

***Roundtable on Sustainable Palm Oil Certification
RSPO***

[✓] Surveillance

Name of Management Organisation : Indrasakti Mill, PT Meganusa Intisawit subsidiary of Golden Agri Resources Ltd.
Plantation Name : Indrasakti Estate, Indrasakti Plasma, Indragiri Plasma and Indralestari Plasma
Location : Talang Sukamaju Village, Sub District of Rakit Kulim, Indragiri Hulu District, Riau Province, Indonesia
Certificate Code : MUTU-RSPO/033
Date of Certificate Issue : 04 December 2018 Date of License Issue : 04 December 2019
Date of Certificate Expiry : 03 December 2023 Date of License Expiry : 03 December 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.1	09 to 13 September 2019	Leonada (Lead Auditor), Hasiholan Sihombing, Bayu Yogatama, Asystasya Aishah Silalahi	Ardiansyah	Octo H.P.N Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.1	11 October 2019

TABLE OF CONTENT
FIGURE

Figure 1. Location Map of Meganusa Intisawit	2
Figure 2. Operational Map of Indrasakti Estate	3
Figure 3. Operational Map of Indragiri Plasma	4
Figure 4. Operational Map of Indralestari Plasma	5
Figure 5. Operational Map of Indrasakti Plasma	6

Abbreviations Used	7
--------------------	---

1.0 SCOPE of the CERTIFICATION ASSESSMENT

1.1 Assessment Standard Used	9
1.2 Organisation Information	9
1.3 Type of Assessment	9
1.4 Location of Mill and Plantations	9
1.5 Description of Area Statement	10
1.6 Planting Year and Cycles	10
1.7 Description of Mill and Supply Base	10
1.8 Estimate Tonnage of Certified Product	11
1.9 Other Certifications	13
1.10 Time-Bound Plan	13

2.0 ASSESSMENT PROCESS

2.1 Assessment Team	21
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	21
2.3 Stakeholder Consultation and Stakeholders Contacted	22
2.4 Determining Next Assessment	22

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification	25
3.2 Summary of Assessment Report of Supply Chain Requirement	52
3.3 Conformity Checklist of Certificate and Logo Use	63
3.4 Summary of RSPO Partial Certification	64
3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	69
3.6 Summary of Arising Issues from Public, Management and Auditor Responses	72

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Signing of Assessment Findings	74
---	----

APPENDICES

1. List of Stakeholders Contacted in the RSPO Certification Process	75
2. Assessment Program	77

Figure 1. Location Map of PT Meganusa Intisawit



Figure 2. Operational Map of Indrasakti Estate

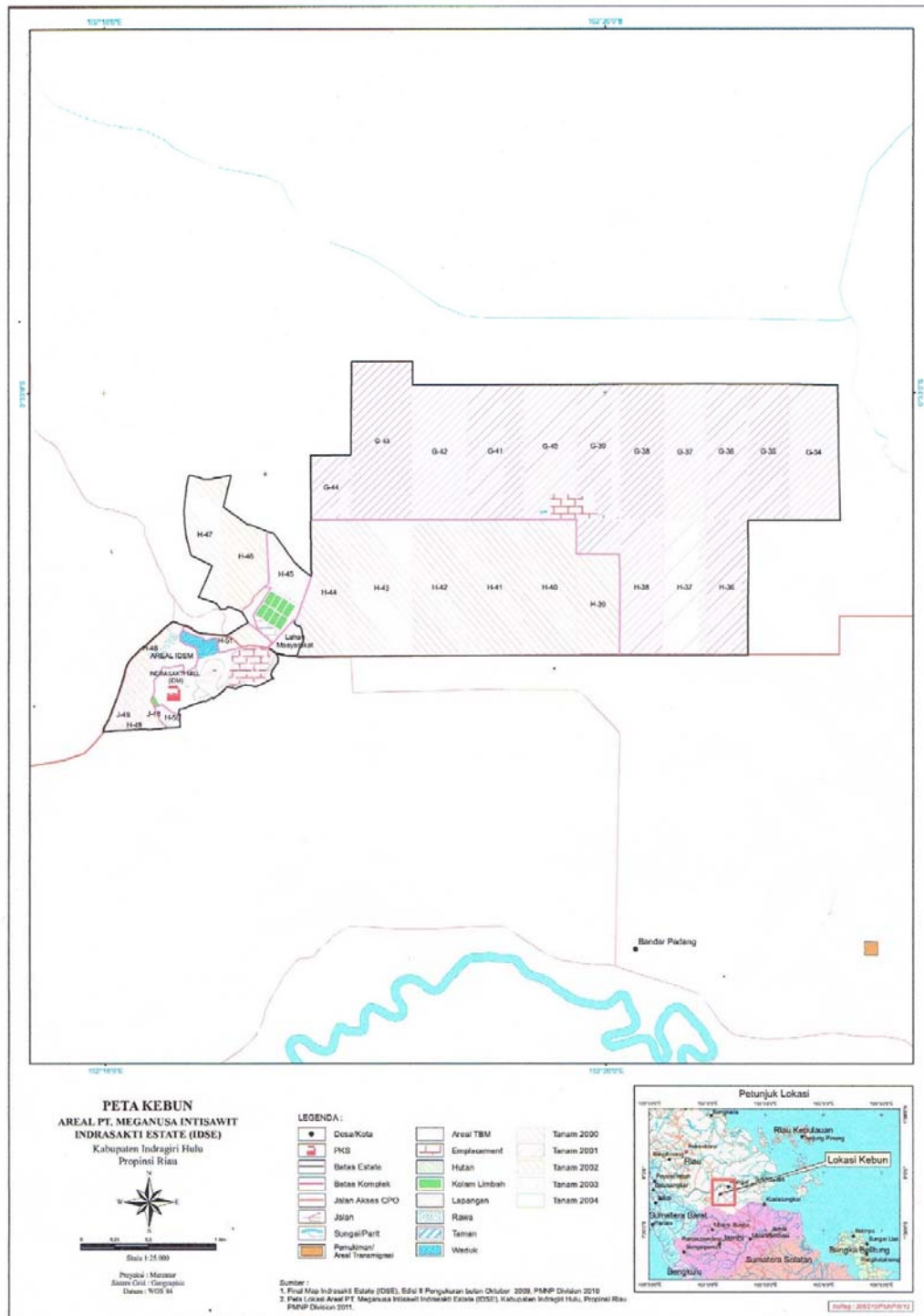


Figure 3. Operational Map of Indragiri Plasma

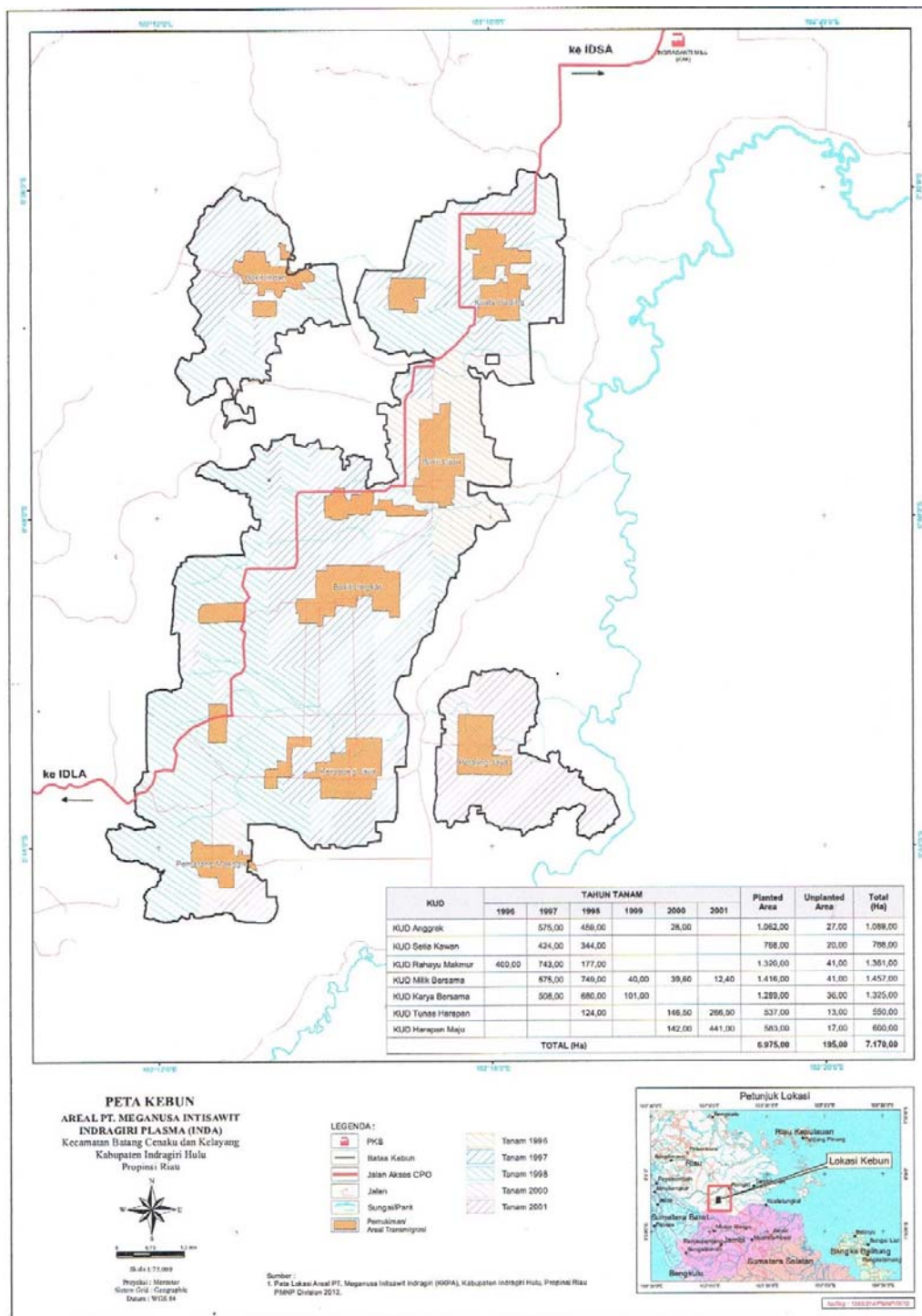


Figure 4. Operational Map of Indralestari Plasma

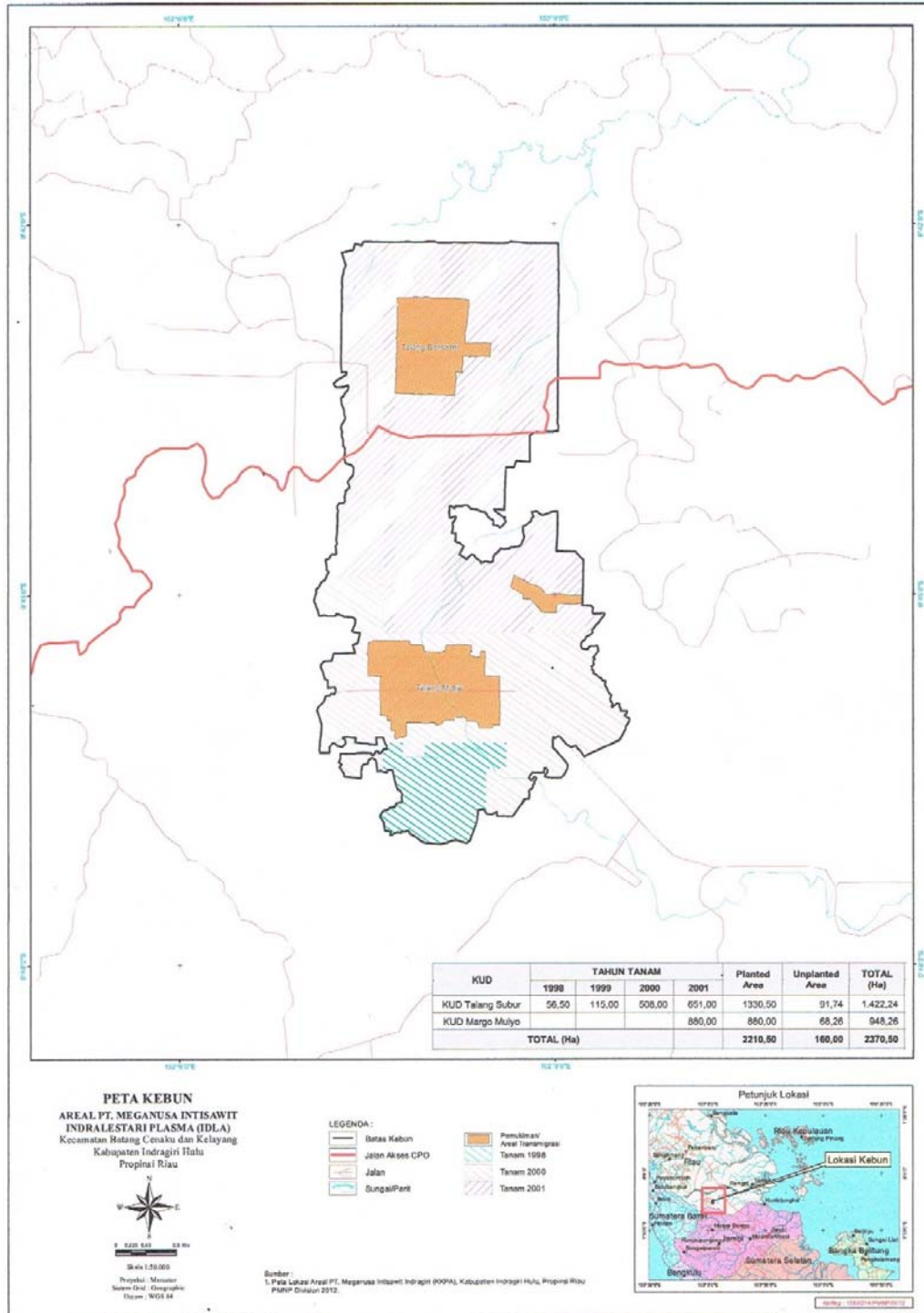
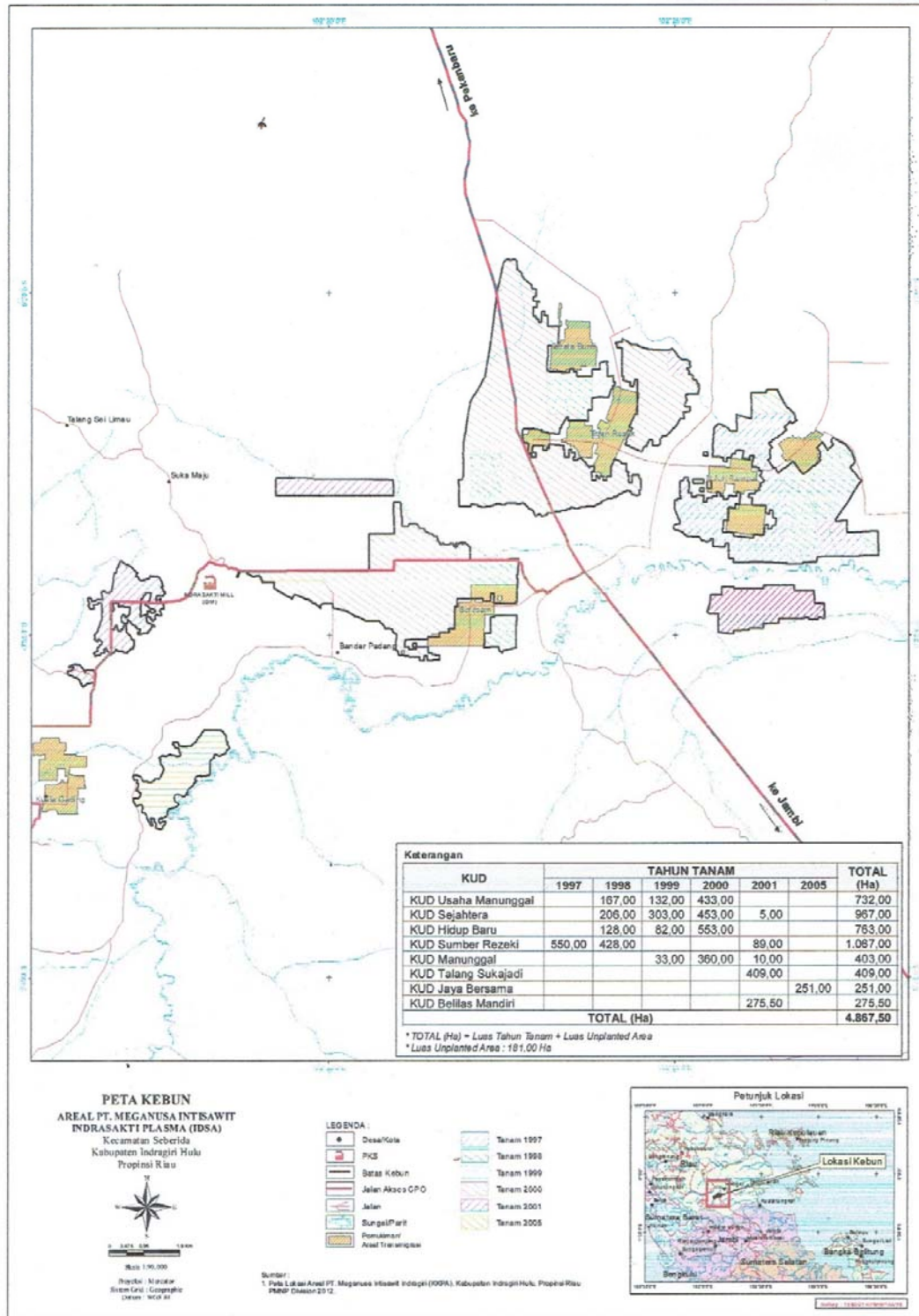


Figure 5. Operational Map of Indrasakti Plasma



Abbreviations Used

AMDAL	:	AMDAL
BPHTB	:	<i>Bea Perolehan Hak Atas Tanah dan Bangunan</i>
BOD	:	Biological Oxygen Demand
BWL	:	Buana Wiralestarimas
CH	:	Certification Holder
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
DLH	:	Dinas Lingkungan Hidup
DPLH	:	<i>Dokumen Pengelolaan Lingkungan Hidup</i>
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Inform and Consent
FR	:	Frequency Rate
GAR	:	Golden Agri Resources
GHG	:	Green House Gas
GSEP	:	GAR, Social, and Environment Policy
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan / Building Title</i>
HGU	:	<i>Hak Guna Usaha / Land Use Title</i>
HIRAC	:	Hazard Identification Risk Assessment and Control
INDA	:	Indragiri Plasma
IDLA	:	Indralestari Plasma
IDSA	:	Indrasakti Plasma
IDSE	:	Indrasakti Estate
INHU	:	Indragiri Hulu
INKM	:	Indrasakti Mill
IPM	:	Integrated Pest Management
ISCC	:	International Sustainability & Carbon Certification
IUCN	:	International Union for Conservation of Nature and Natural Resources
KKPA	:	<i>Koperasi Kredit Primer Anggota</i>
KT	:	<i>Kelompok Tani / Farmer Group</i>
KUD	:	<i>Koperasi Unit Desa / Cooperative Village Unit</i>
LSU	:	Leaf Sampling Unit
LUC	:	Land Use Change
MNIS	:	Meganusa Intisawit
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
OFI	:	Opportunity for improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja/OHS Committee</i>
P & C	:	Principle & Criteria
PK	:	Palm Kernel
PIC	:	Person In Charge
PKB	:	<i>Perjanjian Kerja Bersama (Collective Labor Agreement)</i>
PMNP	:	Plantation Monitoring and Planning
PMPTSP	:	<i>Penanaman Modal & Pelayanan Terpadu Satu Pintu</i>

POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personnel Protective Equipment
PT	:	<i>Pekerja Tetap</i> (Permanent Worker)
RKL RPL	:	<i>Rencana Pengelolaan Lingkungan - Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan)
RTE	:	Rare, Threatened, Endangered
RTRWP	:	<i>Rencana Tata Ruang Wilayah Provinsil</i> Province Spatial Plan
RSPO	:	Roundtable on Sustainable Palm Oil
SHM	:	<i>Sertifikat Hak Milik</i>
SIA	:	Social Impact Assessment
SMARTRI	:	Sinar Mas Agro Resources and Technology Research Institute
SMD	:	Senior Managing Director
SOP	:	Standard Operational Procedure
SPO	:	Sustainable Palm Oil
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
UKL	:	<i>Upaya Kelola Lingkungan</i>
UPL	:	<i>Upaya Pemantauan Lingkungan</i>
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT				
1.1 Assessment Standard Used				
	<ul style="list-style-type: none"> Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module E for CPO Mill) RSPO Certification System for Principles and Criteria, June 2017 (Endorsed by the RSPO Board of Governors on 14th of June 2017) 			
1.2 Organisation Information				
1.2.1	Organisation name listed in the certificate	PT Meganusa Intisawit, Subsidiary of Golden Agri Resources, Ltd.		
1.2.2	Contact person	Yahya Mustakim		
1.2.3	Organisation address and site address	Head Office : 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 Indonesia Liaison Office : Sinar Mas Land Plaza, Tower II, 30th Floor Jl. MH Thamrin No. 51, Jakarta 10350, Indonesia Phone: +62-21-5033 8899. Fax: +62-21-5038 9999		
1.2.4	Telephone	+6221 50338899 ext 1184		
1.2.5	Fax	+6221 50389999		
1.2.6	E-mail	yahya.mustakim@sinarmas-agri.com		
1.2.7	Web page address	www.goldenagri.com.sg		
1.2.8	Management Representative who completed the application for certification	Yahya Mustakim (Head Of SPO Certification)		
1.2.9	Registered as RSPO member	1- 0056 - 08 - 000 - 00; 31 March 2011		
1.3 Type of Assessment				
1.3.1	Scope of Assessment and Number of Management Unit	Indrasakti POM and supply base (Indrasakti Estate and 7,125 Smallholders).		
1.3.2	Type of certificate	Single		
1.4 Locations of Mill and Plantation				
1.4.1	Location of Mill			
	Name of Mill	Location	Coordinate	
			Latitude	Longitude
	Indrasakti POM	Sungai Limau Village, Sub District of Rakit Kulim, District of Indragiri Hulu, Riau Province, Indonesia	S 0° 34' 15"	E 102° 18' 18"
1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Indrasakti Estate	Sungai Limau Village, Sub District of Rakit	S	E

	Kulim, District of Indragiri Hulu, Riau Province, Indonesia	0° 33' 30"	102° 19' 57"
Indrasakti Plasma (2,465 SH)			
Sumber Rejeki (558 SH)	Sungai Limau Village, Sub District of Rakit Kulim, District of Indragiri Hulu, Riau Province, Indonesia	S 0° 32' 35"	E 102° 26' 02"
Sawit Sejahtera (490 SH)		S 0° 32' 12"	E 102° 23' 56"
Hidup Baru (383 SH)		S 0° 30' 53"	E 102° 23' 31"
Usaha Manunggal (367 SH)		S 0° 34' 57"	E 102° 22' 02"
Manunggal (202 SH)		S 0° 35' 13"	E 102° 22' 02"
Talang Sukajadi (204 SH)		S 0° 33' 54"	E 102° 18' 17"
Jaya Bersama (125 SH)		S 0° 36' 29"	E 102° 17' 34"
Belilas Mandiri (136 SH)		S 0° 33' 45"	E 102° 17' 34"
Indralestari Plasma (2,038 SH)			
Talang Subur (647 SH)	Talang Bersemi Village, Sub District of Batang Cenaku, District of Indragiri Hulu, Riau Province, Indonesia	S 0° 45' 50"	E 102° 08' 04"
Margo Mulyo (440 SH)		S 0° 43' 41"	E 102° 08' 07"
Karya Bersama (644 SH)		S 0° 43' 12"	E 102° 14' 19"
Tunas Harapan (280 SH)		S 0° 44' 14"	E 102° 12' 38"
Indragiri Plasma (2,622 SH)			
Rahayu Makmur (677 SH)	Kuala Gading Village, Sub District of Batang Cenaku, District of Indragiri Hulu, Riau Province, Indonesia	S 0° 39' 31"	E 102° 15' 17"
Setia Kawan (390 SH)		S 0° 37' 10"	E 102° 13' 29"
Milik Bersama (732 SH)		S 0° 40' 52"	E 102° 14' 26"
Harapan Maju (292 SH)		S 0° 42' 48"	E 102° 15' 45"
Anggrek (531 SH)		S 0° 37' 28"	E 102° 16' 10"
1.5 Description of Area Statement			
1.5.1	Tenure		
	• State	820.87	Ha
	• Community	14,564.00	Ha
		Total: 15,384.87 Ha	
Community land is based on total smallholder land title certificates (SHM).			
1.5.2	Area Statement		

		PT MNIS (Ha)		Smallholders of PT MNIS (Ha)		TOTAL (Ha)	
	• Total area	820.87		14,564.00		15,384.87	
	• Planted Area	760.31		14,053.00		14,813.31	
	• Mill/ Building/ Road/ Infrastructure	51.58		511.00		562.58	
	• Trench/ Swamp/ River/ Reservoir	2.86		-		2.86	
	• HCV	6.12		-		6.12	
	• Conservation area	-		588.15*		588.15*	
*area include in planted area.							
1.6 Planting Year and Cycles							
1.6.1 Age profile of planting year							
	Planting Year	Hectarage (Ha)					
		Indrasakti Estate	Indrasakti Plasma	Indralestari Plasma	Indragiri Plasma	Total	
	1996	-	-	-	400.00	400.00	
	1997	-	550.00	508.00	2,317.00	3,375.00	
	1998	-	929.00	860.50	1,729.00	3,518.50	
	1999	-	550.00	216.00	40.00	806.00	
	2000	216.73	1,799.00	654.50	209.60	2,879.83	
	2001	468.31	788.50	1,797.50	453.40	3,507.71	
	2002	60.20	-	-	-	60.20	
	2003	10.99	-	-	-	10.99	
	2004	4.08	-	-	-	4.08	
	2005	-	251.00	-	-	251.00	
	Total	760.31	4,867.50	4,036.50	5,149.00	14,813.31	
1.6.2	New Planting area after January 2010			- Ha			
1.6.3	Planting Cycle			1 st Cycle			
1.7 Description of Mill and Supply Base							
1.7.1 Description of Mill							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Indrasakti	60	386,670.10	74,693.66	19.32	21,020.45	5.44
*Production data source from September 2018 to August 2019							
1.7.2 Description of Certification Scope of Supply Base							
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/ year)	Yield (tonnes/ ha/ year)	Supplied to Mill	
						FFB (tonnes/ye ar)	%
	Indrasakti Estate	820.87	760.31	21,484.21	28.26	21,484.21	100.00
	Sumber Rejeki (558 SH)	1,100.50	1,067.00	28,800.17	26.99	121,656.24	88.35
	Sawit Sejahtera (490 SH)	998.00	967.00	28,748.56	29.73		
Hidup Baru (383 SH)	788.00	763.00	23,700.40	31.06			

	Usaha Manunggal (367 SH)	780.00	732.00	21,542.13	29.43		
	Manunggal (202 SH)	407.00	403.00	11,629.82	26.14		
	Talang Sukajadi (204 SH)	411.50	409.00	10,689.75	26.14		
	Jaya Bersama (125 SH)	254.00	251.00	6,799.35	27.09		
	Belilas Mandiri (136 SH)	284.50	275.50	5,781.52	20.99		
	Indrasakti Plasma (2.465 SH)	5,023.50	4,867.50	137,691.70	28.29		
	Talang Subur (647 SH)	1,422.24	1,330.50	30,472.27	22.90	102,728.18	100.00
	Margo Mulyo (440 SH)	948.26	880.00	22,768.08	25.87		
	Karya Bersama (644 SH)	1,325.00	1,289.00	34,897.77	27.07		
	Tunas Harapan (280 SH)	550.00	537.00	14,590.06	27.17		
	Indralestari Plasma (2.038 SH)	4,245.50	4,036.50	102,728.18	25.45		
	Rahayu Makmur (677 SH)	1,361.00	1,320.00	35,372.83	26.80	140,801.47	99.34
	Setia Kawan (390 SH)	788.00	768.00	20,622.64	26.85		
	Milik Bersama (732 SH)	1,457.00	1,416.00	38,529.31	27.21		
	Harapan Maju (292 SH)	600.00	583.00	17,455.29	29.94		
	Anggrek (531 SH)	1,089.00	1,062.00	29,750.04	28.01		
	Indragiri Plasma (2.622 SH)	5,295.00	5,149.00	141,730.11	27.53		
	GRAND TOTAL	15,384.87	14,813.31	403,634.20	27.25	386,670.10	95.80
	<i>*Production data source from September 2018 to August 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)		
	-	-	-	-	-		
	<i>*Production data source from September 2018 to August 2019</i>						
1.7.4	Product Type		FFB, CPO, PK				
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product		Last year projected certified volume (MT)		Actual certified product For last year (MT)		
	• FFB Estates				21,484.21		
	• FFB Smallholders		391,027		365,185.89		
	• CPO Production		82,116		74,693.66		
	• Palm Kernel (PK) Production		21,506		21,020.45		
1.8.2	Product selling						
	Tonnage of selling product		Actual selling product period for last year (MT)				
	• CSPO sold as RSPO certified product		41,618.59				
	• CSPK sold as RSPO certified product		20,169.93				
	• CSPO sold under other scheme		26,659.10				
	• CSPK sold under other scheme		0				
	• CSPO sold as conventional		0				
	• CSPK sold as conventional		0				

1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Indrasakti Estate	820.87	760.31	22,000	28.94			
	Sumber Rejeki (558 SH)	1,100.50	1,067.00	29,500	27.65			
	Sawit Sejahtera (490 SH)	998.00	967.00	29,500	30.51			
	Hidup Baru (383 SH)	788.00	763.00	24,500	32.11			
	Usaha Manunggal (367 SH)	780.00	732.00	22,000	30.05			
	Manunggal (202 SH)	407.00	403.00	12,000	29.78			
	Talang Sukajadi (204 SH)	411.50	409.00	11,000	26.89			
	Jaya Bersama (125 SH)	254.00	251.00	7,000	27.89			
	Belilas Mandiri (136 SH)	284.50	275.50	6,000	21.78			
	Indrasakti Plasma (2.465 SH)	5,023.50	4,867.50	141,500	29.07			
	Talang Subur (647 SH)	1,422.24	1,330.50	31,500	23.68			
	Margo Mulyo (440 SH)	948.26	880.00	23,000	26.14			
	Karya Bersama (644 SH)	1,325.00	1,289.00	36,000	27.93			
	Tunas Harapan (280 SH)	550.00	537.00	15,000	27.93			
	Indralestari Plasma (2.038 SH)	4,245.50	4,036.50	105,500	26.14			
	Rahayu Makmur (677 SH)	1,361.00	1,320.00	36,500	27.65			
	Setia Kawan (390 SH)	788.00	768.00	21,000	27.34			
	Milik Bersama (732 SH)	1,457.00	1,416.00	40,000	28.25			
	Harapan Maju (292 SH)	600.00	583.00	18,000	30.87			
	Anggrek (531 SH)	1,089.00	1,062.00	30,500	28.72			
	Indragiri Plasma (2.622 SH)	5,295.00	5,149.00	146,000	28.36			
	Grand Total	15,384.87	14,813.31	415,000	28.02			
	*Projected FFB production from September 2019 to August 2020							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)	
	Indrasakti	60	415,000	80,500	19.40	22,500	5.42	IP
	*Projected FFB production from September 2019 to August 2020							
1.9	Other Certifications							
	• ISCC from Intertek which valid from 14 January 2019 until 13 January 2020							
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply		Time Bound	Location		Status

Mill	Time bound	Base)	Plan		
Pangkalan Panji (PT Sawit Mas Sejahtera)	2013	Sawit Mas Estate	2013	South Sumatera	Certified
Bumi Sawit Mill (PT Bumi Sawit Permai)	2013	Bumi Sawit Estate	2013	South Sumatera	Certified
Muara Kandis Mill (PT Djuanda Sawit Lestari)	2013	Muara Tawas Estate	2013	South Sumatera	Certified
		Muara Kandis Estate	2013	South Sumatera	Certified
		Muara Kandis Estate (HGU on progress – 402.41 Ha)	2020	South Sumatera	-
		Muara Tawas Estate (HGU on progress – 73.78 Ha)	2020	South Sumatera	-
		Smallholder (KKPA Pandawa)	2020	South Sumatera	-
Sungai Rungau Mill (PT Sumber Indah Perkasa)	2013	Sungai Rungau Estate	2013	Central Kalimantan	Certified
		Sungai Seruyan Estate	2013	Central Kalimantan	Certified
		Terawan Estate	2013	Central Kalimantan	Certified
		Tangar Estate	2013	Central Kalimantan	Certified
		Bukit Tiga Estate	2013	Central Kalimantan	Certified
Bukit Perak 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	2020	Papua	ST-1

	Pekawai Mill (PT Agrolestari Mandiri)	2020	Perkasa)			
			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
	Kenanga Mill (PT Kencana Graha Permai)	2014	Smallholder (Kayung Plasma)	2020	West Kalimantan	ST-1
			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	-
	Perdana Mill (PT Binasawit Abadi Pratama)	2020	Smallholder (Kenanga Plasma)	2020	West Kalimantan	-
			Perdana Estate	2020	Central Kalimantan	ST-1
			Lenggana Estate	2020	Central Kalimantan	ST-1
			Semandau Estate	2020	Central Kalimantan	ST-1
	Kuayan Mill (PT Agrokarya Prima Lestari)	2020	Muara Dua Estate	2020	Central Kalimantan	ST-1
			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	2020	Central Kalimantan	-

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

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

			Sei Rindu	2013	Central Kalimantan	Certified
			Mandang	2013	Central Kalimantan	Certified
			Puri	2013	Central Kalimantan	Certified
	Jak Luay Mill	2015	Pantun Mas Estate	2015	East Kalimantan	Certified
			Jak Luay Estate	2015	East Kalimantan	Certified
			Jak Luay KKPA	2020	East Kalimantan	-
			Long Buluh Estate	2015	East Kalimantan	Certified
			Bukit Subur Estate	2015	East Kalimantan	Certified
			Bukit Subur KKPA	2020	East Kalimantan	-
	Leidong West Mill (PT MP Leidong West Indonesia)	2014	Leidong West Utara Estate	2014	Bangka Belitung	Certified
			Leidong West Selatan Estate	2014	Bangka Belitung	Certified
	Muara Wahau Mill (PT Kresna Duta Agroindo)	2014	Muara Wahau Estate	2014	East Kalimantan	Certified
			Gunung Kombeng	2014	East Kalimantan	Certified
	Gunung Kombeng Mill (PT Kresna Duta Agroindo)	2020	Gunung Kombeng KKPA	2020	East Kalimantan	-
	Rantau Panjang (PT Kresna Duta Agroindo)	2020	Rantau Panjang Estate	2020	East Kalimantan	-
			Rantau Panjang KKPA	2020	East Kalimantan	-
	Jelatang Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi	Certified
			Tiga Serumpun KKPA	2020	Jambi	-
	Pelakar Mill (PT Kresna Duta Agroindo)	2020	Pelakar Estate	2020	Jambi	ST-2 Sept 2017
			Tiga Serumpun KKPA	2020	Jambi	ST-2 Sept 2017
			Batang Merangin Estate	2020	Jambi	ST-2 Sept 2017
	Langling Mill (PT Kresna Duta Agroindo)	2014	Bangko Estate	2014	Jambi	Certified
			Bangko Plasma	2019	Jambi	-
			Batang Gading Estate	2020	Jambi	-
			Batang Gading KKPA (PT Satya Kisma Usaha)	2020	Jambi	-
	Sungai Bengkal Mill (PT Satya Kisma Usaha)	2015	Sungai Bengkal Estate	2015	Jambi	Certified
			Sungai Bengkal KKPA	2015	Jambi	Certified
			Muara Kilis Estate	2015	Jambi	Certified
			Muara Kilis KKPA	2020	Jambi	-

	Bukit Kapur Mill (PT SMART Tbk)	2020	Bukit Kapur Estate	2020	South Kalimantan	ST-1
			Sungai Cantung Estate	2020	South Kalimantan	ST-1
	Samsam Mill (PT Ivomas Tunggal)	2009	Samsam Estate	2009	Siak-Riau	Certified
			Samsam Estate (HGU on progress – 29.09 Ha)	2020	Siak-Riau	-
			Kandista Estate	2009	Siak-Riau	Certified
			Kandista Estate (HGU on progress – 158.46 Ha)	2020	Siak-Riau	-
			Palapa Estate	2009	Siak-Riau	Certified
	Libo Mill (PT Ivomas Tunggal)	2009	Libo Estate	2009	Siak-Riau	Certified
			Nenggala Estate	2009	Siak-Riau	Certified
			Nenggala Estate (HGU on progress 419.9 Ha)	2020	Siak-Riau	-
			Sei Rokan Estate	2009	Siak-Riau	Certified
			Sei Rokan Estate (HGU on progress – 102.7 Ha)	2020	Siak-Riau	-
	Ujung Tanjung (PT Ivomas Tunggal)	2009	Ujung Tanjung Estate	2009	Siak-Riau	Certified
			Ujung Tanjung Estate (HGU on progress – 557.3 Ha)	2020	Siak-Riau	-
	Naga Sakti Mill (PT Buana Wiralestari Mas)	2010	Naga Mas Estate	2010	Kampar-Riau	Certified
			Naga Mas Estate (HGU on process – 253.39 Ha)	2020	Kampar-Riau	-
			Naga Sakti Estate	2010	Kampar-Riau	Certified
			Naga Sakti Estate (HGU on process – 59.79 Ha)	2020	Kampar-Riau	-
			Rama Bakti Estate	2010	Kampar-Riau	Certified
	Kijang Mill (PT Buana Wiralestari Mas)	2010	Kijang Mas Estate	2010	Kampar-Riau	Certified
			Kijang Mas Estate (HGU on process – 56.07 Ha)	2020	Kampar-Riau	-
			Kijang Kencana Plasma	2010	Kampar-Riau	Certified
	Ramarama Mill (PT Ramajaya Pramukti)	2010	Ramarama Estate	2010	Kampar-Riau	Certified
			Ramarama Estate (HGU on process – 318.76 Ha)	2020	Kampar-Riau	-
			Amartajaya Plasma	2010	Kampar-Riau	Certified
	Indra Sakti Mill (PT Meganusa Inti Sawit)	2011	Indra Lestari Estate	2011	Indragiri-Riau	Certified
			Indra Sakti Estate	2011	Indragiri-Riau	Certified

			Indragiri Plasma	2011	Indragiri-Riau	Certified
			Indrasakti Plasma	2011	Indragiri-Riau	Certified
Bumipalma Mill (PT Bumipalma Lestari Persada)	2012		Bumi Lestari Estate	2012	Indragiri-Riau	Certified
			Bumi Palma Estate	2012	Indragiri-Riau	Certified
			Bumi Sentosa Estate	2012	Indragiri-Riau	Certified
			Bumi Palma Estate (HGU on process – 39.21 Ha)	2020	Indragiri-Riau	-
Sawita Mill (PT Sawitakarya Manunggal)	2020		Sawita Estate	2020	South Kalimantan	ST-1
			Pamukan Estate	2020	South Kalimantan	ST-1
			Sawita KKPA	2020	South Kalimantan	ST-1
<p>There are revision of time bound plan, the justification from top management is:</p> <ol style="list-style-type: none">1. Pelakar Mill is still process on disclosure & liability by RSPO, while Bukit Kapur Mill doesn't have land use title (HGU), the HGU is still on process.2. Land use titles for Rantau Panjang Mill and its supply base are still on process3. 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.4. Sawita Mill had conducted pre assessment RSPO on 2015 and Another entire Management Unit under PT Ivo Mas Tunggal has been RSPO certified.5. Sawita mill and sawita estate are still in process of HCV RaCP related to land clearing after November 2005 without preceeded HCV identifications.6. Rantau Panjang Mill and Estate Unit (Rantau Panjang Estate & Rantau Panjang KKPA) are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed by year of 2020.7. 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 20198. 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 2019.9. 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. <p>Time bound plan revision</p> <p>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 & Muara Tawas Estate 73.78 Ha). For this area is planned for audit on 2020 because waiting for HGU.</p> <p>Revision on March 22, 2019 regarding HGU on process on PT Sumber Indah Perkasa, Sungai Buaya Mill & Sungai Merah Mill, Lampung province. Covered an areas for Sungai Merah estate (241.54 ha) and Sungai Buaya estate (73.71 ha & 26.18 ha). GAR has planned this HGU on process area to be certified on 2020</p>						
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					

The smallholders associated with PT Meganusa Intisawit was in scheme smallholder and has been include as Certification Scope of PT Meganusa Intisawit.
--

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-1.1	<p>1. Leonada (Lead Auditor). 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, land dispute.</p> <p>2. Hasiholan Sihombing (Auditor). 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&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>3. Asystasya Aishah Silalahi (Auditor). Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, 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>4. Bayu Yogatama (Auditor). 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>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1.1	<p>Number of auditors : 4 auditor</p> <p>Number of days for ASA-1.1 at site : 5 days</p> <p>Number of working days for ASA-1.1 at site : 20 Working days</p>
2.2.2	Assessment Process
ASA-1.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Meganusa Intisawit 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 Pekanbaru by plane and travel to site by car. After arriving on site, continued holding an opening meeting. The opening and closing meeting was held in Mess Management of Indrasakti Estate attended by the Regional Controller, Production Controller, Unit Head, Estate Manager, Mill Manager, Assistants, and other related personnel's. During audit activity, auditors always accompanied</p>

	<p>by certification holder and the documents are presented well.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-1.1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.2).</p> <p>Improvement of findings from surveillance assessment findings were observed by auditors at this RC assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA 1.1.</p> <p>The assessment program please find Appendix 2.</p>
2.2.3	Locations of Assessment
ASA-1.1	<p>Number of units in this certification activity is four (4) estates, which supply the raw material (FFB) to one (1) palm oil mill. In conducting the assessment, the team of auditors used the $0.8\sqrt{y.z}$ 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 (Indrasakti Mill), one (1) core estate and five (5) plasma estates (KUD).</p> <p>Indrasakti Mill</p> <ul style="list-style-type: none"> • Security. Interview with securities related to OSH implementation, worker welfare, understanding of job description, training, worker union, employee cooperative, and complaint mechanism. • Grading station. Interview with grading operator about worker welfare, understanding of job description, OSH implementation, worker union, employee cooperative and complaint mechanism. • Processing activity (Sterilizer – Press station). Interview with grading operator about worker welfare, understanding of job description, OSH implementation, worker union, employee cooperative and complaint mechanism. • Kernel station. Interview with grading operator about worker welfare, understanding of job description, OSH implementation, worker union, employee cooperative and complaint mechanism. • Boiler station. Interview with grading operator about worker welfare, understanding of job description, OSH implementation, worker union, employee cooperative and complaint mechanism. • 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 • Weighbridge. Observation and interview the personnel in charge related to FFB acceptance mechanism, work time, data entry and the consistence of SCCS implementation (3 staff). • Administration Staff Room. SCCS Verification (verification of procedure, sample of FFB Delivery Note, FFB Weight Ticket, training recorded, etc) and SCCS training record. • WTP. Observations and interview related to water management, recording of water use, health checks, PPE and waste management. (1 operator) • WWTP. Field observations and interview related ban entry to WWTP, run off, testing of effluent. Officers equipped with PPE and Recording of effluent debit effluent. (1 operator) • Solid Waste. Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill. • Chemical store. Observation and interview for material handling, OHS, and hazardous material handling (1 operator) • Workshop. Observation and interview related OHS and workers welfare (2 operator) • Temporary hazardous waste store. Observation for OHS, material handling, and hazardous waste management • General Store. Observation and interview related material handling and OHS (1 worker)

- Hydrant simulation. Observation and simulation of fire preparedness and response.

Indrasakti Estate

- Fertilizer storage. Observation about storage condition, fertilizer stock, and interview with storage worker about OSH implementation, worker welfare, understanding of job description, training, worker union, employee cooperative, and complaint mechanism.
- PPE Storage. Observation about storage condition and PPE kept in the storage.
- Creche. Interview with worker about OSH implementation, company facility, worker welfare, worker union, employee cooperative, and complaint mechanism.
- Housing complex. Observation about housing condition and interview with residents about other facilities provided by certification holder.
- Land Application, Block H39. Observation about flatbed condition and interview with operator about OSH implementation, worker welfare, understanding of job description, training, worker union, employee cooperative, and complaint mechanism.
- Workshop. Observation about workshop condition, waste management, and interview with workers about OSH implementation, worker welfare, understanding of job description, training, worker union, employee cooperative, and complaint mechanism.
- Hazardous waste storage. Observation about storage condition, kind of hazardous waste stored, OSH facility, and interview with personnel about OSH implementation, worker welfare, understanding of job description, training, worker union, employee cooperative, and complaint mechanism.
- Fuel tank. Observation about tank condition, emergency response facility.
- HCV Block H48. Observation about HCV condition.
- Block H40 (3 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 H40 (2 harvester and 2 picker). Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- Block H40 (Loading FFB process). Interview with foreman of FFB about loading FFB procedure, administration, FFB sortation in platform, safety and health and worker welfare.
- Block H37 (Barn Owl Nest Observation). To check nest condition.
- Block H37 (Peat Area). Observation peat area, water management, water level monitoring, piezometer monitoring and subsidence pole conditions and staff interviews on monitoring techniques

KUD Sawit Sejahtera.

- Pesticide mixing area. Field observations related to the fulfillment of health and safety, building standard. Interview with out grower related to ex pesticide container management.

KUD Sumber Rezeki

- PPE storage of Sumber Rejeki Cooperative. Observation about storage condition, emergency response facility, chemical mixing area condition, and kind of PPE stored
- Harvesting activities (KT 18B): Observation and interview the harvesters related to work time, payment mechanism, medical care, insurance, criterion of mature fruit, PPE Used, etc
- Gupon (Owl Box) KT 18B. Observation of integrated pest management
- Boundary stakes of KT 18B. Observation of legal boundary

KUD Karya Bersama

- Kavling No: 2414, 2413, 2435, 2436 and 2412. Field observations and interviews with workers related to best agronomic practices, environmental management, payment systems, OHS aspects, and waste management.

KUD Rahayu Makmur

	<ul style="list-style-type: none"> Harvesting activities (KT 6C): Observation and interview the harvesters related to work time, payment mechanism, medical care, insurance, criterion of mature fruit, PPE Used, etc Gupon (Owl Box) KT 6C. Observation of integrated pest management Boundary stakes of KT 6C. Observation of legal boundary HCV Area in KT6C. Observation of HCV management <p>KUD Milik Bersama</p> <ul style="list-style-type: none"> Harvesting activities (KT 2): Observation and interview the harvesters related to work time, payment mechanism, medical care, insurance, criterion of mature fruit, PPE Used, etc Gupon (Owl Box) KT 2. Observation of integrated pest management Boundary stakes of KT 2. Observation of legal boundary <p>Surrounding communities</p> <ul style="list-style-type: none"> Bandar Padang Village. Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities. Talang Sukamaju Village. Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1.1	<p>Consultation of stakeholders for PT MNIS held by:</p> <ol style="list-style-type: none"> Public announcement at web www.mutucertification.com on 26 August 2019 (https://mutucertification.com/wp-content/uploads/2019/08/Notification-of-RSPO-Surveillance-1.1-Indrasakt-POM-PT-Meganusa-Intisawit-subdiary-of-GAR.pdf) Public consultation by phone with government agencies in Indragiri Hulu Regency (Plantation agency, Land Office and Manpower agency) on 10 September 2019. Public consultation by interview with locals of the nearby village (Bandar Padang and Talang Sukamaju Village), Cooperative and local contractor on 10 September 2019. Consultation meeting and interview with Internal Stakeholder (labour union, worker cooperative and gender committee) on 10 September 2019. Consultation with NGO (Sawit Watch, Walhi, Jikalahari and WWF) via email on 29 August 2019. <p>Numbers of input from stakeholders were clarified by PT Meganusa Intisawit.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-1.2) will be conducted eight to twelve months after date of certificate (December 2020)

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Indrasakti POM – PT Meganusa Intisawit operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there was no nonconformity were assigned against Major Compliance Indicator, Minor Compliance Indicators and supply chain requirement for CPO mill and two (2) opportunities for improvement were identified.

MUTUAGUNG LESTARI found that Indrasakti Mill – PT Meganusa Intisawit complied with 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, Rev. June 2017 (Module D for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>Certificate holder has the latest of list of information that can be accessed by stakeholders listed in <i>SOP Komunikasi dan Konsultasi</i> (SOP/SMART/UMUM/SADV/004/003), 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 Indragiri Hulu Regency, 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 Meganusa Intisawit.</p> <p>Certification holder also reported mandatory report to related agencies, for example:</p> <ul style="list-style-type: none"> - Employee Report of Indrasakti Mill and Estate period of 2018 to Manpower Agency of Riau Province on 5 September 2019. - Production and Development Plantation Report Period of 1st semester of 2019 to Plantation Agency of Indragiri Hulu Regency on 9 September 2019. 	
1.1.2	<p>Mechanism for consultation is listed in Consultation and Communication Procedure (SOP-SMART-UMUM-SADP-I-004) dated July 1st, 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"> - Indrasakti Estate. Record of information request documented in form of "<i>Buku komunikasi dan konsultasi Indrasakti Estate</i>". Based on the document, information request is such of assisting request. For example letter from Siberida Subdistrict on 10 May 2019 about assisting request for <i>Safari Ramadhan</i>. Then, Certification holder responded the letter on 31 May 2019 by giving the assistance for <i>Safari Ramadhan</i>. - Smallholder. Record of information request documented in "<i>Buku Komunikasi</i>". The majority of incoming letters from external stakeholders are related to requests for financial assistance, invitations, and notification letters. 	
	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 Certificate holder 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:		
<ul style="list-style-type: none">• 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. Certification holder 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 Certificate 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:		
<ul style="list-style-type: none">• 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.		
Ethical conduct for smallholder is referring to company's policy (GSEP). This policy has been socialized to smallholders and based on interview with committee of Sawit Sejahtera and Sumber Rezeki Cooperative, they are understand about this policy.		
	Status: Comply	
PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS		
2.1 There is compliance with all applicable local, national and ratified international laws and regulations.		
2.1.1 The Certificate 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 company has shown the evidence of legal requirements compliance such as plantation bussines permit:		
<ul style="list-style-type: none">• Decree of Indragiri Hulu District Head No. 38 of 2005 dated 22 March 2005 for 875.158 Ha• Decree of Indragiri Hulu District Head No. 396 of 2013 dated 25 September 2013, permit for mill with 60 ton FFB/hour capacity and an area of 31.27 Ha		

- Permit for plasma area as principle of plantation business from Agriculture Minister No. HK.350/E5.259/04.96 dated 19 April 1996 for plasma 14,000 Ha.

The other compliances of regulations are regarding to environment aspects are EIA management and monitoring in routinely, hazardous waste storage license approved by local government. Compliances of workers and OHS regulations are provided the minimum wage, company safety & occupational health, transporting and forklift operator etc. Based on interview with stakeholders such as government agencies and other stakeholders such as workers union and surrounding communities it is known that the company has comply the related regulations for example: has plantation business permit, no workers under age of 18, hazardous waste storage permit, there is no environment issues etc.

2.1.2, 2.1.3, 2.1.4

Procedure of legal requirement which presented in document SOP/SMART/UMUM/SADV/II/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 8 August 2019. The internal audits have shown the company's compliance of legal requirements according to the list of regulations 2019.

Status: Comply

2.2

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

2.2.1

Based on document review and field visit known that management unit has manage an area of 15,384.87 Ha consist of 14,813.31 hectares planted area, 562.58 hectares supporting facilities and 8.98 hectares others area. CH already has 6 (six) HGB certificate for area of 31.6964 hectares and CH is in the process of submitting HGU that proposed to obtain HGU is 789,80 ha. Until conducting this audit, national land agency of Riau has issued the land parcels but not be able to proceed to the next step because RTRWP of Riau has not established by the government yet. The total area of smallholders are 14,564 Ha which the land titles are available for 7,125 smallholders, meanwhile the land titles for 1,670 smallholders are still in processed at land office of Indragiri Hulu District. The progress of HGU and land titles of smallholders became opportunity of improvement to progress (OFI).

2.2.2

Procedure of legal boundary poles monitoring and maintenance is presented in document No. SOP/SMART/CERS-EHSD/SADV/II/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 with scale 1:22,000. Boundary poles monitoring record in September 2019 informed that 77 poles in Indrasakti Estate were in good condition and satisfactory maintained.

Based on field observation in Indrasakti Estate and plasma area such as KUD Karya Bersama, KUD Rahayu Makmur, KUD Milik Bersama, KUD Sumber Rejeki and KUD Sawit Sejahtera 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 Company has established the mechanism for conflict resolution and land dispute in the procedure No. SOP/SMART/SENS-CSR/SADV/II/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. Meganusa Intisawit. Based on interview with communities also state that the company does not take over by force on the land.

Status: Comply

2.3		
Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.		
2.3.1, 2.3.2, 2.3.3 &, 2.3.4		
The Company has FPIC procedure SOP/SMART/SENS-CSCR/SADV/002 and SOP/SPO/SMART/ LH-04 regarding to social conflict management and land conflict resolution. The Company has no new land acquisition and the entire compensation process was completed in 2001. 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.		
	Status: Comply	
PRINCIPLE #3 Commitment to long-term economic and financial viability		
3.1		
There is an implemented management plan that aims to achieve long term economic and financial viability.		
3.1.1		
Certificate holder has showed a long-term management business plan 5 years that shown in the form of documents Economic Indicators for mill and estate (5 years) in the period 2019-2023 include for smallholder's activities. Economic indicators (5 years) informed the indicator (FFB crop, OER, KER, CPO production, PK production, production costs, cost estates, mill costs, profit and loss, and net profit and loss). Comparing between the planned cost and revenue, the company still visible to be economically viable for long-term. Management unit stated that the business plan are subjected to changed and reviewed annually by the respective management through considering actual trends and dynamic situation which predicted could be changed in the future. The objective of annual review is to optimize the company resources to obtain a satisfactory goal.		
3.1.2		
Until now, PT MNIS does not have a detailed replanting plan because the oldest planting year was in 1996 (23 year old plant). Plans for replanting will be carried out after the age of the plant enters 1 cycle of oil palm plants (25 years) and the productivity of FFB production has decreased (<23 tons FFB ha/year).		
	Status: Comply	
PRINCIPLE #4 Use of appropriate best practices by growers and millers		
4.1		
Operating procedures are appropriately documented and consistently implemented and monitored.		
4.1.1		
Certificate holder 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 Indrasakti Estate, Indrasakti Plasma (KUD Sumber Rejeki and KUD Sejahtera), Indragiri Plasma (KUD Rahayu Makmur and KUD Milik Bersama), and Indralestari Plasma (KUD Karya Bersama) and also operators in Indrasakti Mill. 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

Certificate 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 suitability and effectiveness of the procedure, suitability with regulatory updates and best practices, the companies routinely conduct internal audit activities both agronomic and processing. It is held by the Department of Operational Internal Audit (OIA) every semester. The records of internal audit on first semester of 2019 has been documented. Non compliance records of internal audit has been corrected and verified by management. There is no revision of SOP at this 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, etc. The field visit at the mill shows that the unit has been documenting the daily activities in a daily production report that documented by using computerized systems. Also, there is an internal audit from the company to check and monitoring the performance of contractor related to compliance to company procedure.

4.1.4

The company has the RSPO Supply Chain Procedure (SOP/SMART/CERS-EHSD/SADV/I/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. Indrasakti Mill does not purchase FFB from third parties. FFB received and processed by the plant is from Indrasakti Estate core plantation and from smallholder plantation under PT Meganusa Intisawit management through a smallholder development cooperation contract. All FFBs supply into the factory are from RSPO certified sources.

There was showed List of FFB Supplier, consist of:

1. INDRASAKTI SMALLHOLDER
 - Usaha Manunggal
 - Sejahtera
 - Hidup Baru
 - Sumber Rezeki
 - Manunggal
 - Talang Sukajadi
 - Belilas Mandiri
 - Jaya Bersama (Benuang)
2. INDRAGIRI SMALLHOLDER
 - Anggrek
 - Setia Kawan
 - Rahayu Makmur
 - Milik Bersama
 - Harapan Maju
3. INDRALESTARI SMALLHOLDER
 - Talang Subur
 - Margo Mulyo
 - Karya Bersama
 - Tunas Harapan

	Status: Comply	
--	----------------	--

4.2

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

4.2.1

Certificate 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 company has conducted soil sampling units and leaf sampling units (SSU/LSU), manuring activities, POME applications, and ground cover maintenance in accordance to maintain soil fertility.

Indrasakti Estate, Indrasakti Plasma, Indragiri Plasma and Indralestari Plasma can show documents on the realization of anorganic fertilization for 2019. The auditor also conducted an interview with the fertilizer workers at Indrasakti Estate. Fertilization is done manually by sowing. Workers can also explain the fertilization procedure well, which is in accordance with the dosage determined based on the recommendations.

4.2.2 and 4.2.4

Indrasakti Estate, Indrasakti Plasma, Indragiri Plasma and Indralestari Plasma shown the plan and the realization of anorganic fertilization for period January to August 2019. Based on document review and interview with the staff, the realization of fertilization was in accordance with the program. Apart from anorganic fertilizers mentioned above, by-product of bunch ash have also been applied in Indrasakti Estate with dosage about 4.00 to 5.50 kg/palm, and have been applied 99.72 tons in 2019.

4.2.3

Certificate 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 March and April 2019 and the last SSU result was issued on April 2018. 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.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1 and 4.3.2

Certificate holder has procedures No. SOP/SMART/MCAR/II/TA-PPA about planning of land preparation on new planting and No. SOP/SMART/MCAR/IV/TA-PLB about new land clearing, such as by making terraced planting pattern on hilly areas for soil conservation, by making siltpit for water conservation, planting of trees on riparian of conservation area, monitoring of soil erosion on palm circle, inter-row and harvesting path and frond stacking technique. Based on field observation to Indrasakti Plasma (KUD Sumber Rejeki and KUD Sejahtera), Indragiri Plasma (KUD Rahayu Makmur and KUD Milik Bersama), and Indralestari Plasma (KUD Karya Bersama), it was found that land management which had implemented in 21-40 % elevation area were terraced planting pattern, manual upkeep and fronds was stacked parallel to the contour line. Moreover, the ground was satisfactory covered by verns (*Nephrolepis* sp.) and *Vertiver* grass.

Certificate holder has a Detailed Soil Map containing a land map and contains information on: soil classification, texture, depth, drainage, limiting factor, rocks and conformity information for oil palm plantation development, i.e map and land classification Indrasakti Plasma, Indragiri Plasma and Indralestari Plasma presented on a scale of 1: 50,000. The map is equipped with a Table of Soil Characteristics and Land Suitability Assessment of Palm Crop Land.

Certificate holder has able to shows a proper semi detail soil survey maps of Indrasakti Estate with scale of 1:25,000. The has refers to soil type unit for survey (Revision LSC 2007), soil survey detail which conducted in march 13th to 17th 2012 and final map of Indrasakti Estate 2nd edition, issued in October 2009. The map has informed that there were eight soil types in Indrasakti Estate. Topography and elevation condition, soil depth, drainage properties, limitation factors on each soil type and its hectares was provided on map legend. Soil type with marginal classification (or S3) is describes as follows:

- *Typic Haplohemist*, is a shallow peat with depth ranged from 150-300 cm which covers about 166.05 ha or 20.20 % from total Indrasakti Estate area. This soil type is located on the eastern side of the estate.

- *Typic Hapludults*, is a mineral soil with elevation ranged between 21-40 % or 12-22°, which covers about 19.71 ha or 2.40 % from Indrasakti Estate area. This soil type is located on the south east side of the estate.

Based on the explanation above, it could be concluded that the CH has a proper soil map which clearly informed soil classification type and its properties for palm oil cultivation suitability. Furthermore, map also informed that there were no areas classified as fragile. Limitation factors were consist of the presence of shallow peat and slope factor.

4.3.3

Certificate holder shows a road maintenance program for the 2018 and 2019 period. The company has classified roads based on their conditions (good, medium and heavy). From these data the company made priority programs in road improvement (re-road hardening, insertion of road hardening and mechanical / manual road repairs). For example, the realization of road maintenance uses heavy equipment such as road grader and road compactor in Indrasakti Estate has reached 263 hour meter from January until July 2019.

Based on field observations throughout the audit activities, it was concluded that the road conditions on Indrasakti Estate, Indrasakti Plasma, Indragiri Plasma and Indralestari Plasma were in good condition and could be passed.

4.3.4

Procedure on peat management has presented in SOP of planning on new planting area and SOP of new land clearing. Both procedures mentioned that in order to minimize peat subsidence and peat overdrain, water level management on 50-70 cm, water table monitoring through piezometer, peat subsidence poles monitoring, watergate installation and drains or canals desilting were compulsory to be conducted. According to document reviews, it could be concluded that the company procedures has adopt RSPO manual on BMPs for existing oil palm cultivation on peat 2013. Moreover, Indonesian regulations related to peat management such as Indonesia Forest Moratorium 2011, Presidential Decree No. 32/1990 and Minister of Agriculture Decree No. 14/2009 were also adopted.

The company has subsidence monitoring poles. The company shows the results of monitoring subsidence poles from June 2016 to August 2019. Monitoring of subsidence poles is done every 1 month. From the results of this monitoring, the subsidence result was found to be 1.04 cm.

Indrasakti Estate can show water level monitoring documents and piezometers from 2018 to August 2019. Water level monitoring is carried out once a week. From the monitoring data, it was concluded that from January 2019 to June 2019 the average water level was 55-64 cm from the ground, but from July 2019 to August 2019 the average water level was 70-120 cm from the ground. This is due to the dry season since July 2019, where rainfall data at Indrasakti Estate showed that in July 2019 it was only 129 mm (5 rainy days) and in August 2019 it was only 25 mm (3 rainy days). From the results of field observations on block H37, the company has made an effort to hold water in the trench by making a dam from a sack filled with soil, but the drought conditions are long enough to cause the ditches to run dry.

From the results of field observations in Block H37, it is known that the company has installed a piezometer and a subsidence stake.

4.3.5

Based on semi-detailed soil map results of soil survey scale of 1: 50,000, it is known that there is a Typic Haplohemist type of soil, namely peat soil with a depth of 150-300 cm with a total area of 166.05 ha or 20.20% of the total area of Indrasakti Estate. Then, based on the data of the planting year, the oldest planting age is 19 years (planting year 2000) and the oil palm crop cycle is 25 years. Thus, the fastest replanting will be carried out as soon as 2025 so that in this case the company has not yet assessed the drainability study.

4.3.6

Certificate holder has procedures No. SOP/SMART/MCAR/II/TA-PPA about planning of land preparation on new planting and No. SOP/SMART/MCAR/IV/TA-PLB about new land clearing, such as by making terraced planting pattern on hilly areas for soil conservation, by making siltpit for water conservation, planting of trees on riparian of conservation area, monitoring of soil erosion on palm circle, inter-row and harvesting path and frond stacking technique.

Based on the semi-detailed ground survey map of Indrasakti Plasma (KUD Sumber Rejeki and KUD Sejahtera), Indragiri Plasma (KUD Rahayu Makmur and KUD Milik Bersama), and Indralestari Plasma (KUD Karya Bersama) with a scale of 1: 50,000, it is known that there is no fragile land. Based on field observation at the location of Indrasakti Plasma (KUD Sumber Rejeki and KUD Sejahtera), Indragiri Plasma (KUD Rahayu Makmur and KUD Milik Bersama), and Indralestari Plasma (KUD Karya Bersama), it is known that the topography of the area is tend to flat and undulating, and no other fragile and problematic land is found.

Status: Comply

4.4

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

4.4.1

CH has a water management plan that take account of the efficiency of use and renewability of sources. That's management plan has described in EIA report Semester 1 of 2019. The Plan had described the objectives such as water sources including catchment pond, rainfall records, water requirement, current, water quality and contingency plan.

According to environment monitoring analysis, it was informed that the company activity has not given negative affect. Moreover, water consumption in housing complex from Mill (WTP) and consumption water from reverse osmosis testing shows that all parameters are accordance with Minister of Health Regulation (Permenkes) No. 416/1990.

CH has conducted the testing of surface water quality once every 6 months, based on the results of testing of semester 1 of 2019 known there is no test results that exceed the quality standard Government Regulation No. 82/ 2001 Class II.

4.4.2

The company has procedures related to the identification of sources and water quality (SOP/ SMART/BCOS-EHSD/ SADV/II/002). These procedure concerning to protect and manage the riparian zone.

CH has identified rivers and wetlands inside plantation area. Analysis of HCV containing distribution maps of the river in the area of PT. MNIS. Based on the identification documents of High Conservation Value (HCV) no that rivers that flow in the operational area of Indrasakti Estate, only in the operational area of KUD.

All identified buffer zone has been designated as HCV and protected areas. Field observations in operational area *KUD Karya Bersama* showed evidence of surface water protection measures and including riparian such as:

- Determination of river buffer zone with a distance of 50 meters left-right of small river demarcation of the border is done with the installation of boundary markers.
- No chemicals application (fertilizers and herbicides) in the buffer zone area.
- Signboard of river buffer zone protection. Prohibiting the use of chemicals in the river buffer zone.
- Planting riparian with Guatemala, bamboo and trembesi to prevent landslide and erosion.

4.4.3

CH has license for land application from government of Indragiri Hulu District since 26 November 2018 and valid for 5 years. Monitoring of BOD has carried out every month regularly and reported to Environment Agency every three month. Evaluation and water sampling in WWTP outlet were carried out by accredited laboratory. Based laboratory testing, it could be concluded that testing results from January to June 2019 were accordance with PermenLH No. 28/2003 and the license. Based on observation to WWTP, it was found that flow meter was well functioned and there were no spills to the land. Furthermore, the certification unit also has had land application permit and there is no issues from stakeholders related to land application.

4.4.4

The Company shows the Decree of the Minister of Public Works and Public Housing number 174/KPTS/M/2018 concerning the Granting of Permits to Water Resources Use to the Buana Wiralestari Mas Limited Company for Industrial Business in the Cenaku River, Indragiri Hulu Regency, Riau Province. This decision was issued on February 28, 2018 and is valid for 5 years from the date of stipulation.

Water usage monitoring was done periodically and recorded, for example on August 2019 FFB processed 34,518.57 mt, process water usage 19,175 m³, and water usage efficiency was 0.56 m³/mt FFB processed. Standards of water usage for FFB process recorded on 2019 budget projected 1.10 m³/mt FFB processed. Observations on Indragiri mill water treatment plant found monitoring for raw and process water usage was done by officer periodically, and flowmeters at inlet/outlet serves normally. Procedure for Mill water usage and monitoring are provided and has been listed on procedures IK-42.

Status: Comply

4.5

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

4.5.1

The activity budgeted on the program were consist of detection, census and monitoring of pests and diseases attack, biological control such as barn owl nest installation and planting of beneficial plants. According to IPM activity records for January to August 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 2019, agrochemical uses was only implemented for weeds control purposes.

Certificate 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 48 barn owl boxes in Indrasakti Estate, 53 barn owl boxes in KUD Rahayu Makmur, 52 barn owl boxes in KUD Milik Bersama, 14 barn owl boxes in KUD Karya Bersama, 25 barn owl boxes in KUD Sawit Sejahtera and 33 barn owl boxes in KUD Sumber Rejeki. Based on field observation on harvesting activities, it was concluded that there were no significant pest attacks. This is in accordance with the result of the census.

4.5.2

The company has records of the training implementation for workers who are involved in the implementation of integrated pest management, for example, Integrated Pest Management training on 25 January 2019 with the number of participants are 34 employees consisting of census operators, supervisors, and field assistants in Indrasakti Estate and Indrasakti Plasma. Based on interview with the worker revealed that the worker understand the method of plant pest and diseases census or detection.

Status: Comply

4.6

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

4.6.1

Certificate 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, company conducted identification the type of weed found in operational area. Based on field visits and interviews with 3 pesticide applicators in block H40 Indrasakti Estate and 2 pesticide applicators in KUD Karya Bersama, it was concluded that workers knew about the function of the chemical used and selective when doing the spraying activity, as for example for glyphosate material used to spray the circle and harvesting path only while the weeds in inter row not sprayed. The company used *Isopropil amina glyphosate* and *Metil metsulfuron* which have received permission from the government. Based on document verification and observation to pesticide storage, there is no prohibited chemicals use.

4.6.2

Certificate holder has documented records of pesticide toxicity in the document of Monthly Pesticide Toxicity Data. The

document is recorded product name, active ingredients, LD₅₀, 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

Certificate holder 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 2019, the company does not use pesticide for pest control at all.

4.6.4

On the August 2015, President Director of SMART Tbk issued a memorandum not to use paraquat in 2016. Regarding to Pesticides that are categorized as WHO Class 1A or 1B, there is Social and Environment Policy that stated minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances. Based on document verification and field visit to pesticide storage, there is no paraquat and WHO Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions application from January 2019 until August 2019.

4.6.5; 4.6.7 and 4.6.9

The results of field observation in warehouse and interview with pesticide applicator in Indrasakti Estate, KUD Sumber Rejeki, KUD Sawit Sejahtera, KUD Rahayu Makmur, KUD Milik Bersama dan KUD Karya Bersama, 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, etc), and taking shower/changing clothes in special place near pesticide store of the division office. Therefore, based on field observation to mixing area in Indrasakti Estate, KUD Sumber Rejeki, KUD Sawit Sejahtera, KUD Rahayu Makmur, KUD Milik Bersama dan KUD Karya Bersama, that known there are storage for keeping all PPE's and spraying tools after use.

Pesticide operators bring their food to the field. The method to minimize the risk of negative impact is to provide a special storage area in the spray truck that is separated from the chemicals and provide clean water to clean hands before eating their food. The location of the place to eat is also set far from the area being sprayed.

4.6.6

The certificate holder has documents relating to pesticide storage in SOP/SPO/SMART/LH-18 on hazardous waste management and SOP / SPO / SMART / LH-09 on handling of pesticide packaging. The Company shows evidence that any container of ex-pesticide has been stored and not used for other purposes such as monitoring the exit container of ex-pesticide in 2019. In the document described the number of container of pesticides coming out of the central warehouse and the entry (after application of the spaciousness) to the schedule waste

The result of field observation in IDSE, KUD Karya Bersama, KUD Rahayu Makmur, KUD Milik Bersama and employee lodges, there is no indication of the use of agrochemical ex-packing for other purposes

Chemical material (pesticide) are kept in pesticide storage and kept separately with other material. Pesticide storage is in accordance with recognized best practices. Pesticides is kept in a room separately with other material with adequate ventilation. Based on field observation to Indrasakti Estate, did not sighted ex pesticide container is used for other purpose. Used pesticide container is kept in temporary hazardous waste storage in each estate and then sent to licensed hazardous waste carriers. the last shipment of used pesticide packaging to licensed carriers was carried out on August 30, 2019.

with the following details:

- Used oil as much as 829 liters with manifest AAO0014355
- Used batteries as much as 65 kg with manifest AAO0014357
- Used cloth as much as 30 kg with manifest AAO0014354
- Used oil filter of 119 kg with manifest AAO0014356
- Used lamps as much as 5 kg with manifest AAO0014358
- Contaminated packaging as much as 95 kg with manifest AAO0014359

4.6.8

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

4.6.10

Based on document review and field visit on chemical storage shown that during 2018-2019, company only use 3 types pesticides (Erkafuron, Roll up, and BM Promax) and all of this pesticides are produced by Rolimex. Indrasakti Estates and KUD shown that agrochemicals containers are disposed based on MSDS i.e. clearly washed on pesticides optimization storehouse. All evidence for ex agrochemical disposal for examples "Official Report of Consignment Note of Pesticide Waste Container" (*Berita acara pengiriman bekas kemasan pestisida*) to related supplier are available and verified by auditor. Indrasakti Estate were implemented proper ways for waste disposal based on procedure SOP/SMART/LEMS-EHSD/SADV/002/001). Based on MSDS, ex pesticides containers from (Erkafuron, Roll up, and BM Promax) are not categorized as hazardous waste after 3x washing in pesticides mixing & optimization store. All ex pesticides waste are store in optimization store and if necessary re used again for the same purposes.

The CH can show proof of sending hazardous waste to licensed carriers carried out on August 30, 2019 with the following details:

- Used oil as much as 829 liters with manifest AAO0014355
- Used batteries as much as 65 kg with manifest AAO0014357
- Used cloth as much as 30 kg with manifest AAO0014354
- Used oil filter of 119 kg with manifest AAO0014356
- Used lamps as much as 5 kg with manifest AAO0014358
- Contaminated packaging as much as 95 kg with manifest AAO0014359

Field visit and interview with optimization store PIC acquired information that company has implemented proper ways regarding pesticides waste management based on procedures/MSDS.

4.6.11

Certificate holder has list of pesticide operator based on latest data of August 2019 as many as 6 workers in Indrasakti Estate, 6 workers in KUD Sumber Rejeki, 8 workers in KUD Sawit Sejahtera, 5 workers in KUD Rahayu Makmur, 6 workers in KUD Milik Bersama and 5 workers in KUD Karya Bersama. Medical examination (cholinesterase) has been conducted on 8-9 July 2019 to all pesticides workers. 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

Certificate 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.

Status: Comply

4.7

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

4.7.1

Certificate 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, etc). Based on the results of interviews can be concluded that workers understand the OHS policy and it's recognized that every morning meeting is always affirmed about the importance of safety and the use of PPE in work.

4.7.2

Certificate 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 Indrasakti Mill and agrochemical warehouse in Indrasakti Estate, KUD Sumber Rejeki, KUD Sawit Sejahtera, KUD Rahayu Makmur, KUD Milik Bersama and KUD Karya Bersama, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the company has been reduce the potential risk by routine socialization about OHS, providing PPE, and OHS signboard are available in workplace.

4.7.3

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

Based on field visits and interviews with workers, the company has provided PPE to workers. PPE provided adequate and appropriate based on the results of identification of sources of hazard and risk control. PPE for type of glove, ear plug, ear muff, helmet, apron, goggles and safety shoes can be replaced immediately if damaged. This is evidenced by shown the recording of PPE distribution documents to the workers and the workers recognition from interviews also confirmed it.

4.7.4

Certificate 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, etc.

4.7.5

The company provides procedures for accidents and emergencies in the SOP handling accidents and occupational diseases (SOP/SMART/HESS-EHSD-10) and SOP Preparedness and Emergency Response (SOP/SMART/GENERAL/SADV/I/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. Also, there is an evacuation route in the mill and office.

Indrasakti Estate, Indrasakti Plasma, Indragiri Plasma, Indralestari Plasma and Indrasakti Mill has already licensed first aid officers and there was first aid internal training conducted on 6 July 2019 which was attended by 30 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.

As for smallholder, the workers are farmers themselves (landowners) or family members of farmers. Related to this, workers and cooperatives do not have a direct employment relationship, so cooperatives or companies have no obligation to include farmers in health insurance or work accidents. However, the cooperative will facilitate farmers / workers in the event of a work accident, such as bearing first the cost of treatment and facilities to go to the hospital or health center. As for health insurance, farmers have owned it personally or from the village.

4.7.7

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

Status: Comply

4.8

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

4.8.1

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

- Training of LSU and IPM on January 2019.
- Training of RSPO and ISCC on July, August 2019
- Fire simulations and emergency response on April 2019.
- HCV socialization on May 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. Then, it is known that company also give training regarding RSPO to smallholder's farmers. 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

Certificate 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. Based on interview with local contractor, it is known that company has provided contractor worker with training such as about OHS or company policy. For example:

- Socialization of OHS, HIRAC, and PPE on 19 March 2019 attended by 68 workers of Indrasakti Estate.
- First aid training on 11 May 2019 attended by 17 workers of Indrasakti Mill
- Socialization of RSPO/ISCC, OHS and PPE on 17 March 2018 attended by 29 participants from smallholders
- Socialization of agronomy on 16 March 2019 attended by 30 participants from Indragiri Smallholder.

<ul style="list-style-type: none"> Socialization of ethical conduct of company on July 2019 attended by 43 worker and contractor workers 		
	Status: Comply	
PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity		
5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.		
5.1.1 Until Surveillance 1.1 audit, there is no operational scope changes for mill and estate, all of positive and negative impact for environment has been covered on previous Environment Impact Assessment (EIA) document. The company possess 2 EIA covering different areas i.e.: <ul style="list-style-type: none"> <i>Analisa Dampak Lingkungan (AMDAL)</i> PT MNIS (Indrasakti estate) in 1998 for an area 6,000 ha estate and 14,000 ha for smallholders UKL/UPL for PT BWL (Indrasakti mill) in 2003 for 60 tonne FFB/hour mill capacity. DPLH and environmental permit Cooperative Belias mandiri June 2015 for an area 275,5 Ha <p>This EIA are include consultation with relevant stakeholders to identify impacts, conducted on 1998, 2003 and 2015. Environmental impact assessment explained all activities for pre construction, construction, operation, and post operation for example (road construction, drain construction, housing and facilities, waste water treatment plant, IPM, replanting, etc.</p>		
5.1.2 CH has conducted environmental management based on documents of Environmental Management Plan / Environmental Monitoring Plan. Report implementation for environmental monitoring and management plan has been reported to Environmental Agency of Indragiri Hulu Regent regularly. As for the types of parameters that are managed are: <ul style="list-style-type: none"> Erosion Decreased water quality, decreased air quality Fire prevention, disturbance of wildlife Social unrest Noise Employment Opportunity and damage to access roads <p>The implementation of environmental monitoring and management plan documented and reported every 6 months to related agency, such as the reporting for 1st Semester of 2019 was on 5th September 2019 to Environmental Agency of Indragiri Hulu Regency and to Environmental Agency of Riau 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 <i>RKL-RPL</i>.</p>		
5.1.3 Implementation of environmental monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of semester 1 st Semester of 2019 known there isn't negative impact caused by CH. The result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government. Based on interview with Environmental Agency of Indragiri Hulu District show that CH has been submit the RKL-RPL implementation report every six month and there isn't negative impact caused by CH.		
	Status: Comply	
5.2 The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced		

5.2.1 and 5.2.2

HCV assessment has been conducted on 2012 by RSPO approve assessor, using HCV identification guidelines in Indonesia 2008, and public consultations during HCV assessment was done on August 2012. Identification results indicates the presence of HCV 1.3 and 1.4 (catchment areas) within 6.12 ha area in Indrasakti Estate. This HCV identifications also found Rare, Threatened or Endangered (RTE) species according IUCN- Redlist such as Nyamang (*hylobates agilis*). All of indicates HCV areas was mapped by 1:25000 scale and this HCV identifications covered all estates/mill operational areas including surrounding landscape.

HCV identification for smallholders excluded KUD Belilas Mandiri is done simultaneously with PT MNIS on 2012. The HCV that identified in smallholders area was HCV 1.1/4.1 in form of riparian area that has been planted with oil palm. The total area was 585.83 Ha. KUD Belilas Mandiri has identified HCV in 2014 using HCV identification guideline in Indonesia (2008) and has been peer reviewed by Resit Sozer in November 2014 (listed as ALS assessor HCV). Consultations with affected parties was carried out on 13 August 2014. The results of identification HCV area in KUD Belilas : HCV 1.1 / 4.1 covering 2.32 ha. Based on the document review, it is known that the company has carried out HCV management in accordance with its HCV management plan, such as:

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

5.2.3

Disciplinary action to the employee who catch, hurt and/or collecting RTE species has been explained on document of GAR Social and Environmental Policy dated on 8 September 2015 and circular letter from each cooperatives, such as circular letter from KUD Karya Bersama, KUD Rahayu Makmur, and KUD Milik Bersama dated on May 2016.

Training and socialization on RTE species and sanction programmed and conducted routinely, for examples training on 20 April 2019 attended by 30 participants from Indrasakti Estate and training on 2 March 2019 attended by 59 participants from Cooperatives Usha Manunggal, Hidup Baru, Sejahtera, Sumber Rezeki, Manunggal, Belilas Mandiri and Talang Sukajadi. Meanwhile, socialization on RTE species to the workers also conducted in time of muster morning including socialization of sanction. It also has been verified during interview with the workers in field and emplacement.

Based on interview with sprayers at Indra Giri Plasma, member of KUD Milik Bersama and KUD Rahayu Makmur, it was state that the CH has conducting socialization on HCV area and protected fauna within estates operational areas which also informed by signboard. Moreover, there were found no protected fauna on offices and employees housing areas in both in estate and mill.

5.2.4

Certificate Holder (CH) has reviewed the implementation of HCV management effectiveness in 2018 and has become an input into HCV management program in 2019, such as but not limited to renew the chemical boundary signs and socialize it to spraying team.

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

rehabilitation)

Based on document review and field observation, CH has realized the HCV management plan such as:

- HCV area (1.3 and 1.4) at block H48 IDSE has been well maintained. HCV boundary marks and attributes are still maintained. Documents and records on HCV boundary marks monitoring dated March and June 2019 were available.
- Documents and records on HCV socialization conducted on 20 April 2019 at Indrasakti Estate and 2 March 2019 at IDSA office were in place.
- Documents and records on HCV monitoring and patrol conducted on January to August 2019 were in place. HCV area are still well controlled.
- Documents and record on HCV boundary mark monitoring and maintaining were available at each cooperatives. KUD Anggrek has conducted attributes and boundary marks monitoring and maintaining on March and June 2019 located at KT7A, 5A and 4A, KUD Setia Kawan has conducted attributes and boundary marks monitoring and maintaining on April 2019 located at KT6, 1B, 5A and KUD Talang Subur has conducted attributes and boundary marks monitoring and maintaining on June 2019 located at Persi and Pegadungan river.
- Management of existing HCV areas of smallholders is fully done by KUD, KUD Karya Bersama, KUD Rahayu Makmur and KUD Milik Bersama shows HCV reporting patrols for period Jan to June 2019 is known there is no activity hunting, illegal logging, fires and damage to HCV attributes.

5.2.5

HCV identification results shows there are no local communities' right presence at PT Meganusa Inti Sawit areas. HCV 6 presence at smallholders scheme areas at Talang Sukajadi cooperative unit (Talang mamak tribes cemetery). Both of them, company and talang mamak tribes shown the agreement based on FPIC dealing for example, Public consultations to Talang Mamak villagers from company on 29th August 2015 about the presence of HCV 6.

Memorandum of agreement on August 15th 2015 between company and talang mamak villages. Both of them have reached the agreement for HCV management by company, and this agreement are signed by both sides.

Status: Comply

5.3

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

5.3.1, 5.3.2 and 5.3.3

CH has identified the sources of waste and pollution which explains the source / activity and types of waste / pollution generated (Hazardous Waste / Nonhazardous or GHG emissions), 2018. Waste and pollutant sources are also state in waste management procedure ref no. SOP/SMART/LEMS-EHSD/SADV/II/002 dated on 2 July 2014 as follow:

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

CH has a licensed hazardous waste storage warehouse from PMPTSP office of Indragiri Hulu District Ref No.3/DPMPTSP/BP-LB3/IV/2018 dated on 23 April 2018 for Indrasakti Estate dan No:15/BPMD&PPT/BP-LB3/VII/2016 dated 17 June 2016 for Indrasakti Mill.

Based on field observation on storage and interview with worker in rinse house, it is known that all waste including chemicals and their containers have been disposed in accordance procedure about the Management of Toxic and Hazardous Wastes and Non-hazardous waste whereabouts hazardous waste was saving on licensed place, labelling, had monitoring report, organized by category, first aid equipment, symbols and label, the rooms were enclosed and

protected.

To prove that the company's waste has been transported by the licensed carrier/transporter, the company shows the document of the cooperation agreement between PT. Meganusa Intisawit & PT Shali Riau no.: 05/AF/8/2019 dated 12 August 2019 and valid until 12 February 2020.

Pesticide spraying for smallholders conducted by applicator pesticide provided by KUD. Ex-pesticide container washing at washhouse ex-pesticide container each KUD and ex-pesticide was directly collected at temporary hazardous waste storage licensed, Indrasakti Estate. Wastewater used for ex-pesticide containers collected and forwarded for mixing water. KUD showing letter of minute's ex-pesticide container handover 3 July 2019 from KUD Sumber Rezeki to temporary hazardous storage licensed Indrasakti Estate.

CH also showed the document about hazardous waste transport. The document shows that hazardous waste was transported by PT Shali Riau from PT. MNIS Temporary Hazardous Storage on 29 August 2019 with details:

- Used oil as much as 829 liters with manifest AAO0014355
- Used batteries as much as 65 kg with manifest AAO0014357
- Used cloth as much as 30 kg with manifest AAO0014354
- Used oil filter of 119 kg with manifest AAO0014356
- Used lamps as much as 5 kg with manifest AAO0014358
- Contaminated packaging as much as 95 kg with manifest AAO0014359

CH also has sent hazardous waste management report to Environment office of Indragiri Hulu District regularly (every quarterly). 1st and 2nd quarterly 2019 hazardous waste management report has reported to Environment office of Indragiri Hulu District dated on 19 June 2019 and 12 September 2019 indrasakti mill and 19 June 2019 and 2 August 2019 for Indrasakti Estate. Evaluation on waste management are conducted annually using form F/SMART/LEMS-EHSD/SADV/002/007.

Based on field visits in the residential area, plantation area, warehouse, housing and mill area it is known that the waste is disposed accordance with the procedures of management waste. Waste is not burned. There is a ban board for burning and light fires. CH manages the POME generated by Indrasakti Mill on WWTP ponds, then utilize on land application according regent's decree issued November 26, 2018 valid for 5 years. CH also has testing POME quality every month, accordance Minister Decree environmental agency number 28/2003.

Based on field visit to landfill area at compartment J49 that observed known that area is located far from water sources (river buffer zone, spring water) and workers housing area.

Status: Comply

5.4

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

5.4.1

A plan for improving efficiency of the use of fossil fuels and to optimize renewable energy was in place and monitored as stated in GHG mitigation procedure no. SOP/SMART/CERS-EHSD/SADV/I/005 Rev 0.0 dated on 1 July 2014. Result of improving efficiency are pictured in energy use efficiency as follow:

Description	Unit	2017	2018	2019
KWH actual		8,848,543	8.089.328	3.727.736
Energy from Diesel Generator Set	kWh	414,962	631.148	302.096
Renewable energy	kWh	8,433,581	7.458.180	3.425.640
Renewable energy potential	kWh	11,273	12.999	6.595
Ratio on renewable energy use to energy needed.	%	95.3	92,2	91,9
Ratio on fossil energy use to energy needed.	%	4.7	7,8	8,1

Based on field visits in the residential area, plantation area, warehouse, housing and mill area it is known that the waste is disposed accordance with the procedures of management waste. Waste is not burned. There is a ban board for burning

and light fires.

Status: Comply

5.5

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

5.5.1 & 5.5.2

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

Status: Comply

5.6

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

5.6.1

CH has GHG mitigation procedure ref no. SOP/SMART/CERS-EHSD/SADV//005 Rev 0.0 dated on 1 July 2014. Identification of GHG sources has been done, as follows:

- Emissions derived from the consumption of fossil fuels for internal transportation of estate and machinery.
- Emissions derived from the use of fertilizers,
- Emissions derived from the use of pesticides
- Emissions derived from the consumption of fossil fuels at the plant, and the use of factory byproducts.
- Emissions from Palm Oil Mill Effluent.

The management unit has identified the sources of pollution and emissions in the mill and estate as stated in F/SMART/UMUM/SADV/001/001 Rev 0 dated on 31 January 2018.

5.6.2

The Company periodically per 6 months has been testing the sources of emissions and pollutants, as indicated by the test results 2nd semester 2018 & 1st semester 2019 with test results that are below the threshold. Based on field interviews obtained information that smallholders have a fertilization work plan based on recommendations from the company, spraying activity schedule and the use of to reduce the use of rat poison. In addition, smallholder also has a wash facility for spraying equipment.

5.6.3

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

Summary of Net GHG Emissions

Emmission per product	tCO2e/tProduct
CPO	0.92
PK	0.92
Production	t/yr
FFB processed	399891.33
CPO produced	77945.81
PK produced	21485.03
Extraction	%
OER	19.49
KER	5.37

Land use	Ha
Planted area	13945.86
Planted on peat	0
Conservation Area	591.95

Summary of field emission and Sinks

Description	Own crop		Group		3 rd party	
	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB
Emissions Sources						
Land conversion	7448.85	0.33	120959.71	0.32	0	0
CO2 emissions from fertilizer	379.66	0.02	10767.85	0.33	0	0
NO2 emissions	1064.91	0.05	8341.99	0.02	0	0
Fuel consumption	600.18	0.03	140.24	0	0	0
Peat oxidation	0	0	0	0	0	0
Sinks						
Crop sequestration	-	-0.31	-	-0.3	0	0
Sequestration in Conservation area	-56.12	0	0	0	0	0
Total	2376.95	0.1	25556.04	0.07	0	0

Summary Oil Mill Emissions and Credits

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	87197.07	0.22
Fuel consumption	731.7	0
Grid electricity	0	0
Credits		
Export of grid electricity	0	0
Sales of PKS	-24021.8	-0.06
Sales of EFB	0	0
Total	63906.97	0.16

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

The Certificate Holder has document of Social Impact Assessment. The assessment process and the reporting was done by Environment Department of PT SMART Tbk on 29 August to 4 September 2012. The scope of study consist of the own plantation of PT Meganusa Intisawit and Smallholder plantation on under three Cooperation Agency.

Report of Social Impact Assessment was explained of negative and positive impact of plantation and mill operation to social aspect and the recommendation for negative impact reduction and increasing of positive impact. There was showed also the minutes meeting of consultation process with community surround. The evidence was consist of Attendant List of village member on Focus Group Discussion as phase of data gathering for Social Impact Assessment Report.

Based on stakeholder consultation in village adjacent of plantation area (Bandar Padang Village) that knows the operation of plantation and mill was impact to open for road access among village and access for the community member to working on the company and the several aid has been given by the company (village road maintenance, aid for the village office renovation, etc). By the stakeholder consultation and document verification that knows there was no social impact which not identified, all the impact has been describe in document of Social Impact Assessment year of 2018 and also there was no significant issue related to negative impact of plantation and mill operation.

6.1.2

The Social Impact Assessment has been done with involve of related party, consist of community surround, head of village and informal leader (customary leader). There was showed documentation of assessment process on 29 August to 4 September 2012, consist of Attendant List of data gathering, minutes of meeting and photograph in village surround.

6.1.3 and 6.1.4

CH has documented plans for managing and monitoring the social impacts of oil palm plantations and mills for the period 2018 - 2019 for the scope of Indrasakti Mill, Indrasakti Estate, Indrasakti Plasma, Indragiri Plasma and Indralestari Plasma. management and monitoring plans have changed, namely related to management focus, in the previous year there were three impacts that were managed, the evaluation results showed the impact related to the lack of administrative reporting of migrants. Evaluation results indicate that currently migrant employees have understood and carried out administrative reporting to the village government. As for the 2 management plans that are still being carried out, improvements made by the company are to increase monitoring time, increase socialization and conduct interviews to find out complaints from the community.

In the document the company has documented several social impact management and monitoring plans, such as: air pollution due to factory processing activities, and a decrease in air quality due to dust on the road there are activities sending FFB to the factory during the dry season.

The stages of management carried out include.

Air pollution due to factory processing activities:

- Maintenance program for equipment that emits, especially boilers and furnaces.
- implementation of maintenance programs for equipment that emit
- Periodic monitoring of the implementation of maintenance programs for emission equipment
- Emission test
- The preparation of technological innovations for reducing smoke impacts with EFB Boilers
- Regular meetings and discussions with the people of Talang Sukamaju Village
- Monitoring through data verification, field observations, and visits to the community.

Pollution and deterioration of air quality due to dust on the road there are activities sending FFB to the factory during the dry season:

- Maintenance of vehicle speed warning warnings
- Periodic monitoring of installed warning boards,
- Socialization and appeal to truck drivers to reduce speed when passing through settlements.

- Monitoring through data verification, field observations, and visits to the community.

an example of the results of social monitoring is known that the results of testing related to air quality are in accordance with applicable regulations, while the impact that arises related to air quality complaints due to lack of public understanding, so one of the activities carried out by the company is to conduct socialization so that the public understands air quality related. While for dust caused by FFB and CPO transport vehicles, the company is still conducting socialization to drivers related to safe driving, watering the road, and road repairs.

In the management and monitoring plan made, implementation schedules, locations and PICs have been included for each stage of work. CH has reviewed the social management and monitoring plan once every 2 years, the last review was conducted in October 2018, for the management and monitoring plan documents that have been carried out from 2016-2018.

6.1.5

In social impact assessment 2012, 2014 review, 2016 review and most recently in 2018, the company has engaged Indrasakti Plasma, Indragiri Plasma and Indralestari Plasma along with representatives from each KUD in Pelasma as supplier gardens for Indrasakti Mill which became the scope of certification activities.

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 1st, 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 Indragiri Hulu Regency and representative of Bandar Padang and Talang Sukamaju Village, it is known that they understand how to communicate and consult with PT Meganusa Intisawit 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". For example:

- Indrasakti Estate. Record of information request documented in form of "Buku komunikasi dan konsultasi Indrasakti Estate". Based on the document, information request is such of assisting request. For example letter from Siberida Subdistrict on 10 May 2019 about assisting request for *Safari Ramadhan*. Then, Certification holder responded the letter on 31 May 2019 by giving the assistance for *Safari Ramadhan*.
- Smallholder. Record of information request documented in "Buku Komunikasi". The majority of incoming letters from external stakeholders are related to requests for financial assistance, invitations, and notification letters.

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

Certificate holder has a mechanism of complaint and grievance handling in Handling of Complaint and Grievance Procedure (SOP/SMART/SIGS-CSR/SADV/II/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 Bandar Padang and Talang Sukamaju 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 keluhan 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

The Certificate Holder has Land Compensation Procedure (No. Doc: SOP/ NP/ SMART/VII/D & L002). In the procedure was described that joint inventory is carried out on the area to be reimbursed and negotiated by the two parties facilitated by the Land Acquisition Team of the District Government. Theses procedure has been socialized to related parties on 22 July 2016.

6.4.3

Before the land compensation process is carried out, firstly the processes are conducted, consist of: identification and inventory of joint land between owners, company representatives, limited witnesses and village government. Then negotiated with the compilers of land related land compensation value in accordance with land compensation standards and planting grown from local government, statement of release of rights by landowners, Minutes of granting Compensation signed by landowners, representatives of companies and witnessed/known by the Village and District Government, Receipt of Compensation. Has been shown the process of land compensation which also contained attachment of photographs.

Based on document verification, information from the legal staff of the company and information from the result of stakeholder consultation with village head and community representation, there is no more land compensation process. All evidence of recording in the form of Maps, Negotiated Results, and Declaration of Disposal of Rights by the Land Owner, Minutes of Compensation, and Payment Receipts are documented and filed in each estate, according to the location of the compensated land.

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

Certificate holder has a copy of Riau Governor Decree No. Kpts.661/III/2019 about Sectoral Minimum Wage of Riau Province for 2019. The sectoral minimum wage for Riau Province is Rp 2,820,000/month. Certification holder issued decree No. 060/CEO RIAU/HR PSM RIAU/04/2019 on December 2018 which explain about structure and scale of wages for permanent worker that the minimum basic wage is Rp 2,679,500 and fixed allowance is Rp 141,000.

Then, certification holder showed wages documentation for mill and estate worker, for example:

- Worker with employee code 03008 as engine room operator, gets basic wage in accordance with regulation, rice allowance for worker and family, and overtime payment is in accordance with applicable regulation.

- Worker with employee code 18044, received basic wage in accordance with regulation and fixed allowance.

As for smallholders, wages for committee of cooperative is based on result of operational work meeting every 6 months. And also, wage for harvester is paid based on harvesting result, range of harvest price is Rp 130 – Rp 150 /kg FFB. Based on interview with farmers from Karya Bersama, Rahayu Makmur, Milik Bersama, Sumber Rejeki, and Sawit Sejahtera Cooperative, they know the range of harvesting payment. Based on interview with local contractor, workers gets wage in accordance with minimum wage.

6.5.2

The company has a Collective Labor Bargaining for the period of 2015 - 2017 which has been registered with the relevant agencies based on SK Dirjen PHI - JSK No. Kep. 88 / PHIJSK-PKKAD / PKB / VI / 2015 dated 18 June 2015. The company also has a PKB with BKS PPS for the period 2018 - 2020. The PKB is currently in the process of ratification by the Manpower Office which is indicated through a letter of application for registration of PKB No. 59 / BKS-PPS / 2018 dated September 13, 2018. The company has the opportunity to continue to ensure that the endorsement of the Collective Labor Agreement by the relevant Service has been completed (OFI).

Worker type in PT MNIS is permanent worker (PT), daily and monthly permanent 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). As for smallholder worker, work agreement is made verbally. Based on interview with committee and farmers from Karya Bersama, Rahayu Makmur, Milik Bersama, Sumber Rejeki, and Sawit Sejahtera Cooperative, they understand terms of their work and rights.

6.5.3 & 6.5.4

Based on field observation in housing complex in Indrasakti Estate, it is known that CH has been providing housing facilities, lighting and water, places of worship, school buses, clinics and educational facilities (kindergarten, elementary). Based on interview with the residents, it is known that there is no complaint related to housing facilities. The facilities provided by the 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.

As for smallholders, based on interview with committee and farmers from Karya Bersama, Rahayu Makmur, Milik Bersama, Sumber Rejeki, and Sawit Sejahtera Cooperative, they don't have difficulties to get staple food. Moreover, cooperative also helps farmers with facility such as medical expenses and ambulance lending if needed. Then, medical expenses will be deducted from farmer's payment.

Status: Comply

6.6

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

6.6.1

The policy related to form and join worker union is circle letter No No 094/CEO2-SE/12/2010 which states that the Certificate 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 certificate holder is giving freedom for worker to express their opinion. And also, certificate holder did not give any intervention related to worker union activity. Worker union has registered to Manpower Agency of Indragiri Hulu Regency with registration number 09/Dinsosnakertrans.04/PHI/IX/2014 on June 24 September 2014 for Mill and No. 25/Dinsosnakertran.04/PHI-PSP/XI/2015 on 19 November 2015 for Estate worker union.

Based on interviews with representative from worker union, it is known that the company did not intervene in the activities carried out by the union. Likewise, the election of worker union officials is carried out based on consultation with all worker union members.

6.6.2

Worker union conducted internal meeting periodically or where there is an issue with certificate holder. There are meeting documentation, such as minutes of meeting on 4 March 2019 school bus lending for worker's children, OHS, and worker's bonuses. The documentation is available in office unit and available for member if they were asking.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

Certificate 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 Indragiri Hulu 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.

As for smallholders, the worker is farmer (land owner) or family member. Work agreement is made verbally and based on trust. Based on interview with workers and farmers from Karya Bersama, Rahayu Makmur, Milik Bersama, Sumber Rejeki, and Sawit Sejahtera Cooperative, it is known that they are aware about children worker policy. However, auditor did not sighted that harvest activities is carried out by children worker.

Status: Comply

6.8

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

6.8.1 & 6.8.2

Certificate 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.

Based on interview with workers and farmers from Karya Bersama, Rahayu Makmur, Milik Bersama, Sumber Rejeki, and Sawit Sejahtera Cooperative, it is known that they are aware about nondiscrimination policy. This policy is displayed on notice board in Cooperative office.

6.8.3

Certificate 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 2019), 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

Policy about prevention of harassment or abuse in work place is listed on GSEP (GAR, Social, and Environmental Policy). Based on interview with female worker in Indrasakti Estate, it is known that they understand the policy. It is also known that they understand the mechanism of complaint submission. Also, interview with committee of Gender Committee 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.

Certificate 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, certificate 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, certificate 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

Certificate holder show "FFB Price Document" from Plantation Agency of Riau Province for period of 17 – 23 July 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 1,258.10/Kg for 21 years old of palm oil. The document FFB price has been known by scheme smallholder farmers by online or through mill management. Based on interview with Sawit Sejahtera, Sumber Rejeki, Karya Bersama, Rahayu Makmur, Milik Bersama Cooperative, FFB price is in accordance with price from Plantation Agency of Riau Province.

6.10.3 & 6.10.4

The Certificate holder has an agreement contract with smallholder cooperative, for example agreement No. 039/KUD/SR/III/2000 dated 6 March 2000. 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 smallholder cooperative for example, to Rahayu Makmur, Milik Bersama, and Karya Bersama Cooperative for period of 21 July – 20 August 2019 through transfer bank. The payment is in accordance with FFB produce. There is no complaints related to late payments.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

Determination of local development programs based on proposal from surrounding Village. Certification holder has made CSR program for 2019, for example:

- Education aspect. Scholarship for outstanding students, books for school library.
- Social aspect. Worship house maintenance, emergency response assistance.
- Environmental aspect. Socialization of Fire Protection.
- Economy aspect. Development of economy activities for crafts.

Implementation of CSR program for 2018, for example:

- Purchase of FFB smallholder
- Tzu Chi foster child assistance

6.11.2

Certificate holder also contribute sustainable development for smallholders such as giving socialization to farmers and workers. For example:

- Socialization of RSPO/ISCC, OHS and PPE on 17 March 2018 attended by 29 participants.
- Agronomy socialization on 16 March 2019 attended by 30 participants from Indragiri Smallholder
- FFB quality socialization on 19 January 2019 attended by 11 participants from Indralestari Smallholder.

Status: Comply

6.12		
No forms of forced or trafficked labour are used.		
6.12.1, 6.12.2, 6.12.3		
Based on document review, field observation, and interviews with worker and stakeholders, it is known that there is no migrant labor, including forced labor and illegal labor. The recruitment is done according to the 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.		
	Status: Comply	
6.13		
Growers and millers respect human rights		
6.13.1		
Certificate holder has policy on human rights listed on GSEP. The policy explains that the Certification holder respect human rights for all employees. Based on interview with worker in estate, mill and local contractor, they know and understand about workers' rights. And also, from consultation with internal stakeholder (worker union), it is known that there is no complaint related to human rights violation. If there was a complaint, the complaint can still be resolved by amicable way between employees.		
	Status: Comply	
PRINCIPLE #7 Responsible development of new plantings		
7.1		
A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.		
7.1.1, 7.1.2 and 7.1.3		
Since Recertification until this audit, PT. MNIS did not expand or develop new planting. The results of document review, field visits and interviews found that CH did not expand or conduct new planting since 2005.		
The document review and interview with management showed that the company is not performed land clearing after 1 November 2005. HCV identification in PT Meganusa Intisawit was conducted on 2009. GAR, as the parent of PT MNIS and BWL has conducted disclosure of liability data and zero liability disclosure on 29 August 2014 by email.		
	Status: Comply	
7.2		
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.		
7.2.1 and 7.2.2		
The results of document review, field visits and interviews found that CH did not expand or conduct new planting since 2005.		
	Status: Comply	
7.3		
New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.		
7.3.1, 7.3.2, 7.3.3, 7.3.4 and 7.3.5		
Since Recertification until this audit, PT. MNIS did not expand or develop new planting. The results of document review, field visits and interviews found that CH did not expand or conduct new planting since 2005.		

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

Status: Comply

7.4

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

7.4.1 and 7.4.2

The results of document review, field visits and interviews found that CH did not expand or conduct new planting since 2005.

Status: Comply

7.5

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

7.5.1

The Certificate Holder with core plantation (Indrasakti Estate) and smallholder plantation under the three cooperation do not expand or open new plantation.

Status: Comply

7.6

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

7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5 & 7.6.6

The Certificate Holder with core plantation (Indrasakti Estate) and smallholder plantation under the three cooperation do not expand or open new plantation.

Status: Comply

7.7

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

7.7.1 and 7.7.2

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

Status: Comply

7.8

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

7.8.1 and 7.8.2

Since Recertification until this audit, PT. MNIS did not expand or develop new planting. The results of document review, field visits and interviews found that CH did not expand or conduct new planting since 2005.

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

Status: Comply

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

<p>8.1 Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</p>
<p>8.1.1 Certificate holder has implemented the RSPO Internal Audit on 21 May 2019 and management review conduct annually at 15 June 2019. All aspect regularly reviewing and evaluation to ensure effectiveness for improvements such in best management practices aspect which in pest monitoring and evaluation known that biological control can managed the pest population. In social aspect known that CSR program and participatory SIA can effectively manage the social impacts etc. The others improvement that implemented will describe below.</p> <p>Manpower Aspect Certification holder does not use daily labor</p> <p>Best Management Practices Aspect: Certificate holder has implemented a commitment to continuous improvement, such as:</p> <ul style="list-style-type: none"> • Control of rat pests using owl predators (<i>Tyto alba</i>). • 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>. • Since 2016, the company was no longer using paraquat <p>Environment Aspect</p> <ul style="list-style-type: none"> • Has conducted mandatory reporting in accordance with the specified time • Successfully reduced GHG emissions from the previous year.
<p>Status: Comply</p>

3.2 Summary of Assessment Report of Supply Chain Requirement

3.2.1. General chain of custody requirements for the supply chain

Clause	Requirement
5.1	Applicability of the general chain of custody requirements for the supply chain
5.1.1	<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 Indrasakti Mill. The mill also has outsourced contractors of PK and CPO transporter.</p>
	Status: Comply
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>
	Status: Comply
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"> - Number of RSPO membership: 1-0096-11-000-00 dated 31 March 2004 - RSPO IT Platform of Indrasakti Mill: RSPO_ PO1000001065.
	Status: Comply
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>
	Status: Comply
5.2	Supply chain model
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 -> Segregated -> Mass Balance.</p> <p>The organization has applied Identity Preserved (IP) supply chain model correctly and there is no declassification.</p>
	Status: Comply
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 Identity Preserved (IP) supply chain model only.</p>

	Status: Comply
5.3	Documented procedures
5.3.1	<p>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.</p> <p>Indrasakti Mill has the documents of supply chain procedures for Mass Balance models with document No. PT MNIS-INKM/SOP/24. Rev.02, issued on 05 January 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 the mechanism to handle of supply chain system.</p>
	Status: Comply
5.3.2	<p>The site shall have a written procedure to conduct annual internal audit</p> <p>The Procedure to conduct annual internal audit are describe in SOP for internal audit No. SOP/SMART/UMUM/SADV//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 21 May 2019.</p>
	Status: Comply
5.4	Purchasing and goods in
5.4.1	<p>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</p> <p>Indrasakti Mill has no purchased CSPO or CSPK. The mill received and processed FFB from own estates and smallholders that have RSPO certified. Based on documents verification of FFB receives are known that all data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non compliance.</p>
	Status: Comply
5.4.2	<p>The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents</p> <p>Indrasakti Mill has no purchased CSPO or CSPK. However The SOP of handling non-conforming oil palm products of FFB received describe in procedure of Supply Chain of RSPO Product (PT MNIS-INKM/SOP/24. Rev.02, valid since 05 January 2018). These procedure was explained on sub point 6.7.5 that the Sales Department will handle the Non-conforming Products and/or document that where is contamination of RSPO certified material during receiving, processing, storage and dispatch.</p>
	Status: Comply
5.5	Outsourcing activities
5.5.1	<p>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.</p>

All processing of FFB to CPO/PK are done by Indrasakti Mill and the mill has outsourced contractors of PK and CPO transporter. The transporters have complies to the requirements of the RSPO Supply Chain Certification Standard show in contractor control form (Formulir/Smart/MCAR/XVI/TA-PKT/03 issued 26 March 2012 revised 1 February 2019).

Status: Comply

5.5.2

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

- a. The site has legal ownership of all input material to be included in outsourced processes;
- b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.
- c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- d. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance

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

- Agreement No. 001/MNIS/INKM/01/2019-CPO dated 2 January 2019 for CPO transport with PT. Sumber Kancana Inhu
- Agreement No. 010/RJP/RRMK/01/2017-PK dated 2 January 2017 for PK transport with PT. Satrindo Jaya Agropalma

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.

There is no dispatch activity, when the field observation conducted. The compliance of RSPO SCCS requirement verified by checking the documents of deliveries, as example the documents of weighbridge ticket, delivery order etc in January 2019 are informed the minimum information with tonnage according to the mass balance record.

Status: Comply

5.5.3

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

The site has record the names and contact details of contractor used for RSPO certified oil palm products transport, such as:

- PT. Satrindo Jaya Agropalma address Jakarta
- PT. Sumber Kancana Inhu address Riau

Status: Comply

5.5.4

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

A contractors used (names and contact details) has been informed to the CB, which are

- PT. Satrindo Jaya Agropalma address Jakarta
- PT. Sumber Kancana Inhu address Riau

Status: Comply

5.6

Sales and goods out

5.6.1

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

The site has product information provided in such as document of weighbridge ticket, delivery order and other invoices. Such as the CPO delivery at 28 January 2019 contract No. DIC/2350/180112/0001. 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 identity preserved model
- The date on which the documents were issued;
- The quantity of the products delivered;
- Any related transport documentation;
- etc.

Status: Comply

5.7 Registration of transactions

5.7.1

Supply chain actors who:

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

Indrasakti Mill has registered all transactions of certified products in RSPO IT platform Member ID: RSPO_PO1000001065.

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.

There is no volumes sold as conventional, or in case of underproduction, loss or damage. All transactions has been registered in RSPO IT platform for periods Period of 4 December 2018 to 3 December 2019, as example:

- Certified CPO sold to Wilmar Nabati Indonesia dated 31 August 2019 for 2,560.69 ton
- Certified Palm Kernel sold to Wilmar Nabati Indonesia dated 31 August 2019 for 691.32 ton

The volume that sold under others scheme (ISCC) has been removed from palm trace, as example on 28 August 2019 removed stock for 2,314.39 ton

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 21 May 2019 for contractors and 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 company has provided training at 21 May 2019 for contractors and personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements, such as: dispatch operators, weighbridge operators, etc. Based on interview at weighbridge station is known that the weighbridge operator and SCCS person in charge have understand the RSPO supply chain procedures.

Status: Comply

5.9

Record keeping

5.9.1

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

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

Status: Comply

5.9.2

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

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

Status: Comply

5.9.3

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

The estimate volume of palm oil products are describe in this ASA-1.1 report (Basic Info 1.8.3). 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 12 Months:

Period	CSPO production (MT)	CSPO Dispatch (MT)			Total
		RSPO	ISCC	Non Cert	
September 2018	7,831.20	7,710.64	0	0	7,710.64
October 2018	7,836.29	7,658.62	0	0	7,658.62
November 2018	6,947.28	6,998.48	0	0	6,998.48
December 2018	6,657.40	5,895.14	0	0	5,895.14
January 2019	6,475.86	7,074.33	0	0	7,074.33
February 2019	5,213.36	5,752.56	0	0	5,752.56
March 2019	4,861.75	528.82	4,635.79	0	5,164.61
April 2019	4,652.33	0	4,597.14	0	4,597.14

May 2019	5,649.56	0	5,437.66	0	5,437.66
June 2019	5,197.11	0	5,359.24	0	5,359.24
July 2019	6,677.90	0	0	0	0
August 2019	6,693.63	0	6,629.27	0	6,629.27
Total	74,693.66	41,618.59	26,659.10	0	68,277.69

Period	CSPK production (MT)	CSPK Dispatch (MT)			Total
		RSPO	ISCC	Non Cert	
September 2018	1,979.525	1,980.39	0	0	1,980.39
October 2018	2,192.82	1,184.41	0	0	1,184.41
November 2018	2,074.238	2,073.84	0	0	2,073.84
December 2018	1,968.368	2,169.68	0	0	2,169.68
January 2019	1,769.642	1,987.98	0	0	1,987.98
February 2019	1,437.646	1,248.43	0	0	1,248.43
March 2019	1,370.853	1,545.97	0	0	1,545.97
April 2019	1,283.964	1,152.95	0	0	1,152.95
May 2019	1,568.761	1,562.75	0	0	1,562.75
June 2019	1,469.92	1,328.99	0	0	1,328.99
July 2019	1,974.902	2,039.77	0	0	2,039.77
August 2019	1,929.813	1,894.77	0	0	1,894.77
Total	21,020.452	20,169.93	0	0	20,169.93

	Status: Comply
--	----------------

5.10	Conversion factors
------	--------------------

5.10.1

Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries

The site doesn't applied a conversion rate.

	Status: Comply
--	----------------

5.10.2

Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.

The site doesn't applied a conversion rate.

	Status: Comply
--	----------------

5.11	Claims
------	--------

5.11.1

The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.

The site make claims regarding the sell of RSPO certified oil palm products only and compliance with the RSPO Rules on Market Communications and Claims.

	Status: Comply
--	----------------

5.12	Complaints
------	------------

5.12.1

The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
Procedures for stakeholders complaints established in the document no. SOP/SMART/SIGS-CSR/SADV/I/003, issued on 1 July 2014. Based on complaint documents verification for last two years, are not found any complaint related to SCCS.	
	Status: Comply
5.13	Management review
5.13.1	
The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	
The certificate holder has management review conduct annually at 15 June 2019.	
	Status: Comply
5.13.2	
The input to management review shall include information on document of Management	
<ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 	
The Management review are include result of internal audit, 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:	
<ul style="list-style-type: none"> • 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 D – CPO Mills: Identity Preserved Requirements

Clause	(Module D) CPO Mills – Identity Preserved Requirements									
D1	Definition									
D.1.1										
A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.										
The Indrasakti Mill has a record of mechanism on FFB's acceptance by separating FFB from own estate (Indrasakti Estate) and from other sources (three smallholders group) that all FFB being identified as certified FFB (RSPO certified). Certified FFB will be processed and claimed as certified CPO and PKO.										
	Status: Comply									
D.2	Explanation									
D.2.1										
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the 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 4 December 2019 – 3 December 2020 describe at this ASA 1.1 report (basic info 1.8.3). Actual tonnage product certified for period of 12 months:										
<table><tr><th>Products</th><th>Estimate</th><th>Actual September 2018 – August 2019</th></tr><tr><td>CSPPO</td><td>82,116</td><td>74,693.66</td></tr><tr><td>CSPK</td><td>21,506</td><td>21,020.452</td></tr></table>		Products	Estimate	Actual September 2018 – August 2019	CSPPO	82,116	74,693.66	CSPK	21,506	21,020.452
Products	Estimate	Actual September 2018 – August 2019								
CSPPO	82,116	74,693.66								
CSPK	21,506	21,020.452								
	Status: Comply									
D.2.2										
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).										
All transactions has been registered in RSPO IT platform for periods Period of 4 December 2018 to 3 December 2019, as example:										
<ul style="list-style-type: none">• Certified CPO sold to Wilmar Nabati Indonesia dated 31 August 2019 for 2,560.69 ton• Certified Palm Kernel sold to Wilmar Nabati Indonesia dated 31 August 2019 for 691.32 ton• RSPO IT Platform member registration number: RSPO_ PO1000001065										
	Status: Comply									
D.3	Documented procedures									
D.3.1										
The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:										
<ul style="list-style-type: none">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.

The Indrasakti Mill has established a procedure of Supply Chain of RSPO Product (PT MNIS-INKM/SOP/24. Rev.02, valid since 05 January 2018) was described the SCCS model are Identity Preserved (IP). The procedure has explained the identification of raw materials and products, traceability products. The persons who having responsibility consist of Main Gate Security, Weighbridge Operator, Grading Foreman, Dispatch Operator and Kernel Storage Bin, Laboratory Analyst, Production Administration Staff, Estate/Mill Assistant, Head of Administration, Mill Unit Head, Production Controller and Department Support.

Based on an field visit observation and interview with staff in weighbridge and grading area that indicated the personal in charge was understood the mechanism to handle of supply chain system. The personnel in charge of weight bridge can demonstrate to check the raw material from own estate and smallholders as *certified* FFBs. The grading staff also was demonstrated of grading mechanism and through make daily report refer to Standard Operation Procedure of PT Meganusa Intisawit.

Status: Comply

D.3.2
The site shall have documented procedures for receiving and processing certified and non-certified FFBs.

The Indrasakti Mill has established a procedure of Supply Chain of RSPO Product (PT MNIS-INKM/SOP/24) was described the SCCS model are Identity Preserved (IP) and SOP Identification and Traceability of Certified Product (SOP/SMART/CERS-EHSD/SADV/I/001, valid since 1 July 2014). These procedure describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. In the weight bridge area all of FFB transportation operator must show the FFB Consignment Note. The FFBs was comes from the own estate and smallholders that has been certified and each FFB Consignment Note has been marked with unique code and the code is input to computerize system. The Certified product or "certified supply base" code has been online authorized in SAP "System Analysis and Programmed".

Status: Comply

D.4
Purchasing and goods in
D.4.1
The site shall verify and document the volumes of certified and non-certified FFBs received.

The site has verified and documented the volumes of certified FFBs received. The Certified FFB received period of 12 Months:

Month	RSPO Certified
September 2018	39,540.56
October 2018	39,749.57
November 2018	35,436.28
December 2018	32,970.48
January 2019	32,121.97
February 2019	27,015.37
March 2019	24,915.35
April 2019	24,851.83
May 2019	30,988.35
June 2019	28,952.9
July 2019	35,608.87
August 2019	34,518.57
Total	386,670.10

Status: Comply

D.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 Tonnage of product certified:

Products	Estimate	Actual September 2018 – August 2019
CSP0	82,116	74,693.66
CSPK	21,506	21,020.452

Status: Comply

D.5 Record keeping

D.5.1

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

The 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 12 months are sold from a positive stocks:

Period	CSPO production (MT)	CSPO Dispatch (MT)			Total
		RSPO	ISCC	Non Cert	
September 2018	7,831.20	7,710.64	0	0	7,710.64
October 2018	7,836.29	7,658.62	0	0	7,658.62
November 2018	6,947.28	6,998.48	0	0	6,998.48
December 2018	6,657.40	5,895.14	0	0	5,895.14
January 2019	6,475.86	7,074.33	0	0	7,074.33
February 2019	5,213.36	5,752.56	0	0	5,752.56
March 2019	4,861.75	528.82	4,635.79	0	5,164.61
April 2019	4,652.33	0	4,597.14	0	4,597.14
May 2019	5,649.56	0	5,437.66	0	5,437.66
June 2019	5,197.11	0	5,359.24	0	5,359.24
July 2019	6,677.90	0	0	0	0
August 2019	6,693.63	0	6,629.27	0	6,629.27
Total	74,693.66	41,618.59	26,659.10	0	68,277.69

Period	CSPK production (MT)	CSPK Dispatch (MT)			Total
		RSPO	ISCC	Non Cert	
September 2018	1,979.525	1,980.39	0	0	1,980.39
October 2018	2,192.82	1,184.41	0	0	1,184.41
November 2018	2,074.238	2,073.84	0	0	2,073.84
December 2018	1,968.368	2,169.68	0	0	2,169.68
January 2019	1,769.642	1,987.98	0	0	1,987.98
February 2019	1,437.646	1,248.43	0	0	1,248.43
March 2019	1,370.853	1,545.97	0	0	1,545.97
April 2019	1,283.964	1,152.95	0	0	1,152.95
May 2019	1,568.761	1,562.75	0	0	1,562.75
June 2019	1,469.92	1,328.99	0	0	1,328.99
July 2019	1,974.902	2,039.77	0	0	2,039.77
August 2019	1,929.813	1,894.77	0	0	1,894.77
Total	21,020.452	20,169.93	0	0	20,169.93

Status: Comply

D.6 Processing

D.6.1

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

The entire accepted and processed product in Indrasakti Mill comes from own estate and three smallholders group that RSPO certified. Based on the document within the system, it reveals that the document consists of FBB delivery note, weighing ticket, Sales Contract and SAP "System Analysis and Programmed", which explain the source of FFB (Division, harvesting block, cultivation year, number of bunches) to product such as CPO and PK that 100 % is a certified product (RSPO Certified). The entire document that related to product acceptance and processing and transportation process have been marked with unique code and the code is input to computerize system.

Based on document verification and field visit in Indrasakti Mill to verify the process from FFB received in mill, CPO and PK produced through to loading process of Certified Product (CPO and PK) from mill area, the Certificate Holder has been demonstrate the process was kept separated the Certified Product from non-certified material.

Status: Comply

3.3 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trade mark from Certification Body which submitted by Client	X or✓
ASA-1.1	The Indrasakti Mill (PT Meganusa Intisawit) has been certified by Mutuagung Lestari with certificate code MUTU - RSPO / 033	✓
2.	Implementation of certificate and trade mark used by Client comply with size and type (shape) against Guideline of trade mark Use	X or✓
ASA-1.1	The company does not use RSPO trademark both on and off products	✓
3.	Implementation of Certificate and trade mark is not used on product	X or✓
ASA-1.1	The company does not use RSPO trademark both on and off products	✓
4.	Controlling of Certificate and trade mark, including withdrawing inappropriate logo.	X or✓
ASA-1.1	The company does not use RSPO trademark both on and off products	✓

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 eighteen (18) mills and fifty four (54) estates in Indonesia and has been RSPO certified for nine (9) mills and supply base in Indonesia. Golden Agri Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri Resources, Ltd on January 31, 2016 approved by President Director and MO Sustainability Strategic & Stakeholders Engagement.

MUTU has verified partial certification for un-certified unit's subsidiary of Golden Agri Resources, Ltd based on their Time Bound Plan. There are eleven (11) uncertified management unit of GAR. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

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

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

		<ul style="list-style-type: none"> - PT Paramitra Internusa Pratama (Belian Mill and supply base) - PT Agrolestari Mandiri (Pekawai Mill and supply base) - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) any new planting since January 1st 2010 and NPP has been applied these.
iii.	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company Group/Holding Statement: There are no land conflicts. The Company has a land conflict resolution mechanism in accordance with the RSPO criteria 6.4; 7.5; and 7.6. This procedure is outlined in the SOP Social Conflict Management (SOP/SMART/SENS-CSR/SADV/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>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are no land conflicts for</p> <ul style="list-style-type: none"> - PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base) - PT Mitra Karya Agroindo (Tangar Mill and supply base) - PT Kresna Duta Agroindo (Pelakar Mill and supply base) - PT SMART (Bukit Kapur Mill and supply base) <p>There are any land conflicts but was in the process of completion for</p> <ul style="list-style-type: none"> - PT Agrolestari Mandiri (Pekawai Mill and supply base) - PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base) - PT Sawit Mas Sejahtera (Sungai Kikim and supply base) - PT Agro Lestari Sentosa (Jalemo Mill and supply base) - PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) - PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base)
iv.	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Company Group/Holding Statement: 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/I/003.</p>

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

		<ul style="list-style-type: none"> - PT Buana Wiralestari Mas there is an area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha) - PT Ramajaya Pramukti there is an area is still in process for HGU Rama Rama Estate (318.76 Ha)
--	--	---

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

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

NCR No.	:	-	Issued by	:	-
Date Issued	:	-	Time Limit	:	-
NC Grade	:	-	Date of Closing	:	-
Standard Ref. & Requirement	:	-			
Non-Conformance Description& Evidence observed :					
<i>During Recertification Assessment, there was no Non-Conformities against P&C Standard and Requirement of Supply Chain.</i>					
Root Cause Analysis:					
-					
Corrective Action:					
-					
Preventive Action:					
Assessor Evaluation and Conclusion:					
-					
Verified by	:	-			

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

NCR No.	:	-	Issued by	:	-
Date Issued	:	-	Time Limit	:	-
NC Grade	:	-	Date of Closing	:	-
Standard Ref. & Requirement	:	-			
Evidence observed & Non-Conformance Description (filled by auditor):					
<i>There was no Non-Conformities against P&C Standard and Requirement of Supply Chain at ASA 1.1</i>					
Root Cause Analysis (filled by organization audited):					
Correction (filled by organization audited):					
Corrective Action (filled by organization audited):					
Assessor Evaluation and Conclusion (filled by auditor):					
Verified by	:				

3.5.3. Opportunity for Improvement

No	Ref. Std.	Description
1	2.2.1	The progress of HGU and land titles of smallholders.
2	6.5.2	Certification holder need to ensure progress of PKB periode of 2018 - 2020 ratification by related agency.

3.5.4. Noteworthy Positive Components

No	Ref. Std.	Description
1	-	Company's commitment in implementing sustainability standards for oil palm plantations
2	-	Company's commitment in the implementation of partnership with the community through farmer cooperatives
3	-	Company has obtained ISPO, ISCC, and OHSAS certificate
4	-	Company doesn't use free labour
5	-	Company doesn't use pesticide with paraquat active ingredients
6	-	Decreasing of GHG emission

3.6 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
Gender Committee of PT Meganusa Intisawit <ul style="list-style-type: none"> Woman worker works as loose fruit picker, in office, and upkeep division. All worker is PT4 (permanent worker grade 4). Gender committee activity is socialize company's policy, posyandu Company provided special policy for woman worker, such as menstrual leave for 2 days, maternity leaves for 3 months (1.5 months before and after giving birth). Company also give special break time for breastfeeding for woman worker who works in office. There is no complaint about sexual harassment or discrimination against worker. Company provided crèche in estate. 	<p>Certification holder has provide policy for protection of reproductive rights especially for woman worker. It has been explained on criteria 6.9.</p>
Worker union of PT Meganusa Intisawit <ul style="list-style-type: none"> Type of worker in PT MNIS is permanent worker (PT 1, 2, 3, 4A, and 4B). Worker management system changes start from 2019. There is complaint from worker union regarding rights for worker grade PT4A. Workers do not received housing, bonus, rice allowance for family, and medical insurance for family. This matter has discussed with management of PT MNIS and has been documented. Detail of wages among others basic wage and rice allowance as much as Rp 130,000. Wage is in accordance with sectoral minimum wage for Riau Province. Minimum age for worker in PT MNIS is 20 years old. PPE and work tool for worker are provided by company. Company doesn't intervene worker union activity. 	<p>The auditor has verified the manpower aspect on criteria 6.5, 6.6, 6.7, 6.8, 6.12. Then auditor has verified related to complaints of workers not receiving rice, housing and health benefits. PT4A employees for the plantation and mill units that became the verification sample have received rice allowances in the form of money, handing over employees' homes, and have been registered with the Health insurance.</p>
Worker cooperative of Usaha Mega Bersama <ul style="list-style-type: none"> Cooperative is active in saving and loans and groceries. Cooperative member is 73 member. Each member charges with monthly fee Rp 50,000 and principal fee Rp 300,000. Nominal of membership fee is decided by all member when annual meeting. Annual meeting for 2018 was conducted on 28 April 2019. 	<p>According to workers the company provides the freedom to form cooperatives</p>
Sumber Rezeki and Sawit Sejahtera Cooperative <ul style="list-style-type: none"> The boundaries between lots are marked with permanent stakes. 	<p>Auditor has verified the compliance related to smallholder on criteria 6.10</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> Operational activities is done by the farmers. PT MNIS only supervises activities. Annual meeting conducted once a year, while operational work meeting conducted twice a year. FFB payment is according to FFB price determined by Plantation Agency of Riau Province. There is no complaint about late payment. PPE is provided by cooperative. Cooperative also provide storage to keep the PPE. 	
Local Contractor (CV Agung MJ) <ul style="list-style-type: none"> Scope of cooperation in the supply of stone. Has been cooperating with the company for a long time (\pm 10 years). The cooperation are based on agreement. Work payments is according to the agreement and there is no complaint regarding to Work payments. The company has socialized policies such as the company's code of ethics, human rights policy, and prohibition of work under 18 years. Contractor workers have provided PPE by the contractor. The communication and relation between contractor with company are well maintained, the mechanism for complaint and grievance submission has been understood well by the contractor. 	<p>The company has cooperation with local community. There is no negative issues related to local contractors</p>
Head of Village & Community Representation in of Bandar Padang Village & Talang Sukamaju Village <ul style="list-style-type: none"> The company has cooperated with three Smallholder Cooperation in a partnership program of oil palm plantation management since 1996. The impact of plantation operations; road access and working opportunity for village surround Some of the aid that has been given by the company: <ul style="list-style-type: none"> Scholarship for student in village based on selection Heavy Equipment for road maintenance Renovation of mosque Free medical service for community in the village The company has socialized about the protected animals and put the prohibition sign around the plantation area There are no issues and conflicts of land tenure between the company and the surrounding Community There are also no issues related to the complaints of surrounding communities to operation of plantation and mill. During the one year period there are no cases of negative impacts on the operation of plantation and mill (eg, environmental pollution) 	<p>Based on verification on related Indicators: Indicator 2.2.3 to 2.26 and 2.3.1 to 2.3.3 does not indicate a conflict between the company and the surrounding community.</p> <p>Indicator 6.3.1 & 6.3.2, there are no significant complaints from the other parties</p> <p>Indicator 6.11.1 & 6.11.2, the company has implemented/provided assistance to the surrounding community and the opportunity to adapt social governance activities based on participatory planning.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> There was no cases of land fires since the last year 	
Environmental Agency of District Indragiri Hulu <ul style="list-style-type: none"> The company has routinely delivered reports to the agency Communication between companies and stakeholders is good Land application permit and Hazardous waste are still valid. There are no negative issues related environmental. Environmental agency has known about certificate holder data that can be accessed by the public 	<p>Based on the document review, it is known that the company has carried out environmental management in accordance with what is required in the environmental document owned. The results of consultations with the surrounding villages revealed that there were no environmental pollution issues as a result of the company's operations.</p> <p>In accordance with criteria 2.1 and 5.3 there was no issue</p>
Manpower Agency of Riau Province <ul style="list-style-type: none"> Company has been obedient in administration, all compulsory reports have been sent regularly to Manpower Agency. There are no negative issues such as discrimination of employees regarding labor, child workers, forced laborers and others. Labor union has been authorized and registered members. Labor agency has been involved for staff training activities such as socializing OHS. Company has licensed operating license for machines mill such as boilers permit, license generator, electricity and others. 	<p>Company has submitted all compulsory reports have been sent regularly.</p> <p>Company shall maintain this aspect especially related worker welfare and OHS.</p>
Department of Agriculture and Fisheries of Indragiri Hulu Regency <ul style="list-style-type: none"> The relationship between the company and the Department is well established The company has a partnership with KKPA farmers Assessment of the plantation class has been carried out, and get a grade 3 grade in 2018 Until now there is no fire information in the company area Completion of SHM for smallholders has not yet been completed The plantation management system implemented by the company is made an example by the Department of Agriculture. 	<p>Based on the results of the document review, it was found that the company had received an assessment of Plantation classes with a grade of 3.</p> <p>As for the completion of SHM plasma estates, the company always encourages the completion of SHM, but until now the process of making SHM is constrained by costs, farmers who do not yet have SHM feel that the latest BPHTB regulations are very expensive</p>
Indra Lestari Plasma (KUD Karya Bersama) <ul style="list-style-type: none"> KUD Karya Bersama consists of 644 lots All of the lots are SHM The fee for harvesting is set at 150,000 / ton The planting year consists of 1997-1999 Planned replanting in 2022-2024 	<p>The company has implemented the principles & criteria of RSPO on indicator 6.10.1, and 6.10.3.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> • Payments are made at the end of each month by the company, and at the beginning of the month the cooperative is paid to farmers. • There are 5 special spray employees • Spray employees are included in routine health checks in the company garden • Management of used packaging is managed by an assistant stored at Indra Sakti Estate. • The price of the FFB follows the price of Plantation agency. 	
Indra Giri Plasma (KUD Milik Bersama) <ul style="list-style-type: none"> • Consisting of 732 lots and 19 farmer groups • The fee for harvesting is set at 150,000 / ton • The number of spray employees is 6 people • The planting year starts from 1997 to 2001 • Replanting is planned for 2022 • The company has conducted training for farmers such as harvesting, spraying and others. • Management of used packaging is managed by an assistant stored at Indra Sakti Estate. • The price of the FFB follows the price of Plantation agency. • PPE for employees is the burden of the lot owner and managed by the cooperative 	<p>The company has implemented the principles & criteria of RSPO on indicator 6.10.1, and 6.10.3.</p>
Indra Giri Plasma (KUD Rahayu Makmur) <ul style="list-style-type: none"> • Consists of 18 Farmer Groups • There are 677 lots and all are SHM • The fee for harvesting is set at 150,000 / ton • Spray special team managed by KUD • The oldest planting year in 1996 and the youngest in 1998 • There is training for Best management practice conducted by assistants and foremen from the company. • There has never been a work accident • The price of FFB follows the prices set by the plantation agency. • Replanting plan in 2022, replanting savings have been made from each member • PPE for employees is the burden of the lot owner and managed by the cooperative • Management of used packaging is managed by an assistant stored at Indra Sakti Estate. 	<p>The company has implemented the principles & criteria of RSPO on indicator 6.10.1, and 6.10.3.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Meganusa Intisawit Management Representative</p>  <p><u>Yahya Mustakim</u> Friday, 13 September 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Leonada</u> Friday, 13 September 2019</p> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Jikalahari	Pekanbaru, Riau Province	jikalahari@indonea.net.id ; secretariat@jikalahari.org	Questionnaire by email	29 August 2019		✓
2	WWF	Jakarta, Indonesia	info@sawitwatch.or.id	Email	29 August 2019		✓
3	Walhi	Jakarta, Indonesia	informasi@walhi.or.id	Email	29 August 2019		✓
4	Sawit Watch	Jakarta, Indonesia	info@sawitwatch.or.id	Email	29 August 2019		✓
5	Environmental Agency, of District Indragiri Hulu	Indragiri Hulu Regency	-	Interview	10 September 2019	✓	
6	Department of Agriculture and Fisheries Regency, Sector Plantation of District Indragiri Hulu	Indragiri Hulu Regency	-	Interview	10 September 2019	✓	
7	National Land Agency, of District Indragiri Hulu	Indragiri Hulu Regency	-	Interview	10 September 2019		✓
8	Manpower and Transmigration Agency, of District Indragiri Hulu	Indragiri Hulu Regency	-	Interview	10 September 2019	✓	
8	Labor Union of Indrasakti Estate PT. Meganusa Inti Sawit	Indragiri Hulu Regency	-	Interview	10 September 2019	✓	
9	Labor Union of Indrasakti Mill PT. Buana Wiralestari Mas	Indragiri Hulu Regency		Interview	10 September 2019	✓	
10	Gender Committee	Indragiri Hulu Regency	-	Interview	10 September 2019	✓	
11	Employee Cooperative "Usaha Mega Bersama"	Indragiri Hulu Regency		Interview	10 September 2019	✓	
12	Indrasakti Mill: <ul style="list-style-type: none"> • 1 WTP operator • 1 WWTP operator • 2 loading ramp worker • 3 security • 1 sterilizer operator • 1 boilerman • 1 clarification operator • 1 press operator • 1 engine room operator • 1 kernel operator 	PT MNIS	-	Interview	10 September 2019	✓	

	•						
13	Indrasakti Estate: <ul style="list-style-type: none"> • 2 harvester and 2 picker • 1 LA operator • 3 Pesticide Applicator • 1 staff research • 1 store keeper • 2 workshop workers • 1 hazardous waste operators • 2 paramedic • 1 generator operator 	PT MNIS	-	Interview	12 September 2019	✓	
14	KUD Sumber Rejeki 16 farmers	Indragiri Hulu Regency	-	Interview	11 September 2019	✓	
15	KUD Sawit Sejahtera 10 farmers	Indragiri Hulu Regency	-	Interview	11 September 2019	✓	
16	KUD Rahayu Makmur 10 farmers	Indragiri Hulu Regency		Interview	12 September 2019	✓	
17	KUD Milik Bersama 8 farmers	Indragiri Hulu Regency		Interview	12 September 2019	✓	
18	KUD Karya Bersama 20 farmers	Indragiri Hulu Regency		Interview	11 September 2019	✓	
19	Head of Village Bandar Padang & Talang Sukamaju, informal leader, and previous land owner.	Indragiri Hulu Regency	-	Interview	10 September 2019	✓	
20	Local Contractor	Indragiri Hulu Regency	-	Interview	10 September 2019	✓	

Appendix 2. Assessment Program

DATE	9 – 14 September 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 9 Sept 2019		
08.30 – 10.20	Jakarta → Pekanbaru	All Auditor
10.20 – 16.00	Pekanbaru → PT Meganusa Intisawit	All Auditor
16.00 – 17.00	Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) Documents Review <ul style="list-style-type: none"> Review of previous assessment findings Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan Review of Partial Certification Verification of P n C documents 	All Auditor
Tuesday, 10 Sept 2019		
08.00 – 09.00	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), Third Party Supplier (if any), local NGO (if any)	AAS/HSS
	Stakeholders consultation to related agencies	BYG
12.00 – 14.00	Break	
14.00 – 17.00	Field observation to Indrasakti Mill : <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO) Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & land application 	LEO HSS AAS/BYG
Wednesday, 11 Sept 2019		
08.00 – 12.00	Field Observation to Indra Lestari Plasma (KUD Karya Bersama) Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries, HCV area Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect Visit to KUD Office (interview to KUD Officer and farmers, Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, 	HSS HSS BYG

DATE	9 – 14 September 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).	
	Field Observation to Indra Sakti Plasma (KUD Sumber Rejeki dan KUD Sawit Sejahtera)	
	Aspect to be verified :	
	- Implementation of Legal Aspect (Land Ownership, Legal Boundaries, HCV area	LEO
	- Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect	LEO
	- Visit to KUD Office (interview to KUD Officer and farmers, 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).	AAS
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of documents and completing checklist 	All Auditor
Thursday, 12 Sept 2019		
08.00 – 12.00	Field Observation to Indra Giri Plasma (KUD Rahayu Makmur & KUD Milik Bersama)	
	- Implementation of Legal Aspect (Land Ownership, Legal Boundaries, HCV area	LEO
	- Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect	LEO
	- Visit to KUD Office (interview to KUD Officer and farmers, 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).	BYG
	Field Observation to Indrasakti Estate	
	Aspect to be verified :	
	- Implementation of Legal Aspect (Land Ownership, Legal Boundaries)	HSS
	- Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect	HSS
	- 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..	AAS
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of documents and completing checklist 	All Auditor

DATE	9 – 14 September 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Friday, 13 Sept 2019		
08.00 – 10.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of documents and completing checklist 	All Auditor
10.00 – 12.00	Interim Meeting (closing meeting preparation)	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 16.00	Interim Meeting (closing meeting preparation)	All Auditor
16.00 – 17.00	Closing Meeting	All Auditor
Saturday, 14 Sept 2019		
07.00 – 12.00	PT Meganusa Intisawit → Pekanbaru	All Auditor
13.00 – 14.50	Pekanbaru → Jakarta	All Auditor