

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

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : Sungai Binti Palm Oil Mill, PT Agro Bukit subsidiary of Goodhope Asia Holdings Ltd

Plantation Name : Tanah Putih Estate, Sungai Binti Estate, Sungai Lenggana Estate and Sawahan Estate

Location : Village of Natai Baru, Sub District of Mentaya Hilir Utara, District of Kotawaringin Timur, Province of Central Kalimantan, Indonesia

Certificate Code : **MUTU-RSPO/082**

Date of Certificate Issue : 04 December 2015 Date of License Issue : 04 December 2017

Date of Certificate Expiry : 03 December 2020 Date of License Expiry : 03 December 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2	16 th – 20 th October 2017	Leonada (Lead Auditor), Yudwi Wisnu Rahmanto, Rizliani Aprianita Hasibuan, Afiffuddin	Octo H.P.N. Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2	28 December 2017

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FIGURE

Figure 1. Location Map of PT Agro Bukit

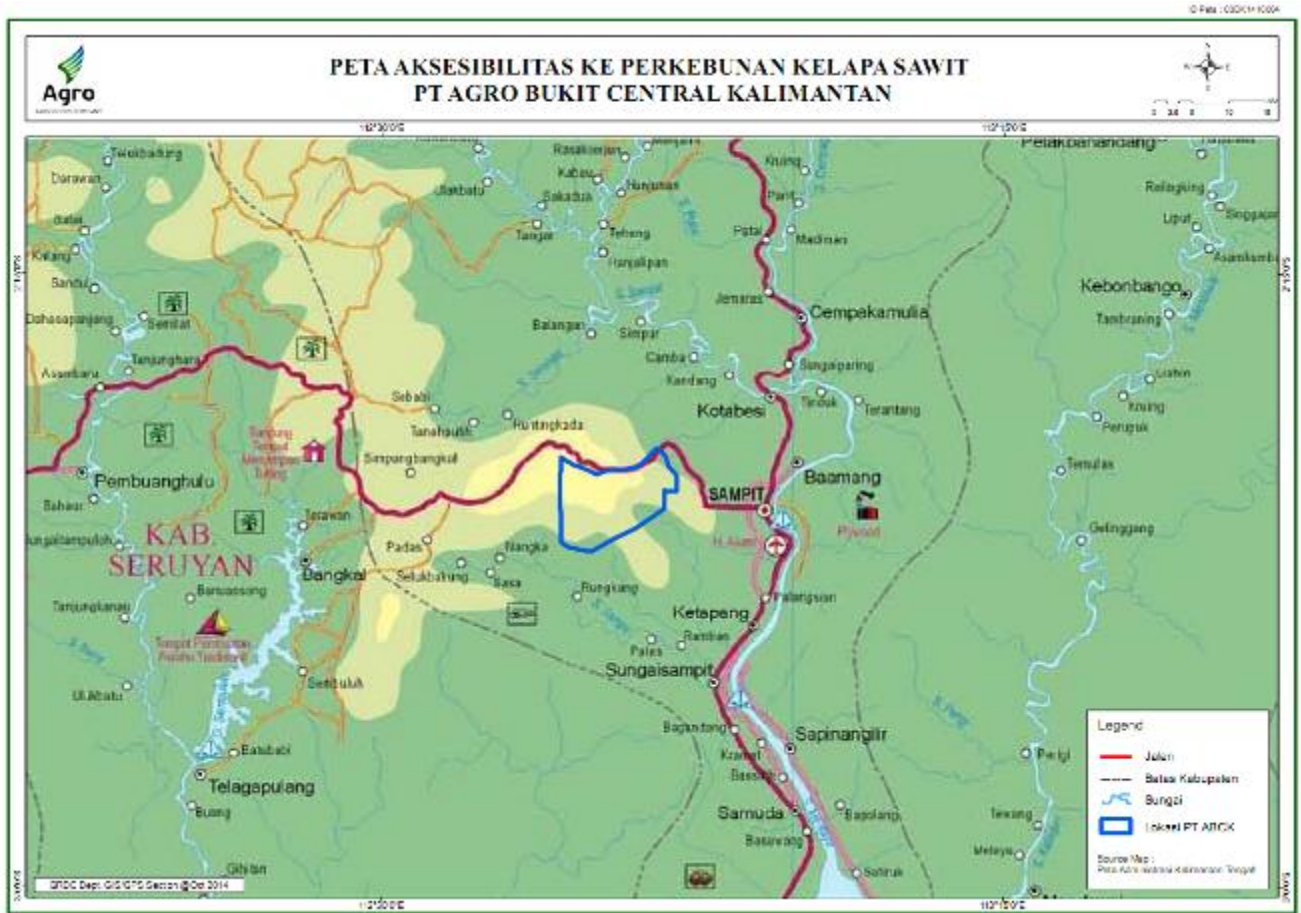
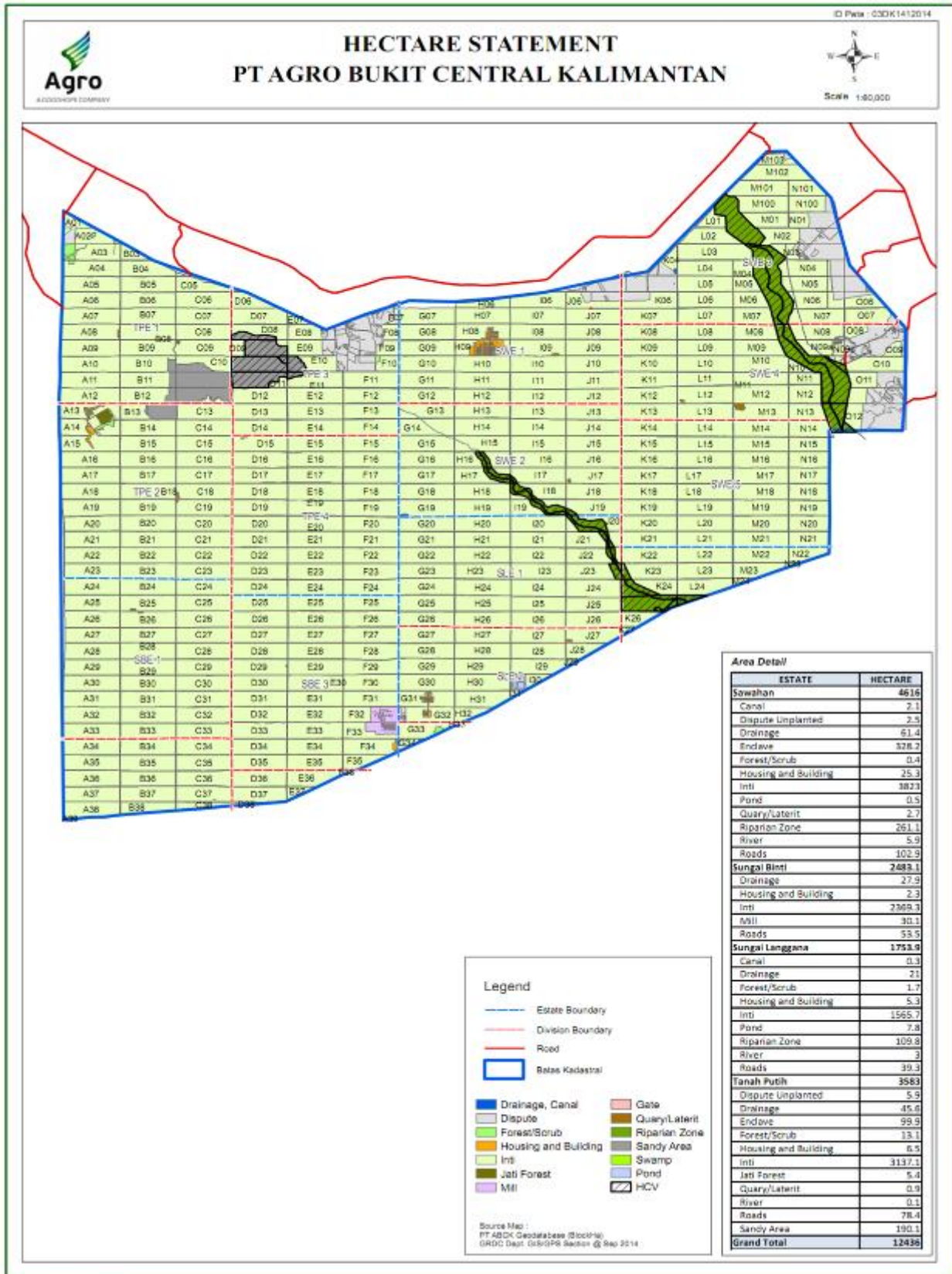


Figure 2. Operational Map of PT Agro Bukit



Abbreviation Used

ABCK	:	Agro Bukit Central Kalimantan
ASA	:	Annual Surveillance Assessment
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial (Workers Social Security Agency)</i>
CEO	:	Chief Executive Officer
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EHS	:	Environment Health and Safety
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior dan Informed Consent
GHG	:	Green House Gas
GIS	:	Geographical Information System
GMO	:	General Manager Office
GPS	:	Global Positioning System
GRTT	:	<i>Ganti Rugi Tanam Tumbuh (Land compensation)</i>
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha (Land Use Title)</i>
HIRAC	:	Hazard Identification Risk Assessment and Control
HRD	:	Human Resources Department
ID	:	Identity
IDR	:	Indonesian Rupiah
IPM	:	Integrated Pest Management
KCP	:	Kernel Crushing Plant
KER	:	Kernel Extraction Rate
LOTO	:	Log Out Tag Out
MR	:	Main Road
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
PK	:	Palm Kernel
PKO	:	Palm Kernel Oil
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PR	:	Public Relation
RKL-RPL	:	<i>Rencana Pengelolaan Lingkungan - Rencana Pemantauan Lingkungan (Environment Management Plan - Environment Monitoring Plan)</i>
SBE	:	Sungai Binti Estate
SIA	:	Social Impact Assessment
SOP	:	Standart Operational Procedure
SWE	:	Sawahan Estate
UKL-UPL	:	<i>Upaya Kelola Lingkungan / Upaya Pemantauan Lingkungan (Environmental Management Efforts / Environmental Monitoring Efforts)</i>
WB	:	Weigh Bridge
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1 Assessment Standard Used			
<ul style="list-style-type: none"> • <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 30th September 2016.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> • <i>RSPO Certification System 2007 (Rev. 2011).</i> • <i>RSPO Supply Chain Certification System 2014.</i> 			
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	PT Agro Bukit subsidiary of Goodhope Asia Holdings Ltd	
1.2.2	Contact person	Wilton Simanjuntak	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> • RSPO registered company: Menara Global, 5th Floor, Jl. Jend. Gatot Subroto Kav. 27 Jakarta 12950. • Liaison Office: Menara Global, 5th Floor, Jl. Jend. Gatot Subroto Kav. 27 Jakarta 12950. 	
1.2.4	Telephone	(+62) 21 528 92260	
1.2.5	Fax	(+62) 21 528 92259	
1.2.6	E-mail	wiltons@goodhope-id.com	
1.2.7	Web page address	www.goodhopeasia.com	
1.2.8	Management Representative who completed the application for certification	Wilton Simanjuntak	
1.2.9	Registered as RSPO member	1-0175-14-000-00 02 Desember 2014	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base : Sungai Binti Mill, Sungai Binti Estate, Sawahan Estate, Sungai Lenggana Estate and Tanah Putih Estate.	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Sungai Binti Mill	Village of Natai Baru, Sub District of Mentaya Hilir Utara, District of Kotawaringin Timur; Province of Kalimantan Tengah	S 2° 33' 48" E 112° 46' 05"

1.4.2 Location of Certification Scope of Supply Base						
Name of Supply Base	Location	Coordinate				
		Latitude	Longitude			
Tanah Putih Estate	Village of Penyang, Sub District of Telawang; District of Kotawaringin Timur; Province of Kalimantan Tengah	S 2° 31' 05"	E 112° 44' 35"			
Sawahana Estate	Village of Pasir Putih, Sub District of Mentawa Baru Ketapang; District of Kotawaringin Timur; Province of Kalimantan Tengah	S 2° 30' 46"	E 112° 48' 44"			
Sungai Binti Estate	Village of Bagendang Tengah and Natai Baru, Sub District of Mentaya Hilir Utara; District of Kotawaringin Timur; Province of Kalimantan Tengah	S 2° 33' 50"	E 112° 44' 37"			
Sungai Lenggana Estate	Village of Bangkoang Makmur, Sub District of Mentawa Baru Ketapang; District of Kotawaringin Timur; Province of Kalimantan Tengah	S 2° 32' 44"	E 112° 47' 52"			
1.5 Description of Area Statement						
1.5.1	Tenure					
	• State	12,436 Ha				
	• Kadastral as 12,436 Ha					
	• Community	- Ha				
1.5.2	Area Statement					
	• Total area	12,436 Ha				
	• Mature area	10,895 Ha				
	• Immature area	0 Ha				
	• Enclave	437 Ha				
	• Infrastructure	510 Ha				
	• Not Planted Area	163 Ha				
	• HCV	431* Ha				
	*According to the HCV Identification Assessment, total HCV area is 598.49 Ha. This area covers all units of PT Agro Bukit, within land use title progress (HGU progress) and outside. Due to within scope of certification is only based on progress of land use title; therefore HCV area identified is only 431 Ha.					
1.6 Planting Year and Cycles						
1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		Sungai Binti Estate	Sawahana Estate	Tanah Putih Estate	Sungai Lenggana Estate	Total
	2005/06	1,360	178	2,080	187	3,805
	2006/07	1,010	2,342	1,057	1,025	5,434
	2007/08	0	1,295	0	354	1,649

	2011/12	0	7	0	0	7	
	TOTAL	2,369	3,823	3,137	1,566	10,895	
1.6.2	New Planting area after January 2010			Ha			
1.6.3	Planting Cycle			1 st Cycle			
1.7 Description of Mill and Supply Base							
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Sungai Binti Mill	90	333,756.86	71,464.16	21.41	16,865.40	5.05
	* Source: Production data from October 2016 – September 2017						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Sungai Binti Estate	2,483	2,369	63,980.84	27.00	63,120.07	98.65
	Sawah Estate	4,547	3,823	95,310.11	24.93	90,890.18	95.36
	Tanah Putih Estate	3,662	3,137	74,169.92	23.64	70,735.33	95.37
	Sungai Lenggana Estate	1,745	1,566	41,903.56	26.76	41,186.30	98.29
	TOTAL	12,436	10,895	275,364.43	25.27	265,931.88	96.57
	* Source: Production data from October 2016 – September 2017. Remaining FFB's delivered to Agro Indomas Mill.						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	PT Agro Bukit Central Kalimantan (RSPO non-certified area)	PT Agro Bukit (Goodhope Asia Holdings Ltd)	-	2,627	66,604.32		
	PT Agro Indomas (RSPO certified)	PT Agro Indomas (Goodhope Asia Holdings Ltd)	-	18,651	1,049.58		
	Kas Desa (RSPO non-certified)	Independent Supplier	-	59	147.99		
	PT Hamparan Subur Makmur (RSPO non-certified)	Independent Supplier	-	-	15.14		
	Hartani (RSPO non-certified)	Independent Supplier	-	-	7.94		
	TOTAL					67,824.97	
	* Source: Production data from October 2016 – September 2017						
1.7.4	Product categories			FFB, CPO, PK			
1.8 Tonnage of Product							
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 4 Dec 2016 – 3 Dec 2017 (tonnes/year)		Actual certified product 4 Dec 2016 – 14 Oct 2017 (tonnes/year)	
	• FFB Production			229,135		224,078.45	
	• CPO Production			52,128		49,090.90	

	<ul style="list-style-type: none"> Palm Kernel (PK) Production 	11,457	11,590.91*																														
* The Over production of CSPK has been NC on 2017.2																																	
1.8.2	Product Selling																																
	Tonnage of selling product	Actual selling product period 4 Dec 2016 – 14 Oct 2017																															
	<ul style="list-style-type: none"> CSPK* 		1,000																														
	<ul style="list-style-type: none"> CSPK 		2,493.82																														
	<ul style="list-style-type: none"> CPO under ISCC scheme trading 		-																														
	<ul style="list-style-type: none"> CPO under conventional trading (if any) 		63,576.90																														
	<ul style="list-style-type: none"> PK under other scheme 		-																														
	<ul style="list-style-type: none"> PK under conventional trading (if any) 		15,089.44																														
* CSPK sold as Book & Claim system																																	
1.8.3	Estimate of Certified FFB Claim																																
	<table border="1"> <thead> <tr> <th>Name of Estates</th> <th>Total Area (Ha)</th> <th>Planted Area (Ha)</th> <th>FFB (tonnes/year)</th> <th>Yield (tonnes/ha/year)</th> </tr> </thead> <tbody> <tr> <td>Sungai Binti Estate</td> <td>2,483</td> <td>2,369</td> <td>67,180</td> <td>28.35</td> </tr> <tr> <td>Sawah Estate</td> <td>4,547</td> <td>3,823</td> <td>100,076</td> <td>26.18</td> </tr> <tr> <td>Tanah Putih Estate</td> <td>3,662</td> <td>3,137</td> <td>77,878</td> <td>24.82</td> </tr> <tr> <td>Sungai Lenggana Estate</td> <td>1,745</td> <td>1,566</td> <td>43,999</td> <td>28.10</td> </tr> <tr> <td>TOTAL</td> <td>12,436</td> <td>10,895</td> <td>289,133</td> <td>26.54</td> </tr> </tbody> </table>	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Sungai Binti Estate	2,483	2,369	67,180	28.35	Sawah Estate	4,547	3,823	100,076	26.18	Tanah Putih Estate	3,662	3,137	77,878	24.82	Sungai Lenggana Estate	1,745	1,566	43,999	28.10	TOTAL	12,436	10,895	289,133	26.54		
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*Projected FFB production for next 12 months (4 Dec 2017 – 3 Dec 2018)																																	
1.8.4	Estimate of Certified Palm Product Claim																																
	<table border="1"> <thead> <tr> <th rowspan="2">Name of Mill</th> <th rowspan="2">Capacity (tonnes/ hour)</th> <th rowspan="2">FFB Processed (tonnes/year)</th> <th colspan="2">CPO</th> <th colspan="2">Palm Kernel</th> <th rowspan="2">Supply Chain Module</th> </tr> <tr> <th>Out put (ton)</th> <th>Extraction (%)</th> <th>Out put (ton)</th> <th>Extraction (%)</th> </tr> </thead> <tbody> <tr> <td>Sungai Binti</td> <td>90</td> <td>289,133</td> <td>63,609</td> <td>22.00</td> <td>13,589</td> <td>4.7</td> <td>MB</td> </tr> </tbody> </table>	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module	Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)	Sungai Binti	90	289,133	63,609	22.00	13,589	4.7	MB												
Name of Mill	Capacity (tonnes/ hour)				FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module																							
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*Projected FFB production for next 12 months (4 Dec 2017 – 3 Dec 2018)																																	
1.9	Other Certifications																																
	ISO 14001: 2004	ISO 14001 – 2004 (Environmental Management System), EMS 556261 from BSI – 14 September 2018.																															
	OHSAS 18001:2007	OHSAS 18001 – 2007 (Occupational Health and Safety management System), OHS 537919 from BSI – 14 January 2020.																															
	Others	PROPER (Blue) July 2016 – June 2017																															
1.10	Time Bound Plan																																
Time Bound Plan Goodhope Asia Holdings, Ltd update 25 December 2015																																	
1.10.1	Time Bound Plan for Other Management Units																																
	<table border="1"> <thead> <tr> <th colspan="2">Management Unit</th> <th rowspan="2">Estate (Supply Base)</th> <th rowspan="2">Time Bound Plan</th> <th rowspan="2">Location</th> <th rowspan="2">Status</th> </tr> <tr> <th>Mill</th> <th>Time Bound Plan</th> </tr> </thead> <tbody> <tr> <td>Terawan Mill (PT Agro Indomas)</td> <td>2012</td> <td>Terawan Estate</td> <td>2012</td> <td>Sub District of Danau Sembuluh, District Seruyan, Province Kalimantan Tengah</td> <td>Certified</td> </tr> </tbody> </table>	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status	Mill	Time Bound Plan	Terawan Mill (PT Agro Indomas)	2012	Terawan Estate	2012	Sub District of Danau Sembuluh, District Seruyan, Province Kalimantan Tengah	Certified																		
Management Unit		Estate (Supply Base)	Time Bound Plan					Location	Status																								
Mill	Time Bound Plan																																
Terawan Mill (PT Agro Indomas)	2012	Terawan Estate	2012	Sub District of Danau Sembuluh, District Seruyan, Province Kalimantan Tengah	Certified																												

		Teluk Ulin Estate	2012		
		Lampasa Estate	2012		
		Lampasa Plasma	2012		
		Rim Capital Estate (PT Rim Capital)	2015	Sub District of Hanau and Danau Sembuluh, District of Kotawaringin Timur, Province Kalimantan Tengah	Certified
Sungai Purun Mill (PT Agro Indomas)	2012	Sungai Rungau Estate	2012	Sub District of Danau Sembuluh District Seruyan, Province Kalimantan Tengah	Certified
		Sungai Purun Estate	2012		
		Terawan Plasma	2012		
		Bengkal Plasma	2012		
Sungai Binti Mill (PT Agro Bukit)	2015	Sungai Binti Estate	2015	Sub District Mentaya Hilir Utara, District of Kotawaringin Timur, Province Kalimantan Tengah	Certified
		Sawah Estate	2015		
		Sungai Lenggana Estate	2015		
		Tanah Putih Estate	2015		
		PT Agro Bukit (2) Extension	2018	Sub District Mentaya Hilir Utara, District of Kotawaringin Timur, Province Kalimantan Tengah	-
Bukit Santuai Mill (PT Agro Wana Lestari)	2015	Penyahuan Estate	2015	Sub District of Mentaya Hulu and Bukit Sentuai, District of Kotawaringin Timur, Province Kalimantan Tengah	Certified
		Tanah Haluan Estate	2015		
		Keminting Estate	2015		
		Sangai Estate	2015		
		Tewehara Estate	2018	Sub District of Mentaya Hulu and Bukit Sentuai, District of Kotawaringin Timur, Province Kalimantan Tengah	Waiting for Land Title Permit (HGU)
		Purang Estate (PT Karya Makmur Sejahtera)	2018		
Harapan Makmur Mill (PT Agro Indomas)	2016	PT Agro Indomas South Kalimantan	2016	Sub District of Kusan Hulu and Kusan Hilir, District of Tanah Bumbu, Province Kalimantan Selatan	2016
Bumi Jaya Mill (PT Agro Indomas)	2017	Sepaku Estate (PT Agro Indomas)	2018	Sub District Sepaku, District of Penajam Paser Utara, Province Kalimantan Timur	Waiting for Land Title Permit (HGU)
-	-	Agro Bakti Estate (PT Agra Jaya Baktitama)	2021	District of Ketapang, Province Kalimantan Barat	Mill is not constructed yet. Changed from 2018 into
		Agro Jaya estate	2021		

		(PT Agra Jaya Baktitama)			2021
-	-	Prima Khatulistiwa Estate (PT Sumber Hasil Prima)	2021	District of Sintang, Province Kalimantan Barat	Mill is not constructed yet. Changed from 2017 to 2021
		Prima Sejahtera Estate (PT Sumber Hasil Prima)	2021		
-	-	Agro Sejahtera Estate (PT Batu Mas Sejahtera)	2020	District of Ketapang, Province Kalimantan Barat	Mill is not constructed yet. Changed from 2018 into 2020
-	-	Sinar Jaya Estate (PT Sinar Sawit Andalan)	2022	District of Sintang, Province Kalimantan Barat	Mill is not constructed yet Change from 2018 to 2022
		Sinar Lestari Estate, (PT Sinar Sawit Andalan)	2022		
		Sinar Makmur Estate (PT Sinar Sawit Andalan)	2022		
		Agro Lestari Estate (PT Sawit Makmur Sejahtera)	2022	District of Ketapang, Province Kalimantan Barat	Mill is not constructed yet. Changed from 2018 into 2022
-	-	Agro Makmur Estate (PT Sawit Makmur Sejahtera)	2022		
-	-	Bukit Nuhgogage Estate (PT Nabire Baru)	2019	District of Nabire, Province Papua Barat	The mill will be commissioned in the year 2018
		Cendrawasih Estate (PT Nabire Baru)	2019		
		Sungai Wami estate (PT Nabire Baru)	2019		
		Kali Bambu Estate (PT Nabire Baru)	2019		
		Kasuari Estate (PT Nabire Baru)	2019		
-	-	Keramat Ruija Estate (PT Sariwana Adi Perkasa)	2020	District of Nabire, Province Papua Barat	Will be a supply chain to PT Nabire Baru Mill
		Sima Estate (PT Sariwana Adi Perkasa)	2020		
-	-	PT Agro Bina Lestari	2022	District of Sintang, Province Kalimantan Barat	currently still under

						development
	-	-	PT Agro Surya Mandiri	2023	District of Sintang, Province Kalimantan Barat	currently still under development
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	PT Agro Bukit Central Kalimantan has a planned to developing smallholder's scheme, however the current condition is still on going progress related to legal permission. In relation with others FFB suppliers (outgrower) who entering FFB to the Sungai Binti Mill, it will be verified during ASA-3 (3 years after Mill certified).					

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ASA-2	<ol style="list-style-type: none"> Leonada (Lead Auditor). Bachelor of Agricultural Cultivation Department of Agriculture, Faculty of Agriculture, Department of Plant Breeding and Seed Technology, Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and Sustainability in the company private Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, Lead Auditor ISO 9001; 2008, ISO 14001; 2005, Training Management Development Program Agronomy, training analysis base solution for operation, training integrated Pest Management (IPM), training Use of limited Pesticides, Training Management of Waste Pesticides and Fertilizers, training mediation and conflict resolution, general safety specialist training General specialist and Health and safety management system (SMK3) Auditor. During this audit , He conducted an assessment on transparency, social and worker welfare. Yudwi Wisnu Rahmanto. Indonesian citizen graduated as Bachelor of Forestry with major study on Silviculture background in 2006. Previous working experiences i.a: Agronomy Assistant in one of plantation company for 8 months and pharmacy business for 6 months afterwards. In 2010 began work as auditor in one of international certification body and became as RSPO Lead Auditor in 2013. Several training and audit activities for other certification schemes that have been involved including Organic Standard scheme (JAS, USDA-NOP, EU); Sustainability Coffee (C.A.F.E Practices - Starbucks); Sustainability of Forest Management (FSC-FM/CoC, CW); Sustainability of Oil Palm Plantations (RSPO, ISPO). A preferred aspects during auditing in sustainable certification schemes i.e: Land Tenure, HCV/Conservation, Social Community and Supply Chain. Having communication ability in local language (Javanese, Sundanese), Bahasa Indonesia, Malay and English (moderate fluent). During this audit, he conducted an assessment on HCV and legal. Rizliani Aprianita Hsb. Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as lead Auditor ISO 9001;2008, ISO 14001;2004, OHSAS 18001, ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During this audit, she conducted an assessment on GHG and Environmental. Afiffuddin. Indonesian citizen, Diploma III majoring Palm Oil Plantation. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely : Basic Plantation Management Program , Indonesian Sustainable Palm Oil (ISPO), OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015). He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Management Practices aspect, health and safety aspect and worker welfare aspek. During this audit , He conducted an assessment on long term management plan, BMP and OHS.
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1	Figure of person days to implement assessment
ASA-2	Number of auditors: 4 auditor Number of days for ASA-2 at site: 5 days Number of working days for ASA-2 at site: 20 Working days
2.2.2	Assessment Process
ASA-2	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Agro Bukit to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by

INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D/ E for CPO Mill).

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

Some opportunities for improvement of the results **ASA-2** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**ASA-3**).

Improvement of findings from main assesment findings were observed by auditors at this **ASA-2** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-2**.

The assessment program please find Appendix 2

2.2.3	Location of Assessment
ASA-2	<p>Management units involved in this activity consists of 4 (four) Estates which supply FBB materials to 1 (one) palm oil mill. In order to conduct the assessment auditor team applies the formula $0.8 \sqrt{y}$ to determine the management units that are being focus of sample locations and takes into account emerging issues considered to be fundamental and critical originate from stakeholders. Based on this formula, auditor team selects 1 palm oil mill (Sungai Binti Mill) and two Estate (Sungai Binti Estate and Sawahan Estate) as the sample locations.</p> <p><u>Sungai Binti Mill (SBM):</u></p> <ol style="list-style-type: none"> 1. Loading Ramp Station. Observations and interviews with officers sorting FFB. Based on the interview, the officer can explain the criteria FFB decent though, demonstrating how sorting FFB, employment aspect, OHS aspect and working procedures specified. 2. Sterilizer Station. Observation and interviews with Sterilizer operator regarding employment aspect, OHS aspect and working procedures specified. 3. Thresher Station. Observation and interviews with Thresher operator regarding employment aspect, OHS aspect and working procedures specified. 4. Boiler Station. Observation and interviews with Boiler operator regarding employment aspect, OHS aspect and working procedures specified. 5. Engine Room Station. Observation and interviews with Engine Room operator regarding employment aspect, OHS aspect and working procedures specified. 6. Hydrant Test. Observation emergency response procedure. 7. WTP. Observation of water management and recording water utilization. Flowmeter function properly. PPE is provided for free for operator 8. WWTP. Based on field observation in WWTP pond, was not found leaks and overtopping to ditch and rivers 9. Chemical warehouse. Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism. 10. Workshop. Observation and interviews related to hazardous waste management, emergency response facilities, OHS implementation, employment and complaint mechanism. <p><u>Sungai Binti Estate (SBE):</u></p> <ol style="list-style-type: none"> 1. Chemical Store. Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism. 2. Fertilizer Warehouse. Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism. 3. Home BSS (Block Spraying System). Observed the storage and washing of tools and PPE spray. 4. Daycare. Observation and Interviews related to workers facilities employment, and complaint mechanism. 5. Clinic. Observations and interviews related to occupational accidents, medical waste management as well as training for paramedics and employment. 6. Hazardous Waste Warehouse. Observation and interviews related to hazardous waste management, OHS

- implementation, employment and complaint mechanism.
7. **Workshop.** Observation and interviews related to hazardous waste management, emergency response facilities, OHS implementation, employment and complaint mechanism.
 8. **Genset Room.** Observation and related to work procedures, employment, implementation of OHS and complaint mechanism.
 9. **Housing complex.** Observation and interviews related workers facilities.
 10. **Landfill block F41.** Observation related to domestic waste management.
 11. **Herbicide Application, Division 3, block E35.** Observation spraying activities and interviews with workers spray related to the duties and responsibilities (job description), work procedures, a dose of agrochemical application, safe work practices, use of PPE, periodic medical examinations, P3K foreman, wage system, labor protection (Health Insurance and employment), training in the use of pesticides is limited and transportation workers.
 12. **Harvesting, Division 4, block E36-37.** Observation of harvesting and interviews with harvesters and foreman associated with work such as the distribution harvesting plots, crop rotation, criteria and penalties harvest, the wage system tonnage, health insurance and labor protection, safe work practices and use of PPE.
 13. **Manuring, Division 4, block E39.** Observation of manuring activity and interviews related to tasks and responsibilities (job description), work procedures, dosage of fertilizer application, safe working practices, use of PPE, periodic health checks, remuneration system, Work Accident Insurance, provision of welfare facilities and infrastructure for workers.
 14. **Pest Control/ Manual Handling *Oryctes rhinoceros*, Division 4, block F35.** Observation pest control/ manual handling *Oryctes rhinoceros* activities and interviews with census officer related to the duties and responsibilities (job description), work procedures, a dose of agrochemical application, safe work practices, use of PPE, periodic medical examinations, P3K foreman, wage system, labor protection (Health Insurance and employment), training in the use of pesticides is limited and transportation workers.
 15. **Weeding Manual, Division 3, block E26.** Observation of manual weeding activities and interviews related to tasks and responsibilities (job description), work procedures, safe working practices, use of PPE, periodic health checks, remuneration system, Work Accident Insurance, provision of welfare facilities and infrastructure for workers.

Sawah Estate (SWE):

1. **Chemical Store.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
2. **Fertilizer Warehouse.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
3. **Home BSS (Block Spraying System).** Observed the storage and washing of tools and PPE spray.
4. **Daycare.** Observation and Interviews related to workers facilities employment, and complaint mechanism.
5. **Clinic.** Observations and interviews related to occupational accidents, medical waste management as well as training for paramedics and employment.
6. **Mini Workshop.** Observation and interviews related to hazardous waste management, emergency response facilities, OHS implementation, employment and complaint mechanism.
7. **Genset Room.** Observation and related to work procedures, employment, implementation of OHS and complaint mechanism.
8. **Housing complex.** Observation and interviews related workers facilities.
9. **Landfill block 10.** Observation related to domestic waste management.
10. **Herbicide Application, Division 2, block I13.** Observation spraying activities and interviews with workers spray related to the duties and responsibilities (job description), work procedures, a dose of agrochemical application, safe work practices, use of PPE, periodic medical examinations, P3K foreman, wage system, labor protection (Health Insurance and employment), training in the use of pesticides is limited and transportation workers.
11. **Sandy Soil Area/ EFB Application, Division 2, block J13.** Observation of EFP application in sandy areas as nutrient addition and improving soil structure.
12. **Harvesting, Division 1, block H10.** Observation of harvesting and interviews with harvesters and foreman associated with work such as the distribution harvesting plots, crop rotation, criteria and penalties harvest, the

- wage system tonnage, health insurance and labor protection, safe work practices and use of PPE.
13. **Manuring, Division 1, block H7.** Observation of manuring activity and interviews related to tasks and responsibilities (job description), work procedures, dosage of fertilizer application, safe working practices, use of PPE, periodic health checks, remuneration system, Work Accident Insurance, provision of welfare facilities and infrastructure for workers.
 14. **Mounding Application, Division 1, block G8-9.** Observation of mounding on palm oil root that has been lifted to the surface on peat area.
 15. **Rat Baiting (Pest Control), Division 2, block G19.** Observation rat baiting (pest control) activities and interviews with applicator officer related to the duties and responsibilities (job description), work procedures, a dose of agrochemical application, safe work practices, use of PPE, periodic medical examinations, P3K foreman, wage system, labor protection (Health Insurance and employment), training in the use of pesticides is limited and transportation workers.
 16. **Barn Owl Box, Division 1, block H37.** Observation owl nest box. Nest box in an active state which there are many former rat bone below the nest.

Stakeholder consultation to be interviewed:

Surrounding Villages :

1. **Natai Baru Village.** Interview related to transparency, communication, land dispute, and social aspect.
2. **Pasir Putih Village.** Interview related to transparency, communication, land dispute, and social aspect.

Statutory bodies:

1. **Agriculture Agency, District of Kotawaringin Timur**
2. **Land Agency, District of Kotawaringin Timur**
3. **Environment Agency, District of Kotawaringin Timur**
4. **Man Power Agency, District of Kotawaringin Timur**

2.3 Stakeholder Consultation and Stakeholders Contacted	
2.3.1	Summary of stakeholder consultation process.
ASA-2	<p>Consultation of stakeholders for PT Agro Bukit was held by:</p> <ul style="list-style-type: none"> • Public announcement at web mutucertification.com on 2 October 2017. • Public consultation meeting with local stakeholders conducted by visits to villages (Pasir Putih Village, Natai Baru Village) on October 18th, 2017. • Public consultation meeting with government agency Kotawaringin Timur District (Plantation Agency; Labour Agency; National Land Agency; Environmental Agency) on October 17th, 2017 • Public consultation meeting with gender committee, labour union, cooperative, FFB Supplier and local contractor on October 18th, 2017. • Public consultation by email with NGO (TUK Indonesia, Green Peace Indonesia, AMAN, Sawit Watch, WWF Indonesia, Wahana Lingkungan Hidup Indonesia) by email on October 10th, 2017 <p>Numbers of input from stakeholders were clarified by PT Agro Bukit.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4 Determining Next Assessment	
	The next visit (ASA-3) will be determined one year after this ASA-2 .

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Sungai Binti POM – PT Agro Bukit subsidiary of Goodhope Asis Holdings Ltd operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there were one (1) Nonconformities were assigned against Major Compliance Indicators; one (1) nonconformity minor on the previous assessment being a Major non-conformity and *one (1)* nonconformance against supply chain requirement for CPO mill and *six (6)* opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (*document record/photographic/etc...*). Those corrective actions taken that consist of one (1) Nonconformities were assigned against Major Compliance Indicators; one (1) nonconformity minor on the previous assessment being a Major non-conformity and *one (1)* nonconformance against supply chain requirement for CPO mill had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that *Sungai Binti POM – PT Agro Bukit* subsidiary of Goodhope Asis Holdings Ltd complied with the requirements of *RSPO Principles & Criteria and National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Republic of Indonesia - RSPO INA-NIWG, May 2008.*

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is *Continued.*

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1 Minor & 1.1.2 Major	<p>The Company has procedure and has appointed person in charge in the requests for information from stakeholders. The Company responded to information requests at least 14 days of work, with the types of information provided in Indonesian includes information of land use, labor, environment and safety. Requested information recorded in the book of communication and has been addressed in accordance with the prescribed time limit. Some information has been submitted regularly to the relevant agencies in accordance with the results of interviews with government agencies and receipts shown</p> <p>Verification of stakeholders is done by conducting direct interviews with stakeholders such as related institutions (Manpower Office, Agriculture Agency, Environment Agency and Land Affairs Office of Kotawaringin Timur Regency), surrounding villages (Natai Baru Village & Pasir Putih Village), local contractors (EFB and FFB Supplier), Workers Bipartite, Gender Committee and employees. From the results of the interviews it is found that the stakeholders can access information / data from the company in accordance with their respective interests.</p>	
	Status:Comply	
1.2	Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	

1.2.1 Major

The company has been providing information that can be accessed publicly in accordance with relevant stakeholders such as tenure, safety documents, environmental documents, documents of HCV, document waste management, environmental management, employment etc. The provision of such information is monitored and conducted by the relevant department's like-EHS, Human resource and CSR with the approval of the general manager according to the procedure of Communication.

Status: Comply

1.3

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

Indicator 1.3.1

Company has a policy of standard bussiness of conduct that explains fair business practices, prohibition of corruption, bribery, fraud in the use of funds and resources as well as the disclosure of information in accordance with prevailing regulations. The policy is available in Bahasa. The policy is communicated to workers in accordance with the results of interviews with them. Based on interview with contractor of FFB transport, it is known that company has been disseminated the policy of standard bussiness of conduct.

Status:

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

2.1.1 Major, 2.1.2 Minor, 2.1.3 Minor & 2.1.4 Minor

The company has shows list of regulations which used as reference for oil palm cultivation and processing activity. Every regulation were save under the respective units. The company has classified the regulations into three aspect, listed as follows:

- Land permit and legality aspect, which the document control and monitoring was under Department of Legal responsibility.
- Environment, conservation and occupational, health and safety aspect, which was under Department of Environment Health and Safety (EHS) responsibility.
- Workforce and social aspect, which was under Department of Human Resources (HRD) responsibility.

The Certificate Holder has shown the evidence of compliances with local and national legal requirements. Also, global requirements related Convention on Biodiversity and RTE's species referred to IUCN Redlist and CITES Appendix.

The company has also have an internal mechanism called internal audit which conducted every six month. For example, the company has able to shows internal audit report conducted by Department of EHS for Sungai Binti Mill (SBM), Sawahan Estate (SWE) and Sungai Binti Estate (SBE), where conducted in March 2017, August 2017, September 2017, respectively.

The Management Unit of PT Agro Bukit has a documented system for the legal requirements and application mechanism for any regulatory changes, which is proven by the document of Procedure for Environmental Legal Requirements (EMS-P02), and Occupational Health and Safety Legal Requirements (OHSMS-P02). The list of all regulations related to the plantation business activities and the Evaluation of Legal Compliance for ensuring that all relevant regulation applied to the activities at both the estate and the mill is being periodically monitored. The system applied to trace any changes on the applicable laws and regulations is the responsibility of the Head of Legal Department.

The Management Unit of PT Agro Bukit has presented several evidence of compliance with applicable laws and regulations, including the following documents; Deed of Establishment of the company, Location Permit for the plantation business, Environmental License, Plantation Business Permit, Employment Regulations, Ratification on International Convention, and The stages of Land Use Title (HGU)'s acquirement process which.

The company has shown others evidence of compliance with laws and regulations, for example related to the field of Occupational Health and Safety, while the evidence of regulatory compliance can be demonstrated by the management unit, among others: Charge-men has been certified with license OHS No.Ser.1294/OPK3/B.II/2014, Boiler man has been certified license OHS No. Ser.1288/OPK3/B.II/2014, Electrician has been certified with license OHS No. Ser.0127/AK3-LIST/XI/2012. License OHS issued by Ministry of Man Power RI. Fire mitigation officers in the site established on 10 April 2013 in accordance with the provisions of the Minister of Environment Decree No. 28/2003 and 29/2003No. 186/MEN/1999. The company compliance of UU No. 1 of 1970, already have OHS Policy, OHS plan, OHS procedure and implemented OHS each management unit for example HIRAC, provide PPE, OHS training.

The Company shows evidence of compliance with relevant legal requirements, including related reporting as follows:

- Receipt of proceeds of Physical Progress Report of Private Plantation of Quarter I and Quarter II of 2017 to Agriculture Department of Kotawaringin Timur Regency on 19 October 2017.
- Report of the Committee of the Occupational Health and Safety and Occupational Safety Reports for the period of July - September 2017 to the Central Kalimantan Provincial Office of Manpower and Transmigration and its receipt of receipt dated 16 October 2017, number 257 / ABCK / X / 2017.
- Report on Forest and Land Fire Anticipation, number 229 / EHS / ABCK / V / 2016 to Head of Forestry and Plantation Office of Kotawaringin Timur Regency.
- Compliance with requirements regarding Operator Licenses such as lifter operators, welders and electrical mechanics, for example:
 - Heavy equipment Operator License Certificate on behalf of Ahmad Suwoto Tractor Operator, dated December 23, 2016, Ser. 17693 / OPK3 / PAA-LT / XII / 2016 (Sawah Estate).
 - Certificate of welder on behalf of Sulisto Welder Class III, dated June 9, 2017, number S. 540 / JL / BINWASK3-PNK3 / VI / 2017 (Central Workshop)
 - Electrical Occupational Safety and Health Expert, KEP. 560.566 / 231 / WAS / AK3-LIST / XI / 2015, November 11, 2015 until November 11, 2017.

Compliance related to environment aspect, for example:

- Decree letter from the Regent of Kotawaringin Timur Number: 03 / Komisi-Kotim / VIII / 2006 dated August 7, 2006 on the Environmental Worthiness of Plantation Development Activities and Palm Oil Processing Plant by PT Agro Bukit in Kotawaringin Timur Regency of Kalimantan Tengah Province. The scope of this document is an oil palm plantation of 13,930 ha and a processing plant of 90 tons of TBS / Jam.
- Decree letter from the Regent of Kotawaringin Timur no. 660/044 / BLH-Ek.SDA / UU / 2016 concerning extension of hazardous waste management license of PT Agrobukit no. 660/296 / BLH / VI / 2010 in Mentaya Hilir Utara Kotawaringin Timur district and valid for up to 5 years. The storage period of hazardous waste produced no more than 90 days.

In term of best agricultural practices aspect, it could be concluded that the company had fulfilled several Indonesian regulations implementation on oil palm cultivation activity, for example such as zero burning technique for land clearing, the uses of certified seeds from recognized seed producers, adopting integrated pest management, the uses of Pesticide Commission registered for pest population control and for uses of paraquat, it was only allowed for workers with valid certificate of paraquat applicator.

The result of consultation made with a number of local government institutions suggested that PT Agro Bukit has generally complied with each stage of licensing process applied in Indonesia, specifically those applied in Central Kalimantan. Compliance with the law can also be evidenced from the results of field visits on several operational activities at the Sungai Binti Estate, Sawahan Estate and Sungai Binti Mill. Observations were made on several activities such as harvesting, fertilizing, spraying and processing activities at the mill. Legal compliance applied include the provision of PPE for each worker in accordance with their respective occupations, licensed boiler operators, medical examinations, BPJS (insurance) membership, wage fixing, licensed welders etc.

Status: Comply

2.2

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

2.2.1 Major

The history of land utilized by the management unit of PT Agro Bukit (mill and estate) goes back to the initial Location Permit issued by the Regent of Kotawaringin Timur. There are two location permits issued for PT Agro Bukit, namely License No. 844,460.42 on 27 December 2004 which covers for an area of ±13,930 Ha. PT Agro Bukit already have cadastral map for the area of 12,436 Ha. The right to use plantation on PT Agro Bukit is based on IUP from Kotawaringin Timur Regent No. 525.26/222/IV/EKBANG/2005 on 29 April 2005 for an area of 13,930. This is meet with UU 39 of 2014 article 42 about plantation.

The status of Land Use Right acquirement for PT Agro Bukit is still on process, due to inconsistency found between Regional Regulation on Spatial Management Planning of Central Kalimantan Province and Regulation of Forest Area Status released by the Ministry of Forestry of Indonesia. Spatial Management Planning of Central Kalimantan Province was signed by Governor No. 5 in 2015 refers to Letter of Forestry Minister No. 529 Year 2012. So the company located on the Area of Production Forest that an area of 7,848 Ha.

In coping with this particular matter, PT Agro Bukit has taken several measures that comply with the laws and regulations specified in the Government Regulation No. 60 Year 2012 through the Request for License for the Release of Forest Area (*IPKH*) year 2009 and Forest Area Exchanges (*TMKH*) from 2012 to 2013 for the areas that are indicated as forest area, namely ±9,550 Ha. Recommendation Letter from the Governor of Central Kalimantan (No. 522/1349/EK dated 30 December 2013) shows approval on the recommendation for Forest Area Exchanges for PT Agro Bukit at the area of Katingan Regency.

The latest progress on such land acquisition states the followings, Letter No. 101.005/ABCK/X/2017 dated 5 October 2017 to Planologi Directorate General (Environment and Forestry Minister) and Letter No. 522.1.100/262/Dishut from the Provincial Forestry Office to the Director of Measurement, Stewardship and Tenure of Forest Areas dated 30 January 2017 on the support of the process of exchange of forest areas. Based on the results of interviews with the Land Office regent of Kotawaringin Timur is known that the process of Land Use Right PT. Agro Bukit is currently awaiting the formation of an integrated team in the framework of assessment of the process of swapping areas in Regent of Katingan.

In accordance with email from RSPO dated 12 October 2017. For RSPO member companies currently certified but not yet obtaining HGUs, the Certificate will remain in effect but be given 3 (three) years from the date of issuance of this notice to process and obtain HGU.

2.2.2 Minor

The company has legal demarcating boundaries map with scale 1:32,000; this map was used by the management is in the form of boundary poles maintenance based on cadastral map for the areas dedicated to being certification scope are. The boundary poles that are currently maintained are temporary (not permanent) since the process of Land Use Title issuance is still ongoing.

The company show procedure of Legal Demarcation monitoring and maintenance (SOP of Legal Boundary No. GPS 1.1) dated 15 July 2016 authorized by the General Manager. Record of legal demarcation inventory result was comply with actual condition. This is in accordance with the results of field visits in the Sungai binti estate and sawahan estate as an example in the pole AB 025 block E41 and AB 037 block O06.

2.2.3 Minor & 2.2.4 Major

The company has procedure No. SOP.EHS.NPP-01 dated 30 March 2016 about New Planting Procedure Preparation and also procedure LCD 3.2 about Overlapping Land dated 22 September 2016. During the period of 2013 – 2014, there have been reports on claims over land filed by certain groups of people against PT Agro Bukit for an area of ±3,200 Ha. Evidence of documentation on such chronology has been presented to the auditor team. The Management Unit of PT Agro Bukit has also displayed the disputed areas that have been accurately mapped using WEBGIS database system. The result of mapping study showed that the disputed land is the one that has been compensated for and the settlement has been paid to the legitimate land owners. Based on interview with communities (Natai Baru Village and Pasir Putih Village), since ASA 1 to ASA 2 are no land dispute and new development by PT Agro Bukit.

2.2.5 Minor

The company has procedure LCD 3.1. Land Measurement for Land Compensation, dated 22 September 2016. This document was describe about: Land survey team visit the land with the land claimer team to survey the land with the GPS devices; survey the land extent against each claimer; and submit land extend and land owner name report to GIS assistant. Based on interview with communities (Natai Baru Village and Pasir Putih Village) since ASA 1 to ASA 2 are no land disputes and complain issues.

2.2.6 Major

The company has operational security policy dated 10 April 2015 signed by Sustainability Director. There are no confrontation and intimidation by para military. According to interview with communities (Natai Baru Village and Pasir Putih Village) since ASA 1 to ASA 2 that known, during land acquisition was no intimidation and confrontation by military.

Status: Comply

2.3

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

2.3.1 Major

The company has SOP.EHS.NPP-01 revised dated 30 March 2016 about New Land Development Preparation Procedure. This SOP was explained about Free Prior Inform and Consent (FPIC). And also there are SOP 3.3. Land Compensation Payment dated 22 September 2016 to ensure to obtain control of the land as per the land title from the villagers in a smooth and sustainable manner adhering to the accepted legal process. Furthermore, the Management Unit of PT Agro Bukit has gone through the phases of socialization to all impacted parties during the initial stage on the estate's establishment including through print media (local newspaper "KALTENG POS") on 15 March 2005 and through Public Expose on 23 April 2005 which was attended by heads of village and local communities that were impacted by the construction of the estate.

2.3.2 Minor

The Management Unit of PT Agro Bukit has also displayed the disputed areas that have been accurately mapped using WEBGIS database system. The result of mapping study showed that the disputed land is the one that has been compensated for and the settlement has been paid to the legitimate land owners.

The following data is from the *GRTT* (Compensation for Planted Crops) Recap for the period of 2005 – 2011 (Data of Land Payment by PT Agro Bukit – PR Department):

- 2005: 1,466 land owners (9,671.40 Ha)
- 2006: 757 land owners (10,287.60 Ha)
- 2007: 161 land owners (327 Ha)*
- 2008: 63 land owners (184.5 Ha)*
- 2009: 127 land owners (1,212.20 Ha)*
- 2010: 5 land owners (3,703 Ha)*
- 2011: 245 land owners (5,300.60 Ha)*

*) indicates the compensation paid to the land that was claimed repeatedly.

PT Agro Bukit has had procedure to deal with the land conflict as described on the SOP of Grivance Handling in Document No. CSR 8 Version 1 dated July 1st 2010.

2.3.3 Minor & 2.3.4 Major

Based on interview with communities (Natai baru Village and Pasir Putih Village), PT Agro Bukit has performed the procedure for a participatory land dispute settlement using arbitration meeting with the complainant, *Dayak Customary Council*, and regional government at the Regent's office on 5 November 2014.

Status: Comply

PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1

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

3.1.1 Major

The company has shows a three years long term management business plan which presented in the document of “Annual Budget profit and Loss for period 2017/2018, 2018/2019 and 2019/2020. The long term projection were covers sales, total production of crude palm oil (CPO), palm kernel (PK), palm kernel oil (PKO), oil extraction rate (OER), kernel extraction rate (KER), 10% tax of value added, sales commissioning, trading company lost, export tax, production cost on estates (mature area upkeep, manuring cost, research and development, harvesting and general overhead, cost of purchase of outside crop and PK, mill and kernel cruching plant (KCP) processing cost (fixed, variable and general overhead), management overhead, share of profits, agency fees and cost recovery, administration expenses, training cost, corporate and social responsibility (CSR) program and foundation expenses, depreciation/amortization, tax planning, total expenditure, profit/loss before and after finance charges, tax provision and bet profit after tax. All cost projections mentioned earlier were provided in IDR and US\$. Furthermore, Department of Agronomy has shows document of budget for year ending September 2018 which projecting fresh fruit bunch (FFB) monthly and annual production from whole FFB suppliers. Management unit stated that the business plan are subjected to changed and reviewed annually by the respective management through considering actual trends and dynamic situation which predicted could be changed in the future.

The Company shows the Water Management, Mounding Project and Water Gates Capex Budget 2017-2020 documents, which explains that the company has long-term plans for peatland management, such as the creation of 1 unit Watergate on MR13 Block N17 in 2017/2018 and Mounding Palms treatment at peat areas for the period 2017-2018 as much as 40% of the total area of peat, 2018-2019 as much as 30% and 2019-2020 as much as 30%.

3.1.2 Minor

Based on the results of interviews with management representatives and document review, it is known that at this time the age of plants produce the oldest 12 years old (the oldest planting year 2005), so for now not been programmed for replanting activities.
Long-term projections related to peatland management include mounding and trench maintenance.

Status: Comply

PRINCIPLE #4 Use of appropriate best practices by growers and millers

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1 Major

The certification unit has owned and documented procedures related to operational activities in estates and mill into Bahasa Indonesia. For example related to the operational activities of the estate such as SOP Harvesting, Nursery Techniques, Jungle to Palm Planting, water management, soil conservation and terracing, legume cover crops, planting techniques and fertilizer sampling for quality control analysis. In addition, the certification unit has a safety policy on the use of chemicals, regulated in weed, pest and disease control procedures (SOP Weeding In Mature Areas, Ref. Code. OP/C20/11/12/03 and Pests & Diseases, Ref. Code : OP/C21/05/14/04), which explains the types and doses of pesticides used, the use of PPE, handling tool work, first aid, prohibition of eating and drinking during work. For example for chemical weed control.

Procedures related to operation activities in the mill include about security, weight bridge and quality control, despatch and arrival product (Weight bridge), fruit reception station on loading ramp, hoper and transfer carriage, sterilizer station, fruit handling station, pressing station, clarification station, kernel recovery station and water treatment plant. Working procedures at the mill have also explained the related aspects of occupational safety and health, for example workers must use PPE provided by the company in accordance with its risk analysis.

The certification unit has a SOP to measure and monitor mill effluent listed in the final effluent plant, Ref. Code: 001/SOP/ABM-13.

Based on the results of interviews with workers in Sungai Binti Estate, Sawahan Estate and Sungai Binti Mill, it is known that workers have been given training related to safe work, for example related to Lock Out Tag Out (LOTO) in Sungai Binti Mill. Workers at the Engine Room Station activities have been aware of the LOTO mechanism applied by the company, such as if it has finished working it must report to the supervisor / assistant and then the assistant will lock the parts that must be locked and given a hold so that it can not be operated by the person other.

Based on interviews with Sungai Binti Estate workers on Fertilization activities in block E39, Spraying on block E35, Harvesting in blok E36-37 and at Sawahan Estate on Fertilization Activity in block H7, Spraying in block I13 and Harvesting in block H10 it can be concluded that workers can explain technical work and demonstrate it well in accordance with the procedures they have.

4.1.2 Minor

Any renewal of the procedures shall be subject to the process of inspection and approval of the Director of Plantation and / or the Director of Agronomy, Director of Engineering and CEO in Jakarta.

If there is a SOP revision, it will be listed in the footer section of the last revision date, for example the Fertilizer Sampling Procedures For Quality Control Analysis, Ref. Code: OP / C15 / 09/14/03, Revised Date: September 1, 2014.

The Company carries out internal monitoring (eg audits, reviews and field inspections) to monitor the consistency of SOPs with fieldwork, such as the Monthly EHS Inspection Checklist related to Pesticide Applications, Fertilization, Harvesting, FFB loading, Manual Treatment and EFB Applications contained in Form SOP.EHS. INS-01.F-01. The Company shows the Monthly EHS Inspection Checklist document, for example for Sungai Binti Estate dated September 19, 2017 block F34 / 35 Pesticide Applications.

4.1.3 Minor

The Company has internal measurement and monitoring records. The company shows records of internal monitoring (eg agronomy audits and field inspections), including the Monthly EHS Inspection Checklist of the Sungai Binti Mill contained in Form SOP.EHS.INS-01.F-09 dated September 29, 2017.

Some of the things inspected include cleanliness and tidiness, engine damage, marking on unobstructed areas (electrical panel, hydrant, door), roof leak, silt trap and oil trap.

4.1.4

CH has SOP-PLID-FIN-FFB about FFB Purchases and other transport contracts included FFB from third party. Record of the origins of all third-party FFB sourced is available at the Sungai Binti Mill. FFB sources which entering the mill following:

No	Sources	Description	Status
1	Sungai Binti Estate HGU	Area within the Land title (HGU)	Certified
2	Sawahan Estate HGU	Area within the Land title (HGU)	Certified
3	Tanah Putih Estate HGU	Area within the Land title (HGU)	Certified
4	Sungai Lenggana Estate HGU	Area within the Land title (HGU)	Certified
5	Sungai Binti Estate*	Area located at the progress of land title	Non-Certified
6	Sawahan Estate*	Area located at the progress of land title	Non-Certified
7	Tanah Putih Estate*	Area located at the progress of land title	Non-Certified
8	Sungai Lenggana Estate*	Area located at the progress of land title	Non-Certified
9	PT Agro Indomas	Other company but still one group management	Non-Certified
10	Kas Desa (village asset area)		Non-Certified
11	PT Hamparan Subur Makmur	Outgrower	Non-Certified
12	HARTANI	Independent smallholders	Non-Certified

*details Blocks of non-certified area refer to Supply Chain Summary.

Status: Comply

4.2

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

4.2.1 Minor

Evidence that SOPs have been implemented and monitored can be seen based on field observation and document review, for example based on SOP Manuring no. OP / C14 / 11/12/03 that fertilizer recommendation is based on leaf and soil analysis results. The Company shows the results of leaf analysis and soil analysis from Central Plantation Services PT Central Alam Resources Lestari, Pekanbaru.

4.2.2 Minor

The certificate holder unit has a fertilizer recording as found in the recommendation document and the realization of Urea, MOP, ERP and Dolomite as at August 2017, eg for Urea fertilizer recommended 1,706.2 MT and has been applied 164.6 MT (-90%) and MOP fertilizer recommended 3,699.7 MT and has been applied 1,871.80 MT (-49%). In addition, the certification unit has a record of the use of fertilizer per ton of FFB production eg at Sungai Binti Estate for January to September 2017 Urea Fertilizer Type 14.22 kg of fertilizer / tons of FFB and Type of Fertilizer MOP 19.30 kg of fertilizer / ton of TBS.

4.2.3 Minor

The Company has SOP of soil and leaf samples listed in SOP Ref. No. OP / C16 / 11/12/03 on field sampling for nutrient analysis and No. OP / C14 / 04/15/04 year 2015 on fertilization. Both procedures state that leaf analysis is carried out periodically every year and soil analysis is carried out every ten years. The result of the analysis is then used as the basic reference for the calculation of annual fertilizer recommendation.

The company shows the results of soil and leaf sample analysis, including as follows:

Leaf Samples

Certificate of Plant Test Result Certificate, 929 / CPS / X / 2017 for PT Agro Bukit, sample receipt date 26 September 2017, sample size of 250 samples, date of completion of analysis 17 October 2017.

Test results / analysis (eg dry weight of sample) eg block ABCK / LC17 / G20a, N (%): 2.47, P (%): 0.162, K (%): 0.94, Mg (%): 0.28, Ca (%): 0.55, B (ppm): 18.8.

Soil Samples

Document of Soil Test Result Certificate, 936 / CPS / X / 2017 for PT Agro Bukit, sample receipt date 26 September 2017, sample size of 35 samples, date of completion of analysis 17 October 2017. Certificate showing pH, C Organic, N Total, C / N Ratio and others.

4.2.4 Minor

The company demonstrates a nutrient recycling strategy, including the use of Empty Fruit Bunches (EFB) and Palm Oil Mill Effluent (POME). Based on the map document review, the program and the realization of the EFB application are known total recommendations, the total actual applied and the applicable extents. For example Block B29 of Sungai Binti Estate, recommendation 7.8 ha (390 MT) and has been realized.

Based on the results of field observation on EFB application activity in Sawahan Estate block J13, it is known that EFB application activity is done by contractor (3rd party) with standard per palm +/- 350 kg or dose 50 ton / ha and prioritized on sandy area.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

There are no significant changes on maps of fragile soils. The majority fragile soil within certificate holder's area is peat soil and sandy soil (white quartz). The maps consist of Soil Map (1:60,000 scale), Peat Nature Map (1:50,000), Slope and Topography map (1:100,000) and Soil Survey map 2007 (1:32,000).

4.3.2

According to the Slope and Topography Map (1:100,000), the certificate holder's area is dominated flat to undulating with slope between 0° - 6°, therefore no specific management strategy for plantings on slopes above a certain limit.

4.3.3

A road maintenance program is available in monthly report progress, including Basemap Road Maintenance 2017 Sungai Lenggana Estate for Lateriting soil program. During field observation at Sungai Binti Estate, there is a road maintenance performed at Main Road 4 Block D30/E30 Division 3. Road maintenance is using heavy equipment (roller/compactor and road grader).

4.3.4

To maintain subsidence of peat soils, the Certificate Holder's has water management strategy. There are some techniques applied of water management, i.e: Drain (Main, Collection, Boundary, In-field, Canal and Natural Drain); Stop-off; Piezometer; Water Level Gauge; Culvert & Bridges. Also, the CH's has 10 subsidence poles applied to monitor level of peat subsidence with different of installation time. Based on field observation at Subsidence pole in Block B36 Div.2 Sungai Binti Estate, there was installed on February 2008 with peat categorize is Saprist (mature peat). Upto March 2017, subsidence level is 13.4 cm or average 1.49 cm/year. Besides, in Block N06 Division 4 Sawahan Estate were installed on September 2015, current subsidence level is 4 cm or average 0.5 cm/year with peat categorize is Hemist (near mature). This monitoring data record showing that water management on peat soil is good.

4.3.5

Due to year of plantings on Certificate Holder's are 2005, 2006, 2007, 2008, 2011 and 2012, there is no plans yet for replanting activities. Therefore, a drainability assessment not yet conducted.

4.3.6

Other fragile and problem soils that exist in the certificate area is Sandy soil (white quartz soils). The management strategy to maintain these soils is by EFB application. Based on field observation at Block F32 Div.3 Sungai Binti Estate and Block J13-J14 Division 2 Sawahan Estate, EFB's was applied in between palm trees.



Status: COMPLY

4.4

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

Indicator 4.4.1;4.4.2

The company has identified the source of surface water based Map HCV scale: 1:60.000 has identified the source of surface water that flows in the plantation area that Lenggana river, creek's Lenggana rivers, Binti river. The company has a water management plan as plans to reduce the contamination of hazardous and toxic materials to water sources. In addition, the company has also managed the following sources / water flows, such as:

- Conducting waste water management through WWTP and applying it to land. Observation results in the WWTP,

there is no indication of waste water pollution to the environment.

- Monitoring the use of water every month for the use of processing (mill).
- Prohibit the use of chemicals in riparian areas
- Monitoring the quality of water conducted every 6 months and submitted to the Environment Agency by conducting surface water quality testing.
- etc

The Company has conducted surface water quality testing every 6 months and submitted the results which contained in RKL-RPL to the environmental agency. Tests conducted by UNILAB (LP-195-IDN) For example :

Parameter	Binti River	Lenggana River
TSS	20 mg/l	26 mg/l
Oil and grease	<200 mg/l	<200 mg/l
Nitrit	<0,004 mg/l	<0,004 mg/l

According to the result, parameter TSS, oil and grease and also nitrit still below the threshold value.

Indicator 4.4.3

The Company has license for land application of mill effluent in accordance with decree letter o; 188.45/170/HUK-BLH/2014 dated 30 April 2014 and is valid for up to 5 years. Based on the permit, Location of Land Application is block D24-D35, E24, E30-34, D23,E23.

Company conduct mill effluent test periodically. Based on effluent test until June 2017, there are no results that exceed the environmental boundary threshold value. And until audit took place, there is no report from the public related to environmental pollution caused by mill effluent. Based on field observation to Block E30, E31 Division III, mill effluent was applied in the block allowed by related government and there was not pollution. Workers understand the tasks and responsibilities of work, and has been using PPE when working

Indicator 4.4.4

The company has show SOP water treatment plan no; 001/SOP/ ABM-13, that explained the process of working in the area of WTP. The results of field visits namely there are 3 flow meter for process water, boiler water and domestic. The entire flow meter in good condition and functioning. The company has record water consumption for the processing of FFB every month. For example, there is a recording of water consumption April-September 2017 with average of 0.8 M³ / ton FFB.

Status: Comply

4.5

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

4.5.1 Major

The certificate holder performs detection by receiving reports from workers then a census is done to determine the actual level of attack through the sampling result. If the census indicates the attack is above the threshold, the control will be applied by the certification unit. For example, based on field observation in Sawahan Estate on Rat Baiting, G19 Division 2 block, it is known that the applicator put poison of rat on the former of midrib and crossed. Then after 3-4 days will be re-administered to the empty points / have been eaten until the 20% decrease (maximum of 4 rotation). The block was previously censored by the Agronomy Department and exceeded the threshold level (> 5% of attacks).

4.5.2 Minor

The company showed recording of training provided to those involved in the integrated pest control process, such as the Rodenticide Application Training, dated September 11, 2017 in Sungai Binti Estate Division 3 block D34-35, attended by 23 workers with the speakers of the Department of Agronomy.

Based on interviews with collector officers *Oryctes rhinoceros* larvae in block F35 Division 4 Sungai Binti Estate and in Sawahan Estate on Rat Baiting, block G19 Division 2, it is known that officers and applicators have been trained in pest control such as pest control training rats, nettle caterpillars and bagworm pests and pests of *Oryctes rhinoceros* and can explain the procedure that the company sets.

Status: Comply

4.6

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

4.6.1 Major

The Company has a policy on safety in the use of chemicals listed in SOP documents, namely SOP Weeding In Mature Areas, Ref. Code. OP / C20 / 11/12/03 and Pests & Diseases, Ref. Code: OP / C21 / 05/14/04, including related material recommendations and dosages, utilization of pest control agents and Weedicide Phytotoxicity, calibration, width and height of application, prohibition of disposing of excess mixture, chemicals or infield containers, see label recommendations and company policies for handling, storage and disposal guidelines. Use Herbicides and Pesticides when absolutely necessary and wise on target pest target.

The company shows the document of Recommended Chemicals for Weeding which describes the type of work, type of weeds, chemical, rate / blanket ha, dilution rate / 16 liters and remarks. For example for type of work Circle & Path, FFB platform, and inspection path → type of weeds general weeds, grasses & soft broadleaf weeds → chemical glyphosate + metyl metsulfuron → rate / blanket ha 1.5 L + 75 g → dilution rate / 16 liters 110 ml + 5 g.

Based on the result of field observation on Herbicide Application activity in block E35 of Division 3 Sungai Binti Estate, pesticide applicator known using Best Up material (Isopropylamine gifosate 480 g / l active ingredient) and Primafuron (Metsulfuron methyl 20 WG active ingredient).

Based on field observations on Herbicide Application activity in Block I13 of Division 2 Sawahan Estate, pesticide applicator using Best Up (active substance Isopropylamine gifosate 480 g / l) and Dalopir (active substance Triclopir 480 g / l).

4.6.2 Major

The certificate holder documenting the use of pesticides, for example for the September 2017 period use presented pesticide use data for PT Agro Bukit active ingredient Methyl metsulfuron 0.0000000005 kg / LD 50 / ton of fresh fruit bunches. Notes on the use of pesticides (including active ingredients used and LD50 of the active ingredient, targeted area, number of active ingredients applied per ha and number of applications) have been demonstrated.

4.6.3 Major

The certification unit implements an integrated pest management system by collaborating on biological and chemical controls. The use of chemical techniques is not done in a preventive manner, but based on the results of early warning systems of detection and census. The development of useful plants such as *Casiatora cobanensis* dan *Muntigia calabura* is used as a biological control technique as a place to live predator nettle caterpillars. Based on the results of field visits along the sampling sites in Sungai Binti Estate and also in Sawahan Estate, found beneficial plant development *Casiatora cobanensis* dan *Muntigia calabura* along the site of the visit.

The certification unit shows a graph of chemical use during 2017, for example in Sawahan Estate for the active ingredient Isopropylamine glyphosate 480 g / l and 2,4-D Dimethyl amine.

There is no prophylactic in the use of pesticides, the use of pesticides based on the program / recommendation and census and there is a replacement / rotation of the use of chemicals.

The company has a pesticide reduction program that is still in the experimental stage such as the use of *Muntigia calabura* plant as a predator living place for the control of caterpillar pests. It has not been shown the reduction targets to be achieved.

4.6.4. Minor

The Company has identified and classified all pesticides used for the period 2017. The Company shows the list of pesticides used and based on the review of the documents, it is known that the pesticides used by the companies are class II and III WHO Classification.

The company no longer uses active paraquat pesticides since the period 2016/2017. Based on the results of field observations in the chemical warehouse Sungai Binti Estate and Sawahan Estate, it is known that the stocks available in the warehouse there is no active ingredient paraquat dichloride. The company uses Coumatetralyl for pest control

with active ingredient concentration of 0.0375% (lowered to 5%).

4.6.5 Major and 4.6.9 Minor

The Company provides information on pesticide handling for all employees delivered through training, socialization either at special times or during morning briefings. In addition, information is also obtained through MSDS, flow charts or chemical handling mechanisms placed in storage and washing equipment and PPE.

The company showed training recording for workers handling, using or applying pesticides, including Hazardous and Non Hazardous Waste Management Training on September 29, 2017, attended by 26 participants and Safety Spraying Training on 30 January 2017, attended by 15 sprayer participants.

Based on field observations and interviews with herbicide applicators in the Sungai Binti Estate block E35 Division 3 and in Sawahan Estate block I13 Division 2, it is known that all herbicide applicators have received training on herbicide handling from both internal and external parties and can explain again related material training that has been given. For example related to the application of pesticides, spray-prohibited areas, mixing and carrying toxins for the foreman, handling of packaging, cleaning of work equipment, personal protective equipment and self-cleaning and so forth. The area blocking the spraying activities are given a warning sign of spraying activity.

Based on the results of field observations in the agrochemical warehouse of Sungai Binti Estate and Sawahan Estate, it is known that for all chemicals have been equipped with MSDS. Based on the results of interviews and field observations in agrochemical warehouses, it is also known that the storage of chemicals for spraying is placed in special warehouses by preparation according to size criteria and has been equipped with MSDS of each material.

4.6.6. Major

Procedures related to handling of chemicals / pesticides are contained in document no. SOP.EHS.BBB-01 on the management of hazardous and toxic substances. SOPs stipulate, among other things, that storage is carried out in accordance with the recommendations available in MSDS and the placement of chemicals that have similar characteristics shall be separated according to the recommendation of MSDS.

Based on field observation, it is known that all packaging of pesticide used is stored in Hazardous Waste Temporary Warehouse which will be submitted to the transporter and collector of hazardous material waste.

Based on observations to the pesticide storage warehouse at Sungai Binti Estate and Sawahan Estate, it is known that the storage of agrochemical materials has been in accordance with the procedures held. The warehouse is equipped with symbols related to the hazard level of pesticides and PPE that must be used, the MSDS of each pesticide and its storage has been classified according to its danger level. Warehouse in and out access is held only by the warehouse responsible. Any interested to enter the storage warehouse must be accompanied by the responsible warehouse. The results of the observations in the housing workers of Sungai Binti Estate, Sawahan Estate and Sungai Binti Mill not found any pesticide used for other purposes such as trash, flower pots, etc.

4.6.7 Minor

Based on interviews with spray workers in the Sungai Binti Estate and Sawahan Estate, it is known that they have a safe working practices. This was evidenced by workers use and handling of pesticides in accordance with the material safety sheet. Spray workers also use personal protective equipment in accordance with the risk analysis of companies such as, aprons, masks, rubber gloves, goggles, and boots. Before doing the job, the foreman will do safety briefing reminding of safe work.

Based on field observations and interviews with spraying workers, it is known that the certification unit has provided facilities for self-cleaning, cleaning of personal protective equipment and cleaning of work equipment and also provided a storage place of personal protective equipment.

4.6.8 Major

Based on the results of document review, management interview and field observation, it is known that the certificate holder does not apply air spraying.

Indicator 4.6.10.

Company has procedures of hazardous waste management no. SOP.EHS.LMI-01 revisi 00 dated 4 April 2015. According to interviews with manager and hazardous waste operator, they understood procedures of agrochemical waste management, which are stored in Hazardous Waste Warehouse and handed over to the Hazardous Waste's collectors periodically, then submitted the report to relevant agency. The company able to show recorded evidence

agrochemical waste management, such as logbook and manifest hazardous waste, minutes of pick up of hazardous waste and hazardous waste report to environmental agency.

4.6.11 Major

Based on the results of the review of the Medical Check Up Results of the Employees of Team Sprayer Semester I – Sawahan Estate dated July 25 - 27, 2017 and Sungai Binti Estate dated May 17, 2017 and June 5, 2017 it is known that the examinations performed are Colinesterase, blood pressure, physical examination, personal hygiene, pregnancy test and dermatomikosis. The examination results are summarized as follows:

Sungai Binti Estate

There are one workers who have mild contamination and have been given treatment therapy for 5 days.

Sawahan Estate

There are two workers with mild hypertension and have been evaluated with therapy if there are complaints and can work as usual.

Based on the results of interviews with sprayers, it is known that the results of the examination have been informed to workers in private and workers feel no complaints or indications of skin disease or itching.

4.6.12 Major

The company has a policy that states to prevent pregnant and lactating women from carrying out pesticide management as stipulated in company regulations. Systems for identifying pregnant or lactating women are described in the Environmental, Occupational Health and Safety procedures of spraying activity, document number SOP.PLT.SPR-01, dated May 4, 2015 designated by the Plantation Director.

Based on field observations and interviews with female spray workers in Sungai Binti Estate and Sawahan Estate, it is known that the mechanism applied so far is with routine checking every month or if there are workers who feel pregnant then report to the foreman and then given a letter for treatment / check pregnancy to the polyclinic by doctors / nurses. Based on the review of monthly examination documents and interviews with workers, no workers are pregnant or breastfeeding.

Status: Comply

4.7

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

4.7.1 Major

The Company has a workplace health and safety policy adopted by the Chief Operating Officer, dated May 30, 2017, which explains that the company recognizes that all oil palm plantation development activities and management of crude palm oil production may have an impact on employee health and safety risks , contractors, and visitors. The policy also includes prevention of worker health and safety risks in the workplace such as preventing injuries and illness caused by working conditions through the Risk & Environment Impact Assessment Register.

The Company showed the recording of health and safety policy socialization, among others, Socialization to management staff on 29 September 2017 at GMO with 16 participants and on October 13, 2017 to employees of Upkeep Sungai Binti Estate attended by 43 participants and delivered by Estate Manager.

The company shows routine workplace health and safety related programs, such as Technical Training, Mandatory Safety Briefing, such as Heavy Vehicle License Training, Welding Operator Certification, Boiler Certification, First Aid, OHS Expert General, electrical and chemical, OHS Briefing, OHS Inspection and Medical Check Up.

Evidence of the implementation of the plan include:

- LOTO Training dated January 30, 2017, and attended by 9 participants mill workers
- Safety Spraying Training on January 30, 2017, and attended by 15 participants of sprayer
- Safety Fertilizer Training dated September 19, 2017, in block G35 / 36 and attended by 26 participants

4.7.2 Major

The Company shows the Risk & Environment Impact Assessment Register document 2017/2018, revised 1, April 2017 for estates and revision 1, March 2017 for Mill. Risk assessment has been undertaken for all activities including the condition of the estates area, land development, nursery, planting, maintenance, harvest, generators, pumping machines and housing and mill including WB, Grading Station, Loading ramp, sterilizer station, Tipping station, threshing and pressing station, kernel, clarification, boiler, engine room, fuel station, mill process, CPO dispatch, workshop, laboratory, Hazardous Material waste warehouse, WTP, sludge, WWTP, canteen and common area.

The document is prepared by a team of companies by identifying potential hazards and risks, then proceed to assess

the risk level and risk control until risk is tolerated. If an accident occurs in the field, it will be considered in risk control to prevent future accidents.

Based on the results of field observations in chemical warehouses and toxic mixing sites there is an MSDS that is placed as a guide in the handling of chemicals.

Based on interviews with spraying workers it is also known that the foreman in MSDS has been applied to the employees.

4.7.3 Major

PPE is provided by the company free of charge and replaced if damaged. This is stated in company regulations for the period 2016-2018 Section 58 and Procedures of Personal Protective Equipment, document number SOP.EHS.APD-01, dated May 4, 2015.

Based on interviews with fertilizer workers, sprayers, IPM workers and harvesters in Sungai Binti Mill, Sungai Binti Estate and Sawahan Estate, it is known that PPE related has been submitted if there is a damaged PPE then report to the foreman or foreman when checking PPE and found damaged PPE it will be reported to assistant manager. Based on the results of field observations, it is known that all workers have used PPE in accordance with the provisions that the company has set.

Sungai Binti Mill shows the document of the name of the recipient of Safety Shoes dated 12 August 2017 which describes the list of recipients in process A totaling 22 workers, process B 20 workers, staff mill 8 workers, KCP process 6 workers, mechanic 20 workers, electrical 3 workers, store 4 workers, safety officer 1 workers, laboratory 15 workers, cleaning 11 workers and logistic 11 workers.

4.7.4 Major

The certificate holder has established the Guiding Committee of Occupational Health & Safety which prepares and is responsible for the implementation of occupational safety and health programs and evaluates the implementation of the Occupational Safety and Health program in the field. Guiding Committee of Occupational Health & Safety also conducts regular monthly meetings discussing the implementation of the OHS program, such as the Guiding Committee of Occupational Health & Safety meeting at GMO Meeting Room on September 26, 2017, attended by company representatives and workers representatives and discusses related safety performance and PPE Prosedure. Based on the interview with one of the upkeep and harvesting supervisors in Sungai Binti Estate, it is known that the person is aware of the Guiding Committee of Occupational Health & Safety and following the Guiding Committee of Occupational Health & Safety meeting.

4.7.5 Minor

Based on the results of field observation at Sungai Binti Mill Workshop, found to have available first aid box with the contents of first aid box of 20 items in accordance with the justification of the company doctor for the contents of first aid box in building 20 items and 13 items in the field.

However, based on field observations in the Sungai Binti Estate, Sawahan Estate and Sungai Binti Mill, there were several non conformities, as follows :

- Found the contents of first aid kit at Sungai Binti Estate Storehouse Office only 11 items
- Found the contents of first aid kit at Sawahan Estate Warehouse Office only 13 items
- Found the contents of the first aid box at Central Workshop of Sungai Binti Estate Natrium Chloride liquid has expired
- Found the contents of the first aid box at Sungai Binti Mill Boiler Station only 13 items and the use is not listed on the box contents
- Found the contents of the first aid box at Engine Room Sungai Binti Mill Station only 12 items

This is not in accordance with the Doctor's Recommendations regarding First Aid Bag and First Aid Box and First Aid Box Procedures on Accidents, document number SOP.EHS.ERP-01. So **Non-conformity 2016.04 with minor upgrade to Major category.**

4.7.6 Minor

All workers have been given medical care, which is covered in accident insurance. Based on the results of interviews on workers in Sungai Binti Estate, Sawahan Estate and Sungai Binti Mill, it is known that the worker can go to the polyclinic provided by the company and if there is an accident the first action will be checked by the company polyclinic then if

needed will be referred to the nearest hospital. Based on the results of interviews with contractor's workers for EFB application, it is known that for Workers Social Security Agency facilities are borne independently, however contractor's workers are still provided services and health protection by going to the polyclinics provided by the company.

The Company shows documents of one employment accident report of ABCK employees to Workers Social Security Agency Employment via email dated 29 September 2017 and referred to regional public hospital on 30 September 2017. The Company also shows evidence that insurance policies are still in effect including proof of payment of Workers Social Security Agency Employment on October 10, 2017 and proof of payment of Workers Social Security Agency Health on October 3, 2017.

4.7.7 Minor

The certificate holder has monitored workplace accidents for the period of October 2016 to September 2017 and analyzed the time lost by accident. Selama 12 bulan terakhir, tercatat LTA sebanyak 33. The certificate holder has investigated the accident. Work accidents are considered in assessing risks to prevent future accidents.

4.7.5 Status: Non-conformity 2016.04 with minor upgrade to Major category

4.8

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

4.8.1 Major & 4.8.2 Minor

The Company has identified training for all employees, setting up training programs in 2017 that include health and environmental risks resulting from exposure to pesticides, symptoms of long-term exposure and ways to minimize worker exposure. The program also includes technical management and operational productivity. Companies have saved document implementation of the training conducted regularly once a year and based on interviews with employees while testing of fire fighting equipment is recognized that the officers have been trained in fire management. It is also recognized that the foreman in the harvest, fertilizer and spray activities have had training and can demonstrate first aid action.

Based on the results of field observations and interviews with contractor's workers EFB application in block J13 Sawahan Estate, it is known that before starting work the company through the foreman has provided training related to the workings of EFB applications such as the the laying must be done in inter palm and should not be stacked (must be one layer) to avoid pest attack *Oryctes rhinoceros*.

Status: Comply

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

5.1

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

5.1.1

PT Agro Bukit has done the identification of possible impacts generated by the operational activities of both the estate and the palm oil mill. The results of such identification were described in the EIA document. The document also describes all necessary management actions that need to be taken in order to reduce the negative impacts and to improve the positive impacts. The EIA Document kept by PT Agro Bukit has been authorized by the Regent of Kotawaringin Timur under document no. 03/Komisi-Kotim/VIII/2006 dated 7 August 2006. The document covers an area of ±13,930 Ha of oil palm plantation and the processing mill with a capacity of 90 tons FFB per hour.

In the preparation of the document EIA has consulted with the parties concerned (stakeholders) to identify impacts and to develop reduction efforts by the stakeholders with evidence of the minutes of the commission meeting EIA involving stakeholders such as from the government service local, sub-district mentawa baru ketapang and sub-district mentaya hilir utara, village head Sawahan. This activity took place on 1 April 2006.

5.1.2; 5.1.3

The management and monitoring plan is undertaken to mitigate the negative impacts arising as a result of the company's operations. The management and monitoring plan and its realization have been described in the RKL-RPL

Implementation Report. Based on document verification Report of RKL-RPL implementation semester 1 year 2017 it is known that environmental management and monitoring plan conducted by mill and its supply base have complied with RKL-RPL matrix and have been reported every semester to related agency. Report of RKL-RPL reported on July 2017 to Environmental agency.

The results of interviews with representative of Environmental Agency of Kotawaringin Timur District, it is known that the mill and its supply base have regularly reported the implementation of RKL-RPL every semester. In addition, there are no issues related to environmental pollution.

Status: Comply

5.2

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

5.2.1; 5.2.2

Record on the results of High Conservation Value (HCV assessment) that includes both the planted area and the relevant wider landscape-level considerations is available in place. There are no significant changes on the HCV assessment. The CH still using HCV Assessment that conducted on August – September 2009 as a reference and guidance for the HCV management strategy. The specific RTE's species in this area is Orangutan (*Pongo pygmaeus*) that been identified during HCV assessment. According to the HCV Identification Assessment, total HCV area is 598.49 Ha. This area covers all units of PT Agro Bukit, within land use title progress (HGU progress) and outside. Due to within scope of certification is only based on progress of land use title; therefore HCV area identified is only 431 Ha.

According information from workers and management representative, there were sighted an Orangutan on 20 June 2017 at Block I9 (1 species). Appropriate measures that are expected to maintain is by record the wildlife finding and report to EHS Officer. This mechanism has explained on CH's system through procedure of Orangutan and Wildlife handling "SOP penanganan orang utan dan satwaliar no dokumen SOP-OUS-01 (Rev. 02/26 Maret 2013)". The next day, the Orangutan was not exist on that Block anymore. The field supervisor said it's Orangutan just stop-by and not stay at the plantation. Threats or risks from current management activities to HCV area is illegal encroachment by local community, particularly within bufferzone area. However, the certificate holder has made an effort to the villagers through indepth socialisation. Because of social characteristic communities surrounding the plantation area is unique, need precautionary approach.

5.2.3

Program to socialize of the RTE's species is always conducted peridocally by the CH. The latest wildlife monitoring is on May 2017 (once a year), while the socialization to the workers and surrounding communities is monthly basis.

5.2.4

The CH has management plan to maintain and enhance HCV area and it was represented on "Rencana Program Pengelolaan dan Pemantauan KBKT PT. Agro bukit Period 2017-2022". From its program, the CH focused on maintain HCV area where if there is any finding related to RTE species, it will be input on the next year program. Due to HCV management program is reviewed annually, therefore finding result of Orangutan will be follow up on the improvement of the management plan 2018.

5.2.5

According to HCV Assessment 2009, there were no HCV areas overlapped with an identified local community's land. However, during field observation on HCV area where approved by the CH, there is still an HCV area which occupied by the local communities within the certified area. Besides, this area is still on progress to obtaining land title where the area has been legally measures by the government or commonly named "kadasteral". Against this HCV area (mostly riparian zone) which still occupied by the local communities, the CH has made progress over and over again to be negotiated agreement between local community's rights.

The evidence that can be proof to the auditors is Map of Community Land Distribution within the Company area (scale 1:12,500). This maps has been describes an occupied land by local communities within the HCV area. Also, the CH has

made socialization on 17 June 2017 with Pasir Putih villager's related HCV management and Fire Prevention. To make a negotiated agreement with local community was not easy, because social negative impact will potentially rose. Therefore, the CH has planned to periodically involve the local communities in participatory ways of socialization. It will be an observation annually during assessment.

Status: COMPLY

5.3

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

5.3.1

The management unit of the estate and the POM has identified the sources of waste and their management in accordance with the SOP for Waste Management (No. SOP-WM-01, Revision 02, 26 March 2013). The Company has identified waste sources that include type of waste, source of waste, and location. The list of sources of waste generated such as the pesticides containers, medical waste, used oil, EFB, shell and fiber, mill effluent etc. The waste products are sourced from estate activities, mechanics in the workshop activities, and palm oil processing factory activities.

5.3.2; 5.3.3

In the case of hazardous waste management, the company has a licensed hazardous waste warehouse as a temporary storage place for hazardous waste prior to submission to licensed collectors. Result of field visit at hazardous waste warehouse, it is known that mill and its supply base have been managing hazardous waste well. In addition, hazardous waste warehouse has been equipped with hazardous waste symbol, emergency respons etc. Interviews with warehouse officer, he has understood mechanism of hazardous waste management. Based on interviews, hazardous waste stored in Hazardous Waste Warehouse and handed over to the Hazardous Waste's collectors periodically, then submitted the report to relevant agency. The company able to show recorded evidence agrochemical and other hazardous waste management, such as logbook and manifest hazardous waste, minutes of pick up of hazardous waste and hazardous waste report to environmental agency.

Results of field visits in the Land application area such as block E30 and E31, note that wastewater has been applied in accordance with LA clearance and there is no indication of leakage. The company also utilizes EFB as a compost fertilizer.

For household waste management, the company provides officers responsible for transporting trash in residential areas to dispose to landfill in the block F41. The result of field observation in the housing complex, known there was no indication of waste incineration activity in the housing area. Interviews with residents of housing, have known the management of domestic waste by collecting it in place that has been provided.

Status: Comply

5.4

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

Indicator 5.4.1

Binti River Mill has been utilizing renewable energy in the form of shells and fiber and EFB as fuel for the boiler. The use of renewable energy that can reduce the use of diesel fuel for generators in palm oil processing. Binti Mill River has documented data on the use of renewable energy, fossil fuels are used and the average utilization of renewable energy. Here the average use of fiber, shells, EFB as fuel bolier for period april – september 2017:

- Average use of fiber per tonne of FFB was 0.12 tons of fiber / ton FFB
- Average use of shell per tonne FFB was 0.06 tons of shell / ton FFB
- Average use of diesel fuel per tonne of FFB was 0,54 Diesel fuel (liter) / tonne of FFB
- Average electricity use per tonne of CPO was 10

Based on data on the use of diesel fuel consisting of factory and domestic use, the company has calculated the benefits of using fiber and shell that is solar savings of 1,233,873 liters during April-September 2017.

Status: Comply

5.5

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

5.5.1 and 5.5.2

Based on interview with management unit and document reviews, it could be concluded that the company has adopting zero burning method on the first time of land clearing. Procedure of land clearing. No. OP/C2/03/09/02 about jungle to palm planting and zero burning for land clearing, it was mentioned that land claring must be carried out manually through zero burning method. Based on interview with Environmental Agency of Kotawaringin district and villagers, it was stated that the company never adopting burning land clearing.

Status: Comply

5.6

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

5.6.1

PT Agro Bukit has done an identification of pollution and emission sources at the Palm Oil Mill, which is documented in the SOP for identification, Mitigation, and Calculation of Greenhouse Gas Effect, No. SOP.EHS.GHG-01 (Rev-00) approved on April 8 2014. The sources of pollution and emissions, among others: Processing and Transportation, POME, Residential etc. The Company has conducted emission tests that has been carried out every six months and has been explains in the RKL-RPL document.

5.6.2 and 5.6.3

The results of document verification and field visits, it is known that the company has made efforts in reducing GHG emissions, such as:

- has installed a dust collector to catch dust or particles flying in the air and also has monitored the air quality carried out by conducting air quality testing and reported every semester contained in the UKL-UPL reportThe use of fiber and shells as a boiler fuel.
- Utilization of waste water for Land applications
- Utilization of EFB for composting
- Monitoring the physical condition of WWTP and perform the recorded volume of waste water that is applied.
- Etc

The Company also has performed GHG calculation using PalmGHG Calculator version 3.01. The results of GHG calculations include:

Emissions per Product	tCO2e/tProduct
CPO	5.86
PK	5.86

Extraction	%
OER	21.04
KER	4.91

Production	t/yr
FFB processed	323463.67
CPO produced	68040.82

Land Use	value
Total Planted area	11089.61
Total Planted on peat	5290.61

Conservation area	470.7									
Summary of Field Emissions and Sinks										
	Own Crop	tCO2e/ha	tCO2e/t	tCO2e	Group	tCO2e/ha	tCO2e/t	tCO2e	3rd Party	tCO2e/t
	tCO2e		FFB		tCO2e/ha	FFB			tCO2e/ha	FFB
Emissions										
Land Conversion	179644.39	16.2	0.56	0	0	0	0	0	0	0
*CO2 Emissions from Fertiliser	7246.91	0.65	0.02	0	0	0	0	0	0	0
**N2O Emissions	50834.68	4.58	0.16	0	0	0	0	0	0	0
Fuel Consumption	1977.18	0.18	0.01	0	0	0	0	0	0	0
Peat Oxidation	288867.31	26.05	0.89	0	0	0	0	0	0	0
Sinks	-	-	-	0	0	0	0	0	0	0
Crop Sequestration	-103817.96	-9.36	-0.32	0	0	0	0	0	0	0
Sequestration in Conservation area	-2452.06	-0.22	-0.01	0	0	0	0	0	0	0
Total	422300.45	38.08	1.31	0	0	0	48.29	0	0	0
Summary of Mill Emissions and Credits										
		tCO2e	tCO2e/tFFB							
Emissions Sources										
POME	63404.32	0.2								
Fuel Consumption	914.52	0								
Grid Electricity Utilisation	5131.55	0.02								
Credits										
Export of Grid Electricity to Housing & Grid	0	0								
Sales of Mill	0	0								
Sales of EFB	0	0								
Total	69450.39	0.21								
Palm Oil Mill Effluent (POME) Treatment										
Divert to compost	0 %									
Divert to anaerobic digestion	100 %									
POME Diverted to Anaerobic Digestion:										
Divert to anaerobic pond	100 %									
Divert to methane capture (flaring)	0 %									
Divert to methane capture (electricity generation)	0 %									
Status: Comply										
PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills										
6.1 Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.										
6.1.1 Major & 6.1.2 Major										
The management unit keeps documents that explain the social impact identification, namely:										
<ul style="list-style-type: none"> - EIA Document of PT Agro Bukit, which covers a 13,930 Ha of oil palm plantation and a processing, mill with a capacity of 90 tons FFB per hour. This document was authorized through a Decree of the Regent of Kotawaringin Timur No. 04/komisi-kotim/VIII/2006 on 7 August 2006. - SIA Document that was composed by PT Agro Bukit together with Faculty of Forestry of IPB in 2011. The respective SIA has covered both positive and negative impacts on social aspect resulting from the activities of the plantation and the mill. 										

The process of composing said document has involved all impacted parties, such as the stakeholders that were joining the meeting of EIA discussion held on 1 April 2006; and the participation of the people of Ketapang Village, Tongkang Village, and Telawang Village in the event of EIA dissemination on 31 May 2012.

6.1.3 Major

In order to reduce the negative impacts and to increase the positive ones generated by the existence of the oil palm plantation business, the management has prepared the social impact management plan, which shall be effectively carried out in the year of 2016/2017 with the following details;

- Inventory on locations, areas, and status of the land reserved for nucleus estate smallholding and preparation for the participatory scheme development plan.
- The installation of clean water facility and piping construction at Rongkang Village;
- Capacity building in order to attempt and alternative livelihood.
- Facilitate youth who have the potential and willingness to undertake training in the Vocational Training Centre in order to improve skills, such as mechanical machineries.
- Provision of electricity and road repairs.
- Evaluate waste handling and repairing all facilities.
- Increase the availability of clean water for the community
- Increase the knowledge and understanding of employees with labor laws.
- Enhancing the role and functions of the trade unions.

6.1.4 Minor & 6.1.5 Minor

The company was evaluating the management plan every year, the latest evaluation was conduct on 9 October 2017 with participatory method on 17 June 2017 dan 27 September 2017. According to interview with Communities (Natai Baru Village and Pasir Putih Village) it is known that the company regularly conducts meetings every year to discuss plans in the management of social impacts, it is also known that there is no smallholders scheme.

Status: Comply

6.2

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

6.2.1 Major, 6.2.2 Minor & 6.2.3 Minor

The Company has a list of stakeholders and procedures for communication with stakeholders including local communities. The procedure describes the process and methods of communication with FPIC approach and developed by involving the public and other interested parties. The company also appoint an officer responsible for communication with stakeholders. Communications with the stakeholders are noted and responded on the books of communication. Based on interviews with local communities and government agencies have understood the procedures of communication with the company and the company has provided communication responses from the stakeholders.

Status: Comply

6.3

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

6.3.1 Major & 6.3.2 Major

The Company has procedures Communication, participation and consultation that explains type of communication in the form of complaints, inquiries etc. The competent authorities in terms of communication consist of a general manager, a management representative, and each department heads. This method of communication addressed and responded in 14 working days, with a confidential if requested (whistle blower). This procedure in accordance to RSPO Complaints System. Communication is monitored and recorded in the book of communication, during 2017 is not identified a dispute between the company's internal and external stakeholders. In interviews with the local community, relevant agencies and employees stated that the company has delivered socialization grievance mechanisms.

Status: Comply

6.4

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

6.4.1 Major & 6.4.2 Minor

As a procedure for identifying legal and customary rights of local communities, management unit of PT Agro Bukit has mechanism through the SOP of Grievance Handling No. Doc. CSR 8 Version 1 on 1 July 2010, which was approved by Director of Sustainability. The pricing of compensation offered by the company was based on the pricing set by Head of Kotawaringin Timur Regency which was then negotiated with the land owners to be agreed upon (Decree of the Head of Kotawaringin Timur Regency No. 316 Year 2007 on Basic Price of Land and Crops in Kotawaringin Timur Regency). According to interview with villagers and related agency result that known there are no land acquisition and new development during last year.

6.4.3 Major

In interview with communities (Natai Baru Village and Pasir Putih Village) known that there is no land dispute since ASA 1 to ASA 2. Meanwhile, in 2013-2014 there was a land claim indicated from several certain groups to PT Agro Bukit covering the area of ± 3,200 hectares. The evidence of chronological incident had been demonstrated to the auditor. The management unit of PT Agro Bukit had shown the entire disputed area had been well-mapped using WEBGIS database system. The result of mapping study showed that the land disputed was the land that had been completely compensated to the rightful owner.

Status: Comply

6.5

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

6.5.1; 6.5.2

Company has implemented the payment of wages for employees refers to the minimum wage at Kotawaringin Timur District in accordance with Decree of Kalimantan Tengah Governor's No.24 year 2016 related to minimum wage in the Kalimantan Tengah province year 2017 that explained Minimum Wage is set at IDR. 2,368,739. Based on document verification of Salary Slip September 2017 , known that wages payment is in accordance with the Minimum Wages.

The results of the document verification Daily log sheet and interview with the genset operator, known that the worker was working overtime every day in September 2017. However, there was not enough evidence that the overtime payment has been in accordance with overtime hours on the log sheet including overtime hours on holidays. This has not been in accordance with regulation no 102 of 2004. **It became non-conformity no. 2017.01.**

Employment law contained in the company regulation and valid until 19 April 2018. The Company regulation describes probation, employee appraisal, working days, working hours, rest periods, overtime, rest / rest days, annual leave, menstruation leave, maternity leave, education and training, employment development, employee demotion, wage system, wage payment, non-fixed benefit, basic wage, etc.

In addition, any permanent workers, contract workers and daily paid worker has been equipped with Letter of Agreement Working or appointment letter that describes the assignment of responsibilities, work hours, wages and facilities. Documents Letter of Agreement Work or appointment letter are available in Bahasa.

Wages of contractor workers have complied with the regulation which provide workers with a minimum wage. Harvesters have paid in accordance with applicable regulation about minimum wages based on Governor Letter of Kalimantan Tengah No. 24 2016. There is no violation for the wage or working hours for harvester.

6.5.3 Minor & 6.5.4 Minor

Based on visits to the housing employees, Company has been providing housing, worship places, clinics, schools (kindergarten), sports facilities (soccer field, badminton and volleyball) and also daycare in appropriate conditions. In addition, the company provides transportation for student who attend school in the village around the company. Electricity in housing employees have been provided from genset and the clean water supply provided by the company through the artesian well. Based on interviews with workers, explained that the number of homes provided by the

company have been sufficient for all workers. The results of interviews with housing residents in the residential areas of SWE and SBE, known that the company allows a weekly market selling in the housing area. In addition, there are also peddler who sells basic need. Distance to nearest market / city can also be reached within 30 minutes.		
6.5.1	Status: Nonconformity no. 2017.01 with Major category	Open
6.6 The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.		
6.6.1 & 6.6.2 The policy to form unions contained in the Social Policy that has been revised and approved on 7 September 2017 by the Director of Sustainability, that explained “ Respecting rights and workers to join in the form of associations, unions and religious, social, political and cultural institutions”. The policy has been socialized to the workers, for example: <ul style="list-style-type: none"> - Record of socialization dated 20 September 2017 attended by 18 participants. - Record of socialization dated 19 September 2017 attended by 20 participants. There was minutes of meeting records between company and bipartite institution, such as : <ul style="list-style-type: none"> - Minutes of meeting dated 24 August 2017 attended by 7 participants - Minutes of meeting dated 8 February 2017 attended by 15 participants. 		
	Status: Comply	
6.7 Children are not employed or exploited.		
6.7.1 The Company has established a policy stating worker age requirement does not employ children less than 18 years which contained in the company regulation Chapter II . Based on the results of employee database verification, field observation, and interviews with labor agency and workers was not identified any employees under the age of 18 years.		
	Status: Comply	
6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		
6.8.1; 6.8.2 Policy related to not discriminate the workers contained in the Social Policy that approved by the President Director dated on September 7, 2017. Based on the list of employees in 2017, it is known that workers come from diverse ethnic, religious, age, sex and there is no migrant workers. Based on interview with gender committee and workers at field observation known that The company did not discriminate against workers on the work reception or promotions. 6.8.3 The Company can demonstrate recruitment mechanism and show appointment letter, for example : appointment letter dated 1 June 2017 with ID workers no. 110410051. In the document of the appointment, also record the recruitment process such as job application documents, recommendation letter, performance evaluation, medical check up etc.		
	Status: Comply	
6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.		
6.9.1 Major & 6.9.2 Major Policies to prevent all forms of sexual harassment and violence are contained in the "Goodhope Social Policy" document, endorsed by the Director of Sustainability, dated September 7, 2017, on which the company will seek to prevent sexual harassment and all forms of violence against women and protect reproductive rights woman. The policy has been socialized to workers, for example on September 8 and 28, 2017. Based on the results of interviews with workers in Sungai Binti Estate on Herbicide Application activity in block E35 Division 3, Harvesting in block E36-37 Division 4, Fertilization in block E39 Division 4, Pest Control on block F35 Division 4 and Manual Weed Control on block E26 Division 3, it is known that workers have received socialization		

related to sexual harassment and violence conveyed by the Chairman and members of the Women's Committee. Workers explain that if there is any occurrence of sexual harassment or violence, they will submit to the foreman or directly to the chairman or member of the women's committee. Based on employee information, there has been no incidents related to harassment and sexual violence.

The Company has established a gender committee to handle areas of concern to women under Decree No. 001 / GMO / PT. AB / SK - HR / 2016 on the appointment of the committee of the Women's Committee of PT Agro Bukit and the establishment of the women's committee of PT Agro Bukit 2016 - 2018, dated September 1, 2016.

Based on the results of interviews with female workers in Sungai Binti Estate on Herbicide Application activity in block E35 Division 3, Fertilization in block E39 Division 4, Pest Control in block F35 Division 4 and Manual Weed Control on block E26 Division 3, it is known that female workers have been aware of menstruation leave that the implementation is done with reporting to the foreman then the foreman will recommend to be examined to the polyclinic. So is the case with female workers who are pregnant or breastfeeding. Female workers will be allowed to breastfeed and be given special breaks to be able to breastfeed effectively.

6.9.3 Minor

The Company has a mechanism for dealing with complaints, respecting anonymity and protecting the reporters listed in Circular Letter number 006 / HR-RO / V-2011 regarding the Handling Complaints Guideline, dated May 4, 2011 approved by the Head of HR Operations. The Guideline explains that all types of employee complaints related to employment, work conditions and other issues should be notified to the relevant individual at the earliest possible stage and resolved in their work scope.

With respect to the anonymity and protection of the complainants, it has been secured in Guidance point 1.8, that management shall ensure that employees are provided with non-disclosure confidentiality in relation to complaints filed by employees.

Based on the results of interviews with workers in Sungai Binti Estate on Herbicide Application activity in block E35 Division 3, Harvesting in block E36-37 Division 4, Fertilization in block E39 Division 4, Pest Control on block F35 Division 4 and Manual Weed Control on block E26 Division 3, it is known that workers have received socialization related complaints. Workers explain that if there is a complaint they will notify the foreman first or also directly to the assistant or also can complain through the complaint book. Based on employee information, the company always responds to the complained complaints.

Status: Comply

6.10

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

6.10.1

Current and past FFB price during ASA-2 is available in place. The CH refers to FFB pricing from Plantation Agency in monthly bases. It been informed with email to FFB suppliers according to interview with Hartani (FFB suppliers). FFB price that available is period September and October 2017 which issued by Plantation Agency of Central Kalimantan Province. The CH does not have smallholders scheme, but FFB price also socialized to the outgrower and independent smallholders.

6.10.2

FFB pricing mechanism applied by the CH with refers to the applicable FFB prices. The mechanism was made through FFB purchasing agreement. In example: FFB purchase agreement "Perjanjian Jual Beli TBS No: PTAB/C/301.1 dated 1st September 2017 (valid until 31 August 2018). This agreement is between PT Agro Bukit and Hartani (independent smallholders) which deliver FFB entering the Sungai Binti Mill.

6.10.3; 6.10.4

According to direct interview with Hartani (FFB suppliers) and two others accompany friends, disclosed that contract is fairly and transparent. There is no coercion from the company to sign the contract. They said that contract between the Sungai Binti Mill just began in two months and the payment has made in timely manner after the Mill received the FFB's. Payment method by bank account transfer.

	Status: Comply	
6.11		
Growers and millers contribute to local sustainable development wherever appropriate.		
6.11.1 Minor		
<p>The company has CSR program according to consultation with communities, in addition CSR was gift to the villagers according to proposal who enter to the company. For example, there were contributed to local development, such as:</p> <ul style="list-style-type: none"> - Funding of sports activities - Funding for educational activities - Water supply of Dusun Rongkang - Helping Tiwah customary activities in Desa Penyang - Aid for the consultation of the Kotawaringin Timur Dayak customary council - Aid for the construction of prayer facilities and the church in Desa Penyang - etc <p>Based on the results of interviews with the communitis (Natai Baru Village and Pasir Putih Village) it is known that the company has contributed in community development with CSR program created by involving the community every year.</p>		
6.11.2 Minor		
<p>Based on interview with villagers and related agency that known until now the company was no having smallholders scheme. There are progress smallholders scheme with Dayak Misik Farmers Group in Bagendang Tengah Village, there are minutes of meeting between company and Dayak Misik Farmers Group dated 30 Agustus 2016. This meeting was discusses about nucleus site candidates was located in forest area, both of parties has agree to complete filing requirement of administration for the release of forest area status.</p>		
	Status: Comply	
6.12		
No forms of forced or trafficked labour are used.		
6.12.1, 6.12.2 & 6.12.3 Major		
<p>Based on employment documents verification, field observation, interview with Bipartit Institution and Labour Agency, it was known that workers are permanent worker, contract workers and daily paid workers. There are no substitution contracts, no labor trade or forced labor forms were found. All workers has been equipped with the Working Agreement that has been agreed together.</p> <p>Based on The results of field visits in Sawahan Estate such as block H7 and Sungai Binti estate ssuch as block E36 are not found child labor or forced labor. All workers works in accordance with agreement or appointment letter.</p>		
	Status: comply	
6.13		
Growers and millers respect human rights		
6.13.1 Major		
<p>The company's policy on human rights listed in the "Goodhope Social Policy" document, endorsed by the Director of Sustainability, dated September 7, 2017, of which the company will undertake to treat all workers fairly regardless of gender, ethics, nationality, disability , sexual orientation, religion, political affiliation, union membership or age.</p> <p>The Company shows social recording documents socially, including:</p> <ul style="list-style-type: none"> • Socialization of Social Policy to management staff on 29 September 2017 at GMO with 16 participants • Socialization of Complaints, Environment and OHS and Social Policy, October 13, 2017 to employees of Upkeep Sungai Binti Estate was attended by 43 participants and delivered by EM. <p>Based on the results of interviews with workers in Sungai Binti Estate on Herbicide Application activity in Block E35 Division 3, Harvesting in block E36-37 Division 4, Fertilization in block E39 Division 4, Pest Control on block F35 Division 4 and Manual Weed Control on block E26 Division 3, it is known that the company treats all workers fairly regardless of gender, ethnicity, nationality, disability, sexual orientation, religion, political affiliation, union membership or age and respect for the right of workers to join in the bent of associations, unions and religious, social, politics and culture and there has never been a case of human rights violations that have not been resolved.</p>		
	Status: Comply	

PRINCIPLE #7 Responsible development of new plantings

7.1

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

7.1.1; 7.1.2

The management unit keeps documents that explain the social impact identification, namely:

- EIA Document of PT Agro Bukit, which covers a 13,930 Ha of oil palm plantation and a processing, mill with a capacity of 90 tons FFB per hour. This document was authorized through a Decree of the Regent of Kotawaringin Timur No. 04/komisi-kotim/VIII/2006 on 7 August 2006.
- SIA Document that was composed by PT Agro Bukit together with Faculty of Forestry of IPB in 2011. The respective SIA has covered both positive and negative impacts on social aspect resulting from the activities of the plantation and the mill.

The process of composing said document has involved all impacted parties, such as the stakeholders that were joining the meeting of EIA discussion held on 1 April 2006; and the participation of the people of Ketapang Village, Tongkang Village, and Telawang Village in the event of EIA dissemination on 31 May 2012.

In order to reduce the negative impacts and to increase the positive ones generated by the existence of the oil palm plantation business, the management has prepared the social impact management plan, which shall be effectively carried out in the year of 2016/2017 with the following details;

- Inventory on locations, areas, and status of the land reserved for nucleus estate smallholding and preparation for the participatory scheme development plan.
- The installation of clean water facility and piping construction at Rongkang Village;
- Capacity building in order to attempt and alternative livelihood.
- Facilitate youth who have the potential and willingness to undertake training in the Vocational Training Centre in order to improve skills, such as mechanical machineries.
- Provision of electricity and road repairs.
- Evaluate waste handling and repairing all facilities.
- Increase the availability of clean water for the community
- Increase the knowledge and understanding of employees with labor laws.
- Enhancing the role and functions of the trade unions.

Related to environmental aspect, the management and monitoring plan and its realization have been described in the RKL-RPL Implementation Report. Based on document verification Report of RKL-RPL implementation semester 1 year 2017 it is known that environmental management and monitoring plan conducted by mill and its supply base have complied with RKL-RPL matrix and have been reported every semester to related agency. Report of RKL-RPL reported on July 2017 to Environmental agency.

The results of interviews with representative of Environmental Agency of Kotawaringin Timur District, it is known that the mill and its supply base have regularly reported the implementation of RKL-RPL every semester. In addition, there are no issues related to environmental pollution.

7.1.3

Until now PT Agro Bukit do not have a associated smallholders.

Status: Comply

7.2

Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.

7.2.1; 7.2.2

The youngest palm age is 2012, after that no more expansion area for new planting development. Soil survey and topographic information is used from 2007 PARAM.

	Status: COMPLY	
<p>7.3 New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</p>		
<p>7.3.1; 7.3.2; 7.3.3; 7.3.4; 7.3.5 The youngest palm age is 2012, after that no more expansion area for new planting development. The CH has conducted Land Use Change Analysis for the entire operational area and has been reported it to the RSPO via e-mail on 27 October 2014. Based on Land Use Change Analysis known that the land cover of PT Agro Bukit area period 2005 – 2009 consist of vegetation coefficient 0.7 and vegetation coefficient 0. Based email dated 15 December 2015 from RSPO executive compensation explains that conservation Final liability (FCL) is a decision of the committee Compensation panel.</p> <p>Regarding Land Use Change Analysis, the CH giving an updated information and status of their LUCA as follow: October 2nd, 2017: company sends email to RSPO to clarify the status of LUCA PT. Agro Bukit. October 4th, 2017: Respond from RSPO Compensation through email with statement as follow: The BHCWG has agreed to remove the endorsement of the LUCA review report from the RaCP. However, the report will be made available to the compensation panel, should it be requested.</p> <p>Therefore, the LUCA review report for ABCK is accepted. Based on the report:</p> <ol style="list-style-type: none"> 1. The Final Conservation Liability (FCL) is 0 Ha. 2. There seems to be a clearance of riparian areas in 2006-2007, based on the report, the total area requiring remediation is 152.11 Ha. <p>October 4th, 2017: Respond from the company: will be review and analyze the report in order to confirm the findings related with the amount 152.11 Ha of Riparian Clearance. Update progress concept note RaCP became OFI.</p>		
7.3.2	Status: OFI	
<p>7.4 Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</p>		
<p>7.4.1; 7.4.2 The youngest palm age is 2012, after that no more expansion area for new planting development. Soil survey and topographic information is used from 2007 PARAM.</p> <p>There are no significant changes on maps of fragile soils. The majority fragile soil within certificate holder's area is peat soil and sandy soil (white quartz). The maps consist of Soil Map (1:60,000 scale), Peat Nature Map (1:50,000), Slope and Topography map (1:100,000) and Soil Survey map 2007 (1:32,000).</p> <p>According to the Slope and Topography Map (1:100,000), the certificate holder's area is dominated flat to undulating with slope between 0° - 6°, therefore no specific management strategy for plantings on slopes above a certain limit. Please also refer to Criteria 4.3 above</p>		
<p>Status: COMPLY</p>		
<p>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>		
<p>7.5.1 Major History of the land use by management unit of PT Agro Bukit (mill and estate) was started by Location Permit issued by the Head of Kotawaringin Timur District. There are 2 location permits issued on behalf of PT Agro Bukit namely No. 884.460.42 (27 December 2004) covering an area of ± 13,930 hectares and No. 1015.400.9.62.02/VII/2012 (26 July 2012) covering an area of ± 2,879 hectares. Based on the review of mapping section/GIS over both locations, there are overlapping area where as many as ± 1,493.95 hectares of the area included in Location Permit 2 has entered the area of Location Permit 1. Thus, PT Agro Bukit has Actual Location Permit of ± 15,315.05 hectares, where as many as ± 12,436.06 hectares is used as the scope of RSPO certification (in accordance with the measurement result of cadastral</p>		

map issued by National Land Agency No. 86 PPTB/VI/2006 on 1 February 2006).

As a form of transparency over the development of the plantation PT Agro Bukit conducted the stages of dissemination before opening the land, including through the printed media (local newspaper KALTENG POS) on 15 March 2005 and the process of Public Expose on 23 April 2005 which was attended by head of village and surrounding communities affected by the plantation development. The process of land acquisition has been conducted by management unit of PT Agro Bukit during the period from 2005 to 2012, although in that period there were several repeated land claims against the same land. However, the company has all evidence that can be accounted such as Regional Map of the land acquired completed with the evidence of compensation, name of the previous land owner and other supporting documents.

As a procedure for identifying legal and customary rights of local communities, management unit of PT Agro Bukit has mechanism through the SOP of Grievance Handling No. Doc. CSR 8 Version 1 on 1 July 2010, which was approved by Director of Sustainability. The pricing of compensation offered by the company was based on the pricing set by Head of Kotawaringin Timur District which was then negotiated with the land owners to be agreed upon (Decree of the Head of Kotawaringin Timur District No. 316 Year 2007 on Basic Price of Land and Crops in Kotawaringin Timur District).

Based on the results of interviews with the surrounding communities (Natai Baru Village and Pasir Putih Village) it is known that the land negotiation process is done directly with the owner without any coercion from other parties. The community is free to decide whether or not to hand over the land.

Status: Comply

7.6

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

7.6.1 Major

Based on interview with villagers and related agency that known the company was no extending area, however the company has document of EIA (2006) and SIA (2011). PT Agro Bukit management unit has a mechanism for identifying the legal and customary rights of local communities in SOP.EHS.NPP-01 2010 revised on 30 March 2016.

7.6.2 Major

Management unit of PT Agro Bukit has Open mechanism for all affected parties (SOP of Grievance Handling No. Doc. CSR 8 version 1 on 1 July 2010) approved by Director of Sustainability. The procedure describes among others: every complaint is identified by the CSR then made a disposition to relevant department; Relevant department document the complaint; Relevant department is responsible to solve the complaint; if the problem cannot be solved at the level of assistant then it is discussed at higher level of management (GM at the maximum); if it cannot be solved at the level of GM then it will be handled at the level of relevant Director; if it cannot be solved at the level of Director then the company should involve the 3rd party for mediation; Company will follow the measures resulted from the mediation.

Meanwhile, Procedure to calculate fair compensation for the loss of legal right is described in the SOP of Dissemination (Doc. No. LCD 2.1 on 15 August 2010). The SOP describes among others:

- Early stage of the estate opening.
- Compensation team consists of PR Manager, PR Assistant, CSR Assistant, GIS Assistant, Security and Estate Manager
- PR will form a team in the sub-district consisting of Head of Sub-District, Police Officers, and Army, Village Representatives (BPD, Head of Village and Secretary of Village) and from Regional Government if needed.
- PR will discuss with the sub-district team about when the formal dissemination to surrounding villages will be held.
- PR Manager determines the villages to be disseminated by the information from the sub-district.
- Compensation team conducts dissemination to surrounding villages informing the impact to the villagers, the land compensation price, and people's need.
- Compensation team requests the village to form a team to identify the parties eligible to receive compensation.
- Compensation performs measurement simultaneously clicking the inventory of crops grown on it.
- Compensation team does cross-check with land owners and proves the land ownership.

- If the right of land ownership cannot be proven due to acceptable reasons, the village team and sub-district team will provide the evidence of land ownership.
- The team will inform the land owners regarding the process of compensation and its requirements.
- The team conducts negotiation related to the value of the compensation on the basis of prices according to the regulation of local government.
- Compensation team will approve one fixed price per hectare in accordance with the agreement with land owners. The price should obtain approval from local government and the company.
- If there is a price beyond the provision, it should obtain approval from the Director.
- Payment is only made to eligible owners.

7.6.3 Major, 7.6.4 Minor & 7.6.5 Minor

The management unit of PT Agro Bukit had shown the entire disputed area had been well-mapped using WEBGIS database system. The result of mapping study showed that the land disputed was the land that had been completely compensated to the rightful owner. Data of GRTT Recapitulation for the period of 2005 – 2011 (Data of Land Payment of PT Agro Bukit – Public Relation Department):

- 2005: 1,466 land owners (9,671.40 Ha)
- 2006: 757 land owners (10,287.60 Ha)
- 2007: 161 land owners (327 Ha)*
- 2008: 63 land owners (184.5 Ha)*
- 2009: 127 land owners (1,212.20 Ha)*
- 2010: 5 land owners (3,703 Ha)*
- 2011: 245 land owners (5,300.60 Ha)*

*area of land compensation that was repeatedly claimed

7.6.6 Minor

Based on interview with government (Land Agency of Kotawaringin Timur Regency) and communities (Natai Baru Village and Pasir Putih Village), known that PT Agro Bukit has performed the procedure for a participatory land dispute settlement using arbitration meeting with the complainant, *Dayak* Customary Council, and regional government at the Regent's office on 5 November 2014.

Status: Comply

7.7

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

7.7.1; 7.7.2

The youngest palm age is 2012, after that no more expansion area for new planting development. To prevent land fire, the CH has procedure of land clearing. No. OP/C2/03/09/02. Please also refer to Criteria 5.5 above.

Status: COMPLY

7.8

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

7.8.1 dan 7.8.2

To estimate of GHG emission, Sungai Binti Palm oil Mill has calculate the emission since 2016 as per assessment year. Result of GHG emission can be refer to Criteria 5.6 above.

Status: Comply

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

8.1

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

The Company shows the document of Internal Audit Report of PT Agro Bukit Central Kalimantan (ABCK) with audit criteria of Standard ISO 14001, OHSAS 18001 Standard, EMS / OHSMS Procedures, SOPs, records and regulations related to EMS & OHSAS, audit period 7 - 11 August 2017 with audit scope includes Plantation, Mill, Central workshop,

Store, Office, Contractor, Civil, Transportation, Purchasing, Medical Clinic and infrastructure. Recapitulation of Internal Audit Findings are conformity 102, observation 17 and non conformity 8. All inconsistencies have been improved and can be seen directly to the field.

Plans to mitigate environmental impacts and their implementation are contained in the RKL-RPL Report which routinely reported every 6 months to the Environmental Agency of Kotawaringin Timur Regency. The plans have been in accordance with the RKL-RPL matrix on environmental documents. The RKL-RPL report for semester 1 of 2017 was reported in July 2017 with document no. 251 / PTAB / VII / 2017.

Status: Comply

3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements																																									
E.1	Definition																																									
E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.																																										
Sungai Binti Mill has applied Mass Balance supply chain model due to still received FFB from Certified and Non-Certified sources. FFB sources that entering the Mill is describes as follow:																																										
<table border="1"> <thead> <tr> <th style="background-color: #cccccc;">No</th> <th style="background-color: #cccccc;">Supplier</th> <th style="background-color: #cccccc;">Description</th> </tr> </thead> <tbody> <tr> <td colspan="3">Certified sources</td> </tr> <tr> <td>1</td> <td>Sungai Binti Estate</td> <td rowspan="4">Within certification scope and inside the HGU process</td> </tr> <tr> <td>2</td> <td>Sawah Estate</td> </tr> <tr> <td>3</td> <td>Tanah Putih Estate</td> </tr> <tr> <td>4</td> <td>Sungai Lenggana Estate</td> </tr> <tr> <td>5</td> <td>PT Agro Indomas</td> <td>Affiliated company</td> </tr> <tr> <td colspan="3">Non-Certified sources</td> </tr> <tr> <td>1</td> <td>Sungai Binti Estate</td> <td rowspan="4">Out of certification scope and beyond the HGU process</td> </tr> <tr> <td>2</td> <td>Sawah Estate</td> </tr> <tr> <td>3</td> <td>Tanah Putih Estate</td> </tr> <tr> <td>4</td> <td>Sungai Lenggana Estate</td> </tr> <tr> <td>5</td> <td>Kas Desa (59 Ha)</td> <td>Independent supplier</td> </tr> <tr> <td>6</td> <td>PT Hambaran Subur Makmur</td> <td>Outgrower company</td> </tr> <tr> <td>7</td> <td>Hartani</td> <td>Individual supplier</td> </tr> </tbody> </table>				No	Supplier	Description	Certified sources			1	Sungai Binti Estate	Within certification scope and inside the HGU process	2	Sawah Estate	3	Tanah Putih Estate	4	Sungai Lenggana Estate	5	PT Agro Indomas	Affiliated company	Non-Certified sources			1	Sungai Binti Estate	Out of certification scope and beyond the HGU process	2	Sawah Estate	3	Tanah Putih Estate	4	Sungai Lenggana Estate	5	Kas Desa (59 Ha)	Independent supplier	6	PT Hambaran Subur Makmur	Outgrower company	7	Hartani	Individual supplier
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Status: COMPLY																																										
E.2	Explanation																																									
E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.																																										
Based on estimation and actual of certified production from ASA-1 audit, described as follows:																																										
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The estimate certified product is available on Basic Information within the report.																																										

Status: COMPLY
E.2.2

The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).

Sungai Binti POM has met all registration and reporting requirements for RSPO supply chain platform.

RSPO Registration Member based on Member Directory in RSPO Palm Trace:

Member Information	
Member Name	PT Agro Bukit
Member ID	RSPO_PO1000003333
Member Country	INDONESIA
Member Category	Oil Mill
Core Product	Palm Oil

Status: COMPLY
E.3
Documented procedures
E.3.1

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

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

There is an updated written procedure related implementation of Supply Chain at Sungai Binti Mill.

Ensuring Traceability of RSPO Certified Products (version: 0/2017; released: May 2017; approved 29 May 2017).

Sungai Binti Mill in PT Agro Bukit has proposed RSPO certifications through an external audit by the approved RSPO Certification Body. The certification enables the CPO quantity proportionate to what is received from certified estates and blocks of PT Agro Bukit. The claimed certified estates and blocks in PT Agro Bukit CK currently with in the Cadastral boundary only which include the following Block numbers:

NB: some blocks of the estates are not 100% certified, because the certified areas of the estates are currently limited within the areas of Cadastral boundary only, where as the Cadastral line is inside of the blocks of the estates. FFB from areas with in the Cadastral boundary are categorized as certified FFB, where as the FFB out site the Cadastral boundary are not yet categorized as certified FFB. The JDE (Oracle - JD Edwards) system in the weigh bridge is set to automatically calculate the tonnage percentage of certified and non certified FFB volume that originally come from the following Blocks of the estates.

Tanah Putih Estate	Sungai Binti Estate	Sawah Estate	Sungai Lengana Estate
Block A.01 – A.23	Block A.24 – A.37	Block G.07 – G.19	Block G.20 – G.32
Block B.03 – B.23	Block A38 (97% only)	Block H.06 – H.19	Block G33 (80% only); G34 (39% only)
Block C.05 – C.10	Block B.24 – B.37	Block I.06 – I.19	Block H.20 – H.30
Block C.13 – C.23	Block B38 (69% only)	Block J.06 – J.19	Block H31 (93% only); H32 (46% only)
Block D.06 – D.09	Block C.24 – C.37	Block K.04	Block I.20 – I.28
Block D.11 – D.24	Block C38 (38% only)	Block K06 – K21	Block I29 (96% only); I30 (36% only); I31 (6% only).
Block E.07 – E.24	Block D.25 – D.37	Block L.01 – L.21	Block J.20 – J.26
Block F.07 – F.24	Block D38 (9% only)	Block M100 – M103	Block J27 (95% only); J28 (52% only); J29 (8% only)
	Block E.25 – E.35	Block M01; Block M04 – M21	Block K.22 – K.24
	Block E36 (84% only)	Block N100 – N101	Block K26 (55%); K27 (8%)
	Block E37 (26% only)	Block N01 – N21	
	Block F.25 – F.34	Block O.06 – O.12	
	Block F35 (56% only)		

			Block L.22 – L.23 Block L24 (89%) Block M.22 Block M23 (79% only); M24 (9% only) Block N.22 (80% only).
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Responsible person for SCCS implementation:

The Finance Manager of the RSPO certified mill is responsible and is authorized to implement the flow of products traceability information as documented in the SOP. Ensuring compliance to the requirement of the RSPO supply chain certification standard will also come under the purview of the aforesaid manager.

Status: COMPLY

E.3.2

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

Documented procedure for receiving and processing Certified and non certified FFB's is
 Ensuring Traceability of RSPO Certified Products (version: 0/2017; released: May 2017; approved 29 May 2017).

Objective:

To describe the processes of,

1. Receiving FFB in the weigh bridge mill which will also be clearly calculate tonnage volume of incoming certified and non-certified FFB.
2. Identifying and clearly distinguishing the volumes of FFB received and processed at the Mill between RSPO certified/non-certified.
3. Identifying and clearly distinguishing the volumes of CPK and PK produced and delivered by the Mill to determine both certified/non-certified products (i.e. CPO & PK).

Scope:

- This SOP shall be applicable to the RSPO certified mill (Sungai Binti). This will clarify the traceability methods applied on the FFB received, raw material used, and the CPO & PK produced and delivered by the RSPO certified mill.
- **The Finance Manager of the RSPO certified mill is responsible and is authorized to implement the flow of products traceability information as documented in the SOP. Ensuring compliance to the requirement of the RSPO supply chain certification standard will also come under the purview of the aforesaid manager.**

Status: COMPLY

E.4

Purchasing and goods in

E.4.1

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

Actual Production Certified CPO & PK Produced by SBM 4 Dec 2016 - 14 Oct 2017 (Metric Ton).

Month	Certified												Total		
	Internal - PTAB-CK			Plasma			Out Side			PT AI-CK			FFB	CPO	PK
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK			
4 - 31 Dec 2016	18,005.41	3,765.70	950.07	-	-	-	-	-	-	-	-	-	18,005.41	3,765.70	950.07
Jan 2017	16,639.34	3,438.25	989.78	-	-	-	-	-	-	-	-	-	16,639.34	3,438.25	989.78
Feb 2017	16,745.17	3,427.07	935.02	-	-	-	-	-	-	-	-	-	16,745.17	3,427.07	935.02
Mar 2017	21,147.59	4,581.65	1,164.03	-	-	-	-	-	-	-	-	-	21,147.59	4,581.65	1,164.03
Apr-17	21,892.65	5,025.18	1,148.45	-	-	-	-	-	-	-	-	-	21,892.65	5,025.18	1,148.45
May 2017	27,224.52	6,203.69	1,309.82	-	-	-	-	-	-	-	-	-	27,224.52	6,203.69	1,309.82
Jun 2017	20,751.17	4,685.36	954.34	-	-	-	-	-	-	-	-	-	20,751.17	4,685.36	954.34
Jul 2017	27,173.50	5,754.08	1,227.49	-	-	-	-	-	-	-	-	-	27,173.50	5,754.08	1,227.49
Aug 2017	24,943.57	5,740.60	1,251.16	-	-	-	-	-	-	-	-	-	24,943.57	5,740.60	1,251.16
Sep 2017	20,735.07	4,558.26	1,183.93	-	-	-	-	-	-	-	-	-	20,735.07	4,558.26	1,183.93
1 - 14 Oct 2017	8,820.45	1,911.06	476.82	-	-	-	-	-	-	-	-	-	8,820.45	1,911.06	476.82
SUBTotal	224,078.45	49,090.90	11,590.91	-	-	-	-	-	-	-	-	-	224,078.45	49,090.90	11,590.91

Month	Non Certified												Total		
	Internal - PTAB-CK			Plasma			Out Side			PT AI-CK			FFB	CPO	PK
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK			
4 - 31 Dec 2016	5,746.20	1,162.92	293.40	33.69	6.79	1.70	-	-	-	-	-	-	5,779.89	1,169.70	295.10
Jan 2017	4,938.08	1,023.94	294.76	11.72	2.43	0.70	-	-	-	-	-	-	4,949.80	1,026.37	295.46
Feb 2017	4,713.06	979.37	267.20	4.19	0.89	0.23	-	-	-	-	-	-	4,717.25	980.26	267.44
Mar 2017	5,316.98	1,158.39	294.30	5.02	1.09	0.28	-	-	-	-	-	-	5,322.00	1,159.48	294.58
Apr-17	5,091.29	1,158.94	264.86	5.05	1.15	0.26	-	-	-	-	-	-	5,096.34	1,160.09	265.13
May 2017	6,123.48	1,392.42	293.99	20.36	4.63	0.98	-	-	-	-	-	-	6,143.84	1,397.05	294.96
Jun 2017	4,507.29	1,011.03	205.93	2.17	0.49	0.10	14.22	2.44	0.53	-	-	-	4,523.68	1,013.95	206.56
Jul 2017	5,431.34	1,163.82	248.27	-	-	-	0.92	0.16	0.03	-	-	-	5,432.26	1,163.97	248.31
Aug 2017	6,070.54	1,374.36	299.54	6.13	1.39	0.30	-	-	-	-	-	-	6,076.67	1,375.75	299.84
Sep 2017	5,067.25	1,119.33	290.73	3.04	0.67	0.17	7.94	1.79	0.40	1,049.58	215.69	55.21	6,127.81	1,337.48	346.51
1 - 14 Oct 2017	2,364.92	509.34	127.09	4.09	0.88	0.22	19.07	4.50	0.96	780.06	164.83	43.53	3,168.14	679.55	171.80
SUBTotal	55,370.42	12,053.84	2,880.08	95.46	20.41	4.95	42.15	8.89	1.92	1,829.64	380.52	98.74	57,337.67	12,463.65	2,985.68

Month	FFB Process		
	Certified	Non	Total
	4 - 31 Dec 2016	18,607.02	5,779.89
Jan 2017	16,581.40	4,949.80	21,531.20
Feb 2017	16,492.30	4,717.25	21,209.55
Mar 2017	21,029.66	5,322.00	26,351.67
Apr-17	22,075.97	5,096.34	27,172.31
May 2017	27,282.21	6,143.84	33,426.05
Jun 2017	20,887.94	4,523.68	25,411.62
Jul 2017	26,853.31	5,432.26	32,285.57
Aug 2017	25,356.19	6,076.67	31,432.85
Sep 2017	20,635.42	6,127.81	26,763.23
1 - 14 Oct 2017	8,873.17	3,168.14	12,041.31
SUBTotal	224,674.58	57,337.67	282,012.25

*PT AI-CK: PT. Agro Indomas Central Kalimantan (one group plantation company).

TOTAL SBM 4 Dec 2016 - 14 Oct 2017	60,681.81
CPO Certified	49,090.90
PK Certified	11,590.91

Status: COMPLY

E.4.2

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

Supply Chain Procedure Sungai Binti Mill:

Ensuring Traceability of RSPO Certified Products (version: 0/2017; released: May 2017; approved 29 May 2017).

POLICIES:

- j. Prior to dispatch CPO & PK from Mill, Mill Manager need to approve dispatches and also ensure that the printed weighbridge ticket to be tagged, whether the dispatched CPO&PK are "RSPO certified/MB" or not. If the CPO and PK dispatched is RSPO certified, the weighbridge ticket will be tagged "RSPO certified/MB".

Note: currently the CPO&PK dispatched from the Mills are not identified as RSPO certified product, since PT Agro Bukit does not sell certified CPO&PK physically. However, PT Agro Bukit sells his RSPO certificates through the

RSPO Palm Trace (Book & Claim system), or will be sold as RSPO credit through Palm Trace system beginning from 1st January 2017.

- k. When selling physically certified CPO & PK in the future, Finance Manager shall ensure that the balance of stock recorded is accurately reconciled with the opening stock production and deliveries. Finance Manager must report the actual volumes of certified CPO&PK to the RSPO Manager, on a monthly basis with the operational stock.
- l. When there is a physical sale of RSPO certified product, the Finance Manager must check to ensure that a positive balance is maintained (on a quarterly basis) between the volumes of certified CPO & PK produced against those delivered from the Mill. However, the mill is allowed to deliver short (delivery of CPO/PK is more than the production) provided this shortfall could be covered before the quarterly reporting requirement.
- m. RSPO manager will report the total actual volumes of certified CPO&PK production from certified Mill to the traders, who will control the sales of RSPO Credits through Palm Trace (B&C system).
- n. Traders must ensure they do not oversell Certified products beyond what has been produced.
- a. **If there is a projected overproduction of certified CPO & PK compared to the currently year budget, the Finance Manager shall immediately report formally to the RSPO Manager, who will then report the projected over production to the Certification Body, and report the projected production to our trader in Kuala Lumpur to adjust sales of certificates (RSPO Credits) through Palm Trace system.**

Based on estimation and actual of certified production from ASA-1 audit, described as follows:

Product	Estimated based on Annex Certificate ASA-1 period 4 December 2015 – 3 December 2016	Actual production of certified product period 4 December 2015 – 3 December 2016	Remarks	Estimated based on Annex Certificate 4 December 2016 – 3 December 2017	Actual production of certified product 4 December 2016 – 14 October 2017	Remarks
FFB			Below	229,135	224,078.45	Below
CSPO	57,572		Below	52,128	49,090.90	Below
CSPK	12,249		Below	11,457	11,590.91	Over

The CH have not informed to the CB where there is a projected overproduction of certified tonnage. This is Non-Conformity 2017.2.

Status: Non-conformity 2017.02

E.5 Record keeping

E.5.1

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

Record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK by Sungai Binti Mill:

Month	Certified			Non Certified			Total		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
4 - 31 Dec 2016	18,005.41	3,765.70	950.07	5,779.89	1,169.70	295.10	23,785.30	4,935.40	1,245.17
Sub Total A	18,005.41	3,765.70	950.07	5,779.89	1,169.70	295.10	23,785.30	4,935.40	1,245.17
Jan 2017	16,639.34	3,438.25	989.78	4,949.80	1,026.37	295.46	21,589.14	4,464.62	1,285.24
Feb 2017	16,745.17	3,427.07	935.02	4,717.25	980.26	267.44	21,462.42	4,407.33	1,202.46
Mar 2017	21,147.59	4,581.65	1,164.03	5,322.00	1,159.48	294.58	26,469.59	5,741.13	1,458.61
Sub Total B	54,532.10	11,446.97	3,088.83	14,989.05	3,166.11	857.48	69,521.15	14,613.08	3,946.31
Apr-17	21,892.65	5,025.18	1,148.45	5,096.34	1,160.09	265.13	26,988.99	6,185.27	1,413.58
May 2017	27,224.52	6,203.69	1,309.82	6,143.84	1,397.05	294.96	33,368.36	7,600.74	1,604.78
Jun 2017	20,751.17	4,685.36	954.34	4,523.68	1,013.95	206.56	25,274.85	5,699.31	1,160.90
Sub Total C	69,868.34	15,914.24	3,412.61	15,763.86	3,571.08	766.65	85,632.20	19,485.32	4,179.26
Jul 2017	27,173.50	5,754.08	1,227.49	5,432.26	1,163.97	248.31	32,605.76	6,918.05	1,475.80
Aug 2017	24,943.57	5,740.60	1,251.16	6,076.67	1,375.75	299.84	31,020.24	7,116.35	1,551.00
Sep 2017	20,735.07	4,558.26	1,183.93	6,127.81	1,337.48	346.51	26,862.88	5,895.74	1,530.44
Sub Total D	72,852.14	16,052.94	3,662.58	17,636.74	3,877.20	894.66	90,488.88	19,930.14	4,557.24
1 - 14 Oct 2017	8,820.45	1,911.06	476.82	3,168.14	679.55	171.80	11,988.59	2,590.61	648.62
Grand Total	224,078.45	49,090.90	11,590.91	57,337.67	12,463.65	2,985.68	281,416.12	61,554.55	14,576.60

Status from Palm Trace:

Product	Program	Volume*	Remaining Volume*	Trading Stock
CPO	Mass Balance	52,128	51,128	N/A
Palm KernelPK	Mass Balance	11,457	8,963.18	N/A

CSPO Sales Transaction based on Palm Trace (Sungai Binti sales as Book & Claim system):

Trade Date	Description	Product	Match Reference Number	Order Number	Transaction Number	Quantity In The System	Quantity Offering	Sold Quantity	OS Qty	Balance	Remark
11-Aug-17	Balance	CSPO				52,128.00				51,128.00	
16-Oct-17	Offer	CSPO					1,000.00		-		
17-Oct-17	Colgate-Palmolive Company	CSPO		1074	1009-6660			1,000.00			Sold as B&C system Credit Allocation

CSPK Sales Transaction based on Palm Trace:

No	Trade Date	Description	Product	BL Number	Sold Quantity	Balance	Buyer
1	27-Dec-16	Balance				11,457.00	
2	27-Dec-16	MB PK MV Ever Concord	CSPK MB	141/ABN/12/2016	901	10,556.00	Premium Vegetable Oils Sdn. Bhd.
3	27-Dec-16	MB PK MV Layar Anggun 8	CSPK MB	127/ABN/12/2016	738	9,818.00	Premium Vegetable Oils Sdn. Bhd.
4	27-Dec-16	MB PK MV Selasih	CSPK MB	147/ABN/12/2016	256.230	9,561.77	Premium Vegetable Oils Sdn. Bhd.
5	27-Dec-16	MB PK MV Selasih	CSPK MB	146/ABN/12/2016	598.59	8,963.18	Premium Vegetable Oils Sdn. Bhd.
6	11-Aug-17	Balance				8,963.18	

Status: COMPLY

E.5.2

In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.

Management unit Sungai Binti POM has KCP installation in one area. Entire PK resulting from Sungai Binti POM and other factory units under the group Goodhope Central Kalimantan, processed in KCP Sungai Binti. KCP products produced from, among others, PKO and PK Expeller.

Status: COMPLY

3.3 Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-1	PT. Agro Bukit have permits of certificate usage with number MUTU-RSPO/082	√
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-1	PT. Agro Bukit were not use The certificate and logo whether on-product or off-product	√
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-1	PT. Agro Bukit were not use The certificate and logo whether on-product or off-product	√
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-1	PT. Agro Bukit were not use The certificate and logo whether on-product or off-product	√
	Status: Comply	

3.4 Summary of RSPO Partial Certification

Good Hope Time Bound Plan (TBP) is explaining in point 1.10. Good Hope run 5 mills in Indonesia and has achieved RSPO certified for 4 (four) mills and supply base. Good Hope has informed the TBP progress, MUTU has considered that Good Hope is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Good Hope dated 25 December 2015 approved by RSPO Manager.

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

MUTU Auditor has verified company partial certification and concludes that:

- There are no significant land conflicts which have not been declared above
- There has been no replacement of primary forest or any area containing HCVs since November 2005
- There are no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Company Group/Holding Statement: We have some audit related with RaCP, NPP</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.2.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>Company Group/Holding Statement: RaCP Progress for Goodhope (Uncertified Units):</p> <ol style="list-style-type: none"> 1. PT Karya Makmur Sejahtera, status RaCP Review for LUCA report (Final Conservation Liability) Nol hectare with required to Submit Remediation Plan to RSPO. 2. PT Agro Indomas –East Kalimantan, status RaCP Review for LUCA report with Final Conservation Liability 1,246,29 ha. Goodhope submit request in 19 dec 2016 to Panel to relook the decision by submit new evidence/document to show that Agro Indomas-East Kalimantan have FCL Nol Hectare. 3. Some PT's Not Applicable to Submit LUCA report due to HCV Assessment was Conduct before Land Clearing activities. We just submit Disclosure Form to RACP: PT Sumber Hasil Prima, PT Sinar Sawit Andalan, PT Agrajaya Baktitama, PT Batu Mas Sejahtera, PT Sawit

		<p>Makmur Sejahtera, PT Nabire Baru, PT Sariwana Adi perkasa, PT Agro Bina Lestari, PT Agro Surya Mandiri.</p> <p>Auditor Verification:</p> <p>1. PT Karya Makmur Sejahtera The latest information from RSPO Compensation Executive dated 21 June 2016. The recommendations is:</p> <ol style="list-style-type: none"> Clarify the above findings Submit .shp file for potential remediation areas (river.shp files, soil survey .shp files). <p>The company was processing this recommendation.</p> <p>2. PT Agro Indomas-East Kalimantan Based on email from RSPO Compensation Executive dated 28 November 2016; the Liability of PT Agro Indomas Central Kalimantan: 0, PT Agro Indomas East Kalimantan with Forest Conservation Liability is 1,246.29 Ha.</p> <p>The company was objection to the result of RSPO review, then the company was sent email dated 29 November 2016 to RSPO. Based on RSPO email dated 15 June 2016, reviewer at the time was rejected the clarification of the company. Currently is the process of preparation for a more bracing justification to convince the panel that there is no liability (0). Then the company was sent justification to RSPO dated 19 December 2016 and the RSPO was response dated 22 December 2016 with answer is this justification will be gift to the reviewer.</p> <p>3. Submit LUCA report: All of companies has conduct identification of HCV and SIA before land clearing, so the companies was no obligation to reporting liability and disclosure to the RSPO. There are informations:</p> <ol style="list-style-type: none"> PT Sumber Hasil Prima (HCV&SIA was conducted on September 2010). PT Sinar Sawit Andalan (HCV&SIA was conducted on September 2010). PT Agrajaya Baktitama (HCV&SIA was conducted on January 2010). PT Batu Mas Sejahtera (HCV&SIA was conducted on January 2010). PT Sawit Makmur Sejahtera (HCV&SIA was conducted on January 2010). PT Sariwana Adi Perkasa (HCV&SIA was
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		<p>conducted on January 2011).</p> <p>7. PT Agro Bina Lestari (HCV&SIA was conducted on December 2014).</p>
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement:</p> <p>. Some PT's already Posting NPP on the RSPO website are: PT Karya Makmur Sejahtera, PT Agro Indomas (East Kalimantan), PT Nabire Baru.</p> <p>2. Some PT's was conducted NPP Notification Audit, but the report under review by RSPO and not yet posting on the website: PT Sariwana Adi Perkasa, PT Sumber Hasil Prima, PT Sinar Sawit Andalan, PT Agrajaya Baktitama, PT Batu Mas Sejahtera, PT Sawit Makmur Sejahtera.</p> <p>3. Two PT's was conducted Notification Audit, but still review by CB and Not yet submit to RSPO: PT Agro Bina Lestari and PT Agro Surya Mandiri</p> <p>Auditor Verification:</p> <ol style="list-style-type: none"> 1. PT KMS was conducted NPP Desk Study on January 2015. The notification was posted on 2016 by BSI. 2. PT Nabire Baru was conducted on 4 September 2015 by BSI. 3. PT Sumber Hasil Prima and PT Sinar Sawit Andalan was conducted NPP Desk Study on 4 September 2015 by BSI. 4. PT Sariwana Adi Perkasa is waiting review for HCV report by HCV-RN. 5. PT Agrajaya Baktitama, PT Batu Mas Sejahtera and PT Sawit Makmur Sejahtera was conducted NPP Desk Study on September 2015. It still waiting HCV report review from HCV-RN. 6. PT Agro Bina Lestari and PT Agro Surya Mandiri has been verified by BSI on April 2016. However the report is still reviewed by CB.
2.2.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company Group/Holding Statement:</p> <p>. PT Sumber Hasil Prima/PT Sinar sawit Andalan: Status Box G: Close for Monitoring</p> <p>2. PT Nabire Baru, with the status of Complaint Box C: Panel Convened</p> <p>Auditor Verification:</p> <p>Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with	<p>Company Group/Holding Statement:</p> <p>No</p>

	RSPO criterion 6.3.	<p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Company Group/Holding Statement: Yes</p> <p>Auditor Verification:</p> <ol style="list-style-type: none"> 1. PT. Agro Bina Lestari (ABL): Land legality compliance still same with NPP notification of PT. Agro Bina Lestari that reported on 29 April 2016. NPP assessment conducted by BSI. 2. PT. Agro Surya Mandiri (ASM): Land legality compliance still same with NPP notification of PT. Agro Surya Mandiri that reported on 29 April 2016. NPP assessment conducted by BSI. 3. PT. Agro Indomas East Kalimantan (AIEK): Land legality compliance still same with NPP notification of PT. Agro Indomas East Kalimantan that reported on 16 June 2016. NPP assessment conducted by BSI. 4. PT. Karya Makmur Sejahtera (KMS): Land legality compliance still same with NPP notification of PT. Karya Makmur Sejahtera that reported on 3 May 2016. NPP assessment conducted by BSI. 5. PT. Nabire Baru (NB): Land legality compliance still same with NPP notification of PT. Nabire Baru that reported on 9 March 2017. NPP assessment conducted by BSI. 6. PT. Sariwana Adi Perkasa (SAP): Land legality compliance still same with last draft NPP notification of PT. Sariwana Adi Perkasa that reported on 9 March 2017. NPP assessment conducted by BSI. 7. PT. Sumber Hasil Prima (SAP): Land legality compliance still same with last draft NPP notification of PT. Sumber Hasil Prima that reported on 17 February 2017. NPP assessment conducted by BSI. 8. PT. Sinar Sawit Andalan (SSA): Land legality compliance still same with last draft NPP notification of PT. Sinar Sawit Andalan that reported on 17 February 2017. NPP assessment conducted by BSI. 9. PT. Agrajaya Baktitama (AJB): Land legality compliance still same with last draft NPP notification of PT. Agrajaya Baktitama that reported on 17 February 2017. NPP assessment conducted by BSI.

		<p>10. PT. Batu Mas Sejahtera (BMS): Land legality compliance still same with last draft NPP notification of PT. Batu Mas Sejahtera that reported on 17 February 2017. NPP assessment conducted by BSI.</p> <p>11. PT. Sawit Makmur Sejahtera (SMS): Land legality compliance still same with last draft NPP notification of PT. Sawit Makmur Sejahtera that reported on 17 February 2017. NPP assessment conducted by BSI.</p>
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3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-1 Assessment

NCR No.	Non-Conformity Report					
2016.1	Issued by	:	Mohamad Amarullah	Date Issued	:	23 September 2016
	NC Grade	:	Minor	Timeline of Implementation	:	ASA-2
	Verified by	:	Leonada	Date Closed	:	20 October 2017 (ASA 2)
<p>Standard Reference and Requirement: 2.1.2 Documented system, includes written information on legal requirements, should be maintained</p>						
<p>Non-Conformance Description: The Department of Legal was not be able to shows the list of regulations document and its update monitoring. Among regulation which need to be provided and implemented are Government Regulation No. 104 issued in 2015 about Procedures for Change and Function of Forest Area and Province on Kalimantan Tengah Regulation No. 5 issued in 2015 about Spatial Planning Central Kalimantan province Years 2015-2035.</p>						
<p>Location : PT Agro Bukit</p>						
<p>Root Cause: Have not reviewed the laws and regulations related to the legality of the land, thus less responding to the requirements that have not been met.</p>						
<p>Corrective Action: Reviewing all the requirements in the laws and regulations concerning the legality of land tenure of plantation, so that identified all the requirements that have been fulfilled and that has not been fulfilled.</p>						
<p>Preventive Action: Create Action Plan to meet the requirements of the law, so it will be clear what activities to take, when to do, and who will do.</p>						
<p>Auditor Evaluation & Conclusion: Verification 20 October 2017 The Company has evaluated the list of requirements and regulations related to legality that are under the department's legal responsibilities. Review September 2017, in its there have been regulations such as PP. 104 of 2015 on Procedures for the Change and Function of Forest Areas and Provincial Regulations of Central Kalimantan. 5 of 2015 on Central Kalimantan Provincial Spatial Plan of 2015-2035</p> <p>Based on the root cause analysis, the preventive action plan and evidence of improvement indicated then the nonconformity can be stated closed.</p>						

NCR No.	Non-Conformity Report					
2016.3	Issued by	:	Trismadi Nurbayuto	Date Issued	:	23 September 2016
	NC Grade	:	Minor	Timeline of Implementation	:	ASA-2
	Verified by	:	Leonada	Date Closed	:	20 October 2017 (ASA-2)
Standard Reference and Requirement: 2.2.2. Legal boundaries must be clearly defined and looks well taken care of.						
Non-Conformance Description: The company could not show SOP legal boundary demarcation and maintenance, record the inventory boundary markers do not correspond to the actual conditions in the field. For example the inventory stakes in AB 037 Lenggana River Estate is not there, but the results of field visits in the block O06 stakes available.						
Location : Estate						
Root Cause: The company does not have SOPs on how to complete and monitor the existence of the boundaries of the company's land, resulting in a mismatch between the boundary marks on the map and the fact that there is a field						
Corrective Action: Re-check the suitability between the boundary marks on the map with boundary marks in the field, so the boundaries of the land on the map match the reality of the field						
Preventive Action: Make SOPs on how to complete and monitor the presence of land border marks in the field and written on the map.						
Auditor Evaluation & Conclusion: Verification 20 October 2017 The company shows SOP of demarcation and borderline maintenance that is SOP of Legal Boundary No. GPS 1.1 dated July 15, 2016 authorized by the General Manager. The company shows survey documents Monitoring Condition of Boundary Gardens period August 2017. In the document is monitored poles condition, condition of paint, writing condition and cleanliness of area poles. Poles recapitulation: - SBE: 10 - SLE: 5 - SWE: 23 - TPE: 16 Pole AB 037 block O06 from the findings on the previous ASA there is no monitored stok SLE because the location is actually SWE. Judging from the monitoring of SWE poles it is known that there is a stipulation AB 037 in block O06 according to the result of field visit Accordingly, the minor incompatibility of ASA 1 can be declared closed .						

NCR No.	Non-Conformity Report			
2016.4	Issued by	:	Leonada	Date Issued : 19 October 2016
	NC Grade	:	Minor to Major	Timeline of Implementation : 19 December 2017
	Verified by	:	Afiffuddin	Date Closed : 13 December 2017
Standard Reference and Requirement (<i>Referensi Standar dan Pesyaratan</i>):				
4.7.5				
For first aid equipment should always be available at the workplace.				
Non-Conformance Description				
Based on observations in Sungai Binti Mill workshop found that first aid box was unavailable in area with potentially hazard.				
Location Mill				
Root Cause				
Less evaluate between the needs of placement of First Aid drugs and their contents with the risk of injury that can occur at work location				
11 November 2017				
The current control system is less effective				
Corrective Action				
Placing the first aid kit along with its medicine in the workshop area SBM (PIC: Saepul) Dead Line: March 2017				
11 November 2017				
Installing the first aid kit in hazardous areas includes Mill and estates, as well as Completing the contents of first aid boxes that do not conform to the standard. (PIC: Dokter and EHS)				
Preventive Action				
Make a standard check box of first aid kit that must be in every location and checked the condition periodically at least 4 months. (PIC: Saepul) Dead Line: March 2017				
11 November 2017				
Revise first aid SOPs by listing the additional obligations "safety officer" to report to each manager every 3 months related to condition of first aid and make submission of minimum 3 month (PIC: Pak Saepul)				
Conduct supervision and socialization of revised SOPs (PIC: Pak Saepul)				
Auditor Evaluation & Conclusion				
20 October 2017				
Based on the results of field observation at Sungai Binti Mill Workshop, found to have available first aid box with the contents of first aid box of 20 items in accordance with the justification of the company doctor for the contents of first aid box in building 20 items and 13 items in the field.				

NCR No.	Non-Conformity Report
	<p>However, based on field observations in the Sungai Binti Estate, Sawahan Estate and Sungai Binti Mill, there were several non conformities, as follows :</p> <ul style="list-style-type: none"> • Found the contents of first aid kit at Sungai Binti Estate Storehouse Office only 11 items • Found the contents of first aid kit at Sawahan Estate Warehouse Office only 13 items • Found the contents of the first aid box at Central Workshop of Sungai Binti Estate Nathrium Chloride liquid has expired • Found the contents of the first aid box at Sungai Binti Mill Boiler Station only 13 items and the use is not listed on the box contents • Found the contents of the first aid box at Engine Room Sungai Binti Mill Station only 12 items <p>This is not in accordance with the Doctor's Recommendations regarding First Aid Bag and First Aid Box and First Aid Box Procedures on Accidents, document number SOP.EHS.ERP-01. So Minor's non-conformity becomes Major.</p> <p>Verification on 13 December 2017 PT Agro Bukit has presented the following documents:</p> <ul style="list-style-type: none"> - The proof of installation of the first aid Box at the Binti Mill Workshop is in line with the set - Data distribution of first aid boxes installed in hazardous areas, namely workshop, engine room, boiler station, Binti Mill office, Office Process, Lenggana Estate Estate Warehouse, Sawahan Estate Warehouse and Central Workshop. - Standard checklist Table of contents First Aid Box - First Aid Procedure On Accidents, document number SOP.EHS.ERP-01, Revision / Date 01/11 - 11 - 2017, which among others explains that the Safety Officer is required to report the results of first aid checks and report to each manager as well make requests to the clinic at least 3 (three) months - Evidence of SOP socialization in the form of photos and attendance list at Sungai Binti Mill on 20 November 2017 which was attended by 31 participants. <p>Based on the documents shown, it can be concluded that PT Agro Bukit has done Preventive Action. Evidence of improvements on findings of nonconformities has been demonstrated on 20 October 2017. So based on the information, the NC in this indicator is closed with observation.</p>

NCR No.	Non-Conformity Report					
2016.5	Issued by	:	Yohanes Hardian	Date Issued	:	23 September 2016
	NC Grade	:	Minor	Timeline of Implementation	:	ASA-2
	Verified by	:	Y. Wisnu Rahmanto	Date Closed	:	20 October 2017
	<p>Standard Reference and Requirement: 5.2.5. If a policy not to use the land for HCV (HCV set-asides) as well as the rights of local communities have been identified, there must be evidence that already reached an agreement that has been negotiated to protect the rights of local communities HCV and optimally.</p> <p>Non-Conformance Description: Based on the results of the visit to the area HCV 4.1 Border River Lenggana in blocks N11 Sawahan Estate. The area has been managed by the communities into rubber plantations and palm oil. But there can be shown a map of the area controlled by the community as well as the process of negotiations to reach an agreement in the area of protection of the HCV.</p>					

NCR No.	Non-Conformity Report
	<p>Location : Estate</p> <p>Root Cause: Lack of identifying the rights of communities within HCV areas and lacking communications with key stakeholders to protect community rights and protect HCVs within them.</p> <p>Corrective Action: Mapping the existing HCV areas of community rights, such as community gardens, shelter, etc. (PIC: GIS) Then approach the community to explain the clarity of their rights within the HCV area and discuss how to protect the HCV sustainability within it. Until there is a written agreement between the company and the public to protect the HCV area. (PIC: Community Relationship)</p> <p>Preventive Action: Conduct periodic checks on HCV areas of potential damage and breach of agreements between companies and communities, at least every 4 months. Including meeting with the surrounding community to protect the HCV area at least once a year to enforce the agreement that has been made.</p> <p>Auditor Evaluation & Conclusion: 20 October 2017 The certificate holder has shown evidence of improvements such as Community Garden Map at HCV Location Scale 1: 12,500, ID: 03DK1710015. The map has described the area of community gardens in the HCV area (Lempana River border) with mixed plant species, Rubber, Pineapple, Sawit and Sengon located in Sawahan Estate (due to the dominant occupational land in the HCV area at Sawahan Estate). Meanwhile, to reach a written agreement between the community and the companies related to the protection of the HCV area and the prohibition of land use within the HCV area, the steps taken by the company are the socialization of HCV Management and Fire Prevention / Prevention on 17 June 2017, attended by 17 villagers of Pasir Putih. According to management's explanation that to reach a written agreement is not easy, due to the characteristics of the local community and prevent the potential for other social conflicts that will actually disrupt the company. Therefore, the steps that can be done to date through socialization. Auditor's conclusion: Considering the social condition of the community around the company, the improvements made are acceptable. Furthermore, the company needs to establish a time / target plan when a written agreement will be made according to the HCV Management and Monitoring Plan. NC can be stated closed.</p>

NCR No.	Non-Conformity Report																		
2016.6	<table border="1"> <tr> <td>Issued by</td> <td align="center">:</td> <td>Yohanes Hardian</td> <td>Date Issued</td> <td align="center">:</td> <td>23 September 2016</td> </tr> <tr> <td>NC Grade</td> <td align="center">:</td> <td>Minor</td> <td>Timeline of Implementation</td> <td align="center">:</td> <td>ASA-2</td> </tr> <tr> <td>Verified by</td> <td align="center">:</td> <td>Rizliani Aprianita Hsb</td> <td>Date Closed</td> <td align="center">:</td> <td>20 October 2017</td> </tr> </table> <p>Standard Reference and Requirement (Referensi Standar dan Pesyaratan): 5.3.3 Disposal plans and waste management to avoid or reduce pollution should be documented and</p>	Issued by	:	Yohanes Hardian	Date Issued	:	23 September 2016	NC Grade	:	Minor	Timeline of Implementation	:	ASA-2	Verified by	:	Rizliani Aprianita Hsb	Date Closed	:	20 October 2017
Issued by	:	Yohanes Hardian	Date Issued	:	23 September 2016														
NC Grade	:	Minor	Timeline of Implementation	:	ASA-2														
Verified by	:	Rizliani Aprianita Hsb	Date Closed	:	20 October 2017														

NCR No.	Non-Conformity Report
	implemented.
	<p>Non-Conformance Description Based on the results of visits in the factory is known there is drum packaging oil (B3 waste) is used as a trash. This is not in accordance with the SOP of waste management NO SOP EHS LIM-01 and Government Regulation no. 101 years 2014.</p> <p>Location (Lokasi): Mill</p>
	<p>Root Cause Less enforce the implementation of the treatment of B3 waste packaging despite the existence of its SOP</p>
	<p>Corrective Action Draw all drum waste as well as Jerry Can ex material B3 from SBM Factory used for venue collect the non B3 waste at the workplace location and collect it in the B3 warehouse to be handed over to the 3rd party that already has his license. (PIC: Saepul) Dead Line: March 2017</p>
	<p>Preventive Action Review SOP of waste management NO SOP EHS LIM-01, in accordance with Government Regulation No.101 year 2014, then disseminates the SOP to all relevant departments containing B3 waste. (PIC: Saepul) Dead Line: March 2017</p>
	<p>Auditor Evaluation & Conclusion Field observation results such as in the factory and residential area known that there is no drum packing oil used as a trash. In addition, the company has also monitored the former packaging of chemicals such as oil drum packaging and store it in the LB3 TPS warehouse. NC can be stated closed.</p>

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-2 Assessment

NCR No.	: 2017.1	Issued by	: Rizliani Aprianita Hsb
Date Issued	: 20 October 2017	Time Limit	: 19 December 2017
NC Grade	: MAJOR	Date of Closing	: 19 December 2017
Standard Ref. & Requirement	6.5.1 Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.		
<p>Non-Conformance Description & Evidence observed (filled by auditor):</p> <p>The results of the document verification Daily log sheet and interview with the genset operator, known that the worker was working overtime every day in September 2017. However, there was not enough evidence that the overtime payment has been in accordance with overtime hours on the log sheet including overtime hours on holidays. This has not been in accordance with regulation no 102 of 2004.</p>			
<p>Root Cause Analysis (filled by organization audited):</p> <p>There is no clarity from the company about genset operator working hours and clear rules about overtime on holidays, so employees assume that daily log sheet Genset (working hour generator machine) is considered as</p>			

working hours of the generator's employees, so that if the genset life 12 hours , then employees feel working 12 hours anyway. Yet in reality it is not the case.

Correction *(filled by organization audited):*

Establish clear rules governing the working hours of the employee of the generator as well as the arrangement of overtime hours on holidays, after which explains to all employees of generator, related to working hours and overtime for all employees of generator. (PIC: HRD Manager)

Corrective Action *(filled by organization audited):*

1. Make additional work agreements with employees and include them in the "addendum" work agreement (PIC: HRD Manager)
2. Ensure attendance and employee overtime are recorded in the foreman's workbook (BKM) (PIC: HRD Manager)

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

Verification on 16 December 2017

The company shows the agreement documents with the genset workers and the work documents of the foreman.

Verification on 19 December 2017

The Company shows the document of agreement dated 19 December 2017. As in the addendum explained that working hours genset part is 7 hours a day. If there is an overtime work it is limited and counted for only 2 hours a day and for weekday / national holidays overtime work is limited and counted for only 3 hours. In addition, the company also shows a foreman workbook that includes attendance and employees' overtime hours.

The Company also shows proof of overtime payment for the employee with details of total overtime wages for a typical day of Rp. 1,392,482 and overtime for holiday is Rp. 367,244 with total overtime wages of Rp. 1,750,726. Based on the information, NC 2017.1 shall be declared **closed with Observation**.

Verified by : Rizliani

NCR No.	: 2017.2	Issued by	: Y. Wisnu Rahmanto
Date Issued	: 20 October 2017	Time Limit	: 19 December 2017
NC Grade	: MAJOR	Date of Closing	: 16 December 2017
Standard Ref. & Requirement	SCCS Requirements Modul E: CPO Mills – Mass Balance Clause E.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
Sungai Binti Mill has certified production projection listed in Annex ASA-1 Certificate for the period of 4 December 2016 - 3 December 2017, as per the table below:			
	Product	Estimated based on Annex Certificate 4 December 2016 – 3 December 2017	Actual production of certified product 4 December 2016 – 14 October 2017
	FFB	229,135	224,078.45 Below
	CSPO	52,128	49,090.90 Below

CSPK	11,457	11,590.91	Over
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Meanwhile, based on the actual production record on the report of Mass Balance report period 4 December 2016 - 14 October 2017, there is an excess production for Palm Kernel products. However, the Certificate Holder has not presented proof of report to the Certification Body regarding the overproduction.

Root Cause Analysis (filled by organization audited):

The ABCK Finance Manager is not aware of any change in Traceability May 2017 procedures, where there is an obligation to report the occurrence of projected over production of certified products to the certification manager so that the certification manager can forward the report to the certification body. (D-q SOP Traceability points)

Correction (filled by organization audited):

Reporting immediately the occurrence of projected over production to the Certification Agency (PIC: Desy and Wilton)

Corrective Action (filled by organization audited):

Re-socialize SOP traceability to those responsible for implementing production reporting within the company, so that SOP implementation is not forgotten.

Finance Manager regularly reports every 3 months of actual production and re-estimates production to the following month to the Certification Manager. If there is a tendency over production, then the certification manager immediately report it to CB. (PIC: Wilton)

Assessor Evaluation and Conclusion (filled by auditor):

Verification 13 December 2017

The Company has made a root problem analysis, correction and corrective action. The correction shall be made by sending a report to CB on 24 November 2017 by email to Mutuagung Lestari.

Verification 16 December 2017

SOP socialization was conducted on 12 December 2017 to those responsible for production reporting. Based on that, NC can be **stated closed**.

Verified by : **Leonada**

3.5.3 Opportunity for Improvement

No	Ref. Std.	Description
1	1.2.1	Submission of reports to relevant agencies
2	2.1.1	Regular inspection of hauling aircraft Boiler operator training
3	4.7.5	Evacuation guide at Mill
4	5.2.4 5.2.5	Consideration of the frequency of monitoring of RTE species in HCV management plans Timelines in the HCV Management and Monitoring Plan related to community agreements on HCV areas
5	6.5.	BHL work agreement and probation The division of daily minimum wage with a system of 6 working days a week (Observation)

6	7.3.2	Update progress concept note RaCP
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3.5.4 Noteworthy Positive Components

No	Description
1	The company's commitment to implement the principles of sustainable palm oil management
2	Personal Competence (Staff) in their respective fields
3	The Company has obtained: - Proper Blue in the period 2016 - 2017 from the Ministry of Environment and Forestry - BSI Certificate of OHSAS 18001 - 2007 (Occupational Health and Safety Management System) - ISO 14001 - 2004 Certificate (Environmental Management System)
4	Utilization of <i>Muntingia calabura</i> as Biological Control Agency (APH)
5	The use of barcode systems in harvest absenteeism and recording of crops and crops is integrated with the presence of harvests.

3.6 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Management Responses Auditor Responses
Agriculture Agency, District of Kotawaringin Timur <ul style="list-style-type: none"> - Progress report of Plantation Business has reported by company. - PT Agro Bukit has conduct business plantation assessment with Class III, certificate No. 188.44/35/2016 dated 22 January 2016. - The company has realizing some CSR, it has reported on the progress report of plantation business. - Plantation Business Permit has integrated between estate and mill, it's legal prodduct is legitimate. - The company has adequate land fire extinguishers. - The company has proactive to reporting land fire incident, although the land fire accident was outside of cadastral area. And also has reporting regularly report of land fire prevention and land fire control. - When the company has associated smallholders, then FFB price should be refer to the price of government. However FFB price from supplier in accordance to agreement of both parties. 	<p>It has verified by auditor team and it was comply with criteria 2.1.</p> <p>It has verified by auditor team and it was comply with criteria 2.1.</p> <p>It has verified by auditor team and it was comply with criteria 6.10.</p> <p>It has verified by auditor team and it was comply with criteria 6.10.</p>

Public Issues (Institution/ NGO/Community)	Management Responses Auditor Responses
<ul style="list-style-type: none"> - There are no environment contamination issue, in addition there are no FFB theft issues. - So far the company has responded to all request of information by agency. 	<p>It has verified by auditor team and comply with criteria 6.10.</p>
<p>Land Agency, District of Kotawaringin Timur</p> <ul style="list-style-type: none"> - Curently Kalimantan Tengah Province has Spatial Plan in accordance to Governor Regulation No. 5 year 2015 in accordance to Forest Area appointment Map (Forestry Minister Decree No. SK.529/Menhut-II/2012). - According to Spatial Management Planning of Central Kalimantan Province (Regional Regulation No. 8 Year 2003), the concession area of PT Agro Bukit is situated on the Area of Production Development and Residential & Other Purpose Area; while the Status of Forest Area of Central Kalimantan Province (Letter of Forestry Minister No. 529 Year 2012) specifies that an area of 7,848 Ha that belongs to PT Agro Bukit is located on the Area of Production Forest and also ± 2,135 ha (north location) as other area of land use. - Curently Government Regulation No. 60 year 2012 was changed with Government Regulation No. 104 year 2015 dated 22 December 2015 about Canging Procedure of Forest Area Function. - process of Land Use Right PT. Agro Bukit is currently awaiting the formation of an integrated team in the framework of assessment of the process of swapping areas in Regent of Katingan 	<p>It has verified by auditor team and comply with criteria 2.1 and 2.2</p>
<p>Environment Agency, District of Kotawaringin Timur</p> <ul style="list-style-type: none"> - The company has submit extending of schedule waste licensed to environment agency, it has been recommended to Economic Sector. However up to now there are no Decree Letter from the Head of Kotawaringin Timur District. - Land application is still valid from 2014 till 2019. - The company has manage the infectious hazardous waste on the schedule waste licensed. - The company was reporting land fire incident in HCV area which because from the community land. We suggest to company to resocializing the villagers and coordinate with sub district government. - There are no environment contamination issues from estate and mill operation. - Regularly implementation of environment management plan report was reported to the agency every semester. The company has been reported quarterly report for hazardous waste management and quarterly report of water waste management. - There are no issue land fires in the company. - We has conduct field inspection year 2015, there are no 	<p>It has verified by auditor team and comply with criteria 2.1.</p> <p>It has verified by auditor team and comply with with criteria 5.3.</p> <p>It has verified by auditor team and comply with criteria 4.2.</p> <p>It has verified by auditor team and comply with criteria 2.1. It has verified by auditor team and comply with criteria 5.1.</p>

Public Issues (Institution/ NGO/Community)	Management Responses Auditor Responses
<p>crusial issues.</p> <ul style="list-style-type: none"> - So far the company has responded to all request of information by agency 	<p>It has verified by auditor team and comply with criteria 1.1.</p>
<ul style="list-style-type: none"> • Man Power Agency, District of Kotawaringin Timur • OHS Norm Inspection and Workers Section, Province of Kalimantan Tengah <ul style="list-style-type: none"> - So far there are no complain from worker related to BPJS Health and BPJS Worker. - Bipartite cooperation has recorded and obtain authorization from Agency. - There are no crucial issues related to Industrial Relation during last year. - Company Regulation is still valid and obtain authorization from agency. - So far the company has responded to all request of information by agency. - Worker Union has recorded and obtain authorization from agency. - There are no Collective Labor Agreement, it cause the worker union active less. - Quarterly OHS Committee report has reported to the agency. - If any work accident, the company always reporting this accident. - Medical checkup result has reported to the agency by company. - The company has welder license. - There are no issues related to OHS Norm, manpower and social security. - According to migrant worker inspection, there are no problem related to legality and social aspect such as force labor. <p>So far the company has responded to all request of information by agency.</p>	<p>It has verified by auditor team and comply with criteria 6.5.</p> <p>It has verified by auditor team and comply with criteria 2.1.</p> <p>It has verified by auditor team and comply with criteria 6.5.</p> <p>It has verified by auditor team and comply with criteria 4.7.</p>
<ul style="list-style-type: none"> • Natai Baru Village • Pasir Putih Village <ul style="list-style-type: none"> - There are 70% community which worked on PT Agro Bukit - The company has realized CSR on education aspect, infrastructure aspect and religion aspect. - The villagers has propose to company related to probability of local contractor from the villagers as FFB transporter, however it still processed by the company. - The company has socialized about complain mechanism by CD Manager. - There are no land conflict issues after last land acquisition in year of 2011. - There are no intimidations from para military during land acquisition process. 	<p>It was verified by auditor team with criteria 6.5</p> <p>It was verified by auditor team with criteria 2.2.</p>

Public Issues (Institution/ NGO/Community)	Management Responses Auditor Responses
<ul style="list-style-type: none"> - The company has been socialized related to HCV. 	
<p>Gender Committee</p> <ul style="list-style-type: none"> • There is no negative issues such as discrimination and sexual abuse or child labor. • Management of the gender committee has the program associated with sexual harassment policies, protection of reproductive rights. Socialization also includes a ban on pregnant and lactating women to spray. Socialization is delivered through meetings like recitation etc. 	<p>It has been verified and stated under principle 6 in the report</p>
<p>EFB Contractor</p> <p>The Communication goes well and The EFB Contractor understand The communication and complaints mechanism.</p> <p>The EFB Contractor agreed that the price set by the company and there are no complaints related to EFB Application Prices or payment system. The entire contents of the agreement are fair and transparent are known by both parties.</p>	<p>It has been verified and stated under criteria 6.10 in the report</p>
<p>Bipartite Cooperation Institution Sungai Binti Estate</p> <ul style="list-style-type: none"> • Workers representatives always informed if there is new information • Workers representatives have representatives in each division • Bipartite Cooperation Institution meetings are held at least every 3 months with the company and once a month or if needed can be done at any time • The wage paid by the company is in accordance with the district minimum wage 	<p>It has been verified and stated under principle 6 in the report</p>
<p>Bipartite Cooperation Institution Sawahan Estate</p> <ul style="list-style-type: none"> • Workers representatives always informed if there is new information • Workers representatives have representatives in each division • Company has paid the wages in accordance with applicable regulation and company has given any workers facilities to the workers including BPJS health and employment. • During the audit, there were no complaints from workers. previous complaints can be resolved well by the company and workers. 	<p>It has been verified and stated under principle 6 in the report</p>
<p>Labor Union</p> <p>based on interviews with the chairman of Labor Union who is also the chairman of Bipartite TPE, Labor union in a state of vacuum. This is because workers who join union members are only 163 people. Labor union and has socialized the union to</p>	<p>It has been verified under principle 6 in the report</p>

Public Issues (Institution/ NGO/Community)	Management Responses Auditor Responses
<p>employees, but until now the membership is still not increased due to various factors. For example, the factor of employee education is still low.</p>	
<p>Hartani (FFB suppliers)</p> <p>CH refers to FFB pricing from Plantation Agency. It been informed with email to FFB suppliers. The mechanism of FFb pricing was made through FFB purchasing agreement.</p> <p>The contract is fairly and transparent. There is no coercion from the company to sign the contract. Contract between the Sungai Binti Mill just began in two months and the payment has made in timely manner after the Mill received the FFB's.</p>	<p>It has been verified under criteria 6.10 in the report</p>

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Sign-off of Assessment Findings

Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.

Signed on behalf of:

PT Agro Bukit
Management Representative

Mutuagung Lestari
Lead Auditor



Wilton Simanjuntak
19 December 2017



Leonada
19 December 2017

APPENDICES

Appendix 1. List of Stakeholder Contacted in the RSP0 Certification Process

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1.	Agriculture Agency	District of Kotawaringin Timur	-	Interview	17 October 2017	√	
2.	Land Agency	District of Kotawaringin Timur	-	Interview	17 October 2017	√	
3.	Environment Agency	District of Kotawaringin Timur	-	Interview	17 October 2017	√	
4.	Man Power Agency	District of Kotawaringin Timur	-	Interview	17 October 2017	√	
5.	OHS Norm Inspection and Workers Section, Province of Kalimantan Tengah	District of Kotawaringin Timur	-	Interview	17 October 2017	√	
6.	Natai Baru Village	District of Kotawaringin Timur	-	Interview	18 October 2017	√	
7.	Pasir Putih Village	District of Kotawaringin Timur	-	Interview	18 October 2017	√	
8.	Gender Committee	District of Kotawaringin Timur	-	Interview	18 October 2017	√	
9.	EFB Contractor	District of Kotawaringin Timur	-	Interview	18 October 2017	√	
10.	Bipartite Cooperation Institution Sungai Binti Estate	District of Kotawaringin Timur	-	Interview	18 October 2017	√	
11.	FFB Supplier (Hartani)	District of Kotawaringin Timur	-	Interview	18 October 2017	√	
12.	TUK Indonesia	-	office@tuk.or.id	By email	10 October 2017		√
13.	Green Peace Indonesia	-	info.id@greenpeace.org	By email	10 October 2017		√
14.	AMAN	-	rumahaman@cbn.net.id	By email	10 October 2017		√
15.	Sawit watch	-	info@sawitwatch.or.id	By email	10 October 2017		√
16.	WWF Indonesia	-	wwf-indonesia@wwf-or.id	By email	10 October 2017		√
17.	Wahana Lingkungan Hidup Indonesia	-	informasi@walhi.or.id	By email	10 October 2017		√
18.	Sungai Binti Estate <ul style="list-style-type: none"> • 1 male foreman and 4 female herbicide aplicators • 1 foreman and 4 harvester • 1 male foreman, 1 male and 6 female fertilizer workers • 1 female pest control 	PT Agro Bukit	-	Interview	17 – 19 October 2017	√	

<p>office</p> <ul style="list-style-type: none"> • 1 male foreman and 4 female workers manual weed control <p>Sawah Estate</p> <ul style="list-style-type: none"> • 1 male foreman and 5 female herbicide applicators] • 1 foreman and 5 harvester • 1 male foreman and 7 female fertilizer workers • 1 male foreman and 1 male EFB application contractor's worker • 1 male foreman and 2 female pest control applicators <p>Sungai Binti Mill</p> <ul style="list-style-type: none"> • 5 Mill station workers • 6 emergency response officer 						
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Appendix 2. Assessment Program

DATE		16 – 20 October 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 16 October 2017			
11.15 – 12.40	11.15 – 12.40	JAKARTA → SAMPIT	• YWR / LEO / RAH / AFN
12.40 – 14.40	12.40 – 14.40	Travelling SAMPIT → PT. AGRO BUKIT	
15.00 – 16.00	15.00 – 16.00	Opening meeting <ul style="list-style-type: none"> • Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) • Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	• YWR / LEO / RAH / AFN
16.00 – 17.00	16.00 – 17.00	Verification of Time Bound Plan, Partial Certification, RaCP Progress (if any)	
Tuesday, 17 October 2017			
08.00 – 12.00	08.00 – 12.00	Stakeholder consultation to affected communities surrounding the plantations. Public consultation to relevant statutory bodies Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Estate) Field observation to Sungai Binti Estate : <ul style="list-style-type: none"> • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Implementation of Environmental and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) • Implementation of HCV management area and legal boundaries. • Implementation of Occupational Health & Safety Aspect • Implementation of Employment Procedure and Mechanism Aspect • Observation of Workers Facilities (Housing, School, Worship Place). 	LEO LEO RAH / AFN YWR / AFN / RAH
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> • Confirmation of Field Observation • Completing Checklist • Verification of Basic Information Estate • Confirmation of Time Bound Plan, Partial Certification, RaCP Progress (if any) 	YWR / LEO / RAH / AFN
Wednesday, 18 October 2017			
08.00 – 12.00	08.00 – 12.00	Stakeholder consultation to affected communities surrounding the plantations. Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Smallholder Cooperative, Local Contractor (for Estate)	LEO RAH / AFN

DATE		16 – 20 October 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		Field observation to Sawah Estate : <ul style="list-style-type: none"> • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Implementation of Environmental and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) • Implementation of HCV management area and legal boundaries. • Implementation of Occupational Health & Safety Aspect • Implementation of Employment Procedure and Mechanism Aspect • Observation of Workers Facilities (Housing, School, Worship Place). 	YWR / RAH / AFN
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> • Confirmation of Field Observation • Completing Checklist • Verification of Basic Information Estate • Confirmation of Time Bound Plan, Partial Certification, RaCP Progress (if any) 	LEO / YWR / RAH / AFN
Thursday, 19 October 2017			
08.00 – 12.00	08.00 – 12.00	Field observation to Sungai Binti POM : <ul style="list-style-type: none"> • Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) • Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) • Confirmation of Field Observation • Completing Checklist • Verification of Basic Information Mill 	LEO / YWR / RAH / AFN
12.00 – 14.00	12.00 – 14.00	BREAK	LEO / YWR / RAH / AFN
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> • Confirmation of Field Observation • Completing Checklist • Verification of Basic Information Estate • Confirmation of Time Bound Plan, Partial Certification, RaCP Progress (if any) 	LEO / YWR / RAH / AFN
Friday, 20 October 2017			
08.00 – 09.00	08.00 – 09.00	Closing Meeting	LEO / YWR / RAH / AFN
09.00 – 10.30	09.00 – 10.30	Travelling from audit location to Sampit.	
13.00 – 14.00	13.00 – 14.00	SAMPIT → JAKARTA (return Flight)	