

**RSPO PRINCIPLE AND CRITERIA  
– INITIAL CERTIFICATION ASSESSMENT  
Public Summary Report**

<b>PT. SALIM IVOMAS PRATAMA TBK Balam Factory Palm Oil Mill and Its Supply Bases</b>
Client company Address: Jln. Jenderal Sudirman, Kav 76-78, Sudirman Plaza - Indofood Tower Lt.11, Jakarta 12910, Indonesia
Certification Unit: Balam Factory Palm Oil Mill  Balai Jaya and Balam Sempurna Village, Balai Jaya District, Rokan Hilir Regency, Riau Province, Indonesia

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**Section 1: Scope of the Certification Assessment**

1. Company Details			
<b>RSPO Membership Number</b>	1-0041-07-000-00	<b>Date</b>	24 September 2007
<b>Company Name</b>	PT Salim Ivomas Pratama Tbk		
<b>Address</b>	Head Office: Jln. Jenderal Sudirman, Kav 76-78, Sudirman Plaza - Indofood Tower Lt.11, Jakarta 12910, Indonesia  Location: Balai Jaya and Balam Sempurna Village, Balai Jaya District, Rokan Hilir Regency, Riau Province, Indonesia		
<b>Subsidiary of (if applicable)</b>	-		
<b>Contact Name</b>	Muhammad Waras		
<b>Website</b>	www.simp.co.id	<b>E-mail</b>	Muhammad.Waras@londonsumatra.com
<b>Telephone</b>	+6221- 57958822	<b>Facsimile</b>	+6221-57937504

2. Certification Information			
<b>Certificate Number</b>	RSPO 672133	<b>Date</b>	11.06.2018
<b>Scope of Certification</b>	Production of CPO and PK of PT. Salim Ivomas Pratama Tbk – Balam Factory Palm Oil Mill and 2 (two) estates as supply base, namely Balam Estate Sungai Rumbia - 2 Estate with Mill capacity of Balam POM is 45 tonnes FFB/hour.		
Other Certifications			
<b>Certificate Number</b>	<b>Standard(s)</b>	<b>Certificate Issued by</b>	<b>Expiry Date</b>
TNI-ISPO-H-1709	ISPO	TUV Nord Indonesia	3 August 2022
No. Reg.SMK3.2017.SUC.SK-1163	SMK3	sucofindo	14 July 2019

3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Balam Factory	Balai Jaya Village, Balai Jaya District, Rokan Hilir Regency, Riau Provinces, Indonesia	100° 37' 15.10" E	01° 45' 43.48" N
Balam Estate	Balai Jaya Village, Balai Jaya District, Rokan Hilir Regency, Riau Provinces, Indonesia	100° 37' 14.66" E	01° 46' 09.84" N
Sungai Rumbia-2 Estate	Balam Sempurna Village, Balai Jaya District, Rokan Hilir Regency, Riau Provinces, Indonesia	100° 39' 57.85" E	01° 48' 37.51" N

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4. Description of Supply Bases							
Estate	Mature (ha)	Immature (ha)	Infras & Other (ha)	HCV (ha)	Total Planted (ha)	Total Hectarage	% of Planted
Balam Estate	5,823	0	70	101	5,823	5,994	97.15
Sungai Rumbia-2 Estate	4,049	0	66	76	4,049	4,191	96.61
<b>Total</b>	<b>9,872</b>	<b>0</b>	<b>136</b>	<b>177</b>	<b>9,872</b>	<b>10,185</b>	<b>96.93</b>

5. Plantings & Cycle								
Estate	Age (Years)					Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (2016)	Actual (2016)	Forecast (2017)
Balam Estate	0	0	599	401	4,823	N/A	N/A	127,928
Sungai Rumbia 2 Estate	0	0	1,921	265	1,863	N/A	N/A	78,773
<b>Total</b>	<b>0</b>	<b>0</b>	<b>2,520</b>	<b>666</b>	<b>6,686</b>	<b>N/A</b>	<b>N/A</b>	<b>206,701</b>

6. Certified Tonnage									
Mill	Estimated (2016)			Actual (2016)			Forecast (2017)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Balam Factory	-	-	-	-	-	-	206,701	44,440.52	10,851.32

7. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			
Independent FFB Supplier	Tonnage / year		
	Estimated (2016)	Actual (2016)	Forecast (2017)
Third party FFB supplier/Collector	46,000.00	43,283.05	43,500.00

8. Certified Tonnage									
Mill	Estimated (2016)			Actual (2016)			Forecast (2017)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Balam Factory	-	-	-	-	-	-	206,701	44,440.52	10,851.32
OER	-	-	-	-	-	-	-	21.50	5.25

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn Bhd,  
(ASI Accreditation Number: RSPO-ACC-067)  
Unit 3, Level 10, Tower A  
The Vertical Business Suites, Bangsar South  
No. 8, Jalan Kerinchi  
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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-067) to conduct RSPO assessment 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 on-site Initial Certification assessment was conducted from 28<sup>th</sup> – 30<sup>th</sup> August 2017. 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 Indonesia National Interpretation September 2016 and RSPO SCCS 2014 were 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.

The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates of its supply base. The estates sample were determined based on formula  $N = 0.8\sqrt{y}$  where y is the number of estates while when applicable the smallholders sample were determined following the RSPO Certification Requirement and Guidance for Group Certification of FFB Production March 2016. The sampling of smallholders were based on the formula  $(0.8\sqrt{y}) \times (z)$ ; where y is total number of independent group member and where z is the multiplier defined by the risk assessment.

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.

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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.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment 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.

For initial and re-certification assessment, the report was externally reviewed by 3<sup>rd</sup> party independent peer reviewer and BSI internal certification reviewer prior to certification decision.

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

<b>1. Assessment Program</b>					
<b>Name (Mill / Supply Base)</b>	<b>Year 1 (Certification)</b>	<b>Year 2 (ASA 1)</b>	<b>Year 3 (ASA 2)</b>	<b>Year 4 (ASA 3)</b>	<b>Year 5 (ASA 4)</b>
<b>Balam Factory</b>	x	x	x	x	x
Balam Estate	x	x	x	x	
Sungai Rumbia 2 Estate	x		x		x

**Tentative Date of Next Visit: November 8, 2018 - November 9, 2018**

**Total No. of Mandays: 9 manday**

**BSI Assessment Team:**

**Mujinius Jalaraya – Lead Assessor**

He hold Bachelor Degree from Faculty of Forestry, Bogor Agricultural University (IPB) in 2008, Majoring in Forest Resources Conservation and Ecotourism. He have a working experience in palm oil plantations as SHE Assistant at PT. Astra Agro Lestari Tbk in 2008 - 2012 and as Supervisor Sustainability at Teladan Prima Group in 2012 – 2014. He involved in RSPO certification since 2014 as a team member subsequently as a Lead Auditor. He has completed the training, such as: Lead Auditor ISO 9001: 2008 course, Lead Auditor ISPO course, Lead Auditor RSPO endorsed course, RSPO SCCS Lead Auditor endorsed course, HCV Identification and management, Internal Auditor ISO 14001: 2004 Training, Training for Trainers, OHS Expert Training, etc. During this assessment, he assessed on the aspects of Legal, Best Management Practices for Palm Oil Mill, HCV management, and SCCS audits under supervised by qualifying reviewer Mr. Pratama Agung Sedayu. He is fluently speaking in English and Bahasa Indonesia.

**Edy Widodo – Team Member**

Edy Widodo graduated as bachelor of the Faculty of Agriculture, Department of Agricultural Technology, University of Padjadjaran, Bandung. Earlier he worked as an Assistant Estates Manager in PT SMART Tbk. (1999 to 2005). He is a Lead Auditor for ISO 9001: 2008. He has working experience in the industrial sector and audit Plantation, and also the processing industry and agricultural mechanization. He is also the ISPO auditor who has obtained a certificate from the ISPO Commission, Ministry of Agriculture of Indonesia, on February 2013. He had got a certificate of training on Understanding ISO 14001: 2004 & Auditing ISO 14001: 2004 in 2013. He also had joined RSPO P&C training (2013) and also Course RSPO Lead Auditor 2016 - RSPO Endorsed RSPO Supply Chain Certification Training Course on April 2016. During this assessment, he assessed on the aspects of social and labor and stakeholder consultation.

**Aswan Hasibuan – Team Member**

He graduated from University of Sumatera Utara on 1999, majoring in Industrial Engineering. He involved in RSPO certification since 2012 as a team member subsequently as a Lead Auditor, covering assessment against RSPO P&C in Indonesia, Malaysia, and Ghana. He completed the ISO 9001, ISO 14001, OHSAS 18001 Lead Auditor Course, Indonesia OHSMS (SMK3) Auditor, 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 environment, OHS, CPO Mill Supply chain and Smallholder audits. He is fluently speaking in English and Bahasa Indonesia.

**Accompanying Persons: Nil**

### Section 3: Assessment Findings

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

- PT Salim Ivomas Pratama Tbk Time Bound Plan
- RSPO P&C INA-NIWG 2016 Checklist
- RSPO Supply Chain Certification Checklist on November 2014

#### 3.2 Progress against Time Bound Plan

Time Bound Plan		
Requirement	Remarks	Compliance
<b>Summary of the Time Bound Plan</b>		
Does the plan include all subsidiaries, estates and mills?	PT. Salim Ivomas Pratama Tbk has explained the certification plan for all of its subsidiaries; indicating all palm oil mills, company-owned estates and scheme smallholder as the supply base.	Comply
Is the time bound plan challenging?  <ul style="list-style-type: none"> <li>• Age of plantations.</li> <li>• Location.</li> <li>• POM development</li> <li>• Infrastructure.</li> <li>• Compliance with applicable law.</li> </ul>	The time bound plan is challenging. PT. Salim Ivomas Pratama Tbk demonstrate progress overtime.  The age of plantation was generally mature. All of plantation has been incorporated with palm oil mill to process the FFB produced.  The location of plantations were covering three provinces in South Sumatera Province, Riau Province, East Kalimantan Province, West Kalimantan Province – Indonesia.	Comply
Have there been any changes since the last audit? Are they justified?	No changes.	Comply
If there have been changes, what circumstances have occurred?	No changes.	Comply
Have there been any stakeholder comments?	Yes, there was a report related to company’s supply chain. Company has released official response. BSI was notified and provided response to this matter.  BSI has also provided response to this matter.	Comply
Have there been any newly acquired subsidiaries?	There are no newly acquired subsidiaries.	Comply
Have there been any isolated lapses in implementation of the plan?	No isolated lapses. Company managed to demonstrate commitment to certify all of palm oil mill and supply base.	Comply
<b>Un-Certified Units or Holdings</b>		
Did the company conduct an internal audit? If so, has	Yes. Uncertified holdings PT Salim Ivomas Pratama	Comply



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a positive assurance statement been produced?	performed internal audit once a year by Sustainability Team.	
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	According to internal audit result, indicated that there is no conversion of primary forest after November 2005 in the uncertified holding of Pt Salim Ivomas Pratama Tbk.	Comply
Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	There is new planting after January 1 <sup>st</sup> , 2010 in PT Kebun Mandiri Sejahtera. New planting was performed through conversion from rubber plantation to become palm oil plantation. PT Kebun Mandiri Sejahtera NPP still in the process of drafting to be submitted to RSPO.	in progress
Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	No more land compensation.	Comply
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	No labor dispute noted. This was based on stakeholder interview with worker union in each company. In addition, audit team found the same based on stakeholder interview with "Dinas Tenaga Kerja" on each regency audited.	Comply
Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Yes. PT. Kebun Mandiri Sejahtera conducted internal audit annually. Last audit performed in April 2017.	Comply
Any Legal non- compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	PT. Kebun Mandiri Sejahtera has comply with all legal compliance	Comply

### 3.3 Details of findings

The nonconformity is listed below. The summary report of the assessment by criteria is listed in Appendix A.

During the Initial Certification Assessment there are 11 Major Nonconformities and 2 Minor Nonconformity raised. PT Salim Ivomas Pratama Tbk – Balam Factory Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted. The implementation of the corrective action plans to address the major and minor nonconformity has been followed up during the NCR visit assessment and effectively addressed by company.

Non-Conformity		
NCR #	Description	Category (Major / Minor)
<b>1521456-201708-M1</b>	<b>Requirements:</b> RSPO P & C INA NI 2016 Indicator 2.1.1 Evidence of compliance with relevant legal requirements shall be available	<b>Major</b>
	<b>Evidence of Nonconformity:</b> Based on document review list of worker and payment of BPJS Kesehatan period June 2017, there are: <ul style="list-style-type: none"> <li>• In Balam Estate From total workers 873, there are 17 workers has not registered as BPJS Kesehatan.</li> <li>• In Balam Estate From total workers 806, there are 12 workers has not registered as BPJS Kesehatan</li> </ul> Perpres No. 12 Tahun 2013 article 11 stated that "Pemberi kerja wajib mendaftarkan dirinya dan pekerjanya sebagai peserta jaminan kesehatan kepada BPJS Kesehatan dengan membayar iuran"	
	<b>Statement of Nonconformity:</b> Based on document verification, its found an incompliance with regulation Perpres No. 12 Tahun 2013 article 11; concerning Jaminan Kesehatan/Perpres No. 19 Tahun 2016; concerning Perubahan kedua.	
	<b>Root Cause Analysis:</b> The company has registered the workers to BPJS Kesehatan however there are some workers are still in the process of registration due to workers administrations requirements for registration such as ID cards, Family Card etc has not fulfilled.	
	<b>Correction:</b> Balam Estate has identify 17 workers that unregistered as BPJS Kesehatan and proceed to register the 17 workers to BPJS Kesehatan. The company has submitted BPJS Kesehatan registration application to agency of "BPJS Kesehatan" on 5 October 2017. Email Feedback from BPJS Kesehatan has been sent to the company on 18 October 2017 and explain that currently the request for registration is proceeded by BPJS Kesehatan. Sungai Rumbia 2 Estate has identify the unregistered workers as BPJS Kesehatan participant, there are 11 employees who have not registered in BPJS Kesehatan. Company has identify that 8 workers were did not have KK (Family Card) and 3 workers have registered in Jamkesda so that registration process waiting for settlement process of KK (Family Card) as an compulsory document	

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	<p>to complete by employee. The Company has issued Memorandum No.050/SRE2-asstdiv/X/2017/M dated 23 October 2017 regarding the regulation of Employee BPJS Kesehatan Sungai Rumbia 2 Estate, stated that the employee is required to take care of the KK (Family card) to proceed for BPJS Kesehatan registration. HRD department also issued Memorandum No.165/HR-KPW-PKU/XI/2017 dated 6 November 2017 regarding the administrative discipline of employees for the participation of BPJS Kesehatan.</p> <p>The company pays 4% of BPJS Kesehatan fee contributions and employees pays 1%. BPJS health registration is also performed including employee and their dependents.</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>• To identify all new incoming workers by register the identity (KTP) and register them to BPJS Kesehatan. Company has conducted the identification for all new workers and existing who has not been registered in BPJS Kesehatan and has taken action to registering the unregistered employee in BPJS Kesehatan as above. This action will be regularly performed by company.</li> <li>• To monitor each month the BPJS Kesehatan payment and compare with the employe register by HRD. Curently HRD has monitor the the list of employee including the employee who has registered in BPJS Kesehatan and compare to BPJS Kesehatan payment each month. Latest payment and monitoring conducted on November 2017.</li> </ul> <p><b>Assessment Conclusion:</b> Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-M2</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator 3.1.1 A documented management plan, a minimum of three years shall be available, including, where appropriate, plan for scheme smallholders. For plantations on peat, is there a long term viability plan – e.g. flooding, drainability assessments and subsidence issues</p> <p><b>Evidence of Nonconformity:</b> There is replanting activity on peat in Block I52 and I51 Sungai Rumbia-2 Estate in 2017, however there is no long term viability plan – e.g. flooding, drainability assessments and subsidence issues.</p> <p><b>Statement of Nonconformity:</b> There is no long term viability plan for replanting, e.g. drainability assessment on peat.</p> <p><b>Root Cause Analysis:</b> Plans for replanting and drainage management are available at Research &amp; Development Dept. However there was lack of understanding from auditee/SPO clerk regarding document of drainability assessment so that during audit document implementation can not be shown. SPO clerks have not been given training on documents control by sustainability team.</p> <p><b>Correction:</b> The Company has done the drainability assessment on the peat land area for replanting plan of 2017 – 2019 Sungai Rumbia 2 Estate. The drainability study in Sungai Rumbia 2 Estate's peatlands has been carried out by the Research &amp;</p>	<p><b>Major</b></p>

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	<p>Development Department from 17 to 19 October 2017. The report of the study result is finalized on 2 November 2017. From the studies results can be shown that the height of groundwater in the plantation block is still higher than the level of ground water level on the edge of the plantation block, so that the drainage is still quite good. The drainage class of replanting block 2017 and 2019 in Sungai Rumbia 2 Estate has categorized as class 1 and class 2 drainability. The replanting planned on peatlands in Sungai Rumbia 2 Estate is still feasible to be planted and the predicted of long-term drainability for replanting plan 2017 is up to year 2057 and for replanting plan 2019 is predicted feasible until year 2047.</p> <p>Sustainability team has give the training and coaching to the SPO clerk on 21 September 2017 regarding document control of RSPO document including Drainability assessment study.</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>To conduct the drainability assessment on peat before replanting performed. Company has conducted the drainability assessment for replanting programme 2017 – 2019 Sungai Rumbia Estate by R&amp;D team. For next replanting programme the drainability assessment will be performed 1 years before replanting.</li> <li>To conduct the refreshment of training and coaching to the SPO clerk regarding document control of RSPO document. Refreshment training has been conducted by sustainability team Pekanbaru on 21 September 2017 and will be carried out continuously each year.</li> </ul> <p><b>Assessment Conclusion:</b> Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-M3</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator 4.1.1 Standard Operating Procedures (SOPs) for estates (land clearing to harvesting) and SOP for mills (reception of FFB to dispatch of CPO and PKO) shall be available.</p> <p><b>Evidence of Nonconformity:</b></p> <ul style="list-style-type: none"> <li>During field visit to harvesting activity at Block E48 Division II Sungai Rumbia-2 Estate, it was found that loose fruit are not using layer to reduce contamination.</li> <li>During field visit to manuring activity at Block M39 Division VI Sungai Rumbia-2 Estate, it was found that worker take 2.5 bowl of urea fertilizer to match the dosage 1.25 kg per plant, however there was no clear mark for 0.5 bowl.</li> </ul> <p><b>Statement of Nonconformity:</b> Company has not consistently implementing the procedures for best agriculture practice.</p> <p><b>Root Cause Analysis:</b></p> <ul style="list-style-type: none"> <li>In each harvesting activity, TPH (Place for FFB collecting) will be completed with goni sack as a layer for loosefruit, however in Sungai Rumbia 2 Esatate there is a policy for some harvest location which is public access road is not given gunny sack for loosefruit because prone to the theft of loosefruit in gunny sack.</li> <li>Originally the dosage of fertilizer was calibrated and marked, but due to</li> </ul>	<p><b>Major</b></p>

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	<p>frequent use, the marks on the fertilizer dose were lost. However, fertilizer officers have been accustomed to use the dosage of fertilizer in accordance with the specified dose.</p> <p><b>Correction:</b></p> <ul style="list-style-type: none"> <li>The company has already done the improvement by providing the ex fertilizer sack which has been clean as the base of loosefruit in TPH to avoid contamination and dirt. During field visit in Blok E48 Sungai Rumbia 2 Estate can be demonstrated that all loose fruit have been given the sack/goni.</li> <li>The company has made improvement by create a dosage bowl according to fertilizer doses for each type of fertilizer. Example: Urea fertilizer bowl size 1.25 Kg and 0.5 Kg; Rock Phospate fertilizer bowl size 0.5 kg, 0.75 kg and 1.0 kg; MOP fertilizer bowl size 1.25 kg and 1.5 kg; Dolomite bowl fertilizer size of 0.75 and 1 kg.</li> </ul> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>To provide consistently the layer for loose fruit by clean ex fertilizer sack/goni sack to prevent the contamination from dirt. Curently company has implemented consistently to provide the gunny sack as a layer for loose fruit to minimize the contamination of dirt. It will be continuously implemented and evaluate as well as monitor the effectiveness of implementation.</li> <li>To provide consistently the dosage bowl for each fertilizer type in each division. The company has provide the dosage bowl for each type of fertilizer and will be continuously implemented as well as monitor the effectiveness of implementation.</li> </ul> <p><b>Assessment Conclusion:</b> Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-M4</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator 4.6.5 Evidence of pesticide application by trained person and in accordance with application guidelines in product label and storage guidelines shall be available. Appropriate safety equipment shall be provided and utilized. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).</p> <p><b>Evidence of Nonconformity:</b> During field visit to spraying activity at Block H45 Division I Sungai Rumbia-2 Estate it was found that not all spraying operator have appropriate certificate, e.g. Magdalena Lubis, Ariani, Kaliyem, Sumiah, Asrani, Muslikah, Mandiri imani</p> <p><b>Statement of Nonconformity:</b> There was not enough evidence that pesticides application were conducted by trained personnel.</p> <p><b>Root Cause Analysis:</b> Limited pesticide training was conducted in 2016 cooperation with pesticide commission including Magdalena Lubis, Kaliyem and Imani. For Ariani and Sumiah previously was an upkeep worker whose transferred to the spraying team, although before spraying they had been given training by the spray foreman but not documented.</p>	<p><b>Major</b></p>

	<p><b>Correction:</b> The company has conducted training of pesticide and herbicide handling for spraying team on 6<sup>th</sup> September 2017. The training was conducted by Field Head Assistant Sungai Rumbia 2 Estate to all spraying workers (8 workers). Evidence of training can be shown in the form of attendance list, training notes and photo documentation. Training materials covered technical applications of herbicides, active ingredients and weed targets and emergency response action in case of incidents according to MSDS of each chemical materials. Examples of participants who participated were: Magdalena Lubis, Ariani, Kaliyem, Sumiah, Mandiri Imani.</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>- Estate manager to ensure all the pesticide spraying workers are trained appropriately before they conducted their job. Company has conducted the training for all pesticide operator on 6<sup>th</sup> September 2017 and will be refresh each year. For the new pesticide operator, company committed to give the training first before they performed their job on pesticide handling.</li> <li>- To refresh the training regarding pesticide handling for pesticide operator by estate manager/field assistant. The refresh training will be on going each year after the latest training performed.</li> </ul> <p><b>Assessment Conclusion:</b> Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-M5</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator 5.3.2 There shall be evidence that all chemicals and their empty containers are disposed of responsibly.</p> <p><b>Evidence of Nonconformity:</b> Company use ex chemical container as rubbish bin/plant bin however SOPP No. CR-AGR-205-PST.06.11-1 "Penanganan dan Pengelolaan Pestisida" stated that all chemical container cannot be used as another purpose and store in TPS LB3. During audit in Workshop Balam Estate its found some contamination of oil and used oil in the top soil</p> <p><b>Statement of Nonconformity:</b> During audit its found that there is inconsistency of hazardous waste procedure implementation</p> <p><b>Root Cause Analysis:</b> Lack of understanding from employee against hazardous waste handling due to lack of socialization or training. There is no regular socialization/training performed by organisation regarding hazardous waste handling and there is no monitoring of hazardous waste usage.</p> <p><b>Correction:</b> The Company has made improvements by disseminating the information to all employees on September 5<sup>th</sup>, 2017 regarding the prohibition on the utilization of hazardous waste for domestic usage, especially the used packaging of pesticide. Evidence of socialization can be demonstrated during audit. The Company also issued the Letter of Appeal No.058/BLE-asst/IX/2017/S dated 4th September 2017 stating that all hazardous waste packaging should not be used for household and other purposes and must be stored and managed at temporary</p>	<p><b>Major</b></p>

	<p>hazardous waste storage (TPS LB3). The Company has made curb the use of hazardous waste that has been used for the media of container plants and collect it to temporary hazardous waste storage. The company also facilitates the employees by providing garbage bins in each house unit consisting of organic, inorganic and hazardous (B3) waste which is then delivered to temporary hazardous waste storage (TPS LB3).</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>- To conduct the regular socialization and awareness regarding hazardous waste handling. Awareness and socialization has been performed by company on 5<sup>th</sup> September 2017 and will be regularly performed each year to refresh.</li> <li>- To conduct the monitoring of hazardous waste management/handling by Estate manager, Mill manager and Field Assistant. Estate manager has conducted the monitoring of hazardous waste handling by employee in their housing continuously.</li> </ul> <p><b>Assessment Conclusion:</b> Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-M6</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator 4.7.4 The responsible person(s) for occupational health and safety shall be identified and there shall be records of periodical meetings on health and safety issues.</p> <p><b>Evidence of Nonconformity:</b> Based on document verification there is no records of periodical meetings on health and safety issues in Sungai Rumbia 2 Estate.</p> <p><b>Statement of Nonconformity:</b> Company has appointed a responsible person(s) for occupational health and safety however there is no records of periodical meetings on health and safety issues.</p> <p><b>Root Cause Analysis:</b> The general Occupational Health Safety Expert previously transferred to another estate so that there is a vacuum of P2K3 secretary who is certified as OHS expert in Sungai Rumbia 2 Estate and there is a meeting of P2K3 which is not documented.</p> <p><b>Correction:</b> The Company has made improvements by recording P2K3 meetings for each P2K3 meeting. Meetings are held monthly and reported to the Riau Provincial Manpower Office every quarter. The last P2K3 meeting was held on October 2, 2017 discussing the performance of OSH and environment management and monitoring. Minutes of meetings and attendance lists can be demonstrated during audit, record in FORM/PROS-34/02. Company has appointed the responsible person to manage and monitor OHS implementation including P2K3 meeting; the PIC has been certified as OHS expert and has a license of OHS expert, on behalf Petrus Kanisius P.T.Y Certificate OHS expert No. Ser.17.7905/AK3/U/XI/2017 dated 13 November 2017, License No. Reg. 43951/PK3/AJ/31/2017/P0 issued by Ministry of Manpower &amp; Transmigration Indonesia.</p>	<p><b>Major</b></p>



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	<p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>- To conduct the regular meeting of P2K3 and record the meeting as well as reported the minutes of meeting to Manpower Office every quarter. Regular meeting of P2K3 has been conducted each month (latest conducted on 2<sup>nd</sup> October 2017) and will be consistently performed.</li> <li>- To monitor the P2K3 minutes of meeting and P2K3 report by OHS officer and KTU. Company has performed the monitoring of P2K3 meeting result regularly each month and reported to Man Office Power each 3 month.</li> </ul> <p><b>Assessment Conclusion:</b> Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-M7</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator 4.7.2 A documented risk assessment shall be available and its implementation shall be recorded.</p> <p><b>Evidence of Nonconformity:</b></p> <ul style="list-style-type: none"> <li>• During field visit in Balam Factory, found 2 driver helper (kernet) in area loading ramp were not wearing safety shoes</li> <li>• During field visit in Diesel fuel storage its found several ex cigarete and indicate that there were person who smoking in the restricted area and high risk flammable area.</li> </ul> <p><b>Statement of Nonconformity:</b> Company has not consistent to implementing the OHS Policy in the field.</p> <p><b>Root Cause Analysis:</b></p> <ul style="list-style-type: none"> <li>• Lack of awareness of the workers in the discipline of PPE usage, due to no regular socialization/awareness and monitoring (safety inspection) performed by organisation.</li> <li>• Lack of awareness of employees in complying with regulations that have been made by the factory unit due to no regular socialization/awareness regarding safety policy and risk assessment as well as no regular monitoring performed by organisation to prevent the OHS violation.</li> <li>• There is no APAR refill monitoring performed by organisation.</li> <li>• There is no regular monitoring of emergency equipment conditions including Hydrant which performed by organisation.</li> </ul> <p><b>Correction:</b></p> <ul style="list-style-type: none"> <li>• The Company has made improvements by conducting a briefing and socialization to drivers and kernet on September 2, 2017 to be required to use appropriate PPE when entering Balam factory area. Balam factory also issued a Policy on the use of standard PPE dated September 1, 2017 to reaffirm the obligation to use standard PPE to all employees who work in Balam Factory area including the drivers and kernet of FFB trucks. The Company has also conducted an inspection of the use of standard PPE for employees in Balam Factory area to ensure that all employees, including drivers and kernet trucks, have used the appropriate PPE. Example Monitoring of October 2017 PPE usage for FFB/CPO/Kernel truck drivers and kernets, as well as lab divisions. Security at the security post is also in charge of ensuring that the dirver and kernet entering the Balam Factory area must use the full standard PPE (Shoes and helmets), in security Post</li> </ul>	<p><b>Major</b></p>



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	<p>guard also provided the PPE shoes and helmets for drivers who do not use it when going into the mill area.</p> <ul style="list-style-type: none"> <li>The company has made improvements with the socialization to warehouse officers and all drivers who fill fuel in the warehouse to comply with the rules of smoking ban. The Company also issued Circular Letter No.061/BLE-Asst/VIII/2017/S dated 31 August 2017. The company will impose a suspension sanction if the employee smokes in the fuel refueling area. OHS and environmental inspections are also conducted routinely by the company's OHS Expert every week to ensure no employee safety violations. The inspection evidence can be demonstrated, for example inspection record on September and October 2017.</li> <li>APAR in the area of generator house has been replaced with a new APAR and the company has provided the backup/spare APAR in the warehouse as a replacement if the APAR at generator house refilled or repaired.</li> <li>The Company has made improvement by made the purchase requisition of valve hydrant on August 8th, 2017 to replace the damaged/leaked valve hydrant No. 1 in Balam factory. PR Number 1042267951 can be demonstrated. The Company has replacing the leaked valve with the new one on October 2nd, 2017. During audit and field visit in Balam Factory, can be demonstrated that a hydrant no. 1 were well functions and has a good condition.</li> </ul> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>To monitor regularly the OHS risk assessment implementation and regularly performed the safety inspection to ensure all workers obey the safety policy and use the appropriate PPE. Company has performed the regular OHS inspection and implementation of Risk Assessment. Latest monitoring performed on October 2017 and will be continuously performed.</li> </ul> <p><b>Assessment Conclusion:</b> Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-M8</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p> <p><b>Evidence of Nonconformity:</b> PT Salim Ivomas Pratama – Balam POM has not registered yet in RSPO IT Platform (PalmTrace).</p> <p><b>Statement of Nonconformity:</b> There is no evidence that PT Salim Ivomas Pratama – Balam POM has been registered in RSPO IT Platform (PalmTrace).</p> <p><b>Root Cause Analysis:</b> Lack of communication and understanding of PIC RSPO IT Platform (palm trace). The PIC RSPO has not been trained regarding RSPO IT Platform/Palm Trace.</p> <p><b>Correction:</b> The company has registered PT SalimIvomas Pratama - Balam Factory POM on RSPO IT Platform (PalmTrace) with member ID: RSPO_PO10000076258, Core product Palm Oil, Oil Mill category member. It was also verified in the RSPO IT</p>	<p><b>Major</b></p>

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	<p>Platform (Palm trace) during audit.          Company also has give the training of RSPO IT Platform/Palm Trace to PIC RSPO in Balam POM. Training delivered by Sustainability team Pekanbaru on 28 September 2017. During follow up audit, confirmed that the PIC RSPO has understand the RSPO IT Platform/Palm Trace work.</p> <p><b>Corrective Action:</b>          Give the refresher course to PIC RSPO Balam POM regarding RSPO SCC and Palm Trace each year. The trining of SCC has been conducted on 28 September 2017 and will be performed the refresher course/traioning eacch year by sustainability team.          Monitoring the implementation of RSPO SCC and Palm Trace transaction regularly. Company has monitored the implementation of RSPO SCC and Palm Trace transaction by Mill manager and Sustainability team and will consistently monitored.</p> <p><b>Assessment Conclusion:</b>          Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-M9</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator E.3.1          The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:          a) Complete and up to date procedures covering the implementation of all the elements in these requirements</p> <p><b>Evidence of Nonconformity:</b></p> <ul style="list-style-type: none"> <li>• The procedure of Supply Chain (CR-OPR-101-SPC.03.13.1) dated 7 September 2015 still mention the term "e-trace".</li> <li>• Balam POM, PT Salim Ivomas Pratama sent their CPO to Dumai Bulking, PT Sarana Tempa Perkasa, however the scope of procedure is only cover FFB Receiving and Delivery of CPO and PK from the Mill.</li> <li>• Balam POM does not have information whether the outsourcing, e.g. PT Sarana Tempa Perkasa (Bulking), PT Indoagri Inti Plantation and PT Sumber Trans Agung (Transporter) have been certified against RSPO SC 2014 standard, whilst BSI as CB was disable to do onsite audit at the location of outsourcing.</li> <li>• The weighbridge clerk, i.e. Ramona has not trained yet for RSPO Supply Chain Certification.</li> </ul> <p><b>Statement of Nonconformity:</b>          There is no evidence that the site have complete and up to date procedures covering the implementation of all the elements in these requirements.</p> <p><b>Root Cause Analysis:</b></p> <ul style="list-style-type: none"> <li>• SOP Supply Chain (CR-OPR-101-SPC.03.13.1) still refers to the old RSPO SSC standard and has not been revised. The PIC of RSPO has not updated the information regarding new RSPO SCC standard.</li> <li>• Company has not been made the cooperation contract with outsourcing PT Sarana Tempa Perkasa (Bulking) to ensure the compliance with RSPO Supply Chain requirement.</li> </ul>	<p><b>Major</b></p>

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	<ul style="list-style-type: none"> <li>The training has not been scheduled for weighbridge clerk against RSPO Supply Chain Certification due to dense schedule of trainer from Pekanbaru office.</li> </ul> <p><b>Correction:</b></p> <p>The Company has revised the Supply Chain procedure SOPP No: CR_OPR-101-SPC.03.13-1 dated October 19<sup>th</sup>, 2017. The procedure was revised in accordance with SCC 2014 standards and adjusted the e-trace to Palm trace, adding scope procedures including KCP and Bulking station.</p> <p>The company has already made a contract of cooperation between PT Salim Ivomas Pratama Tbk – Balam Factory and PT Sarana Tempa Perkasa dated March 29<sup>th</sup>, 2017 related to the use of the service station and office space. PT Sarana Tempa Perkasa also issued a letter of approval and agreement with PT Salim Ivomas Pratama Tbk – Balam Factory in letter No.027/VPE/SIMP-PKU/10/2017 dated September 26<sup>th</sup>, 2017 related to the approval statement of RSPO SCCS implementation.</p> <p>PT Indo Agri Inti plantation is a sister company owned by PT Salim Ivomas Pratama Tbk and is still one management with PT Salim Ivomas Pratama Tbk - Balam Factory.</p> <p>CPO and PK Shipping are completed with DO which monitored the recording down to Bulking and sales. So that the transporter is fully within the control of PT Salim Ivomas Pratama Tbk - Balam Factory.</p> <p>Pekanbaru office has set the schedule of training or weighbridge clerk and a person related to RSPO Supply Chain (KTU and administration). The weighbridge clerk on behalf Ramona has been trained for RSPO Supply Chain Certification by Sustainability team Pekanbaru on 28 September 2017. Evidence of training can be demonstrated. During interview with Ramona in weighbridge station, she can be demonstrated the understanding and knowledge on RSPO Supply Chain Certification and procedure.</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>- Review the SOP regarding RSPO Supply Chain once a year by sustainability team and updated/adjusted according to the new requirement of RSPO and current regulation. SOP review regarding RSPO Supply Chain has been conducted on October 2017 and will be continuously performed each year.</li> <li>- Conduct regular review of the contract cooperation between PT Salim Ivomas Pratama Tbk – Balam Factory and PT Sarana Tempa Perkasa. Review contract will be performed regularly each year.</li> <li>- Conduct regular refresher training once a year regarding RSPO SCC to the PIC RSO, Clerk and personel in charge for RSPO implementation. Training for RSPO SCC has been conducted by Sustainability Team on 28 September 2017 and will be conducted the regular refresher course/training each year.</li> </ul> <p><b>Assessment Conclusion:</b></p> <p>Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator E.3.2</p> <p>The site shall have documented procedures for receiving and processing certified and non-certified FFBS.</p>	<p><b>Major</b></p>

<p><b>M10</b></p>	<p><b>Evidence of Nonconformity:</b> The procedure of Supply Chain (CR-OPR-101-SPC.03.13.1) dated 7 September 2015 has mentioned mechanism for receiving certified and non-certified FFB, however it does not mentioned processing of certified and non-certified FFB.</p> <p><b>Statement of Nonconformity:</b> The documented procedure for RSPO Supply Chain Certification has not mentioned processing of certified and non-certified FFB.</p> <p><b>Root Cause Analysis:</b> SOP supply chain CR-OPR-101-SPC.03.13.1 has not included the processing mechanism of FFB certificated and not certified. There is no review against the procedure according to RSPO SCC requirement standard.</p> <p><b>Correction:</b> The Company has revised the procedure of supplu chain SOPP No: CR-OPR-101-SPC.03.13-1 dated October 19<sup>th</sup>, 2017. The procedure is revised in accordance with the RSPO SCC standard 2014. In the procedure points E.2 already explains the processing of FFB into CPO and PK and how to identify and segregated the FFB that received by balam Factory between certified and non certified and recording of CPO and PK which are certified and non certified.</p> <p><b>Corrective Action:</b> Review the SOP regarding RSPO Supply Chain once a year by sustainability team and updated/adjusted according to the new requirement of RSPO and current regulation. SOP review regarding RSPO Supply Chain has been conducted on October 2017 and will be continuously performed each year.</p> <p><b>Assessment Conclusion:</b> Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-M11</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator E.5.2 In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.</p> <p><b>Evidence of Nonconformity:</b> Balam POM, PT Salim Ivomas Pratama sent Palm Kernel to Sungai Bangko KCP, PT Gunung Mas Raya which is different entity, however Balam POM does not have signed agreement with Sungai Bangko KCP.</p> <p><b>Statement of Nonconformity:</b> Balam POM does not have signed agreement with Sungai Bangko KCP for processing Palm Kernel.</p> <p><b>Root Cause Analysis:</b> The cooperation contract between PT Salim Ivomas Pratama Tbk Balam Factory and Sungai Bangko KCP is kept in Head Office Jakarta so that during audit can not be shown.</p> <p><b>Correction:</b> The Company has already made a cooperation contract between PT Salim Ivomas Pratama tbk - Balam Factory and PT Gunung Mas Raya KCP Sungai Bangko in "Sales Contract". Verified sample of Sales Contract during audit</p>	<p><b>Major</b></p>

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	<p>No.4600739562 has made accordingly. PT Gunung Mas Raya KCP Sungai Bangko is a sister company of PT Salim Ivomas Pratama tbk and still one management with PT Salim Ivomas Pratama tbk. Every sales of PK to KCP Sungai Bangko is completed with sales contract which containing quantity data of product, product price and product quality.</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>- To review the sales contract regularly by Mill Manager and PIC RSPO SCC Balam Palm Oil Mill to ensure the compliance with RSPO SCC requirement. Review contract will be performed regularly each year.</li> </ul> <p><b>Assessment Conclusion:</b></p> <p>Major NC has been Closed on 8 November 2017</p>	
<p><b>1521456-201708-N1</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator 5.6.3  A monitoring plan and results of regular reporting on emission and pollutants from estate and mill operations using appropriate methods, shall be available.</p> <p><b>Evidence of Nonconformity:</b></p> <p>During audit, company cannot demonstrated the results of emission and pollutants from estate and mill operations using Palm GHG Calculator version 3.1.</p> <p><b>Statement of Nonconformity:</b></p> <p>There is no results of regular reporting on emission and pollutants from estate and mill operations using Palm GHG Calculator version 3.1.</p> <p><b>Root Cause Analysis:</b></p> <p>PIC of GHG calculation PT Salim Ivomas Pratama Tbk has not been calculate the GHG emission due to no training and understanding related to current version of GHG Calculator and how to calculate the GHG emission.</p> <p><b>Correction:</b></p> <p>Sustainability team of Pekanbaru has give the training on 29 September 2017 regarding GHG emission calculation using Palm GHG Calculator version 3.1. Evidence of training can be demonstrated and during interview with PIC of GHG emission calculation can be demonstrated that he has an understanding on GHG emission calculation using Palm GHG Calculator version 3.1.</p> <p>The company has already perform calculations of GHG using the Palm GHG calculator beta version 3.01. Summary of emission calculated according to calculation by Palm GHG calculator beta version 3.01 are:  5.73 tCO<sub>2</sub>e/ton CPO and 5.73 tCO<sub>2</sub>e/ton PK.  Total Mill emission was -9,506.51 tCO<sub>2</sub> or -0.04 tCO<sub>2</sub>e/tFFB. Total Field emission was 78,237.44 tCO<sub>2</sub>e or 20.38 tCO<sub>2</sub>e/ha and 0.91 tCO<sub>2</sub>e/tFFB.</p> <p><b>Corrective Action:</b></p> <p>To conduct the regular training against GHG emission calculation using current Palm GHG calculator and regularly calculate the GHG emission accordingly. GHG Training has been conducte on 29 September 2017 by Sustainability team and will be conducted the refresher training each year.</p> <p><b>Assessment Conclusion:</b></p> <p>Audit team accepted the corrective action plan, prepared by certificate holders. However, audit team will review the implementation, consistency and</p>	<p><b>Minor</b></p>

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	<p>effectiveness of corrective action taken during subsequent assessment visit. NC Minor remains open.</p>	
<p><b>1521456-201708-N2</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator 4.3.5 Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.</p> <p><b>Evidence of Nonconformity:</b> There is replanting activity on peat in Block I52 and I51 Sungai Rumbia-2 Estate in 2017, however there is no long term viability plan – e.g. flooding, drainability assessments and subsidence issues.</p> <p><b>Statement of Nonconformity:</b> There is no drainability assessment on peat before replanting</p> <p><b>Root Cause Analysis:</b> Plans for replanting and drainage management are available at Research &amp; Development Dept. However there was lack of understanding from auditee regarding document of drainability assessment so that during audit document implementation can not be shown. The PIC of RSPO document control and the PIC of Estate has not been trained against the Drainability Assessment on peat before replanting activity.</p> <p><b>Correction:</b> Company (R&amp;D deptment) has made the training program of Drainability Assessment on Peat prior to replanting activity. The training was gave to the PIC of Estate (Manager, Staff and Foreman) and PIC RSPO document control against Drainability Assessment method and measurement on peat soil prior to replanting activity. he Company has done the drainability assessment on the peat land area for replanting plan of 2017 – 2019 Sungai Rumbia 2 Estate. The drainability study in Sungai Rumbia 2 Estate's peatlands has been carried out by the Research &amp; Development Department from 17 to 19 October 2017. The report of the study result is finalized on 2November 2017. From the studies results can be shown that the height of groundwater in the plantation block is still higher than the level of ground water level on the edge of the plantation block, so that the drainage is still quite good. The drainage class of replanting block 2017 and 2019 in Sungai Rumbia 2 Estate has categorized as class 1 and class 2 drainability. The replanting planned of peatlands in Sungai Rumbia 2 Estate is still feasible to be planted and the predicted of long-term drainability for replanting plan 2017 is up to year 2057 and for replanting plan 2019 is predicted feasible until year 2047.</p> <p><b>Corrective Action:</b> To conduct the regular training related to drainability assessment by R&amp;D team and conduct the Drainability assessment prior to replating activity. Training regarding Drainability assessment has been conducted on October 2017 to the PIC of Estate (Manager, Staff and Foreman) and PIC RSPO document control by Sustainability team and R&amp;D team. Drainability assessment alaso has been conducted on 17 to 19 October 2017 by R&amp;D team for replanting programme 2917 – 2019 in Sungai Rumbia 2 Estate. The drainability assessment will be performed consistently 1 year prior to replanting.</p>	<p><b>Minor</b></p>

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	<p><b>Assessment Conclusion:</b> Audit team accepted the corrective action plan, prepared by certificate holders. However, audit team will review the implementation, consistency and effectiveness of corrective action taken during subsequent assessment visit. NC Minor remains open.</p>	
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**Issues raised by Stakeholders**

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss PT. Salim Ivomas Pratama Tbk – Balam Factory Certification Unit’s environmental and social performance, legal and any known dispute issues.

Meetings were conducted 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 later was verified with the management team. 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.

IS #	Description
1	<p><b>Feedback, Comment and Input</b>  <b>Dinas Tenaga Kerja dan Transmigrasi Kabupaten Rokan Hilir (Manpower and Transmigration Office – Rokan Hilir Regency)</b> Kadisnaker: Bpk. Ir. H. Amirudin, MM.</p> <p>1. Working Norms;</p> <ul style="list-style-type: none"> <li>- The Company has comply with minimum wage payment in accordance with the applicable regulations “Decree of Governor Riau Province, no.120/I/2017 dated 26 January 2017 regarding minimum wage for agriculture sector sets at Rp 2,516,812/month.</li> <li>- All employees in PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya have the status of permanent workers (SKUH and SKUB) were included in the program BPJS Ketenagakerjaan and BPJS Kesehatan. Manpower report period 2017-2018 to the Manpower and Transmigration Office has been reported by company.</li> <li>- There are no reports related to the use of female laborers at night nor the use of child labor (The plantation sector is the worst sector against the use of female laborers at night and the use of child labor) and underage workers (18 years).</li> </ul> <p>2. K3/health and safety occupation Norms;</p> <ul style="list-style-type: none"> <li>- The Company has established the organizational structure of P2K3 and has been authorized by Dinas Tenaga Kerja Kabupaten Rokan Hilir.</li> <li>- The Company has compiled and submitted the P2K3 Periodical Report to the Department of Manpower.</li> <li>- The company has realized the provision of PPE for its employees but the consistency of the use of PPE by the workers needs to be improved.</li> <li>- The Company has conducted periodic health checks for all workers, especially workers who working at hazardous stations including sprayers and fertilizers.</li> <li>- Heavy equipment operators, conveyances, levers, steamers and others have licenses as operators (SIOs).</li> <li>- The Company has conducted periodic checks on the special equipment used (Steam Bucket, Pressure Vessel) in accordance with applicable regulations.</li> <li>- Company has workers organisation or Labor Union, namely “Serikat Pekerja Pertanian dan Perkebunan - Serikat Pekerja Seluruh Indonesia” Indonesia Plantation and Agriculture Worker Union. Which have been approved by Branch Manager of SPSI Rokan Hilir Regency based on Decree no.</li> </ul>



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	<p>Kep. 90A/PC-FSP.PP/SPSI/RH/XI/ 2013, on November 28, 2013 and has also obtained Proof of Registration from the Disnaker of Rokan Hilir Regency no. 02/SP-Rohil/DTK/VI/2002 dated 7 May 2002.</p> <ul style="list-style-type: none"> <li>- The Company already has a Collective Labor Agreement that regulates the industrial cooperation between the company and the worker.</li> <li>- Disputes: Until the audit is conducted, there are no reports related to disputes.</li> <li>- The company has provided infrastructure that aims to improve the welfare of employees for example, housing, electricity, clean water, health facilities, educational facilities, etc.</li> </ul> <p><b>Management Responses</b></p> <ul style="list-style-type: none"> <li>- The company also keeps the record of "Decree of Governor Riau Province, no.120/I/2017 dated 26 January 2017 regarding minimum wage for agriculture sector sets at Rp 2,516,812/month".</li> <li>- Company also follow the "Agreement letter of Cooperation Agency of Sumatera Plantation Company (BKS-PPS) no.49/BKS-PPS/2017, dated 19 April 2017 regarding Minimum wage Increase of plantation sector in 2017 in Riau Province, Rp 2,516,812, - including rice supply value for workers Alone for 15 Kg.</li> <li>- Required mandatory employee reports were reported for the period 2017 - 2018.</li> <li>- The use of PPE has been consistently applied.</li> </ul> <p><b>Audit Team Findings</b></p> <p>The company has taken action in accordance with well-established procedures, applicable regulation and persuasive approach, so there is no issue against dispute nor industrial relation. With respect to wages, the use of PPE and SIO, the company has implemented in accordance with relevant law and regulations.</p>
<p><b>2</b></p>	<p><b>Feedback, Comment and Input</b> <b>Dinas Lingkungan Hidup Kabupaten Rokan Hilir (Environmental Office – Rokan Hilir Regency)</b> Head of Division Law Enforcement: Carlos Roshan</p> <ul style="list-style-type: none"> <li>- The Company already has environmental document in the form of AMDAL RKL-RPL and has been approved based on Decree of Agricultural Ministry No. RC.220/1052/B/VI/93, dated June 22, 1993 for the development of + 21,620 Ha Ha oil palm estates and a Palm Oil Mill capacity 150 tonnes FFB per hour.</li> <li>- Report of the implementation of RKL-RPL periodically submitted to Dinas Lingkungan of Rokan Hilir Regency. Latest reported in 16 January 2017 for period semester II 2016.</li> <li>- Good environmental management has performed by companies, eg pollution and emissions management in plantation environment (still below the quality standard), for example: waste water and air emissions.</li> <li>- The Company has utilized liquid waste to be applied to the land and has been granted permission from the Rokan Hilir Regency Environmental Agency, for example: Land Application (LA) utilization permit and LA measurement for 3 months, latest done in March 2017.</li> <li>- The Company has managed hazardous waste (LB3) and has obtained temporary storage permit of hazardous waste (LB3) in accordance with prevailing laws and regulations..</li> <li>- There are no reports from stakeholders related to environmental pollution caused by the operation of the estate or Palm Oil Mill Pt Salim Ivomas Pratama Tbk and PT Gunung Mas Raya.</li> <li>- Until audit conducted, there are no environmental issues either from the community or from NGOs.</li> </ul> <p><b>Management Responses</b></p> <ul style="list-style-type: none"> <li>- Company has obtain permit for temporary Hazardous waste storage from Rokan Hilir Regent based on Decree Letter No. 29/BPDL/2015, dated 08<sup>th</sup> April 2015 valid for 5 years and Decree Letter No. 07/BPDL/2015 dated 21 January 2015 valid for 5 years. Company has cooperated with licenced vendor PT Primanru Jaya to collected and transporting the hazardous waste.</li> </ul>

	<ul style="list-style-type: none"> <li>- In 2017 PT Salim Ivomas Pratama and PT Gunung Mas Raya has developed programs, improving the welfare of communities and the surrounding environment, for example: Assistance tree seedlings greening.</li> <li>- Company has obtain permit of Land Application (LA) permit from Regent Rokan Hilir No. 30/BPDL/2016, dated 15 June 2016 and valid for 5 years, currently still in progress to renewal and process for issued by Environmental Agency Rokan Hilir Regency.</li> </ul>
	<p><b>Audit Team Findings</b></p> <p>Hazardous waste management and monitoring has been well done by the company.</p> <p>Environmental control programs around the plantation area (surrounding villages) have been conducted by company continuously.</p>
<p><b>3</b></p>	<p><b>Feedback, Comment and Input</b> <b>Kantor Pertanahan Kabupaten Rokan Hilir (Land affairs office, Rokan Hilir Regency)</b></p> <ul style="list-style-type: none"> <li>- Period of year 2016- 2017 there are no reports related to land issues and disputes in PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya</li> <li>- There is information that the border of many rivers controlled by the community to be managed as a plantation land.</li> <li>- No reports to the Land Office of Rokan Hilir Regency related to the planting of oil palm plantations outside HGU.</li> <li>- Company has manage their land according to applicable regulation and there is no issued of violation of regulation or land dispute.</li> </ul> <p><b>Management Responses</b></p> <ul style="list-style-type: none"> <li>- Maintenance of HGU stakes is done routinely by company (2 times a year / per semester). HGU stakes maintained in order to prevent the tenurial conflict.</li> <li>- There is no land dispute since HGU issued by BPN Rokan Hilir.</li> </ul> <p><b>Audit Team Findings</b></p> <p>Based on documents verification and field visits, it can be concluded that until the time of the audit no land disputes have occurred, the company has conducted regular checks of HGU stakes regularly and river border (conservation area) and no community land tenure activities.</p>
<p><b>4</b></p>	<p><b>Feedback, Comment and Input</b> <b>Perangkat desa dan Tokoh Masyarakat Desa Balam Sempurna dan Desa Kahyangan (Local community and villagers)</b> Bpk. Charles Tobing, Edi Sianturi, Anggiet Sihombing and Junayer Silaban</p> <ul style="list-style-type: none"> <li>- The presence of company has a positive impact on the surrounding community, especially in term of local employment, CSR programs and impact on the community economic development.</li> <li>- In general communication and coordination between village government and the Company has been running well. Company response all issue and aspiration submit by village official and surrounding community.</li> <li>- The company has realized the CSR program to the surrounding community and involve them in the process of plan and programme arrangement of each village's CSR program.</li> <li>- Based on interviews with village heads, there is no community issue to village government regarding the negative impacts due to the operation of the plantation including environmental pollution, although there is control of the cattle that still roam the plantation area.</li> <li>- There are no reports from the public regarding the company's operational activities that violate Human Rights such as the Right to Organize and assemble, Conduct worship in accordance with beliefs, as well as other violation practices such as the use of mercenaries for the intimidation of workers, the human trafficking, etc.</li> </ul> <p><b>Management Responses</b></p>

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	<ul style="list-style-type: none"> <li>- Company has develop CSR program including Economics, Religious, Health and Education aspect,</li> <li>- Realisation of CSR programme such as: Honor/fund assistance for Mudim Masjid each month, Road greaders assistance, Assistance of sport Championship 2016, Proivision of Child nutrition assistance, Child day care, kindergarten, etc.</li> <li>- Company will improve the communication to surrounding community and improve the CSR programme continuously.</li> </ul>
	<p><b>Audit Team Findings</b></p> <p>The CSR program owned by PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya was very good, based on interviews with some village heads giving the impression of being quite satisfied with the program.</p> <p>The company has established good communication with the surrounding community and has realized the plasma development for the community surrounding the company.</p>
<p><b>5</b></p>	<p><b>Feedback, Comment and Input</b></p> <p><b>Workers union,</b> Chairman of Union Labor SPP-SPSI PUK PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya.</p> <ul style="list-style-type: none"> <li>- Labor Unions Balam factory have been approved and registered by Dinas Tenaga Kerja Rokan Hilir Regency based on "Surat Keputusan Nomor: 11/SP-ROHIL/DTK/VI/2002 tentang Pendaftaran Serikat Pekerja" datd 25 June 2002.</li> <li>- Minimum wages pay by company are in accordance with "Decree of Governor Riau Province, no.120/I/2017 dated 26 January 2017 regarding minimum wage for agriculture sector sets at Rp 2,516,812/month.</li> <li>- Company has provide workers facilities: housing, electricity, water, sport facility and good sanitation in housing area.</li> <li>- In term of Health facility, company provided BPJS kesehatan to all employee. In addition company provide the clinic in the housing area and complet with the doctor, nurse and paramedic. All employee also cover by Jamsostek (BPJS Ketenagakerjaan).</li> <li>- Meetings of worker union are held routinely o discuss the issue related to employment issue and industrial relationship.</li> <li>- Workers facilities and PPE for employees are provided by company.</li> <li>- There is no industrial relations dispute happen between employee and the company.</li> </ul> <p><b>Management Responses</b></p> <ul style="list-style-type: none"> <li>- Through workers union (SPSI) the company always communicates with all employees.</li> <li>- Company provide PPE to employees and monitored each month. If there is any damage condition of PPE company will immediately replace the PPE.</li> <li>- Employee rights have been granted including health facilities, housing, water and electricity.</li> <li>- All employees have been included to BPJS ketenagakerjaan (Jamsostek) and BPJS kesehatan.</li> </ul> <p><b>Audit Team Findings</b></p> <ul style="list-style-type: none"> <li>- The company's liability to employees has been made in accordance with applicable laws and regulations.</li> <li>- In general, employees claim that the company has been concerned about employees and pay attention to the rights of employees.</li> </ul>
<p><b>6</b></p>	<p><b>Feedback, Comment and Input</b></p> <p><b>Workers (fertilizing, spraying, mill processing, workshop)</b></p> <ul style="list-style-type: none"> <li>- Organisation provided training for Occupational Health and Safety and personnel protective equipment.</li> </ul>

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	<ul style="list-style-type: none"> <li>- Clean water was supplied from mill and several workers using wells water in the emplacement.</li> <li>- Calculation of wage was determined by management in accordance with national and local regulation. Employee get the payment accordingly, no issues occurred related to minimum wages.</li> <li>- Other than main salary, employees get an additional allowance of rice.</li> <li>- No discrimination noted between employee in PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya</li> <li>- Over all medical expense is covered by the company. In addition, company has registered the employe to BPJS Kesehatan (medical insurance) and BPJS Ketenagakerjaan (Accident insurance).</li> <li>- There is no sexual harassment case occurred in PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya</li> <li>- Pregnant test for women sprayer was conducted each month for ensuring that there was no pregnant worker do the herbicide spraying.</li> <li>- There are no female workers who pregnant and breast-feeding conducting spraying job. Company has a policy to prohibit the pregnant and breast feeding women to do the spraying job.If the women workers pregnant and breastfeeding, they will replace to another job that more safe and suitable.</li> <li>- The Company has given personal protective equipment to do the job, such as: helmets, gloves, masker and safety shoes.</li> </ul>
	<p><b>Management Responses</b> For the positive things that have been done will be be maintained and improved towards a better by management companies.</p>
	<p><b>Audit Team Findings</b> Company has provide an adequate facility for employee and comply with the labor regulations. Company also has commitment to improve the employee welfare follow to company ability.</p>

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**3.3.1 Status of Nonconformities Previously Identified and Observations**

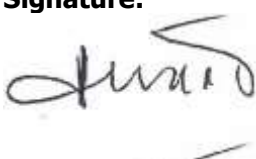

This is the initial assessment and there is no previous Major/Minor Nonconformity.

**3.3.2 Summary of the Nonconformities and Status**

CAR Ref.	CLASS	ISSUED	STATUS
1521456-201708-M1	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M2	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M3	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M4	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M5	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M6	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M7	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M8	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M9	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M10	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-M11	Major	30/08/2017	Closed on 8 November 2017
1521456-201708-N1	Minor	30/08/2017	OPEN
1521456-201708-N2	Minor	30/08/2017	OPEN

**Assessment Conclusion and Recommendation:**

Based on the findings during the assessment PT. Salim Ivomas Pratama Tbk – Balam Factory Certification Unit and supply base complies with the RSPO P&C INA NI September 2016 and the RSPO Supply Chain Certification Standard November 2014 for CPO Mill. It is recommended that the certification of PT. Salim Ivomas Pratama Tbk – Balam Factory Certification Unit is approved and continued.

Acknowledgement of Assessment Findings	Report Prepared by
<b>Name:</b> Muhamad Waras	<b>Name:</b> Mujinius Jalaraya
<b>Company name:</b> PT. Salim Ivomas Pratama Tbk	<b>Company name:</b> On behalf BSI Services Malaysia Sdn Bhd
<b>Title:</b> Sustainability Head	Title: Lead Auditor
<b>Signature:</b>  Date: 6 March 2018	<b>Signature:</b>  Date: 5 March 2018

**Appendix A: Summary of Findings**

Criterion / Indicator	Assessment Findings	Compliance	
<b>Principle 1: Commitment to Transparency</b>			
<p><b>Criterion 1.1:</b></p> <p>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</p>			
1.1.1	<p>List of information related to criterion 1.2 that can be accessed by relevant stakeholders shall be available.</p> <p>- Minor compliance -</p>	<p>Company has determined list of information that can be accessed by stakeholders in "Formulir Distribusi Informasi FORM/PROS-04/02 periode 2017" dated 15 August 2017. There are 22 types of information such as:</p> <ul style="list-style-type: none"> <li>- Environmental management and monitoring plan report (RKL-RPL) can accessed by KLH, PPLH, BLH and general</li> <li>- Hazardous waste balance report can accessed by KLH, PPLH, BLH and general</li> <li>- OHS management plan and P2K3 report can accessed by Disnakertrans and general</li> <li>- "Laporan Usaha Perkebunan can be accessed by Disbun Provinsi or Kabupaten and general</li> <li>- HCV identification report</li> <li>- Management and monitoring report of HCV</li> <li>- Management and Monitoring report of Social Impact</li> <li>- Greenhouse gas mitigation plan</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Procedure Communication, participation and consultation</li> <li>- Human right policy and RSPO policy</li> <li>- Areal statement maps</li> <li>- HGU Maps</li> <li>- etc</li> </ul>	
1.1.2	<p>Records of requests for information and responses to the information requested shall be available.</p> <p>- Major compliance -</p>	<p>Record of requests for information and responses to the information requested was available in "Logbook Permintaan Informasi, Keluhan dari Stakeholder dan Tanggapan Perusahaan" Balam Estate and Sungai Rumbia 2 Estate, for example in Balam Estate:</p> <ul style="list-style-type: none"> <li>- Letter No. B/52/IX/2016 dated 26 September 2016 from "Komando Distrik Militer 0321/ROHIL, Komando Rayon Militer 03 Bagan Sinembah" requested Pembuatan Spanduk HUT TNI ke 71, company has response on 28 September 2016 by Letter No. 008/BLE-Inst/IX/16/S and give the assistance of funding for Spanduk HUT TNI ke 71</li> <li>- Letter No. 28/KOP.25/TLJ/2016 dated 26 May 2016 from "Koperasi Petani Dua Lima" requested for Izin masuk Gudang Teluk Nilap Jaya, company has responses by letter no. 003/BLE-Inst/VI/16/S dated 6 June 2016</li> <li>- Letter No. 422.1/SMK-WK/BLJ/VI/2016/669 dated 13 June 2016 from SMK Widya Karya requested for Praktek Kerja Industri, company has responses by letter No. 105/BLE-AMAI/VI/2016/S dated 15 June 2016 and give permit for Prakerin according to company regulation.</li> <li>- Letter No. 422/SMPN/7/01/2017/12463 dated 2 February 2017 from SMPN 7 Bagan Sinembah requested for heavy equipment to repair and maintain football field, company has responses by letter No. 001/BLE-Inst/II/17/S</li> </ul>	Comply

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Criterion / Indicator	Assessment Findings	Compliance
	<p>dated 8 February 2017 and give the assistance of heavy equipment.</p> <ul style="list-style-type: none"> <li>- Letter No. /PAN-HUT/BLS/2017 dated 18 July 2017 requested for Peminjaman lapangan olahraga, company has responses by letter No. 002/BLE-Inst/VII/17/S dated 19 July 2017 and give the permit to use the sport facility in company.</li> </ul> <p>For example in Sungai Rumbia 2 Estate:</p> <ul style="list-style-type: none"> <li>- Letter No. 410/Pemb/2017 dated 3 March 2017 from Kelurahan Balam Sempurna Kota requested for pembuatan plang nama kelurahan, company has response with letter no. 004/SRE-2/II/2017 dated 4 March 2017 and give the assistance</li> <li>- Letter No. /Kadus/SH/INJ/2017 dated 25 March 2017 from PemKab Rokan Hilir untuk Dusun II Sunting Hulu Kepenghuluan Nilap Jaya requested for Greader untuk Perawatan dan Perbaikan Jalan company has responses by letter No. 006/SRE-2/III/2017/S</li> </ul> <p>For example in Balam Mill:</p> <ul style="list-style-type: none"> <li>- Letter No. 015/PKL/SMK-TB/2017/002.3 dated 12 June 2017 from SMK Teknologi Balam received on 19 June 2017 requested for Praktik Kerja Lapangan, Response by Balam mill by send the letter No. 253/FM-Ext/BLF/07/2017 dated 25 July 2017.</li> <li>- Letter No. 422.1/PAN/-PEL/HUT-PGRI/X/2016/01 dated 18 October 2016 from Panitia Pelaksana Hari guru Nasional dan HUT RI ke 71 Kab. Rokan Hilir requested permohonan bantuan dana, response by management by send letter No. 010/FM-Ext/BLF/10/2016 dated 29 October 2016, company has give the contribution of funding.</li> </ul> <p>The company has updated request information and response mechanism as</p>	



Criterion / Indicator		Assessment Findings	Compliance
		documented in SOP No. SIMP-PROS 04 Rev 2 dated February 4, 2013 namely "Prosedur Komunikasi, Partisipasi dan Konsultasi" (Communication, Participation, and Consultation Procedure). This procedure mentioned the mechanisms how the company would provide adequate information relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making such as environmental, social, and legal issues. The procedures regulated that all request information will be responded within 10 since the information accepted.	
<b>Criterion 1.2:</b>			
Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			
1.2.1	Publicly available documents shall include, but are not necessarily limited to: <ul style="list-style-type: none"> <li>a) Land titles/user rights (Criterion 2.2)</li> <li>b) Occupational health and safety plans (Criterion 4.7)</li> <li>c) Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8)</li> <li>d) HCV documentation (Criteria 5.2 and 7.3)</li> <li>e) Pollution prevention and reduction plans (Criterion 5.6)</li> <li>f) Details of complaints and grievances</li> </ul>	Company has determined list of information that can be accessed by stakeholders in "Formulir Distribusi Informasi FORM/PROS-04/02 periode 2017" dated 15 August 2017. There are 22 type of information such as: <ul style="list-style-type: none"> <li>- Land titles maps</li> <li>- Areal statement maps</li> <li>- OHS management plan and P2K3 report can accessed by Disnakertrans and general</li> <li>- Social Environmental management and monitoring plan report (RKL-RPL) can accessed by KLH, PPLH, BLH and general</li> <li>- Management and Monitoring report of Social Impact</li> <li>- HCV identification report</li> <li>- Management and monitoring report of HCV</li> </ul>	Comply

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Criterion / Indicator		Assessment Findings	Compliance
	(Criterion 6.3) g) Negotiation procedures (Criterion 6.4) h) Continual improvement plans (Criterion 8.1) i) Public summary of certification assessment report j) Human Rights Policy (Criterion 6.13).  - Major compliance –	<ul style="list-style-type: none"> <li>- Hazardous waste balance report can accessed by KLH, PPLH, BLH and general</li> <li>- Greenhouse gas mitigation plan</li> <li>- Procedure Communication, participation and consultation</li> <li>- Public Summary Report of Certification</li> <li>- Human right policy and RSPO policy</li> <li>- "Laporan Usaha Perkebunan can be accessed by Disbun Provinsi or Kabupaten and general</li> <li>- etc</li> </ul>	
<b>Criterion 1.3:</b> Growers and millers commit to ethical conduct in all business operations and transactions.			
1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions along with the documentation of socialisation process of the policy to all levels of the workers and operations.  - Minor compliance –	The company has "Code of ethical conduct and integrity in business, 2014", based on Decree of Directors on 1 October 2014 (doc. No. 003/SK/X/2014) is stated: the ethical behaviour, integrity, honestly, trusted, and prohibition of all forms of corruption, bribery in the conduct or transaction of business practices. The company has communicate this code of conduct to employess, e.g, in Balam Estate refreshment socialization performed on April 2017 for internal and external (contractor), in Balam Factory on February 2017 for internal and external (supplier) including socialization of sexual harassment, in Sungai Rumbia 2 Estate socialization has performed on May 2017 for internal and for supplier/contractors. Based on discussion with worker union, interview with employee and local contractors, they have understood the message in code of ethical conduct policy.	Comply

Criterion / Indicator	Assessment Findings	Compliance	
<b>Principle 2: Compliance with applicable laws and regulations</b>			
<b>Criterion 2.1</b> There is compliance with all applicable local, national and ratified international laws and regulations.			
2.1.1	Evidence of compliance with relevant legal requirements shall be available. - Major compliance –	The organization has a mechanism to ensure compliance with all applicable laws and regulations compliance through procedure “Prosedur Identifikasi dan Evaluasi Pemenuhan Peraturan” (Procedure of Regulation Compliance Identification and Evaluation) (SIMP-PROS-02, dated 01/10/2010).  The company hold the legal permit, such as:  1. Izin Lokasi (Location permit) by SK Head of BPN Bengkalis Regency, total coverage as 31,806.00 Ha : - No. 22-401/PGT/IL/X/1997, dated 17 Oct 1997, approved by Regent Bengkalis for PT Gunung Mas Raya (± 2,306 Ha). - No. 23-401/PGT/IL/X/1997, dated 17 Oct 1997, approved by Regent Bengkalis for PT Gunung Mas Raya (± 10,000 Ha). - No. Kpts.543/X/1986, dated 8 Oct 1986, approved by Regent Bengkalis, district Kubu for PT Ivomas Tunggal (± 19,500 Ha).  - Surat Pendaftaran Usaha Perkebunan No. HK.350/187/Bun.5/III/2001 dated 16 March 2001 PT Gunung Mas Raya, Area HGU 12,825.77 ha with Palm oil Mill capacity 60 tonne FFB/hour, issued by Departemen Pertanian Dirjen Bina Produksi Perkebunan  - Surat Pendaftaran Usaha Perkebunan No. 203/Menhutbun-VII/2000 dated 10 March 2000 PT Salim Ivomas Pratama, Area 21,384 ha with Palm oil Mill capacity	NC #1521456-201708-M1  CLOSED on 08/11/2017  Comply

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Criterion / Indicator	Assessment Findings	Compliance
	<p>150 tonne FFB/hour, issued by Departemen Kehutanan dan Perkebunan</p> <ul style="list-style-type: none"> <li>- SK HGU No. 5/HGU/1988 tanggal 16 Februari 1988 dari Departemen dalam Negeri Republik Indonesia memberikan HGU untuk PT Ivomas Tunggal seluas 19,500 ha</li> <li>- SK HGU No. Meneg/Kep.Bpn No. 53/HGU/BPN/1999 tanggal 11 Juni 1999 dari BPN Republik Indonesia memberikan HGU untuk PT Ivomas Tunggal seluas 1,884 ha</li> <li>- SK BPN No. 46/HGU/BPN/2000 tanggal 3 Oktober 2000 memberikan HGU untuk Pt Gunung Mas Raya seluas 12,825.77</li> <li>- Izin TPS LB3 Balam Estate (PT Salim Ivomas Pratama) based on Keputusan Kepala Bapedal Kab. Rokan Hilir no. 29/BPDL/2015 dated 8 April 2015 valid until 5 years.</li> <li>- Izin TPS LB3 Sungai Rumbia Estate 2 (PT Gunung Mas Raya) based on Keputusan Kepala Bapedal Kab. Rokan Hilir Nomor: 34/BPDL/2012 dated 22 November 2012 valid until 5 years.</li> <li>- Izin Land aplikasi PT Salim Ivomas Pratama – Balam Palm Oil Mill based on “Keputusan Kepala Badan pengendalian Dampak Lingkungan Kab. Rokan Hilir Nomor: 30/BPDL/2016 dated 15 June 2016 valid until five years.</li> <li>- Izin Mendirikan Bangunan PT Salim Ivomas Pratama Nomor 640/BANG/IMB/97/036 dated 26 June 1997.</li> <li>- Izin Gangguan (HO) PT Salim Ivomas Pratama Nomor:503/HO/BPMP2T/2015/36 dated 9 February 2015, valid until 5 years.</li> </ul> <p>Based on document review list of worker and payment of BPJS Kesehatan period June 2017, there are:</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>In Balam Estate From total workers 873, there are 17 workers has not registered as BPJS Kesehatan.</li> <li>In Balam Estate From total workers 806, there are 12 workers has not registered as BPJS Kesehatan</li> </ul> <p>According to Perpres No. 12 Tahun 2013 article 11 stated that "<i>Pemberi kerja wajib mendaftarkan dirinya dan pekerjanya sebagai peserta jaminan kesehatan kepada BPJS Kesehatan dengan membayar iuran</i>". Its mean that company has to registering the all employee in to BPJS Kesehatan.</p> <p>The company has been addressed the issue/nonconformity according to section 3.3 (details of finding).</p>	
2.1.2	<p>A documented system, which includes written information on legal requirements, shall be maintained.</p> <p>- Minor compliance –</p>	<p>There is a documented system registering all relevant legal requirements to which the company must comply, and also there is a document of "Formulir daftar nama instansi untuk update peraturan perundangan dan persyaratan lainnya (FORM/PROS-02/02) updated on June 2017 has been established, which includes relevant Environmental regulation, Plantation permit, etc. The list would be reviewed once a year by the Sustainability Department and all relevant department, updated as necessary.</p> <p>Evaluation of compliance for all regulation and other requirement related to environment, health and safety, manpower and land tenure has been performed (presented in "Evaluation of Compliance").</p> <p>The organization has a mechanism to ensure compliance with all applicable laws and regulations compliance through procedure "SOP Identifikasi &amp; Evaluasi Kepatuhan Penerapan Peraturan Perundangan dan Persyaratan Lainnya SOP No: SIMP-PROS-02 dated 04 February 2013.</p> <p>The company has update the list of relevant regulation and it compliance on June</p>	Comply

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Criterion / Indicator		Assessment Findings	Compliance
		2017.	
2.1.3	<p>A mechanism for ensuring compliance shall be implemented.</p> <p>- Minor compliance –</p>	<p>There is an internal audit process which includes a review of laws and their compliance. There is no evidence of critical legal non compliance as a result of internal audit. Each department has to demonstrate evidence of compliance and/or effort in complying with these legal/regulatory requirements. This includes manpower regulation fulfilment, environmental reporting, health and safety reporting and other legal/regulatory requirements. The mechanism for ensuring compliance also include the subcontractor. All subcontractor is required to comply with local and national regulation to become a partner of PT Salim Ivomas Pratama Tbk.</p> <p>Sustainability Department and Legal department of the company has the responsibility to update the list of applicable laws and regulations using internet access via relevant webmail address and/or consultation with the related institutions.</p> <p>Evidence of documented mechanism on the compliance with relevant regulation was sighted in terms of Legal Requirements and Evaluation Compliance FORM/PROS-02/02. It was verified that list of legal requirement is updated regularly, latest updated on June 2017.</p>	Comply
2.1.4	<p>A system for tracking any changes in the law shall be available and implemented.</p> <p>- Minor compliance –</p>	<p>Legal requirement-evaluation and fulfillment mechanism regulated under "SOP Identifikasi &amp; Evaluasi Kepatuhan Penerapan Peraturan Perundangan dan Persyaratan Lainnya SOP No: SIMP-PROS-02 dated 04 February 2013. The procedure explains the stages for evaluation applicable legal requirements, person in charge for evaluation and ensures implementation of such requirement.</p> <p>The company receives information of changes in regulations from a number of sources. This includes company lawyers, Manpower office, Agriculture and Plantation service and Forestry service and others. This is then circulated and cascaded to relevant department within the company, which might affected by these changes.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		Human Resources Department: For example: Undang- undang No.13 Tahun 2003, Sustainability Departement and Legal department of the company has the responsibility to update the list of applicable laws and regulations using internet access via relevant webmail address and/or consultation with the related institutions. Evaluation of legal compliance and update is done periodically at least 6 months. Last updated on June 2017 for the period January - June 2017. The Sustainability department's team evaluates the compliance of this rule. If there is a discrepancy in the results of the regulatory evaluation and other requirements, corrective action shall be taken with reference to the corrective action and prevention procedures of SIMP-PROS-31.	
<b>Criterion 2.2</b>			
The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.			
2.2.1	Documents showing legal ownership or lease, history of land tenure ownership/control, and the actual legal use of the land shall be available. - Major compliance -	PT Salim Ivomas Pratama Tbk (Balam Estate and Balam Factory) has legal ownership:  - SK HGU No. 5/HGU/1988 tanggal 16 Februari 1988 dari Departemen dalam Negeri Republik Indonesia memberikan HGU untuk PT Ivomas Tunggal seluas 19,500 ha, consist of: <ul style="list-style-type: none"> <li>✓ Serifikat HGU NO. 2 tanggal 17 Februari 1990 area 9,688.2 ha (Sunga Dua Estate and Balam Estate)</li> <li>✓ Serifikat HGU NO. 3 tanggal 17 Februari 1990 area 10,048 ha (Khayangan Estate and Kencana Estate)</li> </ul> - SK HGU No. Meneg/Kep.Bpn No. 53/HGU/BPN/1999 tanggal 11 Juni 1999 dari BPN Republik Indonesia memberikan HGU untuk PT Ivomas Tunggal seluas 1,884 ha	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>✓ Sertifikat HGU No. 4 tanggal 29 Juli 1999 with area 1,884 ha</li> </ul> <p>While PT Gunung Mas Raya (Sungai Rumbia 2 Estate) has legal ownership:</p> <ul style="list-style-type: none"> <li>- SK BPN No. 46/HGU/BPN/2000 tanggal 3 Oktober 2000 memberikan HGU untuk PT Gunung Mas Raya seluas 12,825.77, consist of:               <ul style="list-style-type: none"> <li>✓ Sertifikat HGU No. 1 tanggal 19 Januari 2001 with area 2,752.77 ha (Sungai Bangko Estate)</li> <li>✓ Sertifikat HGU No. 2 dated 19 Januari 2001 with area 10,073 ha (Sungai Rumbia Estate 1 and 2)</li> </ul> </li> </ul>	
2.2.2	<p>Legal boundaries are demonstrated clearly and maintained.</p> <p>- Minor compliance -</p>	<p>The company demonstrates to ensure all legal boundaries to be clearly demarcated and maintained in the form of boundary pegs. These pegs are also mapped with the relevant marker number in each estate along with GPS tracking.</p> <p>The company has ensure all operating unit consistently carry out monitoring of boundary markers regularly and this is recorded twice a year, the last maintenance performed on June 2017. For example: there are 51 HGU pegs in Balam Estate, each 3 month estate conducted monitoring and inspection of HGU pegs. Latest monitoring on June 2017 shown that all HGU pegs is in good condition.</p> <p>During audit, field observation to HGU pegs was performed in Balam Estate and Sungai Rumbia 2 Estate. It can be demonstrated that HGU pegs was well maintained and clearly visible.</p>	Comply
2.2.3	<p>In the event that there is a dispute or a dispute has occurred, adequate evidence of legitimate acquisition and compensation or compensation settlement process through conflict resolution which has been received through Free, Prior and</p>	<p>By checking to the relevant documents such as minutes of stakeholder meeting, and during the public consultation the auditor team noted that there was no land conflict found at PT Salim Ivomas Pratama Tbk - Balam Estate/POM and Sungai Rumbia 2 Estate PT Gunung Mas Raya.</p> <p>Verification on management statement, hectare statement shows no land dispute in</p>	Comply



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Criterion / Indicator		Assessment Findings	Compliance
	Informed Consent by all related parties shall be provided. - Minor compliance -	PT Salim Ivomas Pratama Tbk Balam Estate/POM and PT Gunung Mas Raya Sungai Rumbia 2 Estate, with other party or with surrounding community.	
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 –	Based on interview with surrounding village societies, local communities, field visit and verification of company documentation; there is no land dispute between company and surrounding community or other parties.	Comply
2.2.5	For any conflict or dispute over the land, the evidence of the extent of disputed area is mapped out in a participatory way with involvement of affected parties (including neighboring communities and local government where applicable), shall be available. - Minor compliance –	Based on interview with surrounding village societies, local communities, field visit and verification of company documentation; there is no land dispute between company and surrounding community or other parties.	Comply
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/or planned operations. - Major compliance –	Based on interview with surrounding village societies, local communities, field visit and verification of company documentation; there is no land dispute between company and surrounding community or other parties.	Comply
<b>Criterion 2.3</b>			

Criterion / Indicator		Assessment Findings	Compliance
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	<p>Maps with appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighboring communities where applicable, and relevant authorities).</p> <p>- Major compliance -</p>	<p>PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya holds a legal ownership of the land in form of Hak Guna Usaha (HGU)/land title, where the document completed with map "Peta Bidang Tanah" scale 1:30,000.</p> <p>The issuance of HGU certificate has gone through "Rapat Panitia Tanah B" involving multi- stakeholder as consideration prior to HGU issuance.</p>	Comply
2.3.2	<p>Copies of negotiated agreements including the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and these include:</p> <ul style="list-style-type: none"> <li>a) Evidence of consultation</li> <li>b) Statement of transfer of rights</li> <li>c) Evidence of compensation</li> </ul> <p>See specific guidance 2.3.2</p> <p>- Minor compliance -</p>	<p>Based on interview with surrounding village societies, local communities, field visit and verification of company documentation; there is no land dispute between company and surrounding community or other parties.</p> <p>It was noted that no any land compensation was made due to no customary land or legal rights within the company areas.</p> <p>FPIC is not applicable for this indicator, since PT Salim Ivomas has establish in 1984 and PT Gunung Mas Raya has establish 1989. All land has been acquired during that year.</p>	Comply
2.3.3	<p>Relevant information shall be available in appropriate forms and languages, including analysis of impacts, proposed benefit sharing, and legal arrangements.</p> <p>- Minor compliance -</p>	<p>Based on interview with surrounding village societies, local communities, field visit and verification of company documentation; there is no land dispute between company and surrounding community or other parties.</p> <p>PT Salim Ivomas has establish in 1984 and PT Gunung Mas Raya has establish 1989. All land has been acquired during that year.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. - Major compliance -	Based on interview with surrounding village societies, local communities, field visit and verification of company documentation; there is no land dispute between company and surrounding community or other parties.  PT Salim Ivomas has establish in 1984 and PT Gunung Mas Raya has establish 1989. All land has been acquired during that year.	Comply
Principle 3: Commitment to long-term economic and financial viability			
Criterion 3.1			
<b>There is an implemented management plan that aims to achieve long-term economic and financial viability.</b>			
3.1.1	A documented management plan, a minimum of three years shall be available, including, where appropriate, plan for scheme smallholders. - Major compliance-	The company has committed to economic and financial sustainability and has documented the working plan in the Financial Budget Plan for Balam Factory and Balam Estate 2016 – 2021 and Sungai Rumbia 2 Estates 2017 – 2027.  Financial budget includes estimation production of FFB (tonnage); Hectare statement, Replanting programme, Nursery cost budget, Mature and Immature Plant cost budget, FFB/ ha (yield); OER of CPO and PK. This number has considered some parameters such as inflation rate, exchange rate, interest rate, portion cash, dividend, non deductible expensive, working hours, and turnover. During the projection period the mill capacity is 45 ton FFB/hour and there are no plans to increase the mill capacity or to increase the planted area.  Financial report period per 31 December 2016 has been audited by Accountant public/ independent Auditor Purwantoro, Sungkoro & Surja, Report No. RPC-3018/PSS/2017. Audito including report of financial position consolidation dated 31 December 2016 and income statement (lost/profit) as well as comprehensive	NC #1521456-201708-M2 CLOSED on 08/11/2017 Comply

Criterion / Indicator		Assessment Findings	Compliance									
		<p>income, statement of change in equity and cash flow statement. The accompanying consolidated financial statements present fairly, in all material respect, the consolidated financial position of PT Salim Ivomas Pratama Tbk and its subsidiaries as of December 31, 2016 and their consolidated financial performance and cash flows for the year then ended in accordance with Indonesian financial accounting standard.</p> <p>There is replanting activity on peat in Block I52 and I51 Sungai Rumbia 2 Estate in 2017, however there is no long term viability plan – e.g. flooding, drainability assessments and subsidence issues. This issue has been raised as nonconformity#1521456-201708-M2. The company has been addressed the issue/nonconformity according to section 3.3 (details of finding).</p>										
3.1.2	<p>An annual replanting program 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>Projected annual replanting program was described in the replanting plan 2017 - 2030. Replanting is started this year in Sungai Rumbia-2 Estate. Replanting program is documented in the budget plan. Sungai Rumbia-2 Estate shows a series of correspondence and meeting result related to review on replanting plan. Replanting consideration is based on:</p> <ul style="list-style-type: none"> <li>- Low productivity &lt; 20 ton/ha</li> <li>- Average planting age &gt; 25 year</li> <li>- Harvesting difficulty due to height plant</li> <li>- Low dense population of plant &lt; 125 plant/ha</li> </ul> <p>Detail Annual Replanting Program are:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Balam Estate (Ha)</th> <th>Sungai Rumbia-2 (Ha)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>-</td> <td>513</td> </tr> <tr> <td>2018</td> <td>259</td> <td>-</td> </tr> </tbody> </table>	Year	Balam Estate (Ha)	Sungai Rumbia-2 (Ha)	2017	-	513	2018	259	-	Comply
Year	Balam Estate (Ha)	Sungai Rumbia-2 (Ha)										
2017	-	513										
2018	259	-										

Criterion / Indicator		Assessment Findings			Compliance
		2019	644	565	
		2020	687	150	
		2021	707	422	
		2022	723	349	
		2023	699	462	
		2024	720	581	
		2025	674	-	
		2026	669	-	
		2027	-	445	
		2028	-	84	
		2029	-	325	
		2030	-	56	
		<b>Total</b>	<b>5,782</b>	<b>3,952</b>	
		Replanting activity programme covered: <ul style="list-style-type: none"> <li>- Identification of area and plant census</li> <li>- Uprooted and chipping</li> <li>- Mounting stake for harvest line</li> <li>- Close the hole</li> <li>- Mounting stake for planting line</li> <li>- Spraying for pre planting of Mucuna sp (land cover crop)</li> <li>- Planting land cover crop (Mucuna)</li> <li>- Hole plant making</li> <li>- Planting</li> </ul>			

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Plant upkeep</li> <li>- Pest and disease handling</li> </ul> <p>All replanting activity performed mechanically and follow the zero burning policy.</p>	
Principle 4: Use of appropriate best practices by growers and millers			
Criterion 4.1			
<b>Operating procedures are appropriately documented, consistently implemented and monitored.</b>			
4.1.1	<p>Standard Operating Procedures (SOPs) for estates (land clearing to harvesting) and SOP for mills (reception of FFB to dispatch of CPO and PKO) shall be available.</p> <p>- Major compliance -</p>	<p>PT Salim Ivomas Pratama Tbk, Sungai Dua Palm Oil Mill and it supply bases has prepared the Standard Operating Procedures with the best practices for its mill and estate operations. Operating procedures are documented in the SOP (Standard Operating Procedure) for Plantations and Mill. Some examples of the SOPs are listed below:</p> <p>a. <u>SOP for Plantation:</u></p> <p>Regarding land management: zero burning land clearing, soil sampling, peat land, land and water coservation:</p> <ul style="list-style-type: none"> <li>- SOP No. CR-AGR-106-SKL.06.11-1 land clearing and pre planting preparation procedure</li> <li>- SOP No. CR-AGR-107-PKC.06.11-1 Land cover crop (Mucuna) planting procedure</li> <li>- SOP No. CR-AGR-203-PHP.06.11-1 Integrated Pest management procedure</li> <li>- SOP No.CR-AGR-205-PST.06.11-1 Pesticide handling and management procedure</li> </ul>	<p>NC #1521456-201708-M3 CLOSED on 08/11/2017 Comply</p>

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>- SOP- No. CR-AGR-301-PJJ.06.11-1 Road and bridge maintenance procedure</li> <li>- SOP- No. CR-AGR-401-TBS.06. 11-1 Harvesting procedure</li> </ul> <p>Regarding land preparation, nursery, planting, upkeep, harvesting, pest control, fertilizing, HCV, replanting, agrochemical and waste management:</p> <ul style="list-style-type: none"> <li>- SOP No. CR-AGR-701-KTA.06.11-1 Soil and water conservation procedure</li> <li>- SOP No. CR-AGR-206-PPK.06 11-1 Anorganic fertilizing procedure</li> <li>- SOP No. CR-AGR-108-TSW.06.11-1 Palm oil planting procedure</li> <li>- SOP No. CR-AGR-702-PLG.06.11-1 Peat soil management procedure</li> <li>- SOP No. CR-AGR-706-LBD.06.11-1 Domestic waste handling procedure</li> </ul> <p>b. <u>SOP for Palm Oil Mill:</u></p> <p>Regarding oil production such as FFB receiving, sterilizer, threshing, pressing, depericarper, kernel, and clarification process:</p> <ul style="list-style-type: none"> <li>- SOP No. CR-ENG-101-TBS.06. 11-1, FFB Receiving Procedure</li> <li>- SOP No. CR-ENG-102-STR.06. 11-1, Sterilization Procedure (sterilizer)</li> <li>- SOP No. CR-ENG-103-STP.06. 11-1, Stipping procedure (Thresing)</li> <li>- SOP No. CR-ENG-104-DGS.06. 11-1, Diggesting and Pressing Procedure</li> <li>- SOP No. CR-ENG-105-CLF.06. 11-1, Clarifier Procedure</li> <li>- SOP No. CR-ENG-107-NUT.06. 11-1, Kernel Station Procedure</li> </ul> <p>Regarding utilities such as boiler, power generation, water treatment, land application, electrical system, quality control laboratory, and dispatch</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>- SOP No. CR-ENG-301-BLR.06. 11-1, Boiler Operational Procedure</li> <li>- SOP No. CR-ENG-303-GST.06. 11-1, Generator Set Operational Procedure</li> <li>- SOP No. CR-ENG-305-PPL.06. 11-1, Electircal Panel Operational and Maintenance Procedure</li> <li>- SOP No. CR-ENG-202-WTR.06. 11-1, Water Treatment Procedure</li> <li>- SOP No. CR-AGR-208-EFL.06. 11-1, Waste Management Procedure (IPAL)</li> <li>- SOP No. CR-AGR-207-LB3.06. 11-1 Hazardous Waste Management Procedure</li> <li>- SOP No. CR-ENG-203-LAB.06. 11-1, Laboratory Analysis Procedure</li> </ul> <p>Copy of the procedures was available on site and they are documented in Indonesian language. Interview with worker in Estates demonstrated that SOPs were implemented and understood by workers.</p> <p>Sample of estate operational implementation were taken in harvesting activity in Block E48-49 Division II Sungai Rumbia 2 Estate (SRE 2), manuring activity in Block M39-40 Division VI SRE 2 and spraying activity in Block H46 Division I SRE 2.</p> <p>During audit found some non conformity against agronomy best management practice defined by company:</p> <ul style="list-style-type: none"> <li>• During field visit to harvesting activity at Block E48 Division II Sungai Rumbia-2 Estate, it was found that loose fruit are not using layer to reduce contamination.</li> <li>• During field visit to manuring activity at Block M39 Division VI Sungai Rumbia-2 Estate, it was found that worker take 2.5 bowl of urea fertilizer to match the dosage 1.25 kg per plant, however there was no clear mark for 0.5 bowl.</li> </ul> <p>The company has been addressed the issue/nonconformity according to section 3.3 (details of finding).</p>	



Criterion / Indicator		Assessment Findings	Compliance
4.1.2	<p>Checking or monitoring of operations procedures is conducted at least once a year.</p> <p>- Minor compliance -</p>	<p>Master list of all SOPs and work instructions and its revision history were available and well documented. Procedure was updated on August 31st, 2013 approved by CEO. Organization keeps track of revision of the SOPs in revision history in the cover of SOPs and work instructions. SOP was provided in Indonesian language. SOPs training and dissemination to all of employee has been conducted through regular training and morning circle. Last revision August 2013.</p> <p>The organization has well implemented internal control and monitoring processes that check and report on the implementation of the SOPs. These include independent checks of the Mill and Estates by Internal Auditor. Last operation internal audit was conducted in December 2016. Internal audit checked check implementation of the procedures and work instructions which covered operational activities of plantations and mill.</p> <p>Procedure to address non-compliance and corrective action for continuous improvement has been established in SIMP-PROS-31 which is the procedure of Corrective and Preventive Action that arranged the mechanism of address Non Conformity and issue Corrective Action.</p>	Comply
4.1.3	<p>Records of monitoring and any follow-up actions shall be available.</p> <p>- Minor compliance -</p>	<p>Records of monitoring and any follow up actions can be demonstrated during audit, such as:</p> <ul style="list-style-type: none"> <li>- Internal audit report Balam Estate (4 February 2017), Sungai Rumbia 2 Estate (9 February 2017) and Balam Factory (28 February 2017). Audit result recorded in "Lembaran Kertas Kerja Kesimpulan Pemeriksaan (LK3P)". Audit result findings can be demonstrated and the corrective action has been implemented to addressed issue found during audit.</li> <li>- Production Performance report, explained the FFB production performance and evaluation as well as determined production target for next year. Evaluation FFB</li> </ul>	Comply

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Criterion / Indicator		Assessment Findings	Compliance
		<p>production each block to date August 2017 can be demonstrated.</p> <ul style="list-style-type: none"> <li>- Mandor logbook (BKM), contain information of daily work monitoring covering: harvesting, spraying, fertilizing, pest and disease census, road and infrastructure maintenance, and others. During audit, verified sample of Balam Estate and Sungai Rumbia II Estate.</li> <li>- Buku Panen (harvesting logbook) and Laporan Potong Buah (cutting report) consist of employee name, block/location, amount of FFB, basic and premi (over-basic) calculation.</li> <li>- Daily log sheet every station from loading ramp, sterilizer, threshing, press, clarification, boiler and effluent. Record daily activity of process in each station and process performance in each station.</li> <li>- Daily Report Balam Factory, contain information covering FFB receiving, FFB process: gross and net FFB processed, FFB stock, shift hour, process hour, press hour, press capacity, sterilizer process, Utility factor commercial and capacity, CPO and PK production, CPO and PK extraction rate, CPO and PK quality. Process performance evaluated each day by mill manager and some corrective action to addressed some issue has been develop by Sungai Dua Factory.</li> </ul> <p>It is a routine that the estate and mill management prepare monthly reports and send to the company's head office for monitoring purpose as well. All field inspection results are recorded in Monthly Report.</p>	
4.1.4	<p>Records of the origins of all third-party FFB sourced (collector, deliver, Cooperative, Farmers Association and outgrower) shall be available.</p> <p>- Major compliance -</p>	<p>Balam Factory (Palm Oil Mill) maintains daily records of all FFB received. The records show the origin, weight, transporter details and other details of the FFB received.</p> <p>Balam Factory only receive and process FFB from own estate, e.g Balam Estate PT Salim Ivomas Pratama, Sungai Rumbia I and Sungai Rumbia II Estate (PT Gunung Mas Raya). Sungai Rumbia I Estate is excluded in this certification scope. There is no</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		third party supplied FFB to Balam Factory.	
<b>Criterion 4.2</b>			
Practices maintain soil fertility at, or where possible improve soil fertility to a level that ensures optimal and sustained yield.			
4.2.1	A record of SOP implementation to maintain soil fertility that ensures optimal and sustained yield, shall be available. - Major compliance -	The company has established procedure of soil fertility in SOP- No. AGR-206-PPK.06 11-1 Anorganic Fertilizing procedure” consist of type and recommendation of fertilizer for immature and mature areas, cycle, dosage and when fertilizer is applied.  To maintain soil fertility company also has “SOP No. CR-AGR-701-KTA.06.11-1 Soil and water conservation procedure”.  Soil fertility by placing palm frond above ground level, land application (waste water application) and empty bunch application according to Procedure No. CR-AGR-207-JJK.06.11-1 Application of EFB and wet solid, procedure No.CR-AGR-208-EFL.06.11-1 Effluent application. Based on document review of fertilizer recommendation and the realization 2016 and 2017 of fertilizer in the filed can be demonstrated that the SOP has well implemented accordingly. Record of fertilizer input and fertilizer application can be demonstrated during audit. During field visit also demonstrated that fertilizer application dosage was met according to the recommendation.	Comply
4.2.2	Records of fertilizer inputs shall be available. - Minor compliance -	Records of fertilizer input are available in Laporan Unit Kebun (Estate Monthly Report). It was reported that in 2016 until December, fertilizer application e.g. Urea, Rock Phosphate, MOP and Dolomite have met the recommendation (100% applied). During audit it was observed Urea fertilizer application at Block M39 Division VI Sungai Rumbia-2 Estate. Application method and area have been comply to the manuring procedure.	Comply
4.2.3	Records of periodical leaf, soil and visual analysis	Leaf sampling analysis performed yearly, analyzed by “Lab-Kimia Departemen Riset PT Sarana Inti Pratama, Pekanbaru”. In 2017, leaf sampling analysis performed on 3	Comply

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Criterion / Indicator		Assessment Findings	Compliance																								
	shall be available. - Minor compliance -	June 2017 and finalized on 6 June 2017 with 85 sample in Balam Estate, analysis result can be demonstrated in memorandum Ref#186/Rst-Lab/Int/VI/2017 dated 6 June 2017.; while in Sungai Rumbia 2 Estate leaf sampling analysis performed on 3 April 2017 and finalized on 6 June 2017 with 114 sample, analysis result can be demonstrated in memorandum Ref#184/Rst-Lab/Int/VI/2017 dated 6 June 2017. Soil analysis was not performed due to research department recommendation, that leaf sampling analysis was sufficient as a basic of fertilizer recommendation. Soil sampling analysis has been conducted in the beginning of land clearing and plantation development to classify the soil type, soil suitability and semi detail soil mapping.																									
4.2.4	A nutrient recycling strategy is recorded, including use of Empty Fruit Bunches (EFB), land application, and palm residues after replanting. - Minor compliance -	<p>Nutrient strategy in Balam Estate performed by application of EFB and Solid. While in Sungai Rumbia 2 Estate was not applied EFB/Solid and Solid due to a far distance from the Balam Factory. Nutrient recycling strategy in Sungai Rumbia 2 Estate performed by palm frond stacking around aplm oil trees.</p> <p>EFB application performed by Balam Estate with dosage 100 kg/palm/year according to procedure SOP No: CR-AGR-207-JJK.06.11-1. Volume of realization of EFB application were as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Plan (Kg)</th> <th>Actual (Kg)</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>51,598,600</td> <td>26,503,415</td> <td>51.36</td> </tr> <tr> <td>2017 (to date July)</td> <td>52,442,400</td> <td>35,182,880</td> <td>67.09</td> </tr> </tbody> </table> <p>Solid application performed in Balam Estate year 2017 with dosage 150 kg/palm/year. Volume of realization of Solid application were as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Plan (Kg)</th> <th>Actual (Kg)</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>8,522,550</td> <td>2,284,150</td> <td>26.80</td> </tr> <tr> <td>2017 (to date July)</td> <td>12,593,850</td> <td>1,992,330</td> <td>15.82</td> </tr> </tbody> </table>	Year	Plan (Kg)	Actual (Kg)	%	2016	51,598,600	26,503,415	51.36	2017 (to date July)	52,442,400	35,182,880	67.09	Year	Plan (Kg)	Actual (Kg)	%	2016	8,522,550	2,284,150	26.80	2017 (to date July)	12,593,850	1,992,330	15.82	Comply
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<p><b>Criterion 4.3</b> Practices minimise and control erosion and degradation of soils.</p>																																		
<p>4.3.1</p>	<p>Maps of any fragile soils shall be available. - Major compliance -</p>	<p>Maps of fragile soils were available in "Peta Satuan tanah PT Salim Ivomas Pratama Tbk Balam Estate and PT Gunung Mas Raya Sungai Rumbia 2 Estate with scale 1:25,000. Based on the map, soil type in each estate are as follows:</p> <p>Balam Estate:</p> <table border="1" data-bbox="869 735 1563 1099"> <thead> <tr> <th>Soil Type</th> <th>Area (Ha)</th> </tr> </thead> <tbody> <tr> <td><i>Typic Haplosaprist</i></td> <td>1,315.71</td> </tr> <tr> <td><i>Histic Humaquepts</i></td> <td>248.46</td> </tr> <tr> <td><i>Typic Paleaquults</i></td> <td>996.45</td> </tr> <tr> <td><i>Typic Paleudults</i></td> <td>1,399.62</td> </tr> <tr> <td><i>Aeric Kandiaquults</i></td> <td>2.06</td> </tr> <tr> <td><i>Typic Plinthudults</i></td> <td>434.64</td> </tr> <tr> <td><i>Typic Distrudepts</i></td> <td>1,320.07</td> </tr> <tr> <td><i>Typic Hydraquents</i></td> <td>6.99</td> </tr> <tr> <td><b>Total</b></td> <td><b>5,724.00</b></td> </tr> </tbody> </table> <p>Sungai Rumbia 2 Estate:</p> <table border="1" data-bbox="869 1166 1574 1374"> <thead> <tr> <th>Soil Type</th> <th>Area (Ha)</th> </tr> </thead> <tbody> <tr> <td><i>Typic Haplosaprist</i></td> <td>3,053.33</td> </tr> <tr> <td><i>Histic Humaquepts</i></td> <td>186.70</td> </tr> <tr> <td><i>Typic Paleaquults</i></td> <td>27.75</td> </tr> <tr> <td><i>Typic Paleudults</i></td> <td>313.70</td> </tr> <tr> <td><i>Aeric Kandiaquults</i></td> <td>3.73</td> </tr> </tbody> </table>	Soil Type	Area (Ha)	<i>Typic Haplosaprist</i>	1,315.71	<i>Histic Humaquepts</i>	248.46	<i>Typic Paleaquults</i>	996.45	<i>Typic Paleudults</i>	1,399.62	<i>Aeric Kandiaquults</i>	2.06	<i>Typic Plinthudults</i>	434.64	<i>Typic Distrudepts</i>	1,320.07	<i>Typic Hydraquents</i>	6.99	<b>Total</b>	<b>5,724.00</b>	Soil Type	Area (Ha)	<i>Typic Haplosaprist</i>	3,053.33	<i>Histic Humaquepts</i>	186.70	<i>Typic Paleaquults</i>	27.75	<i>Typic Paleudults</i>	313.70	<i>Aeric Kandiaquults</i>	3.73
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		<table border="1"> <tr> <td><i>Typic Distrudepts</i></td> <td>529.78</td> </tr> <tr> <td><b>Total</b></td> <td><b>4,115.00</b></td> </tr> </table> <p>From above noted that there are peat soils <i>Typic Haplosaprist</i> in Balam Estate of 1,315.71 Ha and <i>Typic Haplosaprist</i> in Sungai Rumbia 2 Estate of 3,053.33 Ha. A procedure for peat land management has been established by organisation in "SOP CR-AGR-702-PLG.06.11-1" regarding planning, land clearing, planting and maintenance of peat land such as monitoring water table and subsidence of peat soils. PT Salim Ivomas Pratama Tbk Balam Estate and PT Gunung Mas Raya Sungai Rumbia 2 Estate has developed procedure CR-AGR-701-KTA.06.11.1 SOP Konservasi Tanah dan Air (Conservation of soils and water) to ensure that the management of PT Salim Ivomas Pratama Tbk group takes care about the practices to minimize and control erosion and degradation of soils and applicable for all companies within the group, including strategy for slope planting.</p>	<i>Typic Distrudepts</i>	529.78	<b>Total</b>	<b>4,115.00</b>	
<i>Typic Distrudepts</i>	529.78						
<b>Total</b>	<b>4,115.00</b>						
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soiland climate specific). - Minor compliance -	<p>In procedure No.CR-AGR-701-KTA.06.11.1 SOP Konservasi Tanah dan Air (Conservation of soils and water) has determined strategy control erosion particular in slope area, such as: 0 – 5° , 6 – 12° , 13 -20° , and more than 20°, The company has applied silt pit, L shape stacking frond and terracing in slope area to reduce erosion.</p> <p>In PT Salim Ivomas Pratama Tbk Balam Estate and Sungai Rumbia 2 Estate confirmed that there is no sloping area with slope &gt; 15%. Maximum topography of Balam and Sungai Rumbia-2 Estate is 15 %, there is no need management strategy for planting on slopes above certain limit.</p>	Comply				
4.3.3	A road maintenance program shall be in place. - Minor compliance –	Road maintenance has prograded and implemented by the organization. Mechanical road maintenance was performed by grading and compacting. Road maintenance program and progress was made and recorded in "Peta Perawatan Jalan tahun	Comply				

Criterion / Indicator		Assessment Findings	Compliance
		<p>2017".</p> <p>Realization of grading and compacting until July 2017 in Balam Estate was 64,279 m for main road; 177,781 m for collection road; 34,375 m for access road; and 7,451 m for boundary, whilst in Sungai Rumbia 2 Estate was 49,629 m for main road; and 128,701 m for collection road.</p> <p>During field visit and audit in Balam Estate and Sungai Rumbia 2 Estate found that road condition was in good condition and well maintained.</p>	
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>The organization has a detailed soil map showing gradients and soil types including its suitability in "Peta Tanah dan Kesesuaian Lahan", scale 1:25,000 issued by Research &amp; Development Department (PT Sarana Inti Pratama – Pekanbaru, Riau). Peat soil was existed in Balam Estate (1,316 Ha) and Sungai Rumbia-2 Estate (3,299 Ha). The organization has minimized and monitored subsidence of peat soils. Water and ground cover management program was documented and available during audit.</p> <p>Subsidence of peat soil minimized by water management implementation. Company has create drainage (main drain and collection drain) and water gate in peat soil area in order to manage water level under peat soil surface were keep on 60 – 80 cm. Subsidence pole and piezometer were installed in several point in peat soil area representing the peat soil depth. Monitoring of subsidence pole performed each semester by Research and Development (R&amp;D) team. Water and ground cover management program was documented and available during audit.</p> <p>The organization has implemented a network of appropriate water control structures e.g. sandbags in fields, and water gates at the discharge points of main drains. The plantation has implemented two type of water table measurement, which is using piezometer and measurement bar at water collection drain. The organization has maintained water table at an average of 50 cm (between 40 – 60 cm) below ground</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>surface measured with groundwater piezometer readings, or an average of 60 cm (between 50 – 70 cm) below ground surface as measured in water collection drains.</p> <p>According to SOP Pengelolaan lahan Gambut SOPP No: CR-AGR-702-PLG.06.11-1 drainage system was made by 3 kind of waterways/trench consist of Primary trench (upper wide 3-6 and ground wide 1.2-1.8 with depth 1.8-2.5 m), Secondary trench (upper wide 1.8-2.5 m, ground wide 0.6 – 0.9 m with depth 1.2 – 1.8 m), Tertiary trench (upper wide 1-1.2 m, ground wide 0.5-0.6 m with depth 0.9-1 m). A Number of tertiary trench was depend on field condition, 1 trench for represent 2 – 8 rows of plant.</p>	
4.3.5	<p>Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.</p> <p>- Minor compliance –</p>	<p>The Company has performed the drainability assessment/study on the peat land area for replanting plan of 2017 - 2021. The drainability study performed in Balam Estate and Sungai Rumbia 2 Estate and carried out by the Research Department from 17 to 19 October 2016 and the report of the study result is finalized on November 2, 2016. From the results studies can be shown that the height of groundwater in the plantation block is still higher than the level of ground water level on the edge of the plantation block, so the drainage is still quite good. The replanting block drainage class of 2017 and 2019 in Balam Estate and Sungai Rumbia 2 Estate has class 1 and class 2 drainability. The planned replanting of peatlands in Balam Estate and Sungai Rumbia 2 Estate is still feasible to be planted and the predicted long-term drainability for replanting plans for 2017 is up to 2057 and for replanting by 2019 is predicted until 2047.</p> <p>During audit found the issue for this indicator as non conformity:</p> <p>There is replanting activity on peat in Block I52 and I51 Sungai Rumbia-2 Estate in 2017, however there is no long term viability plan – e.g. flooding, drainability assessments and subsidence issues.</p> <p>These issue has been addressed by company according to section 3.3 (details of</p>	<p>NC #1521456- 201708-N2  OPEN</p>



Criterion / Indicator		Assessment Findings	Compliance
		finding). However, audit team will review the implementation, consistency and effectiveness of corrective action taken during subsequent assessment visit.  NC Minor remains open.	
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils).  - Minor compliance –	Based on soil analysis, there is no other fragile soil beside than peat soil. Management strategy for peat soil has been defined in the procedure SOP Pengelolaan lahan Gambut SOPP No: CR-AGR-702-PLG.06.11-1. Peat soil management consist of:  - Water management by drainage system was made by 3 kind of waterways/trench consist of Primary trench (upper wide 3-6 and ground wide 1.2-1.8 with depth 1.8-2.5 m), Secondary trench (upper wide 1.8-2.5 m, ground wide 0.6 – 0.9 m with depth 1.2 – 1.8 m), Tertiary trench (upper wide 1-1.2 m, ground wide 0.5-0.6 m with depth 0.9-1 m).  - Water gate in peat soil area in order to manage water level under peat soil surface were keep on 60 – 80 cm. Subsidence pole and piezometer were installed in several point in peat soil area representing the peat soil depth. Monitoring of subsidence pole performed each semester for subsidence and once a month for piezometer by Research and Development (R&D) team.	Comply
<p>Criterion 4.4</p> <p><b>Practices maintain the quality and availability of surface and groundwater</b></p>			
4.4.1	An implemented water management plan shall be in place.  - Minor compliance -	Company has a water management plan which presented in "Rencana Pengelolaan dan Pemantauan KBKT". Water management plan covering:  - Boundary marker of riparian zone and placing signboard of banned spraying and	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>fertilizing in riparian zone (25 m) and spring water buffer until 200 m.</p> <ul style="list-style-type: none"> <li>- Vegetation planting (enhancement) in riparian area and conserving natural vegetation in riparian area and spring water area. Vegetation planting in 2016 has been performed in Balam estate with a local species such as: bamboo (<i>Bamboosa sp</i>) 147 trees, sengon air (<i>Paraserianthes sp</i>) 763 trees, trembesi (<i>Samanea saman</i>) 288 trees, pete cina (<i>Leucaena leucocephala</i>) 328 trees, angšana (<i>Pterocarpus indicus</i>) 15 trees, sungkai (<i>Pheronema canescens</i>) 167 trees, Waru (<i>Hibiscus tiliaceus</i>) 831 trees. Whilst in Sungai Rumbia 2 Estate: Trembesi (<i>Samanea saman</i>) 745 trees, Sengon (<i>Paraserianthes falcataria</i>) 320 trees, Saga (<i>Adenantha pavonina</i>) 493 trees, Pulay (<i>Alstonia scholaris</i>) 9 trees, Ketapang (<i>Terminalia cattapa</i>) 27 trees, Mahoni (<i>Switenia macrophylla</i>) 34 trees, Bambu (<i>Bamboosa sp</i>) 2,768 trees, Sungkai (<i>Pheronema canescens</i>) 121 trees.</li> <li>- Riparian and spring water monitoring to ensure there is no destruction and disturbance.</li> </ul> <p>The company also provided the water balance, including monitoring of daily water consumption entering mills and plantation. Outgoing waste water into main natural waterways, such as drains, waste water runway, and POME for land application were monitored monthly.</p>	
4.4.2	<p>Protection of water courses and wetlands, including securing and maintaining appropriate riparian and other buffer zones, at the time of or prior to replanting shall be demonstrated.</p> <p>- Major compliance -</p>	<p>PT Salim Ivomas Pratama Tbk Group has developed a procedure to maintain soil fertility and water quality as stated in" SOP CR-GR-701-KTA.06.11.1 Konservasi Tanah dan Air", stated that prohibits to use agrochemicals along the riparian buffer zone. The auditor observed that it was comply.</p> <p>Company has determined the riparian zone (area) and spring water buffer zone area to conserved. Riparian area in Balam Estate was 89.4 ha and in Sungai Rumbia 2 Estate was 88.4 ha. Spring water buffer zone in Balam estate found in 3 location in Block M31, G41/42 and G42/43 with total area 2.1 ha. Based on document review</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance														
		"Penanaman Sempadan Sungai dan Mata air" and field visit to riparian zones, company have enriched the vegetation with local vegetation and conserve the natural vegetation along the riparian area.															
4.4.3	Records for monitoring of effluent especially BOD (Biochemical Oxygen Demand) and efforts to comply with legal requirements, shall be available (see criteria 2.1 and 5.6).  - Minor compliance –	Monitoring of effluent especially BOD (Biochemical Oxygen Demand) performed each month by accredited laboratory by Sucofindo Testing Laboratory. Based on the test results of BOD parameters are still below the quality standard in accordance PERMEN-LH No. KEP-51/MENLH/10/1995, Appendix B IV (100 mg/L). The BOD 5 day 20°C level in effluent is monitored monthly. Records for monitoring of effluent especially BOD for year 2017 were available, sample taken for semester I as below:  <table border="1"> <thead> <tr> <th>2017</th> <th>January</th> <th>February</th> <th>March</th> <th>April</th> <th>May</th> <th>June</th> </tr> </thead> <tbody> <tr> <td><b>BOD (mg/L)</b> standard: &lt;5000 mg/L</td> <td>777</td> <td>1,305</td> <td>2,190</td> <td>2,410</td> <td>2,477</td> <td>742</td> </tr> </tbody> </table>	2017	January	February	March	April	May	June	<b>BOD (mg/L)</b> standard: <5000 mg/L	777	1,305	2,190	2,410	2,477	742	Comply
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4.4.4	Monitoring of mill water use per ton of FFB shall be recorded.  - Minor compliance –	PT Salim Ivomas Pratama Tbk Balam Factory recording the mill water use per tonne FFB each month. The record of water use available in "Pemakaian air per metrik FFB". The budget of water use for FFB process sets at 1.5 m3/ton FFB processed.  Water consumption ratio in year 2016 was 1.66 ton water/ton FFB, and in year 2017 from January until July 2017 water consumption is 1.29 ton water/ton FFB. Record of detail water consumption was sighted.  Company has a program to reuse water after Heater Silo to minimize the water consumption ratio per ton FFB.	Comply														
<b>Criterion 4.5</b>																	

Criterion / Indicator		Assessment Findings	Compliance
Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate integrated Pest Management (IPM) techniques.			
4.5.1	<p>Monitoring of Integrated Pest Management (IPM) plan implementation shall be available.</p> <p>- Major compliance -</p>	<p>Balam Estate and Sungai Rumbia 2 Estate has provided procedure for Integrated Pest Management (IPM) plan outlined in SOP CR-AGR-PHP.06.11-1 Prosedur Pengendalian Hama dan Penyakit/ Control of Pests and Diseases. The procedure aims for controlling pests, diseases and weeds. Implementation of the IPM program is recorded in the Management Plan and Pesticide Use Reports.</p> <p>Integrated Pest Management (IPM) has been implemented by the company. IPM comprises both physical, chemical and biological methods to control several common pests such as : caterpillars, termites and rats. Biological control for caterpillar consists of planting beneficial plants such as <i>Antigonon leptosus</i> (air mata pengantin), <i>Turnera subulata</i> (bunga pukul delapan), <i>Euphorbia heterophylla</i> (patik emas), <i>Casia cobanensis</i>. The plants are hosts for caterpillar predator, for example: <i>Eucanthecona sp.</i>, <i>Sycanus sp.</i>, <i>Chaetexorista javana</i>, <i>Systropus sp.</i>, <i>Brachymera sp.</i>, <i>Platynopus sp.</i> The beneficial plants are usually planted on right and left side of the main roads and production roads. Physical control is done by hand picking of caterpillars (larva and pupa stages) and by using light trap at night and fruit trap at day for the moth stage. Chemical control is only used when the pest attack exceeded the threshold, for examples: critical limit for immature palms for species <i>Metisa plana</i> was 5 caterpillars/ frond while critical limits for mature palms was 10 caterpillars/ frond.</p> <p>Document of Integrated Pest Management verified during audit such as: "Formulir sensus hama ulat pemakan daun". Early observation of UPDKS (Ulat Pemakan Daun Kelapa Sawit/leaf-eating caterpillars) pests is done daily by Mantri HPT (Hama Penyakit Tanaman/plant pest and disease) and the HPT team.</p> <p>Based on Peta Status Serangan Ulat Api (Map of nettle caterpillar attack) in June 2017, in Balam Estate there was 5,690 Ha categorized as normal, 83 Ha categorized as light attack and 50 Ha categorized as heavy attack. Whilst in Sungai Rumbia-2</p>	Comply

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		Estate there was 3,952 Ha categorized as normal, 6 Ha categorized as light attack and 6 Ha categorized as heavy attack. Records of pest control shown that the plantation has done fogging, light trap and hand picking. Pest attack is under control.	
4.5.2	<p>Training records of Integrated Pest Management (IPM) shall be available.</p> <p>- Minor compliance –</p>	<p>Based on Training Program and Realization it was evident that training of Integrated Pest Management (IPM) training has been delivered to employees involved in the implementation of Integrated Pest Management. IPM training including pest and disease census training has been carried out by organization on February 2017 both in Balam Estate and Sungai Rumbia 2 Estate. The training conducted by the Research Department PT Salim Ivomas Pratama Tbk to the IPM team in each division (6 persons per division). Evidence of training can be demonstrated. Training includes: technical implementation of leaf eating caterpillar census, implementation of control, how to do crosscheck after controlling, how to re-control. Training evidence can be demonstrated during audit. Filed observation and interview with team HPT workers indicated that they have a sufficient understanding on type of pest and disease including leaf eater caterpillar, census technique, pest and disease control and implementation of integrated pest management.</p>	Comply
<p><b>Criterion 4.6</b> Pesticides are used in ways that do not endanger health or the environment.</p>			
4.6.1	<p>Documented evidence shall be available to show that pesticide used based on regulations and the use of pesticide is specific to target species with appropriate dosage which have minimal impact on non-target species.</p> <p>- Major compliance -</p>	<p>There is documented justification for all Agrochemical use determining the reason for the use of certain chemicals. There is an updated register which records products used, when required, amounts to be used and frequency of use.</p> <p>The justification of pesticide used in PT Salim Ivomas Pratama Tbk is explained under company procedure. PT Salim Ivomas Pratama Tbk Group shows " SOP- No. CR-AGR-205-PST.06.11-1 Pesticide handling and management procedure. The</p>	Comply

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		<p>procedure explains the weed control program for woody, grass, fern, caladium, wild banana (<i>Musa spp</i>), Aystasia. It does explain active ingredients use to control such weed, dosage per application, type of nozzle used and volume of spraying per application.</p> <p>In procedure also explains selection of pesticide and its active ingredients content, nature of the pesticide and target species; Calculation of actual area implemented per hectare plantation (spray factor), spraying rotation and spraying output; Work equipment, protective equipment and safe working practices.</p> <p>Based on interview with herbicide sprayer and chemical warehouse keeper, they understand the target species and active ingredients to control them. Sprayer shows knowledge on minimizing chemical impact on beneficial weed. Less harmful alternatives and IPM was applied by planting of beneficial plants, building barn owl box, detection and census of caterpillar. The organisation only uses pesticides approved and registered agrochemical, permitted by the relevant authority, based on "The Green Book of Pesticides" issued by The Pesticides Commission of the Agricultural Ministry of the Republic of Indonesia.</p> <table border="1"> <thead> <tr> <th>Pesticides</th> <th>License</th> <th>Expiry date</th> </tr> </thead> <tbody> <tr> <td>Garlon 480 EC</td> <td>RI.01030120062017</td> <td>23 June 2021</td> </tr> <tr> <td>Starane 200 EC</td> <td>RI.01010120103759</td> <td>6 September 2017</td> </tr> <tr> <td>Elang 480 SL</td> <td>RI 01030119941170</td> <td>9 January 2020</td> </tr> </tbody> </table> <p>During field observation it was verified that the implementation of pesticides uses was in accordance with the procedure.</p>	Pesticides	License	Expiry date	Garlon 480 EC	RI.01030120062017	23 June 2021	Starane 200 EC	RI.01010120103759	6 September 2017	Elang 480 SL	RI 01030119941170	9 January 2020	
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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 available.	The organization has defined pesticide application program in the annual budget, i.e. Semprot piringan (circle spraying), pasar pikul dan TPH (Path and FFB collecting place spraying), and semprot gawangan (harvesting line spraying). Records of pesticides use were available in "Rekapitulasi Pemakaian Pestisida" which provided information	Comply												

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>regarding pesticide name, active ingredient, hazard category, concentration, LD50, quantity of use, total area applied, FFB production, and toxicity.</p> <p>Record of the use of pesticides and herbicides are constantly monitored, including the calculation of LD 50 and toxicity, area treated, amount of active ingredients applied per Ha and number of applications recorded in Estate Monthly Report and the last period of July 2017.</p>	
4.6.3	<p>Any use of pesticides shall be minimized as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in Indonesia Best Practice guidelines.</p> <p>- Major compliance -</p>	<p>There is no used of prophylactic use of pesticides throughout the company. The use of pesticides has been minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. Use of pesticides in the field was always lower than the planned budget. It also shows the company's commitment to always reduce pesticide usage and give priority to the prevention of mechanical, biological and integrated pest management. Company no longer use the paraquat pesticide since May 2017 according to "Memorandum No. 018/SW/02/2017" dated 7 February 2017. In the memorandum explained that Paraquat is no longer allowed to be used, instead using WIN 20 WG (metsulfuron) mixed with LVA Emulsion Surfactants (Alcohol Polyglycol ether).</p>	Comply
4.6.4	<p>The evidence shall be available to demonstrate that use of Pesticides, categorized in Class 1A or 1B by World Health Organization, or those are listed in the Stockholm and Rotterdam Conventions, and paraquat are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances.</p>	<p>The company has demonstrated to reduce using paraquat and no using pesticides as categorized Class IA or 1B.</p> <p>Paraquat is no longer use by PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya, both Balam Estate and Sungai Rumbia II Estate since May 2017 according to "Memorandum No. 018/SW/02/2017" dated 7 February 2017. In the memorandum explained that Paraquat is no longer allowed to be used, instead using WIN 20 WG (metsulfuron) mixed with LVA Emulsion Surfactants (Alcohol Polyglycol ether).</p> <p>Data of Paraquat used has been provided since 2014. Budget of Paraquat is decreased every year. It was observed that Paraquat used was under the target. To reduce Paraquat use, Estates implement Selective Spraying and Site Specific which</p>	Comply

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	- Minor compliance -	agrochemical is only used in targeted weeds, no spraying in riparian buffer zones.	
4.6.5	<p>Evidence of pesticide application by trained person and in accordance with application guidelines in product label and storage guidelines shall be available. Appropriate safety equipment shall be provided and utilized. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).</p> <p>- Major compliance -</p>	<p>All pesticide operators in Balam Estate and Sungai Rumbia 2 Estate had been given training on the handling and application of the pesticides. Appropriate safety and application equipment had been provided and used by the operators. All precautions attached to the product/MSDS had been observed, applied and understood by chemical storekeepers, supervisors and sprayers. Appropriate safety equipment has been provided by the organization and utilized by workers, such as helmet, glasses, mask, boot and safety apron.</p> <p>Programme and training records had been verified to be satisfactory. Training on limited pesticide use "Pelatihan Pestisida Terbatas" has been performed by company cooperate with "Komisi Pengawasan Pupuk dan Pestisida Kabupaten Rokan Hilir" on 1<sup>st</sup> February 2016 "Sertifikat Pelatihan Pestisida Terbatas" for chemical storekeepers, supervisors and sprayers were available and valid for 5 years. Company also has a program to refresh the training of pesticide handling for all operator which performed by each field assistant.</p> <p>During audit found the issue for this indicator as non conformity:</p> <p>During field visit to spraying activity at Block H45 Division I Sungai Rumbia-2 Estate it was found that several spraying operator have no appropriate certificate, e.g. Magdalena Lubis, Ariani, Kaliyem, Sumiah and Imani. These issue has been addressed by company according to section 3.3 Details of finding.</p> <p>These issue has been addressed by company according to section 3.3 (details of finding).</p>	<p>NC #1521456-201708-M4 CLOSED on 08/11/2017 Comply</p>
4.6.6	Storage of pesticides shall be according to recognised best practices. All pesticides containers shall be properly managed according	PT Salim Ivomas Pratama Tbk Balam Estate and PT Gunung Mas Raya Sungai Rumbia 2 Estate has a procedure No. CR-AGR-205-PST.06.11-1 dated 31 August 2013 which regulated the pesticide storage according to Indonesia best practices.	Comply



Criterion / Indicator	Assessment Findings	Compliance
<p>to the existing regulations and or instructions enclosed on the containers (see criterion 5.3).</p> <p>- Major compliance -</p>	<p>The company already had a Pesticides warehouse and pesticide containers washing and bathing places for the sprayers. Based on a field visit to the Pesticides Warehouse, it was found that: Permanent Buildings, A good ventilation, Permanent floor is cemented, the floor of the mixing of pesticides using ceramics, and equipped with a "spillage trap", eye wash shower, first aid box, PPE and Fire extinguisher are provided.</p> <p>Operation control:</p> <p>MSDS are available for all types of existing pesticides. The pesticide management and safety instructions are available. A package management/ used pesticide package is available. Water wash of pesticides containers collected in "spillage trap".</p> <p>The flow of waste water is channeled and stored so that it is not discharged into the environment. The water used is used for its dilution.</p> <p>A package management / used pesticide package:</p> <p>Pesticide packages were clean washed in a wash basin, then, it was dried in a provided place. Dried packages were stored in temporary warehouse before being taken/sent by a third party who has a license, namely PT Primaru Jaya according to "Keputusan Menteri Lingkungan Hidup Nomor 234 tahun 2011 tentang Izin Pengumpul Limbah Bahan Berbahaya dan Beracun" and "Keputusan Dirjen Perhubungan Darat Nomor: SK.501/AJ309/DJPD/2015 tentang Pelaksanaan Izin Penyelenggaraan Angkutan Barang Khusus untuk mengangkut barang berbahaya".</p> <p>The company had a procedure of waste pesticide management which is SOP of hazardous waste management SOP No. CR-AGR-207-LB3.06. 11-1.</p>	
<p>4.6.7 Application of pesticides shall be by proven methods that minimize risk and negative impacts.</p>	<p>Based on field visit to Balam Estate and Sungai Rumbia 2 Estate, spraying team using sign board indicating spraying/herbicide application is in progress for a block. Spraying supervisor was pre-mixing the herbicide in the chemical warehouse,</p>	<p>Comply</p>

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	<p>transport the mixed chemical via truck, using cone and spill tray on the field to minimize spillage. The type and dosage of herbicide are carefully measured and prepared for targeted weed control; circle and path spray or selective weeding (wooden, bracken, or VOP).</p> <p>Nozzle calibration conducted regularly (each month) and the record were evident. Latest nozzle calibration conducted on 27 April 2017.</p> <p>Sprayers and spraying supervisor are trained with limited pesticide training, best management practice for weed control, spraying techniques, using PPE and received regular medical check up. Latest training of limited pesticide training conducted on 26 – 28 January 2016. Clean water and soap on the field are provided for sprayer.</p> <p>Field supervisor was equipped with first aid kit for the first aid medication.</p>	
4.6.8	<p>Pesticides may only be applied aerially where there is a documented justification. Surrounding communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application.</p> <p>- Major compliance -</p>	There is no aerial application of pesticide throughout the company plantation.	N/A
4.6.9	<p>Evidence of training on handling pesticide for workers and scheme smallholder (if any) shall be available.</p> <p>- Minor compliance -</p>	<p>No scheme smallholders associated with company.</p> <p>Company provides limited pesticide training for sprayers. Latest training on limited pesticide use "Pelatihan Pestisida Terbatas" conducted on 26 – 28 January 2016 cooperated with "Komisi Pengawasan Pupuk dan Pestisida (KP3) Provinsi Riau". Material Safety Data Sheets (MSDS) were evident for all chemicals used and are available at the storage and areas of mixing.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		During interview with spraying workers in the field, indicated that they have a sufficient understanding related to pesticide handling such as: active ingredients, MSDS, spraying technique, weeds target, safe working practice, etc.	
4.6.10	<p>Proof that pesticide waste has been handled as per legal regulations and understood by worker and manager, shall be demonstrated.</p> <p>- Minor compliance -</p>	<p>Pesticide handling including pesticide waste handling has been defined in procedure "CR-AGR-205-PST.06.11-1 dated 31 August 2013 – Pesticide handling and Management".</p> <p>Pesticide waste has been identified and documented under the "Evaluasi Aspek-Dampak Lingkungan" (Environmental Aspect impacts). PT Salim Ivomas Pratama Tbk has a waste management plan, identifying type and source of waste and the disposal plan. Company has prepared a procedure to handle hazardous waste titled "Prosedur Penanganan Limbah B3" SOP- No. AGR-207-LB3.06. 11-1. explains methods to collecting the waste, recording in balance and disposal through licensed third party transporter.</p> <p>The company store hazardous waste in temporary storage with permit, The hazardous waste is sent to the registered collector/transporter which approved by Environmental Ministry, namely PT Primanru Jaya. Based on interview with workers who are handling of pesticides that they understood of disposed empty containers pesticides, such as: Empty chemical containers re-used only for mixing purposes, unusable are triple rinsed, punctured and disposed to the approval collector.</p>	Comply
4.6.11	<p>Annual medical records of pesticide operators, and follow-up treatment of medical results, shall be available.</p> <p>- Major compliance -</p>	<p>Company provides medical check up for workers related to agrochemical and fertilizer. The test covers blood hematology (incl. cholinesterase), urine test, liver function, kidney function, and respiratory checks. The latest medical check up carried out 13 - 15 December 2016 both in Balam Estate and Sungai Rumbia 2 Estate.</p> <p>Medical check up performed by "UPTD Laboratorium Kesehatan Daerah" against workers consist of agrochemical storage workers, spraying workers, spraying</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>foreman, fertilizing workers and fertilizing foreman with total 313 workers.</p> <p>Based on MCU result by cholinesterase check, all workers indicated normal and there is no worker with signs of intoxication the health status of sprayers are fit to work.</p> <p>Interviews with the pesticides handlers and workers present were conducted during on-site field visits. Based on the feedback received and observation made, they did not display any symptoms of toxic reactions such as skin disorders, rashes, mouth and throat pains, breathing difficulties or nail discolorations.</p> <p>The company has also conducted audiometric test for their workers who are worked in noise level areas, the result seen that "normal level".</p>	
4.6.12	<p>Records shall be available to show that spraying is not conducted by pregnant or breast-feeding women.</p> <p>- Major compliance -</p>	<p>Estate management conducting monthly pregnancy check for all female worker (sraying gang and fertilizer applicator) by test pack. Record of monthly pregnancy check recorded in "PP Test Pada Karyawan Semprot dan Pupuk". The last pregnancy performed on July 2017 for 122 female employees.</p> <p>Based on pregnancy test indicated that there is no positive pregnant and all negative. Based on interview with female worker, its confirmed that no pregnant and/or breast-feeding involved in chemical/pesticides, they are transferred to other duties.</p>	Comply
<p><b>Criterion 4.7</b></p> <p>An occupational health and safety plan is documented, effectively communicated and implemented.</p>			
4.7.1	<p>A health and safety policy shall be in place. A health and safety plan shall be documented and implemented, and its effectiveness monitored.</p> <p>- Major compliance -</p>	<p>Top management of PT Salim Ivomas Pratama Tbk Group Balam factory and its supply bases has issued the environmental, health and safety policies as stated in Policy of Sustainable Palm Oil of PT Salim Ivomas Pratama Tbk Group signed by their Board of Directors on March 1, 2012. This policy is written in an Integrated Manual of Management System For Environment, Health and Safety No. MT-SIMP-01 rev 02</p>	Comply

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		<p>which was updated on Feb 4, 2013.</p> <p>A health and safety plan is available and covers all activities for mill and estates, which is written into Health and Safety Annual Programs and its Monitoring in 2016 (Form No. FORM/PROS-01/03). This program has been communicated to the team management of the mill and estates during the management review meeting. The auditor checked the record of the management review meeting conducted on January 09, 2017.</p>	
4.7.2	<p>A documented risk assessment shall be available and its implementation shall be recorded.</p> <p>- Major compliance -</p>	<p>Company has document risk assessment, including for boiler operation, sterilizer operation, generator set operation, loading ramp activity, cleaning of CPO storage tank, chemical mixing, fertilizer warehouse, herbicide and pesticide sprayer, harvesting, road maintenance, HCV Monitoring, Boundary Monitoring, land application maintenance, etc.</p> <p>The company has conducted HIRADC for all areas and it was observed that the workers understood their risk, last risk assessment updated in 27<sup>th</sup> February 2017 in Balam Estate. In Sungai Rumbia-2 estate, risk assessment updated in February 06<sup>th</sup>, 2017.</p> <p>In Balam Factory updated in January 2017 by OHS expert and approved by Mill Manager.</p> <p>Engineering control was implemented to prevent hearing loss, e.g. install noise reduction agent and administrative by erected signboard of noise area, as described in Risk Assessment.</p> <p>Some issues found during audit and it raised as non conformity :</p> <ul style="list-style-type: none"> <li>• During field visit in Balam Factory, found 2 driver helper (kernet) in area loading ramp were not wearing safety shoes</li> <li>• During field visit in Diesel fuel storage its found several ex cigarete and indicate</li> </ul>	<p>NC #1521456-201708-M7 CLOSED on 08/11/2017 Comply</p>

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		<p>that there were person who smoking in the restricted area and high risk flammable area.</p> <p>These issue has been addressed by company according to section 3.3 (details of finding).</p>	
4.7.3	<p>Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.</p> <p>- Major compliance -</p>	<p>Records of Occupational Health and Safety (OHS) program available in "Program Kerja P2K3 2017" approved by Estate Manager and Mill manager, including to reducing working accident, OHS campaign, meeting of OHS committee, medical surveillance to certain workers.</p> <p>Training and monitoring regarding PPE usage has been conducted in accordance to risk Assessment conducted on monthly based as recorded on January – July 2017. Muster morning consist PPE checking was conducted on daily basis.</p> <p>OHS Program available covering OHS socialization, implementation, monitoring and measurement including regular Training PPE which is conducted every Monday as Toolbox meeting and inspection of PPE usage.</p> <p>Interview with the workers both in mill and estate indicated that they have understand and aware regarding the OHS training program. They have follow the training and have a sufficient understanding on safety regulation, how to working safety and other OHS requirement.</p>	Comply
4.7.4	<p>The responsible person(s) for occupational health and safety shall be identified and there shall be records of periodical meetings on health and safety issues.</p> <p>- Major compliance -</p>	<p>Balam Estate:</p> <p>Company assigned Mr. Subarjo Ronal Sitanggang as responsible person for occupational Health and safety implementation for Sungai Dua Estate. Periodical meeting conducted on monthly base regularly. Meeting on January - July 2017 were evident discussing health &amp; safety issues, such as: nearmiss report evaluation, accident report evaluation and the corrective action taken to prevent the nearmiss</p>	<p>NC #1521456-201708-M6 CLOSED on 08/11/2017 Comply</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>and accident.</p> <p>Sungai Rumbia 2 Estate:</p> <p>Mr. P.K Pandainara T.Y assigned as OHS Specialist who responsible for OHS implementation in Sungai Rumbia-1 Estate. Record of periodical meeting available, for example meeting on July 16<sup>th</sup>, 2017 discussion regarding accident recording, updating PPE Checklist, monitoring of PPE handover to workers.</p> <p>Balam Factory:</p> <p>Mr. Rachman Nasution assigned as responsible person for OHS implementation. Record of periodical meeting available, for example meeting on June 30<sup>th</sup>, 2017 discussion regarding accident recording, updating PPE Checklist, monitoring of PPE handover to workers.</p> <p>The issues found during audit and it raised as non conformity :</p> <p>Based on document verification there is no records of periodical meetings on health and safety issues in Sungai Rumbia 2 Estate.</p> <p>These issue has been addressed by company according to section 3.3 (details of finding).</p>	
4.7.5	<p>A procedure for emergency and work accident shall be available in Indonesian Language; and the workers, who have attended First Aids training, are available in the working areas.</p> <p>- Minor compliance -</p> <p>Company has a procedure for emergency and work accident, consist of: Accident Handling, Investigation and Occupation illness procedures No.SIMP-PROS-25, Emergency preparedness and Emergency incident Reporting SIMP-PROS-24.</p> <p>Those procedures is socialized and available in notice board in site, during interviewed with workers, it was seen that they understood the emergency and accident procedures. Emergency call phone also is available in all site operation. Every accident shall be investigated and during audit can be demonstrated the accident investigation.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>Emergency drill has been conducted by company on 28-29 July 2017.</p> <p>Assigned trained in First Aid sighted present with First Aid Kit available in various workplace on monthly based. Records of accidents were found well-kept and presented to the board during the monthly notice board.</p> <p>Training first aid Kit has been conducted for field foreman/supervisor. The person who served as the first aider and brought the first aid kit was the Foreman/Mandor, so that the handling of related minor accidents requiring first aid carried by the foreman/Mandor. During interview and field visit Foreman/mandor can be demonstrated that they have sufficient understanding of first aid handling and has equipped by first aid kit. First aid training conducted to all field foreman/mandor as recorded on July 14<sup>th</sup>, 2017.</p> <p>Mr. Tonang Siregar assigned as certified First aider in Balam Factory, hold certificate number 621/P3K/III/12 since March 2013 by Ministry of Manpower and Transmigration Republic Indonesia. While Mr. Piktor Siregar assigned as certified First aider in Balam Estate hold certificate number No.Ket. 173/BK3-MDN/XII/2016 and Mrs. Mariati as certified first aider in Sungai Rumbia 2 Estate hold certificate number No. 118/BK3-MDN/XI/2016.</p>	
4.7.6	<p>All workers shall be provided with medical care, and covered by accident insurance (see criterion 6.5.3).</p> <p>- Minor compliance –</p>	<p>All workers in Balam Factory, Balam Estate and Sungai Rumbia 2 Estate provided with medical care, and covered by accident insurance (BPJS Ketenagakerjaan, Kesehatan and Company Medical Facility).</p> <p>Company also provide the Clinic inside the plantation and near to housing area. The clinic is free for all workers. If treatment and medical treatment can not be done in the clinic then the company will refer to the hospital in cooperation with the company and all medical expenses will be borne by the company.</p>	Comply
4.7.7	Occupational injuries shall be recorded using Lost	Lost time injuries recorded and reported to authorized party as defined in OHS	Comply



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	Time Accident (LTA) metrics. - Minor compliance	Committee report three monthly period. Since January - July 2017 there is no accident reported/happen with total lost time injuries in Balam Factory was 0 days and total working hour 277,602 hour (frequency rate = 0 and Saverity rate = 0). While in Balam Estate since January - July 2017 total lost time injuries was 11 days and in Sungai Rumbia 2 Estate since January - July 2017 total lost time injuries was 12 days.	
<b>Criterion 4.8</b>			
All staff,workers, smallholders and contract workers are appropriately trained.			
4.8.1	Records of training program related to the aspects of RSPO Principles and Criteria shall be available. - Major compliance -	The management of PT Salim Ivomas Pratama Tbk Balam Factory and its supply bases (Balam Estate and Sungai Rumbia 2 Estate) has a procedure to improve the competency of its workers and subcontractors through the procedure SOP-EHS-037 <i>Pelatihan Bagi Karyawan dan Kontraktor</i> (Training for worker and subcontractor). The procedure mentions the training mechanism for its workers and subcontractors in accordance to achieve adequate competencies. Training programmes are formulated on yearly basis and were available for 2017, and below is the training list.  <ul style="list-style-type: none"> <li>- Occupational Health and Safety</li> <li>- Personnel Protective Equipment/PPE</li> <li>- Toxic and Hazardous Substances Management</li> <li>- Toxic and Hazardous Waste Management</li> <li>- Agrochemical Handling</li> <li>- Spraying and Fertilizing Practices</li> <li>- Integrated Pest Management</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- HCV Monitoring</li> <li>- Fire Prevention and Control</li> <li>- Contractor Safety Management System (CSMS)</li> <li>- Green House Gases Identification and Mitigation</li> <li>- Supply Chain Mass Balance and SAP program</li> <li>- CSR Monitoring and Implementation</li> </ul> <p>These trainings were held during Jan-July 2017 which was followed by related participants of the mill and the estates. The organization has assessed and evaluated the effectiveness of training for all trainings held.</p> <p>All training records, including attendance lists, photographs and training materials were available and properly maintained. The mill and the estate managers keep the individual training records of all employees.</p>	
4.8.2	<p>Records of training for each employee shall be maintained.</p> <p>- Minor compliance –</p>	<p>Annual training realization are recorded in the "Employee Training Realization Note Form" of the 2017 period. For example:</p> <p>Balam Estate</p> <ul style="list-style-type: none"> <li>• Dated 15 August 2016; Training of hazardous waste (LB3) handling and domestic waste handling, followed by 62 participants, evaluation of training effectiveness was conducted in November 2016.</li> <li>• Dated 22 August 2017; Training of MSDS, followed by 20 participants, will be evaluated the effectiveness of training after 3 months.</li> </ul> <p>Sungai Rumbia 2 Estate</p> <ul style="list-style-type: none"> <li>• Dated 10 May 2017; HCV officer training followed by 5 participants, training</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>evaluation was conducted on August 15, 2017</p> <ul style="list-style-type: none"> <li>Dated 10 August 2017; Emergency Response Training and Use of APAR, the effectiveness evaluation has been done by the Estate Manager, the results are still less effective and should be re-done to be better trained.</li> </ul> <p>Balam Factory</p> <ul style="list-style-type: none"> <li>Dated 18 March 2017; training of HMS (Harvesting Mobile System), record of training were available.</li> <li>Dated 10 August 2017; Supply Chain training (Supply chain), record of training were available.</li> </ul>	
Principle 5: Environmental responsibility and conservation of natural resources and biodiversity			
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.			
5.1.1	<p>Environmental impact assessment document(s) shall be available.</p> <p>- Major compliance -</p>	<p>PT Salim Ivomas Pratama Tbk Balam Factory and Balam Estate have performed the Environmental Impact Assessment/EIA and presented in "Studi Evaluasi Lingkungan (SEL) Perkebunan Kelapa Sawit dan Pengolahannya Kab. Bengkalis, Provinsi Riau" with capacity of mill planed 50 ton FFB/hour and study area coverage was 46,000 ha. The environment document have approved by Agricultural Ministry of Indonesia based on Decree of Agricultural Ministry No. RC.220/1052/B/VI/93, dated June 22, 1993.</p> <p>PT Gunung Mas Raya – Sungai Rumbia 2 Estate have performed the Environmental Impact Assessment/EIA presented in "Studi Evaluasi Lingkungan Perkebunan Kelapa</p>	Comply

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	<p>Sawit dan Pengolahannya Sungai Rumbia dan Sungai Bangko, Kab. Bengkalis, Provinsi Riau” with capacity of mill planed 50 ton FFB/hour and study area coverage was 13,900 ha. The environment document have approved by Agricultural Ministry of Indonesia based on Decree of Agricultural Ministry No. RC.220/1261/B/VII/93 dated 28 Juli 1993.</p> <p>SEL/EIA information covers the activities such as building new roads, processing mills or other infrastructure, drainage or irrigation systems; replanting and/or expansion of planting areas; management of mill effluents; management of pests and diseased. The key points of EIA such as: identify key environmental issues and concerns of interested parties; identifying and evaluating of the impacts; mitigating measures and proposed action to prevent or minimize the potential adverse effects of the activities; and issuing the environmental management plan. The assessment covered both the mill and the two estates of Balam and Sungai Rumbia 2 Estates. As part of getting the approval from the Agricultural Ministry, the company has conducted the presentation of SEL/EIA document and discussed with relevant stakeholders.</p> <p>The SEL/EIA includes the mitigation of negative impacts and improves the positive impact. The negative impacts for the environment such as pollution to the soil, water surface, and air. These impacts was specifically mentioned in the EIA report as well as in the activity of Aspect and Impact Assessmert. To control both negative and positive impacts the company has provided a comprehensive management plan and written in the other document namely the Environmental Management and Monitoring Plan or Rencana Kelola Lingkungan-Rencana Pemantauan Lingkungan (RKL-RPL) which is the counter measures of what has been indicated in EIA.</p> <p>The RKL-RPL report shall be updated twice a year as described in Laporan Monitoring Rencana Kelola dan Pemantauan Lingkungan / RKL-RPL (Monitoring Report of Environmental Management and Monitoring Program). The document shall be submitted to Badan Pengendali Dampak Lingkungan Daerah/BAPEDALDA or Local</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>Environmental Impact Assessment Agency every semester (6 months).</p> <p>The company also has identified waste of product and source of pollutions then documented into "Identifikasi Aspek dan Dampak dan Bahaya Lingkungan", updated on January 2017 in each unit operation, such as: estate and mill, this document covering all operation in Estates and mill.</p>	
5.1.2	<p>Environment management plan document to prevent negative impacts, its implementation report and revision (if the identification of impact requires changes in current company's practices) shall be available. The company's management shall appoint the responsible person(s) for the implementation of the document.</p> <p>- Minor compliance -</p>	<p>As guidance for environmental management plan to prevent negative impacts, company has document environmental management plan "Rencana Pengelolaan Lingkungan (RKL). The document have been approved by Agricultural Ministry of Indonesia based on Decree of Agricultural Ministry No. RC.220/1052/B/VI/93, dated June 22, 1993 for PT Salim Ivomas Pratama Tbk – Balam Factory and Balam Estate and Decree of Agricultural Ministry No. RC. 220/1261/B/VII/93 dated 28 Juli 1993 for PT Gunung Mas Raya – Sungai Rumbia 2 Estate.</p> <p>The environment management document explains activity components, type of impacts, impact management (program, project, technical), location and target for management.</p> <p>Implementation report presented in document "Laporan Pelaksanaan izin Lingkungan Perkebunan Kelapa Sawit PT Gunung Mas Raya 2017" and "Laporan Pelaksanaan RKL-RPL Perkebunan Kelapa Sawit PT Salim Ivomas Pratama Tbk 2017".</p> <p>Implementation of environmental management for example:</p> <ul style="list-style-type: none"> <li>- To avoid and minimize the soil erosion from plantation operation, company has performed land cover crop planting and upkeep, terracing and tapak kuda in area with sloping &gt; 8%, conserve the natural vegetation along the riparian and waterways, road hardening and maintenance.</li> <li>- To avoid the decrease of water quality, company performed IPAL installation in</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>palm oil mill and conducted land application, made the monitoring well to ensure the water quality in good condition, manage the chemical waste according to regulation and store in TPS LB3 to avoid the contamination.</p> <ul style="list-style-type: none"> <li>- To avoid the air quality decrease, company has made dust collector in cerobong asap and made it height, zero burning and apply EFB as a mulch, conducting the greening in housing area and palm oil mill, road hardening and watering.</li> <li>- To avoid social conflict, company has performed socialization and prioritize the local workers from surrounding village.</li> </ul> <p>Effectiveness of environmental management plan implementation evaluated each semester by sustainability team.</p> <p>Implementation of environmental management plan reported each semester to BLH Rokan Hilir Regency and BLH Riau Province. Latest report for semester I 2017 (period implementation January – June 2017) submitted to BLH Rokan Hilir Regency on 23 August 2017 and to BLH Riau Province on 21 August 2017 and to KLH on 23 August 2017.</p> <p>Company has appointed the responsible persons for the implementation of document : Ir. Satobri (Sustainability manager), Drs Suharto (Public/Government relation), Azmal Hara (Technical Palm oil mill), Heriansyah Pasaribu (OHS/Sustainability), Riki Yuliandita (Chemical/Sustainability).</p>	
5.1.3	<p>Environment monitoring plan document, its implementation report, and the corrective plan (if non-conformance arises from the monitoring result) shall be available. This plan is reviewed on two-yearly basis.</p> <p>- Minor compliance –</p>	<p>Environment monitoring plan document were available in "RPL-Rencana Pemantauan Lingkungan" document. Document has been approved by Agricultural Ministry of Indonesia based on Decree of Agricultural Ministry No. RC.220/1052/B/VI/93, dated June 22, 1993 for PT Salim Ivomas Pratama Tbk – Balam Factory and Balam Estate and Decree of Agricultural Ministry No. RC.220/1261/B/VII/93 dated 28 Juli 1993 for PT Gunung Mas Raya – Sungai Rumbia</p>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>2 Estate.</p> <p>All monitoring plan has been implemented well by company according to RPL document. The auditor team has reviewed the monitoring plan and found it was well implemented and monitored accordingly. This document was available at mill and all estates. The implementation report has been reviewed each semester by company management.</p> <p>Implementation of environmental management plan reported each semester to BLH Rokan Hilir Regency and BLH Riau Province. Latest report for semester I 2017 (period implementation January – June 2017) submitted to BLH Rokan Hilir Regency on 23 August 2017 and to BLH Riau Province on 21 August 2017 and to KLH on 23 August 2017.</p> <p>Implementation report presented in document “Laporan Pelaksanaan izin Lingkungan Perkebunan Kelapa Sawit PT Gunung Mas Raya 2017” and “Laporan Pelaksanaan RKL-RPL Perkebunan Kelapa Sawit PT Salim Ivomas Pratama Tbk 2017”.</p> <p>Effectiveness of environmental monitoring plan implementation evaluated each semester by sustainability team. Evaluation consist of : trends evaluation and compliance evaluation. Evaluation result for semester I 2017 indicated that there is no heavy soil erosion, soil erosion categorized as light erosion and no intensive erosion, water quality monitoring indicated that all parameter measured was met with Standard water class II PP No. 82 tahun 2011, Air quality monitoring (emission from Boiler, generator and air ambien quality) indicated that all parameter emission quality from boiler met with Standard PermenLH No. 07 tahun 2007, emission quality from Generator met with Standard PermenLH No. 21 tahun 2008 and Ambien air quality met with PP No. 41 tahun 1999.</p>	
<b>Criterion 5.2</b>		

Criterion / Indicator	Assessment Findings	Compliance
<p>The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>		
<p>5.2.1</p>	<p>Record(s) on the results of High Conservation Value (HCV assessment) that includes both the planted area and the relevant wider landscape-level considerations (such as wildlife corridors) shall be available.</p> <p>- Major compliance -</p> <p>Assessment HCV PT Salim Ivomas Pratama Tbk, Balam Estate has been performed on February – March 2010. HCV assessment conducted in Kabupaten Rokan Hilir, Riau province and surrounding village of company including Balam Sempurna Village, Bagan Sinembah Distruct.</p> <p>While HCV Assessment in Sungai Rumbia 2 Estate, PT Gunung Mas Raya has been performed on April – June 2010. HCV assessment conducted in Pematang Damar Village, Bangko Pusako Village, Bangko Sempurna Village, Bangko Pusako District and Pasir Putih Village, Bagan Sinembah District, Rokan Hilir Regency, Riau Province.</p> <p>Both in Balam Estate and Sungai Rumbia 2 Estate, HCV assessment performed by Independen consultant Fakultas Kehutanan IPB. Assessor team comprise of:</p> <ul style="list-style-type: none"> <li>- Ir. Nyoto Santoso, MS (Ketua Tim)</li> <li>- Ir Siswoyo MSi (Ekologi flora expert)</li> <li>- Ir. Heru B. Pulonggono, MSc (Hidrologi and soil conservation expert)</li> <li>- Handian Purwawangsa, S.Hut, MSi (Sosial and culture expert)</li> <li>- Dr. Mirza D. Kusri (Amfibi and Ecology perairan expert)</li> <li>- Ahmad Faisal Siregar, S.Hut (Social culture expert)</li> <li>- Sutopo, S.Hut (Wildlife ecology expert)</li> <li>- M. Sayidina Ali, Amd (GIS expert)</li> </ul> <p>HCV report has been reviewed by peer review Rachmad Hermawan on September 2011.</p>	<p>Comply</p>



Criterion / Indicator	Assessment Findings	Compliance
	<p>Assessment has been conducted and cover the following:</p> <ul style="list-style-type: none"> <li>✓ Presence of protected areas that could be significantly affected by the grower or miller;</li> <li>✓ Conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered (RTE) species that could be significantly affected by the grower or miller.</li> </ul> <p>HCV assessment performed in consultation with relevant stakeholders. HCV assessment also include checking of available biological records and include both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>Methodology of assessment using a toolkit of HCV 2008, implementation of the assessment consists of: Secondary data collection, field survey, mapping and landscape, Assessment of fauna aspect with a rapid assessment (direct observation, interviews with the parties), assessment of flora aspects (direct survey and interview), assessment of socio-economic and cultural aspects (interviews and direct observation at selected sites), analysis and mapping.</p> <p>Total area HCV identified in Balam Estate was 101.3 ha consist of Riparian area 89.4 ha, water dam 4.9 ha, waste water pond 4.1 ha, spring water and bamboo vegetation. In PT Gunung Mas Raya Sungai Rumbia 2 Estate HCV identified 88.4 ha consist of riparian area.</p> <p>Company has made conservation management and monitoring plan to protect and enhance RTE species identified in Balam Estate and Sungai Rumbia 2 Estate.</p>	
5.2.2	<p>Whererare, threatened or endangered (RTE) species and or other HCVs are present or affected by the plantation and mill operations, an</p> <p>Based on HCV Identification Report, 2010 shows in area of Balam Estate and Sungai Rumbia 2 Estate, found types of protected/RTE species such as:</p>	Comply

Criterion / Indicator	Assessment Findings	Compliance
<p>appropriate measures that are expected to maintain or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p>	<ul style="list-style-type: none"> <li>- <i>Felis bengalensis</i></li> <li>- <i>Larsius insignis</i></li> <li>- <i>Muntiacus muntjak</i></li> <li>- <i>Alcedo meninting</i></li> <li>- <i>Anthreptes mallaccense</i></li> <li>- <i>Egretta alba</i></li> <li>- <i>Elanus caeruleus</i></li> <li>- <i>Halcyon smyrnensis</i></li> <li>- <i>Rhipidura javanica</i></li> </ul> <p>Based on field verification, company has demonstrated effort for management and monitoring of HCV area. For example, Monitoring of plant and animal on 6 monthly basis by HCV officer Azis Maulana Yusuf (Sustainability Dept.) and team: Sidik (Mantri hama), Syahrul Junaedi (Mantri hama), and Iyan Saputra (Krani RSPO). HCV monitoring team has ben trained by Sustainability Manager on 18 November 2016, evidence of training can be demonstrated. Company also installed identity signboard and warning signboard in the field. The last monitoring both in Balam Estate and Sungai Rumbia 2 Estate was conducted on May 18<sup>th</sup>, 2017. The monitoring was done by survey and direct encounter in the morning and evening for reptile amphibians. The last observation results were observed 19 species of wildlife/animal and 3 types of protected animal, namely: Kipasan belang (<i>Rhipidura javanica</i>), Cekakak Belukar (<i>Halcyon smyrnensis</i>), Elang ular Bido (<i>Spilornis cheela</i>), Cekakak Sungai (<i>Tordirhamphus chloris</i>), Bangau Bluwok (<i>Mycteria cinerea</i>). Bangau Bluwok also entered the category as Appendix I and Biawak air asia (<i>Varanus salvator</i>) as Appendix II.</p>	

Criterion / Indicator		Assessment Findings	Compliance
5.2.3	<p>Program(s) to socialize the status of protected, rare, threatened or endangered (RTE) to all workers shall be available, including records of appropriate sanction disciplinary measures to any individual working for the company who is found to capture, harm, collect or kill these species.</p> <p>- Minor compliance –</p>	<p>Company has demonstrate consistency in providing communication and HCV management training. Company has program(s) to socialize the status of protected, rare, threatened or endangered (RTE) to all workers including to surrounding community at minimum once a year. Socialization to employees is done through the muster morning delivered by each field assistant to all wokers, for example HCV socialization to employees on January 5<sup>th</sup>, 2017 and August 11<sup>th</sup>, 2016 at employee centers and in Kantor Besar/Estate office.</p> <p>The poster and signboard also placing in the strategic area, applying for animal preservation and the prohibition of hunting wildlife.</p> <p>Socialization to the surrounding community was conducted simultaneously with stakeholders meeting on March 14<sup>th</sup>, 2016 and 3<sup>rd</sup> May 2016 with heads of villages, religious figures, community leaders, Head of Dusun, Penghulu and local NGOs in Balam Sempurna Village and Balai Jaya Village.</p> <p>Based on interview with worker representative and field workers – workers have understand protection of plant and animal. The workers also aware of company policy prohibits hunting, raising and killing protected animal.</p> <p>Interview with stakeholder also indicated that they have an understanding and aware on HCV area and protection of RTE species including all animal and protected plant/vegetation.</p>	Comply
5.2.4	<p>Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the</p>	<p>Company has prepared Conservation Management Plan, detailing location of HCV area, hectare of HCV area, management objective, management program, method, person in charge, target of implementation and monthly status. Conservation management plan consist of:</p> <p>- Inventory and identification of land cover condition</p>	Comply

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Criterion / Indicator	Assessment Findings	Compliance
<p>improvement of the management plan.</p> <p>- Minor compliance –</p>	<ul style="list-style-type: none"> <li>- HCV area demarcation and boundary marker</li> <li>- Rehabilitation and enrichment of plant species in HCV area</li> <li>- Wildlife and RTE species monitoring, vegetation cover condition and disturbance intensity</li> <li>- Water quality monitoring</li> <li>- Socialization of HCV conservation to employee and surrounding community</li> </ul> <p>Company has consistently monitors the status of HCV area, as well as protected flora and fauna species. This is recorded in "Laporan Pengelolaan dan Pemantauan HCV". The report explains the monitoring on status of plant and wildlife, disturbance and damage to the protected area. Latest report were available for semester II 2016 (period July – December 2016).</p> <p>Wildlife observations are conducted monthly by HCV monitoring team. Latest observation in 18 May 2017 documented in the "Daftar Temuan jenis satwa liar" in Balam Estate observed 25 species of bird, 2 of them were protected such as: Cekakak sungai (<i>Tordirhamphus chloris</i>), Elang tikus (<i>Elanus caeruleus</i>); 4 species of reptile such as: Biawak (<i>Varanus salvator</i>) and 1 species of mammal Tupai (<i>Callosciurus notatus</i>). In Sungai Rumbia 2 Estate observed 13 species of bird, 3 of them were protected such as Cekakak udang (<i>Halcyon smyrnensis</i>), Kipasan belang (<i>Rhipidura javanica</i>), Elang bondol (<i>Haliastur indus</i>); 1 species of Reptile Biawak (<i>Varanus salvator</i>) categorized as Appendix II.</p> <p>Species of plant and vegetation enrichment has been performed by company both in Balam Estate and Sungai Rumbia 2 Estate. Some vegetation has planted in riparian area of Sungai Rumbia 2 Estate such as: Sengon (<i>Paraserianthes falcataria</i>) 270 trees, Trembesi (<i>Samanea saman</i>) 828 trees, Pulai (<i>Alstonia scholaris</i>) 196 trees, Sungkai (<i>Pheronema canescens</i>) 13 trees, Tanjung (<i>Mimusops elengi</i>) 19 pokok, Saga (<i>fabaceae</i>) 23 trees. While in Balam Estate some vegetation has planted such</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>as: Trembesi (<i>Samanea saman</i>) 122 trees, Anggrung (<i>Trema orientalis</i>) 8 trees, Beringin (<i>Ficus sp</i>) 2 trees, Bambu tali (<i>Bamboosa sp</i>) 3 trees, Bambu pagar (<i>Bamboosa sp</i>) 5 trees, Bambu Kuning (<i>Bamboosa sp</i>) 3 trees, Pinang (<i>Areca catechu</i>) 8 trees, Waru (<i>Hibiscus tiliaceus</i>) 4 trees, Jambu air (<i>Syzigium sp</i>) 3 trees, Pokok roda (<i>Hura crepitans.L</i>) 8 trees and Sengon (<i>Paraserianthes falcataria</i>) 3 trees.</p> <p>Based on field verification, company has demonstrated effort for management and monitoring of HCV area.</p>	
5.2.5	<p>Where HCV areas overlapped with an identified local community's land, there shall be evidence of a negotiated agreement that optimally safeguard their HCVs and the local community's rights.</p> <p>- Minor compliance –</p>	<p>All HCV and conservation areas within the company areas. Based on document verification, field visit and interview with stakeholders, there was no HCV area under existing rights of local community.</p>	Comply
<p><b>Criterion 5.3</b> Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>			
5.3.1	<p>A documented identified source of all waste and pollution, shall be available.</p> <p>- Major compliance -</p>	<p>Waste products have been identified and documented under the "Identifikasi Aspek dan Dampak dan Bahaya Lingkungan" (Environmental Aspect impacts). This document is updated once a year, last updated on 9<sup>th</sup> February 2017. This document covering all operation in Estates and mill.</p> <p>Company has a waste management plan, identifying type and source of waste and the disposal plan. Company has prepared a procedure to handle hazardous waste titled "Prosedur Pengelolaan Limbah B3" No. SIMP-PROS-12 explains methods to collecting the waste, recording in balance and disposal through licensed third party transporter.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		The company store hazardous waste in temporary storage with permit, The hazardous waste is sent to the registered collector/transporter PT Primanru Jaya which approved by Environmental Ministry according to "Keputusan Menteri Lingkungan Hidup Nomor 234 tahun 2011 tentang Izin Pengumpul Limbah Bahan Berbahaya dan Beracun" and "Keputusan Dirjen Perhubungan Darat Nomor: SK.501/AJ309/DJPD/2015 tentang Pelaksanaan Izin Penyelenggaraan Angkutan Barang Khusus untukmengangkut barang berbahaya".	
5.3.2	<p>There shall be evidence that all chemicals and their empty containers are disposed of responsibly.</p> <p>- Major compliance -</p>	<p>The disposal methods of chemicals and their containers were described on documented procedure "Pengelolaan Limbah B3 No. SIMP-PROS-12", explains methods to collecting the waste, recording in balance and disposal through licensed third party transporter. PT Salim Ivomas Pratama Tbk Balam Factory and it supply bases collects all hazardous waste from estates and mill into temporary hazardous waste storage located in Balam Estate and Sungai Rumbia 2 Estate. The temporary hazardous waste storage has valid permit from Regent of Rokan Hilir Regency-Riau province according to:</p> <ul style="list-style-type: none"> <li>- Decree Letter "No. 29/BPDL/2015, dated 08<sup>th</sup> April 2015 Valid for 5 years regarding permit of temporary hazardous waste storage of PT Salim Ivomas Pratama Tbk – Balam Estate.</li> <li>- Decree Letter "No. 07/BPDL/2015, dated 21<sup>st</sup> January 2015 Valid for 5 years regarding permit of temporary hazardous waste storage of PT Salim Ivomas Pratama – Balam Factory.</li> <li>- Decree Letter "No. 34/BPDL/2012, dated 22 November 2017 Valid for 5 years regarding permit of temporary hazardous waste storage of PT Salim Ivomas Pratama – Sungai Rumbia 2 Estate.</li> </ul> <p>PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya has an agreement in transporting the hazardous waste with contractor PT Primanru Jaya according to</p>	<p>NC #1521456-201708-M5 CLOSED on 08/11/2017 Comply</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>“Perjanjian Kerja Penyerahan Limbah Bahan Berbahaya Beracun Nomor GMR:149/SUS/SPK/VII/2016 dated 18 July 2016” and “Perjanjian Kerja Penyerahan Limbah Bahan Berbahaya Beracun Nomor SIMP:151/SUS/SPK/VII/2016 dated 18 July 2016”. The type of hazardous waste to be transported: used oil, old battery, waste oil, old lamps, used chemical container, contaminated waste and used filter. The contractor holds valid permit according to “Keputusan Menteri Lingkungan Hidup Nomor 234 tahun 2011 tentang Izin Pengumpul Limbah Bahan Berbahaya dan Beracun” and “Keputusan Dirjen Perhubungan Darat Nomor: SK.501/AJ309/DJPD/2015 tentang Pelaksanaan Izin Penyelenggaraan Angkutan Barang Khusus untuk mengangkut barang berbahaya”.</p> <p>There are record of hazardous waste transfer from Balam Factory to Balam Estate were evident and recorded in “Berita Acara Serah Terima LB3”. Company kept a hazardous waste manifest as a transaction record from hazardous waste storage to legal collector PT Primanru Jaya. The latest shipment of hazardous waste as below:</p> <p>From Balam Estate to collector performed on 6<sup>th</sup> March 2017:</p> <ul style="list-style-type: none"> <li>- Used Oil 600 Ltr Manifest number BC 0037752</li> <li>- Used Battery 12 kg Manifest Number 0037753</li> <li>- Used Filter Oil 40 kg Manifest Number 0037755</li> <li>- Ex chemical container/contaminated container 50 kg Manifest Number 0037756</li> <li>- Ex TL Lamp 1 Kg Manifest number 0037757</li> </ul> <p>From Sungai Rumbia 2 Estate to collector performed on 6<sup>th</sup> March 2017:</p> <ul style="list-style-type: none"> <li>- Used Oil 200 Ltr Manifest number BC 0037788</li> <li>- Used Battery 5 pcs Manifest Number 0037789</li> </ul>	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Used Filter Oil 10 kg Manifest Number 0037791</li> <li>- Ex chemical container/contaminated container 25 kg Manifest Number 0037792</li> </ul> <p>Records of hazardous waste balance presented in "Lembar Neraca Limbah Bahan Berbahaya dan Beracun" period March 2017 for Balam Estate and Sungai Rumbia 2 Estate were evident and updated; identifying incoming and outgoing hazardous waste in store.</p> <p>The issues found during audit and it raised as non conformity :</p> <p>Company use ex chemical container as rubbish bin/plant bin however SOPP No. CR-AGR-205-PST.06.11-1 "Penanganan dan Pengelolaan Pestisida" stated that all chemical container cannot be used as another purpose and store in TPS LB3.</p> <p>During audit in Workshop Balam Estate its found some contamination of oil and used oil in the top soil.</p> <p>These issue has been addressed by company according to section 3.3 (details of finding).</p>	
5.3.3	<p>A documented waste management plan to avoid or reduce pollution and its implementation shall be available.</p> <p>- Minor compliance –</p>	<p>Waste management plan is documented in "Rencana pengelolaan Limbah". Waste management consists of medical waste, domestic waste, and hazardous waste to reduce pollution into the environment.</p> <p>Hazardous and medical waste is disposed to the register collector, while domestic waste following Procedure "Pengelolaan Sampah Domestik Padat" SIMP-PROS-16 disposed to the landfill, organic and anorganic waste is separated in linesite, organic waste to the landfill and some of anorganic waste is collected for re-cycle.</p> <p>Sanitary landfill were available in each estate to bury the anorganic waste collected from housing, without hazardous waste.</p>	Comply



Criterion / Indicator	Assessment Findings	Compliance
<p><b>Criterion 5.4</b></p> <p>Efficiency of fossil fuel use and the use of renewable energy is optimized.</p>		
<p>5.4.1</p>	<p>A plan for improving efficiency of the use of fossil fuels and to optimize renewable energy shall be in place and monitored.</p> <p>- Minor compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Balam Factory, Balam Estate and PT Gunung Mas Raya Sungai Rumbia 2 Estate monitors the use of diesel fuel each month.</p> <p>Actual usage of average diesel fuel Balam Factory per month is 14,056 – 17,917 L with total diesel fuel usage from January to June 2017 is 93,942 L and still under budget 180,000 L, while in Balam Estate from January – June 2017 total diesel fuel usage was 253,816 L and still under budget 280,000 L. Actual diesel fuel usage in Sungai Rumbia 2 Estate since January – June 2017 was 293,781 L and still under budget 300,000 L. Diesel use trend per year always decreases. Company already maximize the renewable energy use. All the shell and fiber is consumed internally as boiler fuel.</p> <p>Diesel fuel efficiency in Estate: The efficiency of diesel is done by limiting the genset working hours for housing but not reducing the basic need of electricity for housing. Each home unit is also limited for 2 amperes of power. Beside that, plan for improving efficiency of the use of fossil fuels and to optimise renewable energy are:</p> <ul style="list-style-type: none"> <li>• Repair broken road and maintenance the road to get best time for FFB transporation</li> <li>• Repair and maintenance the vehicle and heavy equipment to get best condition for fossil fuel saving.</li> </ul> <p>Company used all the fibre and kernel shell as renewable energy for boiler fuel. The remaining fibre and kernel shell used as replacement of diesel fuel when the palm oil mill is not operating. Company has prepared for fibre and shell -fueled boiler utilization every month. In 2016, Balam factory use the fiber as boiler fuel as much</p>

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Criterion / Indicator		Assessment Findings	Compliance
		as 25,371 ton and shell 6,598 ton; while in 2017 January - June Fiber used as boiler fuel was 11,111 Ton, Shell used as boiler fuel was 2,765 ton.	
<b>Criterion 5.5</b>			
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.			
5.5.1	Records of land clearing with zero burning shall be available, referring to the ASEAN Policy on Zero Burning (2003) or other recognised techniques based on the existing regulations.  - Major compliance -	No open burning was noted during field visit and interviewed with local communities and workers.	Comply
5.5.2	Where fire has been used for eradication of pest during replanting, the records of the analysis of the use of fire and permit from the authorised agency shall be available.  - Minor compliance -	PT Salim Ivomas Pratama Tbk Balam Estate and PT Gunung Mas Raya Sungai Rumbia 2 Estate has developed an early warning system, to monitor the risk of fire. The system "Sistem Peringkat Bahaya Kebakaran 1 & 2". The monitoring system calculating the field condition, ignition risk, potential drought and smoke, fire handling, fire fighting difficulty, weather index. Patrol report indicating any fire incident.  During field visit, there is no land preparation and replanting activity and there is no burning activity found in the field.	Comply
<b>Criterion 5.6</b>			
Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			
5.6.1	Document(s) assessing pollution and emission sources, including gaseous, particles, soot emissions and effluent, shall be available. (see	Based on Significant pollution and GHG emission was identified, 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, .	Comply

Criterion / Indicator		Assessment Findings	Compliance
	<p>Criterion 4.4) - Major compliance -</p>	<p>Graph of emission and pollutant were provided to monitor trend of them in monthly basis.</p> <ol style="list-style-type: none"> <li>1. Using EFB as organic fertilizer.</li> <li>2. Planting beneficial plant</li> <li>3. Efficiency of fossil fuel.</li> <li>4. Using fibre and shell for boiler</li> </ol> <p>Identification of significant pollution and GHG emission in each unit/station as documented in "Environmental Aspect &amp; Impact Identification", consist of: input, environmental aspect, caused, environmental impact potential, and control.</p> <p>Company has develop mitigation program to reduce GHG emission.</p>	
5.6.2	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plan to reduce or minimize them implemented. - Major compliance -</p>	<p>Identification of pollutant and GHG, such as: usage of an-organic fertilizer, pesticide, fossil fuel usage, peat land, and POME.</p> <p>The company also has minimized pollutant and GHG through using EFB as organic fertilizer, implementing IPM to reduce pesticides usage, using fiber and shell for boiler, land application/POME application to the plantation.</p>	Comply
5.6.3	<p>A monitoring plan and results of regular reporting on emission and pollutants from estate and mill operations using appropriate methods, shall be available. - 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>The company has prepared a strategy in effort to reduce and mitigate pollution and emission. Monitoring of pollution and emission quality for plantation has been</p>	<p>NC #1521456-201708-N1 OPEN</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>planned and implemented,</p> <p>e.g. air quality ambient for boiler and Genset, water quality test for river (upstream and downstream), effluent water quality, noise, etc.</p> <p>Regular monitoring and calculation of polluting and emission from estate and mill available using Palm GHG Calculator V.3.0.1 . Emission from estate and mill activities during year 2016 are: 5.73 tCO<sub>2</sub>e/tCPO and 5.73 tCO<sub>2</sub>e/tPK. Total Mill emission was -9,506.51 tCO<sub>2</sub> or -0.04 tCO<sub>2</sub>e/tFFB. Total Field emission was 78,237.44 tCO<sub>2</sub>e or 20.38 tCO<sub>2</sub>e/ha and 0.91 tCO<sub>2</sub>e/tFFB.</p> <p>The issues found during audit and it raised as non conformity :</p> <p>During audit, company cannot demonstrated the results of emission and pollutants from estate and mill operations using Palm GHG Calculator version 3.1.</p> <p>These issue has been addressed by company according to section 3.3 (details of finding). However, audit team will review the implementation, consistency and effectiveness of corrective action taken during subsequent assessment visit.</p> <p>NC Minor remains open.</p>	

Criterion / Indicator	Assessment Findings	Compliance	
<b>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and mills</b>			
<b>Criterion 6.1</b> 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	<p>A social impact assessment (SIA) including records of meetings shall be documented.</p> <p>- Major compliance -</p>	<p>The first time assessment on social and economic collected through survey conducted by third party, Forestry Faculty of Bogor Institute of Agriculture in October 01, 2010. During the assessment. the company conducted several consultation and communication with relevant stakeholders. The company published the report to the stakeholders periodically once a year in November 24, 2011 and October 19, 2013 in the stakeholder meeting to get the feedback from stakeholders. All record of communication and public consultation are available and properly documented.</p> <p>The Company has conducted regular monitoring and review every two years for the management of social impact, the last review was done in 2015 and recorded in the "Laporan Kegiatan Pemantauan Dampak Sosial di Lingkungan Perkebunan Kelapa Sawit PT Salim Ivomas Pratama".</p> <p>Subsequently, a social impact assessment conducted in December 2016 by BIOREF Fahutan IPB Bogor, which was a revision of the SIA review report in May 2015, published SIA Report period January 2017.</p> <p>Social impact assessment was conducted by the method of FGD (Focus Group Discussion) to seven villages (Village of Kepenghuluan Pasir Putih, Balai Jaya, Balai Jaya Kota, Balam Sempurna, Balam Sempurna Kota, Balam Jaya and Bangko Llestari. That is done in 4-6 January 2017, including the results and conclusions of</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>FGD and also list of attendance is available.</p> <p>The local communities was involved in SIA process and result incorporated in "Social Management Plan", consists of programme, activity, opportunity, strategic, result and timeline. Social issues and program are managed under CSR Department.</p> <p>During audit performed, verified record of stakeholder meeting on 4-6 January 2017 including participants attended as many 25 participants from Village of Kepenghuluan Pasir Putih, Balai Jaya, Balai Jaya Kota, Balam Sempurna, Balam Sempurna Kota, Balam Jaya and Bangko Lestari and also Head of each village, this record is attached on of Social Impact Assessment period 2017.</p> <p>During the assessment, the company conducted several consultation and communication with relevant stakeholders. The company published the report to the stakeholders periodically once a year in 15-16 December 2016 in the stakeholder meeting to get the feedback from stakeholders. All record of communication and public consultation are available and properly documented.</p> <p>Matters which could have positive and negative potential social impacts, those are:</p> <p>Positive impact: improving access through development and maintenance of roads / bridges, job opportunities and opportunities for developing villages.</p> <p>Negative impact: disturbance of air pollution (dust), silting of river and river water pollution.</p> <p>Management and monitoring of the negative impact that is caused by making "Social and Environmental Management Plan" (see 6.1.3).</p>	
6.1.2	There shall be evidence that the assessment has been conducted with the participation of affected parties.	<p>Social impact aspect assessment is done by:</p> <ul style="list-style-type: none"> <li>- Participatory Rural Appraisal (PRA)</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<ul style="list-style-type: none"> <li>- Focus group discussions (FGD)</li> <li>- Deep interview &amp; Structured Interviews</li> <li>- Field observation</li> </ul> <p>During assessment of Social Impact, assessor team and company management have involved communities through interviews and meetings with seven villages (Village of Kepenghuluan Pasir Putih, Balai Jaya, Balai Jaya Kota, Balam Sempurna, Balam Sempurna Kota, Balam Jaya and Bangko Lestari). Focus Group Discussion (FGD) was done in 4-6 January 2017, including the results and conclusions of FGD and also list of attendance is available.</p> <p>Stakeholder meeting also conducted each year by company to evaluated the effectiveness of management and monitoring of social impact.</p>	
6.1.3	<p>Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment, through consultation with the affected parties, shall be available, documented and timetabled, including responsibilities for implementation.</p> <p>- Major compliance -</p>	<p>Social Management Plan has been developed by company to reduce the negative social impact and enhance the positive one. The management plan presented in "Rencana Kelola Sosial dan Lingkungan", i.e:</p> <ul style="list-style-type: none"> <li>a. Limited skills of local community workers, management of impact by: <ul style="list-style-type: none"> <li>- Identify the types of jobs available to nearby communities</li> <li>- Organizing vocational training for the surrounding community workforce</li> </ul> </li> <li>b. Impaired environments such as river water turbidity increasing. The impact of management: such as training and provision of clean water supply. (Village of Kepenghuluan Pasir Putih, Balai Jaya, Balai Jaya Kota and Balam Sempurna).</li> <li>c. Potential land fires, management plans are carried out: <ul style="list-style-type: none"> <li>▪ Counseling and socialization of land and garden fire handling</li> </ul> </li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>▪ Conducting fire fighting training of land and garden land</li> <li>▪ Conducting simulation of land and garden fire prevention</li> <li>▪ Coordinate with Heads of Villages and Sub-district Heads about the implementation of fire prevention programs for local communities</li> <li>▪ Form a problem-handling group (Grievance Mechanism)</li> </ul>	
6.1.4	<p>The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties.</p> <p>- Minor compliance –</p>	<p>Company has been reviewed of social impact assessment, which is reviewing to the RKL / RPL report each semester, latest review for the period of July - December 2016. The Company also conducted regular monitoring and review every two years for the management of social impact, the last review was done in 2017 and recorded in the "Laporan Kegiatan Pemantauan Dampak Sosial di Lingkungan Perkebunan Kelapa Sawit PT Salim Ivomas Pratama and PT Gunung Mas Raya".</p> <p>Based on the SIA report in December 2016, the social impact monitoring for the next two years will be based on the "Social and Environmental Management Plan" which commence on May 2017, while the review plan will be conducted after an evaluation of the social impact management program or the next 2 years (in 2019).</p>	Comply
6.1.5	<p>Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</p> <p>- Minor compliance –</p>	No scheme smallholders managed by company.	Comply
<p><b>Criterion 6.2</b></p> <p>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p>			



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6.2.1	<p>Communication and consultation procedures shall be documented.</p> <p>- Major compliance -</p>	<p>PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya has an open effective communication and consultation method between growers and/or millers, local communities and other affected or interested parties which was elaborated in a procedure dated February 4, 2013 namely "Procedure of Communication, Participation and Consultation", SOP No. SIMP-PROS-04 Rev 02. The procedure covers a communication and consultation in all level, such as communication between enterprise management, between employees, between the company's external stakeholders. In order to maintain a good relationship with the local communities, company has a commitment to organize a stakeholder meeting at least once a year, the last meeting with stakeholder performed on January 2017, attendance was available and attended by 46 stakeholder.</p> <p>Based on interviews with several village heads can be demonstrated that the company always communicates and delivered the information transparently, e.g information for labor needs, providing information related to CSR assistance etc. During interview they have a positive perception against company and have a good communication between company and surrounding community.</p>	Comply
6.2.2	<p>The company shall have official(s) who is responsible for consultation and communications with parties.</p> <p>- Minor compliance -</p>	<p>The company has appointed officers responsible to carried out communication and consultation with local communities is Public Relations (Humas). It is determined by the Memorandum Estate Manager regarding Additional Tasks as public relations.</p> <p>Based on interviews with several community leaders and village heads around, the company has appointed responsible personnel called "HUMAS" or Public Relations. They were aware for the appointed officer.</p>	Comply
6.2.3	<p>The company shall have a list of stakeholders, records of communications, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and</p>	<p>List of the updated stakeholder dated 1<sup>st</sup> January 2017 was available, consists of local government, police, suppliers, local communities, etc. Latest of stakeholders meeting was held on 4-6 January 2017. Records of the minutes of meetings with stakeholders are kept properly by Humas and KTU in Central Estate office. Other</p>	Comply

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	records of actions taken in response to input from stakeholders. - Minor compliance -	records of local community’s aspiration and responses were available; the records were checked randomly during the assessment and found to be complying with the requirement.	
<b>Criterion 6.3</b>			
There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.			
6.3.1	The mechanism, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested, as long as that information is supported with adequate initial evidence. - Major compliance -	PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya has a system for handling internal and external grievances and dispute resolution in a documented procedures, which was in accordance with applicable regulation UU No. 2/2004, namely Procedure of Industrial Dispute Settlement “Penyelesaian Perselisihan Hubungan Industrial” for internal stakeholders (No. CR-OPR-104-PHI.11.11-1), while Procedure of External Conflict Handling presented in “Penanganan Konflik Eksternal Perusahaan - CR-AGR -104-KEK.06.11-1 dated June 21, 2011. Company has also established a procedure for identification and calculation of fair compensation for land, namely Procedure of Land Acquisition and Compensation “Prosedur Pembebasan dan Ganti Rugi Lahan” (CR-AGR -102-GRL.11.11- 1)  Based on interview with local communities, Gender committee leader and worker union leader; they understood the procedure and mechanism to communicating complaint and/or grievance to company.	Comply
6.3.2	There shall be records of process and outcome of dispute resolution. - Major compliance -	Based on interviews with the Department of Sustainability staff and confirmed during the public consultation, there was no conflict or land disputes in the region of PT. Salim Ivomas Pratama Tbk Balam Factory and supply bases including PT Gunung Mas Raya.  Company has recorded the internal dispute and its response on “Log Book Keluhan/Pengaduan & Tanggapan Perusahaan”. Based on interview with local	Comply

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		communities, Gender committee leader and worker union leader including workers indicated that since 2016 until June 2017 there is no complaint and/or grievance from internal workers and external stakeholder to company.	
<b>Criterion 6.4</b>			
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 available, referring to decision of the Constitution Court.  - Major compliance –	PT. Salim Ivomas Pratama Tbk and PT Gunung Mas Raya has established a procedure for identification and calculation of fair compensation for land, namely “Prosedur Pembebasan dan Ganti Rugi Lahan” Procedure of Land Acquisition and Compensation (CR-AGR-102-GRL.06.11-1, dated June 21, 2011). This procedure covered an identification of reserved land for plantation development, identification of the land lord, conflict resolution and land compensation. Land conflict will be handled through a deliberation looking for a win-win solution. If the dispute is not settled, then the case will be brought up to court. Procedure No. CR-AGR-102-GRL.06.11-1 has taken into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long communities; and differences in ethnic groups’ proof of legal versus communal ownership of land.	Comply
6.4.2	A procedure for calculating and distributing fair compensation shall be established, implemented, monitored and evaluated in a participatory way. Corrective actions are taken as a result of this evaluation.  - Minor compliance –	There is a mechanism for land dispute resolution, “Prosedur Pembebasan dan Ganti Rugi Lahan” Procedure of Land Acquisition and Compensation (CR-AGR-102-GRL.06.11-1, dated June 21, 2011). The procedure covers land dispute handling mechanism, negotiation process, and verification upon legal ownership evidence up to land compensation.  Should negotiation process fails, any land dispute will be processed through legal/litigation mechanism. During the process, a complete record is maintained.  The compensation calculated based on agreement of both parties through	Comply

Criterion / Indicator		Assessment Findings	Compliance
		negotiation – upon participative measurement, and recorded under an agreement.	
6.4.3	<p>Compensation claims, process and outcome of any negotiated agreements shall be documented, with evidence of the participation of affected parties.</p> <p>- Major compliance –</p>	<p>As an output from land dispute resolution process, an agreement between both parties and/or copy of court ruling will be required.</p> <p>No any land compensation due to no customary land and/or local community land rights within the company area.</p> <p>Based on management statement, information from surrounding village, and hectare statement shows there is no land dispute between PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya with other party.</p>	Comply
<p><b>Criterion 6.5</b></p> <p>Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p>			
6.5.1	<p>Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.</p> <p>- Major compliance -</p>	<p>The Company paid the wages of employees by minimum wage base on “Decree of Governor Riau Province, no120/I/2017 dated 26 January 2017 minimum wage for agriculture sector sets at Rp 2,516,812/month.</p> <p>Based on the agreement letter of Cooperation Agency of Sumatera Plantation Company (BKS-PPS) no.49 / BKS-PPS / 2017, dated 19 April 2017 on Minimum wage Increase of plantation sector in 2017 in Riau Province, Rp 2,516,812, - including rice supply value for workers Alone for 15 Kg.</p> <p>Documentation of wage payment recorded in “slip gaji”/payment slip. During audit, the employee payment documentation can be demonstrated that minimum wages paid by company has met with the regulation.</p> <p>Whole employees (both of Estate and Mill) also registered for the BPJS-Kesehatan and BPJS-Ketenagakerjaan (Jamsostek) as the additional benefit. The last payment</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		BPJS-Kesehatan and BPJS-Ketenagakerjaan conducted on April 2017.	
6.5.2	<p>Collective Labor Agreement/Company Regulation, in accordance with the manpower regulations, shall be available in understandable language; and explained by the management or Labor Union to the workers.</p> <p>- Major compliance -</p>	<p>Collective Labor Agreements (Perjanjian Kerja Bersama/PKB) between PT Salim Ivomas Pratama Tbk Group (including PT Gunung Mas Raya) and employee made based on the relevant regulations. Collective Labor Agreements period 2015 – 2017 has been approved and registered by the Ministry of Manpower “Kementrian Ketenagakerjaan RI. Direktorat Jenderal Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja” according to decree “Keputusan Direktorat Jenderal Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja No.KEP.88/PHIJSK-PKKAD/PKB/VI/2015 tentang Pendaftaran Perjanjian Kerja Bersama Badan Kerjasama Perusahaan Perkebunan Sumatera (BKS-PPS) dengan Pengurus Pusat Federasi Serikat Pekerja Pertanian dan Perkebunan Serikat Pekerja Seluruh Indonesia (PP.FSP-SPSI)” dated 18 June 2015.</p> <p>Collective Labor Agreements (Perjanjian Kerja Bersama/PKB) has communicated by Labor Union to all employee. Company has been socialized the Collective Labor Agreements on 25 February 2016 to all employee both in Balam POM, Balam Estate and Sungai Rumbia 2 Estate. In addition all employee has a copy of PKB (Collective Labor Agreements. During audit and interview with workers can be demonstrated that they have understand regarding collective labor agreement.</p>	Comply
6.5.3	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where such public facilities are unavailable or inaccessible.</p> <p>- Minor compliance –</p>	<p>The company has prepared facilities for their workers, such as: housing, educational facilities (elementary and early childhood), polyclinics, religious facilities (mosques, churches and temples), and sports facilities (soccer field, badminton, table tennis and field, volly).</p> <p>Based on field visit, it is evident that the company has provided a good standard of housing for staff and workers. Polyclinics staffed by one doctor, two nurses and one midwife who have been certified and 1 unit ambulance. Medical facilities include child delivery facilities and referred treatments to hospitals. School transportation by</p>	Comply

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		buses is also provided free by the company. Water quality tests confirmed the treated water supplied to housing is suitable for domestic use. Recreation facilities in the form of playing fields and community halls are available in all Estates.	
6.5.4	<p>There shall be demonstrable efforts to improve workers' access to adequate, sufficient and affordable food.</p> <p>- Minor compliance –</p>	<p>The company has "Koperasi Karyawan" which managed by the cooperative and traditional market is nearby surrounding company area, mostly goods needed by employees is provided by the minimarket. Employee cooperative under the name "Koperasi Karyawan Balam Sejahtera". The Cooperative has been approved by Decree of the Menteri Koperasi dan Pembinaan Pengusaha Kecil no. 376/BH/IV.6/III.1/X/2014, dated 6 October 2014. The cooperative also has "Akta Pendirian Koperasi " based on Akta Notaris H. Khalidin, S.H; M.H dated 1 October 2014 Nomor: 03/2014.</p> <p>Price in minimarket was affordable and cheaper than traditional market nearby company area. Price control by cooperative and all member including workers and company management.</p>	Comply
<p><b>Criterion 6.6</b></p> <p>The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>			
6.6.1	<p>A record of the company's policy in understandable language recognising freedom of association, shall be available.</p> <p>- Major compliance –</p>	<p>Freedom of Association Policy is written in Bahasa Indonesia, so that all employees can understand as stated in "IndoAgri Sustainable Palm Oil Policy 2017", dated 07<sup>th</sup> February 2017. Stated in the Policy chapter Responsible Employment &amp; Workplace – Freedom of Association "We commit to protect the rights to freedom of association and collective bargaining. These rights include the freedom of workers to form and join trade unions of their choice and to bargain collectively".</p> <p>This policy has been informed to all employees and being placed into public area which easily accessed. The company also has involved forming labour union for</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>workers, named “Serikat Pekerja Pertanian dan Perkebunan - Serikat Pekerja Seluruh Indonesia” Indonesia Plantation and Agriculture Worker Union. Labor Unions have been approved by Branch Manager of SPSI Rokan Hilir Regency based on Decree no. Kep. 90A/PC-FSP.PP/SPSI/RH/XI/ 2013, on November 28, 2013 and has also obtained Proof of Registration from the Disnaker of Rokan Hilir Regency no. 02/SP-Rohil/DTK/VI/2002 dated 7 May 2002.</p> <p>Labor Unions in Balam Factory also has been formed and approved based on “Surat Keputusan Momor: 11/SP-ROHIL/DTK/VI/2002 tentang Pendaftaran Serikat pekerja” dated 25 June 2002. While in balam Estate Labor Union has been approved based on “Surat Keputusan NomorL KPTS.005A/SK/PC/FS.PPP-SPSI/RH/V?2016 tentang Pengesahan Pengukuhan Komposisi dan Personalia Pengurus Unit Kerja Serikat Pekerja Pertanian dan Perkebunan Serikat Pekerja Seluruh Indonesia (PUK SPPP-SPSI) PT Salim Ivomas Pratama – Balam Estate Kab. Rokan Hilir Masa Bakti 2016 – 2021.</p>	
6.6.2	<p>Records of meetings with labor unions or workers representatives shall be available.</p> <p>- Minor compliance –</p>	<p>Several meetings have been held by PUK SPSI and company to discuss the issue related to employment and industrial relation between company and employee. Observation to some minutes of meeting, i.e:</p> <ul style="list-style-type: none"> <li>- Dated 15 Maret 2017 discussing related to The determination of sectoral minimum wage in Rokan Hilir regency.</li> <li>- Dated 10 May 2017 in Balam Estate discussing related to employee housing, funding for ceremonial and celebration, social funding for labor, etc.</li> <li>- Dated 22 August 2017 in Balam Estate discussing related to Regular meetings between management and SPSI regarding employment.</li> </ul>	Comply
<b>Criterion 6.7</b>			

Criterion / Indicator		Assessment Findings	Compliance
Children are not employed or exploited.			
6.7.1	<p>There shall be documented evidence that minimum age requirements are met.</p> <p>- Major compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Group including PT Gunung Mas Raya has a documented Policy on worker age requirement under "IndoAgri Sustainable Palm Oil Policy 2017", dated 07<sup>th</sup> February 2017. Stated in Chapter Responsible Employment &amp; Workplace – Respect Labour Right – Child and Forced Labour "We strictly prohibit the use of underage workers and all forms of forced labour".</p> <p>Records of requirement shown that minimum age of 18 was required which was proved with submitting birth of certificate, identity card, or other such as driving license along with job application.</p> <p>List of employee called by "Stamped Book" consisted of private worker's data including their age showed that there were no underage workers. Cross checked randomly on field observation, it was confirmed that there were no underage children are being employed.</p> <p>Verification on employee list of Balam Factory and Estate and Sungai Rumbia 2 Estate, the youngest employee recruited was more than 18 years old and can be demonstrated that there is no employee recruited under 18 years old.</p>	Comply
<p><b>Criterion 6.8</b></p> <p>Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.</p>			
6.8.1	<p>A company's policy on equal opportunity and treatment for work shall be available and documented.</p> <p>- Major compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Group including PT Gunung Mas Raya has a documented Policy on worker age requirement under "IndoAgri Sustainable Palm Oil Policy 2017", dated 07<sup>th</sup> February 2017. Stated in Chapter Responsible Employment &amp; Workplace – Respect Labour Right – Equal Employment Opportunity " in accordance with pur Code of Conduct, equal employment opportunity is given to</p>	Comply



Criterion / Indicator		Assessment Findings	Compliance
		<p>every employee and candidate for employment, regardless of religion, ethnicity, gender and other discriminatory factor”.</p> <p>As a derivative of the policy, the company also has SOP CR. OGR-01:01 dated August 19, 2010 on the acceptance of new employees.</p> <p>The auditor team interview workers and based on that interview indicated that there was no discrimination found at company.</p> <p>In addition the rules of company in 1<sup>st</sup> paragraph of Article 3 Chapter 3 also mentioned the general requirements of workers are (1) at least 18 years old at the time of admission, (2) able-bodied and healthy spirit, (3) meet the criteria or requirements of his position at the time of admission, (4) obey all the rules and regulations of the company, (5) Not engage in any activity or membership of a banned party or organization, (6) good behavior, (7) would be placed in any location. This is complying with the requirement as well as the Labor Act RI No. 13/2003 chapter III article 5 &amp; 6.</p> <p>The policy indicated that all workers have same opportunities for promotions regardless of race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliations or age. Company also has SOP about the new employment recruitment. According on SOP CR.AGR- 01.01 “Penerimaan Karyawan Baru” (Employee Reqrutment and Selection), the company will accept new employee based on their capabilities and qualifications.</p>	
6.8.2	<p>Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated.</p> <p>- Major compliance –</p>	<p>At the time of audit performed, interviews of male and female workers confirmed that the company anti-discrimination policy was strictly enforced. There is no any case of discrimination performed by company e.g. document review of salary payment did not find any evidence of discrimination. Interview with stakeholder and local community also confirmed that company has implementing the anti discriminacy policy and no case of discriminacy happen which performed by</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		company to local community.	
6.8.3	Records of evidence that equal opportunity and treatment for work shall be available. – Minor compliance -	<p>The company had a procedure of hiring workers regulated that hiring and promotion of workers are based on skill, work experiences, and job evaluation.</p> <p>Company has implemented the employee hiring procedure accordingly. During audit, some of employe hiring data on HR archive document were available. Based on hiring record information, indicated that employee hiring was performed based on skill, work experiences, and job evaluation. Hiring selection has been performed such as: application letter; supporting document of study/graduation, medical checkup record, psychological test record, written test record, interview record and evaluation record. Sample seen during audit and indicated that company has comply their procedure.</p> <p>The company is conduct performance evaluation of workers annually as documented in "Rekapitulasi Appraisal 2016, with scoring for work quality, work quantity, behavior/attitude, team work, discipline, responsibility. Document of workers performance evaluation 2017 were available in Balam Factory, Balam Estate and Sungai Rumbia 2 Estate and can be demonstrated during audit. Based on interview with workers, both of male and female were confirmed that there was no discrimination on working opportunities, all workers were treated equally. Records of employee's recruitment and its contract agreement were available.</p>	Comply
<b>Criterion 6.9</b>			
There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	A policy to prevent sexual and all other forms of harassment and violence, shall be documented, implemented and communicated to all levels of	The company has policy to prevent sexual and all other forms of harassment and violence as stated in policy "IndoAgri Sustainable Palm Oil Policy 2017", dated 07 <sup>th</sup> February 2017. Stated in Chapter Responsible Employment & Workplace – Respect	Comply

Criterion / Indicator		Assessment Findings	Compliance
	the workforce. - Major compliance –	Labour Right – Harrassment and Abuse “We commit to ensure the protection of our employes from all forms of harassment and abuse”. Implemented policy on prevention of sexual harassment and violence against women, the policy is prominently displayed on notice boards at the Mills and the Estates muster areas. Interviews of female staff, workers and union representatives confirmed that the sexual harassment policy has well implemented by the company.	
6.9.2	A policy to protect the reproductive rights, shall be documented, implemented and communicated to all levels of the workforce. - Major compliance –	<p>The company already has a procedure of prevention and handling of sexual harassment cases, as stipulated in the SOP No. CR-OPR-105-KPS.11.11-1 dated November 8, 2011.</p> <p>The Company has established the organizational structure of the women's protection organization (Gender Committee) of Balam Estate and Balam Factory on 3 March 2016. Gender committee actively meets and discussing general agenda and other issue related to handling sexual harassment, dissemination of sexual harassment prevention. Some work programs related to the protection of women that have been planned in the period 2017, including:</p> <ul style="list-style-type: none"> <li>- Counseling on sexual violence to female workers in estate and mill</li> <li>- Socialization of mechanisms for handling cases of violence against women and children and sexual harassment.</li> <li>- Conducting activities of women and women, including: POSYANDU program every month, pregnancy examination to female workers (spraying workers).</li> </ul> <p>Based on interview with Gender Committee, company has implemented the protection of women reproductive rights, in form of maternal leave, period leave, regular pregnancy check for female sprayers and strictly prohibit pregnant and/or breastfeeding female worker applying pesticides.</p>	Comply

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6.9.3	<p>A specific grievance mechanism which respects anonymity of complainants where requested, and as long as they are supported with adequate information, shall be documented, implemented, and communicated to all workforce.</p> <p>- Minor compliance –</p>	<p>The company has defined the Standard Operating Procedure, No. SOP: XX-HR-308.5-R0; Revision: 0, dated 11/12/2009 - Employees complaints procedure: submission and settlement Mechanism for complaints management where it needs to protect its confidentiality for complaint submitter was found in company policy's.</p> <p>Company has appointed KTU and Humas who responsible to receive and manage the complaint.</p> <p>Based on interview with workers, labor union and gender committee shows that they have good understanding on complaint submission mechanism which respects anonymity of complainants where requested.</p>	Comply
<p><b>Criterion 6.10</b></p> <p>Growers and millers deal fairly and transparently with smallholders and other local businesses.</p>			
6.10.1	<p>Current and past prices paid for Fresh Fruit Bunches (FFB), shall be publicly available.</p> <p>- Minor compliance -</p>	<p>PT Salim Ivomas Pratama Tbk Balam factory was not receive FFB from smallholder scheme and other local businesses.</p> <p>The non certified FFB (out of scope certification) receive from own estate namely Sungai Rumbia 1 Estate PT Gunung Mas Raya. The record of FFB received from Sungai Rumbia 1 Estate Estate recorded in "Data Penerimaan TBS 2017".</p> <p>Generally FFB pricing is determined by Government Bodies "Tim Penetapan Harga TBS Dinas Perkebunan Provinsi Riau". The FFB price based on "Hasil Rapat Penetapan Harga Pembelian TBS Kelapa sawit Produksi Pekebun di Propinsi Riau".</p> <p>The FFB price is updated weekly by Government bodies (every Tuesday).</p>	N/A
6.10.2	<p>Pricing mechanisms for Fresh Fruit Bunches (FFB) and inputs/services shall be explained and</p>	<p>The company has provided explanation on the FFB pricing formula and based on interview with third party supplier, they understood of FFB pricing mechanism and</p>	N/A

Criterion / Indicator	Assessment Findings	Compliance
<p>documented (where these are under the control of the mill or plantation).</p> <p>- Major compliance -</p>	<p>no complaint was noted regarding FFB price.</p> <p>The company has provided explanation on the FFB pricing formula based on government FFB price determination. There are 2 FFB price formula in Mill, such as:</p> <p>1. FFB Price formula for Smallholder</p> $\text{FFB Price} = \text{K Index} [(\text{CPOprice} \times \text{OER}) + (\text{Pkprice} \times \text{KER})]$ <p>The FFB price is divided based on planting ages (3, 4, 5, 6, 7, 8, 9 years, 10 – 20 years, 21, 22, 23, 24 and 25 years), the differences of prices from OER and KER.</p> <p>2. FFB price from third parties:</p> $\text{CPO Price} - \text{Transport cost} \times \text{OER} = \text{X}$ $\text{PK price} - \text{Transport cost} \times \text{KER} = \text{Y}$ <p>----- +</p> $\text{Total} = \text{XY} = \text{A}$ $\text{Processing cost} = \text{B}$ <p>----- -</p> $\text{FFB Gross price} = (\text{A}-\text{B}) = \text{C}$ $\text{Miscellaneous cost} = \text{D}$ <p>----- -</p> $\text{FFB price} = \text{C}-\text{D}$	
<p>6.10.3 Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and</p>	<p>PT Salim Ivomas Pratama Tbk Balam factory was not receive FFB from smallholder scheme and other local businesses.</p>	<p>N/A</p>

Criterion / Indicator		Assessment Findings	Compliance
	transparent. - Minor compliance -	The non certified FFB receive from own estate namely Sungai Rumbia 1 Estate PT Gunung Mas Raya. The record of FFB received from Sungai Rumbia 1 Estate recorded in "Data Penerimaan TBS 2017".	
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	PT Salim Ivomas Pratama Tbk Balam factory was not receive FFB from smallholder scheme and other local businesses.  The non certified FFB receive from own estate namely Sungai Rumbia 1 Estate PT Gunung Mas Raya. The record of FFB received from Sungai Rumbia 1 recorded in "Data Penerimaan TBS 2017".	N/A
<b>Criterion 6.11</b>			
Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Records of contributions to local development based on the results of consultation with local communities shall be available. - Minor compliance -	The company has established a Community Development programme – CSR period 2017 comprised of Relationship/Communication programme, Capacity Building for community programme, Livelihood programme, Health programme, Public Facility/Infrastructure programme, Contribution to Religious event and Culture, Contribution to National Day, Donation and Awareness programme. The Company has set the CSR program for the period of 2017 with a budget of Rp. *****, -Some CSR program, including:  1. Economics: - Development Assistance Drilling Well - Provision of fish seeds to Balai Jaya Village Town - Making public toilets  2. Religious: - Assistance of religious day to the village around the plantation	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>- Renovation of church and mosque worship</li> </ul> <p>3. Health:</p> <ul style="list-style-type: none"> <li>- Coaching Posyandu in the garden</li> <li>- Help equipment / equipment at daycare.</li> </ul> <p>4. Education</p> <p>Student fee of Istiper / Unand student (4 people for 3 months)</p> <p>Realization of the CSR program in period 2016, such as:</p> <ul style="list-style-type: none"> <li>✓ Honorarium payment for Mudim Masjid Muttaqien each month</li> <li>✓ In January 2016, road maintenance and service by road graders along 73 km.</li> <li>✓ In February 2016, contribution to the Open Cup II 2016 championship</li> <li>✓ In March 2016 Provision of child nutrition Kindergarten and day care TPA</li> </ul> <p>The company also uses local contractors for the work and activities of the plantation, e.g. Replanting (tumbling, chipping and rasping) work of 607 Ha, based on contract of employment agreement no. SDE/SIMP/SPK/002 /V/16, dated 31/5/2016 on behalf of PT Mitra Karya Jaya Perdana.</p> <p>CSR realization until August 2017:</p> <ul style="list-style-type: none"> <li>▪ Provision of fish seeds for local community economic activity</li> <li>▪ Development of Proklim (climate camp program)</li> <li>▪ Internship of vocational school students from local school</li> <li>▪ Guidance of Posyandu</li> </ul>	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>▪ Development of posyandu for surrounding community</li> <li>▪ Honor of mosque Muttaqin KM 37</li> <li>▪ Mosque maintenance assistance</li> <li>▪ Church care assistance</li> <li>▪ Aid religious celebrations</li> <li>▪ Funding assistance for the Independence Day of RI for each village/kepenghuluan village</li> <li>▪ Build a drilling well for local community</li> <li>▪ Build a public bathroom/toilet in surrounding village</li> </ul>	
6.11.2	<p>Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve scheme smallholder productivity.</p> <p>- Minor compliance -</p>	There is no scheme smallholders associated with PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya.	N/A
<p><b>Criterion 6.12</b></p> <p>No forms of forced or trafficked labor are used.</p>			
6.12.1	<p>There shall be evidence that no forms of forced or trafficked labor are used.</p> <p>- Major compliance -</p>	The company has policy to prohibit any forms of forced or trafficked labor as stated in policy "IndoAgri Sustainable Palm Oil Policy 2017", dated 07 <sup>th</sup> February 2017. Stated in Chapter Responsible Employment & Workplace – Respect Labour Right – Child and Forced Labour "We strictly prohibit the use of underage workers and all formed of forced labour. We commit to enabling all employees to exercise their own	Comply



Criterion / Indicator		Assessment Findings	Compliance
		<p>free will and work without coercion".</p> <p>Based on interview with worker union committee and gender committee, there was no indication of forced labour and/or human trafficking. All employees have work agreement, regulating the rights and obligation of company and employee. The work agreement including working hour and salary payment. Based on document verification and salary payment shows that employee have been paid in accordance to minimum wage regulation.</p>	
6.12.2	<p>It shall be demonstrated that no contract substitution has occurred.</p> <p>- Minor compliance -</p>	<p>Based on interview with worker union committee and gender committee, there was no indication of contract substitution occurred. All employees have work agreement, explaining the rights and obligation including scope of work.</p>	Comply
6.12.3	<p>Where migrant/foreign/honorary workers are employed, a special worker policy and procedures and the evidence of implementation shall be available.</p> <p>- Major compliance -</p>	<p>During document review of employee data and list of employee shown that there is no migrant/foreign/honorary workers are employed by company.</p> <p>Procedures against employee has been set by company in HR procedure regarding workers/employee. Company also has determined the policy to protect the employee presented in "IndoAgri Sustainable Palm Oil Policy 2017", dated 07<sup>th</sup> February 2017. Stated in Chapter Responsible Employment &amp; Workplace – Respect Labour Right.</p> <p>Based on interview with worker union committee and gender committee, there was no indication on the use of migrant worker. All employee including temporary workers have work agreement; regulating the scope of work, work agreement timeframe, working hour, salary payment, overtime and Jamsostek.</p>	Comply
<p><b>Criterion 6.13</b> Growers and millers respect human rights.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.13.1	<p>A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations.</p> <p>- Major compliance -</p>	<p>The company has established human rights policy, as stated in policy "IndoAgri Sustainable Palm Oil Policy 2017", dated 07<sup>th</sup> February 2017. Stated in Chapter Sustainable Communities – Respect Human rights "We commit to comply with Indonesian National laws and ratified International treaties on human rights and notably, indigenous peoples rights". The policy has been communicated to the workforce.</p> <p>Based on interview with workers indicated that there was no indication of human right violation. They have understand regarding company human rights policy.</p>	Comply
<b>Principle 7: Responsible development of new plantings</b>			
<b>Criterion 7.1</b>			
A comprehensive and participatory independent social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.			
7.1.1	<p>An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders, shall be documented.</p> <p>- Major compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.</p> <p>PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.</p>	N/A
7.1.2	<p>Appropriate management planning and operational procedures shall be developed and implemented to avoid or mitigate identified potential negative impacts.</p>	<p>PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.</p> <p>PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since</p>	N/A

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	November 2005.	
7.1.3	Where the development includes an outgrower scheme ( <i>skema kemitraan</i> ), the impacts of the scheme and the implications of the way it is managed shall be given particular attention.  - Minor compliance -	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
<b>Criterion 7.2</b>			
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.			
7.2.1	Soil suitability maps or soil surveys adequate to establish the long-term suitability of land for oil palm cultivation shall be available and taken into account in plans and operations.  - Major compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
7.2.2	Topographic information adequate to guide the planning of drainage and irrigation systems, roads and other infrastructure shall be available.  - Minor compliance -	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A

Criterion / Indicator	Assessment Findings	Compliance	
<p><b>Criterion 7.3</b> New plantings since November 2005 have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</p>			
7.3.1	<p>There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).</p> <p>- Major compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.</p> <p>PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.</p>	N/A
7.3.2	<p>Reports of comprehensive HCV assessment, which involves stakeholder consultation and includes record of land-use change since November 2005, shall be available. This HCV assessment shall be conducted prior to any conversion or new planting.</p> <p>- Major compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.</p> <p>PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.</p>	N/A
7.3.3	<p>Records of land preparation and clearing dates shall be available.</p> <p>- Minor compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.</p> <p>PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since</p>	N/A

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		November 2005.	
7.3.4	An action plan shall be developed that describes operational actions consequent to the findings of the HCV assessment, and that references the grower’s relevant operational procedures. (see Criterion 5.2)  - Major compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
7.3.5	Evidence of consultation with the affected community shall be available in order to identify the area required by such community to fulfill its basic needs, by considering the positive and negative changes to the livelihood as a result of plantation operations. Such matters shall be included in the HCV analysis and management plan (see Criteria 5.2).  - Minor compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
<b>Criterion 7.4</b>			
Extensive planting on steep terrain, and/or marginal and fragile soils, including peat, is avoided.			
7.4.1	Indicative maps showing marginal and fragile soils, including excessive gradients and peat soils, shall be available and used to identify areas to be avoided.  - Major compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since	N/A

Criterion / Indicator		Assessment Findings	Compliance
		November 2005.	
7.4.2	Where limited planting on fragile and marginal soils, including peat, is proposed, a documented plan shall be developed and implemented to protect them without incurring adverse impacts. - Major compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
<b>Criterion 7.5</b>			
No new plantings are established on local people’s land where it can be demonstrated that there are legal, customary or user rights, without their free, prior and informed consent. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.			
7.5.1	Evidence shall be available that affected local peoples understand they have the right to say ‘yes’ or ‘no’ to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the grower/miller is signed and ratified by these local peoples (see Criteria 2.2, 2.3, 6.2, 6.4 and 7.6)  - Major compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
<b>Criterion 7.6</b>			
Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of			

Criterion / Indicator		Assessment Findings	Compliance
rights, subject to their free, prior and informed consent and negotiated agreements.			
7.6.1	Records of identification and assessment of legal, customary and user rights shall be available. - Major compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
7.6.2	A procedure for identifying people entitled to compensation shall be available. - Major compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
7.6.3	Records of calculation system and distribution of fair compensation shall be available. - Major compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
7.6.4	Communities that have lost access and rights to land for plantation expansion shall be given opportunities to benefit from plantation development.	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and	N/A

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance –	will started replanting on 2017. No any new planting area/developing area since November 2005.	
7.6.5	The process and outcome of any compensation claims shall be documented and made available to the affected communities and their representatives.  - Minor compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
7.6.6	Evidence shall be available that the affected communities and rights holders have access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.  - Minor compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A
<b>Criterion 7.7</b>			
No use of fire in the preparation of new plantings other than in specific situations, as identified in the ASEAN Guidelines or other regional best practice.			
7.7.1	Records of zero burning implementation on land clearing, referring to the ASEAN Policy on zero burning (2003) and recognised techniques based on the existing regulations shall be available.  - Major compliance –	PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.  PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.	N/A



Criterion / Indicator		Assessment Findings	Compliance
7.7.2	<p>In exceptional cases where fire has to be used for preparing land for planting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN on Zero Burning' 2003, or comparable guidelines in other regions.</p> <p>- Minor compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.</p> <p>PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.</p>	N/A
<p><b>Criterion 7.8</b> New plantation developments are designed to minimize net greenhouse gas emissions.</p>			
7.8.1	<p>The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development shall be identified and estimated.</p> <p>- Major compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.</p> <p>PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.</p>	N/A
7.8.2	<p>Records of a plan to minimize net GHG emissions shall be available.</p> <p>- Minor compliance –</p>	<p>PT Salim Ivomas Pratama Tbk Balam Estate has planted since 1985 – 1992 and will be started replanting in 2018. No any new planting area/developing area since November 2005.</p> <p>PT Gunung Mas Raya Sungai Rumbia 2 Estate has planted since 1989 – 2004 and will started replanting on 2017. No any new planting area/developing area since November 2005.</p>	N/A
<p><b>Principle 8: Commitment to continuous improvement in key areas of activity</b></p>			

Criterion / Indicator	Assessment Findings	Compliance	
<p><b>Criterion 8.1</b></p> <p>Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</p>			
<p>8.1.1</p>	<p>The action plan for monitoring shall be available, based on a consideration of the social and environmental impacts and routine evaluation of the plantation and mill operations. As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of certain chemicals (Criterion 4.6);</li> <li>• Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>• Waste reduction (Criterion 5.3);</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>• Social impacts (Criterion 6.1);</li> <li>• Optimising the yield of FFB production (Criterion 4.2)</li> </ul> <p>- Major compliance –</p>	<p>A continuous improvement plan has been prepared and internal audit conducted to identify environmental and social activities, such as:</p> <ul style="list-style-type: none"> <li>• The company has regularly prepared the Environmental Management and Monitoring Plan or Rencana Kelola Lingkungan-Rencana Pemantauan Lingkungan (RKL-RPL). In this document the company reporting they efforts how to manage and recycle wastes in order to improve the environmental performance. The environmental indicators such as water, waste water, and air quality, as well as noise in the mill and its surrounding are kept below the threshold values given by the regulation. The company always submit the report regularly to comply the government regulation. Waste reduction efforts are use of fiber and shell as bio fuels; use of empty fruit bunch, solid and palm oil mill effluent as organic fertilizers; hazardous waste management and domestic waste management.</li> <li>• The company has conducted the mitigation efforts to reduce the such as reduce of pollution and greenhouse gas (GHG) emissions. Some of their effort are reduce of fossil fuel and replace to bio fuel such as use of fiber and shell; reduce of chemical fertilizer to bio fertilizer such as empty fruit bunch, solid and palm oil mill effluent as land application; implementing the integrated pest management by use of owl and beneficial plant for natural predator to reduce pesticides (since 2001 company has no longer use the pesticide to control the rats pest), minimized the herbicide usage by selecting spraying 9since May 2017 company has no longer use gramoxone/paraquat).</li> <li>• The company has prepared the management and monitoring of Social Impact</li> </ul>	<p>Comply</p>

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	<p>Assesment. The report consist of identification of type of social impact, sources of impact, the management and monitoring plan to manage the impact. The company has conducted the report of CSR program as one of the management of social impact.</p> <ul style="list-style-type: none"> <li>• FFB productivity enhancement by : Fertilizer application according to research recommendation (appropriate dosage, time and target) based on regular leaf sampling analysis; Integrated pest management implementation (since 2001 no longer use the pesticide to control the mices, company placing 2,500 nest box spread in the plantation area with 10,000 barn owl occupied each year; Pest and disease control by biological control by cultivate entomopathogenic agents of the virus that is sprayed into the whole plantation; Real time response by utilizing air photography, satellite technology and Geographic information System (GIS) facilities, company are able to monitor plantation blocks and record real-time accurate information against the plant health conditions and ground/water characteristics of plantations. This has improved the allocation of resources and labor, and enabled company to prevent potential agronomic problems.</li> <li>• Increase rendemen CPKO by reducing losses PKE (Palm kernel espeller/pulp</li> <li>• Reserve HCV areas. Planting native species/local species trees along river riparian to prevent river contamination and prevent erosion;</li> <li>• Improve the efficiency in water use, using condensate water circulation tank during extraction process in mill laboratory. The recycled condensed water then used as dilution water. Maintenance of water plumbing also planned.</li> </ul>	

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**Appendix B: Approved Time Bound Plan**

No	Company	Name of Mill	Supply Bases	Region	District	Status	Time bound for certification
1	PT. Salim Ivomas Pratama	Sungai Dua Factory (SDF)	Sungai Dua Estate (SDE)	Riau	Rokan Hilir	Certified (2013)	-
		Balam Factory (BLF)	Balam Estate (BLE)	Riau	Rokan Hilir	Audit Stage 2 on November 2017 by PT BSI Group Indonesia	2018
		Kayangan Factory (KYF)	Kayangan Estate (KYE)	Riau	Rokan Hilir	Certified (2012)	-
			Kencana Estate (KCE)	Riau	Rokan Hilir	Certified (2012)	-
2	PT. Gunung Mas Raya	Sungai Bangko Factory (SBF)	Sungai Bangko Estate (SBE)	Riau	Rokan Hilir	Certified (2014)	-
			Sungai Rumbia Estate-1 (SRE-1)	Riau	Rokan Hilir	Audit Stage 2 on May 2017 by PT BSI Group Indonesia	2018
			Sungai Rumbia Estate-2 (SRE-2)	Riau	Rokan Hilir	Audit Stage 2 on May 2017 by PT BSI Group Indonesia	2018
3	PT. Cibaliung Tunggal Plantation	Sungai Bangko factory (SBF)	Cibaliung Estate (CBE)	Riau	Rokan Hilir	Certified (2013)	-
4	PT. Serikat Putra	Lubuk Raja Factory (LRF)	Lubuk Raja Estate (LRE)	Riau	Pelalawan	Certified (2017)	2016
			Bukit Raja Estate (BRE)	Riau	Pelalawan	Certified (2017)	2016
5	PT. Indri Plant	Napal Factory (NPF)	Napal Estate (NPE)	Riau	Indragiri Hulu	Certified (2016)	-
6	PT. Mentari Subur Abadi IA tgl 5 – 8 Mei 2015	Muara Merang Factory (MRF)	Muara Merang Estate (MRE)	South Sumatra	Musi Banyuasin	Stage-1 audit (28-31 Dec 2015)	2018
			Mangsang Estae (MSE)	South Sumatra	Musi Banyuasin	Stage-1 audit (28-31 Dec 2015)	2018
			Karang Agung Estate (KAE)	South Sumatra	Musi Banyuasin	Stage-1 audit (28-31 Dec 2015)	2018
			Hulu Merang Estate (HME)	South Sumatra	Musi Banyuasin	Stage-1 audit (28-31 Dec 2015)	2018
7	PT. Swadaya Bhakti	-	Pulai Gading Estate (PGE)	South Sumatra	Musi Banyuasin	-	2019

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	Negaramas IA tgl 2 – 4 Agustus 2016		Medak Estate (MDE)	South Sumatra	Musi Banyuasin	-	2019
8	PT. Cangkul Bumi Subur IA tgl 3 – 4 Agustus 2016	-	Bumi Subur Estate (BSE)	South Sumatra	Musi Banyuasin	-	2019
			Bukit Indah Estate (BIE)	South Sumatra	Musi Banyuasin	-	2019
9	PT. Intimegah Bestari Pertiwi IA tgl 5 – 6 Agustus 2016	-	Sungai Ampalau Estate (SAE)	South Sumatra	Musi Banyuasin	-	2019
			Megah Abadi Estate (MAE)	South Sumatra	Musi Banyuasin	-	2019
10	PT. Pelangi Inti Pertiwi IA tgl 1 – 7 September 2016	-	Mancang Estate (MCE)	South Sumatra	Musi Banyuasin	-	2019
11	PT Citra Nusa Inti Sawit	Kedukul Factory (KDF)	Kedukul Estate (KDE)	West Kalimantan	Sanggau	Stage-1 (28-30 Des 2015)	2018
			Trimulya Estate (TME)	West Kalimantan	Sanggau	Stage-1 (28-30 Des 2015)	2018
			Sei Mawang Estate (SME)	West Kalimantan	Sanggau	Stage-1 (28-30 Des 2015)	2018
12	PT. Kebun Ganda Prima	Kembayan Factory (KBF)	Kembayan Estate (KBE)	West Kalimantan	Sanggau	Stage-1 (28-30 Des 2015)	2018
			Tayan Hulu Estate (THE)	West Kalimantan	Sanggau	Stage-1 (28-30 Des 2015)	2018
13	PT. Riau Agrotama Plantation	Nanga Silat Factory (NSF)	Nanga Silat Estate (NSE)	West Kalimantan	Kapuas Hulu	Stage-1 (28-30 Des 2015)	2018
			Bukit Setunggul Estate (BSE)	West Kalimantan	Kapuas Hulu	Stage-1 (28-30 Des 2015)	2018
			Kapuas Estate (KKE)	West Kalimantan	Kapuas Hulu	Stage-1 (28-30 Des 2015)	2018
14	PT. Jake Sarana IA tgl 27 Agustus 2016	-	Miau Merah Estate (MME)	West Kalimantan	Sintang	-	2019
			Sekubang Estate (SKE)	West Kalimantan	Sintang	-	2019
15	PT. Citra Kalbar Sarana IA tgl 20 Agustus 2016	-	Libau Estate (LBE)	West Kalimantan	Sintang	-	2019
			Sepauk Estate (SKE)	West Kalimantan	Sintang	-	2019
			Tempunak Estate (TPE)	West Kalimantan	Sintang	-	2019
16	PT. Hijau Pertiwi Indah Plantation IA tgl 16 - 18 Agustus 2016	-	Lupak Dalam	Central Kalimantan	Kapuas	-	2019
			Kuala Kapuas	Central Kalimantan	Kapuas	-	2019
			Bunga Tanjung	Central Kalimantan	Kapuas	-	2019
17	PT. Kebun Mandiri Sejahtera	Mariango Factory (MGF)	Penajam Estate (PNE)	East Kalimantan	Pasir Utara	Stage-1 (1-7 Des 2015)	2018
			Mariango Estate (MGE)	East Kalimantan	Pasir Utara	Stage-1 (1-7 Des 2015)	2018
18	PT. Gunta Samba	Ampanas Factory	Ampanas Estate	East Kalimantan	Kutai Timur	Stage-1 (1-5 May 2016)	2018
			Elang Estate	East Kalimantan	Kutai Timur	Stage-1 (23-24 October 2016)	2018

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19	PT. Multi Pasific International	Ciptagraha Factory	Cipta Graha Estate	East Kalimantan	Kutai Timur	-	2018
			Peridan Estate	East Kalimantan	Kutai Timur	Stage-1 on 19 – 22 October 2016	2018
			Kerayaan Estate	East Kalimantan	Kutai Timur	Stage-1 on 19 – 22 October 2016	2018
			Muara Bulan Estate	East Kalimantan	Kutai Timur	-	2018
			Baay Estate	East Kalimantan	Kutai Timur	-	2018
20	PT. Mitra Intisejati Plantation	Bengkayang Factory	Bengkayang Estate	East Kalimantan	Kalbar, Bengkayang	-	2018

**Appendix C: Certification Unit RSPO Certificate Details**

PT. Salim Ivomas Pratama Tbk  
Balam Factory (Palm Oil Mill)  
Balai Jaya and Balam Sempurna Village,  
Balai Jaya District,  
Rokan Hilir Regency,  
Riau Province  
INDONESIA

BSI RSPO Certificate No: RSPO 672133

Date of Initial Certificate Issued: 11/06/2018 (Initial Audit)

Date of Expiry: 10/06/2023 (Initial Audit)

RSPO membership number: 1-0041-07-000-00, dated 24<sup>th</sup> September 2007

Applicable Standards: **RSPO P&C INA NI 2016**; *RSPO Supply Chain Certification Standard November 2014*  
*Module Module E - CPO Mills: Mass Balance*

<b>PT. Salim Ivomas Pratama Tbk – Balam Factory (Palm Oil Mill) and Supply Base</b>						
Location Address	Balai Jaya and Balam Sempurna Village, Balai Jaya District, Rokan Hilir Regency, Riau Province, Indonesia					
GPS Location	100° 37' 15.10" E - 01° 45' 43.48" N					
CPO Tonnage Total	53,792.98 MT					
PK Tonnage Total	13,134.97 MT					
CPO Claimed for Certification*	44,440.52 MT					
PK Claimed for Certification *	10,851.32 MT					
Own estates FFB Tonnage	206,701.00 MT					
Scheme Smallholder FFB tonnage	- MT					
Estates	Production Area		Other use & Infrass (ha)	HCV (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)				
Balam Estate	5,823	0	70	101	5,994	127,928
Sungai Rumbia 2 Estate	4,049	0	66	76	4,191	78,773
<b>TOTAL</b>	<b>9,872</b>	<b>0</b>	<b>136</b>	<b>177</b>	<b>10,185</b>	<b>206,701</b>

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## Appendix D: Assessment Plan

IAV Assessment plan

Date	Time	Subjects	MJ	EW	AH
			PRSP0-LA,EMS	PRSP0-SA	PRSP0-EMS, OHS, SCC
Sunday 27/08/2017	12.00 – 14.00	Travel from Jakarta – Pekanbaru by GA144	√	√	
	12.00 – 14.00	Travel from Medan - Pekanbaru			√
	14.00 – 20.00	Travel from Pekanbaru – Balam Factory	√	√	√
Monday 28/08/2017	08.00 – 09.00	<b>Opening Meeting</b> Presentation by PT. Salim Ivomas Pratama Tbk – Balam Factory	√	√	√
	09.00 – 12.00	<b>Balam Estate Field Visit:</b> Herbicide application programmes, harvesting, fertilising operations, , water management, road maintenance, terracing, HCV's, riparian zones, etc.	√		
		<b>Balam Estate Field Visit:</b> Agrochemical stores, Fertilizer store, workshops, housing, landfill, clinic, HCV's, riparian zones, Hazardous Waste, etc.			√
		<b>Balam Estate Field Visit:</b> Boundaries inspection, worker interviews, social amenities, etc.  Interview with: Labour Union and Gender Committee.		√	
	12.00 –14.00	Lunch	√	√	√
	14.00 – 17.00	<b>Document Review: Balam Estate</b>	√	√	√
Tuesday, 29/08/2017	08.00 – 12.00	<b>Sungai Rumbia 2 Estate Field Visit:</b> Herbicide application programmes, harvesting, fertilising operations, , water management, road maintenance, terracing, HCV's, riparian zones, etc.	√		√
		<b>Stakeholder consultation</b> Interview with: BLH, BPN, Disbun, Disnakertrans Kab. Rokan Hilir, BPN		√	
		<b>Sungai Rumbia 2 Estate Field Visit:</b> Agrochemical stores, Fertilizer store, workshops, housing, landfill, clinic, HCV's, riparian zones, Hazardous Waste, etc.			√
	14.00 – 17.00	<b>Document Review: Sungai Rumbia 2 Estate</b>	√	√	√



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		<b>Stakeholder consultation</b> Interview with: Village head, local community, community leaders, local contractor, FFB supplier, etc		√	
Wednesday 30/08/2017	08.00 – 12.00	<b>Balam Factory</b> <b>Field Visit and Document Review:</b> Inspection of processing, warehouse, workshop, mill wastes management, Effluent Ponds, OHS, Environment issues, POME application, workers interview, Supply chain for CPO mill, Review on SEIA documents and records, Document review, etc.	√	√	√
	12.00 – 14.00	Lunch	√	√	√
	14.00 – 15.00	<b>Document Review</b>	√	√	√
	15.00 – 16.00	Preparing Closing Meeting	√	√	√
	16.00 – 17.00	<b>Closing Meeting</b>	√	√	√
	17.00 – 22.00	Traveling Site - pekanbaru	√	√	√
	22.00 - up	Stay at Hotel Pekanbaru	√	√	√
Thursday 31/08/2017	08.30 – 10.30	Travel Pekanbaru – Jakarta by GA	√	√	
	08.30 – 10.30	Travel Pekanbaru - Medan			√

The BSI auditor team will comprise of the following members.

	Name	Role	Assessment aspects
1	Mujinius Jalaraya	Team Leader	HCV, Best Management Practise for Plantation and Mill (Fluent in English and local language).
2	Edy Widodo	Team member	Legal aspect, Social and labor, Stakeholder consultation
3	Aswan Hasibuan	Team member	Environmental aspect, OHS aspect, SCC for CPO Mill (Fluent in English and local language).

**Appendix E: Stakeholders Contacted**

<p><b>Internal Stakeholders</b></p> <ol style="list-style-type: none"> <li>1. Gender Committee of PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya</li> <li>2. Employee PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya (harvester, sprayer, manuring worker, operator, etc)</li> </ol>	<p><b>Union/Contractors/Local Communities</b></p> <ol style="list-style-type: none"> <li>1. Worker union representative of PT Salim Ivomas Pratama Tbk and PT Gunung Mas Raya</li> <li>2. Local community and village head of Balam Sempurna Village and Kahyangan Village Balai Jaya District, Rokan Hilir Regency, Riau Province</li> </ol>
<p><b>Government Departments</b></p> <ol style="list-style-type: none"> <li>1. Dinas Tenaga Kerja dan Transmigrasi Kabupaten Rokan Hilir (Manpower and Transmigration Office – Rokan Hilir Regency)</li> <li>2. Dinas Lingkungan Hidup Kabupaten Rokan Hilir (Environmental Office – Rokan Hilir Regency)</li> <li>3. Dinas Pertanian dan Perkebunan Kabupaten Rokan Hilir (Agriculture and Plantation Service – Rokan Hilir Regency)</li> <li>4. Kantor Pertanahan Kabupaten Asahan (Land affairs office - Rokan Hilir Regency)</li> </ol>	<p><b>NGO</b></p> <p>Invitation letter to comment was sent before audit, there was no comment submit by NGO.</p>

**Appendix F: CPO Mill Supply Chain Assessment Report (Module E - CPO Mills: Mass Balance)**

<b>Criterion E.1. Definition</b>			
	<b>Requirement</b>	<b>Evidence</b>	<b>Compliance</b>
E.1.1	Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	PT Salim Ivomas Pratama – Balam POM apply for RSPO P&C Certificate. The Palm Oil Mill implemented Mass Balance model for the supply chain system. The FFB supplies for Balam POM, PT Salim Ivomas Pratama are come from Balam Estate (PT Salim Ivomas Pratama) and Sungai Rumbia 2 Estate (PT Gunung Mas Raya). Other FFB supply was coming from Sungai Rumbia 1 Estate, PT Gunung Mas Raya which is not include in the certification scope.	Comply
<b>Criterion E.2. Explanation</b>			
E.2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.	Balam POM has demonstrates estimated tonnage of CPO and PK products that could potentially be produced. BSI verifies the estimated production of CPO and PK during this initial assessment, and recorded in the public summary of the P&C certification report. The figure represents the total volume of certified palm oil product (CPO and PK) that the mill is allowed to deliver in a year.	Comply
E.2.2	The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	The company has registered and projected volume and sold out of product will be registered in Palm-trace, after certified by CB. The issues found during audit and it raised as non conformity :  There is no evidence that PT Salim Ivomas Pratama – Balam POM has been registered in RSPO IT Platform (PalmTrace).  These issue has been addressed by company according to section 3.3 (details of finding).	NC #1521456-201708-M8 CLOSED on 8/11/2017 Comply
<b>Criterion E.3. Documented procedures</b>			
E.3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This	PT Salim Ivomas Pratama – Balam Factory has written procedure and work instruction in place to ensure the implementation of all elements specified in these requirement. The procedures and work instructions are	NC #1521456-201708-M9 CLOSED on 8/11/2017

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<p>shall include at minimum the following:</p>	<p>complete and up to date covering the implementation of all the elements in RSPO Supply Chain Certification requirements.</p> <p>The issues found during audit and it raised as non conformity :</p> <ul style="list-style-type: none"> <li>• The procedure of Supply Chain (CR-OPR-101-SPC.03.13.1) dated 7 September 2015 still mention the term "e-trace".</li> <li>• Balam POM, PT Salim Ivomas Pratama sent their CPO to Dumai Bulking, PT Sarana Tempa Perkasa, however the scope of procedure is only cover FFB Receiving and Delivery of CPO and PK from the Mill.</li> <li>• Balam POM does not have information whether the outsourcing, e.g. PT Sarana Tempa Perkasa (Bulking), PT Indoagri Inti Plantation and PT Sumber Trans Agung (Transporter) have been certified against RSPO SC 2014 standard, whilst BSI as CB was disable to do onsite audit at the location of outsourcing.</li> <li>• The weighbridge clerk, i.e. Ramona has not trained yet for RSPO Supply Chain Certification.</li> </ul> <p>These issue has been addressed by company according to section 3.3 (details of finding).</p>	<p>Comply</p>
<p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements</p>	<p>Balam POM has documented procedure and work instruction to ensure the implementation of all the elements specified in the RSPO Supply Chain requirements. The procedure are:</p> <ul style="list-style-type: none"> <li>- CR-OPR-101-SPC.03.13.1 (Supply Chain) dated 7 September 2015</li> <li>- CR-ENG-101-TBS.06.11-1 (FFB Receiving) dated 21 June 2011</li> <li>- CR-ENG-113-LUL.06.11-1 (CPO and PK Loading and Unloading)</li> </ul> <p>The procedure explains in all aspects of supply chain and traceability scope in Gunung Melayu POM, starting from FFB harvesting, FFB delivery to Palm Oil Mill; FFB receiving and processing in Palm Oil Mill, CPO and PK production and reporting; CPO and PK dispatch from Palm Oil Mill and receiving in storage tank for export, Shipping instruction and preparation, CPO</p>	<p>Comply</p>

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		stock balancing post-shipping.	
	b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.	Based on Supply Chain Procedure, PT Salim Ivomas Pratama – Balam Factory has appointed the responsible person for handling supply chain along their supply chain is Mr. Danie Heryana as Administration Head has been assigned as the person who having overall responsibility for and authority over the implementation of RSPO SC requirements and compliance with all applicable requirements according to the Appointment letter No.161/FM-Staff/BLF/01/2017 dated 2 January 2017. The aforementioned procedure has explicitly described his responsibility and his authority for consistently implementing RSPO SC requirements on standard 2014.  Based on interview with Administration Head, he has knowledge how supply chain procedures implemented, he was worked in Asian Agri Mill for more than 5 years which managed RSPO certified mill.	Comply
E.3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBS.	Based on procedure "Supply Chain" No.CR-OPR-101-SPC.03.13-1 –R1 updated on 07th September 2015 covering all SCCS activities since FFB receiving until CSPO/CPK send to buyer. FFB from certified estate marked as Sustainable FFB and certified CPO and certified PK marked as Certified in Delivery Notes.  The issues found during audit and it raised as non conformity :  The procedure of Supply Chain (CR-OPR-101-SPC.03.13.1) dated 7 September 2015 has mentioned mechanism for receiving certified and non-certified FFB, however it does not mentioned processing of certified and non-certified FFB.  These issue has been addressed by company according to section 3.3 (details of finding).	NC #1521456-201708-M10 CLOSED on 8/11/2017  Comply
<b>Criterion E.4. Purchasing and goods in</b>			
E.4.1	The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBS received.	The implemented system can demonstrate that Balam POM system was enabling to verify and document the tonnage of certified FFBS received.  Record seen:  Balam Estate: Surat Pengantar TBS No.3522H041723136 dated 28 August 2017, 380 bunches, from Balam Estate, Division 4	Comply

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		<p>block N27P89, transporter truck BM9350AH. Weighbridge ticket No.3552NR17020793, received by Balam POM.</p> <p>Sungai Rumbia-2 Estate: Surat Pengantar TBS No.3721H011716128 dated 28 August 2017, 190 bunch, from Sungai Rumbia-2 Estate, Division 1 block I43P90, transporter truck BM8597PC. Weighbridge ticket No.3552NR17020790, received by Balam POM.</p> <p>Noncertified FFB: Surat Pengantar TBS No.3720H051720116 dated 28 August 2017, 466 bunches, from Sungai Rumbia-1 Estate, transporter truck BM9871PB. Weighbridge ticket No.3552NR17020791, received by Balam POM.</p>	
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	<p>This has been regulated in procedure "Supply Chain"no.CR-OPR-101-SPC.03.13-1-R1 updated on 07<sup>th</sup> September 2015, B.7. "Perusahaan akan menginformasikan kepada Badan Sertifikasi apabila terjadi produksi berlebih dari jumlah produksi CPO yang tercantum di sertifikat RSPO". Company will inform to CB if there is an extension production volume from existing CPO/PK estimated.</p>	Comply
<b>Criterion E.5. Record keeping</b>			
E.5.1	a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	<p>The Site recorded FFB receive using "Rekapitulasi Penerimaan TBS". The document covers certified FFB received from each estates and non-certified FFB from each estates. Certified FFB received, CPO and PK delivered are balanced in three monthly basis.</p> <p>Sampel taken: 3 monthly basis report (January – March 2017 and April – June 2017).</p>	Comply
	b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.	<p>FFB received, CPO/PK produced and CPO/PK dispatch is recorded in daily basis (Processing daily Report), monthly report (Production and Despatch Report), 3 monthly basis (CPO/PK Production and sales balance"</p> <p>Delivered CPO as "Certified Product": Currently company does not deliver any CSPO or CPK either.</p>	Comply
	c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product	Based on review 3 monthly basis, no any delivery mass balance from negative stock.	Comply

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	ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)	Delivered CPO as "Certified Product": Currently company does not deliver any CSPO or CPK either.	
E.5.2	In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	<p>The Company has already made a cooperation contract between PT Salim Ivomas Pratama tbk - Balam Factory and PT Gunung Mas Raya KCP Sungai Bangko in "Sales Contract". Verified sample of Sales Contract during audit No.4600739562 has made accordingly. PT Gunung Mas Raya KCP Sungai Bangko is a sister company of PT Salim Ivomas Pratama tbk and still one management with PT Salim Ivomas Pratama. Every sales of PK to KCP Sungai Bangko is completed with sales contract which containing quantity data of product, product price and product quality.</p> <p>The issues found during audit and it raised as non conformity :</p> <p>Balam POM, PT Salim Ivomas Pratama sent Palm Kernel to Sungai Bangko KCP, PT Gunung Mas Raya which is different entity, however Balam POM does not have signed agreement with Sungai Bangko KCP.</p> <p>These issue has been addressed by company according to section 3.3 (details of finding).</p>	<p>NC #1521456-201708-M11 CLOSED on 8/11/2017</p> <p>Comply</p>

**Actual Tonnage Palm Production 01/2016 – 12/2016**

Mill	Capacity	CPO (MT)	PK (MT)
Balam Factory	45 tons FFB/hour	NIL	NIL

**Actual Tonnage Sales of Certified Palm Products 01/2016 – 12/2016**

Mill	Certified CPO Sales (MT)	Certified PK Sales (MT)	Remarks
Balam Factory	0	0	Not yet certified, This is the initial certification audit

**Actual Tonnage Sales of Certified Palm Products Other Scheme 01/2016 – 12/2016**

Mill	Certified CPO Sales (MT)	Certified PK Sales (MT)	Remarks
Balam Factory	0	0	

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**Actual Tonnage Sales of Conventional Palm Products 01/2016 – 12/2016**

Mill	Non Certified CPO Sales (MT)	Non Certified PK Sales (MT)	Remarks
Balam Factory	0	0	

**Actual FFB Production from Own certificate Scope**

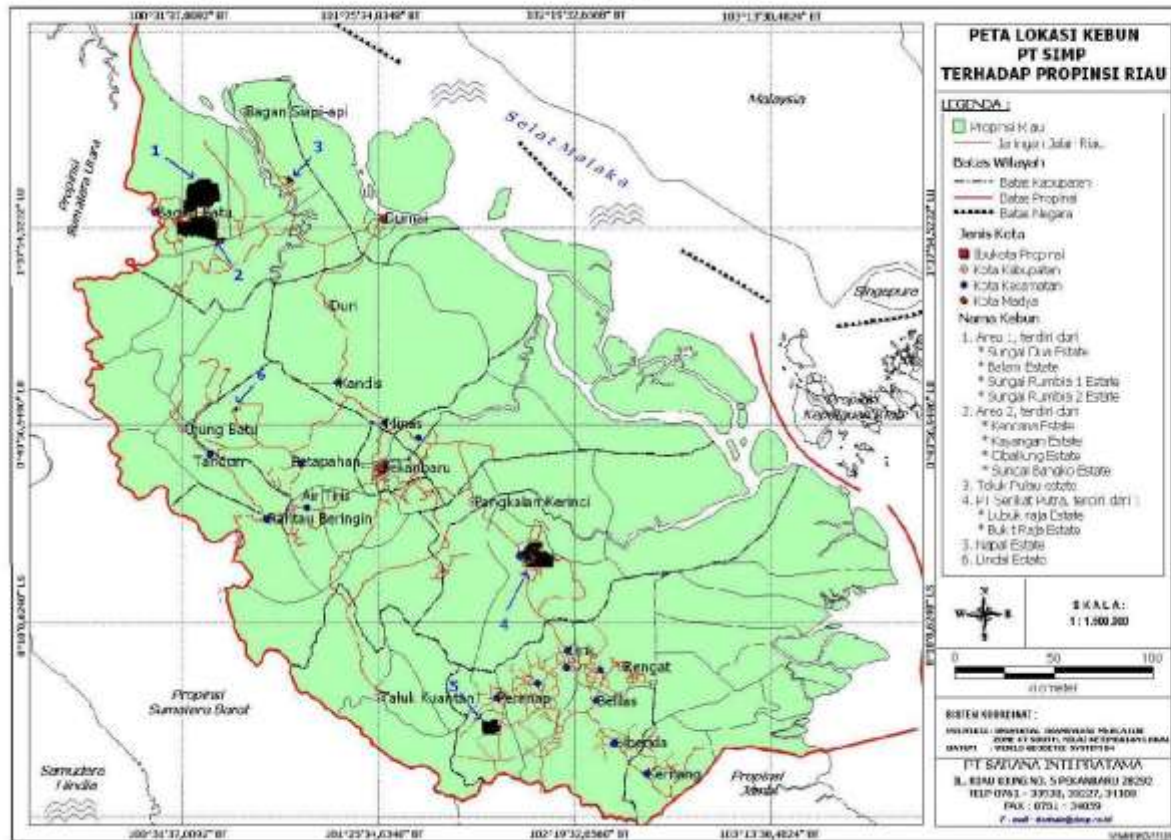
Month	Certified Supply Base (from own certificate scope) (MT)		
	Balam Estate	Sungai Rumbia 2 Estate	Total FFB/Month (MT)*
N/A	N/A	N/A	N/A



**Appendix G: Location Map of Certification Unit and Supply bases**

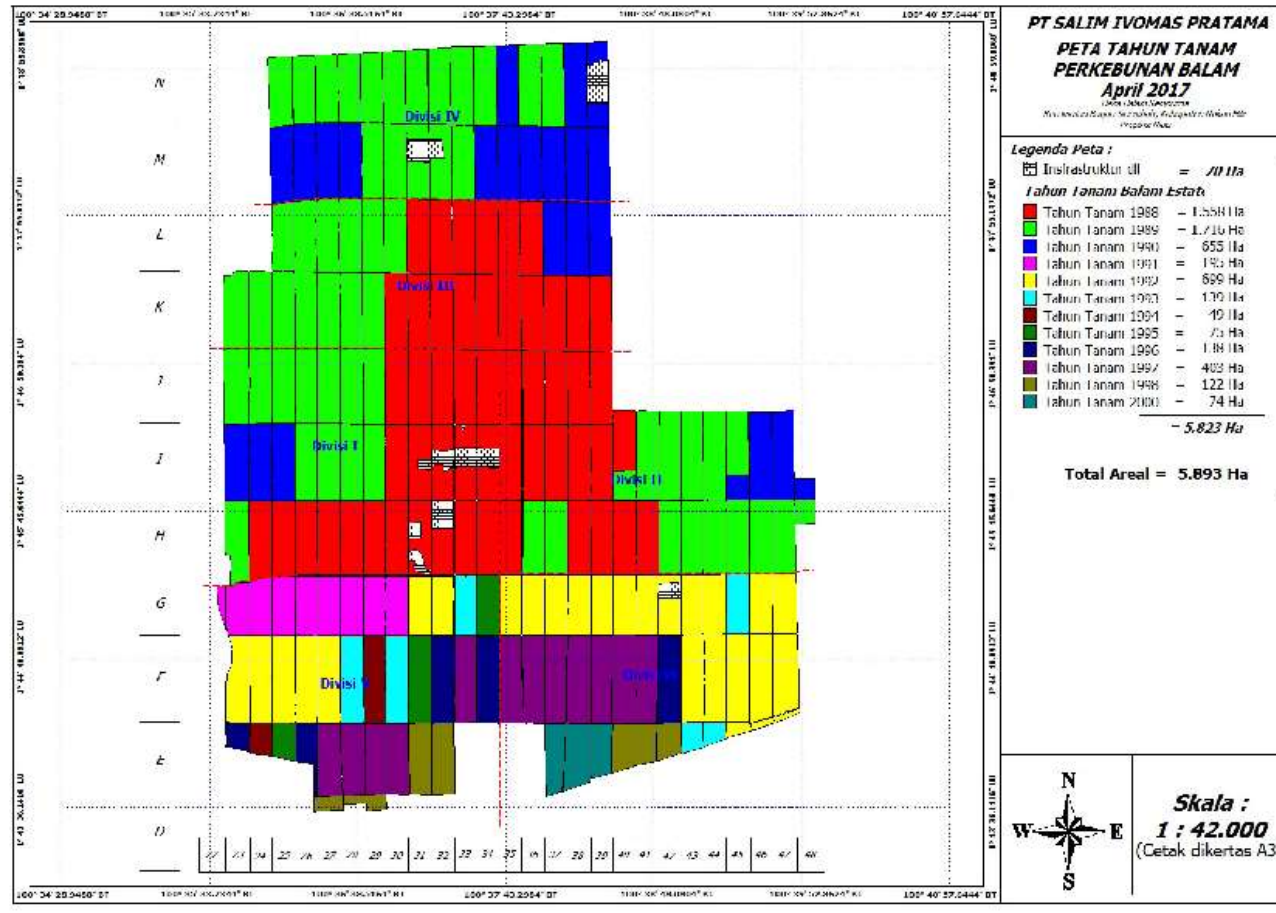
**Map 1.** Location of PT. Salim Ivomas Pratama Tbk Balam Factory and Supply Bases

**Figure 1-1 Geographical Map of Balam mill and its supply bases against Riau Province**

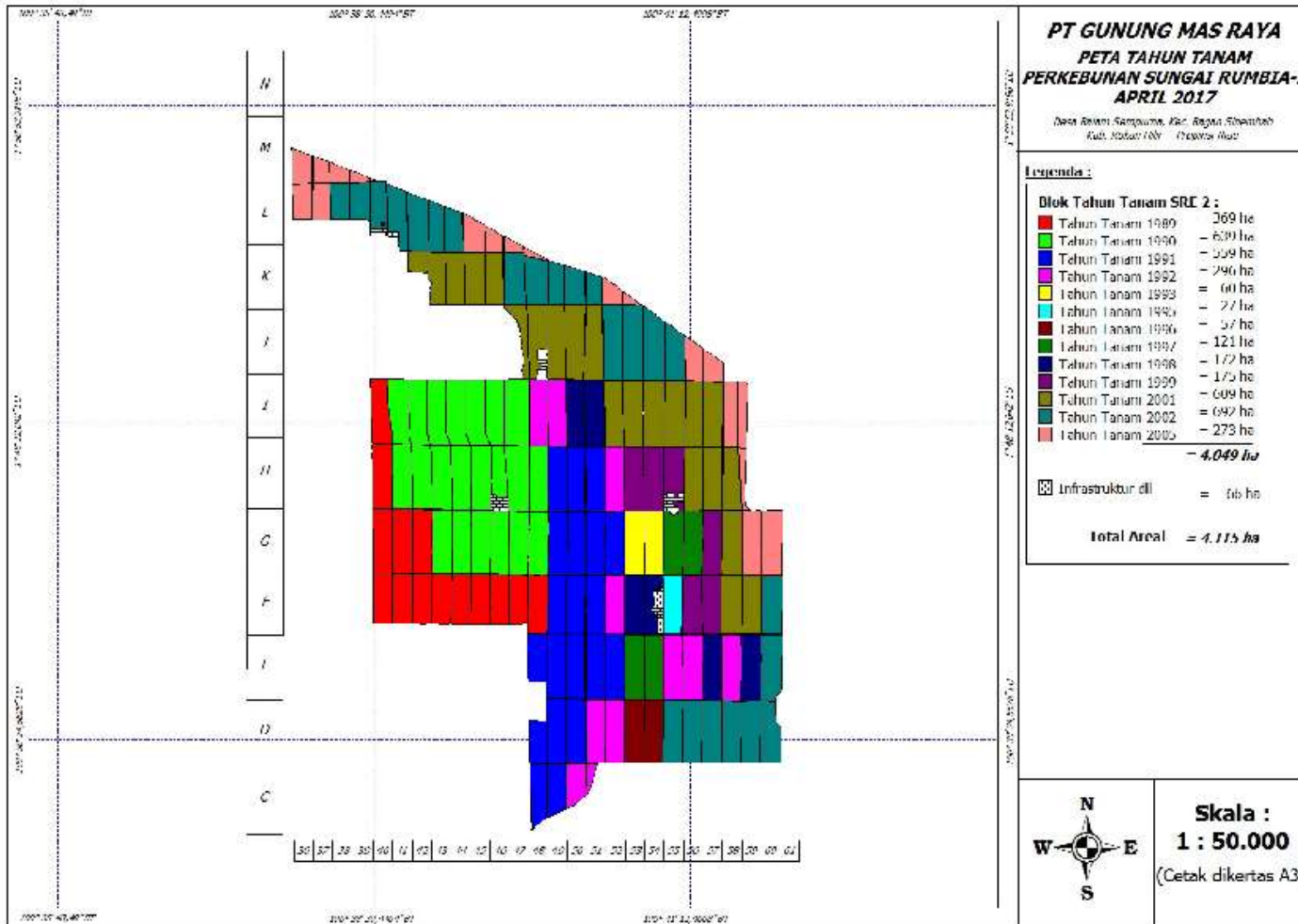


Appendix H: Estate Field Map

Map 2. Field Map PT. Salim Ivomas Pratama Tbk Balam Estate



**Map 3.** Field Map PT. Gunung Mas Raya Sungai Rumbia 2 Estate



### **Appendix I: Smallholder List**

Not Applicable, since there is no smallholder included in the certification scope.

### Appendix J: GHG Reporting Executive Summary

The GHG emissions that were produced in 2016 for PT. Salim Ivomas Pratama Tbk Balam Factory and supply base was calculated using the GHG Palm Calculator version 3.0. The assessment team had verified the data input in the GHGplam Calculator against operations records. Palm GHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

- i. Estates area planted data
- ii. Fuel consumed
- iii. Mill datas include CPO produced, PKO Produced and FFB Processed
- iv. Fertilizer consumed data for estates.

The summary of the Nett GHG emitted in 2016 for Balam Factory and supply base are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	5.73
PK	5.73

Extraction	%
OER	21.46
KER	4.98

Production	t/year
FFB process	311,718
CPO Produced	60,613
PK Produced	16,490

Land use	Ha
OP Planted Area	9,872
OP Planted on peat	4,615
Conservation area (forested)	0
Conservation area (non forested)	177
<b>Total</b>	

### Summary of Field Emission and Sink

	Own Crop		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e /FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e /FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e /FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e /FFB
<b>Emission</b>								
Land Conversion	10,787.11	0.13	32,660.61	0.26	0	0	43,447.72	0.21
CO <sub>2</sub> Emission from fertilizer	1,246.39	0.01	1,176.45	0.01	0	0	2,422.84	0.01
NO <sub>2</sub> Emission	11,150.23	0.13	30,883.43	0.24	0	0	42,033.66	0.20
Fuel consumption	681.65	0.01	1,058.46	0.01	0	0	1,740.11	0.01
Peat oxidation	64,814.57	0.76	216,631.10	1.70	0	0	281,445.67	1.32
<b>Sink</b>								
Crop sequestration	-10,442.51	-0.12	-30,895.26	-0.25	0	0	-41,337.77	-0.19
Conservation sequestration	0	0	0	0	0	0	0	0
<b>Total</b>	<b>78,237.44</b>	<b>0.91</b>	<b>251,516.79</b>	<b>1.98</b>	<b>0</b>	<b>0</b>		

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**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
Emission		
POME	0	0
Fuel Consumption	524.63	
Grid Electricity Utilisation	0	0
Credit		
Export of Grid Electricity	-354.96	0
Sales of PKS	-9,676.17	-0.05
Sales of FFB	0	0
<b>Total</b>	<b>-9,506.51</b>	<b>-0.04</b>

**Summary of Kernel Crusher Emission and Credit (Not applicable)** - There is no Kernel Crusher operation

Emission Source	tCO <sub>2</sub> e
PK from own mill	0
PK from other sources	0
Fuel consumption	0
Total crusher emissions	0

<b>Palm Oil Mill Effluent (POME) Treatment:</b>	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

<b>POME Diverted to Anaerobic Digestion:</b>	
Divert to anaerobic diversion (%)	100
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	0

**Appendix K: List of Abbreviations 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
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
ISCC	International Carbon Certification System
IUP	Izin Usaha Perkebunan (Plantation Licence)
KER	Kernel Extract Ratio
MB	Mass Balance
OER	Oil Extract Ratio
OHS	Occupational Health and Safety
P2K3	Panitia Pembina Kesehatan dan Keselamatan Kerja (Safety and Health Committee)
PK	Palm Kernel
PKO	Palm Kernel Oil
PKB	Perjanjian Kerja Bersama (Worker Collective 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