**

Mechanism for consultation is listed in Consultation and Communication Procedure (SOP-SMART-UMUM-SADP-I-004) dated July 1<sup>st</sup>, 2016. The procedure explain that all the information request will be responded by company not more than 3 weeks after the incoming letter. The person in charge for communication and consultation is manager of TKME, TRSE, and TKMM. All information request has documented in book of “*Komunikasi dan Konsultasi*” and “*Aspirasi Masyarakat dan Tanggapannya*”. The information request from stakeholders mostly about assistance proposal. For example: assistance proposal on November 16<sup>th</sup>, 2018 about renting car and responded by company on November 22<sup>nd</sup>, 2018 by giving financial assistance.

	<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**

CH has list of document that can be accessed publicly that listed in List of Information for Stakeholder (F/SMART/UMUM/SADV/004/003) updated on January 3<sup>rd</sup>, 2018. The documents that can be accessed by public, such as:

- Land use rights document
- OSH committee implementation report
- Environment document (HCV and management and monitoring environment report)
- Report of SIA and its management report
- Complaint and grievance document
- Continual improvement document
- RSPO Audit Report
- Human right

The document also set stakeholder who can access the document. These documents are available in estate and mill office. CH also has monitoring and management report, such as OHS implementation report, report of environmental management and monitoring plan, land use report, and plantation activities report. These documents also can be accessed by public through the mechanism which has determined by the company.

	<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**

Company has commitment related to integrity and ethical conduct in all operational activities. The policy is also include in GSEP (GAR, Social, and Environmental Policy) stated about:

- Company will continue to practice and socialize shared values to all employees
- Human rights, labor, environment, and anti-corruption
- Not tolerate any act or form of corruption in the Business practice
- Implement ethical standards of conduct on the management of all business practices
- Recognizing, practicing, and promoting transparent good corporate governance

This policy has been socialized to the contractor and workers, for example on September 21<sup>st</sup> 2018 to contractor of TKMM and on February 5<sup>th</sup> 2018 to workers attended by 20 participants in TRSE. This policy is available in Indonesian Language. Based on interview with worker in estate and mill, it is known that they understand about the ethical conduct of the company.

**Status: Comply**
**PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**
**2.1**
**There is compliance with all applicable local, national and ratified international laws and regulations.**
**2.1.1**

The Company has list of regulations of 2018 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. The company has shown the evidence of legal requirements compliance such as plantation bussines permit (No. 525/00525/IUP-KEB/IV/2003 dated 24 March 2003). The other compliances of regulations are regarding to environment aspects are EIA management and monitoring in routinely, hazardous waste storage license approved by local government. Compliances of workers and OHS regulations are provided the minimum wage, company safety & occupational health, transporting and forklift operator etc.

**2.1.2, 2.1.3, 2.1.4**

Procedure of legal requirement which presented in document SOP/SMART/UMUM/SADV//002, dated 1 July 2014 mentioned that sustainability officer has responsibility to arranged and monitored legal related laws and/or regulation. The procedure mentioned that in order to monitor and update of laws and/or regulations, the sustainability officer required to actively check and make coordination with Government Agencies or Institutions. Internal audit of regulations compliance are conducted annually as example on 23 January 2019. The internal audits have shown the company's compliance of legal requirements according to the list of regulations 2018.

**Status: Comply**
**2.2**
**The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.**
**2.2.1**

The corporate area originates from state land with other usage area status, in which there are several community's land. The acquisition process began with the previous company (PT. Angkasa Puri) obtaining a location permit from the governor of South Sumatera in 1992. The next process is land acquisition from community's area by providing compensation before the HGU release in 1994. In 2005 the HGU was renamed as belonging to PT. FLD since the previous company was taken over by PT. FLD. Company has management area for 11,386.39 Ha, which 48.81 Ha is HGU on process (uncertified area). The Land Use Title for 11,337.58 Ha of total area in sub district of Membalong and sub district of Badau, district of Belitung, province of Bangka Belitung are covered in three certificates of HGU by Land Agency of Belitung:

1. HGU certificate No. 1 for 1,082.20 Ha valid until 31 December 2078
2. HGU certificate No. 13 for 4,668.43 Ha valid until 5 December 2096
3. HGU certificate No. 14 for 5,586.952 Ha valid until 20 July 2040

**2.2.2**

Management unit has list and map of boundary pole from National Land Agency in scale 1:50,000. Management unit has conducted monitoring and maintenance of boundary pole per semester as example on September 2018 (TKME) and October 2018 (TRSE). The Company also has a guidance for monitoring and maintaining the boundary poles in procedure SOP/SMART/CERS-EHSD/SADV//004, dated 1 July 2014. Based on field observation in poles No. 21, 22, 23, 24, 63 (TRSE) and poles No. BT52, BT53, FLD63 (TKME) found that the poles are available and maintained well. Verification using GPS indicates that the pole coordinate is in accordance with the provisions of the land title and confirmed that there has been no planting beyond the legal demarcated boundary areas of the plantation.

**2.2.3, 2.2.4, 2.2.5, 2.2.6**

The Company has established the mechanism for conflict resolution and land dispute in the procedure SOP/SPO/SMART/LH-04 dated 1 July 2010. Based on interview with communities and field observations, there were no significant land disputes and no indication of contractually army or paramilitaries using in plantation area of PT. Forestalestari Dwikarya. However, within the HGU area there is still land that recognized as belonging to the community

who are not willing to be compensated (174.79 Ha). Company commitment is available to complete community manage land, written in a letter dated 24 September 2014. Until now, the company continuous to hold talks with landowners without any coercion. Based on interview with the communities and field observation are not found any disturbance from the company to that areas

Then there is an area (ex nursery) claimed by the Simpang Tanjung Rusa village such area is within the company's HGU and can not to be proved its ownership by the community. Companies and communities have held discussions and consultations involving local governments such as discussions on 2 November 2016. Based on interviews with land agency of Belitung stated that the claim can not proceed if it can not show valid proof of ownership.

Based on interview with communities of Kembiri village is known the overlapping of HGU with land certificate ownership (SHM) of 0.38 Ha, this area have been planted by the company. This land claim began on 9 November 2018 through a letter from the head of Kembiri Village regarding the request for compensation for the overlapping area of the company's HGU with SHM. No. 27 dated 24 October 1985 in Kembiri Village. Based on a meeting on 9 November 2018 between the company and the claimer, the company has not been able to accept the proposed compensation value from the claimer. The last meeting was mediated on 29 January 2019 through the invitation of the District Parliament of Belitung. In this case, the company can show negotiation efforts to resolve problems by deliberation and the negotiation is still in the process of completion so that this becomes an opportunity for improvement to the company to resolve this problem (OFI).

<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, 2.3.4

The Company has FPIC procedure SOP/SMART/SENS-CSCRP/SADV/002 and SOP/SPO/SMART/ LH-04 regarding to social conflict management and land conflict resolution. The Company has no new land acquisition and the entire compensation process was completed in 1995. The results of compensation documents verification and interview with communities and previous land owners is known that there are no indigenous rights or customary rights. It also known that compensation process are done directed to the land owner and landowners are given the freedom to release their land without coercion.

<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

The company has documents on the long-term plan contained in the PT Forestalestari Dwikarya Feasibility Analysis period 2019 - 2023 that explain about business plan and operational management which includes: area statement, projections for production, CPO, PK, Revenue CPO and PK, cost estates, mill costs, purchase of plasma FFB, profit and loss, and net profit and loss.

Annual planning also evaluated at the end of year and compared with realization. It annual planning can be adjusted based on field condition, financial condition or another reason.

#### 3.1.2

PT FLD replanting program is planned to commence in 2020 with consideration of FFB production which has begun to decline, the difficulty of harvesters and out put of harvesters who tend to decline. The company has a plan for replanting from 2019 to 2024, which can be described as follows:

Estate	Replanting Program (Ha)					
	2019	2020	2021	2022	2023	2024
Tanjung Kembiri	-	705.43	647.39	744.89	662.15	864.05

Tanjung Rusa	-	-	696.93	942.28	588.11	610.19
<b>Total</b>	<b>-</b>	<b>705.43</b>	<b>1,344.32</b>	<b>1,687.17</b>	<b>1,250.26</b>	<b>1,474.24</b>
<b>Status: Comply</b>						
<b>PRINCIPLE #4 Use of appropriate best practices by growers and millers</b>						
<b>4.1</b>						
<b>Operating procedures are appropriately documented and consistently implemented and monitored.</b>						
<b>4.1.1</b>						
<p>PT Forestalestari Dwikarya 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 &amp; 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 and Mill office) and written in a language that is easily understandable for workers (written in Bahasa).</p> <p>Interviews were conducted to harvesters, pesticides applicators, and manuring workers in TKME and TRSE and also operators in TKMM. Based on the results of interviews can be concluded that the workers understand the duties and responsibilities of their work in accordance with the applicable SOP.</p> <p>The entire procedure both of plantation and mill has been included of safe working instruction, other than those described in the HIRAC document.</p>						
<b>4.1.2 and 4.1.3</b>						
<p>The company 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 July 2011. Ensuring consistency of procedures implementation, the suitability and effectiveness of the procedure, suitability with regulatory updates and best practices, the companies routinely conduct internal audit activities both agronomic and processing. It is held by the Department of Operational Internal Audit (OIA) every semester. The records of internal audit on second semester of 2018 has been documented. Non compliance records of internal audit has been corrected and verified by management. There is no revision of SOP at the recertification assessment. In each SOP, there is page of document control that record the revision if any.</p> <p>Each unit has documented the operations of the estate and mill production such as daily reports, supervisor workbooks, etc. The field visit at the mill shows that the unit has been documenting the daily activities in a daily production report that documented by using computerized systems.</p>						
<b>4.1.4.</b>						
<p>The company has FFB purchase from other sources on the software program (SMAWEB) dated 31 May 2016. This procedure explains about determination of FFB suppliers, FFB received and grading, payment, and reporting and monitoring. The purchase of FFB is carried out by the purchasing department by referring to the existing procedures. The Company has daily, monthly, and yearly records for the amount of FFB received by Tanjung Kembiri Mill.</p>						
<b>Status: Comply</b>						
<b>4.2</b>						
<b>Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</b>						
<b>4.2.1</b>						
<p>The company has SOP of Manuring (SOP/SMART/MCAR/IX/TA-PPK) to maintain soil fertility. The SOP approved by SMD Ops on 12 June 2012. The company has conducted soil sampling units and leaf sampling units (SSU/LSU), manuring activities, POME applications, and ground cover maintenance in accordance to maintain soil fertility.</p>						



TKME and TRSE can show documents on the realization of anorganic fertilization and EFB applications for 2018. The auditor conducted an interview with the fertilizer loading workers at Division 2 TRSE. Fertilization is done mechanically using a spreader machine. Workers can also explain the fertilization procedure well, which is in accordance with the dosage determined based on the recommendations.

#### 4.2.2

Tanjung Kembiri Estate and Tanjung Rusa Estate shown the plan and the realization of fertilization for period January to December 2018. Based on document review and interview with the staff, the realization of fertilization in both estates reach 100% completed according to the program.

#### 4.2.3

The company has routinely monitored the changes on the nutrient status based on the regular soil sampling unit (SSU) and leaf sampling unit (LSU) analysis to determine fertilizers recommendation. The sampling spot has been determined in each division and block routinely by SMART Research Institute (SMARTRI) and it's supported by well-trained census officer in each estate. 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 was issued on June 2018 and the last SSU result was issued on November 2014. Visual observations performed every year at the time of leaf analysis activities. Visual observation is a consideration in determining the fertilizer recommendations, deficiency of nutrients and analyze the potential of disease which is likely to become endemic of a particular disease.

Result of soil and leaf analysis published recommendation on fertilizer doses to produce an optimal production of palm fruit. Principles of fertilization are giving treatment on the ground to produce the nutrients required by palm and generating optimal results.

#### 4.2.4

The company has a strategy of recycling nutrients, such as the use of the frond (pruning), application of effluent and EFB Mulching. It shows a recording of the EFB applications realization in 2018 on TKME and TRSE. Overall, the company has made efforts to maintain and improve soil fertility. Visually, there is no symptom of nutrient deficiency at the blocks that have been visited. Until the recertification, the company has not carried out replanting activities, so there was no use of the palm residue after replanting.

<b>Status: Comply</b>
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### 4.3

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

##### 4.3.1 and 4.3.6

The company has a soil suitability map report issued by Plantation Monitoring and Planning Division year 2006 which included a description of the soil types, topography, soil texture, drainage condition, land suitability level, and the limiting factor. The map is available on a 1: 50,000 scale. Soil types in PT FLD such as typic endoaquept, typic dystrodept, typic hapludults, typic haplorthods, and typic udiccamments. This type has a texture of sandy and sandy clay with land suitability values in the S2 and S3 classes. The limiting factors are soil texture, drainage, topography, and rocks in the root zone. The strategy made by the company to optimize the potential of the land with the limiting factor is by providing extra organic fertilizer (empty fruit bunch) at a dose of 40 tons/ha.

Auditor conducted field observations in the EFB application area in block R42 TRSE and it can be concluded that the company has implemented a management strategy to optimize the potential of the land with the limiting factor by providing EFB.

##### 4.3.2

Based on semi-detail survey report conducted by PMNP in 2006, the slope levels range between 0 – 40%. The slope levels between 21 – 40% is found 12.17 Ha (0.20%) in TKME and 13.39 Ha (0.25%) in TRSE. Planting strategy for areal with slope levels 21 – 40% was U-shape frond stacking methods, conserving of fern (*Nephrolepis bisserata*) to keeping the soil moisture, and EFB application to enrich organic material contents in soil and reducing run off risk in rainy season. The company had a guidance related to plant in slope area as follows SOP New Planting Planning (No. Doc. LAMP/I/TA-PPA/02 - Classification of Tilt and Terraces Requirements), Working Instruction for Individual Terrace



(SOP/SMART/MCAR/I/TA-PPA) and Working Instruction for Contour Terrace (IK/SMART/MCAR/I/TA-PPA/03). Field observations in block R41 TRSE and block J46 TKME shows that the company has realized the U-shape frond stacking methods and conserving of fern (*Nephrolepis bisserata*) to keeping the soil moisture.

#### 4.3.3

The company shows a road maintenance program for the 2018 and 2019 period. TKME and TRSE have classified roads based on their conditions (good, medium and heavy). From these data the company made priority programs in road improvement. For example, the realization of road improvements division 2 TKME has reached 4,200 meters on 29 December 2018.

Based on field observations throughout the audit activities, it was concluded that the road conditions on TKME and TRSE were in good condition and could be passed.

#### 4.3.4 and 4.3.5

According to semi detail soil survey report, there is no peat indicated in all company operational area. Hence, no peat management that planned.

<b>Status: Comply</b>
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#### 4.4

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

##### 4.4.1, 4.4.2

Water management and monitoring plans of water bodies and water sources are described in the document no.: SOP / SMART / BCOS-EHSD / SADV / I / 004 and in the semester report of environmental management and monitoring. Evidence implementation has been verified both in document and on field verification. For example, installation of warning signage and marking of ban boundary of chemical spray, as observed to riparian area of Aik Mudur River Block D/E 40 div 2 TKME, Anak Kembiri river in block L50 Div 6 TRSE and water springs of Muyang in block P15 Div 2 TRSE seen that the area has been managed well according to the its plan, also sighted planting of vertifer grass and woody plants for erosion control.

For efficiency, PT FLD has install a flow meter in WTP - Mill, which is entirely in functional and has been sets the budget for water usage per ton of FFB. In addition, testing the quality of river water done every semester, for example sem II 2018 in cooperation with PT Kehatilab Indonesia with reference PP 82/2001 (Class II), there are 7 sampling points, no test results exceed the quality standard set.

Sighted the map of rivers, wet streams and wetlands with a scale of 1: 50000 (TRSE) and scale of 1: 55000 (TKME), consisting of Cerucuk river, Kembiri river, water spring of Muyang, Air Gede river, Kepang river, Mengkuang river and Aik Mudur river.

##### 4.4.3

CH has the permit of land application of PT FLD 88.45/424/KEP/BLHD/2016 on 30<sup>th</sup> September 2016 and valid for 5 years. Based on field observation in Land application area in Block K-50, Division 6 of TKME it is known that there is no overflow of waste outside the flatbed. The waste water quality testing conducted by UPTD Laboratorium Lingkungan of Sumatera Selatan Province for the fourth quarter of 2017. The quality standard used is the Decree of LH No. 28 and 29 of 2003. Parameters tested include: BOD, COD, pH, Oil and Fat, Pb, Cu, Cd, and Zn. For example, the result of BOD in outlet for December 2017 is 3,500 mg/L.

Based on a document review on the website, it is known that there is some information that reports that there is an issue of pollution in Kembiri Village caused by the company, CH shows clarification and follow-up of news on the internet such as, verified by the Belitung environmental agency in November 2016, results from the visit and verification of the Environmental agency, no pollution was found in the border of the ancient river by the company.

Results of the visit of the regent and council members in December 2018 also found no indication of pollution, the regent and board members only provided advice regarding management which should be improved. Auditor verifies each location

that becomes an issue in the news, such as the LA area bordering the Jamanakar river, trenches around the factory, and other areas, based on observations, no indication of leakage or environmental pollution is found.

The company has the opportunity to ensure that all POME management programs are implemented in accordance with the plan and improve the POME leak prevention plan. **OFI**

#### 4.4.4

The company has had SOP/SMART/MCMD/I/TM/PKS procedures Revision 6. Point 6.8 explained about SOP of Water Treatment Station, that is:

- Water derived from reservoirs in Raw Water Tank
- Water is accommodated in RWT then be flowed to Clarifier Tank for the settling process (chemical injection).
- The precipitated water is filtered (sand filter)
- After going through the screening process, the water is used for boilers and domestic consumption.

Water usage records in 2018 is documented in recapitulation and distribution of water of mill. The average of water consumption for processing is 0.65 m<sup>3</sup> water/ton FFB from budget 1.2 m<sup>3</sup> water/ ton FFB. All the evidence provided and field visit lead the auditor to conclude that the company has had well water management program and has been implemented with periodic monitoring.

**Status: Comply**

#### 4.5

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

##### 4.5.1

The activity budgeted on the program were consist of detection, census and monitoring of pests and diseases attack, biological control such as barn owl nest installation and planting of beneficial plants. According to IPM activity records for January to December 2018 such as program and realization of rat census, leaf eating caterpillar census, and termite census, it could be concluded that all the census results were still under its economic threshold. There is no invasive species attack. This may lead to zero use of pesticides for pests and diseases control. It could be concluded that IPM techniques implemented by biological methods is effective to control pests and diseases, and also to minimize the use of chemicals. Furthermore, according to pesticides used record in 2018, agrochemical uses was only implemented for weeds control purposes.

The company has a good commitment to improve the use of pest natural predator as part of integrated pest control. One of natural predator development is the reproduction and the construction of barn owl box as a mechanism to control rat. It monitoring barn owl box occupation at least once a month. The monitored parameter are the existing of barn owl in the boxes, left food, and sign of reproduction such as egg or owl. Currently, there are total 690 barn owl boxes in PT FLD and inhabited 687 barn owl boxes.

##### 4.5.2

The company has records of the training implementation for workers who are involved in the implementation of integrated pest management, for example, Integrated Pest Management training on 12 January 2019 with the number of participants are 67 employees consisting of census operators, supervisors, and field assistants. Based on interview with the workers revealed that the workers understand the method of plant pest and diseases census or detection.

**Status: Comply**

#### 4.6

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

##### 4.6.1

The company has SOP and work instruction on weeds management, the guidance covering about chosen, storage, application, contaminated handling, known about signs and symptoms of pesticides poison and first aid for poison case. To ensure pesticide used are in accordance with the target, company conducted identification the type of weed found in operational area. Based on field visit and interviews with 7 pesticide applicators in Division 5 TKME and 4 pesticide applicators in Division 2 TRSE, it was concluded that workers knew about the function of the chemical used and selective

when doing the spraying activity, as for example for glyphosate material used to spray the circle and harvesting path only while the weeds in inter row not sprayed. The company used *Isopropil amina glyphosate* and *Metil metsulfuron* which have received permission from the government. Based on document verification and observation to pesticide storage, there is no prohibited chemicals use.

#### **4.6.2**

The company has documented records of pesticide toxicity in the document of Monthly Pesticide Toxicity Data. The document is recorded product name, active ingredients, LD<sub>50</sub>, area treated, amount of active ingredients applied per Ha, and total application. This document is constantly recorded and updated by Estate Sustainability Officer each month.

#### **4.6.3**

PT FLD has program to reduce the pesticide usage by replacing pesticides with biological controls such as using natural predators to control rat and planting the beneficial plant. Based on document review and field observation, several IPM program with biological approach that has been implemented such as rat control by *Tyto alba*, and leaf eater caterpillar by planting beneficial plant such as *Turnera subulata* and *Casia cobanensis*. Moreover, it has also conducted early detection routinely listed in the monthly report of early warning system. There is no prophylactic use. In 2018, the company does not use pesticide for pest control at all.

#### **4.6.4**

On the August 2015, President Director of SMART Tbk issued a memorandum not to use paraquat in 2016. Regarding to *Pesticides that are categorized as WHO Class 1A or 1B, there is Social and Environment Policy that stated minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances*. Based on document 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 from January 2018 until January 2019.

#### **4.6.5; 4.6.7 and 4.6.9**

The results of field observation in warehouse and interview with pesticide applicator in Division 5 TKME and Division 2 TRSE, it is known that the employees have been given regular training in safe work practices. This was evidenced by the employee can demonstrate the correct way to work in accordance with the procedures including how use and handling the risks in accordance with material safety sheets. There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse.

The pesticide applicator also using personal protective equipment in accordance with specified hazard identification and material safety data sheet such as respirator 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. Meanwhile, the spraying workers interviewed also claimed that after spraying they will be washing up and drying up the PPE and spraying tools (sprayer tank, jerry, etc), and taking shower/changing clothes in special place near pesticide store of the division office. Therefore, based on field observation to mixing area in TKME and TRSE, that known there are storage for keeping all PPE's and spraying tools after use.

#### **4.6.6**

The company has had SOP for material management and transfer (SOP / SMART / LEMS-EHSD / SADV / I / 006) which describes the examination of materials, storage and characteristics for hazardous chemicals including pesticides and SOP Ex Agrochemical Management (document No. SOP/SMART/LEMS-EHSD/SADV/II/002). The procedures related to management of agrochemical ex-container comprising of collecting, washing, recording, documenting, storage, returned to vendor, and rinse water usage. The Company also has SOP of Plant Upkeep (SOP/SMART/MCAR/XII/TA-PTM), authorized on 12 June 2012. In the SOP also explained about the storage of pesticides.

Based on field observations to chemical warehouse in TKME and TRSE; there are MSDS and it was available also pesticide mixing places, PPE washing basin and spray equipment, water trap (tub to hold water used for washing), water tap, storage room for APD, the appropriate ventilation, bathrooms, sedimentation basin, and water tank. Based on field visit at the Hazardous Waste Temporary warehouse and employee housing, it was found that all pesticide ex-containers have been stored in the Hazardous Waste Temporary Store Based The spraying team interviewed at TKME (Block J45 Division V) and TRSE (Block T12, Division 2) claimed that handling of pesticide ex-containers has been done in

accordance with established procedures.

The ex-container of agrochemical can not be taken home or other used. The pesticide ex-containers are shipped entirely to licensed Hazardous Waste carrier company. The Company shows the Hazardous Waste Manifest from PT Primanru Jaya, dated 30 July 2018, among others contaminated ex-containers of 0.2956 ton.

#### **4.6.8**

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

#### **4.6.10**

Ex pesticide containers is washed for 3 times (refer to MSDS) and the water used to wash it shall be used for spraying. Washing of fertilizer plastic bags was carried out by soaking for 30 minutes and the used water was used for splashing into oil palm plants or plants in the yard. Based on SOP of Waste Management No. The SOP/SPO/SMART/LH-09, dated 01 July 2010 on point 6.3.b explained that the washed pesticide ex-containers are returned to vendor.

Working stages of Washing and Cleaning Work of Ex Pesticides and Fertilizer Bags in accordance with the Working Instruction of Washing and Cleaning of pesticides ex-containers and bags of fertilizers No. IK/SPO/SMART/LH-09/01 authorized on 01 July 2010 where the container was washed thoroughly (3 times for pesticide ex-container and 1 wash for the fertilizer bags), the used water of hazardous waste did not overflow and pollute the ground water. The washed pesticide ex-containers are marked and stored separately, while the washed fertilizer bags are immediately dried and stored in the warehouse.

Based on interview of spraying team in TKME (Block J45 Division V) and TRSE (Block T12, Division II), it is known that all former pesticide ex-containers is returned to the warehouse, washed rinse by special officer, and then stored in the warehouse before being returned to the vendor.

#### **4.6.11**

PT FLD has list of pesticide operator based on latest data of January 2019 as many as 45 workers in TKME and 61 workers in TRSE. Medical examination (cholinesterase) has been conducted on 2-4 January 2019 to all pesticides workers in TKME and TRSE. The result of medical examination is informed to the workers and all pesticide operators are in a healthy condition (normal result). And also, based on interview with the workers, it is known that they are never get experience of occupational injury which caused by chemical such as irritation.

#### **4.6.12**

The company has a policy that prohibit 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.

<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**

The company has 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. The policy and work program regarding occupational health safety are in accordance with Government Regulation (*Peraturan Pemerintah*) No. 50 of 2012. 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.

#### 4.7.2

The company shown the document of hazard identification, risk assessment and risk control which issued on January 2019. 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 in TKMM and agrochemical warehouse in TKME and TRSE, 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.

#### 4.7.3

Based on documents verification and interviews, it is known that all operators at TKME, TRSE and TKMM already have lisenese 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 provided adequate and appropriate based on the results of identification of sources of hazard and risk control. PPE for type of glove, ear plug, ear muff, helmet, apron, googles and safety shoes can be replaced immediately if damaged. This is evidenced by shown the recording of PPE distribution documents to the workers and the workers recognition from interviews also confirmed it.

#### 4.7.4

The company 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

The company provides procedures for accidents and emergencies in the SOP handling accidents and occupational diseases (SOP/SMART/HESS-EHSD-10) and SOP Preparedness and Emergency Response (SOP/SMART/GENERAL/SADV/005). The procedures cover the main potential causes of emergencies such as fires, chemical spills. The procedures also explained that records of all accidents shall be kept and periodically reviewed. 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.

TKME, TRSE and TKMM has already licensed first aid officers and there was first aid internal training conducted on 16-27 October 2018 which was attended by 36 participants. Based on field visits and interviews, it was found that all the supervisor in each of activities were equipped with first aid kit and had been trained on the use of first aid boxes and the supervisor explained the usefulness of each first aid kit.

#### 4.7.6

The company 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, the company 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.



**4.7.7**

The company has calculated the Lost Time Accident every month for monitoring the recording of occupational accidents. It shown the Lost Time Accident calculation per January 2019. 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.

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

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

**4.8.1**

Company has training program for workers for period of 2019 for operational training. The aspect in the training program are such as environment, labor best management practice aspect, and others. Some of training program, namely:

- Socialization of OSH, work risk, and PPE on March and August 2019.
- Socialization of company's policy on July 2019.
- Socialization about integrated pest management
- First aid training
- Et cetera

Based on interview with worker in estate and mill, they have received some training related to their work, such as work procedure training, emergency response, and first aid training. The training has been documented into minutes of meeting, list of attendees, and photo activity. Company has conducted training regarding awareness of RSPO P & C for example on October 8<sup>th</sup> and 17<sup>th</sup>, 2018 to 23 participants in Tanjung Kembiri Mill.

**4.8.2**

Company has showed the documentation of training or socialization whether it is internal or external training in form of minutes of meeting, list of attendees, and photo activity. Company also kept training record for each worker. For example:

- Fire and emergency response simulation in TRSE on September 3<sup>rd</sup> 2018 attended by 22 participants
- Weed Control, Spraying and Manuring training on January 17<sup>th</sup>, 2018
- Socialization of GSEP on September 8<sup>th</sup> 2018 attended by 14 participants
- Et cetera

<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**

CH has environment impact assessment document based on Decree of Bangka Belitung Governor No 188.44/450.c/BAPEDALDA/2007 and the scope of assessment estate, mill, and social aspect covering 11,337.582 ha fo estate and 60 ton FFB/Hours of POM.

**5.1.2**

The implementation of environmental monitoring and management plan documented and reported every 6 months to related agency, such as the reporting for 2<sup>nd</sup> Semester of 2018 was on 8<sup>th</sup> February 2019 to Environmental Agency of Belitung Regency and to Environmental Agency of Bangka Belitung Province. The monitoring report is made based on matrix identification in environmental document. The report made is in accordance with KepmenLH No. 45 of 2005 concerning guidelines for writing RKL-RPL..

**5.1.3**



Evaluation of monitoring and management plan are done per semester and result of evaluation included in the report for example on 26<sup>th</sup> September 2018. The evaluation done by comparing between the environment document and actual implementation of RKL RPL. There is no operational changes in PT FLD and the implementation of RKL RPL is in accordance with environmental document.

<b>Status: Comply</b>
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## 5.2

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

### 5.2.1

No changes to the HCV assessment since the last assessment, HCV identification has been done in 2012 by RSPO Approved Assessor, the identification result has been review by independent peer reviewer (Resit Sozer) and has been consulted to affected parties on 22 Feb 2013. Assessment held using HCV toolkit 2008. There are 7 types of RTE species found, namely: *Tarsius bancanus*, *Trachypiterhecus cristatus*, *Pteropus vampirus*, *Trangulus javanicus*, *Macaca vasicularis*, *Anthreptes simplex*, *Anthracoceros malayanus* and *Ichthyophaga humilis*. Total HCV 466.13 Ha, consist of riparian area, cemeteries, sacred forest, water spring and sacred tree.

### 5.2.2, 5.2.3, 5.2.4

The HCV monitoring including fauna and flora is conducted every semester. Based on the results of monitoring indicated that HCV management has been carried out properly, such as maintaining the presence of animals and flora and maintaining other HCVs within the company's management area. monitoring is appropriate in accordance with the direction of the HCV document and recommendations from the results of previous monitoring. for example the report period 2018 describes the RTE species and its change from year to year since 2012 to 2018, the monitoring of flora and fauna also refers to PP 7/1999, there are 5 types of Aves, 2 types of Mammals and 1 type of Reptile identified in the last monitoring (2018). Reporting to relevant agency done through environment management and monitoring semester report.

Regular patrols within the plantation area was being carried out and findings recorded by the respective Estate, monitoring and control of any illegal hunting/fishing/collecting activities was also implemented. Signages that prohibit hunting/fishing/water polluting activities were verified on-site including marking ban of chemical in riparian area, for exmple as observed to riparian area of Aik Mudur River Block D/E 40 div 2 TKME, Anak Kembiri river in N25 Div 3 TRSE and water springs of Muyang in block P15 Div 2 TRSE. Based on interview to chemical applicator stated that they has been known the company's policy related to HCV management.

In the CH's policy issued on 25 June 2012 describes the company's commitment to protect and prohibit illegal hunting/fishing/collecting RTE species. Socialization to workers and communities around was done regularly, for e.g on 10 Feb 2018in TKME (57 workers) and 12 October 2018 to communities. Interview with management representative states that inspection conducted routinely to worker's line-site and HCV area to ensure that the mitigation has been implemented. No found any violation done by workers such capture and collecting RTE species during the field observation.

### 5.2.5

The management of HCV areas outside the HGU both on the TRSE and TKME has been agreed with village representatives and community leaders, for example the HCV management agreement between TRSE and the Community for the management of springs in block P15 signed by Kembiri Village on 29 February 2016. Based on interviews with communities around for example with Kembiri and Cerucuk villages mention that until Recertification, the management of HCV areas have been done collaborated and there is no interference from the community against the area.

<b>Status: Comply</b>
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## 5.3

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

**5.3.1**

The CH has identified the source of waste and pollution for mill and estate for each operational activity, identification of waste sources has been documented by the company, can be seen in the identification of waste sources and evaluation of environmental management., for example:

- Engine room produce emission from generator
- Sterilizer station produce solid waste, such scattered loose fruit
- Chemical storage produce solid waste, such as ex chemical container

Based on observation in housing complex division 1,2,3 of Tanjung Kembiri estate and division 1&2 of Tanjung Rusa Estate, known that there are trash bags/cans in each housing complex. The waste is separated between organic and anorganic. And then, every one week, the trash will be transported to landfill in designated place, for example in Division 1 Block C33 of Tanjung Kembiri Estate.

**5.3.2 & 5.3.3**

CH has a waste management plan described in the waste source identification document and environmental management. the document explains waste management such as, EFB used for organic fertilizer, hazardous waste submitted to licensed parties, fiber and shell for boiler fuel and others.

CH has scheduled waste storage in each unit, mill and estate. The permit of Hazardous Waste storage is in accordance with Decree of Head of Capital Investment, Integrated Service and Industry Agency No 188.46/002/KEP/LB3/DPMPSTPP/2017 issued on 23rd November 2017 and valid for 5 years. Based on field observation in hazardous waste storage in mill and estate, the waste is placed accordance with its license.

The waste is collected by the transporter of hazardous waste (PT Primanru Jaya) with agreement letter No 003/CCSD/SPK-Pengelolaan LB3/FLD-PJ//2018 on 2nd January 2018 vallid until 2nd January 2019. Document of hazardous waste transporting is in form of official report of handover and manifest. The latest handover of hazardous waste was on 30th July 2018, among others:

1. BC0043470 (fast tronik KLH-2040000002977U) used Oils1,62 ton
2. BC0043521 (fast tronik KLH-2040000002978U) used accu 0,180 ton
3. BC0043523 (fast tronik KLH-2040000002981U) used filter 0,522 ton
4. BC0043525 (fast tronik KLH-2040000002982U) Used Lamp 0,025 ton
5. BC0043522 (fast tronik KLH-2040000002980U) Rags 0,0255 ton
6. BC0043524 (fast tronik KLH-2040000002979U) ex contaminated package 0,2956 ton

As for infectious waste, it managed by Bakti Timah Hospital with agreement letter No 25/RSBT/SPK-1200/2017 on 8th June 2017. The latest handover of infectious waste is documented on minutes of meeting infectious handover on 12th February 2018 as much as 4,5 kg (needle, sput, expired drugs, striptest, refotron, etc).

Based on field observation in housing complex in TKME and TRSE, there is no hazardous waste that is reused. The in and out wastes is recorded in hazardous waste balance sheet that updated every month. Based on interview with worker in chemical storage in division I TRSE, ex-chemical container is re-used for pesticide mixing. The CH showed the record of ex-chemical container request, such as on 16th December 2018 was requested as many as 10 pieces.

<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**

CH has plans to increase the efficiency of the use of renewable fuels available in the GHG mitigation document, where one of them explains the use of renewable fuels for fossil fuel substitution. CH has reduce the use of fossil fuel by use of energy renewable, sighted the document of review of efficiency use of fossil fuels for 2018, which inform:

- Processed FFB is 343,872,79 kg
- CPO Production is 71,075,95 kg
- Fibre and shell use for turbine converted to diesel fuel is 20,638,931 liter

- Actual diesel fuel use is 84,960 liter

The turbin using steam power generated from boiler and the boiler fuel derived from shell and fiber. So, based on data above, it is known that the efficiency of fossil fuel from renewable energy is as much as 20,638,931 liter. Renewable energy use is monitored every month which total energy use for 2018 is 565,662.50 KKal/ton FFB.

**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 & 5.5.2

Based on field observation in TKME and TRSE, there is no burning activities in estate. The CH has policy about prohibition of burning activities in estate. Besides, there is no new land clearing activities based on document and field observation. Also, the procedure of land preparation mentioned that zero burning method are used for preparing land. Based on field observation in estate, sighted the signboard for zero burning activities.

**Status: Comply**

## 5.6

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

### 5.6.1

CH shows identification documents of activities that produce emissions for the period 2019 for Mill and Estate. Sighted the result of identification of emissions and pollution as well as its sources, such as in estate emissions sources are from fossil fuel usage for transportation and generator, emission from fertilizer usage, pesticide usage and electricity usage. Identified the sources of emission and pollution from mill such as fossil fuel usage, electricity usage and WWTP.

### 5.6.2

CH has mitigation plan of GHG for estate and mill the document can show in mitigation plans for Mill and Estate in 2019. The document describes the sources of emissions, management and monitoring plans and implementation schedules. for example, the emissions generated from the used of fossil fuels are monitored, recorded routinely, as an effort to reduce GHG from fossil fuels the company maximizes the use of shells and fiber. the implementation of mitigation GHG record, such as:

- The use of renewable energy (fibre and shell) as a substitute for fossil energy. The implementation of this program is documented on the recapitulation the use of shells and fibre for boiler in period 2018. Fibre: 42,984,098.75 kg, Shell: 19,772,685.43 kg.

Besides, CH also conducted monitoring of noise level, emission, such as

- Perform testing of noise levels at TKMM on a regular basis once every 6 months by an accredited Lab, for example noise levels in Boiler station 88 dBA, power house: 91 dBA, clarification area: 87 dBA, sterilizer station: 80 dBA, and Kernel station: 90 dBA.
- Handling of noise is done by conducting audiometry test in periodically. Observations and interviews with employees on process activities are known that employees already aware to the risks of noise and they were use ear-plug and ear-muff during work.
- Based on observation in TKMM, there are signs about high noise hazard and the use of PPE in high noise areas

### 5.6.3

The CH already monitored and reported the significant emissions and pollutions annually using RSPO palmGHG calculator, for period of 1 Jan – 31 Dec 2018 describes as follow (calculator ver 3.0.1):

Summary of Net GHG Emissions

Emmission per product	tCO2e/tProduct
CPO	0.99

PK	0.99
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Production	t/yr
FFB processed	343872.78
CPO produced	71075.95
PK produced	19650.11

Extraction	%
OER	20.67
KER	5.71

Lan use	Ha
Planted area	10484.67
Planted on peat	-
Conservation Area	466.01

#### Summary of field emission and Sinks

Description	Own crop		Group		3 <sup>rd</sup> party	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emissions Sources</b>						
Land conversion	103533.19	9.88	0.43			
CO <sub>2</sub> emmisions from fertilizer	9740.48	0.93	0.04			
N <sub>2</sub> O emissions	9921.52	0.95	0.04			
Fuel consumption	2821.56	0.27	0.01			
Peat oxidation	0	0	0			
<b>Sinks</b>						
Crop sequestration	-98154.68	-9.36	-0.4			
Sequestration in Conservation area	-4273.31	-0.41	-0.02			
<b>Total</b>	<b>23608.76</b>	<b>2.25</b>	<b>0.1</b>		<b>9129.92</b>	

#### Summary Oil Mill Emissions and Credits

Remarks	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB
<b>Emissions sources</b>		
POME	56911.55	0.17
Fuel consumption	335.07	0
Grid electricity	0	0
<b>Credits</b>		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>57246.62</b>	<b>0.17</b>

Palm Oil Mill Effluent (POME) Treatment

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

POME Divert to Anaerobic Digestion

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

Palm GHG Calculation Options Using Apply November 2005 Cut of for LUC

CH has conducted GHG emission calculations period 2018 Using Calculator Palm GHG version 3.0.1. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 3.0.1) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied Apply November 2005 Cut of for LUC.

**Status: Comply**

**PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills**
**6.1**

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

**6.1.1, 6.1.2**

Social impact assessment was conducted in 2012 by SIA CSR Team Department, PT SMART involving local communities. SIA documents have identified the positive and negative impacts of the company's operational activities, for example worker welfare, development of the economic potential of the community, employment information is less transparent, procedure for requesting assistance has not been communicated to the public, etc.

Company showed the documentation of Social Impact Assessment in form of questionnaire for Kembiri, Simpang Rusa Village, Air Kundur Hamlet, Perpat, Lasar, and Cerucuk Village, and Suge Hamlet. There is name of participants from those villages and hamlets. Company also conduct consultation public to stakeholder about result of social impact assessment on February 22<sup>nd</sup>, 2013. Based on interview with representative of Kembiri and Cerucuk village, all issues is covered in SIA document.

**6.1.3, 6.1.4**

The company has social management and monitoring plan for the period 2017 – 2018. The plan is listed in the social monitoring report of PT FLD (TKMM, TKME, TRSE, TRSA). Management plan is including the smallholder scheme (Tanjung Rusa Plasma). The preparation of the social management and monitoring is based on interviews with affected parties, for example the TKMM worker housing complex, Simpang Rusa Village, Kembiri Village, TKME worker housing complex, Perpat Village, Cerucuk village and Lasar village. Consultation with affected parties was carried out on 10 - 12 April 2018. Monitoring is based on management plan and the monitoring result also make the new management plan. For example:

Impact that appears	Management Plan	PIC
Public unrest related to social assistance	<ul style="list-style-type: none"> <li>- Recording and responding to stakeholder aspirations</li> <li>- Socialization of SOP communication and consultation of new stakeholders personally if there is a change in stakeholders</li> </ul>	<p>SPO officer PT FLD</p> <p>UH &amp; SPO Officer PT FLD</p>

Based on interview with representatives of Kembiri and Cerucuk Village, there were several social issues and negative perceptions from the community such as lack of information on job vacancies, disruption of local wisdom due to washing trenches carried out by the company, traditional assistance (*Maras Tahun*) which was considered less, FFB load exceeded capacity, and so on. This was also added from the results of interviews with the Department of Environment, Belitung Regency is related to the potential for social upheaval in the community. In response, the company showed evidence that these issues had been covered in a review of management plans, social monitoring and had implemented the plan.

However, the company has not been able to show evidence that the results of the review of the management plan for these impacts have been precisely targeted, so that there is some issue raised during the audit activities. In addition, the review does not cover all existing social impacts, such as the impacts related to land disputes since 2015 and environmental pollution issues since 2016, such as on the website <https://beritalama.com> June 11, 2016, <https://bangka.tribunnews.com> December 26, 2018 and the 29th edition of the Belitung Betuah newspaper (January 30 - February 13, 2019). This becomes **Non Conformity No 2019. 01**

<b>Minor 6.1.4</b>	<b>Status: Non Conformity No 2019. 01 with Minor Category</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

Mechanism for consultation is listed in Consultation and Communication Procedure (SOP-SMART-UMUM-SADP-I-004) dated July 1<sup>st</sup>, 2016. The procedure explain that all the information request will be responded by company not more than 3 weeks after the incoming letter. And also the responsible party to accept and response the consultation. Procedure is available in Bahasa Indonesia

Based on interview with Statutory Bodies in Belitung Regency, it is known that they understand how to communicate and consult with PT Forestalestari Dwikarya. However, based on interview with representative of Cerucuk and Kembiri Village, it is known that they don't understand the mechanism to communicate with company. To respond this issue, company showed the documentation of socialization of Consultation and Communication Procedure to Kembiri, Lassar, Cerucuk, Perpat, and Simpang Rusa Village on April 11<sup>th</sup> and 12<sup>th</sup>, 2018 attended by 18 participants.

### 6.2.2, 6.2.3

The PIC for consultation and communication with the community is manager of each unit. The PIC is assigned to accommodate the implementation of social impact analysis, responsible for top management for communication and consultation with stakeholders Officers

List of stakeholder is made by SPO officer. The latest list of stakeholder is available for year of 2019, consist of statutory bodies, local communities, worker organization, FFB supplier, local contractor, etc. The information request from stakeholders is about assistance proposal and mandatory reporting information. All information request has documented in book of "*Komunikasi dan Konsultasi*" and "*Aspirasi Masyarakat dan Tanggapannya*". The information request from stakeholders mostly about assistance proposal. For example: assistance proposal on November 16<sup>th</sup>, 2018 about renting car and responded by company on November 22<sup>nd</sup>, 2018 by giving financial assistance

<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

Company has a mechanism of complaint and grievance handling in Handling of Complaint and Grievance Procedure (SOP/SMART/SIGS-CSR/SADV/I/003) which explain handling of complaint and grievance from internal and external stakeholder. The procedure is made involve the consideration from various parties. This procedure has been socialized to stakeholder on April 11<sup>th</sup> and 12<sup>th</sup>, 2018 attended by 18 participants. Company will protect the identity of complainant.



Based on interview with worker in estate and mill, it is known that workers understand how to deliver their complaint if any. Based on interview with representative of Kembiri and Cerucuk Village, it is known that they understand the mechanism to deliver their complaint if any.

### 6.3.2

There were no external complaints submitted during the period of 2018. Internal complaint from internal is documented in "Formulir Pencatatan Keluhan dan Ketidakpuasan Internal". For example, complaint on July 12<sup>th</sup>, 2018 about housing facility. This complain has responded by company on July 30<sup>th</sup>, 2018 by repair the broken part of worker house. Company showed the documentation of complaint handling.

Status: Comply

### 6.4

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

#### 6.4.1, 6.4.2, 6.4.3

The Company has compiled SOP of Land Compensation, document no.: SOP/NP/SMART/VII/D & L.002, issued on 1 July 2010. The procedure is covered the process of identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation. The scope of procedure is all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right. The Company has no new land acquisition and the entire compensation process was completed in 1995. The results of compensation documents verification and interview with communities and previous land owners is known that compensation process are done directed to the land owner and landowners are given the freedom to release their land without coercion.

Status: Comply

### 6.5

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

#### 6.5.1

Company has a copy of Bangka Belitung Governor Decree No 188.44/831/DISNAKER/2018 about Minimum Wage of Bangka Belitung Province for 2019. The minimum wage for Bangka Belitung Province is Rp 2,976,705.97/month. Company issued decree No 359/CEOLAMBABEL/HRPSMSUMSEL-LAMBABEL/11/2018 on November 2018 which explain that minimum wage for permanent worker is Rp 2,976,705.97.

CH showed wage documentation for each unit. Based on document verification, the basic wage is in accordance with applicable regulation. For example: employee code 20037 (boiler operator shift 1), payslip for December 2018. The basic wage is paid in accordance with applicable regulation. Based on verification between overtime hour and its payment, it is known that overtime payment has been paid in accordance with regulation. As for harvesters, the wage is paid in accordance with tonnage/day and it is above applicable minimum wage.

Based on interview with the harvester and committee of worker union, there were no complaint about working hours and wages payment. Based on interview with worker in Mill and Estate, there is no complaint about wages. It is in accordance with Governor Decree applicable.

#### 6.5.2

The Company has a Collective Labor Bargaining (PKB) for the period 2016-2018 between PT FLD and SPSI PT FLD dated 22 September 2016. The PKB was registered at the Manpower Agency of Belitung Regency No. 560/1 / KEP / DSTKT / 2016 dated 9 December 2016, valid from October 1<sup>st</sup> 2016 - September 30<sup>th</sup>, 2018. The latest PKB is currently in the stage of approval by the Manpower Agency of the Belitung Regency. Based on interview with some workers in mill and estate, it is known that they understand about PKB (collective labour bargaining).

Company has contract worker and showed the work agreement, for example No 03/TKME/PKWT/II/2019. The agreement

explain about salary, leaves policy, code of conduct, duty and responsibility, work hour, health and medical insurance. Work agreement is written in Indonesian Language and workers are understood the substance of the letter.

### 6.5.3 & 6.5.4

Based on field observation in housing complex in Tanjung Rusa and Tanjung Kembiri Estate, it is known that CH has been providing housing facilities, lighting and water, places of worship, school buses, clinics and educational facilities (kindergarten, elementary). Based on interview with the residents, it is known that there is no complaint related to housing facilities. The facilities provided by the company is adequate. And also it is known that one house is occupied by one family and the condition of housing is still in good shape. Adequate food supply can be accessed by the worker from monthly market whenever payday and from worker cooperative. Moreover, there are some kiosk in housing complex. Personnel can get the staple food with reasonable price.

**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

The policy related to form and join worker union is circle letter No 094/CEO2-SE/12/2010 on December 14<sup>th</sup>, 2010 which states that the company gives the right to associate to all workers. The policy is written in Bahasa Indonesia. Based on interview with representative of worker union, it is informed that company is giving freedom for worker to express their opinion. And also, company did not give any intervention related to worker union activity. Worker union has registered to Manpower Agency of Belitung Regency.

#### 6.6.2

The Bipartite conducted internal meeting periodically or where there is an issue with company. There are meeting documentation, such as minutes of meeting on January 13<sup>th</sup>, 2018 about hazardous waste management and February 10<sup>th</sup>, 2018 about cleanliness of worker housing complex and management of domestic waste. The documentation is available in office unit and available for member if they were asking.

**Status: Comply**

### 6.7

**Children are not employed or exploited.**

#### 6.7.1

Company has circular letter from HR Director No 002/SE-HRDV/03/09 about the minimum age for worker. Based on the document, the minimum age for new worker recruitment is 18 years old. Based on document review and field observation, there are no workers under 18 years old. Based on public consultation with Manpower Agency of Belitung Regency and field observation in estate and POM, there is no issue regarding child labor. Based on interview with worker in estate and POM, they know the minimum age to work in the company. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children.

**Status: Comply**

### 6.8

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

#### 6.8.1 & 6.8.2

Company has policy related to nondiscrimination and equal opportunity listed in GSEP which explained that Sinarmas did not discriminate against gender, race or ethnicity, disability, sexual orientation, age, or belief. Based on field observation and interview with spraying female worker, it is known that there is no issue or complain from worker regarding discrimination. Also, information from board of bipartite stated that there is no issue related discrimination. The workers that has been interviewed is came from various social origin, race, and religion.

#### 6.8.3

Company kept the personal file of each worker in estate office. Based on interview with management, the recruitment is conducted through the company requirement. The new recruitment is conducted in accordance with the procedure. It is based on skill, capabilities, and health condition for all workers. Worker promotion, mutation or demotion is done through the employee performance assessment. Company showed documentation of new worker recruitment (year of 2018), such as application letter, copy of identity card, result of medical examination, letter of submission of appointment to permanent worker and work agreement..

**Status: Comply**

## 6.9

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

### 6.9.1, 6.9.2, 6.9.3

The company has a circular letter No. 003 / CEO2-SE / 01/2011 dated January 10<sup>th</sup>, 2011, which explains that the company prevents sexual harassment and how it is handled. Based on interview with female worker in Tanjung Kembiri and Tanjung Rusa Estate, it is known that they understand the policy. It is also known that they understand the mechanism of complaint submission. Also, interview with committee of Gender Committee, it is known that there is no issue or complaint related to sexual harassment on the workplace.

Company has formed gender committee for handling the harassment issue around female workers. Complaint can be submitted to board of bipartite cooperation, gender committee, or their foreman. Based on interview with the board of gender committee, the company provides the female worker with menstrual leave, pregnant and nursing leave for about 3 months. Pregnant and nursing female worker is prohibited to work related to chemical. And also, Company give special breast feeding time for female worker, but prohibit the worker from working with chemical material.

**Status: Comply**

## 6.10

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

### 6.10.1 & 6.10.2

Company able to show "FFB Price Document" from Plantation Agency of Bangka Belitung Province for period of February 2019. Price fixing is based on CPO and Kernel prices and also adjusted for age of the plant. Based on formulas for Planters (independent smallholder/ scheme smallholder). FFB price is Rp 1,184/Kg for 6 years old of palm oil, Rp 1,241/kg for 7 years old palm oil, and Rp 1,260/kg for 8 years old palm oil. The document FFB price has been known by scheme smallholder farmers by online or through mill management. Based on interview with FFB supplier PT Sawit Alam Permai, FFB price is in accordance with price from Plantation Agency of Bangka Belitung Province.

### 6.10.3 & 6.10.4

The company has an agreement contract with FFB Supplier, for example as FFB sale and purchase agreement No. 001 / TBS / FLD-SAP / VII / 2018 dated July 23, 2018 until July 23, 2021. Each contract document, signed by both parties as evidence that a work agreement has been agreed. Contract agreement documents are kept by both parties, which will be used as legal references.

Based on interviews with contractors and FFB supplier, payments are made on time. The company has made a payment to PT Sawit Alam Permai for the period December 2018 on 11 December 2019. There are no complaints related to late payments. In addition, the company also makes payments to other contractors on time.

**Status: Comply**

## 6.11

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

### 6.11.1

Determination of local development programs based on meetings with surrounding village representatives together with monitoring of social impacts. Company also showed the documentation of village participation in preparation of CSR program, such as in Perpat Village on January 10<sup>th</sup>, 2019 attended by 36 participants, Cerucuk Village on January 14<sup>th</sup>, 2019 attended on 4 participants.

CSR program for 2019, for example:

- **Education aspect.** School maintenance, training to increase teacher competency capacity, etc.
- **Social aspect.** Traditional assistance (*Maras Taun*, *Serok Tango*, maintenance of cultural sites (grave of KA Rahat)
- **Environmental aspect.** Socialization of fire prevention and hunting of protected animals,

Implementation of CSR program for 2018, for example:

- Financial assistance for *Maras Taun* in Air Gede Hamlet on April 29<sup>th</sup>, 2018
- Transport assistance for volley team of Kembiri village on December 10<sup>th</sup>, 2018
- Etc.

#### 6.11.2

Partnership with smallholder farmer is full managed, all operational activities is carried out by PT FLD. Besides, company also showed budget and work program for Smallholder period of 2019.

**Status: Comply**

#### 6.12

**No forms of forced or trafficked labour are used.**

##### 6.12.1; 6.12.2; 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 bipartite cooperation member, there is no issue related to force labor.

Based on interview with the harvester and committee of worker union, there were no complaint about working hours. The payment is based on tonnage. If they did not get the tonnage after working hours is out, they will be paid by daily payment.

**Status: Comply**

#### 6.13

**Growers and millers respect human rights**

##### 6.13.1

CH has policy on human rights issued in November 10<sup>th</sup>, 2011. The policy explains that the company respect human rights for all employees. It has been socialized to the workers, for example on February 5<sup>th</sup>, 2018 attended by 20 participants in Division 2 TKME and September 8<sup>th</sup>, 2018 attended by 14 participants in TKMM. Based on interview with worker in estate, mill and local contractor, they know and understand about workers' rights. And also, from consultation with internal stakeholder (worker union), it is known that there is no complaint related to human rights violation. If there was a complaint, the complaint can still be resolved by amicable way between employees.

**Status: Comply**

#### **PRINCIPLE #7 Responsible development of new plantings**

##### 7.1

**A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.**

##### 7.1.1 , 7.1.2 , 7.1.3

There is no new planting since 2005.

CH has had the documents that describe the analysis of the social impact, the document has been prepared based on a participatory of society, the documents shown are:

<ul style="list-style-type: none"> <li>Document the Environmental Impact Assessment Report of Plantation and Palm Oil Processing Factory PT ForestalestariDwikarya 2007 (Revised Version). The document drafted by Indolestari CV Makmur (Environment and Planning Consultant) - Palembang and has received Approval from the Governor of Bangka Belitung Number: 188.44 / 450.C / BAPEDALDA / 2007, dated September 18, 2007.</li> <li>Identification of the Social Impact Study Report plantations and palm oil mill Forestalestari Dwikarya 2012. In the document described the impact of positive and negative on the management of oil palm plantation by PT ForestalestariDwikarya following Management Plan and Social Impact Monitoring Plan.</li> </ul>	
<b>Status: Comply</b>	
<b>7.2</b> <b>Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.</b>	
<b>7.2.1 and 7.2.2</b> Based on the PT FLD area statement, it is known that the youngest planting year was in 1998. There was no new planting since previous assessment (ASA-4).	
<b>Status: Comply</b>	
<b>7.3</b> <b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>	
<b>7.3.1, 7.3.2, 7.3.3, 7.3.4</b> The planting was conducted during the period of 1995 – 1998 and there is no replanting plan for the next three years. Therefore, the company has no obligation on principal 7 regarding no planting that replaces primary forest or HCV area. GAR as the parent of PT FLD has conducted disclosure of liability data and zero liability disclosure on 29 August 2014.	
<b>Status: Comply</b>	
<b>7.4</b> <b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b>	
<b>7.4.1 and 7.4.2</b> Based on the PT FLD area statement, it is known that the youngest planting year was in 1998. There was no new planting since previous assessment (ASA-4).	
<b>Status: Comply</b>	
<b>7.5</b> <b>No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</b>	
<b>7.5.1</b> Based on documents review, interview and field visits, it is known that the Company did not expand the operational area and there is no more land clearing activity after 2005.	
<b>Status: Comply</b>	
<b>7.6</b> <b>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.</b>	
<b>7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5, 7.6.6</b> Based on documents review, interview and field visits, it is known that the Company did not expand the operational area and there is no more land clearing activity after 2005.	
<b>Status: Comply</b>	



<b>7.7</b> <b>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.</b>
<p>The planting was conducted during the period of 1992 – 1998 and there is no replanting plan for the next three years. Therefore, the company has no obligation on principal 7 regarding no planting that replaces primary forest or HCV area.</p>
<div>Status: Comply</div>
<b>7.8</b> <b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>
<b>7.8.1 and 7.8.2</b> <p>The planting was conducted during the period of 1995 – 1998 and there is no replanting plan for the next three years. Therefore, the company has no obligation on principal 7 regarding no planting that replaces primary forest or HCV area. The company effort to reduce emission generated from its operational (refer to criterion 5.6).</p>
<div>Status: Comply</div>
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>
<b>8.1</b> <b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>
<b>8.1.1</b> <p>The company has monitoring activity plan, the plan is implemented through monitoring by operational management and through internal audits. The result of monitoring and auditing are used for review by management to determine corrective actions effectively.</p> <p><b>Aspects of Best Management Practices:</b>  The company has implemented a commitment to continuous improvement, including:</p> <ul style="list-style-type: none"> <li>• Control of rat pests using owl predators (<i>Tyto alba</i>).</li> <li>• Biological leaf caterpillar pests control by planting and maintaining (conservation) beneficial plants, such as <i>Antigonon leptopus</i>, <i>Cassia cobanensis</i>, and <i>Turnera subulata</i>.</li> <li>• Since 2016, PT FLD was no longer using Paraquat.</li> <li>• The company has implemented a new system, namely E-Fact (Electronic Field Activity Capture and Traceability) which is used as a traceability method to support harvesting activities. This system can clearly help minimize the difference in yields and updates every day through a computerized system. This system has been implemented at PT Forestalestari Dwikarya since the beginning of October 2018.</li> </ul> <p><b>Social Aspect</b></p> <ul style="list-style-type: none"> <li>- Monitoring social impacts every year through stakeholder meetings</li> <li>- Determination of CSR programs through stakeholder meetings and proposals</li> </ul> <p><b>Manpower Aspect</b></p> <ul style="list-style-type: none"> <li>- Company does not use daily labor</li> </ul> <p><b>Environtmental</b>  Enumerating Hazardouse waste packaging (ex-pesticide packaging and chemicals) for space efficiency and avoiding use by employees.</p>
<div>Status: Comply</div>



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

#### 3.2.1 General Chain of custody requirements for the supply chain

Clause	Requirement
<b>5.1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>
<b>5.1.1</b>	<b>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.</b>
	The organization take legal ownership and physically handles RSPO certified sustainable oil palm products. The entire area, mill and storages are owned by the organisation and all processing from FFB to CPO/PK are done by the Tanjung Kembiri Mill. CPO and PK transporter are under contract with PT. Forestalestari Dwikarya, which are: <ul style="list-style-type: none"> <li>- PT. Rafli Gema Nusantara for PK transporter</li> <li>- PT. Satrindo Jaya Agropalma for CPO transporter</li> </ul>
	<b>Status: Comply</b>
<b>5.1.2</b>	<b>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.</b>
	The site does not buy from any RSPO licensed traders. CSPO and CSPK are produced from certified FFBs processed that supplied from its own estates.
	<b>Status: Comply</b>
<b>5.1.3</b>	<b>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.</b>
	The parent company are member of RSPO (Golden Agri Resources Ltd): <ul style="list-style-type: none"> <li>- Number of RSPO membership: 1-0096-11-000-00</li> <li>- RSPO IT Platform for PT. Forestalestari Dwikarya – Tanjung Kembiri Palm Oil Mill: RSPO_PO1000001383</li> </ul>
	<b>Status: Comply</b>
<b>5.1.4</b>	<b>Processing aids do not need to be included within an organization's scope of certification.</b>
	Parent company or site has no processing aids
	<b>Status: Comply</b>
<b>5.2</b>	<b>Supply chain model</b>
<b>5.2.1</b>	<b>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 -&gt; Segregated -&gt; Mass Balance.</b>
	The organization has applied mass balance supply chain model correctly and there is no declassification.
	<b>Status: Comply</b>

<b>5.2.2</b>	<b>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</b>
	The organization has applied mass balance supply chain model only
	<b>Status: Comply</b>
<b>5.3</b>	<b>Documented procedures</b>
<b>5.3.1</b>	<b>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.</b>
	Tanjung Kembiri Mill has the documents of supply chain procedures for Mass Balance models with document No. PT FLD-TKMM/SOP/35 has been approved on 2 January 2016. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including responsibilities of each key personnel involved, definition, the FFB reception process, weighing, checking quality, processing, monitoring refined products, mass balance calculations, delivery of the product. The procedure is according to RSPO SCCS 21 November 2014, revised 14 June 2017. Based on interviews with mill clerk note that the clerk understand the separation between FFB certified and non certified. He also record the FFB received from all supply bases.
	<b>Status: Comply</b>
<b>5.3.2</b>	<b>The site shall have a written procedure to conduct annual internal audit</b>
	The Procedure to conduct annual internal audit are describe in SOP for internal audit No. SOP/SMART/UMUM/SADV/I/009 issued on 1 July 2014 covering all audit for sustainable palm oil including SCCS. In the SOP mentioned that internal audit are done annually. The requirements of RSPO Market Communications and Claims Documents describes in the SOP No. PT FLD-TKMM/SOP/35. Internal audit of SCCS conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. The last internal audit are conduct at 27 – 31 August 2018.
	<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>
	Tanjung Kembiri Mill has not purchased CSPO or CSPK
	<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>
	Tanjung Kembiri Mill has not purchased CSPO or CSPK
	<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>
	The company has an agreement with a third party in terms of transporting CPO and PK. Examples of these contracts are as follows:

- CPO Transportation agreement with PT. Satrindo Jaya Agropalma No.001/FLD/TKMM/01/2017 - CPO dated 2 January 2017.
- PK Transportation agreement with CV Rafli Gema Nusantara No. 001/FLD/TKMM/01/2017 – PK dated 2 January 2017

The transporters have complies to the requirements of the RSPO Supply Chain Certification Standard show in contractor control form (Formulir/Smart/MCAR/XVI/TA-PKT/03 issued 26 March 2012 revised 1 February 2019) and available a state on letter from PT. Rafli Gema Nusantara on 9 February 2019 and from PT. Satrindo Jaya Agropalma on 7 January 2019.

**Status: Comply**

### 5.5.2

**Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:**

- a. The site has legal ownership of all input material to be included in outsourced processes;
- b. 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.
- c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- d. 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

The company has legal ownership of CPO and PK products which in the transport of CPO and PK are given to third parties under the following agreement:

- CPO Transportation agreement with PT. Satrindo Jaya Agropalma No.001/FLD/TKMM/01/2017 - CPO dated 2 January 2017.
- PK Transportation agreement with CV Rafli Gema Nusantara No. 001/FLD/TKMM/01/2017 – PK dated 2 January 2017

Currently the CPO/PK transportation contract has not yet been entered into a clause regarding the fulfillment of RSPO SCCS, but the site has ensure that certification bodies have access to the outsourcing contractor stated on letter from PT. Rafli Gema Nusantara on 9 February 2019 and from PT. Satrindo Jaya Agropalma on 7 January 2019. The site has control system on contractor control form (Formulir/Smart/MCAR/XVI/TA-PKT/03 issued 26 March 2012 revised 1 February 2019). The site also has prepared a draft of procedure that plan for issue on 1 March 2019 regarding contractors control (SOP/Smart/MCAR/XVI/TA/PKT) according to requirements of RSPO supply chain standard. This plan became opportunity for improvement (OFI).

**Status: OFI**

### 5.5.3

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

The site has record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products, such as:

- PT. Satrindo Jaya Agropalma (CPO Transporter), address: Jakarta Pusat.
- CV Rafli Gema Nusantara (PK Transporter), address: Tanjung Pandan, Belitung.

**Status: Comply**

### 5.5.4

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

There is no new contractor used, all contractors has been informed since previous assessment.

**Status: Comply**

## 5.6

**Sales and goods out**

**5.6.1**

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

The site has product information provided in such as document of weighbridge ticket, delivery order and other invoices. The informations are:

- The name and address of the buyer;
- The name and address of the seller;
- The loading or shipment / delivery date;
- A description of the product RSPO certified Mass Balance model
- The date on which the documents were issued;
- The quantity of the products delivered;
- Any related transport documentation;
- etc.

**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

Tanjung Kembiri Mill has registered all transactions in RSPO IT platform.

**Status: Comply**

**5.7.2**

**The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:**

- **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.

Transactions are registered in RSPO IT platform as for periods Period of 21 April 2018 to 12 February 2019

- **Certified CPO sold to each buyer**

*There is no certified CPO sold*

Date	Buyer	Volume (Ton)
30/10/2018	Removing stock	8,900
30/10/2018	Removing stock	18,738
8/1/2019	Removing stock	17,575
		45,214

- **Certified Palm Kernel sold to each buyer**

Date	Buyer	Volume (Ton)
4/2/2019	PT SUMBER INDAH PERKASA	75.5
4/2/2019	PT SUMBER INDAH PERKASA	200
4/2/2019	PT SUMBER INDAH PERKASA	300

4/2/2019	PT SUMBER INDAHPERKASA	450
4/2/2019	PT SUMBER INDAHPERKASA	74.5
12/12/2018	PT SUMBER INDAHPERKASA	375.5
12/12/2018	PT SUMBER INDAHPERKASA	500
12/12/2018	PT SUMBER INDAHPERKASA	50
4/12/2018	PT SUMBER INDAHPERKASA	150
4/12/2018	PT SUMBER INDAHPERKASA	650
4/12/2018	PT SUMBER INDAHPERKASA	100
6/11/2018	PT SUMBER INDAHPERKASA	200
6/11/2018	PT SUMBER INDAHPERKASA	100
6/11/2018	PT SUMBER INDAHPERKASA	1,000
6/11/2018	PT SUMBER INDAHPERKASA	200
8/10/2018	PT SMART Tbk.(PT Sinar Mas Agro Resources and Technology Tbk.) Belawan Refinery	300
8/10/2018	PT SMART Tbk.(PT Sinar Mas Agro Resources and Technology Tbk.) Belawan Refinery	1,000
16-10-2018	PT SUMBER INDAHPERKASA	500
16-10-2018	PT SUMBER INDAHPERKASA	700
25-08-2018	PT IVO MAS TUNGGAL - Lubuk Gaung	300
25-08-2018	PT IVO MAS TUNGGAL - Lubuk Gaung	450
25-08-2018	PT IVO MAS TUNGGAL - Lubuk Gaung	100
7/9/2018	PT SMART Tbk.(PT Sinar Mas Agro Resources and Technology Tbk.) Belawan Refinery	500
7/9/2018	PT SMART Tbk.(PT Sinar Mas Agro Resources and Technology Tbk.) Belawan Refinery	900
3/8/2018	PT SUMBER INDAHPERKASA	400
3/8/2018	PT SUMBER INDAHPERKASA	600
3/8/2018	PT SUMBER INDAHPERKASA	300
13-07-2018	PT SUMBER INDAHPERKASA	150
13-07-2018	PT SUMBER INDAHPERKASA	300
13-07-2018	PT SUMBER INDAHPERKASA	100
10/7/2018	PT SUMBER INDAHPERKASA	200
10/7/2018	PT SUMBER INDAHPERKASA	400
10/7/2018	PT SUMBER INDAHPERKASA	200
10/7/2018	PT SUMBER INDAHPERKASA	50
28-05-2018	PT SUMBER INDAHPERKASA	200
28-05-2018	PT SUMBER INDAHPERKASA	200
28-05-2018	PT SUMBER INDAHPERKASA	150
28-05-2018	PT SUMBER INDAHPERKASA	150
23-04-2018	PT SUMBER INDAHPERKASA	50
23-04-2018	PT SUMBER INDAHPERKASA	50
23-04-2018	PT SUMBER INDAHPERKASA	100
23-04-2018	PT SUMBER INDAHPERKASA	100
23-04-2018	PT SUMBER INDAHPERKASA	100
23-04-2018	PT SUMBER INDAHPERKASA	100
28-04-2018	PT SUMBER INDAHPERKASA	50
28-04-2018	PT SUMBER INDAHPERKASA	100
28-04-2018	PT SUMBER INDAHPERKASA	200
28-04-2018	PT SUMBER INDAHPERKASA	200
28-04-2018	PT SUMBER INDAHPERKASA	100
Total		13,725

	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	
SCCS training are planned annually, for example in 2018 conducted on 27 August 2018 and 10 September 2018.	
	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	

The company has provided training at 27 August and 10 September 2018 with attendance such as: security, laboratory assistant, dispatch operators, weighbridge operators, grader, etc. Based on interview at weighbridge station is known that the weighbridge operator and SCCS person in charge have understand the RSPO supply chain procedures

**Status: Comply**

## 5.9 Record keeping

### 5.9.1

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

The site has maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements. Those are describe in this recertification report on section of Module E CPO Mills - Mass Balance Requirements.

**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 retention times for all records and reports are keep in minimum 10 years According to the SOP no. SOP/SMART/UMUM/SADV/II/001. Based on documents verification, there is available at mill the record of supply chain for last 2 years.

**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.**

FFBs, CSPO and CSPK produced and/or claimed records are kept in minimum 12 months. Record of all certified palm oil / palm kernel oil volumes purchased (input) and claimed (output) for period of 21 April 2018 to 12 February 2019:

Period	CPO production (Kg)		Total	CPO Dispatch (Kg)			Total
	Cert	Non Cert		RSPO	Other scheme (ISCC)	Non Cert	
Last period stock	-	1,807,266	1,807,266	-	-	-	-
21 April 2018	909,147	672,203	1,581,350	-	736,840	474,240	1,211,080
May 2018	3,638,817	1,886,523	5,525,340	-	3,496,410	1,808,690	5,305,100
June 2018	3,321,006	1,257,744	4,578,750	-	2,958,990	1,237,150	4,196,140
July 2018	6,457,407	2,183,273	8,640,680	-	5,356,560	2,375,020	7,731,580
August 2018	6,606,352	2,176,358	8,782,710	-	6,242,970	2,123,610	8,366,580
September 2018	6,769,949	1,646,951	8,416,900	-	7,146,030	1,762,170	8,908,200
October 2018	7,043,892	1,601,187	8,645,080	-	7,433,990	1,027,370	8,461,360
November 2018	4,933,284	1,428,716	6,362,000	-	5,189,200	1,487,790	6,676,990
December 2018	3,750,804	1,338,376	5,089,180	-	4,951,900	1,318,250	6,270,150
January 2019	3,830,961	1,602,718	5,433,680	-	4,425,520	1,659,830	6,085,350
12 February 2019	1,267,450	641,659	1,909,110	-	1,036,140	270,110	1,306,250
<b>Total</b>	<b>48,529,070</b>	<b>18,242,975</b>	<b>66,772,045</b>	<b>-</b>	<b>48,974,550</b>	<b>15,544,230</b>	<b>64,518,780</b>

Period	PK production (Kg)		Total	Cert PK Dispatch (Kg)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
Last period stock	505,903	397,407	903,310	-	-	-	-
21 April 2018	231,665	170,765	402,430	650,000	-	450,000	1,100,000
May 2018	876,795	445,955	1,322,750	800,000	-	400,000	1,200,000
June 2018	874,356	328,504	1,202,860	-	-	-	-



July 2018	1,927,838	650,792	2,578,630	2,090,980	-	600,000	2,690,980
August 2018	1,842,085	616,435	2,458,520	1,459,020	-	775,500	2,234,520
September 2018	2,077,864	504,386	2,582,250	2,700,000	-	700,000	3,400,000
October 2018	1,978,096	446,034	2,424,130	1,695,500	-	300,000	1,995,500
November 2018	1,422,653	407,317	1,829,970	1,396,040	-	300,000	1,696,040
December 2018	1,284,408	458,683	1,743,090	1,433,960	-	524,500	1,958,460
January 2019	1,133,052	472,448	1,605,500	1,100,000	-	500,000	1,600,000
12 February 2019	506,650	251,270	757,920	1,034,750	-	465,250	1,500,000
Total	14,661,365	5,149,996	19,811,360	14,360,250	-	5,015,250	19,375,500
.							
	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 ( <a href="http://www.rspo.org">www.rspo.org</a> ); 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							
The site doesn't applied a conversion rate.							
	Status: Comply						
5.10.2							
Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.							
The site doesn't applied a conversion rate.							
	Status: Comply						
5.11	Claims						
5.11.1							
The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.							
The site make claims regarding the sell of RSPO certified oil palm products only. The requirements of RSPO Market Communications and Claims Documents describes in the SOP No.: No. PT FLD-TKMM/SOP/35.							
	Status: Comply						
5.12	Complaints						
5.12.1							
The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.							
Procedures for stakeholders complaints established in the document no. SOP/SMART/SIGS-CSR/SADV/II/003, issued on 1 July 2014.							
	Status: Comply						
5.13	Management review						
5.13.1							
The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken							
The company has management review conduct annually at 3 September 2018.							
	Status: Comply						

**5.13.2**

The input to management review shall include information on:

- Results of internal audits covering RSPO Supply Chain Certification Standard.
- Customer feedback.
- Status of preventive and corrective actions.
- Follow-up actions from management reviews.
- Changes that could affect the management system.
- Recommendations for improvement.

The Management review are include result of internal audit, preventive and corrective actions, customer feedback, follow up actions and recommendations for improvement.

**Status: Comply**

**5.13.3**

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.

The Management review are include the decision and actions related to Improvement of the effectiveness of the management system and its processes and Resource needs.

**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																												
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.																												
The site is applied supply chain model Mass Balance due to it still received FFB from uncertified sources. FFB's suppliers to Tanjung Kembiri Mill are:																												
<div>- Certified → TKME and TRSE</div> <div>- Uncertified → TRSE Non Certified (48.81 Ha) and Plasma Tanjung Rusa</div>																												
	Status: Comply																											
E.2	Explanation																											
E.2.1																												
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.																												
Estimate product certified CPO and PK for period 21 April 2019 – 20 April 2020 describe at this ASA 3 report (basic info 1.8.3). Actual product certified for period 21 April 2018 – 20 April 2019:																												
Period of 21 April 2018 – 20 April 2019 (tonnes/year)																												
Products	Estimate	Extension	New estimate	Actual <i>*(period 21 April 2018 – 12 February 2019)</i>																								
CSPO	46,874	9,437	56,311	48,529.07																								
CSPK	11,209	4,179	15,388	14,155.46																								
The extension approved on 21 January 2019 due to an additional production from certified product.																												
	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).																												
<div>• RSPO IT Platform member registration number: RSPO_PO1000003486</div> <div>• Certified CPO sold to each buyer</div> <div>There is no certified CPO sold</div> <table><tr><th>Date</th><th>Buyer</th><th>Volume (Ton)</th></tr><tr><td>30/10/2018</td><td>Removing stock</td><td>8,900</td></tr><tr><td>30/10/2018</td><td>Removing stock</td><td>18,738</td></tr><tr><td>8/1/2019</td><td>Removing stock</td><td>17,575</td></tr><tr><td></td><td></td><td>45,214</td></tr></table> <div>• Certified Palm Kernel sold to each buyer</div> <table><tr><th>Date</th><th>Buyer</th><th>Volume (Ton)</th></tr><tr><td>4/2/2019</td><td>PT SUMBER INDAHPERKASA</td><td>75.5</td></tr><tr><td>4/2/2019</td><td>PT SUMBER INDAHPERKASA</td><td>200</td></tr></table>					Date	Buyer	Volume (Ton)	30/10/2018	Removing stock	8,900	30/10/2018	Removing stock	18,738	8/1/2019	Removing stock	17,575			45,214	Date	Buyer	Volume (Ton)	4/2/2019	PT SUMBER INDAHPERKASA	75.5	4/2/2019	PT SUMBER INDAHPERKASA	200
Date	Buyer	Volume (Ton)																										
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Date	Buyer	Volume (Ton)																										
4/2/2019	PT SUMBER INDAHPERKASA	75.5																										
4/2/2019	PT SUMBER INDAHPERKASA	200																										

4/2/2019	PT SUMBER INDAH PERKASA	300
4/2/2019	PT SUMBER INDAH PERKASA	450
4/2/2019	PT SUMBER INDAH PERKASA	74.5
12/12/2018	PT SUMBER INDAH PERKASA	375.5
12/12/2018	PT SUMBER INDAH PERKASA	500
12/12/2018	PT SUMBER INDAH PERKASA	50
4/12/2018	PT SUMBER INDAH PERKASA	150
4/12/2018	PT SUMBER INDAH PERKASA	650
4/12/2018	PT SUMBER INDAH PERKASA	100
6/11/2018	PT SUMBER INDAH PERKASA	200
6/11/2018	PT SUMBER INDAH PERKASA	100
6/11/2018	PT SUMBER INDAH PERKASA	1,000
6/11/2018	PT SUMBER INDAH PERKASA	200
8/10/2018	PT SMART Tbk.(PT Sinar Mas Agro Resources and Technology Tbk.) Belawan Refinery	300
8/10/2018	PT SMART Tbk.(PT Sinar Mas Agro Resources and Technology Tbk.) Belawan Refinery	1,000
16-10-2018	PT SUMBER INDAH PERKASA	500
16-10-2018	PT SUMBER INDAH PERKASA	700
25-08-2018	PT IVO MAS TUNGGAL - Lubuk Gaung	300
25-08-2018	PT IVO MAS TUNGGAL - Lubuk Gaung	450
25-08-2018	PT IVO MAS TUNGGAL - Lubuk Gaung	100
7/9/2018	PT SMART Tbk.(PT Sinar Mas Agro Resources and Technology Tbk.) Belawan Refinery	500
7/9/2018	PT SMART Tbk.(PT Sinar Mas Agro Resources and Technology Tbk.) Belawan Refinery	900
3/8/2018	PT SUMBER INDAH PERKASA	400
3/8/2018	PT SUMBER INDAH PERKASA	600
3/8/2018	PT SUMBER INDAH PERKASA	300
13-07-2018	PT SUMBER INDAH PERKASA	150
13-07-2018	PT SUMBER INDAH PERKASA	300
13-07-2018	PT SUMBER INDAH PERKASA	100
10/7/2018	PT SUMBER INDAH PERKASA	200
10/7/2018	PT SUMBER INDAH PERKASA	400
10/7/2018	PT SUMBER INDAH PERKASA	200
10/7/2018	PT SUMBER INDAH PERKASA	50
28-05-2018	PT SUMBER INDAH PERKASA	200
28-05-2018	PT SUMBER INDAH PERKASA	200
28-05-2018	PT SUMBER INDAH PERKASA	150
28-05-2018	PT SUMBER INDAH PERKASA	150
23-04-2018	PT SUMBER INDAH PERKASA	50
23-04-2018	PT SUMBER INDAH PERKASA	50
23-04-2018	PT SUMBER INDAH PERKASA	100
23-04-2018	PT SUMBER INDAH PERKASA	100
23-04-2018	PT SUMBER INDAH PERKASA	100
23-04-2018	PT SUMBER INDAH PERKASA	100
28-04-2018	PT SUMBER INDAH PERKASA	50
28-04-2018	PT SUMBER INDAH PERKASA	100
28-04-2018	PT SUMBER INDAH PERKASA	200
28-04-2018	PT SUMBER INDAH PERKASA	200
28-04-2018	PT SUMBER INDAH PERKASA	100
<b>Total</b>		<b>13,725</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.

Tanjung Kembiri Mill has the documents of SCCS procedures for Mass Balance models with document No. PT FLD-TKMM/SOP/35 has been approved on 2 January 2016. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including responsibilities of each

key personnel involved, definition, the FFB reception process, weighing, checking quality, processing, monitoring refined products, mass balance calculations, delivery of the product. The procedure is according to RSPO SCCS 21 November 2014, revised 14 June 2017. Based on interviews with mill clerk note that the clerk understand the separation between FFB certified and non certified. He also record the FFB received from all supply bases.

**Status: Comply**

### E.3.2

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

The mill has procedure of Supply Chain RSPO Products - Mass Balance Model (No: PT FLD-TKMM/SOP/35) dated 2 January 2016 explaining that:

- The source or supplier of FFB received by the mill can be classified into 3: Own estates (certified), smallholder scheme and individuals FFB.
- All FFB suppliers has recorded /recapitulated/and maintained its current status.
- Suppliers of certified FFB as a sustainable raw material that can be identified or given information that differentiates it from non-certified suppliers.

**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.

The site has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of 21 April 2018 to 12 February 2019:

Month	FFB (ton)		
	RSPO Certified	Non Certified	Total
21 April 2018	4,338,650	3,203,550	7,542,200
May 2018	18,187,813	9,548,497	27,736,310
June 2018	16,645,659	6,361,611	23,007,270
July 2018	32,699,069	11,215,891	43,914,960
August 2018	30,307,990	10,070,890	40,378,880
September 2018	32,600,162	8,031,298	40,631,460
October 2018	33,701,161	7,891,929	41,593,090
November 2018	24,750,940	7,312,540	32,063,480
December 2018	19,306,937	6,976,303	26,283,240
January 2019	18,933,202	7,995,418	26,928,620
12 February 2019	5,971,330	3,040,990	9,012,320
<b>Total</b>	<b>237,442,913</b>	<b>81,648,917</b>	<b>319,091,830</b>

**Status: Comply**

#### E.4.2

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

There is no projected overproduction of certified tonnage, the company has extended the certified volume approved on 21 January 2019 due to an additional production from certified product. The Tonnage of product certified:

Products	Period of 21 April 2018 – 20 April 2019 (tonnes/year)			
	Estimate	Extension	New estimate	Actual *(period 21 April 2018 – 12 February 2019)
CSPO	46,874	9,437	56,311	48,529.07

CSPK	11,209	4,179	15,388	14,155.46			
	Status: Comply						
E.5	Record keeping						
E.5.1							
a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.							
b. 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.							
c. 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.)							
The Certificate holder has record and balance all received of RSPO FFB and deliveries of RSPO certified CPO and PK. The Volume of certified CPO and PK are delivered from accounting system according to conversion by percentage of FFB certified. The sales of RSPO product claim are sold from a positive stocks							
	CPO production (Kg)		CPO Dispatch (Kg)				
Period	Cert	Non Cert	Total	RSPO	Other scheme (ISCC)	Non Cert	Total
Last period stock	-	1,807,266	1,807,266	-	-	-	-
21 April 2018	909,147	672,203	1,581,350	-	736,840	474,240	1,211,080
May 2018	3,638,817	1,886,523	5,525,340	-	3,496,410	1,808,690	5,305,100
June 2018	3,321,006	1,257,744	4,578,750	-	2,958,990	1,237,150	4,196,140
July 2018	6,457,407	2,183,273	8,640,680	-	5,356,560	2,375,020	7,731,580
August 2018	6,606,352	2,176,358	8,782,710	-	6,242,970	2,123,610	8,366,580
September 2018	6,769,949	1,646,951	8,416,900	-	7,146,030	1,762,170	8,908,200
October 2018	7,043,892	1,601,187	8,645,080	-	7,433,990	1,027,370	8,461,360
November 2018	4,933,284	1,428,716	6,362,000	-	5,189,200	1,487,790	6,676,990
December 2018	3,750,804	1,338,376	5,089,180	-	4,951,900	1,318,250	6,270,150
January 2019	3,830,961	1,602,718	5,433,680	-	4,425,520	1,659,830	6,085,350
12 February 2019	1,267,450	641,659	1,909,110	-	1,036,140	270,110	1,306,250
Total	48,529,070	18,242,975	66,772,045	-	48,974,550	15,544,230	64,518,780
	PK production (Kg)		Cert PK Dispatch (Kg)				
Period	Cert	Non Cert	Total	RSPO	Other scheme	Non Cert	Total
Last period stock	505,903	397,407	903,310	-	-	-	-
21 April 2018	231,665	170,765	402,430	650,000	-	450,000	1,100,000
May 2018	876,795	445,955	1,322,750	800,000	-	400,000	1,200,000
June 2018	874,356	328,504	1,202,860	-	-	-	-
July 2018	1,927,838	650,792	2,578,630	2,090,980	-	600,000	2,690,980
August 2018	1,842,085	616,435	2,458,520	1,459,020	-	775,500	2,234,520
September 2018	2,077,864	504,386	2,582,250	2,700,000	-	700,000	3,400,000
October 2018	1,978,096	446,034	2,424,130	1,695,500	-	300,000	1,995,500
November 2018	1,422,653	407,317	1,829,970	1,396,040	-	300,000	1,696,040
December 2018	1,284,408	458,683	1,743,090	1,433,960	-	524,500	1,958,460
January 2019	1,133,052	472,448	1,605,500	1,100,000	-	500,000	1,600,000
12 February 2019	506,650	251,270	757,920	1,034,750	-	465,250	1,500,000
Total	14,661,365	5,149,996	19,811,360	14,360,250	-	5,015,250	19,375,500
	Status: Comply						



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

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or√</b>
<b>RC</b>	Golden Agri Resources Ltd Trademark License Number RSPO-1-0096-11-100-00	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or√</b>
<b>RC</b>	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use. Golden Agri Resources Ltd. Trademark License Number RSPO-1-0096-11-100-00	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or√</b>
<b>RC</b>	Implementation of Certificate and Logo is not used on product. Golden Agri Resources Ltd Trademark License Number RSPO-1-0096-11-100-00	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>RC</b>	Golden Agri Resources Ltd. Trademark License Number RSPO-1-0096-11-100-00. Controlling of Certificate and Logo, including withdrawing inappropriate logo.	√
	<b>Status: Comply</b>	

### 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 forty two (42) mills and one hundred thirty six (136) estates (own and smallholders) in Indonesia and has achieved RSPO certified for twenty eight (28) 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> </ul>

		<ul style="list-style-type: none"> <li>- PT Paramitra Internusa Pratama (Belian Mill and supply base), 28 Maret – 01 April 2016</li> <li>- PT Sawit Mas Sejahtera (Sungai Kikim and supply base), monitoring via SPO Scorecard online.</li> <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.	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>Company Group/Holding Statement:</b> There is no new planting.</p> <p><b>Auditor Verification:</b> 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/I/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/I/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> <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</li> </ul>

		<p>Committee B and the company has got plantation business permit (IUP)</p> <ul style="list-style-type: none"> <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 supply base) and PT Adi Tunggal Mahajaya (Sako Mill) doesn't have Land Use Title (HGU).</li> <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, OFI and Noteworthy Positive Components**
**3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-4 Assessment**

<b>NCRNo.</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>Non-Conformance Description&amp; Evidence observed :</b>					
<u>There is No Non-Conformity</u>					
<b>Root Cause Analysis:</b>					
-					
<b>Corrective Action:</b>					
-					
<b>Preventive Action:</b>					
<b>Assessor Evaluation and Conclusion:</b>					
-					
<b>Verified by</b>	:	-			

**3.5.2 Identification of Findings, Corrective Actions and Observations at RC Assessment**

NCR No.	: 2019.01	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 14 February 2019	Time Limit	: ASA 1.1
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	6.1.4 The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties.		
Non-Conformance Description& Evidence observed :			
<p>The company has a review of the management and monitoring of social impacts carried out in 2017. The document has explained the management plan and monitored the social impacts identified and has been prepared based on the participation of the affected parties.</p> <p>Based on interview with representatives of Kembiri and Cerucuk Village, there were several social issues and negative perceptions from the community such as lack of information on job vacancies, disruption of local wisdom due to washing trenches carried out by the company, traditional assistance (<i>Maras Tahun</i>) which was considered less, FFB load exceeded capacity, and so on. This was also added from the results of interviews with the Department of Environment, Belitung Regency is related to the potential for social upheaval in the community. In response, the company showed evidence that these issues had been covered in a review of management plans, social monitoring and had implemented the plan.</p> <p>However, the company has not been able to show evidence that the results of the review of the management plan for these impacts have been precisely targeted, so that there is some issue raised during the audit activities. In addition, the review does not cover all existing social impacts, such as the impacts related to land disputes since 2015 and environmental pollution issues since 2016, such as on the website <a href="https://beritalama.com">https://beritalama.com</a> June 11, 2016, <a href="https://bangka.tribunnews.com">https://bangka.tribunnews.com</a> December 26, 2018 and the 29th edition of the Belitong Betuah newspaper (January 30 - February 13, 2019).</p>			
Root Cause Analysis:			
-			
Corrective Action:			
-			
Preventive Action:			
-			
AssessorEvaluation and Conclusion:			
-			
Verified by	:	-	

**3.5.3 Opportunity for Improvement**

No	Ref Std	Descriptions
1	2.2.3	Process of completion the overlapping of HGU with land certificate ownership
2	4.4.3	<ul style="list-style-type: none"> <li>- Ensuring POME management is carried out in accordance with the plans that have been owned.</li> <li>- Improve prevention of POME overflows from the Land Application area.</li> </ul>
3	General COC 5.5.2	Issuance of contractor control procedures draft SOP/Smart/MCAR/XVI/TA/

**3.5.4 Noteworthy Positive Components**

No	Descriptions
1	Commitment of PT FLD to implement the principles of sustainable palm oil plantation management.
2	Personnel competency and good teamwork during the audit process.
3	Has obtained certificate of ISPO and ISCC.
4	Award from the Ministry of Environment (Corporate Performance Rating Program in Environmental Management - Blue PROPER for 2017 - 2018).
5	Use of the E-FACT system (Electronic Field Activity Capture and Traceability) in harvesting and FFB administration.

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<b>Environment Agency</b> <b>Control, pollution and environmental damage division</b> <ul style="list-style-type: none"> <li>- Extension area for land application permit is still in process.</li> <li>- Mandatory report has been delivered to Environment Agency</li> <li>- There is an issue of environmental pollution in the Kembiri River. The agency has conducted a field visit related to the issue and has examined 4 points of pollution</li> <li>- If there is a request for information, the time to respond to the request for information takes a long time.</li> <li>- Company has obtained "Proper Biru" for period of 2018</li> </ul>	<p>Based on document verification of Communication and Consultation book, there is no information request (assistance proposal) from related agency. All information request from other stakeholder is responded within 3 weeks since incoming letter. The agency could send their request to Sinarmas Office in Tanjung Pandan.</p>
<b>National Land Agency</b> <b>Land compliance and management of HGU division</b> <ul style="list-style-type: none"> <li>- There is no addition area for HGU.</li> <li>- There is no land dispute issue reported to agency.</li> <li>- There is no report about SHM process of Tanjung Rusa Smallholder</li> <li>- Company has reported the land use report</li> <li>- There is an issue of compensation for an area of &lt;1 Ha in Kembiri Village, near the PKS area. There has been compensation from the company, but the community claims that they have not received compensation</li> </ul>	<p>This matter has been verified at criterion 2.2</p>
<b>Food and Agriculture Security Service</b> <b>Plantation Division</b> <ul style="list-style-type: none"> <li>- Company has reported the plantation report</li> <li>- Assessment of plantation business in 2018 has been carried out</li> <li>- Fire extinguishers owned by the company are sufficient for PT Forestalestari Dwikarya</li> <li>- There is no communal land</li> <li>- Responses to requests for information take a long time</li> <li>- There are issues related to the extension of the HGU, but there has been no reporting to agency.</li> </ul>	<p>Communication and Consultation book, there is no information request (assistance proposal) from related agency. All information request from other stakeholder is responded within 3 weeks since incoming letter. The agency could send their request to Sinarmas Office in Tanjung Pandan</p>
<b>Manpower Agency</b> <ul style="list-style-type: none"> <li>- Minimum wage in accordance with 2019 Province Minimum Wage as much as Rp 2,976,705.97.</li> <li>- Currently the latest collective labor bargaining approval process</li> <li>- The company has reported the use of PKWT, but there has been no registration of the PKWT registration number</li> <li>- All operators must have operator license. There is no term of helper.</li> </ul>	<p>Auditor has verified the compliance towards criterion 4,7, 6.5, 6.6, 6,7, and 6,8.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> <li>- There is no issue about worker discrimination and child labor.</li> </ul>	
<b>Sawit Sejahtera Bersama Cooperative (Tanjung Rusa Smallholder)</b> <ul style="list-style-type: none"> <li>- There is an MoU between PT FLD and Sawit Sejahtera Bersama cooperative.</li> <li>- FFB prices based on prices determined by plantation agency. Changes in FFB prices can be found through the internet or informed directly from the Tanjung Kembiri Mill</li> <li>- All smallholder farmers has SHM</li> <li>- Details of smallholder farmer payments are available on the payment slip. Deduction on farmer payments include operational costs and fees for the company.</li> </ul>	<p>Auditor has verified the compliance towards criterion 6.10</p>
<b>Local Contractor of CV Cipta Nusantara Sejahtera FFB transporter</b> <ul style="list-style-type: none"> <li>- There is work agreement between PT FLD and contractor. It is made with negotiation between both parties.</li> <li>- Contractor understand ethical conduct and OSH policy of PT FLD.</li> <li>- PPE is provided by contractor, such as helmet and safety shoes. Medical insurance and work incident insurance are borne by contractor.</li> <li>- The payment is made on time</li> </ul>	<p>Auditor has verified the compliance towards criterion 6.10</p>
<b>Worker Union of PT Forestalestari Dwikarya</b> <ul style="list-style-type: none"> <li>- Worker union has registered to the agency.</li> <li>- Ratification of Collective labor bargaining is in process in labor agency.</li> <li>- Basic wage in accordance with applicable regulation.</li> <li>- PPE is provided by PT FLD</li> <li>- There is no fatal work accident in 2018.</li> <li>- There is no intervention from PT FLD in selection of worker union leader.</li> </ul>	<p>Auditor has verified the compliance with indicator 6.5.4</p>
<b>Gender Committee PT Forestalestari Dwikarya</b> <ul style="list-style-type: none"> <li>- There is no complaint about sexual harassment.</li> <li>- Gender committee has socialized company's policy, such as reproductive rights for worker.</li> <li>- Company gives menstrual and maternity leave in accordance with the available mechanism.</li> </ul>	<p>Auditor has verified the compliance towards criterion 6.9</p>
<b>Worker Cooperative</b>	

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> <li>- Annual meeting for 2017 is conducted in January 2018 and for period of 2018 will be conducted in March/April 2019.</li> <li>- Company provided facility for cooperative such as transportation to shop cooperative needed, lend a build for operational activity of cooperative.</li> <li>- Worker cooperative is provided and sell basic food for worker</li> </ul>	This matter has been verified at principle 6
<b>Local Contactor of PT Lintas Transindo Nusantara Transport Kernel</b> <ul style="list-style-type: none"> <li>- There is work agreement between PT FLD and contractor. It is made with negotiation between both parties.</li> <li>- Contractor understand ethical conduct and OSH policy of PT FLD.</li> <li>- PPE is provided by contractor, such as helmet and safety shoes. Medical insurance and work incident insurance are borne by contractor.</li> <li>- The payment is made on time</li> </ul>	Auditor has verified the compliance towards criterion 6.10
<b>FFB Supplier (PT Sawit Alam Permai)</b> <ul style="list-style-type: none"> <li>- There is a work agreement between supplier and PT FLD, however, the agreement is kept by management of PT Sawit Alam Permai</li> <li>- The FFB supplied is graded in accordance with the procedure</li> <li>- PPE is provided by PT Sawit Alam Permai</li> </ul>	Auditor has verified the compliance towards criterion 6.10
<b>Cerucuk Village &amp; Kembiri Village (Head of village and previous land owners)</b> <ul style="list-style-type: none"> <li>- The communication and relation between villages around with company are well maintained, the company's public relation already known by the communities. The mechanism for complaint and grievance submission has been understood well by the community</li> <li>- There were no significant land disputes and no indication of contractually army or paramilitaries using in plantation area of PT. Forestalestari Dwikarya. There is no disturbance from the company to enclave area (land that recognized as belonging to the community who are not willing to be compensated) but there is some area of HGU that overlapping with land certificate ownership of community.</li> <li>- There are no indigenous rights or customary rights. It also known that compensation process are done directed to the land owner and landowners are given the freedom to release their land without coercion.</li> <li>- There are some issues: there is no information on job vacancies, disruption of local wisdom due to washing trenches carried out by the company, traditional assistance (Maras Tahun) which is considered to be lacking, the load of</li> </ul>	This matters has been verified at criterion 2.2, 2.3, 5.2 and 6.1



<b>Public Issues (Institution/ NGO/Community)</b>	<b>Auditor Responses</b>
<p>FFB exceeds capacity</p> <ul style="list-style-type: none"> <li>- Stated that the CSR programs and other aids has been widely received by the communities and villages.</li> </ul>	
<p><b>Information from the website</b></p> <p>beritalima.com dated June 11, 2016 concerning the issue of pollution of factory wastewater to the Kembiri river. Link: <a href="https://beritalima.com/seluruh-perkebunan-milik-pt-foresta-lestari-dwikarya%e2%80%8e-ambil-alih/">https://beritalima.com/seluruh-perkebunan-milik-pt-foresta-lestari-dwikarya%e2%80%8e-ambil-alih/</a></p> <p>bangka.tribunnews.com dated December 26, 2018 the issue of pollution of soda stick liquid waste used to wash the factory floor to the Kembiri river. Link: <a href="http://bangka.tribunnews.com/amp/2018/12/26/video-pemda-dan-dprd-kabupaten-belitung-sidak-limbah-sawit-pt-foresta-lestari-dwikarya%e2%80%8e-ambil-alih/">http://bangka.tribunnews.com/amp/2018/12/26/video-pemda-dan-dprd-kabupaten-belitung-sidak-limbah-sawit-pt-foresta-lestari-dwikarya%e2%80%8e-ambil-alih/</a> 26 Desember 2018.</p>	<p>Verification has been carried out by team P3SLH Environmental Agency Belitung Regency, dated November 6, 2018. This is based on public reports regarding the indication of pollution by attaching the results of laboratory tests conducted by the village</p> <ul style="list-style-type: none"> <li>On November 6, 2018 a meeting was held between the community, village representatives, company representatives and the Environmental agency.</li> <li>The Environmental Agency conducted an explanation to the public regarding the results of the lab test.</li> <li>From the results of laboratory tests sent by the community, it is known that there are no pollution indicators in the Jamanakar river area.</li> <li>Conduct a review of location and documentation.</li> <li>The P3SLH team takes repeated samples to carry out laboratory tests.</li> <li>The results of laboratory tests dated November 19 at 4 sample points, are known to be the same as the results of the initial test, there was no identification of pollution to the river at the root time.</li> </ul> <p>Auditor verified the location of the Jamanakar river, and surrounded the land application area. Land Application that was above the Jamanakar river, the result of a visit in the land application area, found no indication of leakage. The last 3 flatbads are still empty, the company has drained flat bad, and raised the embankment in the last 3 faltbad. The same thing in the upstream jamanakar river, the condition of the water is clear condition is not indicated by the leakage of liquid waste.</p> <p>The company shows the minutes of the visit of the Regent and Members of the Belitung Council dated December 26, 2018. During the visit 131 people attended. Consisting of 20 Regents and member, 20 DPRD's, DLH Heads and 5 staff, Plantation and Agriculture Services, Head of the Belitung Regional Port, BPN, Membalong Sector Police Officers, Village Officials and Kembirii Village Community. Pos Belitung and BTV journalists.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
	<p>The results of the inspection by the regent and members, there were no indications of pollution, as for the regent and the team that came to give suggestions such as:</p> <ul style="list-style-type: none"> <li>• Rainwater ditches in front of the kernel warehouse are ensured so that nothing comes out of the ditch.</li> <li>• Focusing on supervision when applying liquid waste to Land Applications.</li> </ul> <p>The auditor verified according to the news delivered to the location in the factory and around the factory. Based on observations it was known that the company had made drainage canals which from the collection location were pumped to WWTP, at each station for embankments aimed at avoiding the laundry that goes into the ditch. Based on observations not found indicative of leakage from inside the factory area to the ditch.</p> <p>Auditor has been verified in indicator 4.4.3</p>

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

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

Signed on behalf of:

PT Forestalestari Dwikarya  
Management Representative

A handwritten signature in black ink, appearing to be "Ismu Zulfikar".

**Ismu Zulfikar**  
Monday, 25 February 2019

PT Mutuagung Lestari  
Lead Auditor

A handwritten signature in black ink, appearing to be "Leonada".

**Leonada**  
Monday, 25 February 2019

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	National Land Agency	Belitung Regency	-	Visit and Interview	12 February 2019	✓	
2	Environment Agency	Belitung Regency	-	Visit and Interview	12 February 2019	✓	
3	Food and Agriculture Security Service, Plantation Division	Belitung Regency	-	Visit and Interview	12 February 2019	✓	
4	Manpower Agency	Belitung Regency	-	Visit and Interview	12 February 2019	✓	
5	Sawit Sejahtera Bersama Cooperative (Tanjung Rusa Smallholder)	PT FLD	-	Interview	13 February 2019	✓	
6	Local Contractor of CV Cipta Nusantara Sejahtera, FFB transporter	PT FLD	-	Interview	13 February 2019	✓	
7	Local Contactor of PT Lintas Transindo Nusantara, Transport Kernel	PT FLD	-	Interview	13 February 2019	✓	
8	Worker union of PT Forestalestari Dwikarya	PT FLD	-	Interview	13 February 2019	✓	
9	Gender Committee PT Forestalestari Dwikarya	PT FLD	-	Interview	13 February 2019	✓	
10	Worker cooperative	PT FLD	-	Interview	13 February 2019	✓	
11	Cerucuk Village (Local Communities, ex land owner)	Cerucuk Village	-	Visit and Interview	12 February 2019	✓	
12	Kembiri Village (Local Communities, ex land owner)	Kembiri Village	-	Visit and Interview	12 February 2019	✓	
13	TKME - Spraying: 7 workers - Manuring: 4 workers - Harvesting: 4 workers - FFB transport: 1 worker - Landfill area: 2 workers - Hazardous waste storage: 1 worker - Workshop: 2 workers	Tanjung Kembiri Estate	-	Visit and Interview	12 February 2019	✓	
14	TRSE - Spraying: 4 workers - Manuring: 2 workers - Harvesting: 4 workers - FFB transport: 1 worker - Hazardous waste storage: 1 worker - Workshop: 1 worker - Pesticide Warehouse: 1 worker - Generator house: 1 worker	Tanjung Rusa Estate	-	Visit and Interview	13 February 2019	✓	

	<ul style="list-style-type: none"> <li>- Day care: 2 workers</li> <li>- Fuel warehouse: 1 worker</li> </ul>						
15	<b>TKMM</b> <ul style="list-style-type: none"> <li>- Security: 2 Security</li> <li>- Loading ramp: 6 workers</li> <li>- Sterillizer station: 1 worker</li> <li>- Press station: 1 worker</li> <li>- Boiler station: 3 worker</li> <li>- Engine room: 1 worker</li> <li>- Kernel station: 1 worker</li> <li>- WWTP: 1 worker</li> <li>- WTP: 1 worker</li> <li>- Workshop: 2 workers</li> <li>- LA: 2 workers</li> <li>- Hazardous waste storage: 1 worker</li> </ul>	Tanjung Kembiri Mill	-	Visit and Interview	12 February 2019	✓	
16	Sawit watch	Bogor, Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Email	29 January 2019		✓
17	WWF	Jakarta, Indonesia	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Email	29 January 2019		✓
18	WALHI Bangka Belitung	Pangkal Pinang, Indonesia	<a href="mailto:info@walhibabel.or.id">info@walhibabel.or.id</a>	Email	29 January 2019		✓
19	AMAN	Jakarta, Indonesia	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Email	29 January 2019		✓

**Appendix 2. Assessment Program**

DATE	11 – 15 February 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 11 February 2019		
06.30 – 07.45	Jakarta – Belitung	All Auditor
07.45 – 11.00	Belitung – SITE (PT. FLD)	
11.00 – 12.00	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>	
12.00 – 14.00	Break	
14.00 – 17.00	Documents Review <ul style="list-style-type: none"><li>Review of previous assessment findings</li><li>Verification of Basic Information Mill and Estate</li><li>Confirmation of Time Bound Plan</li><li>Review of Partial Certification</li><li>Verification of P n C documents</li></ul>	
Tuesday, 12 February 2019		
08.00 – 12.00	<ul style="list-style-type: none"><li>Stakeholder consultation to affected communities surrounding the plantations, indigenous peoples, local communities and previous land owners.</li><li>Stakeholders consultation to related agencies in Belitung Regency</li></ul> <b>Field Observation to Tanjung Kembiri Estate</b> Aspect to be verified : <ul style="list-style-type: none"><li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, Implementation of Legal Aspect (Land Ownership, Legal Boundaries.</li><li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place), HCV area.</li></ul>	LEO  AAS  HSS  BYG
12.00 – 14.00	Break	
14.00 – 17.00	<b>Field observation to Tanjung Kembiri Mill :</b> <ul style="list-style-type: none"><li>Supply Chain verification (FFB Receiving, Weighbridge),</li><li>Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO)</li></ul>	LEO HSS/ASS



DATE	11 – 15 February 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"><li>Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond &amp; land application</li></ul>	BYG
Wednesday, 13 February 2019		
08.00 – 12.00	Interview with Gender Committee, Worker's Union, , Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Smallholders, Third Party Supplier (if any), local NGO (if any)  <b>Field Observation to Tanjung Rusa Estate</b> Aspect to be verified : <ul style="list-style-type: none"><li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li><li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li><li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).</li></ul>	AAS  LEO HSS  BYG
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	<ul style="list-style-type: none"><li>Continue Field Observation and field observation clarification</li><li>Verification of documents and completing checklist</li></ul>	All Auditor
Thursday, 14 February 2019		
08.00 – 12.00	<ul style="list-style-type: none"><li>Continue Field Observation and field observation clarification</li><li>Verification of documents and completing checklist</li></ul>	All Auditor
12.00 – 14.00	<b>Break</b>	
14.00 – 16.00	Interim Meeting (closing meeting preparation)	
16.00 – 17.00	<b>Closing Meeting</b>	
Friday, 15 February 2019		
08.25 – 09.35 ....	<b>Belitung - Jakarta</b>	All Auditor