

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

[✓] Extension Scope

Name of Management Organisation : **JANGKANG PALM OIL MILL – Plantation Partnership of PT Sahabat Mewah dan Makmur, subsidiary of Austindo Nusantara Jaya Agri**
 Plantation Name : **Plantation Partnership of PT Sahabat Mewah dan Makmur**
 Location : Village of Jangkang, Sub District of Dendang, District of Belitung Timur, Province of Bangka Belitung, INDONESIA
 Certificate Code : **MUTU-RSPO/090**
 Date of Certificate Issue : 06 January 2016 Date of License Issue : 25 March 2019
 Date of Certificate Expiry : 05 January 2021 Date of License Expiry : 05 January 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
Extension scope	05 to 09 November 2018	Sandra Purba (Lead Auditor), Steve Mualim, Arif Faisal, Yudhi Yuniarto Tallutondok, Asystasya Aishah Silalahi	Octo H.P.N Nainggolan	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
Extension scope	25 March 2019

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Figure 1. Location Map of PT Sahabat Mewah & Makmur Partnership, Bangka Belitung Province

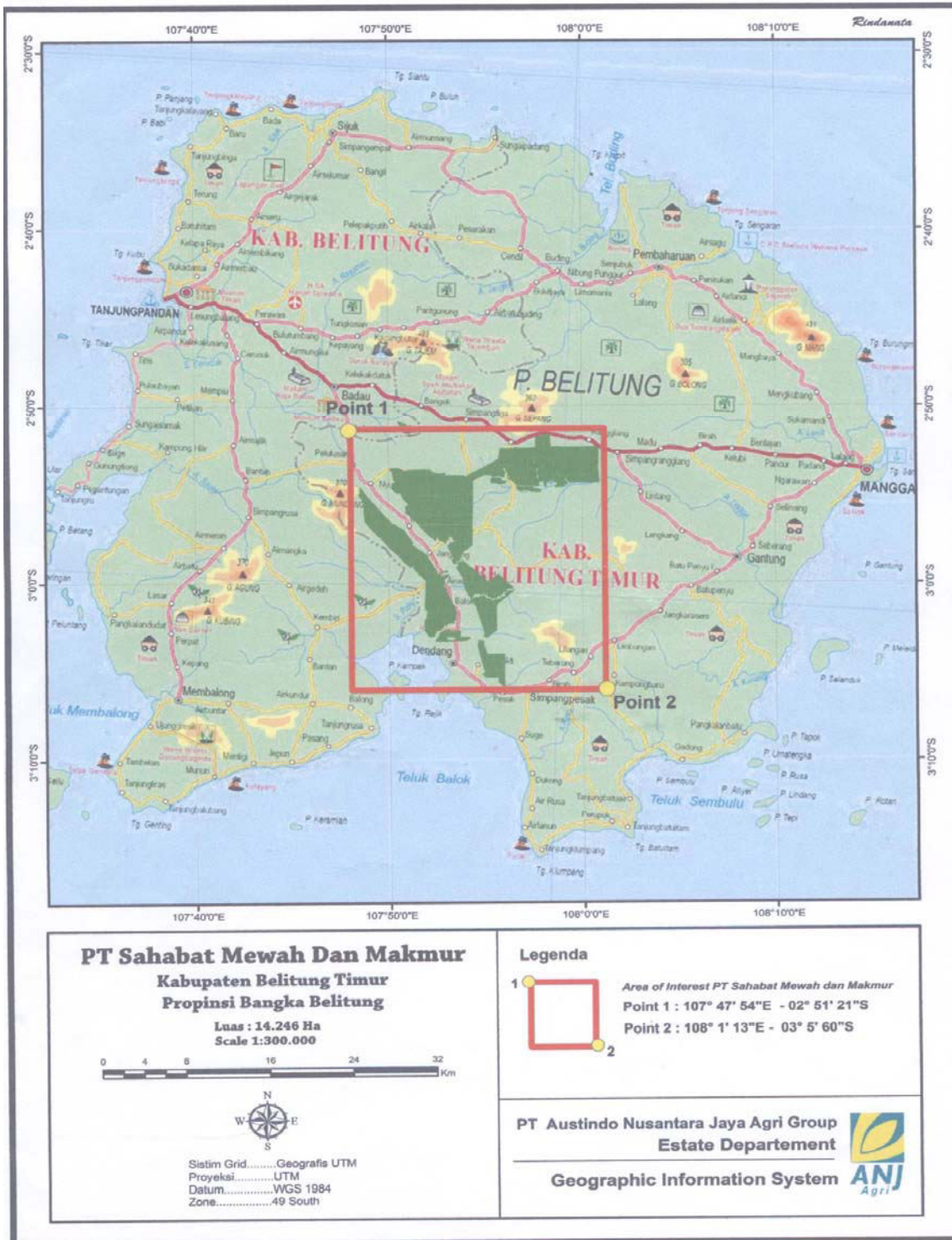


Figure 2. Operational Map of Sambar Jaya Makmur Cooperative Unit

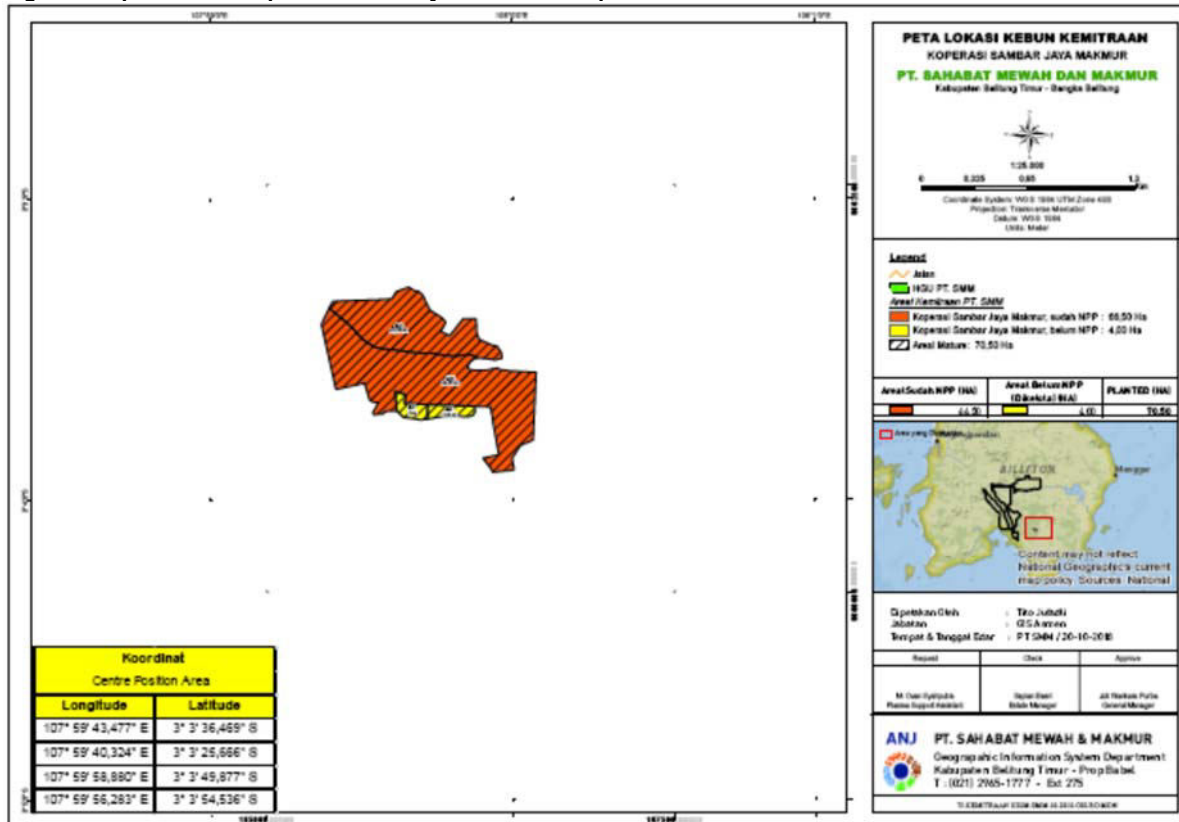


Figure 3. Operational Map of Mitra Lestari Cooperative Unit

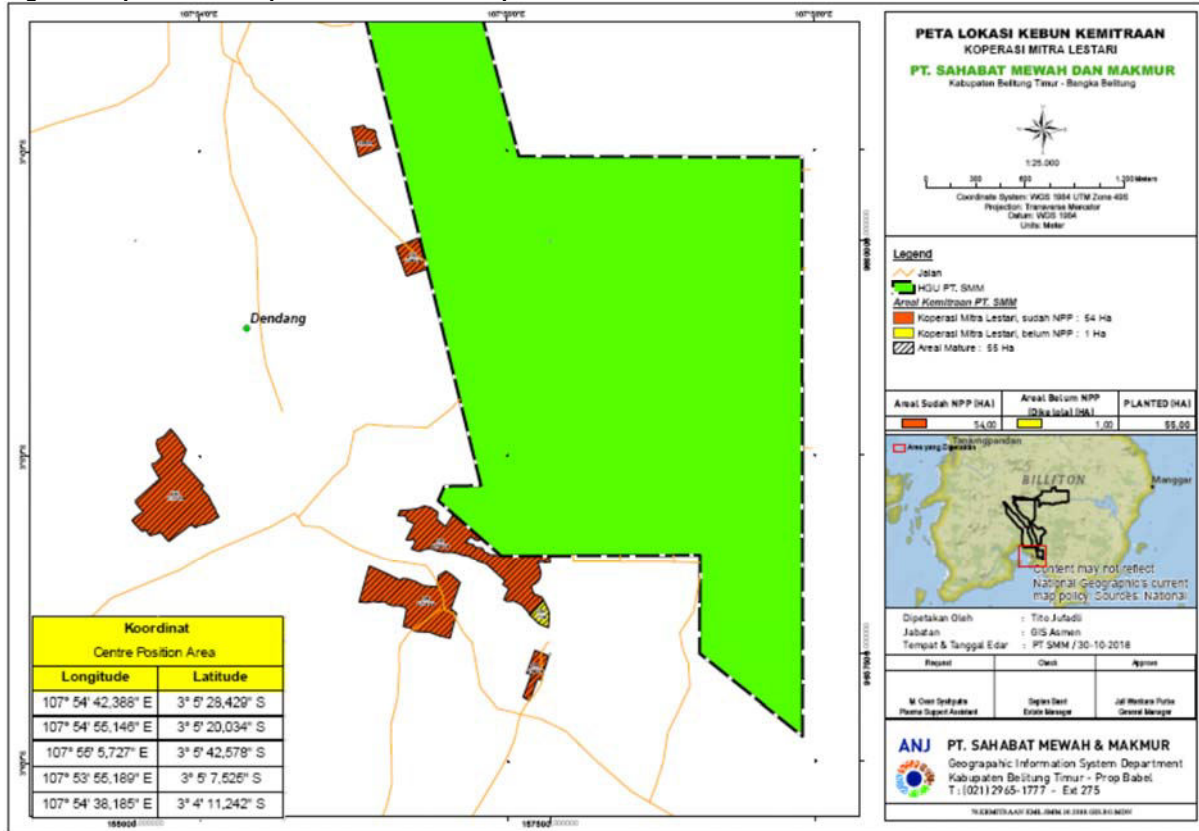
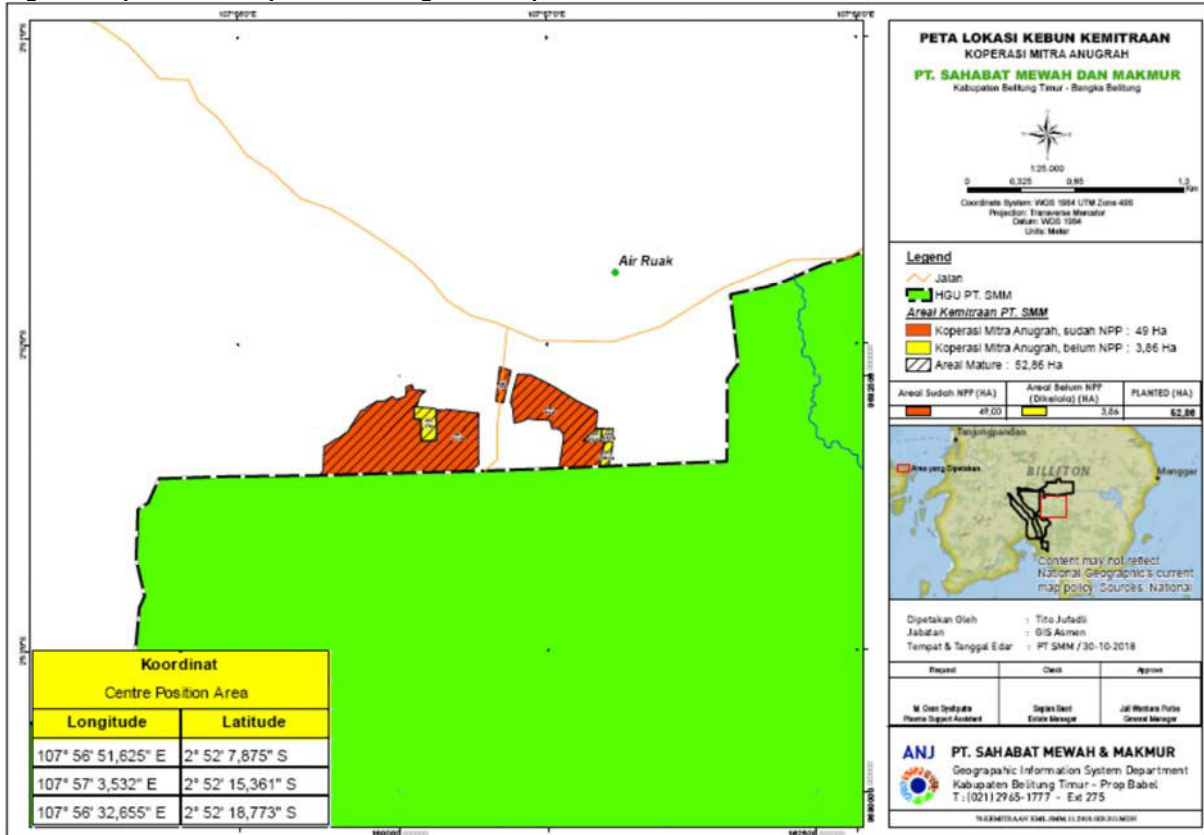


Figure 4. Operational Map of Mitra Anugerah Cooperative Unit



Abbreviations Used

ANJ	:	Austindo Nusantara Jaya
ANJA	:	Austindo Nusantara Jaya Agri
ARE	:	Air Ruak Estate
ASA	:	Annual Surveillance Assesment
BLE	:	Balok Estate
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (social security administrator)
CH	:	Certificate Holder
CID	:	Community Involvement Development
CPO	:	Crude Palm Oil
CR	:	Critical
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate social responsibility
CWT	:	Central Workshop Technique
DO	:	Delivery Order
EFB	:	Empty Fruit Bunch
EIA	:	Environment Impact Assesment
EN	:	Endangered
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Informed, Consent
GHG	:	Green House Gas
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIRAC	:	Hazard Identification, Risk Assessment and Control
HRO	:	Human Resource Officer
ID	:	Identification
IPM	:	Integrated Pest Management
ISCC	:	International Sustainable & Carbon Certification
IUCN	:	International Union for Conservation of Nature and Natural Resources
IUP	:	<i>Izin Usaha Perkebunan</i> / Plantation Business Permit
JHT	:	<i>Jaminan Hari Tua</i> (old age benefit)
JKE	:	Jangkang estate
JKK	:	<i>Jaminan Kecelakaan Kerja</i> (work accident insurance)
JKM	:	<i>Jaminan Kematian</i> (dead insurance)
JKS	:	<i>Jaminan Kesehatan</i> (health insurance)
JP	:	<i>Jaminan Pensiun</i> (Retirement insurance)
KER	:	Kernel Extraction Rate
LTA	:	Lost Time Accident
LUCA	:	Land Use Change Analysis
MB	:	Mass Balance
MR	:	Management Representative
MSDS	:	Material Safety Data Sheet
MT	:	Metric ton
NCR	:	Non Conformity Report
NGO	:	Non Government Organization
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety

P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja (OHS Committee)</i>
PIC	:	Person In Charge
PK	:	Palm Kernel
PLN	:	<i>Perusahaan Listrik Negara (State Electricity Company)</i>
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
RKL RPL	:	<i>Rencana Pengelolaan Lingkungan – Rencana Pemantauan Lingkungan (Environment Management & Monitoring Plan)</i>
S / NS	:	Sustainable / Non Sustainable
RSPO	:	Roundtable on Sustainable Palm Oil
SC	:	Supply Chain
SCCS	:	Supply Chain Certification System
SIA	:	Social Impact Assesment
SMM	:	Sahabat Mewah & Makmur
SOP	:	Standard Operational Procedure
SPO	:	Sustainable Palm Oil
WB	:	Weight bridge
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Waste water treatment plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • Indonesian National Interpretation Principle and criteria RSPO 2013 for Indonesia July 2016, approved RSPO Governors 30 September 2016. • RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill) • RSPO Certification System for Principles and Criteria, 14 June 2017 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT SAHABAT MEWAH & MAKMUR subsidiary of PT AUSTINDO NUSANTARA JAYA AGRI.	
1.2.2	Contact person	Antoperis Tarigan	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> • RSPO registered company: Wisma BII Lt. 7 - Diponegoro street No. 18, Medan. • Liaison Office: Atrium Mulia, 3A Floor, Suite 3A-02 H.R. Rasuna Said Street Kav. B10-11 Jakarta 12910, Indonesia Tel. (62 21) 2965 1777 Fax. (62 21) 2965 1788 	
1.2.4	Telephone	+62-21-2965 1777	
1.2.5	Fax	+62-21-2965 1788	
1.2.6	E-mail	antoperis.tarigan@anj-group.com	
1.2.7	Web page address	www.anjagri.com	
1.2.8	Management Representative who completed the application for certification	Juli Wankara (General Manager)	
1.2.9	Registered as RSPO member	1-0032-07-000-00 27 February 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Jangkang Palm Oil Mill, 5 Estates: Jangkang Estate, Balok Estate, Ladang Jaya Estate, Sari Bunga Estate and Air Ruak Estate	
	Scope extension	Plantation Partnership of PT Sahabat Mewah dan Makmur (169.5 Ha), consist of 3 cooperative unit.	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude

	Jangkang POM	Village of Jangkang, Sub-District of Dendang, District of Belitung Timur, Province of Kepulauan Bangka Belitung, Indonesia	S 02° 59' 54"	E 107° 52' 35"
1.4.2	Location of Certification Scope of Supply Base (Own Estate)			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Jangkang Estate	Jangkang Village, Dendang Sub-District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 59' 54"	E 107° 52' 33"
	Balok Estate	Balok Village, Dendang Sub-District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 02' 02"	E 107° 54' 56"
	Ladang Jaya Estate	Jangkang Villages, Dendang Sub-District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 56' 42"	E 107° 52' 58"
	Sari Bunga Estate	Nyuruk Village, Dendang Sub-District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 55' 16"	E 107° 52' 13"
	Air Ruak Estate	Simpang Tiga Village, Simpang Renggang Sub-District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 54' 04"	E 107° 56' 06"
	Mitra Lestari Cooperative Unit (44 smallholders)	Dendang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 05' 28"	E 107° 54' 42"
	Mitra Anugrah Cooperative Unit (31 smallholders)	Village of Simpang Tiga, Simpang Renggang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 52' 08"	E 107° 56' 51"
	Sambar Jaya Makmur Cooperative Unit (35 smallholders)	Simpang Pesak Village, Simpang Renggang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 03' 36"	E 107° 59' 43"
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		16,276.87	Ha
	• Community		169.5	Ha
1.5.2	Area Statement of certified area (own estate)			
		Own Estate	Scheme Smallholder (full managed)	Total
	• Total area	16,276.87	169.50	16,446.37 Ha
	• Mature area	10,299.13	169.50	10,468.63 Ha
	• Immature area	3,979.94		3,979.94 Ha

• Mill	6.61	6.61 Ha
• Emplacement, Infrastructure	139.77	139.77 Ha
• Nursery	7	7 Ha
• Plantable reserve	109.18	109.18 Ha
• Enclave, Hill, river, swamp, trench	259.37	259.37 Ha
• HCV	1,475.87	1,475.87 Ha

1.6 Planting Year and Cycles

1.6.1a Age profile of planting year

Planting Year	Hectarage (Ha)					
	Jangkang Estate	Balok Estate	Ladang Jaya Estate	Sari Bunga Estate	Air Ruak Estate	Total
Mature						
1990	725.19	-	-	-	-	725.19
1991	-	-	-	-	-	0.00
1992	38.37	639.98	-	-	260.86	939.21
1993	88.32	-	-	-	1,182.05	1,270.37
1994	-	-	-	-	80.90	80.90
1995	313.99	429.08	-	-	-	743.07
1996	23.37	142.30	-	-	821.86	987.53
1998	-	194.93	786.11	266.15	-	1,247.19
1999	233.86	-	-	402.18	808.58	1,444.62
2000	301.48	-	-	472.94	457.38	1,231.80
2001	-	-	-	-	30.85	30.85
2004	137.95	251.63	-	-	-	389.58
2005	620.73	-	-	140.22	260.06	1,021.01
2006	-	-	-	-	187.81	187.81
Immature						
2015	-	-	-	547.83	-	0.00
2016	462.96	-	-	-	-	1,010.79
2017	-	-	599.67	-	-	599.67
2018	43.87	1,233.76	721.76	251.80	-	2,251.19
2019	-	-	-	-	-	0.00
2018	0.77	0.44	1.20	-	115.88	118.29
TOTAL	2,990.86	2,892.12	2,108.74	2,081.12	4,206.23	14,279.07

1.6.1a Age profile of planting year of extension scope (partnership)

Planting Year	Mitra Lestari (Ha)	Mitra Anugrah (Ha)	Sambar Jaya Makmur (Ha)	Total (Ha)
2011	19	-	-	19
2012	35	-	-	35
2013	-	33.1	66.5	99.6

	2014		15.9		15.9		
	Total	54	49	66.50	169.50		
1.6.2	New Planting area after January 2010		169.50	Ha			
1.6.3	Planting Cycle		1 st Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Jangkang POM	60	340,764.78	75,806.32	17.10	17,630.56	3.94
	*Source Production Data on 12 months before assessment (November 2017 – October 2018)						
1.7.2	Description of Certification Scope of Supply Base (own estate)						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Jangkang Estate	3,744.01	2,990.86	53,799.23	17.99	53,799.23	100
	Balok Estate,	3,202.29	2,892.12	49,883.63	17.25	49,883.63	100
	Ladang Jaya Estate	2,214.65	2,108.74	20,404.47	9.68	20,404.47	100
	Sari Bunga Estate	2,427.93	2,081.12	34,220.11	16.44	34,220.11	100
	Air Ruak Estate	4,687.99	4,206.23	91,471.47	21.75	91,471.47	100
	Mitra Lestari Cooperative Unit	54	54	1166.94	21.5	1166.94	100
	Mitra Anugrah Cooperative Unit	49	49	568.4	11.6	568.4	100
	Sambar Jaya Makmur Cooperative Unit	66.50	66.50	1152.77	17.3	1152.77	100
	Total	16,446.37	14,448.57	252,667.02	16.8	252,667.02	100
	*Source Production Data on 12 months before assessment (November 2017 – October 2018)						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Koperasi Mitra Lestari – Non NPP (1 Ha)	Associated Smallholder (Non-certified)	1	1	21.5		
	Koperasi Mitra Anugrah-Non NPP (3.86 Ha)	Associated Smallholder (Non-certified)	2	3.86	47.29		
	Berimpun Sejahtera Cooperative Unit	Associated Smallholder (Non-certified)	32	64	521.88		
	Koperasi Sambar Jaya - Non NPP Makmur (4 Ha)	Associated Smallholder (Non-certified)	2	4	69.33		

Koperasi Tiong Sejahtera	Associated Smallholder (Non-certified)	49	66.11	1,012.32
Koperasi Gunung Nyerudong Sejahtera	Associated Smallholder (Non-certified)	145	154.07	609.55
BUMDes Balok	Associated Smallholder (Non-certified)	-	29.41	513.62
Koperasi Anugerah	Independent Smallholder (Non-certified)	-	-	6,489.58
Koperasi Bumi Makmur	Independent Smallholder (Non-certified)	-	-	29,896.98
Koperasi Sawit Sepakat Maju	Independent Smallholder (Non-certified)	-	-	715.82
CV. Subur Mandiri	Independent Smallholder (Non-certified)	-	-	1,471.91
CV. Tata Subur Makmur	Independent Smallholder (Non-certified)	-	-	4,224.02
Sawit Alam Permai	Independent Smallholder (Non-certified)	-	-	8,635.44
Rawi Agro Mandiri	Independent Smallholder (Non-certified)	-	-	4,498.34
KUD Bakti	Independent Smallholder (Non-certified)	-	-	6,612.90
Agro Inti Abadi	Independent Smallholder (Non-certified)	-	-	7,148.52
Henco Billitone Agroindo	Independent Smallholder (Non-certified)	-	-	3,582.23
Tri Selaras Agri	Independent Smallholder (Non-certified)	-	-	6,501.15
Hasil Sawit Bina Sejahtera	Independent Smallholder (Non-certified)	-	-	5,525.37
TOTAL				88,097.75

*Source Production Data on 12 months before assessment (November 2017 – October 2018)

1.7.4	Product categories	FFB, CPO, PK	
1.8	Tonnage of Product		
1.8.1	Past Annual Claim Certified Product	Last Year Projected Certified Volume (tonnes/year)	Last Year Actual certified product (tonnes/year)
	• FFB Processed	272,727	249,778.91

	• CPO Production	60,000	58,530.89					
	• Palm Kernel (PK) Production	15,000	13,539.25					
1.8.2	Product selling							
	Tonnage of selling product	Last Year of actual selling product (tonnes/year)						
	• CSPO sold as RSPO certified product	7,487						
	• CSPK sold as RSPO certified product	0						
	• CSPO sold under other scheme	0						
	• CSPK sold under other scheme	0						
	• CSPO sold as conventional	47,488.93						
	• CSPK sold as conventional	12,005.39						
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Jangkang Estate	3,744.01	2,990.86	47,523	19			
	Balok Estate,	3,202.29	2,892.12	44,064	18			
	Ladang Jaya Estate	2,214.65	2,108.74	18,024	10			
	Sari Bunga Estate	2,427.93	2,081.12	30,228	18			
	Air Ruak Estate	4,687.99	4,206.23	80,800	23			
	Sub total own estate	16,276.87	14,279.07	220,639	18			
	Mitra Lestari Cooperative Unit	54.00	54.00	990	22			
	Mitra Anugrah Cooperative Unit	49.00	49.00	490	12			
	Sambar Jaya Makmur Cooperative Unit	66.50	66.50	998	18			
	Sub total smallholder	169.50	169.50	2,478	17			
	Total	16,446.37	14,448.57	223,117	17			
	<i>*Projected FFB production for 25 March 2019 to 05 January 2020</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Jangkang POM	60	223,117	40,161	18	8,925	4	MB
	<i>*Projected CSPO and CSPK production for 25 March 2019 to 05 January 2020</i>							
1.9	Other Certifications							
	ISCC			EU-ISCC-Cert-DE129-35208680 (17 Jan 2018 – 16 Jan 2019)				

ISPO		TNI-ISPO-I-1406 (8 Dec 2014 – 7 Dec 2019)				
1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
	MILL	Time Bound Plan				
	ANJA Siais (PT ANJA Siais)	2014	Lembah Subur Utara	2014	South Tapanuli District, North Sumatera Province, Indonesia	Certified
			Lembah Subur Tengah	2014		
			Lembah Subur Selatan	2014		
	Jangkang (PT.Sahabat Mewah Makmur)	2009	Jangkang	2009	East Belitung District, Bangka Belitung Province, Indonesia	Certified
			Balok	2009		
			Ladang Jaya	2009		
			Sari Bunga	2009		
			Air Ruak	2009		
			Lindong Raya Cooperative	2019		
	Binanga (PT ANJ Agri)	2012	Estate Wilayah Timur	2012	Padang Lawas Utara District, North Sumatera Province	Certified
			Estate Wilayah Tengah	2012		
			Estate Wilayah Barat	2012		
	Kasai (PT.Kayung Agro Lestari)	2018	Sungai Gemilang Teduh 1 (SGT-1)	2019	Ketapang District, Province of West Kalimantan	Planned to re-audit
			Sungai Gemilang Teduh 2 (SGT-2)	2019		
			Gunung Sejahtera Tumbuh 2 (GST-2)	2019		
			Gunung Sejahtera Tumbuh 3 (GST-3)	2019		
	-	-	PT.Galempa Sejahtera Bersama	2020	Empat Lawang Distict, South Sumatera	NPP
	-	-	PT.Putera Manunggal Perkasa	2020	South Sorong District, West Papua	NPP
	-	-	PT.Permata Putera Mandiri	2020	South Sorong District, West Papua	NPP
	-	-	PT Austindo Nusantara Jaya Tbk	2022	South Sorong District, West Papua	
	<p>* Data source: document of revision of certification time-bound statement of PT ANJA and its subsidiaries</p> <p>* Certification progress for Kasai Mill – PT. Kayung Agro Lestari is still awaiting for LUCA approval from RSPO to closed NC Major on stage 2 (stage 2 held on 5 – 10 September 2016)</p> <p>* PT ANJT is ex PT Pusaka Agro Makmur, on 2017 not registered as ANJA subsidiary has been reported on ACOP to be certified on 2022, PT PAM legally become PT ANJT on 2015, for further activities will be use entity as PT ANJT.</p>					
1.10.1	The current status of smallholder scheme under PT SMM is non-certified, 3 of it is on process of extension scope					

(169.5 Ha), and the rest not yet planned due to the NPP process and legal document.

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-1.3	<ol style="list-style-type: none"> 1. Sandra Purba (Lead Auditor). Graduated from Forestry Faculty Bachelor Degree, majored in Forest Product Technology. Have experience working in industrial forest company, mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Has been certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), has been attend the training of waste management, GHG vericator and validator training, and conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO lead auditor training course and auditor of RSPO Next, SCCS LAT and SA8000. Involve in many audit activities of similar scheme (ISPO and MSPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare. During this audit, she verified legal compliance, social and SCCS. 2. Arif Faisal Simatupang (Auditor). Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has successfully completed an RSPO endorsed P&C Lead Auditor Training, RSPO SCCS endorsed Lead Auditor Training, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor Training, Management System Certification ISO 9001-2008 Lead Auditor Training, Environmental Management System ISO 14001 Lead Auditor Training, ISO 17021 and ISO 17065 Awareness Training, Management of High Conservation Value (HCV) Training, Social Accountability SA 8000 Training. He has four years of working experience as a Field Assistant on oil palm plantation company in Indonesia. Since 2014, he works as an auditor of RSPO and ISPO in the aspects of legal, social, best management practices of mill and estate, OHS, employment, and environmental. In this audit he is responsible for assessing the aspects of best management practices of agronomy and processing, long term program and local development. 3. Yudhi Yuniarto Tallutondok (Auditor). Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation companies in Indonesia. Training have been followed including Auditor of Indonesian Sustainable Palm Oil (ISPO), Lead Auditor of Roundtable on Sustainable Palm Oil (RSPO) P&C, Lead Auditor of ISO 9001:2015, ISO 14001:2015, ISO 22000:2009, ISO 19011:2011, Social Accountbilty 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness ISO 17021 and ISO 17065. Has participated in audit activities for the ISPO and RSPO scheme since 2017 for agronomy, OHS, labor, social and legality aspects. In this audit activity performs the assessment of Best Management Practices and OHS. 4. Asystasya Aishah Silalahi (Auditor). 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, 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 transparency, Social, and Worker Welfare aspects 5. Steve Mualim (Auditor). Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as Environmental management consultant (2012) and Sustainable palm oil assurance auditor since 2013. Has been attended several trainings e.g : ISCC in house training, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, and ISO 9001:2008. Has been conducted several audits for RSPO / ISPO scheme since 2013 for best management practices, conservation, and environmental management. Fluent in bahasa and chinese mandarin. At this time of audit, verified aspects of environmental management.
Ext Scope	<ol style="list-style-type: none"> 1. Sandra Purba (Lead Auditor). Graduated from Forestry Faculty Bachelor Degree, majored in Forest Product Technology. Have experience working in industrial forest company, mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Has been certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), has been attend the training of waste management, GHG vericator and validator training, and conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO

lead auditor training course and auditor of RSPO Next, SCCS LAT and SA8000. Involve in many audit activities of similar scheme (ISPO and MSPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare. During this audit, she verified legal compliance, social and SCCS.

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3. **Yudhi Yuniarto Tallutondok (Auditor)**. Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation companies in Indonesia. Training have been followed including Auditor of Indonesian Sustainable Palm Oil (ISPO), Lead Auditor of Roundtable on Sustainable Palm Oil (RSPO) P&C, Lead Auditor of ISO 9001:2015, ISO 14001:2015, ISO 22000:2009, ISO 19011:2011, Social Accountability 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness ISO 17021 and ISO 17065. Has participated in audit activities for the ISPO and RSPO scheme since 2017 for agronomy, OHS, labor, social and legality aspects. In this audit activity performs the assessment of Best Management Practices and OHS.
4. **Asystasya Aishah Silalahi (Auditor)**. 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, 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 transparency, Social, and Worker Welfare aspects
5. **Steve Mualim (Auditor)**. Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as Environmental management consultant (2012) and Sustainable palm oil assurance auditor since 2013. Has been attended several trainings e.g : ISCC in house training, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, and ISO 9001:2008. Has been conducted several audits for RSPO / ISPO scheme since 2013 for best management practices, conservation, and environmental management. Fluent in bahasa and Chinese mandarin. At this time of audit, verified aspects of environmental management.

2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1.3	Number of auditors : 5 auditor Number of days for ASA-1.3 at site : 4 days Number of working days for ASA-1.3 at site : 20 Working days
Ext Scope	Number of auditors : 5 auditor Number of days for extension scope at site : 2 days Number of working days for extension scope at site: 10 Working days
2.2.2	Assessment Process
ASA-1.3	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the the PT. Sahabat Mewah & Makmur to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO

	<p>Board of Governors on 21 November 2014 revised on 14 June 2017 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) 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 ASA-1.3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.4). Improvement of findings from main assesment findings were observed by auditors at this ASA-1.3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.3.</p> <p>The assessment program please find Appendix 2</p>
<p>Ext Scope</p>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Plantation Partnership of PT Sahabat Mewah Makmur (169.5 Ha) to the requirements of Indonesian National Interpretasion Principle and criteria RSPO 2013 for Indonesia July 2016, approved RSPO Governors 30 September 2016</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some oppotunities for improvement of the results extension scope delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.4). Improvement of findings from main assesment findings were observed by auditors at this extension scope assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of extension scope.</p> <p>The assessment program please find Appendix 2</p>
<p>2.2.3</p>	<p>Locations of Assessment</p>
<p>ASA-1.3</p>	<p>Number of unit in this certification activity is 1 (one) Mill and 5 (five) Own Estates. The auditor team used the $(0.8\sqrt{y}) \times (z)$ formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. (y) is the number of estate and (z) multiplier defined by the risk assessment. The consideration for risk assessment are geographic locations, distance of estate, complexity of labour, landscape setting, presence of HCV, number of communities/conflict, legality etc. Based on this formula, the auditor team determined that the sampling locations are one palm oil mill (Jangkang POM) and two estate (Balok Estate and Air Ruak Estate).</p> <p>Balok Estate</p> <ul style="list-style-type: none"> • Aek belas riparian block M33 div 4. Observation related HCV management • Central workshop and tranport. Observation related worker welfare, OHS, and waste management • Central hazarodus waste storage. Observation related worker welfare, OHS, and waste management • Diesel fuel tank. Observation related OHS and hazardous material handling • Chemical store. Observation related OHS and hazardous material handling • Fertilizer store. Observation related OHS and hazardous material handling • Sparepart store. Observation related OHS and worker welfare • Clinic. Observation and interview with paramedic about infectious waste management, work accident handling, medical facility. • Generator room. Observation and interview with generator operator about OHS, waste management, and worker welfare. • Landfill Block T42. Observation about domestic waste separation. • HGU Pole No. BPN 115, BPN 116, BPN 117, BPN 118. Observation of aspect of land demarcation and maintenance of HGU pole. • Harvesting of FFB, Block U42. Observation and interview on procedure implementation, safety dan worker welfare aspect.

- **Manuring of Immature Oil Palm, Block M22.** Observation and interview on procedure implementation, safety dan worker welfare aspect.
- **Replanting, Block P37.** Observation on mechanical land preparation, soil and water conservation by planting LCC.
- **Fire Monitoring Tower, Block P40.** Observation of fire monitoring by building fire monitoring tower.
- **HCV riparian of Aek Belas River, Block M33.** Observations of marking and management of riparian area.
- **EFB application Block P37.** Observation of procedures implementation, safety aspect, road conditions and employment interviews and soil erosion monitoring.

Jangkang Estate

- **Land application block P25-26 div I JKE.** Observation related worker welfare, OHS, and pome utilization

Air Ruak Estate

- **Tedong riparian block A58.** Observation related HCV management
- **Putat riparian block blok D47.** Observation related HCV management
- **HGU Pole No. AR 89, AR 90, AR 1, AR 2, AR 3, AR 4.** Observation of aspect of land demarcation and maintenance of HGU pole.
- **Harvesting of FFB, Block A50.** Observation and interview on procedure implementation, safety dan worker welfare aspect.
- **Path and Circle Spraying, Block B57 and B58.** Observation and interview on procedure implementation, safety dan worker welfare aspect
- **Barn Owl Box, Block B58.** Observation of biological treatment of infestation of rats by installing and monitoring barn owl boxes.
- **Fire Monitoring Tower, Block B62.** Observation of fire monitoring by building fire monitoring tower.
- **HCV riparian of Tedong River, Block A58.** Observations of marking and management of riparian area.
- **HCV riparian of Putat River, Block D47.** Observations of marking and management of riparian area.

Jangkang POM

- **Diesel fuel tank.** Observation related OHS and hazardous material handling
- **Workshop.** Observation related worker welfare, OHS, and waste management
- **Chemical store.** Observation related OHS and hazardous material handling
- **Sparepart store.** Observation related OHS and worker welfare
- **Biogas plant.** Observation for GHG reducing plan by methane capture
- **Waste water treatment plant.** Observation for palm oil mill effluent management
- **Composting area.** Observation for empty bunch management
- **Empty bunch area.** Observation for empty bunch management
- **Security and WB station.** Observation and interview related to SCC implementation and worker welfare
- **Grading.** Observation and regulation related to OHS and workers welfare
- **Sterilizer.** Observation and regulation related to OHS, noise impact, license and workers welfare
- **Press.** Observation and regulation related to OHS, noise impact, license and workers welfare
- **Boiler.** Observation and regulation related to OHS, noise impact, license and workers welfare
- **Engine room.** Observation and regulation related to OHS, noise impact, license and workers welfare
- **WTP.** Observation and regulation related to OHS and workers welfare

Public consultation to:

- Government Institution (Labor Agency, Agriculture Agency, Environmental Agency)
- **Local contractor (CV Mitra Utama, CV Saputri Cemerlang, CV Aditya)**
- **Simpang Tiga Village**
- **Dendang Village**
- **Gender Committee**
- **Worker Union and Bipartite Board**

	Worker Cooperative
Ext Scope	<p>Mitra Anugerah scheme smallholder. Field observation and interview to workers related worker's welfare, OHS, agronomy technic, waste management, plot demarcation, HCV management, and etc</p> <p>The facility such as agrochemical storage, fertilizer storage, facility for washing after work, PPE storage and division office are on Air Ruak Estate (joining facility)</p>
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1.3	<p>Consultation of stakeholders for PT Sahabat Mewah Makmur was held by:</p> <ul style="list-style-type: none"> - Public Notification at web www.mutucertification.com on October 19th 2018 (http://mutucertification.com/wp-content/uploads/2018/11/Notification-of-RSPO-Surveillance-1.3-Assessment-PT-Sahabat-Mewah-Makmur-English.pdf) - Consultation meeting and interview with locals of the nearby village and ex land owner (Simpang Tiga and Dendang Village), as well as the partnership cooperative unit of PT SMM on November 7th 2018. - Consultation meeting and interview with Internal Stakeholder (Bipartite Cooperation, gender committee and local contractor) on November 5th 2018. - Public consultation meeting with government of Belitung Timur Regency conducted by visits and interview on November 6th 2018. - Consultation with NGO (Sawit Watch, WWF, Walhi and AMAN) on October 29th 2018.
Ext Scope	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for Plantation Partnership of PT Sahabat Mewah Makmur (169.5 Ha) was held by: Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples. Numbers of input from stakeholders were clarified by company.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit will be determined after the Plantation Partnership of PT Sahabat Mewah Makmur (169.5 Ha) has included in the Jangkang POM certificate scope.

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Jangkang POM – Plantation Partnership of PT Sahabat Mewan Makmur, Austindo Nusantara Jaya Agri operation consisting of three (3) cooperative unit.

During the assessment, there were five (5) Nonconformities were assigned against Major Compliance Indicator(s); one (1) nonconformity(s) were assigned against Minor Compliance Indicators; and three (3) opportunity(s) for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidences. Minor non-conformities had been closed out shall be verified during next assessment.

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is included in certificate scope of Jangkang POM.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
<p>1.1.1 The latest list of stakeholder updated on September 2018, consist of government (province, sub district, and village), police, media, NGO, associated cooperative, FFB supplier, community leader, and internal organization. Based on interview with management, the list of stakeholders will updated if there is a revision. Based on interview with statutory bodies in Belitung Timur Regency, they've already know the mechanism and person in charge for communication with stakeholder.</p> <p>Mechanism for consultation is same with associated company (PT SMM), listed in Communication and Providing Information Procedure (SOP-Leg-02) dated 1st April 2013. The list of document can be seen in the procedure.</p> <p>1.1.2 Mechanism for consultation is listed in Communication and Providing Information Procedure (SOP-Leg-02). This document explains communication and consultation and information request procedures from the stakeholders. Information request will be responded at least 3 month. The person in charge for communication and consultation for associated smallholder is Smallholder Department. Based on interview with management representative and document review of incoming letter, there is no information request to associated smallholder. In this case, smallholder has opportunity to document all incoming letter and its response in the future. OFI</p>	
	Status: Comply
1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	
<p>1.2.1 List of document that can be accessed publicly listed in Communication and Providing Information Procedure (SOP-Leg-</p>	

02), it is same as PT SMM. The public documents can be accessed from internal or external stakeholder, such as company's policy, employment document, social document, OHS document, and so on. These documents are available in estate and mill office.

Status: Comply

**1.3
Growers and millers commit to ethical conduct in all business operations and transactions.**

1.3.1
Ethical business for associated smallholder is same as PT SMM written in Code of Business Conduct Ethics document. Code of conduct explain about company's responsibility, human rights, fair treatment and equal opportunities, prevention of harassment, bribery and corruption bans.

Based on interview with farmers of Mitra Anugrah and Lindong Raya Cooperative, they not yet aware related to this policy, however, interview with Board of Mitra Anugrah and Lindong Raya Cooperative, known that they understand on ethical business. PT SMM as associated company needs to ensure all company policies have been socialized to all partnership farmers and their workers, this is note as OFI on Ind 4.8.2.

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 cooperative has undertaken prevention and control measures as listed in Safety Act no. 1 of 1970 Article 3, among others by monitoring the implementation of occupational safety and health, conducting accident investigations, hazard risk analysis, medical check-up, machine operation by persons authorized and socialized safe work practices. Based on the results of document review and interviews with workers, for example at workshop, it is known that tractor operators have licenses to operate the tractor in accordance with Minister of Manpower Regulation No. 9 of 2010

Scheme smallholders / cooperatives (Mitra Lestari, Mitra Anugerah, Sambar Jaya Makmur, and Berimpun Sejahtera) have environmental impact assessment and those document represent on *Surat Pernyataan Kesanggupan Pengelolaan Lingkungan* (SPPL). These SPPL document covered 233.50 ha areas, legitimated by Belitung Timur environmental agency on 2015. Meanwhile Lindong Raya cooperatives have separate environmental impact assessment i.e UKL/UPL on 2015 that covered 423 ha scheme smallholders areas.

Basic wage of daily worker in accordance with Governor of Bangka Belitung Province Decree No 188.44/1252/DISNAKER/2017 about minimum wage of Bangka Belitung Province Period of 2018.

The cooperatives has had land use title and business permit that describes in more detil in indicator 2.2.1. they also has Cooperatives Deed, for instance Cooperative Deed of Mitra Anugrah No. 52/BH/VIII.7/2014 dated 23 January 2014.

2.1.2
The company has an SOP evaluation of compliance regulation no.: SOP-Leg-01 document published on March 20, 2015. In the SOP explained that the legislation is evaluated by the Legal Department once every year and is informed to the External Relations Officer in each unit who is then responsible to evaluate the compliance with regulations annually. The company has a list of laws and regulations for the 2018 period and fulfillment evaluation reports for each regulation, describes the types of laws and regulations, regulated aspects, explanation of implementation and fulfillment information. The list includes all regulations that are relevant to the operations of plantations and factories both at the central and regional levels.

2.1.3, 2.1.4
The SOP also explains that the PIC who is responsible for conducting inspections and evaluations of compliance with the

regulations is the External Relations Officer in each unit that is conducted once a year. The latest update and evaluation of regulations for the fulfillment evaluation report for each regulation are done in Oct 2018. In updating, the PIC communicates to all departments, to relevant agencies, through mass media and electronic media.

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 total area proposed for certification scope covers 169.5 ha, consist of Cooperatives of Mitra Lestari, Mitra Anugrah, and Sambar Jaya Makmur. The members of cooperatives has had land use rights in form of SHM (*sertifikat hak milik/certificate of land*) and SKT (*surat keterangan tanah/letter of ownership of land*), as well as plantation business permits in form of STDB (*surat tanda daftar budidaya/letter of registration of cultivation*). The summary of land rights and plantation permits is shown in the following table :

Cooperatives	Total Area (ha)	Haveland use rights (ha)	Do not have land use rights (ha)	Have plantation permits (ha)	Do not have plantation permits (ha)
Cooperative of Mitra Lestari	54	54	-	54	-
Cooperative of Mitra Anugrah villager	49	49	-	49	-
Cooperative of Sambar Jaya Makmur	66,5	66,5	-	66,5	-
Total	169.5	169.5	-	169.5	-

Based on the table above, raise non conformity No. 2018.01, that there are cooperatives area that do not have land use rights and plantation permits, namely :

- Cooperative of Berimpun Sejahtera, that 64 ha area does not yet have plantation permits.
- Cooperative of Lindong Raya, that 62 ha area does not yet have land use rights, and 366 ha do not yet have plantation permits

2.2.2

Field observations at the boundary of the Mitra Anugerah Cooperative and Lindong Raya Cooperative area known that the cooperative land boundaries with non-cooperative parties had been clearly demarcated in the form of roads, or boundary drain. Interviews with the Plantation Agency, and Village Heads of Dendang and Simpang Tiga, told that there were no disputes of land boundaries between cooperatives and communities.

2.2.3, 2.2.4, 2.2.5 & 2.2.6

Result of consultation with Plantation Agency, Village Head of Dendang and Simpang Tiga, as well as field observation in Cooperative of Mitra Anugrah and Lindong Raya, known that there was no land dispute in operational area. The Company as smallholder's management has had procedure of handling differences in opinion with community and land ownership disputes which explain the commitment in prohibit and/or not use mercenaries and para-militaries in conflict resolution.

Major 2.2.1

Status: Non Conformity No. 2018.01

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 area proposed to be certified covers 169.5 ha consisting of Cooperatives of Mitra Lestari, Mitra Anugrah, and Sambar Jaya Makmur, owned by smallholders who gathered in cooperatives. Then based on an agreement, every Cooperative conduct a partnership with the Company to be managed in full managed pattern.

The agreements was signed by both parties, and was known by the Regent of East Belitung Regency. In addition to the agreements documents are also available such as the minutes of the formation of cooperatives, cooperative deed of establishment, cooperative ratification, and annual member meeting documents.

Those agreements are as follows:

- Agreements of the company and Cooperative of Mitra Lest ari No. 008 / SMM / LEGAL / SM.MP / X / 2014 dated 30 October 2014, covering an area of ± 55 ha.
- Agreements of the company and Cooperative of Mitra Anugerah No. 009 / SMM / LEGAL / SM.MP / X / 2014 dated 30 October 2014, covering an area of ± 52 ha.
- Agreements of the company and Cooperative of Sambar Jaya Makmur No. 008 / LP / SMM / SPK / IV / 2016 dated 13

The interview with the management of the Cooperative of Mitra Anugrah known that the agreement had been understood by the parties, and had covered aspects of handling disputes, as well as had been known by relevant officials namely the Plantation Agency and the Regent.

Status: Comply

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

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

3.1.1
Long term management plan is documented on Summary of FFB Production per year of Planting for 2019 – 2023 which explain crop projection, yield, extraction of CPO, PK, Production of CPO, PK, yield/ha, and CPO/Ha. There is no peat land in smallholder. Long term management is made by Partnership Department.

3.1.2
Based on areal statement, it is known that the oldest planting year is 2011. So, there is no replanting program when the audit is conducted.

Status: Comply

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

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

4.1.1
The cooperative has procedures for oil palm cultivation and palm oil processing which are available in Indonesian. Oil palm cultivation procedures include land clearing, water and soil conservation, integrated pest management, plant upkeep, harvesting and transportation.

Based on interviews with management revealed that a copy of the procedure was in each unit. When the audit activity takes place, The cooperative can show the entire procedure to the auditor.

The results of field observations and interviews with employees in the Cooperative revealed that each employee understood their respective working procedures, for example for harvester in Mitra Anugerah Cooperative can explain the criteria for fresh fruit bunches, cutting and arranging fronds, preparation of FFB at the fruit collecting point.

4.1.2 and 4.1.3
The cooperative has the Manual Quality Assurance with the number QA-OPR-01 which was established 01 February 2016. The procedure outlines several things such as The cooperative's management system, company operational requirements, internal audit planning and coordination, reporting and follow-up on audit results.

The results of interviews with management known that the implementation of internal audits is conducted annually on a

regular basis covering the implementation of all estate procedures, administration of bank cash and trade payables, inventory, wage and personnel administration, vehicle assets, heavy equipment, machinery and follow-up previous internal audit reports.

When the audit activity takes place, The cooperative can show the results of the internal audit document carried out on August 7 - 14, 2018 by The company's internal auditor. The cooperative has taken corrective action on internal audit findings and was declared fulfilled by The cooperative's internal auditors on September, 2018.

Status: Comply

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

4.2.1; 4.2.2 and 4.2.3

The cooperative has a fertilizer procedure with the number SOP-AGR-11. The procedure explains that fertilizer recommendations must be made based on the results of analysis of leaf and soil samples. Based on The cooperative's Palm Oil Cultivation Guidelines, it is explained that leaf sampling and analysis are carried out once a year and soil sampling is carried out every five years.

During the audit activity The cooperative shows the following documents on the results of soil and leaf analysis:

- Results of soil analysis by PT. Laboratorium Analytical & QC Nusa Pusaka Kencana (Asian Agri Group) on 2011. Test parameters include moisture content, cadmium, lead, oil content, exchange cation, calcium, magnesium, iron, manganese, aluminum, potassium, cation exchange capacity, and base saturation.
- Results of leaf analysis by PT Nusa Pusaka Kencana Analytical & QC Laboratory on 2017 for 7 leaf samples. Test parameters include Ash, N, P, K, Mg, Ca, B, Cu, and Zn.

Based on the results of leaf samples analysis in 2017, The cooperative issued fertilizer recommendations for the first semester of 2018 as follows: Urea at a dose of 1 - 1.5 Kg/tree; Rock Phosphate at a dose 0.75 - 1,5 Kg/tree; Muriate Of Potash at a dose of 0.75 - 2 Kg/tree; Dolomite at a dose of 0.5 - 1 kg/tree; and Mycogold with a dose of 50 - 100 gr/tree.

During the audit activity The cooperative can show fertilization monitoring that explains the application dosage, application tonnage, and fertilizer use/tons FFB, for example: Mitra Anugerah Cooperative realization of fertilization in semester 1 2018 for Urea with a dose of 1.5 Kg/tree with a total application of 162.45 tons.

4.2.4.

In every nutrient recycling activity, the cooperative has a recording document of its implementation and monitoring, for example for the compost application activities the program is explained annually including blocks, dosage recommendations per tree, needs per block and records of its realization.

Based on interview with composting officer, EFB used in sandy areas also serves to improve soil structure, sighted the recording of composting delivery.

Status: Comply

4.3 Practices minimize and control erosion and degradation of soils.

4.3.1

The cooperative has a Soil Analysis Report with a scale of 1: 2,000 dated May 1, 2015. The document equipped with legend soil map units, roads, rivers, cities, estate boundary and division boundary.

4.3.2

The cooperative has a management strategy for planting in slope areas contained in the ANJ Agri Palm Oil Cultivation Guidelines. The document describes the management area on sloping area, among others: conservation terrace (for slopes 0 - 2°), terrace with a width of 4 meters (for slopes of 6° - 12°), terrace with a width of 3 - 3,5 meters (for slopes of 20° - 25°), planting cover crops and empty fruit bunch applications..

During the audit activity, The cooperative can show the soil conservation documents for slope areas at PT Sahabat Mewah dan Makmur. Based on field observations at Mitra Anugerah and Lindong Raya Cooperative, known that The cooperative has made terraces for slope areas and has planted *Mucuna bracteata* as a cover crop and retaining surface erosion. In addition, fertilization is also carried out using empty fruit bunch in that block.

4.3.3

The cooperative has a road maintenance program for the 2018 period, for example the cooperative has a 610.06 Ha road maintenance program for 1 year with 2 rotations. During the audit activity, The cooperative showed road maintenance documents for the 2018 period. Based on verification document, known that until August 2018 The cooperative had carried out 539.55 Ha of mechanical road maintenance.

4.3.4 and 4.3.5

Based on verification of semi-detailed land map documents and field visits at Mitra Anugerah Cooperative, it is known that throughout PT. SMM there is no area with peat soil types.

4.3.6

Strategies for fragile and other problem soils are included in the semi-detailed soil survey report. The report describes the level of land suitability along with the actions that need to be taken to raise the level of land suitability. Based on the report it is known that the limiting factors in land in The cooperative's operational areas include low nutrient content, steep slope land, sandy soil, low-flood lands and peat soils.

Some recommended strategies include:

- Increasing the organic content of the soil through recycling nutrients, namely the application of EFB and POME, laying the frond in the joint and between the staples.
- Carry out fertilization based on the results of leaf and soil analysis that is carried out regularly.
- Making a terrace system on steep slopes, planting *Munauna bracteata* and laying the frond parallel to the direction of the contour,
- Application of water management to low-lying areas and flood-prone areas, through the creation of drainage systems, piezometer monitoring, land subsidence monitoring (subsidence) and water level monitoring

The cooperative has shown the results of the examination and implementation of the EFB applications, results of soil and leaf analysis, recording of *Mucuna bracteata* planting.

Based on field observations on Mitra Anugerah Cooperative it is known that the fragile land management strategy mentioned above has been well implemented by The cooperative

Status: Comply

4.4

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

4.4.1

Water sources identification are listed on HCV identification document and environmental management/monitoring document. Based on both document explanation and based on field visit shown there is no riverine/stream on scheme smallholders areas. But as commitment for surface water quality mantaning, company has conduct regular water testing on Lindong Raya cooperative (sembuluh riverine). 1st semester 2018 water quality analysis on Sembuluh riverine shown that testing parameters such as BOD, COD, oil and grease are met the standards quality.

4.4.2

Based on HCV identification, management interview, and based on field visit shown there is no riverine/stream on scheme smallholders areas. But as commitment for surface water quality mantaning, company has conduct regular water testing on Lindong Raya cooperative (sembuluh riverine). 1st semester 2018 water quality analysis on Sembuluh riverine shown that testing parameters such as BOD, COD, oil and grease are met the standards quality.

4.4.3

NA. Audit just conducted to the plantation.

4.4.4

NA. Audit just conducted to the plantation.

Status: Comply

4.5

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

4.5.1 and 4.5.2

The cooperative has an integrated pest management procedure that explains how to control pests in biology, chemistry and manually. In addition, The cooperative also has a Cultivation Guidebook which also explains related to Pest and Disease control. In the book, an early warning system is explained, for example, periodic detection for leaf eater caterpillar is done every 2 months, and rat censuses are carried out every 3 months.

The cooperative is committed to implementing integrated pest management (IPM), this is demonstrated by utilizing beneficial plants and natural predators. In this case, The cooperative shows documents related to planting and maintenance of beneficial plants for the period of 2018, for example, the cooperative has planted *Turnera subulata* with 1,719 seeds and has installed 23 barn owl box.

The interview with the management revealed that the cooperative routinely conducted training for IPM employees, for example IPM training conducted on January 25, 2018 at the ANJ Learning Centre and was attended by 61 employees who are employees of companies and cooperatives. Documentation, material and attendance lists are available during the audit activity.

During the audit activity, the cooperative showed the rat pest census document for September 2018. From the results of the census it was found that there were several blocks that experienced rats which were attacked above the threshold, for example the census on September 15 2018 in Block W04 with an area of 26.45 Ha; 396 samples; 60 were attacked with an attack percentage of 15.20%. The company in this case conducted the baiting of rotation I rat poison on September 17, 2018 as many as 17.89 Kg and rotation II on September 20, 2018 as many as 9.01 Kg

The results of field observations are known that the cooperative planned to install barn owl box on December as much as 23 boxes.

Status: Comply

4.6

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

4.6.1; 4.6.2 and 4.6.5

The cooperative has a policy on safety in using chemicals listed in the procedures for managing hazardous material and hazardous waste with the number SOP-AGR-19 dated on August 1, 2013 and weed, pests and diseases control procedures with the number SOP-AGR-20 dated on April 1, 2016. In the procedure, it is explained about the use of PPE for employees and management of used pesticide containers.

Based on interviews with management revealed that to avoid the development of resistance, The cooperative used a rotation spraying system and use different types of pesticides in each rotation. During the audit, The cooperative showed a chemical justification document for the periode of 2018 at Mitra Anugerah Cooperative by identifying trade names, active ingredients, active ingredients, LD50, WHO classification, Type, shape, character, application method, function and justification.

The cooperative also has a pesticide use program contained in the annual budget document, while the realization is reported in the Estate Manager's monthly report. The document explains the trademark and active ingredients of pesticides, target weeds, dosages per hectare, monthly use of materials and recapitulation, and the extent of application.

4.6.3

The cooperative has an integrated pest management plan listed in the Division's work document and document Pest control activity plan consisting of detection and identification of pests, rat census, census of leaf eater caterpillar, application of chemical rat control and planting of beneficial plants (*Turnera subulata* and *Cassia cobanensis*).

4.6.4

The cooperative shows the Pesticide List document in the 2018 Classification that identifies trademarks, active ingredients, LD 50 (mg / kg), WHO classification and product classification.

The cooperative has a policy to minimize the use of paraquat dichloride and brodifacoum listed in the memorandum number 056/GM/SMM/IM/XI/2016 dated on November 3, 2016. In the memorandum, it is explained that the use of paraquat dichloride is only for *Scleria sumatrensis* weeds, and companies are also committed to reducing use of paraquat dichloride every year.

Based on field observations and interviews with pesticide applicators on Mitra Anugerah Cooperative revealed that spraying activities used Glyphosate, the results of physical verification in the chemical warehouse are in accordance with the inventory records, it is known that pesticides are available with Basta, Trendy, Agristik, Regent, and Amiphosate.

4.6.6

The cooperative has a pesticide storage procedure that is listed in the procedure for mixing and storing chemicals with the number SOP-EHS-004 dated on August 10, 2015. The procedure describes chemical management in accordance with applicable regulations, preventing and overcoming pollution or environmental damage caused by chemicals, administration and use of PPE for implementing chemical management officers and facilities during an emergency.

During the audit activity, The cooperative shows a monitoring document of pesticide container used for Mitra Anugerah Cooperative Period of August 2018. From the monitoring known that until August 2018 there were 22 containers of used pesticides. The results of field visits at the employee housing complex also found no use of used pesticide packaging used for other purposes.

4.6.7 and 4.6.9

The cooperative shows training documents to employees and scheme smallholder related to the use and handling of pesticides as follows:

- Training on spray techniques and handling of pesticides on June 22, 2018 is located at the Air Ruak Estate office. Documentation, material and attendance lists are available during the audit activity.
- Training on spray techniques and handling of pesticides on July 4, 2018 is located at the Balok Estate office. Documentation, material and attendance lists are available during the audit activity.

Based on interviews with workers at Mitra Anugerah Cooperative, it was stated that work tools and personal protective equipment for spray workers were brought home after finishing work. And interviews with the management stating that the Mitra Anugerah Cooperative does not yet have storage facilities for personal protective equipment as required by Minister of Manpower Regulation No. 3 of 1986 Article 15. **NCR No.: 2018.2**

Based on field observations and interviews with pesticide applicators on Lindong Raya Cooperative are known as follows:

- Employees have understood work procedures that are safe in using chemicals such as spraying techniques, target weeds for each pesticide, use of PPE and actions taken when poisoning occurs.
- Regular employees get direction from supervisor before work and also get regular internal training by the cooperative.
- Employees bring food from home, the cooperative in this case provides clean water and soap to clean hands before eating and the location of the place to eat must be different from the location of the application of pesticides.
- The cooperative provides PPE for each employee free of charge and if damaged will be given a replacement PPE with the provision of returning the damaged PPE.
- Supervisors always carry a first aid kit that will be used as first aid when there is a work accident. The results of checking are known that the contents of the first aid kit are complete and ready to use.

4.6.8

Based on the document verification, field observations, and management interviews, known that The cooperative did not apply the application of pesticides through the air.

4.6.10

Based on interview with cooperative board and member acquired information that ex agrochemical handling are done based on company procedures. Training and socialization related agrochemicals waste management for SMM scheme smallholders last conducted on August 2018. Field visit on PT SMM Central chemical store and mixing store shown that agrochemicals containers are disposed based on MSDS and procedure SOP-EHS-009 i.e cleanly washed on pesticides optimization storehouse and regularly submitted to licensed collector.

Meanwhile ex fertilizer sack were cleanly wash on fertilizer sack washing areas and then reused again for loose fruit on estate. All evidence for ex agrochemical disposal for examples "*berita acara pengiriman bekas kemasan pestisida*" to related transporter are available and verified by auditor. Both scheme smallholders, Mitra Anugerah were implemented proper ways for agrochemical disposal based on procedure SOP-EHS-009.

4.6.11

Based on the results of document verification and interviews with management, it is known that the cooperative has not conducted a special health check for spray workers. This is not in accordance with Minister of Manpower Regulation No.3 of 1986 Article 7. **NCR No. 2018.03 with Major Category.**

4.6.12

Based on interviews with workers in spraying activities in Mitra Anugrah Cooperative, it is known that workers have understood the prohibition of pregnant and lactating women to work in spray activities, if any are pregnant or lactating workers transferred to manual care activities and not related to agrochemicals.

Major 4.6.7 Major 4.6.11	Status: Non conformance NCR No. 2018.02 with Major Category Non conformance NCR No. 2018.03 with Major Category	
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4.7
An occupational health and safety plan is documented, effectively communicated and implemented.

4.7.1

Policy on OHS of CH has issued by the President Director, General Manager of ANJ Agri on January 9th 2017. The policy indicates CH's commitment towards OHS implementation through:

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

The CH has socialize the policy mentioned above during P2K3 meeting which conducted on July, August and September 2018.

The work plan of the OHS Program for January to December 2018 covers the areas of extension & training, supervision field, evaluation field; Field of research, Health Sector; PIC; Cost Forecast, Timeline of completion (Jan-Dec 2018) and description. Based on interview result the workers are given guidance through socialization, warning boards and morning briefings before the work. Based on the above explanation, the workers has known about OHS policy.

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

4.7.2

The cooperatives are known to have a Hazard Identification document, Risk Assessment and Risk Control (FRM-SOP EHS 19-028) which includes operational work such as: harvesting, pruning, maintenance, fertilization, land clearing, and nursery. Based on the verification of the document it is known that there are activities that have not been identified with hazards and risks such as mixing chemicals in the open space, storing personal protective equipment and storing work tools. **NCR No. 2018.04 with Major Category.**

4.7.3

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

- The socialization of OHS and HIRAC on August 16, 2018 took place at the Mill Housing Complex. Training by corporate doctors and attended by 88 employees who is a company employee and cooperative employee. Material, documentation and attendance list are available during audit activities.
- First Aid Training held on December 21, 2017 took place at the ANJ Learning Centre. Training by corporate doctors and attended by 39 people who is a company employee and cooperative employee. Material, documentation and attendance list are available during audit activities.
- The socialization of OHS and HIRAC conducted on 1 February 2018 was at Air Ruak Estate. Training by SPO Officer and attended by 59 people who is a company employee and cooperative employee. Materials, documentation and attendance lists are available at the time of the audit

The cooperatives has shown document of PPE distribution to all workers, which signed by Assistants, Chief of P2K3 and the respective workers. Based on field observations and interviews with harvesters, they have been equipped with PPE in accordance with procedures owned by The cooperative for example, PPE for harvesters such as helmets, glasses and boots.

4.7.4

Unit management has OHS committee (P2K3), which presented in several documents. For example Decree Letter from Head of Manpower and Transmigration Agency of Belitung Timur District dated March December 4, 2017 for PT Sahabat Mewah dan Makmur. The P2K3 secretary was a Licensed OHS Expert License. The monthly meeting of P2K3 well conducted and documented. For example, there was a minutes of meeting of OHS committee of Jangkang POM dated on July 30, 2018.

4.7.5

There is no revision in OHS procedures. Procedure of emergency management is presented in document No. SOP-EHS-015 - 031. Emergency situation identified were fire, explosion, contamination, natural disasters, turmoil, demonstration and work accident. The procedure has describes definition, management emergency action chart line, emergency team, planning and action, training and simulation. Moreover, work accident handling has more detail presented in document SOP-EHS-020, which describes victims handling, reporting, investigation, claims, etc. All procedures were available in Bahasa.

Based on interview with workers are known that the cooperative already know the procedure about OHS. To facilitate evacuation in the event of an emergency, The cooperative has established an evacuation route. The evacuation route is available in offices. Besides that, it has been equipped with maps and other markers and adequate sign boards. To the visitors who come will be socialize safety induction as a guide health and safety in the visit process.

Based on field observations and interviews with harvesting and upkeep foremen at Mitra Anugerah cooperative revealed that the foremen had attended first aid officers training conducted on December 21, 2017, the foremen could explain each of the uses of first aid kit items, further explained that routine first aid checks are carried out every month.

4.7.6

The Cooperative shows the Minutes of Meeting with Contractors (labor service providers) on August 10, 2018. The meeting discussed registration and contributions for Employment and Health Insurance for each contractor employee. In this case the company will help the registration of contractor employee participation.

4.7.7

The Cooperative shows documents related to work accident record records for the 2018 period that use LTA Metric, from the results of the document review it is known that in 2018 until the audit activities carried out there were no work accidents at the Mitra Anugerah Cooperative.

4.7.2	Status: Non conformance NCR No. 2018.04 with Major Category
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4.8 All staff, workers, smallholders and contractors are appropriately trained.

4.8.1

Training program for farmers and workers of Associated Smallholder of PT SMM is listed on 2018 Training Program. Some of training program, namely:

- First Aid Training
- Harvesting Technique Training
- Spraying Technique Training
- PPE Training
- And others

4.8.2

Associated smallholder have received training from core companies, for example training related to BPJS and PPE to contractors, smallholder, and independent farmers. Showed attendance list of socialization on 17 August 2018 and on August 23, 2018 which was attended by 26 participants.

Based on interview with farmers and workers in Mitra Anugerah, it is known that many of them still don't received training or socialization from PT SMM either RSPO aspects or Company's policies. PT SMM as core company needs to Ensuring all core company policies have been socialized to all partnership farmers and their workers. **(OFI)**

	Status: Comply
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PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity

5.1

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

5.1.1

Until main audit assessment, there is no scope changes or activities that requires changes in current practices for environmental impact assessment documents. Scheme smallholders / cooperatives (Mitra Lestari, Mitra Anugerah, Sambar Jaya Makmur) have environmental impact assessment and those document represent on *Surat Pernyataan Kesanggupan Pengelolaan Lingkungan* (SPPL). These SPPL document covered 169.50 ha areas, legitimated by Belitung Timur environmental agency on 2015.

5.1.2 & 5.1.3

Based on SPPL document, organization have established regularly monitoring plan to mitigates environmental impacts, for examples : OHS, land fire and zero burning activities, and conservation areas protections (if any). Lindong Raya cooperatives unit shown regularly consistent monitoring as outlined in Environmental monitoring report, for examples July-September 2018 report have been reported to Environmental agency of Belitung Timur on October 2018. Evaluation of Enviromental management/monitoring plan also listed on regular enviromental report, result of monitoring on this periods shown that monitoring plan are still relevant with actual scheme smallholders activities.

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

5.2.1

HCV identification for scheme smallholders are conducted on 2014 by independent consultant using HCV toolkit Indonesia 2008. Based on this HCV identification, found that there is no HCV attributes and RTE species on scheme smallholders area that included on audit scope. HCV 1.2, HCV 4.1, and HCV 6 covered 8.02 ha areas are present on Gunung Nyerudong cooperatives and some part of Lindong Raya cooperatives area that located outside of audit scope and NPP for this area (8.02 ha) have not undertaken.

5.2.2 & 5.2.3

Scheme smallholders shown HCV assessment (included monitoring and management plan such as HCV areal boundary marking, boundary sign maintenance, regular patrols, and HCV socialization) conducted on 2014 by RSPO approved assessor. Based on this HCV indentifications, indicates there is no all HCV attributes & RTE presence on all scheme smallholders area that become audit scope. Meanwhile, scheme smallholders still conduct Program and realization to socialize the status of protected, rare, threatened or endangered (RTE) to all workers, for examples HCV/RTE socialization on March 2018.

5.2.4

HCV identification for scheme smallholders are conducted on 2014 by independent consultant using HCV toolkit Indonesia 2008. Based on this HCV identification, found HCV 1.2, HCV 4.1, and HCV 6 covered 8.02 ha areas are present on Gunung Nyerudong cooperatives and some part of Lindong Raya cooperatives area, that located outside of audit scope and NPP for this area (8.02 ha) have not undertaken.

Regardless this HCV attributes are located outside audit scope area, as listed on HCV identification document, scheme smallholder are not able to shown monitoring result of HCV attributes and its improvement as output from monitoring result, for HCV that present on scheme smallholders area based on HCV management plan.

NCR No 2018.05 with Minor category

5.2.5

Based on HCV identification found there is HCV 1.2, 4.1, and 6 presence. HCV locations has been included on each cooperatives working map with appropriate scale. Mutual HCV management agreement and commitment between company and affected parties regarding this HCV attributes are availables for examples Mutual agreement for HCV management on July 31 2015 between PT SMM and affected parties.

5.2.4	Status: Non conformance NCR No. 2018.05 with Minor Category
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**5.3
Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.**

5.3.1

All waste and pollutions sources from scheme smallholder are identified and recorded on waste identification risk assessment 2018 that contains waste source identification, covering solid waste, and hazardous waste. Meanwhile waste management plan also has been develop by scheme smallholders such as ex agrochemical hazardous waste were kept at hazardous waste storage and etc.

5.3.2

Based on document review and interview with management found that agrochemical were supplied by PT SMM and all scheme smallholders ex pesticide containers are managed by rinse on pesticides washing store on PT SMM and regular submitted to related collector. Evidence for scheme smallholders ex agrochemical disposal are listed on Hazardous waste transport monitoring to central temporary hazardous waste store in CWT on regular basis.

Inventory for all chemicals usage and it containers are available on PT SMM chemicals storehouse / temporary hazardous storage. All ex chemicals containers were kept on temporary hazardous storage at CWT (*Central Workshop Transport*) and the company has a permit for hazardous and toxic waste storage issued by decree of Head of Belitung Timur Capital investment and integrated service No 188.45-01, valid until 2023.

5.3.3

Scheme smallholders implemented waste management /utilization based on management plan. Field visit on Mitra Anugerah Cooperatives found that scheme smallholders has implemented EFB compost application on estate. Besides that scheme smallholder also performed frond stacking as mulching to keep soil moisture.

Status: Comply																				
5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.																				
5.4.1 Furthermore, as fossil fuel usage reducing plan, each cooperatives also have monitored direct fossil fuel usages estimation for FFB transport per month, for examples diesel fuel usages per tonne FFB produced on October 2018 for Mitra Anugerah scheme smallholder are 29.50 litre/mt FFB produced.																				
Status: Comply																				
5.5 Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.																				
5.5.1 & 5.5.2 Document review shown distribution of planting year for scheme smallholder areas are consist of planting year 2011-2014, where as the last new development was undertaken on Mitra Anugerh and Sambar jaya Cooperatives on 2014. Field visit in Mitra Anugerah cooperatives indicates all land preparation for new planting acitivites are conducted by zero burning methods. Procedures and policy related Zero burning activities for land preparation are same with PT SMM, and listed on procedures SOP-AGR-003 on 2013 and Environmental policy 2015.																				
Status: Comply																				
5.6 Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.																				
5.6.1 & 5.6.2 To reduce pollution and emissions, scheme smallholders has identified the source of pollution and greenhouse gases and the measures to manage them. The efforts made by scheme smallholders unit to reduce the pollution and GHG emissions by zero burning activities, conduct fertilization according to the doses, conduct pesticide application according to the procedure, fossil fuel usage monitoring.																				
5.6.3 GHG emission for scheme smallholders are integrated with PT. SMM GHG calculation and calculated using RSPO palm GHG calculator V3.0.1. The smallholders scheme are using "without land use change" option, the net GHG produce is 0.52 tCO₂e/t CPO , summary of GHG emmision for Jangkang POM periods Jan-Dec 2017 are listed as follows :																				
Summary of Net GHG Emissions																				
<table border="1"> <thead> <tr> <th>Emissions / product</th> <th>tCO₂e/t Product</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>0.52</td> </tr> <tr> <td>PK</td> <td>0.52</td> </tr> </tbody> </table>	Emissions / product	tCO ₂ e/t Product	CPO	0.52	PK	0.52	<table border="1"> <thead> <tr> <th>Ext</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>OER</td> <td>22</td> </tr> <tr> <td>KER</td> <td>4.91</td> </tr> </tbody> </table>	Ext	%	OER	22	KER	4.91	<table border="1"> <thead> <tr> <th>Prod</th> <th>ton/year</th> </tr> </thead> <tbody> <tr> <td>FFB Processed</td> <td>286353.05</td> </tr> <tr> <td>CPO Produced</td> <td>62999.89</td> </tr> </tbody> </table>	Prod	ton/year	FFB Processed	286353.05	CPO Produced	62999.89
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244469.46																				
Land use																				
<table border="1"> <thead> <tr> <th>Land Use</th> <th>ha</th> </tr> </thead> <tbody> <tr> <td>OP planted area</td> <td>14190.34</td> </tr> <tr> <td>OP Planted on peat</td> <td>0</td> </tr> <tr> <td>Conservation (forested)</td> <td>1475.87</td> </tr> <tr> <td>Conservation (non-forested)</td> <td>0</td> </tr> </tbody> </table>	Land Use	ha	OP planted area	14190.34	OP Planted on peat	0	Conservation (forested)	1475.87	Conservation (non-forested)	0										
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Notes : conservation areas area are included forested riparian on planted areas																				
Summary of Field Emissions and Sinks																				
Own Crop	3 rd Party																			

	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/ t FFB	tCO ₂ e	tCO ₂ e/ha
Land conversion	9416.7	6.62	0.4	0	0
*CO ₂ emissions from fertilizer	4033.97	0.28	0.02	0	0
**N ₂ O emissions	5948.6	0.42	0.03	0	0
Fuel consumption	1445.68	0.1	0.01	0	0
Peat Oxidation	0	0	0	0	0
Crop sequestration	-89253.74	-6.27	-0.38	0	0
Conservation Sequestration	0	0	0	0	0
Total	16337.21	1.15	0.07	0	0

Summary of Mill Emissions and Credits

	tCO ₂ e	tCO ₂ e/tFFB
Emissions		
POME	20252.07	0.07
Fuel consumption	126.17	0
Grid Electricity Utilisation	0	0
Credits		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	20378.24	0.07

Palm oil Mill Effluent (POME) Treatment

Divert to compost	0.00 %
Divert to anaerobic digestion	100.00 %

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	0 %
Divert to methane capture (flaring)	9 %
Divert to methane capture (electricity generation)	91 %

Based on document review for examples: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator. Meanwhile this GHG calculation using options No 1 (apply full version).

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, 6.1.5

The company as smallholder's manager has had Social Impact Assessment (SIA) for Smallholder dated 02 – 07 November 2014. The assessment covers all social information from all relevant stakeholder (Village Head, surrounding villager and sub-district community leaders, traditional leaders, cooperative leaders and plasma members, etc.). Aspects

assessed include health, education, government administration, communication and CSR, reduced potential of the work of local residents, supply of community FFB to Mill, land for the community, environmental pollution, employment, PPE, work equipment, and housing facilities.

Social Impact Assessment was conducted by field observation method and focus group discussion (FGD). The attendance list, assessment schedule and list of speakers are contained in the Appendix to the SIA documents. Interview with Village Head of Dendang and Simpang Tiga known as the villager has been involved in SIA of smallholders.

6.1.3

The social management and monitoring plan has been arranged in form of Community Involvement Development (CID) Management Plan, joined with Management Plan of the company, because the company was the smallholder manager. The CID Management Plan is contained in several programs for internal and external stakeholder, that covered all aspect identified in SIA. The Management Plan arranged in a structured manner, contains the program activities, PIC, target, time of implementation, realization and description. The management plan is evaluated every month to see the realization of the program that has been made. The evaluation includes the program, PIC, realization, evaluation, analysis and improvement. Based on document review and interview with Village Head of Dendang and Simpang Tiga, known that the management plan has been made in participatory manner.

However, the plan for management and monitoring of social impacts contained in the CID Management Plan, does not include management and monitoring of impacts on tenure aspects, according to the results of identification in SIA documents for smallholder. Its become **Non Conformity 2018.06 with Major category**.

6.1.4

The latest review of CID Management Plan has been conducted on August and September 2017 in participatory manner, in form of focused group discussion involving affected parties, for example:

- The attendance list is on 8 August 2017 attended by 20 participants.
- The attendance list is August 7, 2017 attended by 18 participants.
- The attendance list is on August 8, 2017 attended by 13 participants.
- The internal SIA attendance list dated 22 September 2017 was attended by 26 participants.

Major 6.1.3	Status: Non Conformity No.: 2018.06
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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; 6.2.2

The company as smallholder's manager has had procedure of communication and provision of information (No. OP-Leg-02 dated 01 April 2013). The procedure has been disseminated to all stakeholders by the PIC of communication, that is External Affair Department. Result of consultations with Villages Head of Dendang and Simpang Tiga, and cooperatives of Mitra Lestari and Mitra Anugerah, known that the concerned had known the mechanism and PIC of communication. Every communication and request for information is always responded to by the company in a relatively fast time.

6.2.3

The company has list of stakeholders such as Government Agency, local communities, supplier, local contractors, etc. The communication recorded in the logbook of communication and information request and the records stored at the External Relationship Department.

The company routinely conducted stakeholders meeting, for example meeting of Balok Estate with Balok Village and Dendang Village on 25 September 2018, and Air Ruak Estate with Simpang Tiga Village and Renggiang Village on 26 September 2018.

	Status: Comply
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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
 The Company has had internal memo from General Manager (No. 036/HRO/SMM/06/14 dated on 7 June 2014) regarding the mechanism of handling the complaints. The Company also had procedure of complain mechanism (No. Doc. SOP-LEG-02). The procedure has set the protection of whistleblower and anonymity if requested. The PIC for receiving complaints is the External Affair Department.

Results of interviews with Plantation Agency, Manpower Agency, Environment Agency, Village Head of Dendang and Simpang Tiga, Cooperatives of Mitra Lestari and Anugerah, known that stakeholders have understood the mechanism for submitting the complaints.

6.3.2
 In accordance with the procedure, complaints are submitted directly or in writing. Reporting written complaints is documented in the communication logbook and information request. Based on document review and interviews with internal / external stakeholders, no complaints were submitted specifically and in writing over the past year, because the complaint was accommodated, for example in an annual stakeholder meeting.

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 area proposed to be certified covers 599.5 ha consisting of Cooperatives of Mitra Lestari, Mitra Anugrah, and Sambar Jaya Makmur, owned by smallholders who gathered in cooperatives. Then based on an agreement, every Cooperative conduct a partnership with the Company to be managed in full managed pattern. Therefore, the process of ownership of smallholder land by the company is not a compensation process for land rights or customary rights, but by partnership.

The agreements was signed by both parties, and was known by the Regent of East Belitung Regency. In addition to the agreements documents are also available such as the minutes of the formation of cooperatives, cooperative deed of establishment, cooperative ratification, and annual member meeting documents.

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
 Mitra Anugrah Cooperative use contractor workers for operational activity. Work agreement is between PT SMM as core company and Contractor. The payment for worker is contractor responsibility. However, for supervisor is from PT SMM. The payment for foreman for example is in accordance with Governor Decree of Bangka Belitung Province No 188.44/1252/DISNAKER/2017. Payment document is showed and the basic wage is in accordance with applicable regulation.

6.5.2
 Smallholder scheme for Mitra Anugrah Cooperative is full managed, so all company's policy is same as PT SMM. Collective Labor Agreement of PT SMM is for period 2018 – 2020. It has approved by relevant agency through decree No 188.4/22/KEP/DT-KUKM/III/2018 on March 20th 2018. Besides, there also agreement between PT SMM and contractor for operational activity. For example: work agreement no 401/SMM-SPK/06 – 2018 between CV Alpindo and PT SMM for manual weeding, chemist weeding in Mitra Anugrah Cooperative. The worker of CV Alpindo is 51 workers. The payment for September 2018 is on October 4th 2018, the documentation is available.

6.5.3 & 6.5.4

Smallholder farmers get facilities related to inputs such as fertilizers, pesticides. All farmers live in the surrounding villages, so the core company does not provide housing, electricity, water, medical services, and staple food. All facilities are available in the village.

Status: Comply

6.6

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

6.6.1 & 6.6.2

The policy for associated smallholder is same as its core company. Freedom to join worker union is written in internal memo No 074/ANJA Belitung/GM-HRD/IM/12/2013. Based on interview with representative of Bipartite Cooperative of PT SMM, smallholder can submit their complaint to Bipartite Cooperative.

Bipartite meeting is documented every month, for example:

- On 30th July 2018 attended by 12 participants
- 23rd February 2018 attended by 14 participants.

Minutes of meeting explain discussion material, respond from worker representative and company, conclusion, and discussion status.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

Policy for associated smallholder is same with its core company. The policy about minimum age for worker is written in General Manager Internal Memo No 009/GM/SMM/IM/3/2013 on March 4th 2013. The policy is explain to not employ children under 18 years old. Based on field observation to Mitra Anugrah Cooperative, it is known that there is no worker under 18 years old.

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, & 6.8.3

Policy for associated smallholder is same with its core company. Policy about non-discrimination is written on Sustainability of ANJ Group approved on 28th November 2016. It states:

- Gender equality ensures that all employees and related parties receive equal treatment and do not experience discrimination based on gender
- There is no tolerance for discrimination based on ethnicity, religion, nationality, political views, physical conditions and others

Based on interview with workers and board of Mitra Anugrah Cooperative, it is known that workers is from different places, religion, gender, and tribes. There is no complaint about discrimination. Workers at Mitra Anugrah and Lindong Raya Cooperatives are contractor workers. The employee selection system is determined by the relevant contractor.

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

Policy for associated smallholder is same with its core company. Policy to prevent all forms of sexual harassment and violence is written in Act General Manager Internal memo no 076/GM/HRO/12-2013 on 11th December 2013. It states that if there was sexual harassment, the process of handling complaints or sexual harassment cases is handled by the sexual

harassment handling committee (gender committee).

Reproductive rights for smallholder worker especially women worker, namely menstrual leave and maternity leave. Menstrual leaves is for 2 days and maternity leaves is 1.5 month before and 1.5 after maternal.

Based on interview with board of Mitra Anugrah Cooperative, it is known that he know the mechanism complaint, however, not every worker in Mintra Anugrah and Lindong Raya Cooperative interviewed understand this mechanism. PT SMM as core company needs to Ensuring all core company policies have been socialized to all partnership farmers and their workers. This has been note as OFI in Ind 4.8.2.

Status: Comply

6.10

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

6.10.1, 6.10.2, 6.10.3, 6.10.4

The smallholders is managed in full managed by the Company. The smallholders does not receive / buy FFB from other parties. For input services facilitated by the Company, and deducted as production costs when payment of FFB.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

The Company as smallholder's Manager has the same CSR program for smallholder, in form of Management Plan of CID. The program of local development in the aspect of health, education, economy, culture and religion and infrastructure. The participatory manner with the surrounding community in arrangement of Management Plan has been conducted through annual Stakeholder Meeting. Based on public consultation with Village head of Dendang and Simpang Tiga known that they has been involved through stakeholder meeting.

6.11.2

Resources for increasing the productivity of smallholders have been contained in the agreement, such as credit, input, technical guidance, and management system. The partnership is managed in full managed system according to the Company's standards and procedures.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

Workers in the Mitra Anugrah and Lindong Raya cooperatives are contractor employees. The work agreement takes place between the contractor and the core company. The core company also has a list of contractor employees. Work agreements between contractors and their workers are the responsibility of the contractors themselves, such as the agreement between contractors and their workers. Likewise for work accident insurance and PPE. For example: work agreement no 401/SMM-SPK/06 – 2018 between CV Alpindo and PT SMM for manual weeding, chemist weeding in Mitra Anugrah Cooperative. The worker of CV Alpindo is 51 workers. Based on interview with worker in Mitra Anugrah and Lindong Raya, there is no force labor indication.

Status: Comply

6.13

Growers and millers respect human rights

Policy for associated smallholder is same with its core company. Policy about respecting human rights is written on internal memo no 023/GM/SMM/IM/2015 on 2nd October 2015. Based on interview with board of Mitra Anugrah Cooperative and its workers, there is no human rights violation. All worker get same treatment whether contractor or smallholder.

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
 Scheme smallholders has conducted HCV assessment on 2014 and New Planting procedures for entire area and Notification for this NPP assessment were published on November 3, 2015.
 Since 2017, scheme smallholders did not expand or develop new operational areas, therefore SIA and EIA document are covered on current document see indicator 5.1 and 6.1

Status: Comply

7.2
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.

7.2.1 and 7.2.2
 Strategies for fragile and other problem soils are included in the semi-detailed soil survey report. The report describes the level of land suitability along with the actions that need to be taken to raise the level of land suitability. Based on the report it is known that the limiting factors in land in The cooperative's operational areas include low nutrient content, steep slope land, sandy soil, and low-flood lands.

Status: Comply

7.3
New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.

7.3.1 & 7.3.2
 Document review and interview with management shown that scheme smallholder is performed land clearing after January 1st 2010 without preceded by the identification of HCV. Scheme smallholders has conducted HCV assessment on 2014 and New Planting procedures for entire area and Notification for this NPP assessment were published on November 3, 2015.
 Land Use Change (LUC) Analysis of PT. SMM Partnership Plantation Area already done, and the analysis are included in HCV Identification Report. LUC Analysis was conducted by Faculty of Forestry, Bogor Agricultural Institute lead by Dr. Ir. Nyoto Santoso, MSi. The LUC Analysis was done using multi time scene Landsat 7 interpretation which the acquisition date are July 2nd , 2005, April 22nd , 2011 and June 22nd , 2013. The result of LUC Analysis in Plantation scheme smallholders of PT. SMM shows that there is no primary forest and peat land on scheme smallholder area.

7.3.3
 Based on interview with management and document review shown initial land clearing for scheme smallholders were undertaken on 2010 and the last land clearing was conducted on april 2016 on Lindong Raya Cooperative Unit.

7.3.4 & 7.3.5
 HCV identification for scheme smallholders were undertaken on 2014, and its HCV assessment are incorporated with HCV management and monitoring plan such as HCV areal boundary marking, boundary sign maintenance, regular patrols, and HCV socialization. This HCV assesment also was undertaken by consultation with affected parties on November 5, 2014.

Status: Comply

7.4
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.

7.4.1 and 7.4.2
 Strategies for fragile and other problem soils are included in the semi-detailed soil survey report. The report describes the level of land suitability along with the actions that need to be taken to raise the level of land suitability. Based on the report it is known that the limiting factors in land in The cooperative's operational areas include low nutrient content, steep slope land, sandy soil, and low-flood lands.

Some recommended strategies include:

- Increasing the organic content of the soil through recycling nutrients, namely the application of EFB and POME, laying the frond in the joint and between the staples.
- Carry out fertilization based on the results of leaf and soil analysis that is carried out regularly.
- Making a terrace system on steep slopes, planting Munauna bracteata and laying the frond parallel to the direction of the contour,
- Application of water management to low-lying areas and flood-prone areas, through the creation of drainage systems, piezometer monitoring, land subsidence monitoring (subsidence) and water level monitoring

The cooperative has shown the results of the examination and implementation of the EFB applications, results of soil and leaf analysis, recording of Mucuna bracteata planting.

Based on field observations on Mitra Anugerah Cooperative Cooperative it is known that the fragile land management strategy mentioned above has been well implemented by The cooperative

Status: Comply

7.5

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

7.5.1

The cooperative can show the recording of land compensation in the occupation land within the land use title. The documentation consists of Statement Letter releases rights and interests on growing land and cropping, Statement of No Dispute, Minutes of Coordinate measurement, Minutes of Land Acquisition Price, Recapitulation of amends / Compensation signed by landowners, village teams and the companies.

Based on interviews with Village Head, it was explained that land compensation activities were conducted in a deliberation witnessed by the village representative team and jointly measured the area. The community has the right not to sell the land to the companies.

Status: Comply

7.6

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

7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5 & 7.6.6

The area proposed to be certified covers 599.5 ha consisting of Cooperatives of Mitra Lestari, Mitra Anugrah, Sambar Jaya Makmur, Berimpun Sejahtera, and Lindong Raya, owned by smallholders who gathered in cooperatives. Then based on an agreement, every Cooperative conduct a partnership with the Company to be managed in full managed pattern. Therefore, the process of ownership of smallholder land by the company is not a compensation process for land rights or customary rights, but by partnership.

The agreements was signed by both parties, and was known by the Regent of East Belitung Regency. In addition to the agreements documents are also available such as the minutes of the formation of cooperatives, cooperative deed of establishment, cooperative ratification, and annual member meeting documents.

Status: Comply

7.7

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

7.7.1 & 7.7.2

Document review shown distribution of planting year for scheme smallholder areas are consist of planting year 2011-2014, where as the last new development was undertaken on Mitra Anugerh and Sambar jaya Cooperatives on 2014. Field visit in Mitra Anugerah cooperatives indicates all land preparation for new planting acitivites are conducted by zero burning methods. Procedures and policy related Zero burning activities for land preparation are same with PT SMM, and listed on

procedures SOP-AGR-003 on 2013 and Environmental policy 2015.	
Status: Comply	
7.8	
New plantation developments are designed to minimise net greenhouse gas emissions.	
7.8.1 & 7.8.2	
<p>Document review shown distribution of planting year for scheme smallholder areas are consist of planting year 2011-2016, where as the last new development was undertaken on Lindong Raya Cooperatives on 2016. Regarding this scheme smallholders has performed High Carbon Stock Study on 2014 using Tier 2 IPCC 2006 Guidelines, conducted by independent consultant.</p> <p>Based on this assessment, acquired information that total average C-Stock on scheme smallholders area are 10.35 ton C/ha.</p> <p>Regarding high carbon stock for new development, company and scheme smallholder has High Carbon Stock policy protection that listed in Sustainable policy on November 28, 2016.</p> <p>Based on interview with management and field visit found that some cooperatives planting area are still on immature stage and mitigation plan to reduce GHG emission also established. Regarding this, auditor team are reminding scheme smallholders for Implementation to minimize GHG emission produced by operational activities based on mitigation plan.</p>	
OFI	
Status: Comply	
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity	
8.1	
Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.	
<p>The Company as smallholder's manager has compiled a social management and monitoring plan prepared in accordance with SIA for Smallholder, and regularly evaluated in a participatory manner through annually Stakeholder Meetings.</p>	
Status: Comply	

3.2. Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√
ASA-3	The company does not use RSPO or Mutu logo, the company has RSPO trademark license no.: 1-0032-07-100-00, start date 8 Nov 2018	✓
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or√
ASA-3	The company does not use RSPO or Mutu logo, the company has RSPO trademark license no.: 1-0032-07-100-00, start date 8 Nov 2018	✓
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA-3	The company does not use RSPO or Mutu logo, the company has RSPO trademark license no.: 1-0032-07-100-00, start date 8 Nov 2018	✓
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or√
ASA-3	The company does not use RSPO or Mutu logo, the company has RSPO trademark license no.: 1-0032-07-100-00, start date 8 Nov 2018	✓
	Status: Comply	

3.3. Summary of RSPO Partial Certification.

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

ANJA Time Bound Plan (TBP) is explaining in table section 1. ANJA has run four (4) mills and eight (8) management unit Estates in Indonesia. All mills and estates are operated in Indonesia. ANJA has informed the TBP progress through head office in Indonesia.

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

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Company statement : The company are already doing internal audits.</p> <p>Auditor verification:</p> <ul style="list-style-type: none"> • PT Kayung Agro Lestari has been conducted initial assessment on September 2016 • Internal Audit for PT Putera Manunggal Perkasa and PT Permata Putera Mandiri has been conducted on September 2015.
2.2.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>Company statement: The company has been reporting disclosure and zero liability to RSPO. Progress result of review LUCA at follow up by email to RSPO.</p> <p>Auditor Verification : ANJA and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 24, 2015. The validation progress of Remediation and Compensation Plan (RaCP) for the area opened since November 1, 2005 without preceded by the identification of HCV in accordance with RACP Procedure will be observed again on the next visit audit.</p>
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>company statement: NPP has been applied</p> <p>Auditor Verification :</p>

		<ul style="list-style-type: none"> • PT Galempa Sejahtera Bersama, NPP date of notification on May 2, 2014 • PT Putra Manunggal Perkasa, NPP date of notification on 24 July 2014 • PT Permata Putra Mandiri, NPP date of notification on September 29, 2014
2.2.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company statement: There is land conflict, but there is documented evidence that land conflict has been process for resolution.</p> <p>Auditor verification : The company has had a mechanism for addressing land conflicts, described in the SOP of Handling Differences Opinion with the Community and Dispute Tenure (SOP-Leg-03, Issue 01, dated 1 September 2015),</p>
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Company statement: There is no labour disputes</p> <p>Auditor verification : The company has a mechanism for grievance described in SOP Handling of Differences of Opinion with Public and Land Dispute (Document No. SOP-EAD-01; Issue 01/00) dated August 1, 2013. A policy related to confidentiality of informant (whistle-blower) regulated in the SOP of Communication and Provision Information (Document No. SOP-Leg-02, Issue 01/04, dated 1 September 2015), it's mentioned in the section 6 of tis SOP. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries</p>
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Company statement: All legal requirement for palm oil plantation has been comply</p> <p>Auditor verification : PT Kayung Agro Lestari</p> <ul style="list-style-type: none"> • Ketapang Regent Decree No. 103 year of 2004 (26 April 2004) concerning of location permit for Oil Palm Plantation Development Purposes of ± 29,400 ha and Ketapang Regent amendment by decree No. 116 year of 2007 (March 22, 2007) on location permit changes to 20,000 Ha • Issued by Ministry of Forestry through Ministerial Decree No.: SK.643 / Menhut-II / 2009 (October 13, 2009) on release of Production Forest Convertible Area of 17986.90 ha • West Kalimantan Governor Decree No.: 123/BLHD/2010 on the environmental feasibility of plantation activities (total area 18754.9 hectares) and palm oil processing mill (capacity of 85 ton FFB/hour)

		<ul style="list-style-type: none"> • The total area of 10,920.36 ha, based on Decree No. 33/HGU/BPN.RI/2014, dated February 4, 2014 • Buildings Use Title (HGB) for mill, offices, housing and other facilities, based on National Land Agency (BPN) decree No.: 1/HGB/KEM-ATR/BPN/2016 <p>PT Galempa Sejahtera Bersama</p> <ul style="list-style-type: none"> • Status of PT GSB based on Forest Area Indicated (TGHK) is Non Forest Designated Area (Area Penggunaan Lain) • Location Permit No. 525/535/KEP/HUTBUNTAMBEN/2012, 20 April 2012 • Plantation Permit No. 525/423/KEP/HUTBUNTAMBEN/2013, 08 May 2013 • Environment Permit No. 211, 2013, dated 06 May 2013 • SEIA No. 210, 2013, dated 1 May 2013 <p>PT Putera Manunggal Perkasa</p> <ul style="list-style-type: none"> • Location Permit No. 522/30/II/2011, dated 09 February 2011. Total area ± 22,195.28 Ha • Change Location Permit No. No. 522.2-6/206/10/2012, dated 12 October 2012. Total area ± 22,195.28 Ha • Converted forest area release by the Republic Indonesia Ministry of Forestry Number SK.606/MENHUT-II/2012, dated 31 October 2012 • Plantation Business Permit, According to West Papua Governor Decree No. 525/90/V/2011, dated 10 May 2011 for 25,159 Ha and 60 Ton FFB/Hours plant. • Adjustment of plantation area According to West Papua Governor Decree No. 525/584/GPB/2013, dated 30 April 2013 for 23,424.38 Ha and 60 Ton FFB/Hours plant <p>PT Putra Permata Mandiri</p> <ul style="list-style-type: none"> • Location Permit No. 83/2010, dated 30 April 2010. Total area ± 40,000 Ha • Change Location Permit No. 522.2/118/BSS/August Tahun 2010, dated 11 August 2010. Total area ± 40,000 Ha • Converted forest area release by the Republic Indonesia Ministry of Forestry Number SK.731/MENHUT-II/2011, dated 21 December 2011 • Plantation Business Permit, According to West Papua Governor Decree No. 95 tahun 2010, dated 28 June 2010 for 40,000 Ha and 3 x 60 Ton FFB/Hours plant. • Cadastral map from National Land Body of Republic Indonesia No. 021-33.05-2014, dated 26 March 2014 for 32,025.14 Ha
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3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.4.1 Identification of Findings, Corrective Actions and Observations at Extension Scope Assessment

NCR No.	: 2018.01	Issued by	: Arif Faisal Simatupang		
Date Issued	: 8 November 2018	Time Limit	: 7 November 2019		
NC Grade	: Major	Date of Closing	: 20 March 2019		
Standard Ref. & Requirement	: 2.2.1 Harus tersedia dokumen yang menunjukkan kepemilikan atau penyewaan, sejarah jangka waktu kepemilikan/pengusahaan lahan dan hak pengusahaan lahan secara sah.				
Non-Conformance Description & Evidence observed (filled by auditor):					
Based on document review of land use rights (SKT/SHM), and as plantation business permits in form of STDB (<i>surat tanda daftar budidaya</i> /letter of registration of cultivation) of smallholder, it is known:					
	Total Area (ha)	Haveland use rights (ha)	Do not have land use rights (ha)	Have plantation permits (ha)	Do not have plantation permits (ha)
Cooperative of Mitra Lestari	54	54	-	54	-
Cooperative of Mitra Anugrah	49	49	-	50,86	-
Cooperative of Sambar Jaya Makmur	66,5	66,5	-	66,5	-
Cooperative of Berimpun Sejahtera	64	64	-	0	-64
Cooperative of Lindong Raya	366	304	-62	0	-366
Total	599,5	537,5	-62	171,36	-428,14
Based on data above, it is known that there is smallholder that does not have land use rights (SKT/SHM) and plantation permits (STDB), such as:					
<ul style="list-style-type: none"> - Cooperative of Berimpun Sejahtera, 64 ha does not have plantation permit - Cooperative of Lindong Raya (KLR), 62 ha does not land use rights (SKT/SHM), and 366 ha does not have plantation permit (STDB). 					
Root Cause Analysis (filled by organization audited):					
<ul style="list-style-type: none"> • There is a process of changing land ownership to heirs because there is a landowner who has passed away at the Koperasi Lindong Raya. • The existence of internal problems in Tanjung Kelumpang Village so that the process of issuing recommendation letters is still pending and for data requirements already completed by all members of the cooperative. 					
Correction (filled by organization audited):					
Submitting SKT / SHM and STDB arrangements in the intended smallholder area.					
Corrective Action (filled by organization audited):					
Monitoring and action plan progress in managing SKT / SHM and STDB in the smallholder area.					
Assessor Evaluation and Conclusion (filled by auditor):					
Verification on 06 February 2019 :					
The company shows an SKT list for all members of the 366 ha Lindong Raya Cooperative (fulfilled related to SKT).					
Example of managing STDB of Cooperative for Berimpun Sejahtera members to Head of the Kelumpang Village and an example of managing STDB of Cooperative of Lindong Raya members to the Limbongan Village Head.					

This has not been fulfilled with regard to the minimum requirement for 2.2.1 is the right to land and plantation business licensing

Verification on 05 March 2019 :

The company sent a Statement from the Cooperative of Berimpun Sejahtera, that each member has fulfilled the requirements needed for the management of STDB and has been submitted to the Tanjung Kelumpang Village. But the activity was still delayed due to the internal problems of Tanjung Kelumpang Village. There is an example of submitting the STDB to Tanjung Kelumpang Village.

This has not been fulfilled regarding the STDB still in process.

Verification on 20 March 2019

The company shows data on the scope of certification changes to 169.5 Ha and map of the smallholder that include in scope of certification. Lindong Raya Cooperative and Berimpun Sejahtera Cooperative is out of scope of certification. Besides, company also updates the time bound plan for both cooperative which planned to the certification process in 2019.

Verified by : **Sandra Purba**

NCR No.	: 2018.02	Issued by	: Yudhi Yuniarto Tallutondok
Date Issued	: 8 November 2018	Time Limit	: 7 November 2019
NC Grade	: Major	Date of Closing	: March 8, 2019
Standard Ref. & Requirement	: 4.6.7 Application of pesticides shall be by proven methods that minimize risk and negative impacts.		
Non-Conformance Description (filled by auditor):			
Based on interviews with workers at Mitra Anugerah Cooperative, it was stated that work tools and personal protective equipment for spray workers were brought home after finishing work. And interviews with the management stating that the Mitra Anugerah Cooperative does not yet have storage facilities for personal protective equipment as required by Minister of Manpower Regulation No. 3 of 1986 Article 15.			
Root Cause Analysis (filled by organization audited):			
The operation system of PT SMM not yet fully adopted by cooperatives unit.			
Correction (filled by organization audited):			
Mitra Anugrah coordinates with Air Ruak Estate and submits a letter related to work equipment safekeeping and PPE spraying officers at the Water Ruak Estate warehouse			
Corrective Action (filled by organization audited):			
Monitoring the Cooperative Employees' PPE in the storage that has been provided. Monitoring of PPE for spraying operators is regulated in SOP-EHS-38 concerning procedures for managing personal protective equipment (PPE)			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on 6 Feb 2019,			
<ul style="list-style-type: none"> • The company shows a letter from the Mitra Anugrah Cooperative to PT SMM Air Ruak Estate on 23 Jan 2019 no. : 01 / KMA / 1/2019 regarding requests for storage of spray equipment, tools, fertilizers, pesticides and other equipment in the Air Ruak Estate warehouse. 			

• The company shows the spraying operator's PPE inspection form (FRM-SOP EHS 23-060). However, in the SOP has not been explained regarding the monitoring of spray attendant PPE storage, the incompatibility has not been fulfilled.

Verification March 8, 2019

• The company shows the SOP-EHS-038 document regarding the procedure for managing personal protective equipment (PPE) valid since January 8, 2019 and has been approved by the General Manager. In clause of 5.6, the procedure explains that personal protective equipment associated with or contaminated with chemicals must be examined and washed in the space provided, after washing PPE is stored in the place provided in accordance with the type and grouping.

• The company sends proof of correction in the form of documentation of the HIRA Training (including retention of PPE and monitoring) carried out on December 21, 2018 at the ANJ Learning Center. The training was attended by 32 people who were staff foremen, clerks, employees (mill and partnership).

Based on the above, nonconformities are stated to be fulfilled.

Verified by : **Yudhi Yuniarto T**

NCR No.	: 2018.03	Issued by	: Yudhi Yuniarto Tallutondok
Date Issued	: 8 November 2018	Time Limit	: 7 November 2019
NC Grade	: Major	Date of Closing	: 6 Feb 2019
Standard Ref. & Requirement	: 4.6.11 Annual medical records of pesticide operators, and follow-up treatment of medical results, shall be available.		
Non-Conformance Description & Evidence observed (filled by auditor):			
Based on the results of document verification and interviews with management, it is known that cooperative has not conducted a special health check for spray workers. This is not in accordance with Minister of Manpower Regulation No.3 of 1986 Article 7.			
Root Cause Analysis (filled by organization audited):			
The operation system of PT SMM not yet fully adopted by cooperatives unit.			
Correction (filled by organization audited):			
Identifying spraying officers Conduct a physical health check Conduct a special health check on spraying operators of partnerships			
Corrective Action (filled by organization audited):			
Conduct the monitoring of specific medical health checks for spraying operator in cooperatives unit Monitoring the medical checks implementation according to the polyclinic management plan			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on 6 Feb 2019			
The company has shown a list of pesticide operator in smallholder scheme for 16 worker. The company showed documentation of the implementation of pesticide operator's health checks for 16 worker, the inspection was carried out by clinic of PT SMM on 24 January 2019. It can be shown the polyclinic management plan for the 2018 period, in the program it was explained that medical check up for pesticide operator will be conducted twice a year and laboratory			

tests will be conducted once a year.	
Nonconformities are stated to have been fulfilled .	
Verified by	: Yudhi Yuniarto T

NCR No.	: 2018.04	Issued by	: Yudhi Yuniarto Tallutondok
Date Issued	: 8 November 2018	Time Limit	: 7 November 2019
NC Grade	: Major	Date of Closing	: March 8, 2019
Standard Ref. & Requirement	: 4.7.2 A documented risk assessment shall be available and its implementation shall be recorded.		
Non-Conformance Description (filled by auditor):			
The cooperatives are known to have a Hazard Identification document, Risk Assessment and Risk Control (FRM-SOP EHS 19-028) which includes operational work such as: harvesting, pruning, maintenance, fertilization, land clearing, and nursery. Based on the verification of the document it is known that there are activities that have not been identified with hazards and risks such as mixing chemicals in the open space, storing personal protective equipment and storing work tools.			
Root Cause Analysis (filled by organization audited):			
HIRA evaluation for operational of smallholder scheme has not been done routinely. This is because the plantation operating system has not been fully adopted by the smallholder scheme.			
Correction (filled by organization audited):			
Conduct a revision against the HIRA document according to cooperatives operation activities which has been identified as hazardous and risk activities.			
Corrective Action (filled by organization audited):			
Ensure that the recommendation on HIRA document in accordance with the implementation in field, the activities related to HIRA ruled in SOP-EHS-19.			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on 6 Feb 2019,			
The company shows a revised document of Hazard Identification, Risk Assessment and Risk Control, which in the document has added risk and hazard assessments to mixing chemicals in the open space, storage of PPE and storage of work tools in each activity such as harvesting activities and chemical spraying activities. Monitoring the implementation of the HIRA is explained in SOP-EHS-019 on 22 September 2017. However, there is no evidence that the results of the hazard assessment and risk have been socialized to the workers and management of the cooperative. Nonconformities have not been fulfilled			
Verification on March 8, 2019			
The company sends evidence of corrective action in the form of documentation of the HIRA Training held on December 21, 2018 at the ANJ Learning Center. The training was attended by 32 people who were staff foremen, clerks, employees (mill and partnership). Based on the above, nonconformities are stated to be fulfilled .			
Verified by	: Yudhi Yuniarto T		

NCR No.	: 2018.05	Issued by	: Steve Mualim
Date Issued	: 8 November 2018	Time Limit	: Next Assessment
NC Grade	: Minor	Date of Closing	: March 5, 2019
Standard Ref. & Requirement	: 5.2.4 Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.		
Non-Conformance Description & Evidence observed (filled by auditor): <p>Scheme smallholder PT SMM has conduct HCV identification on 2014 and its identification are included HCV monitoring and management plan. As listed on HCV identification document, PT SMM scheme smallholder are not able to shown monitoring result of HCV attributes and its improvement as output form monitoring result, for HCV that present on scheme smallholders area based on HCV management plan.</p>			
Root Cause Analysis (filled by organization audited): <p>HCV management has not been carried out maximally because the plantation operating system has not been fully adopted by the partnership smallholders. This is because the programs that have been prepared have not been able to be implemented maximally due to the change of personnel in charge.</p>			
Correction (filled by organization audited): <p>Develop the form for daily HCV monitoring in the smallholder area Installation of HCV area sign board in the smallholder area</p>			
Corrective Action (filled by organization audited): <p>Conduct the monitoring of HCV area in the smallholders routinely and reported to Dept of conservation of PT SMM.</p>			
Assessor Evaluation and Conclusion (filled by auditor): Verification on February 2, 2019 <p>The company shows correction in the form of a monitoring form for the HCV smallholder area, installation of HCV signboards in the smallholder area, and HCV index summary for the smallholder area. In accordance with the smallholder's HCV management program listed in the 2014 HCV identification document, the company has not been able to:</p> <ul style="list-style-type: none"> ○ Shows the results of monitoring for inventory of flora and fauna in the HCV area during monitoring activities ○ There is no listed regarding the program and the realization that has been done, such as the marking of HCV areas or the making of HCV warning boards for HCV 1.2, 4.1 and 6 attributes in the smallholders area according to the results of HCV identification. 			
Verification on March 5, 2019 <p>The company has shown the management plan for HCV area partnership area for the period of 2019, for example, which consists of HCV training, HCV month report, inventory track maintenance, signboard maintenance, HCV area reforestation, HCV area monitoring and patrol, etc. In addition, there are also reports of HCV daily patrols to monitor the presence / absence of damage to HCV areas and species encountered. Because the partnership has only compiled the HCV management plan in 2019, the follow-up plan for the improvement of the HCV management plan in 2020 based on the results of monitoring in 2019 will be the part observed in the following year.</p>			
<p>Based on the information above, NCR 2018.05 was declared Closed with Observation</p>			

Verified by	: Steve Mualim
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NCR No.	: 2018.06	Issued by	: Arif Faisal Simatupang
Date Issued	: 8 November 2018	Time Limit	: 7 November 2019
NC Grade	: Major	Date of Closing	: 5 March 2019
Standard Ref. & Requirement	6.1.3 Plans for management and monitoring social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment, through consultation with the affected parties, shall be available, documented and timetabled, including responsibilities for implementations		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The plan for management and monitoring of social impacts contained in the CID Management Plan, does not include management and monitoring of impacts on tenure aspects, according to the results of identification in SIA documents for smallholder.			
Root Cause Analysis <i>(filled by organization audited):</i> Lack of understanding of officers responsible for tenure aspects. Activities related to tenure aspects have been carried out, but have not been documented maximally such as SKT and STDB progress.			
Correction <i>(filled by organization audited):</i> Added management and monitoring of impacts in tenure aspects, according to the results of identification in the SIA document in the CID plan management.			
Corrective Action <i>(filled by organization audited):</i> Monitoring and evaluate the management and monitoring of impacts in tenure aspects, according to the results of identification in the SIA document in the CID plan management.			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification on February 6, 2019: The company sent proof of corrective action in the form of SIA dissemination and revision on November 30, 2018 and monitoring of SIA impact is attached to Management Plan CID 2019, however, in the SIA Impact Monitoring document has not yet describes the impact of tenure aspects. In addition, the Root Cause Analysis needs to be reviewed by management as above, related to the SIA for partnerships its been completed since 2014, but why has not been fully adopted by partnership management. This incompatibility has not been fulfilled Verification on March 5, 2019: - The company has improved root cause analysis and is acceptable. - The company shown the SIA Impact Monitoring attached to MP CID 2019, in the SIA Impact Monitoring document, its been describes the impact of tenure aspects, namely by socializing land legality, coordinating the progress of the legality of smallholders area, and install boundaries area of smallholders. This non-conformity is stated to be fulfilled .			
Verified by	: Arif Faisal		

3.4.3 Opportunity for Improvement

No	Ref. Std.	Description
1	Major 1.1.2	Documenting each incoming letter to the cooperative cooperative and its responses
2	Minor 4.8.2	Ensure that all core company policies have been socialized to all partnership farmers and their workers
3	Minor 7.8.2	Implementation plan to minimize GHG emission that produced by scheme smallholder operational activities

3.4.4 Noteworthy Positive Components







No	Ref Std	Descriptions
1		Good teamwork and PIC competency during the assessment process
2		Commitment to implement the RSPO standard in the partnership area

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Bipartite Cooperation and Worker Union</p> <ul style="list-style-type: none"> • There is no contract worker in PT SMM. All worker is daily permanent worker. There will be 3 months trial time before the assignment as daily permanent worker. • PPE is provided by the company • Basic wage is in accordance with applicable regulation, Decree of Bangka Belitung Province Governor about Minimum Wage for Bangka Belitung Province • Overtime for Mill Worker is paid in accordance with applicable regulation, however overtime for Estate worker is paid with premium pay. • There is a collective labor agreement. • There is no issue related to discrimination or child worker. PT SMM provided facilities for worker welfare 	<p>Auditor has verified the compliance towards criteria 6.5, 6.7, 6.8, 6.9</p>
<p>Gender Committee</p> <ul style="list-style-type: none"> • Gender committee active in socialized company's policies, such as PKB and complaint mechanism. • PT SMM provided reproductive rights for worker, especially women worker such as menstrual leave, maternal leave, and special time for breastfeeding. • Worker who live in surrounding village can bring along their child and leave them in crèche facility. • There is no issue related to sexual harassment. 	<p>Auditor has verified the compliance towards criteria 6.9</p>
<p>Worker cooperative</p> <ul style="list-style-type: none"> • Worker cooperative provides basic need with affordable price • Annual meeting for period of 2017 has conducted in May 2018 	<p>Auditor has verified the compliance towards criteria 6.5</p>
<p>Local Contractor</p> <p>CV Mitra Utama (FFB and CPO Transporter), CV Saputri Cemerlang (up keep), CV Aditya (FFB Transporter)</p> <ul style="list-style-type: none"> • Work agreement between contractor and PT SMM is made with negotiation • The payment is done on time • PT SMM has socialize the company's policy to contractor, such as code of conduct, social insurance, and PPE • Contractors know and understand how to submit complaint • Social insurance and PPE is provided by contractor 	<p>Auditor has verified the compliance towards criteria 6.10 and indicator 4.7.3, 4.7.6, and 6.3.1</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Simpang Tiga Village</p> <p>Interview with Head of Village and previous land owner</p> <ul style="list-style-type: none"> • PT SMM has responded all proposal assistant, but it is expected to be more active in provided CSR without proposal from village • There is no land conflict • Land compensation is done without coercion and the copy of compensation document is also kept with the land owner. • There is no environment pollution • Few villagers are work in PT SMM 	<p>Auditor has verified the compliance towards criteria 6.1 and 6.11</p>
<p>Dendang Village</p> <p>Interview with Head of Village</p> <ul style="list-style-type: none"> • PT SMM will invite village representative in public consultation every six month • PT SMM has provide CSR to Dendang Village • There is no environment pollution and negative social impact. • Some villagers are work in PT SMM 	<p>Auditor has verified the compliance towards criteria 6.1 and 6.11</p>
<p>Labor Agency of Belitung Timur Regency</p> <ul style="list-style-type: none"> - The Companies have implemented the payment of wages for employees refers to Bangka Belitung Governor Decree number 188.44/1252/DISNAKER/2017 dated on November 21, 2017 concerning the Minimum Wage of Bangka Belitung Province in 2018. - The company has a Collective Labor Agreement periode of 2016 – 2018 between PT Sahabat Mewah dan Makmur and the Executive Board of Workers Union. The Collective Labor Agreement has been registered to Labor Agency of Belitung Timur Regency. - All mandatory reports related to employment have reported well. - There are no issues of migrant workers, no child workers, no substitution contracts, no labor trade or forced labor forms. - All employees have employment agreements and there were no issues or violations committed by Companies related to worker welfare included in payment. 	<p>It has been verified and stated under principle 6 in the report</p>
<p>Agriculture Agency of Belitung Timur Regency</p> <ul style="list-style-type: none"> - There are no issues related to disruption of plantation business - The Communication goes well, all mandatory reports related to plantation operation have reported well. - There is no issues of land fires and Tools and fire brigade 	<p>It has been verified and stated under Criteria 1.1; 2.1; 4.7; and 6.10 on The report</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>personnel are sufficient.</p> <ul style="list-style-type: none"> - The company has been doing CSR activities in the field of education, regional development. 	
<p>Environmental Agency of Belitung Timur Regency</p> <ul style="list-style-type: none"> - The company already has a Schedule Waste Storage license in Mill and Estate. - The Communication goes well, all mandatory reports related to plantation operation have reported well - The companies have all environment permit. - There are no complaints of environmental pollution caused by operational companies on the public. 	<p>It has been verified and stated under principle 5 on The report</p>
<p>Cooperative Unit (Partnership of PT SMM) Mitra Anugrah Cooperative and Mitra Lestari Cooperative</p> <ul style="list-style-type: none"> • There is an MoU between PT SMM and cooperative • All farmers have legal document such as SKT and SPPL • Payment have not been made, because currently farmers still pay off debts • There is no boundary between farmers field • There is no implementation report of environmental document • Mitra Anugrah Cooperative use contractor worker for operational activity. The agreement is between contractor and PT SMM. • Cooperative committee has not received training related to RSPO • PT SMM provide sterilizer and pesticide to cooperative • FFB price is following Plantation Agency 	<p>It has been verified and stated under criterion 6.10 and 6.11 on The report</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <table border="0" data-bbox="446 798 1315 1050"><tr><td data-bbox="446 798 730 1050"><p>PT Sahabat Mewah & Makmur General Manager</p><p><u>Juli Wankara Purba</u> Wednesday, 20 March 2019</p></td><td data-bbox="1023 798 1315 1050"><p>Mutuagung Lestari Lead Auditor</p><p><u>Sandra Purba</u> Wednesday, 20 March 2019</p></td></tr></table>	<p>PT Sahabat Mewah & Makmur General Manager</p>  <p><u>Juli Wankara Purba</u> Wednesday, 20 March 2019</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Sandra Purba</u> Wednesday, 20 March 2019</p>
<p>PT Sahabat Mewah & Makmur General Manager</p>  <p><u>Juli Wankara Purba</u> Wednesday, 20 March 2019</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Sandra Purba</u> Wednesday, 20 March 2019</p>		

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	Community Leader of Dendang Village and previous land owners (3 people)	Dendang Village, Belitung Timur Regency	-	Interview	November 7 th 2018	✓	-
2	Community Leader of Simpang Tiga Village and previous land owners (3 people)	Simpang Tiga Village, Belitung Timur Regency	-	Interview	November 7 th 2018	✓	-
3	Worker Union	PT Sahabat Mewah & Makmur	-	Interview	November 5 th 2018	✓	-
4	Gender Committee	PT Sahabat Mewah & Makmur	-	Interview	November 5 th 2018	✓	-
5	Worker Cooperative	PT Sahabat Mewah & Makmur	-	Interview	November 5 th 2018	✓	-
5	Local Contractor (Estate and Mill) Interview with CV Mitra Utama (FFB and CPO Transporter), CV Saputri Cemerlang (up keep), CV Aditya (FFB Transporter)	Belitung Timur Regency	-	Interview	November 6 th 2018	✓	-
6	Cooperative Unit (Partnership of PT SMM) Mitra Anugrah Cooperative and Mitra Lestari Cooperative	Belitung Timur Regency	-	Interview	November 6 th 2018	✓	-
7	Walhi Kateng	-	infomasi@walhi.or.id	Email	October 29 th 2018	-	✓
10	Sawit Watch	-	info@sawitwatch.or.id	Email	October 29 th 2018	-	✓
11	WWF	-	wwf-indonesia@wwf.or.id	Email	October 29 th 2018	-	✓
12	AMAN	-	rumahaman@cbn.net.id	Email	October 29 th 2018	-	✓
13	Jangkang Mill - Weighbridge operators - security - grading operator - sterilizer operator - pressing operator - kernel operator - engine operator - workshop workers - boilerman	PT Sahabat Mewah & Makmur	-	Field observation and interview	November 6 th 2018	✓	-
14	Balok Estate - Harvesting - 4	PT Sahabat Mewah & Makmur	-	Field observation and interview	November 6 th 2018	✓	-

	workers - Manuring – 7 workers						
15	Air Ruak Estate - Harvesting – 5 workers - Spraying – 9 workers	PT Sahabat Mewah & Makmur	-	Field observation and interview	November 7 th 2018	✓	-

Appendix 2. Assessment Program

DATE	05 November – 09 November 2018	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 05 Nov 2018		
06.30 – 08.00	JAKARTA → BELITUNG (TANJUNG PANDAN)	All Auditor
08.00 – 10.00	TANJUNG PANDAN → PT SMM	
10.00 – 12.00	OPENING MEETING	
12.00 – 14.00	BREAK	
14.00 – 17.00	RSPO Document Review , basic info and Review of Previous Visit Non-conformance (ASA-1.1, ASA 1.2) Public consultation to Local contractor, FFB Supplier, internal stakeholder (labour union, gender committee and cooperative employees)	<ul style="list-style-type: none"> • All Auditor • AST
Tuesday, 06 Nov 2018		
08.00 - 12.00	Field Observation to Balok Estate <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, Best Agricultural Practices, Worker Welfare (payments, complaint mechanism) and safety aspect, • Hazardous Waste Material Management, Worker facilities (housing, health clinic, clean water, etc), Land Fire facilities, Storage, Land Application ect.. • Conservation Area and Legal operational Field Observation Jangkang POM <ul style="list-style-type: none"> • FFB received, sortation, Processing, worker welfare, Occupational Health and Safety (OHS/K3), Supply Chain etc. • WWTP/IPAL, Hazardous Waste Material, Chemical storage, Fire Fighting Facilities and environment aspect Stakeholders consultation to Government Institution and related NGO	<ul style="list-style-type: none"> • AFS • AST • AFS • SDP • STM • YYT
12.00 – 14.00	BREAK	
14.00 – 17.00	<ul style="list-style-type: none"> • Continuing of field observation and stakeholder consultation (if any) • Clarification of Field Observation • Completion Checklist. 	<ul style="list-style-type: none"> • All Auditor
Wednesday, 07 Nov 2018		
08.00 - 12.00	Field Observation Air Ruak Estate <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, Best Agricultural Practices, Worker Welfare (payments, complaint mechanism) and safety aspect • Hazardous Waste Material Management, Worker facilities (housing, health clinic, clean water, etc), Land Fire facilities, Storage, ect. • Conservation Area, Legal operational Field Observation to area of smallholder partnership <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, Best Agricultural Practices, Worker Welfare (payments, complaint mechanism) and safety aspect • Hazardous Waste Material Management, Worker facilities (housing, health clinic, clean water, etc), Land Fire facilities, Storage, ect.. • Conservation Area, Legal operational Stakeholder Consultation to the nearest village/community leader, Plasma Farmer	<ul style="list-style-type: none"> • AFS • YYT • AFS • SDP • STM • STM • AST

DATE	05 November – 09 November 2018	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	and cooperative.	
12.00 – 14.00	BREAK	
14.00 – 17.00	<ul style="list-style-type: none"> Continuing of field observation and stakeholder consultation (if any) Clarification of Field Observation Completion Checklist. 	<ul style="list-style-type: none"> All Auditor
Thursday, 08 Nov 2018		
08.00 – 12.00	<ul style="list-style-type: none"> Continuing of field observation and stakeholder consultation (if any) Clarification of Field Observation Completion Checklist. 	<ul style="list-style-type: none"> All Auditor
12.00 – 14.00	BREAK	
14.00 – 17.00	<ul style="list-style-type: none"> Clarification of Field Observation Completion Checklist Closing meeting preparation (internal discuss) 	<ul style="list-style-type: none"> All Auditor
Friday, 09 Nov 2018		
07.30 – 09.30	<ul style="list-style-type: none"> CLOSING MEETING 	
09.30 – 12.00	<ul style="list-style-type: none"> PT SMM → Tanjung Pandan 	<ul style="list-style-type: none"> All Auditor
14.00 – 16.00	<ul style="list-style-type: none"> Tanjung Pandan → Jakarta 	