

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

### **[ ✓ ] Surveillance**

Name of Management Organisation : **Semilar Mill, PT Tapian Nadenggan subsidiary of Golden Agri Resources Ltd.**  
 Plantation Name : PT Tapian Nadenggan : Semilar Estate and Sei Rindu Estate  
 PT Buana Artha Sejahtera : Mandang Estate and Puri Estate  
 Location : Rungau Raya Village, Sub District of Danau Seluluk, District of Seruyan,  
 Kalimantan Tengah Province, Indonesia  
 Certificate Code : MUTU-RSPO/028  
 Date of Certificate Issue : 22 July 2018      Date of License Issue : 22 October 2019  
 Date of Certificate Expiry : 21 July 2023      Date of License Expiry : 21 July 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
<b>ASA-1.1</b>	24 to 28 June 2019	Sandra Purba (Lead Auditor), Rizliani Aprianita H., Afiffuddin, Briyogi Shadiwa	Octo H.P.N Nainggolan	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
<b>ASA-1.1</b>	<b>14 October 2019</b>

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# FIGURE

Figure 1. Location Map of PT Tapan Nadenggan and PT Buana Artha Sejahtera

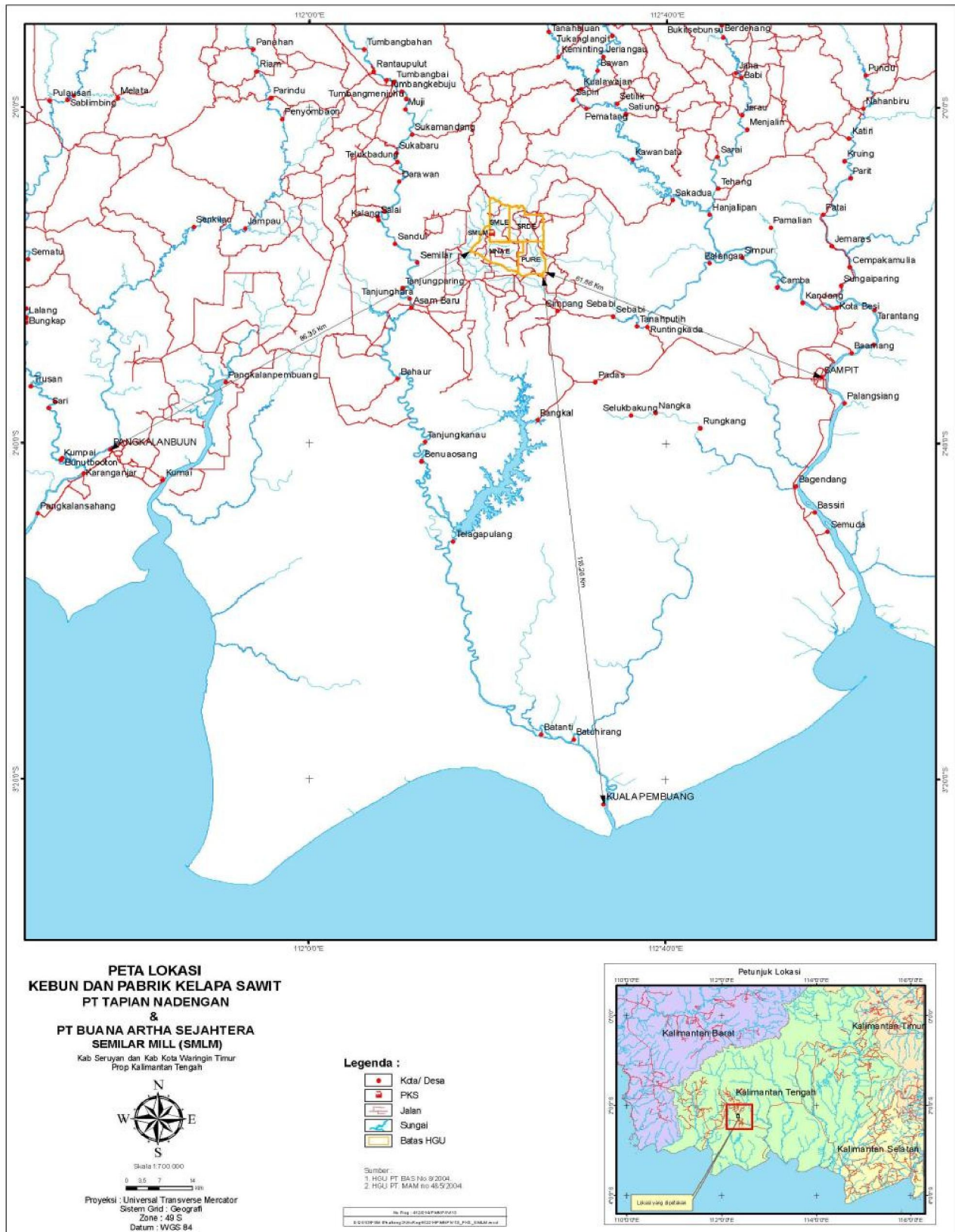


Figure 2. Operational Map of PT Tapian Nadenggan – Semilar Estate

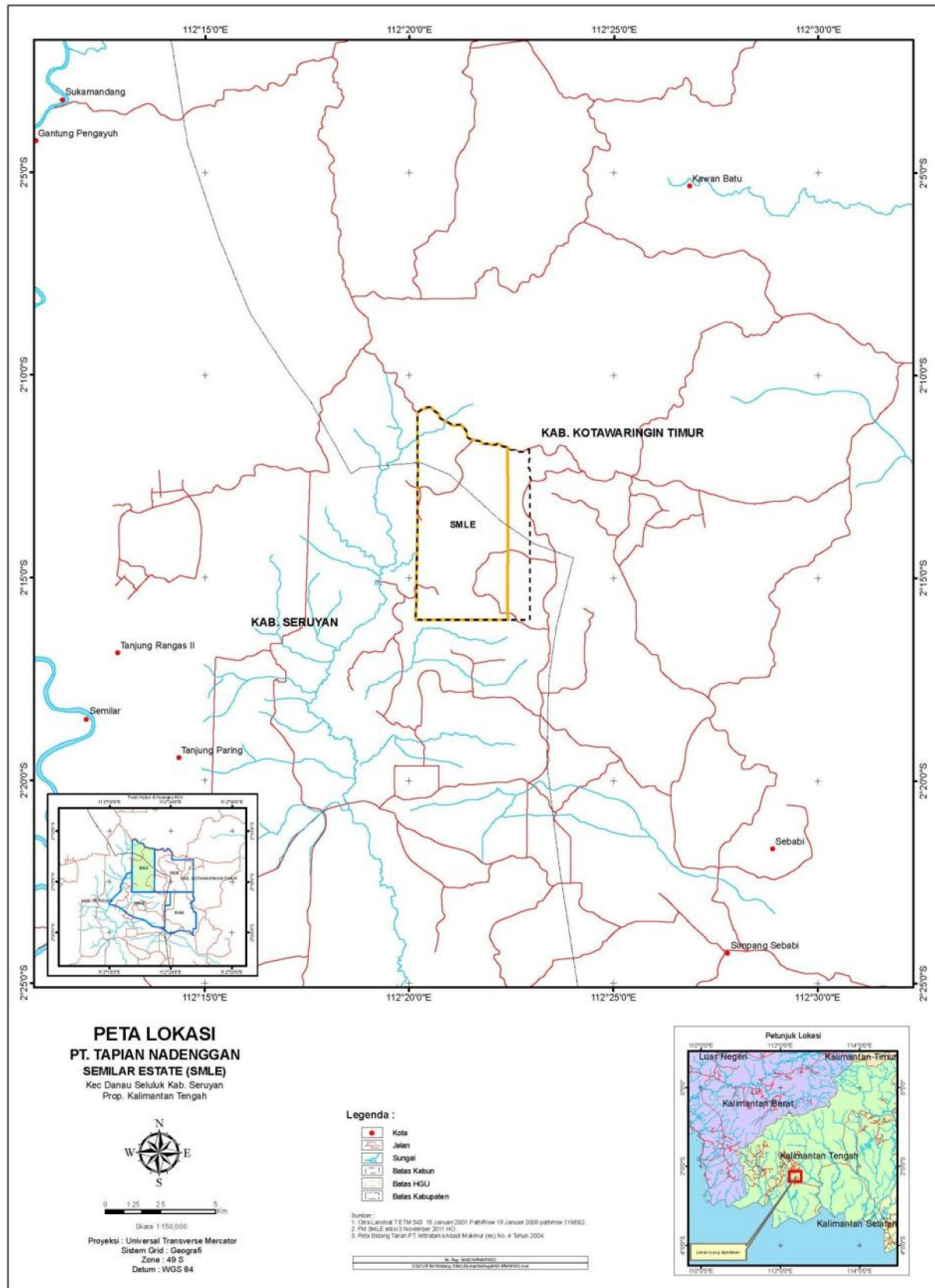
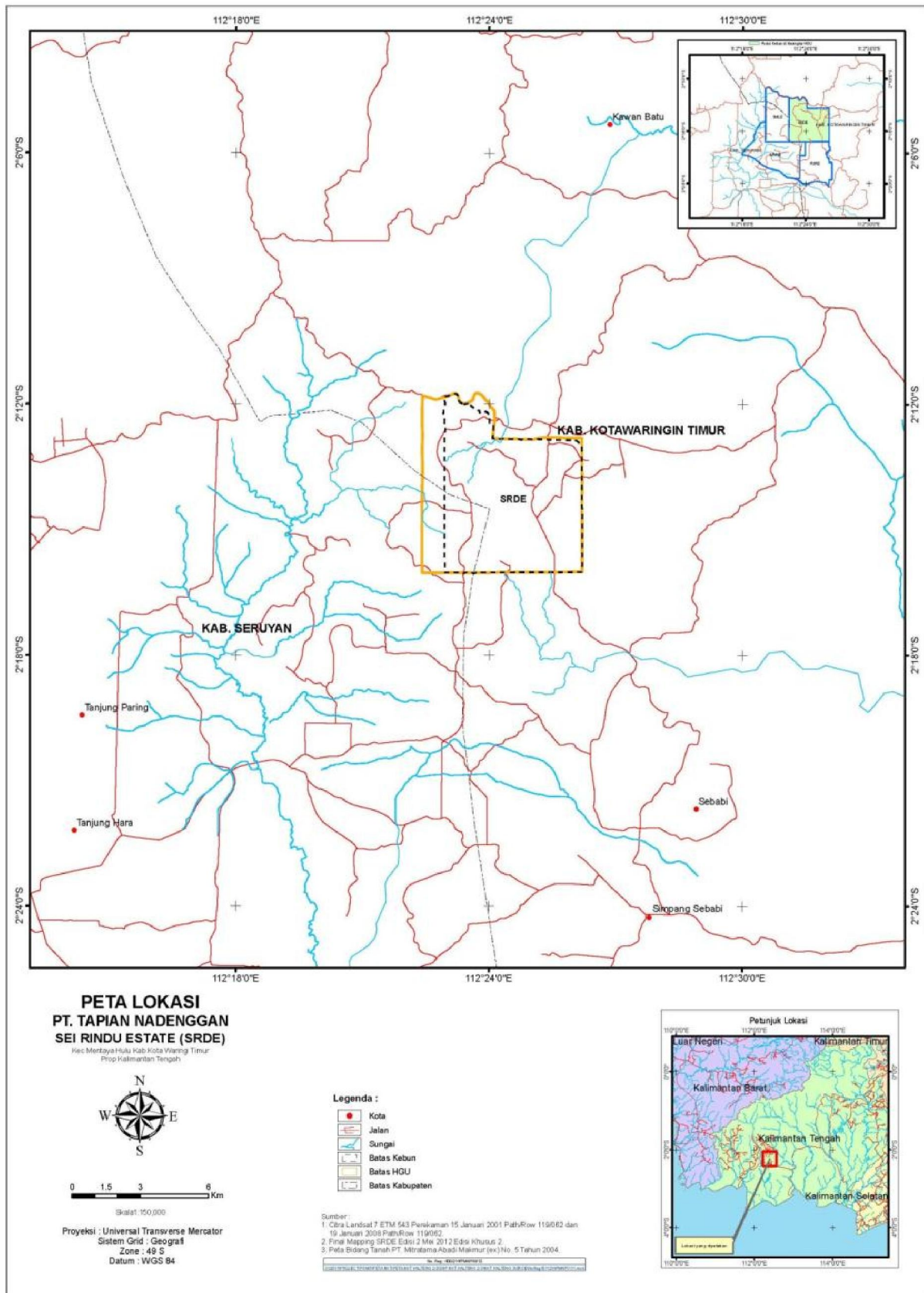


Figure 3. Operational Map of PT Tapian Nadenggan – Sei Rindu Estate





**Figure 4. Operational Map of PT Buana Artha Sejahtera – Puri Estate**

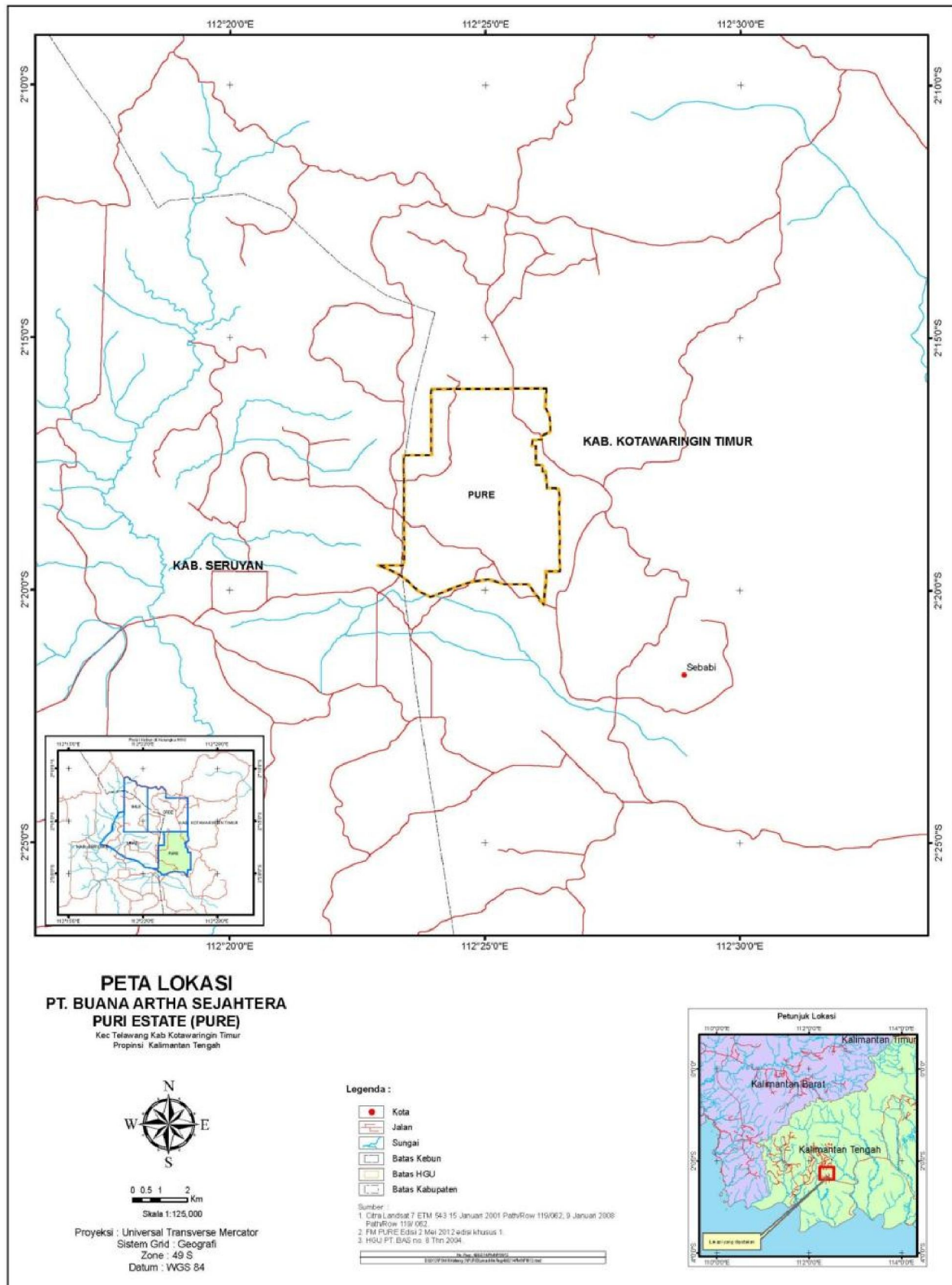
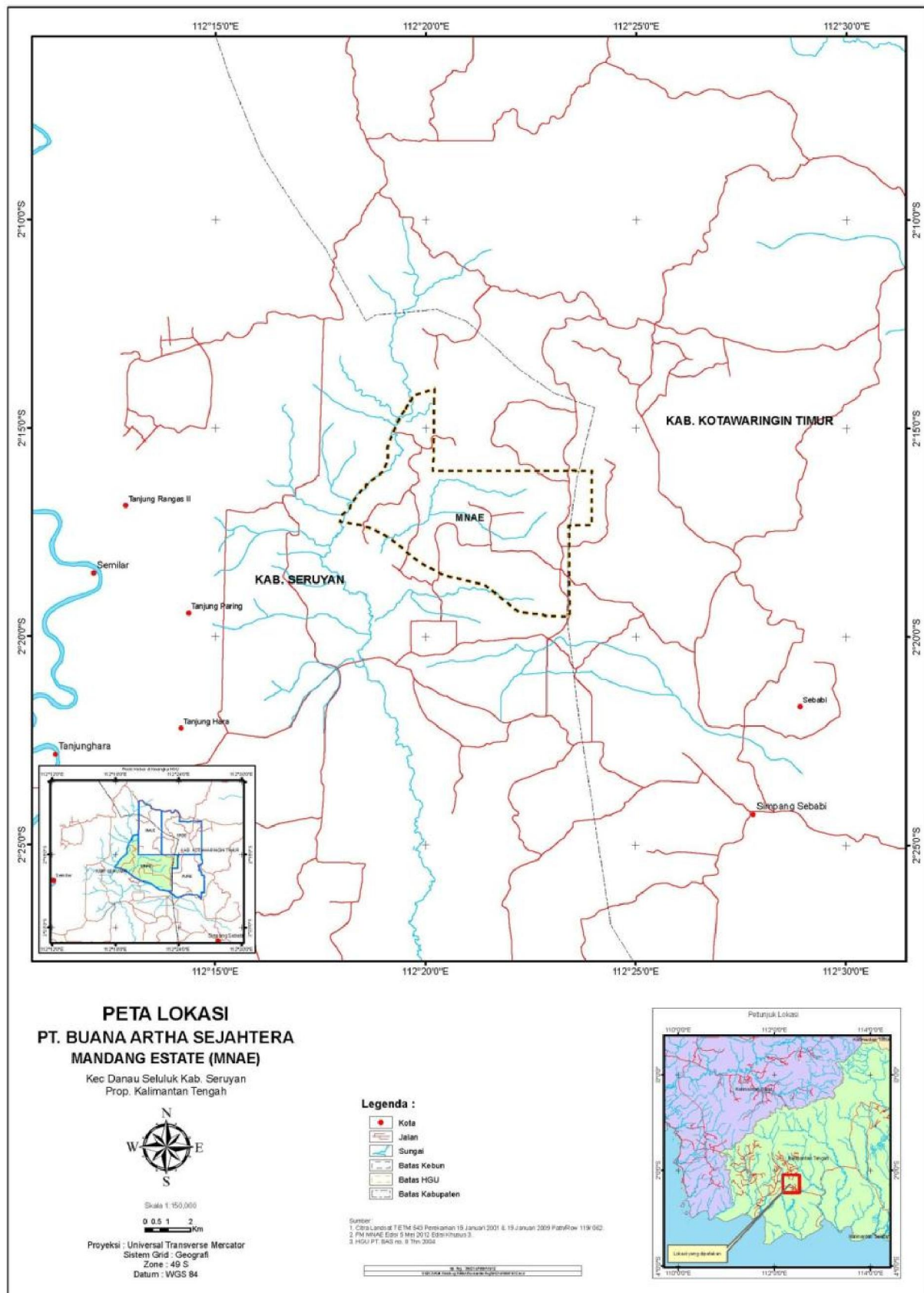


Figure 5. Operational Map of PT Buana Artha Sejahtera – Mandang Estate





### Abbreviations Used

ASA	:	Annual Surveillance Assessment
B3	:	<i>Bahan Berbahaya dan Beracun</i> (Hazardous Waste)
BAP	:	Bina Abadi Pratama
BAS	:	Buana Artha Sejahtera
BOD	:	Biological Oxygen Demand
BPA	:	Balai Penitipan Anak / Daycare
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Assurance of Labor)
BPN	:	<i>Badan Pertanahan Nasional</i>
CH	:	Certificate Holder
CITES	:	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CPO	:	Crude Palm Oil
CPR	:	Cardiopulmonary Resuscitation
CSR	:	Corporate Social Responsibility
EFB	:	Empty fruit bunch
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Informed and Consent
FS	:	Fertilizer Spreader
GAR	:	Golden Agri Resources
GHG	:	Greenhouse Gas
GSEP	:	Golden Agri Resources Social Environment Policy
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> / land use title
HIRAC	:	Hazard Identification and Risk Assessment
HIRADC	:	Hazard Identification, Risk Assessment and Determining Control
HRD	:	Human Resource Division
IPM	:	Integrated Pest Management
ISCC	:	International Sustainability & Carbon Certification
ISPO	:	Indonesian Sustainable Palm Oil
IU	:	Immature Upkeep
LSU	:	Leaf Sampling Unit
LUCA	:	Land Use Change Analysis
MCAR	:	Management Committee Agronomy and Research
MHS	:	Micron HerbySprayer
MNAE	:	Mandang Estate
MSDS	:	Material Safety Data Sheets
MU	:	Mature Upkeep
NGO	:	Non Government Organization
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
OHSMS	:	Occupational Health and Safety Management System
OIA	:	Operational Internal Audit
P2K3	:	<i>Panitia Pelaksana Kesehatan dan Keselamatan Kerja</i> (OHS Guiding Committee)
PIC	:	Person In Charge
PK	:	Palm Kernel
PKB	:	<i>Perjanjian Kerja Bersama</i>
PMNP	:	Plantation Monitoring and Planning
POME	:	Palm Oil Mill effluent
PPE	:	Personal protective equipment
RC	:	Regional Control



RKL/RPL	:	<i>Rencana Pengelolaan Lingkungan / Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan)
RSPO	:	Roundtable Sustainable Palm Oil
RSUD	:	<i>Rumah sakit umum daerah</i> / regional hospital
RTE	:	Rare trade endangered
SAP	:	Sistem Application in Product in Data Processing Unit
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment
SMARTRI	:	SMART Research Institute
SMLE	:	Semilar Estate
SMLE	:	Senilar Mill
SOP	:	Standart Operating System
SPO	:	Sustainable Palm Oil
SRDE	:	Sei Rindu Estate
SSA	:	Social Security Administrator
SSU	:	Soil Sampling Unit
TN	:	Tapian Nadenggan
VPA	:	Vice President Assesment
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"><li>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30<sup>th</sup> September 2016)</li><li>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Revised on 14 June 2017)</li></ul>		
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	PT TAPIAN NADENGGAN subsidiary of GAR.	
1.2.2	Contact person	Ismu Zulfikar	
1.2.3	Organisation address and site address	RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535  Liaison Office: Sinar Mas Land Plaza, Tower II, 30th Floor Jl. MH Thamrin No. 51, Jakarta 10350, Indonesia	
1.2.4	Telephone	(+62-21) 50338899	
1.2.5	Fax	(+62-21) 50389999	
1.2.6	E-mail	<a href="mailto:ismu.zulfikar@sinarmas-agri.com">ismu.zulfikar@sinarmas-agri.com</a>	
1.2.7	Web page address	<a href="http://www.goldenagri.com.sg">www.goldenagri.com.sg</a>	
1.2.8	Management Representative who completed the application for certification	Ismu Zulfikar (Head of Environmental Department)	
1.2.9	Registered as RSPO member	1-0019-05-000-00, 30 January 2005	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Semilar Mill, Semilar Estate, Mandang Estate, Sei Rindu Estate and Puri Estate.	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Semilar Mill	Village of Rungau Raya, Sub District of Danau Siluluk, District of Seruyan, Province of Kalimantan Tengah, Indonesia.	S 02° 14' 54"E 112° 20' 26"
1.4.2 Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Semilar Estate (PT TN)	Village of Rungau Raya, Sub District of Danau Siluluk, District of Seruyan, Province of Kalimantan Tengah, Indonesia.	S 02° 15' 06"E 112° 20' 59"

Sei Rindu Estate (PT TN)	Village of Pantap, Sub District of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia.	S 02° 15' 13"	E 112° 24' 29"
Mandang Estate (PT BAS)	Village of Rungau Raya, Sub District of Danau Siluluk, District of Seruyan, Province of Kalimantan Tengah, Indonesia.	S 02° 16' 28"	E 112° 20' 17"
Puri Estate (PT BAS)	Village of Biru Maju, Sub District of Telawang, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia.	S 02° 18' 22"	E 112° 25' 13"

**1.5 Description of Area Statement**

1.5.1	Tenure	
	• State	17,088.00 Ha
	<i>CH has had the land rights in the form of Land Use Title (HGU) for an area of 8,279.23 hectares which consist of 2 certificate HGU and HGU progress of PT BAS for an area of 8,808.77 Ha</i>	
	• Community	- Ha
1.5.2	Area Statement	
	Descriptions	Total (Ha)
	• Total area	17,088.00
	• Mature area	15,864.88
	• Mill	31.05
	• Infrastructure (emplashment and road)	740.67
	• HCV	158.52
	• Others (drain, swamp and enclave)	292.88

**1.6 Planting Year and Cycles**

1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		Semilar Estate	Sei Rindu Estate	Mandang Estate	Puri Estate	Total
	1998	-	-	16.40	-	16.40
	2000	-	-	176.35	323.19	499.54
	2001	-	-	157.95	-	157.95
	2004	-	-	106.66	-	106.66
	2005	2,998.59	-	480.77	1,202.35	4,681.71
	2006	1,006.28	3,458.64	2,945.06	655.60	8,060.58
	2007	-	290.16	822.64	733.04	1,845.84
	2008	-	-	46.22	407.04	453.26
	2011	-	-	37.94	-	37.94
	<b>TOTAL</b>	<b>4,004.87</b>	<b>3,748.8</b>	<b>4,789.99</b>	<b>3,321.22</b>	<b>15,864.88</b>
1.6.2	New Planting area after January 2010		- Ha			
1.6.3	Planting Cycle		1 <sup>st</sup> Cycle			



1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Semilar	80	412,960.41	95,978.67	23.24	24,548.81	5.94
	<i>*Production data source from June 2018 – May 2019</i> <i>Note: the differences between FFB produced and FFB processed is due to the unripe FFB in previous date</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)	%
	Semilar	4,288.63	4,004.87	95,208.35	23.77	95,208.35	100
	Sei Rindu	3,990.60	3,748.80	93,052.92	24.82	93,052.92	100
	Mandang	5,170.35	4,789.99	99,383.93	20.75	99,383.93	100
	Puri	3,638.42	3,321.22	77,231.26	23.25	77,231.26	100
	TOTAL	17,088.00	15,864.88	364,876.46	22.99	364,876.46	100
	<i>*Production data source from June 2018 – May 2019</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Bukit Tiga Estate	PT BAP (certified)	-	-	34,699.97		
	Tangar Estate	PT BAP (certified)	-	-	10,865.82		
	Rungau	PT BAP (certified)	-	-	811.96		
	Terawan	PT BAP (certified)	-	-	917.27		
	Semandau	PT BAP (non-certified)	-	-	562.22		
	Perdana	PT BAP (non-certified)	-	-	545.96		
	Muara Dua	PT BAP (non-certified)	-	-	345.88		
	Lenggana	PT BAP (non-certified)	-	-	337.57		
	TOTAL					49,086.65	
	<i>*Production data source from</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim 20 Sept 2018 to 21 July 2019 (tonnes/year)		Actual certified product June 2018 to May 2019 (tonnes/year)		
	• FFB Production	IP	457,620		364,876.46		
		MB	78,514		82,552.84		
	• CPO Production :	IP	101,678.50		65,755.76		
		MB	37,941.31		29,814.94		
	• Palm Kernel (PK) Production :	IP	26,113.36		17,580.74		
		MB	7,222.94		6,874.25		

1.8.2.	Product Selling										
	Tonnage of selling product					Period of actual selling product June 2018 to May 2019					
	• CSPO sold as RSPO certified product					IP : 36,536.23 MT MB: 4,011.79 MT					
	• CSPK sold as RSPO certified product					IP : 17,386.90 MT MB: 6,874 MT					
	• CSPO sold under other scheme					IP to ISCC: 27,502.88 MT MB to RSG : 7,234.25 MT MB to ISCC: 19,484.97 MT					
	• CSPK sold under other scheme					-					
	• CSPO sold as conventional					MB: 38.43 MT					
	• CSPK sold as conventional					MB: 0.25 MT					
	*amount of 954.5 MT CSPO sold to ISCC-MB and RSG taken from CSPO-IP stock.										
1.8.2	Estimate of Certified FFB Claim										
	Name of Estate(s)		Total Area (Ha)		Planted Area (Ha)		FFB (tonnes/year)			Yield (tonnes/ha/year)	
	Semilar		4,288.63		4,004.87		100,121			25.00	
	Sei Rindu		3,990.60		3,748.8		97,468			26.00	
	Mandang		5,170.35		4,789.99		105,379			22.00	
	Puri		3,638.42		3,321.22		83,030			25.00	
	TOTAL		17,088.00		15,864.88		385,998			24.33	
	*Projected FFB production for 22 July 2019 to 21 July 2020										
1.8.3	Estimate of Certified Palm Product Claim										
	Name of Mill	Capacity (tonnes/hour)	FFB Processed (tonnes/year)		CPO			Palm Kernel			Module
			IP	MB	Out put (ton)		Extraction (%)	Out put (ton)		Extraction (%)	
					IP	MB		IP	MB		
	Semilar	80	308,799	77,199	74,112	18,528	24	17,293	4,323	5.6	IP-MB
	* Projected CSPO and CSPK production for 22 July 2019 to 21 July 2020										
1.9	Other Certifications										
	ISCC		ISCC (International Sustainability Carbon Certification) Certificate No. EU-ISCC-Cert-ID218-20180112 valid from November, 27 <sup>th</sup> 2018 to November, 26 <sup>th</sup> 2019								
	RSG		Based on buyer request								
	ISPO		MUTU-ISPO/063, issued by PT Mutuagung Lestari valid from 19 July 2016 to 18 Juli 2021								
1.10	Time Bound Plan										
1.10.1	Time Bound Plan for Other Management Units										
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status					
	Mill	Time Bound Plan									
	Pangkalan Panji (PT Sawit Mas Sejahtera)		2013	Sawit Mas Estate	2013	South Sumatera	Certified				

Bumi Sawit Mill (PT Bumi Sawit Permai)	2013	Bumi Sawit Estate	2013	South Sumatera	Certified
Muara Kandis Mill (PT Djuanda Sawit Lestari)	2013	Muara Tawas Estate	2013	South Sumatera	Certified
		Muara Kandis Estate	2013	South Sumatera	Certified
		Muara Kandis Estate (HGU on progress – 574.58 Ha)	2020	South Sumatera	-
		Smallholder (KKPA Pandawa)	2019	South Sumatera	-
		Smallholder (Pandawa Plasma)	2019	South Sumatera	-
Sungai Rungau Mill (PT Sumber Indah Perkasa)	2013	Sungai Rungau Estate	2013	Central Kalimantan	Certified
		Sungai Seruyan Estate	2013	Central Kalimantan	Certified
		Terawan Estate	2013	Central Kalimantan	Certified
		Tangar Estate	2013	Central Kalimantan	Certified
		Bukit Tiga Estate	2013	Central Kalimantan	Certified
Bukit Perak EMIII (PT Bumi Permai Lestari)	2013	Bukit Perak Estate	2013	Bangka Belitung	Certified
		Bukit Permata Estate	2013	Bangka Belitung	Certified
Tanjung Kembiri Mill (PT Forestalestari Dwikarya)	2013	Tanjung Kembiri Estate	2013	Belitung	Certified
		Tanjung Rusa Estate	2013	Belitung	Certified
		Tanjung Rusa KKPA	2019	Belitung	-
Sungai Buaya Mill (PT Sumber Indah Perkasa)	2014	Sungai Buaya Estate	2014	Lampung	Certified
		Smallholder (KKPA Gedung Aji Lama)	2014	Lampung	Certified
		Smallholder (KKPA Mesuji)	2014	Lampung	Certified
Sungai Merah Mill (PT Sumber Indah Perkasa)	2014	Sungai Merah Estate	2014	Lampung	Certified
		Smallholder (KKPA Gedung Aji Baru)	2014	Lampung	Certified
Kasuari Mill (PT Sinar Kencana Inti Perkasa)	2018	Cendrawasih Estate	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)	2018	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)	2020	West Kalimantan	-
		Delima Estate (PT Kencana Graha Permai)	2020	West Kalimantan	-
		Gaharu Estate (PT Bangun Nusa Mandiri)	2020	West Kalimantan	-



Perdana Mill (PT Binasawit Abadi Pratama)	2020	Smallholder (Gaharu Plasma)	2020	West Kalimantan	-
		Smallholder (Kencana Plasma)	2020	West Kalimantan	-
		Smallholder (Kenanga Plasma)	2020	West Kalimantan	-
		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
		Serantau Estate	2020	Central Kalimantan	ST-1
		Sungai Sambon Estate	2020	Central Kalimantan	ST-1
		Smallholder (Sungai Sambon Plasma)	2020	Central Kalimantan	-
		Sapiri Estate (PT Buana Adhitama)	2020	Central Kalimantan	ST-1
		Bukit Dua Estate (PT Buana Adhitama)	2020	Central Kalimantan	
		Bukit Tunggal Estate (PT Buana Adhitama)	2020	Central Kalimantan	
Belian Mill (PT Paramitra Internusa Pratama)	2018	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 (Tengkawang KKPA)	2020	West Kalimantan	-
		Smallholder (Kenari Plasma)	2020	West Kalimantan	-
		Smallholders (Kapuas Hulu KKPA)	2020	West Kalimantan	-
		Kenanga Estate (PT Cahaya Nusa Gemilang)	2020	West Kalimantan	-
Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa)	2019	Sungai Kupang Estate	2020	South Kalimantan	ST-1
		Sungai Kupang KKPA	2020	South Kalimantan	
		Senakin Estate	2020	South Kalimantan	-
Sungai Kikim Mill (PT Sawit Mas Sejahtera)	2019	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)	2019	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)	2018	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 (PT Tapian Nadenggan)	2015	Pantun Mas Estate	2015	East Kalimantan	Certified
		Pantun Mas KKPA	2020	East Kalimantan	-

		Jak Luay Estate	2015	East Kalimantan	Certified
		Jak Luay KKPA	2020	East Kalimantan	-
		Long Buluh Estate	2015	East Kalimantan	Certified
		Bukit Subur Estate	2015	East Kalimantan	Certified
		Bukit Subur KKPA	2020	East Kalimantan	-
Leidong West Mill (PT MP Leidong West Indonesia)	2014	Leidong West Utara Estate	2014	Bangka Belitung	Certified
		Leidong West Selatan Estate	2014	Bangka Belitung	Certified
Muara Wahau Mill (PT Kresna Duta Agroindo)	2014	Muara Wahau Estate	2014	East Kalimantan	Certified
		Gunung Kombeng	2014	East Kalimantan	Certified
Gunung Kombeng Mill (PT Kresna Duta Agroindo)	2019	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	-
		Bukit Bungkul KKPA	2020	Jambi	-
		Kubang Ujo Plasma	2020	Jambi	-
Pelakar Mill (PT Kresna Duta Agroindo)	2019	Pelakar Estate	2020	Jambi	ST-1
		Tiga Serumpun KKPA	2020	Jambi	-
		Batang Merangin Estate	2020	Jambi	ST-1
		Batang Tembesi Estate	2020	Jambi	ST-1
		Kubang Ujo Plasma	2020	Jambi	-
Langling Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi	Certified
		Bangko Plasma	2020	Jambi	-
		Bukit Bungkul KKPA	2020	Jambi	-
		Batang Gading Estate	2020	Jambi	-
		Batang Gading KKPA (PT Satya Kisma Usaha)	2020	Jambi	-
		Pamenang Plasma	2020	Jambi	-
Sungai Bengkal Mill (PT Satya Kisma Usaha)	2015	Sungai Bengkal Estate	2015	Jambi	Certified
		Sungai Bengkal KKPA	2015	Jambi	Certified
		Muara Kilis Estate	2015	Jambi	Certified
		Muara Kilis KKPA	2020	Jambi	-
Bukit Kapur Mill (PT SMART Tbk)	2020	Bukit Kapur Estate	2020	South Kalimantan	ST-1
		Sungai Cantung Estate	2020	South Kalimantan	ST-1
Samsam Mill (PT Ivomas Tunggal)	2009	Samsam Estate	2009	Siak-Riau	Certified
		Samsam Estate (HGU on progress – 29.09 Ha)	2020	Siak-Riau	-
		Kandista Estate	2009	Siak-Riau	Certified
		Kandista Estate (HGU on progress – 158.46 Ha)	2020	Siak-Riau	-
		Palapa Estate	2009	Siak-Riau	Certified
Libo Mill	2009	Libo Estate	2009	Siak-Riau	Certified



(PT Ivomas Tunggal)		Nenggala Estate	2009	Siak-Riau	Certified
		Nenggala Estate (HGU on progress 419.9 Ha)	2020	Siak-Riau	-
		Sei Rokan Estate	2009	Siak-Riau	Certified
		Sei Rokan Estate (HGU on progress – 102.7 Ha)	2020	Siak-Riau	-
Ujung Tanjung (PT Ivomas Tunggal)	2009	Ujung Tanjung Estate	2009	Siak-Riau	Certified
		Ujung Tanjung Estate (HGU on progress – 557.3 Ha)	2020	Siak-Riau	-
Naga Sakti Mill (PT Buana Wiralestari Mas)	2010	Naga Mas Estate	2010	Kampar-Riau	Certified
		Naga Mas Estate (HGU on process – 253.39 Ha)	2020	Kampar-Riau	-
		Naga Sakti Estate	2010	Kampar-Riau	Certified
		Naga Sakti Estate (HGU on process – 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
Sawita Mill (PT Sawitakarya Manunggal)	2019	Sawita Estate	2020	South Kalimantan	ST-1

\*)under construction

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

1. Pelakar Mill and Rantau Panjang Mill is still process on disclosure & liability by RSPO, while Bukit Kapur Mill doesn't have land use title (HGU), the HGU is still on process.
2. Several associate smallholders (plasma) which refuses to follow the RSPO certification, but the management unit is still communicating with the plasma for the implementation of RSPO certification.
3. Sawita Mill had conducted pre assessment RSPO on 2015 and another entire Management Unit under PT Ivo Mas Tunggal has been RSPO certified.
4. Rantau Panjang Mill and Estate Unit (Rantau Panjang Estate & Rantau Panjang KKPA) are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed year of 2020.
5. Kilis KKPA as FFB Supplier to Sungai Bengkal Mill are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed year of 2019

6. PT Kresna Duta Agro (Pelakar Estate, Batang Merangin Estate and Batang Tembesi Estate was stage -1 audit in 2017. There are problem related to zero liability report to RSPO, was no response by RSPO secretariat. The main assessment postpone to 2020.
7. 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 2020.

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

1.10.2

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

There are no smallholders on this certification scope.

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-1.1</b>	<ol style="list-style-type: none"> <li><b>Sandra Purba (Lead Auditor).</b> Graduated from Forestry Faculty Bachelor Degree, majored in Forest Product Technology. Have experience working in industrial forest company, mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Has been certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), has been attend the training of waste management, GHG verifier and validator training, and conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO lead auditor training course and auditor of RSPO Next, SCCS LAT and SA8000. Involve in many audit activities of similar scheme (ISPO and MSPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare. On this audit, she assigned to verify HCV, GHG, SIA and RSPO Supply Chain</li> <li><b>Rizliani Aprianita Hsb (Auditor).</b> Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as RSPO Lead Auditor Training, SCCS training, lead Auditor ISO 9001:2008, ISO 14001:2004, ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During the assessment she assigned to verified legal and worker welfare.</li> <li><b>Afiffuddin (Auditor Trainee).</b> Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Management Practices aspect, health and safety aspect and worker welfare aspect. During this audit, He conducted an assessment on BMP Agronomy, OHS and long term budget.</li> <li><b>Briyogi Shadiwa (Auditor).</b> Indonesian citizens. Diploma 3 of Oil Palm Plantation. He has 7 years working experience since 2009 as Agronomy Assistant and Agronomy Quality Control in several private oil palm plantation companies in Indonesia. The training has been followed include: ISPO Auditor Training, RSPO Lead Auditor Course by Checkmark Training, Lead auditor ISO 9001: 2015, Awareness SMK3, Lead Auditor ISO 14001: 2015, Awareness OHSAS 18001: 2007 and OHS Expert. During this audit, he assigned to verify Transparency, Social and Waste Management.</li> </ol>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-1.1</b>	<p>Number of auditors : 3 auditor and 1 auditor trainee</p> <p>Number of days for ASA-1.1 at site: 5 days</p> <p>Number of working days for ASA-1.1 at site : 15 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-1.1</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Tapan Nadenggan &amp; PT BAS - <b>Golden Agri Resources Ltd (GAR)</b> to the requirements of <b>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30<sup>th</sup> September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, Rev. 14 June 2017 (Module D and E for CPO Mill)</b></p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p>

	<p>Some opportunities for improvement of the results <b>ASA-1.1</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>ASA-1.2</b>).</p> <p>Improvement of findings from main assessment findings were observed by auditors at this <b>ASA-1.1</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-1.1</b>.</p> <p>The assessment program please find Appendix 2</p>
<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA-1.1</b>	<p>Semilar Estate:</p> <ul style="list-style-type: none"> <li>• <b>Material Storage.</b> Observation material storage of estate</li> <li>• <b>Chemical Storage.</b> Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.</li> <li>• <b>Workshop.</b> To observe completeness and readiness of fire fighter equipment.</li> <li>• <b>Firefighter Warehouse.</b> To observe completeness and readiness of fire fighter equipment.</li> <li>• <b>Central Clinic of Kalteng 3.</b> Observation and interview with paramedic about first aid mechanism, medical waste management and work accident record monitoring.</li> <li>• <b>Emplacement No.2.</b> Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities</li> <li>• <b>Hazardous Waste Storage.</b> Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.</li> <li>• <b>Daycare.</b> Observation and interviews related to employee welfare facilities, wages, employment and domestic waste management.</li> <li>• <b>Landfill.</b> Observation of domestic waste management.</li> <li>• <b>BPN boundary, BPN MAM3 (block of I73 SMLE) and BPN MAM1 (block of J75 SMLE).</b> Observation to HGU boundaries.</li> <li>• <b>Riparian of Rungau River, block of K74 SMLE.</b> Observation of HCV area management.</li> <li>• <b>Riparian of Ruko River, block of 53/54.</b> Observation of HCV area management.</li> <li>• <b>Erosion pole. Block G70 Division 2.</b> Observation related to erosion monitoring using erosion pole is monitored periodically by SMARTRI.</li> <li>• <b>Manual weeding. Block I47 Division 5.</b> Observation and interviews with employees related to OHS and employment.</li> <li>• <b>Harvesting. Block G65 Division 4.</b> Observation and interviews with employees related to safe harvesting, safety and employment.</li> <li>• <b>Gupon (cage of Tyto alba). Block I47 Division 5.</b> Observation related to owl cages and monitoring.</li> <li>• <b>Chemical Weed Control, Block H50 Division 6.</b> Observation and interview with pesticide applicators and foremen related to safe work procedures, use of PPE, proper handling of chemicals, wages, and complaints mechanism and so on.</li> <li>• <b>Beneficial plant upkeep, Block J54 Division 5.</b> Observation and interviews related to safe work practices, OHS and employment.</li> </ul> <p>Semilar Mill:</p> <ul style="list-style-type: none"> <li>• <b>Workshop.</b> To observe completeness and readiness of fire fighter equipment.</li> <li>• <b>Hazardous Waste Storage.</b> Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.</li> <li>• <b>Lubricant Storage.</b> Observation material storage of estate.</li> <li>• <b>Chemical Storage.</b> Observation material storage of estate</li> <li>• <b>Biogas Plant.</b> Observation and interviews related to work procedure, OHS and environment aspect.</li> <li>• <b>WTP.</b> Field observations and interviews with WTP operators regarding waste water management.</li> <li>• <b>WWTP.</b> Field observations and interviews with WWTP operators regarding waste water management.</li> <li>• <b>Security.</b> Observation and interview related to SCCS implementation</li> <li>• <b>Weigh-bridge.</b> Observation and interview related to SCCS implementation</li> </ul>



- **CPO storage and dispatch.** Observation related to SCCS implementation
- **Kernel storage bin.** Observation and interview related to SCCS implementation
- **Grading station.** Observation and interviews related to work procedure, OHS and environment aspect.
- **Sterilizer Station.** Observation and interviews related to work procedure, OHS and environment aspect.
- **Press station.** Observation and interviews related to work procedure, OHS and environment aspect.
- **Office processes.** Observation and interviews related to work procedure, OHS and environment aspect.
- **Boiler Station.** Observation and interviews related to work procedure, OHS and environment aspect.
- **Engine Room Station.** Observation and interviews related to work procedure, OHS and environment aspect.
- **Hydrant Simulation no. 7.** Observation related to emergency response preparedness

#### Puri Estate

- **Block B41.** Observation and interview related to harvesting activity, OHS and worker welfare.
- **Block D38.** Observation and interview related to upkeep activity, OHS and worker welfare.
- **Block B31.** Observation related FFB transportation & OHS aspect.
- **BPN Pole No. 76.** Observation related to HGU boundary mark
- **BPN Pole No. 77.** Observation related to HGU boundary mark
- **BPN Pole No. 120.** Observation related to HGU boundary mark
- **Block Z32 & Z33.** Observation related to HCV of Biru River Riparian. **Material storage.** Observation related material storage including PPE
- **Chemical storage.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and OHS implementation.
- **Fertilizer storage.** Observation and interviews related to waste management and implementation OHS
- **Fuel Storage.** Observation related to implementation of OHS
- **Workshop.** Observation and interviews related to the competence of workers, implementation of OHS (including medical check up), employment, waste management and complaint mechanism.
- **Hazardous waste warehouse.** Observation and interviews related to hazardous waste management
- **Generator room.** Observation and interview related to waste management, implementation of OHS and employment.
- **Fire Fighter Warehouse.** To observe completeness and readiness of fire fighter equipment.
- **Daycare (Pondok 2).** Observation and interviews related to employee welfare facilities, employment and domestic waste management.
- **Housing complex (Pondok 2).** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities
- **Spraying House.** Observation the conditions of chemical mixing area, PPE warehouse and PPE handling.
- **Chemical storage (Pondok 2).** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and OHS implementation.
- **Poliklinik.** Observation and interview with paramedic about first aid mechanism, medical waste management and work accident record monitoring.
- **Landfill block C27 div 1.** Observation for domestic waste management

#### Mandang Estate

- **BPN Pole No. 159.** Observation related to HGU boundary mark.
- **BPN Pole No. 166.** Observation related to HGU boundary mark.
- **BPN Pole No. 170.** Observation related to HGU boundary mark.
- **Riparian area of Mandang River**
- **Division store.** Observation of HCV area management.
- **Housing complex.** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities
- **Landfill.** Observation of domestic waste management.
- **Water catchment.** Observation related to water supplies and reservoir

	<p>Sei Rindu Estate</p> <ul style="list-style-type: none"> <li>• <b>HCV area block of F63 and E59.</b> Observation of HCV area management.</li> <li>• <b>Riparian of Tanjahan River, block of 59/60.</b> Observation of HCV area management.</li> <li>• <b>Division II and III store.</b> Observation material storage of estate</li> <li>• <b>Washing and storage of PPE and knapsack.</b> Observation and interview related to OSH, employment and waste management.</li> <li>• <b>Housing complex. Observation related to workers facility and domestic waste management</b></li> <li>• <b>Central storage and mixing area.</b> Observation and interview related to OSH, employment and waste management.</li> <li>• <b>Fertilizer storage.</b> Observation and interview related to OSH, employment and waste management.</li> <li>• <b>Fuel tank.</b> Observation and interview related to OSH, employment and waste management.</li> <li>• <b>Workshop.</b> Observation and interview related to OSH, employment and waste management.</li> <li>• <b>Chemical Weed Control, Block E56 Division 2.</b> Observation and interview with pesticide applicators and foremen related to safe work procedures, use of PPE, proper handling of chemicals, remuneration, and complaints mechanism and so on.</li> <li>• <b>Beneficial plant upkeep, Block E66 Division 3.</b> Observation and interviews related to safe work practices, OHS and employment.</li> <li>• <b>Manual fertilization, Block C54 Division 5.</b> Observation and interview with fertilizers and foremen related to safe work procedures, use of PPE, proper handling of chemicals, remuneration, and complaints mechanism and so on.</li> <li>• <b>Blok D66 Division 3.</b> Observe the condition and position of the legal boundary markers namely MAM 16 and MAM 17 stakes.</li> <li>• <b>Blok E66 Division 3.</b> Observe the condition and position of the legal boundary markers namely MAM 14 and MAM 15 stakes.</li> </ul>
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-1.1</b>	<p>Consultation of stakeholders for PT Tapan Nadenggan was held by:</p> <ul style="list-style-type: none"> <li>• Conduct a public announcement on the CB website (<a href="http://www.mutucertification.com">www.mutucertification.com</a>) on June 18<sup>th</sup>, 2019.</li> <li>• Public consultation meeting via telephone with Related Agencies of Kotawaringin Timur District (Environment Agency, Plantation Agency, Manpower and Transmigration Agency and National Land Agency) conducted by interview on June 25<sup>th</sup>, 2019</li> <li>• Public consultation meeting with stakeholder (Communities around including contractor) on June 25<sup>th</sup>, 2019</li> <li>• Public consultation meeting with internal stakeholder on June 25<sup>th</sup>, 2019.</li> <li>• Public consultation with NGO by email conducted on June 18<sup>th</sup>, 2019.</li> </ul> <p>Numbers of input from stakeholders were clarified by the company as a part of this report</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<b>Please find appendix 1</b>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The CB shall undertake the first annual surveillance audits within twelve months of the certificate issue date, but not earlier than eight months after the certificate issue date. The subsequent annual surveillance audits shall be undertaken within twelve months of the license expiration dates, but not earlier than eight months after the expiration date

### 3.0. ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of **Semilar Factory – PT Tapian Nadenggan, Golden Agri Resources, Ltd** operation consisting of one (1) mill and one (4) oil palm estates.

During the assessment, there were one (1) nonconformance with major category and seven (7) opportunities for improvement were identified.

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

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

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>1.1</b>	<b>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>Minor 1.1.1. &amp; Major 1.1.2</b>	<p>The certificate holder has a list of stakeholders consist of <i>Muspika</i>, Head of village, community figures, labor union, women's commissions, local contractors, Regency Government and NGO. The results of interviews with management known that the updating of stakeholder documents is conducted every 1 year by SPO Officer.</p> <p>CH has an SOP to respond to stakeholders contained in the SOP communication and consultation with no. SOP / SMART / UMUM/ SADV / I / 004 revision 00 dated July 1, 2014. In the SOP it explains:</p> <ul style="list-style-type: none"> <li>a. Explanation of delivery and Aspiration Responses</li> <li>b. Submission and Response of Inbox</li> <li>c. Flow Chart for Periodic Information Submission</li> <li>d. Provision of Periodic Information</li> <li>e. Flow Chart of Internal Communication Mechanisms</li> <li>f. Internal Communication Mechanism</li> <li>g. Flow Chart of External Communication Mechanisms</li> <li>h. External Communication Mechanism</li> </ul> <p>While the time period for responding to information requests is <math>\pm</math> 1 month.</p> <p>CH has a logbook of incoming and outgoing letters for each unit. Based on the results of verification of the document, it was found that there was no request for information to the company. Some incoming letters are proposals for assistance requests, and all incoming letters have been responded to by the company. While the period of giving the response is</p>	

still in accordance with the SOP that is owned.

The results of interviews with the related agencies and Village Heads / Community figure were conveyed that the parties understood the mechanism if there was a request for information to be conveyed to the company. Requests for information are submitted by mail to the company and are supported by telephone communication.

**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.**

### Major 1.2.1

CH has list of information for stakeholder, which consist of 16 kind of information such as environment document, HCV report, SIA report, CSR report, OHS Committee report, company policy, details of complaint, negotiation procedures, etc. The results of interviews with the related agencies and Village Head / Community figure were conveyed that the parties understood the mechanism if there was a request for information to be conveyed to the company. In the socialization, there were also several types of information that could be requested to the companies.

**Status : Comply**

## 1.3

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

### Minor 1.3.1

CH has a Social and Environmental Policy (GSEP) signed by the Head of Up-stream in November 2015. The policy describes the Code of Integrity and Ethical Behavior of Employees. The policy is written in bahasa and has been socialized to the workers. CH showed evidence of socialization :

- Socialization of Business Ethics and the Company's Code of Ethics on February 28, 2019. There was also socialization documentation in the form of attendance list.
- Socialization of business ethics, forced labor, and minimum working age limit on April 22, 2019. There was also socialization documentation in the form of attendance list, minutes of socialization, and photo of activities.

Interviews with labor unions and workers such as mill workers, warehouse staff and contractors, said that the company had provided socialization on business ethics and company code of ethics.

**Status: Comply**

## PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

## 2.1

**There is compliance with all applicable local, national and ratified international laws and regulations.**

### 2.1.1

The list of law or regulations is explained in the regulatory list document (law register) which already update on February 2019. Law registers are available in soft and hard copy. The company can demonstrate compliance with these law and regulations, for example:

#### Environment Aspect

CH already have environmental documents, conduct factory wastewater testing, conduct river water quality testing, conduct groundwater quality testing, conduct air quality testing, perform noise and noise testing.

#### Worker welfare

1. Workers wages are in accordance with Central Kalimantan Governor Regulation No. 51 of 2018 concerning Regency / City Minimum Wages and sectoral minimum wages of Regency / City of Central Kalimantan in 2019 dated November 21, 2018.
2. Collective Labor Agreement has been registered in Manpower Agency according to the Decree no. KEP/433/HI.03/XII/NAKERTRANS/2018 (PT TN) and Decree No. KEP/432/HI.03/XII/NAKERTRANS/2018 (PT BAS)

#### OHS & BMP

Evidence of compliance with regulations related to OHS, including reporting on *Panitia Pembinaan Keselamatan &*

*Kesehatan Kerja/ P2K3* (Guiding Committee of Occupational Safety & Health) Quarter I 2019, heavy equipment operator licenses, first aid officer licenses at work, steam boiler operator licenses, factory engine license certificates (including inspection and testing), OHS electric technicians, company certification Hiperkes doctor and Paramedic training and fire mitigation officers. The certificate holder shows proof of the process of obtaining an licenses extension and certificate / license, including an extension of the welding license on June 21, 2019 by *Assesor Badan Nasional Sertifikasi dan Kompetensi*, for 2 SMLM welders and a letter dated June 20, 2019, which explained that the extension of the General OHS Expert license was awaiting a process at the Indonesian Ministry of Manpower.

The certificate holder has undertaken prevention and control measures as listed in Work Safety Law no. 1 of 1970 Article 3, among others by monitoring the implementation of occupational safety and health, conducting accident investigations, hazard risk analysis, medical check up and socialized safe work practices (see criteria 4.7). Based on the results of document review and interviews with mill workers, for example at boiler stations, it is known that boiler operators have licenses to operate boilers in accordance with Minister of Manpower Regulation No. 1 of 1988.

The certificate holder also shows evidence of compliance with relevant laws and regulations related to Best Management Practices, including use pesticides that have been registered with valid permits. Based on field observation in chemical storage and sparying activities and document review, it is known that the certificate holder has used the pesticide which registered in "*Komisi Pestisida*". This is in accordance with Plantation Act 39/2015. (See criteria 4.6).

#### **2.1.2; 2.1.3 and 2.1.4:**

CH has a mechanism to identify and evaluate the compliance with the law described in the procedures of the rules and other requirements (SOP/SPO/SMART/LH-03). PIC who is responsible for identifying the regulation and for evaluating the regulations was SPO officer and legal staff. 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. All regulations are noted in the list of rules which are always evaluated regularly at least once a year or if there are regulatory / latest requirements referenced. List of laws and regulations updated on February 27<sup>th</sup>, 2019 approved by Manager EHS/PSQM Sumatra. Internal audits have been conducted continuously every twice a year (6 months) and are documented and reviewed by SPO Coordinator.

**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.**

### **Major 2.2.1 and Minor 2.2.2**

There is no change until the ASA-1.1 assessment.

PT TN has had the land rights in the form of Land Use Title (HGU) for an area of 8,279.23 hectares which consist of 2 certificate HGU and HGU progress of PT BAS for an area of 8,808.77 Ha. Based on document review and field visit known that certification unit has manage area of 17,088 Ha. Interview with communities and related agencies known that the CH did not conduct expansion the operation area.

The process of Land Use Title of PT BAS cannot be continued due to the regulation changes on 2005. The last progress of the HGU of PT BAS is the completion of files to exchange forest areas. There are Decree of Forest and Environment Minister Number SK.597/MENLHK/PLA.2/10/2017 dated 31 October 2017 about Establishment of an integrated team for the assessment of the application of exchange of forest areas for the development of oil palm plantations PT Buana Artha Sejahtera, formed Production Forest Area (± 7,826 Ha) Regency of Kotawaringin Timur and Seruyan, Kalimantan Tengah Province.

The results of interviews with management, said that the Integrated Team appointed by the Ministry of Environment had conducted field visits at PT TN and PT BAS on February 1, 2019 (the company showed evidence in the form of a photo of the activities). However, there are no minutes related to the integrated Team visit. Management said that based on information from the Team, the minutes of field visits were made by the Integrated Team only internally and not submitted to the company. The results of the consultation with the Seruyan District Plantation Agency conveyed that regarding the progress of the forest area exchange, the Company was only awaiting a decision from the Ministry of Environment.

Ensure the forest area exchange progress (OFI).



**Minor 2.2.2**

Management unit has map from National Land Agency that inform the location of boundary pole. Based on the boundary pole map that is owned, the company has identified all boundary poles and carried out maintenance every 3 months in accordance with the procedures owned (SOP/SMART/CERS-EHSD/SADV/1/004).

The results of field observations, for example to the pole No. BPN MAM3 block I73 division 2 and BPN MAM1 BPN block J75 division 1, known that the company's boundaries (HGU poles) are clearly visible and well-maintained conditions.

**Minor 2.2.3; Major 2.2.4 & Minor 2.2.5**

There is no change until the ASA-1.1 assessment.

The consultation results with communities (Rungau Raya Village and Pantap Village) and Plantation Agency of Seruyan District known that there was no dispute / conflict of land between the companies and communities for period 2018/2019, but there was a dispute on 2011 and has been resolved on 2016. The resolved on dispute has been involve by local government and RSPO. Field visit and document review also shows that there was no dispute / land conflict in operation area of CH. The company has had procedure for conflict resolution which stated that the resolution involve the stakeholder.

**Major 2.2.6**

GAR as parent company of PT TN and PT BAS has had policy of Social and Environment which stated "We commit 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 accessible to smallholders, indigenous 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 customary 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 identified conflicts, transparent monitoring and reporting, the option to local community and or customary groups for accessing 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.

We categorically reject the use of violence in any dispute by any parties."

The consultation results with communities (Rungau Raya Village and Pantap Village) and Plantation Agency of Seruyan District known that there was no dispute / conflict of land between the companies and communities.

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

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

**Major 2.3.1; Minor 2.3.2; Minor 2.3.3 & Major 2.3.4**

The FPIC mechanism is regulated in the Documents for handling social conflicts (SOP / SMART / SENS-CSCR / SADV / 002) and resolving of land conflicts (SOP / SPO / SMART / LH-04). The company built a land compensation mechanism in SOP no. SOP / NP / SMART / VII / D & L002 dated July 1, 2010. Submission of compensation through deliberation, consultation and open dialogue with parties related to community representatives, leaders and local government.

Based on interview with community figure of Rungau Raya Village that also previous land owner, there was no coercion in the process of land compensation by the company. The land compensation process has been through a mutual agreement between the community and the company. Based on document review, field visit and interview with communities and related agency known that since the last assessment, the company does not perform land expansion. The latest land compensation has been conducted in 2010. The evidence of communities' land release have been well documented and well stored by D&L.

<b>Status: Comply</b>
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**PRINCIPLE #3 Commitment to long-term economic and financial viability**

**3.1**
**There is an implemented management plan that aims to achieve long term economic and financial viability.**
**3.1.1**

The certificate holder shows the long-term planning documents outlined in the 5 (five) annual planning period 2019 – 2024. The plan includes FFB Production per year per estate, Production CPO and PK (tons), estate costs (upkeep, manuring, harvesting, transport, overhead, depreciation), mill cost (processing, repair & maintenance, overhead, depreciation), gross profit (IDR), gross profit margin (%), CPO & PK transportation cost, total selling cost, CPO pump cost, profit / loss and net profit / loss, FFB processed and Mill production. Regarding replanting, there is no plan for replanting for the next 5 years.

The company shows an evaluation to guarantee the ongoing business of the plantation, including in the document Evaluation of the 2018 Semilar Estate and Sei Rindu Estate Production. For example, Semilar Estate (4,004.87 ha) on April 2, 2019, 2018 production budget of 123,616 tons (30.87 tons / ha) and realized 101,233 tons (25.28 tons / ha) or actual achievement of a budget of 82%. Explanation of this is partly due to the rotation not being reached 4 x per month. The certificate holder shows the audit results of the company's balance sheet by public accountant. From the results of the audits, it was concluded through the auditor's opinion stating that the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Tapian Nadenggan and its subsidiaries on December 31, 2018, and the consolidated financial performance and cash flows for year ended on that date, in accordance with Indonesian financial accounting standards.

Based on observations of semi-detailed land survey map documents carried out by PMNP in 2008 and 2009 and field observations, for example in Semilar, Sei Rindu and Mandang Estate, it is known that there are no operational areas of estate included in the peat land category.

**3.1.2**

Based on the results of a 5-year long-term plan document review and interview with management, it is known that regarding replanting, there is no plan for replanting for the next 5 years.

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

The certificate holder has a documented procedure for the mill and estate. The estate procedure starts from the procedure of plant material, then the technique of nursery, fertilization, weed control, integrated pest management to harvesting and transporting compiled by the 2012 MCAR (Management Committee and Research) team. The certificate holder also has a procedure for the process listed in SOP / SMART / MCMD / I / TM-PKS documents issued on December 6, 2013, were approved by the Chair of the MCMD and Head of Upstream. The SOP includes the Standard Operating Procedure in mill. Operational procedures in general have been socialized to all employees in accordance with their respective fields of work.

Based on field observations at Semilar Estate and Sei Rindu Estate on manual maintenance of woody weeds, harvesting, chemical weed control, maintenance of beneficial plant and manual fertilization were found that employees can demonstrate how to work in accordance with existing procedures. Mill employees during field visits such as sterilizer operators and boiler operators can also explain tasks and responsibilities in accordance with existing work procedures.

The certificate holder also conducts internal control of the contractor performance to monitor the consistency of the implementation of SOPs in the field, including the following:

- Internal control carried out by the OIA (Operations Internal Audit) Department
- Internal control carried out by the Foreman, Foreman I, Assistant, Senior Assistant and Manager.

For the monitoring of the performance of the contractors, is done by checking in the field to ensure that the work of the contractor is in accordance with the specifications desired by the company (before the payment). If there is a shortage of the work of the contractor, it will be evaluated every month (monthly meeting) to make sure whether to replace the contractor or not.

**4.1.2 & 4.1.3**

Based on the results of interviews with management, it is known that the renewal of the SOP is the responsibility of the MCAR team. Internal supervision has been carried out, for example for audits conducted by OIA Department as well as field inspections and inspections carried out by internal supervision starting from the level of the foreman to managers to monitor field implementation consistent with the SOP.

The audit is carried out regularly including the implementation of all SOPs. Based on the results of interviews with management and review of OIA Department internal audit report documents, audit activities are conducted twice a year. The certificate holder also has an Internal Audit SOP which includes explaining the steps for preparing an improvement and prevention plan.

The certificate holder shows a recording of the results of measurements and monitoring carried out internally, including Semilar Mill showing the Operations Internal Audit Report document, the inspection date of 7 – 13 August 2018 conducted by the OIA Department. Among the findings of the discrepancies are related to both sides of grading bed conveyors not equipped with safety fences that endanger operators who are carrying out grading. Corrective actions have been taken by installing a security fence. Based on the results of the auditor's field visit to grading station has been found.

**4.1.4**

Based on the results of the document review of production data and data received by Semilar Mill for the period June 2018 to May 2019, it is known that Semilar Mill has recorded the origin of FFB. Based on the document, it is known that there are no FFB sourced from third parties but there are FFB sources from sister companies that have also been certified.

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

There is no change regarding the SOP for Good Agricultural Practices (GAP) in managing soil fertility from previous assessments, which are listed in the SOP Number SOP / SMART / MCAR / IX / TA-PPK on Fertilization, coming into force on 12 June 2012. Evidence that the SOP has been implemented and monitored, including companies monitoring the realization of fertilization in accordance with recommendations issued by SMARTRI, as the PURE example shows a document of Recapitulation of Inorganic Fertilization 2018 per each Division which is known to have been 100% realized. Here follows briefly:

- Total fertilizer recommendations for semester 1 and 2 of 2018: 3,760,058
- Total actual application of fertilizers in semester 1 and 2 of 2018: 3,758,858

Supervision is carried out by superiors directly from the workers, for example the foreman, foreman I, assistant, head of assistant, manager and so on. Then there is also an internal audit, both the internal audit of the plantation and factory operations or sustainability to monitor the implementation of the field consistent with the SOP.

**4.2.2**

The certificate holder shows records that prove that the fertilization program is in accordance with agronomic reports, including PURE shows Recommendation Fertilization document in the first semester of 2019 which includes explaining block area, palm amount, dosage and tonnage amount per fertilizer type and date of application completed. For example, block C-39 Division 4 total area of 6.01 ha (805 palm) for applications manually, a dose of 1.25 kg / staple and a tonnage amount of 1,000 tons for Urea fertilizer types and the date of application is completed on March 4, 2019.

Mandang Estate shows a document on Recapitulation of Fertilizer Use for the period January – June 2019 which explains the type of fertilizer, fertilizer use, FFB production and fertilizer / ton FFB per month. For example for May 2019 as follows Urea 5,400 kg fertilizer, 7,657.28 tons FFB production so that the use of urea fertilizer is 0,0007 kg / kg FFB.

**4.2.3**

The certificate holder has an SOP for soil and leaf sampling issued in 2016. The activity of leaf and soil sampling was carried out by the SMART Research Institute - Analytical Laboratory. The certificate holder shows proof of the implementation of the SOP and records of soil and leaf samples, including the following:

- Results of analysis of leaf samples from the SMART Research Institute for Mandang Estate, date of acceptance July 9, 2018, the number of samples was 93 samples, with analysis of N, P, K, Mg, Ca, B, Cl. For example, Sample Code F-26 N is 2.72%, P 0.161%, K 0.93%, Mg 0.27%, Ca 0.61%, B 19 ppm, Cl 0.50%.

- For MNAE, soil sampling on January 12, 2015 to the Analytical Lab Section of SMARTRI Bogor with a total sample of 126. The results of the SSU (Soil Sampling Unit) analysis were sent on January 12, 2015. The method of analysis used was texture (hydrometric), pH meter, C.Org (titrimetric). W & b), N tot (Ki + FIA) P, K, Mg Cad, Exchange (ICP-OES), P Bray, CEC (FIA), H-Al exchange (titrimetric).

The results of the analysis are included in the fertilization program, where fertilizer recommendations are issued directly by SMARTRI.

#### 4.2.4

The certificate holder shows the nutrient recycling strategy adopted in the estate, namely the use of EFB and POME. The certificate holder shows the EFB Application Plan and Realization 2019 document for substitution. For example in Semilar Estate, application until March 2019 (data update June 10, 2019) for EFB substitution with an area of 4,004.87 ha, palm amount of 529,751, dose of 30 tons / ha, tonnage of EFB recommendation of 7,802.70 tons and has been realized 5,568.60 tons.

The strategy for nutrient recycling through POME drainage is at Mandang Estate. Based on the document review shown in the POME streaming MNAE 2019 Streaming Monitoring document (plan vs actual), briefly explain the following matters:

- Drainage in Divisions 2, 3 and 4 with total blocks flowing 26 blocks covering an area of 602.10 ha or 75,263 m<sup>3</sup>.
- Plans for May 132.97 ha (11,169 m<sup>3</sup>), the realization of 212.81 ha (17,876 m<sup>3</sup>)

Based on the results of field observations in the LA area block K39 Division 5 Mandang Estate and interviews with the foreman and LA bed drainers, it is known that the LA area is in good condition and no traces of pollution were found. LA beds are in good condition and the overflow is open so that the flow is smooth and 2 beds are always left to overcome the overflow caused by rain.

**Status: Comply**

### 4.3

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

##### 4.3.1

The certificate holder has a Detailed Soil Map containing a land map and contains information on: soil classification, texture, depth, and drainage, limiting factor, rocks and conformity information for oil palm plantation development, i.e. map and land classification Semilar Estate, Sei Rindu Estate and Puri Estate presented on a scale of 1: 75,000. The map is equipped with a Table of Soil Characteristics and Land Suitability Assessment of Palm Crop Land.

Based on the document review (land map), it can be seen that the land suitability class cultivated by the certificate holder (SMLE, SRDE and PURE) is S2 (Fairly Sufficient) 9,956.63 Hectares or about 83.54%, S3 (Appropriate / Marginal) 1,345.12 Hectares or about 11.28% and N (not appropriate) 615.90 Hectares or about 5.18%. The average drainage is quite good with the limiting factor is topography / relief.

##### 4.3.2

Based on the results of the document review and interviews with management, it was found that there were no changes related to the management strategy for steep slopes from the previous assessment, which are listed in the *Procedur Perencanaan Penanaman Areal Baru dan Prosedur Pembukaan Lahan Baru*, which took effect since June 12, 2012. The procedure, among others, explains the stages of the process of opening new land in the SOP are blocking, road construction, drainage construction, land preparation (chemical system), preparation of ex-secondary mineral forest land and terrace construction in an area with a certain slope.

Based on the results of field observations at Sei Rindu Estate, it was found an area management with a slope by making terraces, as found in block F62. In addition, based on the results of field observations at Semilar Estate block G70, it is known that the company made observations of erosion stakes and documented them in the Erosion Stations Monitoring Report document for Semilar Estate which is conducted periodically every month.

##### 4.3.3

The certificate holder shows the road maintenance program documents in the estate and road maintenance records, including:

- Division Work Program 2019 Semilar Estate Division 5 for the type of manual road maintenance work, rotation 4 x per year, with a 2019 budget of 2,874.62 ha and has been realized 1,336.01 ha.

- Division Work Program 2019 Semilar Estate Division 2 for the type of manual road maintenance work, rotation 4 x per year, with a budget of 2019 2,300.48 ha and has been realized 862.08 ha.

In addition, the certificate holder also shows the *Data Pengerasan Jalan Sisip dan Ulang (Laterit)* document, for example the Semilar Estate unit for 2018, which is planned to be 15,924.29 m<sup>3</sup> and realized 15,919.57 m<sup>3</sup>. For 2019, it is targeted to only insert, which is 4,803.77 m<sup>3</sup>.

#### 4.3.4 & 4.3.5

Based on the results of land suitability mapping conducted by Plantation Monitoring And Planning Division (PMNP) team in 2007, it is not indicated that there is a management area with peat land characteristics.

This is in line with the results of field visits such as in Semilar, Sei Rindu and Mandang Estate that peat areas were not found.

#### 4.3.6

Based on the results of the document review and interviews with management regarding management strategies on critical land and other land issues, it is known that there is no change in the previous assessment which is stated in the procedures for Planning a New Area Planting, the procedure on Fertilizing (using EFB) and the procedures for treating waste that are came into force in 2012.

Based on the results of the document review, it is known that in the Semilar Estate and Sei Rindu Estate there is a S3 land suitability class (marginal according). Evidence of critical / marginal land management including the Semilar Estate applies EFB for fertilizer substitution at a dose of 30 tons / ha and for supplements at a dose of 40 tons / ha.

**Status: Comply**

#### 4.4

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

##### 4.4.1

CH has implemented water management plans as indicated by documentary evidence along with field visits, for example:

- Conduct river water quality management by not carrying out the application of chemicals and fertilizers along the river with a distance of 50 meters, installing a ban on the application of chemicals and fertilizers with red marks, and allowing the border to be in natural / shrub conditions.
- Perform river water quality testing every six months.
- Testing the quality of clean water for workers every six months.
- Record the debit for water usage for mill process activities.
- Testing the quality of wastewater and ground water

##### 4.4.2

Company has identified and shown the maps for catchment areas (including riparian) on 1:70000 scale for PT TN and PT BAS. HCV identification document shown there is some river stream on PT. TN & PT. BAS estate such as Ruko and Tajahan River stream (PT TN) and Sei Rindu and Biru River stream (PT BAS).

Company provided procedures for these catchment areas protection/conservations listed on SOP/SPO/SMART/LH-06-07.

There are several activities that the company has undertaken as a form of protection against riparian areas based on field visits on Biru River, such as:

- Installing a hunting ban plank, HCV area plank, prohibition of chemical application and fertilization.
- Not doing chemical application in the riparian area with distance  $\pm$  50 meter
- Allowing the border to be in natural / shrub conditions.
- Enriching plants in the riparian area
- Conducting surface water quality testing every 6 months.

##### 4.4.3

Field obsrvation on Semilar Mill shown that effluent pond are maintained well. All palm oil mill effluent are managed on waste water treatment plant before its distributed to estates as land application. Regarding this, mill already have land application permit based on Decree Head of Seruyan Regent, Seruyan Regency No. 188.45/ 325 on 2015, 2017 valid until 2020. Based on the documents review it is known that the results of BOD (Below 5000 mg/L) on outlet of WWTP



exceed the quality standards specified in Minister of Environment Decree No. 28/2003.

### 4.4.4

The certificate holder shows the water use document for the palm oil processing unit, which is listed in *Rekapitulasi Pemakaian dan Distribusi Air* document for the June 2018 until May 2019 period, including the following:

- FFB process (tons) actual : 412,960.41
- FFB process (budget) : 461,701.70
- Process water use (m3) : 414,266
- Total m3 of water (actual) : 563,470
- M3 process water / ton FFB (actual) : 1,00
- Total water m3 (budget) : 461,702
- M3 process water / ton FFB (budget) : 1.00

The certificate holder has a surface water utilization permit based on the decision of the regent of Seruyan, Central Kalimantan province number 188.45 / 510/2017 dated November 20, 2017 which is valid for 5 years. The coordinates of the point of extraction of water sources are at X: 112°20'12,627"E, Y: 2°14'22,071"S.

The company shows proof of payment of surface water tax proof No. 973/82 / III / UPTPPD / SRY / 2019 on behalf of PT. Tapian Nadenggan Semilar Mill for the period January - December 2018. Tax payments to the Regional Revenue Agency of the Central Kalimantan Provincial Government on March 4, 2019.

**Status: Comply**

## 4.5

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

### 4.5.1

Pesticides are not used prophylactically. Pesticides are used only if the level of attack based on the census exceeds the threshold value and biological control does not meet expectations/ conditions. Based on the results of interviews with management, it was explained that the mouse census was targeted and carried out every 4 months or 3 rotations in a year.

Mandang Estate shows the monitoring documents of BOB (Box of Bowl), for example in May 2019 with data which are :

- Division 1 : active BOB 25 out of 25 BOB
- Division 2 : active BOB 24 and non-active BOB 3
- Division 3 : active BOB 26 out of 26 BOB

Mandang Estate also shows the *Agensi Pengendali Hayati* (beneficial plant) 2019 Plan and Actualization, updated June 20, 2019, which among other things explains the planting and maintenance of *Turnera subulata*, *Casia coobanensis* and *Antigonon leptopus*, respectively 22,250 planting points, 44,850 planting points and 404 planting points.

The certificate holder also shows the recording of pest and control events, including in the Puri Estate in November 2018 there were attacks that exceeded the threshold value, including block D-35 Division 2. The certificate holder shows the document Monitoring of the *Darna trima* Caterpillar Fogging Application Division 2 PURE 2018, including the date November 23, 2018 block D-35 area of 15.02 ha, the number of fulspog 4, application area of 15.02 ha, using Decis 3 liters and Agristic 0.375 liters, 30 liter diesel and 7.5 liters of gasoline.

### 4.5.2

The certificate holder has provided training to those involved in the integrated pest control process, which was shown in the training record of March 18, 2019 at *Pondok 1 Sei Rindu Estate Employee Hall*, integrated weed control and IPM training activities for division employees 1-6 attended by 17 participants.

**Status: Comply**

## 4.6

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

### 4.6.1

The certificate holder has a policy regarding safety in using chemicals, including those listed in Weed Control Procedure, document number SOP / SMART / MCAR / VIII / TA-PGM dated June 12, 2012, which explains about weed control. This procedure explains the steps that need to be taken to control weeds in oil palm plantations in nurseries, immature plant and mature plant as well as the selection of herbicides to be used, general guidelines on the safety of working with

pesticides and pesticide monitoring. In addition, Material Safety Data Sheets are also found in pesticide and fertilizer storage warehouses for each type that explain the instructions for storing and handling materials, handling in the event of an accident (first aid effort) and so forth.

Steps to avoid the development of resistance by the certificate holder are explained by the research staff including replacing pesticides that are used regularly to avoid the emergence of resistance. The certificate holder also has a list of all types of pesticides and target species as well as justification for use, including the trademark Rolifos 150 SL with active ingredients *Ammonium glufosinat* and target species namely broad leaf weeds and narrow leaves. Based on the results of field observations in the Chemical Weed Control activities, Block H50 Division 6, it was found that the materials used were in accordance with the list shown.

#### 4.6.2

The certificate holder has a record of the pesticides used as shown by the Puri Estate *Laporan Penggunaan Pestisida* 2019 document, which briefly explains including the use of Roll Up trademark types for the January - May period of 853.7 liters and Erkaforon of 105.1 kg. In addition, Semilar Estate also shows documents on *Data Penggunaan Pestisida Sasaran, Jumlah Aplikasi dan Luas Aplikasi* (Target Pesticide Use, Application Amount and Area of Application) January – May 2019, which briefly explains the use of Erkaforon 20 WG, 50.98 kg pesticide quantities, treated area 3,370 Ha.

The certificate holder also has a record of the active ingredient used and LD50 of the active ingredient, the targeted area, the number of active ingredients applied per Ha and the number of applications as indicated by Mandang Estate in *Data Toxicity Pestisida MNAE tahun 2019* (Pesticide Toxicity Data MNAE 2019) document for the January – May 2019 period, including for May as follows :

- Product name : Roll Up 480 SL
- Active Ingredients: *Isopropyl Amine Glyphosate* 480 g / l
- LD50 : 5000 ppm
- % of active ingredients : 0.41
- Number of applications : 396.31 liters
- Total active ingredients : 162.49 liters
- Application area : 2,966.58 ha
- Dose per ha : 0.13 liters
- FFB Production : 7,657.28 tons
- Pesticide units/ ton FFB : 0.000004244

From the record, it shown that there is a reduction of chemicals use (for e.g. glyphosate) compare between 2018 to 2019.

#### 4.6.3

The use of pesticides has been minimized according to the integrated pest control plan, this can be seen in the results of the census of caterpillar pests and rat pests that are below the control threshold so that they do not use chemicals for control.

The certificate holder operates an integrated pest control system by collaborating on biological and chemical controls. The use of chemical techniques is not done in a preventive manner, however based on the results of early warning systems of detection and census. Biological pest control is done by applying the development of natural enemies of owls to control the pest population of rats. The development of useful plants such as *Turnera subulata* and *Antigonon leptopus* is also used as a biological control technique as a living place for predator nettle caterpillars.

Based on the results of observations of owl cage, block I47 Division 5 Semilar Estate, it is known that the owl cages are in active condition with found owls coming out of cages, dirt, feathers and bone of mice. In addition, also known the certificate holder, has done planting beneficial plant such as *Turnera subulata* and *Antigonon leptopus* found on the main roads and production roads.

#### 4.6.4

The certificate holder has a complete list of Pesticides that are in the category of World Health Organization (group 1A or 1B), or listed in the Stockholm or Rotterdam Conventions shown in the WHO Recommended Classification of Pesticides by Hazards document by the International Programed on Chemical Safety) and guidelines for classification 2004, and a complete list of pesticides included in IA or IB. Based on the identification documents, the company does not own and use the type of pesticide that is included in the WHO class 1A and 1B list.

Based on the results of the document review and interviews with management representatives regarding policies,

procedures or management plans to minimize and eliminate the use of pesticides (WHO groups 1A and 1B) and paraquat, it is known that there is no change from the previous assessment, including Memorandum No: 032 / PD / VIII / 2016 dated August 13, 2016 by the President Director, regarding a ban on the use of paraquat.

Based on the results of the document review and field observations on spraying activities and visits to the herbicide storage warehouse, it is known that there is no use of pesticides (WHO groups 1A and 1B) or paraquat.

#### **4.6.5, 4.6.7 & 4.6.9**

The certificate holder shows the training records for workers dealing with pesticides including February 12, 2019 on Sei Rindu Estate Division 2 Office, with MSDS training / socialization activities, handling B3 spills and prohibiting spraying for pregnant and breastfeeding women for division 2 and 3 employees.

Based on field observations, for example in the Semilar Estate of Chemical Weed Control, Block H50 Division 6 and Sei Rindu Estate Chemical Weed Control, Block E56 Division 2, it is known that pesticides are handled, used or only applied by people who have attended training. Pesticides have been applied according to the product label / MSDS of the material used. In addition, the foreman in the field also brought MSDS. Based on visits to spray activities using Rolifos type pesticides, workers have been equipped with PPE shoes, face shields, aprons, clothes and trousers, masks and rubber gloves. Based on the results of interviews with workers both in the estate and in the mill, it is known that the appropriate PPE is available and used, and that can be easily replaced if damaged. The certificate holder also inspects every morning briefing regarding PPE usage.

#### **4.6.6**

Procedure of hazardous waste management is presented in document SOP/SPO/SMART/LH-18 on hazardous waste management and SOP / SPO / SMART / LH-09 on handling of pesticide packaging dated July 1<sup>st</sup>, 2010. Procedure mentioned that used pesticide containers should be labelled as hazardous materials, placed on the Hazardous Store and recorded to monitor time of placement. Later on the hazardous material (included used pesticide containers) to be delivered to the permitted hazardous collector namely PT Semesta Langgeng Sentosa. Based on observation to agrochemical (includes Pesticide) Store in Semilar Mill and Semilar Estate, it was found that pesticides were stored properly by adopting first in first out method, grouped into toxicity category, limited accessed and labelled in accordance with its hazardous properties. Used pesticide containers were labelled by estate management. Furthermore, based on observation to Emplacement of Semilar Estate, Sei Rindu and Puri Estate as well as interview with occupants, it was known that used pesticide containers were not be able to be reused for domestic household purposes.

#### **4.6.8**

Based on the results of the document review, interviews with management and field observations, it is known that there is no application of pesticides by air.

#### **4.6.10**

Field observation on Division 5 of Puri Estate and Chemical Storage of Semilar Estate found that agrochemicals containers are disposed in responsible way. Field visit on emplacement of Semilar, Puri and Sei Rindu Estate also found there is no indications that ex agrochemicals containers are used as flower pots or water containers. Based on document review and interview with management representative, shown all ex pesticide containers on estates are managed by regularly submitted to Semilar Mill and Semilar Estate temporary hazardous waste store and hazardous waste disposal evidence for example manifest on March 26, 2019 were available and verified by auditors. For now, the company not stored hazardous waste on Puri and Sei Rindu Estate because the extension of permit is on progress. Pesticides Applicator devices clean up area are located on each Afdeling, based on field visit on Division 5 & 7 of Puri Estate shown that used water from devices clean up were collected and then reused for next pesticides mixing. From the results of interviews with Hazardous Waste Storage personnel in the hazardous waste storage warehouse, workers were able to explain and demonstrate hazardous waste management, starting from receiving, storing, labeling to shipping.

#### **4.6.11**

Based on the results of document review and interviews with management and field workers, it was found that certificate holders routinely conduct annual medical supervision for all pesticide operators. The certificate holder shows medical records for all pesticide operators with a specific examination in accordance with the doctor's recommendation, namely the cholinesterase examination. Based on the results of the medical examination, it is summarized as follows:

#### **Sei Rindu Estate**

Cholinesterase examination data for the 2019 period on April 23, 2019 by company doctor. Of the 75 workers examined, all were declared normal.

#### **Mandang Estate**

Cholinesterase examination data for the 2019 period on April 24, 2019 by company doctor. Of the 30 workers examined, all were declared normal.

#### **Semilar Estate**

Cholinesterase examination data for the 2019 period on April 25, 2019 by company doctor. Of the 50 workers examined, all were declared normal.

Based on the results of interviews with workers in the field it was also stated that the results of the inspection were informed to the workers concerned. The workers also stated that there were no health complaints related to their work as herbicide applicators.

#### **4.6.12**

The certificate holder has a policy that states preventing pregnant and lactating women from handling pesticides listed in the memorandum for all Regional Controller and Estate Manager, memo number 01 / VPA-RSPO / 03/2010, 3 March 2010, which among other things explains that pregnant and breastfeeding female workers not allowed to work as a herbicide applicator.

Evidence that shows that pregnant and breastfeeding women are not allowed to handle pesticides is based on field observations in the Sei Rindu Estate block E56 Division 2, the number of female workers handling pesticides 1 and in Semilar Estate block H50 Division 6, the number of female workers known handling 6 pesticides and it is known that no female workers are pregnant or breastfeeding.

The certificate holder shows the document Recapitulation of Health Examination Results, for example Mandang Estate for antenatal care performed every month, including May 21 – 22, 2019. Of 33 female workers (12 sprayers), declared not pregnant.

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

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

##### **4.7.1**

The certificate holder has a Health and Safety Policy, which was signed by the President Director on November 1, 2013. The certificate holder also shows procedures related to occupational safety and health, including OHS guidelines, identification and assessment of hazards and risks, how to work safely and provide PPE. This policy is submitted periodically at morning briefings or at special times determined by the certificate holder. Based on the results of interviews with workers, both on estates and in mill regarding safety policies, workers have understood the essence of the policy. Among them, workers stated briefly that the implementation of the policy was that workers were required to use PPE provided by the company free of charge.

The certificate holder also shows the Occupational Safety and Health Program in 2019 which is an effort to minimize the Lost Time Accident. Realization of the plan, for example, regular health checks for cholinesterase, spirometry and audiometry carried out in February, April and June for Semilar Mill, January, April and June for Sei Rindu Estate and March, April and June for Mandang Estate.

The certificate holder also monitors the effectiveness of the occupational health and safety plan which is discussed at routine *Panitia Pembinaan Keselamatan & Kesehatan Kerja* (P2K3)/ Guiding Committee Of Occupational Safety & Health meetings.

##### **4.7.2**

The certificate holder has an *Identifikasi Sumber Bahaya, Penilaian dan Pengendalian Resiko* (Hazard Identification Source, Risk Assessment and Control) document for estate and mill operations for the 2019 period. The document is prepared by the company team to identify potential hazards and risks, then goes on to assess the level of risk and risk control until the risk is tolerated. If an accident occurs in the field, it will be considered in risk control to prevent future accidents. Based on field observations at chemical warehouses and toxic mixing sites, MSDS is placed as a guide in handling chemicals.

Based on interviews with spray workers it is also known that the foreman in the field understands the procedures in the case of work accidents as well as instructions in the MSDS of each product that has been applied to employees. PPE given by the company refers to the product label / MSDS or risk assessment, for example the herbicide applicator has



been equipped with PPE in the form of face shields, masks, aprons, rubber gloves and boots in accordance with the results of risk analysis and product labels / MSDS.

The certificate holder needs to ensure the evaluation of hazard source identification documents, assessment and risk control in accordance with operational activities in the field. **OFI.**

#### **4.7.3**

The certificate holder has a procedure document related to PPE, which explains several points, including the provision of PPE for employees and PPE that is damaged or expired can be replaced or exchanged with a regulated replacement mechanism. The results of field observations on estates and mill as well as interviews with workers, it is known that the certification unit has provided PPE and has been given safe work practices training such as training on harvest work instructions held on January 11, 2019 which was attended by harvest workers and loose-fruit picker. The certificate holder also shows proof of PPE submission, for example Mandang Estate shows the PPE Handover Minutes on May 26, 2019, in the form of 13 pcs long boots for Division 6 harvesters and Semilar Mill shows the PPE Handover Minutes on May 29, 2019, in the form of ear plugs for 1 boiler operator as much as 1 pcs. PPE given by the company refers to the product label / MSDS or risk assessment, for example for herbicide applicators, PPE has been equipped in the form of shoes, face shields, aprons, clothes and trousers, masks and rubber gloves according to the results of risk analysis and product label / MSDS.

#### **4.7.4**

The certificate holder has identified the person responsible for implementing OHS and the Guiding Committee Of Occupational Safety & Health organization has been formed, for example in the SMLM, referring to the Decree of the Head of the Central Kalimantan Manpower and Transmigration Office No: KEP.63 / DISNAKERTRANS / II / 2018 dated 7 February 2018 and the secretary is General OHS Expert in accordance with the Decree of the Indonesian Minister of Manpower. SMLE, referring to Decree of the Head of Manpower of Central Kalimantan Province No. : KEP.560 / 83 / KEP / DISNAKERTRANSPAR / XII / 2016 dated December 12, 2016. However, the certificate of appointment for OHS General Expert has expired on June 20, 2019 and the company has presented a certificate of process for the issuance of a certificate of appointment by the Ministry of Labor. **OFI.**

The certificate holder shows that meetings between workers and those responsible for OHS are carried out routinely, once a month. The certificate holder shows the minutes or records of meetings discussing OHS issues, including the Minutes of the Guiding Committee Of Occupational Safety & Health SMLM Meeting dated May 25, 2019 in the SMLM meeting room attended by 7 meeting participants with a discussion including ensuring that each repair and cleaning work of the engine unit to install LOTO (Lock Out Tag Out) to isolate the machine energy that is still available. This was done at the time of the auditor's visit at st. the boiler was found to install LOTO on the repaired unit.

#### **4.7.5**

The certificate holder has procedures regarding work accidents and emergencies, including Emergency Response Procedures (document number SOP / SMART / GENERAL / SADV / I / 005) and Procedures for Handling Accidents and Diseases Due to Work (document number SOP / SMART / HESS-EHSD / SADV / I / 005). Based on field observations, it was found that the certificate holder had posted clear instructions on emergency procedures that were easily understood by all workers such as in the rinse house and chemical storage warehouse. Based on the results of the document review, interviews with workers and foremen, it is known that the certificate holder held a First Aid training, on April 9, 2019 at the Multipurpose Building attended by first-aid officers, the person in charge of the first-aid kit and the emergency response team with a total of 123 participants coming from the SMLM, SMLE, PURE, MNAE and SRDE are guided by the region doctors.

Based on the results of interviews with foremen in the field such as the harvest foreman at SMLE, the fertilizer foreman at SRDE and the process officer at the SMLM, it was stated that the person concerned had attended the training. Equipment for first aid has been provided at work. Based on the results of field observations in operational activities in the field, such as harvesting, spraying, fertilizing and at the factory, it is known that the first aid facility has been provided by the company as many as 21 items.

#### **4.7.6**

The certificate holder shows evidence that all workers, including contract workers, receive medical services and are protected by accident insurance, including as follows :

- Contract of Work for Transport of FFB Contractor at Mandang Estate Division 6, for example Contract Agreement No.



006 / MNAE / LKL / III / 2019-ATBS, the transport of FFB Contractor, stated in Article 4 paragraphs 8 and 9, that the contractor workers must be included in the Social Security / BPJS *Ketenagakerjaan* and health programs. The company showed proof of BPJS Contractor's bill, for example in April 2019 for *Jaminan Kecelakaan Kerja, Jaminan Hari Tua* and *Jaminan Kematian*. The company also shows proof of payment of these bills via Bank transfers, on April 22, 2019.

- The SMLM shows the Wage List of the workforce of contractor CV Setia Bahaum Jaya to the BPJS of Labor on June 24, 2019 for 5 workers. The certificate of participation and participant card are also presented. Proof of payment in the form of receipt of contributions from BPJS Employment Base Pangkalan Bun number 190603844742 dated June 24, 2019...
- Details of BPJS Employment Fees for PURE May 2019 for 434 workers (*Jaminan Kecelakaan Kerja, Jaminan Hari Tua, Jaminan Pensiun* and *Jaminan Kematian*). A list of new workers and a list of workers can also be shown. The full list of participant can be shown. Evidence Pay via Bank Transfer on May 31, 2019.
- Reporting of BPJS Health billing for the period May 2019 for 402 PURE participants and 319 dependents. Proof of payment via a bank transfer on May 3, 2019.

#### 4.7.7

The certificate holder shows work accident records using LTA metrics. For example, Mandang Estate shows the FR and SR Annual Recapitulation document for the period 2018 – 2019 which explains the month, number of employees, number of working days, number of non-effective working days, overtime (hours), total number of hours worked by employees, number of accident days lost, number of days lost, number of hours worked a year, number of work accidents a year, days lost a year, FR and SR. For example for the 2018 period, especially in December, namely the number of employees 608, the number of working days 25, the number of non-effective working days 1,068.41, overtime (hours) 5,936.47, the total number of working hours of employees 104,857.60, the number of accident days lost 13, the number of lost days 47, the number of working hours of employees a year 1,258,784, the number of work accidents a year 107, missing days a year 212, FR 85 and SR 168.

**Status: Comply**

#### 4.8

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

##### Major 4.8.1 and minor 4.8.2.

Certificate holder showed employee training programs for the 2019 period such as:

- Estate : Training of Welder, the use of APAR, hazardous handling, hazardous waste management, domestic waste management, HIRAC, chemical handling, harvesting, socialization related to company policy, etc.
- Mill : Training/Socialization of SCCS, RSPO understanding, complaint mechanism, HIRAC, SOP and Work Instruction, hazardous waste handling, socialization of MSDS, OHS policy, dll.

CH has a record of all training stored in each unit and documented by the SPO Officer

Examples of training / socialization recordings are as follows:

- Report on socialization of the prohibition on burning waste, energy savings, code of ethics, collective labor agreements, freedom of association, industrial relations, 2019 wages, HIV / AIDS on February 25, 2019 attended by 43 participants.
- Report on Sexual Harassment socialization, Identification of Hazard Sources and Risk Management, First Aid, Safety Practices, and Complaints on March 25, 2019 attended by 24 participants.

The results of interviews with labor unions and workers, said that the company had provided training / socialization regarding the duties and responsibilities of workers. Based on interviews with contractor, known that company also has provide socialization related to occupational health and safety, for example the use of PPE and work intrusion.

**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

Until surveillance-1.1 assessment there is no new development or new mill capacity development. PT Tapan Naddenggan has EIA document for the development of plantations and palm oil mills approved by Central Kalimantan Governor based on decree No 4/2006 dated January 18<sup>th</sup>, 2006 covered for 9,300 ha oil palm plantation and mill with capacity of 90 tons FFB / hour. Another EIA document for PT BAS covered the development of plantations and palm oil mills of PT BAS for an area of 14,300 hectares and mill capacity 90 tons FFB / hour. Company operational areas/activities are covered on current EIA document.

### 5.1.2

Company have plan which includes monitoring protocol outlined in the RKL-RPL document and implemented to monitor the effectiveness of the management activities to mitigate negative impact and enhance positive impacts. Results of monitoring are listed on regular environmental monitoring and management report, and monitoring results for examples 2nd quarter 2018 shown environmental management related to waste water, surface water quality, hazardous waste management, noise and etc still comply with regulation and monitoring plan. The report has included the implementation of an Environmental Management Plan, such as:

- Micro Climate Management Activities
- Gas & Dust Management Activities
- Noise Management Activities
- Activity Management of physical and chemical properties of soil
- River water quality management activities
- Groundwater Management Activities
- River Water Debit Management Activities
- Water Biota Management Activities
- Activities for Management of Community Attitudes and Perceptions
- Community Unrest Management Activities

### 5.1.3

The company has reviewed the environmental monitoring plan document in January 10<sup>th</sup>, 2019 where there has been no change from the previous monitoring plan. Implementation of the Environmental Management Plan (RKL) & Environmental Monitoring Plan (RPL) of Semester II of 2018 informs the Report on monitoring environmental management along with its evaluations, such as:

- Micro Climate Monitoring Activities
- Gas & Dust Monitoring Activities
- Noise Monitoring Activities
- Monitoring of physical and chemical properties of soil activities.
- River water quality monitoring activities
- Groundwater Monitoring Activities
- River Water Debit Monitoring Activities
- Water Biota Monitoring Activities
- Monitoring of Community Attitudes and Perceptions activities.
- Community Unrest Monitoring Activities.

Based on the results of a public consultation with the Office of the Environmental Agency of Kotawaringin Timur Regency, it was found that they had received documents related to the implementation of the environmental permit results.

**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 and 5.2.2

The HCV assessment carried out in 2012 included the types of animals protected and their protection status. There are 3 species of Aves which are protected according to PP No.7 of 1999 (*Halycon smyrensis*; *Anthreptes sp*; *Arachnotera*

*longirostrata*), and according to CITES (*Varanus salvator* and *Naja sumatrana*).

The assessment was carried out by an HCV assessor that has been approved by RSPO, using the HCV toolkit in 2008 and peer review has been carried out by Resit Sozer in May 2012. The total HCV for PT BAS is: 497.6 Ha, while for PT TN is: 244.98 ha. There is evidence of the implementation of a public consultation at the time of HCV preparation contained in the HCV document in the form of minutes of public consultation results on 19 October 2012 at the Sungai Rungai Training Center for PT TN and PT BAS.

PT TN and PT BAS have established a plan for HCV and RTE management for period of 2015-2019 which informs the types of programs, targets, stages of activities, indicators of success, location, time line, PIC, implementing, supporting and information:

- Riparian area management (boundary delineation, maintenance of boundary signs, installation of border for spraying, socialization to employees, maintenance of warning boards, rehabilitation, natural resource conservation).
- Management of RTE species (socialization to employees, installation of signboard, maintenance of signboards and monitoring)
- Monitoring HCVs and RTEs (monitoring attributes, monitoring conditions of HCVs, monitoring RTE species, monitoring rehabilitation)

Through document review and field observations the auditor verifies the evidence of the implementation of program, for example:

- There is a monitoring report of fauna throughout the Estates, for example in the monitoring of Jun 2019 in SMLE found a type of *Amaurornis phoenicurus* and *Varanus giganteus* and *Ophiophagus hannah*.
- Sighted evidence of HCV patrol for the June 2019 for the 4 estate that informs the implementation date, area, location (block and division), and description. According to the report, there were no indications of disturbances in the HCV area on all estates.

Based on field observations to HCV areas in SMLE and SRDE, for example the riparian of Rungau river and riparian of Ruko river, it seen that the company has carried out HCV management in accordance with the management plan set. It was seen that the HCV warning had been placed in a strategic location, there were warnings of prohibitions and warning signs, and a spray area boundary had been established 50 meters.

### 5.2.3

The company shows the protection policy of rare and endangered wildlife that was set on June 25, 2012 by the Managing Director of PT Smart TBK. Sanctions for employees who catch, hunt and maintain RTE are adopted by the company based on Law No. 5 of year 90 article 40.

Based on field observations in the housing of PURE, SRDE and SMLE employees there were no employees who caught and nurture RTE species.

### 5.2.4, 5.2.4

Evaluation of the results of monitoring and management of HCV is conducted every semester, set out in a report document on the implementation of HCV and RTE management and monitoring. For example in the management report for semester 2 of 2018, there are conclusions and suggestions for improvements to be considered in the preparation of management and monitoring plans for 2019.

There is no HCV set aside.

**Status: Comply**

## 5.3

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

### 5.3.1

All waste (including hazardous waste) and pollutions sources from mill and estate are identified and recorded on waste identification list on 2019 such as effluent are managed at waste water treatment plant before it distributed to land application bed, hazardous waste were kept at hazardous waste storehouse, etc.

**5.3.2 and 5.3.3**

Company conduct waste management based on waste identification and waste management plan. Observation during audits on Semilar Estate and Semilar Mill temporary hazardous & toxic waste storage shown that all of hazardous waste are compliant with the periods in permit. Document review shown that company has sent all toxic and hazardous waste to PT Semesta Langgeng Sentosa (licensed collector by decree of national environmental minister) on April 27<sup>th</sup>, 2019.

CH has licensed Hazardous Waste Temporary Storage Warehouse in Semilar Estate and Semilar Mill (188.45/380/2017), and is equipped with an emergency response system such as an eye shower / body wash, alarm, first aid kit.

Based on the results of field visits at Hazardous Waste Temporary Storage Warehouse, all hazardous waste has been managed properly in accordance with procedure and legislation, for example;

- Hazardous waste is grouped according to the type and character.
- Warehouse are equipped with emergency response procedures, PPE, first aid kits, fire extinguishers, places for hand washing and second containment.
- The condition of the room is neatly arranged, protected from rain and ventilation of the room is quite good.

For now, the company not stored hazardous waste on Puri and Sei Rindu Estate because the extension of permit is on progress.

From the results of interviews with Hazardous Waste Storage personnel in the hazardous waste storage warehouse, workers were able to explain and demonstrate hazardous waste management, starting from receiving, storing, labeling to shipping.

**Status: Comply**

**5.4**
**Efficiency of fossil fuel use and the use of renewable energy is optimised.**

The company has a procedure for Greenhouse Gas Mitigation with No. Documents of PT TN-SMLM / SOP / 28 dated May 1, 2012. This SOP describes GHG sources and socialization of GHG mitigation efforts. On that procedure tells about efficiency of fossil use with the use of renewable energy for examples fiber and shell usage for boiler.

Realization of renewable energy have been monitored every day and documented on monthly report for fiber and shell usage. During Jan-Dec 2018, fiber and shell usage for boiler resulting average energy efficiency for diesel fuel are 0.45 liter/MT CPO, for electricity are 22,4 kWh/MT CPO (from shell and fiber usages).

**(Notes : all methane gas produced by methane capture plant are not used as gas engine fuels, but used as turbine burner on Semilar Mill)**

**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.**

CH has a zero burning policy. The policy documented in Land Clearing Procedure (SOP/SMART/MCAR/IV/TA-PLB) approved June, 12<sup>th</sup> 2012. CH does not conduct burning in land clearing. Based on field visit and interview with village representative is known that CH not yet conduct replanting activity.

**Status: Comply**

**5.6**
**Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.**
**5.6.1 and 5.6.2**

Mill and estates has identify the activities that produce emissions, the types of emissions produced include: CO<sub>2</sub>, CO, H<sub>2</sub>S, CH<sub>4</sub>, O<sub>3</sub>.

All units and mill can show identification documents for GHG emission sources and mitigation plans that explain the types of activities, management activities, schedules, and PIC and activity suggestions.

Records of mitigation implementation can be shown for example:

- The factory has routinely performed maintenance of generators set and production machinery, for example, it can be shown a maintenance report period of January 2019.
- All units can show fertilizer dosage recommendations and plans / application of empty bunch, for example: the

application for March 2019 - May 2019.

- There is a record of monitoring of emissions in mill using renewable fuels for the period of January - May 2019.
- There is evidence of testing the noise level at the process location in the mill, for example boiler station 88.6 dBA, engine room 96.3 dBA, clarification 89.8 dBA, kernel nut 93.3 dBA, press 87.6 dBA, sterilizer 80.8 dBA, workshop 71.4 dBA.

Based on field observations to the process station at mill, observed that signage for the noise level of each station has been installed and that employees who work at the location exposed to noise have used ear plugs and ear muffs. Regular audiometry checks have been carried out by the mill regularly every year.

### 5.6.3

The company has calculated GHG using RSPO palm GHG calculator 3.1, the calculation uses option no 1 (apply full version). All calculation data is accurate, for example: pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc. The calculation results show a decrease in GHG emissions produced compared to the previous year, which is from 1.34 tCO<sub>2</sub>e / t Product to 1.33 tCO<sub>2</sub>e / t Product.

### Summary of Net GHG Emissions

Emissions per Product	tCO <sub>2</sub> e/t Product
CPO	1.33
PK	1.33

Production	ton/year
FFB processed	448681.75
CPO produced	104310.93
PK produced	26015.54

Land Use	Ha
OP planted area	15840
OP planted on peat	0
Conservation	742.57

Note: total area are includes the other supplier.

Extraction	%
OER	23.25
KER	5.8

### Summary of Field Emissions and Sinks

Description	Own Crop			Group		
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e/t FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e
Land Conversion	123697.87	15.96	0.6	136189.68	16.79	0.65
*CO <sub>2</sub> Emissions from Fertilizer	10475.2	1.35	0.05	8292.75	1.02	0.04
**N <sub>2</sub> O Emissions	11085.12	1.43	0.05	6999.31	0.86	0.03
Fuel Consumption	1017.81	0.13	0	704.81	0.09	0
Peat Oxidation	0	0	0	0	0	0
<b>Sinks</b>						
Crop Sequestration	-72544.07	-0.96	-0.35	-75933.02	-9.36	-0.36
Conservation Sequestration	0	0		-1453.63	-0.18	-0.01
<b>Total</b>	<b>73731.93</b>	<b>9.52</b>	<b>0.36</b>	<b>74799.9</b>	<b>9.22</b>	<b>0.36</b>



**Summary Oil Mill Emissions and Credits**

Remarks	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB
<b>Emissions sources</b>		
POME	8441.2	0.02
Fuel consumption	633.5	0
Grid electricity	0	0
<b>Credits</b>		
Export of grid electricity (housig)	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>9074.7</b>	<b>0.02</b>

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

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

**POME Divert to Anaerobic Digestion**

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

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

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

**6.1.1 and 6.1.2**

The social impact assessment of activities for both employees and the surrounding community is contained in the Environmental Impact Assessment (Andal) document. The Company has conducted a Study of the Identification of the Social Impacts of PT Tapan Nadenggan's Palm Oil Plantation and PT Buana Artha Sejahtera in 2012. The report is also attached with evidence of involvement of all affected stakeholders, for example: attendance list, documentation in the form of photographs and consultation attendance public.

Based on interviews with representatives of the Pantap and Rungau Raya villagers, the SIA assessment involved community members through interviews and observation.

**6.1.3, 6.1.4**

PT TN and PT BAS have compiled a program for managing and monitoring social impacts for the period 2018-2019, among others, informing the impacts that arise, the stages of work, PIC, location and schedule of implementation, among others:

- River water pollution due to runoff from CPO production is managed by embankment maintenance, water quality monitoring, data / field observation verification / community interviews.
- Pollution of river water as a result of fertilizer infiltration is managed by not doing inorganic fertilization in river banks, not spraying on river banks, planting woody plants in river banks, monitoring and verifying data / field observations / interviews with the community.
- Floods due to overflow of river water are managed by repairing drainage and monitoring / verification of data / field observations / interviews with the community.

The preparation of the plan has been based on the input results from the 2-year plan review and based on the results of

consultations with the parties during the SIA 2017 review process.

Based on interviews with surrounding villages (Pantan and Rungau Raya villages), there were no complaints and social issues conveyed to the auditor.

#### 6.1.5

The unit does not have a scheme smallholder and/or cooperates with farmers.

**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

There is list of stakeholder which is updated every year by the CH. (Last update on January 2019) The list consist stakeholder from government, society, local contractor, worker union, etc. There is procedure of communication and consultation (SOP/SMART/UMUM/SADV/II/004, dated July 1 2014). Based on interview with village head of Pantap and Biru Maju, it is known that the CH has socialized the procedure. Based on interview with village head of Pantap and public figure of Rungau Raya Village, it is known that the Estate Manager or Field Assistant is responsible to communicate with each of Head Villages.

#### 6.2.2

PIC of the CH in communication and consultation is manager of estate and mill along with SPO officer. Based on interviews with the surrounding village officials submitted that the Village Head in communication or consultation with management through the Estate Manager. It ensures that stakeholders have been informed the officer in charge of communication and consulting PT Tapan Nadenggan and PT Buana Artha Sejahtera.

#### 6.2.3

There is procedure of communication and consultation (SOP/SMART/UMUM/SADV/II/004). PIC for communication and consultation is the manager of estate and mill. CH could show list of request of information and communication in form of recording book. Based on interview with village head of Pantap and public figure of Rungau Raya Village and communication book verification, it is known that there are no input from stakeholders to the CH during last year.

**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

There is procedure of complaint and dissatisfaction (SOP/SMART/SIGS-CSR/SADV/II/003, dated July 1 2014). The responsible PIC in handling complaint and dissatisfaction is the Administration Head. Based on the results of interviews with stakeholders in Pantap Village and public figure of Rungau Raya Village known that they already know the procedure of complaint submission to the company.

#### 6.3.2

There were no internal and external disputes during the 2018/2019 period. Cross-checking had been carried out through interviews with worker union, interviews with employees during field observations and interviews with the sampled communities.

Based on interview with worker union, gender committee, local contractor that all affected parties has been accept about company complaints/grievances system.

The certificate holder has also monitored request for information and complaint from stakeholder in form of Logbook Documents of 2018/2019. Based on that document, there's no complaint record, all letters is about request of funding, repairing facilities and heavy equipment assisting and It was managed through estate and mill.

**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.**

**Major 6.4.1; Minor 6.4.2 & Major 6.4.3**

CH has a land compensation mechanism SOP No. SOP / NP / SAMRT / VII / D & L002 dated July 1, 2010. Submission of compensation through deliberation, consultation and open dialogue with parties related to community representatives, leaders and local government.

Based on interview with community figure of Rungau Raya Village that also previous land owner, there was no coercion in the process of land compensation by the company. The land compensation process has been through a mutual agreement between the community and the company. Based on document review, field visit and interview with communities and related agency known that since the last assessment, the company does not perform land expansion. The latest land compensation has been conducted in 2010. The evidence of communities' land release have been well documented and well stored by D&L.

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

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

**Major 6.5.1; Major 6.5.2**

Minimum wage based on the Decree of Central Kalimantan Governor Decree No. 51 of 2018 dated on November 21, 2018 regarding Regency / City Minimum Wage and Regency / City Province Central Kalimantan Minimum Wage Year 2019 dated 21 November 2018. Based on this decree, sectoral minimum wage for Kotawaringin timur Regency is IDR. 2,776,460 and sectoral minimum wages for Seruyan Regency IDR. 2,930,000. Based on document verification, field observation, interview with workers (manuring workers, spraying team, mill workers) there's no indication about the force labor. In addition, they get the wage accordance with the wage minimum regulation. Based on interview with harvesters, it is known that there is no force labor. If they've got the target, they will get the premium pay. And if they don't get the target and has been working for 7 working hours, they will get daily minimum wage. Interview with Labor Union and Manpower Agency of Seruyan Regency, said that wages and overtime paid are in accordance with applicable regulations.

CH has Collective Labor Agreement that has been registered in Manpower Agency, as follows :

- **PT Tapian Nadenggan** : Decree of the Head of the Manpower and Transmigration Agency of Central Kalimantan Province No. KEP / 433 / HI.03 / XII / NAKERTRANS / 2018 concerning Registration of Collective Labor Agreement of PT Tapian Nadenggan on December 19, 2018.
- **PT Buana Artha Sejahtera** : Decree of the Head of the Manpower and Transmigration Agency of Central Kalimantan Province No. KEP / 432 / HI.03 / XII / NAKERTRANS / 2018 concerning Registration of Collective Labor Agreement of PT Buana Artha Sejahtera on December 18, 2018.

The CLA available in bahasa and explained the rights and obligations of employees, for example: Recognition of the right to organize, Procurement of Workers, Position, Working Time, Wages, Employee Dependents, Overtime Work, Job Performance Assessment, Mutation Change, Social Security, Care and Treatment, Occupational Health and Safety, etc. CH has socialized the CLA to the workers. It was known from documentation of socialization on February 25 2019, that was attended by 43 participants. Based on onterview with labor union and workers said that CLA has been socialized by companies. CH has also provided information/socialization on the employee grade system conducted in January 2019.

Work agreement (contract) between worker and company describes about type of work and salary, duty and responsibility, work hour, health and medical, work termination, and others. Contract is written in Bahasa and workers are understood the substance of the contract. For example ; contract 48/SMLE/PKWT-A1/II/2019 dated February 26, 2019 and valid until February 25, 2020.

**Minor 6.5.3.**

Observations results to housing complex and interviews with workers, it was known that the CH has provided adequate and well-functioning housing facilities. Source of clean water comes from artesian wells. Electricity comes from generators with a time range of morning: 03:30 - 05:30 and night: 18:00 - 24:00. Educational facilities (kindergarten, elementary and junior high school) and school buses are also provided by companies to transport children of employees who attend school. The company also provides facilities for worship, sports facilities and daycare for employees who work. In addition,

the company also provides waste disposal sites for domestic waste management. For health services, the company provides clinics and doctor. From the results of field observations, it was known that the facilities and infrastructure provided for workers are still functioning properly.

**Minor 6.5.4.**

Based on field visits and interview with workers and their family at housing complex concluded that they have no difficulty to access their basic needs. There were mobile traders who sell basic necessities that enter the residential area. Basic need also can be accessed in surrounding village. Moreover, the company has provide a place to use by local food traders with competitive prices.

<b>Status: Comply</b>
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**6.6**

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

**Major 6.6.1 and Minor 6.6.2**

The freedom of employees to organize is specifically stated in the form of Circular of the Board of Directors, each of which is Circular Letter No. 169 / HR OPS / 08/10 (PT. Tapian Nadenggan) and Circular Letter No. 022 / HR PSM6 / 01/11 (PT. Buana Artha Sejahtera) dated January 3, 2011 available in bahasa, which reads in full: "The company respects the rules and regulations that apply in the Law including the freedom of association in workers ' / employees ' organizations.

As a form of implementation of freedom of association, labor unions have been formed in the company. The labor unions in the company have been registered in the Manpower Agency, as follows:

- Semilar Estate : registered with no. 560/1066/NAKTRAN/VII/2011 dated July 25, 2011.
- Semilar Palm Oil Mill : registered with no. 560/612/Disnaketranspar/V/2015 dated May 21, 2015.
- Sei Rindu Estate : registered with no. 560.567/99/HI-Kesja/III/2018 dated March 13, 2018.
- Puri Estate : registered with no. 560.567/83/HI-Kesja/VI/2016 dated June 8, 2016.
- Mandang Estate : registered with no. 560/1068/NAKTRAN/VII/2011 dated July 25, 2011.

The results of interviews with labor unions and workers said that there was no prohibition on forming labor unions. The results of the interview also stated that there was no intervention in the appointment of representatives of labor unions. Labor union representatives were appointed by workers based on the results of the deliberation.

CH showed several recordings of meetings between labor unions, company and workers, such as:

- Records of the meeting on May 17, 2019 which was attended by 18 participants.
- Records of the meeting on 12 April 2019 which was attended by 19 participants.
- Records of the meeting on March 26, 2019
- Records of the meeting on June 2, 2019 which discussed the Eid holiday and was attended by 10 participants.

<b>Status: Comply</b>
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**6.7**

**Children are not employed or exploited.**

**Major 6.7.1**

CH has the policy regarding minimum age for worker regulated on GAR's Social and Environmental Policy signed by Head of Upstream, CEO-Downstream & Commercial, Executive Director & CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement. CH also has Circular letter No 002 / SE-HRDV / 03/09 dated March 31, 2009 from HR Director concerning the minimum age limit. Based on the circular letter, it was stated that during the recruitment process the minimum age limit was set at 18 years.

The results of verification of the labor list document, known that there are no workers under the age of 18 years. Likewise with field visits, no underage workers were found. Interviews with workers and labor union also stated that the minimum age limit for workers is 18 years. There are also warnings about the prohibition on the use of workers under 18 years of age which are displayed in the locations of plantation offices and housing complex.

<b>Status: Comply</b>
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**6.8**

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

**Major 6.8.1 & Major 6.8.2**

Nondiscrimination policy contained on GAR's Social and Environmental Policy signed by Head of Upstream, CEO-Downstream & Commercial, Executive Director & CFO; Managing Director of Sustainability & Strategic Stakeholder Engagement. 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 results of interviews with workers and labor union were also conveyed that the company provided equal treatment to each worker and there were no issues related to discrimination against workers or the community in obtaining employment. The results of verification of the labor list document, known that workers come from various tribes (Java, Batak, Dayak, Sunda, Banjar, Flores etc.)

The results of interviews with workers, Head of the Pantap Village and Community figure of Rungau Raya said that the company had provided opportunities and equal treatment to the local community in obtaining employment. The company always informs if there are job openings. From the results of the interview, it was also conveyed that the majority of villagers worked in the company.

CH has kept the personal file of each worker. Based on interview with management and labor union, the recruitment is conducted based on the company requirement. Worker promotion, mutation or demotion is done through the employee performance assessment. Company has provide the assessment documents, promotions and the employee appointments. For example :

- Promotion Decree No. 001/SMLM-PRM/03/2019. Company can show documentation of proposal for appointment, attendance recap report, work performance appraisal form, etc
- Work Agreement No. 48/SMLE/PKWT-A1/II/2019. Company can show documentation of job applications completed with the results of the assessment and the results of the health examination.

**Status: Comply**

**6.9**

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

**Major 6.9.1**

There is no change in policy until the surveillance assessment 1.1

The management unit has a policy to prevent all forms of sexual harassment signed by top management on August 1, 2011. Based on interview with workers, gender committee and labor union, known that policy to prevent all forms of abuse and sexual harassment have been disseminated by company throughout gender committee. Every complaint related to women's issues is conveyed and resolved through a gender committee.

Examples of gender committee socialization:

- Report on documentation of sexual harassment socialization, flow of sexual harassment and rights related to female labor on March 29, 2019 attended by 7 participants
- Socialization of Understanding Reproduction of H1 & H2 women and Sexual Harassment at work on April 16 2019 attended by 70 participants.

Based on the interviews with female workers in daycare, spraying workers and interviews with gender committee, explained that all of the female workers are obtained leave entitlement to give birth for three months (H2) and the right to rest for female workers who experienced menstruation for maximal 2 days (H1). The mechanism of giving H1 is done by first checking in the clinic. For example :

- Record of menstruation leave at Sei Rindu Estate division IV on February 23 2019.
- Record of birth leave at Semilar mill based on letter dated 11 February 2018.

**Minor 6.9.3**

The company has Complaints and Grievance Handling Procedures No. SOP / SMART / SIGS-CSR / SADV / I / 003. The procedure explains that the company guarantees the anonymity of whistleblowers and reporters. The incoming



aspiration data is recorded in the form of recording complaints and dissatisfaction. Results of interview with labor unions and gender committees, known that company has special complaint mechanisms through gender committees. If there are complaints related to women's issues submitted through the board of the gender committee. Interviews with female workers are known they understand the specific complaint mechanism through the gender committee. Based on the interviews with the Gender Committee, during 2018/2019 there were no complaints related to the sexual harassment or violence to all employees.		
	<b>Status: Comply</b>	
<b>6.10</b> <b>Growers and mills deal fairly and transparently with smallholders and other local businesses.</b>		
<b>Minor 6.10.1 &amp; Major 6.10.2</b> The CH has no transaction of buying FFB from independent smallholder nor scheme smallholder.		
<b>Minor 6.10.3 &amp; 6.10.4</b> The CH has no transaction of buying FFB from independent smallholder nor scheme smallholder. All of FFB processed in the SMLM comes from own estate or own group. Based on interview with local contractor (FFB Transporter), it is declared that : <ul style="list-style-type: none"> <li>• The work agreement is renewed every month, and the contractor is given a copy of the agreement.</li> <li>• There are no complaints related to payments. Payments are made on time according to the agreement.</li> <li>• The company has also socialized to contractors related to wages to contractors must comply with regulations regarding minimum wages.</li> <li>• All drivers have been included in BPJS</li> <li>• Based on the agreement, in the event of a work accident, it will be the responsibility of the contractor. During this 2-3 years there have been no work accidents of contractor workers.</li> </ul>		
	<b>Status: Comply</b>	
<b>6.11</b> <b>Growers and millers contribute to local sustainable development wherever appropriate.</b>		
The Certificate Holder shown evidences of contributions contained in CSR programs that are prepared in a participatory manner with the community. CH could show CSR program of 2019 which is divided into 5 categories (education, health, economy, social, and infrastructure). The program was made by SPO Officer has been approved by the unit head. Based on interview with village head of Pantap and public figure of Rungau Raya Village, it is known that the CH has informed of job vacancy to villagers, assisting cost for house electricity installation of villager, etc. Until now, The CH has no smallholder scheme or independent smallholder.		
	<b>Status: Comply</b>	
<b>6.12</b> <b>No forms of forced or trafficked labour are used.</b>		
<b>Major 6.12.1; Minor 6.12.2; Major 6.12.3</b> Based on review on the labor list document of PT TN and PT BAS, known that there was no illegal worker. The entire workers have their position based on the signed work contract or appointment letter. Interview with labor union revealed that there is no force or illegal labor who work in company. Moreover, company does not hire illegal or force labor or contract substitution.		
Based on field visit in factory and estate, there was no indication the use of illegal or forced labor. And based on the field visit, there is no indication the use of child labor and no harvesters accompanied by wife or children.		
	<b>Status: Comply</b>	
<b>6.13</b> <b>Growers and millers respect human rights</b>		
<b>Major 6.13.1</b> There were no changes during the surveillance-1.1 assessment. CH has GAR social and environmental policy number 047 / PD / X / 2015 dated October 29, 2015, on point 2 said that: we respect general statements about human rights, FPIC for indigenous peoples and local communities, handle complaints and dissatisfaction responsibly. We will also build economic, social and community positively. In point 3 it states that: we are committed to recognizing, respecting and strengthening all workers' rights.		

The results of interviews with employees (estate and mill), labor unions, contractor known that they already know about Human Rights Policy and during Surveillance 1.1 there was no information related to human rights violations in the company's operational areas.		
	<b>Status: Comply</b>	
<b>PRINCIPLE #7 Responsible development of new plantings</b>		
<b>7.1</b> <b>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.</b>		
7.1.1, 7.1.2, 7.1.3. Based on the results of previous audits, it was found that CH not conducted new planting and no new expansion since 2010. The social impact assessment of activities for both employees and the surrounding community is contained in the Environmental Impact Assessment (Andal) document. The Company has conducted a Study of the Identification of the Social Impacts of PT Tapian Nadenggan's Palm Oil Plantation and PT Buana Artha Sejahtera in 2012. The report is also attached with evidence of involvement of all affected stakeholders, for example: attendance list, documentation in the form of photographs and consultation attendance public.  PT TN and PT BAS have compiled a program for managing and monitoring social impacts for the period 2018-2019, among others, informing the impacts that arise, the stages of work, PIC, location and schedule of implementation.		
	<b>Status: Comply</b>	
<b>7.2</b> <b>Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.</b>		
7.2.1 and 7.2.2 Based on hectare statement data of PT TN and PT BAS, information from management unit and respective Government Agencies, it was informed that there was no new planting and development areas after 2005 November onwards.		
	<b>Status: Comply</b>	
<b>7.3</b> <b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>		
7.3.1 Based on the results of previous audits, it was found that CH conducted new land clearing after 1 November 2005 without preceding HCV identification activities (HCV identification activities were carried out by CH in 2012.). The disclosure process has been carried out and the process of fulfilling the RaCP is still running until RC, when RC there is a statement from the RSPO that the PT TN-BAS is given a one-year grace period (verified in ASA 1.1)  In response, the Company shows a chronology related to the fulfillment of the RaCP, as follows: <ul style="list-style-type: none"> <li>January 28, 2019: The Company sent an email to the RSPO regarding the status of LUCA and Concept Note. (to: <a href="mailto:khing.suli@rspo.org">khing.suli@rspo.org</a>)</li> <li>February 1, 2019: The Company warns back to the RSPO via email for previous e-mail responses. (to: <a href="mailto:khing.suli@rspo.org">khing.suli@rspo.org</a>)</li> <li>February 13, 2019: Continuing telephone communication, the company sent an email to the RSPO regarding NC related LUCA in several units owned by the company. (to: <a href="mailto:salahudin.yaacob@rspo.org">salahudin.yaacob@rspo.org</a>)</li> <li>February 20, 2019: The RSPO responds with an answer "I am working with the LUCA reviewers to get the reviews finalized based on cloud cover justification so that we can proceed and address the NC issues." (From: <a href="mailto:Khing.suli@rspo.org">Khing.suli@rspo.org</a>)</li> <li>April 30, 2019: The RSPO sends the results of the LUCA review sent by the company. The RSPO requested further clarification from the company regarding the data sent. "(From: <a href="mailto:Khing.suli@rspo.org">Khing.suli@rspo.org</a>)</li> </ul>		

- June 23, 2019: The Company submits follow-up documents related to the results of previous clarification requested by the RSPO. (LUCA review) (To: khing.suli@rspo.org) and has been responded to on 28 June 2019 which states that clarification has been received by RSPO.

However, until the surveillance-1.1 audit activity was carried out, there was no further response from the RSPO which stated that the HCV compensation plan (RaCP) that had been prepared had been received by RSPO. **Non-conformity No.2019.01**

### 7.3.2 & 7.3.3

Based on the results of interviews with management is known that the initial activity of land clearing was done in June 2005. Since the last assessment (2018), there has been no new land clearing or expansion of operational areas undertaken by the management unit

### 7.3.4 & 7.3.5

The results of document review, field visits and interviews found that CH did not expand or conduct new planting since the last assessment (2018). HCV management plan for existing operational areas are able to seen on criteria 5.2.

Major 7.3.1	<b>Status: Non-conformance NC.2019.01 with major category</b>
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### 7.4

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

#### 7.4.1 and 7.4.2

Based on hectare statement data of PT TN and PT BAS, information from management unit and respective Government Agencies, it was informed that there was no new planting and development areas after 2005 November onwards.

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

#### Major 7.5.1

Based on documents review, interview and field visits at CH, it was known that CH did not expand the operational area and there is no more land clearing activity since the last assessment.

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

#### Major 7.6.1; Major 7.6.2; Major 7.6.3; Minor 7.6.4; Minor 7.6.5; Minor 7.6.6

Based on documents review, interview and field visits at CH, it was known that CH did not expand the operational area and there is no more land clearing activity since the last assessment.

	<b>Status: Comply</b>
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### 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 visits at CH, it is known that CH did not expand the operational area and there is no more land clearing activity since the last assessment (June 2018).

	<b>Status: Comply</b>
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### 7.8

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

Based on documents review, interview and field visits at CH, it is known that CH did not expand the operational area and there is no more land clearing activity since the last assessment (2018). Existing GHG emission calculations result are able to seen on Indicator 5.6.

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

**BPM Aspect**

The owl monitoring in BOB uses a camera.

In HCV aspect, the company are continuously conduct the management and monitoring or HCV area and protected species (RTE).

In the environment and social aspects, the CH is continuously maintaining the relationships with stakeholders and conduct environment management and monitoring according to the environment document matrix.

The CH are annually conduct internal audit to evaluate and review all RSPO standard requirements and as well as the national regulations.

**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										
<b>5.1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>										
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>The audit are done to Palm Oil Mill namely Semilar POM where legally managed under PT Tapian Nadenggan. The main product from this mill is CPO and Palm Kernel where the CPO placed in storage tank at the same location. The certified CPO from this mill are delivered to Bagendang bulking and Bumi Harjo bulking (both has been separated certified) and transported by trucks. PK product are delivered to Perdana KCP PT Binasawit Abadi Pratama.</p> <p>PT Satrindo Jaya Agropalma as a CPO &amp; PK transportation services company is a subsidiary of Golden Agri Resources (RSPO membership) and also as a parent company of PT Tapian Nadenggan. This company has had legal ownership and official agreement with PT Tapian Nadenggan.</p>										
	<b>Status: Comply</b>										
5.1.2	<p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>Semilar POM is a palm oil mill which is only sell its own product, not purchased CPO and PK from outsider, so that this requirement are not applicable.</p>										
	<b>Status: Comply</b>										
5.1.3	<p>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> <p>Semilar POM has been registered as RSPO member under GAR (as a parent company) membership number: 1-0096-11-000-00. The mill also has been registered on RSPO IT Platform, with detailed below:</p>										
	<table border="1"> <tr> <td>Sub License ID</td><td>CB73815</td></tr> <tr> <td>Member Name</td><td>PT. Tapian Nadenggan - Semilar Palm Oil Mill</td></tr> <tr> <td>Member ID</td><td>RSPO_PO1000001156</td></tr> <tr> <td>Start Date</td><td>20-09-2018</td></tr> <tr> <td>End Date</td><td>21-07-2019</td></tr> </table>	Sub License ID	CB73815	Member Name	PT. Tapian Nadenggan - Semilar Palm Oil Mill	Member ID	RSPO_PO1000001156	Start Date	20-09-2018	End Date	21-07-2019
Sub License ID	CB73815										
Member Name	PT. Tapian Nadenggan - Semilar Palm Oil Mill										
Member ID	RSPO_PO1000001156										
Start Date	20-09-2018										
End Date	21-07-2019										
	<b>Status: Comply</b>										
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>Semilar Mill did not have any processing aids at site neither on facility nor on material.</p>										
	<b>Status: Not Applicable</b>										
<b>5.2</b>	<b>Supply chain model</b>										
5.2.1	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading</p>										



can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.

The mill implements 2 RSPO SCC modules namely MB and IP which have been scheduled in such a way by management, IP shall applied 1 June - 23 November 2018, period of 24 November 2018 - 31 March 2019 applying MB and 1 April 2019 - 31 May 2019 applying IP.

The mill has claimed the product according to the model applied.

**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 implements 2 RSPO SCC modules namely MB and IP which have been scheduled in such a way by management, IP shall applied 1 June - 23 November 2018, period of 24 November 2018 - 31 March 2019 applying MB and 1 April 2019 - 31 May 2019 applying IP.

In the process of upgrading from MB to IP, SMLM has carried out the washing and flushing process for all facilities used, namely:

- Flushing pipes and tanks along the process line are done within 4 x 12 hours (4 days with 12 hours of processing per day), the raw material are 100% certified FFB, CPO and PK produced are claimed to be MB
- Washing storage tanks (OST 1, 2 and 3) are done using soap-water, and the residual are discharged to WWTP
- Flushing the dispatch pipeline using IP CPO at the end of the MB CPO shipment
- Washing all CPO transport trucks from the mill to bulking.

The entire process are detailed in the summary of module D.

**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.

Similar POM has SOP for implementation RSPO SCCS for IP (module D) and MB (module E), namely:

- No.: TN-SMLM-SCCS / SOP / 01 5th revision dated 27 September 2018 for the application of RSPO SCC - IP
- No.: TN-SMLM-SCCS / SOP / 03 2nd revision to the date of September 27 2018 for the application of RSPO SCC - MB

In both procedures, all elements of the requirements in the RSPO SCCS system and standards have been explained, such as:

- Determination of CCP-related employees: security guards, weighing officers, foreman grading, dispatch operators, lab analysts, production clerk, assistants, head adm., mill unit head, production controller, support department
- The process of receiving raw material
- Calculation of mass balance report
- Product delivery
- Registration of transactions on the palm trace

**Status: Comply**

### 5.3.2

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

No changes to the internal audit procedure.

Similar Mill has had procedure "SOP Internal Audit (SOP/SMART/UMUM/SADV/I/2009, dated 1 July 2014)" to conduct internal audit for all aspect (P&C and SCCS). The specific statement within the procedure as follow:

1.2. Objective: Ensuring the process of SPO internal audit in order to acknowledge effectiveness and compliances with applicable certification system requirements.

2.2.1 Internal Audit Program: an internal audit conducting annually (once a year) and possible to perform additional audit in within.

The last internal audit are done in 3 March 2019, there was two NCs raised, which has been closed out by the mill.	
	<b>Status: Comply</b>
<b>5.4</b>	<b>Purchasing and goods in</b>
<b>5.4.1</b>	
The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier	
The audit are done to a palm oil mill which produce CPO and PK, this Mill did not purchased CPO and/or PK from others.	
	<b>Status: Comply</b>
<b>5.4.2</b>	
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents	
Mechanism for handling non-conforming oil palm products are specific describes within "SOP Penanganan Keluhan dan Ketidakpuasan (SOP/SMART/SIGS-CSR/SADV/003, tertanggal 1 Juli 2014)". This procedure is general applied to all complaints aspects, including non-conforming products from customer/buyer.	
	<b>Status: Comply</b>
<b>5.5</b>	<b>Outsourcing activities</b>
<b>5.5.1</b>	
In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.	
Semilar Mill has specific mechanism related to outsource or contractors handling. This procedure namely "SOP Pengendalian Kontraktor (SOP/SMART/UMUM/SADV/006, issued 1 July 2014)". This procedure is applicable to all outsource/contractors activities to look carefully at Sustainability aspects in their operation. The certified CPO from this mill are delivered to Bagendang Bulking and Bumi Harjo bulking which both has been certified. While the PK are delivered to Perdana KCP PT Binasawit Abadi Pratama.	
PT Satrindo Jaya Agripalma as a CPO & PK transportation services company is a subsidiary of Golden Agri Resources (RSPO membership) and also as a parent company of PT Tapan Nadenggan. This company has had legal ownership and official agreement with PT Tapan Nadenggan. CSPO by PT Satrindo Jaya Agripalma (Contract #002/TN/SMLM/01/2019-CPO) and CSPK by PT Satrindo Jaya Agripalma (Contract #001/BAP/SMLM/10/2017-PK).	
	<b>Status: Comply</b>
<b>5.5.2</b>	
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:	
<ul style="list-style-type: none"> <li>a. The site has legal ownership of all input material to be included in outsourced processes;</li> <li>b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</li> <li>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>d. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance</li> </ul>	
The mill has shown that the product since it produced, transported and stored in bulking, are legally owned by the SMLM. Oil palm product (CPO) from Semilar Mill delivered to be stored in Bagendang Bulking and Bumi Harjo bulking, until it being shipped to buyer. While and PK product sent to KCP Perdana (PT Binasawit Abadi Pratama). Transportation is using truck owned by PT Satrindo Jaya Agripalma (CSPO & CSPK), a subsidiary of parent company Golden Agri Resources.	
The Certified Mill ensuring the following are:	
<ul style="list-style-type: none"> <li>A. Legal ownership of all input material (FFB's) among others: PT Tapan Nadenggan (Semilar Mill) (SMLE and SRDE) and PT Buana Artha Sejahtera (MNAE &amp; PURE). Both of these companies have been registered in Indonesia</li> </ul>	

	<p>Investment Board.</p> <p>B. Contractual agreement for delivering oil palm product i.e: CSPO by PT Satrindo Jaya Agripalma (Contract #002/TN/SMLM/01/2019-CPO) and CSPK by PT Satrindo Jaya Agripalma (Contract #001/BAP/SMLM/10/2017-PK).</p> <p>C. Document control system to ensure outsources activities through their own procedure. SOP/SMART/UMUM/SADV/I/006, issued on 1 July 2014 is their own procedure related to Contractor Handling Mechanism.</p> <p>D. Both of applicable contracts for physical handling of oil palm product is already stated to comply with all sustainability aspects.</p>
	<b>Status: Comply</b>
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 are using second party outsources. Delivery of certified oil palm and palm kernel product is using PT Satrindo Jaya Agripalma. Record of all name and contact details of outsources and contractors are well maintained</p>
	<b>Status: Comply</b>
5.5.4	<p>The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products</p>
	<p>There is no changes to the transporter. Delivery of certified oil palm and palm kernel product is using PT Satrindo Jaya Agripalma. Record of all name and contact details of outsources and contractors are well maintained.</p>
	<b>Status: Comply</b>
5.6	<b>Sales and goods out</b>
5.6.1	<p>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</p>
	<p>Information of products buyers and product sales contained in the document sales contract and delivery order, the sample documents are presented below:</p> <ul style="list-style-type: none"> <li>- DO no.: 007/MB/1456/03/2019 for CSPO MB amount of 3500 MT, seller: PT Tapan Nadenggan, buyer: PT Smart Tbk Refinery, address in: Sinarmas Land Plaza – Jakarta, shipping on 12-13 March 2019 from Bumi Harjo Bulking</li> <li>- DO no.: 014/IP/1456/05/2019 from PT Tapan Nadenggan to buyer PT Smart Tbk Refinery (address in Jakarta), shipping on 27-28 May 2019 from BHJ Bulking, type of product CSPO IP/RSG</li> <li>- Sales contract of PK no.: 1456/KER/1456/19/L02, 500MT, RSPO IP, from PT Tapan Nadenggan to buyer PT Bina Abadi Pratama KCP address in Seruyan-Central Kalimantan-Indonesia.</li> </ul>
	<b>Status: Comply</b>
5.7	<b>Registration of transactions</b>
5.7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are mills, traders, crushers and refineries; and</li> <li>• 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</li> </ul>
	<p>This audit are conducted:</p> <ul style="list-style-type: none"> <li>- A palm oil mill which processed FFB produced CPO and PK, namely Semilar POM</li> <li>- All facility are legally and product owned by the Semilar POM which managed under PT Tapan Nadenggan, also has been registered on Palm Trace with registered member ID: <b>RSPO_01000001156</b>.</li> </ul>
	<b>Status: Comply</b>
5.7.2	<p>The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p>

- Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.
- Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.
- Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

The mill has been followed all the required action mentioned through RSPO IT Platform such as:

- All product shipping has been announced: 11 announcements of CSPO IP product shipping (IP claim and SG claim); 1 announcement of CSPO MB shipping; 22 announcements of CSPK IP product shipping; and 6 announcements of CSPK MB shipping. Announcement sample showed in the table below:

Transaction ID	Buyer	Product	Program	Volume*	Transaction Type	Shipping/ BL Date
TR-53d06836-9d37	PT SMART Tbk - Surabaya Refinery	CSPO	IP	4,955.47	Shipping	5/29/2019
TR-7768d62f-4551	PT Binasawit Abadi Pratama - Perdana KCP	CSPK	IP	506.53	Shipping	5/21/2019
TR-77a17130-f11e	PT Binasawit Abadi Pratama - Perdana KCP	CSPK	Mass Balance	234.43	Shipping	4/9/2019
TR-beb9dbd7-33c8	PT SMART Tbk - Surabaya Refinery	CSPO	Mass Balance	3,500.00	Shipping	3/15/2019

- Annual tracing are done by the marketing department, its according to the mill's SOP, the mill shows final transaction record as per 23 June 2019 as record of tracing
- The mill has been done a remove stock to the CSPO product which has been sold on other scheme (ISCC and RSG) and or conventional. For e.g.:
  - ✓ Stock transaction id no.: ST-TR-2a204a48-fe41 on 18-06-2019, product type: CSPK IP, volume: 431.94 MT
  - ✓ Stock transaction id no.: ST-TR-3710fbd-bde53 on 18-06-2019, product type: CSPK MB, volume: 264.91 MT
  - ✓ Stock transaction id no.: ST-TR-933f5cc4-1384 on 18-06-2019, product type: CSPO IP, volume: 1,252.2 MT
  - ✓ Stock transaction id no.: ST-TR-79a350b3-a80d on 25-05-2019, product type: CSPO MB, volume: 2,705.05 MT
- The mill has confirm all transactions conducted.

**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 training of SCCS has planned to be done once a year, the latest training are conducted in 27 Aug 2018 to security, WB operator, grading operator, laborer, CPO and PK dispatch operator. Training SCCS to unit head of mill and KTU has been done in 14 May 2019.

The next training are planned on Aug 2019.

**Status: Comply**

### 5.8.2

Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed	
The training of SCCS has planned to be done once a year, the latest training are conducted in 27 Aug 2018 to security, WB operator, grading operator, laborer, CPO and PK dispatch operator. Training SCCS to unit head of mill and KTU has been done in 14 May 2019	
	<b>Status: Comply</b>
<b>5.9</b>	<b>Record keeping</b>
<b>5.9.1</b>	
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	
Semilar Mill has had maintain accurate, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases (certified sources only).	
The record keeping saves in "Mass Balance Report of SMLM 2017/2018". Within this record, the certificate holders maintain the FFB's sources based on monthly bases.	
	<b>Status: Comply</b>
<b>5.9.2</b>	
Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock	
The Certificate Holder has had procedure of Record and Document Handling (SOP/SMART/UMUM/SADV/II/001, issued 1 July 2014). 2.4.12. e All records shall be kept within 10 (ten) years.	
Based on document verification, the management unit can show all recording data for two years ago. Such as: contract document, FFB Consignment, CPO and PK Ticket, etc.	
	<b>Status: Comply</b>
<b>5.9.3</b>	
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.	
Semilar Mill are applying combine SCC module MB and IP with specified schedule. The estimate volume of sustainable CPO and PK for IP and MB are recorded in the Annex of certificate.	
	<b>Status: Comply</b>
<b>5.10</b>	<b>Conversion factors</b>
<b>5.10.1</b>	
Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries	
The audit are done to a palm oil mill which only convert FFB to CPO and PK. The conversion rate to provide a reliable estimate for the amount of certified output from the associated inputs are set based on daily production such KER and OER. For e.g. average of OER in May 2019 is 23.23%, while average of KER is 6.37%.	
	<b>Status: Comply</b>
<b>5.10.2</b>	
Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	
The conversion rate are set based on daily production.	
	<b>Status: Comply</b>



<b>5.11</b>	<b>Claims</b>
<b>5.11.1</b>	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.
	The mill does not use RSPO trademark or logo on product and/or others. However, the mill as RSPO member under GAR has a trademark license no.: 1-0096-11-100-00
	<b>Status: Comply</b>
<b>5.12</b>	<b>Complaints</b>
<b>5.12.1</b>	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.
	Mechanism for handling non-conforming oil palm products and complaints are specific describes within “SOP Penanganan Keluhan dan Ketidakpuasan (SOP/SMART/SIGS-CSRD/SADV/II/003, issued on 1 July 2014)”. This procedure is general applied to all complaints aspects, including complaints and non-conforming products from customer/buyer.
	<b>Status: Comply</b>
<b>5.13</b>	<b>Management review</b>
<b>5.13.1</b>	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken
	Management review for the implementation of RSPO SCCS has been carried out every year by mill management, the last review of was conducted on June 14, 2019.
	<b>Status: Comply</b>
<b>5.13.2</b>	The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>
	Can be shown minutes and summary results of the SCCS management review on June 14, 2019, the inputs discussed are: <ul style="list-style-type: none"> <li>- Results of RSPO SCCS gap analysis and internal audit and discussion of findings during the activity</li> <li>- Consumer feedback indicating that during 2018 there was no feedback submitted</li> <li>- Process performance and product suitability that shows good performance and appropriate module application</li> <li>- Status of corrective actions</li> <li>- Follow-up of previous management reviews, namely to socialize to transporters related to the implementation of SCCS</li> <li>- Changes that can change the management system does not exist</li> <li>- Improvement recommendations do not exist</li> </ul> The number of participants is 8 people including FM, Deputy Secretary, assistant, spo officer, WB operator and security.
	<b>Status: Comply</b>
<b>5.13.3</b>	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>
	Improvement of the effectiveness of the management system and its processes and resource needs is already included within the Management Review.
	<b>Status: Comply</b>

**3.2.2 (Module D) CPO Mills – Identity Preserved Requirements**

Clause	Requirement		
D1	Definition		
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.			
The mill implements 2 RSPO SCC modules namely MB and IP which have been scheduled in such a way by management, IP shall applied 1 June - 23 November 2018, period of 24 November 2018 - 31 March 2019 applying MB and 1 April 2019 - 31 May 2019 applying IP.			
So in this case, module D is applied for verification SCC period of 1 June - 23 November 2018 and 1 April 2019 - 31 May 2019, and module E applied for the period of 24 Nov 2018 - 31 March 2019.			
	Status: Comply		
D.2	Explanation		
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			
Projection of volume that can be claims by the mill has been set and verified by the auditor at the last special audit, it also has been recorded in the RC certificate annex. The actual production for the past 12 months (June 2018 – May 2019) has been verified during ASA 1.1 and also the projection for the next 12 months.			
Product type	Projection from 20 Sept 2018 – 21 July 2019 (MT)	Actual production (June 2018-May 2019) (MT)	Projection from 22 July 2019 – 21 July 2020 (MT)
CSPO IP	101,678.50	65,755.76	47,712
CSPK IP	26,113.36	17,580.74	9,166
	Status: Comply		
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).			
Semilar POM has been registered as RSPO member under GAR (as a parent company) membership number: 1-0096-11-000-00. The mill also has been registered on RSPO IT Platform, with detailed below:			
Sub License ID	CB73815		
Member Name	PT. Tapan Nadenggan - Semilar Palm Oil Mill		
Member ID	RSPO_PO1000001156		
Start Date	20-09-2018		
End Date	21-07-2019		

The mill has been followed all the required action mentioned through RSPO IT Platform such as:

- All product shipping has been announced: 11 announcements of CSPO IP product shipping (IP claim and SG claim); 1 announcement of CSPO MB shipping; 22 announcements of CSPK IP product shipping; and 6 announcements of CSPK MB shipping. Announcement sample showed in the table below:

Transaction ID	Buyer	Product	Program	Volume*	Transaction Type	Shipping/B L Date
TR-53d06836-9d37	PT SMART Tbk - Surabaya Refinery	CSPO	IP	4,955.47	Shipping	5/29/2019
TR-7768d62f-4551	PT Binasawit Abadi Pratama - Perdana KCP	CSPK	IP	506.53	Shipping	5/21/2019

- Annual tracing are done by the marketing department, its according to the mill's SOP, the mill shows final transaction record as per 23 June 2019 as record of tracing
- The mill has been done a remove stock to the CSPO product which has been sold on other scheme (ISCC and RSG) and or conventional. For e.g.:
  - ✓ Stock transaction id no.: ST-TR-2a204a48-fe41 on 18-06-2019, product type: CSPK IP, volume: 431.94 MT
  - ✓ Stock transaction id no.: ST-TR-933f5cc4-1384 on 18-06-2019, product type: CSPO IP, volume: 1,252.2 MT
- The mill has confirm all transactions conducted.
- All the CSPO IP are sold to PT Smart TBK-Refinery
- All the CSPK IP are sold to PT BAP-CKP

**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**

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

Similar POM has SOP for implementation RSPO SCCS for IP (module D) and MB (module E), namely:

- No.: TN-SMLM-SCCS / SOP / 01 5th revision dated 27 September 2018 for the application of RSPO SCC - IP
- No.: TN-SMLM-SCCS / SOP / 03 2nd revision to the date of September 27 2018 for the application of RSPO SCC - MB

In both procedures, all elements of the requirements in the RSPO SCCS system and standards have been explained, such as:

- Determination of CCP-related employees: security guards, weighing officers, foreman grading, dispatch operators, lab analysts, production clerk, assistants, head adm., mill unit head, production controller, support department
- The process of receiving raw material
- Calculation of mass balance report
- Product delivery
- Registration of transactions on the palm trace

Besides, in the procedure there is an explanation of the mechanism of upgrade from MB to IP are as follows:

- The head mill unit publishes circular letters regarding cut-off dates for the implementation of IP supply chain models. Since the cut-off date has been established, the mill is only allowed to accept certified FFB. This circular letter is distributed to all unit heads and KTU estate that supplies FFB to the mill, Head Adm. of mill, and all employees related to critical control points
- CPO produced from certified FFB processing after the cut-off date is stored in tanks that store mass balance CPO, and PK generated from processing certified FFB after the cut-off date is stored in KSB which stores PK Mass balance. This

- is done at least 1 x 24 hours to ensure that the mass product supply chain models in all facilities have been used up
- c) Unit head instructs washing CPO tanks, cleaning KSB and transport tanks. This is done to prepare CPO, KSB and transport tank, storage tanks for IP product storage. Washing the CPO tank, cleaning KSB and transport tanks must be equipped with minutes.
  - d) After CPO and KSB tanks are washed and ready to be used to accommodate CPO and PK IP, CPO produced from processing certified FFB is stored in tanks that store IP CPO and PK produced from processing certified

The mechanism of downgrade from IP to MB is as follows:

- a) The head mill unit issues a circular letter regarding cut-off date of production to implement the MB supply chain model. Since the cut-off date has been established, the mill is allowed to accept certified or non-certified FFBs. This circular letter is distributed to all unit heads and KTU estate that supplies FFB to the mill, mill head adm., and all employees related to critical control points
- b) CPO produced from processing FFB after the cut-off date is CPO mass balance. All IP CPO that is still stored in the tank which is flowed by the CPO MB will become MB CPO
- c) PK generated from processing FFB after the cut-off date is PK MB. All IP PKs that are still stored in KSB

Based on interviews with relevant officers, namely security, WB operator and mill head adm., the parties can explain related to implementation of SCCS for both models (IP and MB), including being able to explain related to the implementation schedule for the SCC model. Security and WB operators are aware of certified and non-certified FFB sources.

In the process of upgrading from MB to IP, SMLM has carried out washing and flushing on production lines, storage tanks, dispatch pipes and washing on transport-tank used to transport CPO to bulking. The record for washing and flushing can be shown as follows:

- Declare of MB are made on 24 Nov 2018 which applied until 31 March 2019, the remaining CSPO IP stock during the MB applied are sold as ISCC-MB.
- Declare of MB upgraded to IP are made on April 1, 2019, notification of cut-date production and upgrading to RSPO IP by SPO Officer on March 18, 2019 (known by FM SMLM), that an upgrade to IP will take place from April 1, 2019. The cut of date for non cert FFB is carried out 4 days before, namely March 27, 2019. Determination of 4 days of cut-date process based on the calculation of 2x24 hours divided by average processing hours per day (14.84 hours), so that in 4 days are processed a 100% FFB from certified sources for flushing the process-lines. Based on records of FFB production and receipt in SMLM period 1 June 2018-31 May 2019, it can be seen that the last FFB shipment from non-certified sources was 31 Jan 2019.
- Sighted a circular letter from FM SMLM dated March 18, 2019 to all unit heads, adm head and PC of Central Kalimantan-3 which explain related to the implementation of the cut-of-date before upgrading to IP and sighted the instruction document to SMLM head adm, WB operator and security (IK dated 25 March 2019, no.: 001 / SMLM-INT / 03/2019) which instructs that since 1 April 2019 the mill only receive the FFB from certified sources. There is an official report on charging OST-2 for IP products on April 1, 2019.
- Sighted the document of calculation and implementation flushing of station nut and kernel, flushing are conducted on 27-31 March 2019.  
Document of flushing of the clarification station, the total processing hours required is 9.21 hours from sand trap to CPO and 7.2 hours for the sand trap up to the sludge. Flushing is carried out on March 27-31, 2019.
- The washing of storage tank (OST) no.: 2 carried out on 14 Dec 2018 until 20 January 2019, washing is done using soap and the residual water is discharged to WWTP. There is a work instruction for washing storage No. 2 which informs that the emptying has been carried out since 10 Dec 2018.
- Sighted the official report of OST-1 washing on 28-29 March 2019. The OST-3 washing was carried out on 13-14 April 2019, by pumping the remaining sediment into the tank-truck and disposing to WWTP, storage tank and dispatch pipeline flushing and washing residual water are discharged into WWTP.
- The last shipment of CPO-MB was carried out on April 8, 2019 from OST-3 with no. DO: 1456 / CPO / 1456/19 / T007 13.50 MT were sent to BMH Bulking.
- Flushing of the dispatch pipeline is carried out on April 8, 2019 using 100% RSPO CPO IP which is then claimed to be ISCC-MB, no. Do: 1456 / CPO / 1456/19 / T007 as many as 13.20 MT sent to BMH Bulking.
- The last of PK-MB delivery was carried out on 9 April 2019 with DO: 1456 / KER / 1456/19 / L007 as many as 9.36 MT to PT BAP.

- Can be shown the record of KSB-1B discharge on 16 April 2019, KSB-2B discharge on April 22, 2019, KSB-3B emptying on April 24, 2019 and KSB-4B discharge on April 27, 2019.
- Sighted the records of KSB-1A discharge on March 23, 2019, KSB-2A on March 28, 2019, KSB-3A on March 29, 2019, and KSB-4A on March 30, 2019.
- CPO truck washing was carried out on April 8, 2019 (truck no. Police KM9889PE, KM9819FO, KB8561HA, KH9962P)

FFB-IP processing starts on 1 April 2019, The CPO-IP produced on 1 April 2019 is stored in OST 2, CPO-IP shipments are done on 26 April 2019 as many as 2000 MT.

**Status: Comply**

### D.3.2

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

In the SOP of the RSPO product supply chain - IP and MB models have been explained related to the mechanism for verifying FFB received, namely in clause 6.1 concerning receipt of raw material.

FFB received by the mill is recorded and recapitulated by weigh-bridge operator, FFB from certified sources is identified by given information that distinguishes from non-certificate, and the information is contained in the supplier list form.

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 is 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 tonnage and sources of certified FFBs received.

The Semilar POM has verified all FFB received from certified and non-certified sources, in the implementation of SCCS SMLM applies 2 SCC modules namely IP and MB. In accordance with the schedule, SMLM has implemented IP since the period of 1 June-23 Nov 2018 and 1 April-31 May 2019. While the application of MB is carried out on 24 Nov 2018 - 31 Mar 2019. In the following table is verification of acceptance of FFB during the application of IP Module:

Month	FFB RECEIVED FROM CERTIFIED ESTATES (KG)		Total cert
	Certified FFB - scope audit (SMLE, PURE, SRDE, MNDE)	Certified FFB from out grower - PT BAP (BTGE, TGRE, SRGE, TWRE)	
Jun 2018	36,755,150	-	36,755,150
Jul 2018	42,743,540	3,082,120	45,825,660
Aug 2018	38,358,740	5,496,380	43,855,120
Sept 2018	33,185,250	6,809,800	39,995,050
Oct 2018	30,225,870	4,911,850	35,137,720
1-23 Nov 2018	18,656,950	3,508,460	22,165,410
24 Nov 2018 – 31 March 2019 → MB Applied (see module E)			
Apr 2019	28,431,500	756,490	29,187,990
May 2019	29,401,520	-	29,401,520
Total	257,758,520	24,565,100	282,323,620

**Status: Comply**

#### D.4.2

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

There is no exceeding volume of RSPO IP product compare between projection and actual production since June 2018 – May 2019, as showed in the table below:

Product type	Projection from 20 Sept 2018 – 21 July 2019 (MT)	Actual production (June 2018-May 2019) (MT)
CSPO IP	101,678.50	65,755.76
CSPK IP	26,113.36	17,580.74



	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 real-time basis.									
Semilar Mill has record and balance all received of RSPO certified FFB and deliveries of RSPO-IP certified product (CSPO and CSPK) in real time basis.									
The mill are implements 2 SCCS modules namely MB and IP which have been scheduled in such a way by management, i.e. period 1 June - 23 November 2018 applying IP, period 24 Nov 2018 - 31 March 2019 applying MB, and 1 April 2019 - 31 May 2019 applying IP. Shown in the table below:									
CSPO									
	CPO produced (MT)			CPO Dispatch (MT) to bulking					
	IP	MB	NC	IP → ISCC	MB → ISCC	RSPO IP	RSPO MB	MB-RSG	MB-Conv.
Total	65,755.76	29,814.94	407.95	27502.88	19484.97	36,536.23	4,011.79	7234.25	38.43
Note:									
<ul style="list-style-type: none"><li>- 24 Nov 2018 – 31 March 2019 → SCC MB are applied, stock of CSPO IP amount of 1303.28 MT are downgraded to MB and delivered as ISCC MB.</li><li>- 1 April 2019 – 31 May 2019 → SCCS IP applied, stock of CSPO IP stored in OST 2 (washing and flushing has been done on 14 Dec 2018 to 20 Jan 2019)</li><li>- Delivery of ISCC MB on 8 April 2019, amount of 192 MT are taken from MB stock.</li></ul>									
CSPK									
	PK produced			PK Dispatch to buyer					
	IP	MB	NC	RSPO IP	RSPO MB	Cert as Conv.			
Total	17,580.74	6,874.25	93.85	17,386.90	6,614.82	0.251			
Note:									
<ul style="list-style-type: none"><li>- 24 Nov 2018 – 31 March 2019 → SCC MB are applied, stock of CSPK MB are downgraded to MB and delivered as MB.</li><li>- 1 April 2019 – 31 May 2019 → SCCS IP applied, stock of CSPK IP stored in KSB 1A-4A (emptying of KSB 1A-4A done on 23, 28, 29, 30 March 2019)</li></ul>									
The mill are considered to ensure the cut-of-date between IP and MB implementation in the SCC Mass Balance report. OFI									
	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.									
In the SOP it has been explained that at the time of IP implementation, the SMLM ensured that FFB could be processed only from certified sources. Then, SMLM has set a schedule for the application of IP and MB to avoid mixing of certified and non-certified raw materials.									
In the process of upgrading from MB to IP, SMLM has carried out washing and flushing on production lines, storage tanks, dispatch pipes and washing on transport-tank used to transport CPO to bulking. The record for washing and flushing can be shown as follows:									
<ul style="list-style-type: none"><li>- Declare of MB are made on 24 Nov 2018 which applied until 31 March 2019, the remaining CSPO IP stock during the MB applied are sold as ISCC-MB.</li><li>- Declare of MB upgraded to IP are made on April 1, 2019, notification of cut-date production and upgrading to RSPO</li></ul>									

IP by SPO Officer on March 18, 2019 (known by FM SMLM), that an upgrade to IP will take place from April 1, 2019. The cut of date for non cert FFB is carried out 4 days before, namely March 27, 2019. Determination of 4 days of cut-date process based on the calculation of 2x24 hours divided by average processing hours per day (14.84 hours), so that in 4 days are processed a 100% FFB from certified sources for flushing the process-lines. Based on records of FFB production and receipt in SMLM period 1 June 2018-31 May 2019, it can be seen that the last FFB shipment from non-certified sources was 31 Jan 2019.

- Sighted a circular letter from FM SMLM dated March 18, 2019 to all unit heads, adm head and PC of Central Kalimantan-3 which explain related to the implementation of the cut-of-date before upgrading to IP and sighted the instruction document to SMLM head adm, WB operator and security (IK dated 25 March 2019, no.: 001 / SMLM-INT / 03/2019) which instructs that since 1 April 2019 the mill only receive the FFB from certified sources. There is an official report on charging OST-2 for IP products on April 1, 2019.
- Sighted the document of calculation and implementation flushing of station nut and kernel, flushing are conducted on 27-31 March 2019.

Document of flushing of the clarification station, the total processing hours required is 9.21 hours from sand trap to CPO and 7.2 hours for the sand trap up to the sludge. Flushing is carried out on March 27-31, 2019.

- The washing of storage tank (OST) no.: 2 carried out on 14 Dec 2018 until 20 January 2019, washing is done using soap and the residual water is discharged to WWTP. There is a work instruction for washing storage No. 2 which informs that the emptying has been carried out since 10 Dec 2018.
- Sighted the official report of OST-1 washing on 28-29 March 2019. The OST-3 washing was carried out on 13-14 April 2019, by pumping the remaining sediment into the tank-truck and disposing to WWTP, storage tank and dispatch pipeline flushing and washing residual water are discharged into WWTP.
- The last shipment of CPO-MB was carried out on April 8, 2019 from OST-3 with no. DO: 1456 / CPO / 1456/19 / T007 13.50 MT were sent to BMH Bulking.
- Flushing of the dispatch pipeline is carried out on April 8, 2019 using 100% RSPO CPO IP which is then claimed to be ISCC-MB, no. Do: 1456 / CPO / 1456/19 / T007 as many as 13.20 MT sent to BMH Bulking.
- The last of PK-MB delivery was carried out on 9 April 2019 with DO: 1456 / KER / 1456/19 / L007 as many as 9.36 MT to PT BAP.
- Can be shown the record of KSB-1B discharge on 16 April 2019, KSB-2B discharge on April 22, 2019, KSB-3B emptying on April 24, 2019 and KSB-4B discharge on April 27, 2019.
- Sighted the records of KSB-1A discharge on March 23, 2019, KSB-2A on March 28, 2019, KSB-3A on March 29, 2019, and KSB-4A on March 30, 2019.
- CPO truck washing was carried out on April 8, 2019 (truck no. Police KM9889PE, KM9819FO, KB8561HA, KH9962P)

FFB-IP processing starts on 1 April 2019, The CPO-IP produced on 1 April 2019 is stored in OST 2, CPO-IP shipments are done on 26 April 2019 as many as 2000 MT.

**Status: Comply**

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

Clause	Requirement		
E.1	Definition		
E.1.1			
Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.			
The mill implements 2 RSPO SCC modules namely MB and IP which have been scheduled in such a way by management, IP shall applied 1 June - 23 November 2018, period of 24 November 2018 - 31 March 2019 applying MB and 1 April 2019 - 31 May 2019 applying IP.			
The module E is applied to verify SCC since 24 Nov 2018 – 31 March 2019.			
	Status: Comply		
E.2	Explanation		
E.2.1			
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. 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.			
Projection of volume that can be claims by the mill has been set and verified by the auditor at the last special audit, it also has been recorded in the RC certificate annex. The actual production for the past 12 months (June 2018 – May 2019) has been verified during ASA 1.1 and also the projection for the next 12 months.			
Product type	Projection from 20 Sept 2018 – 21 July 2019 (MT)	Actual production (June 2018-May 2019) (MT)	Projection from 22 July 2019 – 21 July 2020 (MT)
CSPO MB	37,941.31	29,814.94	35,740
CSPK MB	7,222.94	6,874.25	6,777
	Status: Comply		
E.2.2			
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).			
Semilar POM has been registered as RSPO member under GAR (as a parent company) membership number: 1-0096-11-000-00. The mill also has been registered on RSPO IT Platform, with detailed below:			
Sub License ID	CB73815		
Member Name	PT. Tapian Nadenggan - Semilar Palm Oil Mill		
Member ID	RSPO_PO1000001156		
Start Date	20-09-2018		
End Date	21-07-2019		
The mill has been followed all the required action mentioned through RSPO IT Platform such as:			
- All product shipping has been announced: 11 announcements of CSPO IP product shipping (IP claim and SG claim); 1 announcement of CSPO MB shipping; 22 announcements of CSPK IP product shipping; and 6 announcements of CSPK MB shipping. Announcement sample showed in the table below:			

Transaction ID	Buyer	Product	Program	Volume*	Transaction Type	Shipping/B L Date
TR-77a17130-f11e	PT Binasawit Abadi Pratama - Perdana KCP	CSPK	Mass Balance	234.43	Shipping	4/9/2019
TR-beb9dbd7-33c8	PT SMART Tbk - Surabaya Refinery	CSPO	Mass Balance	3,500.00	Shipping	3/15/2019

- Annual tracing are done by the marketing department, its according to the mill's SOP, the mill shows final transaction record as per 23 June 2019 as record of tracing
- The mill has been done a remove stock to the CSPO product which has been sold on other scheme (ISCC and RSG) and or conventional. For e.g.:
  - ✓ Stock transaction id no.: ST-TR-3710fbd-b-de53 on 18-06-2019, product type: CSPK MB, volume: 264.91 MT
  - ✓ Stock transaction id no.: ST-TR-79a350b3-a80d on 25-05-2019, product type: CSPO MB, volume: 2,705.05 MT
- The mill has confirm all transactions conducted.
- All the CSPO MB are sold to PT Smart TBK-Refinery
- All the CSPK MB are sold to PT BAP-CKP

**Status: Comply**

### E.3 Documented procedures

#### E.3.1

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

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

Similar POM has SOP for implementation RSPO SCCS for IP (module D) and MB (module E), namely:

- No.: TN-SMLM-SCCS / SOP / 01 5th revision dated 27 September 2018 for the application of RSPO SCC - IP
- No.: TN-SMLM-SCCS / SOP / 03 2nd revision to the date of September 27 2018 for the application of RSPO SCC - MB

In both procedures, all elements of the requirements in the RSPO SCCS system and standards have been explained, such as:

- Determination of CCP-related employees: security guards, weighing officers, foreman grading, dispatch operators, lab analysts, production clerk, assistants, head adm., mill unit head, production controller, support department
- The process of receiving raw material
- Calculation of mass balance report
- Product delivery
- Registration of transactions on the palm trace

Besides, in the procedure there is an explanation of the mechanism of upgrade from MB to IP are as follows:

- The head mill unit publishes circular letters regarding cut-off dates for the implementation of IP supply chain models. Since the cut-off date has been established, the mill is only allowed to accept certified FFB. This circular letter is distributed to all unit heads and KTU estate that supplies FFB to the mill, Head Adm. of mill, and all employees related to critical control points
- CPO produced from certified FFB processing after the cut-off date is stored in tanks that store mass balance CPO, and PK generated from processing certified FFB after the cut-off date is stored in KSB which stores PK Mass balance. This is done at least 1 x 24 hours to ensure that the mass product supply chain models in all facilities have been used up
- Unit head instructs washing CPO tanks, cleaning KSB and transport tanks. This is done to prepare CPO, KSB and transport tank, storage tanks for IP product storage. Washing the CPO tank, cleaning KSB and transport tanks must be equipped with minutes.
- After CPO and KSB tanks are washed and ready to be used to accommodate CPO and PK IP, CPO produced from

processing certified FFB is stored in tanks that store IP CPO and PK produced from processing certified

The mechanism of downgrade from IP to MB is as follows:

- The head mill unit issues a circular letter regarding cut-off date of production to implement the MB supply chain model. Since the cut-off date has been established, the mill is allowed to accept certified or non-certified FFBs. This circular letter is distributed to all unit heads and KTU estate that supplies FFB to the mill, mill head adm., and all employees related to critical control points
- CPO produced from processing FFB after the cut-off date is CPO mass balance. All IP CPO that is still stored in the tank which is flowed by the CPO MB will become MB CPO
- PK generated from processing FFB after the cut-off date is PK MB. All IP PKs that are still stored in KSB

Based on interviews with relevant officers, namely security, WB operator and mill head adm., the parties can explain related to implementation of SCCS for both models (IP and MB), including being able to explain related to the implementation schedule for the SCC model. Security and WB operators are aware of certified and non-certified FFB sources.

**Status: Comply**

### E.3.2

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

In the SOP of the RSPO product supply chain - IP and MB models have been explained related to the mechanism for verifying FFB received, namely in clause 6.1 concerning receipt of raw material.

FFB received by the mill is recorded and recapitulated by weigh-bridge operator, FFB from certified sources is identified by given information that distinguishes from non-certificate, and the information is contained in the supplier list form.

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 is 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**

### E.4

#### Purchasing and goods in

#### E.4.1

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

The Semilar POM has verified all FFB received from certified and non-certified sources, in the implementation of SCCS SMLM applies 2 SCC modules namely IP and MB. In accordance with the schedule, SMLM has implemented IP since the period of 1 June-23 Nov 2018 and 1 April-31 May 2019. While the application of MB is carried out on 24 Nov 2018 - 31 Mar 2019. In the following table is verification of acceptance of FFB during the application of IP Module:

Month	FFB CERTIFIED (KG)		Total cert	FFB Received – Non Certified (KG)
	Certified - scope audit (SMLE, PURE, SRDE, MNDE)	Certified-PT BAP (BTGE, Tangar, SRGE, TWRE)		
1 June – 23 November 2018 IP applied				
24-30 Nov 2018	7,295,480	981,070	8,276,550	1,293,670
Dec	22,992,170	7,447,410	30,439,580	456,410
Jan	27,038,650	6,066,590	33,105,240	41,550
Feb	24,495,980	3,886,530	28,382,510	-
March	25,295,660	3,240,140	28,535,800	-
1 Apr – 31 May 2019 IP applied				
Total	107,117,940	21,621,740	128,739,680	1,791,630

**Status: Comply**

### E.4.2



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

There is no exceeding of projection of CSPO and CSPK MB during Jun 2018 – May 2019:

Product type	Projection from 20 Sept 2018 – 21 July 2019 (MT)	Actual production (June 2018-May 2019) (MT)
CSPO MB	37,941.31	29,814.94
CSPK MB	7,222.94	6,874.25

**Status: Comply**

**E.5 Record keeping**
**E.5.1**

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.
- All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
- The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (I.e. product can be sold before it is in stock.)

Semilar Mill has record and balance all received of RSPO certified FFB and deliveries of RSPO-IP certified product (CSPO and CSPK) in real time basis.

The mill are implements 2 SCCS modules namely MB and IP which have been scheduled in such a way by management, i.e. period 1 June - 23 November 2018 applying IP, period 24 Nov 2018 - 31 March 2019 applying MB, and 1 April 2019 - 31 May 2019 applying IP. Shown in the table below:

**CSPO**

	CPO produced (MT)			CPO Dispatch (MT) to bulking					
	IP	MB	NC	IP → ISCC	MB → ISCC	RSPO IP	RSPO MB	MB-RSG	MB-Conv.
<b>Total</b>	65,755.76	29,814.94	407.95	27502.88	19484.97	36,536.23	4,011.79	7234.25	38.43

Note:

- 24 Nov 2018 – 31 March 2019 → SCC MB are applied, stock of CSPO IP amount of 1303.28 MT are downgraded to MB and delivered as ISCC MB.
- 1 April 2019 – 31 May 2019 → SCCS IP applied, stock of CSPO IP stored in OST 2 (washing and flushing has been done on 14 Dec 2018 to 20 Jan 2019)
- Delivery of ISCC MB on 8 April 2019, amount of 192 MT are taken from MB stock.

**CSPK**

	PK produced			PK Dispatch to buyer		
	IP	MB	NC	RSPO IP	RSPO MB	Cert as Conv.
<b>Total</b>	17,580.74	6,874.25	93.85	17,386.90	6,614.82	0.251

Note:

- 24 Nov 2018 – 31 March 2019 → SCC MB are applied, stock of CSPK MB are downgraded to MB and delivered as MB.
- 1 April 2019 – 31 May 2019 → SCCS IP applied, stock of CSPK IP stored in KSB 1A-4A (emptying of KSB 1A-4A done on 23, 28, 29, 30 March 2019)

The mill are considered to ensure the cut-of-date between IP and MB implementation in the SCC Mass Balance report. **OFI**

**Status: Comply**

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

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or√</b>
<b>ASA 1.1</b>	The company do not use any RSPO logo. Trademark license no.: 1-0096-11-100-00.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or√</b>
<b>ASA 1.1</b>	The company do not use any RSPO logo. Trademark license no.: 1-0096-11-100-00.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or√</b>
<b>ASA 1.1</b>	The company do not use any RSPO logo. Trademark license no.: 1-0096-11-100-00.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>ASA 1.1</b>	The company do not use any RSPO logo. Trademark license no.: 1-0096-11-100-00.	√
	<b>Status: Comply</b>	

### 3.4. Summary of RSPO Partial Certification.

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

Golden Agri Resources, Ltd Time Bound Plan (TBP) is explained in table 1.10. Golden Agri Resources run forty two (42) mills and one hundred thirty six (136) estates (own and smallholders) in Indonesia and has achieved RSPO certified for twenty eight (28) mills and supply base in Indonesia. Golden Agri Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri Resources, Ltd on January, 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><b>Company Group/Holding Statement:</b> Companies are already doing internal audits. There are internal audit reports for each company.</p> <p><b>Auditor Verification:</b> Internal Audit report available for uncertified management unit:</p> <ul style="list-style-type: none"> <li>- PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base)</li> <li>- PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base)</li> <li>- PT Agrolestari Mandiri (Pekawai Mill and supply base)</li> <li>- PT Binawit Abadi Pratama (Perdana Mill and supply base)</li> <li>- PT Agrokarya Prima Lestari (Kuayan Mill and supply base), monitoring via SPO Scorecard online.</li> <li>- PT Mitra Karya Agroindo (Tangar Mill and supply base), monitoring via SPO Scorecard online.</li> <li>- PT Paramitra Internusa Pratama (Belian Mill and supply base)</li> <li>- PT Sawit Mas Sejahtera (Sungai Kikim and supply base), monitoring via SPO Scorecard online.</li> </ul>

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

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



iv.	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p><b>Company Group/Holding Statement:</b> There is no issue of labour disputes in uncertified unit. The company also has procedures to deal with complaints workers before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/II/003.</p> <p>Procedures related employee issues is arranged in the form of internal grooves for employees included in the category of internal stakeholders. Media that is used to deliver complaint is a formal letter submitted by unions or incorporated into a suggestion box which is provided in a convenient location.</p> <p><b>Auditor Verification:</b> There is complaint case related to labor dispute (<a href="https://askrspo.force.com/Complaint/s/casetracker">https://askrspo.force.com/Complaint/s/casetracker</a>) In uncertified unit (PT Agro Lestari Mandiri), that in a positive progress to the resolution with mediation via the Dispute Settlement Facility.</p>
v.	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><b>Company Group/Holding Statement:</b> Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 and 2.2 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/II/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p><b>Auditor Verification:</b> Land legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> <li>- PT Paramitra Internusa Pratama (Belian Mill and supply base), still in the process of Committee B and the company has got plantation business permit (IUP)</li> <li>- PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), there is a legal non-compliance.</li> <li>- PT Agro Lestari Sentosa (Jalemo Mill and supply base) and PT Adi Tunggal Mahajaya (Sako Mill) doesn't have Land Use Title (HGU).</li> <li>- PT Kresna Duta Agroindo (Pelakar Mill and supply base), there is a difference the concession area between Land Use Title (HGU) and Plantation Business Permit (IUP) and Permits Location.</li> <li>- PT SMART (Bukit Kapur Mill and supply base, doesn't have land use title (HGU), the HGU is still on process.</li> </ul>

		<ul style="list-style-type: none"> <li>- PT Sawitakarya Manunggal there is an area is still in process for HGU (Committee B meeting).</li> <li>- PT Djuanda Sawit Lestari is an area is still in process for HGU Muara Kandis Estate (574.58 Ha)</li> <li>- PT Ivomas Tunggal there is an area is still in process for HGU Samsam Estate (29.09 Ha), Kandista Estate (158.46 Ha), Nenggala Estate (419.9 Ha), Sei Rokan Estate (102.7 Ha), Ujung Tanjung Estate (557.3 Ha)</li> <li>- PT Buana Wiralestari Mas there is an area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha)</li> <li>- PT Ramajaya Pramukti there is an area is still in process for HGU Rama Rama Estate (318.76 Ha)</li> <li>- 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.</li> </ul> <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>
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### 3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components.

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

<b>NCR No.</b>	<b>: 2018.01</b>	<b>Issued by</b>	<b>: Steve Mualim</b>
<b>Date Issued</b>	<b>: 26 April 2018</b>	<b>Time Limit</b>	<b>: ASA1.1</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 11 June 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 5.1.3</b> <b>Environment monitoring plan document, its implementation report, and the corrective plan (if non-conformance arised from the monitoring result) shall be available. This plan is reviewed on twoyearly basis.</b>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b> Review for environmental monitoring/management plans have been developed and listed on RKL/RPL management review document conducted on March 10, 2017 and these management review indicates that all monitoring paramaters are still relevant with existing mill and estates activites. Meanwhile during these RE-cert, auditor teams found some non compliance i.e result of RKL/RPL review still not described compliance between RKL/RPL matrix and realization done by companies, monitoring plan, and corrections follow up for examples related to : <ul style="list-style-type: none"><li>• Tajahan river, Ruko river, and Rindu river water quality testing are done every semester (based on RKL/RPL matrix should be done 3 times a year)</li><li>• Water biota on Tajahan river, Ruko river, and Rindu river are done every semester (based on RKL/RPL matrix should be done 3 times a year)</li><li>• River flowrate on Tajahan river, Ruko river, are done every semester (based on RKL/RPL matrix should be done 3 times a year).</li></ul>			
<b>Root Cause Analysis (filled by organization audited):</b> <ol style="list-style-type: none"><li>1. Environment staff has no develop water quality, water biota testing, and river flowrate measurement program in accordance to provisions in Environment Monitoring and Management Plan.</li><li>2. Environment staff has reviewed the Environment Monitoring and Management report, however the contents are not appropriate and have no yet described the actual condition.</li></ol>			
<b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"><li>1. Environment staff conducted water quality test, water biota test and river flowrate measurement in accordance to Environment Monitoring and Management Plan.</li><li>2. Revision of Environment monitoring and management plan review dated 28 April 2018.</li></ol>			
<b>Corrective Action (filled by organization audited):</b> <ol style="list-style-type: none"><li>1. Environment staff make a program of environment monitoring and management plan in accordance to matrix.</li><li>2. All review of environment management and monitoring report will added comprehensive data.</li></ol>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification on 31 May 2018</b> Certificate Holders was shown several evidences, such as: <ol style="list-style-type: none"><li>1. Water quality test report on Upstream Rungau River dated 17 April 2018, result of test: BOD: 2.41; COD: 14.5; Total Coliform: 80. All parameter is comply with quality standard Government Regulation No. 82 year of 2001, Class II.</li><li>2. Water biota test report (Plankton) on Upstream Rungau River dated 17 April 2018, result of test: Diatoma vulgaris</li></ol>			

- number of individuals: 100 and Relative abundance 33.33%.
3. Water biota test report (Benthos) on Upstream Rungau River dated 17 April 2018, result of test: Telina Sps number of individuals: 57.14 and Relative abundance 40.00%.
  4. Water quality test report on Downstream Rungau River dated 17 April 2018, result of test: BOD:2.82; COD: 16.7; Total Coliform: 200. All parameter is comply with quality standard Government Regulation No. 82 year of 2001, Class II.
  5. Water biota test report (Plankton) on Downstream Rungau River dated 17 April 2018, result of test: Diatoma vulgaris number of individuals: 700 and Relative abundance 33.33%.
  6. Water biota test report (Benthos) on Upstream Rungau River dated 17 April 2018, result of test: Telina Sp number of individuals: 114.29 and Relative abundance 66.67%.
  7. Water quality test report on Downstream Ruko River dated 17 April 2018, result of test: BOD:2.82; COD: 15.5; Total Coliform:170. All parameter is comply with quality standard Government Regulation No. 82 year of 2001, Class II.
  8. Water biota test report (Plankton) on Downstream Ruko River dated 17 April 2018, result of test: Oscillatoria Sp number of individuals: 100 and Relative abundance 33.33%.
  9. Water biota test report (Benthos) on Downstream Ruko River dated 17 April 2018, result of test: Lumbricus sp number of individuals: 28.57 and Relative abundance 14.29%.
  10. Water quality test report on Upstream Ruko River dated 17 April 2018, result of test: BOD:1.63; COD: 14.1; Total Coliform:80. All parameter is comply with quality standard Government Regulation No. 82 year of 2001, Class II.
  11. Water biota test report (Plankton) on Upstream Ruko River dated 17 April 2018, result of test: Diatoma vulgaris number of individuals: 300 and Relative abundance 37.50%.
  12. Water biota test report (Benthos) on Upstream Ruko River dated 17 April 2018, result of test: Tellina sp number of individuals: 142.86 and Relative abundance 41.67%.
  13. Water quality test report on Downstream Tajahan River dated 17 April 2018, result of test: BOD:2.41; COD: 13.5; Total Coliform:170. All parameter is comply with quality standard Government Regulation No. 82 year of 2001, Class II.
  14. Water biota test report (Plankton) on Downstream Tajahan River dated 17 April 2018, result of test: Ditylum bightwellii number of individuals: 100 and Relative abundance 20.00%.
  15. Water biota test report (Benthos) on Downstream Tajahan River dated 17 April 2018, result of test: Lumbricus sp number of individuals: 28.57 and Relative abundance 20.00%.
  16. Water quality test report on Upstream Tajahan River dated 17 April 2018, result of test: BOD:1.22; COD: 14.8; Total Coliform:80. All parameter is comply with quality standard Government Regulation No. 82 year of 2001, Class II.
  17. Water biota test report (Plankton) on Upstream Tajahan River dated 17 April 2018, result of test: Pinnularia sp number of individuals: 100 and Relative abundance 1.64%.
  18. Water biota test report (Benthos) on Upstream Tajahan River dated 17 April 2018, result of test: Lumbricus sp number of individuals: 57.14 and Relative abundance 28.57%.

**Verification on 11 June 2018**

The CH was shown river flowrate measurement on Ruko River and Tajahan River First Period of 2018, such as:

1. Upstream Ruko River (Q): 0.267 m<sup>3</sup>/s.
2. Downstream Ruko River (Q): 0.090 m<sup>3</sup>/s.
3. Upstream Tajahan River (Q): 0.080 m<sup>3</sup>/s.
4. Downstream Tajahan River (Q): 0.130 m<sup>3</sup>/s.

**Auditor Conclusion:**

Based on above explanation, this nonconformance has been closed.

<b>Verified by</b>	<b>: Steve Mualim</b>
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<b>NCR No.</b>	: 2018.02	<b>Issued by</b>	: Steve Mualim
<b>Date Issued</b>	: 26 April 2018	<b>Time Limit</b>	: ASA-1.1
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	<b>7.3.1</b> There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs)		
<b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor):</i> The management unit has not been able to show approval for RaCP compensation plan from the RSPO for land cleared after November 2005 without prior HCV identification.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> The company has followed remediation and compensation procedure, LUCA submission was conducted dated 14 August 2017. However until this assessment is still on review progress. The company can't submit concept note and RaCP.			
<b>Correction</b> <i>(filled by organization audited):</i> The company has communicate with RSPO Secretariat (Mrs. Khing Suli) dated 27 April 2018, the answers is certificate of RSPO PT BAS and PT TN can be continue with notes.			
<b>Corrective Action</b> <i>(filled by organization audited):</i> The company will following RaCP Procedure until concept note and Forest Conservation Liabilities was approved by RSPO Compensation Panel BHCVWG.			
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i> <b>Verification on 28 May 2018</b> The company was shown record of communication with RSPO (Mrs. Khing Suli), she was said: "The BHCVWG (in the 35 <sup>th</sup> meeting in August 2017) has decided to grant a 1 –year grace period to all cetified units with open RaCP cases to close the non-compliance. Certified units can continue to be certified for another year with the condition that the RaCP has to be completed (i.e. compensation plan endorsed) by next surveillance".  <b>Auditor Conclusion:</b> Based on above explanation from RSPO, this nonconformance should be closed on ASA-1.1.			
<b>Verified by</b>	:	<b>Trismadi N</b>	



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

NCR No.	: 2019.01	Issued by	: Briyogi Shadiwa
Date Issued	: 28 June 2019	Time Limit	: ASA 1.2
NC Grade	: Major	Date of Closing	:
Standard Ref. & Requirement	7.3.1 Evidence must be provided that no new plantation development has opened primary forest or HCV since November 2005. Opening of new gardens is thirsty planned and managed to ensure HCVs are maintained or increase in value (see criterion 5.2)		
<b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor):</i> Based on the results of previous audits, it was found that CH conducted new land clearing after 1 November 2005 without preceding HCV identification activities (HCV identification activities were carried out by CH in 2012.). The disclosure process has been carried out and the process of fulfilling the RaCP is still running until RC, when RC there is a statement from the RSPO that the PT TN-BAS is given a one-year grace period (verified in ASA 1.1)  In response, the Company shows a chronology related to the fulfillment of the RaCP, as follows: <ul style="list-style-type: none"><li>January 28, 2019: The company sent an email to the RSPO regarding the status of LUCA and Concept Note. (to: <a href="mailto:khing.suli@rspo.org">khing.suli@rspo.org</a>)</li><li>February 1, 2019: The company warns back to the RSPO via email for previous e-mail responses. (to: <a href="mailto:khing.suli@rspo.org">khing.suli@rspo.org</a>)</li><li>February 13, 2019: Continuing telephone communication, the company sent an email to the RSPO regarding NC related LUCA in several units owned by the company. (to: <a href="mailto:salahudin.yaacob@rspo.org">salahudin.yaacob@rspo.org</a>)</li><li>February 20, 2019: The RSPO responds with an answer "I am working with the LUCA reviewers to get the reviews finalized based on cloud cover justification so that we can proceed and address the NC issues." (From: <a href="mailto:Khing.suli@rspo.org">Khing.suli@rspo.org</a>)</li><li>April 30, 2019: The RSPO sends the results of the LUCA review sent by the company. The RSPO requested further clarification from the company regarding the data sent. "(From: <a href="mailto:Khing.suli@rspo.org">Khing.suli@rspo.org</a>)</li><li>June 23, 2019: The Company submits follow-up documents related to the results of previous clarification requested by the RSPO. (LUCA review) (to: <a href="mailto:khing.suli@rspo.org">khing.suli@rspo.org</a>) and has been responded to on 28 June 2019 which states that clarification has been received by RSPO.</li></ul> However, until the surveillance-1.1 audit activity was carried out, there was no further response from the RSPO which stated that the HCV compensation plan (RaCP) that had been prepared had been received by RSPO.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> The company has sent back the progress of the LUCA submission on June 23, 2019 related to the results of the previous RSPO review. However, as of the assessment of Audit Surveillance 1.1 in June 2019, the progress is still on the process of review and is still awaiting a decision from the RSPO.			
<b>Correction</b> <i>(filled by organization audited):</i> The company has conducted intensive communication with the RSPO Secretariat from June 23, 2019 to September 20, 2019. Then there was an email from the RSPO (Aminah Ang) on September 26, 2019 stating that NCs appointed in both units (PT TN-BAS) could be left open until the next audit next year.			
<b>Corrective Action</b> <i>(filled by organization audited):</i>			

The company will complete the RACP progress and ensure that RaCP procedure accepted by RSPO.

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

**Verification on September, 26<sup>th</sup> 2019**

Based on e-mail respons from RSPO secretariat (from [aminah.ang@rspo.org](mailto:aminah.ang@rspo.org)) on September, 26<sup>th</sup> 2019, it explained :  
*"Based on our internal discussion, we agreed that the NC raised on both unit mentioned in your email can be left open until the next audit next year. We do hope that the process of completing the RaCP can be completed by then. Please inform your client that they need to monitor the progress closely to ensure that the NC can be closed in the next audit"*

**Based on that explanation, the non-conformity can be left open until next assessment (ASA-1.2).**

**Verified by** : **Briyogi Shadiwa**

### 3.5.3 Opportunity for Improvement

No	Ref. Std.	Description
1	2.1.1	Considered to ensure the progress of renewal of welder license
2	2.2.1	Considered to ensure the progress of forest area exchange
3	4.7.2	Evaluation of HIRAC document
4	4.7.4	Ensure the renewal of OHS Expert assignment letter
5	5.3.2	Extension of Hazardous Waste Temporary Storage Permit in Sei Rindu and Puri Estate.
6	Major 8.1	Considered to adjust the implementation to RSPO P&C year of 2018
7	SCCS D.5.1 dan E.5.1	Considered to ensure the cut-of-date between IP and MB implementation in the SCC Mass Balance report.

### 4.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1		Has a commitment to implement the sustainability standard for palm oil plantation such as RSPO, ISCC and RSG
2		Conduct the monitoring of BOB using camera



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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<b>Head of Pantap Village</b> <ul style="list-style-type: none"> <li>• The company has good relations and communication with the village</li> <li>• There are no issues such as overlapping land with mining, land disputes / conflicts, environmental pollution or land fires.</li> <li>• The company has provided socialization regarding the existence of conservation areas along with protected flora and fauna which are routinely carried out every year.</li> <li>• The company has provided equal employment opportunities for both local residents and non local residents.</li> <li>• The company has also realized CSR such as teacher operational funds, school children assistance, religious assistance, etc.</li> <li>• There is no plasma in the company</li> <li>• There is information about ± 225 ha of land outside the HGU (PT TN) in the block H on the border of the Pantap Village.</li> <li>• The village proposes that agreement for transporting FFB can be given to village institutions and not given to individual management.</li> </ul>	<p>Auditor has verified all information and has been explained in criteria 2.2, 5.1, 5.2, 5.5, 6.8, 6.11, etc.</p> <p>The results of verification of the HGU Map document and operational map of the PT TN, it is known that the block H area borders PT TSA (North) and Mandang Estate (South) while the right and left are flanked by Semilar Estate (block I &amp; G).</p> <p>From the results of overlaying the HGU map and operational map, it is known that the management area is in accordance with the HGU Map owned. The results of observations to the HGU Pole No. BPN MAM3 and BPN MAM1 (borders with PT TSA) and HGU pole No. BPN MAM16 and BPN MAM17 (borders with Pantap Village) are known that the management area is in accordance with the HGU map owned.</p>
<b>Community Figure of Rungau Raya Village (Including Previous Land Owner)</b> <ul style="list-style-type: none"> <li>• There is no coercion in the process of land compensation by the company. The land compensation process has been through a mutual agreement between the community and the company.</li> <li>• There is no indication of overlapping with the mining area.</li> <li>• There are no land conflicts or disputes with the community.</li> <li>• There are no issues of environmental pollution, fire or planting outside the HGU</li> <li>• There have been land claims by several parties. But when problems will be brought to the village level by inviting several agencies, the party withdraws. The land claim is only an acknowledgment and the party cannot show evidence of land claims.</li> <li>• The company has good communication and relationships with the community.</li> <li>• The company has realized CSR assistance. The CSR assistance provided is also based on community needs.</li> </ul>	<p>Auditor has verified all information and has been explained in criteria 2.2, 2.3, 5.1, 5.2, 5.5, 6.8, 6.11, etc.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<b>Labor Union (Mandang Estate, Semilar Estate, Semilar Mill, Sei Rindu Estate &amp; Puri Estate)</b> <ul style="list-style-type: none"> <li>• There are only 1 labor union in each plantation unit and factory.</li> <li>• There are no complaints from workers that have not been resolved.</li> <li>• Usually workers' complaints are conveyed through labor unions or worker superiors and are always followed up by the company.</li> <li>• The company has included all workers in the BPJS employment and health program.</li> <li>• There are no severe or fatal work accidents in the past 1 year.</li> <li>• The company has provided free PPE to workers.</li> <li>• Regular health checks are carried out every year.</li> <li>• The company has provided wages and overtime in accordance with applicable regulations.</li> <li>• There are no reports or complaints regarding violations of wages or overtime.</li> <li>• The company has also provided information/socialization on the employee grade system conducted in January 2019.</li> </ul>	<p>Auditor has verified all information and has been explained in criteria 4.7, 6.3, 6.5, 6.6, 6.8, 6.9.</p>
<b>Gender Committee</b> <ul style="list-style-type: none"> <li>• There are no issues related to sexual harassment or violence, discrimination, etc.</li> <li>• Routine activities carried out by gender committees related to Posyandu, and socialization regarding gender committees.</li> <li>• Female workers are given H1(menstruation leave) permits as recommended by a doctor for a maximum of 2 days and H2 permit for 45 days before and 45 days after giving birth.</li> </ul>	<p>Auditor has verified all information and has been explained in criteria 6.3, 6.9.</p>
<b>Employee Cooperative</b> <ul style="list-style-type: none"> <li>• The company has provided support to cooperatives in the form of providing cooperative buildings in each plantation unit.</li> <li>• Annual budget meeting 2018 has been conducted in December 2018</li> <li>• The activities of Employee Cooperatives is savings and loans.</li> </ul>	<p>Auditor has verified all information and has been explained in indicator 6.5.4.</p>
<b>Head of Manpower Agency of Seruyan District (By Phone)</b> <ul style="list-style-type: none"> <li>• The company has implemented wages and overtime in accordance with applicable regulations.</li> <li>• There are no complaints or reporting regarding violations of the implementation of employment.</li> <li>• The office routinely visits every 3 months as part of supervision.</li> <li>• Labor Unions in the company routinely communicate with the Manpower Agency</li> <li>• Companies routinely submit reports related to employment.</li> <li>• All workers have been included in the BPJS employment and health program</li> </ul>	<p>Auditor has verified all information and has been explained in criteria 4.7, 6.3, 6.5, 6.6, 6.9.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<b>Head of Environmental Management Section of Environment Agency, District of Seruyan (by phone)</b> <ul style="list-style-type: none"> <li>• There are no community issues or issues related to environmental pollution due to companies operational.</li> <li>• Companies that have good relations and communication with the agency</li> <li>• Companies have permits related to the environment.</li> <li>• Companies that routinely provide information related to the Environment to the Environmental Agency.</li> </ul>	<p>Auditor has verified all information and has been explained in criteria 1.1, indicator 2.1.1 criteria 5.1, 5.3, 6.2.</p>
<b>Plantation Section Head of Plantation Agency, Seruyan District.</b> <ul style="list-style-type: none"> <li>• There is no complaint or reporting regarding the operational disruption of the company.</li> <li>• The company has HGU. For PT BAS, HGU is still in progress at Ministry of Environment and Forestry.</li> <li>• There is no indication of overlap with the mining area.</li> <li>• There are no conflicts or land disputes in the company and there are no reports or indications related to planting outside the HGU.</li> <li>• Agency has sent a letter regarding ISPO data requests and have been temporarily responded by telephone.</li> <li>• The company has adequate fire facilities and infrastructure.</li> <li>• Companies routinely submit mandatory reports such as LPUP (Report on plantation business development)</li> <li>• There is no expansion of area in the Company.</li> </ul>	<p>Auditor has verified all information and has been explained in indicator 2.1.1 criteria 1.1, 2.2, 2.3.</p>
<b>Local Contractor (FFB Transporter)</b> <ul style="list-style-type: none"> <li>• The work agreement is renewed every month, and the contractor is given a copy of the agreement.</li> <li>• There are no complaints related to payments. Payments are made on time according to the agreement.</li> <li>• The company has socialized to contractors and their workers related to work safety such as the use of PPE and the use of nets on FFB transport trucks. Provision of PPE is the responsibility of the contractor.</li> <li>• The company has also socialized to contractors related to wages to contractors must comply with regulations regarding minimum wages.</li> <li>• Wages of contractor workers can reach more than 3 million per month. However, if the fruit is in a slight condition, the contractor will reduce the number of transports (trucks) and loaders, in order to reach the minimum wage.</li> <li>• All drivers have been included in BPJS</li> <li>• Based on the agreement, in the event of a work accident, it will be the responsibility of the contractor. During this 2-3 years there have been no work accidents of contractor workers.</li> </ul>	<p>Auditor has verified all information and has been explained in criteria criteria 6.10</p>



4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	<p><b>Formal Sign-off of Assessment Findings</b></p> <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Tapian Nadenggan Management Representative</p> <p><i>a.h</i></p>  <p><b><u>Yahya Mustakim</u></b></p> <p>Thursday, 26 September 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Sandra Purba</u></b></p> <p>Thursday, 26 September 2019</p> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Puri Estate: • 4 Harvesting workers • 3 Upkeep Workers	Kotawaringin Timur Regent	-	Field Observation and Interview	June 26 <sup>th</sup> , 2019	√	-
2	Semilar Mill: • 1 WTP Operator • 1 WWTP Operator • 4 grading officers • 1 sterilizer operator • 1 press operator • 1 engine room operator • 1 boiler operator • 1 hydrant officer	Kotawaringin Timur Regent	-	Field Observation and Interview	June 25 <sup>th</sup> , 2019	√	-
3	Semilar Estate: • 1 foreman and 6 herbicide applicators • 1 foreman, 4 harvesters and 5 loose fruit picker • 1 owl monitoring officer • foreman and 6 manual weeding worker	Kotawaringin Timur Regent	-	Field Observation and Interview	June 25 <sup>th</sup> , 2019	√	-
4	Sei Rindu Estate: • 1 foreman and 3 fertilizer workers • 1 foreman and 6 herbicide applicators • 1 foreman and 2 beneficial plant upkeep workers	Kotawaringin Timur Regent	-	Field Observation and Interview	June 26 <sup>th</sup> , 2019	√	-
5	Head of Pantap Village	Kotawaringin Timur Regent	-	Direct interview	June 25 <sup>th</sup> , 2019	√	
6	Community Figure of Rungau Raya Village (Including Previous Land Owner)	Kotawaringin Timur Regent	-	Direct interview	June 25 <sup>th</sup> , 2019	√	
7	Labor Union (Mandang Estate, Semilar Estate, Semilar Mill, Sei Rindu Estate & Puri Estate)	Kotawaringin Timur Regent	-	Direct interview	June 25 <sup>th</sup> , 2019	√	
8	Gender Committee	Kotawaringin Timur Regent	-	Direct interview	June 25 <sup>th</sup> , 2019	√	
9	Employee Cooperative	Kotawaringin Timur Regent	-	Direct interview	June 25 <sup>th</sup> , 2019	√	
10	Head of Manpower Agency of Seruyan District (By Phone)	Kotawaringin Timur Regent	-	By phone	June 25 <sup>th</sup> , 2019	√	
11	Head of Environmental	Kotawaringin Timur	-	By phone	June 25 <sup>th</sup> , 2019	√	

	Management Section of Environment Agency, District of Seruyan (by phone)	Regent			2019		
12	Plantation Section Head of Plantation Agency, Seruyan District.	Kotawaringin Timur Regent	-	By phone	June 25 <sup>th</sup> , 2019	√	
13	Local Contractor (FFB Transporter)	Kotawaringin Timur Regent	-	Direct interview	June 25 <sup>th</sup> , 2019	√	
14	NGOs	Indonesia		Email			√

**Appendix 2. Assessment Program**

DATE	24 – 29 June 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Senin / Monday, 24 June 2019</b>		
06.30 – 07.55 08.30 – 12.00	<b>JAKARTA → SAMPIT</b> <b>SAMPIT → PT TAPIAN NADENGGAN &amp; PT BUANA ARTHA SEJAHTERA</b>	<ul style="list-style-type: none"> <li>• All Team</li> <li>• All Team</li> </ul>
14.00 - 15.00	<b>Opening Meeting</b> (Brief Introduction, Audit scope confirmation, Standards Use, Audit Objectives and Audit Agenda Explanation)	<ul style="list-style-type: none"> <li>• All Team</li> </ul>
15.00 – 17.00	<b>Document Review:</b> <ul style="list-style-type: none"> <li>• Review of Previous Visit Non-conformance (RC RSPO and S2 ISPO)</li> <li>• Review of Basic Information (Mill and Estates)</li> <li>• Clarification of Time Bound Plan</li> <li>• Review of Partial Certification</li> </ul>	<ul style="list-style-type: none"> <li>• All Team</li> </ul>
<b>Selasa / Tuesday, 25 June 2019</b>		
08.00 - 12.00	<ul style="list-style-type: none"> <li>• Stakeholders consultation with Nearest village and community leader, ex land owners</li> <li>• Interview with Gender Committee, Worker Union, Local Contractor</li> <li>• Interview with government institution (by phone)</li> </ul>	<ul style="list-style-type: none"> <li>• NTA</li> </ul>
08.00 - 12.00	<b>Field Observation to Semilar Estate</b> <ul style="list-style-type: none"> <li>• Manuring, Spraying, Harvesting, Best Agricultural Practices, Integrated Pest Management; Worker Welfare (payments, complaint mechanism)</li> <li>• Legal operational boundary and Conservation (HCV) Area</li> <li>• Worker facilities (housing, health clinic, clean water, etc); Fire Fighting facilities, Chemical Storage; Schedule Waste management, Land fill.</li> </ul>	<ul style="list-style-type: none"> <li>• AFF</li> <li>• SDP</li> <li>• BYG</li> </ul>
12.00 – 14.00	<b>LUNCH BREAK</b>	
14.00 – 17.00	<b>Field Observation Semilar POM</b> <ul style="list-style-type: none"> <li>• Effluent POM (IPAL), Land Application (LA), Hazardous Waste Material (B3) management, Water Treatment Plant (WTP)</li> <li>• Mill Operational &amp; OHS Implementation</li> <li>• SCCS</li> </ul>	<ul style="list-style-type: none"> <li>• BYG</li> <li>• AFF</li> <li>• SDP</li> </ul>
<b>Rabu / Wednesday, 26 June 2019</b>		
08.00 - 12.00	<b>Field Observation to Sei Rindu Estate</b> <ul style="list-style-type: none"> <li>• Manuring, Spraying, Harvesting, Best Agricultural Practices, Integrated Pest Management; Worker Welfare (payments, complaint mechanism) and Legal operational boundary</li> <li>• Conservation (HCV) Area, Worker facilities (housing, health clinic, clean water, etc); Fire Fighting facilities, Chemical Storage; Schedule Waste management, Land fill.</li> </ul> <b>Field Observation to Puri Estate</b>	<ul style="list-style-type: none"> <li>• AFF</li> <li>• SDP</li> <li>• BYG</li> </ul>

DATE	24 – 29 June 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>Manuring, Spraying, Harvesting, Best Agricultural Practices, Integrated Pest Management; Worker Welfare (payments, complaint mechanism) and Legal operational boundary</li> <li>Conservation (HCV) Area, Worker facilities (housing, health clinic, clean water, etc); Fire Fighting facilities, Chemical Storage; Schedule Waste management, Land fill.</li> </ul>	<ul style="list-style-type: none"> <li>NTA</li> </ul>
12.00 – 14.00	<b>BREAK</b>	
14.00 – 16.30	<b>Document review:</b> <ul style="list-style-type: none"> <li>Completion of checklist and clarification/ follow-up on outstanding audit issues</li> </ul>	<ul style="list-style-type: none"> <li>All Team</li> </ul>
16.30 - 17.00	<ul style="list-style-type: none"> <li>Clarification of Field Observations &amp; Document Verification</li> </ul>	
<b>Kamis / Thursday, 27 June 2019</b>		
08.00 – 12.00	Field Observation to <b>Mandang Estate</b> <ul style="list-style-type: none"> <li>Manuring, Spraying, Harvesting, Best Agricultural Practices, Integrated Pest Management; Worker Welfare (payments, complaint mechanism) and Legal operational boundary, land aplikasi</li> <li>Conservation (HCV) Area, Worker facilities (housing, health clinic, clean water, etc); Fire Fighting facilities, Chemical Storage; Schedule Waste management, Land fill.</li> </ul>	<ul style="list-style-type: none"> <li>AFF/NITA</li> <li>SDP/BYG</li> </ul>
12.00 – 14.00	<b>LUNCH BREAK</b>	
16.00 – 17.00	<b>Document review:</b> <ul style="list-style-type: none"> <li>Completion of checklist and clarification/ follow-up on outstanding audit issues</li> <li>Clarification of Field Observations &amp; Document Verification</li> </ul>	<ul style="list-style-type: none"> <li>All Team</li> </ul>
<b>Jumat / Friday, 28 June 2019</b>		
08.00 – 12.00	<b>Document review:</b> <ul style="list-style-type: none"> <li>Completion of checklist and clarification/ follow-up on outstanding audit issues</li> <li>Clarification of Field Observations &amp; Document Verification</li> </ul>	<ul style="list-style-type: none"> <li>All Team</li> </ul>
12.00 – 14.00	<b>LUNCH BREAK</b>	
14.00 - 16.00	<ul style="list-style-type: none"> <li>Closing Meeting preparation</li> </ul>	<ul style="list-style-type: none"> <li>All Team</li> </ul>
16.00 – 17.00	<ul style="list-style-type: none"> <li>Closing meeting</li> </ul>	
<b>Sabtu / Saturday, 29 June 2019</b>		
08.00 – 11.00	<b>PT TN/PT BAS → SAMPIT</b>	<ul style="list-style-type: none"> <li>All Team</li> </ul>
12.30 – 15.00	<b>SAMPIT → JAKARTA</b>	<ul style="list-style-type: none"> <li>All Team</li> </ul>