

RSP0 SURVEILLANCE ASSESSMENT (ASA - 1)

**BUKIT MARADJA PALM OIL MILL
(PT. EASTERN SUMATRA INDONESIA)
AND ITS SUPPLY BASE**

Office:
PT. Eastern Sumatra Indonesia
Gedung Bank Sumut 7th Floor, Jl. Imam Bonjol No.18
Medan – 20152, North Sumatra - Indonesia

Location:
Nagori Marihat Bukit, Kec. Gunung Malela
Kabupaten Simalungun, Propinsi Sumatera Utara
Indonesia

TABLE OF CONTENTS		Page No.
Section 1	Scope of the certification Assessment	3
	1.1 Company Detail	3
	1.2 RSPO Certification Information & Others Certification.....	3
	1.3 Location(s) of Mill and Supply Bases	3
	1.4 Description of Supply Base	4
	1.5 Planting and Cycle	4
	1.6 Certified Tonnages	4
	1.7 Actual certified Palm production	4
	1.8 Actual Sales of Certified Palm product	4
	1.9 Actual Certified FFB Received Monthly	4
Section 2	Assessment Process	5
	Certification Body	5
	Assessment Methodology, Programme, Site Visit	5
	Tentative Date of Next Audit	6
	Total No. Of Mandays	6
	BSI Assessment team	6
	Accompanying Person	6
Section 3	Assessment Finding	7
	3.1 Detail of Audit Result	7
	3.2 Progress Against Time Bound Plan	7
	3.3 Detail of Finding	7
	Non-Conformity	7
	Observation	7
	Positive Finding	7
	Issues raised by stakeholders	8
	3.4 Status of Non Conformities Previously Identified and Observations	9
	3.5 Summary of the Nonconformities and Status	12
	Assessment Conclusion and recommendation	13
	Acknowledgement of Assessment Findings	13
Appendix A	Summary of Finding	14
Appendix B	Time Bound Plan.....	104
Appendix C	Certification Unit RSPO Certification Detail	105
Appendix D	Assessment Plan	106
Appendix E	Stakeholder Contacted	108
Appendix F	RSPO SCCS (CPO Mill: IP).....	109
Appendix G	The Company's Map Location	112
Appendix H	List of Abbreviation Used	115

Section 1 Scope of the Certification Assessment

1.1. Company Details			
RSPO Membership Number	1-0021-05-000-00 (Sipef Group)	Date	7 th December 2005
Company Name	PT. Eastern Sumatra Indonesia		
Address	Head Office: Bank Sumut 7th Floor Jl. Imam Bonjol No. 18 Medan – 20152, North Sumatra – Indonesia Location Address: Nagori Marihat Bukit, Kec. Gunung Malela, Kabupaten Simalungun Propinsi Sumatera Utara, Indonesia		
Subsidiary of (if applicable)	Sipef Group		
Contact Name	Mr. Olivier Tichit		
Website	www.tolantiga.co.id	E-mail	ortichit@sipef.com
Telephone	+ 62 61 415 2043	Facsimile	+62 61 452 0908

1.2. Certification Information			
Certificate Number	SPO 632266	Date	17 th May 2010
Scope of Certification	Production of CPO and PK at Bukit Maradja POM with 2 estates as supply base, namely Bukit Maradja (PT. Eastern Sumatra Indonesia) and Kerasaan Estate (PT. Kerasaan Indonesia). Mill capacity of Bukit Maradja POM is 30 MT FFB/hour.		
Referring Standard	1. RSPO P & C Generic Standard, 2013 2. RSPO Certification System June 2007 (Rev. March 2011), including Annex. 4 Surveillance audit. 3. RSPO SCCS system and standard, November 2014.		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
EU-ISCC-Cert-DE101-49493314	ISCC EU	DQS-UL CFS GmbH	25 th November 2016
01 100 106311	ISO 9001:2008	TUV Rheinland	25 th May 2016
01 100 106311	ISO 14001:2004	TUV Rheinland	25 th May 2016

1.3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Northing	Easting
Bukit Maradja Palm Oil Mill	Nagori Marihat Bukit, Kec. Gunung Malela Kabupaten Simalungun, Propinsi Sumatera Utara - Indonesia	03 ^o 00' 44.26" N	99 ^o 14' 08.06" E
Bukit Maradja Estate	Nagori Marihat Bukit, Kec. Gunung Malela Kabupaten Simalungun, Propinsi Sumatera Utara - Indonesia	03 ^o 00' 05.27" N	99 ^o 14' 08.06" E
Kerasaan Estate	Nagori Marihat Bukit, Kec. Gunung Malela Kabupaten Simalungun, Propinsi Sumatera Utara - Indonesia	03 ^o 03' 51.00" N	99 ^o 15' 53.53" E

1.4. Description of Supply Base						
Estate	Mature (ha)	Immature (ha)	Infrastructure & Other (ha)	Total Planted (ha)	Total Hectarage	% of Planted
1. Bukit Maradja Estatete	2,673.28	230.58	274.08	2,903.86	3,177.94	91.38
2. Kerasaan Estate	1,803.23	513.42	45.76	2,316.65	2,362.41	98.06
Total	4,476.51	744.00	319.84	5,220.51	5,540.35	94.52

Note:

- All areas is replanting (2nd cycle).
- There are additional planting area in Kerasaan Estate (currently 2,316.65 ha compared with previous audit 2,097.65 ha; that is mean there are 219 ha area in previous audit was not reported as immature area due to land clearing for replanting area underway and its not planted yet during audit)

1.5. Plantings & Cycle									
Estate	Age (Years)						FFB Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Total	Estimated (2015)	Actual (2015)	Forecast (2016)
1. Bukit Maradja Estatete	230.58	609.86	1,761.80	296.75	4.87	2,903.86	58,742	62,248	65,000
2. Kerasaan Estate	513.42	953.24	849.99	0.00	0.00	2,316.65	35,252	41,663	45,000
Total	744.00	1,563.10	2,611.79	296.75	4.87	5,220.51	93,994	105,881	110,000

1.6. Certified Tonnage									
Mill	Estimated (2015)			Actual (2015)			Forecast (2016)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Bukit Maradja	93,944	21,901	5,170	105,881	25,045	5,793	110,000	26,019	6,018

1.7. Actual Certified Palm production			
MILL	Capacity	CPO (tonnes)	PK (tonnes)
Bukit Maradja POM	30 tonnes FFB/hour	25,045	5,793

1.8. Actual Sales of certified Palm Product			
MILL	Certified CPO Sold	Certified PK Sold	Remarks
Bukit Maradja POM	9,500	5,737	

1.9. Certified FFB received monthly in previous year (Tonnes)			
Month	Bukit Maradja Estate	Kerasaan Estate	Total FFB Certified Received
January 2015	4,041	2,584	6,625
February 2015	3,301	2,433	5,734
March 2015	3,731	2,862	6,593
April 2015	5,623	3,717	9,340
May 2015	5,304	3,222	8,526
June 2015	5,910	3,886	9,796
July 2015	6,955	4,239	11,194
August 2015	7,730	4,932	12,662
September 2015	6,613	4,172	10,785
October 2015	5,783	3,872	9,665
November 2015	4,741	3,049	7,790
December 2015	4,516	2,665	7,181
TOTAL	64,248	41,663	105,881

Section 2 Assessment Process

2.1. Certification Body:

BSI Services Malaysia Sdn Bhd,

(ASI Accreditation Number: RSPO-ACC-19)

B08-01 (East), Level 8, Block B, PJ 8, No.23,

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BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (RSPO-ACC-19) since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an office at Singapore, Jakarta, Bangkok and Australia which involve in RSPO Certification Program.

Assessment Methodology, Programme, Site Visits

The objective of the assessment is to conduct a surveillance assessment and look for positive evidence to ensure the elements of the scope of certification and the requirements of the management standard are effectively addressed by the organisation's management system and that the system is demonstrating the ability to support the achievement of statutory, regulatory and contractual requirements and the organisations specified objectives, as applicable with regard to the scope of the management standard, and to confirm the on-going achievement and applicability of the forward strategic plan. Continuing Assessment (Surveillance) was conducted from 18th – 22nd March 2016.

The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. RSPO P&C 2013, Generic Standard was used as Checklists and questionnaires were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by visiting to the villages convenient to them to discuss Umbul Mas Wisesa POM Certification Unit's environmental and social performance.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as

Appendix E.

The assessment findings for the recertification are detailed in Section 3.3. This report is structured to provide a summary of assessment finding as attached in the Appendix A. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

This report was internally reviewed by Mr. Sabar Kembaren (He is one of the BSI Qualified RSPO Lead Auditor and Internal Reviewer).

The following table would be used to identify the locations to be audited each year in the 5 year cycle

2.2. Assessment Program					
	Year 1	Year 2	Year 3	Year 4	Year 5
(Mill / Supply Base)	02/2015	02/2016	02/2017	02/2018	02/2019
Bukit Maradja POM.	x	x	x	x	x
Bukit Maradja Estate	x	x	x	x	x
Kerasaan Estate	x	x	x	x	x

Tentative Date of Next Visit: 01/02/2017

Total No. of Mandays: 9 Mandays

BSI Assessment Team comprises of:

Haeruddin – Assessor (Lead Auditor)

He holds Bachelor Degree in Forest Management, graduated from Hasanuddin University on 1994. He has 16 years of work experience in forest concession, forestry industry and the latest is within Oil Palm Plantation in Indonesia. He experiences as auditor for several sustainability standard including FSC, UTZ, Organic Farming, 4C, ISPO and RSPO. He completed the ISO 9001 Lead Auditor Course; ISPO Lead Auditor endorsed Course, RSPO Lead Auditor Course, and also completed ISCC, RSPO SCCS, RSPO RED course, etc. He had been involved in RSPO auditing since November 2010 in more than various companies in Malaysia, Thailand and Indonesia. During this assessment, he assessed on the aspects of legal and estate best practices.

Pratama Agung Sedayu

He graduated from University of Jenderal Soedirman on 2008, majoring in Social Economic of Agriculture. He involved in RSPO certification since 2009 as a team member subsequently as a Lead Auditor, covering assessment against RSPO P&C in Indonesia, Malaysia, Thailand, Papua New Guinea, and Liberia. He completed the ISO 9001, ISO 14001, OHSAS 18001 Lead Auditor Course, HCV Identification and Management; ISPO Lead Auditor endorsed Course and RSPO P&C and RSPO SCCS Lead Auditor endorsed Courses. During this assessment, he assessed on the aspects of estate best practices, environment, OHS, and Smallholder audits. He is fluently speaking in English and Bahasa Indonesia.

Nanang Mualib - Team member

He graduated from Bogor Agriculture University on 1999, Forestry Faculty. He involved in RSPO certification since 2010 as a team member covering assessment against RSPO P&C in Indonesia. He completed the ISO 9001 Lead Auditor Course, Technical Training of HCV Assessment; ISPO Lead Auditor endorsed Course. During this assessment, he assessed on the aspects of social, stakeholder consultation and smallholders.

Accompanying person: None

Section 3 Assessment Findings

3.1. Details of audit results are provided in the following Appendix:

- RSPO P&C 2013 Summary of the Assessment – Appendix A
- PT. Eastern Sumatera Indonesia Time Bound Plan – Appendix B
- RSPO Supply Chain Certification Assessment – Appendix F

3.2. Progress against Time Bound Plan

PT Eastern Sumatera Indonesia demonstrates a challenging time bound plan to certify its entire mill and supply bases, there is no change of time bound plan. Audit team found that the company has strong commitment to implement time bound plan and comply with the time bound plan.

BSI also assessed the requirement for partial certification and concluded that:

1. There are no unresolved significant land disputes.
2. No replacement of primary forest or loss of HCV. New land acquisition follows the RSPO NPP process including public notification of new planting.
3. No labour disputes that are not being resolved through an agreed process.
4. No evidence of noncompliance with law noted.

3.3. Details of findings

During this surveillance assessment (ASA-1.1) there was no nonconformity identified and 2 (two) observations were identified.

Non-Conformity		
NCR #	Description	Category (Major/Minor)
1	None	
2		

Observation was identified during this surveillance audit (ASA-1):

Observation	
OBS #	Description
1	RSPO P&C Generic 2013 Indicator 4.7.6: Company has conducted medical checkup for workers who are involved in chemical substances and others risk areas (e.g. high noise area). It is nice to carry out general medical checkup for all workers, as per developed plan.
2	RSPO P&C Generic 2013 Indicator 5.6.2: PT Eastern Sumatera Indonesia demonstrates plan to reduce or minimize greenhouse gas (GHG) emissions. However, it is need to consider reducing or minimizing pollution and greenhouse gas emissions with detail in target, timeline and person in charge. PT Eastern Sumatera Indonesia demonstrates plan to reduce or minimize greenhouse gas (GHG) emissions. However, it is need to consider reducing or minimizing pollution and greenhouse gas emissions with detail in target, timeline and person in charge.

Positive Findings	
PF #	Description
1	The company provides minimarket "KSU Bukit Maradja – OMI" for their employees and surrounding local communities.
2	The company constructing "Composting plant" it will be commenced in mid-2017 to increasing using organic fertilizer.

Issues Raised by Stakeholders	
Issues #	Description
1	<p>Social issues:</p> <ul style="list-style-type: none"> - Company has communicating the protection of female rights, gender policy and specific mechanism for sexual harassment including protection of complainant. Policy dissemination in form of meeting, morning musters and provides copy of company policy in notice boards in mill. - Until to date, there has been no report/complaint lodged from members related to sexual harassment; - Company has fulfil the female worker rights: period leave, maternal leave, medical check-up for female workers in high risk station (laboratory in mill); - Company provided facility such as housing, clean water, electricity, mosque, church and sport facility. - Company does not provide elementary school because government school is nearby in surrounding villages; - Worker from local contractor, PT Triroyal Timurraya, work as contractor for construction of composting facility. - Related to boundary trenches maintenance, community and company have comes into agreement; <p>Management Response: Positive comments</p> <p>Auditor Team Findings: Positive comments</p>
2	<p>Labour issues:</p> <ul style="list-style-type: none"> - The member of worker union is SKU-B and SKU-H workers, - Regular monthly meeting with management in line with Bipartite meeting; - Throughout 2015, there has been no complaint from member (employee) with regards to industrial relationship cases. Most of the time, report lodged to worker union (and delivered to company) related to request for house renovation (leak roof, clogged water closet, etc.) - A committee for bipartite coordination has been established; act as mediation forum between employee and company – with regards to industrial relationship issues. - All normative agreement has been incorporated into Collective Work Agreement, including but not limited to working hour, overtime, salary, leave entitlement, etc. The collective work agreement is in accordance to regulations and acknowledged by provincial manpower authority; - All wage payment currently using minimum wage standard 2015. However, company has invited all relevant party to discuss wage standard 2016, as form of implementation of collective work agreement. The discussion dated 21-24/03/2016. - All worker union member (employees) have been registered into social insurance scheme (BPJS) - Company implemented employee performance appraisal, as basic information for promotion/grade increment; - In 2015, there is no industrial dispute between company and employee. - Medical check-up for POME pond attendant carried out once a year <p>Management Response: Positive comments</p> <p>Auditor Team Findings: Positive comments</p>
3	<p>Environmental issues:</p> <ul style="list-style-type: none"> - PT Eastern Sumatera Indonesia has consistently send implementation report on environment management and monitoring plan on six (6) months basis; - PT Eastern Sumatera Indonesia and PT Kerasaan Indonesia has not carried out the water quality test (self test) and reporting to environment monitoring body Kabupaten Simalungun; - PT Kerasaan Indonesia has obtained permit for temporary hazardous waste storage; - With regards to report from surrounding community on environment impact from boundary trenches maintenance, the environment body has coordinated with company and has come to an agreement with community.

	- In 2015, there has been no report lodged related to land dispute between community and company, or related to environment pollution from company operation;
	Management Response: Positive comments
	Auditor Team Findings: Postive comments
4	Legal issues: No any legal issues
	Management Response: Positive comments
	Auditor Team Findings: Postive comments
5	Operational issues: - In 2015 there was no written report from stakeholder to land office related to land dispute in PT Eastern Sumatera or PT Kerasaan Indonesia; - In previous year, there was community claim over land in PT Eastern Sumatera Indonesia, settled through court of law and has a valid court ruling;
	Management Response: No any pending land disputes
	Auditor Team Findings: Based on document review and interview with local government and local communities, it was found no any pending land dispute.

3.4. Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR #	Description	Category (Major/Minor)
1	<p>Requirements: RSPO P&C, Generic Standard 2013 - Indicator 6.3.1</p> <p>Based on the verification of land compensation procedures and handling of complaints documents, both internally and externally are demonstrate that the Company has not yet a policy to protect the identity of the complainants or whistleblowers, where requested.</p> <p>Action Taken: Internal Grievance procedure and External Grievance procedure were revised as follow: Internal grievance procedure document no SOP/025/HRA revision 02 dated on 27 March 2015, external grievance procedure document no SOP/026/HRA revision 02 dated on 27 March 2015 part 6.2.</p> <p>NC was closed out during NCR closure last year</p>	Major
2	<p>Requirements: RSPO SCCS, Indicator D.3.1</p> <p>The company has not updated the RSPO SCCS procedures based on requirement of RSPO SCCS system and standard 2014</p> <p>Action Taken: Supply Chain And Traceability Procedure was revised and approved by Director dated on 26th March 2015, document no ENC/SCC/01 revision 03 dated on 26th March 2015, this procedure is in aligned with RSPO SCCS 2014.</p> <p>NC was closed during NCR closure last year</p>	Major
3	<p>Requirements: RSPO P & C, Generic Standard 2013 – Indicator 2.2.5</p> <p>Based on the results of field visits in the concession boundary peg no. 14 shows that most of the concession area has been used as a public facility such as for Office of Police and Health Clinics District Pematang Bandar. It is not enough evidence that the area has been mapped out in a partisipatory in the Working Area Map of PT Kerasaan Indonesia</p>	Minor

	<p>Action Taken: PT Kerasaan Indonesia has granted with Hak Guna Usaha/HGU (land title) since 1975 as per decree "Surat Keputusan Menteri Dalam Negeri No.45/HGU/DA" dated 21/10/1975 and subsequently issued with sertifikat HGU (land title certificate) No.01 of 2,468 Ha dated 16/01/1978. Company demonstrates minutes for land title extension application "Dokumen Berita Acara Pemeriksaan/Penelitian Lapangan atas Permohonan Perpanjangan HGU Kerasaan oleh Kantor Wilayah Badan Pertanahan Nasional Provinsi Sumatera Utara" dated 12/03/1997. The minutes document does stating within the 2,468 Ha area under land title, including government buildings/public facilities such as primary school, secondary school, public health center, police office and irrigation channel. Back in 1997, these government building/public facilities has been excluded from land title extension application and mapped. The map is available in "Peta Situasi Khusus No.131/09/IV/1997", which latter become appendix to the land title extension application for HGU No.01 dated 01/10/1997 – as per "Surat Perpanjangan HGU No.3951/1997 dan 7782/1997". Therefore the title area of PT Kerasaan Indonesia adjusted from 2,468 Ha into 2,362.03 Ha.</p> <p>PT Kerasaan Indonesia has excluded the government buildings/public facilities from company's land title area. PT Kerasaan Indonesia demonstrate the geodatabase GPS based on "Peta Situasi Khusus No.131/09/IV/1997". Boundary pole No.14 in front of police office verified to be boundary from land title dated back 1975.</p> <p>NC Minor closed on 22/03/2016.</p>	
<p>4</p>	<p>Requirements: RSPO P & C, Generic Standard 2013 – Indicator 5.3.3</p> <p>It was observed slightly soil pollution surrounding condensate pond area due to pipe broken, however reactive action should be taken and documented to mitigate pollution and recovery soil contaminated. (Bukit Maradja Mill)</p> <p>Action Taken: PT Eastern Sumatera Indonesia has installed a plate to cover the blowdown silencer in Bukit Maradja POM. Preventive maintenance program is in place to monitor and maintain the function and performance of machineries in Bukit Maradja POM - including blowdown silencer. Based on field visit to Bukit Maradja POM, the blowdown silencer found to function properly. No steam/condensate drips are polluting the surrounding soil. Potential oil from the blowdown steam channeled through a small drainage for further filtration. The polluted soil has been removed into scheduled waste.</p> <p>NC Minor closed on 22/03/2016.</p>	<p>Minor</p>
<p>5</p>	<p>Requirements: RSPO P & C, Generic Standard 2013 – Indicator 6.1.4</p> <p>Company has not provide sufficient evidence to evaluate the social impact of replanting activities for the surrounding community</p> <p>Action Taken: PT Eastern Sumatera Indonesia - Bukit Maradja Estate has conducted social impact assessment related to replanting activities and boundary trench construction. The social impact assessment was done using questionnaire, with 25 respondents from surrounding villages: Desa Syahkuda Bayu, Desa Pemetang Gajing and Desa Marihat Bukit. In the assessment has been complemented with trend analysis and planning to mitigate negative impact. Based on interview with head of village Desa Syahkuda Bayu and Desa Marihat Bukit, it was known that company has coordinated with village authorities prior commencing the boundary trench maintenance.</p> <p>The result from social impact assessment has been incorporated into Environmental</p>	<p>Minor</p>

	Management and Monitoring report 2 nd half 2015. NC Minor closed on 22/03/2016.	
6	<p>Requirements: RSPO P & C, Generic Standard 2013 – Indicator 6.9.3</p> <p>The Company has established the Gender Management Guidelines (Doc. No.; ENC / Pedoman / GC / 01 dated April 21, 2011, which is used to handle complaints Gender. Grievance procedure which prepared by PT KI and PT ESI is not enough evidence has been respects anonymity and protects complainants where requested.</p> <p>Action Taken: Company has revised the gender management guidelines "Pedoman Pengelolaan Gender No.ENC/Pedoman/GC/01" dated 21/04/2011. The revised guidelines have state company guarantees and respect anonymity and protects complainants where requested (point 5.2.7) - in case where complaint related to gender being raised.</p> <p>NC Minor closed on 22/03/2016.</p>	Minor

Observation	
OBS #	Description
1	<p>RSPO P & C, Generic Standard – Indicator 2.1.1.</p> <p>It was observed 'SIPB" and SIK of midwife and nurse were expired and still in progress to be reregistered.</p> <p>Sample taken: SIPB no 440.04.3/SIPB/1123.1/V/2012 valid until 30 December 2012 and SIK no 440.04.3/SIK/1126/V/2012 valid until 06 July 2014. (Bukit Maradja Mill)</p> <p>Requirements: Evidence of compliance with relevant legal requirements shall be available</p> <p>Action Taken: The clinics of PT Eastern Sumatera Indonesia have successfully obtain necessary registration letter, including completing the registration for the nurse and midwife. The operational permit and appointment to serve as first medical service point for social insurance/BPJS - "Surat Izin Operasional Klinik" No.440.04.3/SIKI/1288/V/2015 dated 18/05/2015 valid up to 18/05/2020. The permit for midwife and nurse – "Surat Izin Kerja Bidan" No.440.04.3/SIKB/1150/V/2015 under name Mrs.Juliani dated 11/05/2015 up to 01/07/2017 and "Surat Izin Kerja Perawat" No.440.04.3/SIKP/1149/V/2015 under name Mrs.Devi dated 11/05/2015 up to 10/12/2020. The midwife and nurse registration - "Surat Tanda Registrasi" No.0202321120634945 under name Mrs.Juliani dated 07/06/2013 up to 01/07/2017 and "Surat Tanda Registrasi" No.0201521151017658 under name Mrs.Devi dated 10/08/2015 up to 10/12/2020.</p>
2	<p>RSPO P & C – Indicator 4.7.5.</p> <ol style="list-style-type: none"> Evacuation direction to assembly point should be clearer at several location such as Mill area, Warehouse, Workshop, Housing and clinic. Anaphylactic shock set (likes epinephrine auto-injectors, etc) should be provided in the clinic to anticipate serious allergic which could be resulted dizziness, loss of consciousness, labored breathing, swelling of the tongue and breathing tubes, blueness of the skin, low blood pressure, heart failure, and death and paramedic should be trained. (Bukit Maradja Mill and Kerasaan Estate) <p>Action taken:</p> <ol style="list-style-type: none"> PT Eastern Sumatera Indonesia has evaluated the emergency response plan. PT Eastern Sumatera Indonesia has installed additional evactuation route signs to indicate nearest assembly point at each location. This condition was observed at Bukit Maradja POM (including loading ramp, processing area, warehouse and workshop), central workshop area, employees housing area and clinic area. Based on interview with employees at each location, understanding of evacuation plan and route is satisfactory.

	2. Clinics have evaluated the emergency response plan. Clinics have prepared medication and medical devices such as dexamethasone and epinephrine in case of handling allergic patient situation. The medicines found to be in good condition, ready-to-use.
3	<p>RSPO P & C – Indicator 4.7.2 Identification hazard and risk evaluation for routine activities were provided and covered all activities, consider should be taken for non routine task for example Diesel Generator Change and Construction of new building for clinic at Kerasaan Estate.</p> <p>Action taken: Each HIRADC for estate operation and palm oil mill operation have been reviewed and updated on regular basis. The latest review and revision on HIRADC for Bukit Maradja POM dated 23/09/2015. Additional risk assessment added for work on composting plant near Bukit Maradja POM dated 29/02/2016.</p>
4	<p>RSPO P & C – Indicator 5.3.3 Please avoid using sand and wood fiber in the secondary containment of hazardous material/waste storage, it makes increasing of hazardous waste volume.</p> <p>Action Taken: Sand and wood fiber only using if any spillage to avoid increasing volume of hazardous waste</p>
5	<p>RSPO P & C – Indicator 6.4.3. PT Kerasaan Indonesia can follow the information submitted by the district head Pematang Bandar orally to the District Land Office Simalungun related indications of excess land concession near the intersection Kerasakan / police station of ± 30 ha and who is behind the market of ± 20 ha</p> <p>Action taken: Up to the time of audit, there is no official follow up to management of PT Kerasaan Indonesia. The statement was in line with information gained during public consultation. Interview and discussion with "Badan Pertanahan Nasional"/National Land Body, Kerasakan 1 village authorities, Dusun Bah Bayu village authorities – it is known that there has been no information.</p>
6	<p>RSPO P & C – Indicator 8.1.1 Effectiveness of corrective action taken should be monitored to prevent recurred of accident, it was seen some similar accident cases occurred in harvesting process at Bukit Maradja Estate from January to February 2015.</p> <p>Action taken: Monitoring and investigating of accident in harvesting process to prevent occurrence repeated, it was seen that no any accident in Kerasaan estate up to February 2016 and 1 accident in Bukit Maradja estate in harvesting area.</p>

3.5. Status of Non Conformities

<i>Reference</i>	<i>Category</i>	<i>ISSUED</i>	<i>CLOSED</i>
1033270M1	Major	03/03/2014	13/05/2014
1033270M2	Major	03/03/2014	13/05/2014
1033270M3	Major	03/03/2014	13/05/2014
1033270N1	Minor	03/03/2014	28/03/2015
1033270N2	Minor	03/03/2014	28/03/2015
1033270N3	Minor	03/03/2014	28/03/2015
1033270N4	Minor	03/03/2014	28/03/2015
1170504M1	Major	28/03/2015	22/04/2015
1170504M2	Minor	28/03/2015	18/03/2016
1170504N1	Minor	28/03/2015	18/03/2016
1170504N2	Minor	28/03/2015	18/03/2016
1170504N3	Minor	28/03/2015	18/03/2016
1170504N4	Minor	28/03/2015	18/03/2016

Assessment Conclusion and Recommendation	
<p>The auditors conclude that Bukit Maradja Palm Oil Mill and its supply base are complying with the RSPO certification system 2007, RSPO Generic Standard 2013 and RSPO SCCS 2014.</p> <p>Its recommend to extend the RSPO certificate for Bukit Maradja Palm Oil Mill and and its supply base</p>	
Acknowledgement of Assessment Findings by PT. EASTERN SUMATERA INDONESIA – Bukit Maradja POM	Report Prepared by
Name: Mr. Olivier Tichit	Name: Haeruddin
Company name: PT. Eastern Sumatera Indonesia (Bukit Maradja POM)	Company name: PT. BSI Indonesia
Title: Director	Title: Lead Auditor
Signature: 	Signature: 

Appendix "A"
Summary of Finding

Criterion / Indicator	Assessment Findings	Compliance
PRINCIPLE 1: COMMITMENT TO TRANSPARENCY		
Criterion 1.1: Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
1.1.1	<p>There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.</p> <p>- Minor compliance -</p> <p>PT ESI has a policy explaining publicly available documents, dated 05/01/2016 – consist of 20 type of document. This information is publicly, such as: Izin Usaha Budidaya Perkebunan (Operational Plantation Permit), Izin Lokasi (Location Permit), HGU (Land Title Rights), Dokumen Lingkungan/AMDAL (SEIA), Program Keselamatan dan Kesehatan Kerja (OHS), Laporan Pelaksanaan RKL/RPL (Environmental Management and Monitoring Report), Penilaian Nilai Konservasi Tinggi (HCV), Prosedur Ganti Rugi Lahan (Land Compensation Mechanism), Rencana Pengelolaan Limbah (Waste Management Plan), complaint and grienaceis from internal dan exsternal parties, and continous improvement.</p> <p>Documents related financial can only be shared upon discretion of General Manager, Group policies and procedures are available in public area in esates and mill.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
1.1.2	<p>Records of requests for information and responses shall be maintained.</p> <p>- Major compliance -</p>	<p>Company has prepared a mechanism for information request and information provision as per "Prosedur Pemberian Tanggapan terhadap Permintaan Informasi" Doc.No.ENC/SOP/08/dated 06/04/2015. Information requests and responses were recorded in log book "Buku Rekaman Permintaan Informasi dan Tanggapan". Based on Information provision mechanism, the person in charge during the process: Manager is responsible, as per authority to receive and provide response, and recording under log book. General manager office/Senior Manager Administration responsible to help information/data requested by manager if needed.</p> <p>Within the procedure, company has detailed the timeframe in responding information request: Direct response from manager provided seven (7) working days maximum – after information received. For response which requiring coordination, will be followed up to General Manager Office in three (3) working days maximum. General manager office will respond in seven (7) working days maximum.</p> <p>For information request, which requires coordination with Head Office, conducted in twenty five (25) working days, maximum.</p> <p>Record shows in 2016, there have been three (3) information requests. Example: Inquiry from "Sekolah Tinggi Ilmu Ekonomi Sultan Agung, Sumatera Barat" dated 12/02/2016 through letter No.429/STIE/LPPM/SA/II/2016 related to inquiry on application for field practice, to the institution's student. The inquiry has been responded through letter No.235/2016 dated 23/02/2016 stating PT Eastern Sumater Indonesia accepts the application. PT Eastern Sumatera Indonesia will provide them to become field practice for three (3) students, starting on 01-31/03/2016.</p>	Yes
<p>Criterion 1.2: Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p>			

Criterion / Indicator		Assessment Findings	Compliance
1.2.1	<p>Publicly available documents shall include, but are not necessarily limited to:</p> <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). <p>- Major compliance -</p>	<p>The company has policy related public documents on 04/01/2016 where there are 20 documents related to land permit (Izin Lokasi, Izin Usaha Perkebunan), HGU/land title, RKL/RPL, SIA, policies, HCV, OSH, CSR programmes, complaint documents, waste management plan, disposed waste plan, included hazardous waste, etc. are publicly available for stakeholders. These documents are available for public through responsible officer, estate manager or office assistant.</p>	Yes
<p>Criterion 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.</p>			

Criterion / Indicator		Assessment Findings	Compliance
1.3.1	<p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p>- Minor compliance -</p>	<p>The company has established code of ethical business conduct, dated 17/11/2014, which include prohibition on sending gifts, souvenir, donation, bribery, commission and conflict of interest. The policy is pavailable in Bahasa and English, appear in notice boards in both estates.</p> <p>Dissemination on code of ethical conduct policy: During morning musters dated 11/02/2016 in Division I, attended by 55 harvesters, sprayers and loose fruit collectors; During morning musters dated 11/02/2016 in Division II, attended by 57 sprayers, harvesters, supervisors and loose fruit collectors; Dissemination on 18/03/2016 in Division III attended by 37 harvesters.</p> <p>Based on discussion with worker union, interview with employee and local contractors, they have understand the message in code of ethical conduct policy.</p> <p>Mill: The company has communicated to the workforce and contractor, e.g. the socialization to the workforce on 04/03/2016, attended 56 workers and socialization to the contractor on 17//03/2016, attended 27 contractor’s workers.</p>	Yes
PRINCIPLE 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS			
Criterion 2.1			
There is compliance with all applicable local, national and ratified international laws and regulations.			

Criterion / Indicator		Assessment Findings	Compliance
2.1.1	<p>Evidence of compliance with relevant legal requirements shall be available.</p> <p>- Major compliance –</p>	<p>The company has documented all relevant legal requirements, as below:</p> <ol style="list-style-type: none"> 1. Renewal Ijin Usaha Tetap (IUT) PT. Esatern Sumatera Indonesia No. 392/T/Kehutanan Perkebunan/1998, dated 21st August 1998 and PT. Kerasaan Indonesia No. 400/T/Kehutanan Perkebunan/1998, dated 21st August 1998. 2. Operational Business Permit / Surat Pendaftaran Usaha Perkebunan (SPUP) PT. Eastern Sumatera Indonesia no. 208/Menhutbun-VII/2000, dated 10th March 2000 dan PT. Kerasaan Indonesia no. 180/Menhutbun-VII/2000, dated 3rd November 2000, 3. Based on Map of "RTRWP" Kab. Simalungun as per "Perda nomor 10 tahun 2012", area of PT. Eastern Sumatera Indonesia and PT. Kerasaan Indonesia is located at Non Forest Area /Areal Penggunaan Lain (APL). 4. Land titles/HGU No. SK.46/HGU/DA/75, dated on 21 October 1975 and continuing of HGU from "Menteri Negara Agraria/ Kepala BPN nomor 108/HGU/BPN/97", dated on 26th August 1997 with area 3,177.94 hectare (Certificate "HGU No. 2 tahun 1997, with total area 3,177.94 hectares for PT. Eastern Sumatera Indonesia). 5. HGU No. SK.45/HGU/DA/75, dated on 21st October 1975 and continuing of HGU from "Menteri Negara Agraria/ Kepala BPN nomor 90/HGU/ BPN/97", dated on 5th August 1997 with total area 2,362.03 hectares (Certificate "HGU No. 1 tahun 1997", with total area 2,362.03 hectares for PT. Kerasaan Indonesia). 	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>6. Environmental document named " UKL – UPL" was approved "Keputusan Kepala Badan Pengendalian Dampak Lingkungan Daerah Kabupaten Simalungun" No. 188.4/70/Bpdl related to finalized environmental feasibility at Palm oil mill of PT Eastern Sumatera Indonesia (PT SIPEF), Bukit Maradja Estate, Simalungun District, North Sumatra Province dated on 26th February 2004 and last revision of " Rencana Pengelolaan Lingkungan (RKL) dan Revisi Rencana Pemantauan Lingkungan (RPL)" with scope of study palm oil estate area 3,178 Ha and palm oil mill 30 Ton TBS/hour as stated in the " Keputusan Bapedalda Kabupaten Simalungun No. 271/Bpdl/2008".</p> <p>7. "Dokumen Upaya Pengelolaan dan Pemantauan Lingkungan (UKL- UPL)" is comply with letter of "Kepala Bapedalda Kabupaten Simalungun No. 442/Bpdl-2005 dated on 23rd December 2005 related aggrement of "Dokumen UKL/UPL PPT Kerasaan Indonesia" and revision of "Upaya Pengelolaan Lingkungan dan Upaya Pemantauan Lingkungan (UKL/UPL)" comply with letter agreement "Kepala Badan Lingkungan Hidup Kabupaten Simalungun No. 700/109/BLH/2009 dated on 8th April 2009 with scope of study 2,362 Ha palm oil estates.</p> <p>8. Renewal Izin Pemanfaatan Air Limbah Industri Minyak Sawit pada Tanah di Perkebunan Kelapa Sawit PT. Eastern Sumatra Indonesia (Land Application permit) approved by Bupati Simalungun no. 188.45/3440/LINGHUP-2015, dated 23rd October 2015.</p> <p>9. Izin Tempat Penyimpanan Sementara Limbah B3 (<i>Temporary azardous waste storage</i>), approved by BLH Kabupaten Simalungun, no. 188.45/893/Sektr-2015, dated 29 June 2015, (valid until 29 June 2020) for PT. Eastern Sumatera Indonesia and no. 188.45/892/Sektr-2015, dated 29 June 2015 (valid until 29 June 2020) for PT. Kerasaan Indonesia</p> <p>10. Izin Pengambilan dan Pemanfaatan Air bawah tanah no. 188.45/503/293/ABT/BPPT-PM/2013, dated, 02nd May 2013 (Valid until 02nd May 2018) for PT. Eastern Sumatera Indonesia and</p>	

Criterion / Indicator	Assessment Findings	Compliance																																																																
	<p>11. Izin Pengambilan dan Pemanfaatan Air bawah tanah PT. Kerasaan Indonesia no. 188.45/503/740/ABT/BPPT-PM/2013, no. 188.45/503/741/ABT/BPPT-PM/2013, and 188.45/503/742/ABT/BPPT-PM/2013, dated, 12th Novemper 2013 (Valid until 12th November 2018).</p> <p>12. "Pemeriksaan Berkala Mesin Mesin dan Pesawat, Bejana Bertekanan, 2016 – Bukit Maradja Palm Oil Mill, as below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Description</th> <th style="text-align: center;">Izin Akte</th> <th style="text-align: center;">The last inspection</th> <th style="text-align: center;">The next inspection</th> </tr> </thead> <tbody> <tr> <td>Boiler 1</td> <td>02/F.0038 A</td> <td>22/12/15</td> <td>22/12/17</td> </tr> <tr> <td>Boiler 2</td> <td>02/F.015.A</td> <td>28/09/14</td> <td>28/09/16</td> </tr> <tr> <td>Sterilizer 1</td> <td>02/F.001 A</td> <td>28/09/14</td> <td>28/09/18</td> </tr> <tr> <td>Sterilizer 2</td> <td>02/F.009 A</td> <td>23/03/13</td> <td>23/03/17</td> </tr> <tr> <td>Sterilizer 3</td> <td>02/F.002 A</td> <td>16/02/15</td> <td>16/02/19</td> </tr> <tr> <td>Sterilizer 4</td> <td>02/F.010 A</td> <td>16/07/14</td> <td>16/07/18</td> </tr> <tr> <td>Hosting Crane 1</td> <td>01/PAA/II/H IP/2004</td> <td>28/09/15</td> <td>28/09/16</td> </tr> <tr> <td>Hosting Crane 2</td> <td>1036/PAA/W 2/1998</td> <td>28/09/15</td> <td>28/09/16</td> </tr> <tr> <td>Genset 1</td> <td>08/PTP/DTK -TR/III/2010</td> <td>16/02/16</td> <td>16/02/17</td> </tr> <tr> <td>Genset 2</td> <td>09/PTP/DTK -TR/III/2010</td> <td>16/02/16</td> <td>16/02/17</td> </tr> <tr> <td>Genset 3</td> <td>282/PTP/W2 /1996</td> <td>16/02/16</td> <td>16/02/17</td> </tr> <tr> <td>Turbine 1</td> <td>02/PTP/DTK -TR/III/2010</td> <td>16/02/16</td> <td>16/02/17</td> </tr> <tr> <td>Turbine 2</td> <td>01/PTP/DTK -TR/III/2010</td> <td>16/02/16</td> <td>16/02/17</td> </tr> <tr> <td>Back pressure Vessel (Bejana Uap)</td> <td>02/F.0032.A</td> <td>11/12/13</td> <td>11/12/17</td> </tr> <tr> <td>Etc.</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Description	Izin Akte	The last inspection	The next inspection	Boiler 1	02/F.0038 A	22/12/15	22/12/17	Boiler 2	02/F.015.A	28/09/14	28/09/16	Sterilizer 1	02/F.001 A	28/09/14	28/09/18	Sterilizer 2	02/F.009 A	23/03/13	23/03/17	Sterilizer 3	02/F.002 A	16/02/15	16/02/19	Sterilizer 4	02/F.010 A	16/07/14	16/07/18	Hosting Crane 1	01/PAA/II/H IP/2004	28/09/15	28/09/16	Hosting Crane 2	1036/PAA/W 2/1998	28/09/15	28/09/16	Genset 1	08/PTP/DTK -TR/III/2010	16/02/16	16/02/17	Genset 2	09/PTP/DTK -TR/III/2010	16/02/16	16/02/17	Genset 3	282/PTP/W2 /1996	16/02/16	16/02/17	Turbine 1	02/PTP/DTK -TR/III/2010	16/02/16	16/02/17	Turbine 2	01/PTP/DTK -TR/III/2010	16/02/16	16/02/17	Back pressure Vessel (Bejana Uap)	02/F.0032.A	11/12/13	11/12/17	Etc.				
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Criterion / Indicator		Assessment Findings	Compliance
		13. IMB Composting Plant no. 188.45/503/1083/IMB/BPPT/2015, issued by Badan Pelayanan Perijinan Terpadu, Kabupaten Simalungun, dated 19 th October 2015. 14. Others available legal permits verified during this audit	
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance –	The company has established procedure related effort to comply with changes in the regulation as regulated in SOP No. CA/SOP/01, dated 1 November 2011, The company has update regulation and evaluated to comply with in "Daftar Peraturan perundangan Indonesia Yang Berkaitan Dengan RSPO, the last updated on 26 th February 2016.	Yes
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance –	Company has developed a mechanism for ensuring compliance to regulation as stated in document CA/SOP/1 issued date 1st November 2011 (Prosedur Informasi Perubahan Undang-Undang dan Peaturan Pemerintah). Procedure has regulated each of operation unit head shall be monitored and visited site location to check implementation of regulation. Company has developed a mechanism for ensuring compliance to regulation as stated in document CA/SOP/1 issued date 1st November 2011 (Prosedur Informasi Perubahan Undang-Undang dan Peaturan Pemerintah) Procedure has regulated each of operation unit head shall be monitored and visited site location to check implementation of regulation.	Yes
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance –	A mechanism to ensure to track the changes in law is available and the company has updated evaluation of regulation which must comply with regularly, the last updated 16 th March 2016. The company has updated the regulation must comply with it, e.g. <ul style="list-style-type: none"> - Keputusan Mahkamah Konsitusi (MK) related UU no. 7/2004 Tentang Sumber Daya Air is revoked and the previous Undang Undang is enacted. - PP no. 78, year 2015 related wages. - Permentan no. 11/2015 tentang ISPO. - Permenaker no. 26/2015 tentang Tata Cara Penyelenggaraan Jaminan Kecelakaan Kerja (JKK), Jaminan Kematian (JK) dan Jaminan Hari Tua (JHT) bagi peserta penerima upah, etc 	Yes
Criterion 2.2			
The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.			

Criterion / Indicator		Assessment Findings	Compliance
2.2.1	<p>Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available.</p> <p style="text-align: center;">- Major compliance -</p>	<ol style="list-style-type: none"> 1. Land titles/HGU No. SK.46/HGU/DA/75, dated on 21st October 1975 and continuing of HGU from "Menteri Negara Agraria/ Kepala BPN nomor 108/HGU/BPN/97", dated on 26th August 1997 with area 3,177.94 hectare. Certificate "HGU No. 2 tahun 1997, with total area 3,177.94 hectares for PT. Eastern Sumatera Indonesia. 2. HGU No. SK.45/HGU/DA/75, dated on 21st October 1975 and continuing of HGU from "Menteri Negara Agraria/ Kepala BPN nomor 90/HGU/ BPN/97", dated on 5th August 1997 with total area 2,362.03 hectares. Certificate "HGU No. 1 tahun 1997", with total area 2,362.03 hectares for PT. Kerasaan Indonesia.' 	Yes
2.2.2	<p>Legal boundaries shall be clearly demarcated and visibly maintained.</p> <p style="text-align: center;">- Minor compliance –</p>	<p>PT Eastern Sumatera Indonesia - Bukit Maradja Estate has a map of scale 1:50,000; showing the boundary poles of Bukit Maradja's land title, along with the geographic information.</p> <p>Company has conducted boundary monitoring, once every month by appointed officer and the result reported in "Checklist Patok HGU". For example monitoring from 06/02/2016 for 8 boundary poles (BPN 15 – 22) in Division I indicating all the boundary poles in good condition.</p> <p>PT Kerasaan Indonesia – Kerasaan Estate has a map of scale 1:50,000; showing the boundary poles of Kerasaan Estate's land title, along with the geographic information. Company has conducted boundary monitoring, once every month by appointed officer and the result reported in "Checklist Patok HGU". For example monitoring from 11/02/2016 for 20 boundary poles (BPN 1 – 20) in Division I and Division III indicating all the boundary poles in good condition and visibly maintained.</p>	Yes
2.2.3	<p>Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC).</p> <p style="text-align: center;">- Minor compliance –</p>	<p>There is no noted land dispute during audit</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
2.2.4	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. - Major compliance –	There is no noted land dispute during audit	Yes
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). - Minor compliance –	There is no noted land dispute during audit	Yes
2.2.6	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. - Major compliance -	There is no noted land dispute during audit	Yes
Criterion 2.3			
Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.			
2.3.1	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). - Major compliance –	There is no noted land dispute during audit	Yes

Criterion / Indicator		Assessment Findings	Compliance
2.3.2	<p>Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <ul style="list-style-type: none"> a) Evidence that a plan has been 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; b) 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; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. <p>- Minor compliance –</p>	There is no noted land dispute during audit	Yes
2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>- Minor compliance –</p>	There is no noted land dispute during audit	Yes

Criterion / Indicator		Assessment Findings	Compliance
2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>- Major coimpliance -</p>	There is no noted land dispute during audit	Yes
PRINCIPLE 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY			
Criterion 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.			

Criterion / Indicator	Assessment Findings	Compliance																																																
<p>3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p style="text-align: center;">- Major compliance -</p>	<p>Mill: The company has prepared budget plan for 10 years (2012 – 2022) and reviewed annually. Budget plan is consist of FFB Production OER, KER, cost, expenditure.</p> <p>The company produced detail budget annually, such as</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Description</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>FFB</td> <td style="text-align: right;">111,126</td> <td style="text-align: right;">108,661</td> <td style="text-align: right;">110,502</td> <td style="text-align: right;">110,741</td> </tr> <tr> <td>CPO</td> <td style="text-align: right;">25,892</td> <td style="text-align: right;">25,318</td> <td style="text-align: right;">25,747</td> <td style="text-align: right;">25,803</td> </tr> <tr> <td>PK</td> <td style="text-align: right;">6,112</td> <td style="text-align: right;">5,976</td> <td style="text-align: right;">6,078</td> <td style="text-align: right;">6,091</td> </tr> <tr> <td>OER</td> <td style="text-align: right;">23.30</td> <td style="text-align: right;">23.30</td> <td style="text-align: right;">23.30</td> <td style="text-align: right;">23.30</td> </tr> <tr> <td>KER</td> <td style="text-align: right;">5.50</td> <td style="text-align: right;">5.50</td> <td style="text-align: right;">5.50</td> <td style="text-align: right;">5.50</td> </tr> </tbody> </table> <p>Monitoring of yield and expenses for 2015 is available.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Description</th> <th>Budget (2015)</th> <th>Actual (2015)</th> </tr> </thead> <tbody> <tr> <td>FFB</td> <td style="text-align: right;">93,994</td> <td style="text-align: right;">105,881</td> </tr> <tr> <td>CPO</td> <td style="text-align: right;">21,901</td> <td style="text-align: right;">25,045</td> </tr> <tr> <td>PK</td> <td style="text-align: right;">5,170</td> <td style="text-align: right;">5,793</td> </tr> <tr> <td>OER</td> <td style="text-align: right;">23.30</td> <td style="text-align: right;">23.65</td> </tr> <tr> <td>KER</td> <td style="text-align: right;">5.50</td> <td style="text-align: right;">5.47</td> </tr> </tbody> </table> <p>The company also has detail budget for cost and expenditure each station.</p>	Description	2016	2017	2018	2019	FFB	111,126	108,661	110,502	110,741	CPO	25,892	25,318	25,747	25,803	PK	6,112	5,976	6,078	6,091	OER	23.30	23.30	23.30	23.30	KER	5.50	5.50	5.50	5.50	Description	Budget (2015)	Actual (2015)	FFB	93,994	105,881	CPO	21,901	25,045	PK	5,170	5,793	OER	23.30	23.65	KER	5.50	5.47	<p>Yes</p>
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	Criterion / Indicator	Assessment Findings	Compliance
		<p>FFB, CPO and PK production is recorded in daily basis as “Perlabian POM – Daily production Figure”, consist of: FFB received, production of CPO and PK, OER, KER, processing hour, throughput, stock of product, etc. and Montly basis as recorded in</p> <ol style="list-style-type: none"> 1. “Data FFB, CPO dan PK Bukit Maradja POM. 2. Monthly Progress Report (MPR), consist of production data and quality FFB received, Statement of CPO and PK production, despatch and stock balancing, mill throughput, processing hours, Labour statement, machinery/vehicle utilization, etc. <p>Bukit Maradja Estate: The company has budget plan for Perlabian estate as documented in “Business Plan 2015 – 2018”. The budget plan consists of FFB production and cost production/ton FFB. The FFB Projection 2016 (61,184 tonnes), 2017 (61,070 tonnes), and 2018 (61,070 tonnes), costing is detailed in business plan for each operation unit.</p> <p>The company also has reviewed projection in previous year, FFB production budget in 2015 is 58,742 tonnes and actual is 62,248 tonnes (achievement is 106 %).</p> <p>Kerasaan Estate: The company has budget plan for Perlabian estate as documented in “Business Plan 2015 – 2018”. The budget plan consists of FFB production and cost production/ton FFB. The FFB Projection 2016 (39,898 tonnes), 2017 (39,898 tonnes), and 2018 (39,898).</p> <p>The company also has reviewed projection in previous year, FFB production budget in 2015 is 35,252 tonnes and actual is 41,663 tonnes (achievement is 118 %).</p>	

Criterion / Indicator		Assessment Findings	Compliance																		
3.1.2	<p>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.</p> <p>- Minor compliance –</p>	<p>Company has started the replanting program and continuously prepared a replanting program up to 2021. Replanting program Bukit Maradja Estate 2017 – 2021:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Replanting year</th> <th style="text-align: center;">Division/Planting year</th> <th style="text-align: center;">Hectarage (Ha)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2017</td> <td style="text-align: center;">Div.3: 2000; Div.4: 2001</td> <td style="text-align: center;">169.02</td> </tr> <tr> <td style="text-align: center;">2018</td> <td style="text-align: center;">OP2000 and OP 2001</td> <td style="text-align: center;">141.45</td> </tr> <tr> <td style="text-align: center;">2019</td> <td style="text-align: center;">OP1999 and OP2000</td> <td style="text-align: center;">116.96</td> </tr> <tr> <td style="text-align: center;">2020</td> <td style="text-align: center;">OP1996, OP1997, OP1999, OP2000</td> <td style="text-align: center;">184.41</td> </tr> <tr> <td style="text-align: center;">2021</td> <td style="text-align: center;">Div.4: 2001</td> <td style="text-align: center;">185.09</td> </tr> </tbody> </table> <p>Prior to land preparation on the replanting area, a planting plan review must take place by ENC department. The planting plan review comprise of extensive document and field check: summary of plans – stating the area is suitable for intended land use; general map of management unit; map of area intended for replanting; soil maps; peat depth map (if applicable); peat drainability assessment (if applicable); topography map; slope class map; map of planned roads, bridges, culverts, etc; map of HCV/conservation area; planting material documentation; working schedule. The output is approval to continue the re-planting plan.</p> <p>Sample seen: Replanting plan review for Bukit Maradja Estate (revision of 2017 planting) for 184.62 Ha, date of review 15/09/2015. The reason due to low standing palm per Ha – ganoderma infestation. Summary of replanting plan states the initial plan for 184.62 Ha, located in Division 3 for planting year 2000 and Division 4 planting year 2001, planned planting material will be Ganoderma-resistant progeny from Socfind D x P. Soil map indicated no peat soil. HCV map, topography map, slope class map are available. Working schedule and Health and safety plan also available. The final plan will be 169.02 Ha.</p> <p>The seed certificate demonstrated: Socfindo Certificate No.406697/2015 dated 26/10/2015 for 25,000 seeds.</p>	Replanting year	Division/Planting year	Hectarage (Ha)	2017	Div.3: 2000; Div.4: 2001	169.02	2018	OP2000 and OP 2001	141.45	2019	OP1999 and OP2000	116.96	2020	OP1996, OP1997, OP1999, OP2000	184.41	2021	Div.4: 2001	185.09	Yes
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PRINCIPLE 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS																					
<p>Criterion 4.1 Operating procedures are appropriately documented, consistently implemented and monitored.</p>																					

Criterion / Indicator		Assessment Findings	Compliance
4.1.1	<p>Standard Operating Procedures (SOPs) for estates and mills shall be documented.</p> <p style="text-align: center;">- Major compliance -</p>	<p>The procedures documented in "Agricultural Manual Oil Palm", where it contains all sub section of the process, such as: Nursery, land clearing, planting in peat soil and mineral soil with zero burning, planting legume cover crops, terracing, upkeep (fertilizer and pesticides, included safe working practices), water level management, riparian and watercourse management, harvesting, replanting and FFB transport, included SOP for mill from receipt FFB up to despatch CPO and PK as documented in "Instruksi Kerja No.17", dated 6 January 2009.</p> <p>Bukit Maradja POM: BMPOM-WI/PROD/013-A "Pengoperasian Kolam Limbah" dated 01/02/2014, checking the pump condition, effluent ponds and piping. Pump flow on 25-35m³/hour, measure the pH, alkalinity and VFA. Hazard identified fall/drown, electrocuting. PPE requirement: helmet, safety boot. BMPOM-WI/LAB/004 "Analisa FFA Kernel Produksi" dated 01/06/2009, to measure free fatty acid of kernel production in laboratory using titration method.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.1.2	<p>A mechanism to check consistent implementation of procedures shall be in place.</p> <p>- Minor compliance –</p>	<p>PT Eastern Sumatera Indonesia performs checking and monitoring at different stage and level throughout all activities and processes. Estate’s performance monitoring carried out in form of fertilizer application monitoring, harvesting quality monitoring, herbicide application monitoring, etc. Palm oil mill’s performance monitored through FFB sortation record, preventive maintenance check, quality inspection, laboratory analysis, etc.</p> <p>The company conduct internal audit and regular inspection once a year, at minimum.</p> <p>Bukit Maradja Estate: Visit Report RSPO/ISCC internal audit dated 24-25/02/2016 where 6 findings identified: MSDS for fertilizer and paint, communication of company policies and Mucuna growth on HCV area. Action plan has been followed up until 03/03/2016. Visit from Commisary, President Director, Director Estate Department, GM dated 20/05/2015 where 5 issues such as seedling in nursery, loose fruit helper, ganoderma infestation graph, Mucuna growth on replanting area. Mucuna progress needed. Action plan has been prepared and followed up;</p> <p>Kerasaan Estate: Visit from Director Estate Department dated 16/12/2015 where 6 issues such as worker’s understanding of company policy, housing sanitation. Action plan has been prepared and followed up. Visit from GM North Sumatera dated 05-07/10/2015 where issues such as boundary and progress required for spraying and pruning. Action plan has been prepared and followed up; Beneficial plant (<i>Lantana camara</i>) to be planted in block where history of leaf eating caterpillar.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Bukit Maradja POM: Internal audit carried out once a year at minimum. The internal audit regulated as per "Prosedur Pelaksanaan Kunjungan Rutin dan Inspeksi No.ENC/SOP/02" dated 01/08/2011. In the procedure, inspection done on 3-monthly base.</p> <p>Machinery maintenance carried out under "Pelaksanaan Perawatan Mesin", checking weighbridge, loading ramp, transfer carriage, sterilizer cage, sterilizer safety valve, pressure gauge unit, capstan in, capstan out, air compressor, blowdown drain, condensate transfer pond, hoisting crane, threshers, empty bunch crusher, digesters, screw presses, sand trap tanks, rotary vibrating screens, crude oil tanks, cake break conveyors, depericarper, polishing drum, nut silo drier, ripple mill, kernel bin storages, chimney, dust collector, shoot blower, steam turbine 1000 KVA, etc..</p> <p>Sample seen: steam turbine preventive maintenance; turbine valve manometer, thermometer OK in 12/2015; Alternator check vibration, cleaning OK in 12/2015.</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.1.3	<p>Records of monitoring and any actions taken shall be maintained and available, as appropriate.</p> <p>- Minor compliance -</p>	<p>Records of any result and activities from estates and mill were maintained, based on procedure decides records have been made in daily basis and compiled once per month at the end of month including: Production data of FFB, CPO, PK, fertilizing activities, maintenance, manpowers, equipments and facilities, quality, grading, machines at mill area, cost and expenditure, etc.</p> <p>These records were proven and retrievable.</p> <p>To verify result of all above activities, company was conducted internal audot and agronomy visited, All internal audit and agronomy visited findings have been properly followed up as showed in the report of internal audit and agronomy visited.</p> <p>Bukit Maradja Estate: Visit Report RSPO/ISCC internal audit dated 24-25/02/2016 where 6 findings identified: MSDS for fertilizer and paint, communication of company policies and Mucuna growth on HCV area. Action plan has been followed up until 03/03/2016.</p> <p>Visit from Commisary, President Director, Director Estate Department, GM dated 20/05/2015 where 5 issues such as seedling in nursery, loose fruit helper, ganoderma infestation graph, Mucuna growth on replanting area. Mucuna progress needed. Action plan has been prepared and followed up;</p> <p>Visit from President Director dated 23/02/2016 – 12 findings identified. Maintenance for vertiver grass, done in 07-12/03/2016.</p>	Yes
4.1.4	<p>The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB).</p> <p>- Major compliance -</p>	<p>No any Outside FFB was received</p>	N/A
<p>Criterion 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>			

Criterion / Indicator		Assessment Findings	Compliance
4.2.1	<p>There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible.</p> <p>- Minor compliance –</p>	<p>PT TTI was established procedure to manage soil fertility such as "SOP Pemupukan" No.11/SOP/Oil Palm/ESD rev.1 tanggal 1 Oktober 2009.</p> <p>The procedures consist of manual fertilizer application, fertilizer application with spreader, compost application, bunch ash application, EFB application and POME application (Land Application), frond pruning.</p> <p>Based on field visit in estates, fertilizer application for year 2014 has completed. The inorganic fertilizer applied based on fertilizer recommendation.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2.2	<p>Records of fertiliser inputs shall be maintained.</p> <p>- Minor compliance –</p>	<p>Each estate maintains a complete record of fertilizer inputs – both organic and inorganic as documented under “Monthly Manuring Programme”.</p> <p>Bukit Maradja Estate: Fertilizer recommendation 1st half 2016 for block 2011C37 (19.04 Ha) is to have 1 kg Urea/palm, 1 kg Rock phosphate/palm, 1 kg MOP/palm, 0.5 kg dolomite/palm. Fertilizer recommendation 1st half 2016 for block 1997D34 (12.15 Ha) is to have 1.25 kg Urea/palm, 1.25 kg Rock phosphate/palm, 1.25 kg MOP/palm, 0.5 kg dolomite/palm. Application 2015: Fertilizer application 2nd half 2015 for block 1997D34 (12.15 Ha) applied with 1.25 kg MOP/palm, total 1,100 kg on 11/09/2015. Fertilizer application 2nd half 2015 for block 2011C37 (19.04 Ha) applied with 0.75 kg dolomite/palm, total 2,350 kg on 19/09/2015; applied with 1 kg CIRP/palm, total 3,100 kg on 27/08/2015.</p> <p>Kerasaan Estate: Fertilizer recommendation 1st half and 2nd half 2016 for each blocks are available. Application 2015: Fertilizer application 2nd half 2015 for block 2003B05 (24.46 Ha) applied with 1.25 kg Urea/palm, total 3,000 kg on 09/2015; applied with 0.5 kg dolomite/palm, total 1,200 kg on 10/2015. Fertilizer application for block 2006J04 (17.81 Ha) applied with 1 kg CIRP/palm, total 2,000 kg on 10/2015; applied with 30 kg POME solid/palm, total 180 palms applied on 10/2015.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2.3	<p>There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.</p> <p>- Minor compliance –</p>	<p>JH Agriculture Service conducted the Semi-Detailed Soil Survey in October 2009 for PT Eastern Sumatera Indonesia, within the semi-detailed soil survey report, topographic condition, soil fertility status and other information has been accounted into.</p> <p>Bukit Maradja Estate: Leaf analysis available "Sertifikat Hasil Pengujian Laboratorium Central Plantation Services" No.CPS/775/XII/2015 taken from 112 oil palm leaf and rachis samples. Date of analysis 09/12/2015.</p> <p>Kerasaan Estate: Leaf analysis available "Sertifikat Hasil Pengujian Laboratorium Central Plantation Services" No.CPS/776/I/2016 taken from 92 oil palm leaf and rachis samples. Date of analysis 04/01/2016.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2.4	<p>A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting.</p> <p>- Minor compliance –</p>	<p>Nutrient recycling strategy is present. The company using all palm by-products for soil nutrient, such as: EFB and POME (is applied to palm nearby mill) and frond stacking.</p> <p>Bukit Maradja Estate: EFB application is recorded, e.g. applied EFB 78.55 tons in block 1996E29 (1.72 Ha) in 01/2016; applied EFB 637.2 tons in block 2005C31 (14 Ha) in 01/2016; applied EFB 792.27 tons for block 2006B31 (17 Ha) in 02/2016.</p> <p>POME for land application as per “Keputusan Bupati Simalungun No.188.45/3440/LingHup-2015 tentang Perpanjangan Izin Pemanfaatan Air Limbah Industri Minyak Kelapa Sawit pada Tanah di Perkebunan Kelapa Sawit PT Eastern Sumatera Indonesia” dated 23/10/2015 valid for 5 years.</p> <p>POME to land application record on 11/2015 to block 1997I07 (24.37 Ha) with 6,286 m³; application on 12/2015 to block 1996E20 (23.63 Ha) with 6,750 m³.</p> <p>Kerasaan Estate: Fertilizer application for block 2006J04 (17.81 Ha) applied with 30 kg POME solid/palm, total 180 palms applied on 10/2015. Fertilizer application for block 2013I03 (19.77 Ha) applied with 30 kg POME solid/palm, for 965 palms on 05/2015, for 170 palms on 08/2015, for 350 palms on 09/2015 – total 1,485 palms.</p>	Yes
Criterion 4.3			
Practices minimise and control erosion and degradation of soils.			

Criterion / Indicator		Assessment Findings	Compliance
4.3.1	<p>Maps of any fragile soils shall be available.</p> <p>- Major compliance -</p>	<p>JH Agriculture Service conducted the Semi-Detailed Soil Survey in October 2009 for PT Eastern Sumatera Indonesia, within the semi-detailed soil survey report, topographic condition, soil fertility status and other information has been accounted into.</p> <p>Bukit Maradja Estate: Soil map is available, indicating the soil profile dominantly by Bukit Maradja series (approximately 2,400 Ha) and Kerasaan series (approximately 687 Ha). Topography map for Bukit Maradja Estate is available, relatively flat.</p> <p>Kerasaan Estate: Soil map is available, indicating the soil profile dominantly by Bukit Maradja series (approximately 972 Ha) and Kerasaan series (approximately 1,343 Ha).</p>	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>- Minor compliance –</p>	<p>No planting since 2007 on slopes in excess of 2⁰. There is in fact very little planting on sloped land throughout PT Eastern Sumatera Indonesia. Planting on steeper terrain prepared with infrastructure such as terrace or individual terrace.</p> <p>Kerasaan Estate: Topography map for Kerasaan Estate is available, the slope not exceeding 2⁰. Planting legume cover crop (<i>Mucuna bracteata</i>) in replanting area; 6,000 stacks to Division I (02/2016) and 3,000 stacks to Division III (01/2016). <i>Mucuna</i> planting 05/2105 to block from OP2002 that will be designated for replanting 2015A03 (10.15 Ha).</p>	Yes
4.3.3	<p>A road maintenance programme shall be in place.</p> <p>- Minor compliance –</p>	<p>Based on field verification to Division III Kerasaan Estate, company demonstrates road maintenance, by means road graverling, road grading, and fortification with stone (road-stoning).</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.3.4	<p>Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.</p> <p>- Major compliance –</p>	<p>Based on JH Agriculture Semi Detailed Soil Survey Report, 2009 - there is no indication of area with peat soil in the Bukit Maradja and Kerasaan Estate. The soil limitation to oil palm growth is sandy soil with low soil moisture holding capacity and high leaching loss of applied fertilizer.</p> <p>Water management plan available as per 4.4.1.</p> <p>Ground cover management planned along with the replanting program, such as planting <i>Mucuna bracteata</i> as legume cover crop and planting <i>Vertiver</i> grass.</p>	Yes
4.3.5	<p>Drainability assessments shall be required prior to replanting on peat to determine the longterm viability of the necessary drainage for oil palm growing.</p> <p>- Minor compliance –</p>	<p>Based on JH Agriculture Semi Detailed Soil Survey Report, 2009 - there is no indication of area with peat soil in the Bukit Maradja and Kerasaan Estate. The soil limitation to oil palm growth is sandy soil with low soil moisture holding capacity and high leaching loss of applied fertilizer.</p>	Yes
4.3.6	<p>A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils).</p> <p>- Minor compliance –</p>	<p>Bukit Maradja Estate: Cover crop management (for sandy area) and drainage prone to soil erosion. Planting <i>Mucuna bracteata</i> in area prepared for replanting 2016; Division I, block 2016F16 – 1,600 stack and block 2016F17 – 1,000 stacks in 01/2016. Planting of vertiver grass to mitigate erosion at drainage.</p> <p>Kerasaan Estate: Topography map for Kerasaan Estate is available, the slope not exceeding 2°. Planting legume cover crop (<i>Mucuna bracteata</i>) in replanting area; 6,000 stacks to Division I (02/2016) and 3,000 stacks to Division III (01/2016). <i>Mucuna</i> planting 05/2105 to block from OP2002 that will be designated for replanting 2015A03 (10.15 Ha).</p>	Yes
<p>Criterion 4.4 Practices maintain the quality and availability of surface and ground water.</p>			

Criterion / Indicator		Assessment Findings	Compliance
4.4.1	<p>An implemented water management plan shall be in place.</p> <p style="text-align: center;">- Minor compliance -</p>	<p>The company has water management plan in place a policy with regards to the protection of watercourses which includes dedicated buffer zones and riparian areas – including establishing buffers along rivers in accordance with Indonesian laws - 50 metres buffer on each side for small rivers.</p> <p>It is the policy of the company that all buffer zones as stipulated by Indonesian law are re-established at re planting. This is in evidence during replanting taking place presently in Bukit Maradja and Kerasaan estates were required buffers were seen to have been established during this process. There are in place practices to prevent run off of nutrients and chemicals through the planting manual. Chemical handlers are trained in the disposal of chemicals - waste chemicals containers are disposed of or are re-used for sprayers in field.</p> <p>Mill: The company has water management plan as documented in “Rencana Pengelolaan Air – Bukit Maradja POM”, updated on 06th January 2016. The water management plan, consist of:</p> <ol style="list-style-type: none"> 1. Water intake for FFB processed, WTP (Water Treatment plant), dilution water in Schrew press, water deashing di dust collector, water for Clarification station, and domestic waste. 2. Water usage efficiency program: <ul style="list-style-type: none"> - Monitoring on-off system (level switch) in water intake. - Routine maintenance for pipe - Efficiency water usage for domestic waste. 3. Water quality: 4. Water quality monitoring 	Yes
		<p>Bukit Maradja and Kerasaan Estate: The company has “Water Management Plan”, updated 6th January 2016, consist of water resources, monitoring of water quality, water supply for domestic consumption, efiency water usage, no chemical applied along the riparian zone. Based on field visit and document review, it was seen that plan is implemented.</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.4.2	<p>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.</p> <p style="text-align: center;">- Major compliance -</p>	<p>Company has identified the river flow during HCV Identification exercise and explained under HCV Identification report. For example: Babolon river, Seragu river. Company has demonstrate effort to minimize erosion, whtough planting trees in river buffer zone and not applying agrochemical in designated river buffer zone.</p>	Yes
4.4.3	<p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6).</p> <p style="text-align: center;">- Minor compliance –</p>	<p>Estate: N/A</p> <p>Mill: The company has CDM Project and discharge effluent to Land Application, effluent sampling is taken regularly every month by independent third party (Binalab), e.g. water sample in "Effluent Final Discharge Pond" by Binalab.</p> <p>Result of BOD sampling analysis shown that no more than 5,000 mg/Liter as regulated in "Peraturan menteri Lingkungan Hidup No. 28, year 2003", e.g. the testing result of BOD level in September 2015 (3,889 mg/L), October 2015 (589.8 mg/L), November 2015 (1,321 mg/L), December 2015 (512.9 mg/L), the result is complying with National Regulation "Kepmen LH No. 28/2003 (< 5,000 mg/L) for Land Application.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance –	Water used for estates and mill have been measured and monitored by the company, including using of water for processing in the MT FFB, result of measurement and monitoring were recorded in the "Pemakaian Air Dan HSD Oisl". The record seen as below: <ol style="list-style-type: none"> 1. January 2015 (2.62 MT/tonnes FFB) 2. February 2015 (2.28 MT/tonnes FFB) 3. March 2015 (2.05 MT/tonnes FFB) 4. April 2015 (1.75 MT/tonnes FFB) 5. May 2015 (1.92 MT/tonnes FFB) 6. June 2015 (1.81 MT/tonnes FFB) 7. July 2015 (1.71 MT/tonnes FFB) 8. August 2015 (1.86 MT/tonnes FFB) 9. September 2015 (1.65 MT/tonnes FFB) 10. October 2015 (1.77 MT/tonnes FFB) 11. November 2015 (1.67 MT/tonnes FFB) 12. December 2015 (1.33 MT/tonnes FFB) 13. January 2016 (0.45 MT/tonnes FFB) 14. February 2016 (0.51 MT/tonnes FFB). It was seen there is decreasing water usage for FFB process.	Yes
Criterion 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.			

Criterion / Indicator		Assessment Findings	Compliance
4.5.1	<p>Implementation of Integrated Pest Management (IPM) plans shall be monitored.</p> <p>- Major compliance -</p>	<p>PT Eastern Sumatera Indonesia is able to demonstrate Integrated Pest Management under "Program Pengendalian Hama Terpadu 2016". These plans comprise of biological, physical and chemical treatment to control pest attack.</p> <p>Integrated Pest Management was documented and retrievable including building and maintenance of barn owl boxes, planting and maintenance of beneficial plants, pest and diseases census such as for ganoderma census. PT Eastern Sumatera Indonesia was implementing early warning system through regular pest monitoring (census) for rat and boar attack, leaf eating pest, etc. Reports are produced and maintained, chemical pesticide will only used if the pests attack above the economic threshold. Once implemented, management performs monitoring to re-check the program effectiveness.</p> <p>Bukit Maradja Estate: IPM Plan consist of: creating barn owl boxes (03/2016 and 07/2016); monitoring barn owl (monthly); upkeep beneficial plant (monthly); planting beneficial plant (monthly); Leaf eating caterpillar census (monthly); Identification of beneficial plant (08/2016); Ganoderma census (05/2016 and 11/2016).</p> <p>Oryctes attack dated 01/2016 in block 2014C34 (21.01 Ha) 3 palms has low attack (0.1%) – total attack on OP2014 0.08% low intensity; block 2015C32 (20.25 Ha) 12 palms has heavy attack (0.42%) – recap attack on OP2015 was 0.37% heavy intensity.</p> <p>No leaf eating caterpillar/pest identified on 01/2016 and 02/2016. Rat attack 08/2015, in OP2005 (105.02 Ha) and OP2006 (88.12 Ha), the result shows OP2005, 91 palms attacked, level of attack 5.38%; OP2006, 156 attacked, level of attack 5.28%. The decision was to implement limited rat baiting. Ganoderma infestation census for block 1994E31 dated 11/2015. The ganoderma census shows in block 1994E31 – from 1,835 palms, 13 palms infested.</p> <p>Treatment with de-bolling and sanitation immediately. Planting beneficial plant: in 01/2016, Division III, block 2016C16, planting 96 stacks <i>Turnera subulata</i>, 96 stacks <i>Antigonon</i>, 179 stacks <i>Cassia cobanensis</i>; block 2016C17 planting 96 stacks <i>Turnera subulata</i>, 96 stacks <i>Antigonon</i>, 179 stacks <i>Cassia cobanensis</i>.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>Kerasaan Estate: IPM Plan consist of: prepare barn owl boxes in Division I, 2 boxes for OP 1996; Division III, 2 boxes for OP2008 and 2 for OP2009(03-04/2016 and 10-11/2016); monitoring barn owl (monthly); upkeep beneficial plant (monthly): block 2003B04 (18.43 Ha) beneficial plant <i>Turnera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon</i> planned for upkeep on 01/2016;</p> <p>The ganoderma census shows in block 1996E06 (19.58 Ha) – original palm 2,635 palms, original SPH 135/Ha; As per 11/2015: Ganoderma infestation 130 palms (stadia 1), 38 palms (stadia 2), 55 palms (stadia 3), 29 (stadia 4); infested/dead 640 palms; fallen 178 palms. Treatment with de-bolling and sanitation immediately, sample: for block 2003B03 (9.59 Ha) – population after census 1,269 palms, sanitation for growing point 5 points, 5 fallen palms, 2 palms stadia IV, completed 21/02/2016.</p> <p>Upkeep beneficial plant (monthly): Division I, block 2003B04 (18.43 Ha) beneficial plant <i>Turnera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon</i> upkeep implemented 18.43 Ha in 01/2016; block 2012F01 (19.96 Ha) beneficial plant <i>Turnera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon</i> upkeep implemented 19.96 Ha in 03/2016;</p>	
4.5.2	<p>Training of those involved in IPM implementation shall be demonstrated. - Minor compliance –</p>	<p>There are training records for training of staff in regards to IPM and these are now formally recorded on all occasions. IPM training provided for field operators in all estates.</p> <p>Bukit Maradja Estate: Integrated Pest Management training – Ganoderma census and treatment by Verdant Bioscience, dated 09/10/2015 and attended by 18 field officers.</p> <p>Kerasaan Estate: Integrated Pest Management training dated 04/09/2015, attended by 14 field assistants.</p> <p>Ganoderma census training dated 15/10/2015, attended by 8 field assistants, spraying team and manuring team.</p>	Yes
<p>Criterion 4.6 Pesticides are used in ways that do not endanger health or the environment.</p>			

Criterion / Indicator		Assessment Findings	Compliance
4.6.1	<p>Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available.</p> <p>- Major compliance -</p>	<p>The company has shown that all pesticides which used by the company included in approved registered pesticide by Agriculture Ministry – 2015.</p> <p>PT Eastern Sumatera Indonesia also has procedures to explain the identification of target species, agrochemical to be used, and dosage and area per application in general. A further dosage reduction controlled through budget.</p> <p>Visit to chemical store and record review shows company chemical product for specific target species (weed).</p> <p>Bukit Maradja Estate: PT Eastern Sumatera Indonesia has listed all pesticide and herbicide used on the field. All the pesticide and herbicide have valid license from government. Example: Inteam 150SL, a.i. Ammonium glifosinat 150g/l No.01030120062440, valid until 06/10/2016.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance																																																												
<p>4.6.2 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 provided. - Major compliance -</p>	<p>PT Eastern Sumatera Indonesia has records of herbicide use, available and maintained at each Estate. The records shows the total chemical used (in kg and/or liters), the active ingredients used, total area treated (in Ha), and active ingredients used per area treated and per ton FFB produced. PT Tolan Tiga Indonesia is calculating the active ingredients per block on monthly basis. Bukit Maradja Estate:</p> <p>Record of herbicide and pesticide application:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Description</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2015</th> </tr> </thead> <tbody> <tr> <td>Amistar Top (Azoxistrobin dan Difenokonazol)</td> <td style="text-align: center;">7.10 liter</td> <td style="text-align: center;">15.15 liter</td> </tr> <tr> <td>Benstar 50 WP</td> <td style="text-align: center;">3,200 kg</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Becano 500 SC (Indaziflam 500g/l)</td> <td style="text-align: center;">48.47 liter</td> <td style="text-align: center;">77.12 liter</td> </tr> <tr> <td>Fusilade</td> <td style="text-align: center;">25 liter</td> <td style="text-align: center;">-</td> </tr> <tr> <td>SMART (Isopropil amina glyphosate)</td> <td style="text-align: center;">8,576.77 liter</td> <td style="text-align: center;">8,949.72 liter</td> </tr> <tr> <td>Gramoxone 276 SL (Paraquat)</td> <td style="text-align: center;">2,469.60 liter</td> <td style="text-align: center;">2,031.62 liter</td> </tr> <tr> <td>Garlon 670 EC (Triclophyr)</td> <td style="text-align: center;">40.05 liter</td> <td style="text-align: center;">11 liter</td> </tr> <tr> <td>Starane 290 EC (Fluoroksipir 290g/l)</td> <td style="text-align: center;">70 liter</td> <td style="text-align: center;">321.66 liter</td> </tr> <tr> <td>Kenlon (Triclophyr)</td> <td style="text-align: center;">-</td> <td style="text-align: center;">51 liter</td> </tr> <tr> <td>Vulgar (2,4 Dimetil Amina)</td> <td style="text-align: center;">-</td> <td style="text-align: center;">40 liter</td> </tr> <tr> <td>Metsulindo WP (Metil Metsulfuron)</td> <td style="text-align: center;">277,479 gram</td> <td style="text-align: center;">266,246 gram</td> </tr> <tr> <td>Decis 25 EC (Deltametrin)</td> <td style="text-align: center;">40 liter</td> <td style="text-align: center;">87.41 liter</td> </tr> <tr> <td>Dithane (Mankozebe)</td> <td style="text-align: center;">-</td> <td style="text-align: center;">91 kg</td> </tr> <tr> <td>Marshall 5G (Karbosulfan 5%)</td> <td style="text-align: center;">13,618 kg</td> <td style="text-align: center;">12,988.24 kg</td> </tr> <tr> <td>Malation 96% TC</td> <td style="text-align: center;">3.60 liter</td> <td style="text-align: center;">3.10 liter</td> </tr> <tr> <td>Maraton 500 WSC (Dimehipo)</td> <td style="text-align: center;">612.23 liter</td> <td style="text-align: center;">1,375.10 liter</td> </tr> <tr> <td>Tikumin</td> <td style="text-align: center;">800 kg</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Ebor bait</td> <td style="text-align: center;">-</td> <td style="text-align: center;">365 kg</td> </tr> <tr> <td>Thuricide HP (Bacillus thuringensis)</td> <td style="text-align: center;">1,108.89 kg</td> <td style="text-align: center;">1,283.21 kg</td> </tr> </tbody> </table> <p>“Rekaman Penggunaan Pestisida”: Block 1997D34, month 11/2015 total application for Glyphosate total quantity 1,312 gram, a.i used 360 gram, area treated 12.15 Ha – actual a.i/Ha is 108 gram/Ha.FFB production from block 1997D34 in 11/2015 was 22,453 MT. Record of pesticide use per MT FFB: Glyphosate actual gram a.i/MT FFB was 162.34 gram/MT FFB; Metil Metsulfuron actual gram a.i/MT FFB was 0.4454 gram/MT FFB.</p>	Description	2014	2015	Amistar Top (Azoxistrobin dan Difenokonazol)	7.10 liter	15.15 liter	Benstar 50 WP	3,200 kg	-	Becano 500 SC (Indaziflam 500g/l)	48.47 liter	77.12 liter	Fusilade	25 liter	-	SMART (Isopropil amina glyphosate)	8,576.77 liter	8,949.72 liter	Gramoxone 276 SL (Paraquat)	2,469.60 liter	2,031.62 liter	Garlon 670 EC (Triclophyr)	40.05 liter	11 liter	Starane 290 EC (Fluoroksipir 290g/l)	70 liter	321.66 liter	Kenlon (Triclophyr)	-	51 liter	Vulgar (2,4 Dimetil Amina)	-	40 liter	Metsulindo WP (Metil Metsulfuron)	277,479 gram	266,246 gram	Decis 25 EC (Deltametrin)	40 liter	87.41 liter	Dithane (Mankozebe)	-	91 kg	Marshall 5G (Karbosulfan 5%)	13,618 kg	12,988.24 kg	Malation 96% TC	3.60 liter	3.10 liter	Maraton 500 WSC (Dimehipo)	612.23 liter	1,375.10 liter	Tikumin	800 kg	-	Ebor bait	-	365 kg	Thuricide HP (Bacillus thuringensis)	1,108.89 kg	1,283.21 kg	<p>Yes</p>
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Criterion / Indicator	Assessment Findings	Compliance																																										
	<p>"Rekaman Penggunaan Pestisida": Block 2011C37, month 02/2016 total application for Glyphosate total quantity 3,290 gram, a.i used 360 gram, area treated 19.04 Ha – actual a.i/Ha is 173 gram/Ha. FFB production from block 2011C37 in 02/2016 was 9,502 MT. Record of pesticide use per MT FFB: Glyphosate actual gram a.i/MT FFB was 18.21 gram/MT FFB; Metil Metsulfuron actual gram a.i/MT FFB was 0.0253 gram/MT FFB.</p> <p>Kerasaan Estate:</p> <p>Record of herbicide and pesticide application:</p> <table border="1"> <thead> <tr> <th>Description</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>SMART (Isopropil amina glyphosate)</td> <td>4,169.85 liter</td> <td>3,800.01 liter</td> </tr> <tr> <td>Gramoxone (Paraquat)</td> <td>465.00 liter</td> <td>552.26 liter</td> </tr> <tr> <td>Garlon (Triclophyr)</td> <td>281.81</td> <td>72.50 liter</td> </tr> <tr> <td>Kenlon (Triclophyr)</td> <td>-</td> <td>51 liter</td> </tr> <tr> <td>Vulgar (2,4 Dimetil Amina)</td> <td>-</td> <td>40 liter</td> </tr> <tr> <td>Metsul 24 WP (Metil Metsulfuron)</td> <td>59,520 gram</td> <td>89,233 gram</td> </tr> <tr> <td>Decis (Deltametrin)</td> <td>-</td> <td>30 liter</td> </tr> <tr> <td>Dithane (Mankozebe)</td> <td>-</td> <td>91 kg</td> </tr> <tr> <td>Marathon 500 SL (Dimehipo)</td> <td>-</td> <td>-</td> </tr> <tr> <td>Marshall 5G (Karbosulfan 5%)</td> <td>1,334.68 kg</td> <td></td> </tr> <tr> <td>Inteam 150 SL (Ammonium glufosinat)</td> <td>-</td> <td>120 liter</td> </tr> <tr> <td>Malation 96% TC</td> <td>-</td> <td>3.10 liter</td> </tr> <tr> <td>Bastal 150 SL</td> <td>-</td> <td>22.50 liter</td> </tr> </tbody> </table> <p>Block 2003B04, month 2015 total application for Glyphosate 09/2015 total quantity 1,296 gram, a.i used 360 gram, area treated 3.6 Ha – actual a.i/Ha is 108 gram/Ha. FFB production from block 2003B03, 2003B04, 2003B05 in 09/2015 was 134.26 MT.</p>	Description	2014	2015	SMART (Isopropil amina glyphosate)	4,169.85 liter	3,800.01 liter	Gramoxone (Paraquat)	465.00 liter	552.26 liter	Garlon (Triclophyr)	281.81	72.50 liter	Kenlon (Triclophyr)	-	51 liter	Vulgar (2,4 Dimetil Amina)	-	40 liter	Metsul 24 WP (Metil Metsulfuron)	59,520 gram	89,233 gram	Decis (Deltametrin)	-	30 liter	Dithane (Mankozebe)	-	91 kg	Marathon 500 SL (Dimehipo)	-	-	Marshall 5G (Karbosulfan 5%)	1,334.68 kg		Inteam 150 SL (Ammonium glufosinat)	-	120 liter	Malation 96% TC	-	3.10 liter	Bastal 150 SL	-	22.50 liter	
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Criterion / Indicator		Assessment Findings	Compliance
4.6.3	<p>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 national Best Practice guidelines.</p> <p>- Major compliance -</p>	<p>There is no used of prophylactic use of pesticides throughout the company estate. Pesticide is only used for last resort.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance												
<p>4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances.</p> <p>- Minor compliance –</p>	<p>Based on document review, it was noted that paraquat usage is reduced. Reducing program will be continuing until phased out by the end of 2016. There is Memorandum from GM Office North Sumatera No.117/GMO-All Estate/XI/2015 dated 01/12/2015 to stop the use of paraquat by 01/01/2017; paraquat can be ordered max. 1st half 2016; application of paraquat to end stock is allowed.</p> <p>Bukit Maradja Estate: Record of herbicide and pesticide application:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Description</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2015</th> </tr> </thead> <tbody> <tr> <td>Gramoxone 276 SL (Paraquat)</td> <td style="text-align: right;">2,469.60 liter</td> <td style="text-align: right;">2,031.62 liter</td> </tr> </tbody> </table> <p>The budget for paraquat use in 2016 was further reduced into 570 liters until phased out by the end of 2016.</p> <p>Kerasaan Estate: Record of herbicide and pesticide application:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Description</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2015</th> </tr> </thead> <tbody> <tr> <td>Gramoxone (Paraquat)</td> <td style="text-align: right;">465.00 liter</td> <td style="text-align: right;">552.26 liter</td> </tr> </tbody> </table> <p>The use of paraquat increased from 465 liters back in 2014 into 552.26 liters in 2015. The increase use of paraquat in 2015 was due to increase the use for controlling VOPS in replanting area OP2014 and OP2015. For replanting area OP2014, failed Mucuna establishment (prolonged drought) and as a consequence use of paraquat added into 2015 program.</p> <p>There is Memorandum from GM Office North Sumatera No.117/GMO-All Estate/XI/2015 dated 01/12/2015 to stop the use of paraquat by 01/01/2017; paraquat can be ordered max. 1st half 2016; application of paraquat to end stock is allowed. The budget for paraquat use in 2016 was further reduced into 34.20 liters until phased out by the end of 2016.</p>	Description	2014	2015	Gramoxone 276 SL (Paraquat)	2,469.60 liter	2,031.62 liter	Description	2014	2015	Gramoxone (Paraquat)	465.00 liter	552.26 liter	<p>Yes</p>
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Criterion / Indicator		Assessment Findings	Compliance
4.6.5	<p>Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).</p> <p>- Major compliance -</p>	<p>Agcochemical are only handled, used and applied by trained personnel. Based on field visit to chemical store, and interview with the storekeeper, they admit to have proper training. The chemical store equipped with MSDS, appropriate PPE (face shield, respirator, apron, gloves and rubber boot) and emergency equipment – in the case of spillage or exposure.</p> <p>The training data is also maintained to show the nature and content of the training covered. Material Data Safety Sheets (MSDS) are obtained for all chemicals used and are available at the storage and areas of mixing. Samplen taken for Bukit Maradja Estate,</p> <p>Bukit Maradja Estate: "Pelatihan Pestisida Terbatas" (certificate No.521.4/88.31/PLA.S/V/2014) dated 28/04/2015 for Mr.Ponirin, Mrs.Riati, Mr.Agus Kurniawan "Pelatihan Pestisida Terbatas" (certificate No.5212.4/135/09/PLA.S/VII) dated 17/07/2012 for Mrs.Mesgiati, Mrs.Isniwati, Mr.Suyetno, Mr.Ifان Arnando, Mrs. Sumiati.</p> <p>Kerasaan Estate: "Pelatihan Pestisida Terbatas" dated 29/04/2015 for Ahmad Mustafa (certificate No.521.4/88.31/PLA.S/V/2014), Amin Subagio, Suprianto, Juliadi, Ade Anggara.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.6.6	<p>Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3).</p> <p>- Major compliance -</p>	<p>The storage for all pesticide is in good condition. A standard storage system appears to be implemented across PT TTI.</p> <p>The storage is equipped with sufficient air ventilation to provide air circulation. Hazard signs, emergency shower, second containment, spill kit, appropriate PPE (face shield, permeable gloves, apron and mask) is available and ready for use.</p> <p>Working instruction for pre-mixing, stacking and storing pesticide is current, MSDS is also readily available. Material Data Safety Sheets (MSDS) are obtained for all chemicals used and are available at the areas of mixing. These were all seen be controlled by date and were readily available. No concentrates are taken into the field as all spray solutions are pre- mixed in a designated area.</p> <p>Empty pesticide container was triple rinsed before sent for temporary hazardous waste storage.</p> <p>The company supplies two sets of overalls to all pesticide operators so that one can always be considered clean. Overalls are washed at the pesticide mixing areas in specially constructed wash areas so that sprayers and mixers do not need to take them home and therefore the risk of cross contamination with family members is reduced and eliminated.</p>	Yes
4.6.7	<p>Application of pesticides shall be by proven methods that minimise risk and impacts.</p> <p>- Minor compliance –</p>	<p>Pesticides used were mixed accordingly as per mixing instructions. Procedure no TTI/PROS/IMP/14 revision 01 dated on 01 December 2013 was established and approved related pesticides usage, storage, mixing and handling of container properly to minimise risk and impact.</p> <p>Application of pesticide shall be approved by manager based on action plan from each FA (Field Assistant), reviewed by Field Head assistant. FA made pesticide plan referred to result of survey.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.6.8	<p>Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application.</p> <p style="text-align: center;">- Major compliance -</p>	<p>There is no aerial application of pesticide throughout PT Eastern Sumatera Indonesia's Estate.</p>	Yes
4.6.9	<p>Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated; including provision of appropriate information materials (see Criterion 4.8).</p> <p style="text-align: center;">- Minor compliance –</p>	<p>Records of training are kept in each estate for all workers who come into contact with pesticides this include Pesticide Mixers, pesticide Sprayers and any chemical handlers in the stores.</p> <p>The training data is available and centrally in all estates for whoever handles pesticides. There is a minimum requirement of PPE that must be used in the handling and application of pesticides. PPE specifications are stated in the MG and further demonstrated in training manuals.</p> <p>Bukit Maradja Estate: "Pelatihan Pestisida Terbatas" (certificate No.521.4/88.31/PLA.S/V/2014) dated 28/04/2015 for Mr.Ponirin, Mrs.Riati, Mr.Agus Kurniawan "Pelatihan Pestisida Terbatas" (certificate No.5212.4/135/09/PLA.S/VII) dated 17/07/2012 for Mrs.Mesgiati, Mrs.Isniwati, Mr.Suyetno, Mr.Ifana Arnando, Mrs.Sumati.</p> <p>Kerasaan Estate: Pelatihan Pestisida Terbatas was done on 28/04/2015 by Komisi Pengawasan Pupuk dan pestisida, Certificate No.521.4/88.31/PLA.S/V/2014 for Mr. Harianto, Mr.Brian Daniel, Mr.Soliadi, Mr.Ardiansyah.</p> <p>Training for SA 15 sprayer calibration was done on 25/08/2015 and attended by 7 sprayers.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.10 Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3).</p> <p>- Minor compliance -</p>	<p>Chemical storekeeper in estates understood the procedure and re-use of ex-chemical empty container. The empty containers are triple rinsed before sent to hazardous waste storage and/or re-use as pre-mixed water container to the field.</p> <p>Waste storage was separately and clearly identification as follow: hazardous waste black colour, Organic waste green colour, non organic waste blue colour and economical waste yellow colour. This identification has been properly understood by all workers.</p> <p>Review of records showed all hazardous waste has been identified and properly monitored, such as used oil, used oil filter, used batteries, empty chemical container from Estate and Mill activities, contaminated materials, etc. Monitoring was recorded in document "Neraca Limbah B3".</p> <p>"Neraca Limbah B3", indicating waste oil 250 liters as of 31/12/2015, incoming 75 liters from Bukit Maradja Estate 15/01/2016. Outgoing 325 liters to CV Amindy Barokah on 22/01/2016. Empty pesticide container 83.4 kg as of 31/12/2015, incoming 41 kg from Bukit Maradja Estate 18/01/2016. Outgoing 143.1 kg to CV Amindy Barokah on 22/01/2016.</p> <p>The latest disposal via third party licensed transporter The Manifest documents and receipts were available and properly recorded: "Berita Acara Serah Terima Limbah B3 No.003/BMM-ENC/2016 dated 22/01/2016. The licensed contractor transported 325 liters waste oil, 14 kg oil filter, 12 kg used battery, 6 kg electronic waste, 143.1 kg chemical container, 6 kg contaminated waste. Manifest No.ZF0008178 for 143.1 kg chemical container by CV Amindy Barokah dated 22/01/2016. Berita Acara Serah Terima Limbah B3 No.83/PLE/2015 dated 09/10/2015. The licensed contractor transported 510 liters waste oil, 31 kg oil filter, 14 kg used battery, 8 kg electronic waste, 173 kg chemical container, 4 kg contaminated waste. Manifest No.ZF0007255 for 3 kg medical waste dated 09/10/2015. Manifest No.0007445 for 510 liters waste oil dated 10/10/2015. Manifest No.ZF0007451 for 172 kg chemical container by CV Amindy Barokah dated 10/10/2015.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
4.6.11	<p>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.</p> <p>- Major compliance -</p>	<p>Beside annual medical checkup, specific medical checkup was also done for pesticide and chemical operator at least once a year by external clinic "Klinik Spesialis Anugerah Ibu", record of medical checkup was evident as per record "formulir pemeriksaan medis pekerja pemakai pestisida/bahan kimia" and Specific medical checkup, e.g. Mrs. NS (Spraying team).</p> <p>Based on interview with spraying team and review Medical Surveillance recsul on sampled workers, doctor concluded there is no worker with signs of intoxication detected.</p> <p>Bukit Maradja Estate:</p> <p>Latest medical checkup dated 15/06/2015 for Mr.Ponirin, Mr.Riati, Mr.Sumiasi, Mr.Mesgiati, Mr.Isniwati, Mr.Suyetno, Mr.Ifan Arnando, Mr.Agus Kurniawan, Mrs.Sri Mujiati – all found to be fit to work.</p> <p>Kerasaan Estate:</p> <p>Latest medical checkup dated 15/06/2015 for Mr.Ardiansyah, Mr.Harianto – all found to be fit to work.</p> <p>"Pemeriksaan Medis" dated 05/01/2016 for Mrs.Farida Hariani, Mrs.Retno Winarti.</p>	Yes
4.6.12	<p>No work with pesticides shall be undertaken by pregnant or breast-feeding women.</p> <p>- Major compliance –</p>	<p>There is no pregnant worker and breast feeding women involving for spraying, chemical and pesticides activities during audit observation and based on interview result with spraying team in Bukit Maradja and Kerasaan estates.</p> <p>Bukit Maradja Estate:</p> <p>"Daftar Hadir Pekerja Wanita Bukit Maradja Estate" – No pregnant, no breastfeeding checklist for spraying period 01/2015 – 02/2016: Mrs.Ismiati, Mrs.Mesgiati, Mrs.Sri Mujiati, Mr.Sumiasi, Mr.Riati.</p> <p>Kerasaan Estate:</p> <p>"Absen Karyawan Spraying Tidak Hamil dan Menyusui" – No pregnant, no breastfeeding checklist for manuring team, carried out on daily basis: Mrs.Retno Winarti, Mrs.Farida Ariani period 01/2015 – 02/2016.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>Criterion 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.</p> <p><i>Specific Guidance for 4.7.7: The National Interpretation will define the metrics for LTA. For countries where there are no national interpretations, the growers will determine their own metrics.</i></p>		
<p>4.7.1</p> <p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>An Occupational Health and Safety Policy has been established and in place, issued and signed by the President Director dated 01/03/2014. Company supports the implementation of all relevant laws and regulations of Republic of Indonesia and of applicable international agreements and standards. Continual improvement through hazard and risk identification and reduction; Provision of adequate resources for effective implementation of Occupational Health and Safety programmes and procedures, including strict compliance reviews; Ensuring OHS policy integrate with other company policy.</p> <p>Health and Safety Procedure under "Prosedur Keselamatan dan Kesehatan Kerja" No.ENC/SOP/06 dated 02/01/2013. The procedure covers the risk assessment process, resources, safety committee, emergency response plan, record and reporting, etc.</p> <p>Bukit Maradja POM: Program P2K3LHS tahun 2016 approved on 05/01/2016 covers the training on hazardous waste handling, boiler emergency, spill kit use, fire handling simulation, monthly health and safety meeting.</p> <p>Evaluation of applicable health and safety laws and regulation: "Evaluasi Pemenuhan Peraturan Perundang-undangan" against Undang-undang No.1 tahun 1970 tentang Keselamatan Kerja, Undang-undang No.36 tahun 2009 tentang Kesehatan, Peraturan Menteri Tenaga Kerja dan Transmigrasi No.4 tahun 1980 tentang Syarat-syarat dan Pemeliharaan Alat Pemadam Api Ringan; Peraturan Menteri Tenaga Kerja dan Transmigrasi No.186/Men/1999 tentang Unit Penanggulangan Kebakaran di Tempat Kerja.</p> <p>Inspection checklist for laboratory, workshop, housing, hazardous waste store, checks facility, cleanliness, housekeeping, health and safety, emergency first response, electricity, dangerous material and waste, pollution prevention.</p>	<p>Yes</p>

	Criterion / Indicator	Assessment Findings	Compliance
4.7.2	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.</p> <p>- Major compliance -</p>	<p>Bukit Maradja POM: HIRADC reviewed and updated on regular basis. The latest review and revision on HIRADC dated 23/09/2015. Additional risk assessment added for work on composting plant 29/02/2016.</p> <p>Work inspection: Night and day inspection, sample: 09/02/2016: checks PPE use, no alcohol/drug use, leakage/spillage of CPO/PK, water, etc. Simulation of water level control system – boiler failure test dated 28/01/2016 at boiler No.2.</p> <p>Confined space work permit for Continuous Settling Tank No.1, dated 13/10/2015. Work performed replacing steam pipes with welding activity. Continued on 15/10/2015.</p> <p>Noise measurement done internally on yearly basis, dated 01/02/2016. The noise measured above threshold pressing station (85-92 dBA), kernel plant station (86-99dBA), and clarification station (88-94dBA), boiler station (85-91dBA). Medical checkup for Bonaruli Silalahi and Candro M Sihombing on 15/06/2015, physical examination, urine test, blood test, audiometric test – result normal, fit to work.</p> <p>Bukit Maradja Estate: HIRADC latest update on 01/09/2015. Program P2K3 Tahun 2016 is available, however <i>has not indicate the risk and hazard from replanting activity. The laws and regulation only referring to UU RI No.1 tahun 1970 tentang Keselamatan Kerja; Peraturan Menteri Tenaga Kerja No.08 tahun 2010 tentang Alat Pelindung Diri.</i> Communication: "Sosialisasi Safety Briefing pekerja kontraktor" dated 13/10/2015 for contractor's worker.</p>	Yes

	Criterion / Indicator	Assessment Findings	Compliance
		<p>erajaan Estate: HIRADC latest update on 24/08/2015. Company provides PPE for 15 workers: "Serah Terima Alat Pelindung Diri kepada Karyawan Divisi III" Harvester provided with sickle cover, knife cover, helmet, goggle.</p> <p><i>Observation:</i> <i>Risk assessment has been prepared to all activity, location, and updated as necessary when new activity will take place. Consideration should be given to regulate the determined control for each hazard identified.</i></p>	

	Criterion / Indicator	Assessment Findings	Compliance
4.7.3	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be 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>- Major compliance -</p>	<p>Bukit Maradja POM: 2015 training for BMPOM: Hoisting Crane training: dated 07/04/2015 for Hardiyanto, Irlan Hermanto Purba, Suriono trained by Mr.Sugiono. Hardiyanto (07/04/2015) Training hoisting crane, (18/12/2015) Training hoisting crane; Irlan Hermanto Purba (07/04/2015), Training hoisting crane, (10/11/2015) Source of effluent training.</p> <p>SIO: Irlan Hermanto Purba certificate "Bidang Pesawat Angkat Angkut" No.Ser.1114/OPK3/PAA/IV/2014. License No.14/25012-OPK3-PAA/IV/2014 dated 12/04/2014 valid to 12/04/2019. Training for boiler and engine room" dated 15/06/2015 for Bonaruli Silalahi, Candro MS.</p> <p>Bonaruli Silalahi (15/06/2015) training boiler and engine room, (02/08/2015) portable hydrant simulation; Candro MS (15/06/2015) training boiler and engine room, (23/12/2015) Engine room & OHS.</p> <p>SIO: Bonaruli Silalahi certificate "Bidang Pesawat Tenaga dan Produksi" No.Ser.14.5/OP.TU.K3/PTP/IV/2014. License No.14.062-OP.TU.K3/PTP/IV/2014 dated 29/04/2014 valid to 29/04/2019. Candro Marulitua Silalahi License No.14.617-OPMK3/PTP/IV/2014 dated 29/04/2014 valid to 29/04/2019.</p> <p>Bukit Maradja Estate: Training for harvester last on 17/03/2015 for 16 harvesters from Division 4 Bukit Maradja Estate.</p> <p>Mr.Sugianto, motor grader operator trained with "Pembinaan Teknik Keselamatan dan Kesehatan Kerja Pesawat Angkat dan Angkut" certified and licensed No.14.33257-OPK3-PAA/III/2014 dated 28/03/2014 valid until 28/03/2019. Mr.Ponidi, wheel tractor operator trained with "Pembinaan Teknik Keselamatan dan Kesehatan Kerja Pesawat Angkat dan Angkut" certified No.Ser.2210/OPK3/PAA/III/2014 and licensed No.14.33276-OPK3-PAA/III/2014 dated 28/03/2014 valid until 28/03/2019.</p> <p>Mr.Eko Praja, welder, trained and certified welding, No.Reg.JIP.024.0000260.2014 for 3G – SMAW, dated 04/07/2014.</p>	Yes

	Criterion / Indicator	Assessment Findings	Compliance
		<p>Kerajaan Estate: Mr.Wahyudi, wheel tractor perator trained with "Pembinaan Teknik Keselamatan dan Kesehatan Kerja Pesawat Angkat dan Angkut" certificate No.Ser.2214/OPK3/PAA/III/2014; License No.14.33280-OPK3-PAA/III/2014 dated 28/03/2014 valid until 28/03/2019.</p>	
4.7.4	<p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.</p> <p>- Major compliance -</p>	<p>Bukit Maradja POM: Safety Officer, Mr.Sugiono, certified as "Ahli Keselamatan dan Kesehatan Kerja" No.Ser.13.6841/AK3/U/IV/2014, dated 02/04/2014. Mr.Sugiono, certified and appointed as per "Surat Keputusan Menteri Tenaga Kerja dan Transmigrasi RI No.KEP.6199/M/DJPPK/IV/2014 tentang Penunjukan Keselamatan dan Kesehatan Kerja Umum" dated 02/04/2014, valid for 3 years. Health and Safety Committee approved by manpower office, as per "Surat Keputusan Kepala Dinas Sosial, Tenaga Kerja Kabupaten Simalungun No.188.45/336-HIJ tentang Penetapan Susunan Panitia Pembina Keselamatan dan Kesehatan Kerja (P2K3) di Perusahaan" dated 29/02/2016.</p> <p>Health and Safety meeting carried out on monthly basis. Safety meeting dated 10/03/2016 reviewing meeting on 02/2016; accident report nil; Safety inspection discussed; condition of conservation area; environment incident.</p> <p>Health and Safety meeting carried out on monthly basis. Safety meeting dated 07/01/2016 reviewing meeting on 12/2015; accident report discussed; Safety inspection discussed; condition of conservation area; environment incident. Accident investigation dated 08/12/015, 3 lost working days.</p> <p>Health and safety performance report No.032/BMPOM-External/III/2015 dated 03/03/2016 send to Dinas Tenaga Kerja.</p> <p>Bukit Maradja Estate: Safety Officer, Mr.Dody Febriansyah, certified as "Ahli Keselamatan dan Kesehatan Kerja" No.Ser.13.6838/AK3/U/IV/2014. Appointment as per "Surat Keputusan Menteri Tenaga Kerja dan Transmigrasi RI No.KEP.6196/M/DJPPK/IV/2014 tentang Penunjukan Keselamatan dan Kesehatan Kerja Umum" dated 02/04/2014, valid for 3 years. Health and Safety Committee, approved as per "Surat Keputusan Kepala Dinas Sosial, Tenaga Kerja dan Transmigrasi Kabupaten Simalungun No.560/576/P2K3/DTK/2014 tentang Penetapan Susunan Panitia Pembina Keselamatan dan Kesehatan Kerja di Perusahaan" dated 16/10/2014.</p>	Yes

	Criterion / Indicator	Assessment Findings	Compliance
		<p>Health and Safety meeting carried out on monthly basis. Safety meeting dated 12/03/2015 reviewing meeting on 02/2016; accident report discussed; Safety inspection discussed; condition of conservation area; environment incident.</p> <p>Safety meeting carried out in 12/02/2016 reviewing the result from meeting on 01/2016; accident report discussed; Safety inspection discussed -</p> <p>Report to Manpower office done on three-monthly basis. Letter No.01/BME-G/I/2016 – dated 11/01/2016, reporting the health and safety performance October-December 2015.</p> <p>Kerajaan Estate: Safety Officer, Mr.Ahmadi, certified as “Ahli Keselamatan dan Kesehatan Kerja” No.Ser.13.6849/AK3/U/IV/2014. Appointment as per “Surat Keputusan Menteri Tenaga Kerja dan Transmigrasi RI No.KEP.6207/M/DJPPK/IV/2014 tentang Penunjukan Keselamatan dan Kesehatan Kerja Umum” dated 02/04/2014, valid for 3 years. Health and Safety Committee, approved as per “Surat Keputusan Kepala Dinas Sosial dan Tenaga Kerja Kabupaten Simalungun No.188.45/384/HIJ tentang Penetapan Susunan Panitia Pembina Keselamatan dan Kesehatan Kerja di Perusahaan” dated 08/03/2016.</p> <p>Health and Safety meeting carried out on monthly basis. Safety meeting dated 04/03/2016 reviewing meeting on 02/2016; accident report discussed; Safety inspection discussed; condition of conservation area; environment incident.</p>	

	Criterion / Indicator	Assessment Findings	Compliance
4.7.5	<p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. 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>- Minor compliance -</p>	<p>Bukit Maradja POM: The emergency response team/Tim Tanggap Darurat dan Badan Koordinasi Anti Kebakaran as per "Surat Keputusan Kepala Dinas Sosial, Tenaga Kerja Kabupaten Simalungun No.188.45/336-HIJ tentang Penetapan Susunan Panitia Pembina Keselamatan dan Kesehatan Kerja (P2K3) di Perusahaan" dated 29/02/2016. Checklist 33 fire extinguishers, 1 set of hook, gunny bags, sand, breaking poles, first aid kits and 7 hydrants on monthly basis. Last dated 29/02/2016 at Bukit Maradja POM.</p> <p>Oil spillage simulation on 19/03/2015, attended by 4 workers from workshop. Portable hydrant/fire simulation on 02/08/2015, attended by 6 workers from processing.</p> <p>Emergency fire training on 11/10/2015, attended by 12 emergency teams and involving all workers in mill. First aid training on 17/12/2015 attended by 6 workers.</p> <p>Bukit Maradja Estate: Emergency response team has been appointed and trained on 27/02/2015 (fire fighting). First aid training provided for all field supervisors. Latest first aid training conducted on 22/12/2015 for Asmadi (Harvester supervisor), Agus Kurniawan (Chemical storekeeper), Supendi (Manual manuring supervisor), and 16 other supervisors.</p> <p>Based on field visit to manuring activity on block 2011C37 and harvesting activity block 1997E27, first aid kits are available with the trained supervisor, complete (as per Peraturan Menteri Tenaga Kerja No.15 tahun 2008), regularly checked/not expired and ready-to-use.</p> <p>Workers understood the emergency response procedures. Licensed first aider, Mr.Eris Efendi Saragih, Certificate No.Ser.2403/PK3-P3K/VII/2014; License No.644/DTK/P3K/2014, dated 23/07/2014 – 23/07/2017 and Mr.Marsudi No.Ser.2404/PK3-P3K/VII/2014; License No.645/DTK/P3K/2014 dated 23/07/2014 – 23/07/2017.</p> <p>31 Fire extinguishers monitored on regular basis, 11/12/2015.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>Kerasaan Estate: First aid training provided for all field supervisors. Latest first aid training conducted on 09/01/2016 for Fadlan (Harvesting supervisor), Suhendra (Upkeep supervisor), etc.</p> <p>Based on field visit to spraying activity on block 2011I13 and harvesting activity block 2011J11-2011J12, first aid kits are available with the trained supervisor, complete (as per Peraturan Menteri Tenaga Kerja No.15 tahun 2008), regularly checked/not expired and ready-to-use.</p> <p>Licensed first aider, Mr.Suwidi, Certificate No.Ser.2400/PK3-P3K/VII/2014; License No.641/DTK/P3K/2014, dated 23/07/2014 – 23/07/2017. Workers understood the emergency response procedures. First aid training and fire fighting simulation dated 08/10/2015, where 10 employees/ER Team and 30 wives at worker housing participated in the process.</p>	
4.7.6	<p>All workers shall be provided with medical care, and covered by accident insurance.</p> <p>- Minor compliance –</p>	<p>Based on document review and interview with workers and labour union, confirmed that all workers are covered by medical care and accident insurance (BPJS Ketenagakerjaan and BPJS kesehatan)</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. - Minor compliance –	<p>Bukit Maradja POM: The health and safety performance up to 02/2016 shows no accident occurred with lost working day.</p> <p>The health and safety performance 2015 shows 1 accident occurred, with 5 lost working days. The health and safety performance 2014 shows 3 accidents occurred, with 14 lost working days.</p> <p>Bukit Maradja Estate: The health and safety performance up to 02/2016 shows 5 accidents occurred, with 14 lost working days. The health and safety performance 2015 shows 16 accidents occurred, with 40 lost working days. Most of the lost time injury related to harvesting activities/palm fronds. The health and safety performance 2014 shows 51 accidents occurred, with 121 lost working days.</p> <p>Kerasaan Estate: The health and safety performance up to 02/2016 shows no accident occurred. The health and safety performance 2015 shows 4 accidents occurred, with 8 lost working days. Most of the lost time injury related to harvesting activities/palm fronds.</p>	Yes
<p>Criterion 4.8 All staff, workers, smallholders and contract workers are appropriately trained.</p>			

Criterion / Indicator		Assessment Findings	Compliance
4.8.1	<p>A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.</p> <p>- Major compliance –</p>	<p>Bukit Maradja Mill: Bukit Maradja mill has conducted training assessment in "Identifikasi Jenis Pelatihan 2015". Based on training assessment, the company produced training program in 2015 as documented in "Program Training Karyawan & Staff BM POM 2015", there are 12 item training is programmed in 2015.</p> <p>Bukit Maradja POM has completed training as programmed in 2015, e.g.</p> <ul style="list-style-type: none"> - Training for company policy on 12th January 2015, attended 18 workers. - Operational of Boiler and Engine Room on 15th June 2015, attended 4 operators. - RSPO SCCS on 19th March 2015, attended 6 participant (Weight Bridge, Despachth CPO/PK, Laboratory personnel and ENC). - First Aid Training on 17th December 2015, attended 6 workers. <p>Bukit Maradja Estate: Bukit Maradja Estate has conducted training assessment as documented in "Identifikasi Jenis Pelatihan 2015". Based on training assessment, the company produced training program in 2015 as documented in "Program Training 2015", there are 13 item training is programmed in 2015, such as: FFB quality, spraying & pesticide, manuring, IPM, operator & driver, fire fighting, OHS, HCV, RSPO SCCS, RSPO P & C, code of conduct, Leaf sampling unit, PPE</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Bukit Maradja estate has completed training as programmed in 2015, e.g.</p> <ul style="list-style-type: none"> - Training for HCV on 18th March 2015, attended 9 workers. - RSPO SCCS on 18th March 2015, attended 14 participant (Field head Assisstant, Estate manager, Field Assisstantdocument control Bukit Maradja Estate. - Training RSPO on 17th January 2015 attended 18 workers. - PPE Training on 26th November 2015, attended 41 workers. <p>Attendance list and training material is available in "Rekaman Pelatihan"</p> <p>Kerasaan Estate: Kerasaan Estate has identified training needed as document in "Identifikasi Jenis Pelatihan 2015". Based on training assessment, the company produced training program in 2015 as documented in "Program Training 2015", there are 12 item training is programmed in 2015, such as: FFB quality, spraying & pesticide, manuring, MSDS, HCV, Pest and Disease, RSPO, operator & driver, RSPO SCCS, security, Leaf sampling unit, and Hazardous waste.</p> <p>Kerasaan estate has completed training as programmed in 2015, e.g.</p> <ul style="list-style-type: none"> - FFB quality training on 08th May 2015, attended 71 workers. - MSDS and Hazardous waste (Limbah b3) training on 17th December 2015, attended 6 representative estate (Field Head Assisstant, Krani Gudang, Mandor semprot, krani divisi, mechanic, and ENC department. - RSPO SCCS on 19th March 2015 attended 6 participants (Weight Bridge, Despacth CPO/PK, Laboratory personnel and ENC). <p>Training program for 2016 is available "Training Program 2016"</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.8.2	<p>Records of training for each employee shall be maintained.</p> <p>- Minor compliance –</p>	<p>Bukit Maradja Mill: The company has documented training for each employee in "Employee Training and Education Record", e.g.</p> <ol style="list-style-type: none"> 1. Ramona S (Weight Bridge Operator) has been attended 5 training since 2012. 2. Bobby Susanto Harepa (Clarification Station) has been attended 16 training since 2013. <p>Bukit Maradja Estate: The company has documented training for each employee in "Employee Training and Education Record", e.g.</p> <ol style="list-style-type: none"> 1. M. Syahputra (Sprayer) has been attended 3 training since 2015, such as: Leaf Sampling unit, code of ethical conduct and IPM. 2. Presilia (Staff) has been attended 16 training since 2013, e.g. handling of Ganoderma, IPM, spraying, Emergency response, FFB quality, first aid, RSPO SCCS, company policy, "No Drugs", etc. 3. Agus (Harvester) has been attended 26 training since 2011, e.g. "No Drugs", FFB quality and code of ethical conduct. <p>Kerasaan Estate: The company has documented training for each employee in "Employee Training and Education Record", e.g.</p> <ol style="list-style-type: none"> 1. Suratno (Harvester) has been attended 8 training since 2011, such as: FFB quality, conservation and pestisida terbatas, 2. M. Nurdiansyah (Field Head Assisstant) has been attended 8 training since 2014, e.g. ISO 9001, Leaf Sampling Unit, Pestisida terbatas, RSPO SCCS, IPM, Ganoderma sensus and MSDS/Hazardous waste. 3. Ridwan (Divison Clerk/Krani Divisi) has been attended 13 training since 2010, e.g. Hazardous waste/limbah B3, emergency response, handling material, storage administration, handling pesticide, pestisida terbatas, MSDS/hazardous waste. 	Yes
PRINCIPLE 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY			

Criterion / Indicator		Assessment Findings	Compliance
<p>Criterion 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>			
5.1.1	<p>An environmental impact assessment (EIA) shall be documented.</p> <p>- Major compliance -</p>	<p>Environmental document named " UKL – UPL" was approved "Keputusan Kepala Badan Pengendalian Dampak Lingkungan Daerah Kabupaten Simalungun" No. 188.4/70/Bpdl related to finalized environmental feasibility at Palm oil mill of PT Eastern Sumatera Indonesia (PT SIPEF), Bukit Maradja Estate, Simalungun District, North Sumatra Province dated on 26th February 2004 and last revision of " Rencana Pengelolaan Lingkungan (RKL) dan Revisi Rencana Pemantauan Lingkungan (RPL)" with scope of study palm oil estate area 3,178 Ha and palm oil mill 30 Ton TBS/hour as stated in the " Keputusan Bapedalda Kabupaten Simalungun No. 271/Bpdl/2008".</p> <p>"Dokumen Upaya Pengelolaan dan Pemantauan Lingkungan (UKL- UPL)" is comply with letter of "Kepala Bapedalda Kabupaten Simalungun No. 442/Bpdl-2005 dated on 23rd desember 2005 related aggrement of "Dokumen UKL/UPL PPT Kerasaan Indonesia" and revision of "Upaya Pengelolaan Lingkungan dan Upaya Pemantauan Lingkungan (UKL/UPL)" comply with letter agreement "Kepala Badan Lingkungan Hidup Kabupaten Simalungun No. 700/109/BLH/2009 dated on 8th April 2009 with scope of study 2,362 Ha palm oil estates.</p> <p>All environmental impact assessments have been carried when and where appropriate. Records of all impact assessments carried out are readily available. All operational areas have undertaken reviews of the environmental impacts on at least an annual basis.</p>	Yes

	Criterion / Indicator	Assessment Findings	Compliance
5.1.2	<p>Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons.</p> <p>- Minor compliance –</p>	<p>Company has prepared report on Environmental Management and Monitoring implementation (Laporan RKL-RPL) and submit to the government regularly (per semester), e.g RKL-RPL report semeseter II 2015 (Period June – December 2015) "Laporan Pelaksanaan Rencana pengelolaan Lingkungan Hidup (RKL) dan Rencana Pemantauan Lingkungan Hidup (RPL)</p> <p>Bukit Maradja Mill and Estate: The evidence of submitted report to the government is available, e.g.</p> <ul style="list-style-type: none"> - Acceptance RKL / RPL report in BLH Kab. Simalungun on 08/03/2016, by BLH officer, namely Ita Saragih - Acceptance RKL / RPL report in Badan Lingkungan Hidup (BLH) Provinsi Sumatera Utara on 08/03/2016, by courier (Post Office - Tanda Bukti Kiriman is available) <p>The management plan incorporated in the "Rencana Pengellolaan Lingkungan", consist of:</p> <ol style="list-style-type: none"> 1. Udara emisi (Air emission) <ul style="list-style-type: none"> - Optimum steam producing in boiler. - Fossil fuel efficiency with introduce oxygen to accelerate burning - Providong mask for workers. - Planting trees surrounding and within mill areas. 2. Udara Ambient (Ambient) <ul style="list-style-type: none"> - Install dust collector - Routine maintenance for machineries. - Construct paving stone in main road. - Providing mask for workers. - Planting trees surrounding and within mill areas. 3. Kebisingan (Noise) <ul style="list-style-type: none"> - Reduction noise in Genset area with "Kedap Suara" - Machineries maintenance routine. 	Yes

	Criterion / Indicator	Assessment Findings	Compliance
		<p>4. Surface water</p> <ul style="list-style-type: none"> - Discharged Effluent into the Land Application - Maintenance effluent pond <p>5. Gound water quality</p> <ul style="list-style-type: none"> - CDM project - Effluent Pond <p>6. Soil Fertility</p> <ul style="list-style-type: none"> - Land Application <p>7. Welfare:</p> <ul style="list-style-type: none"> - Tax and retribution - CSR program - Job and local business opportunity, etc. <p>Kerasaan Estate:</p> <p>Company has prepared report on Environmental Management and Monitoring implementation (Laporan UKL-UPL) and submit to the government regularly (per semester), e.g UKL-UPL report semester II 2015 (Period June – December 2015).</p> <p>The evidence of submitted report to the government is available, e.g.</p> <ul style="list-style-type: none"> - Acceptance UKL/UPL report in Dinas Perkebunan Kab. Simalungun on 17/02/2016, by Dinas Perkebunan officer, namely Wahyudi. - Acceptance UKL/UPL report in BLH Kab. Simalungun on 17/02/2016, by officer, namely Leny. - Acceptance RKL / RPL report in Badan Lingkungan Hidup (BLH) Provinsi Sumatera Utara on 16/02/2016, by courier (Post Office - Tanda Bukti Kiriman is available) 	

	Criterion / Indicator	Assessment Findings	Compliance
		<p>The management plan incorporated in the "Upaya Pengelolaan Lingkungan (UPL)", consist of:</p> <ol style="list-style-type: none"> 1. Kebisingan (Noise) <ul style="list-style-type: none"> - Limitation of vehicles speed - Enrichment planting surrounding and within line-site. 2. Oil Bekas (used oil) <ul style="list-style-type: none"> - Oil trap. - Used oil is kept in temporary storage of hazardous waste. - Balancing report of used oil. 3. Penurunan Kesuburan Tanah (Decreasing of soil fertility) <ul style="list-style-type: none"> - Staging of replanting - Planting cover crops - Zero burning 4. Sikap dan persepsi Masyarakat (Local community perception) <ul style="list-style-type: none"> - Job opportunity. - Community Development 	

Criterion / Indicator		Assessment Findings	Compliance
5.1.3	<p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>- Minor compliance –</p>	<p>Bukit Maradja Mill and Estate: Company has prepared report on Environmental Management and Monitoring implementation (Laporan RKL-RPL) and submit to the government regularly (per semester), e.g RKL-RPL report semeseter II 2015 (Period June – December 2015) "Laporan Pelaksanaan Rencana pengelolaan Lingkungan Hidup (RKL) dan Rencana Pemantauan Lingkungan Hidup (RPL PT. Tolan Tiga – Semester II, 2015".</p> <p>The company also has conducted monitoring of environmental impact, such as:</p> <ol style="list-style-type: none"> 1. Air emmission Boilers and Genset testing is conducted twice a year, e.g. the last testing was conducted in October 2015 by UPT Laboratorium Lingkungan, BLH, Provinsi Sumatera Utara , the testing result is complying with "Permen LH No. 07/2007". 2. Udara ambient Water quality testing is conducted twice a year, e.g. the last testing was conducted in October 2015 by UPT Laboratorium Lingkungan, BLH, Provinsi Sumatera Utara , the testing result is complying with "Permen LH No. 07/2007". 3. Water waste quality in effluent is conducted monthly by independent Laboratory (Binalab), the testing result of BOD level in September 2015 (3,889 mg/L), October 2015 (589.8 mg/L), November 2015 (1,321 mg/L), December 2015 (512.9 mg/L), the result is complying with National Regulation "Kepmen LH No. 28/2003 (< 5,000 mg/L) for Land Application. 4. Water quality in "Sumur Pantau" is conducted annually, the last testing was conducted in December 2015 by Binalab, the testing result is complying in Kepmen LH no. 28, year 2003. 5. Water quality testing for domestic consuptiom is conducted twice a year, e.g. the last testing was conducted in May 2015 by Binalab, the testing result is complying with "Permenkes no. 416/MENKES/Per/IX/1990. 	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>6. Water quality testing in Sungai Serapuh River (Upstream and downstream) is conducted annually, e.g. the last testing was conducted in February 2015 by Binalab, the testing result is complying with Peraturan Pemerintah (PP) no. 82, year 2001.</p> <p>Kerasaan Estate: The company also has conducted monitoring of environmental impact, such as:</p> <ol style="list-style-type: none"> 1. Water quality testing for domestic consumption is conducted twice a year, e.g. the last testing was conducted in March 2015 by Binalab, the testing result is complying with "Permenkes no. 416/MENKES/Per/IX/1990. 2. Monitoring of oil trap and stock of used oil 3. Questioner and interview with local communities is conducted every 6 months, e.g. questioner and interview was conducted on 12th – 13th June 2015 related job opportunity, local business opportunity, etc. 	
<p>Criterion 5.2 The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>			
5.2.1	<p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>- Major compliance -</p>	<p>Bukit Maradja Estate HCV Identification in Bukit Maradja estate was conducted by "Yayasan Kelapa Sawit Berkelanjutan" in 2009 based on Indonesian Toolkit – 2008. Total HCV areas was identified is 97,71 ha, consist of HCV 1 and 4 (96,03 ha) and HCV 6 (1,69 ha).</p> <p>Kerasakan Estate HCV Identification in Bukit Maradja estate was conducted by "Yayasan Kelapa Sawit Berkelanjutan" in 2009 based on Indonesian Toolkit – 2008. Total HCV areas was identified is 26,42 ha, consist of HCV 1 and 4 (26,12 ha) and HCV 6 (0,30 ha).</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -	No RTEs was identified within and vicinity company areas.	Yes
5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. - Minor compliance –	No RTEs was identified within and vicinity company areas.	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.2.4	<p>Where a management plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. <p>- Minor compliance –</p>	<p>ASA 1:</p> <p>PT Eastern Sumatera Indonesia has established program for managing and monitoring for HCV areas as documented in "Management Plan – Pengelolaan dan Pemantauan areal HCV PT. Eastern Sumatera Indonesia periode 2013 s/d 2017" Bukit Maradja Estate - 2013", to include program such as:</p> <ul style="list-style-type: none"> - Erecting sign board at near HCV area. - Assign conservation personnel who have responsibility to manage HCV area, the personnel has trained for HCV management and monitoring, e.g. for Mr. Nuriswan (Kader Konservasi Alam), trainer "Dirjen PHKA – BKSDA Prov. Sumut", dated 21 - 24th September 2009. - Socializing HCV management to society/public, training program of impotancy of HCV area. - Planting forest trees in the HCV area. <p>PT Kerasaan Indonesia has established program for managing and monitoring for HCV areas as documented in "Management Plan – Pengelolaan dan Pemantauan areal HCV PT. Kerasakan Indonesia periode 2013 s/d 2017" Kerasakan Estate, 2013" such as</p> <ul style="list-style-type: none"> - Erected sign board at in front of HCV area. - Assign conservation personnel who have responsibility to manage HCV area, the personnel has trained for HCV management and monitoring, e.g. for Mr. Edi Hendrawan, Lidianto and Surianto (Kader Konservasi Alam), trainer "Dirjen PHKA – BKSDA Prov. Sumut", dated 9 - 11th September 2009. - Socializing HCV management to society/public, training program of impotancy of HCV area. - Planting forest trees in the HCV area. 	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.2.5	<p>Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p>- Minor compliance –</p>	<p>Bukit Maradja Estate; No HCV area located in the public/society area, all HCV identified are located inside of company areas.</p> <p>Kerasakan Estate; Based on interview with village authority from Desa Kerasakan I and Dusun Bah Bayu, it is known that there is an area of 0.5 Ha in Dusun Bah Bayu and designated as protected area. The management of the area is in cooperation with Mosque organization, to enable utilizing FFB and maintain the status of the area as protected area.</p>	Yes
Criterion 5.3			
Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			
5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance –</p>	All sources of pollution and waste have been identified and documented.	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.3.2	<p>All chemicals and their containers shall be disposed of responsibly.</p> <p>- Major compliance -</p>	<p>Bukit Maradja POM and Bukit Maradja Estate: All chemical and hazardous waste from Perlabian POM and Bukit Maradja Estate are stored in temporary hazardous waste storage. The storage permit as "Keputusan Kepala Badan Lingkungan Hidup Kabupaten Simalungun No.188.45/893/Sekrt-2015 tentang Izin Pengelolaan Limbah B3 untuk Kegiatan Penyimpanan Sementara Limbah Bahan Berbahaya dan Beracun PT Eastern Sumatera Indonesia" dated 29/06/2015 and valid for 5 years. The storage permitted empty pesticide container, fertilizer sheet, used battery, used oil, used lamp bulb, used oil filter, printer cartridge, contaminated material, used paint can. All chemical and their containers from Mill and Estates were collected and kept in temporary waste storage for 180 days prior disposal. Auditor visited the storage in Bukit Maradja POM confirmed appropriate storage has been provided with consideration of safety and environmental aspects such as second containment, spill-kit, warning signs, PPE, fire extinguisher, alarm and first-aid kit.</p> <p>Review of records showed all hazardous waste has been identified and properly monitored, such as used oil, used oil filter, used batteries, empty chemical container from Estate and Mill activities, contaminated materials, etc. Monitoring was recorded in document "Neraca Limbah B3".</p> <p>"Neraca Limbah B3", indicating waste oil 250 liters as of 31/12/2015, incoming 75 liters from Bukit Maradja Estate 15/01/2016. Outgoing 325 liters to CV Amindy Barokah on 22/01/2016. Empty pesticide container 83.4 kg as of 31/12/2015, incoming 41 kg from Bukit Maradja Estate 18/01/2016. Outgoing 143.1 kg to CV Amindy Barokah on 22/01/2016.</p> <p>The latest disposal to third party licensed waste collector was on 22/01/2016 to CV Amindy Barokah.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Perlabian POM: The Manifest documents and receipts were available and properly recorded: "Berita Acara Serah Terima Limbah B3 No.003/BMM-ENC/2016 dated 22/01/2016. The licensed contractor transported 325 liters waste oil, 14 kg oil filter, 12 kg used battery, 6 kg electronic waste, 143.1 kg chemical container, 6 kg contaminated waste. Manifest No.ZF0008179 for 325 liters used oil dated 22/01/2016. Manifest No.ZF0008178 for 143.1 kg chemical container by CV Amindy Barokah dated 22/01/2016.</p> <p>"Berita Acara Serah Terima Limbah B3 No.83/PLE/2015 dated 09/10/2015. The licensed contractor transported 510 liters waste oil, 31 kg oil filter, 14 kg used battery, 8 kg electronic waste, 173 kg chemical container, 4 kg contaminated waste. Manifest No.ZF0007255 for 3 kg medical waste dated 09/10/2015. Manifest No.0007445 for 510 liters waste oil dated 10/10/2015. Manifest No.ZF0007451 for 172 kg chemical container by CV Amindy Barokah dated 10/10/2015.</p> <p>Kerasaan Estate: All chemical and hazardous waste from Kerasaan Estate are stored in temporary hazardous waste storage. The storage permit as "Keputusan Kepala Badan Lingkungan Hidup Kabupaten Simalungun No.188.45/892/Sekrt-2015 tentang Izin Pengelolaan Limbah B3 untuk Kegiatan Penyimpanan Sementara PT Kerasaan Indonesia" dated 29/06/2015 and valid for 5 years. The storage permitted empty pesticide container, fertilizer sheet, used battery, used oil, used lamp bulb, used oil filter, printer cartridge, contaminated material, used paint can. All chemical and their containers from Mill and Estates were collected and kept in temporary waste storage for 180 days prior disposal.</p> <p>Hazardous waste disposal minutes "Berita Acara Serah Terima Barang-Limbah Bahan Berbahaya dan Beracun No.KRE-ENC/I/2016" dated 22/01/2016 for 154 liters waste lubricant, 18.5 kg used battery, 10.5 kg used filter, 87.5 kg contaminated container. Hazardous waste transporting manifest "Dokumen Limbah B3 No.ZF0008193" for 87.5 kg contaminated container (herbicide bottle, jerry can, plastic sheets, etc.) by CV Amindy Barokah dated 22/01/2016. Another manifest "Dokumen Limbah B3 No.ZF0008100" for 154 kg waste lubricant by CV Amindy Barokah dated 22/01/2016.</p>	<p style="text-align: center;">Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
5.3.3	<p>A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p>- Minor compliance –</p>	<p>Waste management and disposal plan is available, documented and implemented.</p> <p>The storage in Bukit Maradja POM confirmed appropriate storage has been provided with consideration of safety and environmental aspects such as second containment, spill-kit, warning signs, PPE, fire extinguisher, alarm and first-aid kit. The Manifest documents and receipts were available and properly recorded:</p> <p>"Berita Acara Serah Terima Limbah B3 No.003/BMM-ENC/2016 dated 22/01/2016. The licensed contractor transported 325 liters waste oil, 14 kg oil filter, 12 kg used battery, 6 kg electronic waste, 143.1 kg chemical container, 6 kg contaminated waste. Manifest No.ZF0008179 for 325 liters used oil dated 22/01/2016. Manifest No.ZF0008178 for 143.1 kg chemical container by CV Amindy Barokah dated 22/01/2016.</p> <p>"Berita Acara Serah Terima Limbah B3 No.83/PLE/2015 dated 09/10/2015. The licensed contractor transported 510 liters waste oil, 31 kg oil filter, 14 kg used battery, 8 kg electronic waste, 173 kg chemical container, 4 kg contaminated waste. Manifest No.ZF0007255 for 3 kg medical waste dated 09/10/2015. Manifest No.0007445 for 510 liters waste oil dated 10/10/2015. Manifest No.ZF0007451 for 172 kg chemical container by CV Amindy Barokah dated 10/10/2015.</p>	Yes
<p>Criterion 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>			

Criterion / Indicator	Assessment Findings	Compliance
<p>A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.</p> <p>- Minor compliance –</p>	<p>Which drives electricity-generating turbines - the use of renewable energy is consistent in the percentage against non – renewable energy. Records of both monitoring of kilowatt hours per tonne of palm product (FFB and CPO)</p> <p>All records in each mill are in the “Electricity Production in the Mill”. Record of Electricity in Bukit Maradja Mill mostly utilizing 88% per month of renewable energy from turbine and 12 % from Genset.</p> <p>Detail of efficiency renewable energy in 2015 as below:</p> <ol style="list-style-type: none"> 1. FFB processed: 105,881 tonnes 2. CPO produced: 25,045 tonnes 3. Fossil fuel usage: 148,810 litres 4. KWh turbine: 2,118,972 KWh 5. KWh Genset: 292,044 KWh 6. KWh turbine/ton FFB: 20.01 KWh/tones FFB (88 %) 7. KWh Genset/ton FFB: 2.76 KWh/tones FBB (12 %) 	<p>Yes</p>
<p>Criterion 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p>		

Criterion / Indicator		Assessment Findings	Compliance
5.5.1	<p>There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions.</p> <p>- Major compliance -</p>	<p>Bukit Maradja POM:</p> <p>In accordance with regulation on fire fighting unit on work place, "Keputusan Menteri Tenaga Kerja dan Transmigrasi No.186 Tahun 1999 tentang Unit Penanggulangan Kebakaran di Tempat Kerja" – fire fighting team at Perlabian POM available: "Surat Keputusan Kepala Dinas Sosial Tenaga Kerja dan Transmigrasi Kabupaten Labuhan Batu Selatan No.KEP.07/Bakortiba/TK/2015 tentang Pengesahan Tim Tanggap Darurat dan Badan Koordinator Anti Kebakaran di PT Tolan Tiga Indonesia", dated 18/05/2015. Team has been appointed, trained and ready; Fire fighting equipments (fire extinguisher, hydrant, hose, water pump, nozzle, etc.) inspected on monthly basis, last dated 03-04/03/2016. 50 fire extinguishers and 6 hydrant points identified and controlled at Perlabian POM; Fire fighting training on 12/07/2015 for Perlabian POM and "Laporan Simulasi Tanggap Darurat dated 09/02/2016". Attendance list (85 employees participated), analysis and evaluation are available.</p> <p>Bukit Maradja Estate:</p> <p>Fires patrol/monitoring of land fire occurrence recorded in "Laporan Kejadian Kebakaran Lahan". For period 01/2015 – 02/2016 no fire incident.</p> <p>Based on field visit to replanting area, no burning for replanting area. Furthermore, company demonstrates contract for land preparation using mechanical method "Surat Perjanjian Kerja No.07/GMO-BME/AS/V/2015 between PT Tolan Tiga Indonesia and PT Aneka Sumatrindo tentang Replanting 2016" dated 15/05/2015. The mechanical process indicating job specification such as ripping, felling, hole digging, chipping, spreading, sanitation, drainage construction, road construction, etc.</p>	Yes
		<p>Kerasaan Estate:</p> <p>Based on field visit to replanting area, no burning for replanting area. Furthermore, company demonstrates contract for land preparation using mechanical method "Surat Perjanjian Kerja No.04/GMO-KRE/AS/VI/2015 between PT Kerasaan Indonesia and PT Aneka Sumatrindo tentang Replanting 2016" dated 28/04/2015. The mechanical process indicating job specification such as ripping, felling, hole digging, chipping, spreading, sanitation, drainage construction, road construction, etc.</p>	

Criterion / Indicator		Assessment Findings	Compliance
5.5.2	<p>Where fire has been used for preparing land for replanting, 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>- Minor compliance -</p>	No any open burning was noted for land preparation.	Yes
Criterion 5.6			
Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			
5.6.1	<p>An assessment of all polluting activities shall be conducted, including gaseous emissions; particulate/soot emissions and effluent (see Criterion 4.4).</p> <p>- Major compliance -</p>	<p>Mill and estates:</p> <p>Identification of pollution source has been documented under "Environmental Aspect & Impact List", latest review in March 2016. Assessments have been carried out on all recognised polluting activities and include gas and smoke emissions, particulate and soot emissions, effluent control, treatment and discharge. Any significant pollutants and emissions have been identified. There is a plan in place to reduce pollution – this is included in the aspects/impacts register.</p> <p>Assesment of polluting activities including gaseous emission, particulate emissiot and effluent has also been done identified in the document "Pengelolaan lingkungan hidup (RKL) dan Pemantauan lingkungan hidup (RPL)".</p> <p>The company has GHG calculation based on RSPO PalmGHG Tool, in 2015: final emission 0.35 tCO2e/ton product CPO.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.6.2	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p>- Major compliance -</p>	<p>Based on Significant pollution and GHG emission was identified, for Mill comes from waste pond, reducing program has been implemented by using methane trap and for estates comes from using of pesticides, action plan to reducing pesticide was made such as program of integrated pest control where minimize to use chemical/pesticides, . Graph of emission and pollutant were provided to monitor trend of them in monthly basis.</p> <ol style="list-style-type: none"> 1. Using EFB as organic fertilizer. 2. Planting benefecial plant 3. Efficiency of fossil fuel. 4. Increasing renewable energy usage. <p>Identification of significant pollutuion and GHG emission in each unit/station as documented in "Environmental Aspct & Impact List", consist of: input, environmental aspect, caused, environmetntal impat potential, and control.</p> <p><i>It is need to consider to reduce or minimise pollution and GHG emissions with detail in target, timeline and PIC (Obesrvation was raised)</i></p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.6.3	<p>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>- Minor compliance –</p>	<p>Emission monitoring system by using "RSPO PalmGHG" system calculation. Emission from estate and mill operation was calculated and monitored, emission reduction achieved.</p> <p>Monitoring of any pollutant has been done in daily, weekly and monthly basis, report of monitoring was recorded in the "RKL/RPL" report, and this report submitted to the related institution every 6 month.</p> <p>Monitoring and measurement has been done as follow:</p> <ul style="list-style-type: none"> - Hazardous waste: oil waste, wet battery, lightbulb, filter waste, contaminated packaging, cartridge, fertilizer sack and other contaminated waste. All hazardous waste disposal recorded in monthly basis in the waste balance report as stated in the report of 'RKL/RPL'. - Replanting process monitoring for zero burning activity. - Boiler emission with parameters: SO₂, NO₂, HCL, Cl₂, NH₃, HF, particle, and opacity. None of above parameters out of threshold limits value. - Generator set emission for generator for SO₂, NO₂, CO, Particle and opacity, All parameters measured in the threshold limit value as seen in the "laporan hasil pengujian udara emisi" by 'Balai Laboratorium Kesehatan" 	Yes
PRINCIPLE 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES AFFECTED BY GROWERS AND MILLERS			

Criterion / Indicator	Assessment Findings	Compliance
Criterion 6.1 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.		
6.1.1 A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	<p>Bukit Maradja Estate: PT Eastern Sumatera Indonesia has obtained environment management and monitoring plan in 1994, based on "Surat Pengesahan Komisi AMDAL Departemen Pertanian No.1219/AMDAL/I/1994" dated 31/01/1994 and subsequently revised through "Keputusan Bapedalda Kabupaten Simalungun No.188.4/70/Bpdl/2014". In order to adjust and be in compliance with latest regulation, company prepared a revised document "Dokumen Revisi Rencana Pengelolaan Lingkungan (RKL) untuk Kebun seluas 3.178 Ha dan Pabrik Kelapa Sawit dengan kapasitas 30 ton/jam sesuai dengan Surat Persetujuan Kepala Badan Pengendalian Dampak Lingkungan Hidup Daerah No.271/Bpdl/2008" dated 06/2008.</p> <p>In 2010, company has prepared a social impact assessment, as reported under "Dokumen Sosial Impact Assessment – Maret 2010", in cooperation with Yayasan Sawit Berkelanjutan Indonesia (YASBI). In the preparation process, the social impact study involving multi stakeholder through guided interview, questionnaire, focus group discussion (FGD).</p> <p>Kerasaan Estate: PT Kerasaan Indonesia has obtained approval on environment evaluation "Dokumen Penyajian Evaluasi Lingkungan (PEL)" and environment management and monitoring plan (RKL-RPL) in 1994, based on "Surat Pengesahan Komisi AMDAL Departemen Pertanian No.RC.220220/939/B/V/1994" and subsequently revised through "Keputusan Bapedalda Kabupaten Simalungun No.442/Bpdl-2005". In order to adjust and be in compliance with latest regulation, company prepared a revised document in 2009, as per "Keputusan Kepala Badan Lingkungan Hidup Kabupaten Simalungun No.700/109/BLH2009" dated 08/04/2009 for area of 2.362 Ha.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		In 2010, company has prepared a social impact assessment, as reported under "Dokumen Sosial Impact Assessment – Maret 2010", in cooperation with Yayasan Sawit Berkelanjutan Indonesia (YASBI). In the preparation process, the social impact study involving multi stakeholder through guided interview, questionnaire, focus group discussion (FGD).	
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties.. - Major compliance -	PT Eastern Sumatera Indonesia and PT Kerasaan Indonesia In 2010, company has prepared a social impact assessment, as reported under "Dokumen Sosial Impact Assessment – Maret 2010", in cooperation with Yayasan Sawit Berkelanjutan Indonesia (YASBI). In the preparation process, the social impact study involving multi stakeholder through guided interview, questionnaire, focus group discussion (FGD).	Yes
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	Bukit Maradja Estate Bukit Maradja Estate in 2015 and 2016 has prepared a community development program in form of 6.11 Kerasaan Estate PT Kerasaan Indonesia in 2015 and 2016 has prepared 9 programs for community development in form of education and sport, health improvement, infrastructure, agriculture, art and culture, religious and social-economic. The realization for program for community development documented by company in form of 12 sacks of cement to Desa Tanjung Selamat for construction of security post and parking lot in village's office, dated 12/09/2015.	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.1.4	<p>The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties.</p> <p style="text-align: center;">- Minor compliance –</p>	<p>PT Eastern Sumatera Indonesia has prepared a social impact assessment related to replanting and boundary trenches maintenance, as documented under implementation report for environmental management and monitoring plan "Laporan Pelaksanaan RKL-RPL semester II 2015". The study was carried out with questionnaires to 25 respondents in Desa Syahkuda Bayu, Desa Pematang Gajing and Desa Marihat Bukit. In the study has completed with trend analysis and planning to reduce negative impact. Based on interview with head of village Desa Syahkuda Bayu, company has communicates and coordinated with village authorities before starting the boundary trenches maintenance work.</p> <p>Kerasaan Estate. PT Kerasaan Indonesia has prepared a social impact assessment related to replanting and boundary trenches maintenance, as documented under implementation report for environmental management and monitoring plan "Laporan Pelaksanaan RKL-RPL semester II 2015". The study was carried out with questionnaires to 20 respondents in Desa Purbaganda, Desa Kerasakan I, Desa Kerasakan II and Desa Wonorejo. In the study has completed with trend analysis and planning to reduce negative impact. Based on interview with head of village Desa Kerasakan I and Desa Pardomoan Nauli, company has communicates and coordinated with village authorities before starting the boundary trenches maintenance work.</p>	No
6.1.5	<p>Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</p> <p style="text-align: center;">- Minor compliance –</p>	<p>There is no development of small holder schemes for PT TTI since there is no small holders engaged.</p>	Yes
<p>Criterion 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	Communication and consultation with stakeholder is regulated under: - Procedure for receiving and providing response upon information request "Prosedur Pemberian dan Tanggapan terhadap Permintaan Informasi" Dok.No.ENC/SOP/08 dated 06/04/2015. In the procedure regulates mechanism for providing and responding to information request, from stakeholder. - Procedure for internal complaint and grievance "Prosedur Keluh Kesah dengan Pihak Internal" Dok.No.SOP/025/Dept dated 27/03/2015. The procedure explains steps to convey complaint and receive complaint from internal party, as well providing appropriate response. The document complemented with flow chart. - Procedure for external complaint and grievance "Prosedur Keluh Kesah dengan Pihak Eksternal" Dok.No.SOP/026/HRA, dated 27/03/2015. The procedure explains steps to convey complaint and receive complaint from internal party, as well providing appropriate response. The document complemented with flow chart.	Yes
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	As regulated under procedure No.ENC/SOP/08, stated the organization structure responsible to receive and provide response upon information request or internal and external complaint is estate manager. During operation in Perlabian estate, senior manager also appointed field head assistant and office assistant to help communicate with surrounding community.	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.2.3	<p>A list of stakeholders, records of all communication, 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, shall be maintained.</p> <p>- Minor compliance -</p>	<p>PT Eastern Sumatera Indonesia is able to show list of stakeholders, latest update on 02/2016.</p> <p>List of stakeholder comprise of: Authorities of Simalungun Regency comprise of 7 offices: Regent office, Manpower office, Land office, Plantation services, Health office, Environmental Monitoring Body of Simalungun, etc.;</p> <p>District level authorities: District head, police office, military office; The "Penghulu" and "Pemuka Masyarakat" from surrounding villages, comprise of eight (8) villages for example: Nagori Syahkuda Bayu, Nagori Marihat Bukit, Nagori Pematang Syahkuda, Nagori Pematang Asilum, Nagori Pematang Gajing, Nagori Banda Siantar, Nagori Lingga, Nagori Bukit Maradja;</p> <p>Youth Organization consist of Karang Taruna Nagori Pematang Asilum and Karang Taruna Nagori Bukit Maradja;</p> <p>NGO Masyarakat Nagor Bandar Siantar; Worker union committees; Contractors/supplier: UD Rezeki Jaya Makmur, Koperasi Jasa Bukit Maraja, UD Sumber Teluk; Plantation companies surrounding PT Eastern Sumater Indonesia;</p> <p>Stakeholder communication recorded under: - "Buku Rekaman Permintaan Informasi dan Tanggapan", for type of information received in written. Sampled: information from SMK Negeri 1 Raya through letter received dated 18/12/2015; school inquiry to company as field practice location for their student, as per letter "Surat No.421.5/650/SMK-2015" dated 20/11/2015. The inquiry then responded through letter by management on 23/12/2015 giving approval to be field practice location.</p>	Yes

	Criterion / Indicator	Assessment Findings	Compliance
		<ul style="list-style-type: none"> - "Buku Rekaman Keluh Kesah Internal dan eksternal", for recording complaint from internal and external stakeholder. Sampled: in February 2016, 1 complaint received, conveyed directly in words, with regards to Division III Musholla renovation. The request has been responded and settled by completing the repair on 08/03/2016. 	
<p>Criterion 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.3.1	<p>The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested.</p> <p>- Major compliance -</p>	<p>company has a "Prosedur Ganti Rugi Lahan" No.SOP/CA/02 dated 01/07/2012 demonstrating company has provide mechanism to resolve land dispute:</p> <ul style="list-style-type: none"> - Company disseminating the permit/land title to local communities; - In the case where claim over land occurs, company will receive the claim if claim is complemented with land ownership; - Land status verification, in case land ownership accepted, continued with field survey and land measurement; - Field survey and land measurement involving company representative, claimant, and government representatives; - Based on survey and land measurement, a minutes of land measurement is being produced. The minute will inform the hectare and boundary coordinates of claimed land parcel – signed by all parties involved; - Final verification based on measurement and map to ensure the claimed land is not overlapping with other ownership/right/claim; - Should final verification demonstrates the claimed land not overlap with other party; company will negotiate the compensation; - If negotiation comes into agreement, company will pay the compensation to land owner. <p>Internal grievance regulated under "Mekanisme Keluh Kesah dengan Pihak Internal" Doc.No.SOP/025/Dept dated 27/03/2015.</p> <p>Procedure for external complaint and grievance "Prosedur Keluh Kesah dengan Pihak Eksternal" Dok.No.SOP/026/HRA, dated 27/03/2015. The procedure explains steps to convey complaint and receive complaint from internal party, as well providing appropriate response. The document complemented with flow chart.</p> <p>Within both procedures, company policy is to ensure anonymity of complainants and whistleblowers, where requested.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance -	Bukit Maradja Estate: Based on document verification and public consultation with relevant authorities (Badan Lingkungan Hidup dan Kantor Pertanahan Nasional) and surrounding village's authorities, there has been no land dispute between community and company.	Yes
Criterion 6.4 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..			
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	PT Kerasaan Indonesia and PT Eastern Sumatera Indonesia has not expanding the plantation. However, as anticipation, company has a mechanism to resolve land dispute as per "Prosedur Ganti Rugi Lahan" No.SOP/CA/02 dated 01/07/2012. Based on stakeholder consultation with communities and village heads there has been no report on land dispute between community and company.	Yes
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. - Minor compliance -	PT Kerasaan Indonesia and PT Eastern Sumatera Indonesia has not planned to expanding the plantation, therefore no compensation process occurred. Based on document verification and consultation with village heads, environmental monitoring body and land office of Kabupaten Simalungun, there is no land dispute between company and other parties. However, as anticipation, company has a mechanism to resolve land dispute as per "Prosedur Ganti Rugi Lahan" No.SOP/CA/02 dated 01/07/2012. Based on stakeholder consultation with communities and village heads there has been no report on land dispute between community and company. The procedure explains the mechanism for land compensation started with project communication (dissemination and FPIC), document verification and demonstration of land ownership, field survey and land measurement with government authorities, participatory mapping, and negotiation of land compensation. The land compensation documentation comprise: measurement application, minutes of land survey/measurement, land ownership letter, statement of no conflict, statement of ownership rights, statement from heir, statement of land owner/scheme smallholder owner (if any), statement on rights to cultivate release, compensation letter.	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.4.3	<p>The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available.</p> <p>- Major compliance –</p>	<p>PT Kerasaan Indonesia and PT Eastern Sumatera Indonesia has not planned to expanding the plantation, therefore no compensation process occurred. Based on document verification and consultation with village heads, environmental monitoring body and land office of Kabupaten Simalungun, there is no land dispute between company and other parties. However, as anticipation, company has a mechanism to resolve land dispute as per “Prosedur Ganti Rugi Lahan” No.SOP/CA/02 dated 01/07/2012. Based on stakeholder consultation with communities and village heads there has been no report on land dispute between community and company.</p> <p>The procedure explains the mechanism for land compensation started with project communication (dissemination and FPIC), document verification and demonstration of land ownership, field survey and land measurement with government authorities, participatory mapping, and negotiation of land compensation. The land compensation documentation comprise: measurement application, minutes of land survey/measurement, land ownership letter, statement of no conflict, statement of ownership rights, statement from heir, statement of land owner/scheme smallholder owner (if any), statement on rights to cultivate release, compensation letter.</p>	Yes
<p>Criterion 6.5 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>			

Criterion / Indicator		Assessment Findings	Compliance
6.5.1	<p>Documentation of pay and conditions shall be available.</p> <p>- Major compliance -</p>	<p>The company determines minimum wages as regulated by Government every year, minimum wages in 2015 as "Surat keputusan Gubernur of North Sumatera no. 188.44/3/KPTS/Tahun 2015, dated 6th January 2015 for Plantation sector in Simalungun Regency (Rp. 1,695,000). Based on winimum wages as regulated by Governor, the company and labour union (Serikat pekerja Bukit Maradja Mandiri (SP-BUMN) agreed the minimum wages for SKU – Harian in 2015 for working period 0 – 3 year (Rp. 1,959,000), > 3 year – 6 year (Rp. 1,961,000) and > 6 years (Rp. 1,963,000).</p> <p>The latest minimum wages for 2016 as "Surat keputusan Gubernur of North Sumatera no. 188.44/10/KPTS/Tahun 2016, dated 12th January 2016 for Plantation sector in Simalungun Regency (Rp. 1,889,925), this minimum wages will be paid from January 2016 since the agreement between company and Labour Union (SP-BUMN) approved by both parties in March 2016.</p> <p>Collective working agreement has regulates the remuneration, in which agreement reach between worker and management states "Daily worker and Monthly worker paid with money. The money paid agreed between company and worker union, in accordance to laws and regulation, taking into consideration economy situation and company ability."</p> <p>In order to meet the remuneration agreement inside Collective Work Agreement and Minimum wage 2016, company invited committee of worker union Bukit Maradja Mandiri and Kerasakan Mandiri to conduct wage calculation negotiation on 21-24/03/2016 in Medan. Invitation letter dated 19/02/2016, signed by GM HRA Department.</p>	Yes

Criterion / Indicator	Assessment Findings			Compliance
	Based on review of payments slip, there are no workers paid below the minimum wages, e.g.			
	Term and Condition	Ramona S (WB operator) – SKU-H	Bobby (Operator) PKWT	
	Basic Salary	1,963,00	1,695,000 (22 days)	
	Rice Allowance	138,750	0	
	BPJS Ketenagakerjaan	95,249	76,953	
	BPJS Kesehatan	78,250	67,800	
	BPJS Pensiun	41,960	0	
	OT	278,923	494,799	
	Deduction:			
	PPH 21	0	0	
	BPJS Ketenagakerjaan	41,900	33,900	
	BPJS kesehatan	19,630	16,950	
	BPJS pensiun	20,980	0	

	Criterion / Indicator	Assessment Findings	Compliance
6.5.2	<p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, 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.</p> <p>- Major compliance -</p>	<p>Working conditions are documented in the "Perjanjian Kerja Bersama" (PKB) is registered by Disnakertran prov. Sumatera Utara no. 007-6/DTK-TR/2014, dated 12th December 2014 (Valid: 03rd November 2014 – 02nd November 2016). PKB is the document of agreement between workers represented by labour union (Pengurus Serikat Pekerja Bukit Maradja Mandiri/SP-BUMN) and the company.</p> <p>The PKB is produced is a form of booklet. The PKB is in line with regulatory requirements approved by the Manpower District Agency. Health and safety is also documented. Payment and conditions include - working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, dismissal reasons, etc.</p> <p>Sample taken: Bukit Maradja Mill: Contract workers for Booby (Clarification Station), dated 2nd March 2015, consist of terms and condition, such as: Masa kerja, kewajiban pekerja/mutasi, salary, medicine, annual leave, THR, Social insurance (Jamsostek), PHK, etc.</p> <p>Bukit Maradja Estate: Contract worker for Mr. Suetno (Harvester - PKWT), dated 2nd January 2016, consist of terms and condition, such as: Masa kerja, kewajiban pekerja/mutasi, salary, medicine, annual leave, THR, Social insurance (Jamsostek), termination, etc, Mr. Ifan Armando (Harvester - PKWT), dated 2nd January 2016, consist of terms and condition, such as: Masa kerja, kewajiban pekerja/mutasi, salary, medicine, annual leave, THR, Social insurance (Jamsostek), termination, etc.</p>	

Criterion / Indicator		Assessment Findings	Compliance
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>- Minor compliance –</p>	<p>Inspection confirmed PT Eastern Sumatra Indonesia and PT. Kerasaan indonesia provide adequate housing for staff and workers, free water supplies are adequate and clean, electricity is at subsidized rate, kindergarden, elementary schools, crèche, place of worship, medical facilities are provided and additional benefit if treatment is needed at hospital. Water quality tests confirmed the treated water supplied to housing is suitable for domestic use. Recreation facilities at each estate include sports field.</p> <p>Bukit Maradja Estate:</p> <ul style="list-style-type: none"> - Housing (340 unit for employees), staff (8 units), Manager (unit) - Guest house (1 unit) - Mosque (4 units) - Church (1 unit) - Community hall (3 units) - Kindergarden (6 units) - School bus (1 unit) - Sport facilities - Water pump (4 units) - Genset (1 unit), - Electricity for employees housing using National State Electricity Company (PLN) 	Yes
6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food.</p> <p>- Minor compliance –</p>	<p>The company has effort to provide minimarket "KSU Bukit Maradja – OMI" and traditional market in Kerasaan villages and Pematang Asylum which nearby the company areas.</p>	Yes
<p>Criterion 6.6 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>			

Criterion / Indicator		Assessment Findings	Compliance
6.6.1	A published statement in local languages recognising freedom of association shall be available. 5. Major compliance –	Company has established freedom of association policy, “Kebijakan Kebebasan Berserikat” approved by President Director on 01/03/2014, states PT Tolan Tiga Indonesia supports the freedom of association among the workers. This policy is written in Bahasa Indonesia. Based on interview with workers in Bukit Maradja Estate, Kerasaan Estate and Bukit Maradja POM, the basic of policy has been understood.	Yes
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance –	Meeting between management and worker union committee on monthly basis, including meeting of “LKS Bipartit”. Sampled: meeting on 09/10/2015 and 09/01/2016. Each meeting completed with minutes of meeting and attendance list. This is in line with interview with worker union Tolan Tiga Mandiri chairman, states meeting with management being done once a month incorporated with “LKS Bipartit” meeting. Mill: Meeting with the company and labour union is conducted regularly at least twice a year, e.g. the meeting was conducted on 27 th February 2016, attended 25 representatif of the company and labour union, the meeting discuss issues: providing goods in KSU minimarket and 18 th January 2016, 5 labour union representative, the meeting discuss harvesting fee and cooperative fee. Bukit Maradja Estate: Meeting with the company and labour union is conducted regularly at least twice a year, e.g. the meeting was conducted on 22 nd October 2015, attended 18 representatif of the company and labour union, the meeting discuss issues related collecting loose fruit. (Attendance list, minutes meeting and photograph are available).	Yes
Criterion 6.7 Children are not employed or exploited.			

Criterion / Indicator		Assessment Findings	Compliance
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance –	Based on interview with worker union chairman or employee, states company has a policy related with minimum working age. This policy approved and signed by President Director PT Tolan Tiga Indonesia on 01/03/2014. The policy states "PT Tolan Tiga Indonesia believe that children should have the right to education and a healthy life, and is committed to ensuring that children, under the age of 18 years, are not employed by the company for any work related purpose". Based on document verification, all workers are above 18 years old. Mill: Based on document review of list of worker-February 2015 2014, it was not found workers hired by company less than 18 years old. The youngest worker in Perlabian Mill is Sugiarto – Steriliser Station (born 05 /01/1996, joined in the Bukit Maradja mill on 01/12/2014 – 18 year, 11 months).	Yes
Criterion 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance –	Company has an equal opportunities policy, approved and signed by President Director PT Tolan Tiga Indonesia, 01/03/2014. The policy is available in Bahasa Indonesia. The policy has been disseminated to employee through notice board on estate office.	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.8.2	<p>Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against.</p> <p>- Major compliance –</p>	<p>No discriminated was noted during audit, the company has implemented equal opportunity policy.</p> <p>Bukit Maradja Estate: Based on document verification on employee list Bukit Maradja Estate period ends 03/2016 – no indication of discrimination based on gender, race, religion or tribe. Based on interview with workers (harvester, manuring worker and sprayer gang) and worker union, stated there is no discrimination to the workers.</p> <p>Mill: The company conducting evaluation for all employees annually, based on job evaluation, Mill Manager proposed upgrade status of employees, usch as: from PKWT to SKU – Harian, SKU – Harian to SKU – Bulanan, and upgrade grade for SKU – Bulanan.</p> <p>Proposed upgrading status of employees based on working duration time, knowledge, capability, discipline, and attitude.</p> <p>Mill Manager has proposed 32 workers in 2015 and now, still in progress for approval.</p>	Yes
6.8.3	<p>It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available.</p> <p>- Minor compliance –</p>	<p>The company has procedure for worker recruitment, dated 25/04/2007, regulated that hiring and promotion of workers based on skill, work experiences, interview/evaluation, and medical check up result.</p> <p>The company is conducting evaluation of workers on annual basis.</p> <p>Bukit Maradja Mill: e.g. for new hiring employee Mr. Adi SHP, hiring 1st February 2016.</p>	Yes
<p>Criterion 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance –	Company has a policy to prevent sexual harassment, dated 01/03/2014. Based on stakeholder consultation with female workers and gender committee Bukit Maradja Estate and Kerasaaan Estate shows company policy has been understood. Until ASA1, there has been no case related to sexual harassment or domestic violence. The policy is available in Bahasa Indonesia and being communicated through morning musters and notice boards.	Yes
6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance –	Company has a policy to protect reproductive rights, approved and signed by President Director on 01/03/2014. Based on interview with female worker and committee gender representative Bukit Maradja Estate and Kerasaaan Estate, company has implemented the protection on reproductive right, for example: period leave, birth leave, medical check up for female sprayer/manuring workers and strict policy against sexual harassment and violence to women. The policy is available in Bahasa Indonesia and being communicated during morning musters and through notice boards.	Yes
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance –	Company has a policy to protect reproductive rights, approved and signed by President Director on 01/03/2014. Based on verification of "Pedoman Pengelolaan Gender" Dok.No.ENC/Pedoman/GC/01 dated 21/04/2011 and interview with gender committee of Bukit Maradja Estate, it is known that company has a specific procedure to handle gender issues, which is through reporting to gender committee. The document also guarantees anonymity and confidentiality of reporter. Based on interview with female workers in Perlabian Estate (sprayers and manuring workers), shows understanding of mechanism to report on sexual harassment/domestic violence or other gender-related issues.	Yes
Criterion 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance –	N/A	N/A

Criterion / Indicator		Assessment Findings	Compliance
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation) - Major compliance -	N/A	N/A
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	<p>Bukit Maradja Mill: No any contract related in supply FFB and FFB transport.</p> <p>Others contract between company and third parties is available and signed by both parties, based on document review and interview with contractors confirmed that they understand term and condition of contracts.</p> <p>The company contracted 4 local contractors for replanting, security and un-reguler working (preparing composting area, circle weeding, upkeep mucuna), such as:</p> <ol style="list-style-type: none"> 1. Contract between company and PT. Aneka Sumatrindo no. 07/GMO-BME/AS/VII/2015, dated 24th August 2015 for replanting. 2. Contract between company and PT. Aneka Sumatrindo no. 08/GMO-BME/AS/VII/2015, dated 24th July 2015 for providing composting area. 3. Contract between company and Koperasi Karyawan Bukit Maradja no. 01/ESI/KJI/I/2016, dated 04th January 2015 for un-reguler upkeep and cleaning service the contract covering term and conditions: scope of contract, payment mechanism, tax, social and healt insurance, salary, PPE, minimum age (18 years), etc. 4. Contract between company and CV. Rejeki Jaya Makmur no. 03/III/BME/2016, dated 01st March 2016. <p>Kerasaan Estate: The company contracted 2 local contractors for replanting and un-reguler working (circle weeding, collecting loose fruit and upkeep mucuna), such as:</p> <ol style="list-style-type: none"> 1. Contract between company and PT. Aneka Sumatrindo no. 07/GMO-BME/AS/VII/2015, dated 08th October 2014 for replanting. 	Yes

Criterion / Indicator		Assessment Findings	Compliance
		2. Contract between company and Koperasi Karyawan Bukit Maradja no. 01/KI/KJI /I/2016, dated 04 th January 2015 for un-reguler upkeep, and collecting loose fruit. The contract covering term and conditions: scope of contract, payment mechanism, tax, social and health insurance, salary, PPE, minimum age (18 years), etc.	
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	<p>Evidence of payment is reviewed and it was seen paid timely manner.</p> <p>Bukit Maradja Mill: (Lihat Pak Nanang)</p> <p>Bukit Maradja Estate:</p> <ol style="list-style-type: none"> 1. Payment for "PT. Aneka Sumatrindo" for replanting in August 2015 (Rp. 227,118,600). 2. Payment for "PT. Aneka Sumatrindo" for providing composting area in August 2015 (Rp. 32,848,200). 3. Payment for "Koperasi Karyawan Bukit Maradja" for un-reguler upkeed and cleaning service is transfer directly to the each employee. 4. Payment for "CV. Rejeki Jaya Makmur" for security services in March 2016 is Rp. 136,587,660. <p>Kerasaan Estate:</p> <ol style="list-style-type: none"> 1. Payment for "PT. Aneka Sumatrindo" for replanting in March 2015 (Rp. 1,990,482,984). 2. Payment for "Koperasi Karyawan Bukit Maradja" for un-reguler upkeed and collecting loose fruit in March 2016 is Rp. 32,077,010. 	Yes
<p>Criterion 6.11 Growers and millers contribute to local sustainable development where appropriate</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	The company has Community Development program in 2015 as documented in “Programme and Realization Community Development 2015” with total 19 item program, e.g. educational, health, infrastructure, agriculture, economy micro, sport, culture, religion, etc, with total Rp. 84,233,000. Actual program is documented in “Realisasi Pemberian CD Tahun 2015 with total Rp. 78,160,850. The evidence of actual program is available (Berita Acara Penyerahan Bantuan and photograph)	Yes
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	N/A	N/A
Criterion 6.12 No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. 1. Major compliance -	The company has established “Forced and trafficked labour” policy, dated 01 st March 2014 which stated commitment the company is not hiring forced and trafficked labour.	Yes
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. 2. Minor compliance –	Based on document review and interview with workers and labour union, confirmed that no contract substitution was noted.	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	No migrant worker in PT. Eastern Sumatra Indonesia and PT. Kerasaan Indonesia, only employed temporary workers for un-reguler upkeep, cleaning services and security services.	Yes
Criterion 6.13			
Growers and millers respect human rights			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). 3. Major compliance -	The company has established human rights policy, dated 01 st March 2014, stated that the company endorse implementation of human rights and ILO declaration regarding human rights principle. The company has communicated human rights policy to their workers, the formal socialization, sign board and "Morning Master" e.g. Socialization was conducted on 12 th January 2015, attended 18 participants.	Yes
PRINCIPLE 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS (Not Applicable)			
<p>PT. Eastern Sumatra Indonesia is old plantation where is took over between Indonesian Government and Societe Internationale de Plantations Et de Finance S.A-SIPEF (Belgium) and land title rights (HGU) from BPN (National land Authority) was obtained from BPN no. HGU No. SK.46/HGU/DA/75, dated on 21 October 1975 and continuing of HGU from "Menteri Negara Agraria/ Kepala BPN nomor 108/HGU/BPN/97", dated on 26th August 1997 with area 3,177.94 hectare (Certificate "HGU No. 2 tahun 1997, with total area 3,177.94 hectares for PT. Eastern Sumatera Indonesia) and HGU No. SK.45/HGU/DA/75, dated on 21st October 1975 and continuing of HGU from "Menteri Negara Agraria/ Kepala BPN nomor 90/HGU/ BPN/97", dated on 5th August 1997 with total area 2,362.03 hectares (Certificate "HGU No. 1 tahun 1997", with total area 2,362.03 hectares for PT. Kerasaan Indonesia).</p> <p>Now, all areas areas are replanting (2nd Cycle).</p> <p>The auditor concluded that is Not Applicable for Principle 7.</p>			
PRINCIPLE 8: COMMITMENT TO CONTINUAL IMPROVEMENT IN KEY AREAS OF ACTIVITY			
Criterion 8.1			
Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			

Criterion / Indicator		Assessment Findings	Compliance
8.1.1	<p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides (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 the supply base; <p>4. Major compliance –</p>	<p>ASA 1: A continuous improvement plan has been prepared and internal audit conducted to identify environmental and social activities and management review, such as:</p> <ul style="list-style-type: none"> - Applied EFB as fertilizer, fibre and shell are burned in boiler for electricity, organic and an-organic from domestic waste is separated, where an-organic wastes go through to the landfill. - Continuing dispose hazardous waste to the approval collector. - Increasing planting beneficial plant. - Planting Mucuna Bracteata and contour terracing in replanting area to prevent erosion. - Composting plant will be commenced in mid-2017. - Construct bounding (Penghalang air) to prevent erosion. - CSR program. 	<p>Y e s</p>

Appendix "B"
Time Bound Plan

Name of company	Name of Mill	Locatiom	Supply Base	Time Bound Plan	Target Year for RSPO
PT. Agro Muko	Muko Muko Mill	Mukomuko District, Bengkulu Province, Indonesia	Muko Muko estate, S. Betung estate, Tanah rekah estate, Talang Petai estate, S. Kiang estate and KMD	2011	Certified February 2011
	Bunga Tanjung Mill	Mukomuko District, Bengkulu Province, Indonesia	Bunga Tanjung estate, Air Bikuk estate, Air Buluh estate and KMD	2011	Certified February 2011
			PT. Mukomuko Agro Sejahtera: - Air Majunto estate - Malin Deman estate	2014	It will be certified in 2014 (it has been gone through RSPO NPP process, RSPO public notification on 10 th October 2010)
PT. Eastern Sumatra Indonesia	Bukit Maradja Mill	Simalungun District, North Sumatera, Indonesia	- Bukit Maradja Estate (PT. ESI) - Kerasaan Estate (PT. Kerasaan Indonesia)	2010	Certified May 2010
PT. Tolan Tiga Indonesia	Perlabian Mill	Labuhan Batu Selatan District, North Sumatera, Indonesia	Perlabian estate and Tolan estate.	2010	Certified May 2010
PT. Umbul Mas Wisesa	Umbul Mas Wisesa Mill		UMW South estate, UMW North estate and Toton Usaha Mandiri estate	2014	Audited in May 2014 Certified in March 2015
PT. Agro Kati Lama					Still developed (It has been RSPO NPP), RSPO NPP public Notification on 31 st March 2014.
PT. Agro Rawas Ulu					Still developed (It has been RSPO NPP), RSPO NPP public Notification on 31 st March 2014.
PT. Agro Muara Rupit					Still developed (It has been RSPO NPP), RSPO NPP public Notification on 31 st March 2014.
Hargy Oil Palm Limited (HOPL)	Hargy Mill	East of Bialla, West New Britain Province, PNG	Hargy Estate	2009	RSPO Certified in April 2009
	Navo Mill	50 Kms East of Bialla, West New Britain Province, PNG	Navo Estate, Bakada Estate and Mengen Estate	2009	RSPO Certified in April 2009
	Barema Mill	30 km East of Bialla, West New Britain Province, PNG	Barema Estate	2014	RSPO Certified in April 2014

Appendix "C"
RSPO Certificate Details

PT. Eastern Sumatra Indonesia
 Bank Sumut 7th Floor
 Jl. Imam Bonjol No. 18
 Medan – 20152, North Sumatra – Indonesia
 Website: www.tolantiga.co.id
 Registered Activities: Palm Oil Mill which produced CPO and PK

RSPO membership No. 1-0021-05-000-00, dated 07th December 2005

Certificate Number : SPO 632266
 Date of Certificate : 17th May 2015
 End of certificate : 16th May 2020

Applicable Standards: RSPO Principles & Criteria, Generic Standard, 2013;
 RSPO SCCS Standard, 2014 - Supply Chain Certification requirement for CPO Mills
 Module D – Identity Preserved (IP)

BUKIT MARADJA PALM OIL MILL AND SUPPLY BASE				
Location Address		Nagori Marihat Bukit, Kec. Gunung Malela, Kabupaten Simalungun Propinsi Sumatera Utara, Indonesia		
GPS Location		03° 00' 44.26" N 99° 14' 08.06" E		
CPO Tonnage Total		26,019 MT		
PK Tonnage Total		6,018 MT		
Own estates FFB Tonnage		110,000 MT		
Estates	Mature (ha)	Immature (ha)	Total land-use titles (ha)	Annual FFB Production (mt)
Bukit Maradja Estate	2,673.28	230.58	3,177.94	65,000
Kerasaan Estate	1,803.23	513.42	2,362.41	45,000
Total	4,476.51	744.00	5,540.35	110,000

Appendix "D"
Assessment Plan

Date	Time	Subjects	Haeruddin	Pratama Sedayu	Nanang Mualib
			PRSCO LA	PRSCO-OHS/EMS	PRSCO-SA
Friday, 18/03/2016	08.00 – 08.30	Opening Meeting: Presentation by PT. TTI Presentation by BSI Indonesia	√	√	√
	08.30 – 12.00	Dokumen Review: Bukit Maradja Mill General information, time bound plan and partial certification verification and RSPO SCCS	√		
		Dokumen Review: Bukit Maradja Mill RSPO P & C		√	
		Stakeholder Interview: Local Government in Labuhan Batu Selatan District (BPN , Disnakertrans, Disbun and BLH),			√
	12.00 – 14.00	Lunch			
	14.00 – 17.00	Field Visit: Bukit Maradja Mill Worker and staff interviews (OSH, contract, salary), housing complex, clinic, PPE, safe working environment, walk ways, signs, EFB. POME treatment, emissions, diesel tanks, fire extinguishers, first aiders and boxes, workshop, storage, etc		√	
		Document Review: Perlabian Mill RSPO P & C	√		
Stakeholder Interview: Local communities, Labour Union, Gender Committee, local contractor, NGO, etc				√	
Saturday, 19/03/2016	08.00 – 12.00	Field Visit: Bukit Maradja Estate Herbicide application programmes, including interview with sprayer team, fertilising operations, terracing, Storage, workshop, diesel tanks, clinic, etc.		√	
		Field Visit: Bukit Maradja Estate Landfill, housing complex, and other facilities in line-site (Tempat Penitipan Anak, school, school bus, etc)	√		

Date	Time	Subjects	Haeruddin	Pratama Sedayu	Nanang Muallib
			PRSP0 LA	PRSP0-OHS/EMS	PRSP0-SA
		Field Visit: Bukit Maradja Estate Harvesting (including interview with harvester), boundary stones, HCV areas, riparian zone, road maintenance, and interview with labour union, Gender committee and local contractors.			√
	12.00 – 14.00	Lunch			
Monday, 21/03/2016	08.00 – 12.00	Document Review: Bukit Maradja Estate			
	12.00 – 13.00	Lunch			
	13.00 – 17.00	Document Review: Kerasan Estate			
Tuesday, 22/03/2016	08.00 – 12.00	Field Visit: Kerasaan Estate Herbicide application programmes, including interview with sprayer team, fertilising operations, terracing, Storage, workshop, diesel tanks, clinic, etc.		√	
		Field Visit: Kerasaan Estate Landfill, housing complex, and other facilities in line-site (Tempat Penitipan Anak, school, school bus, etc)	√		
		Field Visit: Kerasaan Estate Harvesting (including interview with harvester), boundary stones, HCV areas, riparian zone, road maintenance, etc			√
	12.00 – 14.00	Lunch			
	14.00 – 15.00	Preparing Closing Meeting	√	√	√
	15.00 – 16.00	Closing Meeting			
	18.43 – 21.12	Travelling Perlanaan – Medan by train (Sribilah)			
	09.00 – 11.25	Flight Medan – Jakarta (GA 183)			
Wednesday, 23/03/2016					

Appendix "E"
Stakeholder Contacted

No.	Institution
1	Badan Lingkungan Hidup (BLH) / Environmental Agency, Kabupaten Simalungun
2	Kantor Pertanahan (National land Authority) of Kabupaten Simalungun
3	Gender Committee of PT. Eastern Sumatra Indonesia
4	Serikat pekerja Mukit Maradja Mandiri / Labour Union
5	Contractor's workers
6	Villagers from Syahkuda Bayu Village, Marihat Bukit Village, Perdomoan Nauli and Kerasaan I Village.

Appendix "F"
RSPO SCCS, 2014 – FOR CPO Mills (MODULE D): IDENTITY PRESERVE

Criterion D.3. Documented procedures.			
	Requirement	Evidence	Compliance
3.1	The site shall have written procedures and/or work instructions to ensure implementation of all the elements specified in these requirements. This shall include at minimum the following:		
	a. Complete and up to date procedures covering the implementation of all the elements in these requirements.	The company has update the procedure as documented in "Rantai Pasok dan Mampu Telusur (Supply Chain and Traceability Procedure), no. ENC/SCC/01, rev. 3, dated 26 th March 2015. The company also has procedures if receives FFB certified from others certified estate under SPEF group as regulated in PLPOM/WI/PROD_OTHER/1A, dated 01 March 2016. Procedure regulated separated in record and storage of product (CPO and PK)	Yes
	b. The role 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's procedures for the implementation of this standard.	The responsible person in charge to the supply chain system as regulated in procedure are Marketing Manager, Mill and estates Manager.	Yes
3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBS.	The documented procedures for receiving and processing certified and non-certified FFB are included in the procedure no. ENC/SCC/01, rev. 3, dated 26 th March 2015,, however no any non certified FFB was received in Bukit Maradja Mill in 2015	Yes

Criterion D.4. Purchasing and goods in.			
	Requirement	Evidence	Compliance
4.1	The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBS received	The company only received FFB certified sources from their own estates (The company using "IP" model". No any non Certified FFB is received. Sample taken:	Yes

		<p>1. FFB Received from Bukit Maradja Estate: Surat Pengantar Buah:</p> <ul style="list-style-type: none"> - Delivery No. 12/F2/SP/2016 - Date: 06/01/2016 - Quantity: 601 bunches - Name of product FFB Sustainable product "IP" <p>Weight Bridge Ticket:</p> <ul style="list-style-type: none"> - Ticke no. FFB16000116W - Delivery No. 12/F2/SP/2016 - Date: 06/01/2016 - Quantity: 6,540 kg - Name of product: FFB Sustainable product "IP" <p>2. FFB Received from Kerasaan Estate: Surat Pengantar Buah:</p> <ul style="list-style-type: none"> - Delivery No. 09 - Date: 06/01/2016 - Quantity: 340 bunches - Name of product FFB Sustainable product "IP" <p>Weight Bridge Ticket:</p> <ul style="list-style-type: none"> - Ticke no. FFB16000104W - Delivery No. BPE/09 - Date: 06/01/2016 - Quantity: 6,960 kg - Name of product: FFB Sustainable product "IP" 	
4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage	Based on "Rantai Pasok dan Mampu Telusur (Supply Chain and Traceability Procedure), no. ENC/SCC/01, rev. 3, dated 26 th March 2015, there is mechanism to inform CB if any overprojection of certified tonnage as regulated in section 4.8. "Jika terjadi kelebihan produksi dari jumlah yang diproyeksikan, Marketing Department akan berkoordinasi dengan ENC Department untuk membuat laporan ke Lembaga Sertifikasi"	Yes

Criterion D.5. Record Keeping			
	Requirement	Evidence	Compliance
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.	<p>There are records in place which are complete, up to date and accurate for all requirements from receiving FFB certified from estates and smallholders, receiving FFB in mill through weight-bridge system, and dispatch CPO and PK with balancing stock monthly and three monthly basis.</p> <p>Sample taken:</p>	Yes

		<ol style="list-style-type: none"> 1. Delivery of CPO <ul style="list-style-type: none"> - DO no. 10/SB/II/16, dated 16 February 2016. - Transport vehicle no. BK 3203 CS - Origin: Bukit Maradja POM - Receiver: Tangki Timbun PT. Dumai Participta Abadi. - Quantity: 25,200 kg - Name of product; CPO sustainable product "IP" 2. Delivery of PK <ul style="list-style-type: none"> - DO no. 2016/BM-PK/DO/03, dated 12^h March 2016. - Transport vehicle no. BK 9306 DZ - Origin: Bukit Maradja POM - Receiver: PT. Musim Mas - Quantity: 22,850 kg. - Name of product; PK sustainable product "IP". 3. Three Monthly basis report "CPO and PK Production & Sales Balance" from January – March 2016, April – June 2016, July – September 2016 and October – December 2016. There is no negative end-stock period was noted in three monthly basis. The last stock balancing in December 2015; CPO (4,717 tonnes) and PK (56 tonnes) 	
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Criterion D.6. Processing.			
	Requirement	Evidence	Compliance
6.1	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage.	The company only produced CPO and PK certified from their certified source and keep segregated during transported and stored.	Yes
6.2	The objective is for 100 % segregated material to be reached.	No any contamination with non certified CPO and PK (100 % produced certified CPO and PK)	Yes

Appendix "G"
Location Map of PT. Eastern Sumatra Indonesia

Figure 1. Location of Bukit Maradja POM and its supply base in Indonesia

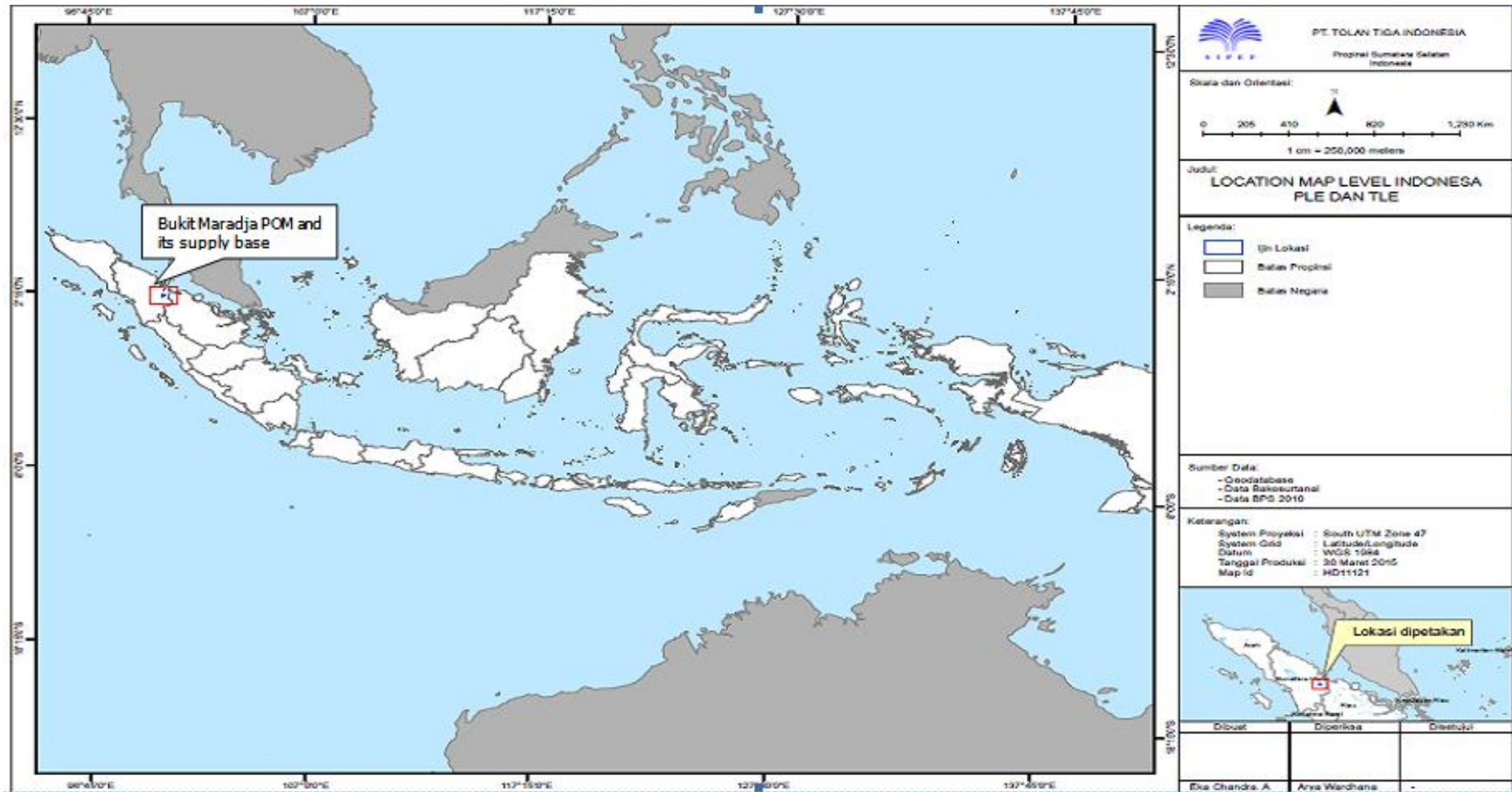


Figure 2. Location of Bukit Maradja POM and its supply base in North Sumatera Province, Indonesia.

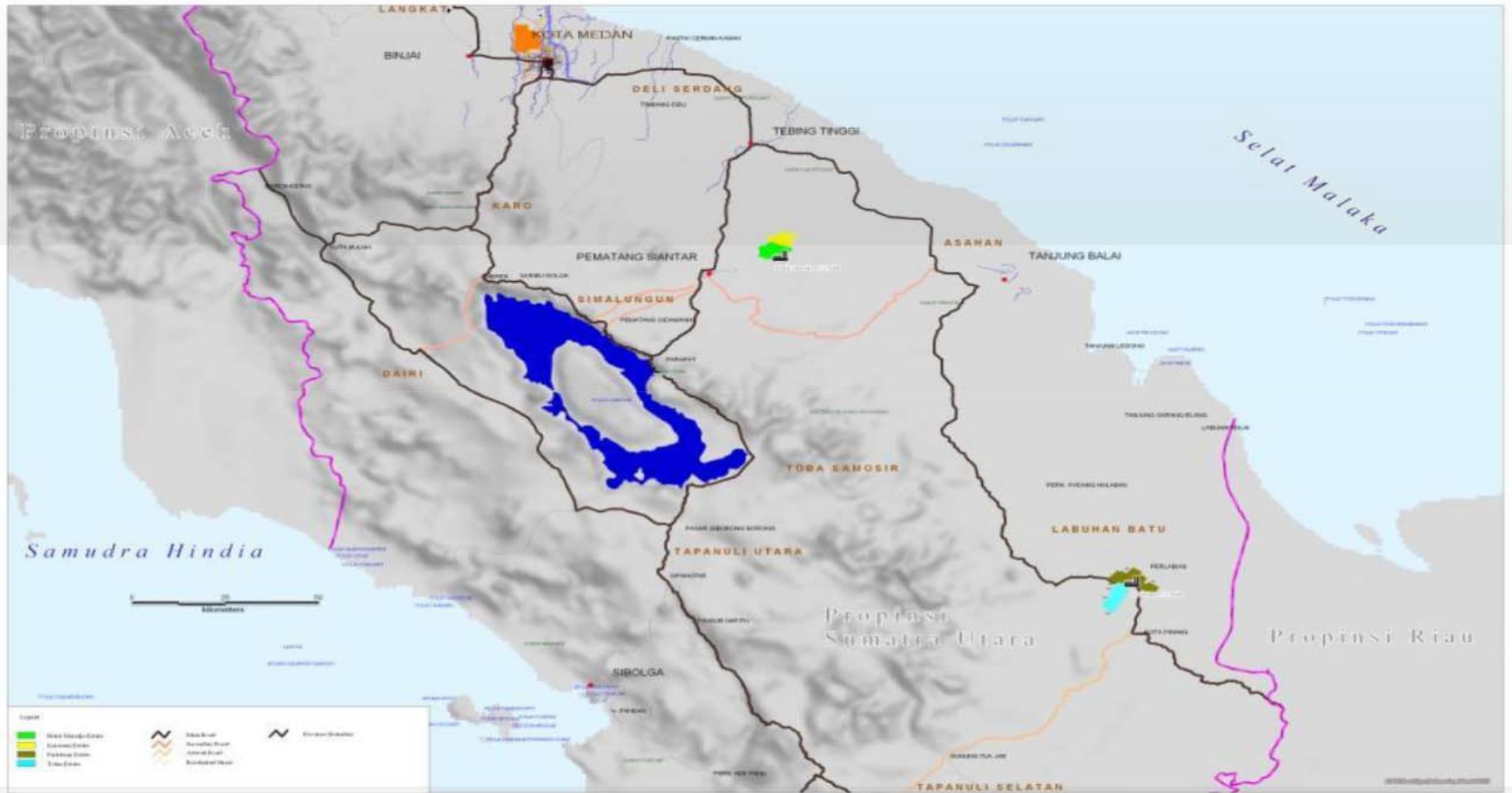
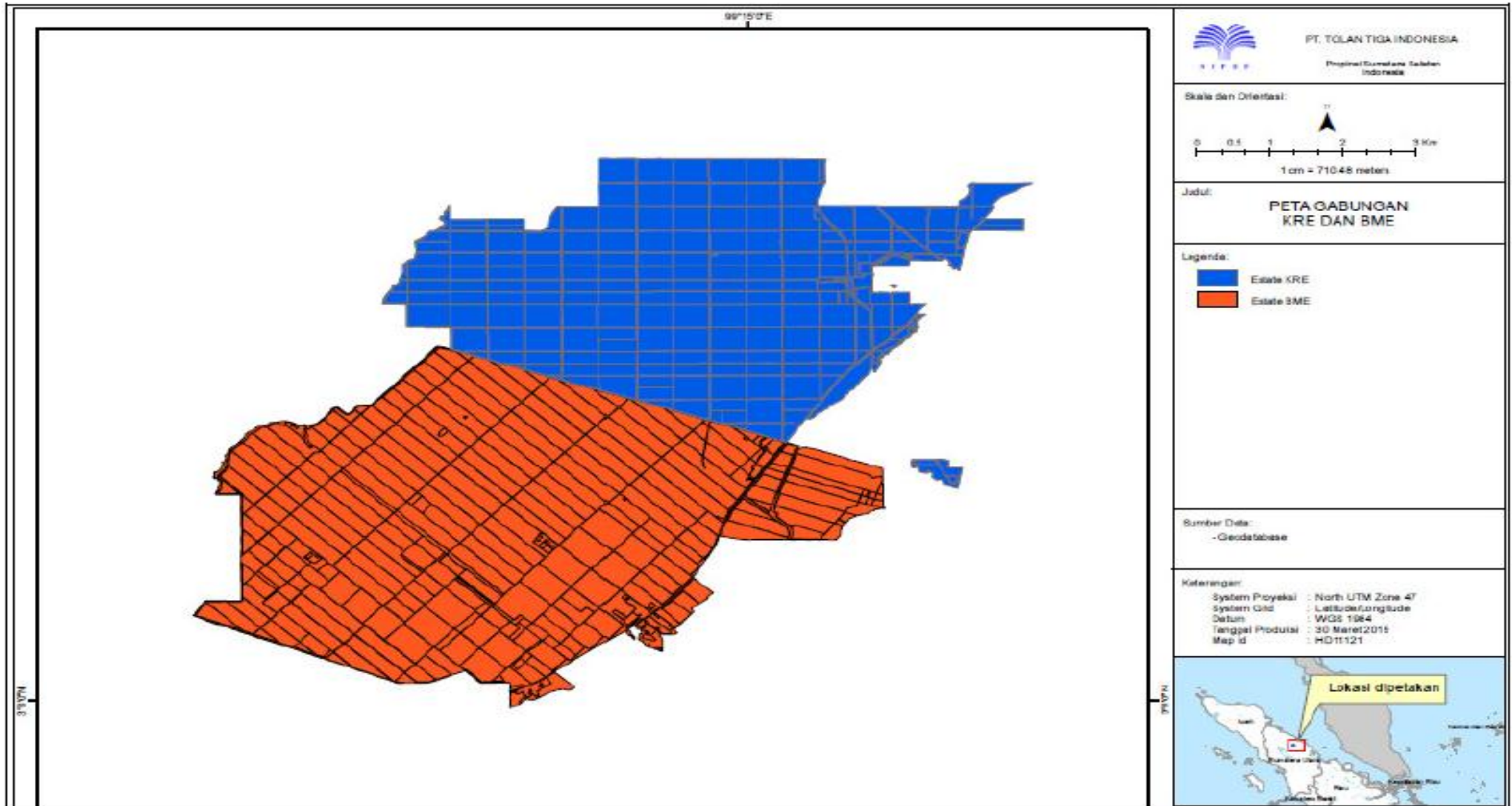


Figure 3. Location of PT. Bukit Maradja Estate and PT. Kerasaan Indonesia as supply base Bukit Maradja POM and neighbouring entities



Appendix "H"
Abbreviation used

AMDAL	Analisis Mengenai Dampak Lingkungan (Social and Environmental Impact Assessment)
BOD	Biological Oxygen Demand
BPN	Badan Pertahanan Nasional (National Land Authority)
BSI	British Standard Institution
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
EFB	Empty Fruit Bunch
FFB	Fresh Fruit Bunch
GMO	General Manager Office
GPS	Global Positioning System
HCV	High Conservation Value
HGU	Hak Guna Usaha (Land) title for commercial use
IPM	Integrated Pest Management
ISO	International Standards Organisation
ISPO	Indonesia Sustainable Palm Oil Foundation
ISCC	International Carbon Certification System
IUP	Izin Usaha Perkebunan (Plantation Licence)
KER	Kernel Extract Ratio
MB	Mass Balance
OER	Oil Extract Ratio
P2K3	Panitia Pembina Kesehatan dan Keselamatan Kerja
PK	Palm Kernel
PKO	Palm Kernel Oil
PKB	Perjanjian Kerja Bersama (Worker Agreement)
POM	Palm Oil Mill
PPE	Personal Protective Equipment
PT	Perseroan Terbatas (Limited Company)
RKL	Rencana Pengelolaan Lingkungan (Environmental Management Plan)
RPL	Rencana Pemantauan Lingkungan (Environmental Monitoring Plan)
RSPO	Rountable Sustainable Palm Oil
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SCCS	Supply Chain Certification System
SOP	Standard Operation Procedure