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## **Roundtable on Sustainable Palm Oil**

### **1st Surveillance Assessment**

Report no.: 824 502 16034

1st Surveillance Assessment against the  
Indonesian National Interpretation RSPO Principles & Criteria, July 2016 and  
RSPO Supply Chain Certification System November 2014

#### **PT GUNUNG TUA ABADI SUMBER SAWIT PALM OIL MILL**

Balian village, Geronggang village, Mesuji Raya Sub District, Ogan Komering Ilir District,  
South Sumatera Province

Date of assessment : February 20 – 24, 2017

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## 1.0 SCOPE OF CERTIFICATION ASSESSMENT

### 1.1 National Interpretation / Standard Used

The operations of the palm oil mill(s) and its supply base of FFB were assessed against RSPO Indonesian National Interpretation Principles & Criteria 2013, July 2016 and RSPO Supply Chain Certification year 2014.

### 1.2 Type of Assessment

1st surveillance assessment was carried out on 1 of mills (Sumber Sawit Estate) with supply based consist of 1 (one) estate under PT Gunung Tua Abadi; 1 (one) estate under PT Mutiara Bunda Jaya i.e.: (Inti Permata Bunda 2 estate); 2 (two) estate under PT Telaga Hikmah i.e.: (Hikmah Tiga and Hikmah Lima estate) and the last is KUD Dewa Makmur (associated smallholder). All supply based was include in surveillance assessment process.

The scope of the Supply Chain Certification System assessment covers the implementation of the Mass Balance supply chain model of Sumber Sawit Palm Oil Mill.

### 1.3 Certification Details

The details of RSPO Certification Assessment of Sumber Sawit Palm Oil Mill are as per the table below.

**Table 1.** RSPO Certification details of Sumber Sawit Palm Oil Mill

<b>RSPO Membership No. :</b>	<b>1-0031-07-000-00</b>
<b>RSPO Certificate no. :</b>	824 502 16034
<b>Date of first RSPO certification &amp; validity :</b>	April 15, 2016
<b>Date of certification audit :</b>	November 9 – 13, 2015
<b>Date of previous surveillance audit :</b>	This is 1st surveillance audit
<b>CPO tonnages claimed for 2017</b>	47,333.52 mt
<b>PK tonnages claimed for 2017</b>	11,269.89 mt

## 1.4 Location and Maps

**Table 2.** GPS locations for all estates and mills included in 1st surveillance assessment

Name of mill/estate	Location	GPS locations	
		Latitude	Longitude
Sumber Sawit Mill	Balian village, Mesuji Raya subdistrict, Ogan Komering Ilir district.	03°48'29,44"S	105°11'57,03"E
Sumber Sawit Estate	Balian village, Mesuji Raya subdistrict, Ogan Komering Ilir district.	03°48'24.700"S	105°10'33.812"E
Inti Permata Bunda Dua Estate	Balian village, Mesuji Raya subdistrict, Ogan Komering Ilir district.	03°47'01.555"S	105°09'48.747"E
Hikmah Tiga Estate	Balian village, Mesuji Raya subdistrict, Ogan Komering Ilir district.	03°42'57.095"S	105°12'28.520"E
Hikmah Lima Estate	Pagar Dewa village, Mesuji Raya subdistrict, Ogan Komering Ilir district.	03°44'11.288"S	105°14'16.635?"E
Plasma KUD Dewa Makmur	Pagar Dewa village, Mesuji Raya subdistrict, Ogan Komering Ilir district.	03°44'11.288"S	105°14'16.635?"E

Note : Above coordinates are refer to office's Coordinate



Figure 1. Location PT Gunung Tua Abadi & Inti Permata Bunda Dua estate in South Sumatera Province, Indonesia.

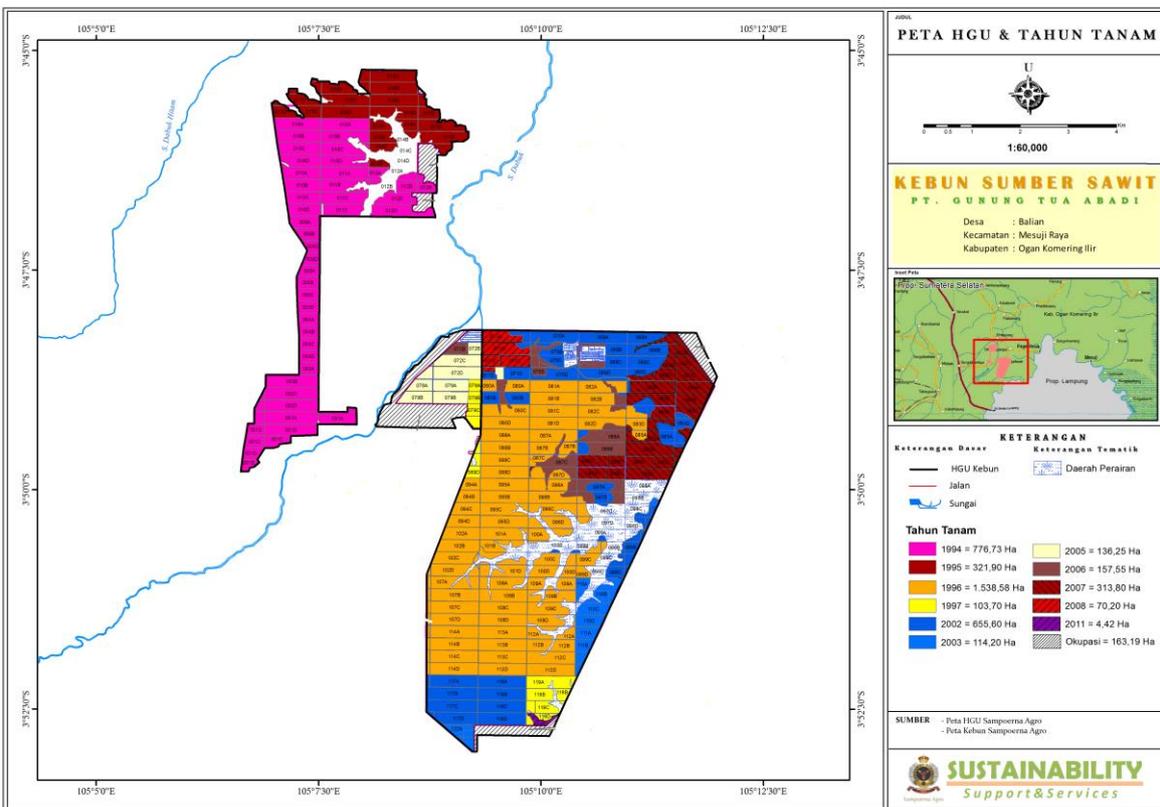


Figure 2. PT Gunung Tua Abadi, Sumber Sawit Mill and Sumber Sawit estate.

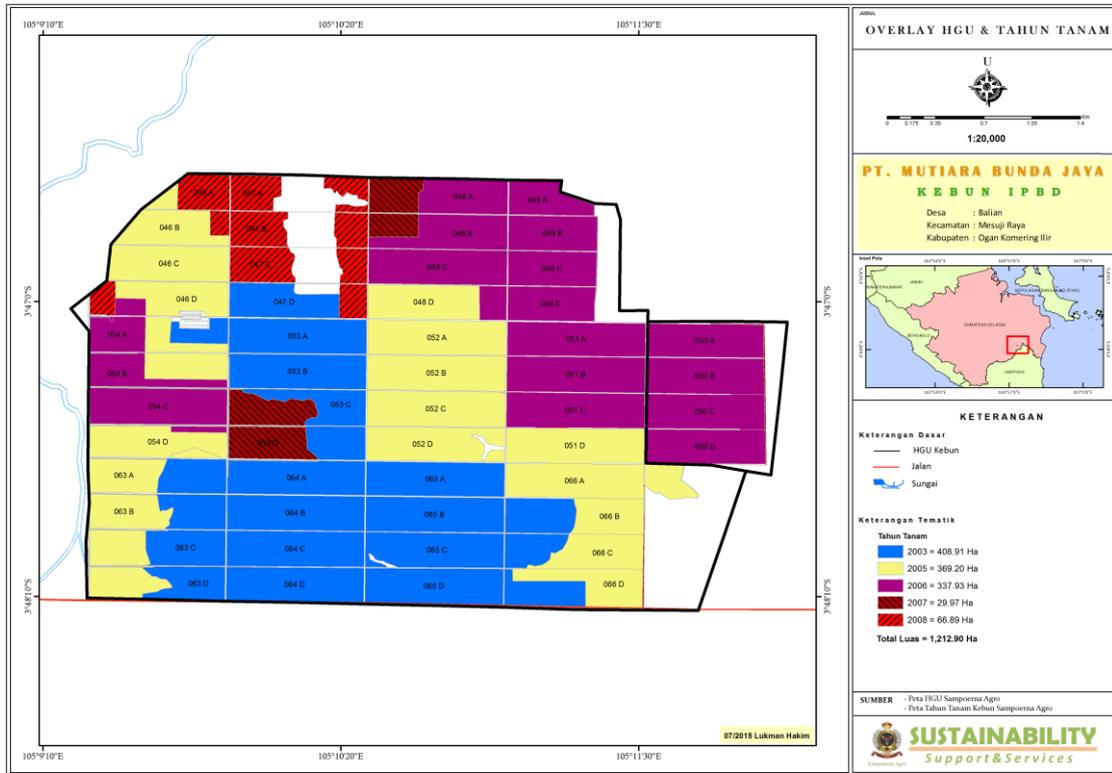


Figure 3. Inti Permata Bunda Dua Estate

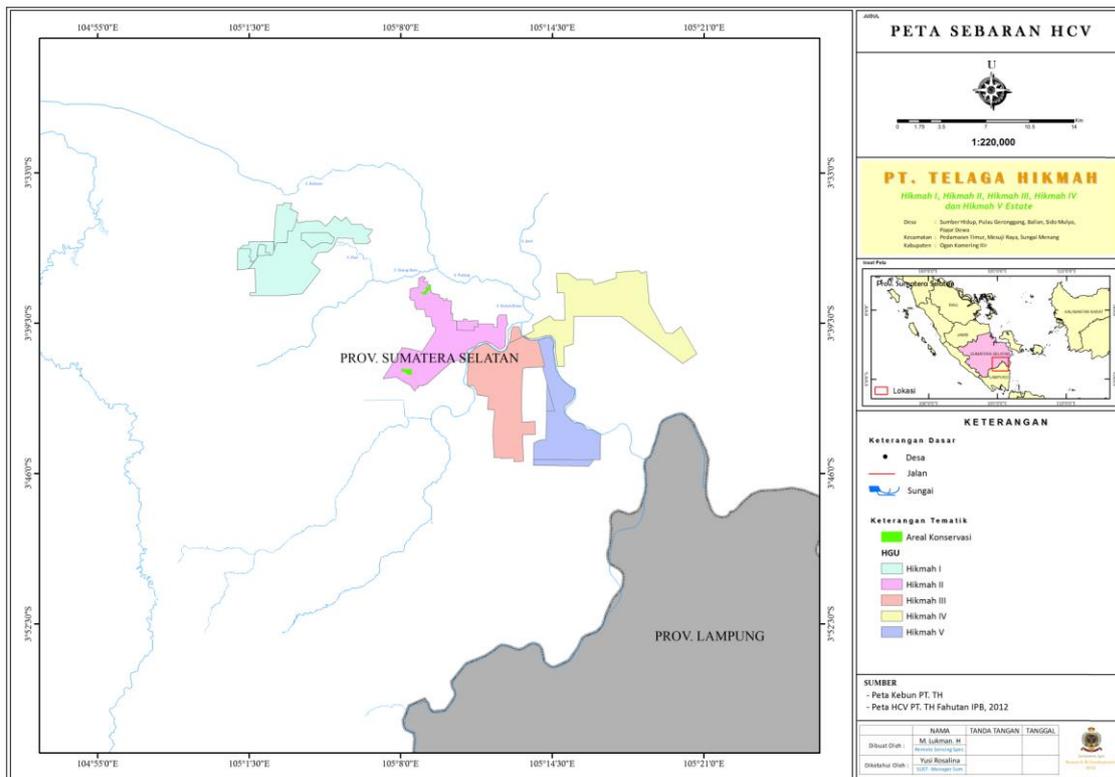


Figure 4. Location PT Telaga Hikmah in South Sumatera Province, Indonesia.

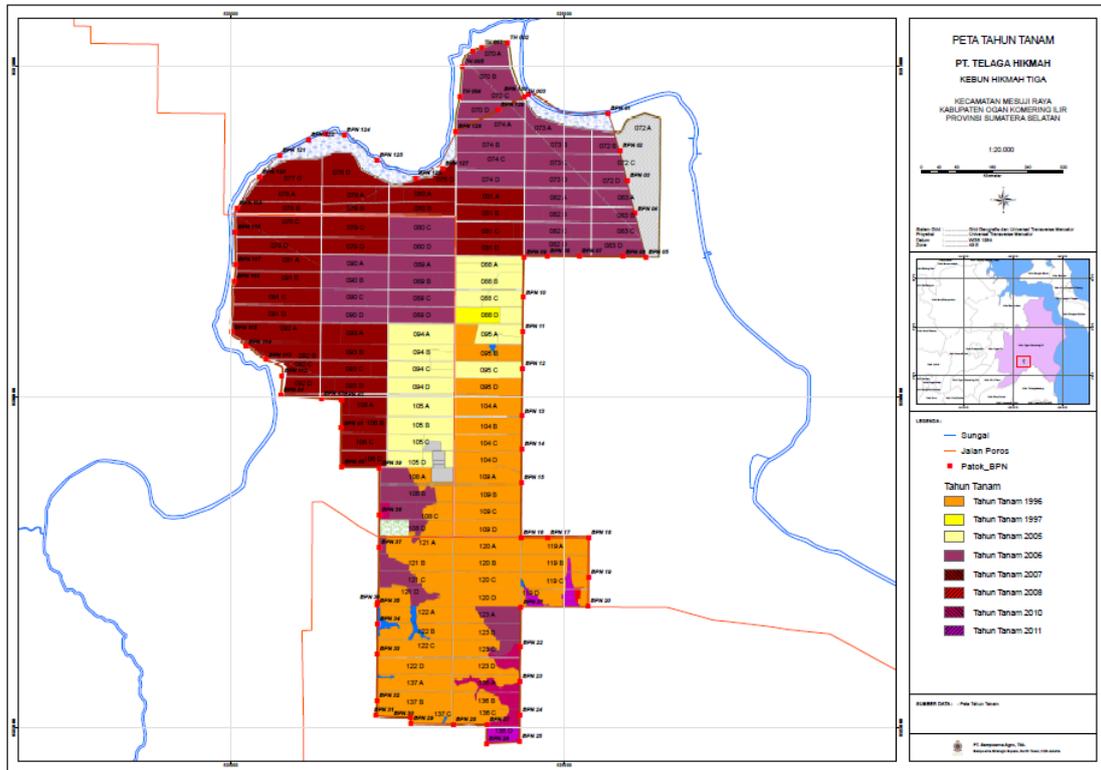


Figure 5. Map of Planting Year of Hikmah Tiga Estate

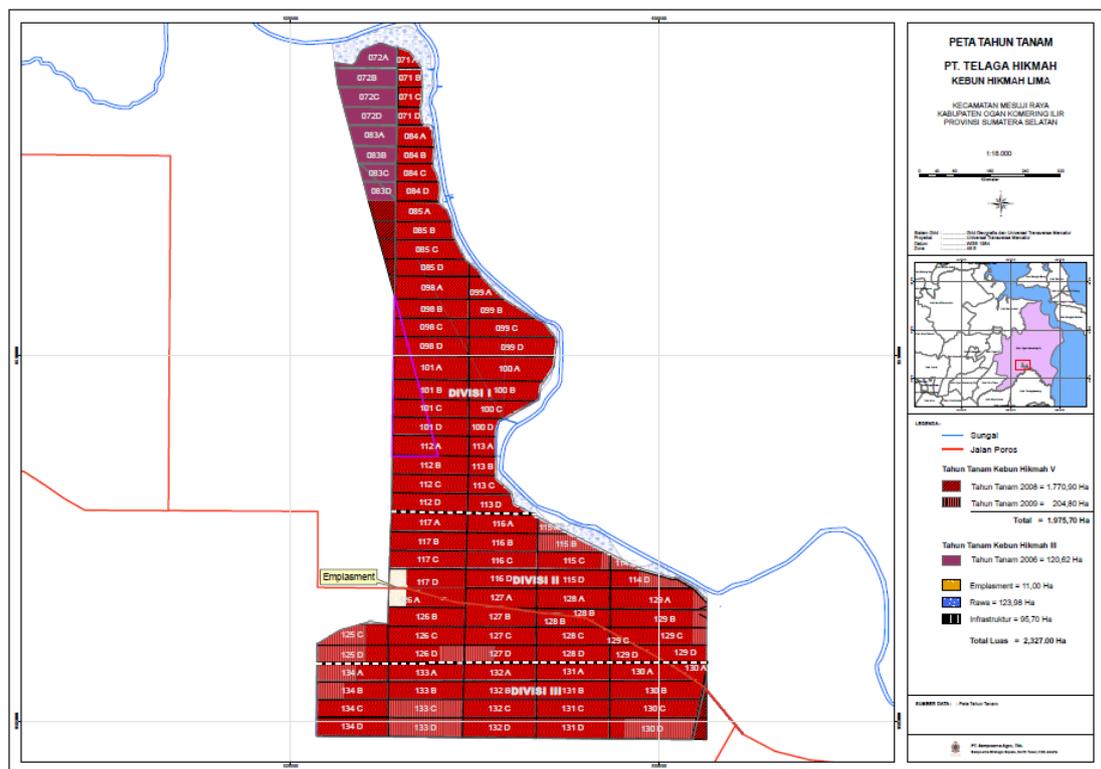


Figure 6. Map of Planting Year of Hikmah Lima Estate

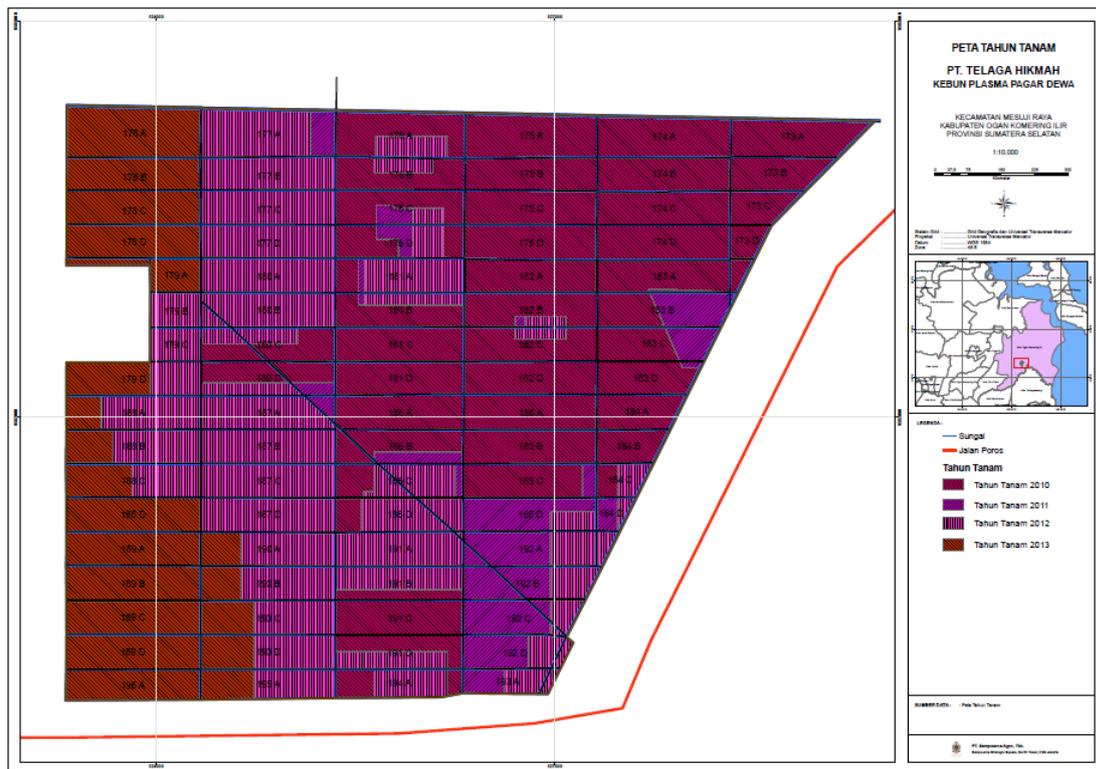


Figure 7. Map of Planting Year of Dewa Makmur Associated Smallholder

### 1.5 Organisational Information / Contact Person

Contacts details of the company presented below:

<b>Company Name:</b>	<b>PT Gunung Tua Abadi; PT Mutiara Bunda Jaya (Inti Permata Bunda Dua Estate); PT Telaga Hikmah (Hikmah Tiga and Hikmah Lima) and Dewa Makmur Smallholder</b>
<b>Address:</b>	Adress : Jl. Basuki Rahmat 788, Palembang 30127, South Sumatera Village of Balian, Subdistrict of Mesuji Raya
<b>Contact Person:</b>	Yusi Rosalina
<b>Telephone:</b>	Tel : +62-711-813388
<b>Email:</b>	Email:yusi.rosalina@sampoernaagro.com

### 1.6 Description of Supply Base

Sumber Sawit Palm Oil Mill (SS Palm Oil Mill) is one of several palm oil mills under PT Sampoerna Agro, located in Balian village, Mesuji Raya subdistrict, Ogan Komering Ilir district, South Sumatera province, Indonesia. While 1st surveillance audit conducted, SS palm oil mill has added new supply based i.e.: PT Telaga Hikmah (Hikmah Tiga and Hikmah Lima estate); and Dewa Makmur Associated Smallholder. All of new supply based has delivered they FFB to SS Mill since 2016. This new supply based is under PT Sampoerna Agro.

SS palm oil mill also receipt certified FFB from other certified estate under PT Sampoerna Agro (see Table 3 below), and also others estate and smallholder with non certified status.

The FFB supplies received from company-owned estates and other's company estate are as described below:

**Table 3.** FFB Supply Information for Sumber Sawit Palm Oil Mill for 2016 and projection for 2017

FFB Contributors	FFB Supplied 2016		FFB Supplied 2017*		Budget production 2017**
	Tonnes	%	Tonnes	%	
<b>Certified source:</b>					
<b>Mill supply based:</b>					
Sumber Sawit Estate	60,611.03	-	11,885.16	-	75,745.00
Inti Permata Bunda 2 Estate	15,971.22	-	2,556.01	-	23,622.00
<b>New additional estate under certification process</b>					
Hikmah Tiga Estate	28,223.82	-	5,142.04	-	47,294.00
Hikmah Lima Estate	29,427.86	-	4,140.29	-	43,957.00
Dewa Makmur Smallholder	2,736.63		448.93	-	14,290
<b>Sub Total</b>	<b>136,970.56</b>	<b>87.58</b>	<b>24,172.43</b>	<b>83.45</b>	<b>204,907.00</b>
<b>Certified source under Sampoerna palm oil mill supplied based delivered to the SS Palm Oil Mill</b>					
Belida	15,275.10	-	4,291.05	-	-
Mesuji	1,370.11	-	195.90	-	-
IPBS	1,261.42	-	105.90	-	-
Surya Adi	218.21	-	197.97	-	-
Hikmah Dua	99.11	-	-	-	-
<b>Sub Total</b>	<b>18,223.95</b>	<b>11.65</b>	<b>4,790.82</b>	<b>16.54</b>	<b>-</b>
<b>Non Certified source:</b>					
<b>Others estate under Sampoerna Group</b>					
Hikmah Satu	86.340	-	-	-	-
Mega Terang	4.320	-	-	-	-
Tanjung Sari	62.070	-	-	-	-
Hikmah Empat	11.400	-	-	-	-
Limau Kesturi	20.160	-	-	-	-
Jaya Permai	980.410	-	-	-	-
<b>Sub Total</b>	<b>1,164.70</b>	<b>0.007</b>			<b>-</b>
<b>Smallholder</b>					
Tanjung Mesayu	6.320	-	-	-	-
Sumber Makmur	6.950	-	-	-	-
Sari Makmur	5.800	-	-	-	-
<b>Sub Total</b>	<b>19.07</b>	<b>0.0001</b>			<b>-</b>
<b>Total</b>	<b>156,378.28</b>	<b>100</b>	<b>28,963.25</b>	<b>100</b>	<b>204,907.00</b>

Note: \*) until February, 2017; and this FFB receipt by SS mill completely reducec FFB produced from field No.001A.

### 1.7 Actual production volumes and project outputs.

During 1st surveillance against SS palm oil mill, record of certified production available in place, as follow:

**Table 4.** Total and projected CPO and PK production and certified product sold from SS Palm Oil Mill

Remarks	Amount (mt)		
	FFB	CPO (mt)	PK
Certified tonnage claimed *)	204,907.00	47,333.52	11,269.89
Total product tonnage sold claimed under RSPO e-Trace	-	-	-
Certified tonnage sold claimed under Green palm	-	7,000	-
Certified tonnage purchased	-	-	-
<b>Actual Production for 2016</b>			
Actual OER and KER for 2016	-	22.15	5.3
Total production for 2016	156,378.28	34,637.00	8,288.80
Total production from supply base only for 2016	76,582.25	16,962.97	4,058.85
<b>Projection Production for 2017 (mt)</b>			
OER and KER projection for 2017	-	23.10	5.5
Total FFB process (certified)	204,907.00	47,333.52	11,269.89

Note: \*) certified production tonnage based on budget production in 2017 will claim as certified product. Then in 2017, SS mill will not receive FFB noncertified based on Annual budget on 2017.

### 1.8 Dates of Plantings and Replanting Cycles

The company follows a replanting cycle of 25 years. Information on the dates of plantings are as per the table below.

**Table 5.** Year of plantings of company estates supplying to Sumber Sawit Palm Oil Mill Period year 2017

Year of Plantings	Oil palm planted area at each estate (ha)				
	Sumber Sawit	IPBD 2	Hikmah 3	Hikmah 5	Dewa Makmur Smallholder
2015 – 2011	-	-	22.73	-	1,160.90
2010 – 2006	541.55	434.79	1,865.20	1,975.70	768.10
2005 – 2001	906.05	777.93	338.20	-	-
2000 – 1996	1,642.2	-	866.10	-	-
1995 – 1991	1,100.91	-	-	-	-
1990 – 1986	-	-	-	-	-
<b>TOTAL</b>	<b>4,190.71</b>	<b>1,212.72</b>	<b>3,092.23</b>	<b>1,975.70</b>	<b>1,947.00</b>

**Table 6.** Planned and actual oil palm replanting activities for company owned estates supplying to Sumber Sawit Palm Oil Mill.

Estate name	Total plan for replanting (ha)	Year (ha)				Actual total replanted (ha)
		2017	2018	2019	2020	
-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: based on long term economic budget, replanting program is not available yet because still in productive.

### 1.9 Area of Plantation (Total, Planted and Mature)

**Table 7.** Oil Palm Planted Area Summary, FFB Production and Average yield/ha for Sumber Sawit Palm Oil Supply Base estates.

Estate Name	Total area (ha)	Oil Palm Planted area (ha)	Mature (Production) area (ha)	Immature (Non-production) area (ha)	FFB Production* (tonnes)		Average yield/ ha Year 2016
					2016	2017*	
Sumber Sawit	5,032.00	4,190.71	4,190.71	-	64,212.00	4,192.00	15.32
IPBD Estate	1,370.50	1,212.72	1,212.72	-	16,499.00		13.60
Hikmah Tiga	3,374.00	3,092.23	3,092.23	-	29,641.29	47,293.60	9.59
Hikmah Lima	2,327.00	1,975.70	1,975.70	-	31,058.89	38,951.00	13.97

Dewa Makmur Smallholder	2,000.00	1,947.00	1,608.10	338.90	2,942.44	14,290.00	1.83
<b>Total</b>	<b>14,103.5</b>	<b>12,418.36</b>	<b>12,079.46</b>	<b>338.90</b>	<b>144,353.60</b>	<b>104,726.60</b>	<b>10.86</b>

Note: FFB production record until January 2017.

**Table 8.** Land used data for Sumber Sawit Palm Oil Mill Supply Based

Estate Name	Total area (ha)	Oil Palm Planted Area (ha)	HCV/Potential HCV areas* (ha)	Land used for other purposes (ha)				
				River/wet land	Mill	Housing	Road construction	Occupied
Sumber Sawit	5,032.00	4,190.71	409.93	9.40	24.80	19.72	216.85	163.19
IPBD Estate	1,370.50	1,212.72	-	147.20	-	4.20	6.20	28.70
Hikmah Tiga	3,374.00	3,092.23	-	183.87	-	18.00	56.00	8.00
Hikmah Lima	2,327.00	1,975.70	-	138.68	-	11.00	81.00	-
Dewa Makmur Smallholder	2000,00	1,947.00	-	48.00	-	-	48.00	-
<b>Total</b>	<b>14103.50</b>	<b>12,418.36</b>	<b>409.93</b>	<b>527.15</b>	<b>24.80</b>	<b>52.92</b>	<b>408.05</b>	<b>199.89</b>

**Note:** HCV area is part of planted area.

### 1.10 Progress against Time Bound Plan

The company has time bound plan for RSPO certification assessment of other management units as per the schedule below.

**Table 9.** Time Bound Plan of the Other Management Units

Name of Holding	Location	Planted (ha)	Proposed Year for Certification
<b>Belida Mill – PT Aek Tarum</b>			
Belida POM	South Sumatera	-	Certified in 2011
Belida Estate		2747	Certified in 2011
Permata Bunda Satu Estate		540	Certified in 2016
Belida Estate Smallholder (KUD Tekad Mandiri, KUD Panca Sawit Makmur)		1837	Certified in 2016
Mesuji Estate Smallholder (KUD Jaya Bersama)		525	Certified in 2016
Limau Sundai Smallholder (KUD Rahayu Bhakti, KUD Mulya Jaya, KUD Mekar Sari, KUD Sumber Rejeki)		3587	2017
Sari indah Smallholder (KUD Karya Makmur)		1358	2017
<b>Permata Bunda Jaya Mill – PT Mutiara Bunda Jaya</b>			
Permata Bunda Jaya POM		-	Certified in 2016

Mesuji Estate		2161	Certified in 2016
Surya Adi Estate		541	Certified in 2016
Mesuji Smallholder (KUD Bina Sawit Utama, KUD Citra Sawit Mandiri, KUD Mekar Sawit)	South Sumatera	2559	2017
Permata Bunda Smallholder (KUD Marga Mulya, KUD Surya Bhakti)		4086	2017
Harapan Bunda Smallholder (KUD Surya Adi, KUD Sinar Jaya)		4299	2017
Surya Karta Smallholder (KUD Tunas Harapan)		756	2017
<b>Sumber Sawit Mil – PT Gunung Tua Abadi</b>			
Sumber Sawit Palm Oil Mill		-	Certified in 2016
Sumber Sawit Estate	South Sumatera	4191	Certified in 2016
Permata Bunda Dua Estate		1213	Certified in 2016
Hikmah Tiga Estate		3108	2017
Hikmah Lima Estate		2220	2017
Hikmah Lima Estate Smallholder (KUD Dewa Makmur)		1947	2017
Sumber Sawit Estate Smallholder (KUD Makmur Bersama)		455	2017
<b>Selapan Jaya Mill – PT Sampoerna Agro</b>			
Selapan Jaya Palm Oil Mill		-	Certified in 2017
Hikmah Dua Estate	South Sumatera	2351	Certified in 2017
Belida Estate Smallholder (KUD Mulya Indah Permai, KUD Jadi Mandiri, KUD Bina Sejahtera)		2986	2017
Gading Jaya Estate Smallholder/Limau Manis Smallholder (KUD Maju Lancar, KUD Madya Karya Bhakti, KUD Sedya Mukti, KUD Jaya Makmur, KUD Intan, KUD Marga Mulya)		6950	2018
Gading Jaya Estate Smallholder (KUD Permata Bunda, KUD Karya Makmur, KUD Subur Makmur)		3996	2018
Gading Jaya Estate Smallholder/Sungai Pangeran Smallholder (KUD Sumber Sentosa, KUD Serba Usaha)		3177	2018
Gading Jaya Smallholder (KUD Ipoh Raya, KUD Puger Mulya, KUD Harapan Jaya Mandiri, KUD Balian Sejahtera Abadi)		4216	2019
<b>Telaga Hikmah Mill – PT Telaga Hikmah</b>			
Telaga Hikmah POM		-	2017
Hikmah Satu Estate		3612	2017

Hikmah Empat Estate	South Sumatera	2612	2017
Gading Jaya Estate		3078	2017
Mega Terang Estate		1651	2017
Tanjung Sari Estate		2855	2017
Sepucuk Estate		1172	2019
Limau Kesturi Estate		3751	2018
Jaya Permai Estate		3049	2018
Nawa Surya		3306	2018
Tanjung Sari Estate Smallholder/Rantau Durian Smallholder (KUD Tanjung Mesayu, KUD Sumber Makmur, KUD Sari Makmur)		1847	2019
Nawa Surya Estate Smallholder		1921	2019
Limau Kesturi Estate Smallholder	779	2020	
<b>Sungai Rangit Mill – PT Sungai Rangit</b>			
Sungai Rangit POM	Central Kalimantan	-	2017
Baboti Estate		3522	2017
Rauk Naga Estate		2972	2017
Waringin Estate		3350	2017
Sukamar Estate		3253	2017
Telaga Bintang Estate		3118	2017
Sungai Sagu Estate		3142	2017
Sungai Rangit Smallholder		3061	2019
<b>Usaha Agro Indonesia Mill – PT Usaha Agro Indonesia</b>			
Usaha Agro Indonesia POM	West Kalimantan	-	2017
Ulin Agro Estate		3476	2017
Kruing Agro Estate		3405	2017
Meranti Agro Estate		2309	2017
PT Anugerah Palm Indonesia Estate		0	2022
Usaha Agro Indonesia Smallholder		1686	2019
PT Anugerah Palm Indonesia Smallholder		0	2025
<b>Lanang Agro Bersatu Mill – PT Lanang Agro Bersatu</b>			
Lanang Agro Bersatu POM	West Kalimantan	-	2019
Bukit Subur Estate		3053	2019
Bukit Makmur Estate		3542	2019
Lanang Agro Bersatu Smallholders		1221	2021
<b>Landak Area – Wilayah I</b>			
PT Tebar Tandan Tenerah Estate		2493	2022
PT Nusantara Sarana Alam Estate		1561	2022
PT Kedurang Prakarsa Nabati Estate		0	2022

PT Tebar Tandan Tenerah Smallholders	West Kalimantan	289	2025
PT Nusantara Sarana Alam Smallholders		328	2025
PT Kedurang Prakarsa Nabati Smallholders		0	2025
<b>Landak Area – Wilayah 2</b>			
PT Pertiwi Agro Sejahtera Estate	West Kalimantan	1377	2022
PT Kusuma Mentari Makmur Estate		431	2022
PT Agro Planindo Utama Estate		547	2022
PT Pertiwi Agro Sejahtera Smallholders		1377	2025
PT Kusuma Mentari Makmur Smallholders		12	2025
PT Agro Planindo Utama Smallholders		103	2025

**Note:** Source RSPO Certification Commitment signed by Chief Executive Officer on March 19, 2017

#### 1.11 Audit against the rules for Partial Certification

Compliance of the Sumber Sawit Palm Oil Mill against the rules for partial certification according to RSPO certification system year 2013 Generic, clause 4.2.4 was assessed through document checks and interviews and the head office and through findings of concurrent ISO : 9001 checks conducted at other management units of Sumber Sawit Palm Oil Mill. A summary of findings is as stated below.

Partial Certification Requirements	Audit Findings
(a) The parent organization or one of its majority owned and / or managed subsidiaries is a member of RSPO.	PT GunungTua Abadi (Sumber Sawit Palm Oil Mill, Sumber sawit estate and Balian Estate); PT Mutiara Bunda Jaya (Inti Permata Bunda Dua Estate ) and PT Telaga Hikmah (Hikmah 3, Hikmah 5 and KUD Dewa Makmur Smalholder) are subsidiary of PT Sampoerna Agro Tbk. Sampoerna Agro has been a member of RSPO since 10 January 2007 With membership no 1-0031-07-000-00.
(b-d) A challenging time-bound plan for certifying all its relevant entities is submitted to the Certification Body (CB) during the first certification audit. The time-bound plan should contain a list of subsidiaries, estates and mills. Any revision to the time-bound plan or to the circumstances of the company shall cause the plan to be reviewed. for whether it is still appropriate, such that changes to the time-bound plan are permitted only where the organisation can demonstrate that they are justified	A challenging time bound plan has been establish as determined by memorandum of PT Sampoerna Agro Management Commitment signed by CEO on June 01, 2015. This is the 2nd revised time bond plan of PT Sampoerna Agro Tbk. Considering the readiness of all subsidiaries palm oil mill and estates under PT Sampoerna Agro Tbk. During 1st surveillance, PT API and PT KPN was new subsidiary of Sampoerna Agro Tbk, and this company under NPP notification process. And during the surveillance audit, the company could show the revision of time bond plan. This time bond plan revised by company is because there are additions new estate.
(e) No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure	There is no evidence of replacement primary forest in subsidiaries under sampoerna Argo. Some new development area under subsidiaries of PT Sampoerna Agro i.e. PT Sungai Rangit, PT Mutiara Bunda Jaya; PT Telaga hikmah and PT Sampoerna Agro are under verification process for New Planting procedure. The current condition the NPP still on going process, still in compensation panel. Then there two new company such as PT Anugrah Palm Indonesia and PT Keduran Prakarsa Nabati are under

Partial Certification Requirements	Audit Findings
	certification process for New Planting procedure. Summary management plan is not available yet, so the NPP document could not send to RSPO.
(f) Land conflicts, if any, 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>There are identified ongoing land conflicts in several subsidiaries of PT Sampoerna Agro such as:</p> <ol style="list-style-type: none"> <li>1. Sumber Sawit estate with has land dispute with total area 163.19 Ha, this is consist of: land area dispute with Sidomukti (C3) village about 52.19 Ha (in division III); and division V about 27 Ha with Dabuk Makmur village, and while for 84 Ha still not identified. <b>This is was raised as nonconformity.</b></li> <li>2. Sumber Sawit estate with community from Dabuk Makmur village for 75 Ha, this area was HCV area and community want transferred this area become smallholder (palm oil), and until surveillance there is no agreement to solved this, and company already carried out meeting to solved this, evidence by minutes of meeting on November 14, 2015, and the community did not want to signed the minutes of meeting. <b>This is also raised as nonconformity during the certification assessment and 1st surveillance.</b></li> <li>3. Mega Terang estate with community from Sungai Menang Village for 600 ha located in Block 14, 15 and 16 Mega Terang Estate. Currenty on the legal processed. According to management confirmation, the company still harvest that conflict area because the land compensation payment was clear.</li> <li>4. PT Aek Tarum with Mataram Jaya dan Community of Kemang Indah village. According to company explanation the case has been closed because unclear reason from the land claimer.</li> <li>5. PT Mutiara Bunda Jaya with community of Sungai Menang and Rantau Durian I Village, has been closed since a year ago due to Smallholder scheme decree letter from head of District has been issued.</li> </ol> <p>Some action has been taken to solve the conflict.</p>
(g) Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	In year 2015 there is no labour dispute in all subsidiaries PT Sampoerna Agro Tbk.
(h) Legal non-compliance, if any, are being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	There are two management units under Sampoerna Agro have not complied with certain legal requirements, i.e. PT Sungai Rangit and PT Mutiara Bunda Jaya, there are issues regarding land title. The process for land title the company is taking action by inviting the National Land Agency (BPN) to remeasure the land and resolve the issue. The process is still ongoing.

### 1.12 Compliance to other RSPO Procedure

RSPO NPP	<b>Not Comply</b>
RSPO Compensation and Remediation procedure	<b>Waiting for RSPO compensation panel</b>
Areal Subject to sanction	<b>Waiting fro RSPO compensation panel</b>

Note: it is because found planted area since January 1st, 2010 and wai raised as nonconformity under 7.3.1

### 1.13 Compliance to RSPO Guidance on GHG Calculation

#### Summary of Net GHG Emissions

Emissions per Product	tCO <sub>2</sub> e/t Product
CPO	4.08
PK	4.08

Production	t/year
FFB processed	156,495.72
CPO produced	33,001.95

Extraction	%
OER	21.09
KER	7.80

Land Use	Ha
OP planted area	41,527.85
OP planted on peat	9,418.3619
Conservation (forested)	8.50
Conservation (non-forested)	1,692.42

#### Summary of Field Emissions and Sinks

	Own Crop		Group		3 <sup>rd</sup> party	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB
<b>Emissions</b>						
Land Conversion	39,896.01	0.66	51,582.37	0.59	11,446.03	4.18
*CO <sub>2</sub> Emissions from Fertilizer	2,871.90	0.05	3,286.69	0.05	164.60	0.06
**N <sub>2</sub> O Emissions	6,142.87	0.10	7,824.94	0.19	12,155.16	4.44
Fuel Consumption	532.09	0.01	2,000.00	0.02	0	0
Peat Oxidation	22,071.50	0.36	39,913.31	1.17	87,802.26	32.08
<b>Sinks</b>						
Crop Sequestration	-39,232.31	-0.65	-75,254.06	-0.86	-15,054.60	-5.50
Conservation Sequestration	0	0	-0.12	0	0	0
<b>Total</b>	<b>32,282.06</b>	<b>0.53</b>	<b>29,353.13</b>	<b>1.16</b>	<b>96,518.24</b>	<b>35.27</b>

#### Summary Oil Mill Emissions and Credits

	tCO <sub>2</sub> e	tCo <sub>2</sub> e/t FFB
<b>Emissions</b>		
POME	30,675.89	0.2
Fuel Consumption	661.99	0
Grid Electricity Utilization	0	0
<b>Credits</b>		
Export of Grid Electricity	0	0
Sales of PKS	-4,979.30	-0.03
Sales of EFB	0	0
<b>Total</b>	<b>26,358.58</b>	<b>0.17</b>

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

Divert to compst	0%
Divert to anaerobic digestion	10%

#### POME Divert to Anaerobic Digestion

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

**1.14 Progress of associated smallholders or outgrowers towards RSPO compliance**

During 1st surveillance, SS associated smallholder i.e.: Dewa Makmur associated smallholder was include in this surveillance audit, for further explanation related associated smallholder audit result already explained in public summary.

**1.15 Approximate Tonnages Certified of Sumber Sawit Palm Oil Mill**

The approximate tonnages certified, based on projection year 2017 for certified supply based only:

Crude Palm Oil (CPO) : 47,333.52 tonne      Palm Kernel (PK)                      : 11,269.89 tonne

**1.16 Recommendation for RSPO Principles and Criteria and Supply Chain Certification**

Sumber Sawit Palm Oil Mill and supply based has established and maintains an effective system to ensure compliance with the RSPO Principles and Criteria. The audit team has confirmed through the audit process that company practices complies with adequately maintains and implements the requirements of RSPO principles and criteria Generic INA-NI 2016 and Supply Chain Certification System requirements (dated November 2014).

TUV Rheinland Indoneisa recommends that Sumber Sawit Palm Oil Mill to be approved to get certification of compliance RSPO Certified Sustainable Palm Oil.

## 2.0 ASSESSMENT PROCESS

### 2.1 Certification Body

TUV Rheinland Indonesia is member of Group TÜV Rheinland Group, a global leader in independent testing and assessment services. The TÜV Rheinland Group was established in 1872 with offices located in over 360 locations in 62 countries on all five continents. TUV Rheinland Indonesia offers certification for a wide range of management systems according to established international standards including ISO 9001, ISO 14001, OHSAS 18001, SA 8000, as well as CDM Project Validations and Verifications. TUV Rheinland Indonesia's office is located in Jakarta, Indonesia.

### 2.2 Qualifications of Lead Assessor and Assessment Team

The assessment team members of this certification assessment audit that were part of the same assessment team for the certification audit are as per the table below:

1. Mhd Fundy C Kurniawan
2. Naik Monang Parlindungan Lingga

New Assessment team members that were not of the previous assessment team are as per table below:

Name	Position	Qualifications / Experience
Carol NG	Auditor	<p><b>Education:</b> B.Sc. Biotechnology &amp; B.Sc. Environmental Management - Monash University.</p> <p><b>Trainings attended:</b> RSPO Lead Auditor Course – Wildasia; RSPO Supply Chain Certification Systems training course – David Ogg &amp; Partners; RSPO Malaysian National Interpretation Requirements and Certification – SIRIM; Implementation of RSPO Principles &amp; Criteria - QA Plus; RSPO Stepwise Support Programme - Proforest/WildAsia; OHSAS18001:2007 Auditor/Lead Auditor Training – Neville Clarke; ISO14001 Auditor/ Lead Auditor Training – Neville Clarke; SA8000 5 Day Basic Auditor Course – Global Group; Elaborating on the RSPO P&amp;C Social and Labour Standards and the Mechanics of Social Auditing Workshop – Verité; Certification Body Biodiversity Forum &amp; Work-shop – RSPO; 2nd Biodiversity Seminar – RSPO; Environmental Quality Act 1974 – Department of Environment; ISCC System Certification Seminar &amp; ISCC System GHG Training – ISCC.</p> <p><b>Working experience:</b> RSPO Lead Auditor (since March 2015), CDM Auditor (since year 2012), Assistant Manager (since year 2012) and Project Engineer (since year 2009) for TUV Rheinland Malaysia; currently responsible for conducting and coordinating RSPO certification projects; previous experience in year 2009 in implementing sustainable practices in Sime Darby plantations to comply with RSPO requirements, performing RSPO internal audits and implementing sustainability projects. Prepared training materials and conducted several RSPO requirements trainings and workshops to plantation management teams (2008).</p>
Panggading Nainggolan	Auditor	<p><b>Education:</b> Bachelor of Agriculture, Bogor Agricultural Institute</p> <p><b>Trainings attended:</b> Indonesian Sustainable Palm Oil (ISPO) Auditor Training, Sustainable Forest Management (Bogor, 2013).</p> <p><b>Working Experience:</b> Trainer for community development and entrepreneurship projects and motivator for micro business entrepreneurship program since 1999, experience as expert of micro business development (1995-2006), team leader of community development program (2006-2012), program manager of corporate social responsibility in PT Aneka Tambang (2012) and PT Timah (2013), ISPO Auditor since 2014, SFM Auditor since 2013, Agriculture Expert for ANDAL and AMDAL since 2008.</p>
Mochamad	Auditor	<p><b>Education:</b> Bachelor of Social, Social Science and Political Institute, Ja-</p>

Anwar		<p>karta.  <b>Trainings attended:</b> RSPO in house training by Mutu Agung Lestari, ISPO training by ISPO Commission and QHSE Awareness QHSE (management system review dan integrated management system concept ISO 9001, 14001, OHSAS).  <b>Working experience:</b> National Commission for Children Protection (Komisi Nasional Perlindungan Anak) – Public Relation and Staff Education program – Common Ground Indonesia, Reporter on “Global Informasi Bermutu”, Producer on Netwave Multimedia, Producer on “Satu Visi Per-kasa Produksi”, Project Supervisor on Surya Solusi Informasi and Auditor for ISPO &amp; RSPO.</p>
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### 2.3 Assessment Methodology & Agenda

The certification audit assessment combined with supply chain certification assessment was conducted from February 20 – 24, 2017 with some date with closing meeting, as per the assessment program below. Information of Public consultation of Sumber Sawit Palm Oil Mill and supply based has explained in appendix below.

The assessment was carried out in accordance with TUV Rheinland Indonesia RSPO audit procedure as well as the RSPO Certification Systems document and RSPO Supply Chain Certification Systems document. During assessment, the qualified TUV Rheinland assessors used the RSPO standard as endorsed for the country in which the assessment took place and recorded their findings.

Due to the location and proximity of the estates, combined with common management systems, it was possible to carry out both field and document assessments of all estates and the mill within the time frame without compromising the integrity of the assessment in anyway.

Three estate and one mill were visited and the assessment team carried out field and document assessments of compliance to all the RSPO principles and criteria. Common systems were identified and specific evidence was recorded for individual estates. Interviews were conducted at all estates and the mill.

The company proposed the correction and corrective action for all identified non conformities raised to the certification body 30 days after the closing meeting. Document checks to verify closure of major non-conformances was conducted and implementation of corrective actions for minor non-conformities will be verified during the next surveillance audit. The certifications assessment agenda is as explained below.

#### Certification Assessment Agenda

Date	Location/ Main sites	Main activities
20/02/2017	Sumber Sawit Palm Oil Mill	<p>Document verification related previously audit; Production records for 2016; Mass balance records; SCC Module E; FFB third party; law and regulation compliance, OSH, GHG calculation. Mill Standard Operating Procedures and work instructions, internal audit records (audit plan, audit team and findings), water monitoring records, waste identification, waste management plan, hazardous waste monitoring, fossil fuel and renewable energy monitoring records, POME application analysis records.</p> <p>On-site-Visit: loading ramp station, sterilizer station, thresher station, boiler station, temporary storage of hazardous and toxic waste, workshop; Mill workshop, hazardous waste store.</p> <p>Interviews: EHS staff, operator loader, operator boiler, truck driver, operator thresher, operator sterilizer, temporary storage of hazardous and toxic waste officer; Mill manager, mill assistants, sustainability team, mill workshop supervisor.</p>
21/02/2017	Sumber Sawit Estate; Inti Permata Bunda Dua	<p>Legal land entity (land use rights); Permission to undertake palm oil plantation (IUP); Hectare statement; Production records; Budget projection and business plan for three years; HCV assessment and implementation; New planting procedure and planting since November 2005. Chemical, OSH, training, waste management, energy efficiency, zero burning activity, emission and pollution and continuous improvement. Estate standard operating procedures and work instructions, internal audit records, estates maps (soil map, topog-</p>

		<p>raphy map, slope map, hydrology map), fertilizer recommendations and application records, leaf and soil analysis records, peat subsidence &amp; water level monitoring records, road maintenance program and implementation records, water management plan, IPM monitoring and training records, chemical usage records, Environmental Impact Assessment (AMDAL), agronomy &amp; continuous improvement report.</p> <p>On-Site-Visit: EHS staff, document control, GHG staff, HRD, Estate manager; Sumber Sawit estate: Peat area water level monitoring points (P01 (Block 85C), P02 (Block 86C), P07 (Block 84B) and P08 (Block 83A)), water collection pond (Block 072A), EFB applications areas (Block 81). IPBD Estate: Land application area (Blocks 64 &amp; 65), peat subsidence monitoring point (block 66).</p>
22/02/2017	Hikmah Tiga	<p>Legal land entity (land use rights); Permission to undertake palm oil plantation (IUP); Hectare statement; Production records; Budget projection and business plan for three years; HCV assessment and implementation; New planting procedure and planting since November 2005. Estate standard operating procedures and work instructions, internal audit records, estates maps (soil map, topography map, slope map, hydrology map), fertilizer recommendations and application records, leaf and soil analysis records, peat subsidence &amp; water level monitoring records, road maintenance program and implementation records, IPM monitoring and training records, chemical usage records, Environmental Impact Assessment (AMDAL), agronomy &amp; continuous improvement report, fire emergency response simulation records.</p>
23/02/2017	Sumber Sawitl , IPBD Estate; Hikmah Lima and Dewa Makmur Smallholder	<p>Legal land entity (land use rights); Permission to undertake palm oil plantation (IUP); Hectare statement; Production records; Budget projection and business plan for three years; HCV assessment and implementation; New planting procedure and planting since November 2005; Dewa Makmur hectare statement, year of planting, LUC analysis for smallholder.</p> <p>Fertilizer Block 119B &amp; 119C, owl cage (Block 118C), pillar stone No. 31&amp; No. 35, peat area Block 86C, temporary storage of hazardous and toxic waste, Clinic, pesticide and chemical storage</p> <p>IPBD Estate: rinse house, peat land Blok 66B, peat subsidence Block 66C, land application Block 65.</p> <p>Site visit – Dewa Makmur scheme: 2013 planting (Block 189D), water level monitoring point (block 174).</p> <p>Site visit – Hikmah 3 estate: Sloped/elevated areas (blocks 119-123, 136 &amp; 137), IPM planting areas (block, 109 and 120), boundary stone (block 120).</p> <p>Interviews: Estate assistants, field mandores, contracted workers from Dewa Makmur village (maintenance workers, sprayers, IPM census workers and harvesters), head of smallholder scheme (KUD head).</p>

**Certification Audit Plan for 1st Surveillance**

Date/Time	Organizational Unit and Process	Auditor/ Abbrev.	Interviewee	Procedure, INA-NI RSPO P&C, RSPO SCCS Requirement
<b>Monday, February 20, 2017</b>				
..... - .....	Flight Kuala Lumpur – Jakarta	CN	-	.....
07.35 – 08.45	Flight Jakarta – Palembang	MK, NM, PN, MA	-	<b>GA 102</b>
09.00 – 12.00	Travelling Palembang – field location	All auditor	-	-

**1st RSPO Surveillance Assessment Report  
PT Gunung Tua Abadi – Sumber Sawit Palm Oil Mill  
South Sumatera Province, Indonesia**

Date/Time	Organizational Unit and Process	Auditor/ Abbrev.	Interviewee	Procedure, INA-NI RSPO P&C, RSPO SCCS Requirement
14.00 – 14.30	<ul style="list-style-type: none"> <li>Opening meeting</li> <li>Team audit introduction</li> <li>Presentation of last NCR progress</li> </ul>	All auditor	Management Representative/ Related PIC/Manager	
14.35 – 17.30 Sumber Sawit Plam Oil Mill	Document Checking: <ul style="list-style-type: none"> <li>SCCS Module E</li> <li>Mill legality</li> <li>Budget and projection</li> <li>FFB third party</li> <li>Environmental management/EIA</li> </ul>	MK	Management Representative/ Related PIC/Manager	Principle and Criteria: Module E 3 4.1.4 5.1
14.35 – 17.30 Sumber Sawit Plam Oil Mill	Document Checking: <ul style="list-style-type: none"> <li>Procedures implementation</li> <li>Water management</li> <li>Waste management</li> <li>Continuous improvement</li> </ul>	CN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.1 4.4 5.3; 5.4; 5.5
14.35 – 17.30 Sumber Sawit Plam Oil Mill	Document Checking: <ul style="list-style-type: none"> <li>Law and regulation compliance</li> <li>OHS</li> <li>GHG Calculation</li> <li>Continuous improvement</li> </ul>	MN	Management Representative/ Related PIC/Manager	Principle and Criteria: 2.1 4.7; 4.8 5.6 8
14.35 – 17.30 Sumber Sawit Plam Oil Mill	Document Checking: <ul style="list-style-type: none"> <li>Transparency</li> <li>Law and regulation compliance against to workers welfare</li> <li>Social and welfare workers</li> <li>CSR</li> <li>Continuous improvement</li> </ul>	PN	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.1; 1.2 2.1 6.1; 6.2; 6.3; 6.4; 6.12; 6.13 8
14.35 – 17.30 Sumber Sawit Plam Oil Mill	Document Checking: <ul style="list-style-type: none"> <li>Code of ethical conduct</li> <li>Law and regulation compliance against to workers welfare</li> <li>Social and welfare workers</li> <li>Continuous improvement</li> </ul>	MA	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.3 2.1 6.5; 6.6; 6.7; 6.8; 6.9; 6.10, 6.11
17.35 – .....	End of 1st day audit			
<b>Tuesday, February 21, 2017</b>				
08.00 – 12.00 Sumber Sawit Estate	Checking document about : <ul style="list-style-type: none"> <li>Legal regulation compliance and evaluation</li> <li>Legal land use rights</li> <li>Long term economic/budget</li> <li>Third party mechanism</li> <li>Environmental document</li> <li>HCV assessment</li> <li>NPP Implementation</li> </ul>	MK	Management Representative/ Related PIC/Manager	Principle and Criteria: 2.1; 2.2 3 4.1.4 5.1; 5.2 7.3; 7.5; 7.8
08.00 – 12.00 Sumber Sawit Estate	Checking document related : <ul style="list-style-type: none"> <li>Procedure implementation and evaluation</li> <li>Soil fertility</li> <li>Soil erosion</li> <li>Water management</li> <li>IPM</li> <li>NPP Implementation</li> <li>Continuous improvement</li> </ul>	CN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.1; 4.2; 4.3; 4.4; 4.5 7.2; 7.4 8
08.00 – 12.00 Sumber Sawit Estate	Checking documents related : <ul style="list-style-type: none"> <li>Chemical used</li> <li>OSH</li> <li>Training</li> <li>Waste management</li> <li>Energy efficiency</li> <li>Zero burning activity</li> </ul>	MN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.6; 4.7; 4.8 5.3; 5.4; 5.5; 5.6 8

**1st RSPO Surveillance Assessment Report  
PT Gunung Tua Abadi – Sumber Sawit Palm Oil Mill  
South Sumatera Province, Indonesia**

Date/Time	Organizational Unit and Process	Auditor/Abbrev.	Interviewee	Procedure, INA-NI RSPO P&C, RSPO SCCS Requirement
	<ul style="list-style-type: none"> <li>Emission, pollution, and GHG identification, mitigation</li> <li>Continuous Improvement</li> </ul>			
08.00 – 12.00 Sumber Sawit Estate	Checking documents related : <ul style="list-style-type: none"> <li>Transparency</li> <li>Land dispute/conflict if any</li> <li>Social; workers welfare and workers issue</li> <li>CSR</li> <li>NPP Implementation</li> <li>Continuous Improvement</li> </ul>	PN	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.1; 1.2 2.1 2.3 6.1; 6.2; 6.3; 6.4; 6.12; 6.13 7.1; 7.7 8 <b>Field visit will apply for Social Auditor Only.</b>
08.00 – 12.00 Sumber Sawit Estate	Document Checking: <ul style="list-style-type: none"> <li>Code of ethical conduct</li> <li>Law and regulation compliance against to workers welfare</li> <li>Social; workers welfare and workers issue</li> <li>NPP Implementation</li> <li>Continuous improvement</li> </ul>	MA	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.3 2.1 6.5; 6.6; 6.7; 6.8; 6.9; 6.10, 6.11 7.6 8 <b>Field visit will apply for Social Auditor Only.</b>
12.00 – 13.30	Break time	All auditor		
13.30 – 18.00 IPBD Estate	Checking document about : <ul style="list-style-type: none"> <li>Legal regulation compliance and evaluation</li> <li>Legal land use rights</li> <li>Long term economic/budget</li> <li>Third party mechanism</li> <li>Environmental document</li> <li>HCV assessment</li> <li>NPP Implementation</li> </ul>	MK	Management Representative/ Related PIC/Manager	Principle and Criteria: 2.1; 2,2 3 4.1.4 5.1; 5.2 7.3; 7.5; 7.8
13.30 – 18.00 IPBD Estate	Checking document related : <ul style="list-style-type: none"> <li>Procedure implementation and evaluation</li> <li>Soil fertility</li> <li>Soil erosion</li> <li>Water management</li> <li>IPM</li> <li>NPP Implementation</li> <li>Continuous improvement</li> </ul>	CN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.1; 4.2; 4.3; 4.4; 4.5 7.2; 7.4 8
13.30 – 18.00 IPBD Estate	Checking documents related : <ul style="list-style-type: none"> <li>Chemical used</li> <li>OSH</li> <li>Training</li> <li>Waste management</li> <li>Energy efficiency</li> <li>Zero burning activity</li> <li>Emission, pollution, and GHG identification, mitigation</li> <li>Continuous Improvement</li> </ul>	MN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.6; 4.7; 4.8 5.3; 5.4; 5.5; 5.6 8
13.30 – 18.00 IPBD Estate	Checking documents related : <ul style="list-style-type: none"> <li>Transparency</li> <li>Land dispute/conflict if any</li> <li>Social; workers welfare and workers issue</li> <li>CSR</li> <li>NPP Implementation</li> </ul>	PN	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.1; 1.2 2.1 2.3 6.1; 6.2; 6.3; 6.4; 6.12; 6.13 7.1; 7.7 8

**1st RSPO Surveillance Assessment Report  
PT Gunung Tua Abadi – Sumber Sawit Palm Oil Mill  
South Sumatera Province, Indonesia**

Date/Time	Organizational Unit and Process	Auditor/ Abbrev.	Interviewee	Procedure, INA-NI RSPO P&C, RSPO SCCS Requirement
	<ul style="list-style-type: none"> <li>Continuous Improvement</li> </ul>			<b>Field visit will apply for Social Auditor Only.</b>
13.30 – 18.00 IPBD Estate	Document Checking: <ul style="list-style-type: none"> <li>Code of ethical conduct</li> <li>Law and regulation compliance against to workers welfare</li> <li>Social; workers welfare and workers issue</li> <li>NPP Implementation</li> <li>Continuous improvement</li> </ul>	MA	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.3 2.1 6.5; 6.6; 6.7; 6.8; 6.9; 6.10, 6.11 7.6 8  <b>Field visit will apply for Social Auditor Only.</b>
18.15 – .....	End of 2nd day audit			
<b>Wednesday, February 22, 2017</b>				
08.00 – 12.00 Hikmah Tiga	Checking documents related : <ul style="list-style-type: none"> <li>Legal regulation compliance and evaluation</li> <li>Legal land use rights</li> <li>Long term economic/budget</li> <li>Environmental document</li> <li>HCV assessment</li> <li>NPP Implementation</li> </ul>	MK	Management Representative/ Related PIC/Manager	Principle and Criteria: 2.1; 2,2 3 5.1; 5.2 7.3; 7.5; 7.8
08.00 – 12.00 Hikmah Tiga	Checking documents related : <ul style="list-style-type: none"> <li>Procedure implementation and evaluation</li> <li>Soil fertility</li> <li>Soil erosion</li> <li>Water management</li> <li>IPM</li> <li>NPP Implementation</li> <li>Continuous improvement</li> </ul>	CN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.1; 4.2; 4.3; 4.4; 4.5 7.2; 7.4 8
08.00 – 12.00 Hikmah Tiga	Checking documents related : <ul style="list-style-type: none"> <li>Chemical used</li> <li>OSH</li> <li>Training</li> <li>Waste management</li> <li>Energy efficiency</li> <li>Zero burning activity</li> <li>Emission, pollution, and GHG identification, mitigation</li> <li>Continuous Improvement</li> </ul>	MN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.6; 4.7; 4.8 5.3; 5.4; 5.5; 5.6 8
08.00 – 12.00 Hikmah Tiga	Checking documents related : <ul style="list-style-type: none"> <li>Transparency</li> <li>Land dispute/conflict if any</li> <li>Social; workers welfare and workers issue</li> <li>CSR</li> <li>NPP Implementation</li> <li>Continuous Improvement</li> </ul>	PN	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.1; 1.2 2.1 2.3 6.1; 6.2; 6.3; 6.4; 6.12; 6.13 7.1; 7.7 8
08.00 – 12.00 Hikmah Tiga	Document Checking: <ul style="list-style-type: none"> <li>Code of ethical conduct</li> <li>Law and regulation compliance against to workers welfare</li> <li>Social; workers welfare and workers issue</li> <li>NPP Implementation</li> <li>Continuous improvement</li> </ul>	MA	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.3 2.1 6.5; 6.6; 6.7; 6.8; 6.9; 6.10, 6.11 7.6
12.00 – 13.30	Break and Pray	All auditor		

Date/Time	Organizational Unit and Process	Auditor/ Abbrev.	Interviewee	Procedure, INA-NI RSPO P&C, RSPO SCCS Re- quirement
13.30 – 18.00 Hikmah Lima Estate & Plasma KUD Dewa Makmur	Checking document about : <ul style="list-style-type: none"> <li>• Legal regulation compliance and evaluation</li> <li>• Legal land use rights</li> <li>• Long term economic/budget</li> <li>• Third party mechanism</li> <li>• Environmental document</li> <li>• HCV assessment</li> <li>• NPP Implementation</li> </ul>	MK	Management Representative/ Related PIC/Manager	Principle and Criteria: 2.1; 2,2 3 4.1.4 5.1; 5.2 7.3; 7.5; 7.8
13.30 – 18.00 Hikmah Lima Estate & Plasma KUD Dewa Makmur	Checking document related : <ul style="list-style-type: none"> <li>• Procedure implementation and evaluation</li> <li>• Soil fertility</li> <li>• Soil erosion</li> <li>• Water management</li> <li>• IPM</li> <li>• NPP Implementation</li> <li>• Continuous improvement</li> </ul>	CN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.1; 4.2; 4.3; 4.4; 4.5 7.2; 7.4 8
13.30 – 18.00 Hikmah Lima Estate & Plasma KUD Dewa Makmur	Checking documents related : <ul style="list-style-type: none"> <li>• Chemical used</li> <li>• OSH</li> <li>• Training</li> <li>• Waste management</li> <li>• Energy efficiency</li> <li>• Zero burning activity</li> <li>• Emission, pollution, and GHG identification, mitigation</li> <li>• Continuous Improvement</li> </ul>	MN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.6; 4.7; 4.8 5.3; 5.4; 5.5; 5.6 8
13.30 – 18.00 Hikmah Lima Estate & Plasma KUD Dewa Makmur	Checking documents related : <ul style="list-style-type: none"> <li>• Transparency</li> <li>• Land dispute/conflict if any</li> <li>• Social; workers welfare and workers issue</li> <li>• CSR</li> <li>• NPP Implementation</li> <li>• Continuous Improvement</li> </ul>	PN	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.1; 1.2 2.1 2.3 6.1; 6.2; 6.3; 6.4; 6.12; 6.13 7.1; 7.7 8
13.30 – 18.00 Hikmah Lima Estate & Plasma KUD Dewa Makmur	Document Checking: <ul style="list-style-type: none"> <li>• Code of ethical conduct</li> <li>• Law and regulation compliance against to workers welfare</li> <li>• Social; workers welfare and workers issue</li> <li>• NPP Implementation</li> <li>• Continuous improvement</li> </ul>	MA	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.3 2.1 6.5; 6.6; 6.7; 6.8; 6.9; 6.10, 6.11 7.6
17.35 - .....	End of 3rd day audit			
<b>Thursday, February 23, 2017</b>				
Hikmah Tiga, Hikmah Lima & KUD Plasma Dewa Makmur	On site Visit : <ul style="list-style-type: none"> <li>• Legal regulation compliance and evaluation</li> <li>• Legal land use rights</li> <li>• Long term economic/budget</li> <li>• Environmental document</li> <li>• HCV assessment</li> <li>• NPP Implementation</li> </ul>	MK	Management Representative/ Related PIC/Manager	Principle and Criteria: 2.1; 2,2 3 5.1; 5.2 7.3; 7.5; 7.8
Hikmah Tiga & Hikmah Lima	On site Visit : <ul style="list-style-type: none"> <li>• Procedure implementation and evaluation</li> <li>• Soil fertility</li> <li>• Soil erosion</li> <li>• Water management</li> </ul>	CN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.1; 4.2; 4.3; 4.4; 4.5 7.2; 7.4 8

Date/Time	Organizational Unit and Process	Auditor/ Abbrev.	Interviewee	Procedure, INA-NI RSPO P&C, RSPO SCCS Re- quirement
	<ul style="list-style-type: none"> <li>• IPM</li> <li>• NPP Implementation</li> <li>• Continuous improvement</li> </ul>			
Sumber Sawit & IPBD	On site Visit : <ul style="list-style-type: none"> <li>• Chemical used</li> <li>• OSH</li> <li>• Training</li> <li>• Waste management</li> <li>• Energy efficiency</li> <li>• Zero burning activity</li> <li>• Emission, pollution, and GHG identification, mitigation</li> <li>• Continuous Improvement</li> </ul>	MN	Management Representative/ Related PIC/Manager	Principle and Criteria: 4.6; 4.7; 4.8 5.3; 5.4; 5.5; 5.6 8
Hikmah Tiga, Hikmah Lima & KUD Plasma Dewa Makmur	Checking documents related : <ul style="list-style-type: none"> <li>• Transparency</li> <li>• Land dispute/conflict if any</li> <li>• Social; workers welfare and workers issue</li> <li>• CSR</li> <li>• NPP Implementation</li> <li>• Continuous Improvement</li> </ul>	PN	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.1; 1.2 2.1 2.3 6.1; 6.2; 6.3; 6.4; 6.12; 6.13 7.1; 7.7 8
Hikmah Tiga, Hikmah Lima & KUD Plasma Dewa Makmur	Document Checking: <ul style="list-style-type: none"> <li>• Code of ethical conduct</li> <li>• Law and regulation compliance against to workers welfare</li> <li>• Social; workers welfare and workers issue</li> <li>• NPP Implementation</li> <li>• Continuous improvement</li> </ul>	MA	Management Representative/ Related PIC/Manager	Principle and Criteria: 1.3 2.1 6.5; 6.6; 6.7; 6.8; 6.9; 6.10, 6.11 7.6
12.00 – 13.30	Break and Pray	All auditor		
13.30 – 17.00	Continue agenda audit	All auditor	Management Representative/ Related PIC/Manager	
17.35 - .....	End of 4th day audit	All auditor		
21.00 – .....	Closing Meeting	All auditor		
<b>Friday, February 24, 2017</b>				
08.00 – .....	Closing meeting	All auditor	Management Representative/ Related PIC/Manager	
09.00 – .....	Travelling to Palembang	All auditor		
..... - .....	Flight Palembang – Kuala Lumpur	CN		.....
18.10 – 19.20	Flight Palembang – Jakarta	MK, NM, PN, MA	-	<b>GA117</b>

#### 2.4 Stakeholder Consultation and Stakeholders Contacted

The stakeholder consultation involved both external and internal stakeholders. External stakeholders were notified to make comments on the certification assessment by placing an invitation to comment on the RSPO website. Stakeholders included those immediately linked with the operation of the company such employees, out-growers, the local government, NGO's, trade and labour unions and local communities.

Stakeholder consultation took place in the form of meetings and interviews. Meetings with stakeholders were held to seek their views on the performance of the company with respect to the sustainability practices outlined in the RSPO Principles & Criteria, and to comment on aspects where improvements could be made. Meetings with local communities were held at their respective premises within and near the company's area. A stakeholder consultation meeting was carried out during 1st surveillance in accordance to audit agenda and audit time as explained above. Letters inviting individual stakeholders to the stakeholder consultation meeting were prepared and sent to the individual stakeholders, while electronic mail and telephone calls were made to arrange the meetings.

In all the interviews and meeting, the objectives of the RSPO and the purpose of the assessment was clarified at the outset followed by an evaluation of the relationship between the stakeholders and the company before discussion proceeded to obtain the stakeholders feedback on the company's compliance to different aspects of the RSPO Principles & Criteria. Although several stakeholders were not familiar with RSPO but they agreed with its objective and expressed their willingness to collaborate in the promotion of sustainable palm oil in South Sumatera province. In all interviews and meeting, the assessment team did not restrict discussion of both the positive and negative aspects of operations conducted by PT Gunung Tua Abadi estates and mill. The list of stakeholders that attended the stakeholder consultation meeting and stakeholders interviewed during the 1st surveillance assessment is included as Appendix 3.

**2.5 Date of Next Surveillance Visit**

The next surveillance visit will planned in 2018.

### 3.0 ASSESSMENT FINDINGS

#### 3.1 Summary of Findings pertaining to RSPO Principles & Criteria

The following is a summary of findings made for the criteria listed in the RSPO Principles & Criteria INA-NI 2016 and RSPO Supply Chain Certification System November 2014.

During the 1st surveillance assessment, found 42 nonconformity, consist of 26 non-conformities were assigned against Major Compliance (include several NCR raised again during surveillance); indicators while 16 non-conformities was assigned against a Minor Compliance Indicator. Further explanation of the non-conformities raised and corrective actions taken by the company are provided in Section 3.2 & 3.3. The observations & opportunities for improvement are listed in Appendix 5.

**Criterion 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.**

**Findings:**

Management PT GTA has commitment to provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders, it was stated on the IMS Procedure PSAG-RO-CAS-08 rev.08. PT GTA has indicated relevant stakeholder that affected to operational plantation and also mills, such as Estate Official Government, Environmental Official Government, Head of Villages, Head of Sub-district, Community Leaders, Tributary Leaders, NGO, Contractors, representative from workers, FFB suppliers, smallholder representative, etc. The list of stakeholder will be updated every 6 months.

All records of incoming request of information keep maintained by Corporate, Affair and Legal (CAL) department and notified on Log Book of Stakeholder Communication (LB-SAG-RO-CAS-080001). Unit head records incoming letter from external parties, CAL department distribute to relevant section in estate or mill regarding the information requested or relevant issue. Sustainability department is responsible to handle issue related to product quality, environment, safety and health. CAL will response to requesting parties after get confirmation from respective section. The response for incoming request of information will be given 14 days after request come as stated on IMS prosedur P-SAG-RO-CAS-08 rev.08 dated November 01, 2015.

Records for information and response receipt by company, i.e.:

1. Letter from the chaplain of the Christian Church of Tabernacles on November 30, 2016 concerning requests for zinc and timber relief, reprisals from management by providing assistance of 30 sheets of zinc and 30 logs dated December 01, 2016.
2. Letter from the Principal of SDN 3 Balian to TH III Estate Management regarding request for the help of a water pump device (robin pump) on February 04, 2017, response letter from management No. 0119/HT/II/2017 from management to Principal of SDN 03 approval of robin pump lending to SDN 03 on February 07, 2017.
3. Proposal letter for Police office construction submitted from Head of Pagar Dewa Village to management date 07/10/2016 responses with the provision of aid funds for the construction of a police office of Rp 15,000,000, dated December 14, 2016.

**Compliance status:** Yes

**Criterion 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.**

**Findings:**

The IMS Porcedure P-SAG-RO-CAS-08 rev.2 dated November 1st,

**Compliance status:** Yes

2015 section 7.1.4 state informations and document that can publicly available include but not limited to:

- a. Land titles/user rights Legal boundaries ,land use, classification, total area, grant title, permit validity ,
- b. Occupational health and safety plans risk assessment and mitigation ,emergency response plan, training, accident records
- c. Plans and impact assessments relating to environmental and social impacts main social and environmental impacts and mitigation measures,
- d. Nature of complaints, parties involved, status of case
- e. Identification on HCV areas, maps, management and monitoring HCV
- f. Identification of pollutants, management and reduction measures
- g. SOP, consultative, neutral, inclusiveness, timeframe, Audit report
- h. Human Rights Policy
- i. All information about all available for public

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

**Findings:**

Management Sampoerna Agro as holding company has determined a policy committing to a code of ethical conduct and integrity in all operations and transactions. The policy was signed by Sampoerna Agro Chief Executive Office on July 1st, 2015. Management commit to conduct all business in ethical and full integrity following the corporate vision mission and the culture of Sampoerna Way.

The policy include information about respect of fair conduct of business, prohibition of all forms of corruption, bribery and fraudulent use of funds and resources and proper disclosure of information in accordance with applicable regulations and accepted industry practices. The policy has been available on

the Bahasa and was communicated to all workers on July 05, 2015 and clearly understood by staff from all level, including local business, contractor and supplier s. It was sight during the main audit, records of socialization of the policy dated September 21, 2015 to housing contractor (CV Bangun Boswa), Dabek Makmur villages, 21 participant from heavy equipment contractors.

Records of communication and socialization were available such as list of participant, photographs and minutes of meeting.

**Compliance status:** Yes

**Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.**

**Findings:**

The Company has procedures of legal and other requirements with numbers of procedure No. P-SAG-RO-SUS-07 issued dated October 30, 2015 revision 02. The procedures explained that the implementation of the evaluation conducted once a year (FM-SAG-RO-SUS-070001). The company has been updating Identification of regulation about OHSAS, Environmental, Plantation and other related requirements for year 2016.

The Company has a copy of each registered regulations in the identification of regulation about OHSAS, Environmental, Plantation and other related requirements. In the list of regulation has been included about regulation of international, national, local government and province regulation. The list of rules and regulations are available a list of document distribution to all levels of management. The company has been

**Compliance status:** No

NCR No RSPO00886

conducted an audit for compliance with laws and regulations in July 2016.

The Company has procedures of legal and other requirements with numbers of procedure No. P-SAG-RO-SUS-07 issued dated October 30, 2015 revision 02. The procedure explained the unit to be responsible for the identification and evaluation of laws and regulations is Sustainability and assisted by CAS Department and the HRS Department. The procedure listed about information resources for identification and evaluation of changes in regulations can be found through browsing on the internet and ask for help of CAS Department and HRS Department to get information updates.

The company has effort to comply with law and regulation. Company also has copied of legal and regulation, and this document kept by each department. Some evidences to comply with law and regulation such as:

Sumber Sawit Palm Oil Mill and Sumber Sawit Estate:

During the 1st surveillance, Sumber Sawit palm oil mill still exist and established the license permit for palm oil mill accordance to the license No.003/PTSP-BPPM/IUP/XII/2015 from *Kepala Badan Perizinan dan Penanaman Modal Kabupaten Ogan Komering Ilir*, with total area for palm oil plantation about 5,032 based on land use rights certificate No.03 (2003), 14 (2004), 15 (2005) belong to Sumber Sawit Estate, located in Sungai Sodong, Balian, Embacang, dan Dabuk Makmur, with palm oil mill production capacity per hours 60 tonne. This license issued on December 04, 2015 in Kayuagung. Based on production records for 2016, total FFB processing (throughput) was 61.99 tonne/hours. This is still compliance with the license, because the license still allowed production up until 30%, but if upper so the mill should revised the license. But found some non compliance of the mill against to the regulation, such as:

- Hazardous management store, whereas the hazardous not completed with hazardous lable and symbol accordance to the regulation No. 14/2003 about hazardous symbol and lable.
- Found hazardous contaminated gloove in workshop but not disposed as hazardous waste as mentioned in the hazardous waste procedure.

Both of the noncompliance above, **has raised as nonconformity under RSPO00886.**

Inti Permata Bunda Dua Estate:

IPBD estate has record of list law and regulation as guidelines for company related all activity in estate such as estate, workers, environmental and others. The document showed the article should be fulfilled and level of requirement.

Another company effort to comply with applicable of legal requirements such as:

1. Hazardous waste temporary permit No. 681/KEP/B.LH/2015, valid for 3 years until September 10, 2016 with type of hazardous waste to be allowed all of hazardous waste result from all estate activity, with 180 days for storage.
2. Renewal of Land application based on Decree of Head of Regent of Ogan Komering Ilir No. 660.1/31/KEP/B.LH/2014, valid for 3 years since the issued on June 30, 2014, with field number for land application was 68, 69 and P1 located in PT Gunung Tua Abadi and field number 64 and 65 in PT Mutiara Bunda Jaya, with total area for land application about 300 Ha.
3. Plantation permit No.029/KEP/D.PERKE/2009, this permit covered for 12,500 Ha areas for palm oil plantation, located in Tanjung Sari I, Tanjung Sari II, Tanjung Sari III villages, Rantau Durian II,

Lempuing Jaya District and Cinta Jaya village. IPBD estate located inside this permit.

Hikmah Tiga dan Hikmah Lima Estate:

During surveillance, both of estate has licensed for plantation permit accordance to the Decree of Ogan Komering Ilir Head district for Permission to undertake plantation activities (IUP) under PT Telaga Hikmah with covered area total about 16,588.93 Ha (this concession area also include for Hikmah Tiga and Hikmah Lima estate). This license only mentioned for plantation development. This license issued on August 24, 2011.

Dewa Makmur Smallholder:

Head Decree of Ogan Komering Ilir No. 165/KEP/D.Perke/2009 dated on March 19, 2009 about assignment of smallholder member (Calon Petani Peserta Plasma/CPCL). Based on decree, total area for smallholder area is about 2,000 Ha with total member about 1,000 member (Kepala Keluarga). This decree also mentioned about name, total area per member, address of all member candidate.

Some things which does not comply with relevant regulation, such as:

- The Company has not conduct special medical examinations (Cholinesterase) against spraying operators in accordance with Permenaker No. Per-03 / Men / 1986 about requirements for safety and health in the workplace that manages pesticides Article 7, that said the worker where there are pesticides should get periodic health examinations once a year and special examinations at least once time in 6 months where in year 2016 the company only once time conduct a special medical examination in May 2016.
- The Company has not conduct periodic medical examinations for all worker in accordance with Permenakertrans No. Per-02 / Men / 1980 about medical examination for worker in implemented of work safety article 3, that said all of company shall conduct periodic medical examination for the worker at least once a year.
- Based on mill visit (loading ramp station, hazardous storage) and estate office of Sumber Sawit Estate found that the content of first aid box (during fertilizing activity) does not comply with Permenaker No.15 year 2008. **(This is repeated nonconformity from certification assessment, Major to Major).**
- Found heavy equipment operator in the mill and estate not completed with operator license (SIO) as required by regulation No.PER.09/Men/VII/2010. **(This is repeated nonconformity from certification assessment, Major to Major).**
- Found casual workers in the estate was not completed with working contract document; also found casual workers was working in more than 3 months with presence mor the 21 days and not transferred to permanent workers as required by regulation; and estate could not showed evidence that labour reporting to official government has been reported by company in IPBD estate, Hikmah II and V estate.

**This condition raised as nonconformities under RSPO00886.**

**Criterion 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.**

**Findings:**

During 1st surveillance audit, there is no revision about land use rights for:

**Compliance status:** No

NCR No RSPO00887

Sumber Sawit Estate:

Land use rights for Sumber Sawit Estate was accordance to the:

1. Decree of Head Land Agency No.159/HGU/BPN/2004 dated November 11, 2004 about license of land use rights covered area 1,642 Ha for Gunung Tua Abadi, valid for 35 years, located in Mesuji District. This decree followed by HGU certificate issued, i.e.:
  - a. HGU certificate No.15; *Desa/Kelurahan* Ogan Kemering Ilir, valid until 23/11/2039 covered for 306 Ha based on Decree HGU No.159/HGU/BPN/2004 dated November 11, 2004. This certificate was issued in Kayu Agung on November 24, 2004 by Head of Land Agency of Ogan Komering Ilir Regency.
  - b. HGU certificate No.14; *Desa/Kelurahan* Ogan Kemering Ilir, valid until 23/11/2038 covered for 1,336 Ha based on Decree HGU No.159/HGU/BPN/2004 dated November 11, 2004. This certificate was issued in Kayu Agung on November 24, 2004 by Head of Land Agency of Ogan Komering Ilir Regency.
2. Decree of Head Land Agency No.27/HGU/BPN/2003 dated April 15, 2003 about license of land use rights covered area 3,390 Ha for Gunung Tua Abadi, valid for 35 years, located in Mesuji District. This decree followed by HGU certificate issued, i.e., land use certificate No.03; *Desa/Kelurahan* Ogan Kemering Ilir, valid until 30/04/2038 covered for 3,390 Ha based on Decree HGU No.27/HGU/BPN/2003 dated April 15, 2003. This certificate was issued in Kayu Agung on April 30, 2003 by Head of Land Agency of Ogan Komering Ilir Regency.

During 1st surveillance, Sumber Sawit estate has maintained very well map of boundary pillars distribution, this map available in place with scale 1:60,000.

Some land dispute already identified during the certification assessment, whereas the land dispute happened in all land use rights with total about 163.19 Ha, such as:

1. Land dispute in Division IV about 30 Ha
2. Land dispute in Division I about 36 Ha
3. Land dispute in Division III about 52,19 Ha
4. Land dispute in Division V about 14 Ha
5. Land dispute in Division V about 31 Ha

But during 1st surveillance, there is no any progress to solve this condition since the certification assessment follow the RSPO FPIC process. **This condition raised again as nonconformity under RSPO00889. This is repeated nonconformity from certification assessment, Major to Major (2015-04 of 18 Major; 2015-05 of 18 Major).**

There is no revision related work instruction for boundary pillars maintenance document No.WI-SAG-KBN-PML-0206 Rev0 issue dated on 02/03/2015. Procedure mentioned the boundary stone maintenance conduct in once year through the cleaning around the pillars and replace in any missing. Map of boundary pillars issued by national land authority was available on estate office site, it was stated the total boundary pillars was 87, consist of Sumber Sawit division 38 pillars and 49 pillars in Balian division.

Also, estate could not showed evidence that Balian Estate (field No.001A) was exclude form certified audit scope, because the FBB from that field still delivered to the SS Mill. **This condition raised as non-conformity under RSPO00887. This is repeated nonconformity**

NCR No RSPO00888  
NCR No RSPO00889  
NCR No RSPO00890  
NCR No RSPO00891

**from certification assessment Major to Major (2015-02 of 18 Major).**

Estate could showed record of boundary pillars maintenance for 2016, accordance to the estate work instruction above. Whereas the boundry pillars in progress to installation process by company.

Inti Permata Bunda Dua Estate (IPBD):

Land use rights for Inti Permata Bunda Dua estate was accordance to:

1. Decree letter from Head of National Land Agency number 48/HGU/BPN/2003 about land use rights (HGU) for PT Mutiara Bunda Jaya as long as 35 years for 1,268.5 Ha in Mesuji District, Ogan Komering Ilir Regency for palm oil plantation development. Issued in Jakarta dated September 10, 2003, this is consist of:
  - Land use rights (HGU) certificate number 04 *Desa/Kelurahan*: Balian, valid until 17/09/2038 for total area was 1,268.5 Ha based on Decree letter from Head of National Land Agency number 48/HGU/BPN/2003.
2. Decree letter from Head of Land Agency of South Sumatera Province number 02/HGU/BPN-26/2004 about the land use rights (HGU) for PT Muatiara Bunda Jaya as long as 35 years for 102 Ha in Mesuji District, Ogan Komering Ilir Regency for palm oil plantation development. Issued in Palembang dated October 19, 2004, this is consist of:
  - Land use rigts (HGU) certificate number 13 *Desa/Kelurahan*: Balian, valid until 23/11/2039 for total area was 102 Ha, based on Decree letter from Head of Land Agency of South Sumatera Province number 02/HGU/BPN-26/2004.

Total area under IBPD estate was 1,370.5 Ha.

Some land dispute already identified during the certification assessment, with total about 28 Ha, located in Division I, with information person/community occupied the company land use rights, i.e.: Haramuradi 4.25 Ha and Matcik 23.75 Ha whereas there in no evidence that this condition has managed follow the RSPO FPIC procedure. **This condition raised as nonconformity under RSPO00889. This repeated nonconformity from certification assessment, Major to Major (2015-05 of 18 Major).**

Based on document verification during 1st surveillance, IPBD estate has record for boundary pillars monitoring result carried out on February 2017, found 76 boundary pillars in IPBD estate with 4 boundary pillars located in field No.066D, 065D was not available in place, because covered by soil. For this condition, follow up immediately done by estate such as input the boundary pillars to the work plan.

Hikmah Tiga Estate:

This estate has established the land use rights accordance to the Decree of Land National Official Government:

1. No.01/HGU/BPN-16/2011 issued by Land Official Government of South Sumatera Province. This decree explained in point No.6 (section Menimbang) "based on letter No.522.593/1667-II/HUT dated on January 12, 2011 by Forestry Official Government of South Sumatera, that land concession is other land uses, not forest area and outside of forest area. This decree issued on February 22, 2011 in Palembang. This decree also explained that land concession area was not forest area. Total land concession area about 7,175.6 Ha. This decree issued on January 7, 2004 in Jakarta.
2. No.2/HGU/BPN/2004 issued by Land National Official Govern-

ment. This land use rights decree, consist of two land use certificate, such as:

- Land use certificate No.00019, Desa/Kel: OKI, with total land concession area about 83.6 Ha, valid until February 25, 2046, issued on May 25, 2011 in Kayuagung by Land Official Government of OKI district. This land use certificate based on Land use Decree No.01/HGU/BPN-16/2011.
- Land use certificate No.06, Desa/Kel: OKI, with total land concession area about 3,290.4 Ha, valid until January 12, 2039, issued on January 13, 2004 in Kayuagung by Land Official Government of OKI district. This land use certificate based on Land use Decree No.01/HGU/BPN-16/2011.

During the surveillance audit, there is found records for boundary pillars monitoring for 2016 as mentioned in company procedure.

Found some land dispute about 8 Ha, located in field No.108D. During 1st surveillance there is no information who person occupied this land, and based on field assessment the land planted by rubber. **This condition raised as nonconformity under RSPO00889.**

Company has established procedure:

1. No.P-SAG-RO-CAS-09 issued on August 01, 2013 about "handling of land dispute".
2. No.P-SAG-RO-CAS093 issued on December 02, 2013 about "land compensation".

But both of this procedure not really comply against to FPIC process issued by RSPO. **This condition raised as nonconformity under RSPO00890.**

To avoid escalation of conflict, the company has established policy, whereas this policy signed on July 04, 2015 by Chief Executive Officer, in point 3 "Prohibiting intimidation outside of law or other forms of violence".

And there is no any evidenced found that land conflict has mapping by participatory mapping. **This condition raised as nonconformity under RSPO00891.**

Hikmah Lima Estate:

This estate has established the land use rights accordance to the Decree of Land National Official Government:

1. No.83/HGU/BPN/2005 issued by Land National Official Government, this decree covered concession area for 6,031.1 Ha. Decree mentioned "This land for palm oil plantation only". Issued on July 5, 2005 in Jakarta. This decree consist of land use certificate:
  - No.17. Desa/Kel: OKI, with total concession area about 2,258 Ha, valid until July 06, 2040.
2. No.11/HGU/BPN-16/2011 issued by Land Official Government of South Sumatera. This decree covered concession area for 69 Ha. Issued on April 18, 2011 in Palembang. This decree consist of land use certificate:
  - No.0020. Desa/Kel: OKI, with total concession area about 69 Ha, valid until February 25, 2046.

Based on planted map and hectare statement, there is no found land dispute has identified. All land use rights under Hikmah Lima estate was planted and fully control by estate.

Hikmah Lima estate has record of boundary pillars monitoring for 2017. This monitoring done in January. Based on boundary pillars monitoring

result found 52 boundary pillars assigned by BPN and 10 boundary pillars installed by company was not in place, and estate could showed follow up process for this condition.

There is no land dispute in Hikmah Lima estate based on interviewed with estate manager, and community during field assessment.

Dewa Makmur Smallholder:

For smallholder license, has established license accordance to the Ogan Komerling Ilir Head of district No.165/KEP/D.PERKE/2009 about “Penetapan Calon Petani Plasma dan Calon Lokasi Program Revitalisasi Perkebunan Kelapa Sawit Pola Kemitraan Koperasi Dewa Makmur dengan PT Telaga Hikmah” with total area ± 2,000 Ha, and total member ± 1,000 (person). This license also mentioned about smallholder candidate person and total area per person, while per person got 2.00 Ha. This license issued on March 19, 2009.

This smallholder fully a hundred percent control by Hikmah Lima estate management. Smallholder consist of three division, such as:

1. Division I total area about 657.00 Ha with 87,268 palm oil tree.
2. Division II total area about 687.40 Ha with 91,025 palm oil tree.
3. Division III total area about 602.50 Ha with 76,111 palm oil tree.

Record of hectare statement for January 2017 available in place, with consist of:

<b>Actual land used</b>		<b>2017 (Ha)</b>
Mature palm oil	:	1,947.00
Immature palm oil	:	-
Total planted	:	1,947.00
Total palm oil tree	:	254,404 tree
Smallholder member	:	1,000 person
Infrastructure (road only)	:	
Conservation area/HCV	:	-
Low land area	:	-
Land dispute	:	-
Others used*	:	-
Total land used	:	-
Total land use rights	:	2,000

Based on smallholder map planted area and discussed with smallholder assistant they said smallholder does not have installed the boundary pillars. **This condition raised as nonconformity under RSPO00888.**

Accordance to Agreement for palm oil development smallholder between PT Telagah Hikmah with Koperasi Dewa Makmur No.PK-1/TH/MD/VIII/2009 and No.001/KDM/PD-MES/VIII/2009 dated on August 07, 2009, in Article 2 point “f” stated “pengurusan sertifikat tanah milik anggota smallholder yang menyerahkan tanahnya untuk dibangun kebun plasma dengan ketentuan Bea Perolehan Hak atas Tanah dan Bangunan (BPHTB) sepenuhnya ditanggung oleh masing-masing anggota plasma”. And based on in interviewed with Head Office Administration he said there is no boundary pillars available in place. And also, there is no enough information about land ownership status of smallholder member. **This condition raised as nonconformity under RSPO00887.**

**Criterion 2.3: Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.**

**Findings:**

Procedures for handling claims and land disputes contained in the unit, described in IMS Procedure P-SAG-RO-CAL-09 rev1 dated April 21, 2017. To ensure that the plantations used are free from land disputes with surrounding communities / farmers using FPIC guidelines and prioritize gradual efforts: persuasive, mediation, litigation

There are records relating to meeting activities in order to resolve land disputes - following disputed land maps :

1. PT GTA (Sumber Sawit) has approached by holding a meeting with representatives of the landowners (represented by Budi Wahyono) area of 163.19 Ha (block 78-79), dated March 31, 2017 with the result that the community is not willing to sell their land to company.
2. PT. MBJ (IPBD) has approached by holding a meeting with representatives of the landowners. (Arsanaldi 4.25 Ha dan Nepriyadi 23.75 Ha) area of 28 Ha (block 47), dated March 25, 2017 with the result that the community is not willing to sell their land to company.
3. PT TH III has approached by holding a meeting with representatives of the landowners. (Bahar CS) area of 8.5 Ha (block 108 D), dated March 29, 2017 with the result that the community is not willing to sell their land to company.

Based on on site visit and stakeholders interviewed there is no customary rights in audit scope area.

**Compliance status:** Yes

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

**Findings:**

Sumber Sawit Palm Oil Mill and Estate:

During 1 surveillance, Sumber Sawit Palm Oil Mill has established a business plan for three years (2017 – 2019). All information about FFB source, areal statement, YoP, palm oil will produced, extraction rate for CPO and PK, production cost, forecast prices and others information already inside the document.

Sumber Sawit estate also has record of budget projection and long term economic and viability financial for three years and for 2017. In to 2017, the estate budget content was planted area, YoP, maintenance, fertilizer, spraying activity, road maintenance, and others. Estate also has business plan for three years since 2017 – 2019. This business plan mentioned for Gunung Tua Abadi, Sumber Sawit estate (4,195 Ha) there is no replanting plan within five years until this business plan end.

Inti Permata Bunda Dua Estate:

This estate also has record of budget projection and long term economic and viability financial for three years and for 2017. In to 2017, the estate budget content was planted area, YoP, maintenance, fertilizer, spraying activity, road maintenance, and others. Estate also has business plan for three years since 2017 – 2019. This business plan mentioned there is no replanting plan for all estate under PT Mutiara Bunda Jaya until 2020.

Hikmah 3 Estate:

This estate also has record of budget projection and long term economic and viability financial for three years and for 2017. In to 2017, the estate budget content was planted area, YoP, maintenance, fertilizer, spraying activity, road maintenance, and others. Estate also has business plan for three years since 2017 – 2019. This business plan mentioned there is no replanting plan for all estate under PT Telaga Hikmah

**Compliance status:** Yes

until 2020.

Hikmah Lima Estate:

This estate also has record of budget projection and long term economic and viability financial for three years and for 2017. In to 2017, the estate budget content was planted area, YoP, maintenance, fertilizer, spraying activity, road maintenance, and others. Estate also has business plan for three years since 2017 – 2019. This business plan mentioned there is no replanting plan for all estate under PT Telaga Hikmah until 2020.

Dewa Makmur Smallholder:

This smallholder has record of budget and long term economic and viability financial for three years and for 2017. Whereas the budget control by Hikmah Lima Estate, because this smallholder fully operated by company, and the budget item similar with budget estate.

**Criterion 4.1: Operating procedures are appropriately documented and consistently implemented and monitored.**

**Findings:**

Sumber Sawit Palm Oil Mill maintains 16 Integrated Management System (IMS) Procedures covering all mill processes as follows:

- i) Recording and Weighing: No. P-SAG-PKS-PRS-01
- ii) Loading Ramp: No. P-SAG-PKS-PRS-02
- iii) Sterilization: No. P-SAG-PKS-PRS-03
- iv) Thresher: No. P-SAG-PKS-PRS-04
- v) Presing: No. P-SAG-PKS-PRS-05
- vi) Clarification: No. P-SAG-PKS-PRS-06
- vii) Kernel Recovery: No. P-SAG-PKS-PRS-07
- viii) Boiler: No. P-SAG-PKS-PRS-08
- ix) Machine room: No. P-SAG-PKS-PRS-09
- x) Water Treatment: No. P-SAG-PKS-PRS-10
- xi) Final Effluent Treatment: No. P-SAG-PKS-PRS-11
- xii) Bunch Ash: No. P-SAG-PKS-PRS-12
- xiii) Composting of Empty Fruit Bunches: No. P-SAG-PKS-PRS-13
- xiv) Traceability & Mass Balance: No. P-SAG-PKS-PRS-14
- xv) Lockout-Tagout: No. P-SAG-PKS-PRS-15
- xvi) Permit System: No. P-SAG-PKS-PRS-16

The company has 33 documented IMS procedures and 91 work instructions defined for the estates which covers all operational aspects including land clearing, land and water conservation, road and drainage construction, preparation for plantings, road maintenance, nursery, field maintenance activities (spraying, weddings, etc) fertilizer application, harvesting, transport of FFB, IPM related procedures (census and treatment methods), and so on.

The company has a sustainability team of 13 people based at Palembang head office which conducts annual IMS Internal Audits at all managements in South Sumatera area and covers implementation of internal procedures. Sighted evidence of last internal audit done on 16 June 2016 at the mill, including memo regarding audit schedule sent on 9 June to 2016 to 6 management units under PT Sampoerna Agro including PT Gunung Tua Abadi, audit plan which states all aspects/requirements & procedures to be audited, and internal audit findings. Some sample findings raised in the internal audit related to implementation of procedures at the mill are as follows:

- i) Forms/checklists for several processes, e.g. press station, clarifica-

**Compliance status: No**

NCR No RSPO00892  
NCR No RSPO00893

- tion and sterilization were not used
- ii) Daily report form for water treatment I and II dated November 2015 were not signed by the relevant person in charge

Evidence of actions taken to close internal audit findings were sighted. Internal audit was also confirmed to have been done at the estates, sampled as follows:

- Internal audit was done at IPBD estate on 16 June 2016, as seen from records of internal audit findings in the form of 5 observation reports. Observations raised included to increase frequency of pregnancy tests of female sprayers from two months to one month, to replace some worn out /damaged PPE, no MSDS for some chemicals at the chemical store, quality targets not reported by admin as required by procedure, and improvements required to emergency response related documents.
- Internal audit was done at Hikmah 3 estate on 17 June 2016, as seen from signed attendance list and records of internal audit findings in the form of 2 observation reports. Observations raised related to failure to achieve quality objective for admin office, emergency response simulation 2016 not yet completed, discrepancy in production data, improper calibration of spraying equipment, inappropriate location of fire extinguisher, pallets used for fertilizer storage not in good condition.
- Internal audit was done at Hikmah 5 estate on 17 June 2016, as seen from signed attendance list and records of internal audit findings in the form of 2 observation reports. Observations raised related to improvements required to implementation of administrative procedures, reports and attendance lists for participants of emergency response simulation were not prepared, and checklist for checking of fire extinguisher was not completed.

However, no internal audit to monitor implementation of operational procedures at KUD Dewa Makmur is done. **This was raised a non conformity under NCR RSPO00892.**

In addition to IMS internal audits, the company also has an Agronomy & Continuous Improvement (A&CI) Department which specifically monitors implementation of best practices according to standard operating procedures for all plantations under PT Sampoerna Agro in Sumatera and Kalimantan region, including PT Gunung Tua Abadi. Regional A&CI assessments are done once every month. As seen from sampled AC&I assessment report for Sumatera & Kalimantan region for July 2016, the reports includes summary of recommended improvements and findings related to aspects such as ripeness of FFB harvested and road conditions, amount of loose fruits uncollected, as well as status of OER & KER, infield and bunch quality assessment scores, land clearing and new planting assessments scores, immature FFB assessment scores, manuring assessment scores, and infield & crop assessment scores. The scoring is based on the A&CI department internal scoring system for quality of FFB and operational activities. Whereas similar reports are produced for Sumatera region only, as seen from sample A&CI reports dated 4 December 2016 and 4 January 2017. Data used for the regional summary of A&CI report is compiled from daily operational and FFB quality assessments of each estate as well as the smallholder scheme, as sampled from a daily quality assessment report dated 6 December 2016 for Hikmah 5 estate and for Plasma Dewan Makmur, which includes scores for the aspects above and specific observations and recommendations for the estate & smallholders.

During 1st surveillance, Sumber Sawit Palm Oil Mill does not showed

procedure about FFB third party source mechanism, especially FFB from Dewa Makmur smallholder, because this estate carried out planted since January 1st, 2010 without NPP procedure. **This condition raised as nonconformity under RSPO00893.**

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

**Findings:**

The company has a procedure for fertilizer application with document number PT-SAG-KBN-PML-21 Rev 02 dated 02 March 2015. This procedure is also attached with related work instructions as follows:

- Fertilizer separation: No. WI-SAG-KBN-PML-2101 dated 2 March 2015
- Manual application of inorganic fertilizer: No. WI-SAG-KBN-PML-2102 dated 2 March 2015
- Mechanical application of inorganic fertilizer: No. WI-SAG-KBN-PML-2103 dated 2 March 2015
- Manual application of organic fertilizer: No. WI-SAG-KBN-PML-2104 dated 2 March 2015
- Mechanical application of organic fertilizer: No. WI-SAG-KBN-PML-2105 dated 2 March 2015

The work instructions define the procedures for carrying out fertilizer application, when the fertilizer should be applied, application methods, required labor, and dosage of fertilizer.

Annual fertilizer recommendations for all estates are developed by the Field Quality Assurance – Research & Development Department of PT Sampoerna, as sighted from sampled recommendation reports for year 2016 and year 2017 for Sumber Sawit estate (PT Gunung Tua Abadi), and Hikmah 3 estate. The fertilizer recommendations include results of leaf analysis which is done annually and the data is used for the development of the following year's fertilizer recommendation.

The procedures for leaf and soil analysis are defined in procedure no. P-SAG-RST-ASE-01 Rev 0 dated 1 September 2009 regarding oil palm fertilizer recommendations which defined methods for the analysis of leaves and soil to be used as fertilizer recommendation. The procedure states that leaf analysis shall be conducted once every 1 year, and soil analysis conducted once every 5 years (mentioned in the definition). It was confirmed that leaf analysis is done annually for all estates, as explained above. Whereas for Hikmah 3 and Hikmah 5 estates, soil analysis reports from the Analytical and QC lab of Asian Agri were sighted dated 1/11/2012 (less than 5 years). However the most recent soil analysis for Sumber Sawit estate and IPBD estate was issued on 1 August 2011. There has been no new soil survey conducted since then (over 5 years). This is not in accordance with procedure no. P-SAG-RST-ASE-01 Rev 0 dated 1 September 2009 which states that soil analysis shall be conducted once every 5 years. **This condition was raised as non-conformity under NCR RSPO00894.**

The company has records of fertilizer application both organic and inorganic fertilizer. Records showed that that actual fertilization activities conducted are based on recommended fertilization work program and doses. Comparison of planned vs. actual fertilizer application at each block for the previous year is done and reported in the fertilizer application reports. From sample comparison of budgeted vs. actual fertilizer application for Hikmah 5 estate, it was found that budget for fertilizer

**Compliance status:** No

NCR No RSPO00894

application (NPK SA FEAT and NPK SA TM) was Rp 1,434,433.50 kg for year 2016, but actual application was Rp 815,104.5 kg. While for KUD Dewa Makmur, budget for fertilizer application (Urea, MOP, Dolomite, Borate, CuSO<sub>4</sub> and Rock Phosphate) was Rp 1,505,238.60 kg for year 2016 but actual application was only 172,023.5 kg. Reason provided by estate management on why the estate did not meet the budgeted application was due to issues with fertilizer delivery and also due to rainy season which prevented the estate from applying the remaining fertilizer, which has been pushed forward to year 2017. This was noted as an observation.

The company also implements a nutrient recycling strategy, i.e. EFB application of empty fruit bunches at Sumber Sawit estate and land application of POME at IPBD estate, as seen from land application records and sighted in the field.

**Criterion 4.3: Practices minimise and control erosion and degradation of soils.**

**Findings:**

The Field Quality Assurance - Research and Development Team of PT Sampoerna Agro has conducted soil surveys at all estates. Summary of soil survey reports/ maps for each estate are as follows:

- i) Sumber Sawit estate: Soil survey report dated year 2011. The report includes soil maps of PT Sampoerna Agro. Sumber Sawit Estate maintains their soil map dated year 2011 at a scale of 1: 35,000 with the following details:
  - Plinthic kandiodults with an area of 1,402.8 hectares (sedimentary rock, clay gravel and loam rock)
  - Lithic hapludults with an area of 1,221.5 hectares (sedimentary rock, clay gravel and loam rock)
  - Typic dystrodepts with an area of 125.5 hectares (alluvium, sedimentary rock)
  - Typic kandiodults with an area of 235.4 hectares (sedimentary rock, clay gravel, sandstone and loam rock)
  - Typic haplohemists with an area of 10.5 hectares (sediment of organic materials)
  - Typic haplofibristis with an area of 354.7 hectares (sediment of organic materials)
- ii) IPBD Estate maintains a semi-detailed soil map done in year 2011 with the following details:
  - Typic Dystrodepts with an area of 659.4 hectares (sedimentary rock, clay gravel and sandstone)
  - Typic Hapludox with an area of 409.7 hectares (sedimentary rock, clay gravel and sandstone)
  - Typic dystrodepts with an area of 120.5 hectares (sedimentary rock, clay gravel and loam rock)
  - Plinthic kandiodults with an area of 120.5 hectares (loam rock)
  - Typic haplofibristis with an area of 23.3 hectares (cemented organic materials)
- iii) Hikmah 3 estate: Semi-detailed soil survey report is dated year 2012. The report includes a semi-detailed soil map done in year 2012 with the following details:
  - Typic endoaquepts & aquic dystrodepts with an area of 2,365.89 hectares (of soil series Tolan (TLN) and Sawahan (SWN))

**Compliance status:** No

NCR No RSPO00895  
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- Typic kandiodults, typic hapludults and typic dystrodepts with an area of 689.52 hectares (of soil series Berlian Jaya (BLN), Jaro (JRO) and Cempaka (CPK))
- Typic dystrodepts and typic udipsamment with an area of 56.72 hectares (of soil series Cempaka (CPK) and Dewa Makmur (PGD))

iv) Hikmah 5 estate: Semi-detailed soil survey report is dated year 2012. The report includes a semi-detailed soil map done in year 2012 with the following details:

- Typic endoaquepts & aquic dystrodepts with an area of 1.174,75 hectares (of soil series Tolan (TLN) and Sawahan (SWN))
- Typic Endoaquepts with an area of 846.69 hectares (of soil series Tolan (TLN))
- Typic kandiodults, typic hapludults and typic dystrodepts with an area of 46.97 hectares (of soil series Berlian Jaya (BLN), Jaro (JRO) and Cempaka (CPK))
- Typic haplosaprist (BTI) with an area of 117.39 hectares (of soil series Binti (BTI))
- Typic haplohemist (BTI) with an area of 34.50 hectares (of soil series Lenggana (LGN))

For KUD Dewa Makmur, no soil map/map showing fragile soils of the smallholder area is available yet. **This was raised as a noncompliance under NCR RSPO00895.**

The topography map of Sumber Sawit estate, IPBD estate, Hikmah 3 estate, Hikmah 5 estate show no sloped areas in all estates which consists of flat area of less than 8% slope. Elevation map of Hikmah 3 estate indicates areas at higher elevation (i.e. 25 – 35 m above sea level), and it was confirmed through site visits were not sloped areas with any plantings on slope. While Dewa Makmur scheme estate indicated some areas with low slope at spotted areas and it confirmed in the field that the estate area is predominantly flat. Therefore, the company' policy for management of steep slopes does not apply to these areas.

The company has a procedure for road and bridge construction (no. P-SAG-KBN-PML-07 dated 16 March 2012) and for road and bridge maintenance (no. P-SAG-KBN-PML-23 dated 16 March 2012). The company has the road maintenance budget for 2017 for each estate and road maintenance plans for the year. The annual budget breaks down the planned road and bridge distance to be maintained and estimated cost per ha for manual maintenance, mechanical maintenance, grading and compacting and so on. Evidence of monitoring and implementation of the year 2016 road maintenance program was sighted, i.e. for Sumber Sawit Estate the plan for year 2016 was for road maintenance of 209,773 and actual completed by the end of the year was 184,300. The road maintenance program and realization documents summarizes the total road area maintained in each division each month, and details of road distances and blocks maintained and recorded in daily work log sheets. Hikmah 3 estate also has an annual budget for road maintenance as sighted for year 2017, while records of road maintenance activities in all 4 divisions of the estate were sighted, while actual length of road maintenance done in year 2016 was 1,796,018 m.

The company still maintains the technical agronomy instructions land clearing on peat area was published on April 4, 2011 Rev 0, which has been approved by COO-CPO (Chief Operation Officer- CPO) and CEO. The technical instructions define procedures regarding drainage as-

assessment to be conducted prior to planting of peat, development of drainage, subsidence measurements, measurement of water level in the peat, the process of land clearing on peat lands, planting on peat land, water gates, etc. In the procedure summarizes basic information on thickness of the peat, decomposition process, peat subsidence, type and nature peat, the drainage channel (drain), canal maintenance, water management. In the procedure is also explained that the intention of water management is to maintain the water level of peat areas at 50 cm - 70 cm below the surface level. The company takes action to minimize the decrease of peat and maintain water levels by making a water gate and canal.

The description of peat area in each estate are as follows:

- i) Sumber Sawit Estate: There are blocks planted with palm oil on peat located at blocks 67, 68, 83, 84, 85, 86 with the varies depths of 0-1 m; 1-2 m; 2-3 m; 3-4 m, 4-5 m and more than 5 m. The estate has divided the peat area into 8 subsidence level monitoring points based on peat depth, i.e. P01, P02, P03, P04, P05, P07, P08 and P10
- ii) IPBD Estate: There is peat at blocks 50, 51 and 66 with peat levels of varying depth of 0.5-1 m; and more than 3 m. Monitoring of water level is done at at blocks 50B, 66A, 60B, and 60Cm while peat subsidence is monitored at 66C and 50C.
- iii) Hikmah 3 estate: There are no peat soils in this estate
- iv) Hikmah 5 estate: There is peat at blocks 125, 133, 168 and 169, with peat depth ranging from less than 1m to 3m. The estate has just installed piezometers for monitoring of water level at blocks 134B, 134D and 125C, and monitoring of peat subsidence will also be conducted at the same spot.
- v) Dewa Makmur smallholder estate: There is peat at various spots located throughout the smallholder scheme area, with area not known yet as the soil survey for this area is not completed yet (This was raised as a noncompliance under CR4.3.1). The scheme management just recently installed piezometers for water level monitoring at 9 points at blocks 176, 177, 178, 180, and 181, and peat subsidence indicators at 5 points at blocks 176, 178, 180 and 181.

Sumber Sawit estate conducts water level monitoring at peat areas on a daily basis, as seen from records of water level monitoring at blocks 68, 85 and 86 using piezometers. Another 8 piezometers are planned for installation. Daily measurement results from May 2016 to February 2017 showed the water level was maintained between 50 and 70 cm in most months. There were some months during the dry season when the water level was maintained at up to 30cm below surface level, i.e. in May, June and July 2016. This was due to action taken to close the water gates and store water in anticipation of the lack of water during the dry season. While in October 2016, also sighted records of water level being at less than 50cm below surface level, due to the rainy season.

For IPBD estate, monitoring of water level at blocks 50B, 66A, 60B, and 60C is done once a month. Records between May – December 2016 sighted show water level each month ranged from 0 to 36 cm from the water surface.

Sumber Sawit estate also conducts measurement of peat subsidence levels once a month. For Sumber Sawit Estate, the company has conducted subsidence measurement from September 2015 because the beginning installation of measuring devices peat subsidence conducted in September 2015. Data on peat subsidence measurements show peat subsidence levels for past one year as follows.

Data of monthly peat subsidence measurements were sighted. The level of subsidence up until the month of February 2017 (difference since October 2015) was recorded as follows:

Point	Depth (cm)	Block	Subsidence to date (cm)
P01	560	85C	26
P02	560	86C	17
P03	460	85B	20
P04	350	86A	15
P05	60	83D	12
P07*	650	84B	11
P08*	360	83A	10
P10	560	86B	31

\* For P07 and P08, monthly peat subsidence was recorded only up until July 2017, after which the area was flooded and operational activities in the area were stopped, peat subsidence was no longer monitored from August 2017 onwards.

For IPBD estate, peat subsidence is monitored annually. Monitoring results sighted for past 3 years was as follows:

Point	Block	Date	Subsidence (cm)	
			This month	To date
P04	66C	16/05/2015	10	10
		12/11/2016	20	30
		04/01/2017	1	1
P06	50C	16/05/2015	5	5
		12/11/2016	10	15
		04/01/2017	0	15

However, the monitoring of water levels at peat areas and peat subsidence level is not done at the same frequency at Sumber Sawit Estate and IPBD estate. The company also has no procedure or Work Instruction which specifically defines the frequency of water level monitoring and peat subsidence monitoring. **This was raised as a noncompliance under NCR RSPO00896.**

At Hikmah 5 and KUD Dewa Makmur estates, there are currently no records of peat subsidence and water levels monitoring as the piezometers and water level indicators were only recently installed at the time of this audit. **This was also raised as a noncompliance under NCR RSPO00896.**

It was confirmed during field visits that the water level at Hikmah 5 and KUD Dewa Makmur estates are well above 50 cm below surface level due to the ongoing rainy season.

The company also does not have any marginal soils (sand, low organic matter, sulfuric acid, etc) so it does not have a management plan for marginal soils.

**Criterion 4.4: Practices maintain the quality and availability of surface and ground water.**

**Findings:**

**Compliance status: No**

Sumber Sawit Palm Oil Mill receives water from a manmade water pond at block 072A. However, it was found that the mill has no water management plan which takes into consideration potential negative impacts from water usage based on the guidance as per the P&C RSPO 4.4.1 RSPO INA-NI. **This was raised as a non-conformance unde NCR RSPO00897.**

Also there is no signboard in work place for spraying activities (in riparian bufferzone area) to protect bufferzone from chemical contamination. **This was raised as a non-conformance unde NCR RSPO00898.**

The company has a land use/ year of planting map at a scale of 1:60,000 which also shows the locations of streams and water sources. The map indicates there are no natural waterways passing directly through the areas of Sumber Sawit estate, IPBD estate, and Hikmah 3 estate. Sumber Sawit estate is directly adjacent with Dabuk river which is located outside of the land use rights (HGU), while the northern area of Hikmah 3 estate is located directly adjacent to Padang River and Dabuk Hitam Rivers. PT Sampoerna Agro has a general procedure for the protection of river riparian buffer zones, however, as there are no rivers located in all the estates, there is no need for a protection plan for river riparian buffer zones.

The company's water management plan for estates is defined in an IMS procedure for water conservation at lowland areas (No. P-SAG-KBN-PML-28) dated 1 March 2016. The procedure defines method for development of various drainage systems, collection drains, field drains and bunds as well as water level monitoring and management. Implementation of this procedure was observed in the field. The procedure also defines requirements to monitor water levels at lowland area. Evidence of implementation of this procedure was sighted at IPBD estates in records of water levels monitoring of lowland areas including blocks 47, 54, 63, and 64. Water management for peat areas during land clearing is also defined in a Technical Agronomy Guidance for Land clearing at peat areas, dated 4 April 2011, as explained under CR4.3 above.

The mill has samples of palm oil mill effluent (POME) used for land application tested monthly by the UPTB Environmental Laboratory which is accredited by the National Accreditation Committee ('Komite Akreditasi Nasional Laboratorium Pengujian' or KAN) which accreditation no. LP 231-IDN. As seen from POME testing results for November 2016, December 2016 and January 2017, BOD results for all 3 months were less than 3000ppm, which is well below the legal requirement of 5000ppm. The company also prepares report on the implementation of their Environmental Management and Monitoring Plan (RPL/RKL) which is sent once every 6 months to the local Environmental Department ('Badan Lingkungan Hidup' or BLH) and includes report on their BOD analysis results. This was seen from the most recent report for PT Gunung Tua Abadi for Semester 1 of year 2016 which was submitted to the BLH of Sumatera Selatan and the Agriculture Department ('Dinas Perkebunan' of OKI) on 9 August 2016 as confirmed from records of stamped delivery forms. The report included copies of monthly BOD analysis results for January to June 2016 which were all confirmed to be less than 5000ppm. The company has an extended license for land application of POME, dated 30 June 2014 which is valid for 3 years. The terms of the license stated that the company shall conduct land application at the following locations only:

- PT Gunung Tua Abadi blocks 68 and 69
- PT Mutiara Bunda Jaya block 64 and 65

This covers a total land application area of 300 hectares. As seen from records of land application from January to July 2016, land application

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was only carried out at blocks 64 and 65.  
The mill conducts monitoring of mill water usage per tonne FFB which is recorded monthly for year 2016 in document named 'Recapitulation of Mill Utilization for year 2016'. Total water usage ranged from 11,164 tonnes in June 2016 to 49,420 tonnes in November 2016, while total usage per tonne FFB ranged from 1.21 in January 2016 (21,234 tonnes of water/ 17,532 tonnes of FFB processed) to 3.84 in May 2016 (14,293 tonnes of water/ 3726 tonnes of FFB processed).

**Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.**

**Findings:**

The company has plans for Integrated Pest Management, as defined in the annual budget for estates and broken down to monthly budget for IPM activities for pest detection, treatment of leaf pests and rats, promotion of barn owl population and management of *Oryctes rhinoceros*. The estates maintain records of budgeted IPM activities vs. actual implementation, e.g. for month of January 2017 at IPBD estate, budgeted amount for pest detection was 1212.72 ha while actual conducted was 1201.99.

The company has integrated pest management procedures, among others:

1. Pest monitoring procedure with the document number P-SAG-KBN-PML-15 revision 1 dated March 16, 2012. This procedure is attached with related work instructions for the following:
  - Marking of census lines: No. WI-SAG-KBN-PML-1501 revision 01 dated March 16, 2012
  - Census of leaf pest for mature and immature plantings: No. WI-SAG-PML-KBN-1502 revision 01 dated March 16, 2012.
  - Census of Rat Pests in Immature - Mature Areas 3: No. WI-SAG-KBN-PML-1503 revision 01 dated March 16, 2012
  - Census of Rat Pest in Mature areas (4 years old or more): No. WI-SAG-KBNPML-1504 revision 01 dated March 16, 2012
  - Census of Tirathaba pests: No. WI-SAG-KBN-PML-1505 revision 01 dated March 16, 2012
2. Leaf pest control procedures with the document number PT-SAG-KBN-PML-16 revision 1 dated March 16, 2012. The methods defined in this document include hand picking at low levels of pest attack (1-5 worms per frond), spraying of pests used Viral Stock Solution (VSS) and spraying using chemicals (only to be used at high levels of attack to be advised by the R&D department). This procedure is attached with related work instructions for the following:
  - Spraying of leaf pests: No. WI-SAG-PML-KBN-1601 revision 01 dated March 16, 2012.
  - Planting of beneficial plants: No. WI-SAG-PML-KBN-1602 revision 01 dated March 16, 2012.
  - Picking of leaf pests: No. WI-SAG-PML-KBN-1603 revision 01 dated March 16, 2012.
3. Tirathaba pest control procedures with the document number PT-SAG-KBN-PML-17 revision 1 dated March 16, 2012. This procedure is attached with related work instructions for the following:
  - Marking of Tirathaba spots: No. WI-SAG-PML-KBN-

**Compliance status:** No

NCR No RSPO00899

- 1701 revision 01 dated March 16, 2012
- Blanket spraying of Tirathaba pests: No. WI-SAG-KBN-PML-1702 revision 01 dated March 16, 2012.
  - Spot Spraying of Tirathaba pests: No. WI-SAG-KBN-PML-1703 revision 01 dated March 16, 2012.
4. Control of rat pests procedure, document number P-SAG-KBN-PML-18 revision 1 dated March 16, 2012. Clause 7.1 of procedure states that rat bait shall be applied under the following conditions:
- Blanket application of rat bait when percentage attack is >5% at Immature to Mature plantings 3 years old or less
  - Spot application of rat bait when percentage attack is 2-5% at Immature to Mature plantings 3 years old or less
  - Blanket application of rat bait when percentage attack more than 25% at mature planted areas aged 4 years or above

This procedure is attached with related work instructions for the following Application of Rat Poison: No. WI-SAG-PML-KBN-1801 revision 01 dated March 16, 2012.

The estates records and report pest census and treatment activities in monthly reports which include maps of areas where census was conducted, and completed census forms for leaf pests, rats and thirathaba, as confirmed from sampled monthly pest census activities. Sample leaf pest census records for Sumber Sawit estate for month of December 2016 & January 2017 were sighted. From chemical usage records of Sumber Sawit estate, it was confirmed that the use of biological methods is prioritized to minimize pest attacks. There was no record of usage of chemicals for treatment of pests in year 2016. While for IPBD estate, it was confirmed that chemical treatment of leaf pests was only done when leaf pests attack rates were heavy, i.e. far above 5% in the months of March to June 2016. For example in pest attack report for month of March, leaf pest attacks were found to be very high at 17.36% at block 53, 35.4% at block 64, 51.84% at block 48, and at 10-15% at several other blocks. Similar high attack rates were observed in subsequent months. The estate conducted chemical spraying using Thuricide (chemical) starting from March 2016 to May 2016. As seen from chemical usage summary for year 2016, amount of Thuricide used was 2.0 litres in March 2016, 7.7 litres in April 2016 and 2.2 litres in May 2016 until the levels of leaf pests had reduced to below 5%, after which there was no more record of Thuricide used. Whereas it was sighted from the chemical store chemical usage logbook, there was usage of Cordiceps (fungal treatment) for leaf pest management in April 2016, i.e.:

- 7 April 2016 – 1.8 litres used
- 8 April 2016 – 1.8 litres used
- 9 April 2016 – 1.8 litres used
- 10 April 2016 – 1.8 litres used

Whereas for Hikmah 5 estate, it was also sighted records of usage of Thuricide chemical for treatment of leaf pests at Hikmah 5 estates, with 7.6 litres used in March 2016 and 0.70 litres used in April 2016. It was confirmed from leaf pest census records from February to March 2016 that leaf pests attacks were above 5% and usage of chemical treatment was justified. For subsequent months when attacks of leaf pests were less, the fungicides Cordiceps was used, as seen from the chemical store stock issuance records.

However there is no Work Instruction/Procedure regarding the technique for usage of Cordiceps for leaf pests. This was noted as an ob-

servation. There is no evidence of use of chemical for other pests due to low pest attacks as also confirmed from pest attack reports.

Sumber Sawit and IPBD estates also uses barn owl boxes as part of their IPM management plan. For example, at IPBD estate, there are currently 14 barn owl boxes installed at blocks 46, 47, 53, 54, 63 and 64, with another 33 boxes planned to be installed in the estate. The estate conducts barn owl box census once every 3 months. Record of most recent census done on 22 December 2016 was sighted. However, no barn owl boxes are used at Hikmah Lima, Hikmah Tiga and Dewa Makmur scheme.

Records of IPM training were sighted, e.g.:

- Briefing on IPM Management done for 17 participants at IPBD estate including all mandores and assistant managers, evidence as per signed attendance list, training photos and training materials from PT Sampoerna Agro's Department of Research and Development. The training include explanation on types of major pests of oil palm as well as census and treatment methods to be used
- IPM Training for Hikmah 3, Hikmah 5 and KUD Dewa Makmur mandores and assistants (total 47 participants) was conducted on 10 March 2016 as seen from signed attendance list

During the certification audit, it was found that the company had not provide the training to the pest foreman named Heri Susanto who served as pest foreman starting from April 2015 (Sumber Sawit Estate). However, during this surveillance audit, no record of IPM training at Sumber Sawit and IPBD estate was sighted during this audit, including training for IPM mandores. **This was raised to a Major non-conformance under NCR RSPO00899.** Records of IPM training done on 10 March 2016 for related workers at Hikmah Tiga and Hikmah Lima Estate were sighted, i.e. signed attendance list.

**Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment.**

**Findings:**

The Company has a memorandum of Managing Director about the application of limited pesticide used (No.084 / MD / VI / 2013 dated June 20, 2013).

The Company has a procedure for control of weeds such as:

- Procedures to control of weed for Mature Plant (No.P-SAG-KBN-PML-22 revision 01 issued date March 16, 2012. In the procedure described the rotation for use of pesticides for activity of circle spray/path conducted 3-4 times a year and bamboo spray/ others weeds conduct with rotation once times a year
- Procedures to control of reeds (No.P-SAG-KBN-PML-13 revision 01 issued date March 16, 2012. In the procedure described the rotation for use of pesticides for spot spraying reeds activities conducted once a year.

The company has justification for used pesticide year 2016 and 2017. The justification explained about name of pesticide and target of weeds. Based on field verification, the company has been conduct application of pesticide in accordance with justification that has been assigned.

The company has program of pesticide application stated in budget year 2017. Budget year 2017 has been explained about pesticide application for each activity such as spot spraying, spraying CPT, control of weeds

**Compliance status: No**

- NCR No RSPO00900
- NCR No RSPO00901
- NCR No RSPO00902
- NCR No RSPO00903
- NCR No RSPO00904

and etc. The company has record of pesticide used year 2016 i.e. Sumber Sawit estate (Garlon as much as 6.52 liter, Gramoxone as much as 1,213.90 liter, Prima Up as much as 2,338.43 liter and Starne as much as 436.1 liter); Inti Permata Bunda Dua estate (Fluroksipir as much as 52.70 liter, Glyfosat as much as 298.07 liter, metil metsulfuron as much as 1.29 gram, paraquat as much as 23.48 liter and Triklpir as much as 19.82 liter); Hikmah 3 (Glyfosat as much as 4,094.35 liter, metil metsulfuron as much as 65.98 kg, paraquat as much as 1,445.82 liter, triklopir as much as 91.15 liter and Fluroksipir as much as 227.49 liter) and Dewa Makmur (Glyfosat as much as 926.84 liter, metil metsulfuron as much as 69.54 kg, paraquat as much as 1,464.55 liter and Fluroksipir as much as 10.10 liter). The company has monitoring of pesticide toxicity for each month from January until December 2016. The calculation of LD50 explained about information of pesticide names, total area application, total of active ingredient used per hectare and total of application.

The company has IPM plan stated in budget year 2017. The budget year 2017 i.e. census of pest, pest detection i.e. control of caterpillar fire, thirataba, ganoderma, beneficial plant and oryctes. The company has record of IPM that has been implemented stated in Manager Monthly report. The company conduct monitoring of IPM by census of pest and disease. The company has record of pesticide used in accordance with plan of pest management. The company does not use prophylactic pesticide.

The company has list of pesticide for WHO class 1A and 1B, Stockholm or Rotterdam Convention and also Government Regulation. The company has memorandum of Managing Director with number: 084/MD/VI/2013 dated 20 June 2013 about application and used of limited pesticide. The memorandum described that used of limited pesticide should monitoring and implemented by pesticide operator that has been skilled. The company has record related used of limited pesticide from 2013 until 2016. From the record seen that there is decrease trend. The company has justification of paraquat used stated in FQA, Research and Development report. During field visit to pesticide storage at Sumber Sawit estate and IPBD estate there is record of pesticide expenditure and pesticide used in the field. Total of expenditure and application has been properly.

The company has procedure of handling of hazardous material (No. P-SAG-RO-PCR-05 revision 01 issued dated 1 October 2012. The procedure explained about mechanism of handling for hazardous material by grouping the hazardous material and storage of hazardous material. The company has training plan and realization of training year 2016 related handling of pesticide i.e:

- Sumber Sawit estate: socialization of spraying which discuss about procedure for spraying, PPE used and type of material that used. The socialization held on 1 September 2016 attending 15 person.
- Hikmah 3 estate: training of limited pesticide held on 18 September 2014 by Sygenta
- Hikmah 5 estate: training of limited pesticide held on 21-22 October 2015 by Committee of Fertilizer and Spraying Controller South Sumatera Province.

Based on list of pesticide operator at Sumber Sawit estate, there is 10 person in charge as sprayer but there is 7 person does not attend training of limited pesticide used i.e. Nur, Widia Wati, Hartini, Maryati, Bariati and Rutmiati. **This condition raised as Non-conformities (NCR**

**RSPO00900).**

Based on list of pesticide operator at IPBD estate, there is 8 person in charge as sprayer but there is 3 person does not attend training of limited pesticide used i.e. Reniani, Yeni Karmila and Siti Komaria. **This condition raised as Non-conformities (NCR RSPO00900).**

Based on list of pesticide operator at Hikmah 5 estate, there is 12 person in charge as sprayer but there is 3 person does not attend training of limited pesticide used i.e. Ketut Ariantini, Kaei and Iluh Srianti. **This condition raised as Non-conformities (NCR RSPO00900).**

Based on list of pesticide operator at Plasma Dewa Makmur, there is 33 person in charge as sprayer but does not attend training of limited pesticide used i.e. Ketut Ariantini, Kaei and Iluh Srianti. **This condition raised as Non-conformities (NCR RSPO00900).**

At the time of the audit, the company does not conduct pesticide application because the condition is rainy. The operator of pesticide storage at Sumber Sawit estate (Mr. Agung) and IPBD estate (Mr. Gunawan) has been interviewed and the operator has been known about pesticide risk and handling of chemical. Based on field visit to pesticide storage at IPBD estate, there is not found MSDS for garlon 670EC and 290EC; at Sumber Sawit estate not found MSDS for Multi Purpose Cultivation (MPC) and also at Hikmah 3. **This condition raised as Non-conformities (NCR RSPO00900).**

The company has been provided rinse house for pesticide operator but the PPE that used (Apron, gloves) is not placed in the rinse house but carried at home. **This condition raised as Non-conformities (NCR RSPO00900).**

Based on interviews with spraying workers of Plasma Dewa Makmur obtained information that workers are still bringing PPE and work equipment work at home that potentially increasing the chemical contamination to their families. **This condition raised as Non-conformities (NCR RSPO00900).**

The company has been provided PPE in accordance with HIRAC. The company conduct inspection related PPE used each month.

The company has procedure of handling of hazardous material (No. P-SAG-RO-PCR-05 revision 01 issued dated 1 October 2012. The procedure explained about mechanism of handling for hazardous material by grouping the hazardous material and storage of hazardous material. Based on field visit to pesticide storage at Sumber Sawit estate and IPBD estate, the company keeping well the pesticide on pallet and equipped with material stock card. Based on document verification and visit to temporary storage of hazardous waste, the company has been keeping well for hazardous waste and equipped with balance of hazardous waste. The company has record of transporting to third party i.e. document of hazardous waste No. 0004356 with type of waste is solid i.e. ex packaging of hazardous and toxic waste with weight is 46.54 kg transported by PT Dame Alam Sejahtera with vehicle number T 9646 DD on 17 October 2016. Based on field visit to employee emplacement at Sumber Sawit estate and IPBD estate, there is no found ex packaging of hazardous and toxic waste used for other purpose.

The company has procedure and work instruction for pesticide applica-

tion i.e.

- Procedures to control of weed for Mature Plant (No.P-SAG-KBN-PML-22 revision 01 issued date March 16, 2012. In the procedure described the rotation for use of pesticides for activity of circle spray/path conducted 3-4 times a year and bamboo spray/ others weeds conduct with rotation once times a year
- Procedures to control of reeds (No.P-SAG-KBN-PML-13 revision 01 issued date March 16, 2012. In the procedure described the rotation for use of pesticides for spot spraying reeds activities conducted once a year.
- Work instruction for chemical weeding (WI-SAG-KBN-PML-2202 revision 01 issued date 16 March 2012)
- Work instruction for circle path (WI-SAG-KBN-PML-2204 revision 0 issued date 16 March 2012)
- Work instruction for spraying bamboos and other weeds (WI-SAG-KBN-PML-2205 revision 0 issued date 16 March 2012)

The company has record of socialization for spraying that discuss about procedure of spraying, used of PPE and type of material used. The socialization held on 1 September 2016 attending 15 person (Sumber Sawit estate), training of limited pesticide held on 18 September 2014 (Hikmah 3 estate) and training of limited pesticide held on 21-22 October 2015 (Hikmah 5 estate). The company has training plan year 2017 related risk and impact of pesticide used i.e. training of limited pesticide used and socialization of procedure and manual. The company does not conduct aerial spray.

The company has been conduct training about material safety data sheet (MSDS) held on 19 June 2012 and 20 November 2015. The company has been provided information related information of active ingredient and material safety data sheet (MSDS) for use of pesticide. The company does not conduct training about handling of pesticide to Plasma Dewa Makmur. **This condition raised as Non-conformities (NCR RSPO00901).**

The company has procedure of waste management in the estate (No.P-SAG-KBN-LMB revision 02 issued date 30 October 2015). The procedure explained about system management of hazardous and toxic waste i.e. providing temporary storage. Hazardous and toxic waste documented in form of list hazardous and toxic waste and record in form balance of hazardous and toxic waste. The company does not conduct training about waste management for worker, manager and smallholder in 2016 (Sumber Sawit estate and Plasma Dewa Makmur). **This condition raised as Non-conformities (NCR RSPO00902).** The company has an agreement with third party to transporting the hazardous and toxic waste i.e.:

- Agreement of control for hazardous and toxic waste with number 416/SA/X/2015 with PT Dame Alam Sejahtera
- Agreement of control for hazardous and toxic waste with number 413/SA/X/2015 with PT Dame Alam Sejahtera

The company has transporting record of hazardous and toxic waste i.e.:

- Document of hazardous and toxic waste No. 0004357 with type of contamination solid of hazardous and toxic waste with weight 233 kg transported by PT Dame Alam Sejahtera with vehicle number T 9646 DD on 17 October 2016
- Document of hazardous and toxic waste No. 0004356 with type solid waste i.e. ex packaging of hazardous and toxic waste with weight 46.54 kg transported by PT Dame Alam Sejahtera with

- vehicle number T 9646 DD on 17 October 2016
- Document of hazardous and toxic waste No. 0004358 with type solid waste i.e. medical waste with weight 15 kg transported by PT Dame Alam Sejahtera with vehicle number T 9646 DD on 17 October 2016

The company has list of pesticide operator year 2016. The company has been conduct special examination i.e. cholinesterase for sprayer but there is sprayer does not conducting cholinesterase examination year 2016 i.e.:

- Sumber Sawit Estate: Based on record of sprayer, there is 10 person in charge as sprayer but only 3 person has been conduct special medical examination (cholinesterase) and the worker that has not been conduct examination of cholinesterase i.e. on behalf Supriyatin, Nur, Widia Wati, Hartini, Maryati, Bariati and Rutmiati.
- IPBD Estate: Based on record of sprayer, there is 8 person in charge as sprayer but the company conduct cholinesterase examination only 1 times for a year on 26 May 2016
- Hikmah 3 Estate: Based on record of sprayer, there is 76 person in charge as sprayer but the company conduct cholinesterase examination only 1 times for a year on 27-28 May 2016 for 13 person
- Hikmah 5 Estate: Based on record of sprayer, there is 12 person in charge as sprayer but there is worker that has not been conduct examination of cholinesterase i.e. on behalf Ketut Ariantini, Soimah, Kawi and Iluh Srianti
- Plasma Dewa Makmur: Based on record of sprayer, there is 33 person in charge as sprayer but the entire of sprayer has not been conduct examination of cholinesterase

**This condition raised as Non-conformities (NCR RSPO00903).**

The company has memorandum (No.044/MD/VIII/2010 dated 31 August 2010) about the prohibition of employing pregnant or breast-feeding women to spray and fertilize". The company has list name of employee which working as sprayer. The company has memorandum No. 0117/HRS/IV/2016 dated 25 April 2016 about pregnant test examination for women workers. In the memorandum explained that the periodic examination conduct once a month to a worker who works as a fertilizer, spraying and warehouse clerk. The company has not been conduct pregnant test examination to worker that explained in the memorandum such as:

- Hikmah 3 estate has not been conduct a pregnant test examination once a month for sprayer from January until February 2017
- Hikmah 5 estate and Plasma Dewa Makmur has not been conduct a pregnant test examination once a month for sprayer, fertilizer and warehouse clerk year 2016 and 2017

**This condition raised as Non-conformities (NCR RSPO00904).**

Based on result record of pregnant test examination for Sumber Sawit estate and IPBD estate, there is no found pregnant and breast-feeding women.

**Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented.**

**Findings:**

The company has safety and health policy assigned on 1 July 2015 sign by CEO (Marc Louettel). The policy has a commitment for safety and health stated in point 8 i.e. optimally prevent occupational accidents and occupational diseases caused by the conditions and unsafe acts". The policy made in Indonesian language so the employee easy to understand. The policy has been socialize on 11 January 2017 (division 1), 27 January 2017 (division 2), 9 February 2017 (division 3), 1 February 2017 (division 4 and office) at Sumber Sawit estate, dated 9-10 February 2017 at Hikmah 5, dated 11, 14 & 18 February 2017 for Dewa Makmur and dated 9-10 february 2017 at mill. The company has program for safety and health year 2017. The program described about activity program, aim of program, PIC and frequent of activity. The company has record of realization of safety and health program year 2016 such as providing PPE to employee, induction of safety and health, meeting of P2K3, socialization of safety and health, fire simulation, first aid training, socialization of MSDS, emergency simulation and etc. The company has been conduct monitoring for safety and health plan through weekly inspection. The safety and health plan easy to access by stakeholder. The company will re-submit to next year program if any program does not realize.

The company has identification assessment for aspect of environmental impact, potential hazard and risk of safety and health and controlling revision 4. The hazard identification for aspect and impact of safety and health and environmental has been covering for all operation.

The company has training record for safe working practices such as training of lifting operator (on behalf Suyadi, Suyatno, Rustam Efendi, Kiagus Ruslan, Sunaryo), sterilizer operator (on behalf Arifin bin Yaumin, Dedi Yusuf) and boiler operator (on behalf Dedi).

Some aspect of OSH that does not fulfill such as:

- There is found cigarette butts in the mill area (St. Threshing and Boilers) and nearby solar storage tank (Sumber Sawit estate).
- Tractor F109 (Sumber Sawit estate) and Tractor 02 (IPBD estate) does not have a rearview mirror and a fire extinguisher
- Personal Protective Equipment (PPE) for sprayer (Apron and Gloves) at IPBD estate and fertilizer worker (Apron, gloves) bringing at home and specifically for fertilizer worker where personal protected equipment (PPE) are washed in field at Sumber Sawit estate Block 119.
- There is no emergency alarm in temporary storage of hazardous and toxic waste at Sumber Sawit estate
- There is no available anti-venom in Puskesmas of Sumber Sawit estate since December 2016.

**This condition raised as Non-conformities (NCR RSPO00905).**

The company has record of PPE distribution to employee such as:  
Hikmah 3 Estate

- Minutes of PPE handover Division IHTE i.e. helmet on 29 April 2016 as much as 14 pieces
- Minutes of PPE handover Division IHTD i.e. gloves on 24 October 2016 as much as 15 pieces
- Minutes of PPE handover Division IHTD i.e. helmet on 20 April 2016 as much as 19 pieces
- Minutes of PPE handover Division IHTE i.e. gloves on 2 June 2016 as much as 23 pieces

**Compliance status: No**

NCR RSPO00905  
NCR RSPO00906  
NCR RSPO00907  
NCR RSPO00908  
NCR RSPO00909

- Minutes of PPE handover Division IHTE i.e. apron on 2 June 2016 as much as 23 pieces

Hikmah 5 Estate

- Minutes of PPE handover on 13 December 2016 for loading worker and harvester Division 1 i.e. helmet as much as 19 pieces, safety glasses as much as 52 pieces, safety shoes as much as 50 pieces
- Minutes of PPE handover on 13 December 2016 for loading worker and harvester Division 5 i.e. helmet as much as 37 pieces, safety glasses as much as 54 pieces, gloves as much as 50 pieces, safety shoes as much as 30 pieces
- Minutes of PPE handover on 13 December 2016 for loading worker and harvester Division 2 i.e. helmet as much as 21 pieces, safety glasses as much as 49 pieces, gloves as much as 50 pieces, safety shoes as much as 30 pieces
- Minutes of PPE handover on 10 October 2016 for sprayer Division 5 i.e. gloves as much as 24 pieces, apron as much as 24 pieces, mask as much as 24 pieces and safety glasses as much as 24 pieces

Plasma Dewa Makmur

- Minutes of PPE handover on 3 January 2017 for loading worker and harvester Division 2 i.e. helmet as much as 40 pieces, safety glasses as much as 40 pieces, gloves as much as 40 pieces
- Minutes of PPE handover on 3 January 2017 for loading worker and harvester Division 1 i.e. helmet as much as 27 pieces, safety glasses as much as 27 pieces, gloves as much as 27 pieces

Some condition does not comply during field visit such as:

- During visit to the mill, found employees were not wearing PPE is required i.e. driver of truck (not wearing helmets, safety shoes), the operator of the sterilizer (not wearing gloves), operator thresher (not wearing ear plugs), helper of boiler operator (not wearing a mask).
- During visit to field in Block 119 B Sumber Sawit estate found employees were not wearing boots in accordance with HIRAC that has been set and based on interviews with employees, the company has not provided safety boots during the last 2 years

**This condition raised as Non-conformities (NCR RSPO00906).**

The company has not consistently conduct occupational safety and health committee meeting in accordance with a program that has been set in 2016 (mill, IPBD estate and Sumber Sawit estate, Hikmah 3 estate and Hikmah 5 estate). **This condition raised as Non-conformities (NCR RSPO00907).**

The company has not conduct re-registration the structure of occupational safety and health committee where there are member of committee has been mutation i.e. Badan Panjaitan (Chairman), Samsul Tampubolon (Secretary) at Hikmah 5 estate and Endy Marfad (Chairman), Samsul Tampubolon (Secretary), Lazuardi (member), Ngiwan R Sitorus (Coordinator), Edi Triatmoko (Chief of Section), Fransiska Y (Medical team leader), Simos S (Anggota) at Hikmah 3 estate and for Sumber Sawit mill and Sumber Sawit estate has not been obtain approval. **This condition raised as Non-conformities (NCR RSPO00907).**

The company has procedure of emergency in estate (No.P-SAG-KBN-DRR-01 revision 2 issued dated 14 September 2015). The procedure has been cover emergency condition such as fire land, fire of infrastructure, natural disaster (such as flooding, earthquake, landslide and tornado), insurrection, chemical spillage. The company has been conduct simulation of emergency on 6 August 2016 (Hikmah 3), 14 December 2016 (Hikmah 5) and 10 December 2016 (Sumber Sawit estate and IPBD estate). The company has been conduct training of first aid on 15 August 2016 and 20 Februari 2017 (Hikmah 3 estate) and 17 February 2017 (Hikmah 5 estate, IPBD estate and Sumber Sawit estate). Evidence of training such as attendant list of participant, photo documentation and first aid material.

The company has first aid officer that has been assigned i.e. 20 people (Sumber Sawit estate), 20 people (IPBD estate), 24 people (Hikmah 3) and 24 people (Hikmah 5). The company (Plasma Dewa Makmur) has 6 people related first aid officers that has been assigned but has not been get first aid training and also there is no available of first aid box for foreman. **This condition raised as Non-conformities (NCR RSPO00908).**

Based on field visit at mill in found the content of first aid box does not accordance with Permenaker No. 15 year 2008 at dumptruck BG 8054 UJ (Hikmah 3), Sumber Sawit estate fertilization activities (NPK) in Block 119B (first aid kit of foreman) and Dump truck BG 8745 DV and IPBD estate at dump truck DT 130. **This condition raised as Non-conformities (NCR RSPO00908).**

During field visit in Sumber Sawit estate at Block 119B for fertilization (NPK), the foreman had not received first aid training. **This condition raised as Non-conformities (NCR RSPO00908).**

The company has not conducted a review of the accidents that occur in 2016 such as there is an accident occur as much as 1 case year 2016 at Sumber Sawit mill, 4 case at Sumber Sawit estate, 2 case at IPBD estate, 5 case at Hikmah 3 estate, 15 case at Hikmah 5 estate and 13 case at Plasma Dewa Makmur. **This condition raised as Non-conformities (NCR RSPO00908).**

The company generally has not given labor protection insurance and health insurance for daily employees. **This condition raised as Non-conformities (NCR RSPO00909).**

The company has statistic report of occupational accident from January until December 2016. Based on data statistic report of occupational accident obtained information related lost time accident i.e. Sumber Sawit mill as much as 1 day, Sumber Sawit estate as much as 10 days, IPBD estate as much as 6 days, Hikmah 3 estate as much as 18 days, Hikmah 5 estate as much as 26 days and Plasma Dewa Makmur as much as 30 days.

**Criterion 4.8: All staff, workers, smallholders and contractors are appropriately trained.**

**Findings:**

The company has training plan for year 2017. Training plan year 2017 has been cover criteria of RSPO. Some of realization of training program year 2016 such as:

- Training of fire awareness and socialization of HCV area held

**Compliance status:** No

NCR RSPO00910

on 21 July 2016. Evidence of training such as photo documentation and attendant list of training participant

- Socialization related spraying which discuss about procedure of spraying, used of PPE and type of material used. This socialization held on 1 September 2016
- Training of handling pesticide held on 11 October 2016 and training of limited pesticide on 18 September 2016
- Training of first aid held on 15 August 2016 and 20 February 2017.

The company has the latest update records related training that has been attend for each employee (staff, employees, smallholders and contract workers).

Some condition does not comply with this criteria such as:

- The Company does not has a training program for Plasma Dewa Makmur year 2017
- Based on interviews with officer of temporary storage of hazardous and toxic waste on behalf Lukman Hakim that the officer has not been received training about hazardous and toxic waste
- Based on interviews with employees and foremen at fertilizing activity in Block 119 at Sumber Sawit estate, the foreman has not been received first aid training and employees has not been received socialization about HCV area.
- Plasma Dewa Makmur has not been conduct training about handling pesticides.

**This condition raised as Non-conformities (NCR RSPO00910).**

**Criterion 5.1: Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.**

**Findings:**

During 1st surveillance, there is no revised related Environmental Impact Assessment report for Gunung Tua Abadi company. This EIA (AMDAL) document has signed by Head of Ogan Komering Ilir District through the decree No.540/166/KEP/K-PELH/2006, covered area about 5,302 Ha (for mill and estate).

This EIA document completed with management and monitoring plan document, whereas this document explained about environmental impact since palm oil plantation and mill development until production period and also after production period finish.

The latest environmental management implementation was in June 2016. But this document not covered all requirements as stated in the Environmental Management and Monitoring Plan, page on IV-1 on Table IV.1. Such as:

1. Certification analysis result No.660/0730/SHU-LAB/V/2016 there is no any information explained about sampling point. Accordance to the Environmental Management and Monitoring plan, stated that sampling point should take from upstream and downstream of Dabuk Putih River. This is should be monitored every three months.
2. Erosion monitoring report a once year, but there is no any monitoring result showed in the report.
3. Economic impact assessment also not reported as required in RKL/RPL matrix.

**This condition raised as nonconformity under NCR RSPO00914.**

While for IPBD estate, has established the AMDAL document under PT

**Compliance status: No**

NCR No RSPO00914  
NCR No RSPO00915

Mutiara Bunda Jaya. But the AMDAL document page on II-7 mentioned covered area for AMDAL study only 1,000 ha, then also AMDAL document stated on page II-7 that this Environmental Impact Assessment valid for 10 years. **This condition raised as nonconformity under NCR RSPO00914.**

Hikmah Tiga, Hikmah Lima Estate and Dewa Makmur Smallholder:  
Both of estate above plus smallholder has EIA document (AMDAL) for year 2004 accordance to the EIA (AMDAL) approval number could not read.

Based on EIA document explanation:

1. Page II-4 “activity plan area” mentioned that EIA study covered area about 19,500 ha consist of nucleus and smallholder estate and also palm oil mill facility (page IV-6 in EIA document):
  - 441/SK/1/91, dated on 08-06-91 about 3,500 Ha
  - 002/SK/-1LP/OKI/95, dated on 16-05-1995 about 6,000 Ha
  - 001/SK-1LP/OKI/95, dated on 16-05-1995 about 10,000 Ha
2. Page IV-7 mentioned “every area who already has land use rights certificate on behalf PT Telaga Hikmah during EIA assessment was about 9,8441.1 Ha or 50.48% from total land area about 19,500 Ha. This area consist of Hikmah I estate about 2,668.5 ha; Hikmah II estate about 3,885.2 ha and Hikmah III estate about 3,290.40 ha, and plan for nucleus estate development until 2007 is about 15,000 ha. It’s mean about 5,155.9 ha area still not have land use rights certificate. Then, for smallholder development until 2007 is about 7,615.34 ha, consist of smallholder of Suryakarta village – Tunas Harapan; Makmur village – H.J Mandiri; Geronggang village – Puger Mulia; Embacang village – H.J Mandiri; Kayu Labuh village – Ipoh Jaya; and there is no more information that Dewa Makmur smallholder (include in this certification) covered by this EIA document. **This condition raised as nonconformity under NCR RSPO00914.**

Estate has record of Environmental and Monitoring report for Semester I, this report submitted to the Environmental Official Government on September 2, 2016. But until surveillance audit, report for Semester 2 not finished yet because laboratory company still waiting result from laboratory. This become improvement for the next, and as observation for company to solve this condition.

Then, company could not showed evidence environmental management review minimum in every two (2) years. **This condition raised as non-conformity under RSPO NCR00915.**

**Criterion 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.**

**Findings:**

During 1st surveillance audit, there is no revision of HCV assessment document.

Sumber Sawit Estate:

The company has conducted the HCV identification inside the land used rights (HGU) on August 2011. Based on HCV identification assessment, HCV area was identified is about 405.51 Ha (13% from total land) and plus 4.42 Ha in field number 119 division I (low land), so the HCV total was 409.93 Ha, consist of:

- Reservoir was 7.44 Ha located in field number 71, 72
- Low land reservoir Balian was 105.75 Ha located in field number 11, 12, 13, 14, 15, 19

**Compliance status:** No

NCR No RSPO00917

- Low land reservoir Sumber sawit was 102.19 Ha located in field number 95, 96, 100, 101, 102, 107, 108, 109
- Peat swamp in Sumber sawit was 144.61 Ha located in field number 97, 99, 109, 110, 112
- Peat swamp in Sumber sawit was 45.52 Ha located in field number 98,99.

The type of HCV was 1.1; 1.2; 1.3; 2.3 and 4.1.

HCV identification was carryout by internal assessor company, when the internal assessors was trained by Tropenbos International Indonesia.

Sumber sawit estate has HCV brief to all of related stakeholder such as local community, all of workers level evidenced by attendant list on August 14, 2015 attendant by 34 persons. Material was brief about protection of flora and fauna also HCV conservation.

HCV identification was covered information about flora dan fauna identification inside the land use rights (HGU), with consist of:

- 9 mammal with two categorized include in RTE species (*Manis javanica and Felis bengalensis*)
- 26 aves
- 5 pisces
- 4 reptile

Based on HCV assessment also, there is no identified corridor fauna, because company location bordered with small holder, local community villagers. And HCV was build based on HCV toolkit. Map of HCV also available with scale 1:50,000.

Potentially RTE species inside the HCV area of Sumber sawit estate was *Manis javanica and Felis bengalensis*. HCV management and monitoring plan was covered the RTE species monitoring such as biodiversity condition monitoring and RTE species abundance, demarcation and marking the HCV area, rehabilitation and enrichment species, brief to local community and workers level, and others. HCV signboard about prohibited the illegal fishing, hunting, catching, river bank protection and others also installed in HCV location area, road, housing and office.

During 1st surveillance assessment, Sumber Sawit estate has done carried out RTE species monitoring in 2016. But based on HCV monitoring some of RTE species (*Manis Javanica*) was missing from the company HCV area. End the company has made some management plan to handling and found the problem why that RTE species not present again in company HCV area.

Also found HCV area set-aside with land conflict (Division V), and estate could showed the result of meeting with the local community, but the community did not want to signed the minutes of meeting because the community still want to convert the HCV become palm oil for smallholder.

Inti Permata Bunda Dua Estate:

Especially for this estate accordance to the HCV document assessment there is no HCV area identified. So principle criteria for HCV not assessed in this estate.

Hikmah Tiga Estate:

Based on HCV document assessment identification, October 2012 by external consultant of Forestry Department, Bogor Agriculture University there is no HCV area has been identified. So principle criteria for HCV not assessed in this estate.

Hikmah Lima Estate:

Based on HCV document assessment identification, October 2012 by external consultant of Forestry Department, Bogor Agriculture University there is no HCV area has been identified. So principle criteria for HCV

not assessed in this estate.

Dewa Makmur Smallholder:

Based on HCV assessment of Telaga Hikmah for 2012, Dewa Makmur was not include in HCV assessment. Based on HCV assessment of page 6 “history of area” mentioned that total area include in this study was about 1,846.65 ha, but there is no more explanation if the Dewa Makmur associated smallholder include in this HCV assessment study, and company could not ensure that the smallholder area include in the HCV assessment. **This condirion raised as nonconformity under NCR RSPO00917.**

**Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner**

**Findings:**

The company has list of identification for pollution source and significant emission greenhouse gasses which stated in Environmental and Safety aspect and impact identification (FRM-GEN-071 year 2016).

The company has inventory of chemicals and container which used and keeping in hazardous and toxic waste storage. The company has an agreement with third party to transporting of hazardous and toxic waste. Some example of agreement i.e.:

- Agreement of control for hazardous and toxic waste with number 416/SA/X/2015 with PT Dame Alam Sejahtera
- Agreement of control for hazardous and toxic waste with number 413/SA/X/2015 with PT Dame Alam Sejahtera

The company has permit for temporary storage of hazardous and toxic waste i.e. Letter Decree from Head District of Ogan Komering Ilir No.679/KEP/BLH/2015 dated 18 September 2015 about permit of temporary storage of hazardous and toxic waste. This decree valid until 3 years since assigned.

The company has transporting record of hazardous and toxic waste i.e.:

- Document of hazardous and toxic waste No. 0004357 with type of contamination solid of hazardous and toxic waste with weight 233 kg transported by PT Dame Alam Sejahtera with vehicle number T 9646 DD on 17 October 2016
- Document of hazardous and toxic waste No. 0004356 with type solid waste i.e. ex packaging of hazardous and toxic waste with weight 46.54 kg transported by PT Dame Alam Sejahtera with vehicle number T 9646 DD on 17 October 2016
- Document of hazardous and toxic waste No. 0004358 with type solid waste i.e. medical waste with weight 15 kg transported by PT Dame Alam Sejahtera with vehicle number T 9646 DD on 17 October 2016

The company has management and disposal plan to reduce pollution. The management and disposal plan has been described information about identification and monitoring of waste and pollution source, management and disposal that cooperate with third party. The company does not conduct waste disposal by burning.

**Compliance status: Yes**

**Criterion 5.4: Efficiency of energy use and use of renewable energy is maximized.**

**Findings:**

Sumber Sawit Mill has monthly records of monitoring of usage of fossil fuels for year 2016 in document named ‘Recapitulation of Mill Utilization for year 2016’. This record summarizes monthly data as follows:

**Compliance status: No**

NCR No RSPO00911

Fossil fuel usage: Total litres of fossil fuel used in year 2016 was 189,065 litres. Usage of fossil fuel was highest at over 20,000 litres per month which was recorded from April to August 2016 (highest usage was 22,950 litres in June 2016), and the reduced from September 2016 to December 2016 (lowest usage was 2,960 litres in November 2016). Renewable energy usage: The mill records monthly amount of shell and fibre produced per month, amount used by the mill each month and fibre/shell used per tonne CPO per month. Total amount of shell used by the mill in year 2016 was 10,433 tonnes while total amount of fibre used in year 2016 was 21,498 tonnes. Total amount of shell per tonne CPO used was 0.32 while total amount of fibre per tonne CPO used was 0.65. Data showed a trend of increasing usage of shell and fibre, i.e, from March to August 2016, where usage of shell was only between 40 to 891 tonnes, but increased to above 3000 tonnes of shell per month from September to December 2016, while from April to August 2016, usage ranged from 51 to 490 tonnes per month and increased to above 3000 tonnes of shell per month from September to December 2016. This increase in usage of fibre and shell corresponds with the decrease in usage of fossil fuel as explained above. The sources of all data above was cross checked against the daily Mill Operation Summary report for each month. However, Sumber Sawit Palm Oil Mill does not have any defined targets or a plan for improving the efficiency of fossil fuels and to optimize renewable energy usage of the mill. **This condition raised as nonconformity under NCR RSPO00911.**

The company has a plan for efficiency of the use of fossil fuels which change with used shell and fiber. The company has implemented the plan and conduct monitoring. Based on monitoring obtained information i.e.:

Month	Biomass (kg)		Fuel efficiency that change with biomass
	Shell	Fibre	Litre
January	1,009,546	2,180,310	1,649,860
February	459,015	1,884,160	1,204,294
March	292,742	1,671,732	1,007,166
April	5,514	64,260	35,640
May	155,970	391,050	282,466
June	194,642	464,924	340,760
July	155,490	366,380	269,660
August	241,440	489,840	378,504
September	630,041	1,587,213	1,144,871
October	1,479,291	3,401,235	2,522,543
November	1,633,105	3,891,660	2,854,402

December	1,539,030	3,625,560	2,668,650
Total	7,795,825.51	20,018,324.00	14,358,815.92

Calculation of electricity kwh which produced in mill year 2016 i.e.:

Source of electricity	Total of Kwh which produce
Genset 1	253,632
Genset 2	245,895
Turbin	3,178,540
Total	3,678,067

The company has policy about zero burning that stated in point 9 which says preventing environmental pollution and land clearing without fire (zero burning). The policy was signed by the Chief Executive Officer (Marc Louette) on July 1, 2015. The company has procedure of land preparation (No.P-SAG-KBN-PML-01 revision 01 issued dated 16 March 2012). The procedure has been explained that land preparation and land clearing used mechanics equipment and zero burning. The company conduct land clearing without burning. The company has record for implementation of policy i.e. evidence of payment such as minutes of work completion No.33/SS/VI/2007 as large as 2.9 hectares (Block 99). The company has been conduct training for fire awareness and socialization of HCV area held on 21 July 2016. Evidence of training such as photo documentation and attendant list of participant.

**Criterion 5.5: Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.**

**Findings:**

During 1st surveillance audit, Sumber Sawit Estate, IPBD Estate, Hikmah III, Hikmah V and Dewa Makmur Smallholder was not carried out land clearing activity. And based on field assessment also not found any evidenced that all estate above carry out burning activity for land clearing.

At Dewa Makmur smallholder scheme, it was confirmed from interviews with workers and community members living adjacent to the smallholder area that the company had not used fire during the land clearing and planting of oil palm during the planting period of year 2010—2013. However, some significant fires had broken out at the planted areas during the dry season in year 2014 and 2015 at the peat land areas of the smallholder area, i.e. block 184, 185, 191, 192, 193, 196 covering about 200 ha, which took several weeks to put out. It was informed by company representatives that this was due to low water levels at the peat area. Action taken to prevent recurrence included water level monitoring at peat areas, however, it was found that monitoring was insistent with no SOP available. This was raised as NCR No. RSPO00896 under CR4.3.

It was confirmed that the company has an emergency response procedure no. P-SAG-KBN-DRR-01 dated 14 September 2016 which covers emergency response for fire. However the required frequency to conduct land fire emergency simulations was not stated in the procedure. This was noted as an observation. Evidence was sighted that the company has conducted land fire emergency simulations with details as follows:

- Hikmah 3 estate: Fire simulation was last conducted on 6 August

**Compliance status:** Yes

2016 including summary of time and location, observations, recommendations and conclusions and photos.

- Hikmah 5 estate: Fire simulation was last conducted on 14 September 2016 including summary of time and location, observations, recommendations and conclusions and photos.

Land fire emergency training was also done on 6 June 2016 which involved management personnel from various PT Sampoerna estates and the Community Fire Fighting Group (Kelompok Tani Peduli Api) at the football field of Rajawali Stadium, Hikmah 1 estate.

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

**Findings:**

The company has identification of greenhouse gasses source year 2017 such as identification of greenhouse gasses source from use of energy (FM-SAG-RO-SUS-15003 revision 0 effective date 20 March 2016), identification of greenhouse gasses source from waste and byproduct (FM-SAG-RO-SUS-15004 revision 0 effective date 20 March 2016), identification of greenhouse gasses source from use of chemical (FM-SAG-RO-SUS-15005 revision 0 effective date 20 March 2016). Inside the identification listed activity which produce the pollution.

The company has plan to reduce emission. The plan describe about program, target and time frame to reduce emission of greenhouse gasses. The company has record of liquid waste quality testing conduct by UPTB Environmental Laboratory of Environmental agency South Sumatera Province from January until December 2016. Based on certificate of testing result seen that pH and BOD still below the threshold in accordance with KepmenLH No.28/2003 and KepmenLH No.29/2003.

The Company not calculated yet emission of greenhouse gasses using the Palm GHG version 3.0.1. **This condition raised as nonconformity under NCR RSPO00912.**

**Compliance status:** No

NCR No RSPO00912

**Criterion 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 continuous improvement.**

**Findings:**

PT GTA and PT IPBD has social impact assessment (SIA), the assessment was conducted in year 2012. The process to conducted social impact assessment can be seen through photograph, attendance list in several villages such as Dabek Makmur, Embacang etc.

The impacts associated with the company actual condition either to the negative impacts as well as to the positive impact ie : Land affairs, Infrastructure, Demographics, Socio-Economic, Social Cultural, Environmental, Partnerships.

Some evidence that the assessment has been done with the participation of affected parties such as:

- FGD activities in Dabuk Makmur village on September 14th, 2012 was attended by 16 participants.
- FGD activities in Balian Makmur village on September 14th, 2012 at 14.00 pm was attended by 16 participants.
- FGD activities in Embacang village on September 14th 2012 was attended by 18 participants.
- FGD activities in Balian village on September 14th 2012 was attended by 16 participants.

The affected parties from operational PT IPBD II are: Dabuk Makmur Village; Mulya Jaya village; Sumber Baru village; and Balian village;

**Compliance status:** No

NCR No RSPO00917

SIA Documents PT Telaga Hikmah (Hikmah III and V estate) assessment was performed on Dec 16-23, 2014 by PT. Sahabat Investasi Indotama.

FGD held on Dec 18, 2014 at Desa Pagar Dewa Village attended 5 participants and Balian village attended 4 participants. There is other village include in SIA document however those villages are not part of scope audit.

Impacts found at the company at PT. TH: Agrarian, Accessibility, Demography, Environment, Infrastructure, Socio-Cultural, Socio-Economic.

The company has social management plan stated, the information on the plan relevant with information stated on social impact assessment document. There are plan for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, but that document not developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. **This condition raised as nonconformity under NCR RSPO00917.**

**Criterion 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.**

**Findings:**

The company has Consultation and communication procedures, it is documented on P-SAG-RO-CAS-08. There is a management official letter regarding assignment of responsible person for social issues, it was stted onletter No. 138/HRS/SKJ/P/VI/2015 for Plantation Support Coordinator.

The specific job desription for plantation support coordinator as stakeholder communication has no explained, this is company opportunity for improvement. ,

A list of stakeholders is well maintained, the list contain, representative from smallholders,head of village, FFB Suppliers, local institution, NGO, Sub Contractors, FFB suppliers, housing contractor, community leaders from affected parties. Stakeholder consultation to inform Company's procedure of communication conducted on February14, 2017. (Based on interview with Head Vilagge Dabuk Makmur, Balian Makmur).

**IPBD**

Letter from the chaplain of the Christian Church of Tabernacles on November , 30 2016 concerning requests for zinc and timber relief, reprisals from management by providing assistance of 30 sheets of zinc and 30 logs dated December 01,2016

**Sumber Sawit**

Letter no. 420/048 / SMAN3 / Mesra / D.Dik / 2017 regarding school bus lending submitted to management of PT. GTA dated February 15, 2017. Replies from the management of Letter No.0102 / SS / II / 2017 dated February 17, 2017 to the Headmaster of SMAN 03 Mesuji Raya regarding the submission of forgiveness can not lend the school bus.

**Hikmah III**

Letter from the Principal of SDN 3 Balian to TH III Estate Management regarding request for the help of a water pump device (robin pump) on February 04, 2017, response letter from management No. 0119 / HT / II / 2017 from management to Principal of SDN 03 approval of robin pump lending to SDN 03 on 07 Feb 2017.

**Compliance status:** No

NCR No RSPO00918  
NCR No RSPO00913

**Hikmah V**

Police office construction proposal submitted Head of Pagar Dewa Village to management date 07/10/2016 responses with the provision of aid funds for the construction of a police office of Rp. 15,000,000, dated 14 Dec 2016.

Units could not show document of appointment of communications and consultant officials with stakeholders for all estates and mill. **This condition raised as nonconformity under NCR RSPO00918.**

**Dewa Makmur**

Casual worker interviewed in Dewa Makmur associated smallholder did not understand with communication and complaint procedure and how to contact the management except foreman. **This condition raised as nonconformity under NCR RSPO00913.**

**Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.**

**Findings:**

The open system regarding dispute resolution is available integrated with the communication and complaint procedure on P-SAG-RO-CAS-08, the company also established policy to protect anonymity of complainants and whistle-blowers. A list of stakeholders is well maintained, the list contain, representative from smallholders, head of village, FFB Suppliers, local institution, NGO, Sub Contractors, FFB suppliers, housing contractor, community leaders from affected parties. Stakeholder consultation to inform Company's procedure of communication was done on August 14, 2015.

There are recordings, regarding the handling of complaints from the public related to the activities of the company, such as :

**Hikmah III estate**

There is a Minutes of the meeting related to the closure of the access road of Telaga Hikmah III to Sumber Sawit Mill dated 29-30 on block 141-142. The closure of the estate was caused by the disappointment of Balian villagers who suffered losses from land fires owned by residents affected by land clearing in the core estate. The meeting was facilitated by Tripika Kecamatan Mesuji Raya on December 07, 2016 at Balian Village with the participants of the Mesuji Raya district, Danramil Mesuji, Mesuji Police Chief and members, Balian Village Head and village apparatus, company, the land owner. The results of the conclusion of the meeting : Balian village head pleaded for the settlement of problems without using legal way, village head hoped there is a policy of the company to provide compensation as a form of togetherness, and give time of 1.5 months there should be an answer from the company on the conclusion of the meeting.

And the response from the company No. 003 / MD / TH / I / 2017 dated 23 January 2017 from PT TH to the Head of Balian Village, regarding the response of land fire claims: the company verifies and assesses the legal basis for fire accident in 2014 concluded that the company is in a position not to carry out land clearing through burning activities in accordance with SOPs and policies owned by Sampoerna Agro. And the company recalls to the Village Head to provide an understanding to the community not to close the access road to the factory or settlement of problems using legal way.

**Hikmah V estate**

There is letter No. 593/03 / PD-MES / 2017 dated 04 January 2017 from

**Compliance status: Yes**

Pagar Dewa Village Chief of settlement of community land compensation within the HGU of 106 Ha in Telaga Hikmah V estate, and the Village warns the company to stop all activities on the land of Pagar Dewa residents, the response from the company through letter No. 002 / TH / MD / 1 / 2017 to Pagar Dewa Village head on January 07, 2017 that in 2014 the previous Village Head “Mrs. Kartini” and company has sent a letter concerning land issue of 106 Ha owned by Pagar Dewa residents and has been done mediation, while the result of the meeting was ultimately damaged for settlement through legal way. The Company has also performed compensation payments on a land of 106 Ha. Management warns citizens / community groups not to occupy the land and to take yields from oil palm plantations, if the warning is violated by the community then the company will take legal action.

**Criterion 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.**

**Findings:**

A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation have been in place, it is determined on IMS Procedure P-SAG-RO-CAS-03 rev2 dated December 2, 2013. However there is no evidence that procedure are jointly developed, agreed and accepted by local communities. The company explained that the drfat was made by company and was communicated to stakeholder’s especially local community by August 14, 2015. The procedure include for calculating and distributing compensation (monetary or otherwise) The procedure is new has not clear information about consideration of gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups’ proof of legal versus communal ownership of land. **This condition raised as nonconformity under NCR RSPO00919.**

Example of records related land compensation :

1. Sindu, area 2 Ha located at Sumber Sawit, November 07, 2003.
2. Lukman Jambi, area 2 ha, located at IPBD, October 30, 2017.
3. A. Rahman Sumajaya, area 2 Ha, located Hikmah III Blok 123, December 15,2009
4. Hamid/Ahmad sabuk, area 2 Ha, located Hikmah V Blok 101 , December 11, 2008.

**Compliance status:** No

NCR No RSPO00919

**Criterion 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.**

**Findings:**

Based on 1st surveillance audit, company has pay they workers accordance to the regulation about minimum wages Governor Decree of South Sumatera No.117/KPTS/DISNAKERTRANS/2016 about minimum wages for agriculture sectoral, whereas the minimum wages is about Rp. 2,250,00 per month. Based on wages payment slip review for November and December 2016, all workers has got they wages above the decree.

Field interview with workers also showed that workers got wages as required by regulation, they also signed the payment slip, but found workers in SS mill, Sumber Sawit estate, IPBD estate, Hikmah III and V estate not covered by BPJS Kesehatan and Ketenagakerjaan as required by National regulation. **This condition raised as nonconformity under NCR RSPO00920.**

**Compliance status:** No

NCR No RSPO00920

NCR No RSPO00921

On this company both estate and mill, they workers categorized by two type i.e.: casual workers and permanent workers. The permanent workers has completed by “Perjanjian Kerja Bersama” and they also completed by employee appointment document and other document required by regulation. But, for casul workers they does not complete by working contract document, they got oral explanation only for the job and after that the casual workers asked for signed in attendant list document whereas this document explained that supervisor has done inform about rights and obligation of casual workers. **This condition raised as nonconformity under NCR RSPO00921.**

Mill and estate has provide facility such as housing, clean water, electricity, transportation (school bus), public facility and other for free for all workers in mill and estate. company both mill and estate also provide free acces to food and others through provide transportation unit such as bus, open market every month and also company provide free rice (catu beras) for every workers (permanent and casual workers) but with different quantity.

**Criterion 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.**

**Findings:**

Company both mill and estate, has established policy related free trade join to union parties or others with responisbility. This policy signed on July 1st, 2015.

Based on field interview with workers, showed they already understood about this policy, also they has joined in to the union parties in this company.

Collective labour agreement (Perjanjian Kerja Bersama) between company as employer and employee are established in the company and already registered in the Labour Official Government of South Sumatera Province, such as:

- Decree No.2417/SK/NAKERTRANS/2015 this collective labour agreement is between PT Muatiara Bunda Jaya with Mutiara Bunda Jaya Workers Union, valid until October 23, 2017.
- Decree No.2415/SK/NAKERTRANS/2015 this collective labour agreement is between PT Gunung Tua Abadi with Gunung Tua Abadi Workers Union, valid until October 23, 2017.
- Decree No.2419/SK/NAKERTRANS/2015 this collective labour agreement is between PT Telaga Hikmah with Telaga Hikmah Workers Union, valid until October 23, 2017.

This workers union also could showed they activity such as minutes of meeting of workers union dated on October 25, 2016 with attendees about 19 person, and topic has been discussed is about shif addition number for enginee room, extra fooding and others. Also minutes of meeting on April 13, 2016 with attendees about 39 person, and topic has been discussed about yearly meeting, member card fees, and others.

**Compliance status:** Yes

**Criterion 6.7: Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education programmes. Children are not exposed to hazardous working conditions.**

**Findings:**

During 1st surveillance audit, company has commitment to do not used and not allowed for children workers, whereas this policy signed on July 1st, 2015. Also company has document/memorandum number

**Compliance status:** Yes

0016/DMD/XII/2010 dated on December 9, 2010 about:

- Is prohibited for women workers carry out activities from 11.00 PM until 07.00 AM.
- Is prohibited fro childern workers below 18 years old without exception.

Others document No.161/MD/IX/2014 dated on September 15, 2014 about not allowed to bring children below 18 years old to work place/work location/work field.  
Based on employee data base verification, there is no workers below 18 years old. The youngest employee is about 19 years and 4 month.

**Criterion 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.**

**Findings:**  
Based on 1st surveillance, company estate and mill has established policy related:

- Equal opportunity for no discrimination in work area, job opportunity and others. This policy signed by Chief Executive Director on July 1st, 2015.
- Mechanism for recruitment document No.P-SAG-RO-HRS-01 about recruitment process valide since September 1st, 2009. While purposes of this procedure is to ensure that employee has been recruit comply with the requirement, and base line for recruitment is competency, and the job vacancy announcement will carry out openly.
- Memorandum No.0025/DMD/XII/2015 dated on December 12, 2010 about equal opportunity policy.

Based on employee data base verification found there is no discrimination in every departement and working area in the estate and mill. Also in recruitment process and job vacancy announcement and job description are comply with the company regulation about equal opportunity. Then also in job vacancy announcement for smallholder assisten, accounting, casul workers, head of administration not mention spesifically gender, religion, race, sexual orientation and others discrimintaion indicator.

**Compliance status: Yes**

**Criterion 6.9: A policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.**

**Findings:**  
Based on document verification that women and reproduction protection are established in the estate and mill. Company has policy for women and reproduction rights protection from sexual harrasment and violence, i.e.:

- Policy for sexual harrasment and violence protetction and reproduction, signed on July 1st, 2015
- Memorandum No.0016/DMD/XII/2010 about prohibition of women workers above 11.00 PM until 07.00 AM.
- Memorandum No.0034/VII/2010 about sexual harrasement, reproduction rights prevention and mechanism for complaint.
- Memorandum No.004/MD/VIII/2010 about prohibition of women workers in pregnant or breast feeding condition for spraying and fertilizing.
- And others.

Based on field assessment in spraying activities, all women workers understood about women protection policy, and there is no foud any women in pregnant and breast feeding condition in spraying activities.

**Compliance status: No**  
NCR No RSPO00922

Interviewed also carried out with gender committee head in Hikmah III estate, she said that sexual harassment and women protection brief has been carry out during morning call.  
But, when interviewed with IPBD estate gender committee head, she's could not show the committee gender work program and brief program for all workers especially for woman workers. **This condition raised as nonconformity under NCR RSPO00922.**  
Company estate and mill has provide specifically mechanism for handling with respect anonymity and protects complainants where requested in company policy signed on September 27, 2013 by President Director. This policy stated that company has Whistle Blowing System (WBS). And until during the surveillance audit, there is no data recorded in WBS system.

**Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.**

**Findings:**

Company estate and mill has established mechanism for FFB price, in procedure No. P-SAG-RO-PLS-01 dated on September 1st, 2009. This procedure explained that FFB price is based on price from Estate Official Government of South Sumatera every twice in a month.  
And this prices always openly access by every one and installed in information board in front of mill.

In Hikmah V estate, there are smallholder, name is Koperasi Dewa Makmur with total are about 2,000 ha, located in Dewa Makmur village. Member of this smallholders in about 1,000 person with land ownership is about 2 ha per person/member. Agreement document between company and smallholder already established in place with document No.PK-1/TH/MD/VIII/2009 and 001/KMD/PD-MES/VIII/2009 dated on August 7, 2009 with smallholder type is "*Pola Kemitraan-Program Revitalisasi Perkebunan*" whereas the status in single management under company (PT Telaga Hikmah).  
This agreement document also explained about profit sharing mechanism between company and smallholder.  
Payment process carry out every month through the bank transfer to the Koperasi. Records of payment process (bank transfer) every month until surveillance audit are available in place and accessible.

**Compliance status:** Yes

**Criterion 6.11: Growers and millers contribute to local sustainable development wherever appropriate.**

**Findings:**

During 1st surveillance, company contribution to the local sustainable development are recorded. Road development and maintenance in Balian village, elementary school development, official building, library building recorded as company contribution in Balian village. Also clean water installation in school area very helping local community.

Local contractor who working together with company also recorded, such as contract No.087/BAPP/HT/II/2017 for FFB contractor; 180/GTA/SPK/X/2016 for housing development and others.

Based on interviewed with Hikmah V estate manager, company effort to develop the smallholder is:

- Job training through carry out training together between smallholder workers and company workers;
- Working evaluation result every morning call

**Compliance status:** Yes

- Periodically training by supervisor to smallholder workers
- And others.

**Criterion 6.12: No forms of forced or trafficked labour are used.**

**Findings:**

There is a recording of daily paid worker agreement for all KHL in Tela-ga Hikmah III and IV and smallholder. However, there is no evidence that some KHLs that working in mill and estates (Sumber sawit and IPBD) are not forced labours, during field observee auditor found some worker have not hold documented.contracts which agreed by employers and workers .

The companies could not show evidence that some of the daily paid workers who work in the estate and mill are not constitute in forced labor, because there is no employment contract document. **This condition raised as nonconformity under NCR RSPO00923.**

**Compliance status:** No

NCR No RSPO00923

**Criterion 6.13: Growers and millers respect human rights.**

**Findings:**

Human rights policies contained in Sampoerna policy point 4 "Respect for Human Rights, including the right of all workers to organize and bargain collectively, and provide opportunities and equal treatment in employment".

Records of the socialization of corporate policy:

**IPBD**

dated 10/08/2016 attended by 22 estates workers, mean while there were 180 employees, the understanding of human rights has not been socialized

**Hikmah III**

Socialization dated January, 11 2017 at DIV I attended 26 workers, January 27 2017 at Div II attended 16 workers, February 01, 2017 at Div IV attended 9 workers, February 09, 2016 at Div II attended 15 workers.

**Hikmah IV**

Socialization of the garden office February 09, 2017 attended 8 workers, 10 Feb 28 workers, Div III 10 Feb 2017 27 workers.

**Smallholder**

Socialization of the Estate office dated February 09, 2017 attended 5 workers, February 14, 2017 at Div I attended 24 workers, February 18, 2017 at Div II attended 18 workers.

Socialization about human rights policy understanding to third party contractor in Sumber Sawit estate, IPBD, and Hikmah III also Mill is not implemented. **This condition raised as nonconformity under NCR RSPO00924.**

**Compliance status:** No

NCR No RSPO00924

**Criterion 7.1: A comprehensive and participatory independent social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.**

**Findings:**

There is new planting activities has been done at Companies and Dewa Makmur smallholder after November 2005, However the company could not show the evidence that smallholder has SIA document including records of assessment involving affected parties and social management plan. **This condition raised as nonconformity under NCR RSPO00925.**

Found insufficient evidence that there is a document of social impact management plan due to the development of Plasma Dewa Makmur plantation. **This condition raised as nonconformity under NCR RSPO00926.**

**Compliance status:** No

NCR No RSPO00925  
NCR No RSPO00926

**Criterion 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.**

**Findings:**

Soil surveys of all the company's area was done prior to initial planting. For example, for Hikmah 3 estate which is under PT Telaga Hikmah, the original environmental impacts assessment document (AMDAL) for the oil palm plantation and palm oil mill no. 139/BA.5/IV/1996, dated 24 April 1996. Section 4.1.2 of the AMDAL describes the geology of Hikmah 1, 2 and 3 estates as being 5-6 meters above seas level and generally flat topography with slope of 0 – 8 %. The soil types identified and their details are as follows:

- i) Alluvial soils covering 3,814 ha (17.1% of total plantation area)
- ii) Podsollic soils covering 14,400 ha (64.7% of total plantation area) being generally flat with slope of 0-3% and 3-5%
- iii) Kambisols: Covering 3,300 ha (14.8% of total plantation area). Only located at Hikmah 1 and 2 estates, hence is not relevant to Hikmah 3 estates in this certification scope
- iv) Peat: Covering 750 ha (3.4% of total plantation area) of which 550ha is located in Hikmah 1 estate and the rest is in sporadic areas of Hikmah 2 estate, hence is not relevant to Hikmah 3 estates in this certification scope

The AMDAL document was revised in year 2004, hence subsequently the soil survey results were updated prior to first planting at Hikmah 5 estate in year 2008.

**Compliance status:** Yes

**Criterion 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.**

**Findings:**

Sumber Sawit Estate:

During 1st surveillance, It was sight on company's hectare statement, there are 682.22 ha planted area after November 2005, before HCV assessment conducted in PT Gunung Tua Abadi such as:

- 1. Year 2005 is 136.25 ha;
- 2. Year 2006 is 157.55 ha;
- 3. Year 2007 is 313.80 ha;
- 4. Year 2008 is 70.20 and
- 5. After HCV assessment conducted in year 2011 there is 4.4.2 ha.

For planted area year 2011 (4.42 Ha) was excluded from planted area, and also not maintained by estate.

There is no new planting area in Sumber Sawit Estate changed the primary forest and others forest area.

**Compliance status:** No

NCR No RSPO00927

**Inti Permata Bunda Dua Estate:**

While for Inti Permata Bunda Dua estate total oil palm planted after year 2005 is 770.02 ha consist of planted on:

1. Year 2006 is 333.93 ha and
2. Year 2008 is 66.89 ha

There is no indicated company replaced primary forest and any area require to maintain or enhance one or more high conservation values, in all plantation area above year 2005 base on observation on the field and document checked.

According to information stated on HCV assessment result in year 2011, company condition in year 2001 was dominated by thicket swamp, bush, agriculture local community and small part oil palm ecosystem. The land covered stated on satellite imaginary TM year 2001, PT Gunung Tua Abadi area was not connected with other forested ecosystem area. Small part categorized as peat land however the company has delimiting that area and excluded from company's productive area as well as riparian Dabuk Itam river. No oil palm planted was sight during field audit on that area. The company has conduct land use change analysis for all opened area after year 2005, the information stated on the analysis result that using satellite imaginary 7 band 543 dated 09/08/2005 is categories as open land with coefisien 0.

The condition of land covered for PT Inti Permata Bunda Dua estate according to land use change analysis conducted by external consultant from Bogor Agriculture Univesity as explained on the table below:

No.	Land cover	Year/Ha				Co-efisian Class
		2004	2005	2006	2007	
1	Swamp	154.13	13.38	334.12	147.00	0
2	Thicket swamp	0.00	181.51	0.00	0.00	0
3	Bush	539.26	67.19	0.00	11.50	0
4	Oil palm	113.58	603.29	1,023.80	1,196.00	0
5	Opened land	563.53	505.12	12.58	16.00	0
<b>Total</b>		<b>1,370.50</b>	<b>1,370.50</b>	<b>1,370.50</b>	<b>1,370.50</b>	<b>-</b>

**Note:** Source: land use changes analysis document IPBD estate year 2015. Using satellite imaginary 7 Band 543 acquisition 03/06/2004; 09/08/2005; 16/05/2006 and 02/10/2007.

It is an overlaid map between IPBD land use right HGU area and Forested area map issued by ministry of Forestry according to decree letter no. 866/Menhut-II/2014. IPBD are not side a side with protected forest of production forest.

In year 2015 company submit their disclosed liability to RSPO and was confirmed by RSPO compensation executive that PT Sampoerna Agro has disclosed zero liability for their units, including PT Gunung Tua Abadi and Inti Permata Bunda Dua estate.

**Hikmah 3 Estate:**

This estate under PT Telaga Hikmah, but supplied the FFB to Sumber Sawit Palm Oil Mill under PT Gunung Tua Abadi. Both of this company is subsidiary of Sampoerna Agro, Tbk.

This estate also still under NPP notification process, evidence by company email with RSPO board.

Accordance to the YoP data, found planting area before HCV identification assessment with total 55.43 Ha, such as:

1. YoP 2010 about 30.70 ha
2. YoP 2011 about 22.73 ha

This area will under RSPO sanction and will not include in certification area and FFB certified within 3 years.

While for planted area since November 2005 also identified, such as:

1. YoP 2006 about 129.40 ha
2. YoP 2007 about 911.00 ha
3. YoP 2008 about 4.40 ha

This area planted will under RSPO remediation and compensation panel. During surveillance audit, NPP report still on process by RSPO evidence by email correspondence to the RSPO, and RSPO will decided that company will sanction or no after compensation and sanction panel process.

Hikmah 5 Estate:  
This estate under PT Telaga Hikmah, but supplied the FFB to Sumber Sawit Palm Oil Mill under PT Gunung Tua Abadi. Both of this company is subsidiary of Sampoerna Agro, Tbk.  
This estate also still under NPP notification process, evidence email with RSPO baord.  
Accordance to the YoP data, found planting before HCV assessment before December 2009 total 1,975.70 Ha, consist of:

1. YoP 2008 about 1,770.90 Ha
2. Yop 2009 about 209.80 Ha

This planted area already explained in NPP notification report, but still under RSPO process for notification.

Dewa Makmur Smallholder:  
Accordance to the smallholder hectare statement 2017, year of planting this smallholders was before HCV identification assessment. All smallholder scheme was planted since 2010 up, such as:

1. YoP 2010 about 729.80 Ha
2. Yop 2011 about 92.40 Ha
3. YoP 2012 about 392.50 Ha
4. YoP 2013 about 338.90 Ha

Found planting area after January 2010 in Dewa Makmur smallholder without NPP process. **This condition raised as noncoformity under NCR RSPO00927.**  
This smallholder area, was not include in NPP of Telaga Hikmah notification draft, and also this smallholder (all) will under RSPO sanction within three years.  
Smallholder has LUC analysis by external consultant PT Fodec Khatu-listiwa on 2017.

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

**Findings:**

Identification of steep terrain and/or marginal soils, including peat, was done in the environmental impacts assessment document (AMDAL) for the oil palm plantations. Section 4.1.2 of the AMDAL for PT Telaga Hikmah (covering Hikmah 3 estate) describes the geology of Hikmah 1, 2 and 3 estates as being 5-6 meters above seas level and generally flat topography with slope of 0 – 8 %. Therefore no special management strategies for sloped area are required. The soil types identified Hikmah 3 estate as described in CR 7.2 above did not include any fragile or marginal soils or peat. Hence there is was no need for special management strategies for protection of marginal soils or peat.

**Compliance status:** Yes

**Criterion 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.**

<p><b>Findings:</b> During 1st surveillance audit, accordance to the hectare statement report, and field observation there is no new plantings in Sumber Sawit estate. This is also was reported in the certification assessment it is observed during main audit, there is no new planting established on the local people's land in Sumber Sawit estate, Balian and IPBD estate. It was confirmed during interview proces in Dabek Makmur and Embacang village. And also there is no information, complaint for related stakeholder that new planting since January 2010 without FPIC process, because this new planting in Smallholder Dewa Makmur carried out in transmigration area decided by Government.</p>	<p><b>Compliance status:</b> Yes</p>
<p><b>Criterion 7.6: Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreement</b></p>	
<p><b>Findings:</b> During 1st surveillance, based on community interviewed and data from company, there is no local people compansated for new planting since January 2010. New planting area carried out in land wonership under local community (Dewa Makmur smallholder), while planting area since November 2005 under company carried out in company land use rights whereas this area was compansated long time ago when land use rights process. Then for new planting since January 2010 in company area above also carry out in company land use rights and the NPP report still in process in RSPO board.</p>	<p><b>Compliance status:</b> Yes</p>
<p><b>Criterion 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.</b></p>	
<p><b>Findings:</b> Based on interviewed and field observation there is no evidence found that land clearing have done finished by land burning activity. All land clearing activity in smallholder or company area done by mechanics used heavy equipment.</p>	<p><b>Compliance status:</b> Yes</p>
<p><b>Criterion 7.8: New plantation developments are designed to minimise net greenhouse gas emissions.</b></p>	
<p><b>Findings:</b> There is planted area after year 2010, however the area had been cleared before year 2010 and located inside the former legal land. There is no new develompent area after year 2010. This requirement is not applicable both for GTA estate and IPBD estate.</p>	<p><b>Compliance status:</b> Yes</p>
<p><b>Criterion 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.</b></p>	
<p><b>Findings:</b> The company implements action plans for continuous improvement to optimise the yield of FFB production through PT Sampoerna Agro's Agronomy &amp; Continuous Improvement (A&amp;CI) Department which specifically monitors implementation of best practices according to standard operating procedures. A&amp;CI assessments are done once every 3 months. As seen from sampled AC&amp;I assessment report for Hikmah 3</p>	<p><b>Compliance status:</b> Yes</p>

estate, the reports includes summary of recommended improvements and findings related to aspects such as ripeness of FFB harvested and road conditions, amount of loose fruits uncollected, as well as status of OER & KER, infield and bunch quality assessment scores, land clearing and new planting assessments scores, immature FFB assessment scores, manuring assessment scores, and infield & crop assessment scores. The scoring is based on the A&CI department internal scoring system for quality of FFB and operational activities.

### 3.2 Summary of Findings against to Supply Chain Certification System November 2014

The following is a summary of findings made for the criteria listed in the RSPO Supply Chain Certification November 2014 with selected supply chain model (MB) for detail information about company's compliance to RSPO SCCS Module E.

#### E.1 Definition

**Findings:**

PT Gunung Tua Abadi, Sumber Sawit Palm Oil Mill is one of palm oil mill under Sampoerna Group, located in Balian village, Mesuji Raya subdistrict, Ogan Komering Ilir district. During the 1st surveillance audit, Sumber Sawit Palm Oil Mill still commit to implemented SCC Mass Balance Module E. This model allowed mill to mix between certified and uncertified raw material and product, but should be control by mass balance system and should be control by three monthly basis evaluation. Based on production records for 2016, FFB supplied to the mill, came from own estate (certified estate) and own estate under Sampoerna Group (uncertified estate) and also smallholder and outgrower. Total certified FFB supplied to the mill was about 76,582.25 mt this is came from Sumber Sawit estate and Inti Permata Bunda 2 estate (as certified supply based). But, facility did not has mechanism to ensure that FFB from field No.001A with area about 2 ha (outside land use rights) in Sumber Sawit estate; planted area since January 2010 from Hikmah III estate and Dewa Makmur smallholder not claimed as certified FFB. **This condition raised as nonconformity under NCR RSPO00928.**

**Compliance status:** No

NCR No RSPO00928

#### E.2 Explanation

**Findings:**

Estimated of tonnage certified will claim under RSPO IT Plat form (e-Trace) will explained in table 4 above. During 1st surveillance, Gunung Tua Abadi, Sumber Sawit Palm Oil Mill has registered in RSPO e-Trace system, with registered No.RSPO\_PO10000003970.

**Compliance status:** Yes

#### E.3 Documented Procedures

**Findings:**

During 1st surveillance audit, there are some revised for procedure related Traceability and Mass Balance document No.P-SAG-PKS-PRS-14 issued on April 01, 2016 Rev01. This procedure explained about who person will incharge for RSPO SCC implementation in palm oil mill from

**Compliance status:** No

NCR No RSPO00929

mill manager, MB officer, logistic officer, quality control officer, laboratory head. This procedure also explained about what the difference between certified and uncertified incoming raw material, while raw material (FFB) come from certified estate should complete information such as:

- FFB identification No. (RSPO SCC MB)
- Reference No. from the estate (No. SPB)
- Unique No.
- GHG emission value
- GHG method calculation
- Police No.
- Estate Origin
- Distance from estate to mill
- Country origin

Procedure also mentioned every FFB certified delivery note (FM-SAG-KBN-PRD-020005) should complete with RSPO SCCS MB stamp/FFB RSPO certified. Every records related certified incoming FFB will kept in 10 years.

While for production records every day will monitoring by Quality Control Assisstant covered for FFB, CPO and PK between certified and uncertified. And laboratory head responsible for make MB traceability every month in form (FM-SAG-PKS-PRS-140001), and this is should be closed every three months, and should in positive stock. This procedure also mentioned about if any projection production and selling activity will upper than the certified product will claim in certificate, mill or marketing should inform to the CB.

In general, this procedure covered all mechanism to handling incoming certified raw material, production process, and also delivery process. But, this procedure still not explained about sales activity under green palm mechanism, and also because in year 2017 green palm mechanism was not exist so there is no more green palm mechanism, and also procedure not covered about e-trace transaction mechanism. **This is nonconformity under NCR RSPO00929.**

During 1st surveillance, Sumber Sawit Palm Oil Mill has new person in-charge for authorized person i.e.: Mill Manager he is new person in charge, but he is did not have RSPO SCCS MB training. Also there is no available in place training records for 2017 and training plan for SCCS in the next year. **This is nonconformity under NCR RSPO00929.**

#### E.4 Purchasing and good in

**Findings:**

During 1st surveillance, Sumber Sawit Palm Oil Mill has records for incoming raw material (FFB) to the mill from certified and uncertified estate. Previous audit, and certificate dated on April 14, 2016. So the data will verified from the certified issued date until surveillance audit.

Accordance to the procedure No.P-SAG-PKS-PRS-14 issued on April 01, 2016 Rev01 above, FFB delivery note for certified and uncertified source will use form (FM-SAG-KBN-PRD-020005) from estate to the mill, and weighbridge slip result will use form (FM-SAG-PKS-PRS-010201).

Based on FFB delivery note actual on October 31, 2016 found inconsistency between procedure with actual, i.e.: FFB delivery note No.0510-101168 from certified estate (Sumber Sawit Estate; Div No.1; Field No.119) to the mill has used form FM-SAG-KBN-PRD-020005, and weighbridge slip No.TSS\*214905 in the same date and estate, this from was not complete by RSPO SCC as stated in the procedure No.P-

**Compliance status:** No

NCR No RSPO00930

SAG-PKS-PRS-14 issued on April 01, 2016 Rev01 in point No.7.1.2 (there is no RSPO Stamp) and 7.1.3. (There is no information about estate distance to the mill, supply chain model, GHG value per Kg CO2/ton FFB. **This is nonconformity under NCR RSPO00930.**

**E.5 Record keeping**

**Findings:**

During 1st surveillance audit, in period from April 14, 2016 – January 2017 (surveillance date), Gunung Tua Abadi, Sumber Sawit Palm Oil Mill has record sales activity for certified palm oil product under green palm mechanism such as in October 28, 2016 total certified CPO sold about 2,500 mt and November 2, 2016 total certified CPO sold about 3,500 mt. **Still waiting data from marketing about green palm transaction.**

**Compliance status:** Yes

**3.3 Previously Status of Identified Nonconformity**

A total of 13 nonconformance were identified during the main certification assessment. These consisted of 6 non-conformities were assigned against Major Compliance indicators while 7 non conformities was assigned against a Minor Compliance Indicator. During this surveillance assessment it was found that there was sufficient for close of all nonconformities/there was lack of evidence to close 5 of the 18 nonconformities and these have been raised to Major nonconformities under Section 3.3. The following is a description of the evidence of action taken to close the nonconformities raised during the previous assessment, as well as auditor's conclusions on the status of the nonconformities.

Previously NCR	Verified by/Verification Result
<p><b>Non-conformance 2015-01 of 18 (Major non-conformity):</b> PT GTA has not comply with some of relevant laws and regulations , for example :</p> <ul style="list-style-type: none"> <li>a. There is evidence that casual workers for Division IV with Employee Number (EN) 8413; Siti Nur Employee No. 8361 and employee number 8406 for four consecutive months from March to June 2015 has been working for more than 21 days per month. This is contrary to the Decree no. 100 in 2004 as well as POM employees named Maryono.</li> <li>b. Found some POM workers who have exceeded the limits set forth in the overtime as required by Manpower Regulation (Permenaker) No. 102 in 2004 and have not been reported to the relevant agencies among which ( in July 2015 ) : <ul style="list-style-type: none"> <li>- Syarif Hidayat overtime 174.50 Hours</li> <li>- Tomi Jevisa overtime 246 Hours</li> <li>- Harwinsyah overtime 196 Hours</li> <li>- Kuning overtime 251 Hours</li> <li>- Dedi overtime 229 Hours.</li> </ul> </li> <li>c. The contain of first aid box in the POM office and for several locations in the estate office does not match that set out in Menpower Regulation (Permenaker) No. Per.15 / Men / VIII / 2008 on the contents of the box standard P3K.</li> <li>d. From 23 operators ( 9 lifting operator ; 9</li> </ul>	<p>Based on verification still found:</p> <ul style="list-style-type: none"> <li>a. Status open, because still found casual wokers has been working for more than 21 days within 3 month. Based on regulation this casual workers shall transferred to permanent workers.</li> <li>b. Closed.</li> <li>c. Status open, first aid box still not comply to regulation.</li> <li>d. Status open, still found operator not comply to regulation.</li> <li>e. Closed.</li> <li>f. Closed.</li> <li>g. Status open, first aid box still not comply to regulation.</li> </ul>

Steam boiler operators ; 4 operators of electricity ; 1 welder ) which have trained ( 4 operators of steam boiler , 2 lifting transport operators , 1 operator of electricity ) but for 17 remaining operators stil have not been trained . (related to P & C 4.8).

- e. Available Medical personnel in the GTA has not Hyperkes trained yet in accordance with the work program of compliance regulations are made.
- f. GTA's POM has not been able to show a permit stating if GTA's POM capacity is 60 tones FFB's / hour.
- g. First aid box is also not available in the FFB truck transporter.

**Correction:**

- a. Promoting employee named Suminem (EN 8413) , Siti Nur Saniah (EN 8361) , Jumiaty (EN 8406) , and the POM workers named Maryono proposed appointment as daily permanent employees to HR section.
- b. At the time of peak fruit crop conditions the work of FFB process made into 2 shifts. At the time of low crop FFB made the process work so 1 shift.
- c. To provide first aid box completely according to regulation Permenaker No. 15/Men/VII/2008.
- d. To sending the training proposal to HRS for welder, electric operator, boiler operator, forklift operator .
- e. To propose Hyperkes training (Company Hygiene and Health) to HRS for medical personnel who are in PT.GTA in 2016.
- f. To revise the Plantation Business Permit (IUP), which is now integrated with the Factory IUP in accordance with the Government Regulation Permentan No. 98 in 2013?
- g. To requires of each FFB truck to be equipped first aid box.

**Corrective Action:**

- a. Performs every casual worker attendance recaps are eligible to become daily permanent employee and proposes to HR Section.
  - Creating a memorandum letter to casual workers.
  - Make an assessment plan for the proposed appointment of casual employees in January and July
  - Making a contract for workers who exceed the casual worker time limit work according to the terms of appointment daily permanent employee.
- b. Under the certain conditions (peak crop) managers will propose additional overtime hours to the leaders for approval refers to the memorandum issued by HRS. Extension of overtime hours is an agreement between the company and employees.
- c. To make checklist for first aid content monitoring.
- d. Worker that has not trained will be provide internal training by mill head.
- e. If there are new medical personnel onboard then will be creating Hyperkes training program by HRS.
- f. To monitor the list of content related to the availa-

<p>ble law and regulation requirement. g. To monitor the availability of first aid box content based on checklist of first aid box monitoring each month.</p>	
<p><b>Non-conformance 2015-02 of 18 (Major non-conformity):</b> Based on the overlay maps against Concession area work maps of the Balian Estate concession and the results of field observations in Block 001A Far East there are indications of planting outside of concession made for 2 hectares. <b>Correction:</b> To overlay HGU map with actual unit operation plantation map. <b>Corrective Action:</b> There are 2 options : 1. To propose additional 2 Ha land become included on the existing HGU certificate. 2. To exclude planted block 001A total 2 ha from existing HGU certificate area.</p>	<p>Based on FFB production verification for Balian estate (during 1st surveillance merged with Sumber Sawit Estate) whereas evidenced for FFB came from field No.001A about 2 ha (outside the land use right) has not been separated yet between FFB came from certified area. <b>Status: Opened</b></p>
<p><b>Non-conformance 2015 03 of 18 (Minor non-conformity):</b> There has been no recording of the identification results for maintenance of Balian estate concession boundary markers as it is still not known the exact number of current concession boundary markers (SS Estate) . <b>Correction:</b> To make list of boundary stone maintenance program to be included on plantation maintenance program. <b>Corrective Action:</b> To identify and conduct boundary stones maintenance program and regular monitoring the implementation of boundary stone maintenance program.</p>	<p>Sumber Sawit estate could not show evidence that boundary pillars monitoring has done on 2016. <b>Status: Opened</b></p>
<p><b>Non-conformance 2015-04 of 18 (Major non-conformity):</b> From the overlay result of the concession map and the company's workmap were indicated the existence of land occupation in the PT GTA concession area of 163.19 Ha and IPBD estate of more than 28 hectares, but no information regarding details of farmers who occupied the land, furthermore no evidence has been made related participatory mapping involving smallholders and other relevant stakeholders. <b>Correction:</b> To identify and mapping of farmers and conduct participatory mapping (work program) to the farmers who cultivating in PT. GTA with total area of 163.19 Ha and IPBD area of 28 Ha. <b>Corrective Action:</b> Regular reviewing and monitoring of the company concession area in accordance with the concession deserved.</p>	<p>Based on 1st surveillance, there is no sufficient information who person/man claimed area about 163.19 ha in Sumber Sawit estate and for 28 ha in IPBD estate, then also there is no found effort evidence for FPIC process carried out to solve that land dispute case. <b>Status: Opened</b></p>
<p><b>Non-conformance 2015-05 of 18 ( Minor non-conformity):</b> The Company has not had documented evidence of the negotiation process with the peasants land in the PT GTA concession. Furthermore plan agreed by both parties to the settlement of existing land problems still not available yet. <b>Correction:</b> Identifying through work map overlaid with conces-</p>	<p>Based on audit result, FPIC process still not carry out to handling conflict in company area. <b>Status: Opened</b></p>

<p>sion map. Further mapping of farmers and participatory mapping (work program) to the farmers land occupation in PT. GTA with total area of 163.19 Ha and IPBD area of 28 Ha. <b>Corrective Action:</b> To reviewing the working program arranged once in every year.</p>	
<p><b>Non-conformance 2015-06 of 18 (Minor non-conformity):</b> The Company has not provide the training to the pest foreman on behalf Heri Susanto who served as pest foreman starting from April 2015 (Sumber Sawit Estate) <b>Correction:</b> To propose the integrated pest management to HRS for Heri Susanto in 2016. <b>Corrective Action:</b> Logging the worker who required attending the training.</p>	<p>No record of IPM training at Sumber Sawit estate was sighted during this audit. Hence this non-conformity is raised to Major.  <b>Status: Opened</b></p>
<p><b>Non-conformance 2015-07 of 18 (Major non-conformity):</b> IPBD estate still not performs blood cholinesterase checks for chemical sprayer employees or who handling chemicals. <b>Correction:</b> To conduct the blood cholinesterase examination for IPBD employees on 25 November 2015. <b>Corrective Action:</b> To conduct the blood cholinesterase for each year.</p>	<p>Company has done carry out Cholinestrace test for sprayer workers on behalf Yesi Aprilia, Desi Luki, Junariah, Ngasmi and Siti, carried out on May 21, 2016  <b>Status: Closed</b></p>
<p><b>Non-conformance 2015-08 of 18 (Major non-conformity):</b> a. Sphygmomanometer in the puskesbun of Sumber Sawit Estate was damaged which is can not be used when needed. b. Audiometri test for engine room operator has not done yet from 2013 until 2015 . <b>Correction:</b> a.To provide a new Sphygmomanometer for puskesbun Sumber Sawit Estate. b.To performs an audiometric examination fo the engine room Operator (Harwinsyah) at the date of 25 November 2015. <b>Corrective Action:</b> a. Puskesbun have to reporting all the damage tool or equipment their area responsibility when they are broken. b. To ensure that all worker has been conducted audiometric examination annually.</p>	<p>a. Company has changed the sphygmomanometer in the clinic estate on November 9, 2015, then base on on site visi the tools still working. b. Company has carried out Audiometri test for engine room officer on behalf Harwinsyah carried out on November 24, 2015 done by Hyperkes with the result is still normal condition.  <b>Status: Closed</b></p>
<p><b>Non-conformance 2015-09 of 18 (Major non-conformity):</b> a. Risk assessment for the identification and evaluation of environmental impacts aspects and their OHS potential dangers not include all of the activities and the resks and dangers which are exist in the SS Estate, IPBD and SS POM. b. It was found the backhoe loader operator has no license and backhoe loaders are leaked for the dust seal his arm , rearview no glass , lamp of tail lamp were broken also do not have a fire exthinguiser. <b>Correction:</b> a. Incorporating all risk analysis in accordance</p>	<p>a. Company has established HIRAC document for 2016 and 2017 for mil, Sumber Sawit estate, and IPBD estate whiereas the HIRAC document already cover all acitivity in work place. b. Company also done carry out reparation for wheel loader, evidence by minutes of reparation No.083/PKS/II/2017 dated on February 22, 2017 whereas in the minutes of reparation mentioned that the wheel loader has complete with lamp, back alarm, APAR and others, then company also request for OSH license renew on behalf Ngatiman on June 21, 2016 by letter No.0172/SA?HRS/VI/2016 addressed to Labour and Transmigration Official Government Ogan Komering Ilir district, but until surveillance the renewal lincese still not finish.</p>

<p>with safety procedures that have been made.</p> <p>b. Helper is prohibit to operate the loader through the official memorandum and replace bechoe loader which do not meet the standards to bachoe loader which has operational standards.</p> <p><b>Corrective Action:</b></p> <p>a. To reviewing each year on risk analysis that has been made and adjusted to the procedures that had been developed.</p> <p>b. To logging the available workers who are required to have license and propose to do training and to replace / complement the work standard in the operating heavy equipment.</p>	<p><b>Status: Closed</b></p>
<p><b>Non-conformance 2015-10 of 18 (Minor non-conformity):</b> There are areas defined as HCV 1.4 and 4 area of 75 Ha in Balian Estate concession and the area is also claimed as the area belongs to the public, until now there has been no agreement, negotiation or plan to reach an agreement made by PT GTA .</p> <p><b>Correction:</b> Meetings were held to resolve the problem of HCV area covering 75 Ha are included in the core of concession Sawit Balian Estate PT. GTA on November 14, 2015, moderated by the Environmental Board Office OKI District and The Mesuji Raya Head of Sector Police.</p> <p><b>Corrective Action:</b> Minutes of Agreement for Dabuk Makmur Cooperative Together with PT. GTA concerning to receiving area of 75 Hectares as the area of the company concession.</p>	<p>Company has get letter from Environmental Official Government related conservation area, whereas the official government support that area as conservation area. Then the company still on progress to develop community understanding through the brief activity, and until surveillance audit, that location still unplanted with conservation area status.</p> <p><b>Status: Closed</b></p>
<p><b>Non-conformance 2015 -11 of 18 (Minor non-conformity):</b> The Company has not yet reported the results of GHG calculation to RSPO</p> <p><b>Correction:</b> Report the GHG calculation result to RSPO not later on 28 November 2015.</p> <p><b>Corrective Action:</b> To including all available GHG data source as required by RSPO GHG version into procedure P-SAG-SUS-15 GHG inventory.</p>	<p>Company has carried out GHG calculation used version 2.1, reported on February 21, 2016.</p> <p><b>Status: Closed</b></p>
<p><b>Non-conformance 2015-12 of 18 (Major non-conformity):</b> The SIA document made has not explained comprehensively the impacts associated with the company actual condition either to the negative impacts as well as to the positive impact.</p> <p><b>Correction:</b> Create a matrix of issues related to the negative and positive impacts that arise in the actual condition of the company.</p> <p><b>Corrective Action:</b> Reviewing the matrix issues for positive and negative impacts in every year Date of Closure : December 14, 2015.</p>	<p>The company has demonstrated evidence of identification document positive and negative impacts of plantation activities. The impacts associated with the company actual condition either to the negative impacts as well as to the positive impact ie : Land affairs, Infrastructure, Demographics, Socio-Economic, Social Cultural, Environmental, Partnerships.</p> <p><b>Status: Closed</b></p>
<p><b>Non-conformance 2015-13 of 18 (Major non-conformity):</b></p> <p>b. The management and monitoring of social impacts document both negative impacts and positive impacts are not yet available. The</p>	<p>Companies (PT GTA and PT MBJ) has a social management and monitoring plan for the year 2016 has been adjusted for the impact arising from the activities of the company.</p>

<p>document is available for social management plan only.</p> <p>c. There is a social management plan document has been made by the company, but the management plan has not been fully associated with the identified social impacts both for the available estates and for POM .</p> <p><b>Correction:</b></p> <p>a. Create a matrix of issues related to the negative and positive impacts that arise in the actual condition of the company Adjust social management plan to the documents that have been arranged in SIA accordingly.</p> <p><b>Corrective Action:</b></p> <p>a. Reviewing the matrix issues for positive and negative impacts in every year. b. Conduct a review of social governance once in every 1 year in accordance with the SIA documents that have been prepared.</p>	<p><b>Status: Closed</b></p>
<p><b>Non-conformance 2015-14 of 18 (Minor non-conformity):</b> No evidence has been carried out related a review of the management plan and social impact periodic monitoring of 2 years yet , since a social impact assessment document has been made by PT GTA.</p> <p><b>Correction:</b> Will conduct a review of the social impact management plan and monitoring.</p> <p><b>Corrective Action:</b> Will conduct a review of the social impact management plan and periodic monitoring each 2 years.</p>	<p>The company has established social management plan yearly and evidenced of stakeholder consultation.</p> <p><b>Status: Closed</b></p>
<p><b>Non-conformance 2015-15 of 18 (Minor non-conformity):</b> The social impact of the plasma presence in the PT GTA has not been identified yet.</p> <p><b>Correction:</b> Re review Independently the relevant social impact of the scheme smallholder presence in the PT GTA that has not been described in the PT GTA SIA report.</p> <p><b>Corrective Action:</b> The results of an independent review of relevant social impact of the scheme smallholder presence in the PT GTA will become part of the PT GTA SIA report.</p>	<p><b>Status : Open</b></p>
<p><b>Non-conformance 2015-16 of 18 (Minor non-conformity):</b> The minutes of meetings conducted by workers union or workers' representatives was not found ( Workers Union of SS estate )</p> <p><b>Correction:</b> To communicate to the relevant conducted worker union meetings and collect the records (invitation, attendance list, the minutes, the photo) also documented in the working unit.</p> <p><b>Corrective Action:</b> To ensure all the worker union meeting are well documented in the available working unit.</p>	<p><b>Closed</b></p>
<p><b>Non-conformance 2015-17 of 18 ( Minor non-conformity):</b> Previous FFB Prices and FFB current prices have not seen available to the public.</p>	<p><b>Closed</b></p>

<p><b>Correction:</b> Installing in addition FFB price information boards in the gate of SS POM</p> <p><b>Corrective Action:</b> Updating the FFB price information board regularly.</p>	
<p><b>Non-conformance 2015-18 of 18 (Major non-conformity):</b> There is no evidences of FFB price which set by FFB pricing team was communicated to the farmers who supply FFB's to the POM of SS estate.</p> <p><b>Correction:</b> All evidence related FFB price information and will be communicated to the public at the POM and keep maintain the document properly</p> <p><b>Corrective Action:</b> Involved parties will inform the FFB price to the entire smallholder scheme and the information will be provided for public, all relevant documentations will be maintained in palm oil mill.</p>	<p>Closed</p>

### 3.4 Identified Non-conformances against RSPO P&C Requirements, Corrective Actions Taken and Auditors Conclusions

During 1st surveillance assessment, found 42 nonconformity, consist of 26 non-conformities were assigned against Major Compliance (include raised again during surveillance; and 16 non conformities was assigned against a Minor Compliance Indicator. For the major non-conformances, the company has taken the necessary corrective action to close these non-conformances within 60 days of completion of the assessment, and this was verified by the audit team through an on-site verification audit conducted on February 20 – 24, 2017 as well as checks of documents submitted by the company. For the minor non-conformances, the company has taken corrective action against these as well, and for those which could not be verified as closed through document checks, the closure of these minor non-conformities will be assessed during the next surveillance audit. A summary of all identified non-conformances, corrective actions taken and auditor conclusions is as below:

#### 3.4.1 Major Non-conformities

Indicator	NCR No. RSPO	Evidence Observed	Deadline implementation (date)	Correction/Corrective action taken	Auditor conclusion
2.1.1	00886	<p>Found regulation non-compliance against to the law and regulation in mill and estate such as:</p> <ol style="list-style-type: none"> <li>Hazardous waste not complete with the symbol and label as required in regulation No.14/2013.</li> <li>Found glove contaminated by hazardous material but not disposed as hazardous waste.</li> <li>Company did not carried out cholinesterase test to all sprayer workers as required in regulation</li> </ol>	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>Installed the hazardous label and symbol based on hazardous type category.</li> <li>Collected and disposed the glove contaminated to the hazardous temporary stored.</li> <li>Develop memorandum for special medical checkup twice in a year.</li> <li>Develop memorandum for general medical checkup every year.</li> <li>Create first aid box checklist based on regulation No.15/2008.</li> <li>Training realization for SIO certification for heavy equipment as required by regulation pe-</li> </ol>	Closed

		<p>No.Permenaker No.Per-03/Men/1986.</p> <p>4. Company did not carried out surveillance medical check for all workers as required in regulation Number Per.02/Men/1980.</p> <p>5. Based on field assessment found dump truck in estate completed with first aid kit, but the content is not comply with regulation No. 15/2008. <b>(raised again as Major)</b></p> <p>6. Found dump truck drivers in all estate did not has SIO operator license as required by regulation No.09/2010 <b>(raised again as Major)</b>.</p> <p>7. Found casual workers in mill and estate did not complete with work agreement/contract.</p> <p>8. Found casual workers in mill and estate has working for more than 21 days within 3 months has not been appointed as permanent workers.</p> <p>9. There is no evidence that labour reporting to the official government done by company.</p>		<p>riodically based on schedule.</p> <p>7. Complete the casual workers with contract agreement and facilitated the casual workers to complete the requirement for become permanent worker.</p> <p>8. Propose the casual workers with working day more than 21 days to become permanent workers (KHT).</p> <p>9. Report to the related official government about labour condition.</p> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Provide brief to increase the hazardous operator understanding against to hazardous label and symbol for hazardous waste as required in regulation No.14/2013.</li> <li>2. Ensure all hazardous waste will complete with hazardous label based on type and hazardous category.</li> <li>3. Ensure that hazardous operator will understand with type of hazardous and carry out periodically briefing.</li> <li>4. Ensure that medical checkup for special workers with high risk will carry out twice in a year.</li> <li>5. Ensure that general medical checkup will carry out every year.</li> <li>6. Ensure that first aid box content will be based on regulation.</li> <li>7. Ensure that all heavy equipment operator will training periodically and get SIO certificate.</li> <li>8. Ensure that all casual workers sign all work agreement/contract.</li> <li>9. Estate/unit will carry out coordination with HRS (human resource) for transferr process of casual workers become permanent workers.</li> <li>10. Ensure the labour re-</li> </ol>	
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				<p>porting will be reported periodically as requirement.</p> <p>Evidence:</p> <ol style="list-style-type: none"> <li>1. Minutes of meeting of hazardous labelling process on March 3, 2017 completed with photograph.</li> <li>2. Minutes of meeting of hazardous disposed from mill to hazardous temporary store on February 28, 2017, completed with photograph.</li> <li>3. Hazardous brief to hazardous operator on March 14, 2017, evidenced by attendant list, with attendees about 12 person.</li> <li>4. Photograph of first aid box was comply with regulation.</li> <li>5. Induction process record for casual workers in mill and estate, wheres the material discussed about rights and obligation of casual workers, and all casual workers has signed on that attendant list as agreement statement of that rights and obligation. This attendant list information consist of name of employee, employee status, addressed, dated of joined, type of work, wages per day, and signed.</li> <li>6. List of proposed of casual worker transfer become permanent workers (KHT) for all estate and mill, example document No.0030/SS/I/2017 dated on January 13, 2017 from Sumber Sawit estate about proposed of appointment of casual workers in to permanent workers (KHT), and others evidence from others estate as stated in NCR.</li> <li>7. Memorandum from management that medical checkup will carry out based on regulation</li> </ol>	
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				for all estate and mill. 8. During the audit person incharge forgot to show the report, reporting done on October 28, 2016 to official government complete with stamp and signed.	
2.2.1	00887	<ol style="list-style-type: none"> <li>1. Dewa Makmur associated smallholders could not show evidence of legally entity of land ownership status.</li> <li>2. Lack of evidence that field No.001A (previously in Balian estate) removed from RSPO certified area, because the FFB from this area still delivered to SS mill. <b>(raised again as Major)</b>.</li> </ol>	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Carry out coordination with legal to request the land ownership status evidence of associated smallholders.</li> <li>2. Carry out recalculation again of mass balance of certified FFB, and en removen FFB from that field No. from certified FFB and certified product.</li> </ol> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Documented all land ownership evidenced status of Dewa Makmur Associated smallholders in place.</li> <li>2. Separate recording and give new identity for field No.001A only in SPB (FFB delivery notes) as non certified FFB.</li> </ol> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. List of Dewa Makmur associated smallholder land ownership certificate number with clearly information of name, field no., and others.</li> <li>2. Memorandum No.0185/SS/III/2016 dated on March 30, 2017 about field No.01 with amount of FFB approximately about 120 FFB will not claimed as certified FFB since April 1, 2017.</li> </ol>	Closed
2.2.3	00889	<ol style="list-style-type: none"> <li>1. Could not show of land dispute conflict handling process for area about 163.19 ha in Sumber Sawit estate and 28 ha in IOBD estate follow the RSPO FPIC procedure.</li> <li>2. Could not show the progress of</li> </ol>	25-04-2017	<p>Correction:</p> <p>Carry out coordination communication to legal department and request them for progress effort evidence for land conflict happened in estate.</p> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Documented all progress effort to handling and solving the conflict for all estate.</li> </ol>	Closed

		land dispute handling process for area about 8.00 ha in Himkah III estate follow the RSPO FPIC procedure.		<p>2. Ensure for the next every land dispute if happen will handling accordance to the RSPO FPIC procedure and documented the process.</p> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. Statement letter from PT Gunung Tua Abadi, PT Telaga Hikmah and PT MBJ that all land dispute will handling accordance to the FPIC procedure.</li> <li>2. Record of list occupant has been occupied of land use rights of that estate above.</li> <li>3. Map of land dispute location.</li> <li>4. Minutes of meeting between company and occupant on March 31, 2017 with the result has explained in that minutes of meeting.</li> <li>5. Minutes of meeting result of measurement of land dispute area, with witnessed between company and occupant.</li> </ol>	
2.2.4	00890	Procedure No.P-SAG-RO-CAS-09 issued on August 1, 2013 and No.P-SAG-RO-CAS-03 issued on December 02, 2013 still not refer to RSPO FPIC procedure 2015.	25-04-2017	<p>Correction: Reviewed both of procedure with refered to RSPO FPIC procedure 2015.</p> <p>Corrective: Ensure that both procedure fully refer to RSPO FPIC procedure and communicate this procedure to all related stakeholders.</p> <p>Evidenced: Company submitted form of procedure revision proposal dated on April 1, 2017 with content mentioned "procedure will update refer to RSPO FPIC procedure signed by RSOI".</p>	Closed
4.1.4	00893	Could not show mechanism to ensure FFB come from Dewa Makmur associated smallholder will not claime as certified FFB along in sanction time, this because the associated smallholder carried out planting since after January 1, 2010 without NPP process.	25-04-2017	<p>Correction: Revised procedure No.P-SAG-PKS-PRS-14 about sanction, with new statement is "for estate planted since January 2010 without NPP, shall not claim as certified product within in three years after certification.</p> <p>Corrective: All FFB and derivatives from Dewa Makmur associated</p>	Closed

				<p>smallholder will not claim as RSPO certified after certification.</p> <p>Evidence:</p> <ol style="list-style-type: none"> <li>1. New revision of procedure with new statement about sanction.</li> <li>2. Attendant list of new procedure briefing activity on March 16, 2017 with attendees about 15 person.</li> </ol>	
4.3.1	00895	<p>Dewa Makmur associated smallholders could not show marginal soil map.</p>	25-04-2017	<p>Correction:</p> <p>Carry out coordination, communication with FQA Departement to scheduling and carry out mapping process in associated smallholder related.</p> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Ensure that soil survey mapping in associated smallholder is on time.</li> <li>2. Ensure that result of soil survey mapping available in place.</li> </ol> <p>Evidence:</p> <ol style="list-style-type: none"> <li>1. Schedule of soil survey mapping in Hikmah V estate (because this associated smallholder under Hikmah V management).</li> <li>2. Result of soil syrvey mapping in associated smallholder, with the result that associated soil type in peat with different of peat maturity level.</li> <li>3. Follow up soil syrvey mapping with subsidence installment progress.</li> </ol>	Closed
4.3.4	00896	<ol style="list-style-type: none"> <li>1. SOP for peat land monitoring such as water level, subsidence level is not available in place.</li> <li>2. Could not found evidence that peat land monitoring in Hikmah V and Dewa Makmur associated smallholder referred to company procedure.</li> </ol>	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Develop the peat land procedure for peat land management such as monitoring frequency, water level monitoring, subsidence monitoring, and others.</li> <li>2. Create peat land monitoring schedule as mentioned on company procedure.</li> </ol> <p>Corrective:</p> <p>Ensure peat land monitoring will be based on peat land company procedure, and all</p>	Closed

				<p>the peat land management will be documented.</p> <p>Evidence:</p> <ol style="list-style-type: none"> <li>1. New peat land procedure with document No.P-SAG-KBN-PML-28 issued on April 1, 2017, Rev01. In changed document history mentioned this procedure revision to add new peat land management for water level, pezometer level, subsidence evel monitoring.</li> <li>2. Result of water level, pi-ezometer level and sub-sidence level monitoring for all estate in this certification scope area.</li> </ol>	
4.4.2	00898	There is no available in work place in Hikmah V and Dewa Makmur associated smallholder signboard for riparian/canal protection from chemical contamination (during spraying activities).	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Create signboard prohibition of spraying activities in canal.</li> <li>2. Brief activity to all spraying workers about spraying procedure in canal area to protect the canal from chemical contamination.</li> </ol> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Ensure that all canal will installed with signboard.</li> <li>2. Ensure all workers are-understand with sparying procedure in canal area.</li> </ol> <p>Evidenced:</p> <p>Briefing activity dated on:</p> <ul style="list-style-type: none"> <li>- March 11, 2017 in Dewa Makmur associated smallholder, attendees about 10 sprayers.</li> <li>- April 4, 2017 in Hikmah V estate, anttendees about 6 sprayers.</li> <li>- Signboard installment process in Dewa Makmur associated smallholders and Hikmah V estate on April 5, 2017 completed with photograph.</li> </ul>	Closed
4.5.2	00899	During surveillance audit, Sumber Sawit estate and IPBD estate could not show records of IPM training for IPM foreman and IPM officer for 2016.	25-04-2017	<p>Correction:</p> <p>Carryout communication and coordination f FAQ department to request the attendant list of IPM foreman and IPM officer training for SS and IPBD estate.</p>	Closed

		(raised to major)		<p>Corrective: Ensure all training evidence will available in work place also.</p> <p>Evidenced: Record of attendantlist training for IPM foreman and officer carried out on March 16, 2017 with attendees about 27 foreman and also completed with training material.</p>	
4.6.5	00900	<ol style="list-style-type: none"> <li>1. Based on field interviewed, sprayer workers in Dewa Makmur associated smallholder and in IPBD estate, brought the PPE in to their home. This is potential high risk for their family health.</li> <li>2. Found in Suber Sawit estate 10 sprayer workers, but only two (3) has been trained.</li> <li>3. Found in IPBD estate 8 sprayer workers, but only five (5) has been trained.</li> <li>4. Based on sprayer workers data base, found 12 sprayer workers, but found three (3) from that total not training yet.</li> <li>5. In Dewa Makmur associated smallholder, found 33 sprayer workers, and all of them not training yet.</li> <li>6. During field visite in IPBD, Sumber Sawit, Hikmah 3 estate chemical store, some of chemical not completed with MSDS document.</li> </ol>	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Joined together of chemical washing house between Hikmah V and Dewa Makmur associated smallholder.</li> <li>2. Proposed to the HRS (human resource) to carry ut training fro all sprayer workers who not training yet on March 17-18, 2017.</li> <li>3. Coordination and communication to procurement department to request MSDS for Garlon 670EC and others chemical store in chemical store.</li> <li>4. Carry out briefing to all sprayer workers in IPBD esatet, that they shall left the PPE after used/work with chemical in chemical washing house. And is prohibited to bring it home.</li> </ol> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Ensure that PPE for sprayer workers in associated smallholders and IPBD estate will kept in chemical washing house after used.</li> <li>2. Monitoring and ensure that all sprayer workers will attend the training and get certificate.</li> <li>3. Ensure all chemical in store complet with MSDS document.</li> </ol> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. Minutes of meeting briefing of PPE prohibition bring it to housing No.0333/IPBD/III/2016 dated on March 29, 2017, attendeed about 7</li> </ol>	Closed

				<p>sprayers.</p> <ol style="list-style-type: none"> <li>2. MSDC document for Thuricide; Dithane, Garlon and Starane.</li> <li>3. Sprayer training of associated smallholder dated on March 17, 2017, attendees about 90 sprayer; dated on March 18, 2017 for Hikmah V, SS estate, and IPBD estate.</li> <li>4. Memorandum of request process to used chemical washing house No.076/PW/III/2017 dated on March 11, 2017 in Hikmah V estate for associated smallholder. And approval of that requested letter above, No.0322/HL/IV/2017 dated on April 4, 2017.</li> </ol>	
4.6.11	00903	<ol style="list-style-type: none"> <li>1. Found in Sumber Sawit estate from 10 sprayer workers, only three (3) has get medical checkup for cholinestrace test.</li> <li>2. Found in IPBD estate from 8 sprayer workers has get medical checkup for cholinesterase test, but this medical checkup only carried out a year, not comply with regulation "twice in a year".</li> <li>3. Found in Hikmah 3 estate found 76, only 13 sprayers get medical checkup for cholinesterase test, and this medical checkup only carried out a year, not comply with regulation "twice in a year".</li> <li>4. Found in Hikmah V estate, identified 5 sprayer workers from total 12, did not get medical checkup for cholinesterase test.</li> <li>5. All sprayer work-</li> </ol>	25-04-2017	<p>Correction:                  Create memorandum letter for medical checkup for cholinestrace test for all sprayer workers twice in a year.</p> <p>Corrective:                  Ensure all workers who working with high risk in chemical will get medical checkup for cholinesterase test.</p> <p>Evidenced:  <ol style="list-style-type: none"> <li>1. Memorandum No.0082/HRS/III/2017 dated on March 29, 2017, signed by HRS Manager, mentioned that medical checkup for cholinesterase test will carry out twice in a year.</li> <li>2. Cholinestrace result for all sparyer workers from all estate evidenced by: Letter no.560/68/UPTD/BHP/2017 dated on May 21, 2017 about cholinesterase test result for IPBD estate, and sprayer workers found during the on site visit has get the cholinesterase test.</li> </ol> </p>	Closed

		ers in Dewa Makmur associated smallholder about 33 person, did not get medical checkup for cholinesterase test.			
4.6.12	00904	Found inconsistency against memorandum No.0117/HRS/IV/2016 dated on April 15, 2016 about monthly pregnancy test for all women workers who work in fertilizer, sprayer, chemical store operator. But found in Hikmah 3 estate pregnancy test not carried out for January – February 2017; Hikmah 5 and Dewa Makmur associated smallholder did not carried out pregnancy tests since 2016 and 2017.	25-04-2017	Correction: Carry out briefing activity against to memorandum No.0117/HRS/IV/2016 about monthly pregnancy test. Corrective: 1. Ensure all women workers who work in high risk area with chemical will get monthly pregnancy test. 2. Document all pregnancy test. Evidenced: 1. Briefing records for pregnancy test for: - Hikmah III estate carried out on April 6, 2017 attendees by 19 women workers. - Hikmah V estate carried out on April 5, 2017 attendees by 13 women workers. - Dewa Makmur associated smallholder estate carried out on April 5, 2017 attendees by 6 women workers 2. Pregnancy test schedule for estate and associated smallholder.	Closed
4.7.2	00905	OSH safety inconsistency found during the 1st surveillance audit, such as: 1. Found cigarette butt in Threshing and boiler station and in fuel tank. 2. Heavy equipment (tractor) No.F109 not completed with APAR and rear-view mirror. 3. Found PPE used by sprayer workers was brought to housing by worker after washing in field. 4. There is no emergency alarm in	25-04-2017	Correction: 1. Gave socialization for all Sumber Sawit mill especially for threshing and boiler station to do not smoke in high risk location. 2. Completed the heavy equipment as required by procedure P-SAG-BC-TAB-02 and others tools if needed. 3. Brief to all sprayer workers to do not was the PPE in field and do not bring PPE to housing area, but shall kept in warehouse has been provide. 4. Installment emergency alarm in hazardous	Closed

		<p>hazardous temporary store in Sumber Sawit estate.</p> <p>5. There is no anti snake poison in clinic since December 2016.</p>		<p>store.</p> <p>5. Coordination and communication with estate clinic to borrow the anti poison snake and store in clinic for stock.</p> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Ensure all workers will not smoke in mill area/work area.</li> <li>2. Ensure all heavy equipment will complete by standard tools.</li> <li>3. Ensure all PPE used will not washing in field and will kept werehouse.</li> <li>4. Ensure emergency alarm will install in hazardous temporary store and work well.</li> <li>5. Ensure anti snake poison available in clinic.</li> </ol> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. Minutes of meeting dated on March 31, 2017 about prohibition smoking in working area, attendees by 15 person.</li> <li>2. Minutes of meeting dated on April 6, 2017 about OSH awareness in Sumber Sawit mill, attendees by 17 person.</li> <li>3. Minutes of reparation for heavy equipment in Sumber Sawit estate to complete tractor F109 with rearview mirror, and others.</li> <li>4. Minutes of installation of emergency alarm in hazardous waste complete with photograph and others documentation.</li> <li>5. Delivery notes No. SPB1703/0001 from Dempo Jaya (as supplier) about snake poison purchased.</li> </ol>	
4.7.3	00906	<ol style="list-style-type: none"> <li>1. During plan tour to the mill found truck driver, sterilizer operator, thresher operator, boiler operator did not used PPE as required.</li> <li>2. During on site visit to field No.119B</li> </ol>	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Gave socialization for PPE awareness for all works level during on duty and or in working area.</li> <li>2. Scheduling plan for safet bood distribution for fertilizer workers.</li> </ol> <p>Corrective:</p>	Closed

		<p>Sumber Sawit estate found workers did not used safety boot as required in HIRAC, and based on interviewed with the workers, they said since two years ago company did not provide the safety boot.</p>		<ol style="list-style-type: none"> <li>1. Ensure all workers level use complete PPE during on duty and or in work place without exception.</li> <li>2. Ensure safety bood will distribute on time to all workers needed, and record in PPE hand over book record.</li> </ol> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. Minutes of meeting dated on April 6, 2017 about OSH awareness in sumber Sawit mill, attendees by 17 person.</li> <li>2. Minutes od meeting dated on March 17, 2017 in Sumber Sawit estate for OSH awareness and first aid, attendees by 22 person.</li> <li>3. Plan for safety boot handover for workers in 2017, because the safety boot still in purchased process based on purchased request No.0217/ESS/0011, on Feburary, 2017.</li> </ol>	
4.7.4	00907	<ol style="list-style-type: none"> <li>1. Found estate and mill did not consistent carried out periodically OSH meeting as required by regulation for 2016.</li> <li>2. Found in Hikmah III and Hikmah V estate some of OSH committee moved to others estate, not inplace. This condition cuase the OSH committee should revise.</li> </ol>	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Give periodically education from Labour Official Government to increase the OSH committee awareness against to OSH periodically meeting.</li> <li>2. Carry out OSH meeting as stated in OSH schedule.</li> <li>3. Carry out revision of OSH Committee through reporting to Labour Official Government.</li> </ol> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Ensure OSH Committee shall carry out every monthly as mentioned in OSH work program or regulation.</li> <li>2. Ensure OSH Committee is still valid.</li> </ol> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. New OSH Commiittee accordance to decree No.618/SK/Nakertrans/2017, issued by Labour and Transmigration Official Government of</li> </ol>	Closed

				<p>South Sumatera Province, issued on March 30, 2017, for Sumber Sawit Estate, while for Hikmah III, Hikmah V, Dewa Makmur and IPBD estate still on process.</p> <p>2. Minutes of meeting of OSH Committee on January 24, 2017 about OSH coordination for workshop seminary, attendees by 20 person.</p>	
4.8.1	00910	<p>1. Company did not have training program for Dewa Makmur Associated Smallholder.</p> <p>2. Based on interviewed with Hazardous operator in mill, he said he did not training yet for hazardous handling.</p> <p>3. Based on interviewed with fertilizer workers in field No.119B Sumber Sawit estate, the workers did not training yet for HCV and the foreman did not training yet for first aid.</p> <p>4. Dewa Makmur associated smallholder did not training yet for pesticide handling.</p>	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Develop training schedule for 2017.</li> <li>2. Created training program schedule hazardous handling for hazardous operator.</li> <li>3. Create training program and brief program for first aid and HCV management and protection.</li> <li>4. Create training program, for pesticide handling.</li> </ol> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Ensure training program 2017 for Dewa Makmur associated smallholder will implemented.</li> <li>2. Ensure every hazardous operator will get hazardous handling training.</li> <li>3. Ensure foreman and all workers get training and brief for first aid and HCV protection and management.</li> <li>4. Ensure pesticide handling training for associated smallholder will implement periodically.</li> </ol> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. Training schedule plan for Telaga Hikmah (include Hikmah III and V).</li> <li>2. Minutes or training hazardous handling record carried out March 14, 2017 attendees by 11 person.</li> <li>3. Minutes of first aid briefing dated on March 17, 2017 attendees by 18 person.</li> <li>4. Minutes of chemical handling and HCV protection carried out on</li> </ol>	Closed

				<p>April 10, 2017 attendees by 16 person.</p> <p>5. Minutes of pesticide handling training for Dewa Makmur associated smallholder carried out on April 05, 2017 attendees by 17 person.</p>	
5.1.1	00914	<p>1. Based on environmental reporting in Semester I/2016, item and content in the report not fully comply based on environmental management and monitoring plan.</p> <p>2. Environmental document (EIA) of IPBD estate mentioned that this EIA document valid for 10 years only since get approval.</p> <p>3. EIA of PT Telaga Hikmah still not covered Dewa Makmur associated smallholder.</p>	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Create environmental reporting based on environmental management and monitoring plan document (RKL-RPL).</li> <li>2. Carry out EIA review and request to the Environmental Official Document to ensure the EIA document validity.</li> <li>3. Request for revision of EIA document of PT Telaga Hikmah.</li> </ol> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Carry out review of RKL-RPL document whereas the document will be base on RKL-RPL matrix.</li> <li>2. Ensure every revision/change of activity/total area will complete by EIA document and environmental permit.</li> <li>3. Ensure every change/revision or added new activity will bring big impact will complet by environmental document.</li> </ol> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. Minutes of EIA document review carried out on February 16, 2017 with summary that every RKL RPL report shall be base on RKL RPL matrix; will request to official government to revise the studi area in PT MBJ EIA document with current existing; and Dewa Makmur associated smallholder will add in EIA PT TH and request for new environmental feasibility.</li> </ol>	Closed
5.2.1	00916	Company could not show evidence that HCV assessment for	25-04-2017	<p>Correction:</p> <p>Finished the HCV assessment for Dewa Makmur as-</p>	Closed

		PT TH covered Dewa Makmur associated smallholder inside.		sociated smallholders. Corrective: Ensure HCV document assessment of Dewa Makmur will be in place and accessible. Evidenced: Company submit new HCV assessment of PT TH for 2017, whereas the Dewa Makmur associated smallholder has been inside.	
6.1.4	00917	SIA management plan for PT GTA with involved affected parties was not available in place.	25-04-2017	Correction: Finish the SIA management plan review of PT GTA based on public consultation with affected parties. Corrective: Provide the SIA management plan on time and ensure that document will be available in place. Evidenced: 1. Review of SIA management plan report 2. Minutes of meeting of stakeholder consultation carried out on February 14, 2017 with attendees about 21 person from related affected parties, complete with result of meeting and attendant list.	Closed
6.5.1	00920	Found in mill and all estate the workers (casual workers) not covered with health insurance (BPJS Kesehatan) and working insurance (BPJS Ketenagakerjaan)	25-04-2017	Correction: 1. Coordination and communication with BPJS Ketenagakerjaan & Kesehatan to solve this problem. 2. Coordination and sent letter to Dukcapil Official Government to make easy the residence registration process. Corrective: 1. Registered all workers step by step who has complete the residence document registration as mentioned in BPJS requirement. 2. Estate clinic will increase become faskes level 1. Evidenced: 1. Letter No.093/SA/HRS/V/2017 dated on May 5, 2017 addressed to Head of BPJS of South Sumatera	Closed

				<p>about BPJS registration problem because there is no electronic identity card, and residence document cont completed. This letter addressed to Head of BPJS to ask how a good solution to solve this case.</p> <p>2. Letter                  No.094/Sa/HRS/V/2017 dated on May 5, 2017 addressed to Directorate General of Residence about request to electronic identity facilitate process as requirement to BPJS registration.</p>	
6.5.2	00921	<p>1. Company could not show written working contract between company and workers.</p> <p>2. Found fertilizer workers in field No.119 has been working for more than 5 years but not transfer to permanent workers by company.</p> <p>3. Found inconsistency procedure of rights and obligation for casual workers, whereas in others estate the casual workers get free rice but in other estate does not, and also in that document mentioned that casual workers get JKK JKM and JHT insurance, but in fact casual workers only get JKK and JKM.</p>	25-04-2017	<p>Correction:</p> <p>1. Create written working agreement between company and casual workers.</p> <p>2. Estate proposed to HRS all casual workers name who work more than 5 years as mentioned in finding.</p> <p>3. Revise the casual workers rights obligations procedure.</p> <p>Corrective:</p> <p>1. Ensure all casual workers will sign the contract agreement and give rights and obligations understanding through the induction process.</p> <p>2. Ensure for casual workers who was fulfill the requirement will promote to permanent workers.</p> <p>3. Ensure the induction process for casual workers will carry out every company have new casual workers.</p> <p>Evidenced:</p> <p>1. Reocrds of induction process for casual workers and document of rights and obligations for casual workers induction with document No.FM-SAG-ADM-KTU-040002, date issued on September 1st, 2014. This document also as written contract agree-</p>	Closed

				<p>ment with the casual workers. Casual workers who was get induction will sign this document as agreement of statement. Records casual workers signed as agreement statement also available, carried out on February 2017.</p> <p>2. Memorandum No.0030/SS/I/2017 dated on January 13, 2017. This document mentioned about promotion of casual workers who was work more than 3 month with good performance and fulfill the requirement promoted to permanent workers. This memorandum completed with appendix of casual workers name to promote.</p> <p>3. Records of revise document/procedure request dated on May 25, 2017 about revise of casual workers agreement draft; induction for casual workers; and form for agreement and compliance of casual workers.</p>	
6.9.2	00922	Based on interviewed result with gender committee of IPBD estate, the gender committee could not show the work program, and brief documentation to all workers.	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Carry out brief about gender committee to all workers accordance to memorandum No.065/MD/V/2016.</li> <li>2. Create the gender committee work program related to women empowerment.</li> </ol> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Ensure the women workers get brief related gender committee accordance to that memorandum above.</li> <li>2. Ensure the gender committee work program will implemented.</li> <li>3. Every activity related gender committee and women empowerment will documented and recorded.</li> </ol> <p>Evidenced:</p>	Closed

				<ol style="list-style-type: none"> <li>1. Record of committee gender briefing activity on April 1st, 2017 attendees by 27 person women workers.</li> <li>2. Gender committee work program for 2017 has signed by gender committee head.</li> </ol>	
6.12.1	00923	There is no found evidenced that casual workers who work in the company is not forced labour because there is no found any written contract agreement between company and workers are documented.	25-04-2017	<p>Correction:                  Create written work agreement between company and casual workers.</p> <p>Corrective:                  Ensure all casual workers will fill name as casual workers in written work agreement and company will give casual workers induction for understanding of rights and obligations between company and workers. And also ensure every have new casual workers, company should carry out induction to new casual workers.</p> <p>Evidenced:                  Records list of casual workers from IPBD Estate about 14 workers; from mill about 13 person and from Sumber Sawit estate about 28 person who was signed the written contract between company and casual workers on February, March and April 10, 2017.</p>	Closed
6.13.1	00924	Socialization about human rights policy understanding to third party contractor in Sumber Sawit estate, IPBD, and Hikmah III also Mill is not implemented.	25-04-2017	<p>Correction:                  Carry out socialization to third party about human rights understanding.</p> <p>Corrective:  <ol style="list-style-type: none"> <li>1. Ensure all workers in company and third party get human rights brief.</li> <li>2. Ensure all brief record are documented.</li> </ol> </p> <p>Evidenced:                  Records of Human rights brief between company and third party, carried out:                  - On March 24, 2017 for Hikmah Tiga estate, with attendees about 2 third party complete with photograph.                  - On April 4, 2017 fro IPBD estate, with attendees</p>	Closed

				<p>about 4 contractor completed with photograph.</p> <ul style="list-style-type: none"> <li>- On April 20, 2017 for Sumber Sawit estate and Mill, with attendees about 4 contractor completed with photograph.</li> </ul>	
7.1.1	00925	There is no evidenced that SIA assessment has involved the affected parties for Dewa Makmur associated smallholder development.	25-04-2017	<p>Coorection: Finishing the SIA assessment of PT TH, whereas this new SIA assessment document has involve the thir parties and covered Dewa Makmur associated smallholders.</p> <p>Corective: Ensure that SIA assessment for Dewa Makmur associated smallholder document available in place.</p> <p>Evidenced: Company submit the final report of SIA assessment whereas this document covered Dewa Makmur associated smallholder, and this SIA assessment has involved the affected parties whereas the stakeholder consultation record available inside the SIA document.</p>	Closed
7.3.1	00927	Found planted area since January 1st, 2010 in Dewa Makmur associated smallholder with YoP 2011 – 2013 without NPP procedure.	25-04-2017	<p>Correction: Submit the LUC analysis and HCV assessment to RSPO board and follow the sanction procedure mechanism from RSPO.</p> <p>Corrective: Ensure LUC analysis and sanction process comply with RSPO sanction procedure.</p> <p>Evidenced: Company submitted the LUC analysis and HCV assessment document.</p>	Closed

### 3.4.2 Minor Non-conformities

Indicator	NCR No. RSPO	Evidence Observed	Deadline implementation (date)	Correction/Corrective action taken	Auditor conclusion
2.2.2	00888	There is no found boundry pillars in Dewa Makmur available in place and maintained.	24-02-2018	<p>Correction: Coordination with BPN for boundary pillars re-installment for Dewa Makmur associated smallholder.</p> <p>Corrective:</p>	Closed

				Install again the boundary pillars accordance to the land ownership certificate.	
2.2.5	00891	There is no participatory mapping records has been done by company for land conflict case in all estate in scope audit area.	24-02-2018	Correction: Invite related person who claimed company land use rights in Sumber Sawit estate, IPBD estate, and Hikmah III estate to carry out participatory mapping. Corrective: Documented result of participatory mapping and make availbale in place, also ensure participatory mapping will carry out also for another land conflict in scope audit area.	Closed
4.1.2	00892	Records of internal audit for Dewa Makmur Associated smallholder is not availbale in place to check the implementation of procedure.	24-02-2018	Correction: Carry out internal audit integrated with management system on March 2017 for Dewa Makmur associated smallholder. Corrective: Carry out internal audit integrated with management system every year to ensure the procedure implementation.	Closed
4.2.1	00894	There is no found new soil analysis for Sumber Sawit and IPBD estate. Based on procedure No.P-SAG-RST-ASE-01 mentioned soil analysis should carry out one in five year, then the latest soil analysis done on 2011.	24-02-2018	Correction: Coordination with FAQ Departmenet to request the new soil analysis result. Corrective: Ensure soil analysis result report available in place. Reminder the FAQ Departement to carry out soil analysis based on procedure.	Closed.
4.4.1	00897	Sumber Sawit could not show water management plan with negative impact consideration accordance to the P&C RSPO INA NI.	24-02-2018	Correction: Develop water management plan accordance to RSPO INA NI. Corrective: 1. Ensure signboard for water protection available in place. 2. Ensure that all wrkers understand with water management plan and	Closed

				be ready to implemented.	
4.6.9	00901	Records of pesticide handling training on Dewa Makmur associated smallholder is not available in place.	24-02-2018	Correction: Carry out pesticide handling training for Dewa Makmur associated smallholder. Corrective: Ensure all spraying workers in Dewa Makmur associated smallholder get pesticide handling training.	Closed
4.6.10	00902	Company did not carry out waste management training for all level workers for 2016 in Sumber Sawit estate and Dewa Makmur associated smallholder.	24-02-2018	Correction: Carry out waste management training for all workers level and Dewa Makmur associated smallholder. Corrective: Ensure all workers level get waste management training every year/.	Closed
4.7.5	00908	<ol style="list-style-type: none"> <li>1. Work accident review for year 2016 not carry out by company (for all estate and mill) include in audit scope area.</li> <li>2. First aid kit in work place of Dewa Makmur associated smallholder is not available.</li> <li>3. For 6 first aid operator in Dewa Makmur associated smallholder is not training yet.</li> <li>4. During field observation in Field No.119B for fertilizer activity, the foreman not training yet for first aid.</li> <li>5. Truck No.BG 8054 UJ in Hikmah III estate, BG 8745 DV in Sumber Sawit estate and DT 130, first aid kit in that truck is not comply with regulation No.15/2008.</li> </ol>	24-02-2018	Correction: <ol style="list-style-type: none"> <li>1. Carry out review for work accident in each estate per monthly.</li> <li>2. Distribution of First aid box in Dewa Makmur associated smallholder.</li> <li>3. Reschedule and carry out first aid training for all foreman.</li> <li>4. Provide first aid checklist for every first aid kit accordance to the regulation.</li> <li>5. Give first aid brief to all level workers accordance to regulation.</li> <li>6. Provide complete first aid kit based in regulation in all truck/internal vehicle.</li> </ol> Corrective: <ol style="list-style-type: none"> <li>1. Ensure all accident will review every month.</li> <li>2. Ensure all foreman in all activity should carry out first aid kit in work place.</li> </ol>	Closed

				<p>3. Ensure all foreman will get first aid training.</p> <p>4. Ensure all first aid kit in working area comply with regulation No.15/2008.</p> <p>5. Ensure every vehicle who work for company will complete with first aid kit.</p>	
4.7.6 and 6.5.3	00909	In generally company did not gave workers insurance as workers protection for all casual workers.	24-02-2018	<p>Correction:                      Company has provide clinic and could access by all workers to get protection such as first aid and medical treatment. Then workers who was comply with BPJS requirement can be a BPJS member facilitate by company.</p> <p>Corrective:                      Ensure all casual workers get work insurance and protection.</p>	Closed
5.4.1	00911	Mill could not show evidence energy efficiency target and plan and optimize to use renewable energy.	24-02-2018	<p>Correction:                      Create target and plan for efficiency energy and renewable energy use.</p> <p>Corrective:                      Ensure target and plan will monitor and all energy use will record to evaluate and measure that target and plan can be realized.</p>	Closed
5.6.3	00912	Company did not carry out GHG calculation use Palm GHG Version 3.0.1.	24-02-2018	<p>Correction:                      Finalized the GHG calculation and repor to RSPO.</p> <p>Corrective:                      Ensure GHG calculation will use Palm GHG Version 3.0.1 and will carry out yearly and will report to RSPO.</p>	Closed
6.2.3	00913	Casual worker interviewed in Dewa Makmur associated smallholder did not understand with communication and complaint procedure and how to contact the management except foreman.	24-02-2018	<p>Correction:                      Coordination with legal team department to carry out communication and complaint procedure.</p> <p>Corrective:                      Ensure all workers level get brief about commincation and</p>	Closed

				complaint procedure and record of brief will documented.	
5.1.3	00915	Company could not show plan to review environmental management and monitoring plan minimum in two years.	24-02-2018	Correction: Develop RKL RPL report accordance to environmental management and monitoring matrix. Corrective: Ensure RKL RPL matrix will review every two years to evaluate the management and monitoring plan.	Closed
6.2.2	00918	Letter of appointment of officer to handle communication and consultation against to stakeholders is not available in estate and mill.	24-05-2018	Correction: Give information and carry out brief to all related stakeholders about new person in-charge who will responsible to carry out communication with all stakeholders. Corrective: Ensure the person in-charge will carry on the job accordance to job description and letter of appointment.	Closed
6.4.2	00919	In compensation procedure still not considered about: gender effect of land ownership; difference of local people and transmigration; difference of legal land ownership with communal ownership from indigenous people.	24-02-2018	Correction: Revise the compensation procedure with complete the procedure by that consideration as stated in NCR. Corrective: Ensure compensation payment process will be based on new compensation procedure (P-SAG-RO-CAS-03).	Closed
7.1.2	00926	SIA management plan for Dewa Makmur associated smallholder is not available in place.	24-02-2018	Correction: Finalize the SIA assessment for PT TH, whereas this new SIA assessment covered the Dewa Makmur associated smallholder, and develop SIA management plan. Corrective: Ensure the SIA management plan available in place and accessible.	Closed

**3.5 Identified Non-conformances against RSPO SCCS Requirements, Corrective Actions Taken and Auditors Conclusions.**

During 1st surveillance assessment audit, there is found 3 (three) nonconformity has been identified in Sumber Sawit palm oil mill against to the RSPO SCCS November 2014. The corrective and correction action alsoe the evidence submitted by the company in 30 days. The following summarizing of identified nonconformances, corrective and corrections taken and auditor conclusion presented below:

Indicator	NCR No. RSPO SCCS	Evidence Observed	Deadline implementation (date)	Correction/Corrective action taken	Auditor conclusion
E.1	00928	There is no mechanism to ensure FFB from Sumber Sawit estate field No.001A about 2 ha and planted area since January 2010 in Hikmah III and Dewa Makmur associated smallholder not claim as certified product.	25-04-2017	Correction: Develop traceability mechanism for field No.001A and planted area since January 2010 whereas the FFB produced from that area not claim as certified product. Corrective: Add new revision in procedure P-SAG-PKS-PRS-14 information about new area will not claim as certified. Evidenced: 1. Revision request form for procedure P-SAG-PKS-PRS-14 on March 6, 2017. 2. Procedure P-SAG-PKS-PRS-14 draft completed with new revision draft related new information related information above.	Closed
E.3	00929	1. Procedure P-SAG-PKS-PRS-14 still not covered explanation about sales activity via greenplam (whereas sales activity via greenpalm done on 2016) and in new e-Trace system, greenpalm not was not exist. 2. RSPO SCCS training record for 2017 not available in place.	25-04-2017	Correction: 1. Add new information related greenpalm in procedure P-SAG-PKS-PRS-14. 2. Carry out RSPO SCCS refreshment training fro all responsible person in RSPO SCCS implementation. Corrective: 1. Ensure new revision of procedure will cover all RSPO SCCS requirement. 2. Ensure RSPO SCCS refreshment	Closed

				<p>training will carry out yearly.</p> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. Procedure P-SAG-PKS-PRS-14 draft completed with new revision draft related new information related information above and procedure form request.</li> <li>2. Attendant list RSPO SCCS refreshment training done on March 16, 2017 with attendees about 15 person.</li> </ol>	
E.4	00930	<ol style="list-style-type: none"> <li>1. Found inconsistency against procedure P-SAG-PKS-PRS-14 on section 7.1.2 (request for RSPO SCCS stamp on FFB delivery notes in the mill); 7.1.3 (in weigbrigde slip should mention GHG net value per kg tone FFB).</li> <li>2. No evidenced that FFB produced and deliver to mill from field No.001A not claim as certified FFB.</li> </ol>	25-04-2017	<p>Correction:</p> <ol style="list-style-type: none"> <li>1. Give brief related procedure P-SAG-PKS-PRS-14 to all person in charge who responsible to implement the RSPO SCCS.</li> <li>2. Develop traceability mechanism for area/field which not include in certified area.</li> <li>3. Recalculate again FFB production from non certified area and remove the FFB and product from certified product stock.</li> </ol> <p>Corrective:</p> <ol style="list-style-type: none"> <li>1. Make schedule for RSPO SCCS refreshment training as guidance in procedure implementation, and implement the training.</li> <li>2. Add new mechanism in new RSPO SCCS procedure revision about non certified area and FFB produce from that area will not claim as certified.</li> </ol> <p>Evidenced:</p> <ol style="list-style-type: none"> <li>1. Procedure P-SAG-PKS-PRS-14 draft completed with</li> </ol>	Closed

				<p>new revision draft related new information related information above and procedure form request.</p> <p>2. Attendant list RSPO SSCS refreshment training done on March 16, 2017 with attendees about 15 person.</p>	
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### 3.5 Noteworthy Positive Components

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### 3.6 Issues Raised during Stakeholder Consultation Meeting

Below is a summary of issues raised by stakeholders interviewed during stakeholder consultation meeting:

No.	Issues Raised	Management Response	Audit Verification
1	<p>CV Bangun Bersama has cooperation with PT GTA since 2002, the payment is still good, the tender will be made open, and there is no element of corruption in the job tender.</p> <p>PT GTA has good relationship with the surrounding community, donation provided has also been quite a lot.</p> <p>CV Bangun Bersama always provide good service for the purposes of the existing infrastructure in the company even though it was not the responsibility of the job</p>	Positive response	Supplier and company explanation can be accepted.
2	<p>Every year the company recruited workers from outside the region, never gave a chance for local people, whereas 30% of the village are high school graduates, there are 15 people who graduated S1 and D3.</p>	<p>- As a kind of appreciation to the community surrounding, the company can be proven by the position of labor and letter of appointment where 11 people from the Dabuk Makmur village and 90% of employees KHT harvesters in Division V and VI from the village Dabuk Makmur</p> <p>- 25 from total of 94 Mill workers are from Dabuk Makmur.</p>	<p>Some local wokers come from Dabuk Makmur as observed from list of workers, however the case Will be verified again for the next audit.</p>
3	<p>The work opportunities only for casual workers. Job opportunities for staff level are never opened for the community surrounding company's area.</p>	<p>- As a kind of appreciation to the community surrounding, the company can be proven by the position of labor and letter of appointment where 11 people from the Dabuk Makmur village and 90% of employees KHT harvesters in Division V and VI from the village Dabuk Makmur</p>	<p>Company has no mechanism to communicate job vacancy to the vil-lager surrounding company's area. This is raised as potential for improvement.</p>

4	People from Balian Makmur followed job selection, but not pass the pre test selection.	Companies hire employees based on required qualifications and continue to prioritize local communities	Company has no mechanism to communicate job vacancy to the villager surrounding company's area. This is raised as potential for improvement.
5	Until now, the villagers have not received CSR donation. CSR socialization been done in 2013, had submitted proposals but had no response since 2013.	In the Year 2013 program CSR has not entered into Balian Makmur village, and would be built in 2015. This is evidenced by the rehabilitation GPdI church in the village of Balian Makmur SP 5 March 2015.	Company explanation can be accepted.
6	It is said that the company had to set aside 2.5 % of their profits to CSR fund but until to date no realization has been done. The Company is not transparent in issuing a CSR fund	- With respect to the Company Law No. 40 of 2007 and the rules issued by the PP 47 Year 2012 on corporate social responsibility to observe the principle of allocation of funds CSR compliance and fairness does not mention the company had to set aside 2.5 % of its profits. - Every year the company reported a CSR budget program realization at the started from 2014 and 2015 budget program plans to OKI Regional Government through the Planning Agency.	Company explanation can be accepted
7	Once there was a proposal for cattle aid program but not yet implemented.	The Company has not received proposals related to cattle aid program	Will be verified again for the next audit.
8	Do RSPO forbid workers to caring birds and plants at home.	The Company does not prohibit workers caring birds and plants , except for birds and plants protected by the Government Regulation No. 7 of 1990	Company explanation can be accepted
9	CSR funds should also be granted for the purchase of an ambulance, because the location is quite far between Polibun (Estate's clinic facility) to the nearest hospital.	Company to prioritize the purchase of an ambulance for the needs of the company's employees, but if society requires the use of an ambulance, they will be assisted by the company. - Public Health Center (Puskedes) own Ambulance from the Government.	Company explanation can be accepted
10	Companies should submit a report UKK (The Efforts of Occupational Health) every month; It was delivering routinely when starts, but now no longer exists.	The company has already reported UKK (The Efforts of Occupational Health) by the company doctor at the health office every month to OKI District but not to sub district.	Company explanation can be accepted
11	The CSR funds Transparency to be made a proposal of CSR program that fits the needs of society.	The company reported a CSR budget program realization in Every year since 2014 and	Company explanation can be accepted

		2015 in a budget program plans to OKI Regional Government through the Planning Agency.	
12	The village is currently building a new mosque, to which the proposal is submitted for funding?	Proposals have been received and followed up. Its realization is already provided in the form of building material	Company explanation can be accepted
13	Request the construction of the bridge ( river Dabuk white ) that connects the village with Desa Makmur Dabuk Balian Damage to the existing bridge already claimed many victims.	At first the company has to build the bridge that can only be passed by a motorcycle. Related to the petition of bridge construction drivable four-wheel vehicles such as public demand, the company has provided assistance worth Rp . 100,000,000. However, the fund was rejected by people, for people wanting to build the bridge where community liaison Balian village with the Company plantations, which is not connecting between the Dabuk Makmur village and Balian village. If the bridge is built, there will be a lot of theft of palm fruit company.	Company explanation can be accepted
14	Companies were give 100 bags of cement and 4 truck of sand , totaling together a number of 8 million , but it was insufficient	The proposal of mosque construction and building committee has been received and followed up by the company in the form of building materials aids that have been accepted by the committee	Company explanation can be accepted
15	The company should also to build biogas plan to power home communities around the plantation	The company will assess and coordinate with the Department of Mines and Energy	Company explanation can be accepted
16	There is no perceived negative things.PT GTA has been good, Mr. Camat (Head of Sub District) who understand and know the problems that exist in the Dabuk Makmur village.	Positive response	Company explanation can be accepted
17	Public consultation should be done also in the district in order to head of Regent can hear and provide input as well.	Public consultation is an implementation of the RSPO P & C which is aims to foster the aspirations of communities around the company. In the public consultation has also been invited from various Department of OKI regent for example the Department of Cooperatives , Department Bappeda , Plantation Office etc	Company explanation can be accepted
18	The licenses owned by PT GTA would have been complete because the existing concession , but keep re checking back	SKPD (Local Government Unit) has a mailing list of business licenses in the OKI district.	To be verified for the next audit.
19	There is already a CSR forum in Oki District comprised of various stakeholders including	Sampoerna Agro and its subsidiaries, including PT.	Company explanation can be accepted

	NGOs , whether PT GTA has been included in the forum	Gunung Tua Abadi is already incorporated in the CSR forum OKI regent. .	
20	How the problems that exist in the Embacang village, whether it has been solved , how the smallholder has finished and also whether CSR was already clear	Embacang village is a local village of PT. Telaga Hikmah, not the local village of PT. GTA	Company explanation can be accepted
21	Today many strikes occur trend for outsourcing issues.	PT Gunung Tua Abadi was not implementing outsourcing employment system	Company explanation can be accepted
22	In GTA still finding the worker who working as part-timer. Please be checked for daily casual worker has already promoted to be permanent worker?	The promotion program has been submitted to the management periodically	This is raised as potential for improvement. Some casual worker has been working for long time periode and has not promoted into permanent workers,
23	A continually works such as harvesting shall not be outsourced	PT Gunung Tua Abadi was not implementing outsourcing employment system	Company explanation can be accepted
24	Wages in the PT GTA is good, there is only a problem certain period of work engagement (PKWT) case.	Positive Response	Company explanation can be accepted
25	Collective agreements (PKB) must be approved by District Manpower and Transmigration Agencies (Disnakertrans)	Already registered on the November 2015 to the Provincial Manpower Office	Company explanation can be accepted. Collective agreement has been renewed and registered.
26	Smallholder for some villages such as Dabuk Makmur, Balian Jaya, already available reporting and compliance related to Regulation No. 27 is smooth. Monitoring has been reported related to the performance of the estates.	Positive response	Company explanation can be accepted
27	There are areas of HCV in the plantation area, the government administration would ask for a report HCV be maintained eventhough the BPN say it as wastelands.	The company has received the Circular of Ministry of Agrarian Affairs and Spatial Planning / Head of BPN No. 10 / SE / VII / 2015 on Issuance of Permits On High Conservation Value Forest Area through the Head of BPN Regional Office of South Sumatra No. 2655 / 9-16 / VIII / 2015 dated August 4, 2015. However, some PT mentioned, are included in Group Sampoerna Agro Tbk PT Selatan Jaya Permai. The future will be reported to the management report NKT all subsidiary Sampoerna Agro to Local Government.	To be verified for the next audit.
28	PT GTA has not submitted a report to the local government activities related to HCV management	The company has received the Circular of Ministry of Agrarian Affairs and Spatial Planning / Head of BPN No. 10 / SE / VII / 2015 on Issuance of Permits On High Conservation Value Forest Area through the Head of BPN Regional Office Se-southern	To be verified for the next audit.

		Sumatra No. 2655 / 9-16 / VIII / 2015 dated August 4, 2015. However, some PT mentioned, are included in Group Sampoerna Agro Tbk PT. South Jaya Permai. The future will be reported to the management report NKT all subsidiary Sampoerna Agro to Local Government	
29	Must be checked how the fire fighting facilities owned in connection with the fires that are currently assigned to a national disaster	The company has equipped a fire extinguisher in accordance Ditjenbun regulations in 2010 on Guidelines for Land Fire Control and Plantation	To be verified for the next audit.
30	In legal regulation categorized as a protected area. Management of HCV should be reported as a basis for consideration of the change of Spatial plan (RTWP).	The company has not got the legislation in question if there besides Submission Circular Letter Agricultural and Spatial Planning Minister / Head of BPN No. 10 / SE / VII / 2015 on Issuance of Permits On High Conservation Value Forest Area through the Head of BPN Regional Office of South Sumatra No. 2655 / 9-16 / VIII / 2015 dated August 4, 2015	To be verified for the next audit
31	Please note facilities of fire prevention and control of land, with respect to the presence of peat in the area of PT GTA who had been burned and was under pressure from surrounding communities.	The company has equipped a fire extinguisher in accordance Ditjenbun regulations in 2010 on Guidelines for Land Fire Control and the plantation	Company explanation is accepted. To be verified for the next audit
32	How was the handling of plasma fire in the village Pagar Dewa?	Plasma Dewa Makmur single management because it is adapted to the existing procedures in the company.	To be verified for the next audit
33	How much the total Equipment needed to respond in the event of such this plantation area?	The company has equipped a fire extinguisher in accordance Ditjenbun regulations in 2010 on Guidelines for Land Fire Control and Gardens	Company explanation is accepted. To be verified for the next audit.
34	Use CSR funds for Land Clearing activities undertaken by the community so that people no longer involve clearing land by burning.	CSR funds are used for community empowerment programs of mutual interest. The company sees the Land Clearing is not part of the community empowerment program	Company explanation is accepted. To be verified for the next audit. Company explanation is accepted. To be verified for the next audit.
35	Industrial environment licenses of PT GTA is complete including the EIA and waste management license	Positive response	Positive response no needs to be verified.
36	The company should also to build biogas plan to power home communities around the plantation	The company will assess and coordinate with the Department of Mines and Energy	Company explanation is accepted
37	Are already established a special area for protected animals	There is already reserved of HCV area	Company explanation is accepted
38	Must be checked the extent to which licenses owned by PT GTA, such as SIUP, TDP, SITU how renewal dokumen IMB considering the company is already doing devel-	The Company has met with the appropriate licensing laws and regulations.	Company explanation is accepted

	opm-ment facility.		
39	LKPM report should be done by the company each month, whether the PT GTA already meets the rules-but terse. LKPM used to see how much investment already given PT GTA.	Already done for each 6 months	Company explanation is accepted
40	- LKPM Submission used to see whether the activities currently carried out is the same as its investment license.	Providing information statement	Company explanation is accepted.
41	EIA documents be made for are-as that get permission before 2007 in which the license carried by Government Evironmental Body (BLH) whereas after 2007 already uses carried out by the local land office	Providing information statement	Company explanation is accepted
42	EIA does not need to be amended if there is no change of capacity or machine so far.	Providing information statement	Company explanation is accepted
43	In Telaga Hikmah harvest dismissed as sour grapes and the harvest is always the person has met the applicable rules.	It has been resolved through the mechanism in the OKI district of Manpower agency.	Company explanation is accepted
44	There are two organizations working in Sampoerna Agro.	The company gives freedom of association or union workers to employees	Company explanation is accepted
45	Land occupation must be completed by the company and the community, in the concession stated that the other problems that exist in the land rights granted BPN should be discussed together.	Providing information statement	Company explanation is accepted
46	There should be no rights over the rights.	Providing information statement	No need to be veified
47	In OKI regency is no unified team to resolve land disputes.	Providing information statement	No need to be verified.
48	No one has reported that PT GTA has the problem of land disputes with the relevant parties.	Providing information statement	There are some dispute, has been explained on the relevant criteria above.
49	How plasma in Embacang and Pagardewa, should be clarified?	Smallholders in the Embacang and Pagardewa village already constructed and has converted	Company explanation is accepted, will be verified on the next audit.
50	In accordance with Agriculture Ministry Regulation (Permentan) no. (8 in 2012, when The plantation license issued before the year 2007, the company has no obligation to form the scheme smallholder, on the regulation required from people who give the land as scheme smallholder.	Providing information statement	No need to be verified.
51	Permits issued in the period 2007 to 2012 shall form the scheme smallholder of 20% of the land that could be released.	Providing information statement	No need to be verified.
52	The division of scheme smallholder extents for each village depends on how wide the area of the village that made the plantation.	Providing information statement	No need to be verified.
53	The positive impact because it can help the	Positive response	No need to be verified.

	community because of the existence of the company so that people can work in the company.		
54	Smallholder reserve lands to be returned to the public / made as smallholder.	Land reserves for the smallholder may not overlap with PT GTA Concession. Currently the company only manages the concession area only.	Company explanation is accepted.
55	We asking the company to built the bridge wich connecting the Dabuk Makmur Village to the company but still no realization yet.	At first the company has to build the bridge that can only be passed by a motorcycle. Related to the petition of bridge construction drivable four-wheel vehicles such as public demand, the company has provided assistance worth Rp 100,000,000. However, the fund was rejected by people, for people wanting to build the bridge where community liaison Balian village with the Company plantations, which is not connecting between the Dabuk Makmur village and Balian village. If the bridge is built, there will be a lot of theft of palm fruit company.	Company explanation is accepted, will be verified on the next audit.
56	The community were hope the returned to them for the land which were used for a conservation land by the company.	Land reserves for the smallholder may not overlap with PT GTA Concession. Currently the company only manages the concession area only. The area for which the public to be restored is the concession area of the Company which is used as a conservation area, not a backup area for smallholders of Dabuk Makmur village. Filing aid in CSR program can be initiated by the health center to the Company in accordance with the procedure or through existing mechanisms.	Company explanation is accepted, will be verified on the next audit.
57	Public Health Center (Puskesmas) still not utilize CSR program therefore asked for help in proposals related to improvement public health service improvement	In every year the company reported a CSR budget program realization at the start of the 2014 and 2015 budget program plans to OKI Regional Government through the Planning Agency. Filing can be done in accordance with the applicable procedures.	Company explanation is accepted, will be verified on the next audit.
58	The Company has not build a bridge between PT Sampoerna Agro with our village which is a citizen's pioneering work in the company itself.	At first the company has to build the bridge that can only be passed by a motorcycle. Related to the petition of bridge construction drivable four-wheel vehicles such as public demand, the company has provided assistance worth Rp 100,000,000. However, the	Company explanation is accepted, will be verified on the next audit.

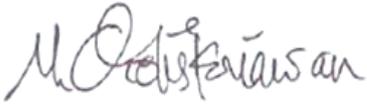
		fund was rejected by people, for people wanting to build the bridge where community liaison Balian village with the Company plantations, which is not connecting between the Dabuk Makmur village and Balian village. If the bridge is built, there will be a lot of theft of palm fruit company.	
59	Please help CSR funds which should be the right of rural communities.	In every year the company reported a CSR budget program realization at the start of the 2014 and 2015 budget program plans to OKI Regional Government through the Planning Agency. Filing can be done in accordance with the applicable procedures.	Company explanation is accepted, will be verified on the next audit.
60	Hopefully in the future the company could help our village and can realize the CSR to the village	In every year the company reported a CSR budget program realization at the start of the 2014 and 2015 budget program plans to OKI Regional Government through the Planning Agency. Filing can be done in accordance with the applicable procedures.	Company explanation is accepted, will be verified on the next audit.
61	<ul style="list-style-type: none"> <li>• The company was expected to be always pay attention to road repairs or maintenance.</li> <li>• Can help in the field of education both in its facilities as well as others</li> <li>• If there is a proposal submitted by the community to be immediately addressed.</li> </ul>	Filing an aid for CSR program can be initiated by the health center to the Company in accordance with the procedure or through existing mechanisms.	Company explanation is accepted, will be verified on the next audit.
62	We expect the company to be more aware to the public environment	The Company strives to maintain an environment in accordance with applicable regulations	Company explanation is accepted, will be verified on the next audit.
63	Use the local people as company worker in order to improve the local people life status.	<ul style="list-style-type: none"> <li>- The Company hire employees based on qualifications required and continue to prioritize local communities</li> <li>- As an appreciation to the community around the company can be evidenced by the position of labor and Appointment decree of employees where 11 people from the Dabuk Makmur village were as supervisor and 90 % of Daily Permanent Worker (KHT) as harvesters in Division V and VI from the Dabuk Makmur village</li> <li>- 25 people out of a total 94 of employee in POM were people from the Dabuk Makmur village</li> </ul>	Company explanation is accepted, will be verified on the next audit.

64	The people around company who have received education can work in the company.	<ul style="list-style-type: none"> <li>- The Company hire employees based on qualifications required and continue to prioritize local communities</li> <li>- As an appreciation to the community around the company can be evidenced by the position of labor and Appointment decree of employees where 11 people from the Dabuk Makmur village were as supervisor and 90 % of Daily Permanent Worker (KHT) as harvesters in Division V and VI from the Dabuk Makmur village</li> <li>- 25 people out of a total 94 of employee in POM were people from the Dabuk Makmur village.</li> </ul>	Company explanation is accepted, will be verified on the next audit.
65	Puskesmas(Public Health Center) ask for an ambulance because the distance between the Dabuk Makmur village to the hospital was so far away , so that can be used for the benefit of citizens in Dabuk Makmur	<ul style="list-style-type: none"> <li>- Company to prioritize the purchase of an ambulance for the needs of the company's employees, but if society requires the use of an ambulance, they will be assisted by the company.</li> <li>- Public Health Center (Puskesmas) own Ambulance from the Government.</li> </ul>	Company explanation is accepted, will be verified on the next audit.
66	As an employee wants similarity of tasks and procedures in the appointment of staff promoted from within at least 75 %	The Company has provided the opportunity for employees to participate in the staff selection.	Company explanation is accepted, will be verified on the next audit.

#### 4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

##### 4.1 Acknowledgements of Internal Responsibility and Formal Sign-Off by Client

It is acknowledged that the assessment visit was carried out as described in this report and we accept the assessment findings and report content.

Signed on behalf of PT Gunung Tua Abadi	Signed on behalf PT TUV Rheinland Indonesia
 Yusi Rosalina Management Representative Date: July 20, 2017	 Mhd Fundy C Kurniawan Lead Auditor Date: July 20, 2017

APPENDICES

Appendix 1: Details of Certificate

# Certificate

Standard : **Indonesian National Interpretation of RSPO Principles & Criteria for the Production of Sustainable Palm Oil; July, 2016 and RSPO Supply Chain Certification Systems: November, 2014**

Certificate Registr. No. : **824 502 16034**

Certificate Holder : **PT TUV Rheinland Indonesia certifies : PT Gunung Tua Abadi**  
Jl. Basuki Rahmat 788, Palembang 30127,  
South Sumatera Province, Indonesia



and its company owned estates according to the annex

RSPO number : -  
Scope : **Palm Oil Production and Plantation Management System**

An audit was performed, Report No. 82450216034. Proof has been furnished that the requirements according to Indonesian National Interpretation of RSPO Principles & Criteria for Sustainable Palm Oil Production; Generic Standard year 2013 are fulfilled.

Validity: The due date for all future surveillance audits is 25.02 (dd.mm).  
The certificate is valid from 25-04-2016 until 24-04-2021.  
The certificate shall remain valid in period stipulated above provided that the certificate holder mentioned here continues to comply with the RSPO P&C requirements. Status of compliance of the certificate holder shall be based on the annual inspections conducted by PT TUV Rheinland Indonesia.

RSPO registered parents company\* : **PT Sampoerna Agro**  
(RSPO Member No. : 1-0031-07-000-00)

\* Name of the RSPO registered member company of which the certificate holder is a subsidiary (if applicable)

Date of first certificate : April 25, 2016

Indonesia, 29-07-2017

  
PT TUV Rheinland Indonesia  
Director

The certificate remains property of PT TUV Rheinland Indonesia and can be withdrawn in case of terminations as mentioned in the contract or in case of changes or deviations of the above-mentioned data. The licensee is obliged to inform PT TUV Rheinland Indonesia immediately of any changes in the above-mentioned data. Only an original and signed certificate is valid.

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## Annex to certificate

Standard : **Indonesian National Interpretation of RSPO Principles & Criteria for the Production of Sustainable Palm Oil; July, 2016 and RSPO Supply Chain Certification Systems: November, 2014**

Certificate Registr. No.: 824 502 16034

Location: **PT Gunung Tua Abadi**  
 Address : **Jl. Basuki Rahmat 788, Palembang 30127, South Sumatera Province, Indonesia**



Name of mill / estate	Location	GPS locations	
		Latitude	Longitude
Sumber Sawit Palm Oil Mill	Balian Village, Mesuji Raya Sub District, South Sumatera Province	03°48'29.44"S	105°11'57.03"E
Sumber Sawit Estate	Balian Village, Mesuji Raya Sub District, South Sumatera Province	03°48'25"S	105°10'34"E
IPBD Estate	Balian Village, Mesuji Raya Sub District, South Sumatera Province	03°47.5'61"S	105°9'32.25"E
Hikmah Tiga Estate	Balian Village, Mesuji Raya Sub District, South Sumatera Province	03°42'57.095"S	105°12'28.520"E
Hikmah Lima Estate	Pagar Dewa Village, Mesuji Raya Sub District, South Sumatera Province	03°44'11.288"S	105°14'16.635"E
Plasma KUD Dewa Makmur	Pagar Dewa, Mesuji Raya Sub District, South Sumatera Province	03°44'11.288"S	105°14'16.635"E

CPO Tonnage Total Production: 34,637 tonnes  
 PK Tonnage Total Production: 8,288 tonnes  
 Company Estates FFB Tonnages: 24,172 tonnes  
 FFB Tonnages from other sources: 0 tonnes  
 CPO Tonnage claimed for certification: 47,333 tonnes  
 PK Tonnage claimed for certification: 11,269 tonnes

Scope of SCCS & supply chain model assessed : FFB receipt, produce and delivery of CPO & PK with implementation of the following SCCS :  
 Identity Preserved  
 Mass Balance

Indonesia, 29-07-2017

  
 PT TUV Rheinland Indonesia  
 Director

Issued by PT TUV Rheinland Indonesia

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**Appendix 2: List of Abbreviations**

AMDAL	<i>Analisis Dampak Lingkungan &amp; Sosial</i> (Social & Environmental Impacts Assessment)
BPN	Land used Agency (Badan Pertanahan nasional)
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
EIA	Environmental Impact Assessment
ERTs	Endangered, Rare & Threatened species
ESH	Environmental Safety & Health
FFB	Fresh Fruit Bunches
EFB	Empty Fruit Bunches
GHG	Green Houses Gases
HCV	High Conservation Value
HGU	Hak Guna Usaha (Land Use Rights)
HIRARC	Hazard Identification, Risk Assessment and Risk Control
HPL	Land Manage Right (Hak Pengelolaan Lahan)
IPM	Integrated Pest Management
IK	<i>Instruksi Kerja</i> (Work Instruction)
LTA	Lost Time Accident
LUCA	Land Usae Change Analysis
MSDS	Material Safety Data Sheets
MB	Mass Balance
NGO	Non-Government Organization
NIB	Building Identification Number (Nomor Identifikasi Bangunan)
OSH	Occupational Safety & Health
PKO	Palm Kernel Oil
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
PPKS	<i>Pusat Penelitian Kepala Sawit</i> (Oil Palm Research Institute)
RKL	<i>Rencana Pengelolaan Lingkungan</i> (Environmental Management Plan)
RPL	<i>Rencana Pemantauan Lingkungan</i> (Environmental Monitoring Plan)
SIA	Social Impact Assessment
SBU	Stragtegitic Business Unit
SMK3	<i>Sistem Manajamen Kesehatan dan Keselamatan Kerja</i> (Occupational Safety & Health Management System)
SOP	Standard Operating Procedure
SPBUN	<i>Serikat Pekerja Perkebunan</i> (Estate Workers Union)
UKL	<i>Upaya Pengelolaan Lingkungan</i> (Environmental Management Efforts)
UPL	<i>Upaya Pemantauan Lingkungan</i> (Environmental Monitoring Efforts)

**Appendix 3: List of Stakeholders Interviewed and Contacted**

No.	Name of Stakeholder	Institution - Address	Remark
<b>Stakeholders Interviewed On-Site</b>			
1.	Nico Sihombing	QA Asst	
2.	Yondri Situmorang	HCV-Sustainability	
3.	Jeni Verawati Siburi-an	Compliance Asst	
4.	Mika Asri Selian	Certification and System Cordina-tor	
5.	Ilham Dwi Putra	GHG Analys Asst	
6.	Antonius Yostina Gi-anusa	Mill Manager	
7.	Ali Amin	Askep Hikmah Lima dan Plasma	
8.	Herianto	Asst Dev 1 Plasma	
9.	Surahman	Asst Dev 3 Kebun Inti	
10.	Asrori	KTU Plasma	

11.	Lukman	Hazardous waste store PIC – SS Mill	
12.	Hamdan	Head of Dewa Makmur smallholder scheme	
13.	8 slashers	KUD Dewa Makmur	
14.	10 harvesters	KUD Dewa Makmur	
15.	2 IPM census workers	KUD Dewa Makmur	
16.	Umi Hanmik	KUD Dewa Makmur sprayer	
17.	Adi Chandra	Dump Truck driver Hikmah 3 estate	
18.	Edi Rahman	Sortation worker	
19.	Arifin	Operator Sterilizer	
20.	Edi Nurcahyo	Operator Thresher	
21.	Dedi Yusup	Helper Operator Boiler	
22.	Dedi	Helper Operator Boiler	
23.	Ngatiman	Operator Loader	
24.	Lukman	Temporary storage of hazardous and toxic waste officer	
25.	Nurjanah	Fertilizer worker at Sumber Sawit Estate	
26.	Suratih	Fertilizer worker at Sumber Sawit Estate	
27.	Siti Maisaroh	Fertilizer worker at Sumber Sawit Estate	
28.	Leo	Operator Tractor F109 at Sumber Sawit estate	
29.	Budianto	Dump Truck driver Division 1	
30.	Sahirwan	Water reservoir officer	
31.	Gunawan	Storage officer of IPBD estate	
32.	Rahmat B	Operator Tractor 02 at IPBD estate	
33.	Wahidin	Dump Truck driver DT 130	
34.	Agung	Storage officer of Sumber Sawit estate	
35.	Indah Narulita	Nurse	
36.	Ilham	GHG Staff	

**Appendix 4: Observations and Opportunities for Improvement**

No.	Observations / Opportunities for Improvement	Criteria
1.	-	
2.	-	