

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

[✓] Surveillance

Name of Management Organisation : Libo Mill, PT Ivo Mas Tunggal subsidiary of Golden Agri Resources Ltd.
 Plantation Name : PT Ivo Mas Tunggal: Libo Estate, Sei Rokan Estate and Nenggala Estate
 PT Ramajaya Pramukti: Sungai Tapung Plasma
 Location : Sam-Sam Village, Sub District of Kandis, District of Siak, Riau Province, Indonesia
 Certificate Code : **MUTU-RSPO/032**
 Date of Certificate Issue : 30 October 2018 Date of License Issue : 30 October 2019
 Date of Certificate Expiry : 29 October 2023 Date of License Expiry : 29 October 2020

| Assessment | Assessment Date | PT. Mutuagung Lestari Auditor | Reviewed by | Approved by |
|------------|------------------------------------|---|-------------|-------------|
| ASA-1.1 | 19, 26, 27, 28, 29, 30 August 2019 | Moh. Arif Yusni (Lead Auditor), Arif Faisal Simatupang, Radytio Puspanjana, Dwi Haryati | Leonada | Ardiansyah |

| Assessment | Approved by MUTUAGUNG LESTARI on: |
|------------|-----------------------------------|
| ASA-1.1 | 27 September 2019 |

TABLE OF CONTENT

FIGURE

Figure 1. Location Map of PT Ivo Mas Tunggal 01

Figure 2. Operational Map of PT Ivo Mas Tunggal – Libo Mill 02

Abbreviations Used 03

1.0 SCOPE of the CERTIFICATION ASSESSMENT

1.1 Assessment Standard Used 05

1.2 Organisation Information 05

1.3 Type of Assessment 05

1.4 Location of Mill and Plantations 05

1.5 Description of Area Statement 06

1.6 Planting Year and Cycles 06

1.7 Description of Mill and Supply Base 07

1.8 Estimate Tonnage of Certified Product 07

1.9 Other Certifications 08

1.10 Time-Bound Plan 08

2.0 ASSESSMENT PROCESS

2.1 Assessment Team 15

2.2 Assessment Methodology, Assessment Process and Locations of Assessment 15

2.3 Stakeholder Consultation and Stakeholders Contacted 19

2.4 Determining Next Assessment 19

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification 20

3.2 Summary of Assessment Report of Supply Chain Requirement 50

3.3 Conformity Checklist of Certificate and Logo Use 62

3.4 Summary of RSPO Partial Certification 63

3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components 68

3.6 Summary of Arising Issues from Public, Management and Auditor Responses 70

4.0 CERTIFIED ORGANISATION’S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Signing of Assessment Findings 75

APPENDICES

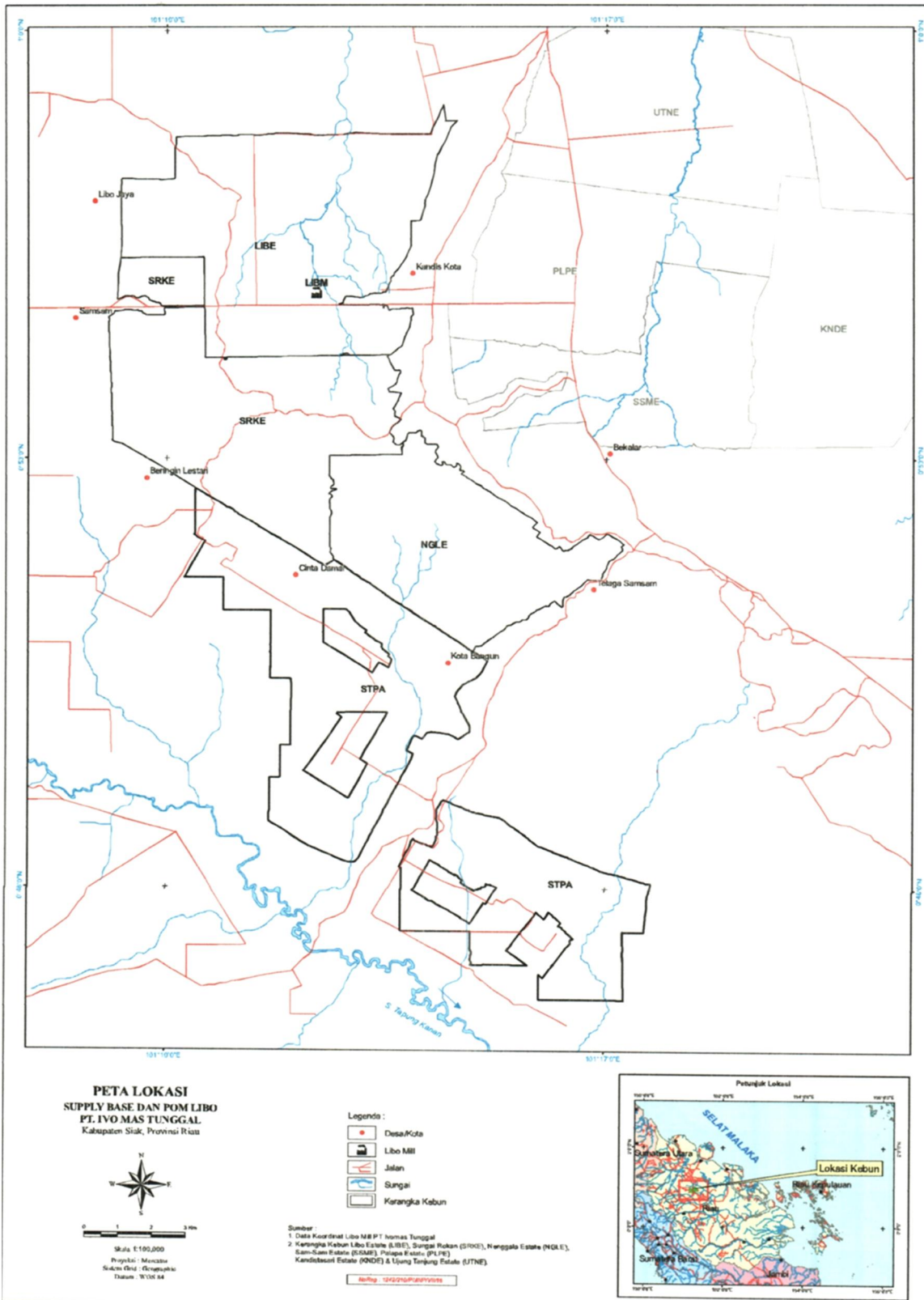
1. List of Stakeholders Contacted in the RSPO Certification Process 76

2. Assessment Program 78

Figure 1. Location Map of PT Ivo Mas Tunggal



Figure 2. Operational Map of PT Ivo Mas Tunggal – Libo Mill



Abbreviations Used

| | |
|---------|--|
| ANDAL | : <i>Analisa Dampak Lingkungan / Environmental Impact Assessment</i> |
| ASA | : Annual Surveillance Assessment |
| BKS PPS | : <i>Badan Kerja Sama Perusahaan Perkebunan Sumatera/ Coopeartion Body of Sumatera Plantation Companies</i> |
| BOD | : Biochemical Oxygen Demand |
| CD | : Community Development |
| CH | : Certificate Holder |
| CLA | : Cooperative Labour Agreement |
| CPI | : Caltex Pacific Indonesia |
| CPO | : Crude Palm Oil |
| CSR | : Corporate Social Responsibility |
| DPLH | : <i>Dokumen Pengelolaan Lingkungan Hidup / Environmental Management Document</i> |
| EBS | : Empty Bunch Spreader |
| EFB | : Empty Fruit Bunch |
| EIA | : Environmental Impact Assessment |
| FFB | : Fresh Fruit Bunch |
| GAPKI | : Gabungan Pengusaha Kelapa Sawit Indonesia |
| GAR | : Golden Agri Resources |
| HIRAC | : Hazard Identification Risk Assessment Control |
| HCV | : High Conservation Value |
| HGU | : Hak Guna Usaha(Land Title) |
| ILO | : International Labour Organization |
| IMT | : Ivo Mas Tunggal |
| IPM | : Integrated Pest Management |
| KNDE | : Kandistasari Estate |
| KSBSI | : <i>Konfederasi Serikat Buruh Sejahtera Indonesia/ Indonesian Labor Union Confederation</i> |
| KUD | : Koperasi Unit Desa / Village Cooperatives |
| LIBE | : Libo Estate |
| LIBM | : Libo Mill |
| MSDS | : Material Safety Data Sheet |
| NGLE | : Nenggala Estate |
| OHS | : Occupational Health and Safety |
| OIA | : Operational Internal Audit |
| P2K3 | : Panitia Pembina Keselamatan dan Kesehatan Kerja/OHS Committee |
| PK | : Palm Kernel |
| PKB | : <i>Perjanjian Kerja Bersama</i> |
| PKWT | : Perjanjian Kerja Waktu Tertentu |
| PLPE | : Palapa Estate |
| POM | : Palm Oil Mill |
| POME | : Palm Oil Mill Effluent |
| PPE | : Personal Protective Equipment |
| PT IMT | : PT Ivo Mas Tunggal |
| PSM | : Perusahaan Sinar Mas |
| RKL-RPL | : <i>Rencana Pengelolaan Lingkungan-Rencana Pemantauan Lingkungan / Environmental Management Plan- Environmental Monitoring Plan</i> |

| | | |
|-----------|---|--|
| RSPO | : | Roundtable Sustainable Palm Oil |
| RTE | : | Rare, Threatened or Endanger |
| SIA | : | Social Impact Assessment |
| SOP | : | Standart Operating Procedure |
| SPO | : | Sustainable Palm Oil |
| SPPP-SPSI | : | <i>Serikat Pekerja Pertanian Perkebunan-Serikat Pekerja Seluruh Indonesia/ Agricultural Workers Union - Indonesian Workers Union</i> |
| SPPI | : | <i>Serikat Perjuangan Pekerja Indonesia/ United Struggle of Indonesian Workers</i> |
| SRKE | : | Sei Rokan Estate |
| SSME | : | Samsam Estate |
| UTNE | : | Ujung Tanjung Estate |
| UTJM | : | Ujung Tanjung Mill |
| 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 of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016). • RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill) • RSPO Certification System for Principles and Criteria, 14 June 2017 | |
| 1.2 | Organisation Information | | |
| 1.2.1 | Organisation name listed in the certificate | PT IVO MAS TUNGGAL subsidiary of Golden Agri Resources Ltd | |
| 1.2.2 | Contact person | Ismu Zulfikar | |
| 1.2.3 | Organisation address and site address | RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 Liaison Office: Sinar Mas Land Plaza, Tower II, 30th Floor Jl. MH Thamrin No. 51, Jakarta 10350, Indonesia | |
| 1.2.4 | Telephone | (+62-21) 5033 8899 | |
| 1.2.5 | Fax | (+62-21) 5038 9999 | |
| 1.2.6 | E-mail | ismu-zulfikar@sinarmas-agri.com | |
| 1.2.7 | Web page address | www.goldenagri.com.sg | |
| 1.2.8 | Management Representative who completed the application for certification | Ismu Zulfikar (Head of Environmental Departement) | |
| 1.2.9 | Registered as RSPO member | 1-0096-11-000-00 – 31 March 2011 | |
| 1.3 | Type of Assessment | | |
| 1.3.1 | Scope of Assessment and Number of Management Unit | Palm Oil Mill and supply base: Libo Mill, Libo Estate, Nenggala Estate, Sei Rokan Estate and Sungai Tapung Plasma. | |
| 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 |
| | Libo Mill | Village of Samsam, Sub District of Kandis, District of Siak, Riau Province, Indonesia | N 0° 55' 34" E 101° 12' 22" |
| 1.4.2 | Location of Certification Scope of Supply Base | | |
| | Name of Supply Base | Location | Coordinate |
| | | | Latitude Longitude |
| | Libo Estate | Village of Samsam, Sub District of Kandis, District of Siak, Riau Province, Indonesia | N 0° 55' 34" E 101° 12' 22" |
| | Nenggala Estate | Village of Samsam, Sub District of Kandis, District of Siak, Riau Province, Indonesia | N 0° 52' 08" E 101° 14' 03" |

| | | | | | | |
|------------|---|---|----------------------------------|------------------------|-----------------------------|------------------|
| | Sei Rokan Estate | Village of Samsam, Sub District of Kandis, District of Siak, Riau Province, Indonesia | N 0° 53' 34" | E 101° 13' 02" | | |
| | Sungai Tapung Plasma (2,792 smallholders) | Village of Sukamaju and Kota Bangun, Sub District of Tapung Hilir, District of Kampar, Riau Province, Indonesia | N 0° 45' 03" | E 101° 14' 45" | | |
| 1.5 | Description of Area Statement | | | | | |
| 1.5.1 | Tenure | | | | | |
| | • State | | 11,621.20 | Ha | | |
| | • Community | | 5,585.00 | Ha | | |
| 1.5.2 | Area Statement | | | | | |
| | | PT Ivo Mas Tunggal (Ha) | Sungai Tapung Plasma (Ha) | Total (Ha) | | |
| | • Total area | 11,215.33 | 5,585.00 | 16,800.33 | | |
| | • Mature area | 6,447.01 | 5,585.00 | 12,032.01 | | |
| | • Immature area | 3,943.19 | - | 3,943.19 | | |
| | • Mill and Emplasmnt | 121.33 | - | 121.33 | | |
| | • Trench/ swamp/ river | 214.66 | - | 214.66 | | |
| | • Infrastructure (Housing, Offices, Road) | 400.82 | - | 400.82 | | |
| | • Nursery | 20.64 | - | 20.64 | | |
| | • Air strip | 17.46 | - | 17.46 | | |
| | • Others area | 50.22 | - | 50.22 | | |
| | • HCV (Include planted area) | 352.71 | 75 | 427.71 | | |
| 1.6 | Planting Year and Cycles | | | | | |
| 1.6.1 | Age profile of planting year | | | | | |
| | Planting Year | Hectarage (Ha) | | | | |
| | | Libo Estate | Sei Rokan Estate | Nenggala Estate | Sungai Tapung Plasma | Total |
| | 1986 | 96.76 | - | - | - | 96.76 |
| | 1987 | - | 1,038.67 | - | - | 1,038.67 |
| | 1989 | - | 1,458.58 | - | - | 1,458.58 |
| | 1993 | - | 957.03 | - | - | 957.03 |
| | 1996 | - | - | - | 5,585.00 | 5,585.00 |
| | 2012 | 539.24 | - | 174.59 | - | 713.83 |
| | 2013 | 854.43 | - | 458.79 | - | 1,313.22 |
| | 2014 | 355.70 | - | 513.22 | - | 868.92 |
| | Sub Total Mature | 1,846.13 | 3,454.28 | 1,146.60 | 5,585.00 | 12,032.01 |
| | 2015 | 412.25 | - | 899.71 | - | 1,311.96 |
| | 2016 | 1,624.12 | 460.70 | - | - | 2,084.82 |
| | 2017 | 546.41 | - | - | - | 546.41 |
| | Sub Total Immature | 2,582.78 | 460.70 | 899.71 | - | 3,943.19 |
| | TOTAL | 4,428.91 | 3,914.98 | 2,046.31 | 5,585.00 | 15,975.20 |

| | | | | | | | | |
|------------|--|------------------------------------|--|---|--|---|---------------------------|----|
| 1.6.2 | New Planting area after January 2010 | | | | | | - | Ha |
| 1.6.3 | Planting Cycle | 2 nd 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 (%) | |
| | Libo Mill | 60 | 265,390.47 | 54,118.22 | 20.39 | 14,369.87 | 5.41 | |
| | <i>*Production data source from August 2018 to July 2019</i> | | | | | | | |
| 1.7.2 | Description of Certification Scope of Supply Base | | | | | | | |
| | Name of Estate | Total Area (Ha) | Planted Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ ha/year) | Supplied to Mill | | |
| | | | | | | FFB (tonnes/year) | % | |
| | Libo Estate | 4,871.77 | 4,428.91 | 44,829.03 | 10.12 | 36,580.11 | 81.60 | |
| | Nenggala Estate | 2,203.84 | 2,046.31 | 38,406.14 | 18.77 | 21,458.84 | 55.87 | |
| | Sei Rokan Estate | 4,139.72 | 3,914.98 | 52,310.46 | 13.36 | 50,552.02 | 96.64 | |
| | Sungai Tapung Plasma (2,792 smallholders) | 5,585.00 | 5,585.00 | 151,388.18 | 27.11 | 131,203.09 | 86.67 | |
| | TOTAL | 16,800.33 | 15,975.20 | 286,933.81 | 17.96 | 239,794.06 | 83.57 | |
| | <i>*Production data source from August 2018 to July 2019</i> | | | | | | | |
| 1.7.3 | FFB description from other source | | | | | | | |
| | Name of sources/ Organisation | Type of Organisation | | number of smallholders | Production Area (Ha) | Supplied to Mill | | |
| | | | | | | FFB (tonnes/year) | | |
| | Rama Bakti Estate (RSPO Certified) | PT Ramajaya Pramukti | | - | 2,706.28 | 25,596.41 | | |
| | TOTAL | | | | | 25,596.41 | | |
| | <i>*Production data source from August 2018 to July 2019</i> | | | | | | | |
| 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) | | Actual certified product for last year (tonnes/year) | | |
| | FFB Processed | | | | | | | |
| | • Estates | | | 134,311* | | 134,187.38 | | |
| | • Scheme | | | 151,220* | | 131,203.09 | | |
| | CPO Production | | | 70,429* | | 54,118.22 | | |
| | Palm Kernel (PK) Production | | | 18,223* | | 14,369.87 | | |
| | <i>*Ext.vol has been approved</i> | | | | | | | |
| 1.8.2 | Product selling | | | | | | | |
| | Type of selling product | | | Actual selling product for last year (MT) | | | | |
| | CSPO sold as RSPO certified product | | | 11,427.22 | | | | |
| | CSPK sold as RSPO certified product | | | 14,277.43 | | | | |

| | | | | | | | | | |
|-------------|---|---|---|--------------------------|-------------------------------|-------------------------|-----------------------|----------------------------|-----------|
| | CSPO sold under other scheme | | | | | | | | 42,429.33 |
| | CSPK sold under other scheme | | | | | | | | 0 |
| | CSPO sold as conventional | | | | | | | | 0 |
| | CSPK sold as conventional | | | | | | | | 0 |
| 1.8.3 | Estimate of Certified FFB Claim | | | | | | | | |
| | Name of Estates | Total Area (Ha) | Planted Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ha/year) | | | | |
| | Libo Estate | 4,871.77 | 4,428.91 | 49,300 | 11.13 | | | | |
| | Nenggala Estate | 2,203.84 | 2,046.31 | 42,250 | 20.65 | | | | |
| | Sei Rokan Estate | 4,139.72 | 3,914.98 | 57,500 | 14.70 | | | | |
| | Sungai Tapung Plasma (2,792 smallholders) | 5,585.00 | 5,585.00 | 166,550 | 29.82 | | | | |
| | TOTAL | 16,800.33 | 15,975.20 | 315,600 | 19.76 | | | | |
| | <i>*Projected FFB production for 12 months of certificate</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 (%) | | |
| | Libo Mill | 60 | 315,600 | 69,500 | 22.00 | 17,400 | 5.5 | IP | |
| | <i>*Projected CSPO and CSPK production for 12 months of certificate</i> | | | | | | | | |
| 1.9 | Other Certifications | | | | | | | | |
| | ISPO | Certificate from Mutuagung Lestari No. MUTU-ISPO/013 (RS-1) dated 22 March 2019, valid thru 21 March 2024 | | | | | | | |
| | ISCC | Certificate Number: EU-ISCC-Cert-DE101-19200329 valid from 01 February 2019 to 31 January 2020 | | | | | | | |
| 1.10 | Time Bound Plan | | | | | | | | |
| 1.10.1 | Time Bound Plan for Other Management Units | | | | | | | | |
| | Management Unit | | Estate (Supply Base) | Time Bound Plan | Location | Status | | | |
| | Mill | Time bound | | | | | | | |
| | Pangkalan Panji (PT Sawit Mas Sejahteras) | 2013 | Sawit Mas Estate | 2013 | South Sumatera | Certified | | | |
| | Bumi Sawit Mill (PT Bumi Sawit Permai) | 2013 | Bumi Sawit Estate | 2013 | South Sumatera | Certified | | | |
| | Muara Kandis Mill (PT Djuanda Sawit Lestari) | 2013 | Muara Tawas Estate | 2013 | South Sumatera | Certified | | | |
| | | | Muara Kandis Estate | 2013 | South Sumatera | Certified | | | |
| | | | Muara Kandis Estate (HGU on progress – 574.58 Ha) | 2020 | South Sumatera | - | | | |
| | | | Muara Tawas Estate (HGU on progress – 73.78 Ha) | 2020 | South Sumatera | - | | | |
| | | | Smallholder (KKPA Pandawa) | 2020 | South Sumatera | - | | | |
| | Sungai Rungau Mill (PT Sumber Indah Perkasa) | 2013 | Sungai Rungau Estate | 2013 | Central Kalimantan | Certified | | | |

| | | | | | |
|--|------|--|------|--------------------|-----------|
| | | Sungai Seruyan Estate | 2013 | Central Kalimantan | Certified |
| | | Terawan Estate | 2013 | Central Kalimantan | Certified |
| | | Tangar Estate | 2013 | Central Kalimantan | Certified |
| | | Bukit Tiga Estate | 2013 | Central Kalimantan | Certified |
| Bukit Perak EMIII (PT Bumi Permai Lestari) | 2013 | Bukit Perak Estate | 2013 | Bangka Belitung | Certified |
| | | Bukit Permata Estate | 2013 | Bangka Belitung | Certified |
| Tanjung Kembiri Mill (PT Forestalestari Dwikarya) | 2013 | Tanjung Kembiri Estate | 2013 | Belitung | Certified |
| | | Tanjung Rusa Estate | 2013 | Belitung | Certified |
| | | Tanjung Rusa Estate (HGU on process 48.81 Ha) | 2020 | | |
| | | Tanjung Rusa KKPA | 2020 | Belitung | - |
| Sungai Buaya Mill (PT Sumber Indah Perkasa) | 2014 | Sungai Buaya Estate | 2014 | Lampung | Certified |
| | | Smallholder (KKPA Gedung AJi Lama) | 2014 | Lampung | Certified |
| | | Smallholder (KKPA Mesuji) | 2014 | Lampung | Certified |
| | | Sungai Buaya estate - HGU on process (73.71 ha) | 2020 | Lampung | - |
| | | Sungai Buaya estate - HGU on process (26.18 ha) | 2020 | Lampung | - |
| Sungai Merah Mill (PT Sumber Indah Perkasa) | 2014 | Sungai Merah Estate | 2014 | Lampung | Certified |
| | | Smallholder (KKPA Gedung AJi Baru) | 2014 | Lampung | Certified |
| | | Sungai Merah estate - HGU on process (241.54 ha) | 2020 | Lampung | - |
| Kasuari Mill (PT Sinar Kencana Inti Perkasa) | 2020 | Cendrawasih Estate | 2020 | Papua | ST-1 |
| | | Nuri Estate | 2020 | Papua | ST-1 |
| | | Rajawali Estate | 2020 | Papua | ST-1 |
| | | Mambruk Estate (PT Sumber Indah Perkasa) | 2020 | Papua | ST-1 |
| Pekawai Mill (PT Agrolestari Mandiri) | 2020 | Kayung Estate | 2020 | West Kalimantan | ST-1 |
| | | Pekawai Estate | 2020 | West Kalimantan | ST-1 |
| | | Sungai Kelik Estate | 2020 | West Kalimantan | ST-1 |
| | | Nanga Tayap Estate | 2020 | West Kalimantan | ST-1 |
| | | Smallholder (Kayung Plasma) | 2020 | West Kalimantan | ST-1 |
| Kenanga Mill (PT Kencana Graha Permai) | 2014 | Kencana Estate | 2015 | West Kalimantan | Certified |
| | | Cendana Estate | 2015 | West Kalimantan | Certified |
| | | Kenanga Estate (PT Cahaya Nusa Gemilang) | 2018 | West Kalimantan | Certified |
| | | Delima Estate (PT Kencana Graha Permai) | 2020 | West Kalimantan | - |

| | | | | | |
|---|------|--|------|--------------------|------------------|
| | | Gaharu Estate (PT Bangun Nusa Mandiri) | 2020 | West Kalimantan | - |
| | | Smallholder (Gaharu Plasma) | 2020 | West Kalimantan | - |
| | | Smallholder (Kencana Plasma) | 2020 | West Kalimantan | - |
| | | Smallholder (Kenanga Plasma) | 2020 | West Kalimantan | - |
| Perdana Mill (PT Binasawit Abadi Pratama) | 2020 | Perdana Estate | 2020 | Central Kalimantan | ST-1 |
| | | Lenggana Estate | 2020 | Central Kalimantan | ST-1 |
| | | Semandau Estate | 2020 | Central Kalimantan | ST-1 |
| | | Muara Dua Estate | 2020 | Central Kalimantan | ST-1 |
| Kuayan Mill (PT Agrokarya Prima Lestari) | 2020 | Mentaya Estate | 2020 | Central Kalimantan | ST-1 |
| | | Kuayan Estate | 2020 | Central Kalimantan | ST-1 |
| | | Bukit Santuhai Estate | 2020 | Central Kalimantan | ST-1 |
| | | Tajur Beras Estate | 2020 | Central Kalimantan | ST-1 |
| | | Seranau Estate | 2020 | Central Kalimantan | ST-1 |
| | | Sungai Sambon Estate | 2020 | Central Kalimantan | ST-1 |
| | | Smallholder (Sungai Sambon Plasma) | 2020 | Central Kalimantan | - |
| | | Sapiri Estate (PT Buana Adhitama) | 2020 | Central Kalimantan | ST-1 |
| | | Bukit Dua Estate (PT Buana Adhitama) | 2020 | Central Kalimantan | |
| | | Bukit Tunggul Estate (PT Buana Adhitama) | 2020 | Central Kalimantan | |
| Belian Mill (PT Paramitra Internusa Pratama) | 2020 | Belian Estate | 2020 | West Kalimantan | ST-1 |
| | | Tengkawang Estate | 2020 | West Kalimantan | ST-1 |
| | | Kenari Estate (PT Bangun Nusa Mandiri) | 2020 | West Kalimantan | ST-1 |
| | | Keranji Estate (PT Bangun Nusa Mandiri) | 2020 | West Kalimantan | ST-1 |
| | | Muara Tawang Estate (PT Kartika Prima Cipta) | 2020 | West Kalimantan | ST-1 |
| | | Kapuas Hulu Estate (PT Persada Graha Mandiri) | 2020 | West Kalimantan | ST-1 |
| | | Sungai Beran Estate (PT Persada Graha Mandiri) | 2020 | West Kalimantan | ST-1 |
| | | Smallholder (Belian KKPA) | 2020 | West Kalimantan | - |
| | | Smallholder (Kenari Plasma) | 2020 | West Kalimantan | - |
| | | Smallholders (Kapuas Hulu KKPA) | 2020 | West Kalimantan | - |
| Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa) | 2020 | Sungai Kupang Estate | 2020 | South Kalimantan | ST-2 May 2015 |
| | | Sungai Kupang KKPA | 2020 | South Kalimantan | |
| | | Senakin Estate | 2020 | South Kalimantan | - |
| Sungai Kikim Mill (PT Sawit Mas Sejahtera) | 2020 | Sungai Kikim Estate | 2020 | South Sumatera | - |
| | | Sungai Pangi Estate | 2020 | South Sumatera | - |

| | | | | | |
|--|------|---|------|--------------------|-----------|
| | | Sungai Musi Estate | 2020 | South Sumatera | - |
| | | Sungai Saling Estate | 2020 | South Sumatera | - |
| | | Sungai Enim Estate (PT Bumi Sawit Permai) | 2020 | South Sumatera | - |
| | | Sungai Lematang Estate (PT Bumi Sawit Permai) | 2020 | South Sumatera | - |
| Tangar Mill (PT Mitra Karya Agroindo) | 2020 | Sulin Estate | 2020 | Central Kalimantan | - |
| | | Nahiyang Estate | 2020 | Central Kalimantan | - |
| | | Katayang Estate | 2020 | Central Kalimantan | - |
| | | Sungai Nusa Estate | 2020 | Central Kalimantan | - |
| | | Kajui Estate (PT Agro Lestari Sentosa) | 2020 | Central Kalimantan | - |
| | | Manuhing Estate (PT Agro Lestari Sentosa) | 2020 | Central Kalimantan | - |
| | | Sungai Ayawan Estate (PT Aditunggal Mahajaya) | 2020 | Central Kalimantan | - |
| Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) | 2020 | Sungai Magalau Estate | 2020 | South Kalimantan | - |
| Jalemo Mill* PT Agro Lestari Sentosa | 2020 | Balasang Estate | 2020 | Central Kalimantan | - |
| | | Jalemo Estate | 2020 | Central Kalimantan | - |
| Sako Mill* (PT Adi Tunggal Mahajaya) | 2020 | Sulin Plasma | 2020 | Central Kalimantan | - |
| | | Sapiri Plasma | 2020 | Central Kalimantan | - |
| | | Sako Plasma | 2020 | Central Kalimantan | - |
| Padang Halaban Mill (PT SMART Tbk) | 2011 | Padang Halaban Estate | 2011 | North Sumatera | Certified |
| | | Penantian Estate | 2011 | North Sumatera | Certified |
| | | Adipati Estate | 2011 | North Sumatera | Certified |
| | | Kanopan Ulu Estate | 2011 | North Sumatera | Certified |
| Batu Ampar Mill (PT SMART Tbk) | 2012 | Batu Ampar Estate | 2012 | South Kalimantan | Certified |
| | | Batu Mulia Estate | 2012 | South Kalimantan | Certified |
| | | Sungai Panci Estate | 2012 | South Kalimantan | Certified |
| | | Sungai Panci KKPA | 2012 | South Kalimantan | Certified |
| Tanah Laut Mill (PT SMART Tbk) | 2012 | Tanah Laut Estate | 2012 | South Kalimantan | Certified |
| | | Kinta Pura Estate | 2012 | South Kalimantan | Certified |
| Langga Payung Mill (PT Tapian Nadenggan) | 2012 | Langga Payung Estate | 2012 | North Sumatera | Certified |
| | | Paya Baung Estate | 2012 | North Sumatera | Certified |
| | | Normark Estate | 2012 | North Sumatera | Certified |
| Hanau Mill (PT Tapian Nadenggan) | 2012 | Hanau Estate | 2012 | Central Kalimantan | Certified |
| | | Tasik Mas Estate | 2012 | Central Kalimantan | Certified |
| | | Tanjung Paring Estate | 2012 | Central Kalimantan | Certified |
| | | Langadang Estate | 2012 | Central Kalimantan | Certified |
| | | Medang Sari (PT Satya Kisma Usaha) | 2020 | Central Kalimantan | - |
| Semilar (PT Tapian Nadenggan) | 2013 | Semilar | 2013 | Central Kalimantan | Certified |
| | | Sei Rindu | 2013 | Central Kalimantan | Certified |

| | | | | | |
|--|------|---|------|---------------------------|-------------------|
| | | Mandang | 2013 | Central Kalimantan | Certified |
| | | Puri | 2013 | Central Kalimantan | Certified |
| Jak Luay Mill | 2015 | Pantun Mas Estate | 2015 | East Kalimantan | Certified |
| | | Jak Luay Estate | 2015 | East Kalimantan | Certified |
| | | Jak Luay KKPA | 2020 | East Kalimantan | - |
| | | Long Buluh Estate | 2015 | East Kalimantan | Certified |
| | | Bukit Subur Estate | 2015 | East Kalimantan | Certified |
| | | Bukit Subur KKPA | 2020 | East Kalimantan | - |
| | | Leidong West Mill (PT MP Leidong West Indonesia) | 2014 | Leidong West Utara Estate | 2014 |
| Leidong West Selatan Estate | 2014 | | | Bangka Belitung | Certified |
| Muara Wahau Mill (PT Kresna Duta Agroindo) | 2014 | Muara Wahau Estate | 2014 | East Kalimantan | Certified |
| | | Gunung Kombeng | 2014 | East Kalimantan | Certified |
| Gunung Kombeng Mill (PT Kresna Duta Agroindo) | 2020 | Gunung Kombeng KKPA | 2020 | East Kalimantan | - |
| Rantau Panjang (PT Kresna Duta Agroindo) | 2020 | Rantau Panjang Estate | 2020 | East Kalimantan | - |
| | | Rantau Panjang KKPA | 2020 | East Kalimantan | - |
| Jelatang Mill (PT Kresna Duta Agroindo) | 2014 | Bangko Estate | 2014 | Jambi | Certified |
| | | Tiga Serumpun KKPA | 2020 | Jambi | - |
| Pelakar Mill (PT Kresna Duta Agroindo) | 2020 | Pelakar Estate | 2020 | Jambi | ST-2 Sept 2017 |
| | | Tiga Serumpun KKPA | 2020 | Jambi | ST-2 Sept 2017 |
| | | Batang Merangin Estate | 2020 | Jambi | ST-2 Sept 2017 |
| Langling Mill (PT Kresna Duta Agroindo) | 2014 | Bangko Estate | 2014 | Jambi | Certified |
| | | Bangko Plasma | 2019 | Jambi | - |
| | | Batang Gading Estate | 2020 | Jambi | - |
| | | Batang Gading KKPA (PT Satya Kisma Usaha) | 2020 | Jambi | - |
| Sungai Bengkal Mill (PT Satya Kisma Usaha) | 2015 | Sungai Bengkal Estate | 2015 | Jambi | Certified |
| | | Sungai Bengkal KKPA | 2015 | Jambi | Certified |
| | | Muara Kilis Estate | 2015 | Jambi | Certified |
| | | Muara Kilis KKPA | 2020 | Jambi | - |
| Bukit Kapur Mill (PT SMART Tbk) | 2020 | Bukit Kapur Estate | 2020 | South Kalimantan | ST-1 |
| | | Sungai Cantung Estate | 2020 | South Kalimantan | ST-1 |
| Samsam Mill (PT Ivo Mas Tunggal) | 2009 | Samsam Estate | 2009 | Siak-Riau | Certified |
| | | Samsam Estate (HGU on progress – 29.09 Ha) | 2020 | Siak-Riau | - |
| | | Kandista Estate | 2009 | Siak-Riau | Certified |
| | | Kandista Estate (HGU on progress – 158.46 Ha) | 2020 | Siak-Riau | - |

| | | | | | |
|---|------|---|------|------------------|-----------|
| | | Palapa Estate | 2009 | Siak-Riau | Certified |
| | | Libo Estate | 2009 | Siak-Riau | Certified |
| | | Nenggala Estate | 2009 | Siak-Riau | Certified |
| Libo Mill (PT Ivo Mas Tunggal) | 2009 | Nenggala Estate (HGU on progress 419.9 Ha) | 2020 | Siak-Riau | - |
| | | Sei Rokan Estate | 2009 | Siak-Riau | Certified |
| | | Sei Rokan Estate (HGU on progress – 102.7 Ha) | 2020 | Siak-Riau | - |
| | | Ujung Tanjung Estate | 2009 | Siak-Riau | Certified |
| | | Ujung Tanjung Estate (HGU on progress – 557.3 Ha) | 2020 | Siak-Riau | - |
| Naga Sakti Mill (PT Buana Wiralestari Mas) | 2010 | Naga Mas Estate | 2010 | Kampar-Riau | Certified |
| | | Naga Mas Estate (HGU on process – 253.39 Ha) | 2020 | Kampar-Riau | - |
| | | Naga Sakti Estate | 2010 | Kampar-Riau | Certified |
| | | Naga Sakti Estate (HGU on process – 59.79 Ha) | 2020 | Kampar-Riau | - |
| | | Rama Bakti Estate | 2010 | Kampar-Riau | Certified |
| Kijang Mill (PT Buana Wiralestari Mas) | 2010 | Kijang Mas Estate | 2010 | Kampar-Riau | Certified |
| | | Kijang Mas Estate (HGU on process – 56.07 Ha) | 2020 | Kampar-Riau | - |
| | | Kijang Kencana Plasma | 2010 | Kampar-Riau | Certified |
| Ramarama Mill (PT Ramajaya Pramukti) | 2010 | Ramarama Estate | 2010 | Kampar-Riau | Certified |
| | | Ramarama Estate (HGU on process – 318.76 Ha) | 2020 | Kampar-Riau | - |
| | | Amartajaya Plasma | 2010 | Kampar-Riau | Certified |
| Indra Sakti Mill (PT Meganusa Inti Sawit) | 2011 | Indra Lestari Estate | 2011 | Indragiri-Riau | Certified |
| | | Indra Sakti Estate | 2011 | Indragiri-Riau | Certified |
| | | Indragiri Plasma | 2011 | Indragiri-Riau | Certified |
| | | Indrasakti Plasma | 2011 | Indragiri-Riau | Certified |
| Bumipalma Mill (PT Bumipalma Lestari Persada) | 2012 | Bumi Lestari Estate | 2012 | Indragiri-Riau | Certified |
| | | Bumi Palma Estate | 2012 | Indragiri-Riau | Certified |
| | | Bumi Sentosa Estate | 2012 | Indragiri-Riau | Certified |
| | | Bumi Palma Estate (HGU on process – 39.21 Ha) | 2020 | Indragiri-Riau | - |
| Sawita Mill (PT Sawitakarya Manunggal) | 2020 | Sawita Estate | 2020 | South Kalimantan | ST-1 |
| | | Pamukan Estate | 2020 | South Kalimantan | ST-1 |
| | | Sawita KKPA | 2020 | South Kalimantan | ST-1 |

There are revision of time bound plan, the justification from top management is:

- Pelakar Mill is still process on disclosure & liability by RSPO, while Bukit Kapur Mill doesn't have land use title (HGU), the HGU is still on process.

- Land use titles for Rantau Panjang Mill and its supply base are still on process
- Several associate smallholders (plasma) which refuses to follow the RSPO certification, but the management unit is still communicating with the plasma for the implementation of RSPO certification.
- Sawita Mill had conducted pre assessment RSPO on 2015 and Another entire Management Unit under PT Ivo Mas Tunggal has been RSPO certified.
- Sawita mill and sawita estate are still in process of HCV RaCP related to land clearing after November 2005 without preceded HCV identifications.
- Rantau Panjang Mill and Estate Unit (Rantau Panjang Estate & Rantau Panjang KKPA) are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed by year of 2020.
- Kilis KKPA as FFB Supplier to Sungai Bengkal Mill are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed by year of 2019
- PT Kresna Duta Agro (Pelakar Estate, Batang Merangin Estate and Batang Tembesi Estate was stage -1 audit in 2017. There are problem related to zero liability report to RSPO, was no response by RSPO secretariat. The main assessment postpone to 2019.
- When the stage -1 conducted on May 2015, there are boundary stones issues in PT Sinar Kencana Inti Perkasa (South Kalimantan). Reconstruction of boundary stones will be finished end of this year, the certification target postpone to 2019.

Time bound plan revision

- There is revision of time bound plan on 12 March 2018 made by head of sustainability department for HGU on process in PT Ivo Mas Tunggal (Samsam Estate 29.09 Ha, Kandista Estate 158.46 Ha, Nenggala Estate 419.9 Ha, Sei Rokan Estate 102.7 Ha, Ujung Tanjung Estate 557.3 Ha); PT Rama Jaya Pramukti (Ramarama Estate: 318.76 Ha); PT Buana Wira Lestari (Naga Sakti Estate 59.79 Ha; Naga Mas Estate 253.39 ha and Kijang Estate 56.07 ha); PT. Forestalestari Dwikarya (Tanjung Rusa Estate 48.81 Ha); PT. Djuanda Sawit Lestari (Muara Kandis Estate 402.41 Ha & Muara Tawas Estate (73.78 Ha). For this area is planned for audit on 2020 because waiting for HGU
- Revision on March 22, 2019 regarding HGU on process on PT Sumber Indah Perkasa, Sungai Buaya Mill & Sungai Merah Mill, Lampung province. Covered an areas for Sungai Merah estate (241.54 ha) and Sungai Buaya estate (73.71 ha & 26.18 ha). GAR has planned this HGU on process area to be certified on 2020.

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| 1.10.2 | <p>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</p> <p>PT Ivo Mas Tunggal has had scheme smallholder of Swadaya Mas Bersama / Sawit Bersama Cooperative (KSBA) based on agreement No. 001/SPK/KOPSMB-IMT/V/2018 dated 12 May 2018. The program was related to “Peremajaan Sawit Rakyat”, a government program for smallholder replanting involving plantation companies. The FFB has been delivered to Ujung Tanjung Mill (PT Ivo Mas Tunggal) since March 2019. The certification will be conducted in three year after the agreement.</p> |
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| 2.0 | ASSESSMENT PROCESS |
| 2.1 | Assessment Team |
| ASA-1.1 | <ol style="list-style-type: none"> Moh Arif Yusni (Lead Auditor). Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. In this audit he is responsible for assessing the aspects of OHS, Best Management Practices for mill and estate, long term business plan and transparency. 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 land legality, social, and SCCS. Dwi Haryati (Auditor). Indonesian citizens. Bachelor of Agriculture Department of Agriculture – Program study : Agronomy. Has experience on Palm Oil Plantation as Sustainability staff. Training have been followed : Training Auditor ISPO, Quality Management ISO 9001-2008, ISO 14001 Environmental Management, ISO 17021 & 17065, HCV, General Health Safety Expert, Health Safety Management System, Workshop GHG by the ISPO Commission, IHT Palm Oil Mill Processing, Awareness RSPO, IHT Best Practice in Peat Management, Mapping Potential and Conflict Resolution in Production Forest. RSPO audit experience since March 2015 and ISPO since May 2014. In this audit he is responsible for assessing the aspects of employment. Radytio Puspanjana (Auditor). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMIT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. In this audit he is responsible for assessing the aspects of Environmental, HCV, GHG. |
| 2.2 | Assessment Methodology, Assessment Process and Locations of Assessment |
| 2.2.1 | Figure of person days to implement assessment |
| ASA-1.1 | Number of auditors : 4 auditor Number of days for ASA 1.1 at site : 6 days Number of working days for ASA 1.1 at site : 24 Working days |
| 2.2.2 | Assessment Process |
| ASA-1.1 | The assessment was conducted by measuring the sufficiency of implementation with the consistency conducted by the PT Ivo Mas Tunggal to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, revised 14 June 2017 (Module D for CPO Mill). |

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| | <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>During the audit, the CH was cooperative in supporting the audit activities starting from the presentation of documents, facilitation of field observations and stakeholder interviews, and there was no any tendency of pressing and intervening the auditors. The opening meeting and closing meeting were involved by top management to the Staff of PT Ivo Mas Tunggal.</p> <p>Some opportunities for improvement of the results ASA-1.1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.2).</p> <p>Improvement of findings from surveillance assessment findings were observed by auditors at this ASA-1.1 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.1</p> <p>The assessment program please find Appendix 2.</p> |
| <p>2.2.3</p> | <p>Locations of Assessment</p> |
| <p>ASA-1.1</p> | <p>The number of management units of this activity consists of one Mill (Libo Mill) and four supply bases (Libo Estate, Nenggala Estate, Sei Rokan Estate, and Sungai Tapung Plasma). In accordance to the sampling method in the certification system, if the number of Estate is less than four units, then all of them are included in the audit sample. However for Sungai Tapung Plasma, used formula of $0.8 \sqrt{y}$ to determine the sample of smallholders and consider the issue of problems arising from the stakeholders as fundamentally and critical. Based on this formula, the team of auditors determine the smallholders sample were 35 smallholders in Cooperatives of Tunas Makmur and Bangun Desa.</p> <p>Libo Mill</p> <ul style="list-style-type: none"> - Security. Observation related to the acceptance of FFB. - Weighbridge Station. Observation and interview related of supply chain procedure. - Grading Station. Observations and interviews related to FFB quality, handling of FFB that did not pass the criteria, OHS and employment. - FFB process stations (sterilizer, thresher, digester, press, kernel). Observations and interviews related to best practices, OHS, license, and employment. - Engine room. Observations and interviews related best practices, OHS, and employment. - Boiler. Observations and interviews related to OHS, understanding of emergency response, and operator licenses - Hydrant simulation. Observation related emergency response, readiness of fire fighting equipment. - WTP. Observations and interviews related to water management, recording of water used, OHS, and waste management. - Hazardous Waste Temporary Warehouse. Field observations and interview related hazardous waste management, OHS and environmental aspect. - Sparepart Warehouse. Field observations and interview related sparepart management, OHS, and environmental aspect. - Workshop. Field observations and interview related workshop activity, OHS, environmental and worker welfare aspect. - Mill Drainage. Observations mill effluent lines, sanitation mill and flow of leaching mill. - WWTP. Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies. - Solid Waste. Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill. - Methane capture/ Biogas Plan. Observations and interviews related to POME management, employment, health checks, OHS, PPE and biogas utilization management. The installation can processes 400 – 800 of megawatt power / month. |

Libo Estate

- **FFB Harvesting, Block F46, F47.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **FFB Transport, Block F47.** Observation and interviews with clerk related FFB transport, traveling time to mill, OHS, and employment.
- **HCV of Swamp area, Block F44,** Observation the implementation of management in HCV of swamp area.
- **POME Land Application, Block E43.** Observation of waste water management as nutrient cycle strategy.
- **Replanting Area of 2018, Block D41.** Observation related zero burning replanting method, soil and water conservation.
- **HGU stone No. BM 10 and 142 and land demarcation.** Observation of aspect of land demarcation and maintenance of HGU stone, and land dispute potency.

Sei Rokan Estate

- **HGU stone No. BM 15, BM 16 and land demarcation.** Observation of aspect of land demarcation and maintenance of HGU stone, and land dispute potency.
- **Replanting Area of 2018, Block F43.** Observation related zero burning replanting method, soil and water conservation.
- **Replanting Area of 2019, Block C27.** Observation related zero burning replanting method, soil and water conservation.
- **Employee Housing.** Observation and interview with housing residents related facilities for workers, sanitation, water, electricity, and domestic waste management.
- **FFB Harvesting, Block H11.** Observation and interviews with foreman and harvester related FFB quality, harvesting round, OHS, and employment.
- **FFB Transport, Block H11.** Observation and interviews with clerk related FFB transport, traveling time to mill, OHS, and employment.
- **HCV of Swamp area, Block D13,** Observation the implementation of management in HCV of swamp area.
- **Manual Weeding, Block B18.** Observation and interviews with workers related manual weeding, OHS, and employment.
- **Barn Owl Box, Block B18.** Observation of IPM, related to suppress rat infestation by installing and monitoring barn owl boxes.
- **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Body shower of spraying team and mixing area.** Observation the conditions body shower room and PPE handling.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Generator room.** Observation and interview with clerk related to generator system, engine capacity, and possible occurrence of spills to environment, PPE dan Health safety and labor management.
- **Harvesting, Block H 12 division 8.** Observation and interview with Harvesting Supervisor and workers related to harvesting procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.
- **Housing Complex 2 Sei Rokan Estate.** Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, daycare domestic waste management, childcare and sports facilities.

Nenggala Estate

- **Pesticide Applicator Block C 11 Division 3.** Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
- **Harvester & Lose fruit collection Block C07 Division 3.** Observation of procedure application related fruit

- ripeness, safe working practices and interview about worker welfare.
- **Barn Owl Nest Observation Block C12 Division 3.** To check nest condition.
 - **HGU Pole No. 43 block C1 Division 3.** Observation the conditions and position of legal boundary.
 - **HGU Pole No. 46 block C7 Division 3.** Observation the conditions and position of legal boundary.
 - **HGU Pole No. 07 block B20 Division 3.** Observation the conditions and position of legal boundary.
 - **Employee Housing.** Observation and interview with housing residents regarding facilities for workers, sanitation, water, electricity, domestic waste management, complaints mechanisms and responses to complaints.
 - **Daycare.** Observations related to facilities provided and the feasibility of existing facilities.
 - **Workshop.** Observations and interviews regarding training for workers, OSH implementation, first aid, health checks, overtime, salary, complaint mechanism and management of hazardous and toxic waste.
 - **Scheduled Waste Storage Transit.** Observation related to the fulfillment of OHS aspects, hazardous and toxic waste registration and implementation of scheduled waste storage permit fulfillment.
 - **Warehousing complex (Warehouse of Hazardous Waste, Fuel, Fertilizer).** Observations and interviews regarding wages, training, PPE, workplace accidents, health checks and complaint mechanisms.
 - **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.

Note : During the audit, there were no spraying and fertilizing activities in the field. Fertilization activities did not exist because the program has been completed and due to efficiency, while spraying was completed in the first to the third week of the month, while the audit activities were carried out in the fourth week of the month. However the auditor has been interviewed the spraying and fertilizing workers that worked in the other upkeep activities, such as manual weeding and loose fruits collecting, as well as observation in PPE and cleaning storage.

Sungai Tapung Plasma

- **Office of Tunas Makmur Cooperative.** Field observations and interview related storage of PPE and handling hazardous materials and toxic waste; payment system; harvesting, upkeep, OHS and dispute system.
- **Smallholder Group of Karya Tani (Plots No. 2797, 2794, 2790, 2788, 2786 and 2782).** Observation and interview related to harvesting, upkeep, payment system, land title, land conflict and dispute mechanism.
- **Smallholder Group of Timbul Jaya (Plots No. 2761, 2760, 2759, 2758, 2757, 2756 and 2777).** Observation and interview related to harvesting, upkeep, payment system, land title, land conflict and dispute mechanism.
- **Smallholder Group of Kuma Jaya (Plots No. 2747, 2708, 2745, 2704, 2749 and 2714).** Observation and interview related to harvesting, upkeep, payment system, land title, land conflict and dispute mechanism.
- **Office of Berkat Lestari Cooperative.** Field observations and interview related storage of PPE and handling hazardous materials and toxic waste; payment system; harvesting, upkeep, OHS and dispute system.
- **Smallholder Group of Mulia Tani (Plots No. 0276, 0280, 0284, 0282, and 0278).** Observation and interview related to harvesting, upkeep, payment system, land title, land conflict and dispute mechanism.
- **Smallholder Group of Tunas Lestari Makmur (Plots No. 0382, 0344, 0326, 0330 and 0332).** Observation and interview related to harvesting, upkeep, payment system, land title, land conflict and dispute mechanism.
- **Smallholder Group of Tandan Sari (Plots No. 0354, 0358, 0360, 0362 and 0356).** Observation and interview related to harvesting, upkeep, payment system, land title, land conflict and dispute mechanism.

Consulted Stakeholder

- Peatland NGO - Jaringan Masyarakat Gambut Riau (jmgriau@gmail.com)
- Women Development NGO - Pengembangan Sumberdaya Wanita Sumatera ([ppswwsumatera@yahoo.com](mailto:ppswsumatera@yahoo.com))
- Previous Land Owner - *unable to identify the previous land owner who still exists and lives around the plantation*
- Head of Cinta Damai Cooperative
- Head of Bangun Desa Cooperative
- Head of Karya Tani Cooperative
- Environmental Agency of Siak Regency.
- Agriculture Agency, Plantation Division, of Siak Regency.
- Manpower and Transmigration Agency of Siak Regency.
- National Land Agency of Siak Regency.
- Local Contractor of FFB Transport (personal)
- FFB Supplier of CV Siboru Tua
- Labor Union – SPSI Kandis of PT Ivo Mas Tunggal

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| | <ul style="list-style-type: none"> - Labor Union - SPPI (<i>Serikat Pekerja Perjuangan Indonesia</i>) of Libo Mill - Worker Cooperative - Gender Committee - Head of Sam Sam Village - Head of Jambai Makmur Village - Head of Simpang Belutu Village |
| 2.3 | Stakeholder Consultation and Stakeholders Contacted |
| 2.3.1 | Summary of stakeholder consultation process. |
| ASA-1.1 | <p>Consultation of stakeholders for PT Ivo Mas Tunggal held by:</p> <ul style="list-style-type: none"> - Public Notification on website PT Mutuagung Lestari on 15 July 2019 - Public consultation with email to NGO on 8 August 2019 - Public consultation meeting with government institution on 26 August 2019 - Public consultation meeting with community(s) including previous land owner on 26 August 2019. - Public consultation meeting with internal stakeholders and contractor on 26 August 2019. <p>Numbers of input from stakeholders were clarified by PT Ivo Mas Tunggal can be seen in this report part 3.0 Summary of Arising Issues from Public and Auditor Verification.</p> |
| 2.3.2 | Stakeholder contacted |
| | <i>Stakeholder contacted can be seen in Appendix 1</i> |
| 2.4 | Determining Next Assessment |
| | The next visit (ASA1.2) will be conducted eight to twelve months after this ASA 1.1 license date . |

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Libo Mill – PT Ivo Mas Tunggal subsidiary of Golden Agri Resources Ltd operation consisting of one (1) mill, three (3) oil palm estate, and one (1) of smallholder.

During the assessment, unit management of Libo Mill and its supply base already comply with RSPO P&C and SCCS requirements. There were two (2) opportunities for improvement were identified. Further explanation of assessment result are provided in section 3.5.

MUTUAGUNG LESTARI found that Libo Mill – PT Ivo Mas Tunggal complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, revised 14 June 2017 (Module D for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continue.

| Ref Std. | VERIFICATION RESULT of MUTU-Certification | |
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| 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</p> <p>The Company has procedure and has appointed person in charge in the requests for information from stakeholders. The Company responded to information requests with maximum time of 3 days since mail received. Based on verification document and interview with eksternal stakeholders, management always responds the information request no longer than 3 working days.</p> <p>The types of documents that can be accessed and given to stakaholders are included in the information list for stakeholders ((F / SMART / GENERAL / SADV / 004/00), such as employee list, wage register, NPWP, local tax payment / levy, environmental documents, certificate of incorporation companies and changes, production area data and fertilizer application, proof of land ownership and <i>HGU</i> certificates, High Conservation Value reports, Social Impact Assessment reports, social activity documents, and work accident reports and <i>P2K3</i> reports, improvement program documents, RSPO audit report documents, documents human rights policy: If the information requested is not included in the information list, then top management consideration is needed first.</p> <p>Based on interview with community of villages, if they need information they will submitt a letter to the company. According to them, the company always responds each letter submitted. Based on verrification of document incoming and outgoing mail, a request for information only in the form request for assistance.</p> <p>Some information related to mandatory reporting has been submitted regularly to the relevant agencies in accordance with the results of interviews with government agencies and the receipts. Verification of stakeholders is done by conducting direct interviews with stakeholders such as local contractors, Workers Union, Gender Committee and employees. From the results of the interviews it is found that the stakeholders can access information / data from the company in accordance with their respective interests. Based on the results of interviews with the community and village representatives already know the procedures for accessing information.</p> <p>Based on field interviews with land-owning farmers and the Chairman and managers of <i>Berkat Lestari</i> and <i>Tunas Makmur</i> smallholder cooperation, informed that information request could be addressed to smallholder cooperation management,</p> | | |

and then it will be forwarded to the company.

1.1.2 Major

Communication and Consultation SOP No. SOP / SMART / GENERAL / SADVI / 004, July 1, 2014. Delivery period of advice no later than 1 week after letter received (from Unit Head to Department concerned). Feedback no later than 3 weeks after the letter received.

Requests for information are documented in the communication book. As stated in the communication book there is no incoming letter demanding for information related to the operation of the estate and mill. The results of public consultations with stakeholders obtained information that they never requested information about operational activities. However, if the village community submits requests for assistance, the company always responds quickly.

Records of requested information documents are documented in the documentation of Incoming and Outgoing Letter for Tunas Makmur smallholder cooperation, where there are 10 incoming letters and 8 outgoing mails for the year 2019. Meanwhile for Berkati Lestari smallholder cooperation, there was 11 letter of incoming mail and has been responded most of them are invitation letters, no information request.

Status: Comply

1.2

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

1.2.1 Major

The Company has a list of public documents described in the document of information list for stakeholders. In the document stated a list of information that can be accessed by the public, such as: certificate of Land use title, HCV report, social impact assessment report, human rights policy etc. Company has SOP Communication and Consultation No. SOP/SMART/GENERAL/SAD VI/004 which explains some documents are confidential and must require permission to access them.

In the Communication and Consultation SOP it is explained that if the requested information is not included in the list of information in the list of information documents to the stakeholders, consideration is required from the top management first. The Company has conducted dissemination to stakeholders regarding SOP Communication and consultation.

CH also has monitoring and management report, such as OHS implementation report, report of environmental management and monitoring plan. These documents also can be accessed by public through the mechanism which has determined by the company.

Based on interviews with Village head and community, known that the villagers understand how to obtain information from the company. The company maintains records of request for information and responses under book of communications on each unit management. Based on document verification, that's known no information request from stakeholders. There are showed sample of request from villagers (relief fund) and the company has been follow up these request.

The list of public document types in *KUD Tunas Makmur* update per 25 January 2019 consists of 14 types of information, namely: number of employees and wage list, NPWP data, procedures and work stages, environmental documents, deed of establishment and amendment, production and area data, evidence of land use, identification of HCV, SIA identification report, community empowerment program report, P2K3 report, repair program document, RSPO audit report document, human rights document, complaint documentation and dissatisfaction.

Based on interviews with *KUD Tunas Makmur*, information was obtained that there were types of information accessible to cooperative members. For example Plasma Inspection Letter *KUD Tunas Makmur* on 8 May 2019 and has been implemented on May 10, 2019.

Status: Comply

1.3

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

1.3.1

The Company has a Business Ethics Policy endorsed by RC and PC of PT Ivo Mas Tunggal on January 03, 2015. This policy expresses a commitment to behave ethically in all transactions and business operations that are guided by the company's shared values, integrity, positive attitude, commitment, continuous improvement, innovation and loyalty and in accordance with the principles of sustainable palm oil plantation management.

The policy is available in Bahasa. The policy is communicated to workers in accordance with the results of interviews with them. Based on interview with local contractor of FFB supplier, it is known that company has been disseminated the policy of standard bussiness of conduct.

Dissemination of code of integrity and ethical behaviour disseminated by specific sozialisasi or morning briefing to all level of workers . Based on interview with workers, labor union, representatives of gender committees know about code of integrity and ethical behavior.

During an interview with workers at LIBE and LIBM, the worker can explain the understanding of the policy in a language acceptable to the auditor. Based on interviews with cooperative management *KUD* Berkat Lestari and Tunas Makmur, it can be explained that some GAR policies (Corporate Group) have been socialized for example in Coordination meeting at *KUD* Berkat Lestari and Tunas Makmur. It has submitted some information and socialization from company side , one of which is related to business ethics policy.

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

Certificate holder consistently applies legislation relating operational plantation and palm oil mill. The Certification Unit has shown compliance with laws and regulations, for example:

- PT Ivo Mas Tunggal and Sungai Tapung Plasma have had land rights in the form of HGU (*Hak Guna Usaha*) and SHM (*Sertifikat Hak Milik*), and plantation business permit for the activities of oil palm plantation and palm oil mills accordance Plantation Act 39/2014 on plantation and Law No. 5 of 1960 on Main Agrarian Regulations. The HGU for PT Ivo Mas Tunggal was based on HGU Certificate No. 2 of 1997 covered an area of 11,621.20 ha, while IUP has covered all HGU area based on IUP No. 756 of 2000 covered 25,053.28 ha and three Mills with capacity of 180 ton/hour.
- Workers at specific station have completed with license (boilerman, electrician, heavy equipment operator and welder) in accordance with requirement (refer to indicator 4.7.3)
- Already has an organizational structure of Guiding Committee of Occupational Safety & Health and reporting Guiding Committee of Occupational Safety & Health regularly every three months (refer to indicator 4.7.4)
- Has been implements the requirement of environment aspect such as EIA management and monitoring in routinely (refer to criteria 5.1).
- Has been manage the hazardous waste and domestic waste in accordance with applicable regulation (refer to criteria 5.3).
- Land preparation without burning and has the infrastructure in fire anticipation, according to Permentan Number. 26 of 2007 section 15. (refer to criteria 5.5).
- The Management Unit has evidence of tax payment made by PT. Ivo Mas Tunggal such as land tax.
- The company has endeavored to protect workers from hazards and risks by providing PPE for high noise areas such as earplugs and earmuffs, and for areas with potential dangers of dust, smoke and ash in the form of masks. In addition to the provision of PPE, protection for workers is done by performing regular health checks in the form of cholinesterase, audiometry and spirometry. As well as testing the air quality in the factory environment to ensure that the working environment in a safe condition in accordance with requirement (refer to indicator 4.7.3).
- Workers at specific station have completed with license in accordance with requirement (refer to indicator 4.7.3). For example OHS License for OHS Electrician No. 8334/TK3-LIST/III/2018, valid untl Maret 2023, and certificate welder

No: S.771/JL/PNK3/IX/2009, welder Class II.

- Already has an organizational structure of Committee of Occupational Safety & Health and reporting Committee of regularly every three months (refer to indicator 4.7.4).
- The company has comply with minimum wage referring the decree of Riau Governor year 2019. The Certification Unit has comply with minimum wage referring the decree of Riau Governor No. No. Kpts.661/III/2019 (refer to indicator 6.5.1)
- Land use report of PT Ivo Mas Tunggal of 2018 to Land Agency Siak Regency, January 4 2019.
- Plantation development report of 1st semester 2019 to Plantation Agency Siak Regency August 12 2019.

Certificate holder can show a copy of the regulations was documented on soft file in the office each unit. Based on interview with the Agency of Siak District, explained that the company has implemented regulations that applicable.

2.1.2 Minor, 2.1.3 Minor, and 2.1.4 Minor

Certificate holder’s mechanism to ensure compliance should be implemented and stipulated in SOP of Rules and Other Requirements (SOP/SMART/UMUM/SADV/II/002, dated 1 July 2014). This procedure describes the person in charge is SADV (for national level regulations), SPO PSM Officer and SPO Unit Officer (for local level regulations). Information of regulation from national, provincial and district regulatory bodies, and renewal of any changes to prevailing laws and regulations and monitoring of expired regulations/licenses. A list of regulatory identifications ranging from Laws, Government Regulations, Presidential Decrees, Ministerial Regulations, Ministerial Decrees, Regional Regulations, and the ratification of the ILO. Internal audits have been conducted continuously and are documented and reviewed in the management review activities conducted on June 24 2019 to July 1 2019.

In addition, the smallholder management unit (*KUD Tunas Makmur*) shows the compliance Evaluation to Regulations, Legislation and Other Requirements for Plantation Licensing, Employment, Environment, HCV, Cooperatives, K3, update May 2, 2019.

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 HGU area of PT Ivo Mas Tunggal originates from a production forest area that can be converted and land acquisition from the community. PT Ivo Mas Tunggal obtained the Permit of Forest Area Release from the Minister of Forestry on 20 January 1990 for the partial release of Forest Groups of Sungai (river) Tentara - Minda covering ± 13,595 Ha, Sungai Kandis – Sungai Penyalar covering ± 14,500 Ha, Sungai Basar – Sungai Rumbia covering ± 9,398 Ha and Sungai Dua - Sungai Bangko covering an area of 10,975 Ha in Bengkalis Regency, Riau Province.

For land acquisition from the community, documentation of land compensation has been shown in the form of a landowner's statement, a statement of release of land rights, payment receipt, minutes of handover, and a map of the land compensated. The entire documented process has involved the Village Head and Sub-District Head.

The CH has had the land rights in the form HGU (*Hak Guna Usaha*) and plantation business permit in the form of IUP (*Izin Usaha Perkebunan*). The HGU based on HGU Certificate No. 2 of 1997 covered an area of 11,621.20 ha. IUP based on IUP No. 756 of 2000 covered 25,053.28 ha and three Mills with capacity of 180 ton/hour.

Meanwhile Sungai Tapung Plasma covered an area of 5,585.00 ha owned by 2,792 Smallholders, consist of five cooperatives (*KUD Cinta Damai, KUD Karya Tani, KUD Tunas Makmur, KUD Berkat Lestari, and KUD Bangun Desa*). The land rights of smallholders in the form SHM (*Sertifikat Hak Milik*).

Based on document review and field observation known that CH has managed area of 17,204.20 ha consist of 16,689.11 ha planted area, 285.99 ha supporting facilities and 24.05 ha others area. For this assessment, the scope of certification only 16,800.33 ha because there are area that not has HGU yet. The progress of land tanure was field inspection by BPN

and based on inspection was known that the area was not include in forest area. The progress of land tanure for area that not has HGU yet was include in Partial Certification and Time Bound Plan.

Interview with communities and government agencies was known that the CH did not conduct expansion the operation area since last assessment.

2.2.2

e CH has had list and map of boundary stone from National Land Agency. Based on the data, there were 40 boundary stones in Nenggala Estate, Libo Estate and Sei Rokan Estate. The CH has conducted monitoring and maintenance of boundary stones semesterly.

Field observation in HGU stones of Libo Estate (No. BM10 and 142), Sei Rokan Estate (No. BM15 and BM16), and Nenggala Estate (No. 07, 43, 46), known that they were well-maintained and the position is meet with the coordinate. Besides that, CH also maintaining boundary road or drain, as well as double boundary drain as part of boundary marker. Meanwhile for Sungai Tapung Plasma (sample on Cooperative of Tunas Makmur and Berkat Lestari), has been observed land demarcation in form of SHM poles, road, or boundary path. Based on interview with smallholders, there was no obstacles regarding land identification in the field.

2.2.3; 2.2.4 & 2.2.5

Based on field observation in Libo Estate, Sei Rokan Estate, Nenggala Estate, Sungai Tapung Plasma and consultation with Land Agency as well as communities (smallholders, Cooperatives Official, Village Official of Samsam, Jambai Makmur, and Simpang Belutu) was known that curently there was no land dispute/conflict. But previously in scope of PT Ivo Mas Tunggal (IMT) there was complaint from Sakai Riau Legal Aid Foundation related to area which overlap between PT IMT and PT CPI. CH has implemented procedure for conflict resolution which stated that the resolution involve the stakeholder, i.e. the complaint from Sakai Riau Legal Aid Foundation has been mediated by Siak Government, which was cinducted in 16 November 2017, and mediated with Land Agency of Riau Province on 7 January 2019. Sakai Riau Legal Aid Foundation has also submitted a complaint to the RSPO Complaint Panel. The RSPO Complaint Panel eventually on 30 October 2018, decided that the complaint stated as dismissed.

CH has evidence of land acquisition which conducted since 1986. Based on the document known that the land acquisition process is witnessed by head of villange, head of sub-district and land owner. Based on interview with Land Agency and Villages Official known that land acquisition has been conducted long time ago in 1986 with no coercion.

2.2.6

The results of interviews with the surrounding Village Official, the Land Agency, known that in handling the dispute of Sakai Riau Legal Aid Foundation, the CH did not use violence.

GAR as parent company of PT Ivo Mas Tunggal has had policy of Social and Environment, stated that the CH committed to actively promoting and supporting the responsible resolution of any conflicts involving GAR operation with legitimate concerned at the time underlying events occurred. This will include working with relevant stakeholders to ensure that a balanced, accountable, mutually agreed and documented conflict resolution system is accesible to smallholders, indigenou peoples, rural communities and other affected parties based in order to deal with complaints, grievances and resolve conflicts to the mutual satisfaction of the parties based on respect for their legal and costumary rights, including to lands and resources and their right to give or withhold their free, prior and informed consent to operation planned on their lands. The system will include the mapping of all conflicts in GAR’s operations, the development of action plans to address indentified conflicts, transparent monitoring and reporting, the option to local community and or customary groups for accesing independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers as well as the option of a third party mediator. CH categorically reject the use of violence in any dipute by any parties.

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| Status: Comply |
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2.3

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

2.3.1, 2.3.2, 2.3.3, 2.3.4

Based on document review, field observation, and stakeholder consultation, known that previous land acquisition and current land use for plantation did not diminish communities legal rights. The land acquisition made in FPIC manner, that were the documents made in understandable language (Indonesia language), made by map of land owner identification, there were process of socialization and negotiation, signed by both party and known by Village Head and Sub District Head. The latest land compensation has been conducted in 1986.

The auditors in cooperation with CH and Villages Official has conduct effort to identify the previous land owner that still exist/alive and stayed in CH's surrounding area. However based on consultation with Village Head of Samsam, Jambi Makmur, and Simpang Belutu, obtained information that most of previous land owner had passed away, and which currently exists were their descendant.

Based on management interviews, it is known that the CH has no plans to expand the land by legal compensation for community.

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

Certificate Holder has shown the Projection of Work Plan & Budget Year 2019 - 2023 which describes hectare statement, area statement (land area of replanting, mature & immature area), production (FFB, CPO & Kernel) extraction of CPO & kernel, operational costs, income to profit estimates, FFB and CPO price, and currency rates. The longterm plan was extracted more details in annual budget plan which prepared by the Estate Manager.

The long-term management plan that has been prepared by the company for the long-term period also covers the scope of scheme smallholder, for example, including estimating FFB production, CPO production, costs, prices and profits.

The management staff stated that the business plan are subject to change and review annually by the respective management by considering actual trends and dynamic situation which predicted could be changed in the future.

3.1.2

The Management Unit can show document of activity plan of replanting for period of 2018-2023 with total area of 11,051.35 Ha. Replanting activity continues to be implemented gradually due to the age of plants that has been exceeded 25 years and the productivity of FFB has decreased (<23 tons FFB ha / year).

Sungai Tapung Plasma

- KUD Berkat Lestari : Replanting is planned to be conducted in 2023 for 656 ha
- KUD Tunas Makmur : Replanting is planned to be conducted in 2024 for 1160 ha (100 %)

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 Certificate Holder has had procedures for agronomy and FFB processing. The Management Unit has documents of SOP Technical of Oil Palm Cultivation starting from land clearing up to harvesting formulated by Management Committe Agronomy and Research (MCAR), approved by SMD Ops and valid on 12 June 2012.

The procedures include major activities such as plantation crops, fertilizing, pest management, FFB processing and supply chains. Based on field observation in Mill and Estate known that workers in generally understand and can demonstrated

technical work in accordance with the procedure.

Sungai Tapung Plasma:

The farmer, owner of Lot No. 0276- KUD Berkat Lestari, interviewed by Auditor claimed to have attended the socialization of harvest techniques delivered by Assistant to Division.

4.1.2, 4.1.3

Certificate holder conducted annually operational/RSPO internal audit in order to monitor the implementation of the procedures. Operational/RSPO internal audit evaluate the implementation of operational, administration of estates and mill. Whereas RSPO internal audit evaluate the implementation of procedures and RSPO P&C in estates and mill. Furthermore, the management representative (Assistant, Manager, General Manager) routinely conduct inspectorate visit to control the implementation of the procedures.

The result of internal audits were documented in audit reports. The last operational internal audit for SRKE, NGL, LIBE and LIBM conducted on semester I 2019. All nonconformities has been followed up and closed by the management units.

The plasma management unit shows an example of an agronomic internal audit activity through inspection documents from 17 to 23 May 2019 with the scope of the inspection being the same as the estate.

4.1.4

Libo Mill has record the source of its FFB, that were only from certified source. The certified source were from Estates in scope of PT Ivo Mas Tunggal and other company in group of Golden Agri Resources. The documentation has been conducted in accordance with procedure of SCCS IP Module.

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| | Status: Comply | |
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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; 4.2.3

Certificate Holder already has procedures to improve soil fertility, such as SOP of Manuring (SOP/SMART/MCAR/IX/TA-PPK) approved by SMD Ops on 12 June 2012. In maintaining soil fertility, the Management Unit conducted manuring activities in accordance with recommendation from research, POME applications, EFB application, and management of plant residue resulting from replanting activities (chipping and stacking for decomposition process).

The Management Unit has routinely monitored the changes on the nutrient status based on the regular soil sampling unit (SSU) and leaf sampling unit (LSU) analysis to determine fertilizers recommendation. The sampling spot has been determined in each division and block routinely by SMART Research Institute (SMARTRI) and it is supported by the well-trained census officers in respective estate. SSU is conducted every 5 year for trees with age of 3, 8, 18 and 23 years, meanwhile LSU is conducted annually. The last SSU result was issued on 9 November 2015.

Based on the management explanation, it is known that since 2015, the SSU and LSU analysis have not been conducted due to implementation of replanting in whole divisions area.

During the audit there was no chemical fertilization activity because the first rotation was implemented in January and February. However the auditor team has interviewed the the foreman and workers of fertilization, obtained information that the application method, dose, PPE usage, and medical examination have been conducted in accordance with the procedure. Field observation known that Certificate Holder has been implemented POME Land Application with dose 750 m³/ha/years in three rotation/year. Meanwhile known that Certificate Holder has been conducted EFB mulching application with dose 30 tons/ha/year. Visual observation of oil palm canopy shows no symptoms of nutrient deficiency.

4.2.2

All records of fertilization is done in document of Fertilizer Monitoring which explain the plan (recommendation) and realization of fertilizing activity per kind of fertilizer. Certificate Holder can show the recording for the period of 2018 and todate July 2019. The documents showed that all fertilization activities have been in accordance with the recommendation. The types of fertilizers applied to all sample units are MOP, RP, TSP, Kieserite, Dolomite, HGFB, and NPK.

The Management Unit has implemented nutrient recycling using EFB, EFB, and plants residue to improve the soil fertility. Libo POM also utilizes fiber and kernel shells as Boiler fuel.

The harvester interviewed at Block C07 Division 3 NGL and farmers of Sungai Tapung Plasma (e.g owner of Lot 0354 – KUD Berkat Lestari) explained that maintenance pruning is conducted while harvesting. Fronds are adjusted “L-Shape” in interrow for decomposition process to improve soil fertility.

4.2.4

The company has implemented nutrient recycling as an effort to maintain soil fertility, which includes the use of EFB, the application of POME, the use of fiber and kernel shells as boiler fuel. It also includes the use of the remaining oil palm trees that are applied to the land from replanting activities.

There was POME land application dose 750 m³/ha/year in Libo Estate to enrich soil fertility, meanwhile EFB application as much as 2292 ton (July 2019) with dose of 40 ton/ha/year. Based on field observation is known that POME land application with dose of 750 m³/ha/year was conducted in accordance with procedure. Field observation in Libo Estate showed that EFB mulching application was conducted in accordance with procedure. EFB application using the EBS (Empty Bunch Spreader).

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

The Management Unit has a semi-detailed soil map of scale 1: 50,000 issued by the Plantation Monitoring and Planning Division on June 2017. The map consists of land map unit, soil classification, topography (percent and degree), soil texture, depth (solum and effective), drainage, land suitability classes, limiting factors, and hectareage. Based on the map, there is no fragile soil in the operational area of Libo Estate - PT Ivo Mas Tunggal.

Sungai Tapung Plasma:

KUD Berkat Lestari and KUD Tunas Makmur have had a semi-detailed soil map of scale 1: 75,000 formulated by the Plantation Monitoring and Planning Division on November 2011. Based on the map, there is no fragile soil in the operational area of Sungai Tapung Plasma.

4.3.2

The Management Unit has a semi-detailed soil map of scale 1: 50,000 issued by the Plantation Monitoring and Planning Division on June 2017. The map consists of land map unit, soil classification, topography (percent and degree), soil texture, depth (solum and effective), drainage, land suitability classes, limiting factors, and hectareage. Based on the map, the topography in Libo Estate are flat (0% – 9%) 2,221.53 ha; undulating (9% – 16%) 1,091.28 ha; rolling (16% – 21%) 316.67 ha; and hilly (21% – 40%) 1,242.30 ha.

Nevertheless, the Management Unit has procedure of planting management in specific slope. One of strategy is regarding the SOP on Land Clearing and Planting (No. SMA/MCAR/05/05-07). Several applied management strategies are constructing terrace, contour, conservation terrace, individual terrace with silt pit, and planting of conservation plants. The land management action for particular slope especially that greater than 15% are by maintaining terrace construction, frond stacking surrounding plant circle, weeding surrounding plant circle and interrow and by letting wild plants growing to prevent erosion, such as soft fern (*Nephrolepis bisserata*) and an measuring the erosion.

KUD Berkat Lestari and KUD Tunas Makmur have had a semi-detailed soil map of scale 1: 75,000 formulated by the Plantation Monitoring and Planning Division on November 2011. Based on the map, the topography in Sungai Tapung Plasma are flat (0% – 9%) 3,664.67 ha; undulating (9% – 16%) 596.25 ha; and rolling (16% – 21%) 1,324.08 ha.

The results of field observations in the estate and the Tandan Sari Farmer Group, the visual observation of the canopy of oil palm showed no symptoms of nutrient deficiency.

4.3.3

Certificate holder has had document of road maintenance program and realization. Based on document review and field

observation, road maintenance has been conducting well, allowing to be used well for operational activities. Road maintenance conducted manually or by heavy equipment such as road grader and vibro compactor.

The results of field observations in the Plasma area, main road conditions and collection are good enough for FFB transportation and maintenance. Most roads have been stockpiled with mineral soils and / or laterite soils.

4.3.4, 4.3.5

The Management Unit has document of the Environmental Evaluation Study approved by AMDAL (SEIA) Commission of the Department of Agriculture No. RC.220/1052/B/VI/93 dated 22 June 1993. It was informed that there were no presence of peat soil within PT Ivo Mas Tunggal operational areas. Hence, there is no plan related to peat management Besides, based on field observation there is no peatland in the operational area of LIBE, NGLI and SRKE - PT Ivo Mas Tunggal.

The management of KUD Berkat Lestari and Tunas Makmur have an in-depth viewing map of scale 1: 75.000 published by Plantation Monitoring and Planning Division on November 2011. Based on the map, the land classification in the operational area of Sungai Tapung Plasma, namely *typic haplohemist*, *typic Endoaquepts*, *aqueic destrudepts*, and *typic daistrudepts*.

Visit observation done by auditor in the farm of KUD Tunas Makmur, eg Lot No. 2797, 2794, 2790, 2788, 2786, and 2782 there is no peat soil found.

4.3.6

It has been explained in 4.3.1 that the Management Unit has a semi-detailed soil map of scale 1: 50,000 issued by the Plantation Monitoring and Planning Division on June 2017. The map consists of land map unit, soil classification, topography (percent and degree), soil texture, depth (solum and effective), drainage, land suitability classes, limiting factors, and hectarage. Based on the map, there is no fragile soil in the operational area of Libo Estate - PT Ivo Mas Tunggal and Sungai Tapung plasma

Status: Comply

4.4

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

4.4.1 Minor

The company has a water management plan that take account of the efficiency of use and renewability of sources. The management plan has described in EIA implementation report 1st of 2019. The plan described the objectives such as water sources including catchment pond, rainfall records, water requirement, current, water quality and contingency plan.

According to environment monitoring analysis, it was informed that the company activity has not give negative affect. Moreover, domestic housing well and consumption water from reverse osmosis testing shows that all parameters are accordace with Minister of Health Regulation (*Permenkes*) No. 32/2017.

4.4.2 Major

The company has identified rivers and wetlands inside plantation area. Analysis of HCV containing distribution maps of the river in the area of PT Ivo Mas Tunggal. Based on the identification documents of High Conservation Value (HCV) note that there are river that flow in the area of Libo Estate namely Tantaro River. Based on EIA report Semester 1 2019 such as water testing, it was informed that the company activity has not affect is already the standard required (PP No. 82/2001 Class 2).

All identified buffer zone has been designated as HCV and protected areas. Evidence of surface water flow protection measures and including riparian such as:

- Determination of river buffer zone with a distance of 50 meters left-right of small river demarcation of the border is done with the installation of boundary markers.
- Periodic water quality testing every six months (semester) with the parameters of environmental quality standards as stipulated in Government Regulation No. 82 in 2001.
- No chemicals application (fertilizers and herbicides) in the buffer zone area.

- Signboard of river buffer zone protection. Prohibiting the use of chemicals in the river buffer zone.
- Planting riparian with *cempaka and trembesi* to prevent runoff and erosion.

Sungai Tapung Plasma:

In an effort to protect riparian area of STPA Unit refer to SOP of Management and Monitoring of natural resources (doc. No. SOP/SMART/BCOS-EHDS/SADV/II/004, 1st July 2014) that explain about appointment and protect the river border. Based on interview with Karya Tani Cooperative management known that Karya Tani Cooperative unit already done water source management, such as:

- Signboard prohibition chemical application on riparian.
- Signboard of HCV area, prohibition of hunting, and poisoning fish.
- Determination of river buffer zone with a distance of 50 meters left-right of small river demarcation of the border is done with the installation of boundary markers river border.
- Planting a *Vetiver grass*, and *Bamboo*.

4.4.3 Minor

POME are processed first in the WWTP pond and Based on the waste pond layout, Libo Mill has 8 WWTP pond. The company has managed its effluent of FFB processing as regulated. Document review shows there is monthly effluent quality against national regulation for waste that is discharge to land application.

Permit of effluent utilities was accordance Head of Enviromental Regency decree Number 03/BLH-S/KPTS/2015 January 5 2015, valid for five years. The POME quality test result by accredited laboratory shows that the effluent quality especially BOD, pH and COD for period April to June 2019 has fulfil the standard required Minister of Environment Decree (KepmenLH) No. 28 year 2003. Base on field visit in Libo Mill, no indication over flow effluent in WWTP, flow meter was well functioned and there is no issues from stakeholders related to land application.

4.4.4 Minor

Observations on Libo mill water treatment plant found monitoring for raw and process water usage was done by officer periodically, and flowmeters at inlet/outlet serves normally. The CH recorded its actual water use. The average water use per tonne FFB for period of January – May 2019 is 1.3 m3/ton FFB, while budget for water consumption for period 2019 is 1.2 m3/ton FFB.

Related for over water consumption CH shown the justification consist of Memorandum from PC (production controller) Regional Siak Number. 001 / PC / SIAK / 01/2019 January 7 2019, regarding the efficient use of diesel fuel, every Mill unit in the Siak region is urged to maximize the use of BNP (Non-Processing Boilers) before and after processing FFB. The CH also shown statement letter from Libo Mill Manager August 28, 2019 that use of processing water that exceeded the 2019 budget occurred because of the use of BNP (Boiler Non Processing) before and after processing FFB.

Status: Comply

4.5

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

4.5.1, 4.5.2

Integrated pest management plans are contained in Agronomy and Research Management Committee (MCAR) document (SOP / SMART / MCAR / VII / TA-HPT) which aims as a guide in Integrated Pest Management (IPM) activities as one of the activities in the process of caring for oil palm.

Based on field observation, the strategies has been implemented, include the planting of beneficial plants (*Turnera subulata* and *Antigonon leptosus*) and selecctive weeding to establish soft weeds to suppress leaf eater pests. In addition, the installation and monitoring of the barn owl boxes to suppress infestation of rats.

Certificate Holder has identified potential pests in the plantation such as leaf eater caterpillar, rats. Regular pest/disease detection has been conducted. Appointed detection/cencus workers have been regulary trained, the last training conducted in February and March 2019.

Based on data and summary of cencus of 2019 in SRKE, LIBE and NGL, it is known that there are no pest and disease

infestation that exceed the economic threshold. So there is no usage of pesticides for pest and disease control. This is verified by field observation in harvesting activity, visually there is no symptoms of leaf eater caterpillar infestation on the canopy, or the rats infestation on the FFB collected in the FFB platform.

Based on the recapitulation of detection results in 2019, KUD Berkat Lestari and Tunas Makmur, it was found that there were no pest attacks that passed the economic threshold. Based on field observations in the Barn Owl Box in block B18 of Sei Rokan Estate and interviews with IPM operators, this can be well explained in terms of integrated pest control procedures in accordance with the standards adopted by the company.

Status: Comply

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

4.6.1, 4.6.4

Certificate Holder has SOP and Work Instruction on weeds management describes the justification for the use of pesticides to control specific weeds/pests/diseases, rotation of control activities till the dose used. Certificate Holder used trade mark of pesticide, which registered in government's pesticide commission, identified active ingredient, and the specific objectives of control. In periode of 2019 the used pesticides are *Methyl metsulfuron*, *ammonium glufosinate*, *isopropil amina glifosat*, etc. Based on document review and observation of pesticide warehouse, Certificate Holder does not use WHO 1A, 1B pesticide or paraquat since 2016.

Sungai Tapung Plasma

Based on the document verification, it is known that in 2019 KUD Berkat Letari and Tunas Makmur use only herbicide that have been permitted by the government, namely *isopropil amina glyphosate* and *Methyl metsulfuron*.

4.6.2

The documentation of pesticide utilization records product name, active ingredients, LD50, percentage of active ingredients, total product application, total active ingredients, hectare application and active ingredients per ha application. For instance for LIBE period of 2019, the utilization (a.i/ha) of *Metyl metsulfuron* 0,60 kg/ha, *Ammonium glufosinat* 0,25 kg/ha, *isopropil amina glifosat* 0,41 kg/ha.

Sungai Tapung Plasma

The Management showed the records of pesticide used in 2019. The pesticide toxicity is constantly recorded and is updated monthly by the sustainability officers of estate. The pesticide toxicity is constantly recorded and is updated monthly by the sustainability officers of Libo Estate. For instance, the usage of herbicide on July 2019, namely product name (Round Up 486 SL), active ingredient (*isopropil amina glyphosate*), percentage of active ingredient (48%), total area applied (204 ha), total of active ingredient (0.12 lt/ha), FFB production (2,467.21 tons), and pesticide unit (0.00000198).

4.6.3

Pesticide reduction plans for IPM are listed in Procedure of Pest and Disease Early Detection which explains that detection and census activities are used to determine pest control measures. Pesticides are not used prophylactically. Control with pesticides is only done if the number of pest population exceeds the threshold value of control. The Procedure of Pest and Disease Control describing pest control can be done by chemical, biological, and also critical threshold determination for all pests observed. Certificate Holder has been conducted regularly pest and disease detection/census as an early warning system, aims to prevent outbreak of pest and disease, so it is expected to minimize the use of pesticides.

Based on pest and disease census data in the period of 2019, it is observed that there is no infestation exeeded the economic threshold, so there is no usage of pesticides for pest and disease control. Pesticides are used regularly for weed control in the circle and harvesting path.

Based on field observation, the strategies to minimize the pesticides use has been implemented, include the planting of beneficial plants (*Turnera subulata* and *Antigonon leptosus*) and seleective weeding to establish soft weeds to suppress leaf eater pests. In addition, the installation and monitoring of the barn owl boxes to suppress infestation of rats.

Sungai Tapung Plasma

The Management of KUD Berkat Lestari and Tunas Makmur showed the records of pesticide usage during the last 5 years (2015 to 2019). Based on the records, there is no usage of rodenticide. The use of herbicides are declined, for instance, the use *isopropil amina glyphosate* in KUD Tunas Makmur decreased from 847.50 lt (2016) to 282.50 lt (2019). Paraquat herbicide has no longer been used since 2016.

The company has a biological control strategy using owls and beneficial plants which are expected to be an alternative control to suppress pest populations so that they do not always depend on chemical control.

4.6.5, 4.6.7, 4.6.9

Each pesticide has been stored in a specific place. Based on field visit in chemical warehouse Sei Rokan Estate, Libo Estate and Nenggala Estate separate warehouse conditions with other materials, there are symbols hazardous chemical, Material Safety Data Sheet (MSDS) and others. Based on document review and interview with spraying worker, they have received internal training about handling pesticide, spraying technique in 25 Februari and 13 April 2019. The workers has implemented safe working practices accordance with the existing procedures. Knapsack sprayers are in good condition, personal protective equipment has been used according to MSDS and HIRAC such as boots, protective clothing, rubber gloves, mask, and face protector.

They can demonstrated the safe working practices, including prohibition of spraying on river or water bodies, and understanding emergency response in the event of an accident. Pesticide solutions are mixed in pesticide warehouses and transported by special vehicles. After work, knapsack sprayer and PPE are stored in a special storehouse at the Estate.

Pesticides training for smallholders are available, as described on indicator 4.8. Company has programme and evidence related pesticides handling for associated smallholders.

4.6.6 Major

The company has a SOP of material management and the displacement, explained the material characteristics and hazardous chemicals. The expired chemicals will be stored in hazardous waste warehouse or be returned to supplier. Based on field visit in chemical warehouse Libo Estate, Sei Rokan Estate, Karya Tani Cooperative and Nenggala Estate is known, there are signboards and hazardous symbols, Material Safety Data Sheet (MSDS), chemical logbook, emergency response, personal protective equipment and OHS management.

There is a hazardous balance sheet to record the incoming and outgoing waste and there is no hazardous waste that is kept more than the permitted period. Based on the results of field visits in pesticide warehouses and hazardous waste temporary warehouse known the pesticide warehouse is managed properly, provided oil trap, enough air ducts and isolated so that there is no potential of pesticide to exposure outside the warehouse. Pesticide waste like old pesticide containers are classified as hazardous waste is also stored in the hazardous waste temporary warehouse which is monitored well and then collected to the licensed collectors. Furthermore, based on field observation to housing complex of Sei Rokan Estate and Nenggala Estate, it could be concluded that there were no use of ex pesticide and hazardous materials containers for domestic purposes such as waste containers and flower pot.

4.6.8

Based on a review of documents and interview with management staff, it is known that management unit did not perform the pesticide aerial application on estates and Sungai Tapung plasma.

4.6.10 Minor

Ex-pesticide containers is washed for 3 times (refer to MSDS) and the water used to wash it shall be used for spraying. According to SOP of Waste Management (SOP/SMART/LEMS-EHSD/SADV/002) on July 2nd 2014 on point 6.3.b, the washed pesticide containers could be used for the same operations or could be returned to the supplier.

The record management Hazardous Waste, included in reporting management hazardous waste quarterly period April to June 2019 to environment agency. The Training And socialization to spraying workers, about ex pesticide container disposal. All discarded containers of chemicals from by Estate and Mill, placed in hazardous waste warehouse. Meanwhile, hazardous waste such as ex-pesticide container stored in Cooperative office and transport to temporary hazardous waste storage in PT Rama Jaya Pramukti (STPA).

Based on interview with woody growth worker Block D13 Sei Rokan Estate (also as Pesticide Applicator) and pesticide storage officer they understand the mechanism well. In housing complex, ex pesticide waste has been handled well and observation on plantation block and workshop show that there is no agrochemical ex-container in the plantation working area.

4.6.11

Certificate holder regularly have a medical examination (every six months) for pesticide operator. The company can show a list of spraying workers in the SRKE, LIBE, NGL and smallholder. All workers spray has examined health through inspection types of cholinesterase, to ascertain the condition of workers in good health. This semester examination was conducted in March 2019 for all units. Examination results stating that all pesticide operators are in a healthy condition (levels of cholinesterase in the blood within normal limits).

The results of interviews with pesticide operators in SRKE, LIBE, NGL, and smallholder submitted that all pesticide operators have been checked health periodically six months and workers have known the results of the examination. No worker has an indication of exposure to chemicals such as itching, skin irritation, poisoning or anything else.

4.6.12

The CH has a policy that prohibits pregnant and breast-feeding women working with chemical material. The mechanism conducted by regular pregnancy test. Based on interview with spraying worker, it is known that there was neither pregnant nor breast-feeding female worker who work with pesticide. Audit team also got information that the workers have understood that female worker cannot work with chemical material if they are pregnant or breast-feeding.

Status: Comply

4.7

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

4.7.1

Policy and procedure related OHS still the same as previous assessment, namely OHS policy issued by President Director of PT SMART dated 1 November 2013.

Based on interview with workers known that they have been known about the OHS policy, for example workers are required use PPE while working and safe working practices. They also said that EHS Officer perform morning briefing every day before starting work and ensure the completeness of the PPE of all workers. The plan related OHS has been prepared in the OHS Committee program PT IMT of 2019, and the company has realized activities in accordance with the program created.

4.7.2

Certificate Holder shows the document Hazard Identification, Risk Assessment dan Determining Control For Estate and Mill has been review of 2019 covering the entire process and operational activities. For example Risk Assessment on spraying activity at estate with odor chemical hazard with risk/impact in the form of respiratory disorders and risk analysis result set moderate level.

Over the past 12 months, there have no work accidents at SRKE, LIBE, NGL and smallholder.

The risk control that has been done is to conduct regular medical check-up, safe working practices, availability first aid kit and use of PPE accordance to MSDS.

4.7.3

Based on field visit in Estate and Mill, all workers have been using PPE according to risk analysis made and PPE is in good condition and in accordance with its function. Boiler operators at mill using PPE kinds of helmets, ear muff, gloves, mask, and safety shoes. Workers also can explain how to work safely for example in the boiler station, workers can explain the PPE to be used, how to monitor the boiler in order to operate safely, has been given training related firefighters. Boiler operator have attended training and certification OHS, as evidenced by the availability OHS Electrician No. 17030/TK3-List/X/2017-P0, valid until 12 October 2020, and certificate welder No.S. 796/JL/PNK3/IX/2009, welder Class II.

Based on documents verification and interviews, it is known that all operators at Mill and estate already have license such as boiler operators, lift carrier operators, welders and electrical technician.

4.7.4

Certificate holder has identified those responsible for implementation of OHS program formed in P2K3 structure Estate and Mill. P2K3 that owned has been approved by Labour Agency of Riau Province with :

- No. KEP.19/Disnakertrans-PK/SK-P2K3/I/2018 dated 25 January 2018 for Mill (LIBM),
- No. 566/SKP-P2K3/DSTKT/2015/19 dated 27 April 2015 for LIBE.
- No. 93/Disnakertrans-PK/SK-P2K3/VI/2017 dated 16 June 2017 for SRKE.
- No. 232/Disnakertrans-PK/SK-P2K3/XI/2018 dated 5 October 2018 for NGL.

Secretary of P2K3 who is an OHS Expert in accordance with the applicable regulation has certificate of OHS Expert from Labour of Minister RI. Besides that, meeting related OHS has been done on every month by P2K3 personnel, example meeting on June 2019 in Estate with the agenda of workflow handling diagram.

4.7.5

Certificate holder has made efforts to deal with emergencies and accidents. The company has procedures related to the handling of emergencies and accident investigation, the procedure is still the same as the previous assessment. CH has emergency facilities and infrastructure such as fire extinguisher, first aid kit, hydrant, water tank, and other supporting equipment. CH has been conducted the training of emergency, for example emergency response training in Estate on March and July 2019.

The company provides procedures for accidents and emergencies in the SOP handling accidents and occupational diseases (SOP/SMART/HESS-EHSD-10) and SOP Preparedness and Emergency Response (SOP/SMART/GENERAL/SADV/II/005). The procedures cover the main potential causes of emergencies such as fires, chemical spills. Simulation was performed to know the preparedness of emergency response equipment in the Mill.

Mill and estate has already licensed first aid officers and there was first aid internal training conducted on 29 – 30 July 2019 in UTTZ which was attended by 71 participants. Management unit also has a first aid kit in each unit and based on observations, it's concluded that the contents in the first aid box are sufficient. There is also a checklist of observations of the contents of first aid boxes routinely performed every month by first aid officers. Based on field visits in mill at boiler station known that hydrant can function properly and in each fire extinguisher there is checklist of inspection that monitored every month.

Based on interviews with the foreman and manual weeding and harvesting workers at Sei Rokan and Nenggala Estate, it is known that workers have known emergency response procedures, for example in an emergency in housing, must gather at the gathering point and in work accident cases the foreman must do first aid using a first aid kit provided.

4.7.6

All workers has been provided of medical care and covered by accident insurance. Has been observed clinic and paramedic in every Estate, as well as company's doctor. The CH shown evidences of payment of national employment insurance namely BPJS, that has been paid for every worker. Has been observed the contractor of FFB transport – PT Satrindo Jaya Agropalma has been paid it's workers insurance. Based on interview with Labor Agency, Labor Union, as well as the workers known that the CH has provides medical care in clinic as well as the monthly payment of employment insurance.

4.7.7

Certificate holder had recorded of work accidents in Work Accident Monitoring Reports that inform the time period, the number of working days, the number of non effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year.

The company is still consistent in monitoring the recording of occupational accidents by calculating the lost time accident (LTA). Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. Calculation of SR and FR is reviewed regularly and monitoring will be evaluated at the monthly meeting of Committee of Occupational Health and Safety.

Status: Comply

4.8

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

4.8.1 Major and 4.8.2 Minor

The Certificate Holder has training program 2019 for staff and workers related all aspects of RSPO principles and criteria. The training program for all employees based on identification of needs that prepared by SPO Officer. The annual training program covered all existing estate and mill activities, among others simulation handling chemical spills, first aid, fires simulation, socialization of policies for the protection of reproductive rights, prevention of sexual harassment in the workplace. The training record that shows historical training of each employee are well maintained in place.

Based on observation of operational activities in Libo Mill, Nenggala Estate, Sei Rokan and Libo Estate, the workers are known to have received training, and are able to demonstrate safe working practices in accordance with procedures. Interviews with local contractors are also known that contractors have been trained from CH related safe working practices.

Training programs for smallholders period 2019, the types of training include agronomy (harvesting, weed control, pest and disease control, fertilization, FFB quality, road maintenance, etc), conservation, environment (zero burning, waste management, etc), and OHS aspect (HIRAC, PPE, first aid, emergency response simulation, etc).

The training that held in 2019 has documented in minutes of meeting, list of attendees, and activity photos. For example Nenggala Estate:

- The first aid training July 29 2019.
- Socialization of HCV management February 25 2019.
- Socialization of gender and sexual harassment February 25 2019.
- OHS training March 16 2019.

Sungai Tapung Plasma

- Socialization of Hazard Identification and Risk Assessment July 4 2019.
- Socialization of Land Fire Emergency Response on March 30, 2019.
- Leaf sampling Unit training on February 16 2019.
- The first aid training July 23 2019.

Base on interview with FFB transport contractor and replanting are submitted that the company has provided OHS training for contractor workers for example related to the use of PPE, accidents, safe working practices, etc.

Status: Comply

PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity

5.1

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

5.1.1 Major

EIA of PT Ivo Mas Tunggal has been conducted according to the scope of plantation operation covering three (3) Mills and seven (7) Estates since 1993 namely "Studi Evaluasi Lingkungan". Scope of EIA plantations area covers 46,882 Ha and divided in two (2) locations: Location-1: 20,362 Ha (currently has separated from PT Ivo Mas Tunggal management, this area is under PT. Salim Ivomas Pratama); Locations-2: 26,520 Ha (scope certifications).

Scope activities within EIA document comprises of Plantation Development (Land Clearance, Drainage, Land Preparation, Road Construction, Nursery, Setup of Blocking System, Stacking, Land Cover Crops Planting, Planting Hole construction). Mill development (Site Preparation, Installation of Processing Components), mill capacity is 30 MT/hour potentially upgraded to 50 MT/hour.

In 2015, EIA document for PT Ivo Mas Tunggal have amendment namely "Adendum ANDAL dan RKL-RPL". This document made is due to changing of scope assessment that comprises of Replanting activities, relocation of POME application area, development of regional workshop, methane capture installation (biogas plant) and clinic operational. Also, there were reductions of scope area from 46,882 Ha (previous size) to 25,053.29 Ha (Land Use Title/HGU size).

This amendment of EIA document has been approved by Environmental Agency decree No: 15/660/BLH-S/KPTS/2015, dated 21 December 2015. For Methane Capture Installation (Bio Gas Plant) starting from Libo Mill (has been operated since September 2015), Ujung Tanjung Mill and Samsam Mill (under feasibility study by head office).

5.1.2 & 5.1.3

The company has conducted environmental management based on addendum documents of Environmental Management Plan / Environmental Monitoring Plan or namely RKL-RPL, among others:

1. Disruption of air quality and noise
2. Potential of Land Fires
3. Impaired Surface Water Quality and Water Biota
4. Impaired Soil and Soil Water Quality
5. Potential for Erosion
6. Development of Plant Pest and Disease
7. Increased Business Opportunity and Community Income
8. Increasing Community Empowerment.
9. The emergence of public perception
10. Road Infrastructure Damage
11. Occupational Health and Safety
12. Medical Waste Piles

Base on Interview with nearest communities such as Samsam Village, Jambi Makmur Village and Simpang Belutu Village known that the communities has felt the positive impact of environmental management by the company.

Based on the verification of RKL-RPL implementation report for the 1st semester of 2019, it was concluded that all management and monitoring plan parameters requested in the environmental documents had been implemented by company. Records of implementation of environmental management describe in RKL-RPL implementation report such as report of 1st semester 2019 and has been reported to environment agency.

Implementation of environmental monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of 1st semester 2019 known there isn't negative impact caused by the company. The Review of RKL/RPL conducted semesterly and stated in the report. The result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government. Interview with Environmental Agency of Siak District show that company has been submit the RKL-RPL implementation report every six month and there isn't negative impact caused by company.

Status: Comply

5.2

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

5.2.1 Major

HCV Assessment was conducted by Environment Department of PT SMART Tbk on 2009 (internal HCV assessor team). Assessor team consist of 6 persons with Lead Assessor has been approved by the RSPO, assessment conducted by using identification guidance of high conservation value in Indonesia issued by Indonesia HCV toolkit consortium, June 2008. The result of HCV identification on 2009 are HCV 1.2 and HCV 4.1 (riparian), area of 110.56 ha in block D06; block C06; block B07; block A09 (Kandis river Riparian), block A20; block A21; block B21; block B22; block C21; block C22; block D21 and block E22 (Angek Tapuak Riparian).

The company has the list of endanger species based on Government Regulation No. 7 Year 1999, CITES and IUCN in term of preservation for flora and fauna on PT Ivo Mas Tunggal. For example, the wildlife found were *Cekakak belukar (Halcyon smyrnensis)*, *elang hitam (Ictinaetus malayaensis)*, *macan akar (Felis bengalensis)*, *rangkong (Rhinoceros hombill)* and *elang coklat (Butastur liventer)*, it's were not incorporated on the list of rare, threatened or endanger species (RTE). Meanwhile, there was no endangered flora. Sighted HCV distribution map of PT IMT (UTNE, PLPE, KNDE, SSME, NGL, SRKE and LIBE) scale of 1:100,000. The HCV area for ASA-1.1 scope audit Libo Estate 202.1 Ha, Sei Rokan

Estate 30.55 Ha, and Nenggala Estate no HCV area.

5.2.2 Major

The company has HCV management plan document period of 2018, the program consist of :

- Riparian area management (HCV boundaries marking and maintaining, marking of chemicals application borders, HCV socialization to surrounded community and workers, planting of erosion control plants and HCV area patrols)
- Management of RTE species
- To conduct species identified protection.
- Implementation of company procedure related to HCV management, such as Number SOP/NP/Smart/IV/LH001 about HCV identification and management, Senior Managing Director Circulation Letter No. 002/SE-SMDOPS/IX/2010 dated September 20th 2010.
- HCV monitoring (monitoring of HCV attribute, monitoring of HCV in three monthly basis and monitoring of HCV rehabilitation).

Enhancement and result of the HCV / RTE monitoring result has been use as the consideration of the arrangement of next HCV management plan. The review of the 2018 program and monitoring result, has been considered to be continue in HCV management plan of 2019. For example the repairing HCV signboard September 2018 has not been fully completed and has been planned in September 2019.

Based on field observation on riparian area of swamp in Block F44 (Libo Estate) and swamp D13 (Sei Rokan Estate) known that the HCV area has been managed well and in accordance with the management plan. The company was able to shows monthly monitoring of fauna and monitoring/maintenance of marking HCV pole which conducted weekly. It was reported that there were no conflict between human and wildlife.

HCV management plan document period of 2018 for smallholder scheme of Sungai Tapung Plasma, the program consist of, Monitoring of RTE species last held on June 12, 2019.

Based on interview with smallholder group of Karya Tani (Timbul Jaya Group Farmers number 2761; 2760; 2759; 2758; 2757; 2756 and 2777) known that the socialization related to protected species and HCV has been done.

5.2.3 Minor

Disciplinary action to the employee who catch, hurt and/or collecting RTE species has been explained on document of Internal Office Memo of MD Services & Project No. 1231/M-Int/ MDSP-VIC/XI/11 dated 25 November 2011 in term of Zero Tolerance policy against Endangered Animal. Training and socialization on RTE species and sanction programmed and conducted routinely, for examples training on 28 March 2018 as many as 77 attendants. Meanwhile, socialization on RTE species to the workers also conducted in time of muster morning including socialization of sanction. It also has been verified during interview with the workers in field and emplacement.

Based on interview with village head from Jambai Makmur Village, Samsam Village, and Simpang Belutu Village, it was state that the company has conducting socialization on HCV area and protected fauna within estates operational areas which also informed by signboard. Moreover, there were found no protected fauna on offices and employees housing areas in both in estate and mill.

5.2.4 Minor

The company was able to shows evidence of receipt note document of flora and fauna identified in to relevant Agency. Monitoring of RTE species has been conducted routinely (every semester), the monitoring result will be the input in the next monitoring plan. According to document review seen that record of protected species is regularly monitored. evaluation feedback from monitoring result for Sei Rokan Estate i.e.:

- Maintenance of HCV signboard on August 3 2019.
- The realization of HCV rehabilitation / enrichment program has been realized for period 2018 to 2019.
- Socialization to employees is done once every 6 months and once a year.
- Patrols of HCV area are performed every month.

5.2.5 Minor

Based on document verification and field observation, interview with workers, surrounded community and related institution known HCV area was not overlapped with local communities' rights, and that there is no community land and traditional rights defined as HCV area.

Based on document verification and field observation, interview with workers, surrounded community and related institution known that the identified HCV area on STPA is only cemetery covering 8.5 Ha.

Status: Comply

5.3

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

5.3.1 Major

The entire products of waste and it sources have been identified and documented in the identification list document of Environmental Aspects on 2019. The examples of waste products are oil sourced from FFB trucks, emissions from FFB transportation, waste sourced from used sacks, emissions from generators, emissions from chimney boiler, spilled diesel/lubricant from generator engine, oil drums sourced from workshop, used battery, used dust cloth/used lamp sourced from materials warehouse, used chemical container from chemical warehouse, used chemical bottles derived from laboratory, POME that comes from FFB processing, and others. The company has SOP of hazardous waste handling which describe the waste (domestic and hazardous waste) management program, as follows:

- Agrochemical ex-container collected, washed, recorded on the form of agrochemicals containers Log book (F/SMART/LEMS-EHSD/SADV/002/001). All records should be maintained on the provided place.
- Liquid waste (effluent) applied to increase the nutrient in the soil
- Emission controlled by using air pollution controller and tested on accredited lab.
- Domestic waste managed by separated organic and an-organic, organic waste backfilled and an-organic collected to be transported to domestic waste landfill
- Hazardous waste (used oil, used filter, used battery, contaminated spill kit, used neon) recorded and stored in the scheduled hazardous waste storage, will be hand over to the licensed transporter.

Based on field visit on FFB processing activities known that effluent product resulting from the processing of FFB is POME, and has been managed on WWTP. Based on visit in chemical warehouse known that the former packaging chemical products are produced from chemical warehouse and has been collected on Temporary hazardous storage. The results of observation on housing known that the waste products generated from household activities and has been managed on landfill.

Smallholder scheme of Sungai Tapung Plasma:

Management plan of generated hazardous waste described in the form of pesticide ex-container management workflow, by stages: collecting, triple rinsing and reused/transported by transporter licensed.

5.3.2 Major

The result of inventory in Libo Mill, warehouse Libo Estate, Sei Rokan Estate and Nenggala Estate such as spray activities produce waste, such as former pesticide container placed in hazardous waste warehouse, preparation and maintenance block mark, such as former paint cans, placed in hazardous waste warehouse, plastic waste fertilizer, placed in hazardous waste warehouse. And then in Libo Mill such as activities in the loading ramp, used sacks lose fruit placed in landfill, in WTP, Waste resulting is ex chemical container placed in hazardous waste warehouse.

The company has SOP of hazardous waste handling which has describe ex fertilizer container and medical waste managed as hazardous waste that is collected on temporary hazardous waste storage and transported by transporter licensed of government.

Based on field visits in chemical warehouse Libo Estate, Sei Rokan Estate and Nenggala Estate (central warehouses) is known that ex chemicals container be placed to hazardous waste warehouse. Record of hazardous waste management included in report of hazardous waste management which quarterly sent to environment agency, such as report of on April to Juni 2019. The training and socialization to spraying workers, about ex pesticide container disposal is available.

Based on observation and interviews with some workers and management representatives, the employee understood of hazardous and toxic waste management procedures and evaluation of control management on hazardous and toxic waste management.

5.3.3 Minor

The company has identified the source of waste and pollution source and treat the identified source to reduce emission and pollution. The effort taken by the company are:

- Domestic waste: based on field observation, the company has collected cosmetic waste periodically and dump it to the landfill and its known that location of landfill is far away from waterways and the housing area.
- Empty fruit bunch is applied to estate plantation area to substitute chemical fertilizer. Based on field visit EFB application is well managed.
- Shell and fiber are reused for engine fuel of boiler. It reduce the carbon emission from the combustion of fossil fuel.
- POME use for fertilizer, based on field visit the condition of flatbed has been maintenance well and no environmental pollution potential.
- The managing for clinical waste, the company also has cooperation with licensed parties such as PT Shali Riau Lestari.

Base on field visit to hazardous waste storage in Libo Mill and Nenggala Estate, Sei Rokan Estate shows that record of the hazardous waste and storing system as required within the license of the storage and the regulation on hazardous waste management. The last transported hazardous waste by PT Shali Riau Lestari August 14 2019.

Status: Comply

5.4

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

5.4.1 Minor

The Company already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example use of For example use of shells and fiber in January to June 2019 was 22,261 ton which produce 1,934, 579 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 0.05 kwh / ton FFB. Result Direct fossil fuel use per ton of Fresh Fruit Bunches (FFB) is 32,156 kWh / ton FFB.

Status: Comply

5.5

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

5.5.1 Major & 5.5.2 Minor

Field visit during audit and document review indicated there is no replanting / new planting activities on Ujung Tanjung estate. Company already have commitment and policy listed on Golden Agro Resources (GAR) social and environment policies 2015, stated that company do not conduct any land fire for replanting or new development. Company also develop procedure SOP/SMART/MCAR/ IV/ TA-PLB on 2012 regarding zero burning land preparation.

Base on field observation on replanting area year 2019 on Blok C27 Sei Rokan Estate no evidence of burning of land in the operational area visited by the auditor.

Sungai Tapung plasma

Planting years for all oil palm on Sungai Tapung plasma are consist of years 1996. Until RE-Cert, there is no new planting or replanting activities on entire Sungai Tapung plasma areas. Sungai Tapung plasma already have commitment and policy listed on Golden Agro Resources (GAR) social and environment policies 2015, stated that company do not conduct any land fire for replanting or new development.

Status: Comply

5.6

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

5.6.1 Major & 5.6.2 Major

All waste including emissions and pollution sources from Mill and estate are identified and recorded on waste and pollution identification document. Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. POME has been monitored every months and monitoring periods April – May 2019 sighted that all of POME testing parameters is compliant to the standards quality.

To reduce pollution and emission, the company has identified the pollution sources and emissions and the management steps which are described in SOP of Waste Management. In addition, company also identified GHG sources included plan for reducing it. Noise monitoring (1st semester 2019) are conducted based on RKL/RPL matrix in workers housing (mill) and mill front yard respectively 49 dB(A), and in front of office 59 dB(A). Base on field visit on high noise station on Libo Mill such as boiler, sterilization, and engine room found that operators are equipped with appropriate PPE (ear muff) and warning signs for high noise areas are available for examples in engine room.

Sungai Tapung plasma

Sungai Tapung plasma have identified all pollution and emissions source (from plantation activities and office activities) listed on emissions source identifications document 2019, this documents includes implementation to reduce emission/pollution for examples :

| Emission / pollution | Main activities | Emission reduction implementation |
|--|-------------------|--|
| Pesticides/ herbicides (N ₂ O and CO ₂) | Spraying | <ul style="list-style-type: none"> Manual upkeep and integrated pest management Zero paraquat usages |
| Fertilizer (CO ₂) | Manuring | Fertilizer application in accordance with recommendation |
| Fossil fuel (CO, NO, SO ₂) | FFB transport | <ul style="list-style-type: none"> Road maintenance Limiting FFB transport tonnage for fuel efficiency Fossil fuel monitoring |
| Electricity grid (CO ₂) | Office activities | Using energy saving light bulb for cooperatives unit office to minimize electricity usage |

5.6.3 Minor

Base on document verification, CH has been done calculations emission with RSPO Palm GHG Calculator Version 3.0.1 with data input correctly. Calculation option applied Full Version.

Summary of Net GHG Emissions period January – December 2018 i.e.:

| Emissions per product | tCO ₂ e/tProduct | Extraction | % | Production | ton/year |
|-----------------------|-----------------------------|------------|-------|---------------|-----------|
| CPO | 4.78 | OER | 20.02 | FFB Processed | 306433.17 |
| PK | 4.78 | KER | 5.37 | CPO Produced | 61344.05 |
| PKE | 2.12 | | | | |
| PKO | 2.12 | | | | |

| Land Use | Ha |
|----------------------------|----------|
| OP planted on mineral soil | 18698.53 |
| OP Planted on peat | 0 |
| Conservation (forested) | 579.56 |

Summary of Field Emissions and Sinks

| | Own Crop | | Group | | 3 rd Party | |
|------------------|--------------------|-----------------------|--------------------|-----------------------|-----------------------|-----------------------|
| | tCO ₂ e | tCO ₂ e/ha | tCO ₂ e | tCO ₂ e/ha | tCO ₂ e | tCO ₂ e/ha |
| Emissions | | | | | | |
| Land | 56877.65 | 5.78 | 46505.26 | 9.88 | - | - |

| | | | | | | |
|--|------------------|--------------|----------------|-------------|----------|----------|
| conversion | | | | | | |
| *CO ₂ emissions from fertilizer | 169781.88 | 18.05 | 5877.85 | 1.24 | - | - |
| N ₂ O emissions from peat | - | - | - | - | - | - |
| N ₂ O emissions from fertilizer | 188152.96 | 19.95 | 4538.8 | 0.95 | - | - |
| Fuel consumption | 1294.21 | 0.12 | 0 | 0 | - | - |
| Peat Oxidation | 0 | 0 | 0 | 0 | - | - |
| Sinks | | | | | - | - |
| Crop sequestration | -67846.15 | -6.86 | -44080.81 | -9.36 | - | - |
| Conservation Sequestration | -1301.71 | -0.12 | 0 | 0 | - | - |
| Total | 346958.84 | 36.91 | 12841.1 | 2.71 | - | - |

Summary of Mill Emissions and Credits

| | tCO ₂ e | tCO ₂ e/tFFB |
|------------------------------|--------------------|-------------------------|
| Emissions | | |
| POME | 11587.99 | 0.04 |
| Fuel Consumption | 310.24 | 0 |
| Grid Electricity Utilisation | 0 | 0 |
| Credits | | |
| Export of Grid Electricity | 0 | 0 |
| Sales of PKS | 0 | 0 |
| Sales of EFB | 0 | 0 |
| Total | 11898.23 | 0.04 |

Palm oil Mill Effluent (POME) Treatment

| | |
|-------------------------------|-----|
| Divert to compost | 0 |
| Divert to anaerobic digestion | 100 |

POME Diverted to Anaerobic Digestion:

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

Emissions from Palm Kernel Crusher

| Emissions Source | tCO ₂ e |
|-------------------------|--------------------|
| PK from own mill | 78674.15 |
| PK from other sources | 0 |
| Fuel consumption | 24.44 |
| Total crusher emissions | 78698.58 |

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

The SIA (Social Impact Assessment) of Libo Mill, Libo Estate, Sei Rokan Estate, and Nenggala Estate contained in SIA

of PT Ivo Mas Tunggal in 2012, meanwhile for Sungai Tapung Plasma contained in SIA of PT Ramajaya Pramukti in 2010. Those SIA document contains evidence of villagers participation that affected, as well as internal stakeholders. Participation was conducted by interviews and focus group involving the village and community leaders, traditional leaders, youth leaders, and etc. Results of the consultation meeting had been summarized in the SIA report. As part of social impact management, company has conduct Corporate Social Responsibility (CSR) program considering the results of the EIA study and Social Impact Assessment.

Based on interview with Village Head of Samsam, Jambai Makmur, and Simpang Belutu, known that SIA, as well as management and monitoring plan has been conducted in participatory manner with all affected Village. All social impacts and issue had been identified and managed, among others in aspects of livelihood, health, land tenure, employment, education, economy, social, cultural and religious.

6.1.2

Evidences for participatory way on SIA were shown by minutes of meeting, focus grup discussion, interview questionnaire with all affected parties. The coverage of SIA of PT Ivo Mas Tunggal were Villages of Samsam, Kandis, Belutu, Libo Jaya, Pencing Bekulo, Jambai Makmur, Sungai Gondang, Bekalar, Kandis Kota, Simpang Belutu and Telaga Samsam. Meanwhile the coverage of SIA of Sungai Tapung Plasma were Villages of Petapahan, Pantai Cermin, Sari Galuh, Kebun Amarta Plasma, Kebun Ramabakti, and Sungai Tapung Plasma. The consultation process also has been involved the element of female, CH's workers, and smallholders.

6.1.3

The CH established annual management and monitoring plan of social impact based on the impact identified in SIA, previous plan, and review of SIA, in participatory manner, to avoid and reduce negative impacts and promote positive impacts. PIC for social management and monitoring are Unit Manager assisted by SPO officer and other related staff. The management and monitoring plan of 2018 has been informed the positive and negative impact including the time management planning and the person in charge for the activity, such as local workers acceptance, Oryctes outbreak in replanting, and local economy development.

There was no change between current and previous SIA management and monitoring plan. The first replanting activity that conducted in 2017, as well as further replanting plan has been covered in plan of 2017 and 2018. Based on interview with Village Head of Samsam, Jambai Makmur, and Simpang Belutu known that all positive and negative impact has been covered and managed in SIA Management and Monitoring Plan. Such as current issue, that is replanting activity has been managed effectively. Has been observed in replanting area such as implementation of old oil palm barrier approximately 100 m in the boundary, as barrier of fire and oryctes infestation that commonly occures in replanting area. The barrier will be replanting at the time of young plant next to it become mature phase (3 years old).

6.1.4

The CH conduct review of social impact management and monitoring plan in two yearly basis, in participatory manner to all affected parties. The next period plan will be updated if necessary based on input of the review. The latest review on PT Ivo Mas Tunggal and Sungai Tapung Plasma conducted based on report in July 2017, for the period middle of 2016 – 2017. The next review period for middle 2017 – 2019, however at the time of audit the review report has not been finished yet.

In the SIA management and monitoring review of July 2017, has been attached the evidence of consultation with stakeholder, such as on 8 & 9 May 2017 at Village of Sukamaju, Kota Bangun, Beringin Lestari, Cinta Damai, Sei Jambai Makmur.

6.1.5

PT Ivo Mas Tunggal does not have any scheme smallholders obligation, but Libo Mill receives FFB from Sungai Tapung Plasma (partnership of PT Ramajaya Pramukti). Interview with smallholders of Sungai Tapung Plasma known that PT Ivo Mas Tunggal still provide coaching in the field to the cooperation and members of farmer groups through the establishment of staff assiastance in smallholder plantation, ranging from managers to corporate supervisor.

Moreover, PT Ivo Mas Tunggal in 2018 just have scheme smallholder of Sawit Bersama Cooperative (KSBA) based on agreement No. 001/SPK/KOPSMB-IMT/V/2018 dated 12 May 2018. The plasma program was due to *Peremajaan Sawit Rakyat*, a government program for smallholder replanting support involving plantation companies. However the FFB has been delivered to Ujung Tanjung Mill of PT Ivo Mas Tunggal. Based on interviews with management, aspects of the existence of plasma will be included in the review of SIA 2018 – 2019 of PT Ivo Mas Tunggal that is being prepared.

Status: Comply

6.2

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

6.2.1 Major, 6.2.2 Minor, 6.2.3 Minor

Documented procedure for communication and consultation with public was established namely Communication and Consultation Procedures No. SOP/SMART/UMUM/SADVI/004, dated 1 July 2014". Communication and consultation has considered differential access to information for male/ female, workers, villagers representative both old and new villagers including ethnics. Based on interview with Official of Samsam, Jambai Makmur, Simpang Belutu village know Information that can be accessed from Certificate Holder, such as CSR, recruitment of workers. The company has responded well to any existing communication processes, the preparation of SOP has been take into consideration of suggestions from the public and other affected parties. The procedure was in Bahasa Indonesia that is understood by all surrounding communities. Responsible person for receiving and responding any communication and inquiries is Unit Head / Estate Manager.

The management unit of *KUD Cinta Damai* and *KUD Karya Tani* shows the Stakeholder Communication and Consultation procedure (PROSEDUR / 4 / I / 2009) approved by the Chairman of KUD on January 2, 2009 and has been socialized to the combined stakeholders on 12 February 2018. Communication responsible is the secretary, chairman of *KUD Karya Tani* and treasurer of *KUD Bangun Desa*. Base on interview with *KUD Karya Tani* cooperative they are understood Communication and Consultation mechanism.

Status: Comply

6.3

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

6.3.1 Major

The company has the SOP Handling Complaints and Dis-satisfaction no. SOP/SMART/SIGS-CSR/SADV/II/003 that explain the process of delivering and handling complaints and grievances internally and externally. In the SOP also mentioned that the company guarantees the anonymity of the reporting and the revealer of the case (whistleblower). Head of Administration is responsible for hearing and record all complaints and grievances that exist both orally and in writing from the external. Responses to the complaint and dissatisfaction is given as soon as possible and no later than one month after the issue received. SOP Handling Complaints and Dissatisfaction only up to the enterprise level. Based on interviews with management, if there is no solution in the complaint mechanism, can be brought to the RSPO Complaint System.

Based on interviews with employees, village representatives, and union leaders, it is known that they have understood the mechanism to complaint. This is effectively implemented where every complaint can be submitted verbally / written through the chairman of the union to be discussed later in bipartite routine meetings. In addition, employees can also convey complaints through direct supervisors or through complaint boxes available throughout the division / estate office.

Interview auditors while in the field with owners of plasma plots, workers or representatives they already know the grievance mechanism. The mechanism has also been submitted through installation at the *KUD* office.

6.3.2 Major

The whole recording and handling of related complaints recorded in the Monitoring Form Handling Complaints and dissatisfaction document number: F/SMART/SIGSCSR/SADV/003/001. According to interviews with workers and communities there are no complaints or dis-satisfaction.

Based on interviews with the union chairman, it was submitted that since recertification audit activities until ASA 1.1 was carried out there was no record of dispute between the company and the stakeholders.

Based on the document review of Smallholder in the form of recording of complaints at:

- KUD Berkat Lestari has 5 reports of complaints during the last year and has been responded by the KUD.
- KUD Tunas Makmur has 2 reports of complaints over the past year and has been responded by the KUD.

The information on Recertification activities and public consultation with National Land Agency Siak Regency, there is a land conflict on PT IMT, namely with the Sakai Legal Aid Institute which began in 2017, the latest progress was mediated at Riau Provincial Regional Office January 7 2019 the conclusion of mediation that Institute Sakai's Legal Aid was asked to explain the evidence that was required and to present the evidence. Until audit ASA 1.1 process was carried out, there was no information that presenting evidence claimed by the Sakai Legal Aid Institute has been carried out in accordance with the latest mediation results.

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

The CH has had SOP related land identification and compensation (No. SOP/NP/SMART/VII/D&L002, dated 01 July 2010) which set land identification, calculation and compensation for land acquisition mechanism. In this procedure was explained that the process of land identification is involved the community and the village government.

6.4.3

The results of document review, field observation and interview with stakeholders known that the latest land acquisition had been conducted in 1986, and smallholders of Sungai Tapung Plasma has had SHM since in the 2000s. CH does not conducted any new land acquisition since the last assessment.

The auditors in cooperation with CH and Villages Official has conduct effort to identify the previous land owner that still exist/alive and stayed in CH's surrounding area. However based on consultation with Village Head of Samsam, Jambai Makmur, and Simpang Belutu, obtained information that most of previous land owner has been passed away, and which currently exists were their descendant.

Status: Comply

6.5

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

6.5.1

Company has Letter from direction No. 059/CEO RIAU/HR PSM RIAU/04/2019 about minimum wage year 2019. It is said that minimum wage of all workers is based on Governor Decision about Minimum Wage of Riau Province 2019. Company could present the payment receipt of minimum wage as indicated in personnel salary list.

Company can show employee salary list of PT IMT in accordance with the decision of the Governor of Riau on Province of Minimum Wage 2019. Examples of salary documents in July, 2019.

Wage determination in the period of 2019 has been issued by the Governor of Riau No. Kpts.661/III/2019 dated March 25, 2019 concerning about Minimum Wage Agricultural Sector/Rubber Plantation, Coconut, Oil Palm and Mill Riau Province Year 2019, as much as 2,820,000 IDR. Furthermore, through a Joint Agreement between GAPKI and BKS PPS Riau, agreed that the implementation of minimum wage 2019 of Rp. 2,679,000. per month in all districts in Riau Province, and includes the value of natura in the form of rice for the workers themselves by 15 kg or Rp. 141,000 per month, effective from 01 January 2019.

Based on the observation of the document known that the company has paid wages to workers in accordance with the provisions of the applicable minimum wage. In addition, Interview with DPC Chairman F.SPPP-SPSI no report of wage payment violation paid, in accordance with prevailing minimum wage.

Based on document review known the company have paid overtime in accordance with that specified in the Collective Labour Agreement (PKB). The results of interviews with workers in Libo Mill (LIBM) for example at the process station and security Sei Rokan Estate known that the workers have earned wages and overtime has paid in accordance with the applicable regulation. There is no significant obstacles related to employment or violations of wage such as wage deduction.

6.5.2

The CH had Collective Labor Agreement in Indonesian language, that the content has been in accordance with the regulation and has been disseminated to Labor Union and workers. The current agreement was Collective Labor Agreement of 2015-2017 between Sumatra Plantation Company Cooperation Agency with the Central Board of the Federation of Unions of Agricultural and Plantation Workers Union of Indonesia has been through a decree on behalf of the Labor Minister No. 88/PHIJSK-PPKAD/PKB/VI/2015 on 18 June 2015. This is due to the Collective Labor Agreement of 2018-2020 is still in progress of endorsement of Labor Minister.

The Collective Labor Agreement had covered all aspect set in the government regulation related employment, such as recruitment, working hours, wages, contract labor, aid sick days, be absent work, payment of meal, overtime, provisions on premiums, feast day allowance, worker insurance, work equipment and PPE.

Field observation and interview has been conducted to verify the implementation of CLA, especially in critical point such as temporary worker in aspects of contractual agreement, minimum wages, insurance, as well as PPE provision. All workers in the field has been bounded by contractual agreement. The was no illegal worker or uncontractual family member.

6.5.3

Based on housing observation and interview with the residents, known that the CH provides proper and decent facilities for worker welfare such as housing, clinic, worship venue, sport yard, schools, school bus, clean water, and 24 hours electricity from state owned company. Those facilities and infrastructure are ini good condition. For Sungai Tapung Plasma worker, the worker lived in workers house owned by themselfe in surrounding village, and the welfare facilities provides by Village facilities.

6.5.4

The CH has support the existance of employee cooperative, that provides daily household need especially for food in decent, fairly and at affordable prices. In addition at the time of wage payment there are temporary market comes from surrounding communities. Moreover, the traditional market are near from housing complex in Pasar Minggu. In addition, traders who are allowed to sell in a residential area make it easier for workers to access food sources. This matter has been verified through consultation with Head of Employee Cooperative, Labor Union, as well as housing residents. For Sungai Tapung Plasma worker, the worker lived in workers house owned by themselfe in surrounding village, and the foods obtained from stores in village of Sub-District.

| |
|-----------------------|
| 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 CH has had a policy related the freedom for association in circular letter No. 020/HR PSM6/01/11 dated 3 January 2011. The circular letter stated that the CH gives a freedom for its employee to associate and gather. Based on interview with Head of Labor Union and the workers known that CH has facilitated the establishment of labor union, and personnel understand the function of labor union.

The CH has been consistenly documenting and implementing the policies related to giving freedom to all workers to form and join labor union desired, as well as regular meeting. The results of interviews with workers were known there were three Labor Unions within PT Ivo Mas Tunggal, namely SPPP-SPSI (*Serikat Pekerja Pertanian Perkebunan-Serikat*

Pekerja Seluruh Indonesia), KSBSI (*Konfederasi Serikat Buruh Sejahtera Indonesia*) and SPPI (*Serikat Perjuangan Pekerja Indonesia*).

Status: Comply

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

6.7.1

The CH has had a policy regarding minimum age for worker regulated on GAR's Social and Environmental Policy dated 8 September 2015. It is stated that CH won't employ children who are included in the definition of the provisions of ILO conventions, even though there are laws or regulations that would enable state and local and against all forms of child exploitation. The policy also has been disseminated through sign plank in housing and offices.

Based on review of list of workers, field observation, as well as interview with stakeholder (Labor Union, Labor Agency, Village Officials) and workers known that there is no worker under 18 years old in Mill, Estate, and Sungai Tapung Plasma, and has been verified by field observation on activities in Mill and Estate.

Status: Comply

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

6.8.1

The CH has had a policy regarding non discrimination on GAR's Social and Environmental Policy dated 8 September 2015. The policy assured equal opportunities for all workers, and embrace diversity, regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation, or union membership workers, and ensure that all workers are protected from discrimination in all stages of the employment relationship. The process of selection, recruitment and promotion of workers can be shown that the process has been based on the expertise, capacity, quality and medical health of prospective labor / labor.

6.8.2

Based on review of list of workers, field observation, interview with stakeholder (workers in Mill and Estate, Labor Union, Gender Committee, Labor Union, Village Officials) known that there was no discrimination by the CH based on race, caste, religion, gender, or union membership. The workers come from local or outside regions, various religion, ethnicity, or gender. Each worker has the opportunity to work according to ability, and get an assessment for promotions on a regular basis. Job opportunity are submitted openly on the website or submitted to the Village Officials. The implementation also has been verified through evidence of employee promotions, designation from temporary to permanent worker, conducted in accordance with the assessment. In the field also sighted male foreman/supervisor.

6.8.3

Based on review of list of workers, field observation, interview with stakeholder (workers in Mill and Estate, Labor Union, Gender Committee, Labor Union, Village Officials) known that there was no discrimination by the CH based on race, caste, religion, gender, or union membership. The workers come from local or outside regions, various religion, ethnicity, or gender. Each worker has the opportunity to work according to ability, and get an assessment for promotions on a regular basis. Job opportunity are submitted openly on the website or submitted to the Village Officials. The implementation also has been verified through evidence of employee promotions, designation from temporary to permanent worker, conducted in accordance with the assessment. In the field also sighted male foreman/supervisor.

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 and 6.9.3

The CH has had Policy of Sexual Harassment and Violence (No.01 dated 20 February 2009), concerning prevention of sexual and other form of harassment and violence, as well as to protect reproductive rights, such as prohibition on female workers who are pregnant / breastfeeding to work in fields related to chemicals and other heavy work.

To support this concern, the CH has establish a Gender Committee in each unit as a place to submit complaints. Pregnancy check was conducted regularly, In addition, the CH allowed the female workers to take leave for two days during menstruation (according to paramedic recommendation) and rights for maternity and breastfeeding leave for 3 months, and gives permission to leave work to breastfeed while working.

Based on interview with Head of Gender Committee, Paramedic, as well as female workers, known that the policy has been disseminated to all workers in Mill and Estates. The committee has conducted the programs such as dissemination of reproductive rights, spraying technic in order to prevent negative impact to female reproduction organ, complaining related harassment or abuse in the work place, as well as protection or anonymity of the complainants. There was no cases reported related sexual harassment or violance of reproductive rights.

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

Libo mill purchased FFB from own certified areas and Sungai Tapung plasma certified areas.Pricing mechanism are determined based on weekly pricing team meeting by Riau Plantation Agency. Furthermore, the price of FFB is informed by the management to the cooperation by letter of notification.

Based on interviews with "KUD" board and interviews with landowners in Berkat Lestari and Tunas Makmur smallholders, obtained informatin that FFB from farmers was purchased by company in accordance with the price set by the Plantation Agency of Riau province and all parties understand the contractual agreements. Observation on Berkat Lestari and Tunas Makmur cooperatives also shown that FFB prices were publicly available for all members for examples FFB price for 21-27 August 2019 are Rp. 1,421.46 /kg FFB.

FFB processing agreement of fresh fruit bunches between PT Ramajaya Pramukti with PT Ivo Mas Tunggal for Sungai Tapung plasma of FFB processing are available. FFB payment receipts for sungai tapung plasma were available on timely manner and verified by auditor.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

The company can show a program to increase local development as set out in the 2018 - 2019 CSR Activity Plan document which has informed the types of activities and costs to be incurred. The activities were made into several fields including education, community economy, health, environment, social culture and infrastructure.

The company shows the realization of the implementation of local development in the realization of the CSR Annual Plan 2018 - 2019, for example:

- Minutes of the transfer of Sakai's school equipment from the NGLC unit on July 23, 2019 worth IDR 33,400,000. Received by the student management Sakai.
- Minutes of the handover of PT IMT's CSR house renovation assistance, on February 14, 2019, the village of kandis kota worth 33,400,000 IDR. Received by the owner of the house.
- Providing assistance to the sakai tribe in the form of 114 food packages on May 22, 2019, handover through the Sam Sam Estate (SSME) unit.
- Ramadhan safari assistance at the Nurul Iman mosque in Simpang Belutu village in the form of a sack of cement in May 2019 was handed over through the Sam Sam Estate (SSME) unit.
- Payment of MPA (Masyarakat Peduli Api) incentives in June 2019 worth IDR 3 million on July 23, 2019, delivery through Sam Sam Estate (SSME) estate unit.

6.11.2

Libo mill and supplier FFB come from core estate and smallholder (STPA). There is a plasma scheme developed by the company and its partnership (Sungai Tapung plasma).

| | |
|--|--|
| <p>The company has a plasma management unit consisting of managers, staff assistants and foremen who provide assistance to farmer groups. The results of interviews with officials and members of KUD Berkat Lestari, that plasma conducts training to farmer groups every 3 months in the form of coordination with companies.</p> | |
| <p>Status: Comply</p> | |
| <p>6.12 No forms of forced or trafficked labour are used.</p> | |
| <p>6.12.1, 6.12.2, and 6.12.3</p> <p>The procedures related to human resources management shows that every worker has a work agreement that describe specific job description. Based on employee list, field observation and interview with workers, Labor Unions, and gender committee known that there is no migrant workers, forced labor. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker.</p> <p>Based on employee data and interview with workers, most of the workers came from local communities. They have the recruitment process in the company and is in accordance with applicable employee acceptance procedures.</p> | |
| <p>Status: Comply</p> | |
| <p>6.13 Growers and millers respect human rights</p> | |
| <p>6.13.1</p> <p>Certificate holder has GAR of Social and Environmental Policy in point 2.2.3 which stated that the company committed to stand and promote statement of human right of UN for all workers, contractor, customary society, local community in all company operation.</p> <p>Interviews with workers such as warehouse workers, operator, factory workers, and contractors known that they know about Corporate Policy such as Human Rights Policy. The human rights policy was also presented at the morning briefing and displayed at the estate and factory offices. There is no case of human rights violation.</p> | |
| <p>Status: Comply</p> | |
| <p>PRINCIPLE #7 Responsible development of new plantings</p> | |
| <p>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.</p> | |
| <p>Based on documents review, interview, and field observations, shown that CH did not expand any operational areas and there is no more land clearing for new development activity since November 2005.</p> | |
| <p>Status: Comply</p> | |
| <p>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.</p> | |
| <p>Based on documents review, interview, and field observations, shown that CH did not expand any operational areas and there is no more land clearing for new development activity since November 2005.</p> | |
| <p>Status: Comply</p> | |
| <p>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.</p> | |
| <p>7.3.1 Major, and 7.3.2 Major</p> | |

PT Ivo Mas Tunggal does not make any expansion over its operation area after November 2005. Document's review and interview with management revealed that the latest planting year was conducted in 1993.

The document review and interview with management showed that the certification unit is not performed land clearing after 1 November 2005. HCV identification in PT Ivo Mas Tunggal was conducted on 2009. GAR, as the parent company of PT Ivo Mas Tunggal has conducted disclouser of liability data and zero liability disclosure on 29 August 2014 by email.

7.3.3 Minor, 7.3.4 Major, and 7.3.5 Minor

Based on the results of interviews with management is known that the initial activity of land clearing was done in June 1986. The results of document review, field visits and interviews found that company did not expand or conduct new planting since the last assessment (2016).

Status: Comply

7.4

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

Based on documents review, interview, and field observations, shown that CH did not expand any operational areas and there is no more land clearing for new development activity since November 2005.

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.

Based on documents review, interview, and field observations, shown that CH did not expand any operational areas and there is no more land clearing for new development activity since November 2005.

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.

Based on documents review, interview, and field observations, shown that CH did not expand any operational areas and there is no more land clearing for new development activity since November 2005.

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.

Based on documents review, interview, and field observations, shown that CH did not expand any operational areas and there is no more land clearing for new development activity since November 2005.

Status: Comply

7.8

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

Based on documents review, interview, and field observations, shown that CH did not expand any operational areas and there is no more land clearing for new development activity since November 2005.

Status: Comply

PRINCIPLE #8 Commitment to continuous improvement in key areas of activity

8.1

Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.

8.1.1

CH has conducted regular review of the activities through RSPO and operational internal audits, social environmental management and monitoring plan, as well as management review. RSPO Internal Audit of PT Ivo Mas Tunggal held 24 June – 1 July 2019 with an internal team of auditors from the Sustainability Policy and Compliance Division. Internal audit results have 6 nonconformities and all non-compliance has been addressed upon by CH on 10 August 2019 and has been comply. RSPO Internal Audit Sungai Tapung Plasma held on June 24 2019 – July 1 2019 with an internal team of auditors from the Sustainability Policy and Compliance Division. Internal audit results have 5 nonconformities and all non-compliance has been acted upon by CH on July 30, 2019 and has been comply.

The review, as well as improvement effectively increased positive perception from internal and external stakeholders, such as in aspect of social, environmental, and best practices.

The company has implemented commitment to reduce environment impacts on the regular action plan. For example:

- Ujung Tanjung Estate made innovations in the form of 2 units of FFB steering plates and 1 unit of heat resistant rickshaw (angkong).
- The company has implemented commitment to reduce environment impacts on the regular action plan. For example:
 - Effluent management and monitoring. WWTP pond management, effluent quality test and report it to Siak District Environment Agency.
 - Air quality management and monitoring. Road maintenance, air quality test and report it to Siak District Environment Agency.
 - Surface water management and monitoring. Testing surface water quality and report it to Siak District Environment Agency.
 - Hazardous waste management. Storing hazardous waste at the permitted warehouse of hazardous waste, managing and monitoring hazardous waste.

In the social aspect, the CH shown evidences of contribution to local sustainable development, through develop oil palm scheme smallholder, acceptance of local workers, contractors and local businesses, as well as other contributions contained in CSR programs that are prepared in a participatory manner with the community.

Status: Comply

3.2 Summary of Assessment Report of Supply Chain Requirement

3.2.1. General chain of custody requirements for the supply chain

| Clause | Requirement |
|------------|--|
| 5.1 | Applicability of the general chain of custody requirements for the supply chain |
| 5.1.1 | The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification. |
| | <p>The Mill was under management of PT Ivo Mas Tunggal. The main products from this mill were CPO and PK, where the CPO placed in storage tank at the same location before delivered to Dumai Bulking (subsidiary of Golden Agri Resources).</p> <p>PT Satrindo Jaya Agropalma as a CPO & PK transportation services company was a subsidiary of Golden Agri Resources (RSPO membership). This company has had legal ownership and official agreement with PT Ivo Mas Tunggal.</p> |
| | Status: Comply |
| 5.1.2 | Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model. |
| | <p>The Mill was FFB processing mill and produced CPO and PK. The sources of material input was FFB's from the certified area from own estates. The Mill did not purchased any CPO/ PK from others suppliers, therefore Mill not include as trader/distributor.</p> <p>The Mill was an RSPO certified mill with certificate no. MUTU-RSPO/032 and also has been registered on PalmTrace with registered member ID: RSPO_PO1000001057</p> |
| | Status: Comply |
| 5.1.3 | Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform. |
| | <p>The Mill was RSPO member and Certified Mill with Certificate No. MUTU-RSPO/032 and also has been registered with member ID RSPO IT Platform member registration No. RSPO_PO1000001057</p> |
| | Status: Comply |
| 5.1.4 | Processing aids do not need to be included within an organization's scope of certification. |
| | <p>The Mill did not have any processing aids at site.</p> |
| | Status: Comply |
| 5.2 | Supply chain model |
| 5.2.1 | The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance. |
| | <p>The Mill was certified palm oil mill which implement Identity Preserved using Module D-CPO Mill for its supply chain models.</p> |
| | Status: Comply |
| 5.2.2 | The site can use one (1) or a combination of supply chain models as audited and certified by the CB. |

The Mill was certified palm oil mill which implement Identity Preserved using only Module D-CPO Mill for its supply chain models.

Status: Comply

5.3 Documented procedures

5.3.1

The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.

Procedure of identity preserve system for Mill was presented in document PT IMT-LBMM/SOP/29 dated 23 March 2018. This procedure has covers identification and traceability of RSPO certified, as well as responsible person in charge based on identity preserved (certified source). This procedures also mentioned that security, weight bridge clerk, grader, dispatch/kernel officer, production clerk, and etc as critical control point PIC. And this procedures also stated that quarter report calculation was conducted to monitored certified product sales therefore not exceeded claim volume by CB.

Based on field observation on Mill, acquired information that PIC for SSCS implementation (for examples weight bridge operators, security, and Head of Administration) that training and refreshment (awareness) of supply chain management system were carried out annually. FFB from certified areas were received on weigh bridge with 60 mt capacity. Software program of weighbridge has been used by operator to classified and separate RSPO certified and to reject non-certified source.

Status: Comply

5.3.2

The site shall have a written procedure to conduct annual internal audit

The Mill has had Procedure of Internal Audit No. F/SMART/UMUM/SADV/009 that has refers to SCCS system and standart of 2014, revised June 2017. The specific statement within the procedure as follow:

- Objective: Ensuring the process of SPO internal audit in order to acknowledge effectiveness and compliances with applicable certification system requirements.
- Internal Audit Program: an internal audit conducting annually (once a year) and possible to perform additional audit in within.
- Internal audit has conducted annually. Every findings were discussed into management review meeting. Corrective action is taken if necessary.

SSCS Internal Audit report 2019 shown there is no findings or no non-conformity identified related to supply chain management system.

Status: Comply

5.4 Purchasing and goods in

5.4.1

The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier

The Mill did not buy any RSPO certified products (CSPO and SCPK) from outsource or traders. All data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non compliance.

Status: Comply

5.4.2

The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents

The Mill has had Mechanism of Handling of RSPO Certified and Con-Certified Products No. SOP/SMART/CERS-EHSD/SADV/003 dated 1 July 2014. The procedure has covers identification and traceability of RSPO certified and non-certified products, as well as responsible person in charge.

Based on field observation on Mill, acquired information that PIC for SSCS implementation (for examples weight bridge operators, security, and Head of Administration) that training and refreshment (awareness) of supply chain management system were carried out annually. FFB from certified areas were received on weigh bridge with 50 mt capacity. Software program of weighbridge has been used by operator to classified and separate RSPO certified and reject non-certified source.

| | |
|--------------|---|
| | Status: Comply |
| 5.5 | Outsourcing activities |
| 5.5.1 | <p>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.</p> |
| | <p>The Mill has had SOP of Contractor Handling No. SOP/SMART/UMUM/SADV/II/006 dated 1 July 2014. This procedure was applicable to all outsource/contractors activities to look carefully at Sustainability aspects in their operation.</p> <p>Certified CPO from Mill were delivered to Dumai Bulking station and transported by trucks, while the PK are delivered to Kernel Crushing Plant of Libo Mill. PT Satrindo Jaya Agropalma as a CPO & PK second parties (transportation services company) is a subsidiary of Golden Agri Resources (RSPO membership).</p> <p>CH has mechanism to control and ensure that all contractors complies with the SCCS requirement through internal audit activity that covers scope of contractors. This can be seen from the internal audit report.</p> |
| | Status: Comply |
| 5.5.2 | <p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ol style="list-style-type: none"> The site has legal ownership of all input material to be included in outsourced processes; The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance |
| | <p>Certified CPO from the Mill was delivered to Dumai Bulking station and transported by trucks. While the PK are delivered to Kernel Crushing Plant of Libo Mill. PT Satrindo Jaya Agropalma as a CPO & PK second parties (transportation services company) is a subsidiary of Golden Agri Resources (RSPO membership).</p> <p>The mill has had working letter agreement for each CPO dan PK transport with second parties i.e PT Satrindo Jaya Agropalma regarding CPO dan PK transport.</p> <ul style="list-style-type: none"> Working Agreement No. 001/IMT/LIBM/01/0217-CPO on January 2 2017, valid thru 31 December 2019 related CPO transport from Mill to Dumai bulking. 100 % PK produced by Libo Mill are distributed to Libo KCP. Kernel Crushing plant are integrated with Libo Mills, therefore there is no PK transport contract <p>Regarding RSPO and SCCS requirements, PT Satrindo Jaya Agropalma as FFB transporter, CPO transporter shown commitment and listed on Statement Letter No. 003/LBT-SPO/MII/2018. In this statement letter declare that PT Satrindo Jaya Agropalma as transporter will provide access to CB to their respective operations, systems, and etc.</p> |
| | Status: Comply |
| 5.5.3 | <p>The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.</p> |
| | <p>Transportation services were using second party outsources. Delivery of certified oil palm and palm kernel product was using PT Satrindo Jaya Agripalma. Record of all name and contact details of outsources and contractors are well maintained.</p> |

| | |
|--------------|--|
| | Status: Comply |
| 5.5.4 | The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products |
| | During previous audit until ASA 1.1, there was no any new contractor for processing or physical handling of RSPO certified products. |
| | Status: Comply |
| 5.6 | Sales and goods out |
| 5.6.1 | The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer |
| | RSPO certified products from the Mill were sold to Dumai Bulking, while PK are sold to Libo KCP. Supporting document such as contract agreement, delivery order, delivery ticket, which informe delivery date, description of product and supplay chain model, quantity, identification number, certificate number, sender's name and address of the seller. |
| | Status: Comply |
| 5.7 | Registration of transactions |
| 5.7.1 | Supply chain actors who: <ul style="list-style-type: none"> are mills, traders, crushers and refineries; and take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable |
| | The Mill was RSPO member and Certified Mill with certificate No. MUTU-RSPO/032 and also has been registered with member ID RSPO IT Platform member registration No. RSPO_PO1000001057. |
| | Status: Comply |
| 5.7.2 | The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. |
| | All transaction has been announced to RSPO IT Platform and confirmed shipped. During the period of August 2018 to July 2019, there were 11 confirmed transactions of CSPO amount 11,427.22 MT, and 23 confirmed transactions of CSPK amount 14,277.43 MT. All shipping announcement has been observed during the audit. During the period of August 2018 to July 2019, there was no certified product sold as conventional. |
| | Status: Comply |
| 5.8 | Training |
| 5.8.1 | The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff |

The Mill shown several SCCS training programme of 2019 listed on SCCS Training Programme of 2019, for examples consists of SCCS refreshment for Mill PIC. PT Ivo Mas Tunggal has been conducted SCCS refreshment training programme in 14 March 2019 for representative of SCCS PIC for SamSam Mill, Ujung Tanjung Mil, and Libo Mill.

Status: Comply

5.8.2

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

PT Ivo Mas Tunggal has been conducted SCCS refreshment training programme in 14 March 2019 for representative of SCCS PIC for SamSam Mill, Ujung Tanjung Mil, and Libo Mill.

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

Status: Comply

5.9

Record keeping

5.9.1

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

The Mill has maintain accurate, complete and up-to-date records and reports, such as the FFB receives, process and CPO & PK production from its supply bases.

Status: Comply

5.9.2

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

The Mill has had SOP of Record and Document Handling No. SOP/SMART/UMUM/SADV/II/001 dated 1 July 2014, stated that all records shall be kept within 10 (ten) years.

Based on document verification, the management unit can shown all recording data for previous two years. Such as contract document, FFB Consignment, CPO Ticket, etc.

Status: Comply

5.9.3

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

The Mill did not purchased CPO and/or PK from any sources. This Mill only receives FFB's from Certified area. The estimate volume of sustainable CPO and PK are recorded in the Annex of certificate.

| Product | Estimate Production 12 months (MT) | Actual Production 12 months (MT) | Estimate Production 12 months (MT) |
|-------------|------------------------------------|----------------------------------|------------------------------------|
| | 30 October 2018 – 29 October 2019 | 1 August 2018 – 31 July 2019 | 30 October 2019 – 29 October 2020 |
| FFB_estates | 134,311* | 134,187.38 | 482,150 |
| FFB_scheme | 151,220* | 131,203.09 | 166,550 |
| CSP0 | 70,429* | 54,118.22 | 69,500 |
| CSPK | 18,223* | 14,369.87 | 17,400 |

Certified and non-certified FFB received period of August 2018 to July 2019 (12 month).

| Month | FFB (MT) | | |
|--------------|-------------------|---------------|-------------------|
| | RSPO Certified | Non-Certified | Total |
| Aug-18 | 23,260.21 | | 23,260.21 |
| Sep-18 | 21,491.56 | | 21,491.56 |
| Oct-18 | 27,904.74 | | 27,904.74 |
| Nov-18 | 24,487.45 | | 24,487.45 |
| Dec-18 | 24,288.90 | | 24,288.90 |
| Jan-19 | 26,576.57 | | 26,576.57 |
| Feb-19 | 21,248.84 | | 21,248.84 |
| Mar-19 | 23,190.30 | | 23,190.30 |
| Apr-19 | 19,933.42 | | 19,933.42 |
| May-19 | 18,956.77 | | 18,956.77 |
| Jun-19 | 12,162.18 | | 12,162.18 |
| Jul-19 | 21,889.53 | | 21,889.53 |
| Total | 265,390.47 | | 265,390.47 |

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

CPO production and Dispatch

| Period | CPO production (MT) | | Total | Cert CPO Dispatch (MT) | | | Total | Stock |
|----------------------|---------------------|----------|------------------|------------------------|------------------|----------|------------------|---------------|
| | Cert | Non Cert | | RSPO | ISCC-MB | Non Cert | | |
| Opening stock | | | | | | | | 458.37 |
| Aug-18 | 4,766.85 | | 4,766.85 | - | 4,926.06 | | 4,926.06 | 299.16 |
| Sep-18 | 4,299.42 | | 4,299.42 | - | 3,823.00 | | 3,823.00 | 775.59 |
| Oct-18 | 5,671.52 | | 5,671.52 | 2,185.02 | 2,899.66 | | 5,084.68 | 1,362.43 |
| Nov-18 | 4,854.72 | | 4,854.72 | 1,313.59 | 3,691.98 | | 5,005.57 | 1,211.58 |
| Dec-18 | 5,016.78 | | 5,016.78 | 353.47 | 5,312.48 | | 5,665.95 | 562.41 |
| Jan-19 | 5,415.99 | | 5,415.99 | 2,356.82 | 3,481.60 | | 5,838.42 | 139.99 |
| Feb-19 | 4,371.34 | | 4,371.34 | 624.21 | 3,658.98 | | 4,283.19 | 228.14 |
| Mar-19 | 4,786.29 | | 4,786.29 | 535.51 | 4,296.85 | | 4,832.36 | 182.06 |
| Apr-19 | 4,111.22 | | 4,111.22 | 1,637.79 | 1,914.58 | | 3,552.37 | 740.91 |
| May-19 | 3,946.80 | | 3,946.80 | 1,889.40 | 2,167.28 | | 4,056.68 | 631.03 |
| Jun-19 | 2,456.94 | | 2,456.94 | 531.41 | 1,951.17 | | 2,482.58 | 605.39 |
| Jul-19 | 4,420.34 | | 4,420.34 | - | 4,305.69 | | 4,305.69 | 720.04 |
| Total | 54,118.22 | | 54,118.22 | 11,427.22 | 42,429.33 | | 53,856.55 | 720.04 |

PK production and dispatch

| Period | PK production (MT) | Total | Cert PK Dispatch (MT) | Total | Stock |
|--------|--------------------|-------|-----------------------|-------|-------|
|--------|--------------------|-------|-----------------------|-------|-------|

| | Cert | Non Cert | | RSPO | ISCC-MB | Non Cert | | |
|--|---------------------------|----------|------------------|------------------|---------|----------|------------------|--------------|
| Opening stock | | | | | | | | 37.28 |
| Aug-18 | 1,239.84 | | 1,239.84 | 1,215.55 | - | | 1,215.55 | 61.57 |
| Sep-18 | 1,204.93 | | 1,204.93 | 1,232.51 | - | | 1,232.51 | 33.99 |
| Oct-18 | 1,619.44 | | 1,619.44 | 1,613.64 | - | | 1,613.64 | 39.79 |
| Nov-18 | 1,290.91 | | 1,290.91 | 1,262.60 | - | | 1,262.60 | 68.09 |
| Dec-18 | 1,278.55 | | 1,278.55 | 1,262.60 | - | | 1,262.60 | 84.04 |
| Jan-19 | 1,579.49 | | 1,579.49 | 1,574.95 | - | | 1,574.95 | 88.58 |
| Feb-19 | 1,220.49 | | 1,220.49 | 1,226.57 | - | | 1,226.57 | 82.51 |
| Mar-19 | 1,276.40 | | 1,276.40 | 1,292.65 | - | | 1,292.65 | 66.26 |
| Apr-19 | 997.41 | | 997.41 | 903.77 | - | | 903.77 | 159.90 |
| May-19 | 990.90 | | 990.90 | 1,018.50 | - | | 1,018.50 | 132.30 |
| Jun-19 | 607.21 | | 607.21 | 634.74 | - | | 634.74 | 104.77 |
| Jul-19 | 1,064.30 | | 1,064.30 | 1,039.36 | - | | 1,039.36 | 129.72 |
| Total | 14,369.87 | | 14,369.87 | 14,277.43 | - | | 14,277.43 | 92.44 |
| Status: Comply | | | | | | | | |
| 5.10 | Conversion factors | | | | | | | |
| 5.10.1 | | | | | | | | |
| Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries | | | | | | | | |
| The Mill only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors. | | | | | | | | |
| Status: Comply | | | | | | | | |
| 5.10.2 | | | | | | | | |
| Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate. | | | | | | | | |
| The Mill only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors. | | | | | | | | |
| Status: Comply | | | | | | | | |
| 5.11 | Claims | | | | | | | |
| 5.11.1 | | | | | | | | |
| The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims. | | | | | | | | |
| All certified product claims, Management Unit never using RSPO symbol or logos. A unique identification number, certificate number and supply chain model are available on relevant documents. Also, the CH using RSPO Palm Trace for communication, transaction, confirmation status and shipping announcement. The claim has been referred to RSPO Rules on Market Communications and Claims. | | | | | | | | |
| Status: Comply | | | | | | | | |
| 5.12 | Complaints | | | | | | | |

| | |
|--|--------------------------|
| 5.12.1 | |
| The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints. | |
| Mechanism for handling non-conforming oil palm products and complaints are specific describes within SOP of Grievance and Complaint Handling No. SOP/SMART/SIGS-CSR/SADV/II/003 date 1 Juli 2014. This procedure is general applied to all complaints aspects, including complaints and non-conforming products from customer/buyer. | |
| | Status: Comply |
| 5.13 | Management review |
| 5.13.1 | |
| The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken | |
| Internal audit for Mill SCCS were paralel conducted with P&C RSPO internal audit, last conducted in 24 June 2019 – 1 July 2019. Management review are conduted periodically based on internal audit findings and for 2019, management review was conducted on 1 July 2019 by SPO Region and PC Region. The content of Management Review including follow up internal audit findings, customer feedback, process performance and product suitability, and reccomendation for improvement. | |
| | Status: Comply |
| 5.13.2 | |
| The input to management review shall include information on: | |
| <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. | |
| Result of Management Review report on 1 July 2019, the following information was discussed: | |
| <ul style="list-style-type: none"> - Customer Feedback and Stakeholder Complaint There was no complaints from stakeholder/Customer. - Performance of Processing Activity and Conformity of Products: Production of Certified Product, Sales and Goods Out has been appropriate with estimation and supply chain requirements. - Any changes of Management System influence: Updating for all sustainability procedures still on progress to be review by management. - Internal Audit of Supply Chain and Follow-Up Actions: there is no non compliance found during internal audit - Recommendations for Improvement | |
| | Status: Comply |
| 5.13.3 | |
| The output from the management review shall include any decisions and actions related to: | |
| <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. | |
| Improvement of the effectiveness of the management system and its processes and resource needs was already included within the Management Review. | |
| | Status: Comply |

3.2.2. Module D – CPO Mills: Identity Preserved Requirements

| Clause | (Module D) CPO Mills – Identity Preserved Requirements | | | | | | | | | | | | | | | | | | | | | | |
|---|---|--|---|---------|---|--|---|-------------|----------|------------|---------|------------|----------|------------|---------|------|---------|-----------|--------|------|---------|-----------|--------|
| D1 | Definition | | | | | | | | | | | | | | | | | | | | | | |
| <p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Module E is applicable.</p> | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The Mill was used RSPO supply chain module of Identity Preserved because only received FFB from the estate which has been certified with RSPO.</p> | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Status: Comply</p> | | | | | | | | | | | | | | | | | | | | | | | |
| D.2 | Explanation | | | | | | | | | | | | | | | | | | | | | | |
| <p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report</p> | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Estimated certified product recorded in the certificate annex of last surveillance, actual certified produced has been verified during this assessment, as well as the the estimates of certified production for the next license period has been set by the Mill, describes in the following table:</p> | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Product</th> <th>Estimate Production 12 months (MT) 30 October 2018 – 29 October 2019</th> <th>Actual Production 12 months (MT) 1 August 2018 – 31 July 2019</th> <th>Estimate Production 12 months (MT) 30 October 2019 – 29 October 2020</th> </tr> </thead> <tbody> <tr> <td>FFB_estates</td> <td>134,311*</td> <td>134,187.38</td> <td>482,150</td> </tr> <tr> <td>FFB_scheme</td> <td>151,220*</td> <td>131,203.09</td> <td>166,550</td> </tr> <tr> <td>CSP0</td> <td>70,429*</td> <td>54,118.22</td> <td>69,500</td> </tr> <tr> <td>CSPK</td> <td>18,223*</td> <td>14,369.87</td> <td>17,400</td> </tr> </tbody> </table> | | | | Product | Estimate Production 12 months (MT) 30 October 2018 – 29 October 2019 | Actual Production 12 months (MT) 1 August 2018 – 31 July 2019 | Estimate Production 12 months (MT) 30 October 2019 – 29 October 2020 | FFB_estates | 134,311* | 134,187.38 | 482,150 | FFB_scheme | 151,220* | 131,203.09 | 166,550 | CSP0 | 70,429* | 54,118.22 | 69,500 | CSPK | 18,223* | 14,369.87 | 17,400 |
| Product | Estimate Production 12 months (MT) 30 October 2018 – 29 October 2019 | Actual Production 12 months (MT) 1 August 2018 – 31 July 2019 | Estimate Production 12 months (MT) 30 October 2019 – 29 October 2020 | | | | | | | | | | | | | | | | | | | | |
| FFB_estates | 134,311* | 134,187.38 | 482,150 | | | | | | | | | | | | | | | | | | | | |
| FFB_scheme | 151,220* | 131,203.09 | 166,550 | | | | | | | | | | | | | | | | | | | | |
| CSP0 | 70,429* | 54,118.22 | 69,500 | | | | | | | | | | | | | | | | | | | | |
| CSPK | 18,223* | 14,369.87 | 17,400 | | | | | | | | | | | | | | | | | | | | |
| <p>Status: Comply</p> | | | | | | | | | | | | | | | | | | | | | | | |
| <p>D.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).</p> | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The Mill has been registered and met the requirements of reporting supply chain through the RSPO supply chain managing organization (palm-trace), which describing below:</p> | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Sub License ID CB74757 Member Name LIBO PALM OIL MILL - PT IVO MAS TUNGGAL</p> | | | | | | | | | | | | | | | | | | | | | | | |

| | |
|---------------------------|--|
| Member ID | RSPO_PO1000001057 |
| RSPO Membership Number | 1-0096-11-000-00 (Golden Agri-Resources Ltd) |
| Issued On | 18-10-2018 |
| Issued By | PT Mutuagung Lestari |
| Start Date | 30-10-2018 |
| End Date | 29-10-2019 |
| Group size | 4 |
| Total Certified Area (Ha) | 11215.33 |

All transaction has been announced to RSPO IT Platform and confirmed shipped. During the period of August 2018 to July 2019, there were 11 confirmed transactions of CSPO amount 9,159.73 MT, and 23 confirmed transactions of CSPK amount 19,044.72 MT. All shipping announcement has been observed during the audit. During the period of August 2018 to July 2019, there was no certified product sold as conventional.

Status: Comply

D.3 Documented procedures

D.3.1

The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall

- a. Complete and up to date procedures covering the implementation of all the elements in these requirements;**
- b. The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.**

The Mill has had SOP for the implementation of supply chain in the identification procedure and traceability (No. IMT-SSMM/SOP/29 dated 23 March2018). The SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. The procedure also explains the related officers and the responsibility in the implementation of the requirements.

The results of interviews with Head of Administration and weighbridge operator showed that workers have already known the duties and responsibilities of each in the implementation of SCCS.

Status: Comply

D.3.2

The site shall have documented procedures for receiving and processing certified FFBs

The Mill has had SOP for the implementation of supply chain in the identification procedure and traceability (No. IMT-SSMM/SOP/29 dated 23 March2018). The SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. To find the source of FFB comes from the estate that has been certified with RSPO and then it's labeled on the Delivery Note and the unique code of each supply base.

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

Status: Comply

D.4 Purchasing and goods in

D.4.1

The site shall verify and document the volumes of certified and non-certified FFBs received.

Certified and non-certified FFB received period of August 2018 to July 2019 (12 month).

| Month | FFB (MT) | | |
|-------|----------------|---------------|-------|
| | RSPO Certified | Non-Certified | Total |
| | | | |

| | | | |
|--------------|-------------------|--|-------------------|
| Aug-18 | 23,260.21 | | 23,260.21 |
| Sep-18 | 21,491.56 | | 21,491.56 |
| Oct-18 | 27,904.74 | | 27,904.74 |
| Nov-18 | 24,487.45 | | 24,487.45 |
| Dec-18 | 24,288.90 | | 24,288.90 |
| Jan-19 | 26,576.57 | | 26,576.57 |
| Feb-19 | 21,248.84 | | 21,248.84 |
| Mar-19 | 23,190.30 | | 23,190.30 |
| Apr-19 | 19,933.42 | | 19,933.42 |
| May-19 | 18,956.77 | | 18,956.77 |
| Jun-19 | 12,162.18 | | 12,162.18 |
| Jul-19 | 21,889.53 | | 21,889.53 |
| Total | 265,390.47 | | 265,390.47 |

Status: Comply

D.4.2

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

The Mill has had SOP for the implementation of supply chain in the identification procedure and Traceability. This procedure states that in case there is projected overproduction of certified product, then company should inform the Certification Body.

| Product | Estimate Production 12 months (MT) | Actual Production 12 months (MT) |
|---------|------------------------------------|----------------------------------|
| | 30 October 2018 – 29 October 2019 | 1 August 2018 – 31 July 2019 |
| FFB | 131,737 | 265,390.47 |
| CSPO | 59,332 | 54,118.22 |
| CSPK | 15,539 | 14,369.87 |

Status: Comply

D.5

Record keeping

D.5.1

The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.

The Mill has record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified product (CPO and PK) on a real time basis as describe on table below.

CPO records

| Period | CPO production (MT) | | Total | Cert CPO Dispatch (MT) | | | Total | Stock |
|----------------------|---------------------|----------|----------|------------------------|----------|----------|----------|---------------|
| | Cert | Non Cert | | RSPO | ISCC-MB | Non Cert | | |
| Opening stock | | | | | | | | 458.37 |
| Aug-18 | 4,766.85 | - | 4,766.85 | - | 4,926.06 | - | 4,926.06 | 299.16 |
| Sep-18 | 4,299.42 | - | 4,299.42 | - | 3,823.00 | - | 3,823.00 | 775.59 |
| Oct-18 | 5,671.52 | - | 5,671.52 | 2,185.02 | 2,899.66 | - | 5,084.68 | 1,362.43 |
| Nov-18 | 4,854.72 | - | 4,854.72 | 1,313.59 | 3,691.98 | - | 5,005.57 | 1,211.58 |
| Dec-18 | 5,016.78 | - | 5,016.78 | 353.47 | 5,312.48 | - | 5,665.95 | 562.41 |

| | | | | | | | | |
|--------------|------------------|----------|------------------|------------------|------------------|----------|------------------|---------------|
| Jan-19 | 5,415.99 | - | 5,415.99 | 2,356.82 | 3,481.60 | - | 5,838.42 | 139.99 |
| Feb-19 | 4,371.34 | - | 4,371.34 | 624.21 | 3,658.98 | - | 4,283.19 | 228.14 |
| Mar-19 | 4,786.29 | - | 4,786.29 | 535.51 | 4,296.85 | - | 4,832.36 | 182.06 |
| Apr-19 | 4,111.22 | - | 4,111.22 | 1,637.79 | 1,914.58 | - | 3,552.37 | 740.91 |
| May-19 | 3,946.80 | - | 3,946.80 | 1,889.40 | 2,167.28 | - | 4,056.68 | 631.03 |
| Jun-19 | 2,456.94 | - | 2,456.94 | 531.41 | 1,951.17 | - | 2,482.58 | 605.39 |
| Jul-19 | 4,420.34 | - | 4,420.34 | - | 4,305.69 | - | 4,305.69 | 720.04 |
| Total | 54,118.22 | - | 54,118.22 | 11,427.22 | 42,429.33 | - | 53,856.55 | 720.04 |

PK records

| Period | PK production (MT) | | Total | Cert PK Dispatch (MT) | | | Total | Stock |
|---------------|--------------------|----------|------------------|-----------------------|----------|----------|------------------|--------------|
| | Cert | Non Cert | | RSPO | ISCC-MB | Non Cert | | |
| Opening stock | | | | | | | | 37.28 |
| Aug-18 | 1,239.84 | - | 1,239.84 | 1,215.55 | - | - | 1,215.55 | 61.57 |
| Sep-18 | 1,204.93 | - | 1,204.93 | 1,232.51 | - | - | 1,232.51 | 33.99 |
| Oct-18 | 1,619.44 | - | 1,619.44 | 1,613.64 | - | - | 1,613.64 | 39.79 |
| Nov-18 | 1,290.91 | - | 1,290.91 | 1,262.60 | - | - | 1,262.60 | 68.09 |
| Dec-18 | 1,278.55 | - | 1,278.55 | 1,262.60 | - | - | 1,262.60 | 84.04 |
| Jan-19 | 1,579.49 | - | 1,579.49 | 1,574.95 | - | - | 1,574.95 | 88.58 |
| Feb-19 | 1,220.49 | - | 1,220.49 | 1,226.57 | - | - | 1,226.57 | 82.51 |
| Mar-19 | 1,276.40 | - | 1,276.40 | 1,292.65 | - | - | 1,292.65 | 66.26 |
| Apr-19 | 997.41 | - | 997.41 | 903.77 | - | - | 903.77 | 159.90 |
| May-19 | 990.90 | - | 990.90 | 1,018.50 | - | - | 1,018.50 | 132.30 |
| Jun-19 | 607.21 | - | 607.21 | 634.74 | - | - | 634.74 | 104.77 |
| Jul-19 | 1,064.30 | - | 1,064.30 | 1,039.36 | - | - | 1,039.36 | 129.72 |
| Total | 14,369.87 | - | 14,369.87 | 14,277.43 | - | - | 14,277.43 | 92.44 |

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

Status: Comply

D.6 Processing

D.6.1

The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm product including during transport and storage to strive for 100% separation.

The Mill has had SOP for the implementation of supply chain in the identification procedure and Traceability. The SOP, document review, and field observation shown there was no uncertified FFB process by Mill, as well as separated during transportation.

Status: Comply

3.3 Conformity Checklist of Certificate and Trademark Use

| | | |
|----------------|--|--------------|
| 1. | Evidence of permission or approval certificate and Trademark from Certification Body which submitted by Client | X or√ |
| ASA 1.1 | The company does not use RSPO Trademark. PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) has license to use trademark with license Number: 1-0096-11-100-00 | √ |
| 2. | Implementation of certificate and Trademark used by Client comply with size and type (shape) against Guideline of Trademark Use | X or√ |
| ASA 1.1 | The company does not use RSPO Trademark. PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) has license to use trademark with license Number: 1-0096-11-100-00 | √ |
| 3. | Implementation of Certificate and Trademark is not used on product | X or√ |
| ASA 1.1 | The company does not use RSPO Trademark. PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) has license to use trademark with license Number: 1-0096-11-100-00 | √ |
| 4. | Controlling of Certificate and Trademark, including withdrawing inappropriate Trademark. | X or√ |
| ASA 1.1 | The company does not use RSPO Trademark. PT SMART Tbk (Parent Company: Golden Agri Resources Ltd) has license to use trademark with license Number: 1-0096-11-100-00 | √ |

3.4 Summary of RSPO Partial Certification.

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

Golden Agri Resources, Ltd Time Bound Plan (TBP) is explained in table 1.10. Golden Agri Resources run forty two (42) mills and one hundred thirty six (136) estates (own and smallholders) in Indonesia and has achieved RSPO certified for twenty eight (28) mills and supply base in Indonesia. Golden Agri Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri Resources, Ltd on January, 2019 approved by President Director and MO Sustainability Strategic & Stakeholders Engagement.

MUTU has verified partial certification for un-certified unit’s subsidiary of Golden Agri Resources, Ltd based on their Time Bound Plan. There are sixteen (16) uncertified management unit of GAR. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

| 2.1 Un-Certified Units or Holdings | | |
|------------------------------------|---|---|
| Section | Requirement | Concerns to Discuss, if any |
| 2.2.1 | Did the company conduct an internal audit? If so, has a positive assurance statement been produced? | <p>Company Group/Holding Statement: Companies are already doing internal audits. There are internal audit reports for each company.</p> <p>Auditor Verification: Internal Audit report available for uncertified management unit:</p> <ul style="list-style-type: none"> - PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base) - PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base) - PT Agrolestari Mandiri (Pekawai Mill and supply base) - PT Binasawit Abadi Pratama (Perdana Mill and supply base) - PT Agrokarya Prima Lestari (Kuayan Mill and supply base), monitoring via SPO Scorecard online. - PT Mitra Karya Agroindo (Tangar Mill and supply base), monitoring via SPO Scorecard online. - PT Paramitra Internusa Pratama (Belian Mill and supply base) - PT Sawit Mas Sejahtera (Sungai Kikim and supply base), monitoring via SPO Scorecard online. - PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) |

| | | |
|------------|--|--|
| | | <ul style="list-style-type: none"> - PT Agro Lestari Sentosa (Jalemo Mill and supply base), monitoring via SPO Scorecard online - PT Adi Tunggal Mahajaya (Sako Mill) (under construction) - PT Kresna Duta Agroindo (Pelakar Mill and supply base) - PT SMART (Bukit Kapur Mill and supply base) - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) - PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) - PT Sawitakarya Manunggal (Sawita Mill and supply base) |
| <p>i.</p> | <p>No replacement after dates defined in NIs Criterion 7.3 of:</p> <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 Group/Holding Statement: GAR and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 29, 2014 and the company has been sent data evidence of LUCA to RSPO by email dated April 11, 2016. Progress result of review LUCA at follow-up via email RSPO dated October 24, 2016 and RSPO answer related LUCA are still in the review process. On April 30 2018, GAR has sent LUCA revision to RSPO. And the latest response for RSPO was on January 8 2019, stated that LUCA are still on progress review.</p> <p>Auditor Verification: RaCP Process for:</p> <ul style="list-style-type: none"> - PT Agrolestari Mandiri (Pekawai Mill and supply base) - PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base) - PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) - PT Agro Lestari Sentosa (Jalemo Mill and supply base) - PT Kresna Duta Agroindo (Pelakar Mill and supply base) - PT SMART (Bukit Kapur Mill and supply base) - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) <p>PT Satya Kisma Usaha (Sungai Bengkal Mill and supply base)</p> |
| <p>ii.</p> | <p>Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure.</p> | <p>Company Group/Holding Statement: There is no new planting.</p> <p>Auditor Verification: Based on auditor verification there are some new planting conducted by company, but NPP has been applied these.</p> <ul style="list-style-type: none"> - PT Binasawit Abadi Pratama (Perdana Mill and supply base) - PT Agrokarya Prima Lestari (Kuayan Mill and supply base) |

| | | |
|------|--|---|
| | | <ul style="list-style-type: none"> - PT Mitra Karya Agroindo (Tangar Mill and supply base) - PT Paramitra Internusa Pratama (Belian Mill and supply base) - PT Agrolestari Mandiri (Pekawai Mill and supply base) - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) any new planting since January 1st 2010 and NPP has been applied these. |
| iii. | <p>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> | <p>Company Group/Holding Statement: There are no land conflicts. The Company has a land conflict resolution mechanism in accordance with the RSPO criteria 6.4; 7.5; and 7.6. This procedure is outlined in the SOP Social Conflict Management (SOP/SMART/SENS-CSR/SADV/II/02). This procedure regulates social conflict settlement agreed. Conflict resolution can be done in a participatory manner and can also be done by a third party (mediator). The company also has procedures to deal with complaints before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/II/003. The company handling complaints appropriately and quickly. GAR has been initiated to become a member of RSPO DSF as a category "out growers".</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are no land conflicts for</p> <ul style="list-style-type: none"> - PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base) - PT Mitra Karya Agroindo (Tangar Mill and supply base) - PT Kresna Duta Agroindo (Pelakar Mill and supply base) - PT SMART (Bukit Kapur Mill and supply base) <p>There are any land conflicts but was in the process of completion for</p> <ul style="list-style-type: none"> - PT Agrolestari Mandiri (Pekawai Mill and supply base) - PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) - PT Sawit Mas Sejahtera (Sungai Kikim and supply base) - PT Agro Lestari Sentosa (Jalemo Mill and supply base) - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) - PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) |
| iv. | <p>Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.</p> | <p>Company Group/Holding Statement: There is no issue of labour disputes in uncertified unit. The company also has procedures to deal with</p> |

| | | |
|-----------|---|---|
| | | <p>complaints workers before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV//003.</p> <p>Procedures related employee issues is arranged in the form of internal grooves for employees included in the category of internal stakeholders. Media that is used to deliver complaint is a formal letter submitted by unions or incorporated into a suggestion box which is provided in a convenient location.</p> <p>Auditor Verification: There is complaint case related to labor sipute (https://askrspo.force.com/Complaint/s/casetracker) In uncertified unit (PT Agro Lestari Mandiri), that in a positive progress to the resolution with mediation via the Dispute Settlement Facility.</p> |
| <p>v.</p> | <p>Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p> | <p>Company Group/Holding Statement: Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 and 2.2 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV//002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p>Auditor Verification: Land legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> - PT Paramitra Internusa Pratama (Belian Mill and supply base), still in the process of Committee B and the company has got plantation business permit (IUP) - PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), there is a legal non-compliance. - PT Agro Lestari Sentosa (Jalemo Mill and supply base) and PT Adi Tunggal Mahajaya (Sako Mill) doesn't have Land Use Title (HGU). - PT Kresna Duta Agroindo (Pelakar Mill and supply base), there is a difference the concession area between Land Use Title (HGU) and Plantation Business Permit (IUP) and Permits Location. - PT SMART (Bukit Kapur Mill and supply base, doesn't have land use title (HGU), the HGU is still on process. - PT Sawitakarya Manunggal there is an area is still in process for HGU (Committee B meeting). - PT Djuanda Sawit Lestari is an area is still in process for HGU Muara Kandis Estate (574.58 Ha) - PT Ivo Mas Tunggal there is an area is still in process for HGU Samsam Estate (29.09 Ha), |

| | | |
|--|--|--|
| | | <p>Kandista Estate (158.46 Ha), Nenggala Estate (419.9 Ha), Sei Rokan Estate (102.7 Ha), Ujung Tanjung Estate (557.3 Ha)</p> <ul style="list-style-type: none"> - PT Buana Wiralestari Mas there is an area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha) - PT Ramajaya Pramukti there is an area is still in process for HGU Rama Rama Estate (318.76 Ha) - PT Sumber Indah Perkasa. there is an area covered 241.54 ha (Sungai Merah estate), 73.71 ha (Sungai Buaya estate), and 26.18 ha (Sungai Buaya estate) are still on HGU process. <p>Suspicion of bribery allegedly committed by employees of PT Binasawit Abadi Pratama (BAP). Management unit gave response to CB through email on 9 November 2018 that stated PT BAP will cooperate fully with the KPK investigation.</p> |
|--|--|--|

3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.5.1. Identification of Findings, Corrective Actions and Observations at Re-Certification Assessment

“During the RE-CERT assessment there was no non-conformance identified.”

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-1.1

“During the ASA 1.1 assessment there was no non-conformance identified.”

3.5.2. Opportunity for Improvement

| No | Ref. Std. | Description |
|----|------------|---|
| 1 | 6.5.2 | Monitoring the Collective Labor Agreement (CLA) of 2018 – 2020 registration to the relevant agencies. |
| 2 | SCCS D.4.2 | Monitoring of projected over production of certified products and notifications to CB. |

3.5.3. Noteworthy Positive Components

| No | Description |
|----|---|
| 1 | The CH formed a fire caring community team (<i>Masyarakat Peduli Api</i>) |
| 2 | Has obtained an ISPO certificate. |
| 3 | Biogas Plant Instalation |
| 4 | Award from the Ministry of Environment and Forestry (Rating Program for Company Performance in Environmental Management - Blue PROPER, period 2017 - 2018). |
| 5 | Implement oil plam barrier in replanting area to isolate potential fire or infestation of oryctes to communities oil palm. |

3.6 Summary of Arising Issues from Public and Auditor Verification

| Public Issues | Auditor Verification |
|--|---|
| <p>Agriculture Agency, Plantation Division, of Siak Regency.</p> <ul style="list-style-type: none"> - The assessment of plantation grade of PT IMT Plantation is conducted by Regency level in 2018. - PT IMT has a legality document in the form of (IUP) and (IUIP). - PT IMT is not included in the forest area. - The Company has regularly reported its Progress Report of Plantation Business (<i>Laporan Perkembangan Usaha Perkebunan/ LPUP</i>). For the Report in 1st semester of 2019, the company input the data of land use. - Fire facilities are sufficient, although not fully in accordance with regulation. The Company has justified the needs of fire infrastructure in accordance with the business and landscape conditions. Based on the explanation from Agriculture Agency, Plantation Division, of Siak Regency has been monitoring fire emergency response reported every 3 months and helps the handling of land fires that occur outside the operation areas, such as the surrounding villages in the form of personnel and equipment assistance. - CSR activities have been conducted for the surrounding villages and need to be improved again. CSR programs are not included in the Progress Report of Plantation Business. - Period of 2018-2019 no fire incident occurred in the company's operational area. - The company has responded to information requests quickly and transparently. | <p>Based on document review and field observations, the company has demonstrated legal compliance regarding environmental, and no indications of environmental pollution. Described in detail in criteria 5.1 and 5.3</p> |
| <p>Environmental Agency of Siak Regency.</p> <ul style="list-style-type: none"> - The company has EIA documents and has received environmental feasibility on December 2015. - The company has a Temporary Hazardous Waste Storage (TPS LB3) located on Mill and each Estate, approved by Siak Regency on 2016 - Hazardous Waste management activities carried out by storing hazardous Waste in licensed hazardous waste storage and transported have permission by KLH. Quarterly management reporting to relevant agencies. - The company has land application permit. - The company has tested the quality of factory wastewater per month and reported the results of testing to Environmental Agency Siak Regency per | <p>According to field observation, there are no environment pollution from estate and mill operational.</p> |

| Public Issues | Auditor Verification |
|--|--|
| <p>quarter.</p> <ul style="list-style-type: none"> - The company has conducted POME quality testing per semester and reports the results of testing to Environmental Agency Siak Regency. - The company has conducted noise, vibration and noise testing and reported the results of testing to Environmental Agency Siak Regency per semester. - The company has reported Hazardous waste (balance and manifest) management to Environmental Agency Siak Regency per semester per semester, for example hazardous waste management report 2nd quarterly 2019. - The company has sent the RKL / RPL implementation report to Environmental Agency Siak Regency periodically, for example the 1st semester of 2019. - The company has managed the conservation area / HCV for example in the form of riparian. - Requests for information responded quickly by the management unit. - There have not been any issues and reports from other parties regarding the negative impacts on the environment due to the management of Estate and POM. | |
| <p>Manpower and Transmigration Agency of Siak Regency.</p> <ul style="list-style-type: none"> - Wage is suitable with regional minimum wage of Siak Regency of 2019. - All Workers has permanent status and Fixed Term Contract/PKWT (No piece worker). - All workers has been registered to <i>BPJS Ketenagakerjaan</i> and <i>BPJS Kesehatan</i> include Fixed Term Contract/PKWT. - There are work accident report to labor agency that explain no work accident. - P2K3 report and labor report has been reported routinely. - There are no workers under 18 years old. - Company has Bipartite Cooperation Institution. - Company has valid collective labor agreement. - Company use local workers. - There is no negative issues which reported to labor agency related to labor. | <p>There is no issue related those matter. CH has shown compliance related those matter and has been described in related indicators.</p> |
| <p>National Land Agency of Siak Regency.</p> <ul style="list-style-type: none"> - The Company has carried out Reporting on mandatory land used at least 1 time a year in accordance with <i>Permen ATR No. 7 of 2017</i>. - There is no determination of abandoned land for PT | <ul style="list-style-type: none"> - The company has had Land Use Permit as required. - Land used reporting has been submitted, period 2019. |

| Public Issues | Auditor Verification |
|--|---|
| <p>IMT.</p> <ul style="list-style-type: none"> - A new certificate HGU (reduce for highway) on progress. - Maintenance and replacement of HGU pole be done by self. - There is no overlap with mining companies. - Requests for information responded quickly. - There is a land conflict in the company's work area, namely with the Sakai (Legal Aid) which began on 2017, the latest progress was mediated at the Riau Province Regional Office January 7, 2019 with the mediation conclusion that the Sakai (Legal Aid) has been asked to present the evidence that was prosecuted and do percentage of evidence. | |
| <ul style="list-style-type: none"> - Head of Cinta Damai Cooperative - Head of Bangun Desa Cooperative - Head of Karya Tani Cooperative <p>TBS payments are made based on monthly Plantation Agency's FFB prices. The provisions in the agreements have been understood, and the payment of FFB is conducted correctly in accordance with the price determination and on time. There are no negative issues related to the cooperation.</p> | <p>There are no negative issues that require further verification. Evidences of payment for FFB has been shown in accordance with the Plantation Agency's FFB prices.</p> |
| <p>Labor Union - SPPI (Serikat Pekerja Perjuangan Indonesia) unit of Libo Mill</p> <ul style="list-style-type: none"> - Active less than 2015. - Currently there are around 100 workers who are members of SPPI PUK LIBM. - Regular membership fees are IDR 10,000 / month by being deposited manually with the appointed SPPI management (not through salary deductions) - Workers interviewed lacked knowledge of SPPI records at the Siak Regency Manpower Office. | <p>There are no negative issues that need further verification. There are no disputes between unions that are in one unit simultaneously, for example in the LIBM unit there are trade unions namely SPSI, SBSI and SPPI that can run continuously.</p> |
| <p>Head of Sam Sam Village Head of Jambai Makmur Village Head of Simpang Belutu Village</p> <p>There is no negative issues, land dispute issues or environmental pollution. The company has made efforts to develop the surrounding community through CSR programs, the use of local labor and local contractors.</p> <p>The relationship between the company and the community has run quite well and harmoniously.</p> | <p>There are no negative issues that need futher verification. The Company has made efforts to develop the surrounding community through CSR programs, the use of local workers and local contractors, which are described in criterion 6.</p> |

| Public Issues | Auditor Verification |
|--|---|
| <p>Communication between the company and the village is quite good.</p> | |
| <p>Local Contractor of FFB Transport</p> <p>The company continues to improve business and empower local communities by cooperating with local contractors, for example in FFB Transport and FFB Supplier. Making a work agreement based on the agreement between the two parties and payment is made on time in accordance with the contents of the agreement. The company always conducts socialization and evaluation related to the fulfillment of labor social assurance and the OHS aspects of contractor workers.</p> | <p>The company has demonstrated its commitment to develop local communities. In addition documentation has been shown that the payment of the contractor's results has been paid according to the agreement and on time. Described in detail in criteria 6.10 and 6.11.</p> |
| <p>Local Contractor of FFB Supplier – CV Siboru Tua</p> <p>The company receives FFB from third parties provided that FFB supplied is not the result of looting, theft or FFB produced by looting state forests. It is stated in the agreement based on the agreement between the two parties, further explained that the payment was made on time in accordance with the contents of the agreement and there had never been a problem in terms of payment.</p> | <p>The company has demonstrated its commitment and mechanism so that FFB received is not from illegal activities. in addition documentation has been shown that the payment of the contractor's results has been paid according to the agreement and on time. Described in detail in criteria 6.10.</p> |
| <p>Gender Committee</p> <p>The Gender Committee are still active in the company until the audit are carried out. Gender Committee activities include socialization of sexual harassment, complaints, general health and so on. There are no issues related to sexual harassment.</p> <p>Female workers have the right to get menstruation leave (H1) and maternity leave (H2).</p> | <p>There are no negative issues that need further verification. The company was formed (Gender Committee) in 2010. Described in Criteria 6.9.</p> |
| <p>Labor Union of SPSI</p> <p>Labor Union have been registered in the labor Agency Siak District in 2015 and there has been no change in management until this audit. The last meeting between company and the labor union discussed the progress of the company's clinic into BPJS health facility. Salary implementation is in accordance with the provincial sectoral minimum wage in 2019 is equal to 2,820,000 IDR. In addition, payment of salaries has been in accordance with the specified time and through the transfer. There are no labor issues.</p> | <p>There are no negative issues that need further verification, the company has paid salaries in accordance with the regulations described in Principal and Criteria 6.5</p> |

| Public Issues | Auditor Verification |
|---|--|
| Employee Cooperative Employee cooperatives are engaged in savings and loan business sector. There is a mandatory contribution and a regular contribution of Rp 50,000. The Company has made RATs and revenue sharing in January 27, 2019. | There are no negative issues that need further verification. The company has employee cooperatives in accordance with the regulations. |

| | | | |
|---|---|---|--|
| 4.0 | CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY | | |
| 4.1 | Formal Sign-off of Assessment Findings | | |
| | <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>PT Ivo Mas Tunggal Management Representative</p>  <p><u>Yahya Mustakim</u> Friday, 30 August 2019</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Moh. Arif Yusni</u> Friday, 30 August 2019</p> </td> </tr> </table> | <p>PT Ivo Mas Tunggal Management Representative</p>  <p><u>Yahya Mustakim</u> Friday, 30 August 2019</p> | <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Moh. Arif Yusni</u> Friday, 30 August 2019</p> |
| <p>PT Ivo Mas Tunggal Management Representative</p>  <p><u>Yahya Mustakim</u> Friday, 30 August 2019</p> | <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Moh. Arif Yusni</u> Friday, 30 August 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 | Peatland NGO – Jaringan Masyarakat Gambut Riau | Pekanbaru | jmgriau@gmail.com | Via Email | 8 August 2019 | | ✓ |
| 2 | Women Development NGO - Pengembangan Sumberdaya Wanita Sumatera | Pekanbaru | ppswsumatera@yahoo.com | Via Email | 8 August 2019 | | ✓ |
| 3 | Environmental Agency | Siak Regency | - | Direct Interview | 26 August 2019 | ✓ | |
| 4 | Plantation Agency | Siak Regency | - | Direct Interview | 26 August 2019 | ✓ | |
| 5 | National Land Agency | Siak Regency | - | Direct Interview | 26 August 2019 | ✓ | |
| 6 | Manpower and Transmigration Agency | Siak Regency | - | Direct Interview | 26 August 2019 | ✓ | |
| 7 | Head of Cinta Damai Cooperative | Sub District of Kandis | - | Direct Interview | 27 August 2019 | ✓ | |
| 8 | Head of Bangun Desa Cooperative | Sub District of Kandis | - | Direct Interview | 27 August 2019 | ✓ | |
| 9 | Head of Karya Tani Cooperative | Sub District of Kandis | - | Direct Interview | 27 August 2019 | ✓ | |
| 10 | Local Contractor of FFB Transport (personal) | Kandis Sub-District | - | Direct Interview | 26 August 2019 | ✓ | |
| 11 | FFB Supplier of CV Siboru Tua | Kandis Sub-District | - | Direct Interview | 26 August 2019 | ✓ | |
| 12 | Labor Union – SPSI Kandis of PT Ivo Mas Tunggal | Kandis Sub-District | - | Direct Interview | 26 August 2019 | ✓ | |
| 13 | Labor Union - SPPI (Serikat Pekerja Perjuangan Indonesia) of Libo Mill | Libo Mill | - | Direct Interview | 26 August 2019 | ✓ | |
| 14 | Worker Cooperative | PT Ivo Mas Tunggal | - | Direct Interview | 26 August 2019 | ✓ | |
| 15 | Gender Committee | PT Ivo Mas Tunggal | - | Direct Interview | 26 August 2019 | ✓ | |
| 16 | Head of Sam Sam Village | Kandis Sub-District | - | Direct Interview | 26 August 2019 | ✓ | |
| 17 | Head of Jambai Makmur Village | Kandis Sub-District | - | Direct Interview | 26 August 2019 | ✓ | |
| 18 | Head of Simpang Belutu Village | Kandis Sub-District | - | Direct Interview | 26 August 2019 | ✓ | |
| 19 | Previous Land Owner - <i>unable to identify the previous land owner who still exists and lives around the plantation</i> | Kandis Sub-District | - | Direct Interview | 26 August 2019 | | ✓ |
| 20 | Libo Mill <ul style="list-style-type: none"> • 2 security • 1 weighbridge operator • 2 grading worker • 12 process stations worker • 1 engine room operator • 2 boiler worker • 3 workshop worker • 1 WWTP operator • 2 biogas operator | PT Ivo Mas Tunggal | - | Field observation and direct interview | 26 August 2019 | ✓ | |
| 21 | Libo Estate <ul style="list-style-type: none"> • 3 harvester • 2 FFB transport worker • 5 POME LA worker • | PT Ivo Mas Tunggal | - | Field observation and direct interview | 26 August 2019 | ✓ | |
| 22 | Sei Rokan Estate | PT Ivo Mas Tunggal | - | Field observation | 28 August 2019 | ✓ | |

| | | | | | | | |
|----|---|----------------------|---|--|----------------|---|--|
| | <ul style="list-style-type: none"> • 3 residents of housing • 4 harvester • 2 FFB transport worker • 8 manual weeding worker • 5 spraying worker • 3 harvester • 2 warehouse worker • 1 worker of hazardous temporary warehouse • 4 mechanic at workshop | | | and direct interview | | | |
| 23 | Nenggala Estate <ul style="list-style-type: none"> • 5 spraying worker • 1 worker of HGU monitoring • 6 harvester • 2 workers of daycare • 9 workers family • 1 warehouse officer • 1 hazardous waste warehouse officer | PT Ivo Mas Tunggal | - | Field observation and direct interview | 27 August 2019 | ✓ | |
| 24 | Sungai Tapung Plasma – Tunas Makmur Cooperative <ul style="list-style-type: none"> • 30 smallholder • 12 harvester • 7 manual weeding worker | PT Ramajaya Pramukti | - | Field observation and direct interview | 29 August 2019 | ✓ | |
| 25 | Sungai Tapung Plasma – Berkat Lestari Cooperative <ul style="list-style-type: none"> • 12 smallholders • 3 harvesting worker | PT Ramajaya Pramukti | - | Field observation and direct interview | 29 August 2019 | ✓ | |

Appendix 2. Assessment Program

| DATE | 19, 26, 27, 28, 29, 30 August 2019 | |
|--------------------------------|--|------------------------------|
| PLANNED TIME | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| Monday, 19 August 2019 | | |
| 08.00 – 10.00 | JAKARTA → PEKANBARU | All Auditor |
| 11.30 – 13.30 | PEKANBARU → PT IVO MAS TUNGGAL | |
| 14.30 – 16.00 | Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) | All Auditor |
| 16.00 – 17.00 | Review of previous (Initial assessment) findings Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan | All Auditor |
| Monday, 26 August 2019 | | |
| 08.00 – 12.00 | Stakeholders consultation to government agencies of Siak Regency <ul style="list-style-type: none"> Stakeholder consultation to affected communities as well as previous land owners surrounding the plantations Interview with Gender Committee, Worker's Union, Worker's Cooperative, Local Contractor (for Mill and Estate), Third Party Supplier | Tio Dwi |
| 08.00 – 12.00 | Field observation to LIBO ESTATE: <ul style="list-style-type: none"> Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Management) Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect Implementation of Legal Aspect (Land Ownership, Legal Boundaries) | Arif, Faisal |
| 12.00 – 14.00 | Break | All Auditor |
| 14.00 – 17.00 | Field observation to LIBO MILL : <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) | Arif, Faisal, Dwi |
| Tuesday, 27 August 2019 | | |
| 08.00 – 12.00 | Field observation to NENGALA ESTATE: <ul style="list-style-type: none"> Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Management) Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area) Implementation of Occupational Health & Safety Aspect | All Auditor |

| DATE | 19, 26, 27, 28, 29, 30 August 2019 | |
|----------------------------------|--|--------------------|
| PLANNED TIME | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| | <ul style="list-style-type: none"> Implementation of Employment Procedure and Mechanism Aspect Implementation of Legal Aspect (Land Ownership, Legal Boundaries) | |
| 12.00 – 14.00 | Break | All Auditor |
| 14.00 – 17.00 | <ul style="list-style-type: none"> Verification of stakeholder consultation result and field visit. Document review and completing audit checklist. | All Auditor |
| Wednesday, 28 August 2019 | | |
| 08.00 – 12.00 | Field observation to SEI ROKAN ESTATE: <ul style="list-style-type: none"> Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Management) Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect Implementation of Legal Aspect (Land Ownership, Legal Boundaries) | All Auditor |
| 12.00 – 14.00 | Break | All Auditor |
| 14.00 – 17.00 | <ul style="list-style-type: none"> Verification of stakeholder consultation result and field visit. Document review and completing audit checklist. | All Auditor |
| Thursday, 29 August 2019 | | |
| 08.00 – 12.00 | Field observation to SUNGAI TAPUNG PLASMA <ul style="list-style-type: none"> Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Management) Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect Implementation of Legal Aspect (Land Ownership, Legal Boundaries) | All Auditor |
| 12.00 – 14.00 | Break | All Auditor |
| 14.00 – 17.00 | <ul style="list-style-type: none"> Verification of stakeholder consultation result and field visit. Document review and completing audit checklist. | All Auditor |
| Friday, 30 August 2019 | | |
| 08.00 – 09.30 | Internal discussion by auditor team preparing for Closing Meeting | All Auditor |
| 09.30 – 11.00 | Closing Meeting: <ul style="list-style-type: none"> Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/ Comments, Responses and Questions | All Auditor |

| DATE | 19, 26, 27, 28, 29, 30 August 2019 | |
|---------------|--|--------------------|
| PLANNED TIME | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| 11.00 – 14.00 | <ul style="list-style-type: none"> • Trip to Estate → Pekanbaru | All Auditor |
| 15.00 – 17.30 | <ul style="list-style-type: none"> • Return flights Pekanbaru - Jakarta | |