

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

### **[✓] Re-Certification**

Name of Management Organisation : Muara Wahau Mill – PT Kresna Duta Agroindo subsidiary of Golden Agri Resources Ltd  
 Plantation Name : PT Kresna Duta Agroindo – Muara Wahau Estate and Gunung Kombeng Estate  
 Location : Village of Sukamaju, Sub District of Kongbeng, District of Kutai Timur, Province of Kalimantan Timur, Indonesia.  
 Certificate Code : **MUTU-RSPO/043**  
 Date of Certificate Issue : 26 June 2019      Date of License Issue : 26 September 2019  
 Date of Certificate Expiry : 25 June 2024      Date of License Expiry : 25 June 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
RC	07 to 10 May 2019	Leonada (Lead Auditor), Asystasya Aishah Silalahi, Hasiholan Sihombing, Bayu Yogatama	Ganapathy Ramasamy	Octo H.P.N. Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
RC	20 August 2019

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

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Figure 1. Location Map of PT Kresna Duta Agroindo

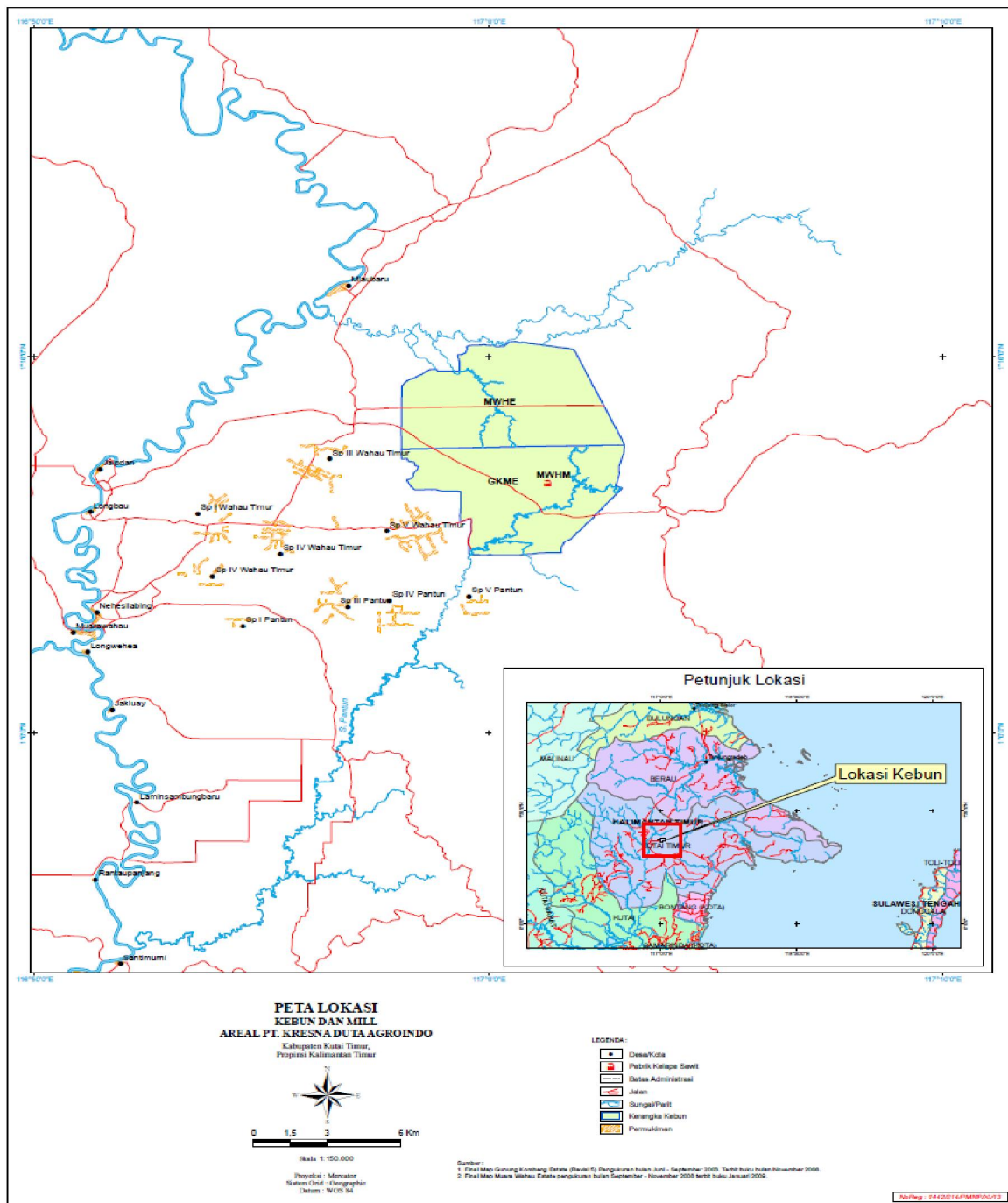
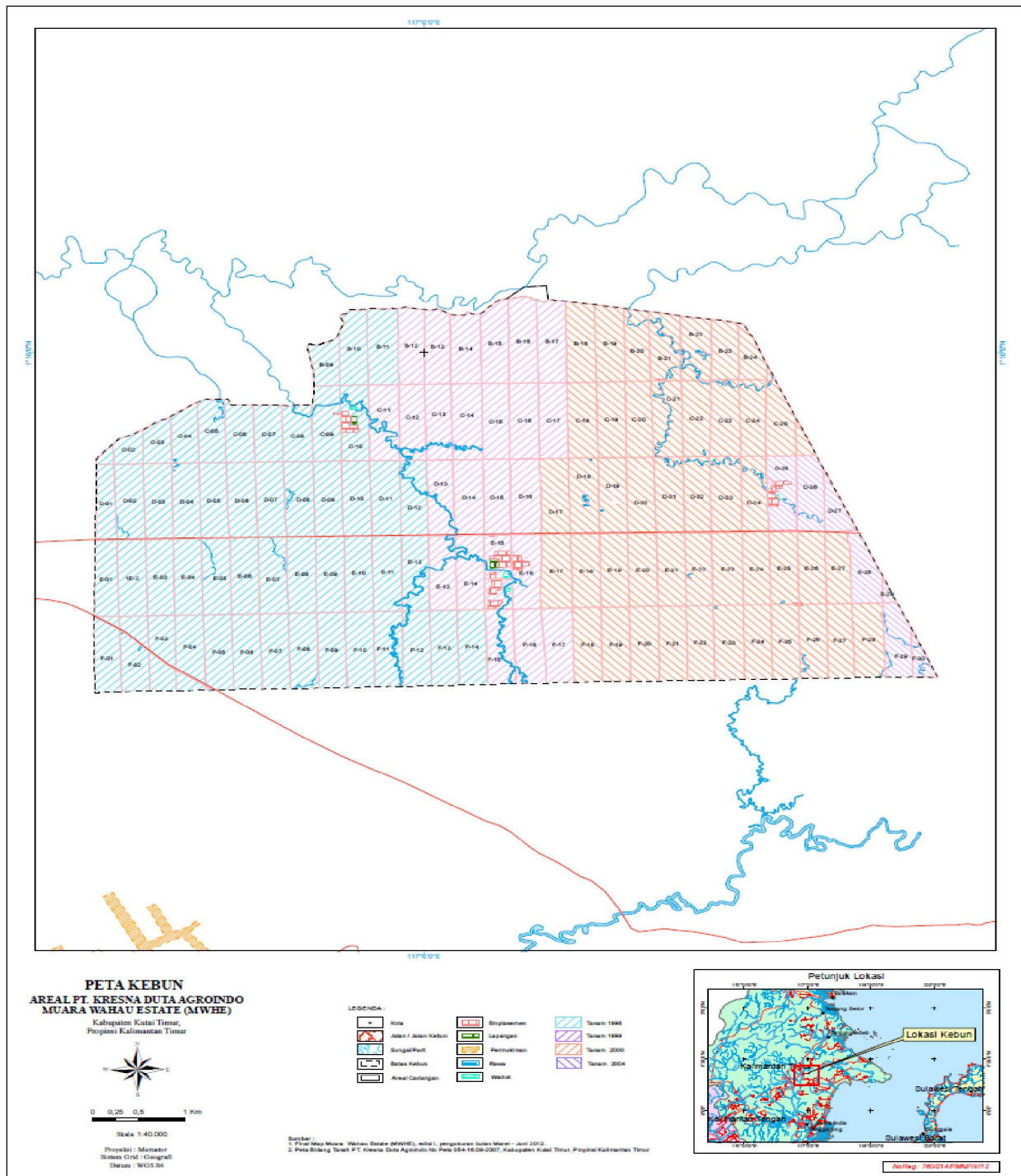


Figure 2. Operational Map of PT Kresna Duta Agroindo (Muara Wahau Estate)





**PETA KEBUN**  
**AREAL PT. KRESNA DUTA AGROINDO**  
**GUNUNG KOMBENG ESTATE (GKME)**  
 Kabupaten Kutai Timur, Propinsi Kalimantan Timur

Scale: 1:40,000  
 Prosjek: Monev  
 Sistem Grid: UTM  
 Datum: WGS 84

**LEGENDA:**

Desa/Kota	Emplasmen	Pemukiman
Jalan	Lapangan Bola	Tanam 1998
Sungai/Perit	PKS	Tanam 1999
Batas Kebun	Rawa	Tanam 2000
Areal Cadangan	Waduk	Tanam 2004

**Petunjuk Lokasi**

The map shows a large area with a grid system, color-coded regions (pink, blue, yellow, green), and various symbols representing infrastructure and land use. A river flows through the area. An arrow points to a specific location labeled 'MILL'. The inset map shows the location of the estate within Kalimantan, Indonesia, with a label 'Lokasi Kebun' pointing to the specific area.

**Abbreviations Used**

ASA	:	Annual Surveillance Assesment
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial / Social Security Agency</i>
CH	:	Certificate Holder
CITES	:	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Informed Consent
FR	:	Frequency Rate
GAR	:	Golden Agri Resources
GHG	:	Green House Gass
GKME	:	Gunung Kombeng Estate
GSEP	:	GAR, Social, and Environmental Policy
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan (Building Use Tittle)</i>
HGU	:	<i>Hak Guna Usaha (Land Use Permit)</i>
IPM	:	Integrated Pest Management
IUCN	:	International Union for Conservation of Nature
KDA	:	Kresna Duta Agroindo
KER	:	Kernel Extraction Rate
LOTO	:	Lock Out Tag Out
LSU	:	Leaf Sampling Unit
MSDS	:	Material Safety Data Sheet
MWHE	:	Muara Wahau Estate
MWHM	:	Muara Wahau Mill
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja/OHS Commitee</i>
PIC	:	Person In Charge
PK	:	Palm Kernel
PKB	:	<i>Perjanjian Kerja Bersama (Collective Labour Bargaining)</i>
PMNP	:	Plantation Monitoring and Planning
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PT	:	<i>Pekerja Tetap (Permanent Worker)</i>
RKL	:	<i>Rencana Pengelolaan Lingkungan (Environment Management Plan)</i>
RPL	:	<i>Rencana Pemantauan Lingkungan (Environment Monitoring Plan)</i>
RTE	:	Rare, Threatened or Endangered
RSPO	:	Roundtable on Sustainable Palm Oil
SCCS	:	Supply Chain Certification System
SIA	:	Social Impact Assessment
SKU H	:	<i>Syarat Kerja Umum Harian (Daily Permanent Worker)</i>
SKU B	:	<i>Syarat Kerja Umum Bulanan (Monthly Permanent Worker)</i>
SMARTRI	:	Sinar Mas Agro Resources and Technology Research Institute

SMD	:	Senior Managing Director
SOP	:	Standart Operating Procedure
SPM	:	<i>Serikat Pekerja Mandiri</i> (Worker Union)
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

<b>1.0 SCOPE OF THE CERTIFICATION ASSESSMENT</b>			
<b>1.1 Assessment Standard Used</b>		<ul style="list-style-type: none"> <li>• Indonesian National Interpretation of RSPO Principles and Criteria 2013 for Indonesia July 2016, approved RSPO Governors 30 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 (Module D / E for CPO Mill)</li> <li>• RSPO Certification System for Principles and Criteria, 14 June 2017</li> </ul>	
<b>1.2 Organisation Information</b>			
1.2.1	Organisation name listed in the certificate	PT Kresna Duta Agroindo, subsidiary of Golden Agri-Resources Ltd (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) 318 1388	
1.2.5	Fax	(+62-21) 318 1389	
1.2.6	E-mail	<a href="mailto:ismu.zulfikar@sinar-mas-agri.com">ismu.zulfikar@sinar-mas-agri.com</a>	
1.2.7	Web page address	<a href="http://www.goldenagri.com.sg">www.goldenagri.com.sg</a>	
1.2.8	Management Representative who completed the application for certification	Ismu Zulfikar (Head of Environmental Department)	
1.2.9	Registered as RSPO member	1-0096-11-000-00, 31 March 2011	
<b>1.3 Type of Assessment</b>			
1.3.1	Scope of Assessment and Number of Management Unit	One (1) Palm Oil Mill (Muara Wahau Mill) and two (2) estates supply base Muara Wahau Estate and Gunung Kombeng Estate	
1.3.2	Type of certificate	Single	
<b>1.4 Locations of Mill and Plantation</b>			
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b>
			<b>Longitude</b>
	Muara Wahau Mill	Sukamaju Village, Sub District of Kongbeng, District of Kutai Timur, Province of Kalimantan Timur,	N 01° 06' 34"
			E 117° 01'20"



		Indonesia		
1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Muara Wahau Estate	Makmur Jaya Village, Sub District of Kongbeng, District of Kutai Timur, Province of Kalimantan Timur, Indonesia	N 01° 08' 23"	E 117° 00' 25"
	Gunung Kombeng Estate	Sukamaju Village, Sub District of Kongbeng, District of Kutai Timur, Province of Kalimantan Timur, Indonesia	N 01° 06' 10"	E 117° 01' 13"
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		6,877.54 Ha	
	• Community		- Ha	
1.5.2	Area Statement			
	• Total area		6,877.54 Ha	
	• Mature area		6,605.08 Ha	
	• Immature area		- Ha	
	• Mill		4.10 Ha	
	• Building and Emplishment		31.75 Ha	
	• Infrastructure (road and bridge)		146.53 Ha	
	• River		43.17 Ha	
	• Others		46.91 Ha	
	*HCV identified is riparian area, has included to the planted area an 370.47 Ha			
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Gunung Kombeng Estate	Muara Wahau Estate	Total
	1998	814.16	1,390.36	2,204.52
	1999	1,595.95	703.94	2,299.89
	2003	591.16	1,304.03	1,895.19
	2004	74.16	131.32	205.48
	TOTAL	3,075.43	3,529.65	6,605.08
1.6.2	New Planting area after January 2010		- Ha	

1.6.3	Planting Cycle			1 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 (%)
	Muara Wahau	60	356,324.01	79,580.19	22.33	18,423.84	5.17
<i>* Source: Production Data of POM period May 2018 to April 2019</i> <i>**There was discrepancy between FFB received (355,496.77 ton) and FFB processed (356,324.01 ton) as much as 827.24 ton. This is because the factory has been break down that causes FFB backlog.</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/ yea)	Supplied to Mill	
						FFB (tonnes/year)	%
	Muara Wahau	3,590.22	3,529.65	103,394.23	29.29	103,304.45	99.62
	Gunung Kombeng	3,287.32	3,075.43	84,588.92	27.50	84,270.96	99.91
	TOTAL	6,877.54	6,605.08	187,983.15	28.46	187,575.41	99.78
<i>* Source: Production Data of Estate period May 2018 to April 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)	
	Pantun Mas Estate (RSPO Non Certified)		PT Tapian Nadenggan	-	-	14,940.11	
	Gunung Kombeng Plasma (RSPO Non Certified)		PT Kresna Duta Agroindo (Associate Smallholder)	1,602	2,214	66,372.32	
	Jak Luay Plasma (RSPO Non Certified)		PT Tapian Nadenggan	-	-	383.69	
	KKBX		Independent Smallholder	-	-	58,056.45	
	JMKX		Independent Smallholder	-	-	6,684.89	
	KPSX		Independent Smallholder	-	-	1,486.57	
	KCGX		Independent Smallholder	-	-	1,461.95	
	KPKX		Independent Smallholder	-	-	866.08	
	KBKX		Independent Smallholder	-	-	6,105.41	
	KSSX		Independent Smallholder	-	-	10,399.01	
	KTAX		Independent Smallholder	-	-	1,174.88	
	TOTAL					167,931.36	
	<i>* Source: Production Data of POM period May 2018 to April 2019</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Estimate Tonnage of Certified Product						

1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT)			
	FFB Processed		268,389		187,983.15			
	CPO Production		55,622*		45,951.27			
	Palm Kernel (PK) Production		13,241*		10,652.55			
	*CSPO and CSPK extended volume approved on 05 April & 28 August 2019 due to an additional production from certified product							
1.8.2.	Product Selling							
	Tonnage of selling product		Actual selling product for last year (MT)					
	CSPO sold as RSPO certified product		0					
	CSPK sold as RSPO certified product		9,388.99					
	CSPO sold under other scheme		40,726.53					
	CSPK sold under other scheme		0					
	CSPO sold as conventional		3,631.72					
	CSPK sold as conventional		989.27					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)		Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Muara Wahau		3,590.22	3,529.65	105,000	29.75		
	Gunung Kombeng		3,287.32	3,075.43	85,500	27.80		
	TOTAL		6,877.54	6,605.08	190,500	28.84		
	*Projected FFB production from 26 June 2018 to 25 June 2019							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Module
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)	
	Muara Wahau Mill	60	190,500	45,000	23.6	10,500	5.5	MB
*Projected CSPO and CSPK production from 26 June 2018 to 25 June 2019								
1.9	Other Certifications							
	<ul style="list-style-type: none"><li>ISPO Certificate MUTU-ISPO/058 issued by Mutuagung Lestari valid 19 July 2016 to 18 July 2021</li><li>ISCC Certificate EU-ISCC-Cert-ID215-23180526 issued by Mutuagung Lestari valid 19 May 2018 to 18 May 2019</li></ul>							
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time bound						
	Pangkalan Panji (PT Sawit Mas Sejahteras)		2013	Sawit Mas Estate	2013	South Sumatera	Certified	
	Bumi Sawit Mill (PT Bumi Sawit Permai)		2013	Bumi Sawit Estate	2013	South Sumatera	Certified	
	Muara Kandis Mill		2013	Muara Tawas Estate	2013	South Sumatera	Certified	

	(PT Djuanda Sawit Lestari)		Muara Kandis Estate	2013	South Sumatera	Certified
			Muara Kandis Estate (HGU on progress – 574.58 Ha)	2020	South Sumatera	-
			Muara Tawas Estate (HGU on progress – 73.78 Ha)	2020	South Sumatera	-
			Smallholder (KKPA Pandawa)	2020	South Sumatera	-
	Sungai Rungau Mill (PT Sumber Indah Perkasa)	2013	Sungai Rungau Estate	2013	Central Kalimantan	Certified
			Sungai Seruyan Estate	2013	Central Kalimantan	Certified
			Terawan Estate	2013	Central Kalimantan	Certified
			Tangar Estate	2013	Central Kalimantan	Certified
			Bukit Tiga Estate	2013	Central Kalimantan	Certified
	Bukit Perak EMIII (PT Bumi Permai Lestari)	2013	Bukit Perak Estate	2013	Bangka Belitung	Certified
			Bukit Permata Estate	2013	Bangka Belitung	Certified
	Tanjung Kembiri Mill (PT Forestalestari Dwikarya)	2013	Tanjung Kembiri Estate	2013	Belitung	Certified
			Tanjung Rusa Estate	2013	Belitung	Certified
			Tanjung Rusa Estate (HGU on process 48.81 Ha)	2020		
			Tanjung Rusa KKPA	2020	Belitung	-
	Sungai Buaya Mill (PT Sumber Indah Perkasa)	2014	Sungai Buaya Estate	2014	Lampung	Certified
			Smallholder (KKPA Gedung Aji Lama)	2014	Lampung	Certified
			Smallholder (KKPA Mesuji)	2014	Lampung	Certified
	Sungai Merah Mill (PT Sumber Indah Perkasa)	2014	Sungai Merah Estate	2014	Lampung	Certified
			Smallholder (KKPA Gedung Aji Baru)	2014	Lampung	Certified
	Kasuari Mill (PT Sinar Kencana Inti Perkasa)	2020	Cendrawasih Estate	2020	Papua	ST-1
			Nuri Estate	2020	Papua	ST-1
			Rajawali Estate	2020	Papua	ST-1
			Mambruk Estate (PT Sumber Indah Perkasa)	2020	Papua	ST-1
	Pekawai Mill (PT Agrolestari Mandiri)	2020	Kayung Estate	2020	West Kalimantan	ST-1
			Pekawai Estate	2020	West Kalimantan	ST-1
			Sungai Kelik Estate	2020	West Kalimantan	ST-1
			Nanga Tayap Estate	2020	West Kalimantan	ST-1
			Smallholder	2020	West Kalimantan	ST-1

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



	(PT Paramitra Internusa Pratama)		Kenari Estate (PT Bangun Nusa Mandiri)	2020	West Kalimantan	ST-1
			Keranjai Estate (PT Bangun Nusa Mandiri)	2020	West Kalimantan	ST-1
			Muara Tawang Estate (PT Kartika Prima Cipta)	2020	West Kalimantan	ST-1
			Kapuas Hulu Estate (PT Persada Graha Mandiri)	2020	West Kalimantan	ST-1
			Sungai Beran Estate (PT Persada Graha Mandiri)	2020	West Kalimantan	ST-1
			Smallholder (Belian KKPA)	2020	West Kalimantan	-
			Smallholder (Kenari Plasma)	2020	West Kalimantan	-
			Smallholders (Kapuas Hulu KKPA)	2020	West Kalimantan	-
	Sungai Kupang Mill (PT Sinar Kencana Inti Perkasa)	2020	Sungai Kupang Estate	2020	South Kalimantan	ST-2 May 2015
			Sungai Kupang KKPA	2020	South Kalimantan	
			Senakin Estate	2020	South Kalimantan	-
	Sungai Kikim Mill (PT Sawit Mas Sejahtera)	2020	Sungai Kikim Estate	2020	South Sumatera	-
			Sungai Pangi Estate	2020	South Sumatera	-
			Sungai Musi Estate	2020	South Sumatera	-
			Sungai Saling Estate	2020	South Sumatera	-
			Sungai Enim Estate (PT Bumi Sawit Permai)	2020	South Sumatera	-
			Sungai Lematang Estate (PT Bumi Sawit Permai)	2020	South Sumatera	-
	Tangar Mill (PT Mitra Karya Agroindo)	2020	Sulin Estate	2020	Central Kalimantan	-
			Nahiyang Estate	2020	Central Kalimantan	-
			Katayang Estate	2020	Central Kalimantan	-
			Sungai Nusa Estate	2020	Central Kalimantan	-
			Kajui Estate (PT Agro Lestari Sentosa)	2020	Central Kalimantan	-
			Manuhing Estate (PT Agro Lestari Sentosa)	2020	Central Kalimantan	-
			Sungai Ayawan	2020	Central	-

		Estate (PT Aditungal Mahajaya)		Kalimantan	
Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa)	2020	Sungai Magalau Estate	2020	South Kalimantan	-
Jalemo Mill* PT Agro Lestari Sentosa	2020	Balasang Estate	2020	Central Kalimantan	-
		Jalemo Estate	2020	Central Kalimantan	-
Sako Mill* (PT Adi Tunggal Mahajaya)	2020	Sulin Plasma	2020	Central Kalimantan	-
		Sapiri Plasma	2020	Central Kalimantan	-
		Sako Plasma	2020	Central Kalimantan	-
Padang Halaban Mill (PT SMART Tbk)	2011	Padang Halaban Estate	2011	North Sumatera	Certified
		Penantian Estate	2011	North Sumatera	Certified
		Adipati Estate	2011	North Sumatera	Certified
		Kanopan Ulu Estate	2011	North Sumatera	Certified
Batu Ampar Mill (PT SMART Tbk)	2012	Batu Ampar Estate	2012	South Kalimantan	Certified
		Batu Mulia Estate	2012	South Kalimantan	Certified
		Sungai Panci Estate	2012	South Kalimantan	Certified
		Sungai Panci KKPA	2012	South Kalimantan	Certified
Tanah Laut Mill (PT SMART Tbk)	2012	Tanah Laut Estate	2012	South Kalimantan	Certified
		Kinta Pura Estate	2012	South Kalimantan	Certified
Langga Payung Mill (PT Tapisan 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 Tapisan Nadenggan)	2012	Hanau Estate	2012	Central Kalimantan	Certified
		Tasik Mas Estate	2012	Central Kalimantan	Certified
		Tanjung Paring Estate	2012	Central Kalimantan	Certified
		Langadang Estate	2012	Central Kalimantan	Certified
		Medang Sari (PT Satya Kisma Usaha)	2020	Central Kalimantan	-
Semilar (PT Tapisan Nadenggan)	2013	Semilar	2013	Central Kalimantan	Certified
		Sei Rindu	2013	Central Kalimantan	Certified
		Mandang	2013	Central Kalimantan	Certified
		Puri	2013	Central Kalimantan	Certified
Jak Luay Mill	2015	Pantun Mas Estate	2015	East Kalimantan	Certified

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

			29.09 Ha)			
			Kandista Estate	2009	Siak-Riau	Certified
			Kandista Estate (HGU on progress – 158.46 Ha)	2020	Siak-Riau	-
			Palapa Estate	2009	Siak-Riau	Certified
		2009	Libo Estate	2009	Siak-Riau	Certified
			Nenggala Estate	2009	Siak-Riau	Certified
			Nenggala Estate (HGU on progress 419.9 Ha)	2020	Siak-Riau	-
			Sei Rokan Estate	2009	Siak-Riau	Certified
			Sei Rokan Estate (HGU on progress – 102.7 Ha)	2020	Siak-Riau	-
		2009	Ujung Tanjung Estate	2009	Siak-Riau	Certified
			Ujung Tanjung Estate (HGU on progress – 557.3 Ha)	2020	Siak-Riau	-
		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
		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
		2010	Ramarama Estate	2010	Kampar-Riau	Certified
			Ramarama Estate (HGU on process – 318.76 Ha)	2020	Kampar-Riau	-
			Amartajaya Plasma	2010	Kampar-Riau	Certified
		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
		2012	Bumi Lestari Estate	2012	Indragiri-Riau	Certified
			Bumi Palma Estate	2012	Indragiri-Riau	Certified
			Bumi Sentosa Estate	2012	Indragiri-Riau	Certified

		Bumi Palma Estate (HGU on process – 39.21 Ha)	2020	Indragiri-Riau	-
Sawita Mill (PT Sawitakarya Manunggal)	2020	Sawita Estate	2020	South Kalimantan	ST-1
		Pamukan Estate	2020	South Kalimantan	ST-1
		Sawita KKPA	2020	South Kalimantan	ST-1
<p>There are revision of time bound plan, the justification from top management is:</p> <ol style="list-style-type: none"><li>1. Pelakar Mill is still process on disclosure &amp; liability by RSPO, while Bukit Kapur Mill doesn't have land use title (HGU), the HGU is still on process.</li><li>2. Land use titles for Rantau Panjang Mill and its supply base are still on process</li><li>3. 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.</li><li>4. Sawita Mill had conducted pre assessment RSPO on 2015 and Another entire Management Unit under PT Ivo Mas Tunggal has been RSPO certified.</li><li>5. Sawita mill and sawita estate are still in process of HCV RaCP related to land clearing after November 2005 without preceeded HCV identifications.</li><li>6. Rantau Panjang Mill and Estate Unit (Rantau Panjang Estate &amp; Rantau Panjang KKPA) are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed by year of 2020.</li><li>7. Kilis KKPA as FFB Supplier to Sungai Bengkal Mill are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed by year of 2019</li><li>8. PT Kresna Duta Agro (Pelakar Estate, Batang Merangin Estate and Batang Tembesi Estate was stage -1 audit in 2017. There are problem related to zero liability report to RSPO, was no response by RSPO secretariat. The main assessment postpone to 2019.</li><li>9. When the stage -1 conducted on May 2015, there are boundary stones issues in PT Sinar Kencana Inti Perkasa (South Kalimantan). Reconstruction of boundary stones will be finished end of this year, the certification target postpone to 2019.</li></ol> <p><b>Time bound plan revision</b></p> <ul style="list-style-type: none"><li>• There is revision of time bound plan on 12 March 2018 made by head of sustainability department for HGU on process in PT Ivomas Tunggal (Samsam Estate 29.09 Ha, Kandista Estate 158.46 Ha, Nenggala Estate 419.9 Ha, Sei Rokan Estate 102.7 Ha, Ujung Tanjung Estate 557.3 Ha); PT Rama Jaya Pramukti (Ramarama Estate: 318.76 Ha); PT Buana Wira Lestari (Naga Sakti Estate 59.79 Ha; Naga Mas Estate 253.39 ha and Kijang Estate 56.07 ha); PT. Forestalestari Dwikarya (Tanjung Rusa Estate 48.81 Ha); PT. Djuanda Sawit Lestari (Muara Kandis Estate 402.41 Ha &amp; Muara Tawas Estate (73.78 Ha). For this area is planned for audit on 2020 because waiting for HGU</li><li>• Revision on March 22, 2019 regarding HGU on process on PT Sumber Indah Perkasa, Sungai Buaya Mill &amp; Sungai Merah Mill, Lampung province. Covered an areas for Sungai Merah estate (241.54 ha) and Sungai Buaya estate (73.71 ha &amp; 26.18 ha). GAR has planned this HGU on process area to be certified on 2020.</li></ul>					
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>				
	<p>Gunung Kombeng Plasma as a smallholder scheme of PT Kresna Duta Agroindo consists of 2,214 Ha with approximate 1,602 smallholders. Gunung Kombeng Plasma is a fully managed plasma plantation by the company or directly manage land that has become part of the Golden Agri Resources certification unit with a timebound plan in 2020.</p> <p>Muara Wahau Mill also received FFB from outgrower that has not been certified RSPO which are PT Agrotunggal Jayamandiri that independent outgrower and PT Tapian Nadenggan (subsidiary of GAR) that will follow the time bound plan and will be assessed on 2020.</p>				





<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>RC</b>	<p><b>1. Leonada (Lead Auditor).</b> Bachelor of agriculture for plant breeding and seed technology programme study, department of agronomy, faculty of agriculture in Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and sustainability in private company of Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: training of Indonesian sustainable palm oil (ISPO) lead auditor, training of RSPO lead auditor, RSPO SCCS training, SA 8000, ISO 17021:2011, ISO 17065:2012, ISO 19011:2011, lead auditor ISO 9001:2008, ISO 14001:2005, training of management development program agronomy, training of analysis base solution for operation, training of integrated pest management (IPM), use of limited pesticides training, training management of waste pesticides and fertilizers, training mediation and conflict resolution, RSPO social and worker welfare training, general safety specialist training, health and safety management system (SMK3) auditor. In this audit He conducted an assessment on transparency, Legal and land dispute.</p> <p><b>2. Hasiholan Sihombing (Auditor).</b> Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO, RSPO P&amp;C Lead Auditor Course by Checkmark, SA 8000 Awareness, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), OHS General Expert, OHSAS 18001:2007, ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. He has experienced in various audit activities related to the certification system of sustainable palm oil plantation since 2016. During this audit, he assigned to verify best management practices, long term plan, OHS aspects.</p> <p><b>3. Asystasya Aishah Silalahi (Auditor).</b> Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, SCCS, and several in house training related to environmental, BMP, SA 8000. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she verify Social, Worker Welfare aspects and SCCS.</p> <p><b>4. Bayu Yogatama (Auditor).</b> Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has attended the ISO 9001: 2015 Quality Auditor / Lead Auditor Course Quality Management System (QMS) course and ISO 19011: 2011 Guidelines for Auditing Management System, ISPO Lead Training, SA 8000, RSPO Lead Training, IHT RSPO NPP, IHT RSPO RaCP, IHT ISO 17021, and IHT ISO 17065. Having experience working in plywood field as Inspector in foreign private company. Currently working for an independent certification body. During this audit, he verify Environmental Aspect, HCV, and Green House Gases.</p>
<b>2.2</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>RC</b>	<p>Number of auditors : 4 auditor</p> <p>Number of days for <b>RC</b> at site : 4 days</p> <p>Number of working days for <b>RC</b> at site : 16 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>RC</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Kresna Duta Agroindo to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 Revised June 2017 (Module E for CPO Mill).</p> <p>From morning until afternoon, the team traveled from Jakarta to Berau by plane and travel to site by car. The next day continued holding an opening meeting. The opening and closing meeting was held in the Meeting Room of RC Office attended by the Regional Controller, Plantation Controller, Unit Head, Estate Manager, Mill Manager, Assistants, and</p>

other related personnel's. During audit activity, auditors always accompanied by certified holder, cooperative, and the documents are presented well.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.

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

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

The assessment program please find Appendix 2.

### 2.2.3 Locations of Assessment

**RC** Number of units in this certification activity is two (2) estates, which supply the raw material (FFB) to one (1) palm oil mill. In conducting the assessment, the team of auditors used the 0.8-y.z formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are one (1) palm oil mill (Muara Wahau Mill) and two (2) estates (Muara Wahau Estate and Gunung Kombeng Estate).

#### Muara Wahau Mill

- **Loading Ramp (5 workers).** Observation and interview with sortation personel related to personel understanding over sortation procedure, the implementation of sortation, fruit criteria, fruit separation with ripeness and rawness criteria.
- **Sterilizer Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Press Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Boiler Station (3 workers).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Engine Room Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **Kernel Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
- **WTP.** Observations and interview related to water management, recording of water use, health checks, PPE and waste management. (1 operator)
- **Workshop.** Observation and interview related OHS and workers welfare (1 operator)
- **Temporary hazardous waste store.** Observation for OHS, material handling, and hazardous waste management
- **Chemical store.** Observation for material handling, OHS, and hazardous material handling
- **General Store.** Observation and interview related material handling and OHS (1 worker)
- **WWTP.** Field observations related to Ban to entry to WWTP, run off, testing of effluent. Officers equipped with PPE and Recording of effluent debit effluent.
- **Solid Waste.** Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill.

#### Gunung Kombeng Estate

- **Block I18 Division 4 (10 Pesticide Applicator).** Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
- **Block I12 Division 3 (2 Fertilizer Loader).** Interview with the fertilizer loader related type of fertilizer use according to the procedure and also worker welfare.
- **Block G22 Division 2 (4 harvester and 1 picker).** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- **Block H18 Division 2 (Barn Owl Nest Observation).** To check nest condition.
- **Block I17 Division 3 (EFB Application – 1 worker).** Field observations on application of empty fruit bunch interview with the workers related to the procedure and also worker welfare.
- **HGU poles No. KDA 019 block G29 and No. KDA 020 block H29.** Observation on boundaries poles, coordinates, maintenance, and demarcation.
- **Enclave area block G29.** Observation of condition and boundaries of enclave areas.
- **Reserve area (unplanted) block G28.** Observation of condition and boundaries of reserve areas.
- **Land Application Block G20 Div 2.** Observation about flat bed condition, indications of spillage or overflow of liquid waste, and interviews with workers related to tasks, responsibilities and aspects of employment. (1 operator)
- **Monitoring well Block G20 Div 2.** Observation about condition of monitoring well (1 worker)
- **Housing block J15 Div 3.** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Generator House 1.** Observation and interviews related to work procedures, OHS implementation, employment and complaint mechanism. (1 operator)
- **Daycare.** Observation and interview related daycare facility. (3 worker)
- **PPE warehouse and Mixing Area.** Observation and interviews related to washing of working tools, PPE spray teams and used pesticide containers handling.
- **HCV Pantun River Buffer zone Block J16 Div 3.** Observations on marking of HCV management, monitoring of RTE species.
- **Landfill block I 11 Div 3.** Observation related to domestic waste management.
- **Central store.** Observation for material handling, PPE Stock and OHS
- **Pesticide store.** Observation for material handling, OHS, and hazardous material handling
- **Fertilizer store.** Observation for material handling, OHS, and hazardous material handling
- **Temporary hazardous waste store.** Observation for OHS, material handling, and hazardous waste management
- **Fire Extinguisher Store.** Observation for OHS and material handling
- **Lubricant Store.** Observation for material handling, OHS, and hazardous material handling
- **Fuel and Diesel Tank.** Observation for material handling and OHS

#### Muara Wahau Estate

- **Block F10 Division 1 (2 Pesticide Applicator – Manual Weeding).** Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
- **Block F18 Division 2 (5 harvester and 4 picker).** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- **Block F18 Division 2 (Loading FFB process – 1 foreman).** Interview with foreman of FFB about loading FFB procedure, administration, FFB sortation in platform, safety and health and worker welfare.
- **Block F12 Division 2 (Barn Owl Nest Observation).** To check nest condition.
- **Block F18 Division 2 (EFB Application – 4 workers).** Field observations on application of empty fruit bunch interview with the workers related to the procedure and also worker welfare.
- **Block F10 Division 1 (3 Fertilizer Loader – Manual Weeding).** Interview with the fertilizer loader related type of fertilizer use according to the procedure and also worker welfare.
- **Block D27 Division 3 (Steep slope area and erosion pole).** Field observations on steep slope area and management strategy for plantings on that area.
- **HGU Poles No. GPS 006 block B24 and No. GPS 007 block F30.** Observation on boundaries poles, coordinates, maintenance, and demarcation.

- **Housing No 1 block J15 Div 3.** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **PPE warehouse and Mixing Area** Observation and interviews related to washing of working tools, PPE spray teams and used pesticide containers handling.
- **Generator House.** Observation and interviews related to work procedures, OHS implementation, employment and complaint mechanism. (1 operator)
- **Daycare.** Observation and interview related daycare facility. (1 worker).
- **Pesticide store** Observation for material handling, OHS, and hazardous material handling (1 operator).
- **Fertilizer store** Observation for material handling, OHS, and hazardous material handling.
- **Temporary hazardous waste store.** Observation for OHS, material handling, and hazardous waste management.
- **Clinic** Observation and Interview with doctor about medical facility and hazardous handling (1 doctor).
- **Workshop.** Observation and interview related OHS and workers welfare (1 operator).
- **Fire Extinguisher Store and simulation.** Observation for OHS and material handling.
- **HCV Elang River Buffer zone Block C12** Observations on marking of HCV management, monitoring of RTE species.
- **Fuel and Diesel Tank.** Observation for material handling and OHS.

#### **Muara Wahau Transport**

- **Temporary hazardous waste store.** Observation and interview related OHS, material handling, and hazardous waste management (1 worker).
- **Fuel and Diesel Tank.** Observation for material handling and OHS.
- **Workshop.** Observation and interview related OHS and workers welfare (1 operator).
- **Lubricant Store.** Observation for material handling, OHS, and hazardous material handling.

#### **Interview with Stakeholder**

- **Plantation Agency.** Interview about plantation and legal aspect.
- **Manpower Agency.** Interview about employment and worker issue.
- **Land National Agency.** Interview about land and legal issue.
- **Makmur Jaya and Miao Baru Village.** Interview land issues, environment, social.
- **Local contractor of CV Putra Jaya.** Interview about worker, OHS, and social aspect.
- **Sawit Bersama and Bina Sawit Mandiri Cooperative.** Interview about worker, OHS, and social aspect.
- **Labor union, gender committee, worker cooperative of PT KDA.** Interview about employment and worker issue.

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>RC</b>	<p>Consultation of stakeholders for PT KDA held by:</p> <ol style="list-style-type: none"> <li>1. Public announcement at web <a href="http://www.mutucertification.com/wp-content/uploads/2019/04/Notification-of-RSPO-Re-Certification-of-Muara-Wahau-POM-PT-Kresna-Duta-Agroindo-subsiary-of-Golden-Agri-Resources-Ltd.pdf">www.mutucertification.com</a> on 5 April 2019 (<a href="http://www.mutucertification.com/wp-content/uploads/2019/04/Notification-of-RSPO-Re-Certification-of-Muara-Wahau-POM-PT-Kresna-Duta-Agroindo-subsiary-of-Golden-Agri-Resources-Ltd.pdf">http://www.mutucertification.com/wp-content/uploads/2019/04/Notification-of-RSPO-Re-Certification-of-Muara-Wahau-POM-PT-Kresna-Duta-Agroindo-subsiary-of-Golden-Agri-Resources-Ltd.pdf</a>).</li> <li>2. Public announcement at web <a href="http://www.rspo.org">www.rspo.org</a> on 5 April 2019.</li> <li>3. Public consultation by phone with government agencies in Kutai Timur District (Plantation agency, Land Office and Manpower agency) on 8 May 2018.</li> <li>4. Public consultation by interview with locals of the nearby village (Makmur Jaya and Miao Baru Village), Cooperative and local contractor on 8 May 2019.</li> <li>5. Consultation meeting and interview with Internal Stakeholder (labour union, worker cooperative and gender committee) on 8 May 2018.</li> <li>6. Consultation with NGO (Sawit Watch, Walhi, AMAN and WWF) via email on 2 May 2019.</li> </ol> <p>Numbers of input from stakeholders were clarified by PT KDA.</p>



<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-1.1</b> ) will be determined eight to twelve months after date of certificate (May 2020)

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Muara Wahau POM – PT Kresna Duta Agroindo (GAR) operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators and two (2) 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 actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (document record/photographic/...). Those corrective actions taken that consist of two (2) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Muara Wahau POM – PT Kresna Duta Agroindo (GAR) complied with the requirements of RSPO Principles and Criteria 2013, endorsed September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, Revised on 14 June 2017 (Module E for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>1.1</b>	<b>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>Certification holder has the latest of list of information that can be accessed by stakeholders, such as number of worker, tax payment, environment document, HCV, SIA, and OHS report, Certification holder's policies, RSPO audit report, complaint document, and so on. Frequency of updating information is at least once a year of if there're any changes from stakeholder. Based on interview with statutory bodies of Kutai Timur, it is known that they aware the type of document that can be accessed publicly and how to access those documents. The document can be accessed directly from the unit if they ask. Also it is known that they understand how to communicate and consult with PT Kresna Duta Agroindo.</p> <p>Certification holder also reported mandatory report to related agencies, for example:</p> <ul style="list-style-type: none"> <li>- Land Use Report of PT KDA period of 2018 to Land National Agency of Kutai Timur Regency on January 28<sup>th</sup>, 2019.</li> <li>- Employee Report period of 2018 to Manpower Agency of Kalimantan Timur Province on March 19<sup>th</sup>, 2019.</li> <li>- Production and Development Plantation Report Period of 1<sup>st</sup> quarter of 2019 to Plantation Agency of Kalimantan Timur Province on May 2019.</li> </ul>	
<b>1.1.2</b>	<p>Mechanism for consultation is listed in Consultation and Communication Procedure (SOP-SMART-UMUM-SADP-I-004) dated July 1<sup>st</sup>, 2016. The procedure explain that all the information request will be responded by Certification holder not more than 3 weeks after the incoming letter. The person in charge for communication and consultation is manager and unit head. All information request has documented, for example:</p> <ul style="list-style-type: none"> <li>- <b>MWHE:</b> Record of information request documented in form of <i>"Monitoring Komunikasi dan Konsultasi Stakeholder"</i>.</li> </ul>	

Based on the document, information request is such of assisting request. For example letter from Miao Baru Village on 4<sup>th</sup> January 2019 about request of lawn mower. Then, Certification holder responded the letter on 5<sup>th</sup> January 2019.

- **MWHM:** Record of information request documented in “*Buku Komunikasi dan Konsultasi*”. There is an information request from GKME worker on September 6<sup>th</sup>, 2018 about clean water request and responded on September 7<sup>th</sup>, 2018.

**Status: Comply**

## 1.2

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

### 1.2.1

CH has list of document that can be accessed publicly that listed in List of Information for Stakeholder (F/SMART/UMUM/SADV/004/003) for period of 2019. The documents that can be accessed by public, such as:

- Number of worker
- Document of tax payment
- Environment document
- HCV, SIA, social, and OSH report
- Company's policies
- RSPO audit report

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

**Status: Comply**

## 1.3

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

### 1.3.1

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

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

This policy is available in Indonesian Language. Based on interview with worker in estate and mill, it is known that they understand about the ethical conduct of the company. And also, based on interview with local contractor, Certification holder has socialized this policy whenever there is renewal work agreement and then delivered to each contractor worker.

**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 Certification holder has list of regulations of 2019 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. The Certification holder has shown the

evidence of legal requirements compliance such as plantation business permit from head of district of Kutai Timur No. 500/018/Ek-I/2006 dated 18 January 2006 and No. 188.4.45/065/Eko.1 – V/2014 dated 19 May 2014. The other compliances of regulations are regarding to environment aspects are EIA management and monitoring in routinely, hazardous waste storage license approved by local government. Compliances of workers and OHS regulations are provided the minimum wage, company safety & occupational health, transporting and forklift operator.

Based on interview with stakeholders such as government agencies and other stakeholders such as workers union and surrounding communities it is known that the Certification holder has comply the related regulations for example: has plantation business permit, land use right, no workers under age of 18, land application permit, hazardous waste storage permit, there is no environment issues such as that there are no violations of regulations related to the environment and there is no environmental pollution.

#### **2.1.2, 2.1.3, 2.1.4**

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

<b>Status: Comply</b>
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## **2.2**

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

### **2.2.1**

PT Kresna Duta Agroindo has managed totaling area for about 6,882.535 Ha, which consist of 6,877.535 Ha as scope of certification and 5 Ha of Gunung Kombeng Mill that out of certification scope and has planned to be certified in 2020 (describe at time bound plan on basic info 1.10.1). The corporate area originates from state land with other usage area status, in which there are several community's land. The acquisition process began with obtaining a location permit from head of land agency of Kutai District in 1997. The next process is land acquisition from community's area by providing compensation that finished in 1997. The Certification holder get the land use title for 6,877.535 Ha (scope of certification) which are:

1. HGU decree from head of national land agency No. 34/HGU/BPN RI/2010 dated 1 June 2010 for 6,873.44 Ha, which consist of:
  - a. HGU certificate No. 112 for 6,026.25 Ha valid to 16 July 2045.
  - b. HGU certificate No. 113 for 847.19 Ha valid to 16 July 2045.
2. HGB decree from head of land agency of East Kalimantan province No. 72-550.2-44-2004 dated 31 March 2004 for 40,953 M<sup>2</sup>, with HGB certificate No. 01 dated 14 April 2004 valid to 15 April 2024. (Muara Wahau Mill)

### **2.2.2**

Procedure of legal boundary poles monitoring and maintenance is presented in document No. SOP/SMART/CERS-EHSD/SADV/I/004 dated 1 July 2014. Procedure mentioned that maintenance was carried out by foreman with supervision of Assistant Manager. Estate management were able to shows location of boundary poles map as well as its coordinate points, which presented in document of Specific Situation Map No. 054-16.09-2007 with scale 1:20,000. Boundary poles monitoring record in March 2019 informed that 32 poles in Muara Wahau Estate and 35 poles in Gunung Kombeng Estate were in good condition and satisfactory maintained.

Based on field observation to Poles No. GPS 006 block B24 and No. GPS 007 block F30 (Muara Wahau Estate), No. KDA 019 block G29 and No. KDA 020 block H29 (Gunung Kombeng Estate), it could be concluded that estate management has monitored their boundary legal poles, clearly demarcated and visibly maintained. Verification using GPS indicates that the pole coordinate is in accordance with the provisions of the land title and confirmed that there has been no planting beyond the legal demarcated boundary areas of the plantation.

**2.2.3, 2.2.4, 2.2.5, 2.2.6**

The Certification holder has established the mechanism for conflict resolution and land dispute in the procedure No. SOP/SMART/SENS-CSR/SADV/I/002 dated July 2014. Based on interview with communities and field observations, there were no significant land disputes and no indication of contractually army or paramilitaries using in plantation area of PT. Kresna Duta Agroindo. However, it was reported by estate management that within the HGU there is still land that belong to the community who are not willing to be compensated ( $\pm 16$  Ha). This area has been mapped in participatory and both parties agreed by agreement letter on 21 March 2017. The agreement also stated that the area is still managed by the community and the Certification holder does not take over by force on the land. The community has understood that their land is in the Certification holder's HGU, but does not willing to release the land to the Certification holder. Based on interview with the communities and field observation in block G29 (Gunung Kombeng Estate) are not found significant dispute or any disturbance from the Certification holder to that areas.

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

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

**2.3.1, 2.3.2, 2.3.3, 2.3.4**

The Certification holder has FPIC procedure SOP/SMART/SENS-CSCR/SADV/002 and SOP/SPO/SMART/ LH-04 regarding to social conflict management and land conflict resolution. The Certification holder has no new land acquisition and the entire compensation process was completed in 1997. The results of compensation documents verification and interview with communities are known that there are no indigenous rights or customary rights and there is no issues regarding to FPIC process. The compensation process are done directed to the land owner and not diminish the legal/customary right, landowners are given the freedom to release their land without coercion.

In the HGU area of the Certification holder there are still areas of community land that have not been compensated ( $\pm 16$  Ha), this is because the cultivators are not willing to relinquish their cultivated land. This area has been mapped in participatory and both parties agreed by agreement letter on 21 March 2017. The agreement also stated that the area is still managed by the community and the Certification holder does not take over by force on the land. The community has understood that their land is in the Certification holder's HGU, but does not willing to release the land to the Certification holder. Based on the results of visits to cultivated areas in block G29 (Gunung Kombeng Estate) and from interviews with communities it is known that the Certification holder did not force or seize these areas.

	<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 Certification holder has documents on the long-term plan contained in the PT Kresna Duta Agroindo Profitability Document period 2019 - 2023 that explain about business plan and operational management which includes: area statement, quality of planting materials, projections for production, CPO, PK, Revenue CPO and PK, cost estates, mill costs, profit and loss, and net profit and loss.

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

**3.1.2**

Until now, PT KDA does not have a detailed replanting plan because the oldest planting year was in 1998 (21 year old plant). Plans for replanting will be carried out after the age of the plant enters 1 cycle of oil palm plants (the fastest is done in 2025).

	<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**

PT Kresna Duta Agroindo has documents of SOP Technical of Oil Palm Cultivation starting from land clearing up to harvesting, approved by SMD Ops and entered into force on 12 June 2012. The SOP documents among others about planning of new area planting, replanting plans, nurseries, land clearing, planting, replanting, pest and disease control, weed control, fertilization, maintenance of immature plant, preparation ahead of harvest, harvesting, loading and transportation of FFB. The Oil Mill has SOPs covering all mill operations such as FFB Grading, Sterilization Station, Press Station, Threshing Station, Oil Room, Kernel Plant, Laboratory, CPO & PK Despatch, Engine Room, Boiler Room, Electrical, Workshop as well as Raw and Boiler Water Treatment Plant. That SOP's is available on audit site (Estate and Mill office) and written in a language that is easily understandable for workers (written in Bahasa).

Interviews were conducted to harvesters, pesticides applicators, and manuring workers in GKME and MWHE and also operators in TKMM. Based on the results of interviews can be concluded that the workers understand the duties and responsibilities of their work in accordance with the applicable SOP.

The entire procedure both of plantation and mill has been included of safe working instruction, other than those described in the HIRAC document.

**4.1.2 and 4.1.3**

The Certification holder has a procedure associated with operational internal audit in the SOP No. SOP-ISCC/IMT/OIA. The SOP approved by VPA and VPM, entered into force on 1 July 2011. Ensuring consistency of procedures implementation, the companies routinely conduct internal audit activities both agronomic and processing. It is held by the Department of Operational Internal Audit (OIA) every semester. The records of internal audit on second semester of 2018 has been documented. Non compliance records of internal audit has been corrected and verified by management. There is no revision of SOP at the recertification assessment. In each SOP, there is page of document control that record the revision if any.

Each unit has documented the operations of the estate and mill production such as daily reports, supervisor workbooks. The field visit at the mill shows that the unit has been documenting the daily activities in a daily production report that documented by using computerized systems.

**4.1.4**

The certificate holder already has the RSPO Supply Chain Procedure (SOP/SMART/CERS-EHSD/SADV/1/003) approved on 01 July 2014 which regulates the acceptance of the FFB of third parties, which regulate the acceptance of certified and uncertified FFB. Muara Wahau Mill has record the origins of all third-party sourced FFB. The result of filed visit, document review and interview with the management, known that there are FFB's sourced from third party. The detail can be seen at basic information of this report.

<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**

The Certification holder has SOP of Manuring (SOP/SMART/MCAR/IX/TA-PPK) to maintain soil fertility. The SOP approved by SMD Ops on 12 June 2012. The Certification holder has conducted soil sampling units and leaf sampling units (SSU/LSU), manuring activities, POME applications, and ground cover maintenance in accordance to maintain soil fertility.

GKME and MWHE can show documents on the realization of anorganic fertilization and EFB applications for 2018 until April 2019. The auditor conducted an interview with the fertilizer loading workers at Division 3 GKME. Fertilization is done

mechanically using a spreader machine. Workers can also explain the fertilization procedure well, which is in accordance with the dosage determined based on the recommendations.

#### 4.2.2

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

#### 4.2.3

The Certification holder has routinely monitored the changes on the nutrient status based on the regular soil sampling unit (SSU) and leaf sampling unit analysis (LSU) to determine fertilizers recommendation. The sampling spot has been determined in each division and block routinely by SMART Research Institute (SMARTRI) and it is supported by well-trained census Officer in each estate. SSU is conducted every 5 year for trees with age of 3, 8, 18 and 23, meanwhile LSU is conducted annually. The last LSU result was issued on May 2018 and the last SSU result was issued on January 2015. Visual observations performed every year at the time of leaf analysis activities. Visual observation is a consideration in determining the fertilizer recommendations, deficiency of nutrients and analyze the potential of disease which is likely to become endemic of a particular disease.

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

#### 4.2.4

The Certification holder has a strategy of recycling nutrients, such as the use of the frond (pruning), application of effluent and EFB Mulching. It shows a recording of the EFB applications realization until March 2019 on GKME and MWHE. Overall, the Certification holder has made efforts to maintain and improve soil fertility. Visually, there is no symptom of nutrient deficiency at the blocks that have been visited. Until the recertification, the Certification holder has not carried out replanting activities, so there was no use of the palm residue after replanting.

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

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

##### 4.3.1 and 4.3.6

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

Auditor conducted field observations in the EFB application area in block I17 GKME and it can be concluded that the Certification holder has implemented a management strategy to optimize the potential of the land with the limiting factor by providing EFB.

##### 4.3.2

Based on semi-detail survey report conducted by PMNP, the slope levels range between 0 – 40%. There is no slope level >41%. The slope levels between 21 – 40% is found 152.21 Ha in GKME and 348.87 Ha in MWHE. Planting strategy for areal with slope levels 21 – 40% was U-shape frond stacking methods, conserving of fern (*Nephrolepis bisserata*) to keeping the soil moisture, and EFB application to enrich organic material contents in soil and reducing run off risk in rainy season. The Certification holder had a guidance related to plant in slope area as follows SOP New Planting Planning (No. Doc. LAMP/I/TA-PPA/02 - Classification of Tilt and Terraces Requirements), Working Instruction for Individual Terrace (SOP/SMART/MCAR/I/TA-PPA) and Working Instruction for Contour Terrace (IK/SMART/MCAR/I/TA-PPA/03). Field

observations in block D27 MWHE shows that the Certification holder has realized the U-shape frond stacking methods and conserving of fern (*Nephrolepis bisserata*) to keeping the soil moisture.

#### 4.3.3

The Certification holder shows a road maintenance program for the 2018 and 2019 period. GKME and MWHE have classified roads based on their conditions (good, medium and heavy). From these data the Certification holder made priority programs in road improvement. For example, the realization of road improvements in GKME has reached 24,412 meters on March 2019 and in MWHE has reached 28,851 meters on March 2019.

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

#### 4.3.4 and 4.3.5

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

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

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

##### 4.4.1 and 4.4.2

The Certification Holder has identified the entire water bodies within its operational area namely Pantun River which located in GKME as well as Elang River located in MWHE.

Certification holder has consistently set water management strategy that were implemented. Several strategy as follows:

- Protecting riparian from chemicals contamination. The Certification holder has installed sign as prohibiting application of pesticides and fertilizers. The signs can be red painting in palm-stem or sign board. Based on interviews with spraying workers in GKME (Block I18 Division IV) and MWHE (Block F10, Division 1) workers are aware of this.
- Vertiver grass planting in riparian area. For example, observation in block C12 Division 4 MWHE riparian of Elang River and Block J16 Division 3 MWHE riparian of Pantun River, there was vertiver grass and legume cover crop planted in riparian. Therefore, the Certification holder has set riparian as conservation area. The consequence is no chemicals application, logging and hunting. The riparian monitored by conservation officer routinely.
- Surface water monitoring every semester, by accredited laboratory (KAN LP-013-IDN) test parameter referring to appendix 5, local regulation of Kalimantan Timur No. 2/2011. Based on the last tests on Semester 2 year of 2018 in upstream and downstream of Pantun River, Elang River and Pesab River, all test parameters are in accordance with the quality threshold.

##### 4.4.3

Mill has had license for land application in accordance with Decree of Kutai Timur Regent No. 660/K.133/2018 dated 14 March 2018. The management has tested mill's effluent regularly every month. The result of the test is recorded on implementation report of environmental management and monitoring and reported to Environmental Agency. test results for September 2018- Februari 2019. The maximum BOD test results obtained are 2495 mg / l in October 2019 and the smallest is 947 mg / l in November 2018. According to the test result, the quality of effluent is accordance with the quality threshold (Environment Ministry Decree No. 29 Year 2003 and land application license).

##### 4.4.4

The use of water has been regulated under the terms of the permit of surface water utilization from the Directorate General of Water Resources of the Ministry of Public Works, determined that the water utilization can not be more than 37,500 m<sup>3</sup>/month. The CH can show the recording of water utilization for processing and domestic period of May 2018 to April 2019, shows that the water utilization does not exceed the terms of the permit.

	<b>Status: Comply</b>	
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#### 4.5

#### Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated

**Pest Management techniques.**
**4.5.1**

The activity budgeted on the program were consist of detection, census and monitoring of pests and diseases attack, biological control such as barn owl nest installation and planting of beneficial plants. According to IPM activity records for 2018 until April 2019 such as program and realization of rat census, leaf eating caterpillar census, and termite census, it could be concluded that all the census results were still under its economic threshold. There is no invasive species attack. This may lead to zero use of pesticides for pests and diseases control. It could be concluded that IPM techniques implemented by biological methods is effective to control pests and diseases, and also to minimize the use of chemicals. Furthermore, according to pesticides used record in 2018 until April 2019, agrochemical uses was only implemented for weeds control purposes.

The Certification holder has a good commitment to improve the use of pest natural predator as part of integrated pest control. One of natural predator development is the reproduction and the construction of barn owl box as a mechanism to control rat. It monitoring barn owl box occupation at least once a month. The monitored parameter are the existing of barn owl in the boxes, left food, and sign of reproduction such as egg or owl. Currently, there are total 98 barn owl boxes in PT KDA and inhabited 97 barn owl boxes.

**4.5.2**

The Certification holder has records of the training implementation for workers who are involved in the implementation of integrated pest management, for example, Integrated Pest Management training on 30 April 2019 with the number of participants are 10 employees consisting of census operators, supervisors, and field assistants. Based on interview with the worker revealed that the worker understand the method of plant pest and diseases census or detection.

<b>Status: Comply</b>
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**4.6**
**Pesticides are used in ways that do not endanger health or the environment**
**4.6.1**

The Certification holder has SOP and work instruction on weeds management, the guidance covering about chosen, storage, application, contaminated handling, known about signs and symptoms of pesticides poison and first aid for poison case. To ensure pesticide used are in accordance with the target, Certification holder conducted identification the type of weed found in operational area. Based on field visits and interviews with 10 pesticide applicators in GKME and 2 pesticide applicators in MWHE, it was concluded that workers knew about the function of the chemical used and selective when doing the spraying activity, as for example for glyphosate material used to spray the circle and harvesting path only while the weeds in inter row not sprayed. The Certification holder used *Isopropil amina glyphosate*, *triclopyr* and *Metil metsulfuron* which have received permission from the government. Based on document verification and observation to pesticide storage, there is no prohibited chemicals use.

**4.6.2**

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

**4.6.3**

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

**4.6.4**

On the August 2015, President Director of SMART Tbk issued a memorandum not to use paraquat in 2016. Regarding to

*Pesticides that are categorized as WHO Class 1A or 1B, there is Social and Environment Policy that stated minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances. Based on document verification and field visit to pesticide storage, there is no paraquat and WHO Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions application from May 2018 until April 2019.*

**4.6.5; 4.6.7 and 4.6.9**

The results of field observation in warehouse and interview with pesticide applicator in Division 4 GKME and Division 1 MWHE, it is known that the employees have been given regular training in safe work practices. This was evidenced by the employee can demonstrate the correct way to work in accordance with the procedures including how use and handling the risks in accordance with material safety sheets. There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse.

The pesticide applicator also using personal protective equipment in accordance with specified hazard identification and material safety data sheet such as respirator mask, gloves, safety shoes, apron and goggles. In addition, employees are also informed about the steps of secure work in each roll call in the morning before work. Meanwhile, the spraying workers interviewed also claimed that after spraying they will be washing up and drying up the PPE and spraying tools (sprayer tank, jerry can), and taking shower/changing clothes in special place near pesticide store of the division office. Therefore, based on field observation to mixing area in GKME and MWHE, that known there are storage for keeping all PPE's and spraying tools after use.

**4.6.6**

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

Based on field observations to chemical warehouse in MWHE and GKME; there are MSDS and it was available also pesticide mixing places, PPE washing basin and spray equipment, water trap (tub to hold water used for washing), water tap, storage room for PPE, the appropriate ventilation, bathrooms, sedimentation basin, and water tank. Based on field visit at the Hazardous Waste Temporary warehouse and employee housing, it was found that all pesticide used container have been stored in the Hazardous Waste Temporary Store Based The spraying team interviewed at GKME (Block I18 Division IV) and MWHE (Block F10, Division 1) claimed that handling of pesticide used containers has been done in accordance with established procedures.

The used container of agrochemical can not be taken home or other used. The pesticide used container are shipped entirely to licensed Hazardous Waste carrier Certification holder. The Certification holder shows the Hazardous Waste Manifest from PT Karunia Lumasindo Pratama, dated 5 and 6 April 2019.

**4.6.8**

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

**4.6.10**

Certification holder possess procedure for Toxic and Hazardous waste including used agrochemicals management listed on SOP/SPO/SMART/LH-18. These procedure stated that all used chemicals containers were kept on temporary hazardous storage at mill/estates. Training for workers and staff regarding hazardous & toxic material handling have been conducted on 4 April 2019 attended by 151 participant and 11 February 2019 attended by 5 participant.

Based on observations to the hazardous waste warehouse in MWHE and GKME, hazardous waste management has been done in accordance with the procedure owned, carried out logging and entering the waste by the officer. Based on interview with sprayer team found that workers recognized how to properly disposed waste materials and workers have



been trained by Certification holder about waste and hazardous materials handling.

#### 4.6.11

PT KDA has list of pesticide operator based on latest data of April 2019 as many as 10 workers in GKME and 14 workers in MWHE. Medical examination (cholinesterase) has been conducted on 4-8 March 2019 to all pesticides workers in GKME and MWHE. The result of medical examination is informed to the workers and all pesticide operators are in a healthy condition (normal result). And also, based on interview with the workers, it is known that they are never get experience of occupational injury which caused by chemical such as irritation.

#### 4.6.12

The Certification holder has a policy that prohibits pregnant and breast-feeding personnel working with chemical material. Based on interview with spraying personnel, it is known that there was neither pregnant nor breast-feeding female personnel who work with pesticide. Audit team also got information that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or breast-feeding.

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

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

##### 4.7.2

The Certification holder shown the document of hazard identification, risk assessment and risk control which issued on January 2019. It will be reviewed if any occupational accident happen. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on site observation at workshop in MWHM and agrochemical warehouse in GKME and MWHE, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the Certification holder has been reduce the potential risk by routine socialization about OHS, providing PPE, and OHS signboard are available in workplace.

##### 4.7.3

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

The Certification holder has an PPE Management procedure (SOP / SMART / HSS-EHSD / SADV / I / 010), which explains the standard PPE used and if it was found that the condition of the PPE was damaged, the safety officer is responsible for replacing the damaged PPE. Based on field observations and interviews with workers at the Muara Wahau Mill, the facts of the field were found as follows:

- 4 workers at the sorting station, 1 worker at the press station, and 2 workers at the kernel station using safety shoes that do not meet Certification holder standards (purchased by the workers themselves because the safety shoes provided by the Certification holder are damaged before the new replacement period).



- 1 worker at the sorting station has not received safety shoes (because he has only worked  $\pm$  7 months)
- 1 worker at the engine room station used ear cover that did not meet Certification holder standards (sighted used ear plugs during operation time, while the Certification holder standards stated use ear muff).

Based on these evidences, the Certification holder has not been able to demonstrate the implementation of PPE management according to the procedure owned. This becomes a **Non-conformity No. 2019.01** with **MAJOR category**.

#### 4.7.4

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

#### 4.7.5

The Certification holder provides procedures for accidents and emergencies in the SOP handling accidents and occupational diseases (SOP/SMART/HESS-EHSD-10) and SOP Preparedness and Emergency Response (SOP/SMART/GENERAL/SADV/II/005). The procedures cover the main potential causes of emergencies such as fires, chemical spills. The procedures also explained that records of all accidents shall be kept and periodically reviewed. Simulation was performed to know the preparedness of emergency response equipment in the POM. The simulation was performed on hydrants located in the mill and the result of the experiment was concluded that the hydrant tool is ready for use.

GKME, MWHE and MWHM has already licensed first aid officers and there was first aid internal training conducted on 25 April 2019 which was attended by 34 participants. Based on field visits and interviews, it was found that all the supervisor in each of activities were equipped with first aid kit and had been trained on the use of first aid boxes and the supervisor explained the usefulness of each first aid kit.

#### 4.7.6

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

#### 4.7.7

The Certification holder has calculated the Lost Time Accident every month for monitoring the recording of occupational accidents. It shown the Lost Time Accident calculation per April 2019. This document informs the number of worker, number of working days, the number of non effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of SR and FR is reviewed regularly and will be evaluated at monthly meeting of OHS Committee.

<b>Major 4.7.3</b>	<b>Status: Non-conformity No. 2019.01 with MAJOR category.</b>
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#### 4.8

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

##### 4.8.1

Certification holder has training program for workers for period of 2019 for operational training, including training for worker exposed to high noise level in mill. The aspect in the training program are such as environment, labor best management practice aspect, and others. Some of training program, namely:

- GSEP awareness conducted every month.
- Awareness of environment aspect impact conducted on February and March 2019.
- Socialization of hazardous waste management conducted on January and March 2019.

- Socialization of domestic waste management conducted on February, March, May, and September 2019.

Based on interview with worker in estate and mill, they have received some training related to their work, such as work procedure training, emergency response, and first aid training. The training has been documented into minutes of meeting, list of attendees, and photo activity. Certification holder also has conducted training regarding awareness of RSPO P & C to the workers.

#### 4.8.2

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

- Socialization of OSH policy, PPE, GSEP, and LOTO on February 2<sup>nd</sup> 2019 attended by 118 worker.
- Socialization of waste management, MSDS, water and energy usage on February 12<sup>th</sup> 2019 in MWHE
- Socialization of harvesting work instruction on March 13<sup>th</sup> 2019 in MWHE

**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 & 5.1.2

The environmental documents are in accordance with the current area of operation of the plantation area and plant capacity and are in compliance with applicable laws and regulations. CH has EIA document and its addendum related to the increasing capacity of mill in Muara Wahau into 60 Ton FFB/Hour. Located in Kongbeng Indah village, Makmur Jaya village, Kongbeng Sub district, Kutai Timur District, Kalimantan Timur Province. The assessment carried out in 2007 involved the participation of surrounding communities to determine mitigation measures, such as the Communities of Marga Mulia, Sukamaju, Makmur Jaya, and Sri Pantun Villages.

Environmental management carried out in accordance with the EIA, such as : (1) Engine maintenance periodically, install a dust collector on factory chimneys channel, using a mask when working in locations that have high levels of pollution, (2) Machine maintenance periodically, use ear plugs when working in a convenient location have a high noise level, (3) Not dispose wastewater into the river, do not dispose of solid waste into the river, providing signboard prohibition of chemical application on riparian area, providing signboard of prohibition polluting the river, providing the boundary pole for riparian area, providing the boundary pole of spraying, tree planting in riparian area.

Monitoring of environmental carried out in accordance with the EIA, such as: (1) Emission quality testing periodically, evaluating the test results and report the results of monitoring to the related agencies, (2) Noise quality testing, evaluating test results and report the results of the monitoring to the related agencies, (3) River water quality testing, evaluating test results and report the results of monitoring to the related agencies.

The implementation of environmental monitoring and management plan documented and reported every 6 months to related agency, such as the reporting for 2<sup>nd</sup> Semester of 2018 was on 15<sup>th</sup> February 2019 to Environmental Agency of East Kutai Regency and to Environmental Agency of East Kalimantan Province. The monitoring report is made based on matrix identification in environmental document. The report made is in accordance with KepmenLH No. 45 of 2005 concerning guidelines for writing RKL-RPL.

##### 5.1.3

Certification holder are consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per sixth month regularly. These report described realization of monitoring and management of the environment in accordance with environmental parameters in the RKL/RPL. Public consultation

with Environmental agency of East Kutai District indicate that the Certification holder has made environmental management and there is no issue of pollution caused by the Certification holder's operational activities.

Based on the results of interviews with the Environmental Services and review of addendum documents on the management plan and monitor the environment 2018. There is one additional parameter that needs to be monitored and managed, which is related to monitoring domestic waste.

In the second semester 2018 environmental management and monitoring report, these parameters have not been monitored because the addendum document has been carried out at the end of 2018. The Certification holder ensures to monitor domestic waste parameters in the next monitoring period. **OFI**

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

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

### 5.2.1

CH has a primary document Identification of HCV in 2013 by HCV Assessment Team Dep. Environment PT SMART Tbk with competency in ecology, biodiversity, social- and environment aspect. HCV assessment report has been reviewed by Independent Consultant on January 2013.

Identified types of HCV area are Pantun Riparian Area of 211 Ha and Elang Riparian Area of 159.47 Ha. HCV identification results also explain the presence of Rare, Threatened, or Endangered (RTE) as well as the status of its protection (IUCN, government regulation 7/1999, CITES).

### 5.2.2; 5.2.3

To provide protection against RTE species, management unit has made the hunting ban signboard, patrolling, doing rehabilitation of riparian as habitat and report to relevant agencies (Nature Conservation Agency) if there is a protected flora and fauna. Certification holder has a management plan to maintain and improve HCV which refers to the 2012 HCV Document. As for improving HCV Certification holder also conducted a periodically monitoring every month for HCV areas, species monitoring, and monitoring wildlife hunting by HCV officer.

Based on field observation in block J16 Division 3 GKME riparian of Pantun River and Block C12 MWHE riparian of elang River, it is known that Certification holder has conducted river riparian management, such as:

- Around the watersources is covered with natural plant (conditions of the river border are left in a scrub condition). *Vertiver grass* planting in riparian area. For example, observation in block J16 Division 3 GKME riparian of Pantun River and Block C12 MWHE riparian of elang River, there was vertiver grass and legume cover crop planted in riparian. Therefore, the Certification holder has set riparian as conservation area. The consequence is no chemicals application, logging and hunting. The riparian monitored by conservation officer routinely.
- There is a boundary that shows high conservation value areas
- There is signboard of forbidden to hunt.
- Protecting riparian from chemicals contamination. The Certification holder has installed sign as prohibiting application of pesticides and fertilizers. The signs can be red painting in palm-stem or sign board. Based on interviews with spraying workers in Block I18 Division 4 GKME and Block F10 Division 1 MWHE workers are aware of this.
- Surface water monitoring every semester, by accredited laboratory (KAN LP-013-IDN) test parameter referring to appendix 5, local regulation of Kalimantan Timur No. 2/2011. Based on the last tests on Semester 2 year of 2018 in upstream and downstream of Pantun River, Elang River and Pesab River, all test parameters are in accordance with the quality threshold.

For the purposes of managing the conservation area, CH has appointed some officers dedicated in management of HCV area with Decree No. 01/UHGKME-SPO/09/17 dated 07 September 2017 on the Appointment of Responsible Management of HCV Areas of PT KDA, as responsible for the management of PT KDA HCV area with the duties and responsibilities :

- Implement HCV area management properly and correctly in accordance with applicable laws and regulations.
- Making HCV area monitoring and management reports referring to the final HCV report
- Ensure the implementation of HCV area management has been implemented, including the installation of HCV signs, marking of palm in the boundary area of the river, mounting warning from its activity report
- Organizing socialization, publications and documentation related to the management of HCV areas.

Education towards HCV and its management has given through socialization which conducted in March and April 2019, socialization in GMKE and MWHE and community people in Miao Baru Village and Sukamaju Village. Furthermore, based on interview with pesticide applicators in Block I18 Division 4 GKME and Block F10 Division 1 MWHE known that they already know about prohibition to capture, harmed, collecting or kill any RTE species. Based on field visit at workers housing shows that no workers that capturing, harming, collecting or killing any RTE species. The figures of flora and fauna were available on housing information board and signboard.

#### 5.2.4

CH have established HCV management plan, and implemented it well. All of records for patrols on each estate are available and verified by auditors. Management and monitoring activities of HCV contained in the Management and monitoring HCV report. According to the result of management and monitoring evaluation 2018 known that there are protected animal in the areal of PT KDA. The result of monitoring also reported to government.

#### 5.2.5

As mentioned in the previous surveillance and Indicator 2.3.1 it was informed there are no customary rights used as a plantation of PT KDA. Confirmation on the issue has also been obtained by auditor from public consultation session of RSPO Recertification dated May 8th 2019, which shows that there is no overlap between the village community land concession areas including HCV area.

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

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

#### 5.3.1; 5.3.2

Consistently up with the activities of ASA-4, the management unit has identified waste in the Mill and the Estate including the type of waste (hazardous waste, domestic waste, industrial waste, infectious waste, and air waste), waste sources, and actions taken in efforts to reduce hazardous waste.

CH conduct an inventory of the waste described in the document evaluation aspects of 2018. The result of inventory in estate and mill as follows:

- Spray activities produce waste, such as former pesticide container placed in hazardous waste warehouse.
- Preparation and maintenance block mark, such as former paint cans, placed in hazardous waste warehouse.
- Plastic waste fertilizer, placed in hazardous waste warehouse.
- Activities in the loading ramp, used sacks lose fruit placed in landfill
- Activities in WTP, waste resulting is used chemical container placed in hazardous waste warehouse.
- Activities in nursery waste resulting is polybag placed in landfill
- IPM controlling, waste resulting is used pesticide container placed in hazardous waste warehouse.

Based on field visits in chemical warehouse (central warehouses) is known the resulting, former chemicals container be placed to hazardous waste warehouse.

According to the document review, used pesticide containers are washed first, after that kept to hazardous waste storage, and then recorded on hazardous waste logbook. Furthermore, used pesticide containers deliver to the licensed waste collector (PT Karunia Lumasindo Pratama) by using the licensed transportation dated 5 and 6 April 2019. Then, reported to Environment Agency. The Certification holder has reported the hazardous waste management reporting for period October to December 2018 on 15 February 2019.

#### 5.3.3

All chemicals and their containers including hazardous waste are disposed responsibly based on procedure SOP/SPO/SMART/LH-18. Inventory for all chemicals usage and its containers are available on chemicals storehouse / temporary hazardous storage. All used chemicals containers kept on temporary hazardous storage at MWHM, GKME, MWHE and MWHT, and the Certification holder has a permit for hazardous and toxic waste storage issued by decree of East Kutai regent No No. 660/K.448/2017 for MWHM-GKME, and decree No 660/K.323/2018 for MWHE-MWHT, all of permit still valid.

Document review shown that Certification holder has sent all toxic and hazardous waste to PT Karunia Lumasindo Pratama (licensed collector by decree of national environmental minister) manifest are available and checked by auditors. Observation during audits at temporary hazardous&toxic waste storage shown that all of hazardous waste are compliant with the periods in permit (< 365 days). Submission of the last hazardous waste carried out on 5 and 6 April 2019 with details:

#### GKMM-MWHM 5 April 2019

- Used oil 13 drum (2400 liter), Manifest No. ADO0000001596UF
- Used accu 28 ea, total 1420 Ampere, Manifest No. ADO0000001598UF
- Used rag total 1 drum Manifest Limbah No. ADO0000001593UF
- Used Filter 3 drum Manifest Limbah No. ADO0000001592UF
- Contaminated and used pesticide container total 125 kg, Manifest No. ADO0000001594UF
- TL lamp 6 kg, Manifest. ADO0000001595UF
- Sludge 1 Drum, Manifest No. ADO0000001597UF

#### MWHE-MWHT 6 April 2019

- Used Oil 5 drum (1000 liter), Manifest No. ADO0000001599UF
- Used Accu 4 pcs total 480 Ampere, Manifest No. ADO0000001600UF
- Used rag 1 drum Manifest No. ADO0000001601UF
- Used Oil filter 3 drum Manifest No. Manifest Limbah No. ADO0000001602UF
- Used Chemical container total 119 kg, Manifest No. ADO0000001604UF
- Medical waste 1 kg, Manifest No. ADO0000008597UF
- Sludge 1 Drum, Manifest No. ADO0000001605UF

All settlements/domestic waste were not disposed of by burning method. Field observation in MWHE and GKME for example found that companies managed settlements/housing domestic waste by provide landfill on each division and sort the organic/an-organic waste. Observations also found these landfill are located far away (> 1 km) from housing and situated on flood free areas.

The company routinely conducts training or socialization to employees or PICs for domestic waste management, for example socialization and training on domestic waste management conducted on 11 February 2019 was attended by 6 environmental PICs and 4 April 2019 was attended by 151 employees DIV 2 MWHE.

When ASA-4 was identified there was a discrepancy in the management of its waste waste, there were still oil and diesel spills in the refueling area. other than that in reporting LB3 waste, it is known that there are still documents that have not been reported. until the Recertification audit has verified verification of non-conformities, CH has improved the floor condition at refueling area, socialize to all employees related to the management of hazardous waste and reporting on corrected hazardous waste. Based on evidence of improvement and the results of field verification, nonconformity are stated to be fulfilled.

<b>Status: Comply</b>	
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#### 5.4

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

##### 5.4.1

The Certification Unit was able to shows records of total fuel consumption for production activities, stated in liter per ton FFB and per ton CPO. Mill management informed that installation of biogas plant were not implemented in the near future.



CH has implemented efficiency of fossil fuel efforts through renewable energy usage by using shell and fiber. It efforts has documented and monitored well.

CH already maximizing the use of renewable energy (fibre & shell) as boiler fuel. Total use of shell and fibre in 2018 was 19,517,658 kg and 42,429,691 kg with power potential is 65,928,847 KWH. Based on monitoring, the energy used in 2018 is 60,055,585 KWH for process the FFB as 290,197.46 Ton. Total diesel fuel that needed in 2018 is 1,678,074 liters and the actual use is 274,690 so total solar savings is 1 IDR 17,196,572.16.

**Status: Comply**

### 5.5

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

#### 5.5.1 and 5.5.2

The land clearing / land preparation are done without burning. The results of the document review, public consultation and field visits show that since ST-2 up to the Recertification, the Certification holder did not do a new land clearing.

Based on field visit to Gunung Kombeng Estate and Muara Wahau Estate not found indication of burning 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

CH has list of activities that produce Greenhouse Gases (GHG) in mill consists of use of chemicals, the use of fossil fuels, the use of electricity and effluent. List of activities that produce GHG in estate consists of, the use of chemical fertilizers, the use of pesticides, the use of electricity, the use of fossil fuels. To minimize the GHG, management unit conduct:

1. The use of Chemicals: Chemical use sufficiently correspond to the dose required.
2. The use of of fossil fuels:
  - Subtracting the use of diesel fuel
  - Generators and heavy equipment were functioning properly be able to consume diesel fuel efficiently
  - Turn off the engine when the vehicle queue loading and weighing FFB.
  - Ensure the maintenance of transport equipment, generators and heavy equipment.
  - Monitoring of Kwh / ton production coming from renewable energy (fiber and shell).
3. The use of electricity: using an efficient lamps and socialization in saving electricity
4. Domestic waste: waste separation an organic and organic; socialization in prohibition of garbage incineration
5. Effluent is greenhouse gas emissions from liquid waste into the air / atmosphere.
6. The use of Pesticides: Optimizing control of IPM and use pesticides that have been registered and also appropriate and precise dose.

Based on field visits in the boiler station any a fiber and shell is used as fuel. Remaining fiber shell and placed so did not result in pollution and potential fire. Based on field visit in landfill, Gunung Kombeng and Muara Wahau Estate is known there are not used pesticide containers disposed in landfills and domestic waste has been divided into organic and an organic.

Certificate holder conducted testing noise in Mill on October 2018 by by accredited laboratory (KAN LP-013-IDN) with results 782.2dBA to 96.9 dBA.

According to the test result, noise in Mill has been over the threshold limit for example in Engine Room station, Boiler station, nut and kernel station, clarification station, and sterilizer station. CH conducted evaluation with installed warning/safety sign in high noise area and PPE (earmuff/earplug) for workers provided by the Certification holder, and medical check up with audiometri test for workers Mill.



Based on filed observation in Engine Room Station of MWHM, warning sign for high noise area has been installed and completed for PPE sign (earmuff), and to ensure all of employee used minimum standar of PPE the company has an inspection and monitoring schedule for the use of PPE by workers to ensure the minimum PPE has been used by all employees.

### 5.6.3

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

Emmision per product	tCO2e/tProduct
CPO	0.62
PK	0.62

Production	t/yr
FFB processed	333448
CPO produced	76621.38
PK produced	17217.63

Extraction	%
OER	22.98
KER	6.16

Lan use	Ha
Planted area	6605.08
Planted on peat	0
Conservation Area	370.47

#### Summary of field emission and Sinks

Description	Own crop		Group		3 <sup>rd</sup> party	
	tCO2e	tCO2e/Ha	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB
<b>Emissions Sources</b>						
Land conversion	55942.28	9.88	0	0	0	0
CO2 emmisions from fertilizer	6678.66	1.18	0	0	0	0
N2O emissions	6449.59	1.12	0	0	0	0
Fuel comsumption	1429.88	0.25	0	0	0	0
Peat oxidation	0	0	0	0	0	0
Sinks					0	0
Crop sequestration	-	-9.36	0	0	0	0
Sequestration in Conservation area	53025.85	0	0	0	0	0
Total	17474.5	3.06	0	0	13324.34	0

#### Summary Oil Mill Emissions and Credits

Remarks	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB
Emissions sources		
POME	26826.88	0.08
Fuel consumption	857.03	0.01
Grid electricity	0	0
Credits		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	27683.91	0.09

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

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

#### POME Divert to Anaerobic Digestion

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

**Status: Comply**

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

#### **6.1**

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

##### **6.1.1, 6.1.2, 6.1.5**

Social impact assessment was conducted in 2014 by SIA CSR Team Department of PT SMART involving local communities. SIA documents have identified the positive and negative impacts of the Certification holder's operational activities, for example the quality of public health is increasing, road access is better, reducing unemployment in surrounding village, the intensity of communication and interaction of companies with the community is lacking.

The assessment was conducted by interview involving stakeholders, such as Marga Mulia, Suka Maju, Makmur, Jaya, and Sri Pantun Village and also workers of PT KDA. Certification holder showed photo documentation of interview and minute of meeting of public consultation. Based on interview with representative of Miao Baru village, all issues is covered in SIA document. Other than that, Certification holder also include smallholder farmers in this assessment. The impact felt by smallholders is increasing community income.

##### **6.1.3, 6.1.4**

Certification holder has arrange management and monitoring plan for social impact assessment every year. Management and monitoring plan is made by involving the stakeholder such as Sukamaju, Sidomulyo, Kongbeng Indah, Certification holder's worker, and other surrounding village. Monitoring is based on management plan and the monitoring result also make the new management plan. The latest management and monitoring plan is for period of August 2018 – August 2019. For example:

Impact that appears	Management Plan	PIC	Execution Time
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Damaged infrastructure	- Road repair and maintenance	Unit Head, SPO	Jan – Jul 2019
	- Increasing communication with community	officer	Sept 2018 – Jul 2019
Lack of employment	- Communicate the job vacancy	Unit Head, SPO	August 2018 – Jul 2019
		officer	
Community concerns about CPO vehicles that stop by	- Disseminating to CPO drivers as not to stop around the village	Unit Head, SPO	Nov 2018, March 2019, and July 2019
		officer	

Management and monitoring plan has reviewed every 2 years. The latest review of social management and monitoring plan is on 2018. The review is for management and monitoring plan period 2016 and 2017. The latest review has involved stakeholder, such as people from Sukamaju, Sidomulyo, Kongbeng Indah Village, other village, and internal stakeholder of PT KDA. Based on review, there is no addition or reduction of management plan. Based on interview with representative of Makmur Jaya and Miau Baru Village, all social impact has been identified in SIA document.

**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

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

Based on interview with Statutory Bodies in Kutai Timur Regency and representative of Makmur Jaya and Miau Baru Village, it is known that they understand how to communicate and consult with PT Kresna Duta Agroindo. They also know the PIC for communication and consultation.

### 6.2.2, 6.2.3

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

List of stakeholder is made by SPO officer. The latest list of stakeholder is available for year of 2019, consist of statutory bodies, local communities, worker organization, FFB supplier, local contractor. The information request from stakeholders is about assistance proposal and mandatory reporting information. All information request has documented in book of "Monitoring komunikasi dan konsultasi" and "Buku komunikasi dan konsultasi". The information request from stakeholders mostly about assistance proposal. For example: assist letter from Miau Baru Village on 4<sup>th</sup> January 2019 about request of lawn mower. Then, Certification holder responded the letter on 5<sup>th</sup> January 2019 by giving the lawn mower.

**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

Certification holder has a mechanism of complaint and grievance handling in Handling of Complaint and Grievance Procedure (SOP/SMART/SIGS-CSR/SADV/I/003) which explain handling of complaint and grievance from internal and external stakeholder. The procedure is made involve the consideration from various parties. Certification holder also will protect the identity of complainant. Based on interview with worker in estate and mill, it is known that workers understand how to deliver their complaint if any. Based on interview with representative of Makmur Jaya and Miau Baru Village, it is known that they understand the mechanism to deliver their complaint if any.

**6.3.2**

There were no external complaints submitted during the period of 2018. Internal complaint from internal is documented in "Buku Penanganan keluh kesah atau grievance" and "Pencatatan keluhan dan ketidakpuasan". Based on review of these documents, there is no complaint submit to Certification holder whether from internal or external stakeholders for period 2018 – 2019.

**Status: Comply**

**6.4**

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

**6.4.1, 6.4.2, 6.4.3**

The Certification holder has compiled a procedure of Land Compensation, document No. SOP/NP/SMART/VII/D & L.002, issued on 1 July 2010. The procedure is covered the process of identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation. The scope of procedure is all activities related to the compensation process for land over the land right cultivated by the Certification holder, the purpose is to ensure the area of plantation free from others right. The Certification holder has no new land acquisition and the entire compensation process was completed in 1997. The results of compensation documents verification and interview with communities is known that compensation process are done directed to the land owner and landowners are given the freedom to release their land without coercion. The process of FPIC is done by setting the Team, preparing work plan, preliminary study, FPIC agreement, meeting with the community/affected parties and recording.

**Status: Comply**

**6.5**

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

**6.5.1**

Certification holder has a copy of Kalimantan Timur Governor Decree No 561/K.555/2018 about Minimum Wage of Kutai Timur Regency for 2019. The minimum wage for Kutai Timur Regency is IDR 2,893,833/month. Certification holder issued decree No 006/CEO/PSM-KALSELTIM/12/2018 on December 2018 which explain that minimum wage for permanent worker is IDR 2,819,833 and rice allowance IDR 75,000/month.

Based on interview with generator set operator in GKME and MWHE, it is known that work day is 7 days in a week (worktime is 7 hours/day). Certification holder did not pay the overtime, yet give premium pay as overtime substitute as much as IDR 24,500 and premium pay in holiday or Sunday as much as IDR 150,000 per day. Provision about premium payment is according to circular letter No 002/SE-ADH3/BNJO/KTM/04/2017 on April 1<sup>st</sup> 2017 about premium payment for non-harvest activity regional Kalimantan Timur.

Then, Certification holder also showed calculation simulation between premium payment and overtime payment (according to regulation, overtime in Friday, Sunday, and holiday). The comparison is made for January – April 2019, with details as follows.

Month	Preimum payment	Overtime payment
January 2019	Rp 1,387,000	Rp 1,303,596
February 2019	<b>Rp 1,512,500</b>	<b>Rp 1,575,179</b>
March 2019	Rp 1,313,500	Rp 1,303,596
April 2019	<b>Rp 1,638,000</b>	<b>Rp 1,815,531</b>

From the comparison above, it is known that premiums paid by the Certification holder are still lacking compared with payments using overtime calculations (for example in February and April 2019), so that the premium cannot replace the payment of overtime. Based on this, the Certification holder has not been able to show that overtime is paid in accordance with applicable regulations. This becomes **Non Conformity No 2019. 02.**

**6.5.2**

The Certification holder has a Collective Labor Bargaining (PKB) for the period 2018-2020 between PT KDA and SPM PT KDA dated May 23<sup>rd</sup> 2018. The PKB was registered at the Manpower Agency of Kutai Timur Regency No. 560/601/HIJ dated May 23<sup>rd</sup> 2018, valid from May 8<sup>th</sup> 2018 – May 7<sup>th</sup>, 2020. Based on interview with some workers in mill and estate, it is known that they understand about PKB (collective labour bargaining).

Worker type in PT KDA is permanent worker (PT), daily and monthly permanent worker, and contract worker. Based on interview with worker in mill and estate, it is known that they understand about the changes of worker type, from daily and monthly permanent worker to permanent worker (PT). However, not all worker has change to PT yet, the changes is in progress. Later, all contract worker will be appointed as permanent worker and the progress must be monitored by Certification holder according with the plan (OFI). Certification holder has contract worker and showed the work agreement, explain about salary, leaves policy, code of conduct, duty and responsibility, work hour, health and medical insurance. Work agreement is written in Indonesian Language and workers are understood the substance of the letter.

**6.5.3 & 6.5.4**

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

<b>Major 6.5.1</b>	<b>Status: Non Conformity No. 2019.02 with Major Category</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.**

**6.6.1**

The policy related to form and join worker union is circle letter No 104/CEO 3-SE/07/2010 which states that the Certification holder gives the right to associate to all workers. The policy is written in Bahasa Indonesia. Based on interview with representative of worker union, it is informed that Certification holder is giving freedom for worker to express their opinion. And also, Certification holder did not give any intervention related to worker union activity. Worker union has registered to Manpower Agency of Kutai Timur Regency with registration number 19/02/SP-SB/Nakertrans-HIJ/VI/2012 on June 27<sup>th</sup>, 2012.

**6.6.2**

The Bipartite conducted internal meeting periodically or where there is an issue with Certification holder. There are meeting documentation, such as minutes of meeting on March 28<sup>th</sup>, 2019 about selection of the newest committee. The documentation is available in office unit and available for member if they were asking.

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

**Children are not employed or exploited.**

**6.7.1**

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

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

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

**6.8.1 & 6.8.2**

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

**6.8.3**

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

**Status: Comply**

**6.9**

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

**6.9.1, 6.9.2, 6.9.3**

The Certification holder has a circular letter No. 003 / CEO2-SE / 01/2011 dated January 10<sup>th</sup>, 2011, which explains that the Certification holder prevents sexual harassment and how it is handled. Based on interview with female worker in GKME and MWHE, it is known that they understand the policy. It is also known that they understand the mechanism of complaint submission. Also, interview with committee of Gender Committee and review of "*Buku Penanganan keluhan kesah atau grievance*" and "*Pencatatan keluhan dan ketidakpuasan*", it is known that there is no issue or complaint related to sexual harassment on the workplace.

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

**Status: Comply**

**6.10**

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

**6.10.1 & 6.10.2**

Certification holder show "FFB Price Document" from Plantation Agency of Kalimantan Timur Province for period of April 2019. Price fixing is based on CPO and Kernel prices and also adjusted for age of the plant. Based on formulas for Planters (independent smallholder/ scheme smallholder), FFB price is IDR 1,247.68/Kg for 8 years old of palm oil, Rp 1,272.27/kg for 9 years old palm oil, and Rp 1,287.36/kg for ≥ 10 years old palm oil. The document FFB price has been known by scheme smallholder farmers by online or through mill management. Based on interview with FFB supplier Bina Sawit Mandiri Cooperative and Sawit Bersama Cooperative, FFB price is in accordance with price from Plantation Agency of Kalimantan Timur Province.

**6.10.3 & 6.10.4**

The Certification holder has an agreement contract with smallholder cooperative, for example as FFB sale and purchase agreement 002/KOPSA-B/IX/2011 dated September 20<sup>th</sup>, 2011. Each contract document, signed by both parties as evidence that a work agreement has been agreed. Contract agreement documents are kept by both parties, which will be used as legal references.



Based on interviews with smallholder cooperative and FFB supplier, payments are made on time. The Certification holder has made a payment to Bina Sawit Mandiri Cooperative for March 2019. The payment is in accordance with FFB produce. There is no complaints related to late payments.		
	<b>Status: Comply</b>	
<b>6.11</b>		
<b>Growers and millers contribute to local sustainable development wherever appropriate.</b>		
<b>6.11.1</b>		
Determination of local development programs based on meetings with surrounding village representatives together with monitoring of social impacts, involving several village, such as Sukamaju, Sidomulyo, Makmur Jaya, Miau Baru Village. CSR program for 2019, for example:		
<ul style="list-style-type: none"> <li>• <b>Education aspect.</b> Scholarship with Buddha Tzu Chi Foundation, provide books for school library.</li> <li>• <b>Social aspect.</b> Maintenance of village grave area, local cultural and customary preservation program "Erau"</li> <li>• <b>Environmental aspect.</b> Socialization and installation of Fire Protection signage.</li> </ul>		
Implementation of CSR program for 2018, for example:		
<ul style="list-style-type: none"> <li>• Assistance for the festival of the Dayak Kenyah culture in Miau Baru in 2018</li> <li>• Local purchasing for estate monthly needs from October 26<sup>th</sup> – November 25<sup>th</sup> 2018</li> </ul>		
<b>6.11.2</b>		
Partnership with smallholder farmer is full managed, all operational activities is carried out by PT KDA. Besides, based on interview with committee of Sawit Bersama Cooperative as smallholder cooperative, it is known that Certification holder also make a socialization about oil palm best practice to the farmers.		
	<b>Status: Comply</b>	
<b>6.12</b>		
<b>No forms of forced or trafficked labour are used.</b>		
<b>6.12.1; 6.12.2; 6.12.3</b>		
Based on document review, field observation, and interviews with worker and stakeholders, it is known that there is no migrant labor, including forced labor and illegal labor. The recruitment is done according to the Certification holder's procedure. All workers have work agreement that explain about the obligation and rights of the worker, and other provision. They work based on the contract and work order. Based on field observation and interviews with the workers in Estate and Mill, it is known that there is no discrimination among them. They came from local and nonlocal worker. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children. Based on interview bipartite cooperation member, there is no issue related to force labor.		
Based on interview with the harvester and committee of worker union, there were no complaint about working hours. The payment is based on tonnage. If they did not get the tonnage after working hours is out, they will be paid by daily payment.		
	<b>Status: Comply</b>	
<b>6.13</b>		
<b>Growers and millers respect human rights</b>		
<b>6.13.1</b>		
CH has policy on human rights issued in November 10 <sup>th</sup> , 2011. The policy explains that the Certification holder respect human rights for all employees. It has been socialized to the workers, for example on March 28 <sup>th</sup> , 2018. Based on interview with worker in estate, mill and local contractor, they know and understand about workers' rights. And also, from consultation with internal stakeholder (worker union), it is known that there is no complaint related to human rights violation. If there was a complaint, the complaint can still be resolved by amicable way between employees.		
	<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>	
<b>7.1.1, 7.1.2, 7.1.3</b>	Certificate Holder has no expansion and development of plantation area after November 2005. Social and Environment document, management and monitoring plan kindly refer to Criteria 5.1 & 6.1	
	<b>Status: Comply</b>	
<b>7.2</b>	<b>Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.</b>	
<b>7.2.1 and 7.2.2</b>	Based on the PT KDA area statement, it is known that the youngest planting year was in 2004. There was no new planting since previous assessment (ASA-4).	
	<b>Status: Comply</b>	
<b>7.3</b>	<b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>	
<b>7.3.1, 7.3.2, 7.3.3, 7.3.4 &amp; 7.3.5</b>	According to Planting Year database, range of planting years. There is no new planting nor land clearance was made after November 2005 and HCV Assessment conducted in 2013. The CH has submit the Liability Data and Zero Liability Disclosure to the RSPO on August 29, 2014. Based on information within the data provide, PT. KDA has zero liability.	
	<b>Status: Comply</b>	
<b>7.4</b>	<b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b>	
<b>7.4.1 and 7.4.2</b>	Based on the PT KDA area statement, it is known that the youngest planting year was in 2004. There was no new planting since previous assessment (ASA-4).	
	<b>Status: Comply</b>	
<b>7.5</b>	<b>No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</b>	
<b>7.5.1</b>	Based on documents review, interview and field visits, it is known that the Certification holder did not expand the operational area and there is no more land clearing activity after 2005.	
	<b>Status: Comply</b>	
<b>7.6</b>	<b>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	
<b>7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5, 7.6.6</b>	Based on documents review, interview and field visits, it is known that the Certification holder did not expand the operational area and there is no more land clearing activity after 2005.	
	<b>Status: Comply</b>	

<b>7.7</b>		
<b>Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>		
<b>7.7.1 &amp; 7.7.2</b>		
Certificate Holder has no expansion and development of plantation area after November 2005. Relevant information kindly refer to related Criteria 5.5		
	<b>Status: Comply</b>	
<b>7.8</b>		
<b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>		
<b>7.8.1 &amp; 7.8.2</b>		
Certificate Holder has no expansion and development of plantation area after November 2005. Relevant information kindly refer to related Criteria 5.6		
	<b>Status: Comply</b>	
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>		
<b>8.1</b>		
<b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>		
<b>8.1.1</b>		
CH has carried out RSPO Internal Audit activities on 12-16 March 2019 carried out by GAR's internal audit team. From the Audit Results, there were 13 nonconformities are identified. Which is where all nonconformities have been fulfilled		
<b>Aspects of Best Management Practices:</b>		
The Certification holder has implemented a commitment to continuous improvement, including:		
<ul style="list-style-type: none"> <li>Control of rat pests using owl predators (<i>Tyto alba</i>).</li> <li>Biological leaf caterpillar pests control by planting and maintaining (conservation) beneficial plants, such as <i>Antigonon leptosus</i>, <i>Cassia cobanensis</i>, and <i>Turnera subulata</i>.</li> <li>Since 2016, PT KDA was no longer using Paraquat.</li> </ul>		
<b>Social Aspect</b>		
<ul style="list-style-type: none"> <li>Monitoring social impacts every year through stakeholder meetings</li> <li>Determination of CSR programs through stakeholder meetings and proposals</li> </ul>		
<b>Manpower Aspect</b>		
Certification holder does not use daily labor		
<b>Environmental aspects</b>		
Adjusting environmental documents with actual conditions.		
<b>Internal Audit internal and Management review</b>		
Internal audit conduct at 12-16 March 2019, review management held to review the audit result and closed the finding at 25 April 2019.		
	<b>Status: Comply</b>	

## 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 organization take legal ownership and physically handles RSPO certified sustainable oil palm products. The entire area, mill and storages are owned by the organisation and all processing from FFB to CPO/PK are done by Muara Wahau Mill. The mill also has outsourced contractors of PK and CPO transporter:</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>The site does not buy the products from any RSPO licensed traders. CSPO and CSPK are produced from certified FFBs processed that supplied from its own estates.</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>The parent company are member of RSPO (Golden Agri Resources Ltd):</p> <ul style="list-style-type: none"> <li>• Number of RSPO membership: 1-0096-11-000-00 dated 31 March 2011</li> <li>• RSPO IT Platform of Muara Wahau Mill: RSPO_PO1000001765</li> </ul>
	<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>Parent company or site has no processing aids</p>
	<b>Status: Comply</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 can only be done in the following order: Identity Preserved -&gt; Segregated -&gt; Mass Balance.</p> <p>The organization has applied mass balance supply chain model correctly and there is no declassification.</p>
	<b>Status: Comply</b>
5.2.2	<p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p> <p>The organization has applied mass balance supply chain model only</p>

	<b>Status: Comply</b>
<b>5.3</b>	<b>Documented procedures</b>
<b>5.3.1</b>	<b>The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.</b>
	Muara Wahau Mill has the documents of supply chain procedures for Mass Balance models with document No. PT KDA-MWHM/SOP/34, issued on 23 March 2018. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including responsibilities of each key personnel involved, definition, the FFB reception process, weighing, checking quality, processing, monitoring refined products, mass balance calculations, delivery of the product. The procedure is according to RSPO SCCS 21 November 2014, revised 14 June 2017. Based on field observation at Weighbridge station and interview with sampled person in the Mill, the operator has knowledge and able to demonstrate how to separated an FFB's delivery notes whether Certified and noncertified sources.
	<b>Status: Comply</b>
<b>5.3.2</b>	<b>The site shall have a written procedure to conduct annual internal audit</b>
	The Procedure to conduct annual internal audit are describe in SOP for internal audit No. SOP/SMART/UMUM/SADV/I/009 issued on 1 July 2014 covering all audit for sustainable palm oil including SCCS. In the SOP mentioned that internal audit are done annually. Internal audit of SCCS conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. The last internal audit are conduct at 12 – 16 March 2019.
	<b>Status: Comply</b>
<b>5.4</b>	<b>Purchasing and goods in</b>
<b>5.4.1</b>	<b>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier</b>
	Muara Wahau Mill has no purchased CSPO or CSPK. The mill received and processed FFB from own estates (Muara Wahau Estate and Gunung Kombeng Estate). The mill also received FFB as uncertified product from Gunung Kombeng Plasma. Based on documents verification of FFB received are known that all data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non compliance.
	<b>Status: Comply</b>
<b>5.4.2</b>	<b>The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents</b>
	Muara Wahau Mill has no purchased CSPO or CSPK . However The SOP of handling non-conforming oil palm products of FFB received (certified or non-certified) describe in supply chain procedures for Mass Balance models with document No. SOP/SMART/CERS-EHSD/SADV/I/003 dated 1 July 2014, revised 2018. Non-conforming of oil palm product has describe as a false in FFB received notes (certified or non certified) and regarding of FFB received records. To handling on this non-conforming are to corrected the record base on FFB source (certified or non certified areas) and monitored by mass balance record documents.
	<b>Status: Comply</b>
<b>5.5</b>	<b>Outsourcing activities</b>
<b>5.5.1</b>	<b>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.</b>

All processing of FFB to CPO/PK are done by Muara Wahau Mill and the mill has outsourced contractors of PK and CPO transporter. The transporters have complied to the requirements of the RSPO Supply Chain Certification Standard shown in contractor control form (Formulir/Smart/MCAR/XVI/TA-PKT/03 issued 26 March 2012 revised 1 February 2019).	
	<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: <ol style="list-style-type: none"> <li>The site has legal ownership of all input material to be included in outsourced processes;</li> <li>The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</li> <li>The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance</li> </ol>	
The Certification holder has legal ownership of CPO and PK products which in the transport of CPO and PK are given to third parties under the agreement: <ul style="list-style-type: none"> <li>Agreement No. 004/KDA/01/2016-CPO dated 24 January 2018 for CPO transport with PT. Satrindo Jaya Agropalma.</li> <li>Agreement No. 001/KDA/02/2015-CPO dated 4 October 2017 for CPO transport with PADK (cooperation of Produksi Pemuda Adat Dayak Kayan) Miao Baru Village</li> <li>Agreement No. 001/KDA/01/2016-PK dated 24 January 2018 for PK transport with PT. Aldi Mitra Sejahtera</li> </ul> The site has control system on contractor control form (Formulir/Smart/MCAR/XVI/TA-PKT/03 issued 26 March 2012 revised 1 February 2019). The fulfillment of RSPO SCCS and ensure that certification bodies have access to the outsourcing contractor stated in statement letter signed by contractors dated on 9 May 2019.	
	<b>Status: Comply</b>
<b>5.5.3</b> The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	
The site has recorded the names and contact details of contractor used for RSPO certified oil palm products transport, such as: <ul style="list-style-type: none"> <li>PT. Satrindo Jaya Agropalma address Jakarta</li> <li>PADK (cooperation of Produksi Pemuda Adat Dayak Kayan) address Miao Baru Village</li> <li>PT. Aldi Mitra Sejahtera address Samarinda</li> </ul>	
	<b>Status: Comply</b>
<b>5.5.4</b> The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products	
There is no new contractors used. A contractors used (names and contact details) has been informed to the CB, which are <ul style="list-style-type: none"> <li>PT. Satrindo Jaya Agropalma address Jakarta</li> <li>PADK (cooperation of Produksi Pemuda Adat Dayak Kayan) address Miao Baru Village</li> <li>PT. Aldi Mitra Sejahtera address Samarinda</li> </ul>	
	<b>Status: Comply</b>
<b>5.6</b>	<b>Sales and goods out</b>
<b>5.6.1</b>	



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

The site has product information provided in such as document of weighbridge ticket, delivery order and other invoices. Such as the PK delivery at 28 January 2019 contract No. 1154/KER/1154/19/T001 for 502.82 ton. The informations that provided on the invoices are:

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

**Status: Comply**

## 5.7 Registration of transactions

### 5.7.1

Supply chain actors who:

- are mills, traders, crushers and refineries; and
- take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable

Muara Wahau Mill has registered all transactions of certified products in RSPO IT platform.

**Status: Comply**

### 5.7.2

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

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

Transactions are registered in RSPO IT platform as for last year periods

#### • Certified CPO sold to each buyer

Periode	Buyer	Volume (Ton)
May 2018 to April 2019	Removing stock	44,358.25
<b>Total</b>		<b>44,358.25</b>

\*There is no certified CPO sold in periods 26 June 2018 – 25 June 2019

#### • Certified Palm Kernel sold to each buyer

Date	Buyer	Volume (Ton)
May 2018 to April 2019	PT Sumber Indahperkasa	9,388.99
	Removing stock	989.27

Total		10,378.26					
	Status: Comply						
5.8	Training						
5.8.1							
The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff							
SCCS training are planned annually, for example in 2019 conducted on 9 May 2019 for contractors and 11 March 2019 for SCCS persons in charge.							
	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 Certification holder has provided training at 9 May 2019 for contractors and 11 March 2019 for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements, such as: dispatch operators, weighbridge operators. Based on interview at weighbridge station is known that the weighbridge operator and SCCS person in charge have understand the RSPO supply chain procedures.							
	Status: Comply						
5.9	Record keeping						
5.9.1							
The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements							
The site has maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements. Those are describe in this recertification report on section of Module E CPO Mills - Mass Balance Requirements.							
	Status: Comply						
5.9.2							
Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock							
The retention times for all records and reports are keep in minimum 10 years According to the SOP no. SOP/SMART/UMUM/SADV/I/001. Based on documents verification, there is available at mill the record of supply chain for last 2 years.							
	Status: Comply						
5.9.3							
The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.							
FFBs, CSPO and CSPK produced and/or claimed records are kept in minimum 12 months. Record of all certified palm oil / palm kernel oil volumes purchased (input) and claimed (output) for period of twelve months:							
	CPO production (MT)		CPO Dispatch (MT)				
Period	Cert	Non Cert	Total	RSPO	Other scheme (ISCC)	Conventional	Total
Total	45,951.27	34,632.28	80,583.55	0	40,726.53	3,631.72	44,358.25

Period	PK production (MT)		Total	Cert PK Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Conventional	
Total	10,652.55	8,008.14	18,660.69	9,388.99	0	989.27	10,378.26
	<b>Status: Comply</b>						
<b>5.10</b>	<b>Conversion factors</b>						
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries						
	The site doesn't applied a conversion rate.						
	<b>Status: Comply</b>						
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.						
	The site doesn't applied a conversion rate.						
	<b>Status: Comply</b>						
<b>5.11</b>	<b>Claims</b>						
5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.						
	Based on announcement and transaction report documents review, it concluded that all RSPO certified products submitted are in compliance with the RSPO Rules on Market Communications and Claims.						
	<b>Status: Comply</b>						
<b>5.12</b>	<b>Complaints</b>						
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.						
	Procedures for stakeholders complaints established in the document no. SOP/SMART/SIGS-CSRD/SADV/II/003, issued on 1 July 2014. Based on complaint documents verification for last two years, are not found any complaint related to SCCS.						
	<b>Status: Comply</b>						
<b>5.13</b>	<b>Management review</b>						
5.13.1	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken						
	The Certification holder has management review conduct annually as example at 25 April 2019.						
	<b>Status: Comply</b>						
5.13.2	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> </ul>						

- Customer feedback.
- Status of preventive and corrective actions.
- Follow-up actions from management reviews.
- Changes that could affect the management system.
- Recommendations for improvement.

The content of management review related to SCCS are the result of internal audit, customer feedback, preventive and corrective actions, follow up actions and recommendations for improvement.

**Status: Comply**

#### 5.13.3

The output from the management review shall include any decisions and actions related to:

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

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

**Status: Comply**

**3.2.2. Module E – CPO Mills: Mass Balance Requirements**

Clause	(Module E) CPO Mills - Mass Balance Requirements	
E.1	Definition	
E.1.1		
Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.		
The site is applied supply chain model Mass Balance due to it still received FFB from uncertified sources.		
	Status: Comply	
E.2	Explanation	
E.2.1		
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.		
Estimate product certified CPO and PK for period 26 June 2019 – 25 June 2020 describe at this Recertification report (basic info 1.8.3). Actual tonnage product certified for period last year		
Products	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT)
CSPO	55,622*	45,951.27
CSPK	13,241*	10,652.55
The extension approved on 5 April & 28 August 2019 due to an additional production from certified product.		
	Status: Comply	
E.2.2		
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).		
• RSPO IT Platform member registration number: RSPO_ PO1000001765		
• Certified CPO sold to each buyer		
Periode	Buyer	Volume (Ton)
May 2018 to April 2019	Removing stock	44,358.25
Total		44,358.25
*There is no certified CPO sold in periods 26 June 2018 – 25 June 2019		
• Certified Palm Kernel sold to each buyer		
Date	Buyer	Volume (Ton)
May 2018 to April 2019	PT Sumber Indahperkasa	9,388.99
	Removing stock	989.27
Total		10,378.26
	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:

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

Muara Wahau Mill has the documents of supply chain procedures for Mass Balance models with document No. PT KDA-MWHM/SOP/34, issued on 23 March 2018. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including responsibilities of each key personnel involved, definition, the FFB reception process, weighing, checking quality, processing, monitoring refined products, mass balance calculations, delivery of the product. The procedure is according to RSPO SCCS 21 November 2014, revised 14 June 2017. Based on field observation at Weighbridge station and interview with sampled person in the Mill, the operator has knowledge and able to demonstrate how to separated an FFB's delivery notes whether Certified and noncertified sources.

**Status: Comply**

### E.3.2

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

The mill has procedure of Supply Chain RSPO Products - Mass Balance Model (No. PT KDA-MWHM/SOP/34, issued on 23 March 2018) explaining that:

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

Based on field observation at Weighbridge station and interview with sampled person in the Mill, the operator has knowledge and able to demonstrate how to separated an FFB's delivery notes whether Certified and noncertified sources.

**Status:**

### E.4

**Purchasing and goods in**

#### E.4.1

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

The site has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of May 2018 to April 2019 (twelve months):

Month	FFB (ton)		
	RSPO Certified	Non Certified	Total
<b>Total</b>	187,983.15	167,931.36	355,914.51

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**Status: Comply**

#### E.4.2

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

There is no projected overproduction of certified tonnage, the Certification holder has extended the certified volume due to an additional production from certified product. The tonnage of product certified for last year period :

Products	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT)
CSPO	55,622*	45,951.27
CSPK	13,241*	10,652.55

**Status: Comply**

### E.5

**Record keeping**



**E.5.1**

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

The Certificate holder has record and balance all received of RSPO FFB and deliveries of RSPO certified CPO and PK. The Volume of certified CPO and PK are delivered from accounting system according to conversion by percentage of FFB certified. The sales of RSPO product claim for period of twelve months are sold from a positive stocks:

Period	CPO production (MT)		Total	CPO Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme (ISCC)	Conventional	
Total	45,951.27	34,632.28	80,583.55	0	40,726.53	3,631.72	44,358.25

Period	PK production (MT)		Total	Cert PK Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Conventional	
Total	10,652.55	8,008.14	18,660.69	9,388.99	0	989.27	10,378.26

**Status: Comply**

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

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

### 3.4 Summary of RSPO Partial Certification.

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

Golden Agri Resources, Ltd Time Bound Plan (TBP) is explained in table 1.10. Golden Agri Resources run forty two (42) mills and one hundred thirty six (136) estates (own and smallholders) in Indonesia and has achieved RSPO certified for twenty eight (28) mills and supply base in Indonesia. Golden Agri Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri Resources, Ltd on January, 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 Binasawit 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 Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

#### 3.5.1. Identification of Findings, Corrective Actions and Observations at ASA-4 Assessment

NCR No.	: 2018.01	Issued by	: Yudhi Yuniarto Tallutondok
Date Issued	: 5 April 2018	Time Limit	: 4 June 2018
NC Grade	: Major	Date of Closing	: May 15, 2018
Standard Ref. & Requirement	4.7.3 Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.		
Non-Conformance Description& Evidence observed (filled by auditor):  The Company has a SOP of Personal Protective Equipment Management (SOP/SMART/HESS/EHSD/SADV/I/010 dated July 1, 2014), which describes the related standard PPE requirement form for each job (point 3.1). PPE handover documents for Division 2 MWHE fertilizer employees on February 10, 2018 (boots), March 5, 2018 (masks) and March 20, 2018 (gloves) are present, but during field observations in the Block F15/16 MHWE it is known that there are employees doing the job of fertilizer application without using PPE in accordance with standard that have been set company.			
Root Cause Analysis (filled by organization audited): The PPE has been distributed to the workers in Division 2 MWHE on 10 Feb 2018, however at the time of field observation there is no PPE inspection, its caused by the PIC for PPE inspection not yet appointed. As well, the socialization related to PPE use has been done on 5 March 2018 and 4 April 2018, however it seen that the understanding of workers is yet sufficient			
Corrective Action (filled by organization audited): The field assistant has been distribute the appropriate PPE to workers and for worker who not use PPE will be unable to continue their work.			
Preventive Action (filled by organization audited): 1. The manager added in the job description of supervisor regarding to inspection of completeness of workers PPE in daily before starting the work. The foreman responsibility to ensure the completeness of PPE will be KPI (Key Performance Indicator) consideration. 2. The Division Assistant of MWHE conducts periodic PPE inspection according to SOP Management System of Personal Protective Equipment (SOP / SMART / HESS / EHSD / SADV / I / 010) on 12 and 25 April 2018. 3. SPO Officer of MWHE has socialized the use of PPE to all employees on 20 and 21 April 2018 at housing complex 1 and 2 MWHE.			
Assessor Evaluation and Conclusion (filled by auditor): Conclusion of Auditors May 8, 2018 The Company submit the explanation regarding the root cause analysis, correction and corrective action, however no yet submitted the evidence of correction, as well the company need to respond to the auditor's comments in each column.  Conclusion of Auditors May 15, 2018 The Company submit the evidence of correction such as: 1. Revision of foreman's job desc. 2. PPE inspection report on 12 April 2018 and 25 April 2018 3. Minute of socialization regarding to the use of PPE by SPO to the workers in div 1 and 2 MWHE. 4. Official report of the PPE distribution to fertilizer operator on February 10, 2018.			

5. Socialization of the PPE use and PPE replacement on 5 March 2018, 4 April 2018, 20 April 2018 and 21 April 2018

Based on the above evidence, the nonconformity is stated fulfilled and will be observed in the next assessment.

**Verified by** : **Yudhi Tallutondok**

<b>NCR No.</b>	<b>2018.02</b>	<b>Issued by</b>	<b>Naila Karima</b>
<b>Date Issued</b>	<b>5 April 2018</b>	<b>Time Limit</b>	<b>Recertification</b>
<b>NC Grade</b>	<b>Minor</b>	<b>Date of Closing</b>	<b>9 May 2019 (Recertification)</b>
<b>Standard Ref. &amp; Requirement</b>	<b>5.3.3</b> <b>A waste management plan should be available that is documented and implemented to avoid and reduce pollution.</b>		
<b>Non-Conformance Description&amp; Evidence observed</b> <i>(filled by auditor):</i>			
CH shows: <ul style="list-style-type: none"><li>Decree of East Kutai Regent No. 660/K.151/2013 concerning the license of hazardous waste warehouse to PT KDA (including Muara Wahau Estate and Muara Wahau Transport), issued on February 27, 2013 and Recommendation Letter No. 660/692/3.1-BLH/IV/2013 dated 22 April 2013 from the Head of Environment Agency of Kutai Timur Regency, stipulated the storage period of hazardous waste to 180 days. The point four states that the standard OHS equipment, must be owned by the responsible activities, including among others alarms, fire extinguishers, shower/eye wash, and emergency response facilities.</li><li>SOP of Waste Management (SOP/SMART/LEMS-EHSD/SADV/II/002, 02 July 2014) explaining that hazardous wastes produced in estate and mill (such as used oil, hazardous contaminated waste, used oil filters, traces, used lamps. are stored in the licensed of hazardous waste warehouse and then delivered to a licensed third party (collector).</li></ul>			
Based on observations at warehouse of hazardous waste in Muara Wahau Transport <ul style="list-style-type: none"><li>Still found used oil drums used for trash</li><li>There is a used oil spill from a bottle of mineral water in front of the fuel station</li><li>Found diesel fuel on the ground from the fuel charging nozzle to the truck.</li></ul>			
Based on document review <ul style="list-style-type: none"><li>The results of the Hazardous Waste Management Report on the quarterly period in 2017 revealed that the company has reported the balance and manifest of hazardous waste of GKMM-MWHM, MWHE and GKME units to Environment Agency of Kutai Timur Regency and Kalimantan Timur Province and Directorate General of Waste Management, Waste, and Hazardous Waste Ministry of Environment. However, there is insufficient evidence of hazardous waste management reports for Muara Wahau Transport units reported routinely in accordance with the permits held.</li><li>The Company shows the hazardous waste balance of Muara Wahau Transport period from October 2017 to March 2018 for the type of hazardous waste used oil and used batteries. But it has not been shown for other types of hazardous waste such as rag waste, oil filter used, lamps used..</li></ul>			
Based on the above explanation, there is insufficient evidence that the company has ensured that hazardous waste management activities in its operational activities are in accordance with the procedures and permits held.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"><li>Lack of supervision on hazardous waste management.</li><li>There is no hazardous waste management training for Transport staff and employees</li><li>The reporting of MWHT B3 waste management does not include the hazardous waste MWHT logbook and Manifest and there is no record of hazardous waste type filters and mills because these 2 types of waste are</li></ul>			

submitted to the MWHE for the efficiency of transportation costs

**Corrective Action** *(filled by organization audited):*

- Socialization on hazardous waste management to staff, MWHT workshop and warehouse employees
- Re-socialized the SOP for Hazardous waste management and added PIC for managing hazardous waste
- Replacing the trash can used from the former oil drum
- Making the floor of the refueling place at the Solar Warehouse (waterproof)
- Shows hazardous waste management reports that include evidence of MWHT hazardous waste (used cloth and used filters) merged into MWHE (Logbook)
- Deliver the hazardous waste MWHT report in the form of a logbook and balance sheet to DLH East Kutai and KLHK for the first quarter period of 2018 together with Hazardous waste reports on the Estate and factories.

**Preventive Action** *(filled by organization audited):*

- Environment PIC MWHT records separate Hazardous waste logbooks for all types of Hazardous waste produced by MWHT.
- Environmental PIC coordinates with East Kalimantan Region Environmental Staff to send Hazardous waste MWHT management reports to relevant agencies every quarter.
- CH conducts a monthly evaluation related to the management of hazardous waste

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

**30 May 2018**

The management unit shows evidence in the form of a recording of socialization and training conducted, such as:

- Records of socialization on 14 April 2018 regarding management of Hazardous Waste (types of Hazardous material and MSDS) and management of Hazardous Waste (orderly administration and storage of Hazardous Waste in Hazardous Waste temporary storage, and increasing 5R) to 16 workers at Muara Wahau Transport Workshop.
- Recording of Hazardous Waste and Hazardous material Management Comprehension training dated 28 April 2018 was delivered by the SPO Officer with the training participants of the worker representatives from the Warehouse work unit and Workshop in MWHM, MWHE, GKME, GKMA and MWHT. Training evaluations were also conducted to ensure that the officers understood the training material. Evaluation material along with a recap of the evaluation results attached.
- Records of socialization on May 14, 2018 concerning the delivery of types of Hazardous Waste, handling and management of Hazardous Waste to 32 workers at the Muara Wahau Transport Workshop. The activity includes the dissemination of the Solar Warehouse Work Instruction, where solar charging must be carried out in a place that has been provided by means of working tools of solar pumps with flow meters and diesel storage containers, so that there is no fuel spill when filling into the vehicle. Work Instruction Solar Warehouse attached.
- Minutes of May 2, 2018 regarding replacing organic and inorganic domestic bins at the Muara Wahau Transport Workshop.

The management unit shows the Hazardous Waste Management Monitoring Program for Semester 2 (July - December) 2018. Supervision in the form of checking the condition of Hazardous Waste TPS buildings (Roofs, Walls, Floors, Security Doors, Suggestions for Lighting, Ventilation, Secondary Containment, TPS B3 waste signage, and symbols on the building) and checking the condition of complete TPS of Hazardous Waste (APAR, PPE, first aid kit, SOP, logbook, and cleaning equipment).

The management unit shows the Minutes of Construction of Fuel Filling Floors at Muara Wahau Transport. Based on the Minutes, the estimated completion of the flooring will be until May 18, 2018.

The management unit shows the PT KDA Hazardous waste Management Report for the period January - March 2018 which has been reported to the Directorate General of Waste, Waste, Hazardous Toxic Material of the Ministry of Environment & Forestry (KLHK) and the Environmental Office of East Kutai Regency on May 28, 2018. explained the management of B3 units GKMM-MWHM, GKME, MWHE and MWHT which are equipped with Hazardous waste balance sheets, Hazardous waste logbook for each unit, and PT Tapan Nadenggan Hazardous waste manifest on April

30, 2017.

### 21 June 2018

The management unit shows training evaluations in the form of Pre / Post Test Recap (F / SMART / LC-PR / HRDV / 11) for LB3 and MSDS Understanding Training held on 28 April 2018 with participants as many as 17 workers representatives from the Warehouse work unit and Workshop in MWHT, MWHE, GKME, GKMA and MWHT. From the results of the training evaluation, it was shown that there was an increase in scores before (pre-test) and after (post-test) training, it can be concluded that there was an increase in understanding of workers who attended Hazardous waste and MSDS understanding / training.

The management unit shows documentation of the progress of making solar filling floors in MWHT on June 8, 2018, in the documentation it is shown that casting on the floor where solar charging is in MWHT has been completed and equipped with bunwall and oiltrap. Furthermore, the company prepares Solar Casting Work Instructions (Document No. SJA-MWHT / IK.01, June 15 2018) and Solar Warehouse Work Instructions (Document No. SJA-MWHT / IK.02, June 15, 2018) as guidance for workers at work and adding environmental aspects by ensuring the condition of the warehouse / filling point is clean without any diesel spills on the floor. In addition, documentation is available in the form of photos of officers who are charging solar to Dump Truck vehicles with reference to the IK set by the company.

The company shows the revised PT KDA Hazardous Waste Management Report for the first quarter of January - March 2018 by attaching the manifest of PT KDA Hazardous waste on March 31, 2018.

### 9 May 2019

- The company shows the Hazardous Waste balance Muara Wahau Transport document for the period 2018 (Quarter 2 - 4) and 1st Quarter 2019, in the known waste balance document the recording of Hazardous Waste types has included all types of waste produced at Muara Wahau Transport such as Used Oil, Used Filters, Used Accu, rags, TL Lights and others.
- The results of the field visit to Hazardous Waste storage in Muara Wahau Transport revealed that Hazardous Waste types recorded in the waste balance were in accordance with the actual conditions at the site.
- Based on the results of a field visit to the fuel filling area in Muara Wahau Transport, the location of the fuel filling site is already in concrete, there are no solar spills directly on the ground. In addition, in the Muara Wahau transport area no use of used drums has been found as oil reservoirs and trash cans.
- The Company shows proof of Hazardous Waste reporting for quarter IV 2018 and First Quarter 2019 for MWHT-GKMM units, GKME, MWHE, and MWHT.
  - Quarter IV of 2018: to DLH East Kutai Regency on February 15, 2019 based on Receipt No. 012/KDA-DLH Kab/II/2019, to DLH East Kalimantan Province on February 15, 2019 based on Receipt No. 013/KDA-DLH Prov/II/2019 and to the Ministry of Environment and Forestry through the environmental electronic reporting information system (SIMPEL) on 25 January 2019.
  - First Quarter 2019: to DLH East Kutai Regency on April 4, 2019 based on Receipt No. 049/KDA-DLH Kab/LB3/IV/2019, to DLH East Kalimantan Province on March 4, 2019 based on Receipt No. 050/KDA-DLH Prov/LB3/IV/2019 and to the Ministry of Environment and Forestry Cq. Directorate General of Environmental Control and Pollution on March 4, 2019 based on Receipt No. 052/KDA-KLHK Reg/LB3/IV/2019.

Based on the root problem analysis, evidence of improvement and the preventive measures shown and the results of field observations, non-conformities were stated to be fulfilled.

<b>Verified by</b>	<b>:</b>	<b>Naila Karima/Bayu Yogatama</b>
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**3.5.2. Identification of Findings, Corrective Actions and Observations at Re-Certification Assessment**

NCR No.	: 2019.01	Issued by	: Hasiholan Sihombing
Date Issued	: 10 May 2019	Time Limit	: 8 August 2019
NC Grade	: MAJOR	Date of Closing	: 30 July 2019
Standard Ref. & Requirement	4.7.3 Records of training in Occupational Safety and Health (OSH) programs (see 4.8) and Personal Protective Equipment (PPE) according to the results of hazard identification and risk analysis must be available to all workers.		
Evidence observed & Non-Conformance Description (filled by auditor):			
<p>The company has an PPE Management procedure (SOP / SMART / HSS-EHSD / SADV / I / 010), which explains the standard PPE used and if it was found that the condition of the PPE was damaged, the safety officer is responsible for replacing the damaged PPE. Based on field observations and interviews with workers at the Muara Wahau Mill, the facts of the field were found as follows:</p> <ul style="list-style-type: none"><li>4 workers at the sorting station, 1 worker at the press station, and 2 workers at the kernel station using safety shoes that do not meet company standards (purchased by the workers themselves because the safety shoes provided by the company are damaged before the new replacement period).</li><li>1 worker at the sorting station has not received safety shoes (because he has only worked ± 7 months)</li><li>1 worker at the engine room station uses ear cover that do not meet company standards (using ear plugs, while company standards use ear muff).</li></ul> <p>Based on these evidences, the company has not been able to demonstrate the implementation of PPE management according to the procedure owned</p>			
Root Cause Analysis (filled by organization audited):			
<p>The company already has a PPE Management pricedure (SOP / SMART / HSS-EHSD / SADV / I / 010). The change of PPE (safety shoes) regulated in the SOP is the change of PPE that is done every time there is PPE damage with a record that employees can show the damaged shoes / PPE as evidence for a new PPE replacement. But at present monitoring of the use of PPE, PPE Inspection, monitoring of PPE stocks regulated in the SOP has not been effective so there are still employees who buy PPE themselves, there are employees who have not been given PPE and there are employees who are given PPE that are not appropriate</p>			
Correction (filled by organization audited):			
<ul style="list-style-type: none"><li>The assistant monitors PPE conditions and inspects the indiscipline use of PPE for all employees at MWHM</li><li>The company gives PPE to employees that have not been given PPE and replaces damaged PPE of employees according to the results of monitoring and inspection</li><li>The company changes the damaged PPE of employees (4 workers at the sorting station, 1 worker at the press station, and 2 workers at the kernel station)</li><li>The company provides PPE for employees who have not received PPE (1 worker at the sorting station)</li><li>The company replaced ear protection equipment in accordance with HIRAC for 1 worker at the engine room station</li><li>The company provides training / socialization to new employees / who are mutated in accordance with those regulated in the HR Development SOP no: SOP / SMART / GENERAL / SADV / I / 003 points 2.2.4</li></ul> <p>Supporting evidence:</p> <ol style="list-style-type: none"><li>Records of monitoring PPE conditions and inspecting the indiscipline use of PPE for all employees at MWHM</li><li>Photos and minutes of providing PPE for employees who have not received PPE and replacement PPE for employees whose PPE is damaged</li><li>Photos and minutes of broken PPE replacement for 4 workers at the sorting station, 1 worker at the press station, and 2 workers at the kernel station</li><li>Photos and minutes of giving PPE to new employees (1 worker at the sorting station)</li><li>Photos and minutes of replacing ear plugs into ear muffs for 1 worker at the engine room station</li></ol>			



**6. Records of training / socialization to new / mutated employees**
**Corrective Action** (filled by organization audited):

- Arranging the schedule and inspecting the indiscipline use of PPE and monitoring PPE conditions regularly once a month by the relevant assistant
- The assistant reports the results of routine inspections and monitoring of PPE conditions every month at the P2K3 meeting
- Assistant monitors PPE stock with a maximum of 10% of the workforce per each job in accordance with HIRAC or PPE Management Procedures
- The company conducts socialization:
  - HIRAC and PPE management procedures for employees who are transferred according to their work location
  - Personal Protective Equipment Management Circular No 01 / PC-KT / V / 2019 to all employees

**Supporting evidence:**

1. P2K3 work program document that contains an inspection schedule for the discipline of using PPE and monitoring PPE conditions
2. Records of results of inspection and monitoring of PPE conditions
3. Records of P2K3 meetings discussing the results of inspections and monitoring of PPE conditions
4. PPE stock data in the warehouse along with the number of employees per type of work
5. Records of HIRAC socialization, SOP of PPE Management and PC Circular

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

**Verification July 30, 2019**

The company has sent an explanation of the root cause analysis of nonconformities that occur and corrective actions (prevention) so that similar nonconformities do not recur. Then, the company also sends evidence of correction in the form of:

- Documentation of condition monitoring and inspection of employee PPE indiscipline at MWHM
- Minutes of granting PPE for employees at MWHM.
- Photograph of handover of PPE grants to employees at MWHM.
- Documentation and minutes of replacing PPE ear plugs into ear muffs to workers at the engine room station.
- Safety induction documentation for new employees.
- P2K3 work program with scheduled disciplinary inspection and PPE monitoring.
- Records of results of inspections and monitoring of PPE conditions.
- Records of P2K3 meetings discussing Inspection Results and monitoring PPE conditions for employees.
- PPE stock data in the warehouse along with the number of employees per type of work.
- Records of HIRAC socialization, procedure of PPE Management and Processing Controller (PC) Circular
- Data on all employees in Muara Wahau POM.

Based on the explanation above, the non-conformity No. 2019.01 is **closed** and the implementation of the procedure will be observed again in the next assessment.

**Verified by** : **Hasiholan Sihombing**

<b>NCR No.</b>	<b>2019.02</b>	<b>Issued by</b>	<b>Asystasya Aishah Silalahi</b>
<b>Date Issued</b>	<b>10 May 2019</b>	<b>Time Limit</b>	<b>8 August 2019</b>
<b>NC Grade</b>	<b>MAJOR</b>	<b>Date of Closing</b>	<b>30 July 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>6.5.1 Wage documentation and work requirements must be available in accordance with</b>		

**applicable labor provisions**
**Evidence observed & Non-Conformance Description (filled by auditor):**

Based on interview with generator set operator in GKME and MWHE, it is known that work day is 7 days in a week (worktime is 7 hours/day). Company did not pay the overtime, yet give premium pay as overtime substitute as much as IDR 24,500 and premium pay in holiday or Sunday as much as IDR 150,000 per day. Provision about premium payment is according to circular letter No 002/SE-ADH3/BNJO/KTM/04/2017 on April 1<sup>st</sup> 2017 about premium payment for non-harvest activity regional Kalimantan Timur.

Then, company also showed calculation simulation between premium payment and overtime payment (according to regulation, overtime in Friday, Sunday, and holiday). The comparison is made for January – April 2019, with details as follows.

Month	Premium payment	Overtime payment
January 2019	Rp 1,387,000	Rp 1,303,596
February 2019	<b>Rp 1,512,500</b>	<b>Rp 1,575,179</b>
March 2019	Rp 1,313,500	Rp 1,303,596
April 2019	<b>Rp 1,638,000</b>	<b>Rp 1,815,531</b>

From the comparison above, it is known that premiums paid by the company are still lacking compared with payments using overtime calculations (for example in February and April 2019), so that the premium cannot replace the payment of overtime. Based on this, the company has not been able to show that overtime is paid in accordance with applicable regulations.

**Root Cause Analysis (filled by organization audited):**

The genset operator's payment system still uses Circular Letter No. 002 / SE-ADH3 / BNJO / KTM / 04/2017 dated April 1, 2017 regarding the premium payment of Kaltim Region and the calculation of the premium has not yet followed the Minister of Manpower Decree No. 102 of 2004 regarding overtime wages

**Correction (filled by organization audited):**

VPAPSM Kalseltim issued circular letter about changes of overtime payment for PT KDA from premium system to overtime payment in accordance with applicable regulation.

Evidence:

1. Letter from VPA PSM Kalseltim No.002/SE-VPA Kalseltim/BNJO/KTM/2019 about payment system for generator and water pump operator

**Corrective Action (filled by organization audited):**

Conducting socialization to related division about VPA PSM letter No. 002/SE-VPA Kalseltim/BNJO/KTM/2019 so related division understand the overtime payment system, it has been accordance with Decree of the Minister of Manpower No. 102/20104.

Evidence:

Documentation of socialization to GKME and MWHE on 22 – 23 July 2019.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Verification on 30 July 2019**

Company showed evidence correction, as follows.

- Circular letter No 002/SE-VPA Kalseltim/BNJO/KTM/07/2019 on 16 July 2019 from VPA Kalseltim Region regarding payment system for generator set and water pump operator. Based on the letter, overtime payment for genset operator, water pump operator, and genset + water pump operator will be according to Decree of the Minister of Manpower No. 102/20104. This policy applies from 1 July 2019.
- Record of socialization on 23 July 2019 to water and generator operator, clerk of division 3, and technical assistant of Gunung Kombeng Estate.
- Record of socialization on 22 July 2019 to genset and water operator, head of assistant, administration, assistane, and SPO officer of Muara Wahau Estate.

Based on explanation above, non conformity No 2019. 02 is closed and implementation of this policy will be observed at next assessment.

<b>Verified by</b>	<b>: Asystasha Aishah Silalahi</b>
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**3.5.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	5.1.3	Monitoring domestic waste, referring to the latest environmental documents.
2	6.5.2	The appointment process of the contract worker refer the plans that have been made.

**3.5.4. Noteworthy Positive Components**

No	Ref. Std.	Description
1	-	Company's commitment in the implementation of partnership with the community through farmer cooperatives related to the provision of superior seeds and processing of FFB
2	-	Company's commitment in implementing sustainability standards for oil palm plantations
3	-	Company has obtained ISPO and ISCC certificate
4	-	Company has adjusted the environment management and monitoring plan document to the actual conditions
5	-	Application of mechanization in transporting FFB



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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>SPM of GKME, MWHE, and MWHM</b> <ul style="list-style-type: none"> <li>Company has implemented basic wage in accordance with Decree of Kalimantan Timur Governor No. 561/K.555/2018 about Determination of Minimum wage for Kutai Timur Regency 2019.</li> <li>Type of worker in PT KDA is permanent worker, SKU H, SKU B, and temporary worker/contract worker. Currently in the process of changing the status of workers to permanent workers.</li> <li>There is no worker welfare issue in PT KDA</li> <li>Company has implemented human resource management in accordance with applicable regulation.</li> </ul>	<p>The company has implemented the principles &amp; criteria of RSPO about worker welfare and industrial relationship on indicator 4.7.3, 6.5.1, 6.5.2, 6.6.1, 6.7.1, 6.8.1, 6.9.1.</p>
<b>Gender Committee</b> <ul style="list-style-type: none"> <li>There is no issue related to child worker, discrimination, human rights violence, or sexual harassment.</li> <li>Company give special time for female worker to breastfeeding.</li> <li>Company give menstrual leave (2 days) and giving birth leave (3 months) for all female worker.</li> </ul>	<p>The company has implemented the principles &amp; criteria of RSPO on indicator criteria 6.9 about reproductive rights for woman worker.</p>
<b>Sawit Bersama Cooperative</b> <ul style="list-style-type: none"> <li>Cooperative was established on 2008 with full managed scheme.</li> <li>FFB selling price follows the price set by Plantation Agency of Kalimantan Timur Province.</li> <li>Work agreement apply to one cycle of palm oil.</li> <li>Crop payment is done after production report is approved by board of cooperative.</li> <li>Cooperative plantation land is a transmigration area, so there is no overlap with customary forests.</li> <li>Company give training related to best practice to the farmers.</li> <li>The villagers are trans-community from Java, NTT and local-trans such as Dayak and Kutai.</li> </ul>	<p>The company has implemented the principles &amp; criteria of RSPO on indicator 6.10.1, and 6.10.3.</p>
<b>FFB Supplier Bina Sawit Mandiri Cooperative</b> <ul style="list-style-type: none"> <li>There is agreement between PT KDA and Bina Sawit Mandiri Cooperative that has been signed by both party.</li> <li>FFB selling price is according to the price set by Plantation Agency of Kalimantan Timur Province.</li> <li>Crop payment is done after production report is approved by board of cooperative. There is no complaint about late payment.</li> <li>Company also provides training to all farmers.</li> </ul>	<p>The company has implemented the principles &amp; criteria of RSPO on indicator 6.10.1, and 6.10.3</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Local contractor FFB Transporter CV Putra Jaya</b> <ul style="list-style-type: none"> <li>Contractor activities is FFB transporting to mill.</li> <li>Cooperation relationship with the company went well.</li> <li>Work agreement is revised every 3 months.</li> <li>Contractor payment is done on time. Payment is conducted twice a month. Monthly wage for contractor worker is above the minimum wage.</li> <li>PPE is provided by contractor.</li> <li>Contractor recommend its members to join Health Insurance (BPJS Kesehatan) personally.</li> <li>Company has socialized the OHS policy and technique procedure to contractor and will be forwarded to the member.</li> </ul>	<p>The company has implemented the principles &amp; criteria of RSPO on indicator 4.7.6, 4.7.3, and 6.10.4</p>
<b>Cooperative of Employee</b> <ul style="list-style-type: none"> <li>Cooperative is named "Koperasi Konsumen Usaha Bersama Mandiri". Cooperative is engaged in consumption and saving and loan.</li> <li>The member of cooperative is as many as 60 members.</li> <li>Annual meeting periode 2018 has been conducted on March 7<sup>th</sup> 2019</li> <li>Company lend a building for cooperative activities.</li> </ul>	<p>According to workers the company provides the freedom to form cooperatives</p>
<b>Manpower Agency of Kutai Timur Agency</b> <ul style="list-style-type: none"> <li>There are no employment issues in the company, for example related to the use of child labor, employee harassment issues, or discrimination.</li> <li>There are worker union and bipartite in the company. Worker Union and Bipartite have been registered in the manpower agency.</li> <li>All data related to employment have been recorded in the compulsory report of employment</li> <li>Company has implemented the basic wage in accordance with minimum wage of Kutai Timur Regency.</li> </ul>	<p>The company has implemented the principles &amp; criteria of RSPO on indicator 2.1.1, 6.5.1, 6.5.2, 6.6.1, 6.7.1, 6.8.1, and 6.9.1 about worker welfare, industrial relationship, regulation compliance.</p>
<b>Environmental Agency of Kutai Timur Agency</b> <ul style="list-style-type: none"> <li>Companies routinely perform mandatory reporting, such as reporting of RKL-RPL per semester, quarterly reports of liquid waste and hazardous waste.</li> <li>There is no issue from the surrounding village related to environmental pollution.</li> <li>The results of the environmental monitoring in the RKL RPL report are still below the standard.</li> </ul>	<p>The company has implemented the principles &amp; criteria of RSPO on indicator 2.1.1, 5.1.2, and 5.3.3 about environment management.</p>
<b>National Land Agency</b> <ul style="list-style-type: none"> <li>Company has report the land use report of 2018 to National Land Agency.</li> <li>There is no issue about land conflict</li> </ul>	<p>The company has implemented the principles RSPO on 2.2 and 6.4 about land issue and legality.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Makmur Jaya and Miau Baru Village</b></p> <ul style="list-style-type: none"> <li>• The communication and relation between villages around with company are well maintained, the company's public relation already known by the communities. The mechanism for complaint and grievance submission has been understood well by the community</li> <li>• There were no significant land disputes and no indication of contractually army or paramilitaries using in plantation area. Conflict and resolution with company has settled up through spirit of kinship..</li> <li>• There are no indigenous rights or customary rights. It also known that compensation process are done directed to the land owner and landowners are given the freedom to release their land without coercion</li> <li>• The company has considered satisfactory cooperative and transparent in providing information, for example towards job vacancies. FFB price, CSR and grants. Village people has recognize company representative (PIC) from Division of Public Relation (PR) which handled this matters.</li> <li>• The company has cooperation with local contractors from surrounding villages.</li> <li>• The company has establish the CSR program to surrounding communities</li> <li>• There is no complaints and issues from surrounding villages towards environment aspects</li> </ul>	<p>Based on interview result, it could be concluded that presence of company has considered positively affected surrounding community life and contribute to social economic improvement. Communication and coordination towards conflict resolution has smoothly carried out. Department of Public Relation has good relationship with village representatives. Hence, social and environment aspects were satisfactory taken as a part of company operational activity. Further detail from other stakeholder views and document review could be checked on Criteria 1.1, 1.2, 2.2, 5.1, 6.1, 6.2, 6.3, 6.4, 6.8, 6.10 and 6.11 in this report.</p>

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>  <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Kresna Duta Agroindo Management Representative</p>  <p><u>Ismu Zulfikar</u> Tuesday, 30 July 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Leonada</u> Tuesday, 30 July 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	Response	
						Yes	No
1	Plantation Agency of Kutai Timur Regency	Kutai Timur Regency	-	Interview by phone	8 May 2019	✓	
2	Land National Agency of Kutai Timur Agency	Kutai Timur Regency	-	Interview by phone	8 May 2019	✓	
3	Manpower Agency of Kutai Timur Agency	Kutai Timur Regency	-	Interview by phone	8 May 2019	✓	
4	Environmental Agency of Kutai Timur Agency	Kutai Timur Regency	-	Interview by phone	8 May 2019	-	✓
5	Makmur Jaya Village	Makmur Jaya Village	-	Interview	8 May 2019	✓	
6	Miau Baru Village	Miau Baru Village	-	Interview	8 May 2019	✓	
7	Previous Land Owner of Makmur Jaya Village (5 sample from 24 persons according to compensation documents)  <i>*all sample can't be met, because have passed away.</i>	Makmur Jaya Village	-	-	8 May 2019		✓
8	Sawit Bersama Cooperative	Marga Mulya Village	-	Interview	8 May 2019	✓	
9	Bina Sawit Mandiri Cooperative	Sidomulyo, Marga Mulya, and Miau Baru	-	Interview	8 May 2019	✓	
10	FFB Transporter CV Putra Jaya	Subdistrict of Kombeng	-	Interview	8 May 2019	✓	
11	Worker union of GKMM/MWHM, GKME, and MWHE	PT KDA, Sukamaju Village, Subdistrict of Kombeng	-	Interview	8 May 2019	✓	
12	Gender Committee of GKMM/MWHM, GKME, and MWHE	PT KDA, Sukamaju Village, Subdistrict of Kombeng	-	Interview	8 May 2019	✓	
13	Employee Cooperative "Koperasi Konsumen Usaha Mandiri"	PT KDA, Sukamaju Village, Subdistrict of Kombeng	-	Interview	8 May 2019	✓	
14	<b>Muara Wahau Mill :</b> Loading ramp – 5 worker Boiler – 3 worker Engine Room – 1 worker Kernel station – 1 worker Sterilizer station – 1 worker Press station – 1 worker	PT KDA		Interview	7 May 2019	✓	
15	<b>Muara Wahau Estate :</b> Harvester – 5 worker Picker – 4 worker Pesticide applicator – 2 worker Loading FFB – 1 foreman EFB application – 4 worker Fertilizer loader – 3 worker	PT KDA		Interview	9 May 2019	✓	

	Daycare – 1 worker Schedule Waste – 1 worker Fertilizer Storage – 1 worker Workshop – 1 operator Chemical Storage – 1 worker Clinic – 1 doctor						
16	<b>Gunung Kombeng Estate :</b> Harvesting – 4 worker Picker – 1 worker Pesticide applicator – 10 worker Fertilizer loader – 2 worker EFB application – 1 worker Monitoring well – 1 worker Daycare – 3 worker Chemical Storage – 1 worker Fertilizer Storage – 1 worker	PT KDA		Interview	8 May 2019	✓	
17	<b>Muara Wahau Transport:</b> - Temporary hazardous waste store – 1 worker - Workshop – 1 operator	PT KDA		Interview	9 May 2019	✓	
18	Sawit watch	Bogor, Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Email	2 May 2019		✓
19	WWF	Jakarta, Indonesia	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Email	2 May 2019		✓
20	WALHI	Jakarta, Indonesia	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Email	2 May 2019		✓
21	AMAN	Jakarta, Indonesia	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Email	2 May 2019		✓

**Appendix 2. Assessment Program**

DATE	06 to 11 May 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 6 May 2019		
05.30 – 11.00	Jakarta → Balikpapan → Berau	All Auditor
11.00 – 17.00	Berau → PT Kresna Duta Agroindo	
Tuesday, 7 May 2019		
08.00 – 09.00	<b>Opening meeting</b> <ul style="list-style-type: none"><li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li><li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li></ul>	All Auditor
09.00 – 12.00	<b>Documents Review</b> <ul style="list-style-type: none"><li>Review of previous assessment findings</li><li>Verification of Basic Information Mill and Estate</li><li>Confirmation of Time Bound Plan</li><li>Review of Partial Certification</li><li>Verification of P n C documents</li></ul>	All Auditor
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	<b>Field observation to Muara Wahau Mill :</b> <ul style="list-style-type: none"><li>Supply Chain verification (FFB Receiving, Weighbridge),</li><li>Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO)</li><li>Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond &amp; land application</li></ul>	LEO LEO BYG
	<b>Field observation to Gunung Kombeng Mill (ISPO Scope Only) :</b> <ul style="list-style-type: none"><li>Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, FFB Receiving, Weighbridge, security post, FFB Sorting, Processing Activity, Despatch CPO)</li><li>Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond &amp; land application</li></ul>	AAS HSS
Wednesday, 8 May 2019		
08.00 – 12.00	Stakeholder consultation to affected communities surrounding the plantations, indigenous peoples, local communities and previous land owners.	LEO
	Interview with Gender Committee, Worker’s Union, , Worker’s Cooperative (if any), Local Contractor (for Mill and Estate), Smallholders, Third Party Supplier (if any), local NGO (if any)	AAS

DATE	06 to 11 May 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	Stakeholders consultation to related agencies	<b>AAS</b>
	<b>Field Observation to Gunung Kombeng Estate</b> Aspect to be verified : <ul style="list-style-type: none"> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li> <li>- Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place), HCV area..</li> </ul>	<b>HSS</b> <b>BYG</b>
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	<ul style="list-style-type: none"> <li>• Continue Field Observation and field observation clarification</li> <li>• Verification of documents and completing checklist</li> </ul>	<b>All Auditor</b>
<b>Thursday, 9 May 2019</b>		
08.00 – 12.00	<b>Field Observation to Muara Wahau Estate</b> Aspect to be verified : <ul style="list-style-type: none"> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li> <li>- Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place), HCV area..</li> </ul>	<b>HSS/AAS</b> <b>BYG</b> <b>LEO</b>
12.00 – 14.00	<b>Muara Wahau Estate &amp; Gunung Kombeng Estate</b> Implementation of Legal Aspect (Land Ownership, Legal Boundaries)	
	<b>Break</b>	
14.00 – 17.00	<ul style="list-style-type: none"> <li>• Continue Field Observation and field observation clarification</li> <li>• Verification of documents and completing checklist</li> </ul>	<b>All Auditor</b>
<b>Friday, 10 May 2019</b>		
08.00 – 10.00	<ul style="list-style-type: none"> <li>• Continue Field Observation and field observation clarification</li> <li>• Verification of documents and completing checklist</li> </ul>	
10.00 – 12.00	Interim Meeting (closing meeting preparation)	
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 15.00	Interim Meeting (closing meeting preparation)	
15.00 – 17.00	<b>Closing Meeting</b>	



DATE	06 to 11 May 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
17.00 – 22.00	PT Kresna Duta Agroindo → Berau	
<b>Saturday, 11 May 2019</b>		
11.00 – 14.00	Berau → Balikpapan → Jakarta	All Auditor