

Audit Report

3rd Annual Surveillance Audit and its Follow Up for

PT. Tunggal Yunus Estate, Topaz Mill and its Supply Bases

FMS40004

RSPO Membership number: 1-0022-06-000-00 - PT. Inti Indosawit Subur
Including child numbers for each certification unit

Audited Address:

Topaz Mill:

Petapahan Village, Tapung District, Kampar Regency, Riau Province, Indonesia

Supply Bases:

Topaz Estate:

Petapahan Village, Tapung District, Kampar Regency, Riau Province, Indonesia

Date of audit : 11 – 15 December 2017

Date of Follow up Audit : 06 – 07 February 2018

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Executive Overview

SAI Global has conducted the 3rd Annual Surveillance Audit on 11-15 December 2017 for:

Certified Units

- a. Mill : Topaz Mill
- b. Supply bases : Topaz Estate
- c. Model of Supply Chain Certification (IP/MB/SG) : MB

For Kebun Seed Garden (KSG) has been merged to Topaz Estate on 1 November 2017, KSG has become Afdeling IV-Topaz Estate. The reason of this merger is for more effective and efficient management. The area has been checked during audit, and has been mentioned in the areal statement of PT. Tunggal Yunus Estate in November 2017.

The audit concluded with issuance of 11 NCRs (10 Major NCRs and 1 minor NCR). There was 1 minor recurrence NCR from first surveillance audit (indicator 6.1.4), so that upgraded becomes the Major NCR. Follow up audit to verify the correction and corrective action plan has been conducted on 06-07 February 2018 (on site) at site PT. Tunggal Yunus Estate (Topaz Mill and its Supply Base) and the Major NCR was closed out.

The estimate figures of production offered based on this audit are:

Estimated tonnage of certified CPO produced	28,944 MT
Estimated tonnage of certified PK produced	7,536 MT

The audit concluded that PT. Tunggal Yunus Estate Topaz Mill and its Supply Bases operation were found complies the requirements of the Generic RSPO Principles and Criteria for Sustainable Palm Oil Production, 2016 (INANI) and RSPO Supply Chain Certification Standard, CPO Mill, Module E Mass Balance, November 2014.

Therefore PT. Tunggal Yunus Estate Topaz Mill and Supply Bases can continued to be certified as RSPO Mass Balance Model CPO and PK producer.

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The Mill has calculated the net GHG emissions using The RSPO Palm GHG Calculator Version 3.0.1 and that data inputs are verified to be accurate. Capturing the information about summary of net GHG emissions, summary of field emissions and sinks, and summary of mill emissions and credits.

Summary of net GHG emissions

Emissions per Product	tCO ₂ e/ton Product
CPO	9.38
PK	9.38

Land use	ha
OP planted area	4,194
OP planted on peat	4,194
Conservation (forested)	0
Conservation (non-forested)	32
Either	48
Total	4,274

Production	Ton/year
FFB processed	253,193
CPO Produced	51,167
PK Produced	

Extraction	%
OER	20.21
KER	5.70

Summary of field emissions and sinks

	Own Crop		Group		3rd Party		Total	
	tCO ₂ e	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/t FFB
Emissions								
<i>Land Conversion</i>	42,212.71	0.37	0	0	0	0	0	0
<i>*CO₂ Emissions from Fertilizer</i>	2,703.50	0.02	0	0	0	0	0	0
<i>**N₂O Emissions</i>	36,689.72	0.32	0	0	0	0	0	0
<i>Fuel Consumption</i>	1,215.28	0.01	0	0	0	0	0	0
<i>Peat Oxidation</i>	233,360.40	2.05	0	0	0	0	0	0
Sinks								
<i>Crop Sequestration</i>	-40,012.05	-0.35	0	0	0	0	0	0
<i>Conservation Sequestration</i>	0	0	0	0	0	0	0	0
Total	276,169.56	2.42	0	0	328,592.24	0	0	0

Summary of mill emissions and credits

	tCO₂e	tCO₂e/t FFB
Emissions		
POME	38,434.48	0.15
Fuel Consumption	326.19	0
Grid Electricity Utilization	0	0
Credits		
Export of Grid Electricity	-551.49	0
Sales of PKS	-27,614.40	-0.11
Sales of EFB	0	0
Total	10,594.62	0.04

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 %

Abbreviations Used

AK3U	Occupational Health and Safety Expert (<i>Ahli K3 Umum</i>)
AMDAL	Environmental Impact Analysis (<i>Analisis Dampak Lingkungan</i>)
AME	Area Manager Engineering
BHL	Daily worker (<i>Buruh Harian Lepas</i>)
BKM	Log book of group leader activity (<i>Buku Kegiatan Mandor</i>)
BLH	Environmental Agency (<i>Badan Lingkungan Hidup</i>)
BLRS	Bah Lias Research
BOD	Biological Oxygen Demand
BPN	National Land Agency (<i>Badan Pertanahan Nasional</i>)
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
DO	Delivery Order
EFB	Empty fruit bunch
EMS	Environmental Management System
EWS	Early Warning System
FFB	Fresh Fruit Bunch
GAPKI	Indonesian Palm Oil Association (<i>Gabungan Pengusaha Kelapa Sawit Indonesia</i>)
GPS	Global Positioning System
Ha	Hectare
HCV	High Conservation Value
HGU	Land Use Title (<i>Hak Guna Usaha</i>)
GHG	Green House Gases
HIPERKES	Industrial Hygienist
HO	Head Office
IDN	Indonesia
IPM	Integrated Pest Management
ISCC	International Sustainability Carbon Certification
ISO	International Standards Organisation
ISPO	Indonesia on Sustainable Palm Oil
Jamsostek	Man Power Social Assurance (<i>Jaminan Sosial Tenaga Kerja</i>)
Kepmen	Degree of Man Power Ministry (<i>Keputusan Menteri Tenaga Kerja</i>)
KTU	Head of Administration (<i>Kepala Tata Usaha</i>)
LA	Land Application
LD	Lethal Dosage
LSU	Leaf Sampling Unit
LTI	Loss Time Incident
MCU	Medical Check-Up
MSDS	Material Safety Data Sheet
MT	Metric Ton
NCR	Non Conformance Report
NGO	Non-Government Organisation
OER	Oil Extraction Rate
OHS	Occupational Health and Safety
OHSAS	Occupational Health and Safety Assurance Services
P2K3	OHS Committee
P&C	Principle and Criteria
PEL	Environmental Evaluation Presentation (<i>Penyajian Evaluasi Lingkungan</i>)

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Permen/Permenaker	Regulation of Man Power Ministry (<i>Peraturan Menteri Tenaga Kerja</i>)
Permentan	Regulation of Agricultural Ministry (<i>Peraturan Menteri Pertanian</i>)
PK	Palm Kernel
PKB	Joint Working Agreement (<i>Perjanjian Kerja Bersama</i>)
PKWT	Contracted worker (<i>Pekerja Waktu Tertentu</i>)
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PP	Government Regulation (<i>Peraturan Pemerintah</i>)
PPE	Personal Protective Equipment
PUK	Caretaker Unit (<i>Pengurus Unit Kerja</i>)
QC	Quality Control
R&D	Research and Development
RABQSA	Quality Society of Australia
RKH	Daily Work Plan (<i>Rencana Kerja Harian</i>)
RKL	Environmental Management Plan (<i>Rencana Pengelolaan Lingkungan</i>)
RPL	Environmental Monitoring Plan (<i>Rencana Pemantauan Lingkungan</i>)
RSPO	Roundtable on Sustainable Palm Oil
SCCS	Supply Chain Certification System
SG	Segregation
SIA	Social Impact Assessment
SIO	Operator Lisence (<i>Surai Ijin Operasi</i>)
SMK3	Occupational Health and Safety Management System (<i>Sistem Manajemen Kesehatan dan Keselamatan Kerja</i>)
SPSI	Indonesian Worker Union (<i>Serikat Pekerja Seluruh Indonesia</i>)
SOP	Standard Operational Procedure
UKL	Environmental Management Effort (<i>Upaya Pengelolaan Lingkungan</i>)
UPL	Environmental Monitoring Effort (<i>Upaya Pemantauan Lingkungan</i>)
WALHI	Indonesian NGO for Environment (<i>Wahana Lingkungan Hidup Indonesia</i>)
WWF	World Wild Fund
WWTP	Waste Water Treatment Plant

1.0 SCOPE OF THE ASSESSMENT

1.1 Introduction

SAI Global conducted the 3rd annual surveillance audit on 11 – 15 December 2017 at PT. Tunggal Yunus Estate – Topaz Mill and its Supply Bases. The follow up audit of the Major NCR for reviewing the verification of effectively was conducted on 06 – 07 February 2018 (on-site) at PT. Tunggal Yunus Estate Topaz Mill and its Supply Bases and the Major NCR was closed out

The purpose of this audit report is to summarise the degree of compliance with the relevant criteria, as defined on the cover page of this report, based on the evidence obtained during the audit of your organisation.

SAI Global audits are carried out within the requirements of SAI Global procedures that also reflect the requirements and guidance provided in the international standards relating to audit practice such as ISO/IEC 17021, ISO 19011, RSPO Certification System, relevant RSPO Supply Chain Certification System and other normative criteria. SAI Global Auditors are assigned to audits according to industry, standard or technical competencies appropriate to the organisation being audited. Details of such experience and competency are maintained in our records. The audit team is detailed in the attached audit record.

In addition to the information contained in this audit report, SAI Global maintains files for each client. These files contain details of organisation size and personnel as well as evidence collected during preliminary and subsequent audit activities (Documentation Review and Scope) relevant to the application for initial and continuing certification of your organisation.

Details of your primary contact persons and their contact details and site addresses are also maintained. Please take care to advise us of any change that may affect the application/certification or may assist us to keep your contact information up to date, as required by SAI Global Terms and Conditions.

Please note that this report is subject to independent review and approval. Should changes to the outcomes of this report be necessary as a result of the review, a revised report will be issued and will supersede this report.

1.2 Audit Objective

The purpose of this surveillance audit was to determine continuing compliance of your organization's management system with the audit criteria; and its effectiveness in achieving continual improvement and system objectives in accordance with RSPO P&C Standard INANI 2016 and RSPO Supply Chain Standard 2014.

Also to verify the volume of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers, and the implementation of any processing controls.

1.3 Scope of certification

The scope of certification is the CPO and PK production from one (1) Palm Oil Mill and FFB supply bases comprising one (1) palm oil estates owned by PT. Tunggal Yunus Estate (Topaz Estate). There were receiving of the other supply bases during Desember 2016 – November 2017 from independent smallholders.

1.4 Location of mill and estates

1.4.1 Palm Oil Mill

Topaz Mill, PT. Tunggal Yunus Estate.

Location : Petapahan Village, Tapung District, Kampar Regency, Riau Province, Indonesia
 GPS Location : East 100° 56' 06" North 0° 41' 22"
 Mill Capacity : 45 MT FFB/hour

1.4.2 Oil Palm Estate

Topaz Estate, PT. Tunggal Yunus Estate.

Location : Petapahan Village, Tapung District, Kampar Regency, Riau Province, Indonesia
 GPS Location : East 100° 55' 40" - 101° 00' 05" North 0° 38' 08" - 0° 43' 45"
 Certified Area : 4,124 Ha
 Planted Area : 4,044 Ha

Table 1: Mill and Estates GPS Locations

MILL AND ESTATE	EASTING	NORTHING
Topaz Mill	100° 56' 06"	0° 41' 22"
Topaz Estate	100° 55' 40" - 101° 00' 05"	0° 38' 08" - 0° 43' 45"

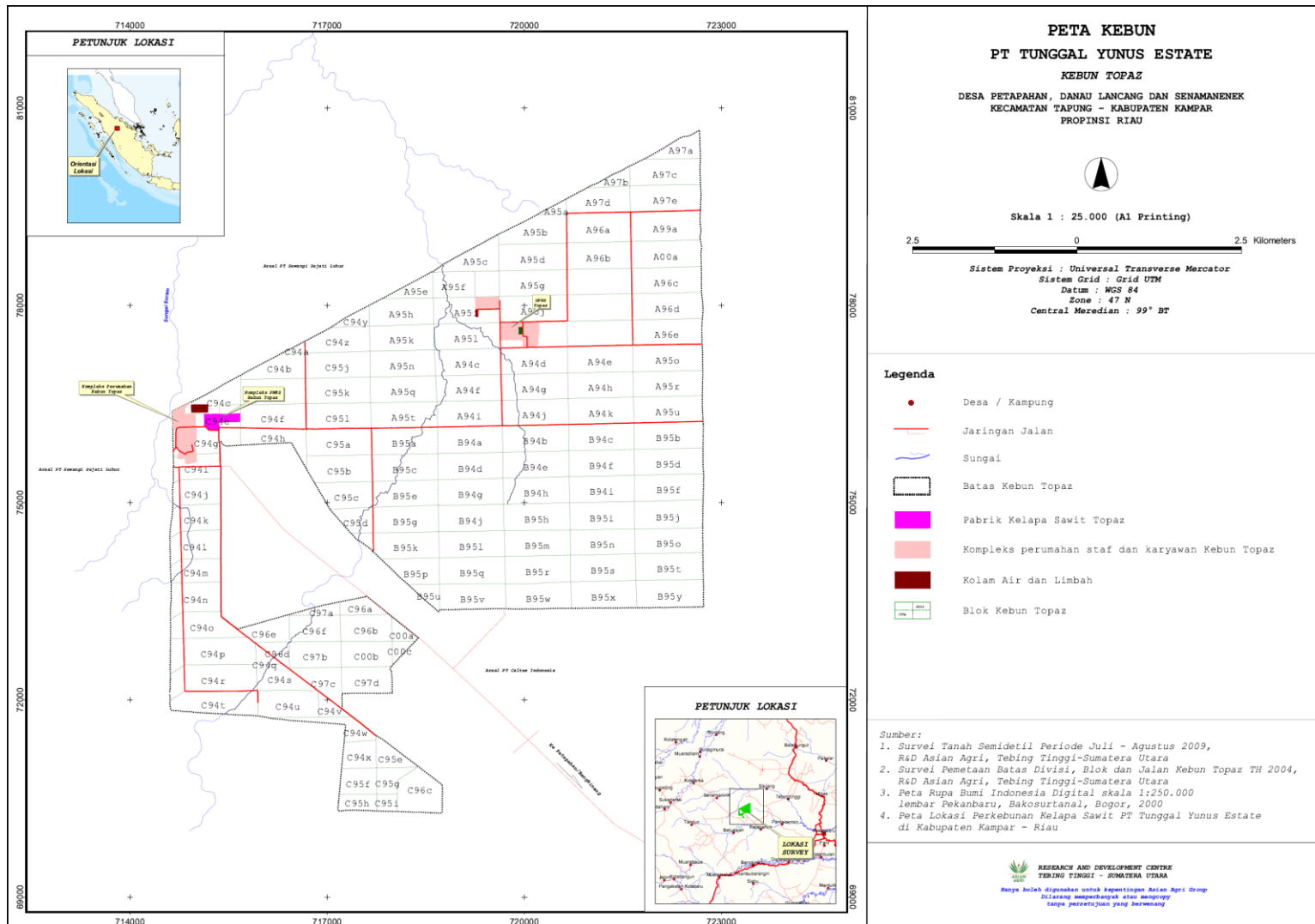
1.5 Description of supply base

The FFB sources are one (1) palm oil estates owned by PT. Tunggal Yunus Estate. For Kebun Seed Garden (KSG) has been merged to Topaz Estate on 1 November 2017, KSG has become Afdeling IV-Topaz Estate. The reason of this merger is for more effective and efficient management. The area has been checked during audit, and has been mentioned in the areal statement of PT. Tunggal Yunus Estate in November 2017. There were receiving of the other supply bases during December 2016 – November 2017 from independent smallholders that did not have special/exclusive agreement with the company, the agreement was mentioned of FFB specification required, contract with a period of 1 year, determination of FFB pricing and term of payment. The areas and FFB production of the plantations are shown on Table 2.

Table 2. Estimated FFB Production of the supply base December 2017 – November 2018

ESTATE	TOTAL AREA (HA)	PLANTED AREA (HA)	FFB (TON/YEAR) DECEMBER- NOVEMBER 2018
Topaz Estate (PT. TYE)	4,124	4,044	127,070
Other Supply Base (3 rd Party Estates)	NA	NA	144,731
Total	-	-	272,070

Figure 1. Map of Topaz Estate



1.6 Date of plantings

Table 3: Age Profiles of Planted Palms in 2017

YEAR	TOPAZ ESTATE (HA)	TOTAL (HA)	% OF PLANTED AREA
Mature			
1994	1,469	1,469	36.33
1995	1,842	1,842	45.55
1996	408	408	10.09
1997	205	205	5.07
1999	24	24	0.59
2003	14	14	0.34
2010	48	48	1.19
2013	34	34	0.84
Total Mature	4,044	4,044	100
Total Immature	-	-	-
	-	-	-
Sub Total	-	-	-
Total Planted Area	4,044	4,044	100

Note: Planting Year 2010 and 2013 was replanting for ex-nursery area
Source: PT. TYE, December 2017

1.7 Area of plantation

Table 4: Land use description in 2017

AREA	Topaz Estate (Ha)	Total (Ha)
Mature area	4,044	4,044
Immature area	-	
Total area planted	4,044	4,044
Emplacement and Mill	57	57
Nursery	7	7
HCV	87.8*	87.8*

Other area (road)	16	16
Total area non planted	80	80
Total leased area	4,124	4,124

Note: *: included in planted area

Source: PT. TYE, December 2017

Table 5: Estates and Area Planted in 2017

ESTATE	MATURE (HA)	IMMATURE (HA)
Topaz Estate	4,044	-
TOTAL PLANTED AREA	4,044	-

Source: PT. TYE, December 2017

1.8 Approximate tonnages offered for certification (CPO and PK)

Approximate tonnages offered for certification is estimated based on the organisation last five years actual FFB production from Topaz Estate; also last year CPO and PK, OER and KER of Topaz Mill. Taken into consideration Topaz Mill also processed FFB from external FFB suppliers.

Table 6: FFB Production Trend 2012 - 2016

Estate	Year	Actual FFB Production (MT)
	2012	124,170
	2013	113,808
	2014	130,670
	2015	107,438
	2016	138,327

Source: PT. TYE, December 2017

Table 7: Mill Total CPO and PK Production of 2016 – 2017 and Estimate Production of 2017 - 2018

Supply Base	FFB Processed (MT)	CPO Production (MT)	OER (%)	PK Production (MT)	KER (%)
Actual Production December 2016 – November 2017					
Topaz Estate	123,105	27,594	22.42	7,298	5.93
Sub total	123,105	27,594	22.42	7,298	5.93
Other supply bases (Non-Certified)	138,905	26,075	18.77	8,253	5.94
Total actual production	262,010	53,669	20.48	15,551	5.94
Estimated Production December 2017 – November 2018					
Topaz Estate	127,339	28,944	22.73	7,536	5.92
Sub total	127,339	28,944	22.73	7,536	5.92
Other supply bases (Non-Certified)	144,731	27,473	18.98	8,566	6.73
Total estimated production	272,070	56,417	20.74	16,102	5.92

Source: PT. TYE, December 2017

Table 8: Mill Production of CPO and PK derived from Estates FFB in 2016 - 2017

Month	FFB Production		CPO Produced (Ton)		Palm Kernel Produced (Ton)	
	Supply Base		Supply Base		Supply Base	
	Topaz Estate (Certified)	3 rd Party (Non-certified)	Topaz Estate (Certified)	3 rd Party (Non-certified)	Topaz Estate (Certified)	3 rd Party (Non-certified)
2016						
December	11,268	13,585	2,602	2,639	663	799
2017						
January	8,991	11,204	2,058	2,136	545	679
February	9,028	11,748	2,067	2,244	539	702
March	9,632	12,612	2,188	2,402	602	788
April	9,508	8,877	2,184	1,703	549	513
May	9,087	9,454	2,055	1,785	511	531
June	8,279	3,927	1,781	716	483	229
July	9,210	12,259	2,041	2,277	546	727
August	11,281	14,717	2,469	2,686	656	856
September	12,707	12,963	2,801	2,384	738	753
October	11,454	13,700	2,561	2,553	705	843
November	12,659	13,859	2,787	2,553	761	833
Total	123,104	138,905	27,594	26,078	7,298	8,253

Source: PT. TYE, December 2017

Table 9: Estimated Mill Production of CPO and PK from Estates FFB in 2018

Month	FFB Production		CPO Produced (Ton)		Palm Kernel Produced (Ton)	
	Supply Base		Supply Base		Supply Base	
	Topaz Estate (Certified)	3 rd Party (Non-certified)	Topaz Estate (Certified)	3 rd Party (Non-certified)	Topaz Estate (Certified)	3 rd Party (Non-certified)
2017						
December	10,427	10,799	2,346	2,025	605	626
2018						
January	9,652	12,074	2,196	2,294	572	716
February	9,165	11,303	2,085	2,148	543	670
March	9,123	14,352	2,076	2,727	541	851
April	8,990	9,617	2,045	1,827	533	570
May	9,346	10,377	2,126	1,972	554	615
June	9,469	9,634	2,154	1,830	561	571
July	11,389	12,810	2,591	2,434	675	759
August	11,499	14,745	2,616	2,802	682	874
September	13,239	12,347	3,012	2,346	785	732
October	12,798	14,280	2,912	2,713	759	847
November	12,242	12,393	2,785	2,355	726	735
Total	127,339	144,731	28,944	27,473	7,536	8,566

Source: PT. TYE, December 2017

Based on the above figures, the estimated of certified CPO and PK offered in 2017-2018 for certification are:

Estimated tonnage of certified CPO produced	: 28,944 MT
Estimated tonnage of certified PK produced	: 7,536 MT

1.9 Other certificates held

Table 10: Certificates Held by Mill and Estates

MILL/ESTATE	OTHER CERTIFICATION HELD
Topaz Mill, Topaz and Seed Garden Estate	ISCC by SGS Germany, EU-ISCC-Cert-DE100-16432017, Expired 25 September 2018
Topaz Mill, Topaz and Seed Garden Estate	ISO 14001:2015 by SGS Indonesia, Certificate number: ID05/65250, Expired date 10 June 2020
Topaz Mill, Topaz and Seed Garden Estate	ISPO by PT SAI Global Indonesia FMS40003, valid through 10 December 2020

Source: PT. TYE December 2017

1.10 Organizational information/contact person

PT. Tunggal Yunus Estate.

Jl. MH. Thamrin No. 31, Jakarta 10230

Phone : (+62-21) 2301119

Fax : (+62-21) 2301120

Contact person : Mr. Ivan Novrizaldie

Email : Ivan_Novrizaldie@asianagri.com

1.11 Time bound plan for other management units

PT. Tunggal Yunus Estate as a subsidiary of PT. Inti Indosawit Subur is committed to RSPO certification of all its Management Units located in North Sumatera, Riau and Jambi Province. Time bound plan has been developed to achieve the RSPO certification for all its Management Units and Plasma. The time bound plan is realistic and challenging. The plan was detailed on Table 11. The time bound plan was revised on 31 November 2017. It was noted that all Management Units have been audited for RSPO certification and 2016 for Plasma.

Table 11: RSPO Certification Time Bound Plan

Name of Mill	Mill Address	Name of Supply Base Plantation	Estate Address	Time bound for certification	Progress
Buatan I Mill	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	Buatan Estate	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	2010	Certified on 16 September 2010 Recertification in July 2016
		Buatan (Plasma)	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau		
Buatan II Mill	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	Buatan Estate	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	2010	Certified on 16 September 2010 Recertification in September 2015
		Buatan (Plasma)	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau		
Ukui I Mill	Ukui Village, Ukui District, Pelalawan Regency, Riau	Ukui Estate	Ukui Village, Ukui District, Pelalawan Regency, Riau	2010	Certified on 1 March 2011 Recertification in March 2016
		Ukui (Plasma)	Ukui & Lubuk Batu Jaya District, Pelalawan & Inhu Regency, Riau		
Ukui II Mill	Ukui Village, Ukui District, Pelalawan Regency, Riau	Soga Estate	Ukui Village, Ukui District, Pelalawan Regency, Riau	2010	Certified on 1 March 2011 Recertification in March 2016

Name of Mill	Mill Address	Name of Supply Base Plantation	Estate Address	Time bound for certification	Progress
		Ukui (Plasma)	Ukui & Lubuk Batu Jaya District, Pelalawan & Inhu Regency, Riau	Brought forward from 2012 to 2011	Certified on 11 June 2012 Recertification in March 2016
Tungkal Ulu Mill	Pulau Pauh / Penyabungan / Merlung Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	Tungkal Ulu Estate	Pulau Pauh / Penyabungan / Merlung Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	2011	Certified on 15 August 2012
		Tungkal Ulu (Plasma)	Renah Mendalo, Merlung, Muara Papalik District, Tanjung Jabung Barat Regency, Jambi	2012	Certified on 11 July 2013
Muara Bulian Mill	Singoan / Bukit Sari / Bulian Jaya Village, Muara Bulian / Pelayung District, Batang Hari Regency, Jambi	Muara Bulian Estate	Singoan / Bukit Sari / Bulian Jaya Village, Muara Bulian / Pelayung District, Batang Hari Regency, Jambi	2011	Certified on 28 August 2012
		Muara Bulian (Plasma)	Maro Sebo Ilir District, Batanghari Regency, Jambi	2012	Certified on 12 July 2013
		Muara Bulian (KKPA)	Maro Sebo Ilir District, Batanghari Regency, Jambi	2012	Certified on 12 July 2013
Topaz Mill	Petapahan Village, Tapung District, Kampar Regency, Riau	Topaz & Seed Garden Estate	Petapahan Village, Tapung District, Kampar Regency, Riau	2013	Certified on 30 March 2015
Taman Raja Mill	Lubuk Bernai / Kampung Baru / Pelabuhan Dagang / Pematang Pauh Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	Taman Raja & Badang Estate	Lubuk Bernai / Kampung Baru / Pelabuhan Dagang / Pematang Pauh Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	2013	Certified on 20 February 2015
Segati Mill	Langkan / Penarikan / Tambak / Sotol Village, Langgam District, Pelalawan Regency, Riau	Segati Estate	Langkan / Penarikan / Tambak / Sotol Village, Langgam District, Pelalawan Regency, Riau	2018	Main audit 08 December 2014 and will be re-audited in 2018 by the same CB
		Penarikan Estate	Pangkalan Sarik / Baru Village, Langgam / Siak Hulu District, Pelalawan / Kampar Regency, Riau	2018	Main audit 08 December 2014 and will be re-audited in 2018 by the same CB

Name of Mill	Mill Address	Name of Supply Base Plantation	Estate Address	Time bound for certification	Progress
		Gondai Estate	Pangkalan Sarik / Baru Village, Langgam / Siak Hulu District, Pelalawan / Kampar Regency, Riau	2018	Main audit 08 December 2014 and will be re-audited in 2018 by the same CB
		Penarikan (KKPA)	Pangkalan Sarik / Baru Village, Langgam / Siak Hulu District, Pelalawan / Kampar Regency, Riau	2018	-
		Gunung Sahilan (KKPA)	Gunung Sahilan Village, Lipat Kain District, Pelalawan Regency, Riau	2018	-
Tanah Datar Mill	Tanah Datar Petatal Village, Talawi District, Asahan Regency, North Sumatera	Tanah Datar Estate	Tanah Datar Petatal Village, Talawi District, Asahan Regency, North Sumatera	Brought Forward from 2015 to 2013	Certified on 18 May 2015
		Bahilang Estate	Bahilang Village, Tebing Tinggi District, Serdang Bedagai Regency, North Sumatra		
Aek Nabara Mill	S1-S3 / Sukadame Village, Bilah Hulu / Kota Pinang District, Labuhan Batu Regency, North Sumatra	Aek Nabara Estate	S1-S3 / Sukadame Village, Bilah Hulu / Kota Pinang District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2015 to 2013	Certified on 6 March 2015
Teluk Panjie Mill	Teluk Panjie Village, Kampung Rakyat District, Labuhan Batu Regency, North Sumatra	Teluk Panjie Estate	Teluk Panjie Village, Kampung Rakyat District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2015 to 2013	Certified on 21 April 2015
		Teluk Panjie Estate of 801 ha.		2020	HGU is still in process.
Peranap Mill	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	Peranap Estate	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	Brought Forward from 2016 to 2013	Certified on 7 January 2015
		Peranap (Plasma)	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	2016	Certified 2015
Bungo Tebo Mill	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District, Bungo Tebo Regency, Jambi	Bungo Tebo Estate	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District, Bungo Tebo Regency, Jambi	2016	Certified on 3 December 2015
		Bungo Tebo (Plasma)	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District,	2016	Certified on January 2017

Name of Mill	Mill Address	Name of Supply Base Plantation	Estate Address	Time bound for certification	Progress
			Bungo Tebo Regency, Jambi		
Tanjung Selamat Mill	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Tanjung Selamat	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2017	Certified on 26 May 2015
		Pangkalan	Sennah Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2017	Certified on 26 May 2015
Gunung Melayu I	Rahuning Village, Bandar Pulau District, Asahan Regency, North Sumatra	Pulau Maria Estate	Rahuning Village, Bandar Pulau District, Asahan Regency, North Sumatra	2017	Certified on 7 September 2015
Gunung Melayu II	Gonting Mahala Village, Bandar Pulau District, Asahan Regency, North Sumatra	Sentral & Batu Anam Estate	Gonting Mahala Village, Bandar Pulau District, Asahan Regency, North Sumatra	2017	Certified on 8 July 2015
Negeri Lama I	Negeri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	*3 rd party which is excluded from scope of certification	Negeri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2018 to 2013	Certified on 8 April 2015
Negeri Lama II	Negeri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Negeri Lama Utara, Negeri Lama Central, Negeri Lama Selatan	Negeri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2018	Certified on 6 April 2015
		Aek Kuo	Aek Korsik Village, Aek Natas District, Labuhan Batu Regency, North Sumatra		
		Aek Kuo of 501 ha	Negeri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2018	HGU is still in process.

Note: *) Mill that have supply bases with planting after 1 January 2010.

1.12 Partial Certification Requirements

NO	CERTIFICATION SYSTEM/ CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS	COMPLIANCE (YES/NO)
4.2.4	Organizations ¹ that have a majority ¹ holding in and / or management control of more than one autonomous company growing oil palm will be permitted to certify individual management units and/or subsidiary companies only if all the following are complied with:			
1	¹ For groups with complex management structures the following are required: (a) A statement of the ultimate controlling shareholders and directors in the managing agency company/companies. (b) Ditto in respect of each of the operating groups. (c) Application for membership by the top asset owning company/companies. (d) Application for membership by the managing agency company/companies.			
	a. Is the management structure of the group complex? If the answer to question a above is yes, check the following b-e check items b. Is there a statement of the ultimate controlling shareholders and directors in the managing agency company/companies c. Is there a statement of the ultimate controlling shareholders and directors in each operating group d. Is there application for membership by the top asset owning company/companies e. is there application for membership by the managing agency company/companies	List of Operating Company in December 2017.	The management structure of the group is not complex. The following is structure sequence : PT. Inti Indosawit Subur → PT. Tunggal Yunus Estate (Topaz Mill).	YES

NO	CERTIFICATION SYSTEM/ CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS	COMPLIANCE (YES/NO)
2	RSPO membership a. The parent organization or one of its majority ¹ owned and / or managed subsidiaries are member of RSPO. The requirements (b) to (j) will be applicable, whether the registered RSPO member is the holding company or one of its subsidiaries;			
	1. Does the parent organisation or one of its majority ¹ owned and / or managed subsidiaries is member or RSPO? 2. State organisation who is member of RSPO 3. State RSPO membership number of the above organisation(s)	- List of Operating Company in December 2017. - www.rspo.org	The company is one of managed subsidiaries by PT. Inti Indosawit Subur as RSPO membership. It was also stated in RSPO website (www.rspo.org) that the PT. Inti Indosawit Subur as RSPO membership and have the number of 1-0022-06-000-00.	YES
3	Time bound plan			
	b. A challenging time-bound plan for certifying all its relevant entities ² is submitted to the Certification Body (CB) during the first certification audit. The time-bound plan should contain a list of subsidiaries, estates and mills. The Certification Body will be responsible for reviewing the appropriateness of this plan ³ , taking into account comments received from stakeholders following the public consultation process. Progress towards this plan will be verified and reported on in subsequent annual surveillance assessments (see Annex 4). Where the Certification Body conducting the surveillance audit is different from that which first accepted the time-bound plan, the later Certification Body shall accept the appropriateness of the time-bound plan at the moment of first acceptance and shall only check continued appropriateness.			
	1. Is there a challenging time-bound plan for certifying all its relevant entities ² submitted to CB during the first certification audit? 2. Is the time-bound plan containing list of subsidiaries, estates and mills? 3. Are there comments received from stakeholders following the public consultation process relevant to the time-bound plan? 4. Taking into account comments in the point 3 above, are the time-bound	- The updated time-bound plan on 31 November 2017 - Public consultation on 13 December 2017	There was a challenging TBP for all its relevant entities of the PT. Inti Indosawit Subur. TBP was containing list of subsidiaries (estates and mills). There was no complaint during public consultation. During public consultation, there no comment and issue from stakeholders regarding time-bound plan.	YES

NO	CERTIFICATION SYSTEM/ CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS	COMPLIANCE (YES/NO)
	<p>plan appropriate/continued to be appropriate?</p> <p>5. How is the progress towards this plan?</p>			
<p>c. Any revision to the time-bound plan or to the circumstances of the company shall cause the plan to be reviewed (as provided for in the guidance on surveillance assessments, Annex 4) for whether it is still appropriate, such that changes to the time-bound plan are permitted only where the organisation can demonstrate that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent).</p>				
	<p>1. Is the any revision to the time-bound plan or to the circumstances of the company?</p> <p>2. When there is revision as indicated in the point 1 above, has the plan reviewed whether it is still appropriate?</p> <p>3. Can the organisation demonstrate that the revisions to the time-bound are justified?</p> <p>4. Is there any newly acquired subsidiary that already legally registered with the local notary of chamber of commerce (or equivalent)?</p> <p>5. Are the time-bound plans including the above newly acquired subsidiary?</p>	<ul style="list-style-type: none"> - Revision of time-bound plan date on 31 December 2017. - Time-bound plan forecast for RSPO certification of all mills and its supply bases 	<p>There was revision of the time-bound plan for the some subsidiaries (estates and mills), date on 31 November 2017. The company has conducted review of time-bound plan. The revision are due to :</p> <ul style="list-style-type: none"> - For Segati Mill, there is a conversion from rubber plant to palm plant, so the management was conducted NPP, in October 2017 the management has been coordinated with RSPO by email related the progress of NPP. And based on communication with RSPO until now the management still doing internal studies related to the NPP. For HCV Assessment has been done in 2011. - Negeri Lama Estate: decision Letter of land use title (SK HGU) has been gained for total area 188.75 Ha. HGU of the rest of area is still in process. - Teluk Panjie Estate: waiting for technical consideration in gaining Location Permit of 804 ha. <p>There was no newly acquired subsidiary that already legally registered with the local notary of chamber of commerce.</p>	<p>YES</p>
<p>d. Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance is raised. Where there is evidence of systematic failure to proceed with implementation of the plan, a major non-compliance is raised.</p>				
	<p>1. Are there isolated lapses in implementation of a time-bound plan? Raise minor non-compliance if</p>	<ul style="list-style-type: none"> - Revision of time-bound plan dated 31 November 2017. - Time-bound plan forecast for RSPO 	<p>There was no the isolated lapses in implementation of a time-bound plan. It was evidenced by TBP progress includes NPP progress for Segati Mill and planning of pre and main audit. For</p>	<p>YES</p>

NO	CERTIFICATION SYSTEM/ CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS	COMPLIANCE (YES/NO)
	found 2. Is there systematic failure to precede implementation of the plan? Raise major non-compliance if found	certification of all mills and its supply bases	more detail, please refer to Table 11.	
4	Requirements for uncertified management units and/or holdings			
	e. No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure (Annex 5). f. Land conflicts, if any, are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6. g. Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3. h. Legal non-compliance, if any, are being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2. i. Certification bodies will assess compliance with these rules for partial certification at each and every assessment of any of the management units (see Annex 4). Assessment of compliance with requirements (e) – (h) by the certification body based on self-declarations only by the Company, with no other supporting documentation, will not be acceptable			
	a. Is there any verification compliance for uncertified management units and or holdings of requirements e-f above e.g. through self-assessment (i.e. internal audit)? b. Has the verification covered all requirements of e-f above? c. Based on the result of verification in point 1 and 2 above, please indicate is there any: i. Replacement of primary forest or any area containing HCV or required to maintain or enhance HCV in line with RSPO criterion 7.3?	<ul style="list-style-type: none"> • Revision of time-bound plan date on 31 November 2017. • Time-bound plan forecast for RSPO certification of all mills and its supply bases • RSPO Internal Audit at Segati Mill and its supply bases: • Gondai Estate date on 23 – 25 October 2017. • Penarikan Estate date on 25 – 27 October 2017. • Segati Estate date on 23 – 25 October 2017. • Segati Mill date on 25 – 27 October 2017. • Gunung Sahilan (KKPA) date on 30 – 31 October 2017. • Penarikan (KKPA) date on 30 – 	Verification compliance for uncertified management units were conducted by Sustainable Division through RSPO Internal Audit that covered all RSPO Principle and Criteria. Based on internal audit found that the companies: <ul style="list-style-type: none"> • No land conflicts • No labour disputes Several non-conformances of the RSPO internal audit were regulation compliance still in progress with other parties and internal studies of NPP is also still in progress for RSPO approval. For more detail, please refer to Table 11.	YES

NO	CERTIFICATION SYSTEM/ CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS	COMPLIANCE (YES/NO)
	<p>ii. Are there new planting since January 1st 2010 which was not comply with RSPO NPP?</p> <p>iii. Land conflict, which was not being resolved through a mutually agreed process in accordance with RSPO criteria 6.4, 7.5 and 7.6?</p> <p>iv. Labour dispute, which was not being resolved through a mutually agreed process in accordance with RSPO criterion 6.3</p> <p>v. Legal non-compliance, which are not resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2</p> <p>d. Are there targeted stakeholder consultation carried out by other CB?</p> <p>e. Considering all the above data is there necessary to conduct further targeted stakeholder consultation or filed inspection?</p>	<p>31 October 2017.</p> <ul style="list-style-type: none"> • RSPO Internal Audit at Negri Lama II Mill and its supply bases, date on 31 May – 3 June 2017 • RSPO Internal Audit at Teluk Panji Mill and its supply bases, date on 3 – 4 February 2017 		

NO	CERTIFICATION SYSTEM/ CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS	COMPLIANCE (YES/NO)
	<p>Guidance</p> <p>For requirements (e) – (h), the approach to defining major and minor non-compliance can be applied from the relevant national interpretation. For example, if non-compliance against a ‘major indicator’ in a non-certified holding/management unit is identified, the current certification assessment cannot proceed to a successful conclusion until that is addressed.</p> <p>Failure to address any of the requirements (e)-(h) may lead to certification suspension(s) (consistent with the RSPO Certification Systems document rules on non-compliance).</p> <p>² Relevant entities – including both the business units and parent company(ies)’ commitment to RSPO, membership status and involvement with palm oil for each subsidiary</p> <p>¹ Majority shareholding: the largest shareholding. Where the largest shareholdings are equal (e.g. 50/50) this applies to the organisation that has management control.</p> <p>³ in particular, that the time scale is sufficiently challenging, taking into account circumstances around each entity</p>			

1.13 Date of issue of certificate and date of previous assessment

Date of issue of certificate: 30 March 2015 (Originally Certified by SAI Global)

Date of previous audit: 15 – 18 January 2014 (Certification), 15 – 17 March 2016 (ASA-1), 13 – 16 December 2016 (ASA- 2) and 3 March 2017 (Special Audit)

2.0 AUDIT PROCESS

2.1 Certification body

PT. SAI Global Indonesia

Graha Iskandarsyah, 4th floor

Jl. Iskandarsyah Raya No. 66 C

Kebayoran Baru, Jakarta 12160, Indonesia

Phone : +62 21 720 6186, 720 6460

Fax : +62 21 720 6207

Contact person : Ms. Inge Triwulandari
Technical Manager

Email : inge.triwulandari@saiqglobal.com

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We provide aggregated access services to Standards, Handbooks, Legislative and Property publications; we audit, certify and register your product, system or supply chain; we facilitate good governance and awareness of compliance, ethics and policy issues and provide training and improvement solutions to help individuals and organisations succeed.

The SAI Global business is driven by two equally important client needs - the mandated need for organisations to conform to regulations, standards and legislation in all their locations, and the operational need for organisations to improve business processes and procedures as well as corporate culture. As we are a global company, we can meet these needs for any client - those operating within one country's borders and in one language or those operating across borders and in many languages.

There are three business units/divisions within SAI Global namely the Information Services Division, the Compliance Division, and the Assurance Division. The Assurance Division helps organisations manage risk, achieve process or product certification and drive improvement by providing training, registration audits and supplier management programs that can improve business performance. We provide independent audits, assessments and certification of your products or business processes to ensure they comply with industry standards or customer specific requirements. We understand how compliance with those standards can improve the efficiency, economy and profitability of your operation. With auditing and assessment staff located around the world, our clients include large global corporations as well as single site organisations.

2.2 Audit methodology

The 3rd Annual Surveillance Audit was performed on 11 – 15 December 2017. The audit programme was included in the body of report. Audit was conducted in the mill (Topaz Mill) and all supply bases (Topaz Estate). The audit methodology for collection of objective evidences is site inspection, documentation and record review and interview with staffs, workers, and other stakeholders. Objective evidences from documentation/record review in one area may also be cross checked with other objective evidences in other areas and with the evidence of implementation on site during the audit. Inputs from stakeholders via letter, email, or other communication media were also considered for this certification audit. Particular attention has been paid to previous non-conformities. Area of potential environmental and social risk was concern. For detail of audit plan, can be seen on the page of 195.

2.3 Qualification of the lead auditor and audit team member

Nanang Rusmana – Lead Auditor and audited BMP Agronomy – Processing, Supply Chain and HCV Aspect

Nanang Rusmana, Bachelor from Faculty of Forestry, Bogor Agricultural University (IPB) in 2005, Majoring in Forest Resources Conservation. He has a working experience in Environment Consultant as Staff Division Environment/Social at PT. Studiotama Maps Konsultan (2005-2006), in Palm Oil Plantations as SHE Assistant at PT. Astra Agro Lestari Tbk (2006-2012), as HSE Coordinator at PT. Kapuas Prima Coal Group (2013-2016). Join at SAI Global since on April 2016 as Auditor for the ISO 9001, ISPO and RSPO. Various training has followed, such as: Lead Auditor ISO 9001:2015 Training (2016), Auditor ISPO Training (2016), Lead Auditor ISO 14001:2015 Training (2016), RSPO Supply Chain Certification Training (2016), Auditor SMK3 Training (2014), HCV Assessor Training (2010), OHS Expert/Ahli K3 Umum Training (2007), etc. Since 2016 he has had experience for audit ISO 9001 in various industries and services, RSPO and ISPO audit for oil palm plantation companies.

Daniel Sitompul - Audit Team Member and audited Processing and OHS Aspects

Daniel graduated with Bachelor of Chemical Engineering degree from Indonesia Institute of Technology in 1995. He has working experience as Quality, Environment and Safety Consultant for many years. She has completed ISO 14001 (2007), OHSAS 18001 (2010), Ahli K3 Umum (2007), ISO 9001 (2009), RSPO PC Training (2013), Auditor SMK3 (2013), ISPO Auditor Training (2013) and RSPO P&C (2017). He has also completed the training form government regarding to Safety Management System (SMK3), PROPER and AMDAL (environment). For the last 5 years she has been involved in quality (ISO 9001), Safety (OHSAS 18001) and environmental (ISO 14001) management system consultancy and audits for very broad industrial and in the palm oil sector since 2013 for several plantations and mills.

Fitria Rahmayanti – Audit Team Member and audited Health and Safety Aspects

Fitria Rahmayanti owned bachelor degree majoring health nutrition from Gadjah Mada University. She has experience as nutritionist at hospital in Jakarta. She joined SAI Global Indonesia in 2012. She has followed the lead auditor training ISO 9001:2008 (2012), ISO 14001:2004 (2012), lead auditor training ISPO (2013) also registered in local government ministry of manpower AK3U. She is also the ISPO auditor who has obtained a certificate from the ISPO Commission, Ministry of Agriculture of Indonesia, in February 2013.

Fahrul Rozi – Audit Team Member and audited Social and Legality Aspect

Fahrul Rozi graduated with Bachelor of Agricultural Social Economic from University of Padjadjaran in 2008. He has working experience as Assistant of agronomic section at Sinar Mas

Group (2008-2011), as staff of Agronomic Vice President at Bima Palma Group (2011-2014), and as sustainability supervisor at Bima Palma Group (2014-2016). Experiencing on the implementation of sustainable palm oil management system (RSPO and ISPO), environmental management, issues of social impact, and SMK3 in palm oil companies. He is involved on audit quality management system (ISO 9001:2015) for variety of industry sectors include RSPO and ISPO. He has completed Ahli K3 Umum (2010), ISO 14001 (2016), ISO 9001 (2016), RSPO P&C (April 2016) lead auditor training courses, RSPO SCCS (2016), ISPO (2016) lead auditor training courses.

2.4 Stakeholder consultation

Stakeholder consultation was performed to internal and external stakeholders. Internal stakeholders included staffs and workers. External stakeholders were selected by considering that they have an interest in the organisation activities, directly border with organisation, area which the workers live. External stakeholders included NGO, governments and civil societies.

Letters were also sent to external stakeholders to invite for comment or individual / group discussion. Group and individual discussions with stakeholders (Table 12) were conducted during audit, to verify compliance against relevant criteria and indicator related to land status and conflict, environmental, social aspect and HCV. Surrounding village of estate and mill has been chosen to represent societies. Group and individual discussions were conducted for two sessions. First session was conducted especially for around stakeholder directly affected on estate and mill, i.e. Head of village, farmers. Second session was conducted especially for labour union, gender committee and selected workers.

Group interview was conducted for workers with similar job while others were interviewed individually in the scope to verify compliance against relevant criteria and indicator related to infrastructure facility, labour, social aspect (discrimination and sexual harassment), environment and HCV. The result of stakeholder consultation used to justify fulfilment of some indicators, e.g. criterion 2.2 indicator major 3, minor 1 and minor 2, criterion 2.3 indicator major 1, criterion 6.5 indicator minor 1, criterion 6.6 indicator minor 1, criterion 6.7 indicator minor 1, criterion 6.8 indicator minor 1, criterion 6.9 indicator minor 1, 2 and 3, criterion 6.10 indicator minor 1 and 2, criterion 6.11 indicator minor 1, etc.

The result of these consultations was provided in Appendix D on page 223.

Table 12: List of Internal and External Stakeholder

STAKEHOLDERS	METHODS OF CONSULTATION
Internal stakeholders (mill & estates)	
Head of SPSI	Group discussion
Head of Gender Committee	Group discussion
Workers	Group discussion for workers with similar role, otherwise individually interviewed
External Stakeholders (mill & estates)	

STAKEHOLDERS	METHODS OF CONSULTATION
Petapahan Jaya Village - Head of Villages - RW 08 - RW 06 - RT 28 - RT 38	Individual discussion
Farmer groups (FFB Supplier)	Individual discussion
Social and Labour Agency (<i>Dinas Sosial dan Tenaga Kerja Kabupaten Kampar</i>)	An invitation letter to comment was sent
Agriculture and Plantation Agency (<i>Dinas Perkebunan Kabupaten Kampar</i>)	An invitation letter to comment was sent
Environment Agency (<i>BLHD Kabupaten Kampar</i>)	An invitation letter to comment was sent
National land Agency (<i>Badan Pertanahan Nasional (BPN) Kabupaten Kampar</i>)	An invitation letter to comment was sent
Dinas Pertambangan (<i>Mining Agency Kabupaten Kampar</i>)	An invitation letter to comment was sent
Sub District Head (<i>Camat Tapung</i>)	An invitation letter to comment was sent
NGOs: WWF, Sawit Watch, GAPKI, AMAN (Aliansi Masyarakat Adat Nusantara)	An invitation letter to comment was sent

2.5 Date of next surveillance visit

The next surveillance audit is 4th ASA that will be conducted within twelve months of the license expiration dates, but not earlier than eight months after the expiration date.

3.0 AUDIT FINDINGS

3.1 Action taken on previous audits findings

Several non-conformances (Major and minor) from the previous audits have been followed up by taking corrective actions. Corrective actions have been implemented and verified.

3.2 Claim and use of certification mark and or logo

There was no use of certification mark and or logo. Claim has been made for the RSPO certified product through palmtrace of CPO 2,270.34 MT and PK 3,506.98 MT.

Table 13: Delivery of Certified and Non Certified Product

Month	CPO (MT)			PK (MT)		
	RSPO	ISCC	Non-Certified	RSPO	Other Certified	Non-Certified
2016						
December	-	1,233.78	1,701.87	337.78	-	482.99
2017						
January	-	2,248.03	1,969.34	576.96	-	383.63
February	809.13	1,207.36	2,348.89	408.55	-	451.87
March	-	2,035.25	2,465.99	311.88	-	815.84
April	-	2,141.81	1,812.01	853.95	-	227.03
May	-	2,142.65	1,718.81	145.78	-	744.93
June	-	1,537.96	349.08	345.33	-	368.64
July	-	2,460.00	2,437.94	646.81	-	645.94
August	27.55	2,009.50	3,084.46	687.30	-	631.62
September	2,242.79	819.44	2,011.29	578.26	-	944.17
October	-	3,159.04	1,770.81	716.84	-	969.20
November	-	2,024.74	3,624.66	877.77	-	697.22
Total	3,079.47	22,200.12	24,946.07	6,487.21	-	7,363.08
Total *)	2,270.34	9,653.28	12,929.16	3,506.98	-	3,888.15

Source PT. TYE, December 2017

Note: *) Total for Period Validity PalmTrace 30 June 2017 - 29 March 2018, data taken until January 2018 (for comparison).

3.3 Description of audit findings

3.3.1 RSPO Principle and Criteria

PRINCIPLES 1: COMMITMENT TO TRANSPARENCY

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
1.1	<p>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.</p> <p>Guidance: <i>Growers and millers should have a Standard Operating Procedure (SOP) to respond constructively to stakeholders, including a specific timeframe to respond to requests for information. Growers and millers should respond constructively and promptly to requests for information from stakeholders. The SOP should include information on the officer, who may be contacted by the interested external parties.</i></p> <p><i>Growers and millers should ensure that sufficient objective evidence exists to demonstrate that the response is timely and appropriate.</i></p> <p><i>See Criterion 1.2 for requirements relating to publicly available documentations.</i> <i>See Criterion 6.2 on consultation.</i> <i>See Criterion 4.1 on SOPs.</i></p> <p><i>Definition of relevant stakeholders according to the Regulation of the Minister of Environment No. 17 year 2012 regarding Guidance for Involvement of Communities in the Process of Environmental and Social Impact Assessment (AMDAL) and Environmental Permit are.</i></p> <ul style="list-style-type: none"> • <i>Affected communities are the communities who live within the AMDAL study boundary (social boundary), which will be beneficially or adversely affected by the operations and/or plan of activities;</i> • <i>Environmental concerned communities are communities who are not affected by the operations and/or business plan, however they shall pay attention to the environmental and social issues of the upcoming operations and/or business plan, including the potential environmental and social impacts;</i> • <i>Influenced communities by the decisions of AMDAL process are communities who are located outside and or directly adjacent to the boundary of AMDAL study areas relevant to the impact of operations and/or business plan.</i> <p><i>Relevant stakeholders are also NGOs that have concerns on the environmental and social issues of the upcoming operations and/or business plan, including the potential environmental and social impacts;</i></p>			
1.1.1	<p>List of information related to criterion 1.2 that can be accessed by relevant stakeholders shall be available.</p> <p>Specific Guidance: For 1.1.1: <i>Evidence should be provided by growers and millers that information is received in appropriate form(s) and language(s) by relevant stakeholders. Information will include information on the RSPO mechanisms for stakeholder involvement, including information on their rights and responsibilities.</i></p>			
	<p>a. Does the company maintain a list of stakeholders? (E.g. listed by category and stakeholders listed should be site specific)</p> <p>b. What is the frequency of updating the stakeholder list?</p> <p>c. Is there evidence of stakeholder verification?</p>	<ul style="list-style-type: none"> • Stakeholder list of PT Tunggal Yunus, updated December 2017 • SOP AA-GL-5008.1-R1 dated 22 August 2011 • List information for stakeholder 	<p>The organization documented and maintained stakeholder list on document “<i>Daftar Stakeholder PT Rigunas Agri Utama</i>” updated in December 2017. Stakeholder consists of governance agency, village chief, prominent figure, workers organization and third parties. Data and information will be update by SSL Officer (Public Relations) if there are changes.</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>d. What type of information is provided? (E.g. Environmental, social and legal)</p> <p>e. What is the frequency and level of access to this information?</p> <p>f. How and where is the information disseminated?</p> <p>g. Who is responsible for providing & updating information?</p> <p>h. Is there an SOP available to describe the process (of information sharing/dissemination)?</p> <p>i. Are stakeholders aware of the type of information available and the procedures for accessing the information?</p>	<p>updated 5 January 2016</p> <ul style="list-style-type: none"> Interview with stakeholder and field observation 	<p>Information provided to public and stakeholder specified in social communication procedures AA-GL-5008.1-R1 – Communication and consultation procedure. Stakeholder verification conducted by Public Realtions if there are changes, it was display during interview with stakeholder that they continuously communicate with Public Relations.</p> <p>The Organization has determined the type of information that is available and accessible to all stakeholders. There are 13 types of information that is available to stakeholders :</p> <ul style="list-style-type: none"> - Number of employees and a list of basic wages of employees (village, sub-district, district Manpower and province, worker, worker union) - NPWP (KPP) - Payment of local taxes/levies (Dispenda) - Document of EIA (BLH District and Province, KLH, NGOs) - Certificate of incorporation and its amendments, areal statement and its production (Disbun District and Province, BPS, BPPT) - Evidence of land tenure (village, subdistrict, Disbun district and province, BPN, NGOs) - Report of HCV identification (Village, BKSDA, BLH District and province, NGOs) - Reports SIA identification (Village, BKSDA, BLH District and province, NGOs) - Report of empowerment (Village, Subdistrict, District, Province, NGOs) - Report of P2K3 (Manpower office district and province) 	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<ul style="list-style-type: none"> - Document improvement program (Government agencies) - Document RSPO audit report (Village, Subdistrict, District, Province, NGOs) - Document human rights policy (Village, Subdistrict, District, Province, NGOs) <p>All information above can be accessed by interested parties. Provision of information should be known by SSL Officer and approved by the General Manager. If the information is confidential trade must go through the approval of Regional Head Office.</p> <p>The relevant stakeholders received information on the RSPO mechanisms for stakeholder involvement, including information on their rights and responsibilities. All information provided in several stakeholders is in accordance with the terms and language used, for example in the form of reports and the contents of the report. Delivery of Information is delivered in <i>Bahasa</i>.</p>	
1.1.2	<p>(M) Records of requests for information and responses to the information requested shall be available.</p> <p>Specific Guidance: For 1.1.2: <i>Records of requests for information and responses are maintained for a period of time determined by the company, taking into account their importance and need.</i></p>			
	<ul style="list-style-type: none"> a. Does the company have an SOP to ensure constructive response to stakeholders? b. Who is the personnel in charge (PIC)? c. Does the SOP cover the elements under 1.1.1? d. Is there a clear time frame for response to request for information? e. Are records of requests for information and responses maintained? f. Are responses to requests for information timely and 	<ul style="list-style-type: none"> • SOP AA-GL-5008.1-R1 dated 22 August 2011 • Logbook Communication and Consultation Y2017 • Record of information request and responses Y2017 	<p>Organization has established and implemented a mechanism for receiving and providing information in the procedure-SOP <i>Penanganan Permintaan Informasi Stakeholder</i> (Handling of Information Request from Stakeholder) SOP AA-GL-5008.1-R1 dated 22 August 2011 which explain the mechanism of response to requests for information by referring to the list of stakeholders and stakeholder information according to the principles and criteria for sustainable palm oil. The initial response was given no later than 14 days after receipt of the request from stakeholders. PIC is SSL Officer (Public</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	appropriate?		<p>Relations) with helps of other employees.</p> <p>All information except confidential commercial information or information which has a negative impact on the environment and social can be provided by the organization. Request for information outside of the list of public information should be approval of top management and the provision of information comes with an official receipt.</p> <p>In the procedure also described specific timeframe to respond the requests for information from stakeholder depend on its request. Organizations usually respond directly to requests for information from all interest party/stakeholder.</p> <p>All information requests from stakeholder and their respond were listed and recorded by Mill and Estate on logbook "Record of information request and responses". Most of requests were an invitation to follow the event held by the stakeholders, for example: invitation for memorial of religious holidays, field work permit from university and proposal for borrowing heavy machine like excavator, etc.</p> <p>Organizations are routinely required to submit reports to the regulatory agencies, such as: Monthly Social Security, Report to the CTF return period PPh21, P2K3 Report (Office of Manpower and Transmigration), and Report of the implementation of the RKL / RPL (Environmental Agency of the district, the province and the Ministry of Environment, Land Application Report (LA). Organization (estate and Mill) monitor all of the information that is communicated to stakeholders routinely.</p>	
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	<p>(M) Publicly available documents shall include, but are not necessarily limited to:</p> <ul style="list-style-type: none"> a. Land titles/user rights (Criterion 2.2) b. Occupational health and safety plans (Criterion 4.7) c. Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8) 			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>d. HCV documentation (Criteria 5.2 and 7.3) e. Pollution prevention and reduction plans (Criterion 5.6) f. Details of complaints and grievances (Criterion 6.3) g. Negotiation procedures (Criterion 6.4) h. Continual improvement plans (Criterion 8.1) i. Public summary of certification assessment report j. Human Rights Policy (Criterion 6.13).</p> <p>Guidance: This concerns management documents relating to environmental, social and legal issues that are relevant to compliance with RSPO Criteria. Management documents will include monitoring reports. The auditors will comment on the adequacy of each of the documents listed in the public summary of the assessment report. Examples of commercially confidential information include financial data such as costs and income, and details relating to customers and/or suppliers. Data that affects personal privacy should also be confidential. One of legal requirements related to personal privacy is Act No. 14 year 2008 regarding Public Disclosure, clause 17 (h): Ongoing disputes (within or outside of a legal mechanism) can be considered as confidential information where disclosure could result in potential negative outcomes for all parties involved. On-going dispute (within or outside law mechanism) can be considered as confidential information if disclosure of information potentially causes negative impact to all related parties. However, affected stakeholders and parties who are working towards resolutions should have access to relevant information. Examples of information where disclosure could result in potential negative environmental or social outcomes include information on sites of rare species where disclosure could increase the risk of hunting or capture for trade, or sacred sites which a community wishes to maintain as private. Growers and millers should ensure that sufficient objective evidence exists to demonstrate that the level of measuring and monitoring of the management plan, and information, is appropriate and made available.</p>			
	<p>a. How are the management documents listed in (c) below made publicly available? b. Where are the documents placed? c. Is the information provided adequate? Note: At minimum, an information summary of the document listed below should be made available.</p> <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2) <ul style="list-style-type: none"> - Legal boundaries ,land use, classification, total area, grant title, permit validity , NCR rights, • Occupational health and safety plans (Criterion 4.7); <ul style="list-style-type: none"> - risk assessment and mitigation, emergency 	<ul style="list-style-type: none"> • List information for stakeholder updated in December 2017 • SOP AA-GL-5008.1-R1 dated 22 August 2011 • Site Permit (Izin Lokasi), • Land Use Title (HGU), • Plantation Operation Permit (IUP), • Environmental and Environment Impact Analysis document (AMDAL), • Environmental management and monitoring report (RKL and RPL 	<p>Organisation documents that is generally available by the organisation. List of management documents are publicly available such as:</p> <ul style="list-style-type: none"> a. Site Permit (Izin Lokasi), placed in Estate b. Land Use Title (HGU), placed in Estate c. Plantation Operation Permit (IUP), placed in Estate d. Environmental and Environment Impact Analysis document (AMDAL), placed in Estate and Mill e. Environmental management and monitoring report (RKL and RPL implementation reports), placed in Estate and Mill 	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>response plan, training, accident records</p> <ul style="list-style-type: none"> • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); <ul style="list-style-type: none"> - main social and environmental impacts and mitigation measures, • HCV documentation (Criteria 5.2 and 7.3); <ul style="list-style-type: none"> - identification on HCV areas, maps, management and monitoring HCV • Pollution prevention and reduction plans (Criterion 5.6); <ul style="list-style-type: none"> - identification of pollutants, management and reduction measures • Details of complaints and grievances (Criterion 6.3); <ul style="list-style-type: none"> - nature of complaints, parties involved, status of case • Negotiation procedures (Criterion 6.4); <ul style="list-style-type: none"> - SOP, consultative, neutral, inclusiveness, timeframe, responsibility • Continual improvement plans (Criterion 8.1); <ul style="list-style-type: none"> - for all elements under 8.1, • Public summary of certification assessment report; <ul style="list-style-type: none"> - follow RSPO format • Human Rights Policy (Criterion 6.13). <ul style="list-style-type: none"> - policy statement should comply to the requirements of 6.13 <p>d. Do the management documents contain monitoring plans and reports?</p> <p>e. Are all monitoring reports publicly available?</p>	<p>implementation reports),</p> <ul style="list-style-type: none"> • HCV Assessment report, • Social Impact Assessment (SIA) Report, • Corporate Social Responsibility (CSR) • Continuous Improvement Plan 	<p>f. HCV Assessment report, placed in Estate</p> <p>g. Social Impact Assessment (SIA) Report, placed in Estate and Mill</p> <p>h. Occupational Health and Safety Management Plan, placed in Estate and Mill</p> <p>i. Corporate Social Responsibility (CSR), placed in Estate and mill; and</p> <p>j. Continuous Improvement Plan, placed in Estate and Mill</p> <p>Those documents were accessible and shown during this audit.</p> <p>The documented procedure was established, it's described the process and responsibilities and authorities in regards responding the request on information from the public. The coverage of request on information as stated in the procedure including information on legal documents, environmental documents, social activities documents, occupational health and safety programme documents and continual improvement documents.</p> <p>All monitoring reports publicly available such as environmental management and monitoring report (RKL and RPL implementation reports), reports of P2K3 and etc.</p>	
1.3 ¹	<p>Growers and millers commit to ethical conduct in all business operations and transactions.</p> <p><i>*1 New Criteria - Growers and millers commit to ethical conduct in all business operations and transactions.</i></p>			
1.3.1	<p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions along with the documentation of socialisation process of the policy to all levels of the workers and operations.</p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>Guidance: <i>All levels of the operations will include contracted third parties (e.g those involved in security). The policy of ethical conduct and integrity should include:</i></p> <ul style="list-style-type: none"> • <i>A respect for fair conduct of business;</i> • <i>A prohibition of all forms of corruption, bribery and fraudulent use of funds and resources;</i> • <i>A proper disclosure of information in accordance with applicable regulations and accepted industry practices.</i> <p><i>The policy should be set within the framework of the UN Convention Against Corruption, in particular Article 12.</i></p> <p><i>Regulations that are related to eradication of corruption are as follows:</i></p> <ol style="list-style-type: none"> 1. <i>Act No. 7 year 2006 regarding Ratification of United Nations Convention Against Corruption</i> 2. <i>Act No.8 year 2010 regarding Prevention and Eradication of Money Laundry.</i> 3. <i>Act No. 13 year 1999 regarding Eradication of Corruption.</i> 4. <i>Presidential Instruction No.1 year 2013 regarding Action for Corruption Prevention and Eradication</i> <p><i>Normal business is the business that complies with all existing regulations.</i></p> <p><i>This written policy should be communicated to the affected parties.</i></p>			
	<p>a. Is there a written policy committing to a code of ethical conduct and integrity in all operations and transactions?</p> <p>b. Does the policy include as a minimum:</p> <ul style="list-style-type: none"> • A respect for fair conduct of business? • A prohibition of all forms of corruption, bribery and fraudulent use of funds and resources? • A proper disclosure of information in accordance with applicable regulations and accepted industry practices? <p>c. Is the policy documented and communicated to all levels of the workforce and operations, including contracted third parties? How is it communicated?</p> <p>d. Are the documentation and communication done in the appropriate languages?</p>	<ul style="list-style-type: none"> • Policy Code of Ethic dated 1 December 2014 • Minutes and attendance dissemination of code of ethics policy in PT Tunggal Yunus 	<p>Written policy committing to a code of ethical conduct and integrity in all operations and transactions was available in “Company Policy” dated 1 December 2014 and signed by the Managing Director.</p> <p>Ethic policy includes several aspects, such as:</p> <ul style="list-style-type: none"> - Social Responsibility - Wages - Fair conduct of business - Infrastructure and accommodation - Labour union - Child labour 	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p><i>Note to auditor: The workforce should be interviewed to determine level of understanding of policy</i></p>		<ul style="list-style-type: none"> - Indiscriminative treatment - Protection against sexual harassment and violence - Protection of reproductive rights - Receipts and provision of gifts, entertainment or assistance in job, corruption and fraud - Relation with supplier - Occupational health and safety, and environment - Employee cooperatives - Human rights <p>The policy was well documented on 01 December 2014 and signed by the Management Director. The policy has been communicated to all levels of the workforce and operations, including contracted third parties. Dissemination of code of ethics policy has been carried out on 6 April 2016, 6 May 2016, 21 September 2016, 7 November 2016, 11 November 2016 and 7 December 2016. Based on interview date on 12 and 13 December 2017, workers and third parties still understand about the policy.</p>	

PRINCIPLE 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
2.1	<p>There is compliance with all applicable local, national and ratified international laws and regulations.</p> <p>Guidance: <i>Implementing all legal requirements is an essential baseline requirement for all growers and millers whatever their location or size. Relevant legislation includes, but is not limited to:</i></p> <p>a. Land use period and right b. Labour c. Agricultural practices (e.g. chemical use) d. Environment (e.g. wildlife, pollution, environmental management and forestry) e. Storage f. Transportation and processing practices.</p> <p><i>It also includes laws made pursuant to a country's obligations under international laws or conventions (e.g. the Convention on Biological Diversity (CBD), ILO core Conventions, UN Guiding Principles on Business and Human Rights). Furthermore, where countries have provisions to respect customary law, these will be taken into account.</i></p> <p><i>Key international laws and conventions are set out in Annex 1.</i> <i>Legal requirements are existing laws and regulations some of which are set out in Annex 1.</i></p>			
2.1.1	(M) Evidence of compliance with relevant legal requirements shall be available.			
	<p>a. Is the complete list of legal requirements available? (Refer to relevant NIs or LIs for list of legal requirements)</p> <p>b. Does the company have copies of the legal requirements?</p> <p><i>Note to auditor: A due diligence on the company/area or management unit on legal compliance should be conducted prior to field audit. Any non-compliance should be verified during the field audit. Relevant legislation includes, but is not limited to: regulations governing land tenure and land-use rights, labour,</i></p>	<ul style="list-style-type: none"> • Procedure.AA-GL-5001.1-R0 dated 5 December 2009 (Compliance to regulations and its change) • Procedure AA-EMS-452-PR Rev.1 dated April 2007 • List of regulation compliance (AA-452-001-FM) • Evaluation on compliance of regulation and requirement • List and Evaluation of Safety and Health Legal Requirement • Copies of Legal Requirements 	<p>The relevant legal requirement or regulations for mill and estate have been established and identified. Copies of the legal requirements were shown and maintained properly. The regulations were regarding to permit of machinery, safety committee, safety officer, medical insurance, minimum wages, prohibition from employing children, monitoring of working environment, monitoring of environmental aspect, paramedic and first aid officer, clinic for workers, handling of hazardous materials including pesticides, firefighting team and equipment, management of protected areas, conservation of natural resources and ecosystems, comply with managing HCV areas, management of pesticide, management of plantation, etc.</p> <p>Agricultural Practises</p> <p>Record was sighted on evaluation on compliance of land use period and right, agricultural practise regulation (e.g. chemical use), and integrated pest management (IPM), etc.</p>	<p>YES (Major NCR 2017-01 CLOSED)</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p><i>agricultural practices (e.g. chemical use), environment (e.g. wildlife laws, pollution, environmental management and forestry laws), storage, transportation and processing practices. It also includes laws made pursuant to a country's obligations under international laws or conventions (e.g. the Convention on Biological Diversity (CBD), ILO core Conventions and UN Guiding Principles on Business and Human Rights.</i></p>	<ul style="list-style-type: none"> • Records of Implementation: <ul style="list-style-type: none"> – Notes of Meeting Safety Committee – Quarterly Safety Performance Report – Measurement Report of OHS Parameters – Valid permit of boiler operator – Medical Surveillance Report – Slip of Incident Insurance Payment, etc. 	<p><u>Environment:</u></p> <p>Records was sighted on Evaluation on compliance of regulation and other requirements form updated 30 November 2017 include the environment regulation, the new environment regulation was not identified, such as Regulation of Health Minister #32 Year 2017, PermenLHK #30 year 2017, PermenLHK 68/2016. The copies of environmental regulation were sighted on soft copy also on hard copy.</p> <p><u>OHS</u></p> <p>OHS Legal requirement: permit of machinery, safety committee, safety officer, medical insurance, monitoring of working environment, paramedic and first aid officer, clinic for workers, handling of hazardous materials including pesticides, firefighting team and equipment etc.</p> <p>Evidence of compliance with applicable local, national and ratified international laws and regulations of Mill and estate have been provided, including: availability of MSDS, periodic safety parameter monitoring (illumination, vibration and noise), medical check-up, safety committee and occupational health and safety report to authority.</p> <p><u>Social and labour:</u></p> <p>Employment agreement, obliged report employment, social security, training programs, employment list, CSR program and its implementation, list of employees, payroll and over time calculations, menstruation leave, ethic policy, gender committee.</p> <p><u>Major Non-Conformance 2017-01:</u></p> <p>The new environment regulation has not been identified and evaluated such as <i>Permenkes 32/2017, PermenLHK 130/2017, PermenLHK 68/2017.</i></p> <p><u>Verification of Effectiveness:</u></p> <ol style="list-style-type: none"> 1. The list of revision of regulation updating has been shown during follow up audit. 2. The Internal Memorandum No.001/TYE/MEMO/12/2017 date on 29 December 2017 regarding revision of regulation updating 	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained.			
	<p>a. Is there a document system which includes the following?</p> <ul style="list-style-type: none"> - Personnel in charge to manage - Set of legal documents - Comprehensive list of international, national, sub-national and provincial laws which details the requirements of specific to the mill and estate operations. - Relevant sections within the law that is identified and linked to activities <p>b. Are the documents available to all levels of management?</p>	<ul style="list-style-type: none"> • Documented procedure (AA-GL-5001.1-R0 dated 5 December 2009) for compliance to regulations and its change. • List of regulation compliance • Evaluation on compliance of regulation and requirement last updated on 30 November 2017 • License of hazardous waste temporary storage (TPS B3). • License of waste water application (LA). • RKL/RPL (Environment monitoring and measurement reports). • List and Evaluation of Safety and Health Legal Requirement 	<p>Mechanism for ensuring compliance with all applicable local, national and ratified international laws and regulations was described in procedure. Evaluation of compliance with regulation was conducted by SSL department (social, security, and licence) and sustainable department.</p> <p>The Company has established procedure "compliance to regulations and its change "AA-GL-5001.1-R0 dated 5 December 2009. Procedure explaining the mechanism of identification and verification on a regular basis related laws and regulations relevant annually. Regulations include international rules that were government ratified, national regulations, local regulations, organizational requirements and the requirements of business partners. Activity to ensuring compliance such as :</p> <ul style="list-style-type: none"> - Collection of relevant legislation - Determination of the referenced regulations - Distribution of regulations to related parties - Implementation of regulations and requirements - Maintain freshness regulations <p>The update frequency was conducted annually that last update on 30 November 2017. The administrator/document control in charge at estate/mill were handled several licences and reports as obligation on local requirements, such as:</p> <p>Environment:</p> <ul style="list-style-type: none"> - Licence of hazardous waste temporary storage (TPS LB3) - Licence of waste water application (land application) - Environment monitoring and measurement reports (RKL/RPL) <p>This document was available to all staff and all level management, the document was stored at central office.</p>	YES
2.1.3	A mechanism for ensuring compliance shall be implemented.			
	<p>a. Is an internal audit for legal compliance conducted annually and documented?</p>	<ul style="list-style-type: none"> • RSPO internal audit report on 2 – 5 October 2017 • PROPER evaluation period 2016 – 2017 from KLH Hut and got “Blue” rank 	<p>Mechanism for ensuring compliance with all applicable local, national and ratified international laws and regulations were described in procedure. Evaluation of compliance with regulation was conducted by Sustainability Department and Mill and</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>Estate Manager.</p> <p>RSPO PC internal audit were planned annually. The last audit was on 2 – 5 October 2017 conducted by approved internal auditor. The audit checklist based on RSPO principle and criteria and covered the implementation of the all applied regulations. There were 18 findings and all the findings have been followed up with evidence.</p> <p>Proper evaluation has been done for period 2016 – 2017 from KLH Hut and got “blue” rank.</p>	
2.1.4	<p>A system for tracking any changes in the law shall be available and implemented.</p> <p>Specific Guidance: <i>For 2.1.4: The systems used for tracking any changes in laws and regulations should be appropriate to the scale of the organisation.</i></p>			
	<p>a. Is there a documented methodology (e.g.: personnel in charge (PIC), source of info, frequency of update) for tracking changes and communication of changes to relevant sections of the legislation?</p>	<ul style="list-style-type: none"> • Documented procedure (AA-GL-5001.1-R0 dated 5 December 2009) for compliance to regulations and its change. • AA-EMS-452-PR Rev.2 dated 25 November 2013 for evaluation on compliance of regulation and requirement • List and evaluation on compliance of regulation and other requirements updated on 30 November 2017 	<p>Established procedure (AA-GL-5001.1-R0 dated 5 December 2009 for compliance to regulations and its change), it was described mechanism for updating latest laws and regulations and requires regular access to regulatory bodies to update information of laws and regulations. Update regulation was done by:</p> <ul style="list-style-type: none"> - Collecting relevant legislation - Direct visits to the government bodies - Determination of the referenced regulations - Distribution of regulations to related parties - Implementation of regulations and requirements - Maintain of renewal rules <p>Update and compliance review against change of law and regulation was conducted annually by sustainable department and SSL department (social, security, and licence). Organization has been review and update regulation on 30 November 2017 for mill and estate.</p> <p>The communication to relevant functions was conducted by dissemination from sustainable team and public relation to respected persons at mill and estate.</p>	YES
2.2	<p>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.</p> <p>Guidance: <i>The company has SOP for Land Acquisition to ensure that there is no removal of legal, customary or user rights (see 6.4.1 & 6.4.2)</i></p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p><i>Descriptions of those rights are as follows:</i></p> <ul style="list-style-type: none"> a. <i>Legal Right may be in the form of Land Certificates (Ownership Right / Hak Milik, User Right /Hak Guna Usaha), Registration Letter / Surat Keterangan Terdaftar, Letter of Inheritor Right / Surat Keterangan Hak Waris, and or Letter of Girik Right/Surat Keterangan Hak Girik.</i> b. <i>Customary Right in the Local Regulation/Perda (based on Constitution Court Decision No. 35/PUU-X/2012 regarding Customary Forest) determined through participatory mapping of customary land by the legitimate customary law community who are recognized by the surrounding customary law community and refers to Regulation of the Minister of Home Affairs (Permendagri) No. 52 year 2014 regarding Guideline of Recognition and Protection of Customary Law Community and Regulation of the State Minister of Agrarian Affairs/Head of National Land Agency (BPN) No. 5 year 1999 regarding Guidelines for the Settlement of Problems Related to the Communal Reserved Land of the Customary Law Abiding Community.</i> c. <i>User Right may be in the form of evidence of land leasing from the legal right holder, and/or official letter from the Village Head based upon testimony of communities or individual where their areas are adjacent to that land.</i> <p><i>Customary area is customary land, including soil, water and or waters and natural resources with certain boundaries, owned, utilized and preserved for generations and on sustainable basis to fulfill the needs of their livelihood that was acquired from their ancestor or claimed ownership of communal land or customary forest.</i></p> <p><i>Where there is a conflict on the condition of land use as per land title, growers should show evidence that necessary actions have been taken to resolve the conflict with relevant parties</i></p> <p><i>A mechanism should be in place to resolve any conflict (Criteria 6.3 and 6.4).</i></p> <p><i>Where operations overlap with other rights holders, companies should resolve the issue with the appropriate authorities, consistent with Criteria 6.3 and 6.4.</i></p> <p><i>Historical data of land ownership should be provided by the company for a minimum of one period of ownership/control.</i></p> <p><i>If there is a claim on customary right, this shall be legally demonstrated.</i></p>			
2.2.1	<p>(M) Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available.</p> <p>Specific Guidance: <i>For 2.2.1: The documents required to demonstrate legal ownership, lease or control and use of land shall include those related to getting the land permit or transfer of land right and up to the operational right.</i></p>			
	<ul style="list-style-type: none"> a. Are there documents showing legal ownership or lease of the land available? (e.g. land titles, lease documents) b. Are there documents showing history of land tenure available? (e.g. legal documents showing land status change, SIA and EIA reports, HCV assessment reports) 	<ul style="list-style-type: none"> • Site Permit • Plantation Permit • Forest Land Release Permit (IPKH) • Documents of land use title (HGU certificate). 	<p>Copy of land title (HGU) of PT Tunggal Yunus Estate was sighted and legally owned by the company. Copy of land use title was available and well maintained in the office of Topaz Estate, while the original one was kept in the regional Office Pekanbaru.</p> <ul style="list-style-type: none"> • The company has Site Permit (<i>Izin Lokasi</i>) by the Decree of the Governor of Riau Province #KPTS.81/I.L-VIII/1992 dated August 14th 1992, concerning: Site Permit and Acquisition / Purchase of Land in Siak Hulu District (now Tapung District), Kampar Regency, on behalf of PT. Tunggal 	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>c. Are there documents showing the actual legal use of the land available?</p> <p>d. Are the documents complete?</p>		<p>Yunus Estate, area of ± 4,000 Ha.</p> <ul style="list-style-type: none"> Decree of the Ministry of Forestry no. 1768/Menhut-II/89 dated December 1st 1989, concerning: The provision of ± 5,000 Ha forest area in Riau Province for PT. Tunggal Yunus Estate plantation. Decree of the Ministry of Forestry no. 427/Kpts-II/1993 dated August 13th 1993, concerning: The release for most of the forest areas which are located in <i>Suram river – Topaz river</i> forest, Kampar regency, Riau Province, covering an area of 5,242 Ha. Plantation Operation Permit / <i>Surat Pendaftaran Usaha Perkebunan</i> (SPUP) No.91/Mentanhut-VII/2000 dated October 9th 2000, with detail: <ul style="list-style-type: none"> Company : PT. Tunggal Yuus Estate Plant Type : Oil Palm Site : Tapung District, Kampar Regency, Riau Province Area : 4,124 Ha Processing : 1 unit of palm oil mill Licensed Capacity : 60 tons FFB/hour Installed Capacity : 45 tons FFB/hour Decree of the Head of National Investment Agency No.161/I/PMDN/1989 dated March 16th 1989 regarding plantation business permit. Plantation Business Assessment (<i>Penilaian Usaha Perkebunan -PUP</i>); Class II, based on Decree of Governor of Riau No. Kpts.848/VIII/2011 dated August 1st 2011. The plantation has a land rights (HGU) area of 4,124 Ha based on Decree of the Head of National Land Agency (<i>Badan Pertanahan Nasional-BPN</i>) No. 63/ HGU/BPN/96, dated December 19th 1996 and Certificate No. 4/1997; Patapahan village, Tapung District, Kampar Regency, Riau Province, valid until June 7th 2032. <p>Building permit (IMB):</p> <ul style="list-style-type: none"> IMB No. 24/IMB/PU-CK/V/2001 dated May 15th 2001 from regent of Kampar Regency to establish palm oil mill covering 4,749.02 m². 	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>- IMB No. 116/IMB/PU.CK/I/1997 dated January 15th 1997 from regent of Kampar Regency to establish office (225 m²), warehouse (230 m²), workshop (150 m²), 21 units of housing type E2 (1,842.75 m²) dan 4 unit housing type D2 (494 m²).</p>	
2.2.2	<p>Legal boundaries are demonstrated clearly and maintained.</p> <p>Specific Guidance: <i>For 2.2.2: Grower should cease operations on land planted beyond the legally determined area and there should be specific plans in place to address such issues for associated smallholders.</i></p>			
	<p>a. Is there a legal map showing location of boundary markers?</p> <p>b. Is there physical presence of boundary markers?</p> <p>c. Is there an SOP for boundary demarcation and maintenance?</p> <p><i>Note to auditor: Ground verification of boundary markers using GPS should be conducted. Priority should be on boundaries with other estates, community areas, protected area and rivers</i></p> <p><u>In the case of Associated Smallholders:</u></p> <p>d. Are there documents showing that the boundaries of associated smallholders have been recorded and verified by the mill?</p> <p>e. In case of boundary breach, is there proof of a mitigation plan being implemented?</p>	<ul style="list-style-type: none"> • Map of legal boundary • KTZ-WI-001 Monitoring of HGU pegs maintenance, revision 0, 1 December 2015 • Report of checking and maintenance of HGU pegs • Field observation to HGU pegs 	<p>Work instruction described preparation, implementation and result of HGU pegs maintenance. Maintenance is conducted twice a year. The total of 66 pegs. Legal map showing location of boundary markers is documented in "Map of boundary pegs". The map described pegs number. HGU pegs observed were:</p> <ul style="list-style-type: none"> • No. 17 (00°39'49.5" N and 100°59'15.6" E) • No. 39 (00°41'12.2" N and 100°55'43.6" E) • No. 50 (00°42'54.2" N and 100°58'23.8" E) <p>Legal boundaries were clearly demarcated and maintained. All pegs were in good condition and maintained. Plantation activity such as upkeep and harvesting were conducted inside the border.</p> <p>A review to legal boundaries maintenance records at Topaz Estate and field observation to a number of legal boundaries demonstrated that the legal boundaries were well maintained by Estates. Last activities of maintenance were conducted in January and June 2017.</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
2.2.3	In the event that there is a dispute or a dispute has occurred, adequate evidence of legitimate acquisition and compensation or compensation settlement process through conflict resolution which has been received through Free, Prior and Informed Consent by all related parties shall be provided.			
	<p>a. Are there, or have there been any land disputes?</p> <p><i>Note to auditor: Due diligence should be conducted on the management to provide evidence that there has been no historical or current land dispute</i></p> <p>b. If there are or have been disputes, are there:</p> <ul style="list-style-type: none"> - Documents to proof legal acquisition? - Records of FPIC process? <p>c. If there has been acquisition involving compensation, are there:</p> <ul style="list-style-type: none"> - Records that Fair compensation has been provided and accepted by parties involved? - Records that all affected parties are consulted and represented? - Documents of negotiations/discussion available? <p><i>Note to auditor: There should be direct verification of above with the affected parties</i></p>	<ul style="list-style-type: none"> • Public consultation with stakeholders on 13 December 2017 • SOP: Social Conflict and Land Dispute Resolution has been described in AA-GL-0052.1-R1. 	<p>No complaints associated with land disputes between the company and the surrounding community. This was also confirmed during the public consultation with stakeholders on 13 December 2017.</p> <p>PT. Tunggal Yunus has established a mechanism for resolution of conflicts and disputes through SOP for Social Conflict and Land Dispute Resolution has been described in AA-GL-0052.1-R1.</p> <p>This procedure mentioned how the company solves the problem if any conflict occurred, both internal and external conflicts. This procedure also mentioned if the problem cannot be resolved by negotiation, the company will take legal action involving the related institution.</p>	N/A
2.2.4	(M) There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved.			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Does the company have cases of significant land conflict? (i.e. preventing the company from operating normally)</p> <p>b. If the company has cases of conflict, are records of the following available?</p> <ul style="list-style-type: none"> - Status of conflict - SOP/ mechanism for conflict resolution - Implementation of SOP/mechanism - Acceptance of the procedures by all parties - Records of conflict resolution 	<ul style="list-style-type: none"> • Public consultation with stakeholders on 13 December 2017 • SOP: Social Conflict and Land Dispute Resolution has been described in AA-GL-0052.1-R1. 	<p>No complaints associated with land disputes between the company and the surrounding community. This was also confirmed during the public consultation with stakeholders on 13 December 2017.</p> <p>PT. Tunggal Yunus has established a mechanism for resolution of conflicts and disputes through SOP for Social Conflict and Land Dispute Resolution has been described in AA-GL-0052.1-R1.</p> <p>This procedure mentioned how the company solves the problem if any conflict occurred, both internal and external conflicts. This procedure also mentioned if the problem cannot be resolved by negotiation, the company will take legal action involving the related institution.</p>	<p>N/A</p>
2.2.5	<p>For any conflict or dispute over the land, the evidence of the extent of disputed area is mapped out in a participatory way with involvement of affected parties (including neighboring communities and local government where applicable), shall be available.</p>			
	<p>a. Is there an SOP for participatory mapping of disputed area?</p> <p>b. Is a dispute map available?</p> <p>c. Is there documented evidence of involvement and acceptance by the affected parties?</p> <p><i>Note to auditor: Actual ground verification showing the accuracy of the dispute map should be conducted</i></p>	<ul style="list-style-type: none"> • Public consultation with stakeholders on 13 December 2017 • SOP: Social Conflict and Land Dispute Resolution has been described in AA-GL-0052.1-R1. 	<p>No complaints associated with land disputes between the company and the surrounding community. This was also confirmed during the public consultation with stakeholders on 13 December 2017.</p> <p>PT. Tunggal Yunus has established a mechanism for resolution of conflicts and disputes through SOP for Social Conflict and Land Dispute Resolution has been described in AA-GL-0052.1-R1.</p> <p>This procedure mentioned how the company solves the problem if any conflict occurred, both internal and external conflicts. This procedure also mentioned if the problem cannot be resolved by negotiation, the company will take legal action involving the related institution.</p>	<p>N/A</p>
2.2.6	<p>(M) To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.</p> <p>Specific Guidance: <i>For 2.2.6: The company policy should require the use only of legally recognized private security personnel in their operations and prohibit extra-judicial interference and intimidation by the security</i></p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<i>personnel as mentioned above (see Criterion 6.13).</i>			
	<p>a. Does the company have a policy to circumvent instigated violence to maintain peace and order in current and planned operations?</p> <p>b. Is there any evidence of:</p> <ul style="list-style-type: none"> - The use of confrontation and intimidation by the company to maintain peace and order? - Use of para-militaries and mercenaries in the plantation? 	<ul style="list-style-type: none"> • Company policy. • Public consultation with stakeholders on 13 December 2017 	<p>Company have a policy to circumvent instigated violence to maintain peace and order in current and planned operations. It documented in the Company Policy dated 1 December 2014 and mentioned in the item no 8 and stated circumvent instigated violence to maintain peace and order in current and planned.</p> <p>From the results of the public consultation with stakeholder on 13 December 2017 also confirmed that no act of violence and militaristic ways adopted by the company in solving problems with public / stakeholders.</p>	<p>YES</p>
<p>2.3</p>	<p>Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.</p> <p>Guidance: <i>All indicators are applied to all oil palm plantations developed after November 2005, with exception to plantations developed prior to November 2005 that may not have records dating back to the time of decision making, in particular for compliance with Indicators 2.3.1 and 2.3.2.</i></p> <p><i>Where there are legal or customary rights over land, the grower should demonstrate that these rights are understood and are not being threatened or reduced. This Criterion should be considered in conjunction with Criteria 6.4, 7.5 and 7.6. Where customary rights areas are unclear these should be established through participatory mapping exercises involving affected parties (including neighbouring communities and local authorities).</i></p> <p><i>This Criterion allows for sales and negotiated agreements to compensate other users for lost benefits and/or relinquished rights. Negotiated agreements should be non-coercive and entered into voluntarily, carried out prior to new investments or operations, and based on an open sharing of all relevant information. The representation of communities should be transparent and in open communication with other community members. Adequate time should be given for customary decision making and iterative negotiations allowed for, where requested. Negotiated agreements should be binding on all parties and enforceable in the courts. Establishing certainty in land negotiations is of long-term benefit for all parties.</i></p> <p><i>Growers and millers should refer to the RSPO approved FPIC guidance (RSPO endorsed Free, Prior and Informed Consent Guide for RSPO Members, November 2015).</i></p> <p><i>Companies should be especially careful where they are offered lands acquired from the State by its invoking the national interest (also known as 'eminent domain').</i></p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
2.3.1	(M) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).			
	<ul style="list-style-type: none"> • Does the company have an SOP on FPIC? • Is there evidence that the identification of legal, customary or user rights has been done through FPIC process? • Is there evidence that the FPIC process has been implemented in accordance to the company SOP? Where is this evidence recorded? (E.g.: Documents, Minutes of meeting, Records, Agreements, Maps etc.) • Is there a map of the extent of legal, customary or user rights? Is this map of appropriate scale (1: 10,000)? • Was the map produced through participatory mapping with reference to SIA and HCV assessment? • Does the map have a title, legend, source, scale and projections/georeference? • Are the maps accepted by the relevant communities? 	<ul style="list-style-type: none"> • SOP <i>Penanganan Konflik Lahan</i> (Conflict Management and Handling) AA-GL-5003.1-R2 dated 5 May 2015. • Areal Statement of PT Tunggal Yunus • Public consultation with stakeholders on 13 December 2017 	<p>Company has established SOP <i>Penanganan Konflik Lahan</i> (Conflict Management and Handling) AA-GL-5003.1-R2 dated 5 May 2015 which stated the mechanism of FPIC.</p> <p>However FPIC process was not applicable due to all land in inside the concession area has been developed in period 1992 – 1997 (based on areal statement). Based on Social Impact Assessment, HCV Assessment and public consultation there were no customary rights in the land.</p>	YES
2.3.2	Copies of negotiated agreements including the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and these include: <ol style="list-style-type: none"> a. Evidence of consultation b. Statement of transfer of rights c. Evidence of compensation 			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>See specific guidance 2.3.2</p> <p>Specific Guidance: For 2.3.2 : <i>Copies of negotiated agreements shall include at minimum:</i></p> <ul style="list-style-type: none"> a. <i>A plan that should be developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</i> b. <i>Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</i> c. <i>Evidence that the company has ensured that affected communities have understood and accepted the legal, economic, environmental and social implications for permitting operations on their land, including the implications for the legal status of their land at the expiry of the company's title or concession. The company shall inform the legal implication based upon, but not limited to, Act No. 50 year 1960 and Government Regulation No. 40 year 1996 regarding Land-Use Right (HGU), Building-Use Right (HGB), and User Right, where the land will be owned by the state if HGU right is expired, not be extended and or updated.</i> d. <i>Evidence that the company has informed the plan for partnership program.</i> 			
	<ul style="list-style-type: none"> a. Are copies of negotiated agreements with affected parties available? b. Is there evidence that the agreement is prepared through proper FPIC process? c. Does the agreement contain the following: <ul style="list-style-type: none"> - An action plan developed through consultation with affected parties, is inclusive and evidence that members of affected parties are well informed and involved in the decision making process - Evidence of options to give or withhold consent for development - Evidence that members of the affected communities understand and accept the 	<ul style="list-style-type: none"> • SOP <i>Penanganan Konflik Lahan</i> (Conflict Management and Handling) AA-GL-5003.1-R2 dated 5 May 2015. • Areal Statement of PT Tunggai Yunus • Public consultation with stakeholders on 13 December 2017 	<p>Organizations have established procedures SOP <i>Penanganan Konflik Lahan</i> (Conflict Management and Handling) AA-GL-5003.1-R2 dated 5 May 2015. Describes the mechanism of land conflict resolution mechanisms between companies and land owners. The land cleared for oil palm plantations should ensure not be a problem and there is no dispute over land ownership. Procedure was presented to the head of the village around the plantation.</p> <p>Procedure for FPIC process was available, and during public consultation with Villages Heads, it was confirmed that the procedure was made in consultation and discussion with them. The procedure was consulted with surrounding communities around the area of company in April 16th, 2015. Stakeholder meeting held every 5 year and the next stakeholder meeting will be held in 2020.</p> <p>There are no customary or user right in the plantation. It has been verified during group discussion with villages head, community leader and young leader around estate.</p> <p>The results of the consultation can be seen that the legal implications, economic, and social environment so that the use of land for plantation development has been understood and accepted by the affected communities, including the implications for the legal status of their land, concessions or compensation for their land.</p>	<p>N/A</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>implication involved in permitting/rejecting oil palm development on their land (E.g.: legal status, social, environmental, economic)</p> <ul style="list-style-type: none"> - Evidence that the negotiated agreement was entered voluntarily without coercion by all parties - Evidence that adequate time was given for customary decision making and iterative negotiations - Clause which states that the negotiated agreement is legally binding 			
2.3.3	Relevant information shall be available in appropriate forms and languages, including analysis of impacts, proposed benefit sharing, and legal arrangements.			
	<p>a. Is there evidence that all the information (maps, agreement, records, impact assessment, benefit sharing and legal arrangements) is available in appropriate forms and languages, understood and accessible to affected parties?</p> <p><i>Note to auditor: this should be cross checked to a sample of the affected parties</i></p>	<ul style="list-style-type: none"> • Interview with local governance and stakeholder on 12 - 13 December 2017 	<p>Before performing land clearing, the company ensures that all of lands that will be cultivated have a clear status. The company has a land map according to the location permit given by the government. If there was land that become around community ownership within the area of location permit, companies will freeze the land with compensation as agreed both parties.</p> <p>There is no element of coercion and violence that performed by companies. This was also confirmed when the public consultation on 12 - 13 December 2017 with community leaders, prominent figure and local governance.</p> <p>Planted areas of the Estate are wholly on Government land, leased under HGU. Maps have been developed for each estate indicating Legal demarcation and planted areas.</p> <p>Currently organizations have established procedures SOP SOP <i>Penanganan Konflik Lahan</i> (Conflict Management and Handling) AA-GL-5003.1-R2 dated 5 May 2015. Describes the mechanism of land conflict resolution mechanisms</p>	N/A

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			between companies and land owners. The land cleared for oil palm plantations should ensure not be a problem and there is no dispute over land ownership. Procedure was presented to the head of the village around the plantation	
2.3.4	<p>(M) Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>Specific Guidance: For 2.3.4: Evidence of proxy letter from the community group, individual and/or company to the institution which represents community at the negotiation process, shall be demonstrated.</p>			
	<p>a. Who is the representative of the community in the negotiation process?</p> <p>b. Is the representative accepted by the community?</p> <p>c. Is the record of appointment to represent the community available and shared with other parties?</p>	<ul style="list-style-type: none"> • Interview with local governance and stakeholder on 12 - 13 December 2017 • HCV and SIA Assessment 	<p>Communities are represented through institutions or representatives of their own choosing. It was confirmed that Village communities have delegated their representatives to the Village Head. Village Head are selected through local election and accepted by the community.</p> <p>FPIC process was not applicable due to all land in inside the concession area has been developed in period 1994 – 1997. Based on Social Impact Assessment, HCV Assessment and public consultation there were no customary rights in the land</p>	N/A

PRINCIPLE 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
3.1	<p>There is an implemented management plan that aims to achieve long-term economic and financial viability.</p> <p>Guidance: <i>Whilst it is recognised that long-term profitability is also affected by factors outside their direct control, top management should be able to demonstrate attention to economic and financial viability through long-term management planning. There should be longer term planning for plantations on peat, particularly in regards to subsidence and flooding issues (see Indicator 4.3.5).</i></p> <p><i>Consideration of smallholders should be inherent in all management planning where applicable (see also Criteria 6.10 and 6.11). For scheme smallholders, the company should refer to RSPO Guidance On Scheme Smallholders, July 2009 or endorsed final revision.</i></p> <p><i>Growers should have a system to improve practices in line with new information and techniques. For smallholder schemes, the scheme management should be expected to provide their members with information on significant improvements.</i></p> <p><i>This Criterion is not applicable to independent smallholders (refer to RSPO Guidance for Independent Smallholders under Group Certification, June 2010)</i></p>			
3.1.1	<p>(M) A documented management plan, a minimum of three years shall be available, including, where appropriate, plan for scheme smallholders.</p> <p>Specific Guidance: <i>For 3.1.1: The business or management plan should contain:</i></p> <ul style="list-style-type: none"> • <i>Attention to quality of planting materials;</i> • <i>Crop projection = Fresh Fruit Bunches (FFB) yield trends;</i> • <i>Mill extraction rates = Oil Extraction Rate (OER) trends;</i> • <i>Cost of Production = cost per tonne of Crude Palm Oil (CPO) trends;</i> • <i>Forecast prices;</i> • <i>Financial indicators.</i> <p><i>Suggested calculation: trends in 3-year running mean over the last decade (FFB trends may need to allow for low yield during major replanting programmes).</i></p>			
	<p>a. Does the company have a documented business or management plan with a minimum planning period of 3 years?</p> <p>b. Does it include the following:</p> <ul style="list-style-type: none"> - Land area statement (planting years, non-planted areas, i.e. HCV, conservation areas, fragile soils, enclaves) with 	<ul style="list-style-type: none"> • Long term planning in 2016 – 2020 (Topaz Estate) • Long term planning in 2015 – 2024 (Topaz Mill) 	<p>Management plan during the five-years period 2016 - 2020 (Topaz Estate), 2015 – 2024 (Topaz Mill) were used to achieve economic viability and long-term financial. The plan was approved by the top management; include a long term viability plan for plantation on peat. The parameters listed in the management plan that includes:</p> <ul style="list-style-type: none"> - Land area statement with updated location maps. Maps should have title, legend, source, scale and projections/georeferenced - Quality of planting materials - Crop projection = Fresh Fruit Bunches (FFB) yield trends 	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>updated location maps. Maps should have title, legend, source, scale and projections/georeferenced</p> <ul style="list-style-type: none"> - Plan for management of scheme smallholders (where appropriate) - Quality of planting materials - Crop projection = Fresh Fruit Bunches (FFB) yield trends - Mill extraction rates = Oil Extraction Rate (OER) trends - Cost of Production = cost per tonne of Crude Palm Oil (CPO) trends - Forecast prices - Financial indicators – profitability forecast (income vs cost) - Projected expansion (area, mill capacity, infrastructure, social amenities) - General strategy and allocation for environmental and social management (refer to P5, P6 and P8) <p>c. Is this management document subjected to an annual review?</p> <p>d. For plantations on peat, is there a long term viability plan – e.g. flooding, drainability assessments and subsidence issues? (see 4.3.5)</p> <p>e. Does the grower have a system to improve practices in line with new</p>		<ul style="list-style-type: none"> - Mill extraction rates = Oil Extraction Rate (OER) trends - Cost of Production = cost per tonne of Crude Palm Oil (CPO) trends - Forecast prices - Financial indicators – profitability forecast (income vs cost) <p>General strategy and allocation for environmental and social management. The achievement of the management plan is reviewed every month in the Estate Unit Report (LUK) and Mill Unit Report (LUP) according to the current month. Reviewing of LUK and LUP was conducted monthly for period 2017.</p> <p>The organisation has a system to improve practices in line with new information and techniques through continual improvement. All staffs can propose continual improvement. Continual improvement was communicated to all unit managements.</p> <p>Based on area statement and interview with company management, that planning of replanting activity will be conducted started in 2021. There was no smallholder scheme at the company.</p>	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)																				
	information and techniques? - Has the personnel in charge (PIC) been identified? - How is the information updated? - Is there a documented SOP which requires monitoring and updating information to improve practices? f. Is new information communicated to workers and scheme smallholders (where appropriate)? How is it communicated?																							
3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.																							
	a. Is there an annual replanting programme projected for a minimum of five years? b. Has it been documented? c. Is the progress of implementation documented? d. How does the programme take into consideration fragile soils such as peat? Is there a longer projection period (see C4.3)? e. Is there evidence of a yearly review of the replanting programme?	<ul style="list-style-type: none"> • Replanting programme • Area Statement PT. TYE December 2017 • Field observation 	Projected annual replanting programme was described in the “Replanting Programme”. Detail Annual Replanting Programme for the next 5 years are: <table border="1" data-bbox="1153 874 1496 1225"> <thead> <tr> <th>Year</th> <th>Topaz Estate (Ha)</th> </tr> </thead> <tbody> <tr><td>2017</td><td>0</td></tr> <tr><td>2018</td><td>0</td></tr> <tr><td>2019</td><td>0</td></tr> <tr><td>2020</td><td>0</td></tr> <tr><td>2021</td><td>359</td></tr> <tr><td>2022</td><td>600</td></tr> <tr><td>2023</td><td>648</td></tr> <tr><td>2024</td><td>649</td></tr> <tr><td>2025</td><td>650</td></tr> </tbody> </table>	Year	Topaz Estate (Ha)	2017	0	2018	0	2019	0	2020	0	2021	359	2022	600	2023	648	2024	649	2025	650	YES
Year	Topaz Estate (Ha)																							
2017	0																							
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2019	0																							
2020	0																							
2021	359																							
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2024	649																							
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PRINCIPLES 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
4.1	<p>Operating procedures are appropriately documented, consistently implemented and monitored.</p> <p>Specific Guidance: For 4.1.1 and 4.1.4: SOPs and documentations for mills should include relevant supply chain requirements (see RSPO Supply Chain Certification Standard, Nov 2011). Mechanisms to check implementations could include documentation management systems and internal control procedures. These procedures refer to the Best Management Practices for Oil Palm in Indonesia, such as Technical Guideline for Oil Palm Development, Directorate General of Estate Crops, Ministry of Agriculture, 2006.</p>			
4.1.1	(M) Standard Operating Procedures (SOPs) for estates (land clearing to harvesting) and SOP for mills (reception of FFB to dispatch of CPO and PKO) shall be available			
	<p>a. Have the SOPs for mills and plantation been documented?</p> <p>b. Does the SOP cover key processes, harvesting, transportation, manuring, IPM, GAP, Supply Chain requirements for the mill, etc.?</p> <p>c. Is a copy of the SOP available on site and is it documented in an appropriate language?</p> <p>d. Is there evidence that SOPs are implemented and understood by workers?</p> <p>e. Are the SOPs appropriate and adequately cover all estate and mill processes and activities?</p> <p>f. How are the SOPs made available at the point of use?</p>	<ul style="list-style-type: none"> • Agriculture Policy Manual • Mill Policy Manual • Field observation in Topaz Estate (harvesting process in Block B95A Division II and pesticide spraying in Block C94D Division III). 	<p>The documented Standard Operating Procedures (SOP) for Estate was evident:</p> <ul style="list-style-type: none"> • AA-APM-OP-1100.01-R1 Nursery • AA-APM-OP-1100.02-R1 Land Preparation • AA-APM-OP-1100.03-R1 Creation and Maintenance of Road • AA-APM-OP-1100.04-R1 Creation and Maintenance Trenches • AA-APM-OP-1100.05-R1 Soil and Water Conservation • AA-APM-OP-1100.06-R1 Planting Leguminous Cover Crop • AA-APM-OP-1100.07-R1 Oil Palm Planting • AA-APM-OP-1100.09-R1 Manuring • SOPs for IPM: <ul style="list-style-type: none"> – AA-APM-OP-1100.10-R1 Pest & Diseases Control – AA-APM-OP-1100.08-R1 Weeding Control – AA-APM-OP-1100.14-R1 Census and Identification Plant • AA-APM-OP-1100.11-R1 Management Pesticides • AA-APM-OP-1100.12-R1 Castration • AA-APM-OP-1100.13-R1 Pruning • AA-APM-OP-1100.15-R1 Census of Production • AA-APM-OP-1100.16-R1 Consolidation • AA-APM-OP-1100.17-R0 Water Management • AA-APM-OP-1100.18-R1 FFB Harvesting • AA-APM-OP-1100.19-R1 Transportation Management 	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<ul style="list-style-type: none"> • AA-APM-OP-1100.20-R1 Replanting <p>The documented procedures regarding processing activities of palm oil have already described within the “Mill Policy Manual” (MPM) document which approved by Operations Director. The manual are consist of each processing station start from FFB (Fresh Fruit Bunch) receiver until the CPO delivery and also include the procedures of machineries preventive maintenance, utilities and quality control. Herewith the procedures consists within the MPM such as:</p> <ul style="list-style-type: none"> • AA-MPM-OP-1400.02-R2 FFB Receiver Procedure • AA-MPM-OP-1400.03-R1 Sterilizer station Procedure • AA-MPM-OP-1400.04-R1 Threshing station Procedure • AA-MPM-OP-1400.05-R1 Digesting and Screw Press station Procedure • AA-MPM-OP-1400.06-R1 Clarifier station Procedure • AA-MPM-OP-1400.07-R1 Nut Polishing Procedure • AA-MPM-OP-1400.08-R1 Kernel station Procedure • AA-MPM-OP-1400.11-R1 Water Treatment Procedure • AA-MPM-OP-1400.12-R1 Laboratory Procedure • AA-MPM-OP-1400.14-R2 Storage and delivery Procedure • AA-MPM-OP-1400.15-R1 Preventive machineries maintenance Procedure • AA-MPM-OP-14000.13-R1 – WWTP Process • AA-MPM-OP-1400.17-R3 Traceability • AA-MPM-OP-1400.18-R3 Mass Balance <p>Copy of the procedures was available on site and is it documented in Indonesian language. Procedures were distributed to Estate and Mill.</p> <p>Procedure has been disseminated periodically to all Estate and Mill employees through regular training and morning briefing. Interviews with the employees indicated satisfactory level of understanding and implementation in relation to their respective job function.</p> <p>Sample of estate operational implementation were taken in harvesting process in Block B95A Division II TT 1995-Topaz Estate and pesticide spraying in Block C94D Division III Topaz Estate. Mill operational implementation was conducted started from loading ramp to CPO dispatch including supporting process, e.g. maintenance and warehouse activities. It was observed that all of the activities</p>	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			were implemented according to procedure.	
4.1.2	Checking or monitoring of operations procedures is conducted at least once a year.			
	<p>a. Is there a master list of all SOPs?</p> <p>b. How does the company keep track of revisions?</p> <p>c. Is there mechanism for:</p> <ul style="list-style-type: none"> - Translation of SOP into work instructions in appropriate languages? - Records of training for all levels? - Internal control (e.g. audit and review, field inspection) procedure in place to monitor consistent implementation of SOPs? - Trained and competent personnel assigned to carry out internal control activities? - Implementation audits to be carried out regularly covering implementation of all the SOPs? - Procedure to address non-compliance and corrective action for continuous improvement? 	<ul style="list-style-type: none"> • Report of Head of Mill and Engineering visiting, 2017 • Visiting Agent Report #KTZ/VA/FULL 01-17 • R&D P&D Visit Report #KTZ/R&D-P&D/01-2017 • Records of training 	<p>Master list of all SOPs and its revision history were available and well documented. Organization keeps track of revision of the SOPs in revision history in the cover of SOPs. SOP was provided in appropriate language (Bahasa Indonesia). SOPs training and dissemination to all of employee has been conducted.</p> <p>The organization has well implemented internal control and monitoring processes that check and report on the implementation of the SOPs. These include independent checks of the Mill and Estates by the corporate internal audit. There were several internal audits, e.g. Mill and Engineering visiting, VA visiting, R&D visiting, etc. Records of training for all worker was available, such as attendance list, certificate (if any), etc.</p> <p>Internal audit was conducted to check implementation of the procedures and work instructions. Internal audit covered operational activities of plantations and mill including the maintenance of palm oil crop (upkeep, manuring, IPM), harvesting and other supporting activities such as administration, road infrastructure, FFB transport and mill process.</p> <p>Internal audit conducted in 2017, as follows:</p> <ul style="list-style-type: none"> • Visiting Agronomy, on 23-27 July 2017 • Visiting IPM (Integrated Pest Management), on 6-7 April 2017. • Visiting Engineering, on 6-7 April 2017 <p>Corrective action of all non-conformities found has been follow up. The organisation has established procedure to address non-compliance and corrective action for continuous improvement.</p>	YES
4.1.3	Records of monitoring and any follow-up actions shall be available.			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Have the records been maintained on the following?</p> <ul style="list-style-type: none"> - Measurements or results of internal control and monitoring activities (refer 4.1.2) - Records of corrective actions and improvement undertaken 	<ul style="list-style-type: none"> • BKM (<i>Buku Kegiatan Mandor</i> - Log book of group leader activity) • <i>Pemeriksaan ancak</i> – Checking of harvesting area • <i>Pemeriksaan mutu buah</i> – Checking of FFB quality • <i>Buku penerimaan TBS</i> – Log book of FFB receiving • Logsheet of every station in Mill • Calibration report of weigh bridge #700/DPP/UPTD 1.2/214/IV/2017 dated 11 April 2017 • Field observation to Estate and Mill 	<p>Record of monitoring and any action taken were maintained and available for Estate and Mill, e.g. :</p> <ul style="list-style-type: none"> - BKM (<i>Buku Kegiatan Mandor</i> - Log book of group leader activity). - <i>Pemeriksaan ancak</i> – Checking of harvesting area. The checking covered number of block, name of harvester. - <i>Pemeriksaan mutu buah</i> – Checking of FFB quality. The checking covered number of block, name of harvester, FFB lagged, brondol lagged, midrib set out, abnormal harvested, etc - <i>Buku penerimaan TBS</i> – Log book of FFB receiving. The log book covered number of block, name of harvester, FFB lagged, brondol lagged, midrib set out, abnormal harvested, etc. - Logsheet every station from loading ramp, sterilizer, threshing, press, clarification, boiler and effluent. Record daily activity of processs in each station and process performance in each station. - Calibration reports of measuring equipment, e.g. temperature gauge, pressure gauge, analytical balance, weigh bridge, oven, water bath, etc. - Control of Process work program and routine maintenance and equipment repair. <p>Records of corrective actions and improvement undertaken for all of the control and monitoring activity above has been maintained by the organization.</p>	<p>YES</p>
4.1.4	(M) Records of the origins of all third-party FFB sourced (collector, deliver, Cooperative, Farmers Association and outgrower) shall be available.			
	<p>a. Is there an SOP for third-party FFB sourcing?</p> <p>b. Is there a list of approved third-party FFB suppliers?</p> <p>c. Is there proof of observed implementation of SOP?</p> <p>d. Is there daily and summary records of volume and origins of third-party</p>	<ul style="list-style-type: none"> • AA-MPM-OP-1400-02.R1 (Procedure of Receiving Station) • AA-MPM-OP-1400.17-R3 (Procedure of Traceability) • AA-MPM-OP-1400.18-R3 (Procedure of Mass Balance) • Mechanism of third party FFB receiving. 	<p>Standard Operating Procedures for third party FFB sourcing were available. The receiving station split FFB from internal and external sources (third party). Mechanism of third party FFB receiving described the process from proposal from supplier, approval as FFB supplier, FFB pricing, FFB receiving in Mill and payment of FFB.</p> <p>Record of TBS received from external sources was stated on Recapitulation of FFB Received Report. There were a list of approved third-party FFB suppliers, such as :</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>FFB received?</p> <p>e. Have these records been verified against the available document?</p>	<ul style="list-style-type: none"> • Mechanism of the third party FFB pricing • Quantity of production and budget 2016 • Statement and assurance from the third party 	<ul style="list-style-type: none"> - CV Naya Gabe Mandiri - CV Raja Muara Nauli - CV Tri Mitra Mandiri - CV Mitra Jaya Martua - Riski Prabangkara (RIRA) <p>There were evidence of SOP implementation such as: FFB grading process 100% in accordance with grading criteria which has been agreed in DO, price of FFB was agree in DO based Memorandum from Regional Office Pekanbaru, payment carry out after FFB received and invoice receive by finance. Payment was performed daily. Third party FFB price affected by CPO and PK price, transport, OER, KER, processing cost and others.</p> <p>It was observed that the payment and price was met with DO and procedure. Organization only received legal FFB; There was statement letter from each FFB supplier that:</p> <ul style="list-style-type: none"> - FFB supplied to PT TYE, Topaz Mill was not came from forest area or prohibited area by law and regulation. - FFB supplied to PT TYE, Topaz Mill was not came from peat area. - FFB supplied to PT TYE, Topaz Mill was not came from conflict area - Not performed burning for land clearing in new planting or replanting - Not employed children under 18 years old. <p>Topaz Mill records the origins of all third-party sourced Fresh Fruit Bunches. FFB tonnage delivery from the third party was well documented daily (<i>Laporan Harian Pabrik</i>) and monthly (Mill Operation Summary). All records have been verified and it was compliance with available procedure.</p> <p>Meeting between the company and FFB suppliers on 6 September 2017 about required FFB quality by the company for the FFB suppliers.</p>	
4.2	<p>Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p> <p>Guidance: <i>Long-term fertility depends on maintaining the structure, organic matter content, nutrient status and microbiological health of the soil. Growers should ensure that they follow the best practices. Nutrient efficiency should take account of the age of plantations and soil conditions.</i></p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)																																								
<p><i>The nutrient recycling strategy should include any use of biomass for by-products or energy production.</i></p> <p><i>One of the guidance may be used as a reference to the Technical Guideline for Oil Palm Development, Directorate General of Estate Crops, Ministry of Agriculture (2006)</i></p>																																												
4.2.1	(M) A record of SOP implementation to maintain soil fertility that ensures optimal and sustained yield, shall be available <i>Minor to Major</i>																																											
	<p>a. Are there SOPs for Good Agricultural Practices in managing soil fertility?</p> <p>b. Is there evidence that the SOPs have been implemented and monitored?</p>	<ul style="list-style-type: none"> • AA-APM-OP-1100.09-R1 Manuring • LUK (Estate Report) 2017 • Observation 	<p>Organization has been defined the SOPs for Good Agricultural Practices in managing soil fertility which documented in AA-APM-OP-1100.09-R1 Manuring. The procedure has been implemented and monitored by company. The monitoring includes planning or recommendation and realisation, such as dosage, time, location, etc. During audit, there was no manuring activity.</p>	YES																																								
4.2.2	Records of fertilizer inputs shall be available.																																											
	<p>a. Is records of fertiliser inputs maintained?</p> <p>b. Is there records to proof that the fertiliser program is linked to the agronomic report?</p> <p>c. Is there records of fertilizer usage per tonne of FFB production (>in Summary Table, specific types of fertilizers)?</p>	<ul style="list-style-type: none"> • Manuring recommendation and realisation 2017 • LUK (Estate Report) 2017 	<p>Records of fertiliser inputs are well maintained in document Manuring Recommendation “<i>Rekomendasi Pemupukan Kebun Topaz 2017</i>”. Fertiliser inputs recorded each semester. Manuring recommendation in 2017 was defined based leaf sampling unit (LSU) and soil sampling unit (SSU).</p> <p>Record of manuring realisation in January – November 2017 shows that the realisations are in accordance with the plan/recommendation.</p> <p>Topaz Estate</p> <table border="1" data-bbox="1146 1042 1843 1402"> <thead> <tr> <th>Type of Fertiliser</th> <th>Recommendation (kg)</th> <th>Realisation (kg)</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>ZA</td> <td>2,312,251</td> <td>2,298,348</td> <td>99</td> </tr> <tr> <td>MOP</td> <td>2,142,763</td> <td>2,132,560</td> <td>100</td> </tr> <tr> <td>R. Phosphate</td> <td>837,526</td> <td>729,237</td> <td>87</td> </tr> <tr> <td>Kieserite</td> <td>225,970</td> <td>223,367</td> <td>99</td> </tr> <tr> <td>Dolomite</td> <td>49,337</td> <td>45,855</td> <td>93</td> </tr> <tr> <td>HGF-B</td> <td>4,877</td> <td>4,698</td> <td>96</td> </tr> <tr> <td>Cu-EDTA</td> <td>1,402</td> <td>1,332</td> <td>95</td> </tr> <tr> <td>Zn EDTA</td> <td>1,402</td> <td>1,332</td> <td>95</td> </tr> <tr> <td>EFB</td> <td>92,065,742</td> <td>66,070,257</td> <td>72</td> </tr> </tbody> </table>	Type of Fertiliser	Recommendation (kg)	Realisation (kg)	%	ZA	2,312,251	2,298,348	99	MOP	2,142,763	2,132,560	100	R. Phosphate	837,526	729,237	87	Kieserite	225,970	223,367	99	Dolomite	49,337	45,855	93	HGF-B	4,877	4,698	96	Cu-EDTA	1,402	1,332	95	Zn EDTA	1,402	1,332	95	EFB	92,065,742	66,070,257	72	YES
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NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)						
4.2.3	Records of periodical leaf, soil and visual analysis shall be available									
	a. Is there SOPs for tissue and soil sampling? b. Is there evidence of implementation of the SOPs, including availability of records? c. Is there records of tissue and soil analysis? d. Is the results of the study incorporated into the fertilizer program?	<ul style="list-style-type: none"> • Work Instruction R&D AA IK <i>Profil Tanah</i>, on 14 January 2016 • Work Instruction of Leaf Soil Sampling in January 2016 • Data of soil analysis, 2015 • Foliar Analysis Report, May 2017 	<p>Procedure soil sampling was available in Work Instruction of Soil Profile Sampling (R&D AA IK <i>Profil Tanah</i>) on 14 January 2016 and Work Instruction of Leaf Soil Sampling in January 2016. Leaf sampling annually and soil sampling every 6 (six) years. Described determining of leaf and soil sampling at site.</p> <p>Evidence of periodic leaf sampling analysis was available on Foliar Analysis Result. Topaz Estate: Foliar Analysis Report on 31 May 2017 with total number of 134 samples of Afdeling I, II and III. Seed Garden: Foliar Analysis Report on 31 May 2017 with total number of 20 samples. The analysis was conducted in PT. Nusa Pusaka Kencana Analytical and QC Laboratory, Tebing Tinggi Deli, North Sumatera.</p> <p>Evidence of periodic soil sampling analysis was available on Data of Soil Analysis, 30 November 2015: Topaz Estate and Seed Garden: total number of 7 profiles and 27 samples.</p> <p>Result of leaf sampling analysis and soil sampling analysis was incorporated into the manuring program. Manuring recommendation were made base on the result of leaf sampling analysis and soil sampling analysis.</p>	YES						
4.2.4	A nutrient recycling strategy is recorded, including use of Empty Fruit Bunches (EFB), land application, and palm residues after replanting									
	a. Is there a nutrient recycling strategy in place? b. Does the strategy include the following? <ul style="list-style-type: none"> • Clear objectives and time-bound targets • Inventory of <ul style="list-style-type: none"> - EFB - POME - Fibre - Boiler ash - Kernel shell - Palm residues from replanting 	<ul style="list-style-type: none"> • LUK (Estate Report) 2017 • Land Application Recapitulation in 2017 • EFB Application Recapitulation in 2017 • Field observation in Block C94c 	<p>There was the nutrient recycling strategy performed by organisation such as land application from POME (Palm Oil Mill Effluent) and Empty fruit bunch (EFB). POME is applied using piping system and flat bed. Land application was applied in Topaz Estate. Monitoring includes process time, volume of inlet and outlet (flatbed), location, pH quality, etc.</p> <p>EFB were applied in Topaz Estate. EFB were applied based on the recommendation in terms of dosage per ha and location. EFB application was performed as mulch ground cover and added of organic material. Monitoring includes location, date, and volume.</p> <p>LA and EFB application in January – November 2017 were:</p> <table border="1" data-bbox="1149 1295 1899 1383"> <thead> <tr> <th>Type of Fertiliser</th> <th>Recommendation</th> <th>Realisation</th> </tr> </thead> <tbody> <tr> <td>EFB (kg)</td> <td>92,065,742</td> <td>66,070,257</td> </tr> </tbody> </table>	Type of Fertiliser	Recommendation	Realisation	EFB (kg)	92,065,742	66,070,257	YES
Type of Fertiliser	Recommendation	Realisation								
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NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR		COMPLIANCE (YES/NO)	
	<ul style="list-style-type: none"> Biomass recycling program Implementation and monitoring records <p><i>Note to auditor: Ground verification required</i></p>		Land Application (m3)	155,250	149,250	
4.3	<p>Practices minimise and control erosion and degradation of soils.</p> <p>Guidance: Techniques that minimize soil erosion are well known and should be adopted, where appropriate. These should include practices such as ground cover management, biomass recycling, terracing, and natural regeneration or restoration instead of replanting.</p>					
4.3.1	(M) Maps of any fragile soils shall be available.					
	<p>a. Is there soil maps showing presence of fragile soils and problem soils (refer to 4.3.6)?</p> <p>b. Are maps georeferenced and of appropriate scale (1:50,000)?</p>	<ul style="list-style-type: none"> Maps of soil type in Topaz Estate were available in scale 1 : 20,000 Field observation 	<p>Maps of soils survey by R&D Centre Tebing Tinggi October 2011 were available for Topaz Estate. The maps included maps of fragile soils. Based on maps of soils type, there is peat soil. Map of soil mentioned that there were Peat-soil in the planting year of 1995 and 1996 in Afdeling I Topaz Estate and Afdeling IV, consisting:</p> <ul style="list-style-type: none"> < 1 m depth peat covering area of 290 Ha (7.10% of total area) 1 – 3 m depth peat covering area of 275 Ha (6.80%) > 3 m depth peat covering area of 900 Ha (21.82%) 		YES	
4.3.2	<p>A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific).</p> <p>Specific Guidance: For 4.3.2: Management strategy on areas planted with steep slope may refer to the Technical Guidance for Oil Palm Development, Directorate General of Estate Crops, Agriculture Ministry (2006). Area with slope of >40% shall be avoided</p>					
	<p>a. Is there a management strategy in place for plantings on slopes?</p> <p>b. Does the management strategy include the following?</p> <ul style="list-style-type: none"> Identification of steep areas not suitable for planting Policy of planting on slopes SOPs to minimise soil erosion based on local soil and climate 	<ul style="list-style-type: none"> Maps of soil type in Topaz Estate and Seed Garden were available in scale 1 : 20,000 Field observation in Topaz Estate AA-APM-OP-1100.02-R1 - SOP Land Preparation LUK (Estate Report) 2017 	<p>Based on maps of soil in Topaz Estate and Seed Garden, topography in the whole area is flat to wavy or with gradients of 0 - 8°, therefore no management strategy exists for plantings on slopes above a certain limit.</p> <p>However, the organisation has defined the strategy for planting of slopes area in the procedure AA-APM-OP-1100.02-R1 - SOP Land Preparation. System for planting on slopes area was provided through terracing, Making the catchment where runoff water, called: "Tapak Kuda", growing of legume cover crops (LCC) and determining of planting space.</p>		YES	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)																							
	conditions, e.g. ground cover management, biomass recycling, terracing, and natural regeneration or restoration instead of replanting c. Is there proof of records of field inspection on SOP implementation?																										
4.3.3	A road maintenance programme shall be in place.																										
	a. Is there a road maintenance programme in place with supporting budget and resources? b. Is there road maintenance records?	<ul style="list-style-type: none"> Road maintenance programme and realization 2017 Field observation in Divisi III Topaz Estate 	Road maintenance program has been established. Road maintenance was conducted manually and mechanically. Total road maintenance in January – December 2017, as follows: <table border="1" data-bbox="1146 715 1921 970"> <thead> <tr> <th rowspan="2">Activity</th> <th colspan="2">2016</th> <th>2017</th> </tr> <tr> <th>Topaz Estate (meter)</th> <th>Seed Garden (meter)</th> <th>Topaz Estate</th> </tr> </thead> <tbody> <tr> <td>Manual maintenance</td> <td>48,600</td> <td>60,474</td> <td>30.221</td> </tr> <tr> <td>Mechanical maintenance</td> <td>518,100</td> <td>0</td> <td>565,700</td> </tr> <tr> <td>Road hardening</td> <td>8,483</td> <td>0</td> <td>6,559</td> </tr> <tr> <td>Road piling up</td> <td>110</td> <td>0</td> <td>110</td> </tr> </tbody> </table> During field observation all main roads and collection roads were well maintained and passable for vehicle. Although in some collection roads were found slippery due to heavy rain, the organisation has program to maintain road.	Activity	2016		2017	Topaz Estate (meter)	Seed Garden (meter)	Topaz Estate	Manual maintenance	48,600	60,474	30.221	Mechanical maintenance	518,100	0	565,700	Road hardening	8,483	0	6,559	Road piling up	110	0	110	YES
Activity	2016		2017																								
	Topaz Estate (meter)	Seed Garden (meter)	Topaz Estate																								
Manual maintenance	48,600	60,474	30.221																								
Mechanical maintenance	518,100	0	565,700																								
Road hardening	8,483	0	6,559																								
Road piling up	110	0	110																								
4.3.4	(M) Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Specific Guidance: For 4.3.4: For existing plantings on peat, the water table should be maintained at an average of 50cm (between 40 - 60cm) below ground surface measured with groundwater piezometer readings, or an average of 60cm (between 50 - 70cm) below ground surface as measured in water collection drains as per the Manual Best Management Practices for existing oil palm cultivation on peat, June 2012 or as per existing regulation if equal or shallower measured through a network of appropriate water control structures e.g. weirs, sandbags, etc. in fields, and watergates at the discharge points of main drains (Criteria 4.4 and 7.4). Regulations regarding water table on peat may refer, but not limited, to: 1. Government Regulation No. 71 year 2014 regarding Protection and Management of Peat Ecosystem																										

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)																																																						
2. Regulation of Minister of Agriculture No. 14 year 2009 regarding Guideline of Oil Palm Cultivation on Peat 3. Regulation of Minister of Agriculture No. 11 year 2015 regarding Guideline of Indonesia Sustainable Palm Oil Plantation (ISPO)																																																										
	a. Is there an SOP to provide guidance on subsidence management? b. Does the SOP make reference to the RSPO BMPs on peat? c. How is subsidence being monitored? d. Are there records of subsidence monitoring? e. How is subsidence being minimised? f. Is there a water management programme and evidence of implementation? <i>For existing plantings on peat, the water table should be maintained at an average of 50cm (between 40 - 60cm) below ground surface measured with groundwater piezometer readings, or an average of 60cm (between 50 - 70cm) below ground surface as measured in water collection drains, through a network of appropriate water control structures e.g. weirs, sandbags, etc. in fields, and watergates at the discharge points of main drains (Criteria 4.4 and 7.4).</i> g. Is there a ground cover management programme and is there evidence of implementation?	<ul style="list-style-type: none"> • Maps of soil type in Topaz Estate and Seed Garden were available in scale 1 : 20,000 • AA-SOP-OP-1100.17-R1 – Water Management • Report of water level checking January – November 2017 • Map of water management • Field observation in Block 47 (D97c Divisi IV). 	<p>The organisation has established guidance on peat soil management in AA-SOP-OP-1100.17-R1. SOP described best management practices on peat soil, e.g. periodic water level monitoring, maintenance of drainage.</p> <p>Subsidence of peat soils was minimized under an effective and documented water management programme. Water level measuring point was provided. Three points were provided in each block in peat area Division III and one point were provided in each block in peat area Division I Topaz Estate. Piezometer was provided in peat area. Water level is checked weekly. Result was well recorded.</p> <p>During field observation at Block 47 (D97c Divisi IV) – Topaz Estate, it was observed that water surface was 85 cm from peat surface and during audit was dry season and was also opening the inlet of water gate. The company has conducted water management through water gate, both inlet and outlet, firefighting monitoring, and dissemination to workers of peat fire hazard. Based on water management in 2017 that water maintained in accordance with procedure 60 – 80 cm. Water gate of inlet will be opened at the dry season and outlet will be opened at the rainy season.</p> <p>Subsidence of peat soil has been annually monitored. Result were below:</p> <table border="1" data-bbox="1146 1034 1937 1321"> <thead> <tr> <th>No. Peg</th> <th>Date of installation</th> <th>Location</th> <th>Depth of peat soil</th> <th>Subsidence on 25 January 2016 (cm)</th> <th>Total subsidence</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>25-01-2008</td> <td>D99c</td> <td>1.50</td> <td>0.5</td> <td>1.5</td> </tr> <tr> <td>02</td> <td>25-01-2008</td> <td>D96h</td> <td>3.09</td> <td>2</td> <td>5</td> </tr> <tr> <td>03</td> <td>25-01-2008</td> <td>D97c</td> <td>3.30</td> <td>2</td> <td>5</td> </tr> <tr> <td>04</td> <td>25-01-2008</td> <td>D97b</td> <td>2.60</td> <td>2</td> <td>8</td> </tr> <tr> <td>05</td> <td>25-01-2008</td> <td>D96d</td> <td>5.90</td> <td>2.5</td> <td>5.5</td> </tr> <tr> <td>06</td> <td>25-01-2008</td> <td>D96b</td> <td>5.30</td> <td>2</td> <td>3</td> </tr> </tbody> </table> <table border="1" data-bbox="1146 1369 1937 1401"> <thead> <tr> <th>No.</th> <th>Date of</th> <th>Location</th> <th>Depth of</th> <th>Subsidence</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	No. Peg	Date of installation	Location	Depth of peat soil	Subsidence on 25 January 2016 (cm)	Total subsidence	01	25-01-2008	D99c	1.50	0.5	1.5	02	25-01-2008	D96h	3.09	2	5	03	25-01-2008	D97c	3.30	2	5	04	25-01-2008	D97b	2.60	2	8	05	25-01-2008	D96d	5.90	2.5	5.5	06	25-01-2008	D96b	5.30	2	3	No.	Date of	Location	Depth of	Subsidence	Total							YES
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NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR						COMPLIANCE (YES/NO)	
			Peg	installation		peat soil	on 26 December 2016 (cm)	subsidence		
01	25-01-2008	42 (D99c)	1.50	0	1.5					
02	25-01-2008	43 (D96h)	3.09	1	6					
03	25-01-2008	47 (D97c)	3.30	1	6					
04	25-01-2008	51 (D97b)	2.60	1	9					
05	25-01-2008	56 (D96d)	5.90	1	6.5					
06	25-01-2008	59 (D96b)	5.30	1	4					
No. Peg	Date of installation	Location	Depth of peat soil	Subsidence on 1 July 2017 (cm)	Total subsidence					
01	25-01-2008	42 (D99c)	1.50	0	1.5					
02	25-01-2008	43 (D96h)	3.09	0	6					
03	25-01-2008	47 (D97c)	3.30	0	6					
04	25-01-2008	51 (D97b)	2.60	0	9					
05	25-01-2008	56 (D96d)	5.90	0	6.5					
06	25-01-2008	59 (D96b)	5.30	0	4					
<p>Other maintenance activities in peat soil, as follows:</p> <ul style="list-style-type: none"> • Cleaning of collection drainage (<i>cuci parit</i>) • Maintenance/rehabilitation of water gate • Maintenance/rehabilitation of water dam <p>There was ground cover management program and implemented in the immature planting at Seed Garden Estate.</p>										
4.3.5	<p>Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.</p> <p>Specific Guidance: <i>For 4.3.5: Where drainability assessments have identified areas unsuitable for oil palm replanting, plans should be in place for appropriate rehabilitation or alternative use of such areas. If the assessment indicates high risk of serious flooding and/or salt water intrusion within two crop cycles, growers and planters should consider ceasing replanting and implementing rehabilitation.</i></p> <p><i>Plantations on peat should be managed at least to the standard set out in the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', June 2012 (especially</i></p>									







NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
<i>water management, fire avoidance, fertilizer use, subsidence and ground surface management).</i>				
	a. Was a drainability assessment conducted before replanting on peat? b. Was a flood risk map provided as a result of the drainability assessment? c. If the drainability assessment shows that an area is unsuitable for replanting, are there alternative plans in place for rehabilitation and alternative use in accordance to the RSPO BMPs?	<ul style="list-style-type: none"> • Area statement 2017 • Replanting programme 2021 - 2025 • Maps of soil type in Topaz Estate is available in scale 1 : 20,000 • Interview with management • Filed observation in Block 47 (D97c Divisi IV). 	Based on interview with management, field observation, and document review that it was no replanting activity during audit. Replanting programme will be started 2021 - 2025.	N/A
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils).			
	a. Is there a management strategy in place for other fragile and problem soils? b. Does the management strategy include SOPs for the management of other fragile and problem soils? c. Is inspection and implementation records available?	<ul style="list-style-type: none"> • Maps of soil type in Topaz Estate and Seed Garden were available in scale 1 : 20,000 	Based on Semi detail Soil Map and field observation at Topaz Estate there is no other fragile soil in the plantation.	N/A
4.4	Practices maintain the quality and availability of surface and ground water.			
4.4.1	An implemented water management plan shall be in place. Specific Guidance: For 4.4.1: The water management plan will: a. Take account of the efficiency of use and renewability of sources;			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>b. <i>Ensure that the use and management of water by the operation does not result in adverse impacts on other users within the catchment area, including local communities and customary water users;</i></p> <p>c. <i>Aim to ensure local communities, workers and their families have access to adequate, clean water for drinking, bathing, cleaning and latrine purposes;</i></p> <p>d. <i>Avoid contamination of surface and ground water through run-off of soil, nutrients or chemicals, or as a result of inadequate disposal of waste including Palm Oil Mill Effluent (POME).</i></p>			
	<p>a. Is there a water management plan in place for mill and plantation with identified actions?</p> <p>b. Does the plan include the following?</p> <ul style="list-style-type: none"> • Identification of water sources • Efficient use of water • Renewability of water source • Impacts on catchment area and local stakeholders • Access of clean drinking water all year round for stakeholders • Avoidance of surface and ground water contamination <p>c. Have the identified actions in the plan been implemented?</p>	<ul style="list-style-type: none"> • Documented procedure (AA-MPM-OP-1400.11-R1 dated February 2009) regarding water treatment • Restoration of Riparian and Areas surrounding Lakes/Reservoirs and springs (AA-KL-12-EFP), issued on 1 August 2010 • License of river/surface water (SIPA) from Head of Energy and Mineral Resources Kampar District No. KPTS.545/ESDM-GSDM/SIPA/V/2014/07 dated 26 May 2014 valid for 3 years for Topaz Mill • Water analysis measurement 2nd semester 2016 and 1st semester 2017 • Records of water consumption period 2016 and 2017 (YTD November) at mill • Mill operations summary 2016 • Water management programme 	<p>The documented procedure defined the method of water management plan include water source and distribution identification, volume of water utilization, parameter/standards of water utilization, identify the impacts include water effluents/wastes and also the method to reduce and control.</p> <p>The water sources at Topaz mill were from Air Hitam River, while estate housing was using ground water and from mill. The water was utilized for mill operations (include boilers, processes and domestics usage) that through the water treatment plant (using physicals and chemicals method), the surface water from Mill was utilized for estate operations such as housing, mixing, spraying and the ground water was utilised for drinking and cooking. License of surface water usage was available from Head of Energy and Mineral Resources Kampar District No.KPTS.545/ESDM-GSDM/SIPA/V/2014/07 dated 26 May 2014 valid for 3 years. There was renewal application letter to Balai Wilayah Sungai Sumatra III Dirjen Sumber Daya Air KemenPU Jakarta with letter No.100/MI-PTZ/EXT/05/2017 dated 16 May 2017. Field observation from government was held on 31 October 2017 and technical recommendation was issued by letter No.HK.0503/90/Rekomtek/BBWS-III/2017 dated 27 November 2017.</p> <p>Record of surface water utilisation and retribution payment to Dinas Pendapatan Daerah Kampar Regent was available, observation was done for payment period semester II 2016 and January – October 2017.</p> <p>Flow meters were installed at mill to monitor water usage. The monitoring of water volume utilization was conducted, records was also sighted. Water usage for estate operational and housing also monitored every month through the recording water pump operational hour meter. The organisation has describe water management by monitoring the water consumption if there is above the average, then efficiency of water use will conducted by reduce the water consumption.</p> <p>Records of water usage:</p>	<p>NO (Minor NCR 2017 – 02)</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR				COMPLIANCE (YES/NO)
			Water usage	2015	2016	2017 (November)	
			PMKS Topaz usage (m ³)	458,645	305,893	334,074	
			Water consumption budget (m ³ /ton FFB)	1.76	1.72	1.50	
			Water consumption realization m ³ /ton FFB	1.67	1.18	1.37	
			<p>Result of monitoring of mill water use per tonne of FFB was sighted for 2016 and 2017 (YTD November). It was noted that mill water use per tonne of FFB period January to November 2017 (1.37 m³/ton FFB) was slightly increased being compared with 2016 (1.18 m³/tonne FFB). Water use per tonne FFB was under budget.</p> <p>The organisation has program to reduce water consumption, e.g. reuse condensate water for water dilution, arranging water distribution to staff housing, reusing sterilizer condensate water for press station, reusing water from PPE and hazardous waste cleaner for spraying, flowmeter installation for all water utilization at mill, recycle the water ex heater kernel silo at kernel station, minimize duration of cleaning every two weeks.</p> <p>Clean water quality was monitored every 3 months, last checked in 6 November 2017 and conformed with Permenkes 416/1990; upstream and downstream Air Hitam river was monitored every semester against PP 82/2001 by third party laboratory (UPT Laboratorium Kesehatan dan Lingkungan Dinas Kesehatan Riau Province), last checked in June 2017. From the result shows that all parameter were conformed within the standard.</p> <p>The pipe lines for clean water were separated from the processing and waste lines. The ground water locations were placed far away from the mill operations and hazardous waste locations, also the design of waste water basin were made descendant while the settling basin for clean water was ascendant.</p> <p>Minor Non-conformance 2017 - 02:</p>				

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)														
			1. Based on observation at TUS (spraying workers) changing room there was evidenced that some of TUS clothes washed in their own house. 2. Based on result of clean water analysis at Seed Garden (Afd IV) it was shown that some of parameters were not met with requirement such as pH 6.25 (normal 6.5 – 8.5), color 83 TCU (normal 50 TCU), Fe 1.68 mg/L (normal 1 mg/L)															
4.4.2	<p>(M) Protection of water courses and wetlands, including securing and maintaining appropriate riparian and other buffer zones, at the time of or prior to replanting shall be demonstrated.</p> <p>Specific Guidance: For 4.4.2: Refer to the 'RSPO Manual On Best Management Practices (BMP) for management and rehabilitation of natural vegetation associated with oil palm cultivation on peat', July 2012.</p> <p>Growers and millers should address the effects of their use of water and the effects of their activities on local water resources.</p>																	
	a. Is there a map identifying water courses and wetlands? b. Are the water courses and wetlands protected? c. Are the riparian and buffer zones maintained and restored in existing plantation and replanting areas? d. Is there SOP for riparian and buffer zone protection? e. Has the SOP been implemented?	<ul style="list-style-type: none"> Identified water courses and wetland in Topaz Estate, documented in HCV Identification report AA-APM-OP-1100.05-R1-Soil and Water Conservation Riparian restoration program 2017 Field observation in Block B95a Divisi II 	<p>Organization has been identifying water courses and wetland in the plantation area. There were identified water courses and wetland in Topaz Estate, i.e.:</p> <table border="1" data-bbox="1149 772 1688 999"> <thead> <tr> <th>Description</th> <th>Wide (Ha)</th> </tr> </thead> <tbody> <tr> <td>Parit batas HGU PT TYE</td> <td>24.5</td> </tr> <tr> <td>Aliran Sungai Hitam</td> <td>35.7</td> </tr> <tr> <td>Aliran Sungai Jombang Gedang</td> <td>8.0</td> </tr> <tr> <td>Waduk PKS (dari S. Suram)</td> <td>3.8</td> </tr> <tr> <td>Aliran anak S. Hitam</td> <td>15.9</td> </tr> <tr> <td>Total HCV area (Ha)</td> <td>87.8</td> </tr> </tbody> </table> <p>Protection of waterways and wetlands have been made by the company with the following way :</p> <ul style="list-style-type: none"> - Conduct rehabilitation of riparian - Protection of riparian areas (50 m left and right side) by installing the signs that no chemical crops care activities both fertilizer and herbicide spraying. <p>And then the activity to maintain the riparian zone such as :</p> <ul style="list-style-type: none"> - Riparian rehabilitation by planting vetiver grass, a shade trees and barriers to erosion trees (<i>Bamboo, Angsana, Sungkai</i>, etc.). There was the evidence of plan and realization for riparian rehabilitation, its observed <i>Bamboo, Angsana</i> trees and <i>Sungkai</i> was planted and grow well in both side of the river. 	Description	Wide (Ha)	Parit batas HGU PT TYE	24.5	Aliran Sungai Hitam	35.7	Aliran Sungai Jombang Gedang	8.0	Waduk PKS (dari S. Suram)	3.8	Aliran anak S. Hitam	15.9	Total HCV area (Ha)	87.8	YES (Major NCR 2017-03 CLOSED)
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			<p>– Warning boards placement which contain information restrictions the pesticide usage and chemical fertilizers in the riparian area.</p> <p>– Boundary markers placement in 5 rows of palm trees (50 m) related restrictions spraying of chemicals and chemical fertilizers in the area of 50 m side of the river.</p> <p>Organization also has established the procedure for riparian and buffer zone protection which documented in AA-APM-OP-1100.05-R1-Soil and Water Conservation. During field audit in riparian Block B95a, it was observed that the procedure has not been properly implemented.</p> <p>Major Non-Conformance 2017-03:</p> <p>Based on field observation in riparian zone Block B95a Divisi II which is also an HCV area, it was found that the riparian has been sprayed by pesticides.</p> <p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • The evidence of socialization already available • Master list Document and monitoring was already available • The letter/email of IPM training already available • The result of joint monitoring has shown during FU, for period December 2017 and January 2018 	
4.4.3	<p>Records for monitoring of effluent especially BOD (Biochemical Oxygen Demand) and efforts to comply with legal requirements, shall be available (see criteria 2.1 and 5.6)</p> <p>Specific Guidances: For 4.4.3 : <i>The references and standard may refer, but not limited to:</i></p> <p>a. Decree of the Minister of Environment No. 51 year 1995 regarding Industrial Effluent Quality</p> <p>b. Decree of the Minister of Environment No. 28 year 2003 regarding Technical Guidance Assessment Effluent Usage from Industry to Soil in Palm Oil Plantation.</p> <p>c. Regulation of the Minister of Environment No. 12 year 2006 regarding Requirements and Mechanism of Legal Permit to Discharge Effluent to the Sea.</p> <p><i>National regulations relate to riparian strip are, such as:</i></p> <p>1. Government Regulation No. 38 year 2011 regarding River.</p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR				COMPLIANCE (YES/NO)																																																																										
	2. Government Regulation No. 37 year 2012 regarding Management of Riparian Strip. 3. Government Regulation No. 26 year 2008 regarding National Landscape, clause 56 (2) riparian strip outside settlement area is divided with following criteria: - Riparian strip of at least 5 meter width from the outer dike along the river bank with dike - Riparian strip of at least 100 meter from river side along main river bank without dike outside settlement area, - Riparian strip of at least 50 meter from river side along sub-main river bank without dike outside settlement area 4. Presidential Decree No. 32 year 1990 clause 16, regarding Criteria of Riparian Strip: a. At least 100 meter from outer main river and 50 meter from sub-main river, which is located outside settlement area. b. For river in settlement area, the riparian strip should be appropriate to build inspection path between 10 to 15 meters width.		<table border="1"> <thead> <tr> <th data-bbox="255 564 320 639">No</th> <th data-bbox="320 564 656 639">River Type</th> <th data-bbox="656 564 904 639">Cross-Section Projection</th> <th colspan="2" data-bbox="904 564 1193 608">Outside Settlement</th> <th colspan="2" data-bbox="1193 564 1798 608">Inside Settlement</th> <th data-bbox="1798 564 1951 608">Article</th> </tr> <tr> <th colspan="3"></th> <th data-bbox="904 608 1193 639">Criteria</th> <th data-bbox="1193 608 1397 639">Minimum Riparian</th> <th data-bbox="1397 608 1592 639">Criteria</th> <th data-bbox="1592 608 1798 639">Minimum Riparian</th> <th colspan="2"></th> </tr> </thead> <tbody> <tr> <td data-bbox="255 639 320 794">1</td> <td data-bbox="320 639 656 794">River with dike (measured from outer dike side)</td> <td data-bbox="656 639 904 794"></td> <td data-bbox="904 639 1193 794">-</td> <td data-bbox="1193 639 1397 794">5 m</td> <td data-bbox="1397 639 1592 794">-</td> <td data-bbox="1592 639 1798 794">3 m</td> <td colspan="2" data-bbox="1798 639 1951 794">Article 6</td> </tr> <tr> <td data-bbox="255 794 320 991" rowspan="3">2</td> <td data-bbox="320 794 656 991" rowspan="3">River without dike (measured from river edge)</td> <td data-bbox="656 794 904 991" rowspan="3"></td> <td data-bbox="904 794 1193 874">Main River (river cross-sectional area > 500 km²)</td> <td data-bbox="1193 794 1397 874">100 m</td> <td data-bbox="1397 794 1592 874">Depth: > 20 m</td> <td data-bbox="1592 794 1798 874">30 m</td> <td colspan="2" data-bbox="1798 794 1951 874">Article 7 & 8</td> </tr> <tr> <td colspan="2" data-bbox="904 874 1193 911"></td> <td data-bbox="1397 874 1592 911">Depth: 3 m to 20 m</td> <td data-bbox="1592 874 1798 911">15 m</td> <td colspan="2" data-bbox="1798 874 1951 911">Article 7 & 8</td> </tr> <tr> <td data-bbox="904 911 1193 991">Sub-main River (river cross-sectional area < 500 km²)</td> <td data-bbox="1193 911 1397 991">50 m</td> <td data-bbox="1397 911 1592 991">Depth: 0 m to 3 m</td> <td data-bbox="1592 911 1798 991">10 m</td> <td colspan="2" data-bbox="1798 911 1951 991">Article 7 & 8</td> </tr> <tr> <td data-bbox="255 991 320 1070">3</td> <td data-bbox="320 991 656 1070">Lake/dam (measured from highest water tide to land)</td> <td data-bbox="656 991 904 1070"></td> <td data-bbox="904 991 1193 1070">-</td> <td data-bbox="1193 991 1397 1070">50 m</td> <td data-bbox="1397 991 1592 1070">-</td> <td data-bbox="1592 991 1798 1070">50 m</td> <td colspan="2" data-bbox="1798 991 1951 1070">Article 10</td> </tr> <tr> <td data-bbox="255 1070 320 1118">4</td> <td data-bbox="320 1070 656 1118">Spring (around Spring)</td> <td data-bbox="656 1070 904 1118"></td> <td data-bbox="904 1070 1193 1118">-</td> <td data-bbox="1193 1070 1397 1118">200 m</td> <td data-bbox="1397 1070 1592 1118">-</td> <td data-bbox="1592 1070 1798 1118">200 m</td> <td colspan="2" data-bbox="1798 1070 1951 1118">Article 10</td> </tr> <tr> <td data-bbox="255 1118 320 1182">5</td> <td data-bbox="320 1118 656 1182">River that influenced by tidal (from river edge)</td> <td data-bbox="656 1118 904 1182"></td> <td data-bbox="904 1118 1193 1182">-</td> <td data-bbox="1193 1118 1397 1182">100 m</td> <td data-bbox="1397 1118 1592 1182">-</td> <td data-bbox="1592 1118 1798 1182">100 m</td> <td colspan="2" data-bbox="1798 1118 1951 1182">Article 10</td> </tr> </tbody> </table>				No	River Type	Cross-Section Projection	Outside Settlement		Inside Settlement		Article				Criteria	Minimum Riparian	Criteria	Minimum Riparian			1	River with dike (measured from outer dike side)		-	5 m	-	3 m	Article 6		2	River without dike (measured from river edge)		Main River (river cross-sectional area > 500 km²)	100 m	Depth: > 20 m	30 m	Article 7 & 8				Depth: 3 m to 20 m	15 m	Article 7 & 8		Sub-main River (river cross-sectional area < 500 km²)	50 m	Depth: 0 m to 3 m	10 m	Article 7 & 8		3	Lake/dam (measured from highest water tide to land)		-	50 m	-	50 m	Article 10		4	Spring (around Spring)		-	200 m	-	200 m	Article 10		5	River that influenced by tidal (from river edge)		-	100 m	-	100 m	Article 10		
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	5. Regulation of the Minister of Public Work No. 63 year 1993 regarding Riparian Strip, River Usage Area, River Authorization Area, Criteria of Riparian Strip Line.																																																																																

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)								
	<p>a. Is the mill effluent treatment process in place?</p> <p>b. Is there a process in place for checking and monitoring water discharge quality, particularly BOD?</p> <p>c. Is the water discharge quality in compliance with national regulations?</p> <p>d. Does the mill have a license for treatment, discharge or land application of mill effluent, and is the mill in compliant with the requirements of the license?</p>	<ul style="list-style-type: none"> Waste water analysis measurement period October – December 2016 and January – October 2017 Licence of waste water application (land application) Environment Department Kampar District No. KPTS.660/BLH-WAS/LAS/08 dated 27 December 2012 valid through 5 years Monitoring of flowrate and pH inlet and outlet Mill site visit 	<p>POME was used for land application, no Palm Oil Mill Effluent discharged to river. Topaz Mill waste water (POME) was processed through a series of waste water treatment ponds: one cooling pond, two acid ponds, one primary anaerobic pond, two secondary anaerobic ponds, and one sediment pond. Process parameter monitoring and maintenance of the ponds were sighted.</p> <p>POME is monitored monthly as required by KepmenLH 28 and 29 tahun 2003 and Pergub Riau Province No. 35/2007 required that BOD <5,000 mg/L and pH 6 - 9. Land application evaluation for 188.75 Ha in Topaz Estate block of 70, 71, 73, 75, 76, 79, 80, and 81.</p> <p>The results of POME monitoring were reviewed including measurement of BOD, COD, pH, N Total, TSS, oil and fat for period October – December 2016 and January – October 2017. Measurement by UPT Pengujian Material Dinas Bina Marga Riau Province, result BOD below the value limit <5,000 mg/l (average 3,000 – 4,000) and pH 6 – 9 (average 7). Daily monitoring of POME is conducted for flowrate and pH. Record was sighted for period October – December 2016 and January – October 2017.</p> <p>The result of discharge effluent that use as land application conforms to the limits for parameters of the government regulation. Several conditions of WWT operation are monitored periodically, e.g. pond dike, level of waste water, inlet and outlet flowmeter, waste water pump, etc.</p>	<p>YES</p>								
4.4.4	Monitoring of mill water use per ton of FFB shall be recorded											
	<p>a. Are there procedures to measure mill water usage, and are the procedures implemented?</p> <p>b. Are there records of mill water use per tonne of Fresh Fruit Bunches (FFB)?</p>	<p>Mill operation summary 2015, 2016, 2017 (YTD November)</p>	<p>The documented procedure defined the method of water management plan include water source and distribution identification, volume of water utilization, parameter/standards of water utilization, identify the impacts include water effluents/wastes and also the method to reduce and control.</p> <p>Mill water use per tonne of FFB is monitored monthly. Result of monitoring of mill water use per tonne of FFB was sighted for 2015, 2016 and 2017 (YTD November) and described on Mill Operation Summary (MOS).</p> <table border="1" data-bbox="1146 1276 1908 1386"> <thead> <tr> <th>Water usage</th> <th>2015</th> <th>2016</th> <th>2017 (November)</th> </tr> </thead> <tbody> <tr> <td>PMKS Topaz usage (m³)</td> <td>458,645</td> <td>305,893</td> <td>334,074</td> </tr> </tbody> </table>	Water usage	2015	2016	2017 (November)	PMKS Topaz usage (m ³)	458,645	305,893	334,074	<p>YES</p>
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NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR			COMPLIANCE (YES/NO)	
			Water consumption budget (m ³ /ton FFB)	1.76	1.72	1.50	
			Water consumption realization m ³ /ton FFB	1.67	1.18	1.37	
			The organisation has program to reduce water consumption, e.g. reusing sterilizer condensate water for press station, arranging water distribution to staff housing, reusing sterilizer condensate water for press station, reusing water from PPE and hazardous waste cleaner for spraying, flowmeter installation for all water utilization at mill, recycle the water cooler turbine discharge water basin, recycle condensate water discharge water dilution, minimize duration of cleaning to be every two weeks.				
4.5	<p>Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p> <p>Guidance: <i>Growers should apply recognised IPM techniques, incorporating cultural, biological, mechanical and physical methods to minimise the use of chemicals. Native species should be used in biological control where possible. Regulations to be referred are such as:</i></p> <p><i>a. Guidance for Advancement of Pesticides usage, Directorate General of Infrastructure and Facilities, Ministry of Agriculture (2011)</i> <i>b. Technical Guidance for the Development of Oil Palm Plantation, Directorate General of Estate Crops, Ministry of Agriculture (2006)</i></p>						
4.5.1	(M) Monitoring of Integrated Pest Management (IPM) plan implementation shall be available.						
	<p>a. Is there a documented IPM plan?</p> <p>b. Does the IPM plan include the following?</p> <ul style="list-style-type: none"> • Identification of potential pests and thresholds • What are the techniques used (cultural, biological, mechanical and physical methods)? • What are the native species used as part of the biological 	<ul style="list-style-type: none"> • IPM Program – Budget 2016 • SOP AA-APM-OP-1100.10-R1 Pest and Diseases Control • Report of pest and diseases, January – November 2017 • Recapitulation of Tyto alba census • Census and controlling of termite January – November 2017 	<p>Pest and Diseases management program of oil palm plantations have been prepared in the budget 2017. The SOP describes integrated pest control (integrated pest management/IPM) plan which combines various control techniques e.g. mechanical, biological, physical and chemical, applied early warning system (EWS) through periodically census for pests. IPM program included:</p> <ul style="list-style-type: none"> • Visual observation (e.g. broken leaves or stems and fruit rotten) • Conducting a census (to determine the distribution and level of attack) • Control (manual, biological or chemical), e.g. hand picking, light trap, planting of beneficial plant (nest of natural predator for caterpillars) 			YES	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>control method?</p> <ul style="list-style-type: none"> • Does it help in reducing the use of chemicals over a period of time? • Prophylactic use of pesticides • Minimization of pesticide use • Review on the plans to suit the present condition such as replanting? <p>c. Is there an SOP to implement the plan and monitor its effectiveness?</p> <p>d. Is there records of pest occurrence and control?</p>	<ul style="list-style-type: none"> • Census of rat attack • Census of <i>Setora nitens</i> attack • Realisation of host plant 	<ul style="list-style-type: none"> • Minimisation of pesticide use • Census of evaluation (to see the effect of control) • Prophylactic use of pesticides • Review on the plans to suit the present condition such as replanting • Census of caterpillar is conducted monthly. • To control rat, the organisation applied <i>Tyto alba</i> (owls) as predator of rat. House of owl was built one in 25 Ha. Condition of <i>Tyto alba</i> is monitored three times a year. <p>Company has establish the SOPs for IPM:</p> <ul style="list-style-type: none"> ✓ AA-APM-OP-1100.10-R1 Pest & Diseases Control ✓ AA-APM-OP-1100.07-R1 Weeding Control ✓ AA-APM-OP-1100.14-R1 Census and Identification Plant <p>Several records of pest occurrence and control verified such as :</p> <ul style="list-style-type: none"> - Rat census conducted every 3 months, Last census in September 2017 in Topaz Estate, there was no rat attack. - Based on result of caterpillar census in 2017, there was caterpillar attack, pesticide and bacterial (turicide) was used. - Based on result of Oryctes census in 2017, there was no Oryctes attack. - Monitoring <i>Kandang Burung Hantu</i> (KBH, <i>Tyto alba</i>) is performed every month to monitor the activity of owls as predators of rats. Last observation conducted in November 2017 <p>Planted the beneficial plant as the host/nest for natural predator for caterpillars (<i>Eucanticona purcelata</i>, <i>cycanus sp</i>). The beneficial plant such as: <i>Turnera subulata</i> planted in the collection and the main road. Planting and upkeep of beneficial plants in Topaz Estate was sighted and during field observations, it was observed that beneficial plants were well maintained. All used insecticides application in accordance with result of monthly pest and caterpillar census (<i>UPDKS</i>) and its attacking level.</p>	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
4.5.2	Training records of Integrated Pest Management (IPM) shall be available.			
	a. Is there records of training provided to those involved in the implementation of IPM?	List of participant attendance	Training of implementation of IPM has been conducted several times, e.g. on 10 June 2014, 03 August 2015, 25 May 2016, 6-7 April 2017 and 12 June 2017. Participant of training was staff and non-staff from Topaz Estate. List of participant attendance was sighted. Training material covered IPM technique and implementation.	YES
4.6	<p>Pesticides are used in ways that do not endanger health or the environment.</p> <p>Guidance: <i>The RSPO has identified some examples of alternatives to pesticide use, which include those listed in the 'Research project on Integrated Weed Management Strategies for Oil Palm; CABI, April 2011'.</i></p> <p><i>Pesticides application on peatland and swamp may use IPM methods, such as in the RSPO Manual on Management Practices (BMPs) for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat.</i></p>			
4.6.1	<p>(M) Documented evidence shall be available to show that pesticide used based on regulations and the use of pesticide is specific to target species with appropriate dosage which have minimal impact on non-target species.</p> <p>Specific Guidance: <i>For 4.6.1: Measures to avoid resistance on target species (such as application of pesticide rotations) should be applied, which consider less harmful alternatives and IPM.</i></p>			
	<p>a. Does the organization have a policy on safe use of chemicals?</p> <p>b. Does the organization have SOPs for use of selective products that are specific to target pests, weeds, or diseases and which have minimal effect on non-target species?</p> <p>i. Measures to avoid the development of resistance (such as pesticide rotation) should be applied.</p> <p>ii. Is there a list of all pesticide with target species and justification of use?</p>	<ul style="list-style-type: none"> • AA-APM-OP-1100.11-R1 – Pesticide management • Annual budget • LUK (Estate Report) 2017 • Distribution of pesticide use 2017 	<p>The organisation has established procedure on safe use of chemical. Procedure described on safe use of chemical, selection, use and storage of pesticide. The procedure also described use of selective pesticides that are specific to target pests, weeds, or diseases. Each type of pesticide used have been defined specific target of pest, types of weeds, application doses per hectare which have minimal effect on non-target species and a broad plan of applications specified in the annual budget. To avoid development of resistance have been implemented by pesticides rotation. All used pesticides application (insecticide) in accordance with result of monthly pest and caterpillar census (UPDKS) and its attacking level.</p> <p>Less harmful alternatives and IPM was applied by planting of beneficial plants, building house of owl, detection and census of caterpillar.</p> <p>Pesticides used by Topaz Estate has license and registered in the Agriculture</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)														
	<p>iii. The justification should consider less harmful alternatives and IPM.</p> <p>c. Is there evidence of implementation of SOP on the ground?</p>		<p>Department as mentioned in Pesticide Commission Book "<i>Buku Komisi Pestisida</i>", other between:</p> <ol style="list-style-type: none"> 1. Elang (Isopropilamina glyphosate 480 g/L), license RI.1170/12-2008/T, valid through 6 September 2018. 2. Gramoxone (Paraquat diclorid 276 g/l), License RI.010301197436, valid through 10 December 2020. 3. Regent 50 SC (Fipronil 50g/l0, License RI 01010119951192, valid through 31 December 2020. 4. Kenlon 480 EC (trichlopyr butoxy ethyl ester 480 g/ l), License RI.01030120062433, valid through 20 June 2021. 5. Solusi 865 SL (dimetil amina), License RI. 01030120031931, valid through 4 April 2018. 6. Metaprima 20WG (Methyl metsulfuron 250g/l), license RI. 01030120031897, valid through 9 September 2018. <p>It was noted that there were no agrochemicals being used which were not registered during this audit. During audit it was evidence that procedure was implemented.</p>															
4.6.2	(M) Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be available.																	
	<p>a. Does the company have a pesticide application program?</p> <p>b. Is records of pesticides use available?</p> <p>c. Do the records detail the active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications?</p>	<ul style="list-style-type: none"> • Annual budget 2017 • LUK (Estate Report) 2017 • Monitoring record of Pesticide toxicity 2017 	<p>The organization has defined pesticide application program in the annual budget. Record of pesticide use realisation was well recorded and reported in monthly Estate report. Records also covered active ingredients used and their LD50, area treated, amount of active ingredients applied per ha.</p> <table border="1" data-bbox="1146 1123 1749 1348"> <thead> <tr> <th>Type of Pesticide</th> <th>Pesticides Unit/Ha</th> </tr> </thead> <tbody> <tr> <td>Elang 480 SL (kg)</td> <td>0.30</td> </tr> <tr> <td>Gramoxone (Litre)/Paraquat diclorid</td> <td>0.37</td> </tr> <tr> <td>Kenlon (kg)/triclopir</td> <td>0.05</td> </tr> <tr> <td>Meta Prima/metil metsulfuron (Litre)</td> <td>0.30</td> </tr> <tr> <td>Regent 50 SC/Fipronil 50g/Ltr</td> <td>0.35</td> </tr> <tr> <td>Solusi 865SL (Litre)</td> <td>0.30</td> </tr> </tbody> </table>	Type of Pesticide	Pesticides Unit/Ha	Elang 480 SL (kg)	0.30	Gramoxone (Litre)/Paraquat diclorid	0.37	Kenlon (kg)/triclopir	0.05	Meta Prima/metil metsulfuron (Litre)	0.30	Regent 50 SC/Fipronil 50g/Ltr	0.35	Solusi 865SL (Litre)	0.30	YES
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4.6.3	<p>(M) Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in Indonesia Best Practice guidelines.</p> <p>Specific Guidance: For 4.6.3: Justification of the use of such pesticides will be included in the public summary report.</p>			
	<p>a. Does the company have an IPM plan?</p> <p>b. Has that plan been implemented?</p> <p>c. Is the effectiveness of the IPM plan monitored?</p> <p>d. Are there records showing that the use of pesticides have been minimised in accordance with Integrated Pest Management (IPM) plan?</p> <p>e. Has there been prophylactic use of pesticides? If so, justification must be provided in accordance to National Best Practices.</p>	<ul style="list-style-type: none"> • IPM Program – Budget 2017 • SOP AA-APM-OP-1100.10-R1 Pest and Diseases Control • Report of pest and diseases, December 2016 and January 2017 • Recapitulation of <i>Tyto alba</i> census • Census and controlling of termite November 2017 • Census of rat attack • Census of <i>Setora nitens</i> attack • Realisation of host plant • Field observation 	<p>IPM program included:</p> <ul style="list-style-type: none"> • Visual observation (e.g. broken leaves or stems and fruit rotten) • Conducting a census (to determine the distribution and level of attack) • Control (manual, biological or chemical), e.g. hand picking, light trap, planting of <i>beneficial plant</i> (nest of natural predator for caterpillars) • Pesticide usage as a last alternative in the control of pests and diseases • Census of evaluation (to see the effect of control) <p>IPM plan was well implemented and documented, e.g.:</p> <ul style="list-style-type: none"> • Census of caterpillar is conducted monthly. Based on result of caterpillar census in January – November 2017, there was caterpillar attack, pesticide and bacterial (turicide) was used. • To control rat, the organisation applied <i>Tyto alba</i> (owls) as predator of rat. House of owl was built one in 25 Ha. Condition of <i>Tyto alba</i> is monitored three times a year. Monitoring result in September 2017 in Topaz Estate • Rat census conducted every 3 months, Last census in September 2017 in Topaz Estate, there was no rat attack. • Based on result of Oryctest census in 2017, there was no oryctes attack. • Planted the beneficial plant as the host/nest for natural predator for caterpillars (<i>Eucanticona purcelata</i>, <i>cycanus sp</i>). The beneficial plant such as: <i>Turnera subulata</i> planted in the collection and the main road. Planting and upkeep of beneficial plants in Topaz Estate and Seed Garden was sighted and during field observations, it was observed that beneficial plants were well maintained. • All used pesticides application (insecticide) in accordance with result of monthly pest and caterpillar census (<i>UPDKS</i>) and its attacking level. <p>The use of pesticides has been minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. And for Y2017 Seed Garden</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)																																							
			<p>have been merged into Topaz Estate and become Divisi IV.</p> <p>Topaz Estate</p> <table border="1" data-bbox="1149 411 1930 651"> <thead> <tr> <th rowspan="2">Pesticide</th> <th colspan="4">Realisation</th> </tr> <tr> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Elang 480 SL (kg)</td> <td>154</td> <td>2,466</td> <td>220</td> <td>3,825</td> </tr> <tr> <td>Gramoxone (Litre)/Paraquat diclorid</td> <td>710.50</td> <td>970.40</td> <td>1,008.60</td> <td>1,447</td> </tr> <tr> <td>Kenlon (kg)/triclopir</td> <td>557.5</td> <td>169.5</td> <td>142</td> <td>125</td> </tr> <tr> <td>Meta Prima/metil metsulfuron (Litre)</td> <td>559.25</td> <td>427</td> <td>510.3</td> <td>1,653</td> </tr> <tr> <td>Regent 50 SC/Fipronil 50g/Ltr</td> <td>0</td> <td>232.5</td> <td>221.8</td> <td>185</td> </tr> <tr> <td>Solusi 865SL (Litre)</td> <td>0</td> <td>469.1</td> <td>0</td> <td>432</td> </tr> </tbody> </table> <p>The use of chemical for 2017 has increased, this is on the recommendation of the Visit Agronomy (VA) Audit on March and November 2016. And also in accordance with Strategic Focus and Action 2017 PT. TYE which has been approved by management. Pesticides used by Topaz Estate has licensed and registered in the Indonesia Agriculture Department as mentioned in Pesticide Commission Book "Buku Komisi Pestisida".</p> <p>It was evidence that there was no prophylactic use of pesticides in Topaz Estate. Pesticide only used and apply for weeds and pest.</p>	Pesticide	Realisation				2014	2015	2016	2017	Elang 480 SL (kg)	154	2,466	220	3,825	Gramoxone (Litre)/Paraquat diclorid	710.50	970.40	1,008.60	1,447	Kenlon (kg)/triclopir	557.5	169.5	142	125	Meta Prima/metil metsulfuron (Litre)	559.25	427	510.3	1,653	Regent 50 SC/Fipronil 50g/Ltr	0	232.5	221.8	185	Solusi 865SL (Litre)	0	469.1	0	432	
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4.6.4	<p>The evidence shall be available to demonstrate that use of Pesticides, categorized in Class 1A or 1B by World Health Organization, or those are listed in the Stockholm and Rotterdam Conventions, and paraquat are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances.</p> <p>Specific Guidances: For 4.6.4: Use of paraquat, as one of the restricted use pesticides, shall refer to the Regulation of the Minister of Agriculture No. 24 year 2011. Operators involve in the use of restricted pesticides must be certified by Pesticide Commission (Komisi Pestisida).</p>																																										
	<p>a. Does the company have a complete listing of WHO class 1A, class 1B, and Stockholm or Rotterdam Conventions pesticide?</p> <p>b. Is there a policy, procedure or management plan committing to</p>	<ul style="list-style-type: none"> AA-APM-OP-1100.11-R1 – Pesticide management LUK (Estate Report) Program and realisation paraquat use 	<p>Organization already has a list of pesticides that are included in WHO Class 1a (extremely hazardous) 28 type, class 1B (highly hazardous) 56 types and Stockholm Rotterdam convention pesticide.</p> <p>The organisation has established procedure on safe use of pesticides. Procedure described on safe use of pesticides and selection including minimise and eliminate use of these pesticides and paraquat. The record of minimisation of</p>	YES																																							

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)																		
	<p>minimise and eliminate use of these pesticides and paraquat?</p> <p>c. Are there records of minimisation of pesticides and paraquat use?</p> <p>d. Where there is the use of the above pesticides or paraquat, has justification in line with national best practice guidelines been documented?</p> <p>e. Does physical verification of inventory in the chemical store agree back to the inventory records?</p>		<p>paraquat use, other between:</p> <table border="1" data-bbox="1146 363 1523 651"> <thead> <tr> <th>Year</th> <th>Realisation (litre)</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>2,805</td> </tr> <tr> <td>2011</td> <td>4,098</td> </tr> <tr> <td>2012</td> <td>2,634</td> </tr> <tr> <td>2013</td> <td>1,777</td> </tr> <tr> <td>2014</td> <td>552</td> </tr> <tr> <td>2015</td> <td>671</td> </tr> <tr> <td>2016</td> <td>912</td> </tr> <tr> <td>2017</td> <td>1,447</td> </tr> </tbody> </table> <p>The use of chemical for 2017 increased, this is on the recommendation of the VA Audit in March and November 2016. And also in accordance with Strategic Focus and Action 2017 PT. TYE which has been approved by management. Based on internal observations of PT. TYE it is known that the growth of weeds in the peat area is very past, thus requiring more intensive treatment (more pesticides application). This is a justification for the use of more pesticides application.</p> <p>Observations in pesticide warehouses have also verified that the physical quantities are in compliance with the inventory records.</p>	Year	Realisation (litre)	2010	2,805	2011	4,098	2012	2,634	2013	1,777	2014	552	2015	671	2016	912	2017	1,447	
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4.6.5	<p>(M) Evidence of pesticide application by trained person and in accordance with application guidelines in product label and storage guidelines shall be available. Appropriate safety equipment shall be provided and utilized. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7)</p> <p>Specific Guidance : <i>For 4.6.5: Requirement pertaining to Personal Protected Equipment (PPE) shall refer to the Regulation of the Minister of Manpower No.8 year 2010 regarding PPE and Material Safety Data Sheet. Use of pesticides must follow guidance stated on the product's label. If there are gaps between the use of pesticides and the guidance, documented justification should be provided,</i></p>																					
	<p>a. Is there SOP for chemicals/pesticides handling?</p> <p>b. Is there a training plan and training records for workers who apply or handle pesticides?</p> <p>c. Is there evidence that training has</p>	<ul style="list-style-type: none"> AA-APM-OP-1100.11-R1 – Pesticide management Certificate of training Field observation to spraying activity in Block 76 (C94d Division III) and IPM 	<p>The organisation has established procedure on safe use of chemical. Procedure described on safe use of chemical, selection, use and storage of chemicals.</p> <p>Spraying Workers/TUS has already attended training organized by Pesticide and Fertiliser Controller Commission of Agriculture Department Riau Province on 29 September 2016. The refreshment of pesticide training has been conducted on 29 September 2017 by PT. Syngenta Indonesia, however for IPM Workers which involved pesticides application has not been attended the training and will be</p>	<p>YES (Major NCR 2017-04 CLOSED)</p>																		

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>been conducted in an appropriate language understood by the workers?</p> <p>d. Are pesticides handled, used or applied only by persons who have completed the necessary training?</p> <p>e. Are the workers involved in chemical handling or application able to demonstrate understanding of the hazards and risks related to chemicals used when interviewed?</p> <p>f. Are pesticides always applied in accordance with the product label?</p> <p>g. Are MSDS for pesticides used readily available for easy reference?</p> <p>h. Is appropriate safety and application equipment provided and used?</p> <p>i. Is PPE used appropriate according to recommendations in any risk assessments done?</p> <p>j. Is appropriate PPE provided and used, and can it be easily replaced if damaged?</p> <p>k. Does the management checked the workers usage of appropriate PPEs?</p>	<p>activity in Block 15 (B95i) Divisi II</p>	<p>registered in the next program.</p> <p>Training covered handling of concentrate agrochemical and spraying method including pesticide hazard.</p> <p>Personnel interviewed (sprayer workers/TUS) can clearly explain the type of work including work methods and goals, materials used (pesticides) including the dosage and hazards and risks, personal protective equipment and first aid.</p> <p>Pesticides are always applied in accordance with the product label and procedure.</p> <p>Pesticides storage was locked areas with limited access. The storage was ventilated. MSDS and hazard symbol label were provided nearby of pesticides. Emergency shower and eye washer were also provided to anticipate in case of an emergency of pesticides handling. The possible spill was managed. Secondary containment was provided around the pesticides storage area. Spill kit was also provided in the area. PPE for handling of pesticides were provided including boots, apron, safety glass, respiratory mask and hand gloves. PPE used was appropriate according to recommendations in any risk assessments. PPE provided and used can be easily replaced if damaged.</p> <p>Site visit in Block 76 (C94d Division III Topaz Estate) has been done to observe the spraying and pesticide application in field and also the pesticides spraying (IPM Activity) in Block 15 (B95i) Divisi II. Interview with spraying workers were evident that all of them has a good knowledge regarding the pesticide usage and its material usage and toxicity, however in IPM activity the workers has not been trained related pesticides spraying.</p> <p>All the workers have used the personal protective equipment meet with the safety rules and work instruction such as: Apron, safety goggles, mask, hand gloves and safety shoes. <i>Mandor</i> as person in charge to check the workers usage of appropriate PPEs.</p> <p>All precautions attached to the products properly observed, applied, and understood by workers, however the MSDS are not available in workplace location, and also the pesticides container and knapsack was not equipped by symbol of hazardous material.</p>	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>Major Non-Conformance 2017-04:</p> <ol style="list-style-type: none"> 1. Based on document review and interview to the IPM Workers in Block 15 (B95i) Divisi II who involved pesticides spraying in handling of IPM (termite control with pesticides Regent 50SC), it was found that the workers has not been trained of pesticides application. 2. The MSDS for Regent 50SC and Agristik are not available during pesticides application in Block 76(C94d) Divisi III and in Block 15 (B95i) Divisi II. 3. Pesticides container and knapsack was not equipped by symbol of hazardous material. <p>Verification of Effectiveness:</p> <p>The trainings have been conducted as below:</p> <ol style="list-style-type: none"> 1. The SOP <i>Rekrutmen dan Seleksi Karyawan</i> (AA-HR-305.2-R0) on 3 February 2018 2. The Importance of MSDS on 2 January 2018 3. The importance hazardous material symbol on 8 January 2018 <p>The training of SOP Handling The Pesticides (AA-OPM-OP-1100.11-R1) on 3 February 2018</p> <p>During field verification, MSDS now available at working area and the hazardous symbol has been attached to the containers and knapsack. And then the Checklist of monitoring was available, and was shown that MSDS and B3 Symbol already checked/available for period December 2017 and January 2018</p> <p>The result of post-test was already available, the result was shown that the training effectively conducted</p>	
4.6.6	(M) Storage of pesticides shall be according to recognised best practices. All pesticides containers shall be properly managed according to the existing regulations and or instructions enclosed on the containers (see criterion 5.3).			

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<p>Specific guidance: For 4.6.6: Some regulations regarding pesticides are: a. Government Regulation No. 18 year 1999 regarding Toxic and Hazardous Materials Management b. List of Toxic & Hazardous Materials from specific source, unspecific source, expired chemical, leaked chemical, residue, container, or product disposal which does not comply with the specification of Government Regulation No. 85 year 1999 regarding changes of Government Regulation No. 18 year 1999 regarding the Management of Hazardous and Poisoned Waste. c. FAO International Code of Conduct on the distribution and use of pesticides and its guidance and supported by relevant industrial guidance (see Annex 1). d. Regulation of the Minister of Agriculture No. 01/Permentan/OT.140 /1/2007 regarding List of Banned and Restricted Pesticide (based on active ingredients). e. Regulation of the Minister of Agriculture No. 24/Permentan/SR.140/4/2011 regarding Requirement and Mechanism to Register Pesticide. f. Stockholm Convention regarding Consistent Organic Pollutant which had been ratified with Act No. 19 year 2009 g. Guidance for Advancement of Pesticides usage, Directorate General of Infrastructure and Facilities, Ministry of Agriculture (2011)</p>				
	<p>a. Has the SOP for pesticide storage been documented and implemented? b. Are all pesticides stored according to recognised best practices? c. Is there evidence that empty pesticide containers are properly stored and disposed off and not used for other purposes? d. Is there evidence observed in the field that pesticide containers are indiscriminately disposed (in dump site) or used for other purposes, .e.g. as waste containers, flower pots?</p>	<ul style="list-style-type: none"> • Procedure AA-KL-06-EFP – Handling of Hazardous Waste. • Procedure AA-APM-OP-1100.11-R1 dated 1 February 2009 – Management Pesticides • Field observation at central warehouse and spraying activities at estate operation (Division III Block 76) • The training list of attendance and training material • Hazardous wastes manifests records 	<p>Work instruction described storage of pesticide base on FIFO, storage was locked (limited access), provision of MSDS, PPE use when pesticide handling, etc. Pesticides were stored in the determined area separated from fertiliser and other chemicals. Pesticides storage was provided in central warehouse. Pesticides storage was locked areas with limited access. The storage was ventilated through cross flow ventilation. MSDS and hazard symbol label were provided nearby of pesticides. Emergency shower and eyewash were also provided to anticipate in case of an emergency of chemical handling. PPE for handling of chemicals were provided including boots, apron, safety glass, respiratory mask and hand gloves. The possible spill was managed. Secondary containment was provided around the pesticides storage area. Spill kit was also provided in the area.</p> <p>Not all empty pesticides containers were triple rinsed, the jerry can were reused to spraying activities, while bottles containers were categorized as B3 (hazardous waste) that sent to temporary storage of hazardous waste, then was managed by third party (PT Indostar Cargo) as transporter based on recommendation letters from environment ministry No. S.306/VPLB3/PPLB3/PLB.3/4/2017 dated 6 April 2017 valid for 5 years. Records of manifest hazardous waste were evident for period November 2016, April and October 2017.</p> <p>Liquid waste from pesticides was reused for the next spraying application as regulate within the procedure ex-pesticide containers handling (AA-AMP-OP-100.11-R1 and AA-KL-04-EFP).</p>	<p>YES</p>

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4.6.7	Application of pesticides shall be by proven methods that minimise risk and negative impacts.			
	<p>a. Is there work instruction for pesticide application?</p> <p>b. Is there training provided on work instruction including risk and impacts of pesticide applications?</p>	<ul style="list-style-type: none"> • AA-APM-OP-1100.08-R1 Weeding Control • AA-APM-OP-1100.10-R1 Pest & Diseases Control • AA-APM-OP-1100.11-R1 Management Pesticides • Training and dissemination record • Field observation to spraying activity in Block 76 (C94d Division III) 	<p>Pesticide application was described in AA-APM-OP-1100.08-R1 Weeding Control, AA-APM-OP-1100.10-R1 Pest & Diseases Control and AA-APM-OP-1100.11-R1 Management Pesticides.</p> <p>Training and dissemination on work instruction including minimise risk and negative impacts of pesticide applications has been performed by the organization regularly. Training was delivered by Pesticide and Fertiliser Controller Commission of Agriculture Department Riau Province on 29 September 2016. The refreshment of pesticide training has been conducted on 29 September 2017 by PT. Syngenta Indonesia.</p> <p>Site visit in Block 76 (C94d Division III Topaz Estate) has been done to observe the spraying and pesticide application in field. Interview with spraying workers were evident that all of them has a good knowledge regarding the pesticide usage and its material usage and toxicity. All the workers have used the personal protective equipment meet with the safety rules and work instruction such as: Apron, safety goggles, mask, hand gloves and safety shoes. All precautions attached to the products properly observed, applied, and understood by workers. <i>Mandor</i> as person in charge to check the workers usage of appropriate PPEs.</p>	YES
4.6.8	(M) Pesticides may only be applied aerially where there is a documented justification. Surrounding communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application			
	<p>a. Has aerial spray been applied? If yes, is there documented justification?</p> <p>b. Is the impact and risk associated with aerial application documented and made available?</p> <p>c. Are the identified affected communities informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application?</p>	<ul style="list-style-type: none"> • Interview with estate manager • Field observation in Topaz Estate 	Based on interview with estate manager and field observation, there were no pesticides applied aerially.	N/A
4.6.9	Evidence of training on handling pesticide for workers and scheme smallholder (if any) shall be available			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Has the company provided information materials on pesticide handling to all employees and associated smallholders (if any) (see Criterion 4.8)?</p> <p>b. Is there evidence of periodic training (in appropriate language) of employees and associated smallholders on pesticide handling?</p> <p><i>Note: Interview with workers and smallholders on their knowledge and skills in pesticides handling.</i></p>	<ul style="list-style-type: none"> • Training and dissemination record • Training certificate • Field observation to spraying activity in Block 76 (C94d Division III) 	<p>There was no smallholder associated with estate. The organisation has provided information materials on pesticide handling to all employees. Training and dissemination on work instruction including risk and impacts of pesticide applications has been performed by the organization regularly. Training and dissemination records were sighted.</p> <p>Pesticides have been applied and handled by trained spraying workers who have received usage of limited pesticide training. Training was delivered by Pesticide and Fertiliser Controller Commission of Agriculture Department Riau Province on 29 September 2016. The refreshment of pesticide training has been conducted on 29 September 2017 by PT. Syngenta Indonesia.</p> <p>Site visit in Block 76 (C94d Division III) has been done to observe the spraying and pesticide application in field. Interview with spraying workers were evident that all of them has a good knowledge regarding the pesticide usage and its material usage and toxicity.</p>	<p>YES</p>
<p>4.6.10</p>	<p>Proof that pesticide waste has been handled as per legal regulations and understood by worker and manager, shall be demonstrated</p>			
	<p>a. Is there an SOP for proper disposal of waste material?</p> <p>b. Is there training provided to workers and managers on proper waste disposal?</p> <p>c. Is there evidence of implementation of proper ways for waste disposal by the company?</p>	<ul style="list-style-type: none"> • Procedure AA-KL-06-EFP – Handling of Hazardous Waste. • Procedure AA-APM-OP-1100.11-R1 dated 1 February 2009 – Management of Pesticides • Field observation at central warehouse, spraying activities at estate operation (Division III Block 76 Topaz Estate), temporary storage of hazardous waste • Hazardous wastes manifests records • The training list of attendance and training material 	<p>All empty pesticides containers were triple rinsed and not all the jerry can were reused to spraying activities. Bottles containers were categorized as B3 (hazardous waste) that sent to temporary storage of hazardous waste, then was managed by third party (PT. Indostar Cargo) that licensed to transport hazardous waste as recommendation letters from environment ministry No. S.306/VPLB3/PPLB3/PLB.3/4/2017 dated 6 April 2017 valid for 5 years. Records of manifest hazardous waste were evident for period November 2016, April and October 2017.</p> <p>Liquid waste from pesticides was reused for the next spraying application as regulate within the work instruction ex-pesticide containers handling. Training regarding disposal of waste material has been conducted to all workers on 11 August 2017. Based on interview with workers at Block 76 Division III they have understood regarding hazardous waste, handling ex pesticide containers, and how to dispose it.</p>	<p>YES</p>

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4.6.11	(M) Annual medical records of pesticide operators, and follow-up treatment of medical results, shall be available			
	<p>a. Is there an updated list of pesticide operators?</p> <p>b. Is there records of annual medical surveillance of pesticide operators?</p> <p>c. Is there medical and treatment records of all pesticide operators?</p>	<ul style="list-style-type: none"> • List of pesticide operator update November 2017 • MCU recapitulation report 	<p>List of pesticides operator was shown and updated periodically in monthly basis. Last update was performed in 28 November 2017. There were 22 pesticides operators listed.</p> <p>Specific health surveillance has been performed on for pesticide operators included cholinesterase, spirometry, Haematology, Urinalysis, Rontgen and audiometry on 18-19 August 2017.</p> <p>The surveillance was planned to be conducted twice in a year. Reports of the health surveillance for all workers were available. The recommended actions were recorded and reported to estate manager. All results raised from actions taken were maintained properly. Result of MCU was available. Several records were sighted and reviewed such as for: Herman Purba, Rosmaline, Dewi Sartika, Nurhayati and Saulina as pesticides operator at block 76 Division 03. Result of MCU resume all operators were in normal condition.</p>	YES
4.6.12	(M) Records shall be available to show that spraying is not conducted by pregnant or breast-feeding women.			
	<p>a. Is there a policy statement preventing pregnant and breast-feeding women from handling pesticides?</p> <p>b. Is there a lists of female workers handling pesticides available?</p> <p>c. Does the company have a system to identify pregnant and breast-feeding women?</p> <p>d. Is there evidence showing that pregnant and breast-feeding women are not allowed to handle pesticides?</p>	<ul style="list-style-type: none"> • Company Policy dated 1 December 2014 • Field observation and interview with sprayer workers • Interview with workers union and committee gender on 12 December 2017 	<p>Policy related to prevent pregnancy and breastfeeding women from handling pesticides has been described in the Company Policy.</p> <p>List of female workers are available and include female workers related to pesticide as well as worker's age can be identified.</p> <p>Identification of pregnancy and lactating mothers performed by a clinical nurse. And result was recorded. And based on the medical records of nursing there is no evidence that pregnant and lactating women work in handling pesticides. When pregnant and lactating, the women workers transferred to other jobs. For Y2017, there was no transfer of woman workers that pregnant.</p> <p>Based on interview with sprayers, committee gender and worker union said that it's prohibited for pregnant and breast-feeding women working as fertilizer and sprayer or other work that related to chemical compounds.</p>	YES

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4.7	<p>An occupational health and safety plan is documented, effectively communicated and implemented.</p> <p>Guidance: <i>Growers and millers should ensure that the workplace, machinery, equipment, transport and processes under their control are safe and without undue risk to health. Growers and millers should ensure that the chemical, physical and biological substances and agents under their control are without undue risk to health, and appropriate measures are taken if needed. All indicators apply to all workers regardless of status.</i></p> <p><i>The health and safety plan should also refer to the Government Regulation No. 50 year 2012 regarding Application of Occupational Health and Safety Management System.</i></p>			
4.7.1	(M) A health and safety policy shall be in place. A health and safety plan shall be documented and implemented, and its effectiveness monitored.			
	<p>a. Is there a health and safety policy in place?</p> <ul style="list-style-type: none"> • Is it written in an appropriate language? • Has the policy been approved by an authorized personnel and dated? • Does the policy cover mitigation of risks to workers health and safety at all workplace activities? • Are the workers aware of and understand the policy? <p>b. Is there a health and safety plan in place?</p> <ul style="list-style-type: none"> • Does the plan include targets for improving occupational health and safety? • Does the plan reflect guidance provided in the ILO Convention 184 (see Annex 1)? <p>c. Is there evidence of implementation</p>	<ul style="list-style-type: none"> • Occupational Health and Safety Policy dated 1 December 2014 • OHS Target and Plan 2017 • Notes of Meeting Safety Committee 2017 • HIRAC register 2017 • OHS Training Records 2017 • OHS Training Plans 2017 • Evaluation Records of Emergency Simulation • Valid permit of lifting equipment, machinery etc. • Safety Working Permit Records 	<p>Occupational health and safety (OHS) policy is remained unchanged. The policy was displayed at strategic locations of estate and mill and communicated to employees including contractor workers. The Health and safety policy was signed by organization director on 1 December 2014. The mitigation of risks to workers health and safety was included in point 4 and 5 in the policy.</p> <p>An OHS plan was documented as part of internal system such as objective, target and program, management review, internal audit program, medical check-up, emergency simulation program, inspection and renewal permit of working equipment, PPE distribution, monitoring physical and chemical factor at work area, monitoring and measurement program. OHS target 2017 such as zero accident, PPE implementation 100%. The OHS Target and Plan has already reflect the ILO Convention 184. The plan also been available at site to all employee and visitor by information board.</p> <p>Implementation of activities were sighted such as several monitoring and measurement activities along year 2016 and 2017 consisting firefighting simulation using fire extinguisher at emplacement, PPE inspection, monitoring fire extinguisher.</p> <p>Monitoring of the safety plan was conducted by regular safety meeting once in a month. Several action plans were raised for the unachieved safety targets and plans.</p>	YES

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	of the plan? d. Is the effectiveness of the health and safety plan monitored? e. Is the health and safety plan made publicly available? f. Is there an action plan if targets are not achieved?			
4.7.2	(M) A documented risk assessment shall be available and its implementation shall be recorded. Specific Guidance: <i>For 4.7.2: All precautions attached to products shall be properly observed, understood, and applied.</i>			
	a. Have risk assessments been conducted for all operations where health and safety is an issue? b. Does the risk assessment cover all the organization's processes and activities? c. If any accidents had occurred, were these included in the risk assessments with action plans to prevent further recurrence? d. Have the procedures and action plans been documented and implemented to address the identified issues? e. Have all precautions attached to products been properly observed and applied to the workers?	<ul style="list-style-type: none"> • Fire Handling Procedure (AA-KL-15-EFP) • Emergency Response Procedure (AA-KL-14-EFP) • Safety At Workshop Procedure (Lock out/Tag out) (AA-KL-09-EFP) • Handling of Pressurized Cylinder Gas Procedure (AA-KL-13-EFP) • Chemical Handling Procedure (AA-KL-03-EFP) • Risk Assessment for Mill and estate Year 2017 	Risk Assessment for all operations regarding to health and safety was available within the scope of oil palm mill processes activities and agricultural estate activities has already conducted, as it was considered the stages of OHS risk control hierarchy such as elimination, substitution, engineering, administrative and PPE (Personnel Protective Equipment) in order to OHS risk precautions. Risk assessment were reviewed annually and should any accident has occurred. The last reviewed for was on 4 December 2017 for estate and 16 March 2017 for mill. Mill risk assessment cover processes and activities attached to the realisation of product CPO such as: weighing bridge, boiler, engine room, loading ramp, sterilizer, threshing, pressing, kernel operation, clarification, office, laboratory, dispatch CPO, firefighting simulation, water treatment, chemical warehouse, etc. Estates risk assessment covers processes and activities such as: spraying, manuring, weeding, replanting, road maintenance, firefighting simulation harvesting, transportation, warehouse, workshop, infrastructure, policlinic, etc. It also covered all the risk attached to the products. Several OHS procedures related to the risk assessment were established such as: <ul style="list-style-type: none"> • Fire Fighting Procedure • LOTO procedure • Emergency Response Procedure 	YES (Major NCR 2017-05 CLOSED)

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<ul style="list-style-type: none"> • Chemical Handling Procedure • Etc. <p>Utility equipment were available and installed such as boilers, sterilised, steam vessel, compressors, generator, heavy equipment and lifting equipment. This equipment have been inspected and tested by local authority and the records were evident.</p> <p>Boiler operation was monitored its parameters including pressure, temperature and water level, these parameters were recorded. Boiler was completed with automatic water feeding to prevent over heat and explosion in case of less water level. Records of internal inspection and maintenance to the equipment were sighted e.g. electrical inspection, compressor inspection, welding equipment, and heavy equipment. Moving parts of machine/equipment generally has been covered or guarded. There was also safety patrol/inspection activity conducted monthly to identify any unsafe acts and conditions; findings were followed up as appropriate.</p> <p>Safety sign was provided to make workers aware on this hazard and risk. Electrical hazard symbol was provided at electrical panel. Housekeeping at Mill and Estate (office estate, storage, and workshop) in general was well monitored. Access for workers to workplace in general also good e.g. stair was provided with hand rail and platform at height was provided with border to prevent fall risk. Vertical stair in general has been provided with cover as well. However the welding tubes at estate workshop area were not equipped with flash back arrester (FBA).</p> <p>Lock out tag out (LOTO) procedure has also been established and implemented especially intended for risk control of maintenance activities. There was also detailed working instruction which described process for conducting activities including requirement concerning to OHS aspects such as requirement of PPE. Working instructions were sighted such as spraying, harvesting, pesticide preparation, etc.</p> <p>The procedure for critical activities was established .The procedure was covering OHS control for working in confined space (e.g. cleaning of storage tank), working at height, working at high temperature and working with electricity. Safe</p>	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>working permit for cleaning tank was held on 2 April 2017. The records were shown and maintained properly.</p> <p>Emergency Response Team has been defined and the emergency flow charts have been established for any kind of emergency situation such as earthquake, fire, flood etc. The awareness of employee was gained with the simulation of emergency response conducted on 7 November 2017 for estate and 15 May 2017 for mill. Evacuation routes and emergency flowcharts have been disseminated during simulation. Emergency signs and boards were provided in several areas. Muster points for each area such as workshop, warehouse, office etc. were sighted.</p> <p>All precautions attached to products been properly observed and applied to the workers. Several controls such as providing PPE and administration control were applied to workers in some activities such as: mill maintenance process, spraying activities, handling of pesticides etc.</p> <p>Major Non Conformance 2017-05:</p> <p>There was no FBA (flash back arrester) equipment attached to O₂ and LPG gas tube used for metal cutting process at estate workshop.</p> <p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • Safety welding training has been conducted on 8 December 2017 and the FBA have been equipped to the O₂ and LPG tank. • The minutes of training (attendance list, training material) and the result of post-test was already available • The HIRA was already revised, and was shown during Follow Up audit • Monthly monitoring for period December 2017 and January 2018 has already available, the result was shown that all gas tube has been equipped by FBA 	
4.7.3	(M) Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
<p>Specific Guidance: For 4.7.3: Adequate and appropriate Personal Protective Equipment (PPE) shall be available to all workers at the workplace based on the result of Identification of Sources of Hazard and Risk Control including all potentially hazardous operations, such as the use of pesticides, operating machinery, land preparation, harvesting and if it is used, burning.</p>				
	<p>a. Are all workers involved in the operation appropriately trained in safe working practices (see Criterion 4.8)?</p> <p>b. Are OSH training programs and training records available and conducted by qualified persons?</p> <p>c. Is adequate and appropriate protective equipment available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning?</p> <p>d. Is PPE provided to workers and replaced when damaged?</p> <ul style="list-style-type: none"> • Does the organization maintain a list of PPE distribution? • Are workers observed wearing appropriate PPE? 	<ul style="list-style-type: none"> • List attendance of firefighting Training • List Attendance of Basic Safety Training for mill and estate. • PPE Checklist Maintenance • PPE Distribution Records • Field observation at harvesting activity, fertilizing activity and spraying activity 	<p>All workers involved in the operation have been appropriately trained in safe working practices/Basic Safety Training. The training were conducted on 19 May 2017 by Safety Officer who has been qualified as Safety Officer by the government.</p> <p>OHS training programs 2017 and training records available and kept by safety officer. Training was conducted by qualified persons such as firefighting simulation training on 7 November 2017 at estate and 15 May 2017 at mill.</p> <p>Adequate and appropriate protective equipment was available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and harvesting. However the FFB transporter workers from third party was found not wearing safety shoes at loading ramp area Topaz Mill. The needs of PPE was determined from HIRAC document or related SOP of activity. The type of PPE used for each activity has been determined, e.g. working at Mill, working at generator set, welder, working at laboratory, harvester, sprayer, fertilizer storage, chemical storage, etc. It also covered the expired time of each PPE.</p> <p>PPE was provided by organisation to workers and replaced when damaged. Observation during this audit generally concluded that PPE has been well provided however during audit FFB transporter workers were found not wearing the appropriate PPE such as safety shoes at loading ramp area. The stock of PPE was listed in warehouse stock card such as goggles, mask, gloves, apron, etc.</p> <p>Organization maintains a list of PPE distribution in form "List of PPE Distribution/Kartu Perkakas". Several records were reviewed such as on 6 November 2017 for spraying mask.</p> <p>Spraying workers at division 01 block A95C named Dewi Sartika and Saulina were interviewed during this audit and generally they were understood the risk of their work and the purpose of using PPE. It was observed that workers were</p>	<p>YES (Major NCR 2017-06 CLOSED)</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>wearing appropriate PPE such as gloves, shoes, and chemical mask for pesticides operators.</p> <p>Major Non-Conformance 2017-06:</p> <p>FFB transporter workers from third party was found not wearing safety shoes at loading ramp area Topaz Mill.</p> <p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • Socialization of importance using PPE regarding to this matter has been conducted on 3 February 2018. The warning letter signed by mill manager has been raised on 14 December 2017. • All subcontractor (FFB transporter) workers was seen using PPE at loading ramp during FU audit. • Daily monitoring already was available for period December 2017 and January 2018. 	
4.7.4	<p>(M) The responsible person(s) for occupational health and safety shall be identified and there shall be records of periodical meetings on health and safety issues</p> <p>Specific Guidance: <i>For 4.7.4 : Workers shall be represented in the Advisory Committee for Occupational Safety and Health (P2K3) based on the Regulation of the Minister of Manpower No. 4 year 1987.</i></p>			
	<p>a. Has the company identified the responsible person/persons to implement OSH?</p> <p>b. Are meetings between the responsible persons and workers conducted on a regular basis, or as required by law, if any?</p> <p>c. Are minutes of meeting recording attendees and issues discussed available?</p> <p>d. Are concerns of all parties about</p>	<p>Notes of Meeting Safety Committee (P2K3) June – November 2017, last meeting held on 18 November 2017</p>	<p>Organisation has appoint the responsible person for OHS implementation at Topaz estate that is: Mohd. Syofian as AK3U/OHS expert. He has decree letter as AK3U from Ministry of Labour No. KEP.P.1765/NAKER-BINWASK3/VII/2016 and valid untill July 2019.</p> <p>Organisation has appointed the responsible person for OHS implementation at Topaz mill that is: Sugiyana as AK3U/OHS expert. He has decree letter as AK3U from Ministry of Labour No. KEP.P.3502/NAKER-BINWASK3/VII/2016 and valid untill July 2019.</p> <p>The safety committee (P2K3) structure was evident for estate and mill and been approved by local authority Pemkab Kampar, Riau Province.</p> <p>Notes of Regular Meeting of Safety Committee with workers were evident.</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>health, safety and welfare discussed at these meetings?</p> <p><i>Note to Auditor: Interviews with workers reflect compliance to a-d above.</i></p>		<p>Samples were reviewed for June - November 2017 meetings. The meeting was planned once in a month. Several concerns were discussed such as: dissemination of HIRAC, work accident dissemination, hazard from animal (snake attack), HIRAC evaluation, monitoring working accident report, PPE inspection, chemical handling, request for safety signs and first aid box. The actions were monitored for realisation and reported to management and local authority.</p> <p>Based on interview with workers it was conform that workers understand regarding safety committee and there was monthly meeting that they attended.</p>	
4.7.5	<p>A procedure for emergency and work accident shall be available in Indonesian Language; and the workers, who have attended First Aids training, are available in the working areas.</p> <p>Specific Guidance: For 4.7.5: Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p>			
	<p>a. Are there SOPs for accidents and emergencies?</p> <ul style="list-style-type: none"> • Do these cover all major potential emergencies, such as, but not limited to fire, chemical spillage, and potential natural disasters specific for the region, e.g. earthquakes, volcanoes, etc.? • Are accidents investigated and action taken to prevent recurrence? • Are accident records provided to the local authority in accordance with local legal requirements, if any? • Available in the appropriate language of the workforce? <p>b. Are the instructions on emergency</p>	<ul style="list-style-type: none"> • Emergency respond procedure AA-EMS-447-PR • Accident procedure • List attendance of First Aid Training • List Attendance of Emergency Simulation Mill on 7 March 2016 • List Attendance of Emergency Simulation estate and smallholder on 28 April 2016 • Records of accident investigation 	<p>Emergency respond procedure written in Bahasa Indonesia was available and covers reporting, responsibility of all members of ERP Team, handling of ERP situation, mitigating of ERP situation, etc. Some situations were identified such as accident, earthquake, flooding, fire, hazardous spillage, explosion etc.</p> <p>The procedure described the roles and responsibilities of each emergency response team include the mechanism how to conduct medical evacuation to near hospital/local health centre, also it was available the emergency contact number of each internal emergency team and external related parties. Evacuation route and muster point are available and made known to the employee.</p> <p>The structure of Emergency Response Team (ERT) has been established and consist of ERT commander (ADM for mill, division assistance for each estate division), firefighting team, security team, communication team, evacuation team, first aid team, and recovery team. The list of protection equipment for emergency was available such as fire extinguisher, fire engine etc.</p> <p>Emergency respond procedure has been disseminated to workers on 7 November 2017 for Topaz estate and 15 May 2017 for Topaz mill. The list of attendance was available. From workers interview in the field it was observed</p>	<p>YES (minor NCR 2017-04)</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>procedures clearly understood by all workers?</p> <p>c. Are assigned operators trained in First Aid present in both field and other operations?</p> <p>d. Is there records of training of the first aiders?</p> <p>e. Is first aid equipment available at worksites? Is the equipment available during conduct of field manual work?</p> <p>e. Are first aid kits adequately stocked and regularly checked in accordance with local legal requirements?</p> <p>f. Are records of all accidents kept and periodically reviewed for continuous improvement?</p>		<p>that the workers were clearly understood of what is required in the procedure.</p> <p>Accident procedure written in Bahasa Indonesia was available and described the accident chronology, cause and impacts of the accident and also to find the root causes of the accident happened and establish the corrective and preventive action. Accident investigation has been documented. Accidents happened were investigated and maintained properly. The accidents have been reported to the local authority and the risk assessment has been updated to prevent the same accident happened.</p> <p>Example for accident on 17 October 2017 named Sasmita Purba as workshop worker at Topaz estate. During 2017 (YTD October 2017) there were 17 accidents recorded at Topaz estate and 0 accident recorded at Topaz mill.</p> <p>First Aid operators were available at working area as paramedic and foreman. There were first aider at mill and estate that have been certified as first aider from Ministry of Manpower.</p> <p>The first aid equipment were available at spraying area carried by group leader, mill, workshop, warehouse, office etc. and were checked in accordance with local regulation Permenaker 15/2008. However the material safety data sheet as materials used for spraying activities were not available at working area.</p> <p>Minor Non Compliances 2017-04:</p> <ol style="list-style-type: none"> 1. The MSDS for Regent 50SC and Agristik are not available during pesticides application in Block 76 (C94d) Afdeling III and in Block 15 (B95i) Afdeling II. 2. Pesticides container and knapsack was not equipped by symbol of hazardous material. <p>Verification of Effectiveness:</p> <p>The trainings have been conducted as below:</p> <ol style="list-style-type: none"> 1. The Importance of MSDS on 2 January 2018 2. The importance hazardous material symbol on 8 January 2018 	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>The training of SOP Handling The Pesticides (AA-OPM-OP-1100.11-R1) on 3 February 2018</p> <p>During field verification, MSDS now available at working area and the hazardous symbol has been attached to the containers and knapsack. And then the Checklist of monitoring was available, and was shown that MSDS and B3 Symbol already checked/available for period December 2017 and January 2018</p> <p>The result of post-test was already available, the result was shown that the training effectively conducted</p>	
4.7.6	All workers shall be provided with medical care, and covered by accident insurance (see criterion 6.5.3).			
	<p>a. Is there evidence that all workers are provided with medical care (refer to Criterion 6.5.3), and covered by accident insurance by the company? For contract workers, the contract between the company and the contractor shall be in compliance.</p> <p>b. For accidents that have occurred, is there evidence that the affected workers received appropriate medical treatment, and was able to claim and receive compensation under the insurance policy (if relevant)?</p> <p>c. Is there evidence that the insurance policies are valid?</p>	<ul style="list-style-type: none"> • Bank slip payment of medical care and accident insurance (BPJS) period January – November 2017 • Worker medical records 	<p>All workers have been provided with medical care and accident insurance. For contract workers the requirement for health and accident insurance were included in the respective contract.</p> <p>The insurances were still valid as seen by the recent slip payment in January – November 2017 for estate and mill.</p> <p>Several insurance payments were reviewed such as:</p> <p>BPJS Ketenagakerjaan (accident insurance) October 2017</p> <ul style="list-style-type: none"> - Bank slip payment on 14 November 2017 for 90 mill workers - Bank slip payment on 14 November 2017 for 572 estate workers <p>BPJS Kesehatan (medical insurance) November 2017</p> <ul style="list-style-type: none"> - Bank slip payment on 16 November 2017 for mill and estate workers <p>There was no evidence that the affected workers received claim and compensation from accident that happened due to the type of accidents happened during year 2017.</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)												
4.7.7	<p>Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.</p> <p>Specific Guidance For 4.7.7: Lost Time Accident requirements should refer to Decree of the Minister of Manpower and Transmigration No. 609 year 2012 regarding Guidance to Solve Working Accident Case and work-related Illness.</p>															
	<p>a. Are occupational injuries recorded using Lost Time Accident (LTA) metrics?</p>	<ul style="list-style-type: none"> • Accident reports and investigation • Frequency rate and severity rate calculation table (YTD November 2017) 	<p>Lost Time Accidents metrics were using to record the accidents and injuries during year 2017. The Lost Time accidents and injuries were determined according to Decree of the Minister of Manpower and Transmigration No. 609 year 2012. Safety performance for both mill and estates was calculated using frequency rate (FR) and severity rate (SR).</p> <p>The calculation for FR and SR as below:</p> <ul style="list-style-type: none"> • $FR = \frac{\text{total lost time accident} \times 1.000.000}{\text{total man hour}}$ • $SR = \frac{\text{total lost time hours} \times 1.000.000}{\text{total man hour}}$ <p>The calculation for frequency rate and severity rate was generated from lost time accident (LTA) data, employee working hour's data and lost time hours/lost time day (LTH/LTD) data. The timesheet calculation for each month was shown during audit</p> <p>The calculated FR and SR for mill and estate 2016 and 2017 were stated as below:</p> <p>Estate</p> <table border="1" data-bbox="1146 1093 1852 1297"> <thead> <tr> <th></th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>LTA</td> <td>5</td> <td>17</td> </tr> <tr> <td>FR</td> <td>12</td> <td>22</td> </tr> <tr> <td>SR</td> <td>57</td> <td>50</td> </tr> </tbody> </table>		2016	2017	LTA	5	17	FR	12	22	SR	57	50	<p>YES</p>
	2016	2017														
LTA	5	17														
FR	12	22														
SR	57	50														

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)												
			<p>Mill</p> <table border="1" data-bbox="1146 352 1852 555"> <thead> <tr> <th></th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>LTA</td> <td>2</td> <td>0</td> </tr> <tr> <td>FR</td> <td>19</td> <td>0</td> </tr> <tr> <td>SR</td> <td>646</td> <td>0</td> </tr> </tbody> </table> <p>The calculation for frequency rate and severity rate was generated from lost time accident (LTA) data, employee working hour's data and lost time hours/lost time day (LTH or LTD) data. The timesheet calculation for each month was shown during audit. Sampling was taken for last incident 17 October 2017 for Mr. Sasmita Purba as estate workshop worker with 3 lost time days.</p>		2016	2017	LTA	2	0	FR	19	0	SR	646	0	
	2016	2017														
LTA	2	0														
FR	19	0														
SR	646	0														
4.8	<p>All staff, workers, smallholders and contract workers are appropriately trained.</p> <p>Guidance: <i>Workers should be adequately trained on: the health and environmental risks of pesticide exposure; recognition of acute and long-term exposure symptoms including the most vulnerable groups (e.g. young workers, pregnant women); ways to minimise exposure to workers and their families; and international and national instruments or regulations that protect workers' health.</i></p> <p><i>The training programme should include productivity and best management practice, and be appropriate to the scale of the organisation.</i></p> <p><i>Training should be given to all staff and workers by growers and millers to enable them to fulfil their jobs and responsibilities in accordance with documented procedures, and in compliance with the requirements of these Principles, Criteria, Indicators and Guidance.</i></p> <p><i>Contract workers should be selected for their ability to fulfil their jobs and responsibilities in accordance with documented procedures, and in compliance with the requirements of the RSPO Principles, Criteria, Indicators and Guidance.</i></p> <p><i>Growers and millers should demonstrate training activities for schemes smallholders who provide Fresh Fruit Bunches (FFB) on a contracted basis.</i></p> <p><i>Workers on smallholder plots also need adequate training and skills, and this can be achieved through extension activities of growers or millers that purchase fruit from them, This training may be conducted through smallholders' organizations, or through collaboration with other institutions and organizations (See Guidance on Scheme Smallholders', July 2009)</i></p> <p><i>The contract workers in Indonesia refer to the Fixed Term Contract (PKWT) and Non-fixed Term Contract (PKWTT) based on the Decree of the Minister of Manpower No. 100 year 2004; and the Regulation of the Minister of Manpower & Transmigration No. 19 year 2012 regarding Requirements for Transfer of Parts of Work to Other Company(ies).</i></p>															

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
4.8.1	(M) Records of training program related to the aspects of RSPO Principles and Criteria shall be available.			
	<p>a. Does the company maintain a list of staff, workers, smallholders and contract workers whom training must be provided to?</p> <p>b. Is there a formal training programme in place that covers all aspects of the RSPO Principles and Criteria? Does the formal training program include:</p> <ul style="list-style-type: none"> • Regular assessment of training needs of all staff, workers, smallholders and contract workers; • Training for workers on smallholder plots; • Documentation of all the training assessment needs, formal training conducted and the list of participants attending these formal training; • Does the training for workers cover, at minimum, to the following: <ul style="list-style-type: none"> ○ The health and environmental risks of pesticide exposure; ○ recognition of acute and long-term exposure symptoms including the most 	<ul style="list-style-type: none"> • Training Identification Matrix year 2017 • Training Programme 2017 Training records (list attendance, evaluation, documentation, photo) 	<p>Training programme 2017 were sighted both mill and estate. The training programme is established based on the training needs identification matrix and covered all aspects of the RSPO criteria such as safety, environment, social, best practice, human rights, HCV, and ethical. Assessment of training needs was performed using Training Need Matrix Identification region by SPO region. The assessment was conducted once in a year and the records of assessment were maintained properly. All functions were included in this training identification from mill manager, estate manager, assistant head, group leader, operator at mill, sprayer, welder, boiler operator including for contractor (civil, mechanic and transporter).</p> <p>Several trainings have been conducted as listed below:</p> <ul style="list-style-type: none"> • Fire Fighting Training on 7 November 2017 • Basic Safety Training on 19 May 2017 • HCV Training on 15 September 2017 • PPE Training on 31 July 2017 • Claim Procedure Training on 17 October 2017 • ISO 14001 Awareness Training on 17 April 2017 • First Aid Training on 8-10 September 2017 • Kaizen Training on 7 April 2017 • RSPO Requirement Training on 27 January 2017 • Etc. <p>Based on interview to workers (spraying workers at block 76 Division 03 and harvesting workers at block 86 Division 02) during audit they were aware the need of the training and they were assisted by information provided during</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>vulnerable groups (e.g. young workers, pregnant women);</p> <ul style="list-style-type: none"> ○ ways to minimise exposure to workers and their families; ○ International and national instruments or regulations that protect workers' health; and ○ Productivity and best management practice. <p><i>Note to auditor: To interview staff, workers, smallholders and contract workers to verify that the training has been conducted effectively.</i></p>		training.	
4.8.2	Records of training for each employee shall be maintained.			
	a. Are training records maintained for each employee?	<ul style="list-style-type: none"> • Training Programme 2017 • Personal Training Records of Safety officer Sugiyana and Mohd. Syofian 	<p>Evidence of training for key persons were verified and sighted and the records were maintained for each employee such as for Sugiyana and Mohd. Syofian as safety officer.</p> <p>The training which has been completed by each person was recorded in Personal Training Record Form. Training realisation records are sighted such as heavy equipment used training, restricted pesticide training, first aid training, best practice on harvesting, etc. The personal training records available on hard copy.</p>	YES

PRINCIPLES 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
5.1	<p>Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p> <p>Guidance: <i>Report on environmental management and monitoring may be in the form of RKL & RPL reports in accordance with the provisions of AMDAL and/or other documents as required in the Environmental Management System (ISO 14000). For environmental aspects which have not yet been included in the Environmental Impact Analysis document (in accordance with government regulation), such as Greenhouse Gas, High Conservation Value, a study may be conducted separately and in accordance with the requirements of the RSPO Principles and Criteria.</i></p> <p><i>If there are impacts identified, that may change the on-going operations, the company should implement corrective actions on the operational practices within this specified period.</i></p> <p><i>Document of environment impact assessment is the environment document based on the existing regulations, such as:</i></p> <ol style="list-style-type: none"> <i>a. Environmental Impact Assessment (Analisis Mengenai Dampak Lingkungan Hidup/AMDAL) for plantation with areas of > 3000 Ha</i> <i>b. Environmental Management Effort (Upaya Pengelolaan Lingkungan Hidup/UPL) and Environmental Monitoring Effort (Upaya Pemantauan Lingkungan Hidup/UKL) for plantation with areas of < 3000 Ha.</i> <i>c. Environmental Management Document (Dokumen Pengelolaan Lingkungan Hidup/DPLH)</i> <i>d. Environmental Evaluation Document (Dokumen Evaluasi Lingkungan Hidup/DELH)</i> <i>e. Environmental Information Performance (Penyajian Informasi Lingkungan Hidup/PIL)</i> <i>f. Environmental Evaluation Performance (Penyajian Evaluasi Lingkungan Hidup/PEL)</i> <i>g. Environmental Evaluation Study (Studi Evaluasi Lingkungan Hidup/SEL)</i> <i>h. Environment Management and Monitoring Document (Dokumen Pengelolaan dan Pemantauan Lingkungan Hidup/DPPL)</i> <i>i. Declaration Letter for Managing and Monitoring Environment (Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup/SPPL)</i> <i>j. And others recognised by the government.</i> <p><i>Bearing in mind the potential impacts of the development activities to the environment, it is important for the following environmental characteristics to be taken into consideration:</i></p> <ol style="list-style-type: none"> <i>a. Environment components where their functions will be sustainably preserved and protected, particularly:</i> <ul style="list-style-type: none"> <i>• Protected forest, conservation forest, and biosphere reserve;</i> <i>• Water sources;</i> <i>• Biodiversity;</i> <i>• Air quality;</i> <i>• Natural and cultural heritage;</i> <i>• Environmental comfort;</i> <i>• Cultural values in harmony with the environment</i> 			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>b. Environment components which may structurally change and these changes are considered significant by the communities surrounding the operational areas, such as:</p> <ul style="list-style-type: none"> • Ecosystem function(s); • Land ownership and tenure; • Job and business opportunities; • Community's standard of living; • Public health 		<p>The company shall submit the required periodical environmental management implementation and monitoring report to the relevant authorities. The company is responsible for providing sufficient objective evidence to the audit team demonstrating full compliance to the Environmental Impact Assessment (AMDAL) requirement covering all aspects of plantation and mills operations, as well as incorporating all changes recorded over that period of time.</p> <p>The environmental impact assessment should cover the following activities, where they are undertaken:</p> <ol style="list-style-type: none"> a. Building new roads, processing mills or other infrastructure; b. Putting in drainage or irrigation systems; c. Replanting and/or expansion of planting areas; d. Management of mill effluents (Criterion 4.4); e. Clearing of remaining natural vegetation; f. Management of pests and diseases by controlled burning (referred to clause 11 of Government Regulation No. 4 year 2001 (Criteria 5.5 and 7.7). <p>Impact assessment can be a non-restrictive format e.g. ISO 14001 EMS and/or EIA report incorporating elements spelt out in this Criterion and raised through stakeholder consultation.</p> <p>Environmental impacts may be identified on soil and water resources (criteria 4.3 and 4.4), air quality (criterion 5.6), greenhouse gases calculation analysis, biodiversity and ecosystems, and people's amenity (Criterion 6.1), both on and off-site.</p> <p>Stakeholder consultation has a key role in identifying environmental impacts. The inclusion of consultation should result in improved processes to identify impacts and to develop any required mitigation measures.</p> <p>For smallholder schemes, the scheme management has the responsibility to undertake impact assessment and to plan and operate in accordance with the results (refer to 'Guidance on Scheme Smallholders', July 2009 or its endorsed final revision).</p> <p>The Strategic Environment Study Result (KLHS) by the government, shall be placed as main consideration while conducting replanting</p> <p>Regulations related to the environment documents, are such as:</p> <ol style="list-style-type: none"> 1. Government Regulation (PP) No. 27 of 2012 regarding Environment Permit 	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<ol style="list-style-type: none"> 2. Regulation of the Minister of Environment No. 13 year 2010 regarding Environment Management and Monitoring Effort (UKL-UPL) and Environment Management and Monitoring Effort (UKL-UPL) and Declaration Letter for Managing and Monitoring Environment (SPKL) 3. Regulation of the Minister of Environment No. 5 year 2012 regarding Environment Evaluation Document (DELH) 4. Regulation of the Minister of Environment No. 14 year 2010 regarding Environment Management and Monitoring Document (DPPL) 5. Regulation of the Minister of Environment No. 12 year 2007 regarding Environment Management and Monitoring Document for Business and or Activities, with Absence of Environment Management Document. 6. Regulation of the Minister of Environment No. 5 year 2012 regarding Types of Business Obligated to Have AMDAL 7. Regulation of the Minister of Environment No. 17 year 2012 regarding Involvement of Community and Information Transparency in the AMDAL Process 8. Regulation of the Minister of Environment No. 8 year 2006 regarding Guidance for AMDAL Preparation 9. Decree of the Head of Bapedal No. No. 299 of 1996 regarding Technical Guidance of Social Aspects Study in Establishing AMDAL 10. Regulation of the Minister of Environment No. 11 year 2008 regarding Competence Requirements for AMDAL Preparation Documents and Requirements for Training Institutions in Conducting Training for AMDAL competence. 11. Regulation of the Minister of Environment No. 15 year 2013 regarding Measurement, Reporting and Verification for Mitigation Action of Climate Change <p><i>In the Regulation of the Minister of Environment No. 14 year 2010, the environment document is a document covering environment management and monitoring, and may be in the form of AMDAL, Environment Management and Monitoring Efforts (UKL-UPL), Declaration Letter for Managing and Monitoring Environment (SPKL), Environment Management and Monitoring Document (DPPL), Study to Evaluation on the Environment Impacts (SEMDAL), Environment Evaluation Study (SEL), Environment Information Performance (PIL), Environment Evaluation Performance (PEL), Environment Management Document) (DPLH), Environment Management and Monitoring (RKL-RPL), Environment Evaluation Document (DELH), and Environment Audit.</i></p>			
5.1.1	(M) Environmental impact assessment document(s) shall be available.			
	<p>a. Has an EIA been conducted according to the scope of operation covering at minimum the following:</p> <ul style="list-style-type: none"> • Building new roads, processing mills or other infrastructure; • Putting in drainage or irrigation systems; • Replanting and/or expansion of planting areas; • Management of mill effluents (Criterion 4.4); • Clearing of remaining natural vegetation; • Management of pests and diseased 	<ul style="list-style-type: none"> • Document of ANDAL RKL RPL from <i>Badan Pengendalian Dampak Lingkungan</i> Kampar District #660/Bapedalda/RKL-RPL/2006/02 dated 20 June 2006 • EMS-431-003-LT Rev.12 form updated on 4 September 2017 Identification of Environmental Aspect for Topaz Mill • EMS-431-003-LT Rev.8 form updated on 1 April 2017 Identification of Environmental 	<p>Initial Environmental Impact Assessment documents (ANDAL, RKL and RPL) which were approved by <i>Badan Pengendalian Dampak Lingkungan</i> Kampar District #660/Bapedalda/RKL-RPL/2006/02 dated 20 June 2006 for Topaz Mill and Estates.</p> <p>The EIA (ANDAL, RKL and RPL) has been conducted and documented according to local requirements and include consultation with relevant stakeholders to identify impacts and to develop any mitigation measures. The consultation result and the mitigation has been state at EIA documents.</p> <p>PT Tunggal Yunus Estate, Topaz Mill and Estates has ensured that all activities with significant environmental impacts were managed, such as :</p> <ul style="list-style-type: none"> - Building new roads, processing mills or other infrastructure; - Putting in drainage or irrigation systems; - Replanting and/or expansion of planting areas; 	<p>YES (Major NCR 2017-07 CLOSED)</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>palms by controlled burning (Criteria 5.5 and 7.7).</p> <p>b. Has the EIA been conducted and documented according to local requirements?</p> <p>c. Does the assessment include consultation with relevant stakeholders to identify impacts and to develop any mitigation measures?</p>	<p>Aspect at Topaz Estate</p> <ul style="list-style-type: none"> • Procedure AA-EMS-431-PR Rev.3 dated January 2007 Identification and Evaluation of Environmental Aspects. 	<ul style="list-style-type: none"> - Management of mill effluents; - Clearing of remaining natural vegetation; - Management of pests and diseases palms by controlled burning; - Result of stakeholder consultation <p>For internal environmental aspect and evaluated its impact document, as required by the procedure AA-EMS-431-PR Rev.3 dated January 2007, the information of environmental aspect and impact was reviewed and updated at least once a year. Last review and update of environmental aspect and impact register was performed on 4 September 2017 for Mill and 1 April 2017 for estate. Control measure were defined and implemented for ensuring that negative environmental impact were prevented or mitigated. There were several types of control measures defined: engineering control, administrative control and PPE. The implementation of those control measures are monitored during internal audits.</p> <p>The reporting of RKL/RPL was conducted 6 monthly issued by Environmental Officer that consist of analysis of waste water quality, surface water quality, air emissions measured by third party laboratory, monitoring result of rate of soil erosion, monitoring result of community income, public health. Last reports and received records were sighted for period July – December 2016 and January – June 2017.</p> <p>Major Non-Conformance 2017-07:</p> <p>Document of environment impact assessment (ASDAM) does not include termite control activity and washed activity at spray changing room.</p> <p>Verification of Effectiveness:</p> <p>Socialization of SOP AA-EMS-611-PR Identification and Evaluation of Aspect and Impact Environment has been conducted on 3 February 2018.</p>	
5.1.2	<p>Environment management plan document to prevent negative impacts, its implementation report and revision (if the identification of impact requires changes in current company's practices) shall be available. The company's management shall appoint the responsible person(s) for the implementation of the document.</p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Is there an environmental management plan in place?</p> <p>b. Is the environmental management plan documented to include the following:</p> <ul style="list-style-type: none"> • Identification of responsible person(s); • Potential impacts from current practices; • Measures to mitigate negative impacts; • Timetable for change (where changes in current practices are required). <p>c. Has the environmental management plan been implemented?</p>	<ul style="list-style-type: none"> • Procedure AA-EMS-431-PR – Environmental aspect and impact identification 	<p>PT Tunggal Yunus Estate Mill and Estates has ensured that all activities with significant environmental impacts were managed. Control measure were defined and implemented for ensuring that negative environmental impact were prevented or mitigated. There were several types of control measures defined: engineering control, administrative control and PPE. The implementation of those control measures are monitored during monthly environmental patrol and also round of internal audits. Some of related action are:</p> <ul style="list-style-type: none"> - Reduce use of treated water for mill process by reuse condensate water for water dilution - Manage domestic waste by separated organic and inorganic - Planting crops on the edge of the waste water pond - All hazardous wastes were stored at the temporary storage of hazardous waste <p>Management Plan and monitoring of environmental impacts were documented in RKL (<i>Rencana Pengelolaan Lingkungan</i>) and RPL (<i>Rencana Pemantauan Lingkungan</i>). Implementation of RKL RPL is reported every six months. The report of Semester I, II 2016 and semester I 2017 of RKL-RPL was submitted to relevant local government.</p>	<p>YES</p>
5.1.3	<p>Environment monitoring plan document, its implementation report, and the corrective plan (if non-conformance arised from the monitoring result) shall be available. This plan is reviewed on two-yearly basis.</p>			
	<p>a. Does the plan incorporate a monitoring protocol?</p> <p>b. Is the monitoring protocol adaptive to operational changes?</p> <p>c. Is the monitoring protocol implemented to monitor the effectiveness of the mitigation measures?</p> <p>d. Is the plan reviewed at a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental</p>	<ul style="list-style-type: none"> • Strategic plan of environmental management 2012 – 2017 • Environmental Monitoring Program 	<p>Management Plan and monitoring of environmental impacts were documented in RKL (<i>Rencana Pengelolaan Lingkungan</i>) and RPL (<i>Rencana Pemantauan Lingkungan</i>) as monitoring protocol. The plan incorporate a monitoring protocol every 6 month and adaptive to operational changes. The monitoring implemented to monitor the effectiveness of the mitigation measure and reviewed every 6 months. The program covered:</p> <ul style="list-style-type: none"> – Monitoring water quality of Air Hitam river – Monitoring air ambient quality at mill and emplacement – Monitoring of air emission of boiler, genset, vehicle and heavy equipment <p>Whenever there is a material change, changes in operations and regulatory changes, environment monitoring plan is updated.</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	impacts?			
5.2	<p>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.</p> <p>Guidance: <i>This information gathering should include checking available biological records and consultation with relevant government departments, research institutes and interested NGOs if appropriate. Depending on the biodiversity values that are present, and the level of available information, some additional field survey work may be required.</i></p> <p><i>Wherever HCV benefits can be realised outside of the management unit, collaboration and cooperation between other growers, governments and organisations should be considered.</i></p> <p><i>Sanctions in the protected wildlife case, may be taken through law enforcement in line with the existing regulations. The company should determine type of sanctions, based upon SOP or policy of the company, considering level of violations (capture, harm, keep, and kill) and category of the species (rare, endangered, and threatened).</i></p> <p><i>National regulations related to the protection of habitat and species, such as:</i></p> <ol style="list-style-type: none"> 1. Act No. 5 year 1990 regarding Conservation on Biodiversity and its Ecosystems 2. Act No. 16 year 1992 regarding Quarantine for Animals, Fish and Plants 3. Act No. 5 year 1994 regarding Ratification of the United Nations on Convention to Biodiversity 4. Government Regulation No. 13 year 1994 regarding Wildlife Hunting 5. Government Regulation No. 68 year 1998 regarding Areas of Natural Sanctuary and Natural Conservation 6. Government Regulation No. 7 year 1999 regarding Preservation of Flora and Fauna (List of Protected Flora and Fauna is on the annex). 7. Regulation of the Minister of Forestry No.: P.48/Menhut-II/2008 regarding Guideline of Conflict Resolution between Human and Wildlife 8. Presidential Decree No. 43 year 1978 regarding Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) ratification. <p><i>Growers need to consider a variety of land management and tenure options to secure HCV management areas in ways that also secure local people's rights and livelihoods. Some areas are best allocated to community management and secured through customary or legal tenures in certain period. In other cases, co-management options can be considered.</i></p> <p><i>Where communities are asked to relinquish rights so that HCVs can be maintained or enhanced by the companies or State agencies, then great care needs to be taken to ensure that communities retain access to adequate land and resources to secure their basic needs; all such relinquishment of rights must be subjected to their free, prior, and informed consent (see Criteria 2.2 and 2.3).</i></p>			
5.2.1	<p>(M) Record(s) on the results of High Conservation Value (HCV assessment) that includes both the planted area and the relevant wider landscape-level considerations (such as wildlife corridors) shall be available</p> <p>Specific Guidance: <i>This information will cover:</i></p> <ul style="list-style-type: none"> • Presence of protected areas that could be significantly affected by the grower or miller; • Conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered (RTE) species that could be significantly affected by the 			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>grower or miller;</p> <ul style="list-style-type: none"> • Identification of HCV habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower or miller; <p>HCV Identification may be conducted internally (by the company, where the team leader shall be registered in the HCVRN-Assessors Licensed Scheme (ALS), through peer-review by the competent experts, prepared in accordance to the common Guidance for the identification of HCV 2013. If the company has no expert for assessing certain HCV type(s), then it may use the external assessor(s). The HCV assessor team needs to have experience in the assessed ecosystem to minimise inaccuracy risk of the HCV assessment. If possible, each external assessor who comes from outside the assessed areas should cooperate with the local or regional expert(s). The HCV report shall describe the composition and qualification of the assessor team in biological and social aspects.</p>			
	<p>a. Has a High Conservation Value (HCV) assessment been conducted and cover the following:</p> <ul style="list-style-type: none"> • Presence of protected areas that could be significantly affected by the grower or miller; • Conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered (RTE) species that could be significantly affected by the grower or miller. • Identification of HCV habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower or miller; <p>b. Was the HCV assessment performed by a qualified HCV assessor?</p> <p>c. Was the HCV assessment performed in consultation with relevant stakeholders?</p> <p>d. Does the HCV assessment include checking of available biological records?</p> <p>e. Does the HCV assessment include both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors)?</p>	<ul style="list-style-type: none"> • HCV Assessment report by Forestry Department, Bogor Agriculture Institute in May 2012 • Field observation HCV in Block B95a Divisi II 	<p>HCV Assessment has been conducted by independent assessors from Forestry Department, Bogor Agriculture Institute in May 2012.</p> <p>Assessment has been conducted and cover the following:</p> <ul style="list-style-type: none"> • Presence of protected areas that could be significantly affected by the grower or miller; • Conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered (RTE) species that could be significantly affected by the grower or miller. • Identification of HCV habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower or miller. <p>HCV assessment performed by a qualified HCV assessor. All assessors were approved in RSPO as HCV assessor - Discipline Specialist, coordinated by an RSPO approved HCV assessor - Team Leader. HCV assessor comprised of :</p> <ul style="list-style-type: none"> - Odjat Sujatnika (Lead assessor) - Idung Risdiyanto (Hydrology and environment services) - Gena Lysistrata (Social aspect) - Fersely G.F Salmon (GIS and environmental risk assessment) <p>HCV assessment performed in consultation with relevant stakeholders around plantation. Public consultation conducted on May 14th 2012 was attended by 22 person from local/surrounding community, local government agency, village head and public figure. Attendance register and minutes of meeting was available.</p> <p>HCV assessments also include checking of available biological records and include</p>	<p>YES</p>

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	f. Was the HCV assessment performed in accordance to the latest methodology available at global and national level? g. Are identified HCVs mapped?		both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). The HCV Assessment Report May 2012 was performed peer-review by Dr. Kunkun Jaka Gurmaya on November 2012. He was registered as HCVRN-Assessors Licensed Scheme. Methodology of assessment using a toolkit of HCV 2008, implementation of the assessment consists of: Secondary data collection, field survey, mapping and landscape, Assessment of fauna aspect with a rapid assessment (direct observation, interviews with the parties), assessment of flora aspects (direct survey and interview), assessment of socio-economic and cultural aspects (interviews and direct observation at selected sites), analysis and mapping. All HCV identified was mapped with scale 1:35,000 in PT Tunggal Yunus Estate.	
5.2.2	<p>(M) Where rare, threatened or endangered (RTE) species or other HCVs are present or affected by the plantation and mill operations, an appropriate measures that are expected to maintain or enhance them shall be implemented through a management plan.</p> <p>Specific Guidance: <i>These measures will include:</i></p> <p>a. Ensuring that any legal requirements relating to the protection of the species or habitat are met; b. Avoiding damage to and deterioration of HCV habitats such as by ensuring that HCV areas are connected, corridors are conserved, and buffer zones around HCV areas are created; c. Controlling any illegal or inappropriate hunting, fishing or collecting activities, and developing responsible measures to resolve human-wildlife conflicts (e.g. incursions by elephants) d. Improving HCV, if possible, through management options, such as habitat enrichment.</p>			
	a. Are HCVs and/or RTEs present? b. If HCVs and/or RTEs are present, has a management plan containing appropriate measures that are expected to maintain and/or enhance them been prepared? The measures should include the following: <ul style="list-style-type: none"> Ensuring that any legal requirements relating to the protection of the species or habitat are met; 	<ul style="list-style-type: none"> HCV Assessment report by Forestry Department, Bogor Agriculture Institute in May 2012 Conservation Management Plan 2017 HCV Management and Monitoring report 2017 Field observation HCV in Block 	The HCV assessment report was published in June 2012. The report presenting data and map of HCV area. HCV Type: <ul style="list-style-type: none"> HCV 1.3: landscape containing concentration of rare and threatened, or endemic species. HCV 4.1: areas or ecosystems important for the provision of water and prevention of floods for downstream communities. HCV 4.2: areas critical to water catchment and erosion control. 	YES (Major NCR 2017-03)

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)																					
	<ul style="list-style-type: none"> • Avoiding damage to and deterioration of HCV habitats such as by ensuring that HCV areas are connected, corridors are conserved, and buffer zones around HCV areas are created; • Controlling any illegal or inappropriate hunting, fishing or collecting activities, and developing responsible measures to resolve human-wildlife conflicts (e.g. incursions by elephants). <p>c. Are the measures contained in the management plan actively implemented to maintain and/or enhance HCV values?</p> <p>d. Are the HCV values and the presence of RTEs periodically monitored?</p> <p>e. Are the field inspections conducted regularly to ensure implementation of mitigation plan (especially along areas bordering natural area)?</p>	<p>B95a Divisi II</p>	<p>Below are detail of HCV area identified :</p> <table border="1" data-bbox="1122 363 1839 587"> <thead> <tr> <th>Description</th> <th>HCV Type</th> <th>Wide (Ha)</th> </tr> </thead> <tbody> <tr> <td><i>Parit batas HGU PT TYE</i></td> <td>1.4 dan 4.3</td> <td>24.5</td> </tr> <tr> <td><i>Aliran Sungai Hitam</i></td> <td>1.4, 4.1, 4.2</td> <td>35.7</td> </tr> <tr> <td><i>Aliran Sungai Jombang Gedang</i></td> <td>1.4, 4.1, 4.2</td> <td>8.0</td> </tr> <tr> <td><i>Waduk PKS (dari S. Suram)</i></td> <td>4.1</td> <td>3.8</td> </tr> <tr> <td><i>Aliran anak S. Hitam</i></td> <td>1.4, 4.1, 4.2</td> <td>15.9</td> </tr> <tr> <td>Total HCV area (Ha)</td> <td></td> <td>87.8</td> </tr> </tbody> </table> <p>HCV Management and Monitoring Plan were developed based on the HCV assessment report. The Company gave the title for this document as “Conservation Management Plan and Conservation Monitoring Plan” (July 2017). The document was available. HCV management and monitoring plan described measures taken for each HCV and its monitoring. Relevant laws were taken into account for determining appropriate measure including UU #5/1990 about Natural resources conservation, PP#7/1999 about List of protected plan and wildlife, Kepres #32/1990, and PP26/2008. Management containing appropriate measures that are expected to maintain and/or enhance them, includes:</p> <ul style="list-style-type: none"> - Maintenance of HCV marking, manual upkeep - Placement of warning sign/sign board - Monitoring of riparian area - Monitoring the presence of wildlife (Protected animal) - Monitoring of illegal hunting and HCV Patrol <p>Each Division assistant was responsible for the program and its implementation. The measures contained in the management plan were actively implemented to maintain and/or enhance HCV values. HCV values and the presence of RTEs were periodically monitored and documented in “<i>Laporan daftar temuan satwaliar harian</i>” and “<i>Laporan Monitoring Biodiversity PT TYE</i>”.</p> <p>Dissemination (awareness) about the existence of HCV in the Company’s concession area to the surrounding communities was conducted on May 2012, through a Public Consultation during the HCV assessment. Record of the participants’ list and the</p>	Description	HCV Type	Wide (Ha)	<i>Parit batas HGU PT TYE</i>	1.4 dan 4.3	24.5	<i>Aliran Sungai Hitam</i>	1.4, 4.1, 4.2	35.7	<i>Aliran Sungai Jombang Gedang</i>	1.4, 4.1, 4.2	8.0	<i>Waduk PKS (dari S. Suram)</i>	4.1	3.8	<i>Aliran anak S. Hitam</i>	1.4, 4.1, 4.2	15.9	Total HCV area (Ha)		87.8	
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			<p>activity documentation is available. HCV socialization of HCV to all employees has been conducted through master morning in 20 November 2015, 1 November 2016 and 5 April 2017, and for surrounding communities on 18 April 2016 and 5 April 2017.</p> <p>Field observation to HCV area and document verification “<i>Laporan Monitoring Biodiversity</i>” of PT TYE period semester I 2017 was available and demonstrate that the measures contained in the management plan been actively implemented.</p> <p>Major Non-Conformance 2017-03:</p> <p>Based on field observation in riparian zone Block B95a Divisi II which is also an HCV area, it was found that the riparian has been sprayed by pesticides.</p> <p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • The evidence of socialization already available • Master list Document and monitoring was already available • The letter/email of IPM training already available • The result of joint monitoring has shown during FU, for period December 2017 and January 2018 	
5.2.3	Program(s) to socialize the status of protected, rare, threatened or endangered (RTE) to all workers shall be available, including records of appropriate sanction disciplinary measures to any individual working for the company who is found to capture, harm, collect or kill these species.			
	<p>a. Does the company have policies or rules to protect RTE species?</p> <p>b. Is there a programme to regularly educate the workforce about the status of the RTE species?</p> <p>c. Is there evidence or action taken to implement the rules and programs? E.g. Inspections conducted to check no traps/snares put up within or nearby areas.</p> <p>d. Have appropriate disciplinary measures been imposed in accordance with</p>	<ul style="list-style-type: none"> • Policy dated 1st December 2014 • Environmental Field Procedure Conservation Area Monitoring (AA-PL-08-EFP) • Conservation Management Plan 2017 • HCV Management and Monitoring report 2017 • Field observation HCV in Block B95a Divisi II and interview with workers 	<p>Organization has a policies or rules to protect RTE species based on UU No.5 / 1990. Penalties under the UU No.5 / 1990 "person who deliberately capture, injure, kill, keep, possess, maintain, transport, and trade in protected animals alive or dead can shall be punished with imprisonment of 5 years and a maximum fine 100.000.000,- (one hundred million). Policy also documented in Memorandum No. 08/ES-KTZ/Memo/09/2015 dated 2 September 2015 and Environmental Field Procedure Conservation Area Monitoring (AA-PL-08-EFP).</p> <p>Penalties were communicated directly to all employees and the local community during HCV socialization and through the HCV sing boards and warnings board.</p> <p>Organisation also established the programme to regularly educate the workforce about the status of the RTE species. The program has been implemented, the evidence of socialization invitation, list of attendance and photographs, minutes of socialization was proved. HCV protection and wildlife protection dissemination conducted twice a year</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>company rules and national law, should any individual working for the company is found to have captured, harmed, collected or killed any RTE species?</p>		<p>internally to employee and once a year externally to surrounding community.</p> <p>Inspections conducted regularly through HCV patrol to check no traps/snares put up within or nearby areas of HCV. Schedule and report of HCV patrol was sighted.</p> <p>Organization has been appointed PIC HCV (Officer HCV) in PT TYE. The responsibility of HCV area management is part of the job description of the HCV Officer. The "HCV Officers" have no particular background for HCV management, however they has been trained in regard identification, management and monitoring of HCV.</p> <p>Relevant laws were taken into account for determining appropriate measure including UU #5/1990 about Natural resources conservation, PP#7/1999 about List of protected plan and wildlife, Kepres #32/1990, and PP26/2008.</p>	
5.2.4	<p>Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.</p> <p>Specific Guidance: For 5.2.4: <i>The result of HCV monitoring may become considerations while reviewing HCV management plan.</i></p>			
	<p>a. Does the management plan contain ongoing monitoring of status of HCV and RTE species that are affected by plantation or mill operations?</p> <p>b. Is the status documented and reported?</p> <p>c. Are the outcomes of monitoring fed back into the management plan?</p>	<ul style="list-style-type: none"> • Conservation Management 2016 and 2017 • HCV Management and Monitoring report 2016 and 2017 • Field observation HCV in Block B95a Divisi II and interview with workers 	<p>Management plan of HCV has been established based on HCV assessment in 2012. Ongoing monitoring of the HCV management plan is performed regularly in monthly basis. HCV Officer is the personnel in charge for conducting the monitoring of HCV. Records of HCV monitoring were available and it was observed that monitoring was performed consistently.</p> <p>HCV management plan is updated once a year based on the outcome of the HCV monitoring that performed regularly in monthly basis.</p> <p>Monitoring of management plan was conducted periodically twice in a year (January – June and July – December).</p> <p>HCV and RTE species that are affected by plantation or mill operations have been monitored, documented and reported each semester. A record was available in Monitoring of RTE species existences and HCV area. Items checked contain RTE species existence, disturbance of people hunting and warning sign condition.</p> <p>Based on document review was found that some recommendation from Flora and Fauna Monitoring Report (since Semester II 2016 and Semester I 2017) has been follow up by company.</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
5.2.5	<p>Where HCV areas overlapped with an identified local community's land, there shall be evidence of a negotiated agreement that optimally safeguard their HCVs and the local community's rights</p> <p>Specific Guidance: <i>For 5.2.5: If a negotiated agreement cannot be reached, there should be evidence of sustained efforts to achieve such an agreement. These could include third party arbitration (see Criteria 2.3, 6.3 and 6.4).</i></p>			
	<p>a. Is there HCV set-asides with existing rights of local communities?</p> <p>b. Who are the affected communities?</p> <p>c. Is the identified HCV areas mapped?</p> <p>d. Is there evidence of stakeholder consultation and negotiated agreement, in accordance to FPIC principles, with local community to optimally safeguard both the HCVs and rights of local communities?</p> <p>e. If a negotiated agreement cannot be reached, is there evidence of sustained efforts to achieve an agreement? Refer to specific guidance for 5.2.5.</p>	<ul style="list-style-type: none"> • HCV Assessment report by Forestry Department, Bogor Agriculture Institute in September 2012 • Conservation Management Plan 2016 and 2017 • HCV Management and Monitoring report 2016 and 2017 • Field observation HCV in Block B95a Divisi II • Interview with stakeholder/head of village on 13 December 2017 	<p>Based on HCV map and public consultation with local communities there was no HCV set-asides with existing rights of local communities.</p>	<p>N/A</p>
5.3	<p>Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p> <p>Guidance: <i>The waste management and disposal plan should include measures for:</i></p> <p>a. <i>Identifying and monitoring sources of waste and pollution.</i></p> <p>b. <i>Improving the efficiency of resource utilisation and recycling potential wastes as nutrients or converting them into value-added products (e.g. through animal feeding programmes).</i></p> <p>c. <i>Appropriate management and disposal of hazardous chemicals and their containers. Surplus chemical containers should be reused, recycled or disposed of in an environmentally and socially responsible way based on best available practices (e.g. returned to the vendor or cleaned using a triple rinse method) and existing regulations. This is to prevent pollutions to the water sources and risk to human health. The disposal instructions on the manufacturer's labels should be adhered to.</i></p> <p><i>Use of open fire for waste disposal should be avoided.</i></p> <p><i>Regulations relate to waste management, such as:</i></p> <ol style="list-style-type: none"> 1. <i>Government Regulation No. 18 year 1999 regarding Management of Toxic and Hazardous Waste (B3)</i> 2. <i>Government Regulation No. 85 year 1999 regarding Amendment of Government Regulation No. 18 year 1999 regarding Management of B3 (the annex shows a list of B3 from specific and non-</i> 			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p><i>specific sources, expired chemicals, leakage, remaining containers and waste of unspecified products).</i></p> <p>3. Government Regulation No. 82 year 2001 regarding Management of Water Quality and Control of Water Pollution. This includes criteria for water quality, and requirements for utilising and disposing waste water)</p> <p>4. Government Regulation No. 81 year 2012 regarding Management of Domestic Waste</p> <p>5. Decree of the Minister of Environment No. 51 year 1995 regarding Waste Water Standard for Industries</p> <p>6. Decree of the Minister of Environment No. 28 year 2003 regarding Technical Guidance for Study for Utilising Palm Oil Mill Effluent (POME) on Oil Palm Plantation.</p> <p>7. Decree of the Minister of Environment No. 29 year 2003 regarding Guidance for Permit Requirements and Administration for Utilising POME on Oil Palm Plantation</p> <p>8. Decree of the Minister of Environment No. 112 year 2003 regarding Domestic Waste Water Standard</p> <p>9. Decree of the Head of Bapedal No. 255/Bapedal/08/1996 regarding Procedure and Requirements for Storing and Collecting Used Oil</p> <p>10. Guidance for Use of Pesticides, Directorate General of Infrastructure and Facilities, Ministry of Agriculture, 2011</p>			
5.3.1	(M) A documented identified source of all waste and pollution, shall be available.			
	<p>a. Is there a registry/list of waste products produced?</p> <p>b. Is there a registry/list of pollution sources?</p>	<ul style="list-style-type: none"> • Procedure AA-KL-06-EFP – Handling of Hazardous Waste • Procedure AA-KL-07-EFP – Handling of Medical Waste. • Procedure AA-KL-11-EFP – Handling of Laboratory Waste. • Form AA-KL-601-FM – Record of Hazardous waste • Form AA-KL-602-FM – record of hazardous waste circulation • EMS-431-003-LT Rev.12 form updated on 4 September 2017 Identification of Environmental Aspect for Topaz Mill • EMS-431-003-LT Rev.8 form updated on 1 April 2017 Identification of Environmental Aspect at Topaz Estate 	<p>Identification of waste and pollution sources from Topaz Mill and Estate activities was evident. The source of pollution, type and control method of waste was recorded.</p> <p>The waste products were defined as follows:</p> <ol style="list-style-type: none"> 1. Mill wastes, such as: fibre, shell, empty bunch, waste water and gaseous emissions, POME 2. Estate wastes, such as: empty pesticide containers, pesticided rinsed waters discharge and land application flatbed, etc. 3. Medical wastes, such as: drugs, needles, cottons, etc. 4. Solids organics and non-organics waste 5. Domestic waste water 	YES
5.3.2	(M) There shall be evidence that all chemicals and their empty containers are disposed of responsibly			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Is there an inventory of chemicals and their containers that are used and kept on site?</p> <p>b. How are chemicals and their containers stored and disposed off? Is it in accordance to best practices? (as prescribed by manufacturers' labels, local requirement, national or international best practice)</p> <p>c. Are collection and disposal records of chemicals and their containers maintained?</p>	<ul style="list-style-type: none"> • Procedure AA-KL-06-EFP – Handling of Hazardous Waste. • Procedure AA-KL-07-EFP – Handling of Medical Waste. • Procedure AA-KL-11-EFP – Handling of Laboratory Waste. • Form AA-KL-601-FM – Record of Hazardous waste • Form AA-KL-602-FM – record of hazardous waste circulation • Record of hazardous waste • Manifest of hazardous waste on November 2016, April and October 2017 • Site visit to temporary storage of hazardous waste • Permit of temporary storage of hazardous waste from Head of Kampar Regent No.660/BLH-WAS/ILB3/2016/11 dated 19 April 2016 valid for 5 years • Triparted contractual agreement regarding hazardous waste management handling PT Tunggal Yunus Estate with PT Indostar Cargo as transporter and PT PPLI as hazardous waste processor No.003/AA-SDLI-ISC-PPLI/III-2017 dated 3 	<p>The disposal methods were described on documented procedure AA-KL-06-EFP waste management detailed disposed methods as follows:</p> <ol style="list-style-type: none"> 1. Zero burning 2. Reduce, reuse, recycle 3. Disposal <p>All empty pesticide containers were triple rinsed. The jerry can were reused to spraying activities, while bottles containers were stored in the temporary storage of hazardous waste and categorized as hazardous waste (B3). Records of pesticide containers quantity disposed were evident. Liquid waste from pesticide was reused for the next spraying application.</p> <p>While the ex-fertilizer sacks was also rinsed and reuse for fertiliser distribute “<i>untilan</i>” and TPH/FFB collection area at estate operations. Several ex-chemicals containers that use at mills operations such as laboratory chemicals, boiler additive liquids, lubricants, workshop materials, use battery, etc. were categorized as hazardous wastes that stored at hazardous waste temporary warehouse (TPS B3). The hazardous wastes were managed by licensed vendor: PT Indostar Cargo as the transporter, PPLI as processor for contaminated containers and used filter; PT Andhika Makmur Persada as collector for used oil, used rags, used battery; PT Sumatera Deli Lestari Indah as collector for used oil, used rags, used battery. Disposal of hazardous waste was completed with manifest. Manifest of disposal were sighted for period November 2016 and April 2017.</p> <p>Permit of the hazardous waste processor and collector:</p> <ul style="list-style-type: none"> - PT PPLI: #Kep-67/Bapedal/05/1994 issued by Bapedal dated 20 May 1994 valid through 30 years - PT Sumatera Deli Indah Lestari: #SK.155/Menlhk/Setjen/PSLB3/2/2016 issued by Ministry of Environment dated 18 February 2016 valid through 5 years - PT Andhika Makmur Persada #SK.555/Menlhk/Setjen/PLB3/7/2016 issued by Ministry of Environment dated 18 July 2016 valid until 5 October 2020 <p>Other records sighted, such as Log of hazardous waste period September – December 2016 and January – November 2017. Last transportation of hazardous wastes on 28 October 2017 for used oil, contaminated goods, used batteries, and medical waste using truck BM 8085 TU. The truck has licence from “<i>Dirjen Perhubungan Darat</i>” SK.500/AJ.309/DJPD/2017/120710258BB-0024 valid until 2 March 2018. PT Indostar</p>	<p>YES (Major NCR 2017-08 CLOSED)</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
		<p>March 2017 valid for 1 year</p> <ul style="list-style-type: none"> Log of hazardous waste period September – December 2016 and January – November 2017 	<p>Cargo as transporter has transport recommendation from Ministry of Environment No.S-306/VPLB3/PPLB3/PLB.3/4/2017 dated 6 April 2017 valid for 5 years.</p> <p>License of hazardous wastes temporary storage (TPS B3) was issued by Head of Kampar Regent No.660/BLH-WAS/ILB3/2016/11 dated 19 April 2016 valid through 5 years. Defined that the time limit was 90 days. The license include: used oil, used batteries, used lamps, used filters, medical waste, ex chemical jerrycan, and used rags.</p> <p>TPS LB3 was checked regularly regarding e.g. condition of ventilation, oil trap, hazardous waste container, hazard symbol and completeness of equipment, e.g. APAR, APD, hazard symbol and label, etc.</p> <p>Major Non-Conformance 2017-08:</p> <p>Medical waste storage time was exceed the time limit based on permit of hazardous waste 90 days; it was observed on hazardous waste logbook medical waste in on 3 December 2016 and transported on 29 April 2017, 26 May 2017 transported on 28 October 2017.</p> <p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> Medical waste was piled on landfill facility on 17 January 2018. The waste is 3 Kg. Approval for medical waste landfill from DLH was available with number: 660/DLH-PPKL/2018/35 on 3 January 2018. The socialization hazardous waste management has been conducted on 3 January 2018. Monthly Evaluation of legal compliance and recapitulation of permits was available for period December 2017 and January 2018 	
5.3.3	<i>A documented waste management plan to avoid or reduce pollution and its implementation shall be available</i>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Is there a documented waste management and disposal plan to avoid or reduce pollution?</p> <p>b. Does the waste management and disposal plan, at minimum, include measures for:</p> <ul style="list-style-type: none"> • Identifying and monitoring sources of waste and pollution? • Improving the efficiency of resource utilisation and recycling potential of wastes as nutrients or converting them into value-added products (e.g. through animal feeding programmes)? • Appropriate management and disposal of hazardous chemicals and their containers? • Reduction, re-use and recycle of waste? <p>c. Is there evidence that the plan has been implemented?</p> <p>d. Is there evidence that waste has not been disposed off using open fire?</p>	<ul style="list-style-type: none"> • Procedure AA-KL-06-EFP – Handling of Hazardous Waste. • Procedure AA-KL-07-EFP – Handling of Medical Waste. • Procedure AA-KL-11-EFP – Handling of Laboratory Waste. • Form AA-KL-601-FM – Record of Hazardous waste • Form AA-KL-602-FM – record of hazardous waste circulation • Observation to temporary storage of hazardous waste • EMS-431-003-LT Rev.12 form updated on 1st January 2016 Identification of Environmental Aspect • Temporary storage of hazardous waste valid permit from Head of Kampar Regent No.660/BLH-WAS/ILB3/2016/11 dated 19 April 2016 valid for 5 years • Contractual agreement regarding hazardous waste management handling PT Tunggal Yunus Estate with PT Indostar Cargo • Manifest of hazardous waste on 1 November 2016 and 29 April 	<p>The source of pollution, type and control method of waste was documented on procedure AA-KL-06-EFP – Handling of Hazardous Waste. The procedure required waste to be segregated from point of generation. In addition Mill and Estates also established waste register, which described wastes generated from each activity/location, its classification (organic, non-organic or hazardous wastes), and its control measure. It was observed that organic and non-organic waste was segregated at point of source in several areas. Mill and Estates including housing has provided waste bin for non-organic waste. Hole at the back yard of housing was used for organic waste. Non-organic wastes from Mill and Estate including housing were disposed to landfill in the Estate area. Areas of non-organic wastes disposal was far from housing, in the flood-free area and not in swamp area and completed with warning sign not burning wastes.</p> <p>Regarding to improve the efficiency of resource utilisation and recycling potential wastes as nutrients or converting them into value-added products, such as the EFB and POME was treated in fertilizers and land application process. Fibre and Shell was used for boiler feed.</p> <p>There are evident the measurement periodical report include air ambience quality; emissions of vehicles and other engines (boilers, generators, etc.) also the programme on how to reduce the fuel usage and environmentally friendly. The last measurement was performed on 1st Semester 2017 by External Laboratory. Air ambience quality was measurement at office, mill, and housing. Air ambience quality in accordance to PP 41/1999; Boiler emission in accordance to PermenLH 7/2007; generator emission in accordance to PermenLH 21/2008; vehicle emission in accordance to PermenLH 5/2006.</p> <p>Hazardous wastes generated by Mill and Estate are used oil, used oil filter, used battery, medical waste and used lamp. Temporary storage of hazardous waste was available to collect hazardous waste prior to be transported by licensed vendor. Temporary storage of hazardous waste still held valid permit from Head of Kampar Regent No.660/BLH-WAS/ILB3/2016/11 dated 19 April 2016 valid for 5 years. These hazardous wastes were managed by licensed vendor: PT Indostar Cargo as the transporter. Disposal of hazardous waste was completed with manifest. Manifest of disposal were sighted for period 1 November 2016 and 29 April 2017 and 28 October 2017. Hazardous waste was reported to BLH Riau Province and Kampar Regent. Receipt note was also sighted. Others records sighted, such as Log of hazardous waste</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)												
		2017 and 28 October 2017 • Log of hazardous waste period September – December 2016 and January – November 2017	period September – December 2016 and January – November 2017.													
5.4	Efficiency of fossil fuel use and the use of renewable energy is optimised. Guidance: <i>Renewable energy use per tonne of Crude Palm Oil (CPO) or palm product in the mill should be monitored. Direct fossil fuel use per tonne of CPO or Fresh Fruit Bunches (FFB) should be monitored. Energy efficiency should be taken into account in the construction or upgrading of all operations.</i> <i>Growers and millers should assess the direct energy use of their operations, including fuel and electricity, and energy efficiency of their operations. This should include estimation of fuel use by on-site contract workers, including all transport and machinery operations.</i> <i>If possible, the feasibility of collecting and using biogas should be studied.</i>															
5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.															
	a. Is there a plan for improving efficiency of the use of fossil fuels and to optimise renewable energy? b. Has the plan been implemented and is it monitored? c. Does the monitoring system encompass the following : • Renewable energy use/tCPO or palm product; • Direct fossil fuel use/tCPO or tFFB; • Estimated fuel use by on-site contract workers and transport and machinery operations; • Electricity use in operations. d. Was energy efficiency taken into account during the construction or upgrading of all operations?	• Records of fibre and shell usage period 2016 and 2017 • Records of fuel consumption period 2016 and 2017	PT Tunggal Yunus Estate mill and estate have developed the programme/plan on how to conduct efficiency for utilization of fossil fuel by develop the standard to manage the consumption each of vehicles and electricity generator within litre per hours for organization owned; there were also sighted the records of usage the diesel fuel for vehicle at estates and diesel fuel at mill engines for period 2016 and 2017 (YTD November). Volume of fibre and shell used for boiler feed is estimated annually. Record sighted for 2016 and 2017 (YTD November). The decreases of utilisation of fibre and shell within annually comparative was because of FFB processed, for details please see table below: <table border="1" data-bbox="1122 1142 1834 1270"> <thead> <tr> <th>Renewable Energy (Fibre and shell)</th> <th>2015</th> <th>2016</th> <th>2017 (November)</th> </tr> </thead> <tbody> <tr> <td>Fibre (ton)</td> <td>32,113</td> <td>26,915</td> <td>26,854</td> </tr> <tr> <td>Shell (ton)</td> <td>4,325</td> <td>3,768</td> <td>7,262</td> </tr> </tbody> </table> The records were also sighted for fossil fuel consumption monthly calculation within period 2016 and 2017 (YTD November) regarding the usage of fossil fuel at estates and mill. Fossil fuel at estates was resulted from heavy vehicles and generator.	Renewable Energy (Fibre and shell)	2015	2016	2017 (November)	Fibre (ton)	32,113	26,915	26,854	Shell (ton)	4,325	3,768	7,262	YES
Renewable Energy (Fibre and shell)	2015	2016	2017 (November)													
Fibre (ton)	32,113	26,915	26,854													
Shell (ton)	4,325	3,768	7,262													

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)												
	e. Has studies on the feasibility of collecting and using biogas been carried out?		<p>The details of fossil fuel consumption see table below:</p> <table border="1" data-bbox="1122 363 1767 491"> <thead> <tr> <th>Fossil fuels (ton)</th> <th>2015</th> <th>2016</th> <th>2017 (November)</th> </tr> </thead> <tbody> <tr> <td>Mill</td> <td>87,702</td> <td>104,261</td> <td>86,340</td> </tr> <tr> <td>Estate</td> <td>235,520</td> <td>209,724</td> <td>191,898</td> </tr> </tbody> </table> <p>So far there is a plan regarding feasibility of collecting and using biogas, however it still on management discussion.</p>	Fossil fuels (ton)	2015	2016	2017 (November)	Mill	87,702	104,261	86,340	Estate	235,520	209,724	191,898	
Fossil fuels (ton)	2015	2016	2017 (November)													
Mill	87,702	104,261	86,340													
Estate	235,520	209,724	191,898													
5.5	<p>Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p> <p>Guidance: <i>Clause 11 of the Government Regulation No. 4 year 2001 regarding Control of Environmental Damage and or Pollution associated with Forest and or Land Fire, describes that the activities causing forest and or land fire are including land clearing in forestry, plantation, agriculture, transmigration, mining, tourism which are carried out through burning. Therefore, the use of fire is prohibited in those activities, unless for unavoidable circumstances or specific purposes, such as forest fire control, pest and disease control, and habitat management of flora and fauna. Implementation of restricted burning shall be authorised by the relevant agency.</i></p>															
5.5.1	(M) Records of land clearing with zero burning shall be available, referring to the ASEAN Policy on Zero Burning (2003) or other recognised techniques based on the existing regulations.															
	<p>a. Does the company have a zero burning policy or any statement on zero burning?</p> <p>b. Does the company have SOPs for land preparation which mentions zero burning?</p> <p>c. Was land prepared using the burn method? If yes, was it based on the specific situations identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions?</p> <p>d. Has the policy been implemented throughout the operations?</p> <p>e. Is there training programmes for associated smallholders on zero burning where appropriate?</p>	<ul style="list-style-type: none"> Company policy dated 1st December 2014 Procedure of Replanting (OP-1100.20-R1). & Procedure of Land Preparation (OP-1100.20-R1) 	<p>The organization had documented company policy for zero burning dated 1st December 2014 signed by Director. It defined to conduct zero burning practices and described that land preparation of replanting is conducted by cutting and chipping.</p> <p>The organisation has policy of zero burning documented in procedure of land preparation: AA-APM-OP-1100.02-R1 (Land Preparation) and OP-1100.20-R1 (Replanting). There was no land preparation for replanting by burning.</p> <p>Replanting Plan will be started in 2019 at Topaz Estate. It was noted that Topaz Estate and Seed Garden Estate has not conducted replanting activities since its first plant in 1993, as defined within the procedure that the replanting are within 25 years since its first plant year.</p> <p>However it was described within the replanting procedure (AA-APM-OP-1100.20-R1) that the organisation committed to zero burning by using "chipping technique" at the <i>ganoderma</i> risks plantation by conducting topple to the palm trees, chopping and stacking using excavator by bucket modification.</p> <p>Procedure replanting mentioned that Field Assistant, Assistant Chief and Estate Manager must perform checks to ensure that the contractor does not perform burning</p>	YES												

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>for land preparation for replanting.</p> <p>All the replanting activities requires to be documented and monitored, such as: Schedule of replanting (chipping, digging and planting), progress planting LCC (<i>Legume Cover Crop</i>) and Minutes Works replanting (Progress in the Works Contractor)</p> <p>In the procedure of replanting mentioned that, the methods used are:</p> <ul style="list-style-type: none"> • Toppling trees using heavy equipment (excavators) • Chipping: cutting palm trunk, so as not infected with <i>ganoderma</i> • Planting LCC / legumes (<i>Mucuna</i> and <i>Puereria javanica</i> etc). So that the decay of the old oil palm trunks can be faster • Planting of oil palm. <p>This method has been used in replanting the whole plantation belonging to Asian Agri group.</p>	
5.5.2	<p>Where fire has been used for eradication of pest during replanting, the records of the analysis of the use of fire and permit from the authorised agency shall be available</p> <p>Specific Guidance: <i>Fire should be used only where an assessment has demonstrated that it is the most effective and least environmentally damaging option for minimizing the risk of severe pest and disease outbreaks, and exceptional levels of caution should be required for use of fire on peat. This should be subject to regulatory provisions under respective national environmental legislation. This should refer to the ASEAN Policy on Zero Burning (2003) and existing national environment regulations.</i></p> <p><i>The company shall have procedure and records of emergency response to ground fire, including the means and facilities.</i></p>			
	<p>a. Where fire has been used for preparing land for replanting, is there evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions?</p> <p>b. What was the justification for using fire?</p>	<p>Areal statement PT. TYE December 2017</p>	<p>There was no replanting activity along 2016 and 2017.</p>	<p>N/A</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
5.6	<p>Preamble:</p> <p>Growers and millers commit to report greenhouse gas emissions from their operations. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognized that to reduce or minimise these emissions is not always practical or feasible. Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO.</p>			
5.6	<p>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p> <p>Guidance: Where practically feasible, operations should follow best management practices to measure and reduce emissions. Advice on this is available from the RSPO.</p>			
5.6.1	<p>(M) Document(s) assessing pollution and emission sources, including gaseous, particles, soot emissions and effluent, shall be available (see Criterion 4.4)</p> <p>Specific Guidance: For 5.6.1: Assessment document covers identification of pollutant and emission sources, and evaluation of potential pollution level.</p>			
	<p>a. Has an assessment of all polluting activities been conducted including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4)?</p> <p>b. Is there a documented list of all identified polluting activities?</p>	<ul style="list-style-type: none"> • EMS-431-003-LT Rev.12 form updated on 17 February 2015 • Identification of Environmental Aspect at Topaz Mill • RKL RPL report 	<p>Identification of pollution and emission sources at Topaz Mill activities was evident. The source of pollution, type of pollution and its control was documented, e.g. stack of boiler, electricity generator and heavy equipment, methane from WWTP, composting, and fertiliser.</p> <p>Monitoring of pollution and emission quality of sources identified has been programmed. Monitoring and measurement results for 2nd semester 2016 and 1st semester 2017 were sighted for boiler emission against Environment Ministry Decree #07/2007, diesel electricity generator against Environment Ministry Decree #Per21/Menlh/2008, vehicle and heavy equipment emission against Environment Ministry Decree #05/2006, odour emission against Environment Ministry Decree #50/Menlh/11/1996, ambient noise against Environment Ministry Decree #48/Menlh/11/1996, also ambient air quality against Government Regulation #41/1999.</p>	<p>YES</p>
5.6.2	<p>(M) Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p>Specific Guidance: For 5.6.2: Plans will include objectives, targets and timelines. These should be responsive to context and any changes should be justified. Examples of reducing greenhouse gas emission are including empty bunch application, effluent land application, efficiency of fertilizer use, fuel efficiency, compost application and or methane capture.</p> <p><i>For 5.6.2 and 5.6.3: The treatment methodology for POME will be recorded.</i></p>			
	<p>a. Is there a documented list of all identified</p>	<ul style="list-style-type: none"> • Identification of greenhouse gas 	<p>Identification of greenhouse gas (GHG) emissions sources at Topaz Mill and Estates of</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>significant pollutants and GHG emissions?</p> <p>b. Are there plans to reduce or minimise the identified pollutants and GHG emissions?</p> <p>c. Do the plans include objectives, targets and timelines for reduction that are responsive to context?</p> <p>d. Are the plans being implemented? Was there any changes? Is it justified?</p> <p>e. Is the treatment methodology for POME recorded? (refer to C 4.4.3)</p>	<p>(GHG) emissions sources</p> <ul style="list-style-type: none"> • Greenhouse Gas Emissions reduction plan 2017 • Records of fertilizers activities. • Records of land application • Monitoring records of utilization of waste fibre and shell as boiler fuel and electricity • Site visit to estate and WWTP • The results of monitoring of waste water effluent to land application for period September – December 2016 and January – November 2017 	<p>PT. Tunggal Yunus Estate activities was evident. The information of GHG sources at Mill and Estates was reviewed including:</p> <p>Estate:</p> <ol style="list-style-type: none"> 1. Fertilisers 2. Fossil fuels 3. Emission from vehicles, heavy equipment, and engines <p>Mill:</p> <ol style="list-style-type: none"> 1. Methane from POME pounds 2. Fossil fuel 3. Emission from vehicles and engines 4. Electric use 5. Chemical use <p>Several effort to reduce GHG emissions is prepared as follows:</p> <ol style="list-style-type: none"> 1. Fertilizer management such as: <ul style="list-style-type: none"> • Proper dosage and application time • Application of EFB 2. Fibre & shell <ul style="list-style-type: none"> • As with fuel boilers and turbine generators 3. Liquid waste to land application; liquid waste containing methane which when applied to compost of empty bunch it will reduce methane. 4. Mill effort: <ul style="list-style-type: none"> • Monitoring Kwh / ton of production in the mill • Use energy saving lamp 5. Estate effort: <ul style="list-style-type: none"> • Optimization of pest control by natural enemies to reduce the uses of pesticides as well as Integrated Pest Management (IPM). • Calculate the toxicity of pesticide active ingredients contained in the FFB as the basic to reduce the uses of chemical pesticides. • Planting of LCC (legume cover crop) can reduce weeds, thereby reducing the uses of herbicides. • Optimizing the use of heavy equipment 	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)										
			<p>There are also established the GHG reduction plan period September 2016 - routine completed with objectives, targets and timelines as below:</p> <table border="1" data-bbox="1205 392 1886 587"> <thead> <tr> <th>Program</th> <th>Target 2016</th> </tr> </thead> <tbody> <tr> <td>Reduce diesel consumption</td> <td>325 litre/vehicle</td> </tr> <tr> <td>Reduce generator usage</td> <td>8.71 litre/hour</td> </tr> <tr> <td>Reduce diesel consumption by gasifier technology modification</td> <td>6.51 litre/hour</td> </tr> <tr> <td>Reduce electricity consumption</td> <td>2 Ampere/door</td> </tr> </tbody> </table> <p>Topaz Mill waste water was processed through multi-feedings waste water treatment ponds: cooling pond, two acidification ponds, primary anaerobic pond, two secondary ponds, and sedimentation pond. Process parameter monitoring and maintenance of the ponds were sighted. Quality of waste water effluent is monitored monthly in line with the requirements of land application permit from Kampar Regent.</p> <p>The results of monitoring of waste water effluent to land application were reviewed including measurement of BOD <5,000 mg/L and pH average 6 - 9. Several conditions of WWT operation are monitored periodically, e.g. checking of circulation pump and aerator condition, cleaning in pond, etc.</p>	Program	Target 2016	Reduce diesel consumption	325 litre/vehicle	Reduce generator usage	8.71 litre/hour	Reduce diesel consumption by gasifier technology modification	6.51 litre/hour	Reduce electricity consumption	2 Ampere/door	
Program	Target 2016													
Reduce diesel consumption	325 litre/vehicle													
Reduce generator usage	8.71 litre/hour													
Reduce diesel consumption by gasifier technology modification	6.51 litre/hour													
Reduce electricity consumption	2 Ampere/door													
5.6.3	<p>A monitoring plan and results of regular reporting on emission and pollutants from estate and mill operations using appropriate methods, shall be available.</p> <p>Specific Guidance: For 5.6.2 and 5.6.3: <i>The treatment methodology for POME (Palm Oil Mill Effluent) will be recorded.</i></p> <p>For 5.6.3 (GHG): <i>For the implementation period until December 31st, 2016, an RSPO-endorsed modified version of PalmGHG which only includes emissions from operations (including land use practices) can be used as a monitoring tool.</i></p> <p><i>In addition, during the implementation period, growers will start to assess, monitor and report emissions arising from changes in carbon stocks within their operations, using the land use in November 2005 as the baseline. The implementation period for Indicator 5.6.3 is the same implementation period for Criterion 7.8.</i></p> <p><i>During the implementation period, reporting on GHG will be to a relevant RSPO working group (composed of all membership categories) which will use the information reported to review and fine tune the tools, emission factors and methodologies, and provide additional guidance for the process. Public reporting is desirable, but remains voluntary until the end of the implementation period. During the implementation period the RSPO working group will seek to continually improve PalmGHG, recognising the challenges associated with measuring GHG and carbon stock.</i></p> <p><i>PalmGHG or RSPO-endorsed equivalent will be used to assess, monitor and report GHG emissions. Parties seeking to use an alternative to PalmGHG will have to demonstrate its equivalence to the</i></p>													

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)												
<i>RSPO for endorsement. Methodology for calculating GHG refers to 7.8.1.</i>																
	<p>a. Is there a system in place to monitor emission of pollutants including greenhouse gases from estate (plantation) and mill operations?</p> <p>b. Is there regular reporting of the monitoring outcomes? How often and to whom is reporting done?</p> <p>c. Is the monitoring and reporting conducted using appropriate tools? What tool is being used to assess, monitor and report on GHG emissions?</p> <p><i>Please refer to specific guidance for GHG requirements.</i></p>	<ul style="list-style-type: none"> Calculation of GHG RSPO calculation Year assessment 2016 	<p>The GHG emission calculation for Topaz Mill of PT Tunggal Yunus Estate uses PalmGHG V 3.0. As RSPO requirement. Reports was sighted that summarized as below:</p> <table border="1" data-bbox="1122 541 1912 707"> <thead> <tr> <th>Emission</th> <th>Own Crop</th> <th>Group</th> <th>Out grower</th> </tr> </thead> <tbody> <tr> <td>Total field emissions (tCO₂e)</td> <td>276,169.56</td> <td>0</td> <td>328,592.24</td> </tr> <tr> <td>Total mill emissions (tCO₂e)</td> <td>10,594.62</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Emission	Own Crop	Group	Out grower	Total field emissions (tCO ₂ e)	276,169.56	0	328,592.24	Total mill emissions (tCO ₂ e)	10,594.62	0	0	<p>YES</p>
Emission	Own Crop	Group	Out grower													
Total field emissions (tCO ₂ e)	276,169.56	0	328,592.24													
Total mill emissions (tCO ₂ e)	10,594.62	0	0													

PRINCIPLES 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND INDIVIDUALS AND COMMUNITIES AFFECTED BY GROWERS AND MILLERS

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
6.1	<p>Aspects of plantation and mill management that have social impacts, including replanting, 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 continual improvement.</p> <p>Guidance: <i>Identification of social impacts may use AMDAL as part of the process, however it is the company's responsibility to provide objective and proper evidence to the audit team that entire requirements in the social impact assessment cover all aspects of estate and mill operations, and their changes along the time.</i></p> <p><i>Identification of social impacts should be carried out by the grower with the participation of affected parties, including women and migrant workers as appropriate to the context. The involvement of independent experts should be sought where this is considered necessary to ensure that all impacts (both positive and negative) are identified.</i></p> <p><i>Participation in this context means that affected parties are able to express their views through their own representative institutions, or freely chosen spokespersons, during the identification of impacts, reviewing findings and plans for mitigation, and monitoring the success of implemented plans.</i></p> <p><i>Potential social impacts may result from activities such as: building new roads, processing mills or other infrastructure; replanting with different crops or expansion of planting area; disposal of mill effluents; clearing of remaining natural vegetation; changes in employee numbers or employment terms; smallholder schemes.</i></p> <p><i>Plantation and mill management may have social impacts (positive or negative) on factors such as:</i></p> <ul style="list-style-type: none"> - Access and use rights; - Economic livelihoods (e.g. paid employment) and working conditions; - Subsistence activities; - Cultural and religious values; - Health and education facilities; - Other community values, resulting from changes such as improved transport /communication or arrival of substantial migrant labour force. - Traditional or customary rights owned by the local community, if identifiable - Welfare of workers/labour and women, children and vulnerable group - Contribution to the local development, including improvement of human resources, local and customary communities. <p><i>Regulations relating to identification of environmental and social key issues including indigenous rights and methodology to collect data and utilize the results, adopted from related regulations, such as:</i></p> <ol style="list-style-type: none"> 1. Government Regulation No. 27 year 2012 regarding Environment Permit 2. Regulation of the Minister of Environment No. 17 year 2012 regarding Involvement of Community and Information Transparency in AMDAL Process 3. Regulation of the Minister of Environment No. 8 year 2006 regarding Guidance for AMDAL Preparation 4. Decree of the Head of Bapedal No. No. 299 year 1996 regarding Technical Guidance for Social Aspect Study in AMDAL Preparation 5. Regulation of Minister of Home Affairs No.52 year 2014 regarding Guidance on the Recognition and Protection of the Indigenous People 			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	6. Regulation of the State Minister of Agrarian Affairs/Head of the Land National Agency No. 5 year 1999 on Guidelines for the Settlement of Problems Related to the Communal Reserved Land of the Customary Law Abiding Community			
6.1.1	(M) A social impact assessment (SIA) including records of meetings shall be documented.			
	<p>a. Has an SIA been conducted? <i>When was the last SIA conducted?</i></p> <p>b. Is the process in conducting the SIA and the findings documented?</p> <p>c. <i>Does the SIA cover all of the potential impact factors, including:</i></p> <ul style="list-style-type: none"> • <i>Access and use rights;</i> • <i>Economic livelihoods (e.g. paid employment) and working conditions;</i> • <i>Subsistence activities;</i> • <i>Cultural and religious values;</i> • <i>Health and education facilities;</i> • <i>Other community values, resulting from changes such as improved transport /communication or arrival of substantial migrant labour force.</i> 	<ul style="list-style-type: none"> • Social Impact Assessment (SAI) report, 2006 • SIA revision, 2017 	<p>Social impact assessment result was conducted in 2006 by third parties. The studies including pre operation and operation phase of estate and mill.</p> <p>Participation of affected parties and local communities stated and described in the report including questioner.</p> <p>Positive impacts were identified such as: Regional development, increased population of the village economy and ease of road access.</p> <p>Negative impacts were identified such as: increase of road due to FFB transport (public health), Noise and dust coming from transport (social cultural), unfair donation for community estate (social cultural).</p> <p>The assessment cover the potential factor, among others:</p> <ul style="list-style-type: none"> • Access and use rights • Economic livelihoods and working conditions • Subsistence activities • Cultural and religious values • Health and education facilities • Etc. <p>Positive impacts on SIA were identified, such as:</p> <ul style="list-style-type: none"> • Alternate livelihoods • Work opportunities • General infrastructure (praying facility, sport facility, etc.) • CSR program <p>Negative impacts on SIA was identified, such as:</p> <ul style="list-style-type: none"> • Dust pollution due to a passing truck on the road • Air quality • Decrease of air quality 	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<ul style="list-style-type: none"> • Disturbance on waters flora fauna • Decrease of riparian water quality • Road disturbance and traffic accident 	
6.1.2	(M) There shall be evidence that the assessment has been conducted with the participation of affected parties.			
	<p>a. Does the assessment involve consultation with the affected parties? Who are the affected parties?</p> <p>b. Is there record of how the participatory assessment has been conducted? Were the affected parties able to express their views through their own representative institutions, or freely chosen spokespersons, during the identification of impacts, review of findings and planning for mitigation?</p>	<ul style="list-style-type: none"> • Social impact assessment report, 2006 • SIA revision, 2017 • Interview with local governance and stakeholder on 12 - 13 December 2017 	<p>Social Impact assessments involve consultation with the affected parties covered village - Desa Petapahan. Evidence of participatory action from local communities was also sighted in related SIA documentation including photos.</p> <p>SIA method is done by interview and questionnaire. Attendance list and photograph of social impact assessment were available. Assessment has been done with the participation of affected parties such as head of villages, village representatives, and sub district police head, etc.</p> <p>Affected parties have been able to express their views through their own representative institutions, or freely chosen spokespersons, during the identification of impacts, reviewing findings and plans for mitigation, and monitoring the success of implemented plans. This is demonstrated by interview result available on SIA report PT. Tunggal Yunus Estate 2006.</p>	YES
6.1.3	<p>(M) Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment, through consultation with the affected parties, shall be available, documented and timetabled, including responsibilities for implementation.</p> <p>Specific Guidance: For 6.1.3 and 6.1.4: Plan for management and monitoring of social impacts shall be established to avoid or reduce negative impacts and promote the positive ones, and monitoring of identified impacts shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. Methodology to identify customary right and local community and social impacts assessment can be made with the following:</p> <ol style="list-style-type: none"> Document review Field observation Interview FGD (Focus Group Discussion) Participatory mapping <p>These involve participation of the community to define potential social impacts and management recommendation. The process refers to Regulation of the Minister of Environment No. 17 year 2012 regarding Community involvement and Information Transparency in the Process of Environment Impact Assessment (SEIA).</p>			
	a. Is there any documented record to outline the plan on mitigation, implementation and monitoring	<ul style="list-style-type: none"> • Monitoring and CSR Program year 2016 and 2017 	PT. Tunggal Yunus Estates has a management plan and monitoring of social impacts as contained in SIA report, has been developed into Environmental Monitoring and Management Program. According to group discussion with village	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>according to the SIA report?</p> <p>b. Have plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts been developed?</p> <p>c. Have these plans been documented, with clear timetables? Is the timeline reasonable?</p> <p>d. Have the persons responsible for implementation of the plans been identified?</p>	<ul style="list-style-type: none"> • CSR Report for year 2016 • Action Plan and Implementation SIA PT. Tunggal Yunus year 2016 and 2017 • Public stakeholders on 13 December 2017 	<p>head, they explained that the organisation has carried out some positive actions in regard with CSR program. Evidence of participatory action from local communities was also sighted. It was noted SIA report is covering management and management plan of positive and negative impact.</p> <p>Social Assessment Monitoring conducted every year by CSR Region, monitoring between planning and realization were identified and evident. Positive and Negative impact was used and identified for CSR program. Realization of planning have been defined and implemented within a reasonable time.</p> <p>All the planning and realization have been documented and are also completed with photos relevant to CSR activities</p> <p>E.g. Road repair facilities, road watering, health checks.</p> <p>The person who responsible for implementation of the plan is KTU.</p>	
6.1.4	<p>The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties.</p> <p>Specific Guidance: For 6.1.3 and 6.1.4: Plan for management and monitoring of social impacts shall be established to avoid or reduce negative impacts and promote the positive ones, and monitoring of identified impacts shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. Methodology to identify customary right and local community and social impacts assessment can be made with the following:</p> <ol style="list-style-type: none"> Document review Field observation Interview FGD (Focus Group Discussion) Participatory mapping <p>These involve participation of the community to define potential social impacts and management recommendation. The process refers to Regulation of the Minister of Environment No. 17 year 2012 regarding Community involvement and Information Transparency in the Process of Environment Impact Assessment (SEIA).</p>			
	<ol style="list-style-type: none"> Is the plan reviewed every two years? Has the plan been updated as necessary (i.e. in cases where the review has concluded that changes should be made to current practices)? Have the changes to the plan been 	<ul style="list-style-type: none"> • Interview with company 	<p>There is no plan reviewed every two year with participation of all affected parties.</p> <p>Major Non-Conformance 2017-09- Recurrence ASA2:</p> <p>A social impact management and monitoring plan which are reviewed at least every 2 years, and involves the participation of all affected parties can't be shown.</p>	<p>YES</p> <p>(Major NCR 2017-09 CLOSED)</p> <p>(Recurrence</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	implemented? d. Is there evidence that the review has been done with the participation of the affected parties? e. Has the process been recorded/documented?		Verification of Effectiveness: <ul style="list-style-type: none"> The evidence of socialization already available Master list Document and monitoring was already available SIA Document was already available, and the evidence of involves from all affected parties has shown in the SIA Document. 	ASA2)
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).			
	a. Are there schemed smallholders involved? b. Have they been considered and involved in the whole process of the SIA? c. What are the main impacts affecting these smallholders?	HGU and areal statement of PT Tunggal Yunus	PT. Tunggal Yunus Estate is not having a smallholding/farmer partnership. Therefore, indicator 6.1.5 is not applicable	N/A
6.2	<p>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p> <p>Guidance: <i>Decisions that the growers or mills are planning to make should be made clear, so that local communities and other interested parties understand the purpose of the communication and/or consultation.</i></p> <p><i>Communication and consultation mechanisms should be designed in collaboration with local communities and other affected or interested parties. These should consider the use of appropriate existing local mechanisms and languages. Consideration should be given to the existence/formation of a multi-stakeholder forum. Communications should take into account differential access to information by women as compared to men, village leaders as compared to day labourers, new versus established community groups, and different ethnic groups.</i></p> <p><i>In these communications, consideration should be given to involve third parties, such as disinterested community groups, NGOs, or government (or a combination of these), to facilitate smallholder schemes and communities, and others as appropriate.</i></p>			
6.2.1	(M) Communication and consultation procedures shall be documented			
	a. Does the company maintain a list of local communities and other affected or	<ul style="list-style-type: none"> Public consultation on 13 December 2017 	The Company has a list for the local community and other interested parties and mentioned in the List of Stakeholder updated in December 2017.	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>interested parties?</p> <p>b. Is there SOP being developed by the company for communication and consultation between the company and the local communities and other affected or interested parties?</p> <p>c. Is the FPIC approach incorporated in the SOP for communication and consultation with the local communities and other affected or interested parties?</p> <p>d. Has the SOP been developed together with the local communities and other affected or interested parties using appropriate existing local mechanisms and in languages understood by these parties?</p> <p>e. Has the SOP been socialized with the local communities and other affected or interested parties taking into account the differential access to information by women as compared to men, village leaders as compared to day labourers, new versus established community groups, and different ethnic groups?</p> <p>f. Have interviews with affected parties been carried out to verify that the SOPs are effective?</p>	<ul style="list-style-type: none"> SOP AA-GL-50009.1-R0 - Mechanism local communication / public consultation for interested parties. Stakeholder list of PT Tunggal Yunus, updated December 2017 	<p>SOP related to communication and consultation is described in the SOP AA-GL-50009.1-R0 - Mechanism local communication / public consultation for interested parties.</p> <p>FPIC was not applicable in PT. Tunggal Yunus, however FPIC approach was incorporated in the SOP for communication and consultation with the local communities and other affected or interested parties</p> <p>The existing communication and consultation mechanisms (SOP related to communication and consultation is described in the SOP AA-GL-50009.1-R0 - Mechanism local communication / public consultation) has been designed with consideration to the use of appropriate existing local mechanisms and languages. Consideration has been given to the existence/formation of a multi-stakeholder forum.</p> <p>The Procedure has disseminated to the stakeholder. Minutes of socialization and attendance list was sighted. The existing communication and consultation was taken into account differential access to information by women as compared to men, village leaders as compared to day labourers, new versus established community groups, and different ethnic groups.</p> <p>Procedure was available in Indonesian and easily to understand and it was effective. It was verified during public consultation and interview with stakeholder dated 13 December 2017.</p>	
6.2.2	The company shall have official(s) who is responsible for consultation and communications with parties.			
	a. Who in the company is appointed to be responsible for communication and	<ul style="list-style-type: none"> Memorandum for Appointment Letter of M. Sofyan as Humas (Public 	Memorandum No: 125/EST-KTZ/MEMO/VI/2015 dated 1 June 2015 about Assigment Mr. M. Sofyan as Public Relations Office of PT Tunggal Yunus with job	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	consultation with the affected parties? b. Has the position been made official with clear and proper job description? c. Have the affected parties been made aware and have access to the person in charge?	Relations) <ul style="list-style-type: none"> • Jobdesk for Public Relations • Interview with governance body on 13 December 2017 • Interview with local communities on 13 December 2017 	descriptions such as: a. Minimize disturbance toward field operational b. Develop and maintain relationship with stakeholder c. Collaborate with internal and external department to solve issues concerning social, land and waste. d. Monitoring of waste sample delivery and process the cost for waste analysis e. Monitoring of legal document (estate and mill)	
6.2.3	The company shall have a list of stakeholders, records of communications, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders.			
	a. Is the following maintained? <ul style="list-style-type: none"> • List of stakeholders (local communities and other affected or interested parties etc.); • Records of all communication, including confirmation of receipt or endorsement; • Evidence that efforts have been made to ensure understanding by affected parties; • Record of actions taken in response to input from stakeholders. 	<ul style="list-style-type: none"> • SOP AA-GL-5008.1-R1 dated 22 August 2011 • Logbook Communication and Consultation Y2016 • Record of information request and responses Y2016 • Stakeholder list of PT Tunggal Yunus, updated December 2017 • List information for stakeholder updated in December 2017 • Interview with stakeholder on 13 December 2017 	Organization has established and implemented a mechanism for receiving and providing information in the procedure - SOP <i>Penanganan Permintaan Informasi Stakeholder</i> (Handling of Information Request from Stakeholder) SOP AA-GL-5008.1-R1 dated 22 August 2011 which explain the mechanism of response to requests for information by referring to the list of stakeholders and stakeholder information according to the principles and criteria for sustainable palm oil. The initial response was given no later than 14 days after receipt of the request from stakeholders. All information except confidential commercial information or information which has a negative impact on the environment and social can be provided by the organization. Request for information outside of the list of public information should be approval of top management and the provision of information comes with an official receipt. In the procedure also described specific timeframe to respond the requests for information from stakeholder depend on its request. Organizations usually respond directly to requests for information from all interest party/stakeholder. All information requests from stakeholder and their respond were listed and recorded by Mill and Estate on logbook "Record of information request and responses" e.g. road maintenance, donation, scholarship, invitation for memorial, etc. Interview result with outgrower representative was concluded that the prices paid	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>for FFB was transparent and complied with agreement. Determination of FFB's price was conducted through the pricing mechanism of government.</p> <p>In general, interview result indicated that the communication between local society and Estate was evident where some agreements were made to improve social relationship.</p>	
6.3	<p>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</p> <p>Guidance: See also to Criterion 1.2.</p> <p>Dispute resolution mechanisms should be established through open and consensual agreements with relevant affected parties.</p> <p>Complaints should be dealt with by mechanisms such as Joint Consultative Committees (JCC), with gender representation as necessary. Grievances may be internal (employees) or external.</p> <p>For scheme and independent smallholders, refer to 'Guidance for Independent Smallholders under Group Certification', June 2010, and 'Guidance on Scheme Smallholders', July 2009.</p> <p>Where a resolution is not found mutually, complaints can be brought to the attention of the RSPO Complaints System. This refers to United Nations Commission on Human Rights (UNCHR) document to support 'Guiding Principles on Business and Human Right' to implement UN framework to "Protect, Respect and Remedy" 2011. If all the above stages of conflict resolution have been carried out but the conflict cannot be resolved, then the next process is done through legal proceedings in court.</p> <p>Conflict resolution process with the community is still continued although transfer of company's ownership occurs.</p>			
6.3.1	<p>(M) The mechanism, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested, as long as that information is supported with adequate initial evidence.</p> <p>Specific Guidance: For 6.3.1: The system should aim to reduce the risks of reprisal. For 6.3.2: Records can be in the form of evidence from process or end-result of the resolution</p>			
	<p>a. Is there an system in place to deal with complaints and grievances for all affected parties?</p> <p>b. Who in the company is responsible to receive complaints and grievances?</p> <p>c. Is the existence of the system been made known and communicated to all</p>	<ul style="list-style-type: none"> • SOP handling of customer complaints / stakeholders SOP: AA-HR-3085.5 – R.0. • Interview with stakeholder on 12 and 13 December 2017 • Asian Agri Sustainability Policy 	<p>Organization has defined the system to deal with complaints and grievances for all affected parties which documented in SOP handling of customer complaints / stakeholders SOP: AA-HR-3085.5 – R.0.</p> <p>Person who responsible to receive complaints and grievances has assigned by organization that was Estate Manager. In the procedure also described stages follow up of complaint, problem identification and escalation of complaint to Estate Manager, General Manager, Region Head and Head Office (if necessary)</p> <p>The existence of the system has been communicated and made known to all</p>	<p>YES</p> <p>(Major NCR 2017-10 CLOSED)</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>parties?</p> <p>d. Is there evidence that the system is understood by all parties?</p> <p>e. Is training provided to the workers on the procedures/systems?</p> <p>f. Is the system effective to ensure that complaints or grievances are addressed or resolved in an effective, timely and appropriate manner?</p> <p>g. Does the mechanism or procedure provide a way for workers to report a grievance against a supervisor to someone other than the supervisor?</p> <p>h. How is a complaint or grievance investigated, addressed and resolved? Are complaints dealt with by mechanisms such as JCC?</p> <p>i. Is there a non-retaliation or non-reprisal policy that protects complainants or whistle-blowers?</p> <p>j. Is the privacy of parties protected?</p> <p>k. Where a resolution is not found mutually, is there a process for complaints to be brought to the RSPO Complaints System?</p>		<p>parties. It has been disseminated to all parties together.</p> <p>Socialization and procedures training have been performed to all levels of employees were conducted on 13 December 2017.</p> <p>The system was effective to ensure that complaints or grievances are addressed or resolved in an effective, timely and appropriate manner. Evidence that the procedures have been implemented is the logbook of complaint. Records are routinely monitored monthly. Since January to November 2017 there were no complaints submitted by the public community, but for employees, there is complaint about house damage, but it has been handled.</p> <p>Mechanism and procedure was providing a way for workers to report a grievance against a supervisor to someone other than the supervisor.</p> <p>The system was enable resolution of disputes in an effective and appropriate manner by way of classifying complaints into internal and external, appointed the person who responsible for handling complaints, including level of officials who make decisions for complaint resolution.</p> <p>Non-retaliation or non-reprisal policy that protects complainants or whistle-blowers was described in Company Policy Privacy of parties who submitted the compliant and aspirations were protected if necessary.</p> <p>Where a resolution is not found mutually by means of deliberations between two parties, the problem can be resolved through third-party mediation / authorities, including grievance if there is no agreement it will be resolved through the RSPO Complaints System and it is described in the Asian Agri Sustainability Policy.</p> <p>Major Non-Conformance 2017-10:</p> <p>The grievance logbook have not yet recorded all employee grievance. Based on document review, the logbook only records grievance of damage the employees' housing. However, based on interviews with workers there are several grievance that are always expressed but not recorded in the logbook, such as:</p> <ul style="list-style-type: none"> - Appointment of PHL workers who has been working for a long time but not 	

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			<p>appointed to SKU.</p> <p>- Referral for sick employees to Evarina Hospital in Kerinci is felt too far, exhausting and costly, even though the trip has been assisted by the company.</p> <p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • The evidence of socialization already available • The monitoring of logbook from KTU has mentioned in the Logbook of grievance (period December 2017 and January 2018) • The minutes of meeting with Worker Union has shown during FU audit. The meeting has attended by the workers (SKU and PHL). Based on the minutes of meeting, all employees has already received an explanation submitted by the company 	
6.3.2	<p>(M) There shall be records of process and outcome of dispute resolution.</p> <p>Specific Guidance: For 6.3.2: Records can be in the form of evidence from process or end-result of the resolution</p>			
	<p>a. Is the complaints or grievance resolution process documented?</p> <p>b. Are outcomes or decisions reported to the parties?</p> <p>c. Who has access to the documentation of the process and/or outcomes?</p>	<ul style="list-style-type: none"> • Complaint log book – PT. TYE • Interview with stakeholder on 13 December 2017 • Interview with union, workers and committee gender on 12 December 2017 	<p>Complaints or grievance resolution process documented in the logbook of Complaint. Records are routinely monitored monthly. However in 2017 there were no complaints submitted by the public community, but for employees, there is complaint about house damage, but it has been handled. It was also confirmed based on public consultation with surrounding village representative, labour union and gender committee. Outcomes or decisions as response to followed up the complaint reported to affected parties as described in example above.</p>	YES
6.4	<p>Any negotiations concerning compensation for loss of legal, customary or user 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.</p> <p>Guidance: <i>This criterion should be considered in conjunction with Criteria 2.2 and 2.3, and the associated Guidance</i></p>			
6.4.1	<p>(M) A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be available, referring to decision of the Constitution Court.</p> <p>Specific Guidance: For 6.4.1: Customary Right in the Local Regulation/Perda (based on Constitution Court Decision No. 35/PUU-X/2012 regarding Customary Forest) determined through participatory mapping of</p>			

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<i>customary land by the customary law community who are recognized by the surrounding customary law community and refers to Regulation of the Minister of Home Affairs (Permendagri) No. 52 year 2014 regarding Guideline of Recognition and Protection of Legitimate Customary Community and Regulation of the State Minister of Agrarian Affairs/Head of National Land Agency (BPN) No. 5 year 1999 regarding Guidelines for the Settlement of Problems Related to the Communal Reserved Land of the Customary Law Abiding Community.</i>				
	<p>a. Are procedures for identifying legal, customary or user rights in place?</p> <p>b. Are procedures for identifying people entitled to compensation in place?</p> <p>c. Are those procedures jointly developed, agreed and accepted by local communities?</p>	<ul style="list-style-type: none"> • SOP AA-GL-5003.1-R1 - Calculation and compensation method for land • Interview with stakeholder on 13 December 2017 	<p>Calculation and compensation method for land has been described in a procedure SOP AA-GL-5003.1-R1.</p> <p>The steps of the procedures to identification and calculation of land compensation, consist of:</p> <ol style="list-style-type: none"> 1. Identification of land owner 2. Measurement 3. Data input (mapping) 4. Negotiating compensation 5. Payment of compensation 6. Data documentation. <p>Procedure also described identifying people entitled to compensation.</p> <p>Procedures was jointly developed, agreed and accepted by local communities It has been designed with consideration to the use of appropriate existing local mechanisms and languages. Consideration has been given to the existence/formation of a multi-stakeholder forum.</p>	<p>YES</p>
<p>6.4.2</p>	<p>A procedure for calculating and distributing fair compensation shall be established, implemented, monitored and evaluated in a participatory way. Corrective actions are taken as a result of this evaluation.</p> <p>Specific Guidance:</p> <p>For 6.4.2: Companies should make best efforts to ensure that equal opportunities have been provided to the heads of family, both female and male, to hold land titles in smallholder schemes if the land ownership is individual.</p> <p>The calculation procedure shall consider:</p> <ol style="list-style-type: none"> a. Gender differences in the power to claim rights, ownership and access to land; b. Differences of transmigrants and long-established communities; c. Differences between legal ownership evidence with communal ownership of ethnical group (customary community) 			

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	<p>a. Has a procedure for calculating and distributing fair compensation (monetary or otherwise) been established and implemented?</p> <p>b. Are the procedures jointly developed, agreed, accepted and clearly understood by affected parties?</p> <p>c. Is the procedure monitored and evaluated in a participatory way? Have corrective actions been taken as a result of this evaluation?</p> <p>d. Does this procedure take into account the following:</p> <ul style="list-style-type: none"> • Gender differences in the power to claim rights; • Ownership and access to land; • Differences of transmigrants and long-established communities; • Differences in ethnic groups' proof of legal versus communal ownership of land. <p>e. Where there are schemed smallholders, is there effort to ensure equal opportunity has been provided to.</p>	<ul style="list-style-type: none"> • SOP AA-GL-5003.1-R1 - Calculation and compensation method for land • Public consultation with stakeholder on 13 December 2017 	<p>Procedure for calculating and distributing fair compensation (monetary or otherwise) has been established and available in procedure of Identification and calculation of land compensation SOP AA-GL-5003.1-R1 - Calculation and compensation method for land. The steps are as described in criterion 6.4.1.</p> <p>Procedures was jointly developed, agreed and accepted by local communities. It has been designed with consideration to the use of appropriate existing local mechanisms and languages. Consideration has been given to the existence/formation of a multi-stakeholder forum.</p> <p>The procedure monitored and evaluated in a participatory way, procedures will be revised if there is a reasonable request from stakeholders.</p> <p>This procedure take into account of the gender differences in the power to claim rights, ownership and access to land, differences of transmigrants and long-established communities, differences in ethnic groups' proof of legal versus communal ownership of land.</p>	<p>YES</p>
6.4.3	(M) Compensation claims, process and outcome of any negotiated agreements shall be documented, with evidence of the participation of affected parties.			

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	<p>a. Is the process and outcome of negotiated agreements and compensation claims documented?</p> <p>b. Does this documentation include evidence of the participation of affected parties? Is there any approval/signed by effected parties?</p> <p>c. Was consent obtained from all parties to make the documents publicly available?</p>	<ul style="list-style-type: none"> Public consultation with stakeholder on 13 December 2017 	<p>It was noted that there was no ongoing progress of new land acquisition during interview with sampled villager's representative, all previous land acquisition was solved before Land Use Title-Hak Guna Usaha (HGU).</p>	<p>N/A</p>
<p>6.5</p>	<p>Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p> <p>Guidance: <i>Labor union agreement or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official or Labor Union if any.</i> <i>Regulation related to the minimum wage such as, Regulation of the Minister of Manpower & Transmigration No. 7 year 2013 regarding Minimum Wage, shall be implemented.</i> <i>Definition of Decent Living Wage refers to the Act No. 13 year 2003 (Manpower Act) is a set of standard necessities that must be fulfilled by a worker in order to have a decent physical and social living for a month.</i></p>			
<p>6.5.1</p>	<p>(M) Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.</p>			
	<p>a. What types of employment arrangements are there in the company? (E.g. contractual, outsourced, apprenticeships, direct hires, piecemeal basis, etc.)</p> <p>b. Is there documentation of pay and conditions for each employee?</p> <p>c. Is there a definition for living wage in the country? If not, how was the decision on wage for employees and contract workers made?</p>	<ul style="list-style-type: none"> Payroll list Letter form Governor of Riau Nomor : KPTS.1058/XI/2016 dated 21 November 2016, minimum wages (UMP) for Kabupaten Kampar is Rp. 2.315.002,03 Internal Memorandum No 010/HR-AAS/MEMO/04/17 dated 27 April 2017 about PHL and SKU wages. Joint Agreement or PKB (<i>Perjanjian Kerja Bersama</i>) Period 2015 - 2017 	<p>Payment of wages in 2017 based on the Letter form Governor of Riau No. KPTS. 1058/XI/2016 dated 21 November 2016; minimum wages (UMP) for Kabupaten Kampar is Rp 2,315,002.03.</p> <p>In PT Rigunas Agri Utama there are 2 types of worker status, SKU and PHL. SKU called permanent workers who get monthly salary plus fixed subsidy. Meanwhile PHL (Casual workers), is non-permanent workers who get their salary based on workdays and have a specific contracts without limitation of workdays in their contract.</p> <p>Employees' pay rates was made by the organization and was documented on List of monthly weight pay include salary, overtime calculated, functional allowance. Worker wage list per November 2017 as indicated that the pay was delivered in according related regulation. Workers have received wage more than Minimum wages payment as required Governor of Riau No. KPTS. 1058/XI/2016 dated 21</p>	<p>YES</p>

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			<p>November 2016; minimum wages (UMP) for Kabupaten Kampar is Rp 2,315,002.03. The company through Internal Letter No. 010/HR-AAS/MEMO/04/17, on 27 April 2017, for PHL worker 2,516,812/month or 100,672.48/day, for SKU worker 2,381,812/month, also SKU workers get monthly fixed aid called "Catu beras" or Rice Ration with details below :</p> <ul style="list-style-type: none"> a. Workers alone : 15 kg b. One legal wife: 9 kg c. Children (until 3): 7.5 kg <p>If worker have one wife and 2 kids then he will receive 15 kg + 9 kg + 15 kg (for 2 kids), total 39 kg of rice every month.</p> <p>Based on interview with representative worker and head of worker union it was noted that there was no worker wage deduction. Payments for workers were determined according to daily attendance register and over time sheet appropriate to related regulation. Daily attendance for workers was recorded and controlled manually by the each Assistant. Pay and conditions for employees always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p> <p><i>Recordings are available in the employee's salary slip salary payment.</i></p>	
6.5.2	<p>(M) Collective Labor Agreement/Company Regulation, in accordance with the manpower regulations, shall be available in understandable language; and explained by the management or Labor Union to the workers.</p> <p>Specific Guidance: For 6.5.2: <i>Collective Labor Agreement (Perjanjian Kerja Bersama/PKB) and or Company Regulation are developed by the company together with the Labor Union, if any, in the company referring to the manpower regulations, such as the Regulation of the Minister of Manpower No. 6 year 2011 regarding Procedure for Establishing and Endorsing the Company Regulation, and Developing and Registering Collective Labor Agreement.</i></p>			
	<p>a. Is the pay and conditions of employment clearly detailed in the employment or service contracts? (E.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons</p>	<ul style="list-style-type: none"> • Joint Agreement or PKB (<i>Perjanjian Kerja Bersama</i>) Period 2015 – 2017 • Contract for PHL workers in KTZ and PTZ • List of employees of PT Tunggal 	<p>Agreement / contract of employment for workers, has been included in the PKB (Joint Agreement) has been endorsed by Indonesian Ministry of Manpower. In the agreement regulates the : working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.). Employee payment slip was sight and reviewed for workers mentions above.</p> <p>Verification has been done on group discussion on 12 December 2017 that</p>	<p>YES (Major NCR 2017-11 CLOSED)</p>

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	<p>for dismissal, period of notice, etc.)</p> <p>b. Is the contract prepared in languages understood by the workers, explained carefully to workers by management officials, and signed by both the authorised signatory of the company and employee?</p> <p>c. Does the pay and conditions provided in labour laws, union agreements or direct contracts of employment comply with:</p> <ul style="list-style-type: none"> • The decent living wage as provided in the National Interpretation for the country; or • The local legal requirements in meeting the minimum wage; or • The industry minimum standard for a similar position or work responsibilities <p>d. Is the pay received by the employee consistent with the terms of the contract and the law (relates to P2)?</p> <p>e. Have there been any cases recorded of breach by the company, or complaint made by employees against the company on unjust pay and conditions?</p>	<p>Yunus updated November 2017</p> <ul style="list-style-type: none"> • Interview with workers union and workers on 12 December 2017 	<p>contract prepared in languages understood by the workers, explained carefully to workers by management officials, and signed by both the authorised signatory of the company and employee.</p> <p>The company has provided the pay and condition in labour laws, union agreement, and direct contract. Payment of salaries performed once a month in the beginning of each month for permanent employees. Total salaries paid are in accordance with the minimum wage. Pay received by the employee was consistent with the terms of the contract and the law.</p> <p>Since the last audit to December 2017, there was no complaint made by employees against the company on unjust pay and conditions. Information was based on Complaint Logbook 2017 and interview with workers on 12 December 2017.</p> <p>Major Non-Conformances 2017-11:</p> <ol style="list-style-type: none"> 1. There have 462 daily workers (PHL), but there only 60 work contracts can be show, the rest cannot be shown. 2. The Mill has a memorandum for office employees premi payment number 209 / MI-PTZ / MEMO / 09/17 on 30 September 2017 with the following conditions: premi for bookkeeping Rp 1,200,000.-/month, office boy Rp 350,000.-/month, Manager driver Rp 700,000.-/month, HR Employee (personalia) Rp 500,000.-/month, and krani produksi Rp 450,000.-/month, but the basis of the calculation of premi payment and proof of approval in accordance with PKB clause XI cannot be shown. 3. Based on observations in harvesting activities afdeling IV, there is a worker who didn't have contract/worker status helping harvesters to pick up the lost fruit. <p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • The evidence of socialization and also appointment for Kerani Personalia from estate manager already available • The Agreement Letter of PHL has already available in the Office Central. • The List of the PHL Agreement Letter already available in the Central Office. • The Basic calculation of <i>Premi Tetap</i> PTZ has already compare with when the 	

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			<p>workers do overtime. The result was shown that the <i>Premi Tetap</i> more high than the workers doing overtime in 1 month.</p> <ul style="list-style-type: none"> • Basic calculation of the <i>Premi Tetap PTZ</i> has justified and has approved by Worker Union, the minutes of meeting already available. • Master list Document and monitoring of harvesting activity was already available • During field observation in the harvesting activity in Afdeling I, the workers already understand related to the prohibition of carrying “<i>gerdang</i>” 	
6.5.3	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p>Specific Guidance: For 6.5.3: Incentives to the employees refer to Act No. 13 year 2003 regarding Manpower.</p>			
	<p>a. Have growers and millers provided adequate housing and other basic necessities such as that listed below to national standards or above, where no such public facilities are available or accessible?</p> <ul style="list-style-type: none"> • adequate housing; • adequate electricity; • clean water supplies (availability of clear water all year round); • medical services (distance to health care facility i.e. clinic, hospital); • children education (distance to school and schooling attendance (%) of children under 12) • Welfare amenities. 	<ul style="list-style-type: none"> • List of public facilities of PT Tunggal Yunus • Site visit and field observation in emplacement PT Tunggal Yunus 	<p>Public facilities were provided by the organisation and covered residential facilities, day care, kindergarten, building for prayers, sports facility (e.g. volley ball, badminton, futsal, and tennis), etc. Housing for workers and medical facilities (clinics) was provided by the organisation with basic facilities for all workers.</p> <p>Company has provided housing complex for the workers, Its permanent house with two doors in one roof and permanent house. Clean water of MCK was available in housing complex, the resource is from the well or ground water. Water has been analysed by third parties.</p> <p>Housings were provided for staff, non-staff even PHL (daily free workers). Each house has 2 bedrooms, a living room and one bath room. No charges given to the employee for electricity and water supply use.</p> <p>List of facilities are housing (285 units), clinic (1 unit), religion facilities (4 unit), childcare (2 unit), etc.</p> <p>Minor Non-Conformance 2017-02:</p> <p>Based on clean water analysis test no /MT.1/10.17.182.580 on 17 October - 06 November 2017 by UPT Material Testing of PU Riau Province for Seed Garden/Afd IV Housing, there are some parameters that not in accordance with standard (PerMenKes no 32/2017) such as pH 6.25 (standard 6.5 - 8.5), Dissolved Iron</p>	<p>NO (Minor NCR 2017-02)</p>

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			1,684 (standard 1 mg/l), and colour 83 (standard 50 TCU). It was no followed up by the company.	
6.5.4	<p>There shall be demonstrable efforts to improve workers' access to adequate, sufficient and affordable food</p> <p>Specific Guidance: For 6.5.4: This applies if public facility is unavailable or inaccessible to provide adequate, sufficient and affordable food. The examples of the efforts are provision of transportation, employee cooperative shop, weekly market, etc.</p>			
	a. Have growers and millers made demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food?	<ul style="list-style-type: none"> Interview with workers on 12 December 2017 	<p>Company policy stated that workers will be given 15 kg additional rice (if worker is not married) and if worker have a family the he will be give 15 kg additional rice, 9 kg rice for wife and 7,5 kg rice for each child, maximum 3 child. Besides that, extra food given for the workers such as milk and green-bean porridge.</p> <p>If workers have difficulty regarding money, they can loan to "Koperasi Karyawan" with limitation of amount of money and payment limitation up to 6 months.</p>	YES
6.6	<p>The employer respects the rights 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.</p> <p>Guidance: <i>The right of workers, including migrant and transmigrant workers (Angkatan Kerja Antar Daerah/AKAD) and contract workers, to form associations and bargain collectively with their employer should be respected, in accordance with The Act No. 21 year 2000 regarding Labor Union.</i></p> <p><i>Labour laws and collective labor agreements, or in their absence direct contracts of employment detailing payments and other conditions, should be available in the languages understood by the workers or explained comprehensively to them by a management official.</i></p> <p><i>Definition of Employer refers to the Act No. 13 year 2003 regarding Manpower.</i></p>			
6.6.1	(M) A record of the company's policy in understandable language recognising freedom of association, shall be available			
	<p>a. Has the company published a statement in local languages recognising the rights of employees to freedom of association?</p> <p>b. Are the employees, including migrant and transmigrant workers and contract workers, allowed to form associations and bargain collectively with their</p>	<ul style="list-style-type: none"> Attendance list worker for socialization of Company Policy. Company Policy – dated 1 December 2014. Collective Labour Agreement / PKB – PT Tunggal Yunus period 	<p>Freedom of association has been mentioned in Company Policy dated 1 December 2014. Organizations understand that workers have the right to argued, associate and organize in a labour union.</p> <p>Organization committed to provides opportunities for workers to organize in unions and express an opinion.</p> <p>Commitment covered in the policy is: Respect the right of every employee to form</p>	YES

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	<p>employer?</p> <p>c. Was the outcome, if any, from the collective bargaining process between the company and the association respected, implemented and adopted in full or partially by the company?</p> <p>d. Are there Labour laws and union agreements, or in their absence direct contracts of employment detailing payments and other conditions, made available in the languages understood by the workers or explained carefully to them by a management official?</p>	<p>2015 - 2017</p>	<p>or join trade unions in accordance they want and to bargain collectively.</p> <p>Based on interview with labour union leader, the company has accommodated employee rights to argued, associate and organize in a labour union. Until now there has been no bargaining between companies and unions. Normative rights of employees was already filled with the company</p> <p>Employees, including migrant and transmigrant workers and contract workers were allowed to form associations and bargain collectively with their employer.</p> <p>There were union workers represent estate and mill employee incorporated in the SPSI /Union Labour - <i>Perkebunan PT. Tunggal Yunus</i> and registered as "<i>PUK Serikat Pekerja Pertanian dan Perkebunan Serikat Pekerja Seluruh Indonesia PT. Tunggal Yunus</i>" which was founded in 3 January 2008 (registration no. 251/DTK-TK/2008/21)."</p> <p>Labour laws, union agreements which described in working agreement/PKB and direct contracts of employment detailing payments and other conditions was made available in the languages which understood by the workers and explained carefully to them by management official.</p>	
6.6.2	Records of meetings with labor unions or workers representatives shall be available.			
	<p>a. Are there documented minutes of meetings between the company and main trade unions or workers representatives?</p> <p>b. Are the minutes made readily available to employees upon request?</p>	<ul style="list-style-type: none"> Minutes meeting of SPSI (worker union) 	<p>Based on the information the chairman of the union, the union meeting conducted in accordance with the requirements of temporary and existing issues, the recording of this meeting with the unions, among others: the attendance list and note taker. Several meetings were conducted with the unions, among others:</p> <ul style="list-style-type: none"> Meeting on 17 October 2016 about workers welfare 	YES
6.7	<p>Children are not employed or exploited.</p> <p>Guidance: <i>Growers and millers clearly define the minimum working age and working hours, based on existing regulations, such as:</i></p> <ol style="list-style-type: none"> <i>Act No. 13 year 2003 regarding Manpower.</i> <i>Act No. 20 year 1999 regarding Ratification of International Labour Organization (ILO) Convention No. 138 year 1973 on Allowable Minimum Age for Work.</i> <i>Regulation of the Minister of Manpower and Transmigration No. 235 year 2003 regarding Types of Work Endangering Child Health, Safety or Morale</i> 			

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<i>It is advisable to do socialisation to all level of operations regarding prohibition on employing children.</i>				
6.7.1	(M) There shall be documented evidence that minimum age requirements are met.			
	<p>a. Is the minimum working age for workers together with working hours clearly defined in the company's recruitment policy?</p> <p>b. Are workers employed above the minimum school leaving age of the country or who are at least 15 years of age?</p> <p>c. Is there evidence that the nature of work for workers under 18 is in accordance with International Labour Organisation (ILO) Convention 138?</p> <p>d. Does ground verification show evidence of employment of workers below the minimum working age?</p>	<ul style="list-style-type: none"> Collective Labour Agreement / PKB – PT. Tunggal Yunus Estates period 2015 – 2017. Procedure AA-HR-305-2-00 – Recruitment and Selection. List of worker for PT Tunggal Yunus updated November 2017 	<p>PT Tunggal Yunus has a policy for minimum working age. It was stated that company committed to not employ underage workers required by national legislation.</p> <p>Besides that, company has a procedure AA-HR-305-2-00 – Recruitment and Selection which stated that every candidate must have identity card “(KTP), Kartu Keluarga, Surat Nikah (if married)”.</p> <p>Based on document review as listed in “<i>Daftar Tenaga Kerja PT Tunggal Yunus</i>” there are no underage workers in List of workers did not show any worker under 18 years old when they joined the company.</p> <p>List of workers did not show any worker under 18 years old when they joined the company. Some copies of worker's ID were also filled as evidence. No underage worker was met during the audit. Workers interviewed indicated no worker under 18 years old.</p>	YES
6.8	<p>Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.</p> <p>Guidance: <i>Examples of compliance can be appropriate documentation (e.g. job advertisements, job descriptions, appraisals, etc.), and/or information obtained via interviews with relevant stakeholders such as affected groups which may include women, local communities, foreign workers, and migrant workers, etc.</i></p> <p><i>Notwithstanding national legislation and regulation, medical conditions should not be used in a discriminatory way.</i></p> <p><i>The grievance procedures detailed in Criterion 6.3 apply. Positive discrimination to provide employment and benefits to specific communities is acceptable as part of negotiated agreements.</i></p>			
6.8.1	(M) A company's policy on equal opportunity and treatment for work shall be available and documented.			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Is there a company policy on non-discrimination and equal opportunities? Does it at least cover the items mentioned in the criteria (6.8)?</p> <p>b. Is the policy made publicly available for the relevant stakeholders?</p> <p>c. Is there evidence that the policy has been implemented?</p>	<ul style="list-style-type: none"> • Collective Labour Agreement / PKB – PT. Tunggal Yunus period 2015 – 2017. • Company Policy • List of worker for Tunggal Yunus Estate and Mills updated November 2017 • Interview with stakeholder on 12 December 2017 	<p>The company encourage equal working opportunities without discrimination as committed and written in the Company Policy dated 1 December 2014.</p> <p>An equal opportunities policy was documented in Company Policy No. 13 and mentioned :</p> <p>“Respect for human rights by putting all employees fairly, both in terms of reception, assessment, conditions and working environment, as well as the representation, regardless of race, caste, national origin, religion / belief, disability, gender, sexual orientation. union membership workers, political affiliation or age”</p> <p>The policy has been communicated to workers and relevant stakeholders.</p> <p>Recruitment data and list of worker notifies that workers are from different race, religion, sexual orientation, etc. are treated equally.</p>	<p>YES</p>
<p>6.8.2</p>	<p>(M) Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated.</p>			
	<p>a. Is there evidence that employees and groups including local communities, women, and migrant workers have not been discriminated against?</p> <p>b. Are the employees and groups including local communities, women, and migrant workers happy with the way the company is treating them?</p> <p>c. Are there complaints against the company on issues relating to discrimination?</p> <p>d. What is the nature of complaints employees and groups including local communities, women, and migrant workers have lodged against the company, if any?</p>	<ul style="list-style-type: none"> • Procedure: AA-HR-305-2-00 – Recruitment and Selection. • Collective Labour Agreement / PKB – PT. Tunggal Yunus period 2015 – 2017. • List of worker for PT Tunggal Yunus updated November 2017 • Pay Roll List for Worker – November 2017 • Interview with union and workers on 12 December 2017 	<p>Recruitment process was documented in Procedure: AA-HR-305-2-00 – Recruitment and Selection.</p> <p>Process covers :</p> <ul style="list-style-type: none"> - The collection of application file - Selection of administration - Announcement of the selection schedule - Test questions and physical tests - Summary of the results of the selection - Announcement of selection results - Provision of a cover letter MCU to candidates who pass the selection - Implementation of MCU <p>Through interviews with workers in mill and plantation, it confirmed that there was no discrimination on working opportunities, all workers treated equally</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>List of workers and payment list shows that the payment of wages of workers also seen that there is no discrimination related to wages earned and includes working hours.</p> <p>From the interviews with workers, they feel that the basic rights of workers already filled by company.</p> <p>From the interview with Union, there is no complaint related to discrimination.</p>	
6.8.3	<p>Records of evidence that equal opportunity and treatment for work shall be available</p> <p>Specific Guidance: For 6.8.3: Recruitment and promotion are based on skills, capabilities, qualities and health conditions</p>			
	<p>a. Does the company keep and maintain a record of their employees' work credentials and medical history?</p> <p>b. Does the company explicitly state the indiscriminatory policy during the recruitment selection, hiring and promotion process?</p> <p>c. Is the company's indiscriminatory policy reviewed regularly?</p> <p>d. Are the company's employees recruited and promoted based on skills, capabilities, qualities, and medical fitness necessary for the job? How is this evidenced?</p>	<ul style="list-style-type: none"> • Procedure AA-HR-305-2-00 – Recruitment and Selection • Medical Records for workers • Recruitment records • Promotion letter and records 	<p>Recruitment process was documented in procedure AA-HR-305-2-00 – Recruitment and Selection. Based on that procedure, it was described that the selection, recruitment and promotion of workers based on worker competency.</p> <p>Employees credential and medical history were documented and recorded; medical history employees are available and kept by the nurse at the clinic.</p> <p>All company policy reviewed every year by Sustainability Department, PT. Tunggul Yunus Estate.</p> <p>Employee's evaluation was conducted every year to decide promotion of employees. Based on their competency some of worker from estate was promoted to Admin.</p> <p>The process of recruitment, selection and promotion is conducted transparently, and this is communicated to of candidates.</p> <p>In discriminatory policy is reviewed once a year during according that stated in the Company Policy</p> <p>Recruitment process and promotion is done in accordance competency and medical fitness result. And this is evident from ratings performance review that conducted every year her.</p> <p>And it looks that personnel accordance with his/her competency (e. g, Estate Asst, Public Relations, Nurse, foreman, etc.).</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p>Workers appraisal for Y2017 was reviewed.</p> <p>There are workers promotion on such as Memorandum No 165/HR-RO2/MEMO/SK/07/2017 dated 19 January 2017 about promotion to SKU-H worker on behalf of Dedi Hermawan from Afdeling 2 as Harvester</p>	
6.9	<p>There is no harassment or abuse in the work place, and reproductive rights are protected.</p> <p>Guidance: <i>There should be a clear policy developed in consultation with employees, contract workers and other relevant stakeholders, and the policy should be publicly available. Progress in implementing the policy should be regularly monitored, and the results of monitoring activities should be recorded.</i></p> <p><i>Notwithstanding national legislation and regulation, reproductive rights are respected.</i></p>			
6.9.1	<p>(M) A policy to prevent sexual and all other forms of harassment and violence, shall be documented, implemented and communicated to all levels of the workforce.</p> <p>Specific Guidance: For 6.9.1 and 6.9.2: <i>These policies should include education for women and awareness of the workforce.</i></p> <p><i>There should be programmes provided for particular issues faced by women and men, such as violence and sexual harassment in the workplace.</i></p> <p><i>A gender committee specifically to address areas of concern to women will be used to comply with this Criterion. This committee, which should include representatives from all areas of work, will consider matters such as: training on women’s rights; counselling for women affected by violence; child care facilities to be provided by the growers and millers; women to be allowed to breastfeed up to nine months before resuming chemical spraying or usage tasks; and women to be given specific break times to enable effective breastfeeding.</i></p>			
	<p>a. Does the company have the policy to prohibit any form of sexual and all other forms of harassment and violence?</p> <p>b. Has this policy been documented, implemented and communicated clearly to all levels of the workforce?</p> <p>c. Is there a clear protocol for the company to deal/handle such issues/complaints received from the workforce?</p> <p>d. Is there a list of awareness programs or training provided to the workforce in</p>	<ul style="list-style-type: none"> • Company Policy dated 1 December 2014. • Attendance list worker – 27 May 2017 • Organization structure Gender Committee PT. Rigunas Agri Utama. • Interview with gender committee on 12 December 2017 	<p>The company has prohibited sexual harassment and violence as committed and written in company policy dated 1 December 2014.</p> <p>This policy has been documented, implemented and communicated to all level workers. Communication was conducted by Afdeling Assistant to his team.</p> <p>In case there is any harassment and violence, it will be reported to Gender Committee to be followed up. Documented procedure has been established to describe handling mechanism of sexual harassment case - SOP AA-HR-309.01-R0.</p> <p>Awareness/training program was listed and discussed during Gender Committee meeting.</p> <p>Gender Committee has been made regular program for all employees, women and</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>relation to these issues?</p> <p>e. Has the company formed a Gender Committee to address areas of concern to women? Is there a list of the members sitting in the committee? What are the Terms of Reference of the committee? Does it include the handling of issues such as:</p> <ul style="list-style-type: none"> • training on women’s rights; • counselling for women affected by violence; • child care facilities to be provided by the growers and millers; • women to be allowed to breastfeed up to nine months before resuming chemical spraying or usage tasks; and • women to be given specific break times to enable effective breastfeeding. <p>f. Is the policy regularly reviewed?</p>		<p>the training required.</p> <p>Company has formed A Gender Committee since April 2013 and the members are :</p> <ul style="list-style-type: none"> - Head of Committee - Vice of head committee - Secretary - Vice of secretary - Members <p>In 21 January 2014, published Internal Memorandum No : 064/GM-KSG/MEMO/01/14 about Revision of and endorsement of Gender Committee PT Tunggal Yunus (KTZ, and PTZ)</p> <p>Gender Committee activities such as handle complaint from female workers, reporting and data collecting if case appeared concerning sexual harassment.</p> <p>Based on interview with Gender Committee, their activities include training on women’s rights, counselling for women affected by violence, child care facilities and breastfeeding policy.</p>	
6.9.2	<p>(M) A policy to protect the reproductive rights, shall be documented, implemented and communicated to all levels of the workforce</p> <p>Specific Guidance: For 6.9.1 and 6.9.2: <i>These policies should include education for women and awareness of the workforce.</i></p> <p><i>There should be programmes provided for particular issues faced by women and men, such as violence and sexual harassment in the workplace.</i></p> <p><i>A gender committee specifically to address areas of concern to women will be used to comply with this Criterion. This committee, which should include representatives from all areas of work, will consider matters such as: training on women’s rights; counselling for women affected by violence; child care facilities to be provided by the growers and millers; women to be allowed to breastfeed up to nine months before resuming chemical spraying or usage tasks; and women to be given specific break times to enable effective breastfeeding.</i></p> <p>For 6.9.2: <i>see Indicator 4.6.12</i></p>			

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	<p>a. Is there a policy to protect the reproductive rights of all, especially of women?</p> <p>b. Has this policy been documented, implemented and communicated clearly to all levels of the workforce?</p> <p>c. How is this policy communicated to all levels of the workforce?</p>	<ul style="list-style-type: none"> • Company Policy dated 1 December 2014 • Attendance list worker – PT. Tunggal Yunus Estate period August 2017 for socialization of company policies. • Interview with workers and union labour 	<p>A company policy on reproductive rights was documented in Company Policy item 15 dated 1 December 2014. Policy communicated to all level employees in the company.</p> <p>This policy has been socialized to employees in October 2015, April and December 2016, and 7 August 2017 based on evidences such as attendance list and Minutes of Meeting and interview with workers and union labour. All company policy reviewed every year by Sustainability Department, Asian Agri.</p>	<p>YES</p>
<p>6.9.3</p>	<p>A specific grievance mechanism which respects anonymity of complainants where requested, and as long as they are supported with adequate information, shall be documented, implemented, and communicated to all workforce.</p>			
	<p>a. Does the company have a mechanism to handle employment grievances, that respects anonymity and protects complainants where requested?</p> <p>b. Does the mechanism provide a way for workers to report a grievance against a supervisor to someone other than that supervisor?</p> <p>c. Is the mechanism documented, implemented and communicated clearly to all levels of the workforce?</p> <p>d. Has the company identified personnel who will be responsible to receive and manage complaints received from the workforce?</p> <p>e. Has the company received any reports or complaints of harassment or abuse? How was it addressed or resolved?</p> <p>f. Is the policy reviewed regularly?</p>	<ul style="list-style-type: none"> • Company Policy dated 1 December 2014 • Attendance list worker – PT. Tunggal Yunus Estate period August 2017 for socialization of company policies. • Interview with workers and union labour 	<p>Company mechanism about complaint (internal and external) documented in procedure SOP: AA-HR-3085.5 - R.0 "Complaints of employees - the delivery and settlement of employee complaints'.</p> <p>In the procedure also described the process of complaint. Complaint process cannot report only to Supervisor but other such Union, Gender Committee. Stages of complaint were described in the procedure.</p> <p>In point in the procedure stated that the company will respects anonymity and protects complainants where requested.</p> <p>All company policy reviewed every year by Sustainability Department, Asian Agri.</p> <p>According log book and interview with related workers in the company, there is no complaint that received by company. Bases on interview with workers and union labour, they know how to express their complaints.</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
6.10	<p>Growers and millers deal fairly and transparently with smallholders and other local businesses.</p> <p>Guidance: <i>Transactions with smallholders should consider issues such as the role of middle men, transport and storage of FFB, quality and grading. The need to recycle the nutrients in FFB (see Criterion 4.2) should also be considered; where it is not practicable to recycle wastes to smallholders, compensation for the value of the nutrients exported may be considered through the FFB price.</i></p> <p><i>Smallholders should have access to the grievance procedure under Criterion 6.3 if they consider that they are not receiving a fair price for FFB, whether or not middle men are involved.</i></p> <p><i>The need for a fair and transparent pricing mechanism is particularly important for outgrowers who are contractually obliged to sell all FFB to a particular mill.</i></p> <p><i>If mills require smallholders to change practices to meet the RSPO Principles and Criteria, consideration should be given to the costs of such changes, and the possibility of advance payments for FFB can be considered.</i></p>			
6.10.1	<p>Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p>Specific Guidance: For 6.10.1: FFB pricing in Indonesia refers to the Regulation of the Minister of Agriculture No. 14/Permentan/OT.140/2/2013</p>			
	<p>a. How is the price of FFB determined?</p> <p>b. Is current and past prices paid for Fresh Fruit Bunches (FFB) publicly available? How?</p> <p>c. Was there any complaints on FFB pricing?</p> <p>d. How was the complaint handled?</p> <p>e. What was the solution?</p>	<ul style="list-style-type: none"> • FFB purchase procedure • FFB pricing determination from province government • FFB Purchase Agreement with FFB Suppliers 	<p>Pricing mechanisms for FFB was described in FFB purchase procedure. Price mechanism of FFB, CPO and palm kernel was determined by province government and reviewed in monthly basis. The price was applied for all growers in the province. The company updates the information on the FFB pricing formula that includes details of CPO price, OER, transport, milling and shipping costs, each month and provides it to out growers. Annual contract are made between FFB suppliers and mill, describing FFB specification required, contract period, determination of FFB pricing, and term of payment. Information of FFB set was available to the FFB suppliers and the commitment was stated in the procedure.</p> <p>Current and past prices paid for Fresh Fruit Bunches (FFB) in November 2017 was publicly available. Signboard of FFB price was placed in front of the Mill office, everyone can clearly see the price of FFB in that information board.</p> <p>Based on interview with several FFB suppliers, that there was no complaint on FFB pricing from suppliers. FFB price informed daily by organisation trough SMS (message)/phone to FFB supplier and the price was agreed by FFB supplier.</p>	YES
6.10.2	(M) Pricing mechanisms for Fresh Fruit Bunches (FFB) and inputs/services shall be explained and documented (where these are under the control of the mill or plantation).			
	<p>a. What is the mode of recording/documenting transactions between millers with middlemen and/or</p>	<ul style="list-style-type: none"> • FFB purchase procedure • FFB pricing determination from 	<p>Recording/documenting transactions between millers with middlemen and/or smallholders were documented in Invoice and "Bukti Pembayaran" FFB which</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>smallholders?</p> <p>b. Is there evidence that growers/millers have explained FFB pricing and pricing mechanisms for FFB?</p> <p>c. Are there any inputs/services rendered by the millers to smallholders/middle men? Are these inputs/services having any influence to the pricing and pricing mechanisms for FFB?</p> <p>d. Have inputs/services been documented (where these are under the control of the mill or plantation)?</p> <p>e. Where it is not practicable to smallholders to recycle waste (i.e. EFB), is there compensation for the value of the nutrients of EFB given to the smallholders? Is this translated into the pricing factors of FFB?</p>	<p>province government</p> <ul style="list-style-type: none"> FFB Purchase Agreement with FFB Suppliers 	<p>issued monthly after mill receives FFB from suppliers.</p> <p>Growers/millers have explained FFB pricing and pricing mechanisms for FFB in SPK or annual contract between FFB suppliers and mill which describing FFB specification required, contract period, determination of FFB pricing, and term of payment. The contract was understood, sign and agreed together.</p> <p>Inputs/services rendered by the millers to FFB suppliers was FFB pricing determination from province government which reviewed and update in monthly basis.</p> <p>Specification of inputs and or services required was communicated to the supplier/vendor through tender document or request for quotation.</p>	
6.10.3	<p>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>Specific Guidance: For 6.10.3 : Referring to Regulation of the Minister of Agriculture No. 14/Permentan/OT.140/2/2013, requirements to be considered in the contract are such as:</p> <ol style="list-style-type: none"> 1. K Index, which is open and transparent to the smallholders or their institutions 2. Distributing the information about the decision of the Pricing Team to the smallholders institutions 3. Method of fruit sortation 4. 4. Involvement of smallholders institutions on the evaluation of weigh instrument by authorised local agency. 			
	<p>a. Is there a contractual agreement between the miller and smallholders/ middle men?</p> <p>b. Do all parties understand the contractual agreements they have entered into?</p>	<ul style="list-style-type: none"> FFB purchase procedure FFB pricing determination from province government FFB Purchase Agreement with FFB Suppliers 	<p>Annual contract were made between FFB suppliers and mill, describing FFB specification required, contract period, determination of FFB pricing, and term of payment. Information of FFB set was available to the FFB suppliers and the commitment was stated in the procedure. The selection and evaluation of supplier/vendor was based on capability of supplier and vendor to supply required inputs and or services. Specification of inputs and or services required was communicated to the supplier/vendor through tender document or request for</p>	YES

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	c. Are all contractual agreements fair, legal and transparent? d. Who keeps the contractual agreements?		quotation. The contract was understood, sign and agreed together between grower and FFB suppliers. All contractual agreements were fair, legal and transparent. All contract documents were found valid during audit.	
6.10.4	Agreed payments shall be made in a timely manner.			
	a. How all payments are made to the smallholders/middle men? b. What is the mode of recording/documenting transactions between millers with middlemen and/or smallholders? c. Have agreed payments been made in a timely manner?	FFB purchase records (January to November 2017)	A review to the current FFB purchase records (January to November 2017) shows that the price set was consistently used as recorded in the record of FFB receiving. The payment of FFB received were planned and executed in timely manner in line with term of payment agreed within the contract. Based on interview result with FFB suppliers (CV Mitra Jaya Martua and CV Raja Muara Nauli), agreed payment has been made in timely manner by company. Supplier will received invoice for each FFB delivery to mill. Company will pay FFB purchased maximum one week after FFB received in mill. During FFB delivery to mill, suppliers received payment timely and very satisfying.	YES
6.11	<p>Growers and millers contribute to local sustainable development where appropriate.</p> <p>Guidance: <i>Contributions to local development should be based on the results of consultation with local communities and social impact assessment. See also Criterion 6.2 for consultation process. Such consultation should be based on the principles of transparency, openness and participation, and should encourage communities to identify their own priorities and needs, including the different needs of men and women.</i></p> <p><i>Where candidates for employment are of equal merit, preference should always be given to members of local communities. Positive discrimination should not be recognised as conflicting with Criterion 6.8.</i></p> <p><i>Private plantations refer to the Act No. 40 year 2007 regarding Limited Company (PT), clause 74 (1&2) and their explanations; Government Regulation No. 47 year 2012 regarding Environment and Social Responsibilities, clause 5 (1) and explanation whereas social and environment responsibilities shall be executed.</i></p> <p><i>State plantations refer to Act No. 19 year 2003 regarding State Owned Company (BUMN) clause 9 (1).</i></p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
6.11.1	Records of Contributions to local development based on the results of consultation with local communities shall be available.			
	<p>a. Have the local development needs and priorities been identified in consultation with local communities? (refer also to C 6.2)</p> <p>b. What are the contributions made to local development? Are they in accordance with the results of consultation?</p> <p>c. Are there efforts to improve or maximise employment opportunities at the company for local communities?</p>	<ul style="list-style-type: none"> • CSR program Y2016 and Y2017 PT. Tunggal Yunus Estate • Realization and documentation of CSR program Y2016 – 2017 • Worker List PT. Tunggal Yunus Estate 	<p>The Company has a CSR program, coordinated by the CSR Team Office Region. Team is responsible for identifying the needs of rural communities around the garden. Program identification is done by visiting and meeting with local village head.</p> <p>Identification of CSR results made in the proposal and approved by the head office, every year his company budgeted for CSR programs. Once proposal is approved, the CSR program was planned and implemented.</p> <p>For PT. Tunggal Yunus Estate several CSR programs were conducted among others: improvement of places of worship, donations of books for elementary schools, etc.</p> <p>Based on interviews with stakeholders, it is known that the presence of the company has a positive impact on people's lives, especially in terms of labour. Village Head of Petatahan declared that 80% are employees from PT. Tunggal Yunus Estate from the surrounding villages.</p> <p>Another local business was supported for growers and mills, main supports were pertinent to procurement spare parts and vehicle maintenance. The local business is assigned and controlled by central purchasing in Head Office.</p> <p>To improve the manpower recruitment for local communities, company through Public Relations Officer conduct communication to head of village.</p> <p>Realization of CSR program in 2016 in amount of 68.737.540 IDR for activities such as education, health, economy, maintenance of infrastructure, religion activities, social, recreation and sports activities.</p> <p>Realization of CSR program in 2016 until October in amount of 120.000.000 IDR for activities such as education, health, economy, maintenance of infrastructure, religion activities, social, recreation and sports activities.</p>	YES
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve scheme smallholder productivity.			

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	<p>a. Is there a complete registry of independent smallholders in the supply base?</p> <p>b. Have efforts been made to improve the farming practices of independent smallholders?</p> <p>c. Where there are schemed smallholders, have efforts and/or resources been allocated to improve smallholder productivity?</p>	<p>Interview with FFB supplier</p>	<p>There is no scheme smallholder associated with PT Tunggal Yunus Estate. Efforts have been made to identify independent smallholders in the supply base. The third party FFB supplier was came from independent smallholders:</p> <ul style="list-style-type: none"> - CV Naya Gabe Mandiri - CV Raja Muara Nauli - CV Tri Nitra Mandiri - CV Mitra Jaya Martua - Riski Prabangkara (RIRA) <p>FFB suppliers collected FFB from some farmers then sell it to PT Tunngal Yunus Estate. FFB suppliers has ensured that they sells FFB from legal sources (e.g. not stolen or not from plantation that located in protected area).</p>	<p>YES</p>
<p>6.12¹</p>	<p>No forms of forced or trafficked labour are used.</p> <p>Guidance <i>Migrant workers should be legalised, and a separate employment agreement should be drawn up to meet immigration requirements for foreign workers and international standards. Any regulated deductions made should not jeopardise a decent living wage.</i> <i>Passports should only be voluntarily surrendered.</i> <i>There should be evidence of due diligence in applying these indicator and guidance to all sub-contract workers and suppliers.</i> <i>Definition of types of worker refers to Acts No.13 year 2003 regarding Manpower.</i></p>			
<p>6.12.1</p>	<p>(M) There shall be evidence that no forms of forced or trafficked labour are used.</p> <p>Specific Guidance: For 6.12.1: <i>Workers should enter into employment voluntarily and freely, without the threat of a penalty, and should have the freedom to terminate employment without penalty given reasonable notice or as per agreement.</i></p>			
	<p>a. What is the company's policy on forced or trafficked labour?</p> <p>b. How does the company define forced or trafficked labour?</p> <p>c. What is the process of recruiting foreign/</p>	<ul style="list-style-type: none"> • Company policy • Procedure : AA-HR-305-2-00 – Recruitment and Selection • <i>Daftar Tenaga Kerja PT Tunggal</i> 	<p>Company's policy on forced or trafficked labour was described in Company Policy Asian Agri – PT Tunggal Yunus Estate.</p> <p>Based on public consultation on 12 December 2017 with several worker and worker union it was evident that no forms of forced or trafficked labour have been used. Workers/employee entered into organization voluntarily and freely, without</p>	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>migrant workers directly and/or through licenced outsourcing agencies/ labour suppliers?</p> <p>d. Who is the person responsible for selecting/ screening labour suppliers/ outsourcing agents?</p> <p>e. Do the foreign workers have to pay a fee to the employment recruitment agency or labour suppliers in the workers' countries of origin? If yes, does it jeopardise decent living wage?</p> <p>f. Are there restrictions on workers from leaving the mill or estate or their housing facilities outside working hours?</p> <p>g. What is the process if a worker wants to terminate their employment before their contract expires? In this case, who pays for the return transportation?</p> <p>h. What are the penalties imposed if the workers were terminated or fired before their contract expires?</p> <p>i. Who keeps the workers passports or identity documents?</p> <p>j. If workers do not keep their passports or identity documents, is this legally allowed?</p> <p>k. What is the process for workers' to hand over their passports or identity documents to the company?</p> <p>l. Do workers have unrestricted access to their passports or identity documents?</p>	<p>Yunus" updated November 2017</p> <ul style="list-style-type: none"> Interview with union and workers on 12 December 2017 	<p>the threat of a penalty and they have the freedom to terminate employment without penalty given reasonable notice or as per agreement.</p> <p>There were no migrant workers in PT Tunggal Yunus Estate and Mill. It was verified during audit of the documentation list of employee, interview with employee and stakeholders.</p> <p>Person who responsible for selecting/screening labour suppliers was KTU (Kepala Tata Usaha) under supervision form Estate Managers.</p> <p>Employees work based on contract labour agreement which contains agreements include: working time, dependents, payroll and consent of both parties. Working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc described in PKB years 2015 - 2017 which have been agreed between the employees (represented by SPSI) and company.</p>	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	Describe how workers are able to access their documents?			
6.12.2	<p>It shall be demonstrated that no contract substitution has occurred.</p> <p>Specific Guidance: For 6.12.2: <i>Contract substitution is the change of initial contract without prior consultation and agreement from the workers.</i></p>			
	<p>a. Is there evidence of contract substitution occurring?</p> <p>b. Are foreign workers asked to sign a contract upon arriving in the receiving country? If yes, is that contract identical to the one signed in the country of origin?</p> <p>c. Are workers given a copy of their employment contracts? If yes, is the contract identical to the one signed at the time of recruitment?</p>	<ul style="list-style-type: none"> • Interview with workers on 12 December 2016 • <i>Perjanjian Kerja Bersama</i> (Joint Agreement) PT Tunggal Yunus Period 2015 - 2017 and PHL contract 	There was no substitution contract occurred. Workers get the job and contract conform with agreement between company and its workers.	N/A
6.12.3	<p>(M) Where migrant/foreign/honorary workers are employed, a special worker policy and procedures and the evidence of implementation shall be available.</p> <p>Specific Guidance: For 6.12.3: <i>The special labour policy should include:</i></p> <p>a. <i>Statement of the non-discriminatory practices;</i> b. <i>No contract substitution;</i> c. <i>Post-arrival orientation programme to focus especially on language, safety, labour laws, cultural practices etc.;</i> d. <i>Decent living conditions to be provided.</i></p>			
	<p>a. What is the company's policy and procedures for temporary or foreign/migrant workers? Does the special labour policy include:</p> <ul style="list-style-type: none"> • Statement of the non-discriminatory practices? • No contract substitution? • Post-arrival orientation programme 	List of employee, interview with employee	There were no migrant workers in PT Tunggal Yunus Estate. Its verified during audit documentation list of employee, interview with employee and stakeholders	N/A

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	with emphasis on language, safety, labour laws, cultural practices etc.? • The provision of decent living conditions? b. Have the policies and procedures been implemented?			
6.13 ²	Growers and millers respect human rights. Guidance: See Criteria 1.2, 2.1 and 6.3 All levels of operations include contracted third parties (e.g. those involved in security). Regulations related to the Human Rights refer to the Act No. 39 year 1999 regarding Human Rights.			
6.13.1	(M) A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations.			
	a. Is there a company policy on human rights? b. How is this communicated to all employees, including outsourced workers, customers and suppliers? If by training, how often is the training conducted? c. Who has the task of communicating the policy internally and externally? d. Does the company have any outstanding cases of human rights violations?	<ul style="list-style-type: none"> • Company Policy dated 1 December 2014. • Attendance list worker – PT. Tunggal Yunus Estate, period 7 August 2017 for socialization of company policies. • Interview with stakeholder on 12 December 2017 	Policy to respect human rights has been documented in Kebijakan Perusahaan dated 1st December 2014. Top management has commitment to respect human right refers to internationally recognised human rights set out in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. The document has been communicated to all levels of the workforce and operations based on public consultation with labour union, worker and gender committee. The policy has been communicated to all employees, including outsourced workers, customers and suppliers by socialization/dissemination. Socialization was conducted regularly once a year. Person in charge to communicating the policy internally are Public Officer and Estate Manager. During audit and based on verification on public consultation with stakeholders in December 12 th 2017 and interview with employee could be demonstrated that there was no cases of human rights violations in PT Tunggal Yunus Estate and Mill.	YES

PRINCIPLES 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
7.1			<p>A comprehensive and participatory independent social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.</p> <p>Guidance: <i>The result of Strategic Environment Study (Kajian Lingkungan Hidup Strategis/KLHS) conducted by the authority shall be a major consideration in the new land development and planting.</i></p> <p><i>See also Criteria 5.1 and 6.1.</i></p> <p><i>Implementation of independent social and environment impact assessment may use AMDAL as part of the process. However, it is the company's responsibility to provide objective and appropriate evidence to the audit team that the full requirements of a Social and Environment Impact Analysis (SEIA) are met for all aspects of plantation and mill operation, and captures all changes over time.</i></p> <p><i>The terms of reference should be defined and impact assessment should be carried out by accredited independent experts, in order to ensure an objective process. A participatory methodology including external stakeholder groups is essential to the identification of impacts, particularly social impacts. Stakeholders such as local communities, government and NGOs should be involved through interviews and meetings, and by reviewing findings and plans for mitigation.</i></p> <p><i>It is recognised that oil palm development can cause both positive and negative impacts. These developments can lead to some indirect/secondary impacts which are not under the control of individual growers and millers. To this end, growers and millers should seek to identify the indirect/secondary impacts within the SEIA, and where possible work with partners to explore mechanisms to mitigate the negative indirect impacts and enhance the positive impacts.</i></p> <p><i>Plans and field operations should be developed and implemented to incorporate the results of the assessment. One potential outcome of the assessment process is that the development, partially or entirely, may not proceed because of the magnitude of potential impacts.</i></p> <p><i>For smallholder schemes, the scheme management should address this criterion. For individual smallholders this criterion does not apply</i></p> <p><i>For new planting with areas ≤ 3000 Ha, the assessment may be conducted internally or externally. And for new planting with areas > 3000 Ha, the assessment shall be conducted externally.</i></p> <p><i>For new planting with area > 3000 Ha needs a comprehensive and independent assessment which may be in the form of AMDAL (SEIA) while areas ≤ 3000 Ha requires Upaya Pengelolaan Lingkungan Hidup (UKL) – Upaya Pemantauan Lingkungan Hidup (UPL). Social and Environment Assessment at minimum must cover:</i></p> <ol style="list-style-type: none"> <i>a. Assessment of the impacts of all major planned activities, including planting, mill operations, roads and other infrastructure;</i> <i>b. Assessment, including stakeholder consultation, of High Conservation Values (see Criterion 7.3) that could be negatively affected;</i> <i>c. Assessment of potential effects on adjacent natural ecosystems of planned developments, including whether development or expansion will increase pressure on nearby natural ecosystems;</i> <i>d. Identification of watercourses and wetlands and assessment of potential effects on hydrology and land subsidence of planned developments. Measures should be planned and implemented to maintain the quantity, quality and access to water and land resources;</i> <i>e. Baseline soil surveys and topographic information, including the identification of steep slopes, marginal and fragile soils, areas prone to erosion, degradation, subsidence, and flooding;</i> <i>f. Analysis of type of land to be used (forest, degraded forest, cleared land);</i> <i>g. Analysis of land ownership and user rights;</i> <i>h. Analysis of current land use patterns;</i> 	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<ul style="list-style-type: none"> i. Assessment of potential social impacts on surrounding communities of a plantation, including an analysis of potential effects on livelihoods, and differential effects on women versus men, ethnic communities, and migrant versus long-term residents; j. Identification of activities which may generate significant GHG emissions. 		<p>If AMDAL or UKL-UPL documents still do not cover point a to j, additional social and environment impact assessment shall be conducted. If internal assessment identifies sensitive social and environment issues or areas, then independent assessment shall be conducted. Documents of environment impact assessment are the environment documents based on the regulations, such as:</p> <ul style="list-style-type: none"> a. Environmental Impact Assessment (Analisis Mengenai Dampak Lingkungan Hidup/AMDAL) for plantation with areas of > 3000 Ha b. Environmental Management Effort (Upaya Pengelolaan Lingkungan Hidup/UPL) and Environmental Monitoring Effort (Upaya Pemantauan Lingkungan Hidup/UKL) for plantation with areas of < 3000 Ha. c. Environmental Management Document (Dokumen Pengelolaan Lingkungan Hidup/DPLH) d. Environmental Evaluation Document (Dokumen Evaluasi Lingkungan Hidup/DELH) e. Environmental Information Performance (Penyajian Informasi Lingkungan Hidup/PIL) f. Environmental Evaluation Performance (Penyajian Evaluasi Lingkungan Hidup/PEL) g. Environmental Evaluation Study (Studi Evaluasi Lingkungan Hidup/SEL) h. Environment Management and Monitoring Document (Dokumen Pengelolaan dan Pemantauan Lingkungan Hidup/DPPL) i. Declaration Letter for Managing and Monitoring Environment (Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup/SPPL) j. And other documents required by the regulation. <p>Regulations relate to the environment documents, such as:</p> <ul style="list-style-type: none"> a. Government Regulation No. 27 year 2012 regarding Environment Permit b. Regulation of the Minister of Environment No. 13 year 2010 regarding Environmental Management and Monitoring Effort (UKL-UPL) and Declaration Letter for Managing and Monitoring Environment (SPKL) c. Regulation of the Minister of Environment No. 5 year 2012 regarding Environmental Evaluation Document (DELH) d. Regulation of the Minister of Environment No. 14 year 2010 regarding Environmental Management and Monitoring Document (DPPL) e. Regulation of the Minister of Environment No.12 year 2007 regarding Environmental Management and Monitoring Document for Business and or Activities, with No Environmental Management Document. f. Regulation of the Minister of Environment No. 5 year 2012 regarding Types of Business Obligated to Have Amdal g. Regulation of the Minister of Environment No. 8 year 2006 regarding Guidance for AMDAL preparation h. Regulation of the Minister of Environment No. 17 year 2012 regarding Involvement of Community and Information Transparency in the AMDAL Process i. Decree of the Head of Bapedal No. No. 299 year 1996 regarding Technical Guidance of Social Aspects for AMDAL preparation j. Regulation of the Minister of Environment No. 11 year 2008 regarding Competence Requirements for AMDAL preparation documents and Requirements for Training Institutions in Conducting Training for AMDAL Competency 	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
7.1.1	(M) An independent social and environmental	impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders, shall be documented.		
	<p>a. Is there any new plantings or operations, or expanding existing ones by the company? What is the size of the new planting area?</p> <p>b. Has an independent social and environmental impact assessment (SEIA) been documented for the new plantings?</p> <p>c. Are the impact assessments prepared by accredited independent experts?</p> <p>d. Are all environmental and social impacts adequately identified?</p> <p>e. Is the SEIA undertaken based on the scope of operation?</p> <p>f. Is the SEIA undertaken in a participatory manner, including the relevant affected stakeholders?</p> <p>g. Does the SEIA assessment include and as a minimum:</p> <ul style="list-style-type: none"> • Assessment of the impacts of all major planned activities, including planting, mill operations, roads and other infrastructure? • Assessment, including stakeholder consultation, of High Conservation Values (see Criterion 7.3) that could be negatively affected? • Assessment of potential effects on adjacent natural ecosystems of planned developments, including whether development or expansion 	<ul style="list-style-type: none"> • Social Impact Assasment (SIA), 2006 • Area statement at PT Tunggal Yunus 2017 • Public consultation with staeholders on13 December 2017 • Field observation 	<p>The organisation did not acquire any new land after 2005. It was noted that there was no ongoing progress of new land acquisition during interview with stakeholders. All land in inside the concession area has been developed in period 1994 – 1997. There was replanting in 2010 and 2013 ex nursery area.</p>	<p>N/A</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>will increase pressure on nearby natural ecosystems?</p> <ul style="list-style-type: none"> • Identification of watercourses and wetlands and assessment of potential effects on hydrology and land subsidence of planned developments. Measures should be planned and implemented to maintain the quantity, quality and access to water and land resources? • Baseline soil surveys and topographic information, including the identification of steep slopes, marginal and fragile soils, areas prone to erosion, degradation, subsidence, and flooding? • Analysis of type of land to be used (forest, degraded forest, cleared land)? • Analysis of land ownership and user rights? • Analysis of current land use patterns? • Assessment of potential social impacts on surrounding communities of a plantation, including an analysis of potential effects on livelihoods, and differential effects on women versus men, ethnic communities, and migrant versus long-term residents? • Identification of activities which may generate significant GHG 			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	emissions? h. What were the main findings of the assessment? i. Were secondary impacts of oil palm development identified in the SEIA?			
7.1.2	Appropriate management planning and operational procedures shall be developed and implemented to avoid or mitigate identified potential negative impacts.			
	a. Does the findings of the SEIA uncover any negative impacts? If yes, has a management plan and operational procedures been developed to mitigate the negative impacts? b. Has the management plan and operational procedures been implemented?	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A
7.1.3	Where the development includes an outgrower scheme (<i>skema kemitraan</i>), the impacts of the scheme and the implications of the way it is managed shall be given particular attention. Specific guidance: For 7.1.3. : Outgrower scheme is a farmer selling the FFB through exclusive contract to the growers and millers. Schemed smallholders (plasma) included into this scheme.			
	a. Are any outgrowers involved in the new plantings? b. Has management prepared a plan for the outgrower scheme? c. Does the SEIA include an assessment of impacts and the implications of the way the outgrower scheme is managed?	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A
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. Guidance:			

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			<p><i>These activities can be linked to the Social and Environmental Impact Assessment (SEIA) (see Criterion 7.1) but need not be done by independent experts.</i></p> <p><i>Soil surveys should be appropriate to identify soil suitability of oil palm cultivation for the scale of operation.</i></p> <p><i>Maps of Soil suitability or soil survey should be established in line with the operational scale and include information on soil types, topography, hydrology, rooting depth, moisture availability, stoniness and fertility to ensure long-term sustainability of the development. Soils requiring appropriate practices should be identified (see Criteria 4.3 and 7.4). This information should be used to plan planting programs, etc. Measures should be planned to minimize erosion through appropriate use of heavy machinery, terracing on slopes, appropriate road construction, rapid establishment of land cover, protection of riverbanks, etc. Areas located within the plantation perimeters that are considered unsuitable for long-term oil palm cultivation will be delineated in plans and included in operations for conservation or rehabilitation as appropriate (see Criterion 7.4).</i></p> <p><i>Assessing soil suitability is also important for smallholders, particularly where there are significant numbers operating in a particular location. Information should be collected on soil suitability by companies planning to purchase Fresh Fruit Bunches (FFB) from outgrowers scheme (skema kemitraan) in certain location. Companies should assess this information and provide information to smallholders involving in the outgrowers scheme, and/or in conjunction with relevant government/public institutions and other organizations (including NGOs) provide information in order to assist independent smallholders to grow oil palm sustainably.</i></p> <p><i>One of referred guidances is on the table 1 (page. 6) regarding Land Suitability Criteria for Oil Palm in the Technical Guidance for Developing Oil Palm Estate issued by Directorate General of Estate Crops, Ministry of Agriculture, 2006.</i></p>	
7.2.1			(M) Soil suitability maps or soil surveys adequate to establish the long-term suitability of land for oil palm cultivation shall be available and taken into account in plans and operations.	
	<p>a. Are soil suitability/survey maps for the planted areas available or in place?</p> <ul style="list-style-type: none"> • Is the map adequate to establish the long-term suitability of land for oil palm cultivation? • Are the soil suitability maps or soil surveys appropriate to the scale of operation? • Does the soil suitability maps or soil surveys include information on soil types, topography, and hydrology, rooting depth, moisture availability, stoniness and fertility? • Do the soil suitability maps or soil surveys identify soils requiring appropriate practices? 	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	N/A

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>b. Are there any areas located within the plantation perimeters that are considered unsuitable for long-term oil palm cultivation?</p> <ul style="list-style-type: none"> • Are such areas delineated in the plans? • Are there areas set aside for conservation? • Or are there plans for rehabilitation as appropriate? <p>c. Does the company plan to purchase Fresh Fruit Bunches (FFB) from potential developments of independent suppliers in a particular location?</p> <p>d. If yes, the following information should be obtained:</p> <ul style="list-style-type: none"> • Is information on soil suitability collected and assessed? • Has the company provided information on soil suitability to the independent smallholders in order to assist them to grow oil palm sustainably? 			
7.2.2	Topographic information adequate to guide the planning of drainage and irrigation systems, roads and other infrastructure shall be available.			
	<p>a. Does the area where plantings are done require drainage or irrigation?</p> <p>b. If yes, is there adequate topographic information to guide the planning of drainage and irrigation systems?</p> <p>c. Is the topographic information and best practices taken into consideration</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 • Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	during the development of roads and infrastructure?			
7.3			<p>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>Guidance: <i>This Criterion applies to forests and other vegetation types. This applies irrespective of any changes in land ownership or farm management that have taken place since November 2005 unless if previous owner have conducted HCV assessment.</i></p> <p><i>HCVs may be identified in restricted areas of a landholding, and in such cases new plantings can be planned to allow the HCVs to be maintained or enhanced. This refers to the Guidance for HCV Management and Monitoring approved by the RSPO.</i></p> <p><i>The HCV assessment process requires appropriate training and expertise, and will include consultation with local communities, particularly for identifying social HCVs. HCV assessments should be conducted according to the Guidance for Identifying HCV in Indonesia (HCV Toolkit Indonesia) of 2008 or its revision.</i></p> <p><i>Developments should actively seek to utilise previously cleared and/or degraded land on mineral soil. Plantation development should not put direct or indirect pressure on primary forests and HCV through the use of all available agricultural land in an area.</i></p> <p><i>Although the planned development is consistent with the landscape planning by the local and national government, the requirements of protecting HCV still shall be met.</i></p> <p><i>For new planting with areas ≤ 3000 Ha, assessment of HCV can be conducted internally and externally. If the assessment of HCV is conducted internally, in accordance with the scheme of HCV RSPO using ALS system, assessor team leader of HCV shall be an assessor who has obtained license of HCV Assessor from HCVRN. Peer review from the competent party shall be conducted referring to the Common Guidance for the Identification of HCV 2013. For the new planting with the area > 3000 Ha, the assessment of HCV shall be conducted by the external party who has obtained license of HCV Assessor from HCVRN.</i></p> <p><i>In case of small areas located either in hydrologically sensitive landscapes or in HCV areas where conversion can jeopardize large areas or species, the HCV assessment shall be conducted by independent assessor who has obtained license of HCV Assessor from HCVRN (see Guidance: Criterion 7.2). HCV areas can be very small. Once established, new development should comply with Criterion 5.2.</i></p>	
7.3.1			<p>(M) There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).</p> <p>Specific Guidance: For 7.3.1: <i>Evidence should include historical remote sensing imagery which demonstrates that there has been no conversion of primary forest or any area required to maintain or enhance one or more HCV. HCV Assessment should apply satellite or aerial photographs, land use maps and vegetation maps should be used to inform the HCV assessment.</i></p> <p><i>Where land has been cleared since November 2005, and without a prior and adequate HCV assessment, it will be excluded from the RSPO certification programme until an adequate HCV compensation plan has been developed and accepted by the RSPO.</i></p>	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Since November 2005, have any new plantings replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs)? If yes, was an adequate HCV assessment carried out prior to the clearing of the land?</p> <p>b. Where HCVs have been identified on the land that is intended for new plantings, have new plantings been planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2)?</p> <p>c. Are there finalised HCV maps and areas endorsed/signed off by management showing type of HCV and area coverage (ha)?</p> <p>d. Has the company comply with NPP procedures? i.e. NPP documents was submitted and put for public notification.</p> <p>e. Is CB verification of NPP documents include field verification? If not, field verification of HCV is required during certification audit.</p> <p>f. Where land has been cleared since November 2005, and without a prior and adequate HCV assessment, is there evidence that an adequate HCV compensation plan for the affected area has been developed and accepted by the RSPO?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	<p>N/A</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
7.3.2	(M) Reports of comprehensive HCV assessment, which involves stakeholder consultation and includes record of land-use change since November 2005, shall be available. This HCV assessment shall be conducted prior to any conversion or new planting.			
	<p>a. Is the prepared HCV assessment comprehensive? Was the assessment prepared in consultation with the affected stakeholders prior to any conversion or new planting?</p> <p>b. Do the HCV assessments include land use change analysis to determine changes to the vegetation since November 2005? (This analysis shall be used, with proxies, to indicate changes to HCV status)</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A
7.3.3	Records of land preparation and clearing dates shall be available.			
	a. Are the dates of land preparation and commencement recorded?	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A
7.3.4	(M) An action plan shall be developed that describes operational actions consequent to the findings of the HCV assessment, and that references the grower's relevant operational procedures (see Criterion 5.2).			
	<p>a. Has the company developed an action plan that describes operational actions consequent to the findings of the HCV assessment?</p> <p>b. Does the action plan reference the grower's relevant operational procedures (see Criterion 5.2)?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
7.3.5	<p>Evidence of consultation with the affected community shall be available in order to identify the area required by such community to fulfill its basic needs, by considering the positive and negative changes to the livelihood as a result of plantation operations. Such matters shall be included in the HCV analysis and management plan (see Criteria 5.2).</p> <p>Specific Guidance: For 7.3.5: <i>The management plan will be adaptive to changes in HCV 5 and 6. Decisions will be made in consultation with the affected communities.</i></p>			
	<p>a. Have areas required by affected communities to meet their basic needs, taking into account potential positive and negative changes in livelihood resulting from proposed operations, been identified in consultation with the communities?</p> <p>b. Have these areas been incorporated into HCV assessments and management plans (see Criterion 5.2)?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	<p>N/A</p>
7.4	<p>Extensive planting on steep terrain, and/or marginal and fragile soils, including peat, is avoided.</p> <p>Guidance: <i>The process of identifying fragile and marginal soil should be conducted after getting Plantation Business Permit (IUP)</i></p> <p><i>Total area planting on fragile soils including peat within the new development shall not be greater than 100 Ha or 20% of the total area, whichever is smallest (see Criterion 4.3). Adverse impacts may include hydrological risks or significantly increased risks (e.g. fire risk) in areas outside the plantation (see Criterion 5.5). The legal aspect of compliance within this national interpretation document shall follow the changed laws and regulations but should at least meet the above minimum limit.</i></p> <p><i>Planting on peat soils should not be conducted on peat with ≥3 m depth. If planting conducted on peat with <3 m depth, then the area (as regulated by Regulation of the Minister of Agriculture No. 14 year 2009: Guidance on Peatland Utilization for Oil Palm Cultivation) shall meet the following requirements:</i></p> <ol style="list-style-type: none"> <i>a. Within designated cultivation area</i> <i>b. Whereas the proportion of ≤ 3 m depth of peat and mineral soil (if any) is minimal 70% of the total concession area</i> <i>c. The mineral soil below peat layer is not quartz sand or acidic sulfate soil</i> <i>d. The peat soils maturity level is mature (sapric)</i> <i>e. The fertility level is eutropic</i> <p><i>Cultivation on peatland must also comply with Government Regulation No 71 year 2014 concerning the Protection and Management of Peatland Ecosystems</i></p> <p><i>Excessive slope is defined as slope more than 40% referring to Regulation of the Minister of Agriculture No.11/Permentan/OT.140/3/2015 regarding Guidance of Indonesia Sustainable Palm Oil and the Regulation of the Minister of Agriculture No. 47 year 2006 regarding General Guidance for Agriculture at Mountain Area.</i></p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<p><i>Soil conservation measures (such as terracing, individual terrace, legume cover crops, silt pit, frond stacking, etc.) should be conducted.</i></p> <p><i>Soil suitability should be determined using crop and environmental suitability criteria.</i></p> <p><i>Those identified as marginal and/or problematic should be avoided if the soil cannot be improved through agricultural cultivation.</i></p> <p><i>The risky and marginal soils may include sandy soils, low organic content soils, and potential or actual acid sulphate soils. Suitability of these soils is also influenced by other factors including rainfall, terrain and management practices.</i></p> <p><i>These areas may only be developed for new plantations which have adequate management plans based on best management practices. Failure due to extensive plantings should be avoided on these soil types.</i></p> <p><i>Fragile soils on which extensive planting shall be avoided include peat soils, mangrove sites and other wetland areas.</i></p> <p><i>This activity should be integrated with the social and environmental impact assessment (SEIA) required by Criterion 7.1.</i></p> <p><i>Excessive planting on fragile soil refer to Annex 2 Generic RSPO P&C, 2013.</i></p> <p><i>Wetland definition refers to RAMSAR.</i></p>	
7.4.1			(M) Indicative maps showing marginal and fragile soils, including excessive gradients and peat soils, shall be available and used to identify areas to be avoided.	
	<p>a. Are there maps identifying marginal and fragile soils, including excessive gradients and peat soils?</p> <p>b. If peat is present, does the map show the extent, nature, and depth of peat?</p> <p>c. Are the maps used to identify areas that are inappropriate for planting?</p> <p>d. Have the maps been incorporated for use in the social and environmental impact assessment (SEIA)?</p> <p>e. Is there evidence that planting on extensive areas of peat soils and other fragile soils have been avoided?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	N/A

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
7.4.2	(M) Where limited planting on fragile and marginal soils, including peat, is proposed, a documented plan shall be developed and implemented to protect them without incurring adverse impacts.			
	<p>a. Are there plans to protect planted areas on fragile and marginal soils, including peat from adverse impacts?</p> <p>b. Does the plan take into consideration specific control and NI thresholds, including:</p> <ul style="list-style-type: none"> • Slope limits; • List of soil types that need to be avoided, especially peat soil; • Proportion of plantation areas that can include marginal / fragile soil. <p>c. Has the plan been implemented?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	<p>N/A</p>
7.5	<p>No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their free, prior and informed consent. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.</p> <p>Guidance: <i>This activity should be integrated with the Social and Environmental Impact Assessment (SEIA) required by Criterion 7.1.</i></p> <p><i>Where new plantings are considered to be acceptable by the communities, management plans and operations should minimise the adverse impacts (such as disturbing sacred sites) and promote positive ones. Agreements with indigenous people, local communities and other stakeholders should be made without coercion or other undue influence (see Guidance for Criterion 2.3).</i></p> <p><i>Where communities decline to release lands rights on these terms the grower or miller must explore legal alternatives such as leasing or renting or securing community land or enclaving or other mutually agreed schemes or decide not to go ahead with its proposed development.</i></p> <p><i>Relevant stakeholders include those affected by or concerned with the new plantings.</i></p> <p><i>Free, prior and informed consent (FPIC) should be applied to all RSPO members throughout the supply chain. Please refer to FPIC guidelines approved by the RSPO (RSPO endorsed Free, Prior and Informed Consent Guide for RSPO Members, November 2015).</i></p> <p><i>Customary and user rights shall be demonstrated through participatory mapping as part of the FPIC process.</i></p> <p><i>Verification evidence may be in the form of documents on socialization to the affected community, agreement or disagreement from the community, communication and consultation with the community.</i></p>			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
7.5.1	(M) Evidence shall be available that affected local peoples understand they have the right to say 'yes' or 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the grower/miller is signed and ratified by these local peoples (see Criteria 2.2, 2.3, 6.2, 6.4 and 7.6)			
	a. Does the new planting area include 'local people's land'? b. If yes, has the community given their consent? c. Is there evidence to demonstrate that the consent/agreement has been given? d. Has the community been given the opportunity to say 'no' to the proposed development? e. Are the principles of the FPIC process followed?	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A
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. Guidance: See Criteria 2.2, 2.3 and 6.4 and associated Guidance. The requirements include indigenous people, as regulated by, such as, the Act No. 5 year 1994 regarding Endorsement of UN Convention on Biodiversity. Please refer to FPIC guidelines approved by the RSPO (RSPO endorsed Free, Prior and Informed Consent Guide for RSPO Members, November 2015).			
7.6.1	(M) Records of identification and assessment of legal, customary and user rights shall be available. Specific Guidance: For 7.6.1: This activity shall be integrated with the social and environmental impact assessment (SEIA) required by Criterion 7.1.			
	a. Does the SEIA include the identification and assessment of legal, customary and user rights of the area? b. Does the company have SOPs to identify and assess any legal,	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>customary and user rights of the local peoples?</p> <p>c. Is there any known notification from the stakeholders claiming to have legal, customary and/or user rights on the land for the new planting area?</p> <p>d. Has the claim been identified and assess according to the protocol/SOP? Does the process follow and respect the FPIC principles?</p> <p>e. Has the process of identification and assessment been recorded/ documented and made publicly available?</p>			
7.6.2	(M) A procedure for identifying people entitled to compensation shall be available.			
	<p>a. Does the company have a system in place to identify people and/or community groups entitled to compensation?</p> <p>b. Is the system documented?</p> <p>c. Does the system follow and respect the FPIC principles?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus 2017 • Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A
7.6.3	(M) Records of calculation system and distribution of fair compensation shall be available			
	<p>a. Does the company have a system in place to calculate and distribute fair compensation (monetary or</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	otherwise)? b. Is the system documented and publicly made available? c. Does the system follow and respect the FPIC principles?	<ul style="list-style-type: none"> Field observation 		
7.6.4	Communities that have lost access and rights to land for plantation expansion shall be given opportunities to benefit from plantation development.			
	a. Does the company provide communities that have lost access and rights to land for plantation expansion opportunities to benefit from plantation development?	<ul style="list-style-type: none"> Area statement of PT Tunggal Yunus Estate 2017 Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A
7.6.5	The process and outcome of any compensation claims shall be documented and made available to the affected communities and their representatives.			
	a. Is the process and outcome of any compensation claims documented and made publicly available?	<ul style="list-style-type: none"> Area statement of PT Tunggal Yunus Estate 2017 Field observation 	There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.	N/A
7.6.6	Evidence shall be available that the affected communities and rights holders have access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands. Specific Guidance: For 7.6.6: Growers and millers will confirm that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to Plantation Business Permit (Izin Usaha Perkebunan/IUP) and if requested, Land Title (Hak Guna Usaha (HGU)/Hak Guna Bangunan (HGB)) to the grower and miller. There is documented evidence that communities were informed prior to being asked to release lands to growers and millers that a legal consequence of the grower or miller acquiring a HGU/HGB over their lands is that this will permanently extinguish their land rights within the same area. Related to 7.6.6, the evidences can be a company's policy to give community freedom to get information, and also socialization to the affected community.			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Is there record to show that the community and rights holders have freedom to access information and independent advisor(s) concerning the legal, economic, environmental and social implications of the proposed operations on their lands?</p> <p>b. Is there evidence to show that the company has sought the community and the right holders' consent to the initial planning phases of the operations prior to the new issuance of a concession or land title?</p> <p>c. Did the communities (or their representatives) give consent to the initial planning phases of the operations prior to the new issuance of a concession or land title?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	<p>N/A</p>
7.7	<p>No use of fire in the preparation of new plantings other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.</p>			
7.7.1	<p>(M) Records of zero burning implementation on land clearing, referring to the ASEAN Policy on zero burning (2003) and recognised techniques based on the existing regulations shall be available.</p>			
	<p>a. Is there evidence of land preparation by burning?</p> <p>b. (The auditors shall conduct site verification of the newly planted site which will include interviews with workers).</p> <p>c. Was land prepared using the burn method due to reasons or specific</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	<p>N/A</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>situations, as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burnings' 2003, or comparable guidelines in other regions?</p> <p>d. If the burn method has been used for land preparation, has the company complied with the requirements of 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions?</p> <p>e. Is document showing proper justification for such activity available?</p>			
7.7.2	<p>In exceptional cases where fire has to be used for preparing land for planting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions.</p> <p>Specific guidance For 7.7.2 : <i>Fire should be used only where an assessment has demonstrated that it is the most effective and least environmentally damaging option for minimizing the risk of severe pest and disease outbreaks, and exceptional levels of caution are required for use of fire on peat. This should also refer to the ASEAN Policy on Zero Burning (2003) and respective national environment regulations.</i></p>			
	<p>a. In exceptional cases where fire has to be used for preparing land for planting, is there evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions?</p> <p>b. Was the activity incorporated in the SEIA report?</p> <p>c. What were the mitigation measures? Was it implemented?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	<p>N/A</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
7.8	<p>Preamble</p> <p><i>It is noted that oil palm and all other agricultural crops emit and sequester greenhouse gases (GHG). There has already been significant progress by the oil palm sector, especially in relation to reducing GHG emissions relating to operations. Acknowledging both the importance of GHGs, and the current difficulties of determining emissions, the following new Criterion is introduced to demonstrate RSPO's commitment to establishing a credible basis for the Principles and Criteria on GHGs.</i></p>			
7.8		<p><i>Growers and millers commit to reporting on projected GHG emissions associated with new developments. However, it is recognised that these emissions cannot be projected with accuracy with current knowledge and methodology.</i></p> <p><i>Growers and millers commit to plan development in such a way to minimise net GHG emissions towards a goal of low carbon development (noting the recommendations agreed by consensus of the RSPO GHG WG2).</i></p> <p><i>Growers and millers commit to an implementation period for promoting best practices in reporting to the RSPO, and after December 31st 2016 to public reporting. Growers and millers make these commitments with the support of all other stakeholder groups of the RSPO.</i></p>		
7.8		<p><i>New plantation developments are designed to minimise net greenhouse gas emissions.</i></p> <p>Guidance</p> <p><i>This Criterion covers plantations, mill operations, roads and other infrastructure. It is recognised that there may be significant changes between the planned and final development area, hence the assessment may need to be updated before the time of implementation.</i></p> <p><i>Public reporting is desirable, but remains voluntary until the end of the implementation period.</i></p> <p><i>Once established, new developments should report on-going operational, land use and land use change emissions under Criterion 5.6.</i></p> <p><i>According to the recommendation from RSPO GHG Working Group 2, the total carbon emission (above and below ground) from new development area ideally is not bigger than carbon that can be absorbed in one rotation period of all new developments (i.e. average of oil palm trees, riparian buffer zone, and the set aside forest area). To help achieving this, the plantation should be developed in area with low carbon stock (i.e. mineral soil, area with low biomass, etc) or within area that currently is being utilized for agriculture or intensive plantation whose owner has agreed to convert the areas into oil palm. The agreed methodology to assess and report on carbon stock and emission sources as well as default number for the both estimation is now being developed by RSPO.</i></p> <p><i>As guidance, low carbon stock areas are defined as areas with (above and below ground) carbon stores, where the losses as a result of conversion are equal or smaller to the gains in carbon stock within the new development area, including set aside areas (non- planted area) for one rotation period.</i></p>		
7.8.1			<p><i>(M) The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development shall be identified and estimated.</i></p> <p>Specific Guidance:</p> <p><i>For 7.8.1: GHG identification and estimates can be integrated into existing processes such as HCV and soil assessments.</i></p> <p><i>The RSPO carbon assessment tool for new plantings will be available to identify and estimate the carbon stocks. It is acknowledged that there are other tools and methodologies currently in use; the RSPO working group will not exclude these, and will include these in the review process.</i></p>	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
<p><i>The RSPO PalmGHG tool or an RSPO-endorsed equivalent will be used to estimate future GHG emissions from new developments using, amongst others, the data from the RSPO carbon assessment tool for new plantings.</i></p> <p><i>Parties seeking to use an alternative tool for new plantings will have to demonstrate its equivalence to the RSPO for endorsement.</i></p>				
	<p>a. Is there an assessment conducted to identify and estimate the carbon stock in the proposed development area and major potential sources of emissions that may result directly from the development?</p> <p>b. What are the tools and methodologies used to identify and estimate the carbon stock and potential sources of emission?</p> <p>c. Has the results of the carbon stock assessment been submitted and reported to RSPO according to RSPO procedures and timeline?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	<p>N/A</p>
<p>7.8.2</p>	<p>Records of a plan to minimize net GHG emissions shall be available.</p> <p>Specific Guidance: For 7.8.2: <i>Growers are strongly encouraged to establish new plantings on mineral soils, in low carbon stock areas, and cultivated areas, which the current users are willing to develop into oil palm. Millers are encouraged to adopt low-emission management practices (e.g. better management of palm oil mill effluent (POME), efficient boilers etc.) in new developments.</i></p> <p><i>Growers and millers should plan to implement RSPO best management practices for the minimization of emissions during the development of new plantations</i> <i>Some efforts to minimise net GHG emissions, but not limited to:</i></p> <ul style="list-style-type: none"> a. <i>Avoiding high carbon stock area</i> b. <i>Enriching HCV</i> c. <i>Improving carbon sequestration</i> d. <i>Minimising use of fossil fuel</i> e. <i>Implementing zero burning</i> 			

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Is there a plan to minimise net GHG emissions from new development?</p> <p>b. Does this plan take into account avoidance of land areas with high carbon stocks, sequestration options and low-emission management practices?</p>	<ul style="list-style-type: none"> • Area statement of PT Tunggal Yunus Estate 2017 • Field observation 	<p>There was no new planting since November 2005. There was replanting in 2010 and 2013 ex nursery area.</p>	<p>N/A</p>

PRINCIPLES 8: COMMITMENT TO CONTINUAL IMPROVEMENT IN KEY AREAS OF ACTIVITY

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
8.1			<p>Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</p> <p>Guidance: <i>Growers should have a system to improve practices in line with new information and techniques, and a mechanism for disseminating this information throughout the workforce. For smallholders, there should be systematic guidance and training for continual improvement.</i></p> <p><i>The minimum specific performance for key indicators is based upon the existing regulations and best plantation practices (Criteria 4.2, 4.3, 4.4, and 4.5). Several standards related to Criteria 4.2, 4.3, 4.4, and 4.5:</i></p> <ul style="list-style-type: none"> • <i>Leaf analysis at least on yearly basis.</i> • <i>Soil analysis should be done periodically based on company's consideration</i> • <i>Plantable slope < 40%.</i> • <i>BOD of effluent used for Land Application is maximum 5000 ppm, and for discharging to the water body is maximum 100 ppm</i> • <i>For planting on peat, the water table should be maintained at an average of at least 50 cm (40 – 60 cm) below ground surface measured with groundwater piezometer readings, or an average of 60 cm (between 50 – 70 cm) below ground surface as measured in water collection drains as per the Manual Best Management Practices for existing oil palm cultivation on peat, June 2012 or as per existing regulation if equal or shallower measured through a network of appropriate water control structures e.g. weirs, sandbags, etc. in fields, and watergates at the discharge points of main drains (Criteria 4.4 and 7.4).</i> <p><i>Regulations regarding water table on peat may refer, but not limited, to:</i></p> <ol style="list-style-type: none"> 1. <i>Government Regulation No. 71 year 2014 regarding Protection and Management of Peat Ecosystem</i> 2. <i>Regulation of the Minister of Agriculture No. 14 year 2009 regarding Guideline of Oil Palm Cultivation on Peat</i> 3. <i>Regulation of the Minister of Agriculture No. 11 year 2015 regarding Guideline of Indonesia Sustainable Palm Oil Plantation (ISPO)</i> 	
8.1.1			<p>(M) The action plan for monitoring shall be available, based on a consideration of the social and environmental impacts and routine evaluation of the plantation and mill operations. As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of certain chemicals (Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); • Optimising the yield of FFB production (Criterion 4.2) 	

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
	<p>a. Is there an action plan for continual improvement?</p> <p>b. Describe the main components of the plan.</p> <p>c. Has the action plan been implemented?</p> <p>d. Provide examples of continual improvements that have been implemented.</p> <p>e. Are history records available to develop the action plan?</p> <p>f. Are records of implementation of the action plan available?</p> <p>g. Does the action plan include strategies for:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides (Criterion 4.6)? Is IPM widely implemented? • Environmental impacts (Criteria 4.3, 5.1 and 5.2)? • Waste reduction (Criterion 5.3)? • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8)? • Social impacts (Criterion 6.1)? • Optimising the yield of the supply base? <p>h. Do growers have a system to improve practices in line with new information and techniques, and a mechanism for disseminating this information throughout the workforce?</p>	<ul style="list-style-type: none"> • Internal Audit Procedure • RSPO Internal Audit dated 2 – 5 October 2017 • PROPER assessment period 2016 – 2017 from KLH and got “Blue” rank • RKL RPL PT Tunggal Yunus Y2015 and Y2016 Semester 1 • OHS Internal Audit Report • OHS Management Review Report • Environmental Management Program 2017 • HCV Management plan 2017 • CSR Program 2017 and Plan 2018 • SIA Report and review 2017 	<p>Internal audit programme was conducted by integrating with ISPO (Indonesian Sustainable Palm oil Organization) and RSPO. Last internal audit was conducted on 2-5 October 2017. Internal audit findings were followed up with corrective and preventive actions.</p> <p><u>Best Practice</u></p> <p>Continual improvement plans have been determined as corrective actions plan from internal audit of OHS, RSPO and Visit Agronomy (VA) and Visit Engineering (VE) and also Management Review Plan.</p> <p><u>OHS aspect</u></p> <ul style="list-style-type: none"> – Hazard identification, risk analysis and control annually and monitored it regularly – SMK3 implementation and monitoring – PPE providing appropriately and monitoring of PPE usage by workers <p><u>Environmental impacts</u></p> <ul style="list-style-type: none"> – Reuse water from vacuum dryer as water dilution – Reduction of pesticides use – Reduction of fertiliser as Nitrogen component – Reduction of fuel consumption – Reuse liquid waste from pesticide for the next spraying application – Waste reduction; recycle the condensate water discharge water dilution – Pollution and GHG emission – Use of fibre and shells for boiler fuel <p><u>Social and HCV</u></p> <p>Action plan include strategies:</p> <ul style="list-style-type: none"> – Conservation Management Plan (CMP) – Monitoring and managing the positive and negative impact from social impact assessment (SIA) – Improve and implementation the CSR program regularly 	<p>YES</p>

NO	CRITERION / INDICATOR CHECKLIST	OBSERVATIONS & OBJECTIVE EVIDENCE	SUMMARY OF FINDINGS FOR EACH INDICATOR	COMPLIANCE (YES/NO)
			<ul style="list-style-type: none"> - Review social impact assessment <p>Regular evaluation of plantation and mill operation was performed through internal and external audits. The coverage of the audit including production planning, production, power generation and utilization, consumable, process control, quality control – including waste water treatment, maintenance, occupational health and safety, FFB incoming and inspection, and laboratory. The above audit reports indicated that all gaps against standard operation procedure of plantation and operation were noted. Corrective action plan was issued and implemented to demonstrate effort for compliance as well as continual improvement</p>	

3.3.2 Mill Supply Chain Requirements

PART A COMPANY DETAIL

Company Name (covered by certification): PT Tunggal Yunus Estate (Topaz Palm Oil Mill)		
RSPO member name: PT Inti Indosawit Subur	RSPO member number: RSPO_PO000002142	
RSPO IT Platform Registration number: 100-220-600000		
Site Address: Desa Petapahan, Kec Tapung, Kab Kampar, RIAU, Indonesia		
Management Representative: Riki Santana Harahap		
Site type: CPO Mill		
Site capacity: 45 MT FFB/hour		
Certified palm product sold: CPO = 2,270 MT, PK = 3.507 MT		
Certified palm product used: 123,104 MT FFB		
App/Cert No: FMS40004	Audit Type: ASA3	
SAI Global Auditor/Team: Nanang Rusmana	Audit Date: 13/12/2017	Activity/Audit No: WI-843778
<p>Audit objectives To verify the volume of certified and uncertified FFB entering the mill and sold volume of RSPO certified producers.</p>		
Supply Chain Model:	Module E - CPO Mills (MB) Mass Balance	
Pertinent record period:	December 2016 – November 2017	
Estimated tonnage of certified palm product produced:	CPO: 28,944 MT and PK: 7,536 MT	
Estimated of tonnage of non-certified palm product produced	CPO: 27,473 MT and PK: 8,566 MT	
String description:	Palm Oil Mill	
Outsource activity(ies) (if any):	No outsource activity	
Independent third party(ies) performing outsource activity(ies): name, address and Capability	No outsource activity	

3.3.2.1 Supply Chain Certification Standard

Requirements	Audit Findings / Objective Evidence	STATUS (NC / AOC / C)
CPO MILLS (MB) MASS BALANCE SUPPLY CHAIN MODELS – MODULAR REQUIREMENTS		
E.1 Definition		
<p>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.</p>		
E.2 Explanation		
<p>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.</p>		
<p>a. Has the estimated tonnage of CPO and PK products (that could potentially be produced by the certified mill) been recorded by the certification body (CB) in the public summary of the P&C certification report?</p>	<p>The estimated tonnage of COP and PK certified product has been recorded as follows (December – November period):</p> <p><u>ASA 1</u> CPO : 26,072 MT PK : 6,662 MT</p> <p><u>ASA 2</u> CPO : 28,646 MT PK : 7,161 MT</p>	C

Requirements	Audit Findings / Objective Evidence	STATUS (NC / AOC / C)
	<p><u>ASA 3</u> CPO : 25,286 MT PK : 6,516 MT</p> <p><u>ASA 4</u> CPO : 28,944 MT PK : 7,536 MT</p>	
<p>b. Does the figure represent the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year?</p>	<p>The figure represented the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year.</p>	<p>C</p>
<p>c. Does the actual tonnage produced have to then be recorded in each subsequent annual surveillance report?</p>	<p>The actual tonnage produced has been recorded in each subsequent annual surveillance report, i.e. (December – November period):</p> <p><u>ASA 1</u> CPO : 29,809 MT PK : 7,531 MT</p> <p><u>ASA 2</u> CPO : 25,208 MT PK : 6,128 MT</p> <p><u>ASA 3</u> CPO : 25,279.59 MT PK : 6,487.21 MT</p>	<p>C</p>
<p>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).</p>		
<p>a. The mill must also meet all registration requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim)?</p>	<p>The site has been registered as RSPO member (see the member registration number on this report). CPO delivery conducted by POM to buyer through Bulking Station that RSPO Certified (PT Sari Dumai Sejati; Certificate Number CU-RSPO SCC-821960; Expired date on 29 October 2018; by Control Union – Malaysia).</p>	<p>C</p>

Requirements	Audit Findings / Objective Evidence	STATUS (NC / AOC / C)
	Meanwhile the PK delivered directly to buyer.	
<p>b. The mill must also meet all reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim)?</p>	<p>The site has been registered on eTrace member and reported the transaction on eTrace as seen on records below.</p> <p>For sample:</p> <ul style="list-style-type: none"> • Shipping Announcement for transaction No DO:05002/DD45/02/17, on 24 May 2017, for the CPO certified of 500 MT • Shipping Announcement for transaction No DO:10005/DD45/02/17, on 30 October 2017, for the CPO certified of 250 MT • Shipping Announcement for transaction No DO:05005/DN45/13/17, on 27 May 2017, for the PK certified of 200 MT • Shipping Announcement for transaction No DO:05003/DN45/13/17, on 18 May 2017, for the PK certified of 150 MT 	C
E.3 Documented Procedure		
<p>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:</p> <ul style="list-style-type: none"> a. Complete and up to date procedures covering the implementation of all the elements in these requirements; b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard. 		
<p>a. Does the site have written procedures and/or work instructions in place to ensure the implementation of all elements specified in these requirements?</p>	<p>The site has established and documented manual and procedures covering the implementation of RSPO SC MB which include Asian Agri Group Manual (Mill Policy Manual) and SOP Mill Operation AA-MPM-OP-1400.02-R2 and SOP Traceability AA-MPM-OP-1400.17-R4. The Manual and procedures describe management and handling, as follows:</p> <ol style="list-style-type: none"> 1. Receiving of FFB 2. Weighing/Volume Measurement 3. Checking Quality of Raw Material 	C

Requirements	Audit Findings / Objective Evidence	STATUS (NC / AOC / C)
	4. Processing 5. Monitoring of Processed Products 6. Daily and Quarterly Mass Balancing Reports 7. Delivery of Products	
b. Are procedures / work instructions completely covering the implementation of all the elements in these requirements?	The procedures completely cover the implementation of all the elements of RSPO SC MB	C
c. Have the site had the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements?	At POM, POM Manager (Mr. Riki Santana Harahap) is responsible in implementing RSPO SC. This described in SOP AA-MPM-OP1400.17-R4. In Implementing of this system POM Manager is supported KTU (Mr. Ronny M Sihombing), Production Administration, Weigh Bridge Staff and security. Registering the transaction was done by Mr Welly Joel Chandra, the staff of Packing & Monitoring that was based in Jakarta HO.	C
d. Is the person able to demonstrate awareness of the site's procedures for the implementation of this standard?	Mr Ronny M Sihombing (represent of POM Manager) demonstrated awareness of the procedures to implement of RSPO SC. He has attended RSPO SC training on 26 January 2016.	C
E.3.2. The site shall have documented procedures for receiving and processing certified and non-certified FFBs.		
a. Has the site had documented procedures for receiving certified FFBs?	Receiving of FFB is described in SOP Mill Operation AA-MPM-OP-1400.02-R2 and SOP Traceability AA-MPM-OP-14000.17-R4	C
b. Has the site had documented procedures for receiving non-certified FFBs?	Receiving of FFB is described in SOP Mill Operation AA-MPM-OP-1400.02-R2 and SOP Traceability AA-MPM-OP-14000.17-R4	C
c. Has the site had documented procedures for processing certified FFBs?	Processing of FFB is described in SOP Mill Operation AA-MPM-OP-1400.02-R2 and SOP Traceability AA-MPM-OP-14000.17-R4	C

Requirements	Audit Findings / Objective Evidence	STATUS (NC / AOC / C)
d. Has the site had documented procedures for processing non-certified FFBs?	Processing of FFB is described in SOP Mill Operation AA-MPM-OP-1400.02-R2 and SOP Traceability AA-MPM-OP-14000.17-R4	C
E.4 Purchasing and Goods In		
E.4.1. The site shall verify and document the volumes of certified and non-certified FFBs received.		
a. Does the site verify and document the volumes of certified FFBs received?	The volume (weight) of FFB received from own estate (RSPO certified FFB) and third party (non-certified FFB) is weight thought weigh bridge prior entering the facility. Security staff checks the documents like FFB delivery note.	C
b. Does the site shall verify and document the volumes of non-certified FFBs received?	Once the volume (weight) of FFB received from own estate (RSPO certified FFB) and third party (non-certified FFB) goes through the weigh bridge, the weigh bridge ticket is issued. The weigh bridge is connected to the internal system (Plantation Management System). Summary of daily receiving FFB from own estate (certified FFB) and third party (non-certified FFB) is made by the POM Administration Head (KTU).	C
E.4.2. The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.		
a. Does the site inform the CB immediately if there is a projected overproduction of certified tonnage?	There was no indication of overproduction. The facility has system to inform SAI Global when overproduction is occurred. This documented on SOP Traceability AA-MPM-OP-14000.17-R4.	C
E.5 Records Keeping		

Requirements	Audit Findings / Objective Evidence	STATUS (NC / AOC / C)
<p>E.5.1. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.) For further details refer to Module C.</p>		
<p>a. Does the site record and balance all receipts of RSPO certified FFB on a three-monthly basis?</p>	<p>Receiving records (including weigh bridge ticket, unloading report), processing daily report, daily stock counting, delivery report (including pumping record), delivery order, daily mass balancing report, monthly mass balancing report and quarterly mass balancing report reviewed for period of January – November 2017 found appropriate, accurate, up to date and accessible.</p>	<p>C</p>
<p>b. The site shall record and balance all deliveries of RSPO certified CPO and PK on a three-monthly basis?</p>	<p>The appeared the site recorded delivery of RSPO certified CPO and PK on daily basis and monthly basis.</p>	<p>C</p>
<p>c. Are all volumes of palm oil and palm kernel oil that are delivered being deducted from the material accounting system according to conversion ratios stated by RSPO?</p>	<p>Delivery of RSPO certified CPO was done according to the stock availability which is monitored daily, even the POM stops. The stock report was made in accordance to RSPO conversion ratios.</p>	<p>C</p>
<p>d. Is the site only able to deliver Mass Balance sales from a positive stock?</p> <p>Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short (i.e. product can be sold before it is in stock.)</p>	<p>Yes, see above.</p>	<p>C</p>
<p>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.</p>		
<p>a. Does the mill outsource activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under</p>	<p>No, the site does not have crushing plant. The facility delivers Kernel to its customer</p>	<p>N/A</p>

Requirements	Audit Findings / Objective Evidence	STATUS (NC / AOC / C)
the responsibility of the mill and does not need to be separately certified ?	(PT Sari Dumai Sejati/PT SDS).	
b. Does the mill have to ensure that the crush is covered through a signed and enforceable agreement?	The facility does not have or outsourced the crushing of kernel. The kernel is delivered to PT SDS.	N/A

3.3.2.2 Supply Chain Certification System

Supply Chain Certification System		Status (Yes / No)
5.3.1	Has the client been made aware with necessary information concerning the RSPO Supply Chain Certification and the RSPO Rules on Communication and Claims? Has the client been made aware with necessary information concerning the RSPO Supply Chain Certification and the RSPO Rules on Communication and Claims? If potential clients have any further questions concerning the RSPO these shall be directed to the RSPO secretariat.	Yes
5.3.2	Has the client been made aware of the contractual agreement for certification services against the RSPO Supply Chain Standard and maintain a record of any agreement?	Yes
5.3.6	Has the organization been informed about the following items?	
a.	Certification process	Yes
b.	Agree logistics for the assessment and time of exit (closing) meeting.	Yes
c.	Confirm access to all relevant documents, field sites and personnel	Yes
d.	Explain confidentiality and conflict of interest	Yes

Supply Chain Certification System		Status (Yes / No)
5.3.7	Have the management documentation of the organization fully met to the requirements of the RSPO Supply Chain Certification Standard?	Yes
5.3.7	Have any issues or areas of concern been clarified to the organization?	N/A
5.3.7	Have the internal audits against RSPO supply chain standard been fully planned and underway before certification is awarded?	Yes
5.3.8	Have the organization sufficiently and adequately implemented the organizational systems, the management systems and the operational systems, including any documented policies and procedures, to meet the intent and requirements of the RSPO Supply Chain Certification Standard?	Yes
5.3.8	Have the client made aware that when there is outsourcing process to the third party after certification is granted therefor SAI Global shall be informed and SAI Global decides whether an interim visit is required for the next audit?	N/A
5.3.9	Has certification audit reviewed pertinent RSPO Supply Chain records relating to the receipt, processing and supply of certified oil palm products?	Yes
5.3.10	Have all activities conducted by subcontractors complied with the intent and requirements of the RSPO Supply Chain Certification Standard	Yes
5.3.11	Have the client made aware that until they receive written confirmation of their RSPO Supply Chain certification registration and its expiry date that they are not certified and can not make any claims concerning registration?	Yes
5.3.11	Have a detail records have been compiled of the entry (opening) meeting including a list of the participants in the meeting?	Yes
5.3.11	Have the client made aware of the findings of the audit team including any deficiencies which may result in a negative certification decisions or which may require further actions to be completed before a certification decision can be taken?	Yes
5.3.11	Have the client made aware that the findings of the audit team are tentative pending review and decision making by the duly designated representatives of the certification body?	Yes

3.4 Recommendation

The recommendations from this audit may be provided after the Major NCRs can be closed, and certification continues.

Audit recommendations are always subject to ratification by RSPO.

This report was prepared by: Nanang Rusmana, Daniel Sitompul, Fitria Rahmayanti and Fahrul Rozi.

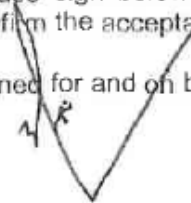
3.5 Environmental and social risk for this scope of certification for planning of the surveillance audit

- Environmental risk: compliance with regulations, hazardous waste management, handling of pesticides.
- Social risk: SIA, Labor regulation, grievance mechanism.
- HCV: Management of riparian zone
- OHS: PPE, MCU Result.

3.6 Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings

Please sign below to acknowledge receipt of the assessment visit described in this report and confirm the acceptance of the assessment report contents including assessment findings.

Signed for and on behalf of PT. Tunggal Yunus Estate – Topaz Mill.


 Ir. Wally Perdule
 Management Representative
 Date 20 February 2018

Signed for and on behalf of PT. SAI Global Indonesia


 Inge Triwulandari
 Technical Manager
 Date 19 February 2018

Appendix “A” – Audit Record

Audit Team Leader: Nanang Rusmana

Auditors: Daniel Sitompul, Fitria Rahmayanti and Fahrul Rozi

Date	Auditor	Audit meetings plus functions/ processes/ areas/ *shifts audited:	# Shifts*	Times* From – To
11/12/2017		Day 1 – Monday		
	All Auditors	Travelling Jakarta – Pekanbaru (GA 176)		14.05 – 15.50
	All Auditors	Travelling Pekanbaru - Site		16.00
12/12/2017		Day 2 – Tuesday		
	All Auditors	Opening meeting		08.00 – 08.30
	All Auditors	Topaz Estate Document review and field visit; Verification on previously findings		08.30 – 17.00
	Nanang	<u>Agronomy BMP and HCV / Protection Area</u> <ul style="list-style-type: none"> • Criteria: 3.1 (all indicator) • Criteria: 4.1.1, 4.1.2 and 4.1.3 for estate, 4.1.4 • Criteria: 4.2, 4.3, 4.4.2, • Criteria: 4.5 all indicators • Criteria: 4.6.1, 4.6.2, 4.6.3, 4.6.4, 4.6.5, 4.6.7, 4.6.8, 4.6.9 • Criteria: 5.2 (all indicator) • Criteria: 6.10 • Criteria: 7 • Criteria: 8.1 		08.30 – 17.00
	Fitria	<u>Environment</u> <ul style="list-style-type: none"> • Criteria: 2.1 all indicators for environmental aspects • Criteria: 4.4.1, 4.4.3, 4.4.4 • Criteria: 4.6.6, 4.6.10 • Criteria: 5.1, 5.3, 5.4, 5.5 and 5.6 all indicators • Criteria: 8.1 		08.30 – 17.00
	Daniel	<u>Health and Safety</u> <ul style="list-style-type: none"> • Criteria: 2.1 all indicators for OHS aspects • Criteria: 4.6.11 • Criteria: 4.7 all indicators • Criteria: 4.8 all indicators • Criteria: 8.1 		08.30 – 17.00
	Rozi	<u>Social and Legality</u> <ul style="list-style-type: none"> • Criteria: 1.1, 1.2, 1.3 all indicators • Criteria: 2.1.1 for social aspect • Criteria: 2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.2.6 • Criteria: 2.3 all indicator 		08.30 – 17.00

Audit Report

Date	Auditor	Audit meetings plus functions/ processes/ areas/ *shifts audited:	# Shifts*	Times* From – To
		<ul style="list-style-type: none"> • Criteria 4.6.12 • Criteria: 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.11, 6.12, 6.13 • Criteria: 8.1 <p><u>Interview with employee, gender committee, and labour union.</u></p>		
	All	Break		12.00 – 14.00
13/12/2017		Day 3 – Wednesday		
	All Auditors	Topaz Mill Document review and field visit; Verification on previously findings		
	Nanang	<u>Processing BMP</u> <ul style="list-style-type: none"> • Criteria: 3.1 (all indicator) • Criteria: 4.1.1, 4.1.2 and 4.1.3 for mill, 4.1.4 • Criteria: 6.10 • Criteria: 7 • Criteria: 8.1 <p><u>Supply Chain Mill and Partial Certification System of 4.2.4</u></p>		08.00 – 17.00
	Fitria	<u>Environment</u> <ul style="list-style-type: none"> • Criteria: 2.1 all indicators for environmental aspects • Criteria: 4.4.1, 4.4.3, 4.4.4 • Criteria: 4.6.6, 4.6.10 • Criteria: 5.1, 5.3, 5.4, 5.5 and 5.6 all indicators • Criteria: 8.1 		08.00 – 17.00
	Daniel	<u>Health and Safety</u> <ul style="list-style-type: none"> • Criteria: 2.1 all indicators for OHS aspects • Criteria: 4.6.11 • Criteria: 4.7 all indicators • Criteria: 4.8 all indicators • Criteria: 8.1 		08.00 – 17.00
	Rozi	<u>Social and Legality</u> <ul style="list-style-type: none"> • Criteria: 1.1, 1.2, 1.3 all indicators • Criteria: 2.1.1 for social aspect • Criteria: 2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.2.6 • Criteria: 2.3 all indicator • Criteria 4.6.12 • Criteria: 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.11, 6.12, 6.13 • Criteria: 8.1 <p><u>Interview with employee, gender committee, and labour union.</u></p>		08.00 – 17.00
		<u>Public consultation with external stakeholders (head of village, smallholder, supplier, etc.)</u>		09.00 - 10.00
	All	Break		12.00 – 14.00

Audit Report

Date	Auditor	Audit meetings plus functions/ processes/ areas/ *shifts audited:	# Shifts*	Times* From – To
14/12/2017		Day 4 – Thursday		
	All Auditors	Continued audit (estate / mill)		08.00 – 15.00
	All Auditors	Discussion		15.00 – 15.30
	All Auditors	Closing meeting		15.30 – 16.30
	All Auditors	Traveling Site – Pekanbaru (Stay in Pekanbaru)		17.00
	All Auditors	Break		12.00 – 14.00
29/09/2017		Day 5 – Friday		
	All Auditors	Travelling Pekanbaru - Jakarta (GA 173)		08.30 – 10.20

Appendix “B” – Previous Nonconformities and Opportunity for Improvement Summary

RSPO Principle and Criteria, Indonesian National Interpretation

ASA-1 15 – 17 March 2016 (by SAI Global)

No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
1.	RSPO Criterion 2.1. indicator major 1	<p>1. There was no evidence that several regulation was complied, e.g. based on interview with workers at Seed Garden, domestic waste has burned (against UU 18/2008)</p> <p>2. Compliance with several laws and regulations have not been evaluated in Seed Garden, e.g.:</p> <ul style="list-style-type: none"> • UU 18/2008 • KepmenLH 112/2003 • PP 101/2014 • PermenLH 5/2014 • PermenLH 3/208 • Permentan #07/Permentan/SR.140/2/2007 (Topaz Estate and Seed Garden) <p>3. Based on hazardous waste temporary storage permit third <i>Diktum</i> point 6c: <i>“tidak diperkenankan menyimpan (sementara) limbah B3 di tempat lain selain tempat penyimpanan sebagaimana huruf a di atas yang berlokasi seperti dinyatakan dalam diktum kedua”</i>. Actually there was there was transit storage for hazardous waste at Seed Garden and Topaz Garden, furthermore the hazardous waste was stored 3 – 5 months at Seed Garden.</p> <p>4. Several regulations regarding the implementation of Occupational Health and Safety (OHS) has not been consistently implemented in the field, such as: Ministerial Decree No. 4 year 1987 regarding P2K3, UU No. 1 year 1970 concerning OHS</p> <p><u>Topaz Estate and Seed Garden Estate:</u></p> <ul style="list-style-type: none"> ○ In the observation at Block C94U division III KTZ found Gerdang / assistant harvesters who do not 	<p><u>Seed Garden</u></p> <ul style="list-style-type: none"> • Create memorandum about PIC who has responsibility to deliver the hazardous waste to Topaz Mill • Create the transportation schedule of domestic waste • Reporting of P2K3 insert to master list document • Create memorandum about PIC who has responsibility to control the reporting <p><u>Topaz Estate:</u></p> <ul style="list-style-type: none"> • Ensure stock safety shoes and PPE was available at warehouse • Monitoring the PPE by summary stock • Reporting of P2K3 insert to master list document <p><u>Topaz Mill:</u></p> <p>Create the master list document</p>	<ul style="list-style-type: none"> • Sustainability Staff • Safety Officer 	20/05/2016	Closed

AUDIT REPORT

No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
		<p>wear appropriate PPE in the field, Gerdang wearing only flip-flops.</p> <ul style="list-style-type: none"> ○ Several manuring workers (penguntil pupuk) in the fertilizer warehouse do not use appropriate PPE (gloves), and some of his own was broken / unfit for use. ○ The results of interview with fertilizer workers at Block 95I Division II and interview in the office, PPE glove which they use was not provided free by the companies but instead bought themselves. ○ In KTZ, P2K3 organization has not been approved by local Manpower Office (Disnakertrans) and the regular P2K3 meeting reports can not be shown. ○ Regular P2K3 meeting reports was available in Seed Garden Estate (KSG) however it was not reported to local manpower office (Disnakertrans) <p><u>Topaz Mill:</u></p> <ul style="list-style-type: none"> ○ Regular P2K3 report was not consistently reported to local Manpower office, only one time reported for period 2014 – 2015 				
2.	RSPO Criteria 2.2 indicator minor 2	Based on last maintenance result of HGU pegs conducted in October 2015 and March 2016, it was noted that there were several HGU pegs were missed. However there was no action plan and time line to complete missed HGU pegs, e.g. #48, #50, #55 (Division I), #25, #28, #32 (Division III), etc.	Create memorandum and appointing Mr. Janus Ginting as PIC who has responsibility to monitor HGU pegs	Estate Manager	16/12/2016	Closed
3.	RSPO Criteria 3.3 indicator major 1	Management plan has not covered a long term viability plan for plantations on peat, e.g. flooding, drainability assessments and subsidence issues.	Coordinating with HRD division for drainability assessment and create monitoring assessment that insert to the master list document include the retention time	Estate Manager	20/05/2016	Closed

AUDIT REPORT

No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
4	RSPO Criterion 4.3 indicator minor 5	Drainability assessment has not been conducted.	Coordinating with HRD division for drainability assessment and create monitoring assessment that insert to the master list document include the retention time	Estate Manager	16/12/2016	Closed
5	RSPO Criterion 4.4 indicator minor 1	The measurement analysis of clean water for housing at Division I Topaz Estates and Seed Garden cannot be shown during audit.	Put in the list of regular testing in Topaz and Seed Garden Estate and monitor it regularly	Estate Manager	16/12/2016	Closed
6	RSPO Criteria 4.6 indicator major 5	It was no evidence that spraying operators worked with limited pesticides has been trained regarding limited pesticides, e.g. Sri Rahayu, Supriatin, Misyati and Dosma.	Monitor and ensure the spraying operator and chemical workers have certificate regarding limited pesticide training	Estate Manager	16/12/2016	Closed
7	RSPO Criteria 4.6 indicator major 11	<u>KTZ dan KSG:</u> There were no evidence of MCU record for several sprayer workers, comprise of : <ul style="list-style-type: none"> - Irama Syahputri - Sri Rahayu - Supriatin - Misyati - Dosma 	Create the MCU plan for all workers include workers who work at high risk area such as sprayer worker, fertilizer worker	Estate Manager	16/12/2016	Closed
8	RSPO Criteria 4.7 indicator major 1	<u>KTZ and KSG:</u> <ul style="list-style-type: none"> • Observation audit and interview with several workers indicated that they don't understood the company safety and health policy • Emergency response system in estate has not been run well, its evidenced by observation in Posko KTD, the water tank for fire rescue was not available/ready to use in Posko KTD. • Warehouse operator/workers was not able to use fire extinguisher (APAR) <u>PKS Topaz:</u>	<u>Topaz and Seed Garden Estate:</u> <ul style="list-style-type: none"> • Disseminated and refresh the company policy once a year to all workers • Monitor the emergency response infrastructure regularly and ensure it were on place <u>Topaz Mill:</u> Issued memorandum to appoint PIC who has responsibility to check the emergency response infrastructures.	Safety Officer	20/05/2016	Closed

AUDIT REPORT

No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
		Hydrant equipment in PKS was not consistently monitored, some equipment was inadequate to use and leakage, Hydrant box was not properly checked.				
9	4.7 indicator major 2	<p><u>Kebun KTZ :</u></p> <ul style="list-style-type: none"> HIRAC for Topaz estate was not covered activity : manuring, genset operation, road maintenance, workshop, and clinic. HIRAC limited conducted for the harvest, FFB transport and housing <p><u>Topaz Mill:</u></p> <ul style="list-style-type: none"> Ditch conveyor incline in mill was not closed by cover and it was danger and potentially risk to accident Chain machine was not closed by cover on Press roller plat in workshop 	<p><u>Topaz Estate:</u> HIRAC was periodically review on P2K3 monthly meeting</p> <p><u>Topaz Mill:</u> Monitor the cover of rotating machine by preventive maintenance checklist</p>	Safety Officer	20/05/2016	Closed
10	RSPO Criteria 4.7 indicator major 3	<p><u>Kebun KTZ dan KSG</u></p> <ul style="list-style-type: none"> During filed observation in Block C94U Afdeling III KTZ it was found that harvester helper (Gerdang) was not use proper PPE, they just wearing sandal jepit. Several manuring workers (penguntil) in fertilizer warehouse was not use proper PPE (hand gloves) and several of them use the broken PPE and its not provide by organisation. 	<ul style="list-style-type: none"> Ensure the PPE stock was available at warehouse Monitor the stock by using summary stock 	Safety Officer	20/05/2016	Closed
11	RSPO Criteria 4.7 indicator minor 5	<p><u>Kebun KSG:</u></p> <ul style="list-style-type: none"> During field observation in KSG, First aid equipment was not consistently available at worksite, harvesting foreman was not bring and provided with first aid kit First aid kit was not consistent regularly checked, it was found in Gudang pesticide warehouse some medicine in first aid kit was expired (Aquades) <p><u>Kebun KSG dan KTZ:</u></p> <ul style="list-style-type: none"> Interview with several foreman and workers in KTZ indicated that they don't understand how 	<ul style="list-style-type: none"> Ensure all foreman to bring the first aid kit when they work Create schedule for refresh training how to use and implementing first aid (P3K) for all foreman and workers Issued memorandum to appoint PIC who has responsibility to check first aid kit condition 	<ul style="list-style-type: none"> Estate Manager Safety Officer 	16/12/2016	Closed

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No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
		<p>implementing first aid in accident</p> <p><u>Topaz Mill:</u></p> <p>During observation in several first aid kit, it was found the medicine which not understood how to use and what it use for.</p>				
12	RSPO Criteria 4.7 indicator minor 7	Occupational injuries in KSG estate has not been recorded using Lost Time Accident (LTA) metrics	Review the LTA metrics in the end of year	Safety Officer	16/12/2016	Closed
13	RSPO Criteria 4.8 indicator minor 2	<p><u>KTZ:</u></p> <p>- Employee Record training KTZ estate was not available</p> <p><u>Topaz Mill:</u></p> <p>- Employee training record Topaz mill was not available</p>	Create the masterlist for control document	Safety Officer	16/12/2016	Closed
14	RSPO Criteria 5.2 indicator minor 3	There was no program which regularly performed by organisation to educate the workforce about the status of the RTE species.	Create the masterlist for control document	Sustainability Officer	16/12/2016	Closed
15	RSPO Criteria 5.2 indicator minor 4	There is no evidence that the monitoring activity of biodiversity especially RTE species give the outcomes and feed back into the conservation management plan	Create the masterlist for control document and review the document every semester	Sustainability Officer	16/12/2016	Closed
16	RSPO Criterion 5.3 indicator major 2	Hazardous waste was process by PT Shali Riau Lestari as transporter on 17 November 2015, but the permit of vehicle BM 9089 TJ from <i>Dirjen Perhubungan Darat</i> cannot be shown during audit.	<ul style="list-style-type: none"> • Appoint the PIC who has responsibility to monitor the document of hazardous waste • Issued the memorandum for appointment the document control 	Sustainability Officer	20/05/2016	Closed
17	RSPO Criterion 5.3	Based on interviewed with fertilizing worker at Topaz Estate, the gloves and the apron has taken to their home to wash by themselves and the waste water has been	Monitoring and inspection the activity of workers, create the schedule of washing PPE for the fertilizing workers	Sustainability Officer	16/12/2016	Closed

AUDIT REPORT

No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
	indicator minor 3	discarded to the ditch.				
18	RSPO Criterion 5.6 indicator minor 3 (Recurrence at the ASA 2)	GHG emission has not reported yet for period 2015.	Create the schedule of GHG reporting to the RSPO	Sustainability Officer	-	Closed
19	RSPO Criteria 6.5 indicator major 1	Payment documentation after wage reduction by the company that received by worker at Topaz Estate has not been available. For example, contributions for Union (SPSI), Cooperatives, etc.	Collecting and manage the records of dissemination and contribution from the members of SPSI	Estate Manager	20/05/2016	Closed
20	RSPO Criteria 6.5 indicator major 2	<p>a. From worker list, it was found that 306 employees PHL – Topaz Estate were not completed with his employment contract.</p> <p>b. Each month worker requested to contribute to Union/SPSI Rp. 10,000 from their wage. And there is no evidence that wage reduction have been understood and approved by worker.</p>	Documenting the record of all dissemination from SPSI committee	Estate Manager	20/05/2016	Closed

ASA-2 13 – 16 December 2016 (by SAI Global)

No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
1	RSPO PC 2013 Indicator 2.1.1	<p>a. It was found that <i>PHL</i> contracts not reported to Labour Agency of Kampar Regency as required in <i>Permenaker</i> No 100 year 2004 Section 12 clause 3</p> <p>b. Annual labour statistics was reported to Labour Agency of Kampar Regency not complied to Act No 7 year 1981 because of total workers reported was inappropriate with actual condition</p>	<p>a. Monthly monitoring related to extension of <i>PHL</i> contract and its reporting by Head of Administration (<i>KTU</i>).</p> <p>b. Coordination between the units (estate and mill) at the time of reporting and also its checking for number of workers by Head of Administration (<i>KTU</i>).</p>	SPO Officer	13/02/2017	Closed
2	RSPO PC 2013	Based on document review, the subsidence monitoring period was annually, this was not in accordance with	<ul style="list-style-type: none"> Create subsidence schedules of subsidence monitoring every 6 months by Division Assistant. 	Estate Manager	13/02/2017	Closed

AUDIT REPORT

No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
	Indicator 4.3.4	company procedure AA-SOP-OP-1100.17-R1 was every 6 months	<ul style="list-style-type: none"> Dissemination of subsidence monitoring (every 6 months) on peat area, on 26 December 2016 to PIC monitoring (<i>Mandor</i>) by Division Assistant. 			
3	RSPO PC 2013 Indicator 4.6.6	<ol style="list-style-type: none"> Based on field observation found that empty pesticide container "Mensulindo" 22 bottles in Mixing Pesticide Storage has not been moved to hazardous waste storage Based on field observation found that drainage from sprayer's bathroom has contact to landfill. Based on field observation found that piece of container from cutting activities of the empty chemical container Protect 406 in mill's workshop Based on public consultation with stakeholders found that Chemical Trucks used for watering the villages road 	<ol style="list-style-type: none"> Dissemination to storage operator related to the transport of empty pesticide container to be done as soon as the work activity performed, date on 20 December 2016. And also monthly monitoring by Workshop Assistant to transporting of empty pesticide container to hazardous waste storage. Monthly monitoring of barrier drainage in sprayer's bathroom area by Assistant Workshop Assistant. Dissemination to mill wokers related to the transport of peice of empty pesticide container (Protect 480) to be done as soon as the work activity performed, date on 20 December 2016. And also monthly monitoing by Workshop Assistant to transporting of empty pesticide container to hazardous waste storage. Monthly monitoring regarding flush the village road by Workshop Assistant to make sure will not use chemical trucks. 	SPO Officer	13/02/2017	Closed
4	RSPO PC 2013 Indicator 4.7.2	The emergency simulation for Topaz Estate, Seed Garden Estate and Topaz mill was not included in all related risk assessment.	<ul style="list-style-type: none"> Dissemination of emergency simulation must be included risk assessment in Safety Meeting, date on 09 February 2017. Updating of each activities in estate and mill to put in risk assessment in monthly safety meeting 	EHS Officer	13/02/2017	Closed
5	RSPO PC 2013 Indicator 4.7.3	Pesticides warehouse officer named Mr. Putra at Topaz estate was using dust mask instead of chemical mask/activated carbon mask while entering the warehouse.	<ul style="list-style-type: none"> Dissemination of appropriate type of mask at the place of work to warehouse officer. Monthly monitoring related to PPE application at warehouse area 	SPO Officer	13/02/2017	Closed
6	RSPO PC 2013 Indicator 5.1.1	Document of Impact Source Analysis (<i>ASDAM</i>) does not include pollination activities and existences fire warehouse facilities	Review all activities at Mill and Estate into document of impact source analysis by SPO officer, and (if any) coordinate to unit manager (estate and mill) and Sustainability Department to create impact source analysis.	SPO Officer	13/02/2017	Closed
7	RSPO PC 2013 Indicator 5.2.4	Based on document review found that some recommendation from Flora and Fauna Monitoring Report (since Y2015 both Semester I and II, and Semester I Y2016) has not been follow up by company	Report of management and monitoring implementation (includes follow up) report conducted annual by SPO Officer.	SPO Officer	13/02/2017	Closed
8	RSPO PC 2013 Indicator 5.3.3	<ol style="list-style-type: none"> Based on field observation found that used oil in drum draining \pm 40 liters has not been moved to hazardous waste storage. Based on field observation found that domestic waste was burnt (labour union office, polyclinic office, and emplacement no.1 Afd III) Topaz Estate. Based on field observation found that final domestic waste storage in Block C-94 still near with emplacement \pm 50 meters and no open/close date 	<ol style="list-style-type: none"> Dissemination of the transport of oil waste to be done as soon as the work activity performed to transporter of oil waste. And also monthly monitoring by Workshop Assistant to transporting of empty pesticide container to hazardous waste storage. Monthly monitoring to emplacement area and surrounding related to waste burying Dissemination of minimum distance of final domestic waste storage and its information of the opening and 	SPO Officer	13/02/2017	Closed

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No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
		signage	closing date to Division Assistant.			
9	RSPO PC 2013 Indicator 5.6.3	Based on document review found that GHG calculation and that reporting Y2015 not available during audit.	Dissemination and annual monitoring to GHG PIC related to GHG calculation and reporting to RSPO by Sustaibalibity Department – Head Office (Jakarta).	SPO Officer	13/02/2017	Closed
10	RSPO PC 2013 Indicator 6.1.1	Based on document review, SIA document only covered : a. Village monography b. Relationship between company and village c. Livelihoods d. Religion activities e. Village infrastructure f. Positive impact g. Negative impact	a. Review update the social impact assessment scope (any change) b. Dissemination to PIC social related to update the SIA scope c. Implementation of the social impact management and monitoring related to workers/labour and women, children and vulnerable group	SPO Officer	13/02/2017	Closed
11	RSPO PC 2013 Indicator 6.1.4	Based on document review, social impact management and monitoring Y2015	Monitoring of social impact management and monitoring related to stakeholder participation twice a year in report of environment management and moniroting implementation.	SPO Officer	13/02/2017	Closed
12	RSPO PC 2013 Indicator 6.2.2	Based on interview with Governance Body in Kampar Regency (Environmental Agency, Plantation Agency), it was observed that they doesn't recognize Mr. Sofyan as Humas (Public Relations) in PT Tunggal Yunus.	Mr. Sofyan as Humas (Public Relations) in PT Tunggal Yunus will coordinate directly to Governance Body in Kampar Regency (Environmental Agency, Plantation Agency) each there is need among related parties.	KTU	13/02/2017	Closed
13	RSPO P&C 2013 Indicator 6.5.2	Based on document review, it was found evidences such as : a. Contract on behalf of Reni Atika, Rosmaline Br Pakpahan, Sri Rahayu, Arianus Laoli, Rajes Purba and Engkus Kusnadi (KTZ), wages unknown, dated 1 December 2016, contract for 1 year until 1 December 2017 b. Contract on behalf of Ifo Lawolo, KTZ, wages unknown, dated 1 December 2016, contract for 1 year until 1 December 2017 (unsigned by second parties) c. Contract on behalf of Amir Mahmud, PTZ, wages Rp. 2.125.500, dated 1 Januariy 2016, contract for 1 year until 1 January 2017 (unsigned by both parties) d. Contract on behalf of Bambang Kurniawan, PTZ, wages Rp. 2.125.500, dated 1 January 2016, contract for 1 year until 1 January 2017 (signed only by second parties) e. For Mr. Amir Mahmud (point C above) and Mr. Bambang Kurniawan (point D above), in their contract stated that they will get salary Rp. 2.125.500 (based on UMP Year 2015). In April 2016 they get salary adjustment in accordance to UMSP Year 2016, Rp. 2.325.000. But, there are no revision on their contract. f. Contract on behalf of Yulina Zai, Suwarni, Idaman Ria (KSG), wages Rp. 93.000/days, dated 2 January 2016, contract for 1 year but not stated in contract	a. Dissemination to each unit (mill and estate) related to worker contract standard by <i>KTU</i> . b. Monitoring each new or existing contract workers by each <i>KTU</i> .	KTU	13/02/2017	Closed

AUDIT REPORT

Special Audit – 3 March 2017 (by SAI Global)

No	RSPO Criterion	Details	Corrective Action	PIC	Completion Date	Status
1	RSPO PC INA NI 2016 Indicator 5.2.1	HCV assessment process didn't included consultation with such relevant stakeholders as relevant government departments and interested NGOs	Annually reporting of HCV implementation to BKSDA Riau Province by Sustainability Staff.	Sustainability Div	03/05/2017	Closed
2	RSPO PC INA NI 2016 Indicator 6.1.1 and 6.1.3	Based on document review, SIA does not covered several factors and there was no plan for avoidance or mitigation of negative impacts and promotion of the positive ones, for aspects : a. Subsistence activities b. Welfare of women workers, children and vulnerable group	EMS and CSR Team will monitor the SIA implementation through implementation of management and monitoring environment (RKL/RPL) and CSR that refer to RSPO PC INANI 2016.	Sustainability Div	03/05/2017	Closed

AUDIT REPORT
Appendix “C” – Nonconformities and Opportunity for Improvement Summary

RSPO Principle and Criteria, Indonesian National Interpretation

Organisation Name:		PT. Tunggal Yunus Estate Topaz Estate and Topaz Mill			Location:		Petapahan Village, Tapung Sub-District, Kampar Regency, Riau Province, IDN			
Date:	12/12/2017	Audit team leader:	Nanang Rusmana		Activity/Report ID:	WI-992931	License/Certificate No.:	FMS40004		
Organisation’s acknowledgement of receipt of NCR			Employee Name:	Welly Joel Candra			Date NCR Accepted:	14/12/2017		
Section 1				Section 2			Section 3		Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:		

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
01	RSPO PC INANI 2016 Criterion 2.1 indicator Major 1	Major	<p>Non-conformance: Some activities has not comply with legal requirement</p> <p>Objective evidence: The new environment regulation has not been identified and evaluated such as <i>Permenkes 32/2017, PermenLHK 130/2017, PermenLHK 68/2017</i>.</p>	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Evidence submitted to Team Leader</p>	<p>Provide <i>Permenkes 32/2017, PermenLHK 130/2017, PermenLHK 68/2017</i> in list of regulation evaluation date on 20 December 2017 by <i>Humas</i></p>	<p>Root Cause : Lack of cooperation intensity between SSL Dept. Coordinator and Humas for updating regulation. At the time, regulation updating was conducted minimum once a year and the last updated on 05 April 2017.</p> <p>Corrective Action : SSL Dept. Coordinator, Sustainability and CSR, Dept, and <i>Humas</i> have been coordinated date on 29 December 2017 regarding revision of regulation updating (International, National, Province, and Local Regulation) minimum every 3 months. SSL Dept. will inform to <i>Humas/KTU</i> by email and knowledge by Sustainability and CSR Dept. It was stated in Internal Memorandum NO. 001/TYE/MEMO/12/2017 date on 29 December 2017.</p>	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Nanang Rusmana</p> <p>Date: 07/02/2018</p>	<p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> The list of revision of regulation updating has been shown during follow up audit. The Internal Memorandum No.001/TYE/MEMO/12/2017 date on 29 December 2017 regarding revision of regulation updating <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>Name Nanang Rusmana</p> <p>Date: 7 February 2018</p>

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
02	RSPO PC INANI 2016 Criterion 4.4 indicator minor 1 and Criterion 6.5 indicator minor 3	Minor	<p>Non-conformance: There were some activity that may harmful for the water source.</p> <p>Objective evidence: 1. Based on observation at TUS (spraying workers) changing room there was evidence that some of TUS clothes washed in their own house. 2. Based on result of clean water analysis at Seed Garden (Afd IV) it was shown that some of parameters were not meet with requirement such as pH 6.25 (normal 6.5 – 8.5), color 83 TCU (normal 50 TCU), Fe 1.68 mg/L (normal 1 mg/L).</p>	<p>Due Date: Next SAI Audit</p> <p>SAI Follow up Method: Onsite</p>	<p>1. Washing the spraying clothes has been conducted at TUS warehouse by appointed personnel as scheduled Washing the PPE spraying has been conducted at TUS warehouse by appointed personnel as scheduled</p> <p>2. KTU conduct re-measurement of clean water samples in Division IV/Seed Garden to the accredited Laboratory (<i>Dinas PU dan Penata Ruang UPT Pengujian Material Pemerintah Propinsi Riau</i>) on 20 December 2017 as per Permenkes 32/2017.</p>	<p>Root Cause : 1. Organization has not appointed the personnel whose responsible to wash the spraying clothes and also there was no specific work instruction regarding to washing of spraying clothes Organization has not appointed the personnel who's responsible to wash the spraying PPE and also there was no specific work instruction regarding to washing of spraying PPE</p> <p>2. During the process of clarification (coagulation, flocculation and sedimentation) in the WTP Tank Clarifier, the time spent is less than 2.5 hours according to the SOP-AA-MPM-OP-1400.11-R1 Water Treatment Station, thus affecting the color, pH and FE content of the water sample.</p> <p>Corrective Action : 1. Appointed the specific personnel to wash the spraying clothes and establish the work instruction regarding to washing of spraying clothes. Appointed the specific personnel to wash the spraying PPE and establish the work instruction regarding to washing of spraying PPE.</p>	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Daniel Sitompul Date: 07/02/2018</p>	<p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> All correction evidences have been submitted and implemented. It was effectively conducted. The minor NCR can be closed at the time of the next audit (onsite) by reviewing the effectiveness of corrective action. <p>Name Daniel Sitompul Date: 7 February 2018</p>

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
03	RSPO PC INANI 2016 Criterion 4.4 indicator Major 2 and 5.2 indicator Major 2	Major	<p>Non-conformance: The management of riparian zones and HCV areas has not been conducted properly.</p> <p>Objective Evidence: Based on field observation in riparian zone Block B95a Afdeling II which is also an HCV area, it was found that the riparian has been sprayed by pesticides.</p>	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Onsite</p>	<ul style="list-style-type: none"> Assistant Afdeling III as TUS Coordinator has conducted socialization at the Master Morning/Apel Pagi on 18 December 2017 to the Spraying workers and Mandor TUS related the prohibition of pesticides application in riparian zone Assistant Afdeling has made the signboard related the prohibition of pesticides application in riparian zone on 8 January 2018 (50 m from the riparian) in block that have the riparian zone (Block A94c, B95a and C94c). 	<p>Root Cause :</p> <ul style="list-style-type: none"> There are some sprayer worker that have not understood the spray boundaries in the riparian zone area (50 m from the riparian). The monitoring of riparian zone is only done by Mandor HCV and then lack of communication between Mandor TUS and Mandor HCV <p>Corrective Action :</p> <ul style="list-style-type: none"> Mandor TUS has conducted socialization to the workers in the block that have riparian zone before starting the activity related the prohibition of pesticides application in the riparian boundary in December 2017 and January 2018. Mandor TUS has conducted monitoring during application and also 1 week after application (joint monitoring) with Mandor HCV in December 2017 and January 2018 for make sure that the application has been done correctly. <p>Assistant has been conducted socialization on 24 December 2017 to Mandor TUS and Mandor HCV to conduct monitoring cooperation.</p> <ul style="list-style-type: none"> Manager has been registered the spraying 	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Nanang Rusmana</p> <p>Date: 07/02/2018</p>	<p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> The evidence of socialization already available Master list Document and monitoring was already available The letter/email of IPM training already available The result of joint monitoring has shown during FU, for period December 2017 and January 2018 <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>Name Nanang Rusmana</p> <p>Date: 7 February 2018</p>

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
04	RSPO PC INANI 2016 Criterion 4.6 indicator Major 5 and Criterion 4.7 indicator minor 5	Major	<p>Non-conformance: The workers who involved in pesticides spraying are not yet competent.</p> <p>Objective Evidence:</p> <ol style="list-style-type: none"> Based on document review and interview to the IPM Workers in Block 15 (B95i) Afdeling II who involved pesticides spraying in handling of IPM (termite control with pesticides Regent 50SC), it was found that the workers has not been trained of pesticides application. The MSDS for Regent 50SC and Agristik are not available during pesticides application in Block 76(C94d) Afdeling III and in Block 15 (B95i) Afdeling II. Pesticides container and knapsack was not equipped by symbol of hazardous material. 	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Onsite</p>	<ol style="list-style-type: none"> Train the related worker the SOP Handling The Pesticides (AA-OPM-OP-1100.11-R1) Providing the related MSDS to working area in Block 76(C94d) Afdeling III and in Block 15 (B95i) Afdeling II. Providing the container and knapsack with the symbol of hazardous material 	<p>Root Cause :</p> <ol style="list-style-type: none"> The workers superior was not completely understood the <i>SOP Rekrutmen dan Seleksi Karyawan</i> (AA-HR-305.2-R0) and then there is no mechanism to know the level of understanding. The PIC was not really aware the importance of MSDS at working area The worker was not aware of the importance of hazardous symbol at pesticides container and knapsack <p>Corrective Action :</p> <ol style="list-style-type: none"> Train the superior (ASKEP) the SOP of <i>Rekrutmen dan Seleksi Karyawan</i> (AA-HR-305.2-R0) Train the PIC the importance of MSDS at working area. And then the AK3U has conducted monthly monitoring (by checklist) related availability of MSDS in the warehouse. Train the related worker the importance of hazardous material symbol at pesticides container and knapsack. And then the AK3U has conducted monthly monitoring (by checklist) 	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Daniel Sitompul Date: 07/02/2018</p>	<p>Verification of Effectiveness: The trainings have been conducted as below:</p> <ol style="list-style-type: none"> The SOP <i>Rekrutmen dan Seleksi Karyawan</i> (AA-HR-305.2-R0) on 3 February 2018 The Importance of MSDS on 2 January 2018 The importance hazardous material symbol on 8 January 2018 The training of SOP Handling The Pesticides (AA-OPM-OP-1100.11-R1) on 3 February 2018 <ul style="list-style-type: none"> During field verification, MSDS now available at working area and the hazardous symbol has been attached to the containers and knapsack. And then the Checklist of monitoring was available, and was shown that MSDS and B3 Symbol already checked/available for period December 2017 and January 2018 The result of post-test was already available, the result was shown that the training effectively conducted <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p>

AUDIT REPORT

Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
05	RSPO PC INANI 2016 Criterion 4.7 indicator Major 2	Major	<p>Non-conformance: The risk control for cutting process at warehouse mill and estate was not determined optimally</p> <p>Objective Evidence: There was no FBA (flash back arrester) equipment attached to O₂ and LPG gas tube used for metal cutting process at estate workshop.</p>	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Onsite</p>	<p>Equipped the O₂ and LPG tank with Flash Back Arrester (FBA) at estate workshop.</p> <p>Include FBA in risk control on cutting process hazard assessment</p>	<p>Root Cause : The related worker (safety officer, internal safety auditor and workshop worker) was not aware of the importance of FBA during welding process. And then HIRA has not analyzed and mentioned the use of FBA on O₂ and LPG gas tube.</p> <p>Corrective Action :</p> <ul style="list-style-type: none"> • Manager has conducted socialization/training to the safety officer, internal safety auditor-AK3U and workshop worker related the safety welding especially the need of FBA • Management has conducted the post-test after the training, this is to measure the level of understanding of training material. • AK3U has revised the HIRA by adding the FBA for metal cutting process. And also HIRA was updated monthly by AK3U and discussed in Monthly Safety Meeting (P2K3) and then will be inform to the management. • AK3U has conducted monthly monitoring (by checklist) related the availability of FBA. 	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Daniel Sitompul Date: 07/02/2018</p>	<p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • Safety welding training has been conducted on 8 December 2017 and the FBA have been equipped to the O₂ and LPG tank. • The minutes of training (attendance list, training material) and the result of post-test was already available • The HIRA was already revised, and was shown during Follow Up audit • Monthly monitoring for period December 2017 and January 2018 has already available, the result was shown that all gas tube has been equipped by FBA <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>Name Daniel Sitompul Date: 7 February 2018</p>

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
06	RSPO PC INANI 2016 Criterion 4.7 indicator Major 3	Major	<p>Non-conformance: Appropriate protective equipment was not available to all workers at the place of work</p> <p>Objective Evidence: FFB transporter workers from third party was found not wearing safety shoes at loading ramp area Topaz Mill.</p>	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Onsite</p>	Providing the PPE for third party contractor and guest at security post	<p>Root Cause : Security was not optimally monitor the using of PPE for subcontractor worker at security gate, even though the requirement related PPE was mentioned in the Agreement Letter with the contractor.</p> <p>Corrective Action :</p> <ul style="list-style-type: none"> • Give the security personnel the warning letter and socialization of importance using PPE regarding to this matter • Security was conducted daily monitoring (by checklist) for Third Party related to the completeness of PPE, if the third party does not use PPE then it will be refused to enter the Mill Area. 	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Daniel Sitompul Date: 07/02/2018</p>	<p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • Socialization of importance using PPE regarding to this matter has been conducted on 3 February 2018. The warning letter signed by mill manager has been raised on 14 December 2017. • All subcontractor (FFB transporter) workers was seen using PPE at loading ramp during FU audit. • Daily monitoring already was available for period December 2017 and January 2018. <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>Name Daniel Sitompul Date: 7 February 2018</p>

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
07	RSPO PC INANI 2016 Criterion 5.1 indicator Major 1	Major	<p>Non-conformance: Environment impact assessment was not cover some of activity at estate</p> <p>Objective evidence: Document of environment impact assessment (ASDAM) does not include termite control activity and washed activity at spray changing room.</p>	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Evidence submitted to Team Leader</p>	Update the impact assessment to cover activities termite control and washing at spraying warehouse	<p>Root Cause : Related worker was not aware of the SOP AA-EMS-611-PR Identification and Evaluation of Aspect and Impact Environment which already included the termite process and washing process.</p> <p>Corrective Action :</p> <ul style="list-style-type: none"> Give awareness to the related worker regarding to SOP AA-EMS-611-PR Identification and Evaluation of Aspect and Impact Environment. The review of ASDAM already involves the Management who know the whole process of work. 	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Daniel Sitompul Date: 07/02/2018</p>	<p>Verification of Effectiveness: Socialization of SOP AA-EMS-611-PR Identification and Evaluation of Aspect and Impact Environment has been conducted on 3 February 2018.</p> <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>Name: Daniel Sitompul Date: 7 February 2018</p>

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
08	RSPO PC INANI 2016 Criterion 5.3 indicator Major 2	Major	<p>Non-conformance: Hazardous waste management was not in consistence</p> <p>Objective evidence: Medical waste storage time was exceed the time limit based on permit of hazardous waste 90 days; it was observed on hazardous waste logbook medical waste in on 3 December 2016 and transported on 29 April 2017, 26 May 2017 transported on 28 October 2017.</p>	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Evidence submitted to Team Leader</p>	<p>Pile the medical waste at medical waste landfill according to the regulation <i>PermenLH No.56 tahun 2015</i></p>	<p>Root Cause : The related worker was not aware of the time limit of medical waste as stated in the permit (max 90 days). Training was conducted, however the warehouse clerk of TPS LB3 did not catch the exact date of time limit, because based on <i>PermenLHK No.56/2015</i> is 180 days.</p> <p>Corrective Action :</p> <ul style="list-style-type: none"> Conducting socialization related to hazardous waste management especially time limit for medical waste to all workers related to hazardous waste. After conducted re-socialization, the management has conducted post test, the result of test that the warehouse clerk already understood related time limit. The management has conducted monthly evaluation related legal compliance and recapitulation of permits. 	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Daniel Sitompul Date: 07/02/2018</p>	<p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> Medical waste was piled on landfill facility on 17 January 2018. The waste is 3 Kg. Approval for medical waste landfill from DLH was available with number: 660/DLH-PPKL/2018/35 on 3 January 2018. The socialization hazardous waste management has been conducted on 3 January 2018. Monthly Evaluation of legal compliance and recapitulation of permits was available for period December 2017 and January 2018. <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>Name Daniel Sitompul Date: 7 February 2018</p>

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
09	RSPO PC INANI 2016 Criterion 6.1 indicator minor 4	Major (Reurrence ASA2)	<p>Non-conformance : A review of Social Impacts Management and Monitoring documents is not appropriate.</p> <p>Objective evidence : A Social Impact Management And Monitoring plan which are reviewed at least every 2 years, and involves the participation of all affected parties can't be shown</p>	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Evidence submitted to Team Leader</p>	<p>Manager coordinates with the Sustainability Department Pekanbaru on 29 December 2017 by email to provided SIA PT. TYE. SIA Document has available (the Chapter of conclusions have been improved) and the evidence of involves from all affected parties has shown in the SIA Document.</p>	<p>Root Cause : Review of SIA documents of PT. TYE is available, but Chapter Conclusion is not complete and evidence of stakeholder involvement has not been included.</p> <p>Corrective Action :</p> <ul style="list-style-type: none"> • Head of sustainability AA has conducted socialization (P&C RSPO) on 27 January 2018 to the Team Sustainability that SIA must be reviewed every 2 years and also includes the supporting documents. • KTU has added SIA Document (including its attachment) to the Document Master List (Periodic Monitoring) on 21 January 2018. 	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Nanang Rusmana Date: 07/02/2018</p>	<p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • The evidence of socialization already available • Master list Document and monitoring was already available • SIA Document was already available, and the evidence of involves from all affected parties has shown in the SIA Document. <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>Name Nanang Rusmana Date: 7 February 2018</p>

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
10	RSPO PC INANI 2016 Criterion 6.3 indicator Major 1	Major	<p>Non-conformance: There is grievance employee mechanism is not appropriate</p> <p>Objective evidence : The grievance logbook have not yet recorded all employee grievance. Based on document review, the logbook only records grievance of damage the employees' housing. However, based on interviews with workers there are several grievance that are always expressed but not recorded in the logbook, such as:</p> <ul style="list-style-type: none"> • Appointment of PHL workers who has been working for a long time but not appointed to SKU. • Referral for sick employees to Evarina Hospital in Kerinci is felt too far, exhausting and costly, even though the trip has been assisted by the company. 	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Evidence submitted to Team Leader</p>	<p>KTU records all employee grievance as the evidence of monitoring employee grievance into the logbooks on 20 December 2017. And then KTU has had a meeting with Worker Union, Workers (SKU and PHL) on 22 December 2018. According to the minutes of meeting, the workers (PHL and SKU) has received an explanation submitted by the company.</p>	<p>Root Cause : KTU is lack of precision in recording employee grievance into the logbook that already available.</p> <p>Corrective Action :</p> <ul style="list-style-type: none"> • Estate Manager has conducted socialization to KTU on 2 February 2018 related the mechanism of employee grievance as per SOP AA-HR.308.5-R0. • KTU has conducted monitoring of the employees grievance logbook every month (dated 31 December 2017 and 31 January 2018) to make sure that all employee grievance has been registered. 	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Nanang Rusmana Date: 07/02/2018</p>	<p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> • The evidence of socialization already available • The monitoring of logbook from KTU has mentioned in the Logbook of grievance (period December 2017 and January 2018) • The minutes of meeting with Worker Union has shown during FU audit. The meeting has attended by the workers (SKU and PHL). Based on the minutes of meeting, all employees has already received an explanation submitted by the company <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>Name Nanang Rusmana Date: 7 February 2018</p>

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Section 1				Section 2		Section 3	Section 4	
NCR Nr.	Standard(s) & clause(s)	Classification	Details of non-conforming situation and Objective Evidence :	SAI Verification (how and when)	Correction : (immediate fix)	Root Cause and Corrective Action : (action to prevent recurrence)	SAI Global Response Review:	SAI Global Verification of Corrective Action for Effectiveness:
11	RSPO PC INANI 2016 Criterion 6.5 indicator Major 2	Major	<p>Non-conformance : There are several labour regulations that have not yet been implemented.</p> <p>Objective evidence :</p> <ol style="list-style-type: none"> There have 462 daily workers (PHL), but there only 60 work contracts can be show, the rest cannot be shown. The Mill has a memorandum for office employees <i>premi</i> payment number 209 / MI-PTZ / MEMO / 09/17 on 30 September 2017 with the following conditions: <i>premi</i> for bookkeeping Rp 1,200,000,-/month, office boy Rp 350.000,-/month, Manager driver Rp 700.000,-/month, HR Employee (<i>personalia</i>) Rp 500.000,-/month, and <i>krani produksi</i> Rp 450.000,-/month, but the basis of the calculation of <i>premi</i> payment and proof of approval in accordance with PKB clause XI cannot be shown. Based on observations in harvesting activities Afdeling IV, there is a worker who didn't have contract/worker status helping harvesters to pick up the lost fruit. 	<p>Due Date: 12/02/2018</p> <p>SAI Follow up Method: Onsite</p>	<ol style="list-style-type: none"> KTU collects all PHL Agreement on 20 December 2017 from all Assistant Afdeling to be archived in the Office Estate. KTU requests basic calculation of the <i>Premi Tetap PTZ</i> by email to HRD AAA Pekanbaru dated 22 December 2017. Basic calculation of the <i>Premi Tetap PTZ</i> has justified and has approved by Worker Union. Aassistant Afdeling makes re-affirmation memorandum related to the prohibition of carrying "<i>gerdang</i>" dated 16 December 2017. 	<p>Root Cause :</p> <ol style="list-style-type: none"> Assistant Afdeling is less concerned to archive the PHL Agreement in the Office Estate. a.HRD PTZ lack communication with HRD AA Pekanbaru related to provision of Basic Calculation of the <i>Premi Tetap PTZ</i> <ol style="list-style-type: none"> The Basic calculation <i>Premi Tetap PTZ</i> and proof of approval from the Worker Union have not been registered in the master list document (list of documents to be monitored periodically) The harvesters do not understand about the prohibition of bringing workers without status to help work in the workplace area, and also monitoring by the Mandor is only done during master morning. <p>Corrective Action :</p> <ol style="list-style-type: none"> a.Estate Manager conducted socialization dated 20 December 2017 to all Assistant Afdeling that the mandatory of PHL Agreement is archived in the Estate Office. b. Estate Manager appoint <i>Krani Personalia</i> as PIC to archive the PHL Agreement based on Memorandum No. 417/EST-KTU/memo/XII/2017 dated 	<p>Response: Acceptable (please see section 4 for details)</p> <p>Reviewer: Nanang Rusmana</p> <p>Date: 07/02/2018</p>	<p>Verification of Effectiveness:</p> <ul style="list-style-type: none"> The evidence of socialization and also appointment for <i>Krani Personalia</i> from estate manager already available The Agreement Letter of PHL has already available in the Office Central. The List of the PHL Agreement Letter already available in the Central Office. The Basic calculation of <i>Premi Tetap PTZ</i> has already compare with when the workers do overtime. The result was shown that the <i>Premi Tetap</i> more high than the workers doing overtime in 1 month. Basic calculation of the <i>Premi Tetap PTZ</i> has justified and has approved by Worker Union, the minutes of meeting already available. Master list Document and monitoring of harvesting activity was already available During field observation in the harvesting activity in Afdeling I, the workers already understand related to the prohibition of carrying "<i>gerdang</i>" <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>Name Nanang Rusmana</p>

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Appendix “D” – Stakeholder’s issues and comment

Date and Time : 12 – 13 December 2017
 Location : PT. Tunggal Yunus Estate (Topaz Mill, Topaz Estate)
 Interviewee : Workers, Labour Union, Gender Committee and External Stakeholder (Village Representative, Chief of Village, etc.)

Information gathered during consultation

Date	Stakeholder	Feedback and or request	Company response and action to be taken	SAI Global audit observation	Relevant documentation
13/12/2017	Stakeholders (village heads, community leaders, and others)	<ul style="list-style-type: none"> – No issues related to land concessions – No issues related to waste management – The company provides CSR programs to local communities every year <p>Issues:</p> <ol style="list-style-type: none"> 1. Sprinkling road has been done by the company but it has not regularly conducted. 2. Community that work in companies complain about company’s referrals for sick employees to Evarina Hospital in Kerinci. The hospital is considered too far away, tiring journey and spending high 	<ol style="list-style-type: none"> 1. Sprinkling road has been done by the company and then the company has been made the schedule related the daily sprinkling road programme in 2018. 2. The company has communicated related <i>Faskes BPJS</i> with Worker Union dated 22 December 2017. If followed the regulation of BPJS, the <i>Faskes 1</i> must be in Kerinci - Kampar, however the workers feel objected that the <i>Faskes 1</i> in Kampar 	<p>The information was correct. It was identified by companies and was followed up.</p> <p>The scheduled of daily sprinkling roads for 2018 was available.</p> <p>The minutes of meeting between Woker Union and Company was available dated 22 December 2017.</p> <p><u>Issues closed</u></p>	Communication and consultation logbook, minutes of meeting.

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Date	Stakeholder	Feedback and or request	Company response and action to be taken	SAI Global audit observation	Relevant documentation
		<p>cost, even though the trip has been supported by the company.</p>	<p>Regency. Based on that Bipartit Meeting was concluded that company is coordinating with BPJS related to the transfer of BPJS permit to Pekanbaru. Worker Union has agreed with this process.</p>		
12/12/2017	Labor Union, Employees, Chairman of Gender Comite	<ul style="list-style-type: none"> - The contribution of worker union members is Rp. 10.000, - / month - If you want to complain, the worker can deliver it directly to the Mandor or his / her superior. - A bipartite meeting has been held to discuss employee's welfare - Collective Labor Agreements still use in the period 2015-2017 - The minimum wage is in accordance with the provisions of the government - All workers have an Health Assurance (BPJS) - During 2017, there are no employee complaints related to sexual harassment. - Socialization has often been 	<p>The company has communicated related <i>Faskes BPJS</i> with Worker Union dated 22 December 2017. If followed the regulation of BPJS, the <i>Faskes 1</i> must be in Kerinci - Kampar, however the workers feel objected that the <i>Faskes 1</i> in Kampar Regency. Based on that Bipartit Meeting was concluded that company is coordinating with BPJS related to the transfer of BPJS permit to Pekanbaru. Worker Union has agreed with this process.</p>	<p>The information was correct. It was identified by companies and was followed up.</p> <p>The minutes of meeting between Woker Union and Company was available dated 22 December 2017.</p> <p><u>Issues closed</u></p>	<p>List of employees; BPJS registration; Pregnant test monitoring; Pay slip; Decision Letters of Minimum Wage; Minutes of meeting regarding dissemination social, communication, HCV, environment, etc.; Logbook of grivance and communication; Social maps.</p>

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Date	Stakeholder	Feedback and or request	Company response and action to be taken	SAI Global audit observation	Relevant documentation
		<p>done to workers, especially female workers.</p> <ul style="list-style-type: none"> – APD is given by the company – Minimum wages are in accordance with the provisions of the government – Besides wages, SKU gets natura every month – All workers get BPJS Employment – There are no cases of sexual violence in the corporate environment – Pregnant and breastfeeding female workers are prohibited from spraying chemicals and fertilizing activities. – No burning of land in the company area – Application of chemical materials are prohibited in the river border – No wildlife hunting. The wild animals are prohibited. – The Company already provides Child Care Center. <p>Issues:</p> <ol style="list-style-type: none"> 1. <i>Faskes 1</i> is located in <i>Kerinci</i> (Evarina Hospital). Traveling from Estate to Kerinci takes ± 5 			

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Date	Stakeholder	Feedback and or request	Company response and action to be taken	SAI Global audit observation	Relevant documentation
		hours, for transportation, it has been supported by the Company. The company is expected can help to facilitate the cooperation with Faskes 1 which is not too far with the community's living (plantation) considering the high cost iving in Kerinci.			

Appendix “E” – Definition of, and action required with respect to audit findings:

Major Nonconformities occur when system is failing to meet a relevant compulsory indicator.

Action required: This category of findings requires SAI Global to issue a formal NCR; to receive and approve client’s proposed correction and corrective action plans; and formally verify the effective implementation of planned corrections and corrective action. Correction and corrective action plan must be submitted to SAI Global for approval within 14 days of the audit. Follow-up action by SAI Global must ‘close out’ the NCR or reduce it to a lesser category within 90 days or less where specified. Certificate of conformance to the RSPO Criteria cannot be issued while any major nonconformity is outstanding. Major nonconformities raised during surveillance audit shall be addressed within 60 days, or the certificate will be suspended. Major nonconformities not addressed within a further 60 days will result in the certificate being withdrawn.

Minor Nonconformities occur when system is failing to meet other indicators.

Action required: This category of findings requires SAI Global to issue a formal NCR; to receive and approve client’s proposed correction and corrective action plans; and formally verify the effective implementation of planned corrections and corrective action. In this instance, a certificate may still be awarded providing the root cause of the problem is identified and an acceptable plan is put in place to achieve the outstanding requirements in an agreed time frame. Verification will be made at subsequent surveillance audits. Minor nonconformities will be raised to major if they are not addressed by the following surveillance audit.

Opportunity for Improvement is a documented statement, which may identify areas for improvement, but shall not make specific recommendation(s). Client may develop and implement solutions in order to add value to operations and management systems. SAI Global is not required to follow-up on this category of audit finding.