

Date: July 23th, 2014

Notification on RSPO Initial Assessment of Sungai Bengkal POM – PT Satya Kisma Usaha – Smart Tbk.

Dear Stakeholders,

Smart Tbk. has applied to Mutuagung Lestari for Initial Assessment at Sungai Bengkal POM – PT Satya Kisma Usaha and its supply based, located on Betung Bedarah Barat village, Subdistrict of Tebo Ilir, District of Tebo, Province of Jambi against the requirement of the RSPO Standard i.e. National Interpretation of Roundtable on Sustainable Palm Oil, Principles and Criteria (RSPO INA – NIWG, May 2008) Republic of Indonesia and Supply Chain Requirement for CPO Mill.

Smart Tbk. has been taking an active role in the RSPO certification processes and implementing programme to achieve RSPO Certified Sustainable Palm Oil. Smart Tbk. has been registered since January 30, 2005 as RSPO member. Mutuagung Lestari has arranged to conduct the annual surveillance of Sungai Bengkal POM – PT Satya Kisma Usaha which has 1 (one) mill and 2 (two) estates on **25 – 29 August 2014**.

Details of Mill and estates to be assessed are as follows:

Nama Pabrik	Lokasi	GPS Reference		Kapasitas ton/jam	Volume Tahunan yang diklaim untuk sertifikasi (ton)*		
		Latitude	Longitude		CPO Output	PK Output	PKO Output
Sungai Bengkal Mill (SBNM)	Betung Bedarah Barat village, Subdistrict of Tebo Ilir, District of Tebo, Province of Jambi	1° 35' 26"LS	102° 36' 36" BT	30	31,502.65	6,600.60	-

Sources: Actual Production of KMB for May 2013 – April 2014

Nama Kebun	Lokasi	Koordinat GPS		Total Areal (Ha)	Areal Tanam (Ha)	Produksi TBS (Ton/tahun)
		Lintang	Bujur			
Sungai Bengkal Estate	Kecamatan Tebo Ilir, Kabupaten Tebo, Propinsi Jambi	1° 34' 16" LS	102° 36' 36" BT	2,364.49	2,109.17	51,302.25
Muara Kilis Estate	Kecamatan Tebo Tengah, Kabupaten Tebo, Propinsi Jambi	1° 25' 6" LS	102° 34' 7" BT	1,460.54	1,274.74	13,258.37
Sungai Bengkal KKPA	Kecamatan Tebo Ilir, Kabupaten Tebo, Propinsi Jambi	1° 34' 16" LS	102° 36' 36" BT	1,062.58	977.15	18,049.41
Total				4,887.61	4,361.06	82,610

Sources: Actual Production of KMB for May 2013 – April 2014

PT Mutuagung Lestari, is also known Mutu Certification International (MUTU), and has started as inspection, laboratory, and Certification body since 1990. As a private national company and supported with highly committed professionals, MUTU has gained recognition nationally and internationally. Since June 2003, MUTU has received recognition from the Ministry of Agriculture, Forestry, and Fishery of Japan (MAFF) as registered overseas certification body (ROCB). MUTU certify and mark products with Japan agriculture standard (JAS) covering Indonesia, Myanmar, Cambodia, Malaysia, Vietnam, Timor Leste, Philippines, Papua New Guinea and China. MUTU is the first ROCB in Asia. National Accreditation Committee has accredited MUTU as Quality Management System certification body (ISO 9001; 2008) and Environmental Management System certification body (ISO 14001;2004). Indonesia Ecolabelling Institute (LEI) has also

accredited MUTU as Sustainable Forest Management System certification body. Since March 2014, MUTU has been accredited by Accreditation Services International as a RSPO certification body.

The assessor team for the certification assessment will consist of:

1. **Yudwi Wisnu Rahmanto** as Lead Auditor (Legal, Conservation and Supply Chain);
2. **Marsudi Eko Santoso** as Auditor (Best Practices, Integrated Pest Management, Health and Safety)
3. **Sofyan Hadi Lubis** as Auditor (Environment and Waste Management)
4. **Andi Pratama Pasaribu** as Auditor (Good Agriculture Practices, Social Aspect);
5. **Nanang Muallib** as Auditor (Conservation and Social Aspect);

PT. Mutuagung Lestari invites stakeholders to provide comments (if any) on any of the following matters related to the site for assessment,

- a. Environmental protection within the estate or mill including use of pesticide and effluent management.
- b. Biodiversity within the estate and mill
- c. Opportunities for employment
- d. Contribution for local development
- e. Provision of housing, sanitation, facility and education support
- f. Other issues related with assessment

Comments accepted within 30 days from the date of this letter will be considered in the certification assessment. Please include the following details in case we may need to contact you for clarification on any issued raised by you.

Name : _____
Address : _____
Telephone : _____
Fax : _____

If you wish your comments to be treated confidentiality or remain anonymous, please mark your reply 'IN CONFIDENCE'.

Please send your comments to:

PT MUTUAGUNG LESTARI

Octo Nainggolan

Operations Manager

Jl. Raya Bogor Km. 33,5 No. 19

Cimanggis, Depok - Indonesia 16953

Tlp (62-21) 8740202

Fax. (62-21) 87740745/46

agri@mutucertification.com

web : www.mutucertification.com

PT SATYA KISMA USAHA

Ismu Zulfikar

Head of Enviroment Departement

Plaza B II Tower 2, 30th Floor

JL. MH Thamrin No 51 Kav 22 Jakarta 10350 Indonesia

Telephone (62-21) 318 1388

Fax (62-21) 318 1389

ismu-zulfikar@smart-tbk.com

web : www.smart-tbk.com

We thank you for your comments and feedback.

Yours faithfully,



Tony Arifiarachman

Operations Director

PT Mutuagung Lestari