

**RSPO PRINCIPLE AND CRITERIA  
– RECERTIFICATION ASSESSMENT  
Public Summary Report**

<b>PT. TAPIAN NADENGGAN Hanau Palm Oil Mill and Its Supply Bases</b>
Client company Address: Sinar Mas Land Plaza, Tower 2, 4 <sup>th</sup> floor Jl. MH. Thamrin No. 51 Kav. 22, Jakarta 10350 – Indonesia
Certification Unit: Hanau Palm Oil Mill  Kecamatan Hanau and Batu Ampar, Seruyan Regency, Central Kalimantan Province, Indonesia

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## Section 1: Scope of the Certification Assessment

1. Company Details			
<b>RSPO Membership Number</b>	1-0096-11-000-00	<b>Date</b>	31 March 2011
<b>Company Name</b>	PT. Tapian Nadenggan – Hanau Palm Oil Mill		
<b>Address</b>	Head Office: Sinar Mas Land Plaza, Tower 2, 4th floor Jl. MH. Thamrin No. 51 Kav. 22, Jakarta 10350 – Indonesia  Location: Kecamatan Hanau and Batu Ampar, Seruyan Regency, Central Kalimantan Province, Indonesia		
<b>Subsidiary of (if applicable)</b>	Golden Agri – Resources Ltd		
<b>Contact Name</b>	Mr. Ismu Zulfikar		
<b>Website</b>	goldenagri.com.sg	<b>E-mail</b>	<a href="mailto:ismu.zulfikar@sinarmas-agri.com">ismu.zulfikar@sinarmas-agri.com</a>
<b>Telephone</b>	(+62-21) 50338899 Ext. 1184	<b>Facsimile</b>	(62-21) 50389999

2. Certification Information			
<b>Certificate Number</b>	<b>RSPO 679706</b>	<b>Date</b>	September 26 <sup>th</sup> , 2012
<b>Scope of Certification</b>	Production of CPO and PK of PT. Tapian Nadenggan (Hanau Palm Oil Mill) and 4 (four) estates as supply base, namely Hanau Estate, Tasik Mas Estate, Langadang Estate and Tanjung Paring Estate. Mill capacity of Hanau POM is 80 tonnes FFB/hour.		
Other Certifications			
<b>Certificate Number</b>	<b>Standard(s)</b>	<b>Certificate Issued by</b>	<b>Expiry Date</b>
No. EU-ISCC-Cert-DE137-20170070	ISCC	Intertek	31 July 2018
No. SPO20013	ISPO	SAI Global	10 December 2020
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<b>3. Location(s) of Mill &amp; Supply Bases</b>			
<b>Name (Mill / Supply Base)</b>	<b>Location [Map Reference #]</b>	<b>GPS</b>	
		<b>Easting</b>	<b>Northing</b>
Hanau Palm Oil Mill	Kecamatan Hanau, Seruyan Regency, Central Kalimantan, Indonesia	112° 6' 35" E	2° 21' 39" S
Hanau Estate	Kecamatan Hanau, Seruyan Regency, Central Kalimantan, Indonesia	112° 6' 33" E	2° 24' 41" S
Tasik Mas Estate	Kecamatan Hanau, Seruyan Regency, Central Kalimantan, Indonesia	112° 5' 34" E	2° 20' 29" S
Tanjung Paring Estate	Kecamatan Hanau, Seruyan Regency, Central Kalimantan, Indonesia	112° 7' 57" E	2° 16' 49" S
Langadang Estate	Kecamatan Batu Ampar, Seruyan Regency, Central Kalimantan, Indonesia	112° 6' 28" E	2° 14' 5" S

<b>4. Description of Supply Base</b>							
<b>Estate</b>	<b>Mature (ha)</b>	<b>Immature (ha)</b>	<b>Infras &amp; Other (ha)</b>	<b>HCV (ha)</b>	<b>Total Planted (ha)</b>	<b>Total Hectarage</b>	<b>% of Planted</b>
Hanau Estate	4,199.05	0	523.11	167.84	4,199.05	4,890.00	86
Tasik Mas Estate	4,285.87	0	569.54	190.07	4,285.87	5,045.48	85
Tanjung Paring Estate	3,966.12	0	554.49	196.45	3,966.12	4,717.06	84
Langadang Estate	2,039.96	0	253.70	115.91	2,039.96	2,409.57	85
<b>Total</b>	<b>14,491.00</b>	<b>0</b>	<b>1,900.84</b>	<b>670.27</b>	<b>14,491.00</b>	<b>17,062.11</b>	<b>85</b>

<b>5. Plantings &amp; Cycle</b>								
<b>Estate</b>	<b>Age (Years)</b>					<b>Tonnage / Year</b>		
	<b>0 - 3</b>	<b>4 - 10</b>	<b>11 - 20</b>	<b>21 - 25</b>	<b>26 - 30</b>	<b>Estimated (Sept 2016 – Aug 2017)</b>	<b>Actual (Sept 2016 – Aug 2017)</b>	<b>Forecast (Sept 2017 – Aug 2018)</b>
Hanau Estate	0	-	1,621.41	2,577.64	0	101,169.79	94,002.01	107,209.23
Tasik Mas Estate	0	-	3,633.06	652.81	0	107,249.17	110,971.03	116,161.67
Tanjung Paring Estate	0	724.83	3,241.29		0	98,212.09	108,644.05	106,105.69
Langadang Estate	0	-	2,039.96		0	48,448.46	54,840.58	56,446.96
<b>Total</b>	<b>0</b>	<b>724.83</b>	<b>10,535.72</b>	<b>3,230.45</b>	<b>0</b>	<b>355,079.52</b>	<b>368,457.67</b>	<b>385,923.56</b>

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<b>6. Certified Tonnage (Own Certified Scope)</b>									
Mill	Estimated (Sept 2016 –Aug 2017)			Actual (Sept 2016 –Aug 2017)			Forecast (Sept 2017 – Aug 2018)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Hanau POM	355,076.55	81,347.72	21,346.14	368,492.41	78,443.73	21,745.53	385,923.56	86,498.94	23,155.41

<b>7. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable</b>			
Independent FFB Supplier	Tonnage / year		
	Estimated (Sept 2016 – Aug 2017)	Actual (Sept 2016 – Aug 2017)	Forecast (Sept 2017 – Aug 2018)
Third party FFB supplier/Collector	127,388.68	90,240.58	30,400

<b>8. Certified Tonnage CPO</b>									
Mill	Estimated (Sept 2016 – Aug 2017)			Actual (Sept 2016 – Aug 2017)			Forecast (Sept 2017 – Aug 2018)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Hanau POM	355,076.55	81,347.72	21,346.14	368,492.41	78,443.73	21,745.53	385,923.56	86,498.94	23,155.41
OER (%)		22.91	6.01		21.28	6.00		22.25	6.00

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn Bhd,  
(ASI Accreditation Number: RSPO-ACC-19)  
Unit 3, Level 10, Tower A  
The Vertical Business Suites, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel +603 2242 4211 Fax +603 2242 4218  
Nicholas Cheong: [Nicholas.Cheong@bsigroup.com](mailto:Nicholas.Cheong@bsigroup.com)  
[www.bsigroup.com](http://www.bsigroup.com)

BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (RSPO-ACC-19) 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 Recertification assessment was conducted from 11<sup>th</sup> – 14<sup>th</sup> September 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 for Group Certification 2010. 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.

This report was internally reviewed by approved Certification Reviewer, prior to certification decision by BSI.

**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 4)</b>	<b>Year 5 (ASA 5)</b>
<b>Hanau POM</b>	X	X	X	X	X
Hanau Estate	X		X		X
Tasik Mas Estate		X		X	
Tanjung Paring Estate	X		X		X
Langadang Estate		X		X	

**Tentative Date of Next Visit: September 3, 2018 - September 5, 2018**

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

**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. He is fluently speaking in English and Bahasa Indonesia. During this assessment, he assessed on the aspects of Legal, Environmental management and monitoring, OHS management and HCV management and monitoring.

**Eko Purwanto – Team Member**

Eko Purwanto graduated as Bachelor of Forestry from Forest Conservation Department, Faculty of Forestry, Bogor Institute of Agriculture (IPB) in 2001. He has working experience at Oil Palm Plantation in East Kalimantan since 2003 to 2012, the last position was Estate Manager. He has implementing good agricultural practice including integrated pest management and limited pesticides uses. He has completed lead auditor training courses for RSPO P&C (2013), ISO 9001:2008 (2012), ISO 14001:2004 (2013), ISPO (2012) and RSPO SCC (2012). He has also completed training course of ISO 14001 (2012), Minaut Indonesia (2011) and Introduction to HCV Toolkit HCV (2011). For the last 2 years, he has been involved in quality (ISO 9001) management system audits for very broad industrial and involved in Indonesia Sustainable Palm Oil (ISPO) audit for several plantations and mills since October 2012. During this assessment, he assessed on the aspects of mill and estate best management practices and supply chain for CPO mills.

**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 the 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.



### Section 3: Assessment Findings

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

- PT Tapan Nadenggan Time Bound Plan
- RSPO Group Certification Standard 2016 Checklist
- RSPO P&C INA-NIWG 2016 Checklist
- RSPO Supply Chain Certification Checklist on November 2014
- RSPO P&C 2013 Generic Checklist

#### 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. Tapan Nadenggan 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. Tapan Nadenggan 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 Sumatera Utara Province, Riau Province and Central Kalimantan Province – Indonesia.	Comply
Have there been any changes since the last audit? Are they justified?	No, there were no changes in certification timebound plan.	Comply
If there have been changes, what circumstances have occurred?	There were no changes in certification timebound plan. For another unit which Mill is not constructed yet, company keeps the activities of plantation in accordance with its license.	Comply
Have there been any stakeholder comments?	No any comments from stakeholder.	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 a positive assurance	Yes. Uncertified units has conducted an internal audit by sustainability team as an internal auditor. Internal audit	Comply

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statement been produced?	<p>conducted for uncertified holdings e.g:</p> <ul style="list-style-type: none"> <li>- PT Kresna Duta Agroindo - Pelakar Mill, internal audit on 24 – 29 October 2016.</li> <li>- PT Smart Tbk – Bukit Kapur Mill, internal audit on 4 – 8 December 2017</li> <li>- PT Kresna Duta Agroindo – Rantau Panjang Mill, Rantau Panjang Estate and Rantau Panjang KKPA internal audit on 19 – 23 December 2016</li> <li>- PT Kresna Duta Agroindo – Gunung Kongbeng Mill, Gunung Kongbeng KKPA, internal audit on 6 – 10 February 2017</li> </ul>	
<p>No replacement after dates defined in NIs Criterion 7.3:</p> <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>	<p>Company has follow the RSPO procedures including new planting after November 2005, there is no replacement of Primary forest, any area identified as containing High Conservation Values (HCVs), any area required to maintain or enhance HCVs in accordance with RSPO.</p>	Comply
<p>Any new plantings since January 1<sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.</p>	<p>For any new plantings since January 1<sup>st</sup> 2010, company has follow and conducted the RSPO New Plantings Procedure, e.g:</p> <ul style="list-style-type: none"> <li>- PT Satya Kisma Usaha – Sungai Bengkal Mill has submit NPP notification and approval RSPO on 19 August 2013</li> <li>- PT Tapian Nadenggan – Jakluay Mill has submit NPP notification and approval RSPO on 19 August 2013</li> </ul>	Comply
<p>Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.</p>	<p>FPIC and Land compensation was conducted prior to land acquisition and any Land conflicts are being resolved through a mutually agreed process.</p>	Comply
<p>Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.</p>	<p>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.</p>	Comply
<p>Did the company conduct an internal audit? If so, has a positive assurance statement been produced?</p>	<p>Yes. Uncertified company conducted internal audit annually.</p>	Comply
<p>Any Legal non- compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>	<p>Yes, company has resolved any Legal non- compliance in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>	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 Recertification Assessment there were two (2) Major nonconformities raised. PT Tapian Nadenggan – Hanau POM 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 nonconformity has been followed up and verified during NCR visit assessment on 31 October 2017 and the status of NC has been CLOSED.

Non-Conformity		
NCR #	Description	Category (Major / Minor)
<b>1529140-201709-M1</b>	<b>Requirements:</b> RSPO P&C INA NI 2016 Indicator 4.7.1 A health and safety policy shall be in place. A health and safety plan shall be documented and implemented, and its effectiveness monitored.	<b>Major</b>
	<b>Evidence of Nonconformity:</b> <ul style="list-style-type: none"> <li>- Based on document review of ISBPR dated 21 December 2016 stated that workers in Grading area shall be used safety shoes as standard Personal Protective Equipment to prevent risk of FFB grading activity, however during field visit in Hanau Mill found 3 operator were not wearing safety shoes but rubber boots.</li> <li>- Based on document review of accident report auditor found that there were 6 similar accident occurred in January 2017 (caused by frond fall) however there is no evidence that it has been evaluated in safety committee meeting and made the appropriate corrective action to addressed and prevent the issue. In addition in the previous year there was an fatality accident happen with similar cause.</li> </ul>	
	<b>Statement of Nonconformity:</b> Company has determined a health and safety policy, plan and its implementation and monitoring, however during audi it was found an inconsistency of implementation and monitoring of OHS.	
	<b>Corrective Action:</b> <ul style="list-style-type: none"> <li>• The Company has re-socialized and give awareness to all employe of Hanau Mill regarding the use of PPE on 18 September 2017. Minutes of socialization can be demonstrated during audit. Socialization is conducted by OHS expert and Mill superintendent. Socialization explains the obligation of employees to use standard PPE according to the type of work, strict sanctions will be given by company management if employees do not use standard PPE.</li> <li>• The company also has issued a reprimand letter to 3 employees who did not use appropriate PPE. Reprimand letter is valid for 6 months, if in the period before 6 months of violation again it will be given warning letter sanction until dismissal. Interview with Hanau Mill operator has done by auditor and indicated that all employee has understand the obligation to use standard PPE according to the HIRADC and company regulation.</li> <li>• PPE checking is also done by the company every morning before work and at the Hanau Mill security post before entering the Mill area to ensure that employees use the appropriate PPE. Evidence of PPE usage checking can be demonstrated. PPE usage checking is also done randomly in each week to ensure no violations committed by employees. An PPE check is also</li> </ul>	

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	<p>performed for contractors whose working for the company.</p> <ul style="list-style-type: none"> <li>• Inspection of PPE usage by workers done twice a month by P2K3 supervisory districts and members of security. For example of inspection on 7 October and 16 October 2017 in Hanau Mill. Documented in "Checklist of APD HANAU MILL Employees". Each employee checked the completeness of his PPE in the work. Interview with Hanau Mill operator has been done by auditor and indicated that all employee has understand the obligation to use standard PPE and the sanction of violation, they was monitored by their supervisor and safety officer.</li> <li>• Hanau Estate and Tasik Mas Estate has made improvements in P2K3 meeting by including the agenda of occupational accidents discussion and evaluation of the causes and preventive measures of work accidents. Minutes of the P2K3 meeting can be demonstrated, for example the meeting on September 16, 2017, discusses employment injury data for the period of January - September 2017 particularly in harvesting job. Evaluation the accidents causes and recommends actions to be taken has been done such as re-socialization/re training to all harvesters on safe harvesting practices. Hanau and Tasik Mas estate has also realized the action plan by disseminating SOP and WI Harvesting, socializing safe harvesting practices; socialization conducted on September 19, 2017, evidence of the implementation of socialization can be demonstrated. The last P2K3 meeting was held on 23 October 2017 in Hanau Estate while in Tasik Mas Estate was held on 17 October 2017, Minutes of meeting and attendance list can be shown. In the agenda of the meeting can be shown that the meeting has discussed the performance of OHS and evaluation of work accident records.</li> </ul> <p><b>Assessment Conclusion:</b> NC Major is CLOSED on 31 October 2017</p>	
<p><b>1529140-201709-M2</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></p> <ul style="list-style-type: none"> <li>- Based on Environmental aspect and impact identification document dated 5 January 2017 stated that ex sack/ex chemical container controlled by stored in the specific storage (gudang B3) and handover to supplier/third party, however during field verification in Hanau Mill and interview with workers as well as mill management found that ex chemical sack was treated as inorganic waste and disposed to TPSA, in addition another party/person can use the ex sack for another purpose.</li> <li>- Based on field observation in Hazardous waste storage (TPS LB3) Tasik mas Estate, found that the storage was not equipped with alarm system as required in Permit "Keputusan Bupati Seruyan Nomor: 188.45/447/2015 dated 6 November 2015".</li> <li>- During field visit Hazardous waste storage (TPS LB3) Hanau Mill, found that used oil placement was not appropriate and placing mixed with ex Oil filter and not labeled.</li> </ul> <p><b>Statement of Nonconformity:</b> Based on field observation and document verification, it was found an inconsistency of chemical and ex chemical container waste management/disposal.</p>	<p><b>Major</b></p>

	<p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>• Hanau Mill has made improvements to "Environmental Aspect and Impact Identification " particularly environmental aspect of ex chemicals sack such as Soda ash, calcium carbonate and alum. Document was updated on September 19, 2017. In point 5 C/HANAU MILL/WTP/02 mentioned that environmental aspect of ex chemicals sack (Soda ash, calcium carbonate, alum) is managed by triple rinsing then collected/disposed to inorganic waste landfill.</li> <li>• Hanau Mill has made improvements in TPS LB3 by removing 3 used oil jerycans and placing them in suitable and labeled places. Records of used oil removing and oil picking and cleaning in used filter compartments are documented in "Minutes No. 01/PRS-INT/BA/IX/2017 dated September 14, 2017. During field visit in temporary hazardous waste storage (TPS LB3) indicated that company has made the improvement in their TPS LB3 by replacing the hazardous waste according to each type and its characteristic and made the good compartement and well labelled.</li> <li>• Hanau Mill has also conducted socialization and training to PIC of temporary hazardous waste storage (TPSLB3) on September 15, 2017 regarding hazardous waste management standards and in accordance with the regulations. Minutes of socialization can be demonstrated. Interview with PIC of TPS LB3 indicated that they has sufficient understanding on hazardous waste management and placement/labelling.</li> <li>• Hanau Mill also checks the maintenance and management of TPS LB3 to ensure the condition and management of hazardous waste in accordance with applicable standards and regulations. The records are available in ""Form Pemeliharaan TPS Limbah B3" F/SMART/LEMS-EHSD/SADV/002/002". Example of checks on September 15, 2017 conducted by the Environment Officer. Checking items include TPS LB3 condition (roof, wall, floor, security door, lighting, ventilation, oil trap, secondary containment, TPS LB3 nameplate, symbol on TPS LB3), Completeness of TPS LB3 (APAR, sand, alarm/kentongan, APD, SOP and WI, LB3 symbols and labels, pallets, packaging conditions, cleaning equipment).</li> <li>• Tasik Mas Estate has made improvements by installing an alarm system in the form of an emergency bell. Permanent bells are installed at the front temporary hazardous waste storage (TPS LB3) on September 12, 2017. During field visit can be demonstrated that alarm system has been installed and well function.</li> <li>• Tasik Mas Estate also has made improvements by checking the maintenance and management of Temporary hazardous waste storage (TPS LB3) to ensure the condition and management of hazardous waste in accordance with applicable standards and regulations. Regular checking is done once a month. Records of checks are documented in "Form Pemeliharaan TPS Limbah B3". Examples of checks on September 15, 2017 and October 16, 2017, from the results of checks can be shown that the condition of TPS LB3 building is in good condition and equipment is in complete and good condition.</li> <li>• Socialization to TPS LB3 officers has also been done on September 19, 2017 by Tasik Mas Estate to confirm the management of hazardous waste in TPS LB3 according to standard and regulations.</li> </ul> <p><b>Assessment Conclusion:</b> NC Major is CLOSED on 31 October 2017</p>	
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<b>Issues raised by Stakeholders</b>	
<p>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. Tapian Nadenggan – Hanau Palm Oil Mill Certification Unit’s environmental and social performance, legal and any known dispute issues.</p> <p>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.</p> <p>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.</p>	
<b>IS #</b>	<b>Description</b>
<b>1</b>	<p><b>Feedback, Comment and Input Dinas Tenaga Kerja dan Transmigrasi Kabupaten Seruyan (Manpower and Transmigration Office – Seruyan Regency)</b></p> <p>There are changes in the management and authority of the district, currently company compiled and submitted P2K3 periodic reports and employment report to the Manpower and transmigration office Central Kalimantan Province. The Company also has compiled a document of compulsory report of Manpower annually and submitted to the Manpower Office of Seruyan Regency. Reporting also to the manpower office of Central Kalimantan Province, for example: Heavy equipment operator, transportation equipment, lever, steam vessel and others have licenses as operator (SIO) and also the Company has conducted periodic inspection of special equipment used Steam, Pressure Vessel) in accordance with applicable regulations.</p> <p><u>Working Norms;</u></p> <ol style="list-style-type: none"> <li>a. The Company has made minimum wage payment in accordance with Central Kalimantan Governor’s Decree Letter No. 23/2016, dated 1 November 2016, about Sectoral Minimum Pay Central Kalimantan Province’s on 2017.</li> <li>b. All employees have the status of permanent workers (SKUH and SKUB) were included in the program BPJS Ketenagakerjaan and BPJS Kesehatan. Reporting Obligation of Manpower for the Period of 2017-2018 has been reported.</li> <li>c. There are no reports related to neither 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> </ol> <p><u>OHS Norms;</u></p> <ol style="list-style-type: none"> <li>a. The Company has established the P2K3 organizational structure and has been authorized by the Central Kalimantan Provincial Manpower Office.</li> <li>b. 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>c. The Company has conducted periodical health checks for all workers, especially workers working at hazardous stations including sprayers and fertilizers.</li> <li>d. Company has a policy of workers union freedom. There is Labor Union in PT Tapian Nadenggan -</li> </ol>

	<p>Hanau, namely "Serikat Pekerja Pertanian dan Perkebunan - Serikat Pekerja Seluruh Indonesia" Indonesia Plantation and Agriculture Worker Union.</p> <p><b>Management Responses</b> PT Tapian Nadenggan conformed to the minimum wages refers to latest Central Kalimantan Governor's Decree Letter No. 23/2016, dated 1 November 2016, about Sectoral Minimum Pay Central Kalimantan Province's on 2017 is Rp 2,294,126.00. Wages are also based on the the Collective Labour Agreement (PKB - Perjanjian Kerja Bersama) chapter IV Working Days and Work Hours, Article 19 Overtime, overtime calculation is based on the calculation of overtime pay in Kepmenakertrans regulation 102/MEN/VI/2004. In the PKB wage system described in Article 21.</p> <p><b>Audit Team Findings</b> The Company has taken action in accordance with well-defined procedures and persuasive approach, so there is no turmoil. With respect to wages, the use of PPE and SIO, the company has implemented in accordance with relevant regulations and regulations.</p>
<p><b>2</b></p>	<p><b>Feedback, Comment and Input</b> <b>Badan Lingkungan Hidup Kabupaten Seruyan (Environmental Office – Kotawaringin Timur Regency)</b></p> <ol style="list-style-type: none"> <li>1. PT Tapian Nadenggan have performed the "Analisis Mengenai Dampak Lingkungan" or AMDAL (Environmental Impact Assessment /EIA).</li> <li>2. Good environmental management has been done by company, eg pollution level management and emission in plantation environment (still below the quality standard), for example: waste water and air emission, reporting is done every 6 months.</li> <li>3. The Company has utilized the liquid waste to be applied to the land and has obtained permission from the Badan Lingkungan Hidup Kabupaten Rokan Hilir, for example: LA utilization permit and LA measurement for 3 months, last done in March 2017.</li> <li>4. The Company has managed hazardous waste and has obtained temporary storage permit for hazardous waste in accordance with prevailing laws and regulations. Temporary storage permit for hazardous waste (LB3 permit).</li> <li>5. There are no reports from stakeholders related to environmental pollution caused by plantation and mill operations.</li> <li>6. Until now there are no environmental issues, either from the community or from NGOs.</li> </ol> <p><b>Management Responses</b></p> <ul style="list-style-type: none"> <li>- Positive responses, in relation to Rokan Hilir District BLH's suggestion on forest tree planting for functional repayment are carried out on an ongoing basis.</li> <li>- LB3 temporary storage permit for 90 days.</li> <li>- Maintenance of waste pool is always done regularly a year 2 times, last done in December 2016.</li> <li>- Hanau Mill waste water was processed through a multifeedings waste water treatment ponds: four (8) active ponds with methods of anaerobic ponds. Palm Oil Mill Effluent (POME) is monitored monthly as required by permit of land application from Seruyan Regent No.188.45/37/2015 dated 12 January 2017.</li> </ul> <p><b>Audit Team Findings</b></p> <ul style="list-style-type: none"> <li>- Environment-related permissions have been properly resolved.</li> <li>- Hazardous waste control has well done by the company.</li> <li>- Environmental control programs around the plantation area (surrounding villages) have been carried out to be continued.</li> </ul>
<p><b>3</b></p>	<p><b>Feedback, Comment and Input</b> <b>Dinas Ketahanan Pangan dan Pertanian Kabupaten Seruyan (Plantation and Agriculture Service – Seruyan Regency).</b></p> <ul style="list-style-type: none"> <li>- PT Tapian Nadenggan has obtained HGU and in line with spatial planning for Seruyan Regency, as cultivation/plantation area.</li> <li>- The company has obtained Plantation Business Permit (IUP) for their operation.</li> </ul>

	<ul style="list-style-type: none"> <li>- Company has reported the plantation operation activities on regular basis each semester.</li> <li>- There is no report related to land claim and land dispute occurred and submitted by community or other company.</li> <li>- FFB price established based on market price, and company was not bound to FFB price regulated by "Keputusan Penyusunan Harga TBS Kalimantan Tengah". Based on report, PT Tapian Nadenggan has price structure better than other companies.</li> </ul>
	<p><b>Management Responses</b> For the positive things that have been done will be maintained and improved towards a better by management companies. The past and current FFB price is announced in "Notice Board" in mill, e.g. FFB pricing on September 2017 as "Hasil Rapat Tim Penetapan Harga Pembelian TBS Kelapa Sawit Produksi Pekebun di Propinsi Kalimantan Tengah".</p>
	<p><b>Audit Team Findings</b> Audit team will continue to monitor PT Tapian Nadenggan related to Plantation management and monitoring performance.</p>
<b>4</b>	<p><b>Feedback, Comment and Input</b> <b>Kantor Pertanahan Kabupaten Pelalawan (Land affairs office, Pelalawan Regency)</b></p> <ul style="list-style-type: none"> <li>- Control of the HGU area, by ensuring that all areas have been used in accordance with their designation.</li> <li>- The company shall conduct an operation against the HGU's boundaries to ascertain whether the claimed land is within the HGU or outside the HGU and reinstall the lost HGU stakes and create a boundary in the form of a boundary trench to minimize the case of land disputes with the community.</li> </ul> <p><b>Management Responses</b> The company has routinely checked the block boundaries and made a boundary trench with community settlements to minimize conflict with the community.</p> <p><b>Audit Team Findings</b> Based on document examination and field visit, it can be concluded that until the time of the audit no more land disputes have occurred and the company has conducted routine checks of HGU stakes regularly and the river border is conserved by the company and there is no land tenure activity.</p>
<b>5</b>	<p><b>Feedback, Comment and Input</b> <b>Perangkat desa Pembuang Hulu and Sandul(Local community and villagers)</b></p> <ul style="list-style-type: none"> <li>- Villagers around ethnically, Batak, Javanese, Sundanese and Banjarese.</li> <li>- There was no land conflict with surrounding community.</li> <li>- No land conflict was reported since hand-over was done in proper settlement in the beginning.</li> <li>- In general communication and coordination between the village government and the Company has been running well.</li> <li>- The Company always responds to any problems submitted by the village government officials or from the surrounding community. Villagers have confirmed that organisation has done some positive CSR activities on their surroundings. Routinely companies provide assistance through CSR programs in the form of borrowing heavy equipment (excavators, graders and compactors), scholarships, assistance to the poor, religious facilities, etc.</li> <li>- Access roads surrounding villages are always maintained by the company.</li> <li>- Enclave owner has proper access to their own farm inside company's farm without any difficulties.</li> <li>- Absorption of workforce from the surrounding villages was not adequate.</li> <li>- There are no reports from the public regarding the operational activities of companies that violate Human Rights such as the Right to Organize and assemble Conduct worship in accordance with beliefs, as well as other practices of violation of Rights such as the use of mercenaries for the intimidation of workers, the sale of human beings etc.</li> <li>- Companies still utilize labor from the surrounding community with the status of Daily Workers (PHL).</li> </ul> <p><b>Management Responses</b> - Communication is always well established with the surrounding community, so was no land conflict with surrounding community until conduct this audit.</p>



	<ul style="list-style-type: none"> <li>- Routinely companies provide assistance through CSR programs in the form of borrowing heavy equipment (excavators, graders and compactors), scholarships, assistance to the poor, religious facilities, etc.</li> <li>- Improving future CSR programs based on the potential of the village concerned and empowering the community by conducting soft skills training. For example with agricultural and livestock farming programs with at the same time provide direct guidance and direction.</li> </ul> <p><b>Audit Team Findings</b></p> <ul style="list-style-type: none"> <li>- It is suggestions that PT Tapian Nadenggan can maintain communication with the community and village apparatus.</li> <li>- CSR programs to be developed in accordance with community empowerment programs and guidance and coaching.</li> <li>- The use of labor to be prioritized to the surrounding community by referring to recruitment procedures.</li> <li>- It is suggestion to be followed up in relation to the proposed electricity subsidy.</li> </ul>
<p><b>6</b></p>	<p><b>Feedback, Comment and Input Union Labor and Gender Committee</b></p> <ul style="list-style-type: none"> <li>- Organization has well relationship with union workers and gender committee (komisi perempuan).</li> <li>- Wage and overtime calculation has appropriately provided inline with related regulation.</li> <li>- The union invited organisation's management whenever there was issue to discuss.</li> <li>- When there was report of the need to replace PPE and work equipment, the organisation promptly respond depend of the availability of PPE and equipment stock.</li> <li>- Menstruation leave for women worker was given by company.</li> <li>- Gender committee collaborated with staff to conduct communication concerning social harassment handling.</li> <li>- Annualy MCU for workers were conducted by company.</li> <li>- There was no sexual harassment.</li> <li>- Clean water provided form reservoir and well (sumur).</li> <li>- Overall medical expenses covered by BPJS which is provided by company for all workers.</li> <li>- There was no workers under the age of working.</li> </ul> <p><b>Management Responses</b></p> <ul style="list-style-type: none"> <li>- Through unions SPSI company always communicate with all employees.</li> <li>- Giving APD to employees is always monitored every month. If there is any damage or condition of PPD that is not feasible, it will soon be given a replacement.</li> <li>- Employee rights have been granted including health facilities, housing, clean water and electricity.</li> <li>- All employees of both permanent employees (SKU-H and SKU-B) have been incorporated into BPJS employment and health.</li> <li>- Uses of the polyclinic have been filed in early 2017 as a Faskes I (Fasilitas Kesehatan) and are in process</li> </ul> <p><b>Audit Team Findings</b></p> <p>The company's liability to employees has been made in accordance with applicable laws and regulations. In general, employees claim that the company has been concerned about employees and pay attention to the rights of employees.</p>
<p><b>7</b></p>	<p><b>Feedback, Comment and Input Workers (fertilizing, spraying, mill processing, workshop)</b></p> <ul style="list-style-type: none"> <li>- Organization has well relationship with union workers and gender committee (komisi perempuan).</li> <li>- Wage and overtime calculation has appropriately provided in line with related regulation</li> <li>- The union invited organisation's management whenever there was issued to discuss.</li> <li>- Training provided periodically to the harvester and sprayer.</li> <li>- When there was report of the need to replace PPE and work equipment, the organisation promptly respond depend of the availability of PPE and equipment stock.</li> <li>- Company provide the extrafooding for sprayer workers/Pesticide operator in the form of canned milk.</li> <li>- Menstruation leave for women worker was given.</li> <li>- Gender committee collaborated with staff to conduct communication concerning social harassment</li> </ul>

	<p>handling.</p> <ul style="list-style-type: none"> <li>- Annually MCU for workers has provided by company.</li> <li>- There was no sexual harassment.</li> <li>- Clean water provided form reservoir and well (sumur).</li> <li>- Overall medical expenses covered by BPJS which provided by company.</li> <li>- Company has provided day care for employee’s children</li> <li>- All employees have been given adequate facilities, for example: housing, electricity, irrigation, polyclinics, sports field schools, transportation for school children etc.</li> <li>- Associated with OHS, the company has provided equipment and PPE work for free to all employees.</li> </ul>
	<p><b>Management Responses</b></p> <ul style="list-style-type: none"> <li>• During the school holidays, children do not have activity at the time of working parents. Parents worry when their children left home alone, so some children over the age of 9 years to accompany their parents to work in the field.</li> <li>• Socialization the ban invites minors to accompany their parents to the employees working in the field (the parents). Also socialization to children in elementary school (Yayasan Eka Tjipta) HANAU ESTATE to not join her parents to the field.</li> <li>• By the time summer school holidays, for grade school children 1-3 will be deposited in the Central Child Care and school children grade 4-6 will do activities in the Smart House (Rumah Pintar).</li> </ul>
	<p><b>Audit Team Findings</b></p> <p>All observation and issue during interview with representative workers (teacher, harvester, sprayer, daycare), labour union, and gender committee have been reviewed with several supporting document at HANAU ESTATE.</p>

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

During audit surveillance 4 auditor were verified consistency of implementation for corrective action plan to addressed the previous Major and Minor Nonconformities. During audit indicated that previous 2 Major Nonconformities were addressed effectively, however there was recurrent nonconformity raised for indicator 4.7.1 Major and raised as NC number 1529140-201709-M1. For Minor NC, company has consistently to implementing the corrective action plan they have made and no recurrent NC was raised.

Below are the explanation regarding follow up action from previous Non conformities.

Non-Conformity		
NCR #	Description	Category (Major / Minor)
<b>2016-01</b>	<p><b>Requirements:</b> RSPO P&amp;C INA NI 2016 Indicator 4.7.1 A health and safety policy shall be in place. A health and safety plan shall be documented and implemented, and its effectiveness monitored.</p>	<b>Major</b>
	<p><b>Evidence of Nonconformity:</b></p> <ul style="list-style-type: none"> <li>- It was found unidentified containers (ex-mineral water bottle) content of glyphosate "Rollup" liquid at Hanau estate Div.3 storage warehouse.</li> <li>- The result of whole body vibration measurement was over the threshold limit value/NAB (more than &gt;0.5 m/s<sup>2</sup>) refer to regulation Kepmenaker 13/2011 for TLB (tractor/loader/backhoe) unit at TPRE estate and clay bath kernel machine at HANAU MILL mill, nevertheless there is no further follow up action.</li> <li>- It was observed contractor activities a HANAU MILL mill regarding pipelines of</li> </ul>	

	<p>clarification station, there is found substandard scaffolding (loose platform, no base plate, no toe board, no guard rail and no stair access) and substandard LPG cylinders bottles without flashback arrester.</p>	
	<p><b>Statement of Nonconformity:</b> There are lacks of monitoring health and safety practices at mill and estates</p>	
	<p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>• Several immediate action includes improvement, restoration and repair conducted, such as :             <ul style="list-style-type: none"> <li>✓ Head of storage facility of Division 3 immediately relocated the liquid concentrate from the mineral water bottles to its original packages. The bottles were washed and given hazardous waste symbol and disposed in hazardous waste facility. The disposal was then recorded in the waste disposal log book.</li> <li>✓ Water used for washing the mineral bottles was kept and will be used for next herbicide spraying activity.</li> <li>✓ During morning briefings and routine meetings, estate managers and staff will regularly conduct intensive socialisation of regulations regarding herbicide usage and storage to all chemical sprayers and field staff.</li> <li>✓ Estate managers will issue a warning letter to chemical sprayers and field staff if the activity persists.</li> </ul> </li> <li>• Conducted socialisation at the location of regulations regarding herbicide usage and storage to all chemical sprayers and field staff. During morning briefings and routine meetings, estate managers and staff regularly conduct intensive socialisation of regulations regarding herbicide usage and storage to all chemical sprayers and field staff.</li> <li>• Technical assistant staff at TPRE Workshop and Assistant Mill staff located the source of vibration and analysed how to reduce vibration and fix specific components of the TLB and the nut &amp; kernel station.</li> <li>• Hanau mill manager will issue a warning letter on 2 Sept 2016 to the contractor on the indisciplinary practices of its workers as a follow up to ensure conformation to safety standards and equipments. For next OHS measurement held by the third party (Lab Hiperkes), will be conducted screening by the unit safety officer in order to review is it the measurement result has conducted properly as required by the standard/regulation.</li> </ul>	
	<p><b>Assessment Conclusion:</b> NC Major is CLOSED on 1 October 2016 Remark:</p> <ul style="list-style-type: none"> <li>- Company has consistently implement that all agrochemical placement is performed in place according to the active ingredients, labels and chemical symbols. During audit indicated that there is no inappropriate chemical placement. SOP for pesticide storage has been provided (see indicator 4.6.6). All ex- chemical container and ex pesticide/herbicide jerrycan has responsibly disposed by PT Tapian Nadenggan according to procedure SOP/SMART/LEMS-EHSD/SADV/I/002 – Waste handling and IK/SMART/LEMS-EHSD/SADV/I/002/001 – Hazardous waste and empty chemical containers handling (see indicator 5.3.2).</li> <li>- Company has consistently measure the vibration level each years. Latest measurement performed on 1 April 2017 by Testing laboratory Hyperkes Central Kalimantan. Company has taken action to reduce the impact of TLB vibration by providing the adequate and comfortable seats, set the TLB</li> </ul>	

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	<p>operator working hours not sit too long in the vibration, periodically maintenance of TLB and periodic MCU for TLB operator. Vibration in the nut &amp; kernel station also reduce by periodic maintenance and muffler installation to reduce the vibration.</p> <ul style="list-style-type: none"> <li>- Contractor job inspection and monitoring consistently performed by company to ensure the compliance against the safety standards and equipments.</li> </ul>	
<b>2016-02</b>	<p><b>Requirements:</b> RSPO P&amp;C INA NI 2016 Indicator 5.2.2 and 5.2.4  Where rare, threatened or endangered (RTE) species and or other HCVs are present or affected by the plantation and mill operations, an appropriate measures that are expected to maintain or enhance them shall be implemented through a management plan.  Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.</p> <p><b>Evidence of Nonconformity:</b>  Based on verification of:  <ul style="list-style-type: none"> <li>- Report of HCV Identification in 2011</li> <li>- Report of the management and monitoring of HCV area 2015</li> <li>- Results of interview with employee</li> </ul> There is no evidence of follow-up for monitoring and measuring areas of HCV for protected flora species such as Meranti merah (<i>Shorea pinnanga</i>), Meranti Rawa (<i>Shorea balangeran</i>) and Kantung semar (<i>Nepenthes sp.</i>) since 2015.</p> <p><b>Statement of Nonconformity:</b>  Site has not been able to shown evidence of follow-up for monitoring and measuring areas of HCV for protected flora species such as Meranti merah (<i>Shorea pinnanga</i>), Meranti Rawa (<i>Shorea balangeran</i>) and Kantung semar (<i>Nepenthes sp.</i>) since 2015.</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>• Company has conduct an inventory the existence of protected and endangered species (Meranti merah (<i>Shorea pinnanga</i>), Meranti rawa (<i>Shorea balangeran</i>) and Kantung semar (<i>Nepenthes sp.</i>) based on the identification of HCV in 2011.</li> <li>• Keep doing regular monitoring (every 6 months). When the rainy season coincides with the time that caused flooding, it will be done during the next dry season.</li> </ul> <p><b>Assessment Conclusion:</b>  NC Major is CLOSED on 1 October 2016  Remark:  <ul style="list-style-type: none"> <li>- Company has consistently monitored the presence of RTE species and protected species in all HCV area each six month (semester). Meranti merah (<i>Shorea pinnanga</i>), Meranti Rawa (<i>Shorea balangeran</i>) and Kantung semar (<i>Nepenthes sp.</i>) monitord using Vegetation Analysis method by using plot transek. Latest monitoring conducted on March 2017.</li> <li>- Company has create the Field guide to monitor the wildlife species in and around the estate area. Monitoring result of wildlife and rare plant sepcies reported each semester and evaluated (see report indicator 5.2.4).</li> </ul> </p>	<b>Major</b>
<b>NCR #</b>	<b>Description</b>	<b>Category (Major / Minor)</b>

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<p><b>2016-03</b></p>	<p><b>Requirements:</b> RSPO P&amp;C INA NI 2016 Indicator 6.5.3          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><b>Evidence of Nonconformity:</b>          Report test results of water quality for less than BML parameter pH (6.5 to 9.0) :  <u>HANAU ESTATE</u>          - Analysis result No. 1796/SL/IV/16, on 12 April 2016 in Pondok 4, pH of 5.16          - Analysis result No. 1797/SL/IV/16, on 12 April 2016 in Pondok 1, pH of 5.08  <u>TPRE</u>          - Analysis result No. 1746/SL/III/16, on 12 April 2016 in Pondok 2, pH of 4.7</p> <p><b>Statement of Nonconformity:</b>          The Company has not provided clean water for eligible employees in accordance with Permenkes No. 416/1990.</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>• Perform re-sampling for analysis of water quality at these locations and analyzed at the Laboratory of Plant Hanau on 1 September 2016. The analysis shows that clean water quality to meet BML pH parameters in all these locations.</li> <li>• Do quality monitoring pH every month and analyzed at the Laboratory of Plant Hanau. If the pH parameter do not meet the BML, then the treatment will be the addition of soda ash (NaOH) into the tank before being drained into housing. For sampling by external parties remain to be done once a year by the time of retrieval to be analyzed is less than 3x24 hours.</li> </ul> <p><b>Assessment Conclusion:</b>          NC Minor is CLOSED on 1 October 2016.          Remark:          Company has consistently check the water quality provided in the housing area. Laboratory test of clean water was conducted on 17 May 2017 by Testing laboratory PT Mutu Agung Lestari according to clean water standards based on PERMENKES No: 416/MENKES/PER/IX/1990. The result of analysis were available and indicated that all parameter analyzed is met with the standard.</p>	<p><b>Minor</b></p>
<p><b>2016-04</b></p>	<p><b>Requirements:</b> RSPO P &amp; C INA NI 2016 Indicator 6.7.1          There shall be documented evidence that minimum age requirements are met.</p> <p><b>Evidence of Nonconformity:</b></p> <ul style="list-style-type: none"> <li>- Interviews with elementary school students (Yayasan Eka Tjipta) on 30 August 2016.</li> <li>- Document socialization age limit work to employees.</li> </ul> <p><b>Statement of Nonconformity:</b>          The site has not been able to show the application of an age limit workers at least 18 years has been running the overall.</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>• Socialization the ban invite minors to accompany their parents to the employees working in the field (the parents).</li> <li>• Socialization to children in elementary school (Yayasan Eka Tjipta) HANAU ESTATE to not join her parents to the field.</li> <li>• By the time summer school holidays, for grade school children 1-3 will be deposited in the Central Child Care and school children grade 4-6 will do activities in the Smart House (Rumah Pintar).</li> </ul>	<p><b>Major</b></p>

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	<p><b>Assessment Conclusion:</b> NC Major is CLOSED on 1 October 2017 Remark: Company has consistently implementing the minimum age requirements and prohibit the employee under 18 years old. Organisation has policy for minimum age for worker and mentioned in the Circular Letter (Surat Edaran) No. 002/SE-HRD/03/09' and also was described in Company Regulation. During audit and interview with workers, field observation and stakeholder consultation can be demonstrated that there is no employee under 18 years old in PT Tapian Nadenggan.</p>	
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**3.3.2 Summary of the Nonconformities and Status**

CAR Ref.	CLASS	ISSUED	STATUS
2016 – 01	Major	25/07/2016	CLOSED on 01/10/2017
2016 – 02	Major	25/07/2016	CLOSED on 01/10/2017
2016 – 03	Minor	25/07/2016	CLOSED on 01/10/2017
2016 – 04	Major	25/07/2016	CLOSED on 01/10/2017
1529140-201709-M1	Major	14/09/2017	CLOSED on 31/10/2017
1529140-201709-M2	Major	14/09/2017	CLOSED on 31/10/2017

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**Assessment Conclusion and Recommendation:**

Based on the findings during the assessment PT. Tapian Nadenggan – Hanau Palm Oil Mill 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. Tapian Nadenggan – Hanau Palm Oil Mill Certification Unit is approved and continued.

Acknowledgement of Assessment Findings	Report Prepared by
<b>Name:</b> Ismu Zulfikar	<b>Name:</b> Mujinius Jalaraya
<b>Company name:</b> PT. Tapian Nadenggan	<b>Company name:</b> On behalf BSI Services Malaysia Sdn Bhd
<b>Title:</b> Sustainability Dept. Head	<b>Title:</b> Lead Auditor
<b>Signature:</b>  Date: 12 December 2017	<b>Signature:</b>  Date: 8 December 2017

**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>		
<p>1.1.1</p>	<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>The company has made a mechanism for request information procedure No. SOP/SMART/UMUM/SADV/I/004, date on 1 July 2014 – Communication and Consultation Procedure (Prosedur Komunikasi dan Konsultasi).</p> <p>The company has made a list of stakeholders by category (government agencies, village, religious leaders/village community and business partners). List of stakeholders is well maintained and always done regularly update data (6 months), the last performed update on 06 March 2017 (HANAU MILL and HANAU ESTATE), 01 August 2017 (TPRE), and 06 August 2017 (LANGADANG ESTATE), which is responsible in this case is the SPO Officer.</p> <p>All information can be accessed by interested parties. Provision of information to be known by Estate Manager and approved by the Regional Controller (RC). If the information is confidential trade must go through the approval of Head Office.</p> <p>Provision of information to the relevant agencies recorded in the Register of Stakeholders Information (Daftar Informasi untuk Stakeholder) form No. F/SMART/UMUM/SADV/004/002. All information provided to several stakeholders in accordance with the terms and language used, for example in the form of report and the contents of the report. Delivery of Information is delivered in Bahasa Indonesia, so it can be understood by stakeholders. During interview with stakeholders, they</p>	<p>Comply</p>



Criterion / Indicator		Assessment Findings	Compliance
		have been given the socialization of information type sharing by organization.	
1.1.2	<p>Records of requests for information and responses to the information requested shall be available.</p> <p>- Major compliance -</p>	<p>Organization has established a mechanism for receiving and providing information in the procedure No. SOP/SMART/UMUM/SADV/I/004, date on 1 July 2014, about Communication and Consultation Procedure. List of stakeholder and types of information are updated every year or if there are changes. Unit Head (estate and mill) have the responsibility for response of the information request form stakeholders that assisted by SPO Officer.</p> <p>With the use of the log book Register of Information Requests and Responses (Daftar Permintaan Informasi untuk Stakeholder dan Tanggapannya), the organization (Estate and Mill) can monitor all of the information that is communicated to stakeholders. Stakeholders List has been compiled in Form No. F/SMART/UMUM/SADV/004/003 about Type of information and related stakeholder (Jenis informasi dan stakeholder terkait), date on 4 August 2014, defines the type of document that is available for each stakeholder and also includes the type of report must be sent to the relevant agencies that need. Based on the list of information above, some of the information that can be accessed by stakeholders are included legal, social, environmental, production, and others, all the information is accessible must be approved by management (Regional Controller).</p> <p>Organization has established a mechanism for receiving and providing information in the No. SOP/SMART/UMUM/SADV/I/004, date on 1 July 2014, about Communication and Consultation Procedure (Prosedur Komunikasi dan Konsultasi). The response to requests for information by the above procedure is at least 30 days or 4 weeks.</p> <p>The company has owned some policies for documents created by the public relations department in the company and acknowledged by plantation manager that can be accessed by public dated 9th January 2017 that covered:</p> <p>A. Legal Documents</p> <ol style="list-style-type: none"> <li>1. a copy of SK HGU (Land Title)</li> <li>2. a copy of AMDAL (Social and Environmental Impact Assessment)</li> </ol>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>B. Environment Documents</p> <ol style="list-style-type: none"> <li>1. Waste management plans</li> <li>2. Report of waste water</li> <li>3. Report of water management</li> <li>4. Report of river water quality</li> <li>5. Report of air quality.</li> <li>6. Report of RKL (Environmental Management Plan) – RPL (Environmental Monitoring Plan).</li> <li>7. Report of Hazardous Waste</li> </ol> <p>C. Social Activity Documents</p> <p>D. Employment Documents</p> <ol style="list-style-type: none"> <li>1. Jamsostek and also BPJS Kesehatan</li> <li>2. HSE management programs</li> </ol> <p>All information request from stakeholder will be handled by relevant department. For example: CSR department responsible for inquiry from local community, media, NGO including dispute or complaint; Human Resources Department responsible for worker consultation, worker union or government authorities related to manpower/labor issue; Purchasing Department responsibility to communicate regulations, environments, health and safety and socials requirement to all supplier. All request information and others has been responded in timely manner.</p>	

**Criterion 1.2:**

Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in

Criterion / Indicator	Assessment Findings	Compliance
negative environmental or social outcomes.		
1.2.1	<p>Publicly available documents shall include, but are not necessarily limited to:</p> <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 (Criterion 6.3)</li> <li>g) Negotiation procedures (Criterion 6.4)</li> <li>h) Continual improvement plans (Criterion 8.1)</li> <li>i) Public summary of</li> </ul> <p>Organisation documents that is generally available by the organisation. List of management documents are publicly available such as:</p> <ol style="list-style-type: none"> <li>1. Site Permit (Izin Lokasi),</li> <li>2. Land Use Title (HGU),</li> <li>3. Plantation Operation Permit (IUP),</li> <li>4. Environmental and Environment Impact Analysis document (AMDAL),</li> <li>5. Environmental management and monitoring report (RKL and RPL implementation reports),</li> <li>6. HCV Assessment report,</li> <li>7. Social Impact Assessment (SIA) Report,</li> <li>8. Occupational Health and Safety Management Plan,</li> <li>9. Corporate Social Responsibility (CSR)</li> <li>10. Continuous Improvement Plan.</li> </ol> <p>Those documents were accessible and shown during this audit.</p> <p>The documented procedure was established, it's mentioning the process and responsibilities and authorities in regards responding the request on information from the public. The coverage of request on information as stated in the procedure including information on legal documents, environmental documents, social activities documents, occupational health and safety programme documents and continual improvement documents.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	certification assessment report j) Human Rights Policy (Criterion 6.13). - Major compliance –		
<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 –	PT Tapian Nadenggan has established the Policy of Principles of Business Ethics signed by VPA on 1 August 2014 that the organization commitment to responsible of the continue practicing and business ethics referring to the shared values of company namely integrity, positive attitude, commitment, continuous improvement, innovation and loyalty as well as in accordance with the rules, SPO principles and criteria. It consists of five policy which can be summarized as follows: <ul style="list-style-type: none"> <li>▪ Corporate practice and disseminating the shared values to all employees in all business activities</li> <li>▪ Support the implementation of the 10 principles of UNGC in which there was core value of devices that is human rights, labour, environment and anti-corruption</li> <li>▪ Company not provide for any tolerance of corruption in business practices that performed by employees</li> <li>▪ Company committed to the ethical standards of behaviour in the management of all activities of business practices</li> <li>▪ Company implement good corporate governance</li> </ul> This policy has been disseminated to all employees and company around communities. Evidence of dissemination in the form of attendance list and minutes of socialization were available. The policy has been communicated to all employees and third parties on 10, 17, and 29 March 2017 (Hanau	Comply

Criterion / Indicator		Assessment Findings	Compliance
		Estate), 17 – 19 March 2017 (Tanjung Paring Estate), 29 February 2017 (Hanau Mill), and 8 March 2017 (Langadang Estate). During interview with them, its policy has been directly communicated and understood.	
<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 –	<p>The list of legal requirement was registered within the form (F/SMART/UMUM/SADV/I/ 002/002) updated for each year, records were sighted for period of evaluation dated 3 August 2017 for HCV, 30 August 2017 for Environment and 20 February 2017 for other legal requirements. The organisation kept soft copies of legal requirement controlled by SPO Regional officer and hard copies book kept by safety officer on each site/units.</p> <p>Status of compliance with the applicable OHS, environment, social and other legal requirements and regulations were evaluated, and evaluation of compliance result indicated that compliance status was justified with reference to the objective evidence of compliance. For example:</p> <ul style="list-style-type: none"> <li>• PROPER evaluation by Ministry of Environment has concluded that Hanau Mill granted for BLUE award which indicated status of their environmental legal compliance for Year 2016. Quality of waste water effluent is monitored monthly in line with the requirements of regulation Kep Men LH No.29/2003. The result of Palm Oil Mill Effluent (POME) monitoring was reviewed including measurement of BOD for period 1<sup>st</sup> (first) semester 2017. The Ministry of Environment Decree #29/2003 and permit of land application required that BOD of POME flowed to land application is less than 5,000 mg/litre and pH 6 - 9. The result of POME quality during this period was BOD less than 5,000 mg/litre and pH between 6 and 9.</li> <li>• Provision of valid permits: hazardous waste temporary storage and land application permit;</li> </ul>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>boiler, sterilizer, pressurized vessel permits, lifting equipment, personnel who conduct lifting equipment operation and clinic permit. All engineers in the Hanau Mill, Boilermen, Electricians, Charge- men were has been authorised by "Kementrian Tenaga Kerja dan Transmigrasi RI" according to SIO certificate. They all has obtain the SIO certificate . During audit SIO certificate can be demonstrated.</p> <ul style="list-style-type: none"> <li>• Provision of required infrastructure for environmental management: waste water treatment ponds, hazardous waste storage.</li> <li>• Availability of several MSDS.</li> <li>• Periodic environmental parameter monitoring (stationary emission, ambient emission and ambient noise, moving source emission, waste water discharge quality, and ground water quality). PT Tapan Nadenggan – Hanau POM and its supply bases has provide the suitable work environment for the workers. Company has measured the work environment each year at Chemical store, Agrochemical store, Power house station, Kernel station, IPAL station and Boiler station. Measurement consist of Physical measurement: noisy, vibration, microwaves, ultra-violet light, and magnetic fields; Chemical measurement: solids (particles), liquid, gas, fog, aerosols and steam derived from chemicals. These measurement according to standard in "Permenakertrans RI Nomor PER.13/MEN/X/2011 tentang Nilai Ambang Batas Faktor Fisika dan Kimia di Tempat Kerja. Company has taken action to control the work environment such as:               <ul style="list-style-type: none"> <li>✓ Provision of respiratory masker for workers in chemical store and IPAL station to prevent the poisoning</li> <li>✓ Exhaust van provision and sufficient ventilation system in chemical and agrochemical store to minimize the possibility of poison gas.</li> <li>✓ Installing dust collector in Boiler stack to minimize the particle</li> <li>✓ Road watering during dry season to mimimize dust and particle.</li> <li>✓ Provision of good ventilation in the humid area and warm area at sterilizer station and press station</li> <li>✓ Provision of Earmuf/Ear plug to reduce the noisy for workers at Kernel station, powerhouse</li> </ul> </li> </ul>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>station, Boiler station.</p> <ul style="list-style-type: none"> <li>✓ Installing muffler in generator set to reduce the vibration</li> <li>✓ Etc.</li> </ul> <p>Company also has prepared the Risk assessment and determining the control to prevent the hazard and risk impact: incident and accident. These also use as a basic of OHS program to prevent the accident and occupational illness.</p> <ul style="list-style-type: none"> <li>• System of plant cultivation, oil palm plantation.</li> <li>• List of protected flora and fauna.</li> <li>• Management of protected area.</li> <li>• Paramedic and company doctor, medical check-up, safety committee. Company has established the OHS/Occupational Health and safety committee as per national regulation requirement which usually called P2K3 (Panitia Pembina Keselamatan dan Kesehatan Kerja) that consist of Estate/mill managers as the chairman; the safety officer/AK3 Umum as the secretary and members are representative from each functions/sections (see indicator 4.7.4). In addition, PT Tapian Nadenggan has formed a team of emergency response preparedness called "Tim Kesiapsiagaan Tanggap Darurat" on duty to fire mitigation and combating as well as emergency situation in accordance with the provisions of the Decree of the Minister of Manpower. Company also has provide the sufficient equipment required for fire mitigation and combating.</li> <li>• Transport and lifting equipment certification by regulatory body.</li> <li>• Minimum wage, over time, labor law, occupational safety, employee social benefit.</li> </ul>	
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained.	The SPO Officer in charge was responsible to identified and updated the regulation applicable to the organisation, also to disseminate to related functions. Update and reviewed was conducted periodically once within a year, evaluation dated 3 August 2017 for HCV, 30 August 2017 for Environment and 20 February 2017 for other legal requirements (best agriculture practices, social	Comply

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance –	and labor). The managers of mill and estate were responsible that the applicable regulation was implemented on the organisation. Based on document review of legal requirement evaluation and interview conducted with the SPO Officer and related personnel at Mill and Estate to review the implementation of regulations, it was evident that the applicable laws and regulations were implemented by the organisation.  The list of legal requirement include compliance evaluation were kept by each unit (SPO officer) and available to all levels of management.	
2.1.3	A mechanism for ensuring compliance shall be implemented.  - Minor compliance –	The organization has a mechanism to ensure compliance with all applicable laws and regulations compliance through procedure Regulation compliance evaluation (F/SMART/UMUM/SADV/I/002) dated 1 July 2014.  Internal audit was conducted on 2 – 7 January 2017 regarding the sustainable palm oil, included the legal compliance to health and safety aspects, environment, best agriculture practices, social and labour. The corrective action was planned and implemented if there are any non-conformances raised.  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.	Comply
2.1.4	A system for tracking any changes in the law shall be available and implemented.  - Minor compliance –	Documented procedure (SOP/SMART/UMUM/ SADV/I/002 dated 1 July 2014 regarding Legal and other requirement compliance) was exists and implemented for accessing and identifying changes in the regulations. The system established to ensure:  - Collecting related legislation  - Determination of regulations referred	Comply



Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Distribution of regulations to relevant authorities regarding</li> <li>- Implementation of regulations and requirements</li> <li>- Maintaining the of renewal regulations</li> </ul> <p>SPO Officer of PSM (Perkebunan Sinar Mas) has responsibility to update the change of law and regulations. This update then disseminated to SPO Officer of Region, then SPO Officer Region to SPO Officer Unit. The update of applicable legal and other requirements have been reviewed and disseminate to workers by SPO Officer Unit. SPO Officer Unit has responsibility to evaluate compliance with legal requirement.</p> <p>Records and implementation observed during audit shown that changes were well identified, and the latest legal requirements were well documented in the list of legal requirements. Contacts with regulatory body for updating legal requirements were well documented.</p>	
<p><b>Criterion 2.2</b></p> <p>The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>			
2.2.1	<p>Documents showing legal ownership or lease, history of land tenure ownership/control, and the actual legal use of the land shall be available.</p> <p>- Major compliance -</p>	<p>This surveillance audit was conducted to HANAU MILL, LANGADANG ESTATE and TASIK MAS ESTATE. Documents that showing legal ownership of land tenure and the actual legal use of the land was available in the form of concession and HGU license document. Document and License Department of PT. Tapan Nadenggan keeps the original HGU documents, while Estates keep the copies of HGU certificate. Licenses document were available at Estates audited. Following are Plantation Operation Permit and HGU reviewed during this audit:</p> <ol style="list-style-type: none"> <li>1. Locations permit #1016-460.42, dated 18 October 1995, for ± 15,920 Ha, permit was given to PT. Lestari Unggul Jaya. This site permit was revised and updated with site permit #14 year 2003, this site permit mentioned that permit was transferred from PT. Lestari Unggul Jaya to PT. Tapan Nadenggan, and also mentioned in this permit that since some area are in the form of sand and then the area given in the permit was 9,100 Ha. This permit was also revised by</li> </ol>	Comply

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		<p>Seruyan Regent (Bupati Seruyan) with issuance of new location permit #45 year 2004 for a total of 12,178.308 Ha.</p> <p>2. IUP #188.45/194/2015, dated 15 May 2015, a total of ±17,062.11 Ha for oil palm plantation, mentioned capacity of Palm Oil Mill: 80 Ton FFB/hour and Kernel Crushing Plant (KCP) 7.5 Ton PK/hour.</p> <p>3. Forest releases permit (IPKH): #19/Kpts-II/2001, dated 30 January 2001, a total of 11,860 Ha.</p> <p>4. HGU#11 Desa Kalang, Sandul, Tanjung Rangas Serabi dan Tanjung Paring, Kecamatan Seruyan Tengah and Hanau, Regent of Seruyan. Held by PT. Tapian Nadenggan, Tbk. Total area: 12,172.111 Ha. Already extended according to Decree from BPN #11/HGU/BPN/2005 for 35 years since 2005. (Tanjung Paring Estate, Tasik Mas Estate, Langadang Estate)</p> <p>5. HGU#14 (May, 20 2000 – May 20, 2035) Desa Pembuang Hulu I and Pembuang Hulu II and Derangga, Kecamatan Hanau, Regent of East Kotawaringin. Held by PT. Lestari Unggul Jaya. Total area: 4,890 Ha. Already extended according to Decree from BPN #20/HGU/BPN/99 for 35 years since 2000. (Hanau Estate)</p> <p>6. HGB#1 dated September 21, 2004, Desa Derangga, Kecamatan Hanau, District of Seruyan. Held by PT. Tapian Nadenggan. Total area: 61,891 M2. Already extended according to Decree from Kakanwil BPN #07/550/HGB/BPN.42/2004 for 35 years since 2004. (Hanau Mill).</p> <p>The total HGU area for PT. Tapian Nadenggan estates are 17,062.111 Ha, while total planted area are 14,491.00 Ha.</p>	
2.2.2	<p>Legal boundaries are clearly demonstrated 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. Based on document verification upon "Monitoring Patok HGU Kebun Sentral No.001/SSL/LAP/VI/2017" dated 13/05/2017; company demonstrated that company have a plan for maintenance.</p>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>Conducted observation for several pegs, e.g:</p> <p>HGU pegs observed were:</p> <p>Hanau Estate:</p> <ul style="list-style-type: none"> <li>- No. 41 (02°22'44.974" S and 112°04'39.885" E)</li> <li>- No. 29 (02°22'49.094" S and 112°06'36.172" E)</li> <li>- No. 15 (02°25'05.463" S and 112°07'32.154" E)</li> </ul> <p>Tasik Mas Estate:</p> <ul style="list-style-type: none"> <li>- No. 027 (02°16'48.975" S and 112°09'07.396" E)</li> <li>- No. 044 (02°19'30.619" S and 112°10'15.244" E)</li> <li>- No. 108 (02°16'40.416" S and 112°05'57.403" E)</li> </ul> <p>Legal boundaries are clearly demarcated and maintained. All pegs were in good condition and maintained. Plantation activity such as upkeep and harvesting were conducted inside the border. Procedure of boundary pegs maintenance was described in SOP/SMART/CERS- EHS/SADV/I/004 – Maintenance of Boundary Pegs. Estates has program to maintain boundary pegs such as cleaning of pegs circle three times a year, pegs repainting twice a year and pegs repairing twice a year. The company is to ensure all operating unit consistently carry out monitoring of boundary markers regularly and this is recorded twice a year, the last maintenance performed on 13 May 2017.</p>	
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</p> <p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any no customary land or legal rights within the company and scheme smallholders areas.</p> <p>The Company already has a land conflict management procedure, SOP/SMART/SENS-</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	<p>through conflict resolution which has been received through Free, Prior and Informed Consent by all related parties shall be provided.</p> <p>- Minor compliance -</p>	<p>CSR/SADV/I/002 (Land of Conflict Resolution), on 01 July 2010 and SOP/NP/SMART/VII/D&amp;L 002, on 01 July 2010 (Processes land compensation) and were implemented, explains that: in case of land conflict, it will be resolved by deliberation with the parties concerned and witnessed by witnesses from the community and local government (village head). In case of disagreement, negotiations will be conducted by using mediation by related parties (lurah, camat, bupati and the BPN Kabupaten).</p> <p>The procedure has been socialized to all stakeholders and communities and community representatives around the Estate on 23/03/2017; attended 71 people, dated 24/03/2017 attended by 14 people, dated 16/03/2017 attended by 31 people and dated 21/03/2017 attended by 39 people.</p>	
2.2.4	<p>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.</p> <p>- Major compliance –</p>	<p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any customary land or legal rights within the company areas and there is no land conflict/land dispute.</p>	Comply
2.2.5	<p>For any conflict or dispute over the land, the evidence of the extent of disputed area is mapped out in a participatory way with involvement of affected parties (including neighboring communities and local government where applicable), shall be available.</p>	<p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any customary land or legal rights within the company areas and there is no land conflict/land dispute.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance –		
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 documents review and interview with local government and local communities surrounding the company, it was noted that no any customary land or legal rigths within the company areas and there is no land conflict/land dispute.	Comply
<b>Criterion 2.3</b>			
Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.			
2.3.1	Maps 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).  - Major compliance -	Maps have been developed for each estate indicating Legal demarcation and planted areas. Planted areas of the Estate are wholly on Government land, leased under HGU.  Some documents for example: the minutes of payments, meetings, discussions, contractual agreements with third parties, garden and concession map, can be shown to have FPIC process in accordance with the procedure. In the FPIC process also involves community leaders, the chairman of the organization which is in the vicinity of the location (eg: cooperatives, farmer groups etc.) and heads of villages as well as customary leaders in the village.  At the time of the concession process where there is a land measurement, can be demonstrated by including some of the witnesses from the public and community leaders and traditional leaders also witnessed by the local village head.	Comply
2.3.2	Copies of negotiated agreements including the process of free, prior and informed consent (FPIC)	It was confirmed during group discussion that no land within mill and estates are encumbered by legal or customary rights. Land compensation had been made before the land use concession (HGU) processing. Maps have been owned indicating legal demarcation and planted areas according by	Comply

Criterion / Indicator	Assessment Findings	Compliance
<p>(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>HGU.</p> <p>Procedure for FPIC process was available, and during public consultation with Villages Heads (Tanjung Rengas, Derangga, Sandul etc), it was confirmed that the procedure was made in consultation and discussion with them.</p> <p>The procedure was consulted with surrounding communities around the area of PT Tapian Nadenggan on 29 March 2017 (Hanau Estate), 19 March 2017 (Tasik Mas Estate), 29 February 2016 (Hanau Mill), and 8 March 2016 (Langadang Estate).</p> <p>Land claim settlement begins by verifying the validity of documents evidence of land claims. Then do the physical examinations field by involving village officials and community leaders. Examination of physical data intended to obtain measurement data information, the data volume, the physical quality and documentation. The physical examination should be included in the investigation report field. Then be verified with the land claim documents of HGU permits. If the issue of land claims can not be resolved at the level of estate, then the land issues will be coordinated by a team of Legal Head Office.</p> <p>Steps to resolve the land with people who claim determined by consensus and if the settlement agreement is not found, it will be settled in accordance with prevailing regulations.</p> <p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any no customary land or legal rights within the company areas.</p>	
<p>2.3.3</p> <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 documents review and interview with local government and local communities surrounding the company, it was noted that no any no customary land or legal rights within the company areas.</p>	<p>Comply</p>

Criterion / Indicator		Assessment Findings	Compliance
2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>- Major compliance -</p>	<p>Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any no customary land or legal rights within the company areas.</p>	Comply
<p><b>Principle 3: Commitment to long-term economic and financial viability</b></p>			
<p><b>Criterion 3.1</b></p> <p><b>There is an implemented management plan that aims to achieve long-term economic and financial viability.</b></p>			
3.1.1	<p>A documented management plan, a minimum of three years shall be available, including, where appropriate, plan for scheme smallholders.</p> <p>- Major compliance-</p>	<p>PT Tapan Nadenggan – Hanau has a documented business or management plan with long term planning period on Economic Feasibility Analysis of plantation of PT. Tapan Nadenggan period 2017 – 2027.</p> <p>The Management Plan has include:</p> <ul style="list-style-type: none"> <li>- Land area statement (planting years, non-planted areas, i.e. HCV, conservation areas, enclaves) with updated location maps. Maps area completed with title, legend, source, scale and projections/ georeferenced.</li> <li>- Plan for management of third party FFB</li> <li>- Quality of planting materials</li> <li>- Crop projection = Fresh Fruit Bunches (FFB) yield trends</li> <li>- Mill extraction rates = Oil Extraction Rate (OER) trends</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance										
		<ul style="list-style-type: none"> <li>- Cost of Production = cost per tonne of Crude Palm Oil (CPO) trends</li> <li>- Forecast prices</li> <li>- Financial indicators – profitability forecast (income vs cost)</li> <li>- Projected expansion (area, mill capacity, infrastructure, social amenities)</li> <li>- General strategy and allocation for environmental and social management (refer to P5, P6 and P8)</li> </ul> <p>The Management Plan is subjected to an annual review. The management plan is reviewed annually by top management including Regional Controller, Production Controller, Estate Manager and Mill Manager, and revised as appropriate; based on the achievement against the plan and other parameters may change.</p> <p>There is no peat area in Hanau and Tasik Mas Estate, PT. Tapian Nadenggan. Based on Semi Detail Soil Map there is peat soil in Tanjung Paring Estate with hemic maturity, depth of solum are &gt; 120 cm and peat thickness are 60 – 150 cm: 33.98 Ha, 150 – 300 cm: 190.61 Ha, and &gt; 300 cm: 715.45 Ha.</p> <p>The grower has a system to improve practices in line with new information and techniques. Estate Manager is the personnel in charge (PIC) to improve practices based on new information and technique. Information is updated through structural system, e.g. President Director to VPA, VPA to Regional Controller, Regional Controller to Estate Manager, Estate Manager to Field Assistant, then Field Assistant to Mandor and worker. Estate Manager communicated to Field Assistant through meeting, then Field Assistant communicated to worker through morning briefing.</p>											
3.1.2	An annual replanting program projected for a minimum of five years (but longer where necessary to reflect the management of	<p>PT Tapian Nadenggan has projected replanting program, starting in 2020. There is no replanting realized until this Recertification audit. Replanting program of PT Tapian Nadenggan are as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>HANAU ESTATE</th> <th>TASIK MAS ESTATE</th> <th>LANGADANG ESTATE</th> <th>TPRE</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Year	HANAU ESTATE	TASIK MAS ESTATE	LANGADANG ESTATE	TPRE						N/A
Year	HANAU ESTATE	TASIK MAS ESTATE	LANGADANG ESTATE	TPRE									



Criterion / Indicator		Assessment Findings						Compliance
fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance-	2020	180	-	-	-	-		
	2021	867	653	-	-	-		
	2022	1050	-	-	-	-		
	2023	1152	-	-	378	-		
	2024	459	1071	-	-	-		
	2025	-	1190	-	-	-		
	2026	-	813	-	559	-		
	2027	-	557	-	333	-		
	2028	-	-	-	1373	-		
	2029	-	-	1034	-	-		
2030	-	-	-	349	598	-		
<b>Principle 4: Use of appropriate best practices by growers and millers</b>								
<b>Criterion 4.1</b>								
<b>Operating procedures are appropriately documented, consistently implemented and monitored.</b>								
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. - Major compliance -	<b>Tasik Mas and Hanau Estate:</b> Standard Operating Procedures for Estates were developed in SOP (Standard Operating Procedure) which revised on 1 September 2012. The procedures were includes new area and replanting planning, nursery, land clearing, preparation before planting, fertilising, upkeep, integrated pest management (IPM), road maintenance, peat land management, drainage system, mature and immature upkeep, integrated pest management and harvesting. Other than that, there were also procedures for several processes including riparian zone management, application of agrochemical. Procedure also described required PPE and other safe working practices.  Standard Operational Procedure for Estate are as follows:						Comply

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>- SOP/SMART/MCAR/I/TA-PPA (<i>Perencanaan Penanaman Areal Baru</i>)</li> <li>- SOP/SMART/MCAR/II/TA-PRP (<i>Perencanaan Replanting</i>)</li> <li>- SOP/SMART/MCAR/III/TA-BBT (<i>Pembibitan</i>)</li> <li>- SOP/SMART/MCAR/IV/TA-PLB (<i>Pembukaan Lahan Baru</i>)</li> <li>- SOP/SMART/MCAR/V/TA-TNM (<i>Penanaman</i>)</li> <li>- SOP/SMART/MCAR/VI/TA-RPL (<i>Replanting</i>)</li> <li>- SOP/SMART/MCAR/VII/TA-HPT (<i>Pengendalian Hama dan Penyakit Tanaman</i>)</li> <li>- SOP/SMART/MCAR/VIII/TA-PGM (<i>Pengendalian Gulma</i>)</li> <li>- SOP/SMART/MCAR/IX/TA-PPK (<i>Pemupukan</i>)</li> <li>- SOP/SMART/MCAR/X/TA-PTB (<i>Pemeliharaan Tanaman Belum Menghasilkan</i>)</li> <li>- SOP/SMART/MCAR/XI/TA-PMP (<i>Persiapan Menjelang Panen</i>)</li> <li>- SOP/SMART/MCAR/XII/TA-PTM (<i>Pemeliharaan Tanaman Menghasilkan</i>)</li> <li>- SOP/SMART/MCAR/XIII/TA-PNN (<i>Panen</i>)</li> <li>- SOP/SMART/MCAR/XIV/TA-PPT (<i>Pemuatan dan Pengangkutan TBS</i>)</li> <li>- SOP/SMART/MCAR/XV/TA-PCH (<i>Pengukuran Curah Hujan dengan Ombrometer</i>)</li> </ul> <p>Hardcopy of procedure are available and controlled. SOPs made were available at the point of use (in all section and division of estate). Copy of the procedure was available on site and is it documented in <i>Bahasa Indonesia</i>. SOP distribution to all section and division was well documented in the Form F/SMART/UMUM/SADV/001/002 (document distribution register).</p> <p>Procedure has been disseminated to all related employee (harvest, loose fruit pickers and upkeep employee). Every morning, there is Lingkaran Pagi performed, basically to disseminate working</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>procedure and instruction, and to monitor employee attendance as well. Interviews with the employees indicate satisfactory level of understanding and implementation in relation to their respective job function.</p> <p>Sample of estate operational implementation were taken in harvesting process in Block Q8 Division 2 Tasik Mas Estate and Block I05 Division 3 Hanau Estate. Pesticide spraying was observed in Block Q17 Division 3 Tasik Mas Estate and Block G05 Division 4 Hanau Estate, including mixing and washing facility in Hanau and Tasik Mas Estate.</p> <p>The results were shown and it was observed that all of the activity was met with the procedure and well implemented.</p> <p><b>Hanau Palm Oil Mill:</b></p> <p>Procedure regarding best management practice of Hanau Mill was available in documented (SOP/SMART/MCMD/I/TM-PKS/Rev.06) Standard Operational Procedure of Palm Oil Process revision 6 issued by Head Office Jakarta.</p> <p>The procedure describes operation instruction from FFB receiving through production, processing (grading, sterilization, threshing, pressing, clarification, nut and kernel processing) and dispatch of CPO and PK. That every of processes and equipment also been developed documented work instructions to described specifically the stages of equipment utilization (e.g. Loading Ramp; Weighing Bridge; Sterilisation Station; Threshing Station; Pressing Station; Clarification Station; Recycling CPO; Nut and Kernel; Engine Room; Boiler; Water Treatment; Final Effluent; laboratory; Etc.).</p> <p>The copies of documented procedures and work instruction were evident, written in Bahasa Indonesia, available at Hanau Mill office and kept by KTU and/or SPO officer also posted at work stations deployed within the mill. There were also evident the dissemination of each content of SOP's and work instructions. During audit also conducted observation at several areas of mill to ensure each of activities was in line as described within the procedures, the result of observation was also proper.</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 document and its revision history were available and well documented. Organization keeps track of revision of the SOPs in revision history in the cover of SOPs. Organization has defined the Controlled document procedure which was explaining the translation of SOP into work instructions in appropriate languages (Indonesian language) and its document control. SOPs training and dissemination to all of employee has been conducted regularly, mostly in morning briefing.</p> <p>The organization has well implemented internal control and monitoring processes that check and report on the implementation of the Management Guidelines. These include independent checks of the Mill and Estates by the corporate internal audit, e.g:</p> <ul style="list-style-type: none"> <li>- OIA (Operation Internal Audit), programmed twice a year. Operational Internal Audit has been performed to check consistent implementation of the procedures and work instructions. Internal audit covering operational activities of plantations and mill include the maintenance of palm oil crop (maintenance, fertilization, and pesticide use), harvesting and other supporting activities such as administration, road infrastructure, and FFB transport and mill process. Record "Laporan Kunjungan VPA6 Divisi 1 &amp; 2 TASIK MAS ESTATE" mentioned that visit has been done on 16 November 2016. Some issues were raise regarding abnormal plant, efipit <i>Asplenium</i>, under pruning, and dirty circle and path condition. Record "Hasil Kunjungan RC" mentioned that visit has been done on 16 May 2017. Some issues were raise regarding unpicked loose fruit, abnormal plant, and unharvested bunches.</li> <li>- Record "Laporan Kunjungan VPA6 HANAU ESTATE" mentioned that visit has been done on 3 November 2016. Some issues were raise regarding under pruning, K-deficiency plant, unpicked loose fruit, abnormal plant, and unharvested bunch. Record "Hasil Kunjungan RC" mentioned that visit has been done on 16 May 2017. Some issues were raise regarding unpicked loose fruit, abnormal plant, and unharvested bunches.</li> <li>- Internal audit RSPO. Covering audits of sustainability in all parts of plantation and mill operational. Last audit performed on 2 – 7 January 2017. Audit report and its finding followed up and action plan was well documented. Management review to discuss the RSPO audit result and</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>its follow up was performed on 5 July 2017. Trained and competent personnel were assigned to carry out RSPO Internal Audit (Head Office Sustainability department).</p> <p>Organization has defined the procedure to address non-compliance and corrective action for continuous improvement in Correction and Corrective Action Procedure.</p>	
4.1.3	<p>Records of monitoring and any follow-up actions shall be available.</p> <p>- Minor compliance -</p>	<p>Follow up action regarding VPA and RC visit has been documented, implemented and monitored. Due date for follow up VPA visit 16 November 2016 was 15 December 2016. Based on the monitoring status, all the issue raised was corrected. Due date for follow up RCA visit 16 May 2017 was on 17 May 2017. Based on the monitoring status, all the issue raised was corrected. Corrective action has been determined, implemented and monitored.</p>	Comply
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>SOP for third-party FFB sourcing has been defined on "Procedure of FFB Purchase Administration" dated March 26<sup>th</sup>, 2006. The procedure described FFB Supplier Appointment, FFB Receiving and Grading at Mill, Payment, Monitoring and Reporting.</p> <p>Record of FFB received from external sources was stated on form Recapitulation of FFB Received Report. There were a list of approved third-party FFB suppliers, such as :</p> <ul style="list-style-type: none"> <li>- PT. Indotruba Timur, SPK No. 001/TBS/TN-ITR/XII/2015, valid through 31 December 2017.</li> <li>- PT. Mentobi Sawit Jaya, SPK No. 001/TBS/TN-MSJ/V/2016, valid through 31 May 2017. PT Mentobi Sawit Jaya only sold FFB to Hanau Mill until February 2017.</li> <li>- Medang Sari Estate, PT. Satya Kisma Usaha, Agreement of Land Borrowing, valid until 31 December 2020.</li> <li>- Lestari Unggul Jaya Estate, PT. Prima Sentosa Pratama Putra. "Perjanjian Pengolahan Tandan Buah Segar" dated 31 December 2015, valid until 31 December 2018.</li> </ul> <p>There were evidence of SOP implementation such as: FFB grading process 100% in accordance with grading criteria which has been agreed in Agreement, price of FFB was agreed in Agreement based on price determination from DISBUN (Plantation Agency of Central Kalimantan Province, payment</p>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>carry out after FFB received and invoice receive by finance (monthly base payment after completed invoice document received by Finance Jakarta Office).</p> <p>Hanau Mill only received legal FFB; in FFB Purchase Agreement article 5 verse 1.9 described that:</p> <ul style="list-style-type: none"> <li>- The supplier has received all permits regarding acquisition of land and plantations business from the authorities.</li> <li>- Cultivated areas are in accordance with applicable law and regulation in Republic of Indonesia and not obtained illegally.</li> </ul> <p>Other than that the company has “Kebijakan Sosial dan Lingkungan GAR” dated 8 September 2015. On page 1, chapter Basic Commitment, mentioned that the company ensure all upstream and downstream operation of GAR palm oil are free from deforestation, traceable, and bring benefit for community around the company’s operation.</p> <p>Hanau mill record the origins of all third-party sourced Fresh Fruit Bunches. FFB tonnage delivered from the third party was well documented daily and monthly in the document “Summary of FFB from other supply bases 2016”.</p> <p>Minute of Handover on Result of Oil Palm Processing described that Lestari Unggul Jaya Estate, PT. Prima Sentosa Pratama Putra was only delivered their FFB to Hanau Mill to be processed by Hanau Mill. The product (CPO and PK) are still belong to the FFB supplier.</p> <p>Based on Agreement of Land Borrowing, it was observed that PT. Tapan Nadenggan has borrowed the land owned by PT. Satya Kisma Usaha called Medang Sari Estate. Then PT. Tapan Nadenggan manage and operate the plantation in Medang Sari Estate include processing of its FFB. The agreement is valid until 31 December 2020.</p>	
<p><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.</p>		

Criterion / Indicator		Assessment Findings	Compliance									
4.2.1	<p>A record of SOP implementation to maintain soil fertility that ensures optimal and sustained yield, shall be available.</p> <p>- Major compliance -</p>	<p>PT Tapian Nadenggan – Hanau has defined the SOPs for Good Agricultural Practices in managing soil fertility which documented in SOP/SMART/MCAR/IX/TA-PPK (Manuring – Pemupukan). Manuring was performed manual and mechanic with EMDEK. Manual manuring performed by spreading the fertilizer by person manually and uniformly in each palm oil trees in accordance with dosage which has defined by R&amp;D (SMARTRI). The organization also defined SOP fertilizer application with Spreader (Emdek). Fertilizer application with Emdek conducted in mineral soil and flat area. Fertilizer time application considering the conditions of rainfall and crop needs based fertilizer recommendation.</p> <p>Estates activities are carried out based on Division Work Program which generated from annual budget. Activities program are such as manuring and other operation activity. Site observation was performed during audit to some activities. Interview with employees working in those activities showed that procedures were implemented. Activities have been performed at defined interval.</p>	Comply									
4.2.2	<p>Records of fertilizer inputs shall be available.</p> <p>- Minor compliance -</p>	<p>Records of fertilizer inputs are well maintained in document “Rencana dan Realisasi Pemupukan” (Plan and Realization of Manuring). Fertilizer inputs recorded each semester. Manuring recommendation in 2017 for TASIK MAS ESTATE and HANAU ESTATE has been defined based leaf sampling unit (LSU) and soil sampling unit (SSU). Annual fertilizer recommendation has been implemented and monitored. Fertilizer/ manuring program was developed by SMARTRI for all Division.</p> <p>Record of manuring realization in 2016 and first semester of 2017 shows that the realizations of fertilizer application are in accordance with the plan/recommendation.</p> <p>Below are the records of fertilizer recommendation and realization for year 2016 and to date July 2017:</p> <p>Tasik Mas Estate 2016:</p> <table border="1"> <thead> <tr> <th>Type of Fertilizer</th> <th>Plan/Recommendation (Ton)</th> <th>Realization (Ton)</th> </tr> </thead> <tbody> <tr> <td>Urea</td> <td>723.15</td> <td>723.15</td> </tr> <tr> <td>RP</td> <td>330.65</td> <td>330.65</td> </tr> </tbody> </table>	Type of Fertilizer	Plan/Recommendation (Ton)	Realization (Ton)	Urea	723.15	723.15	RP	330.65	330.65	Comply
Type of Fertilizer	Plan/Recommendation (Ton)	Realization (Ton)										
Urea	723.15	723.15										
RP	330.65	330.65										

Criterion / Indicator		Assessment Findings			Compliance		
		MOP	1,565.85	1,565.85			
		Dolomite	193.05	193.05			
		Kieserite	15.15	15.15			
		HGFB	26.00	26.00			
		CuSO4	5.78	5.78			
		Tasik Mas Estate 2017 (Semester 1):					
		<b>Type of Fertilizer</b>	<b>Plan/Recommendation (Ton)</b>	<b>Realization (Ton)</b>			
		Urea	486.15	486.15			
		RP	51.85	51.85			
		TSP	381.20	381.20			
		MOP	842.95	842.95			
		Dolomite	44.85	44.85			
		Kieserite P	57.70	57.70			
		Kieserite G	304.35	304.35			
		HGFB	29.60	29.60			
CuSO4	5.60	5.60					
Hanau Estate 2016:							
<b>Type of Fertilizer</b>	<b>Plan/Recommendation (Ton)</b>	<b>Realization (Ton)</b>					



Criterion / Indicator		Assessment Findings			Compliance	
		Urea	648.30	648.30		
		RP	140.05	140.05		
		TSP	5.05	5.05		
		MOP	764.65	764.65		
		Dolomite	145.40	145.40		
		Kieserite	0.95	0.95		
		HGFB	11.51	11.51		
		CuSO4	3.10	3.10		
		Hanau Estate 2017 (Semester 1):				
		<b>Type of Fertilizer</b>	<b>Plan/Recommendation (Ton)</b>	<b>Realization (Ton)</b>		
		Urea	564.35	566.60		
		RP	93.30	108.05		
		TSP	381.30	381.30		
		MOP	854.90	854.90		
		Dolomite	69.75	80.40		
		Kieserite	378.25	378.25		
		HGFB	28.75	28.75		
CuSO4	4.27	4.27				
FeSO4	0.40	0.16				

Criterion / Indicator	Assessment Findings	Compliance
<p>4.2.3</p> <p>Records of periodical leaf, soil and visual analysis shall be available.</p> <p>- Minor compliance -</p>	<p>Soil and leaf sampling was analysed regularly by SMARTRI to determine the nutritional status of soil, to assist and to be guided in the preparation of annual fertilising programme recommendation. Soil is analysed when the age of the plant is 3, 5, 8 years and continued with age of the plant is added by 5 years and 1 year before replanting. Leaf was analysed annually. Soil and leaf sampling was taken from each division. Organization has been defined work instruction for LSU (Leaf sampling unit) IK/SMART/MCAR/IX/TA-PPK/ 05-Pengambilan LSU and for SSU (Soil Sampling Unit) IK/SMART/MCAR/IX/TA-PPK/ 06-Pengambilan SSU.</p> <p>For 2017 in Tasik Mas Estate, leaf sample has been taken in July 2017. The last soil sampling unit was taken May 2014 and 2015.</p> <p>Leaf Analysis:</p> <ul style="list-style-type: none"> <li>- Evidence of the latest periodic leaf sample analysis in TASIK MAS ESTATE are available on Memorandum of Laboratory Analysis Result Ref #472/DAUN/LAB-SMARTRI/VII/2017 dated 25 July 2017 with total number of 142 sample analysed (No. Lab. 17063-17204). Based on request number Ref.081/RFC-HANAU ESTATE/SMARTRI/INT/V/2017 dated 15 July 2017. Item analysed are include visual appearance, water content, N, P, K, Mg, Ca, Mn, B, Zn, Cu, Cl, Fe and Na.</li> <li>- Evidence of the latest periodic leaf sample analysis in HANAU ESTATE are available on Memorandum of Laboratory Analysis Result Ref #477/DAUN/LAB-SMARTRI/VII/2017 dated 27 July 2017 with total number of 107 sample analysed (No. Lab. 17380-17486). Based on request number Ref.098/RFC SMARTRI SRGE/LSU-C/VI/17 dated 17 July 2017.</li> </ul> <p>Soil Analysis:</p> <ul style="list-style-type: none"> <li>- The last soil analysis in TASIK MAS ESTATE was performed in 2014 and 2015, however the result is in process for analysis in Research Department (SMARTRI). Evidence of soil analysis are available on Memorandum of Laboratory Analysis Result Ref #008/TANAH/AL/ANLZ/02/14 dated February 19<sup>th</sup>, 2014 with total of 30 sample. Based on request number #144/RFC-HANAU ESTATE/Lab-T/C/02/13 dated received May 23<sup>rd</sup>, 2013.</li> </ul>	<p>Comply</p>

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	<p>- The last soil analysis in HANAU ESTATE was performed in 2014 and 2015. Evidence of soil analysis was available on Memorandum of Laboratory Analysis Result Ref #017/TANAH/AL/ANLZ/02/15 dated February 4<sup>th</sup>, 2015 with total of 30 sample. Based on request number #187/RFC-HANAU ESTATE/Lab-T/C/10/13 dated received October 22<sup>nd</sup>, 2013.</p> <p>Leaf and soil analysis were done by Field Coordinator Riset (Analitical Laboratory, Section of SMARTRI, Head laboratory analysis).</p> <p>It is shown in the form of leaf nutrients content (Nitrogen, Phosphorus, Potassium, Calcium, Magnesium Chloride and Boron) and soils (pH (H<sub>2</sub>O) and KCl, C-organic, N, P, K, Na, Ca, Mg, KTK, etc.). Last report of leaf analysis in 2017 will be used as a reference for fertilizer recommendation in 2018.</p>	

Criterion / Indicator		Assessment Findings	Compliance															
4.2.4	<p>A nutrient recycling strategy is recorded, including use of Empty Fruit Bunches (EFB), land application, and palm residues after replanting.</p> <p>- Minor compliance -</p>	<p>There was Nutrient recycling strategy performed by PT Tapian Nadenggan – Hanau such as land application from POME (Palm Oil Mill Effluent) and Empty fruit bunch (EFB) application. POME or liquid waste from mill used as Land application, it gives nutrient for palm oil plantation. Land application was applied in Hanau Estate and Tasik Mas Estate. Liquid waste applied dosage was 750 m<sup>3</sup> /ha/year with 3 times rotation and BOD 2,500 – 4,000 mg/L.</p> <ul style="list-style-type: none"> <li>- There was 1,298.73 Ha area (29 Block) applied with POME in Tasik Mas Estate in 2016 with total POME applied was 162,086 m<sup>3</sup>, whilst in January to August 2017 there was 1,081.69 Ha area (29 Block) applied with total 135,217 m<sup>3</sup> of POME. Blocks applied are N8, N9, N11, N12, N13, N14, M8, M10, M11, M12, Q6, Q7, Q8, Q9, Q10, Q12, Q13, Q14, Q15, Q16, Q17, Q18, P14, P15, P16, P17, P18, O17 and O18.</li> <li>- There was 731.70 Ha area (6 Block) applied with POME in Hanau Estate Division 6, from January to August 2017 total POME applied was 62,641 m<sup>3</sup>. Blocks applied are L11, L01, L02, L03, K11 and K01.</li> </ul> <p>EFB were applied based on the recommendation from SMARTRI in terms of dosage per ha and location. EFB were applied in Tasik Mas and Hanau Estate by manually and mechanical using tractor. EFB were not applied nearby housing and water spring. Empty fruit bunch application was performed as mulch ground cover and added of organic material. Record of EFB application in TASIK MAS ESTATE period 2017 are as follows:</p> <p>2017 (January to August 2017), Manual:</p> <table border="1"> <thead> <tr> <th>Division</th> <th>Ha</th> <th>Ton</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>11.87</td> <td>356.00</td> </tr> <tr> <td>2</td> <td>-</td> <td>-</td> </tr> <tr> <td>3</td> <td>147.94</td> <td>4,438.20</td> </tr> <tr> <td>4</td> <td>40.84</td> <td>1,503.90</td> </tr> </tbody> </table>	Division	Ha	Ton	1	11.87	356.00	2	-	-	3	147.94	4,438.20	4	40.84	1,503.90	Comply
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Criterion / Indicator	Assessment Findings			Compliance
	5	15.16	606.40	
	6	19.36	774.40	
	<b>Total</b>	<b>235.17</b>	<b>7,678.90</b>	
	2017 (January to August 2017), Mechanical:			
	<b>Division</b>	<b>Ha</b>	<b>Ton</b>	
	5	248.04	9,921.60	
	6	230.32	9,212.80	
	<b>Total</b>	<b>478.36</b>	<b>19,134.40</b>	
	Record of EFB application in Tasik Mas Estate period 2016 are as follows:			
	<b>Division</b>	<b>Ha</b>	<b>Ton</b>	
	Manual	492.96	16,035.63	
	Mechanical	906.62	35,942.62	
	<b>Total</b>	<b>1,399.58</b>	<b>51,978.25</b>	
	Record of EFB application in Hanau Estate period 2016 and 2017 are as follows:			
	2016, Manual:			
	<b>Division</b>	<b>Ha</b>	<b>Ton</b>	
	1	45.00	1,350.00	
	2	21.00	630.00	
	3	-	-	

Criterion / Indicator		Assessment Findings			Compliance
		4	189.01	7,560.40	
		5	383.47	15,338.80	
		6	148.40	5,800.55	
		<b>Total</b>	<b>786.88</b>	<b>30,679.75</b>	
		2017 (January to August 2017), Manual:			
		<b>Division</b>	<b>Ha</b>	<b>Ton</b>	
		1	-	-	
		2	-	-	
		3	18.03	540.89	
		4	19.25	770.09	
		5	198.09	7,933.69	
		6	66.68	2,731.16	
		<b>Total</b>	<b>302.05</b>	<b>11,975.83</b>	
<b>Criterion 4.3</b>					
Practices minimise and control erosion and degradation of soils.					
4.3.1	Maps of any fragile soils shall be available.	Soil map are presented in "Semi Detail Soil Map of PT. Tapan Nadenggan" in scale 1:50,000 covering Hanau and Tasik Mas Estate. Projection UTM, Zone 49 S, Datum WGS '84. Sourced from			Comply

Criterion / Indicator	Assessment Findings	Compliance																																													
<p>- Major compliance -</p>	<p>SPOT 5:413 Level 2Ak/j:293 355 recorded on 24 – 29 July 2001. Soil characteristic in Tasik Mas Estate was presented in table below:</p> <table border="1" data-bbox="689 523 1514 852"> <thead> <tr> <th>Classification</th> <th>Topography</th> <th>Ha</th> </tr> </thead> <tbody> <tr> <td>Typic Hapludults</td> <td>0 – 8 %</td> <td>1,154.30</td> </tr> <tr> <td>Typic Hapludults</td> <td>8 – 15 %</td> <td>806.97</td> </tr> <tr> <td>Typic Dystrudepts</td> <td>0 – 8 %</td> <td>1,257.18</td> </tr> <tr> <td>Typic Tropaquepts</td> <td>0 – 8 %</td> <td>903.10</td> </tr> <tr> <td>Typic Tropopsamments</td> <td>0 – 8 %</td> <td>980.99</td> </tr> <tr> <td><b>Total Area</b></td> <td></td> <td><b>5,132.54</b></td> </tr> </tbody> </table> <p>Soil characteristic in Hanau Estate was presented in table below:</p> <table border="1" data-bbox="689 916 1514 1289"> <thead> <tr> <th>Classification</th> <th>Topography</th> <th>Ha</th> </tr> </thead> <tbody> <tr> <td>Typic Hapludults</td> <td>0 – 8 %</td> <td>636.48</td> </tr> <tr> <td>Typic Hapludults</td> <td>8 – 15 %</td> <td>1,120.26</td> </tr> <tr> <td>Typic Tropaquepts</td> <td>0 – 8 %</td> <td>978.20</td> </tr> <tr> <td>Typic Distropepts</td> <td>0 – 8 %</td> <td>1,150.64</td> </tr> <tr> <td>Typic Tropopsamments</td> <td>0 – 8 %</td> <td>631.90</td> </tr> <tr> <td>Typic Tropohemists</td> <td>0 – 8 %</td> <td>27.01</td> </tr> <tr> <td><b>Total Area</b></td> <td></td> <td><b>4,544.49</b></td> </tr> </tbody> </table> <p>Based on soil characteristic above, there is no peat soil in Hanau and Tasik Mas Estate. Other fragile soil (sandy) was exist in Tasik Mas Estate with area 980.99 Ha and in Hanau Estate with area 631.90 Ha.</p>	Classification	Topography	Ha	Typic Hapludults	0 – 8 %	1,154.30	Typic Hapludults	8 – 15 %	806.97	Typic Dystrudepts	0 – 8 %	1,257.18	Typic Tropaquepts	0 – 8 %	903.10	Typic Tropopsamments	0 – 8 %	980.99	<b>Total Area</b>		<b>5,132.54</b>	Classification	Topography	Ha	Typic Hapludults	0 – 8 %	636.48	Typic Hapludults	8 – 15 %	1,120.26	Typic Tropaquepts	0 – 8 %	978.20	Typic Distropepts	0 – 8 %	1,150.64	Typic Tropopsamments	0 – 8 %	631.90	Typic Tropohemists	0 – 8 %	27.01	<b>Total Area</b>		<b>4,544.49</b>	
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Criterion / Indicator		Assessment Findings	Compliance
4.3.2	<p>A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific).</p> <p>- Minor compliance -</p>	<p>Based on maps of soil unit, there are no slopes above certain limit in Tasik Mas Estate and Hanau Estate, maximum slopes in Tasik Mas Estate was 15% and Hanau Estate was 16%. There is no management strategy needed for plantings on slopes above a certain limit.</p> <p>However The procedure SOP/SMART/MCAR/-I/TA-PPA "Preparation of New Area Planting" describes procedure for minimizing and controlling erosion, and peat land management. The organization does not recommend plantings on slopes &gt;40% or &gt;22°. When the slope area was planted, system for planting on slopes area was provided by considering soil and climate specific through terracing, determining of base line, levelling of terrace, and determining of planting space. To minimize and control erosion in slope area, several practices have been prepared such as terracing, growing of legume cover crops (LCC). Procedure 03/VPA-RSPO/03/2010 "Management of Riparian Area" has been established to control area around riparian. Planting of "vetiver" grass and natural riparian plant have been performed to minimize stream and river bank erosion.</p>	Comply
4.3.3	<p>A road maintenance program shall be in place.</p> <p>- Minor compliance –</p>	<p>Record of road maintenance program and realization was available. Record of manual road maintenance in TASIK MAS ESTATE, "Rencana dan Realisasi Perawatan Jalan Manual TASIK MAS ESTATE 2017" described that plan was 17,138.16 m, and realization was 12,599.54 m.</p> <p>Map of grading and compacting plan for HANAU ESTATE and TASIK MAS ESTATE was available. Record of road maintenance using Grader in TASIK MAS ESTATE, "Realisasi Rawat Jalan Mekanis 2017" described that grading in 2017 realization was 125,950 m.</p> <p>Record of road maintenance using Grader in HANAU ESTATE, "Realisasi Rawat Jalan Mekanis 2017" described that grading in 2017 realization was 155,400 m.</p>	Comply
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>Based on detail soil map, there is no peat soil exist in Tasik Mas and Hanau Estate. Documented water and ground cover management is not applicable in Tasik Mas and Hanau Estate. However there are 940.04 Ha of peat area in Tanjung Paring Estate, all located in Division 6.</p> <p>SOP to provided guidance on subsidence management was presented in SOP/SMART/MCAR/I/TA-PPA (Preparation of New Area Planting) and SOP/SPO/SMART/LH-05 (Maintain water quality and</p>	Comply



Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance –</p>	<p>availability). The SOP described reference to the RSPO BMPs on peat, e.g. management of water level.</p> <p>Subsidence monitored by making subsidence monitoring spot. There is 2 subsidence monitoring spot, covered with 17 water level monitoring and 36 units of piezometer. Subsidence minimize by making water gate. Water gate can be open or close based on water level monitoring. Subsidence of peat soil was minimized by maintaining the water level of 40-60 cm. Subsidence monitoring are well recorded.</p> <p>The SOP mentioned above described peat soil management, water was managed to control water table within range of 50-70 cm below ground surface. Dike which were made from sand sacks are constructed to maintain water level in main drain and collection drain. Water level was monitored by checking the level meter which was provided in main and secondary drain and piezometer which was provided in peat land block. Piezometer and level meter were checked weekly including status of water level (below or above the range). Condition of piezometer and level meter were checked regularly including cleanliness of piezometer, condition of sand sacks, and identification of piezometer and level meter.</p> <p>Water level monitoring was monitored by the installation of piezometers, 2 pieces on each block of peat. The monitoring results are recorded weekly and its well documented. Water and ground cover management by by creating dams on drains and create an overflow of the dam according the desired water level in the area of peat (between 40-60 cm).</p> <p>During site visit the condition of piezometer and level meter was good. Condition of sluice (flush or intake) was according to water level result. Monitoring results of water level weekly period January to August 2017 show that water level was between 40 – 60 cm bellow ground surface of peatland in Tanjung Paring Estate.</p> <p>Peat subsidence monitored by placing subsidence stakes at 2 points (1 points in the disturbed area and 1 point in the control area/undisturbed). During observations in the block R34 there are 2 subsidence stakes point. Subsidence monitoring results last month on August 2017 was found no</p>	

Criterion / Indicator		Assessment Findings	Compliance
		decrease in the peat soil surface.	
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>Based on detail soil map, there is no peat soil exist in Tasik Mas and Hanau Estate. Drainability assessment is not applicable. Furthermore Hanau Estate will starts replanting in 2020 and Tasik Mas Estate will starts replanting in 2021. However there are 940.04 Ha of peat area in Tanjung Paring Estate, all located in Division 6.</p> <p>Drainability assessment has been carried out in 2006, the data results have been documented in the Soil Survey Report Semi Details in Tanjung Paring Estate 2006. Flood risk map was provided as a result of the drainability assessment.</p> <p>Based on the Map of Soil survey semi detail, there were unsuitable area for oil palm replanting however it can be suitable with spesific treatment such as water management (water level).</p> <p>Drainability assessment in peat soil was slightly worse and worse especially on peat &gt; 3 m.</p>	Comply
4.3.6	<p>A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils).</p> <p>- Minor compliance –</p>	<p>There is sandy soil in Tasik Mas and Hanau Estate. Sandy soil in Tasik Mas Estate is 980.99 Ha, and in Hanau Estate is 631.90 Ha.</p> <p>The company has conducted management strategy to improve soil fertility to a level that ensures optimal and sustained yield, e.g. by EFB application. EFB were applied based on the recommendation from SMARTRI in terms of dosage per ha and location. EFB were applied in Tasik Mas and Hanau Estate by manually and mechanical using tractor. EFB were not applied nearby housing and water spring. Empty fruit bunch application was performed as mulch ground cover and added of organic material. Record of EFB application in TASIK MAS ESTATE period 2016 and 2017 are described in indicator 4.2.4.</p>	Comply
<p><b>Criterion 4.4</b></p> <p><b>Practices maintain the quality and availability of surface and groundwater</b></p>			

Criterion / Indicator		Assessment Findings	Compliance
4.4.1	<p>An implemented water management plan shall be in place.</p> <p>- Minor compliance -</p>	<p>Water supplies for Hanau Mill were from rain water reservoir and river water, while estate was using ground water. Permit of surface water abstraction has been provided.</p> <p>Mill and Estates has developed water management plan. Program of water management plan are:</p> <ul style="list-style-type: none"> <li>✓ Efficiency of water from optimisation of pesticides usage</li> <li>✓ Dissemination of domestic water use efficiency</li> <li>✓ Monitor water use in Estates and Mill</li> <li>✓ Monitor working hour of water pump</li> <li>✓ Monitor community ground water regulary</li> <li>✓ Monitor river water and monitoring well water</li> <li>✓ Water efficiency in mill and laboratorium operation, e.g. reuse condensate water and turbine cooling water for water dilution and recycle cooling water socklet, reuse water ex vaccum dryer for decanter flushing, etc</li> <li>✓ Maintenance water resources, e.g. planting of Vetiver grass, Mahoni (<i>Swithenia sp</i>) and Trembesi trees (<i>Samanea saman</i>).</li> </ul> <p>Dissemination of domestic water use was conducted during moring circle. Quantity of water use was well recorded. Mill and estate has conducted analysis and measurement of surface water, ground water, monitoring well water related to land application and consumed water (consumed by employees and local people) periodically (every semester and annually).</p>	Comply
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</p>	<p>Organization has been identifying water courses and wetland in the plantation area.</p> <p>There were identified water courses and wetland ie: riparian Palembang (35.80 ha), riparian Ulin (28.81 ha), riparian Kuning (13.46 ha), riparian Pasipu (75,74 ha), riparian Nahambau (39.90 ha), riparian Bakung (14.32), fresh water swamp 1 (2.45 ha), fresh water swamp 2 (23.58 ha), fresh</p>	Comply

Criterion / Indicator	Assessment Findings	Compliance
<p>be demonstrated. - Major compliance -</p>	<p>water swamp 3 (25.44 ha), fresh water swamp 4 (78.33 ha), fresh water swamp 5 (38.04 ha)</p> <p>Protection of waterways and wetlands have been made by the company with the following way :</p> <ul style="list-style-type: none"> <li>✓ Protection of riparian areas with no chemical crops care activities both fertilizer and herbicide spraying.</li> <li>✓ Conduct rehabilitation of riparian.</li> <li>✓ Performs of water level in the peatlands area by maintaining surface water height between 40-60 cm, this can be proved by the routine piezometers monitoring on peatland.</li> <li>✓ Riparian zone were well maintain, the following was activity to maintain riparian zone such as :</li> <li>✓ Boundary markers placement in 5 rows of palm trees (50 m) related restrictions spraying of chemicals and chemical fertilizers in the area of 50 m side of the river. There was the evidence during the audit, riparian zone was well maintain and no contamination of chemical usage and fertilizer</li> <li>✓ Warning boards placement which contain information restrictions the pesticide usage and chemical fertilizers in the riparian area.</li> </ul> <p>Riparian rehabilitation by planting vetiver grass, a shade trees and barriers to erosion trees (Angsana, Sungkai, Trembesi etc.). There was the evidence of plan and realization for riparian rehabilitation, it's observed Angsana trees and Sungkai was planted and grows well in both side of the river.</p> <p>Organization has been establish the procedure for riparian and buffer zone protection which documented in SOP/SPO/SMART/LH-06 and SOP/SPO/SMART/LH-07, and SOP/SMART/BCOS/EHSD/SADV/I/003 for management and monitoring of water resources. During field audit, it was observed that the procedure has been implemented well and it evidenced.</p>	

Criterion / Indicator		Assessment Findings	Compliance																																							
4.4.3	<p>Records for monitoring of effluent especially BOD (Biochemical Oxygen Demand) and efforts to comply with legal requirements, shall be available (see criteria 2.1 and 5.6).</p> <p>- Minor compliance –</p>	<p>Hanau Palm Oil Mill waste water was processed through a multifeedings waste water treatment ponds: four (8) active ponds with methods of anaerobic ponds. Palm Oil Mill Effluent (POME) is monitored monthly as required by permit of land application from Seruyan Regent No.188.45/37/2015 dated 12 January 2015.</p> <p>Quality of waste water effluent is monitored monthly in line with the requirements of regulation Kep Men LH No.29/2003. The result of POME monitoring was reviewed including measurement of BOD for period 1<sup>st</sup> (first) semester 2017. The Ministry of Environment Decree #29/2003 and permit of land application required that BOD of POME flowed to land application is less than 5,000 mg/litre and pH 6 - 9. The result of POME quality during this period was BOD less than 5,000 mg/litre and pH between 6 and 9. Below are the BOD and pH measured for 1<sup>st</sup> semester 2017:</p> <table border="1"> <thead> <tr> <th rowspan="2">Period (month) 2017</th> <th colspan="4">Parameter</th> </tr> <tr> <th>BOD (mg/l)</th> <th>Quality standard</th> <th>pH</th> <th>Quality standard</th> </tr> </thead> <tbody> <tr> <td>January</td> <td>324</td> <td>5,000</td> <td>6 - 9</td> <td>7.45</td> </tr> <tr> <td>February</td> <td>4,480</td> <td>5,000</td> <td>6 - 9</td> <td>7.08</td> </tr> <tr> <td>March</td> <td>982</td> <td>5,000</td> <td>6 - 9</td> <td>7.31</td> </tr> <tr> <td>April</td> <td>1,043</td> <td>5,000</td> <td>6 - 9</td> <td>7.10</td> </tr> <tr> <td>May</td> <td>1,256</td> <td>5,000</td> <td>6 - 9</td> <td>7.25</td> </tr> <tr> <td>June</td> <td>1,361</td> <td>5,000</td> <td>6 - 9</td> <td>7.94</td> </tr> </tbody> </table>	Period (month) 2017	Parameter				BOD (mg/l)	Quality standard	pH	Quality standard	January	324	5,000	6 - 9	7.45	February	4,480	5,000	6 - 9	7.08	March	982	5,000	6 - 9	7.31	April	1,043	5,000	6 - 9	7.10	May	1,256	5,000	6 - 9	7.25	June	1,361	5,000	6 - 9	7.94	Comply
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4.4.4	Monitoring of mill water use per ton of FFB shall be recorded. - Minor compliance –	<p>Hanau mill utilize water flow meter to measure the usage of water at mill that come from Tarus River. There are also records of FFB processes per estates and per month were evident. Table below was shown the data of water usage at mill for period 2016-2017 (YTD July):</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2016</th> <th>2017 (YTD July)</th> </tr> </thead> <tbody> <tr> <td>FFB processed (Ton)</td> <td>455.838</td> <td>213.180</td> </tr> <tr> <td>Raw water (M3)</td> <td>684.275</td> <td>358.513</td> </tr> <tr> <td>Raw water M3/ton FFB</td> <td>1.47</td> <td>1.68</td> </tr> <tr> <td>Treated water (domestic) M3</td> <td>152.296</td> <td>164.456</td> </tr> <tr> <td>M3/Ton FFB (domestic)</td> <td>0.33</td> <td>0.77</td> </tr> <tr> <td>Treated water (Boiler) M3</td> <td>305.902</td> <td>118.449</td> </tr> <tr> <td>M3/Ton FFB (Boiler)</td> <td>0.66</td> <td>0.56</td> </tr> </tbody> </table>	Item	2016	2017 (YTD July)	FFB processed (Ton)	455.838	213.180	Raw water (M3)	684.275	358.513	Raw water M3/ton FFB	1.47	1.68	Treated water (domestic) M3	152.296	164.456	M3/Ton FFB (domestic)	0.33	0.77	Treated water (Boiler) M3	305.902	118.449	M3/Ton FFB (Boiler)	0.66	0.56	Comply
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<p><b>Criterion 4.5</b> Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate integrated Pest Management (IPM) techniques.</p>																											
4.5.1	Monitoring of Integrated Pest Management (IPM) plan implementation shall be available. - Major compliance -	<p>Integrated Pest Management (IPM) Plan was documented in the Division Work Program TASIK MAS ESTATE and HANAU ESTATE 2017, consisted of:</p> <ul style="list-style-type: none"> <li>- Detection of pests and diseases</li> <li>- Census of pests and disease</li> <li>- Planting and upkeep beneficial plant (host plant), e.g. <i>Turnera subulata</i>, <i>Antigonon leptopus</i> and <i>Casia cobanensis</i>.</li> </ul> <p>IPM plan has include the following:</p> <ul style="list-style-type: none"> <li>• Identification of potential pests and safe thresholds</li> </ul>	Comply																								

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>• The techniques used (cultural, biological, mechanical and physical methods)</li> <li>• The native species used as part of the biological control method</li> <li>• Reducing the use of chemicals over a period of time</li> <li>• No prophylactic use of pesticides</li> <li>• Minimization of pesticide use</li> </ul> <p>Detection of leaf-eating caterpillar pests (UPDKS) was performed by rotation once a month. Plans and realization of early detection of pests and diseases was well documented. Based on Rekap Deteksi UPDKS period January to July 2017, it was observed that no leaf-eating caterpillar detected in HANAU ESTATE and TASIK MAS ESTATE.</p> <p>Planting and upkeep of beneficial plant (host plant), e.g. <i>Turnera subulata</i>, <i>Antigonon leptopus</i> and <i>Casia cobanensis</i> were documented in Data Realisasi Rawat Tanaman Inang.</p> <p>Rodent (Rat) Census performed with rotation once in 3 months. Record Rekapitulasi Sensus Tikus Tahun 2017, described that census of rat has been performed in January, April and July 2017. It was observed that rat attack during January census was 2.18%, April 1.58% and July 1.98%. The attack rate is under the threshold set at 5% so that there is no chemical control need. The company has implemented barn owl to control rat. Based last census of barn owl box (gupon), which is documented in Rekap Monitoring Gupon Tahun 2017 period August, described there is 146 active barn owl boxes in HANAU ESTATE.</p> <p>Procedures SOP/SMART/MCAR/VII/TA-HPT and SOP/SMART/MCAR/ VIII/TA-PGM have been established to confirm that Integrated Pest Management (IPM) to control pests, diseases, weeds and invasive introduced species. The procedures include setting out of technique to be implemented, chemical to be used, locations to be applied, and time frame for implementation. It was observed that all IPM program has been performed based on determined schedule. Activity audited among others spraying circle and path, circle manual, weeding manual, detection of pest (rodent, caterpillar, tirataba), etc.</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.5.2	<p>Training records of Integrated Pest Management (IPM) shall be available.</p> <p>- Minor compliance –</p>	<p>The latest refreshment training of IPM performed in Tasik Mas Estate to employee involved in IPM (assistant, group leader and worker who conduct IPM) of Tasik Mas and Hanau Estate on 1 March 2017. List of participant attendance and training material was evident. During field audit and interview with IPM workers, they were understood the IPM technique and implementation.</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>The company has policy on safe use of chemical including pesticides which stated in GAR Social and Environment Policy, dated September 8<sup>th</sup>, 2015. The company has also established memorandum that the use of paraquat is prohibited. It was verified that no paraquat been used for weed control.</p> <p>The procedures SOP/SMART/MCAR/VII/TA-HPT (Pest and Disease Control) and SOP/SMART/MCAR/VIII/TA-PGM (Weed Control) has mentioned the use of selective products that are specific to target pests, weeds, or diseases and which have minimal effect on non-target species and measures to avoid the development of resistance (such as pesticide rotation) should be applied.</p> <p>The company only used approved and registered agrochemical, permitted by the relevant authority issued by The Pesticides Commission of the Agricultural Ministry of the Republic of Indonesia. As seen on the records, agrochemicals used by TASIK MAS ESTATE and HANAU ESTATE in 2017 were include the following:</p> <ul style="list-style-type: none"> <li>• Roll Up 480 SL, active ingredient <i>Isoproflamina glifosat</i> 480 g/l (glifosat 365 g/l equivalent), license No. RI.01030120042133, valid until December 31<sup>st</sup>, 2018.</li> <li>• Erkaforon 20 WG, active ingredient <i>Metil Metsulfuron</i> 20%, license No. RI.01030120134861, valid until December 31<sup>st</sup>, 2018.</li> <li>• Rolifos 150 SL, active ingredient <i>Ammonium Glufosinate</i> 150 g/l (glufosinate active 137 g/l equivalent), license No. RI.01030120103683, valid until May 13<sup>th</sup>, 2020.</li> </ul>	Comply



Criterion / Indicator		Assessment Findings	Compliance																							
		<ul style="list-style-type: none"> <li>Erkatriil 0.0375 BB, active ingredient <i>Kumatetrail</i> 0.0375%, license No. RI.01120120124451, valid until January 4<sup>th</sup>, 2018.</li> </ul> <p>Based on field observation, it was noted that there were no agrochemicals being used which were not registered during this audit.</p>																								
4.6.2	<p>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) shall be available.</p> <p>- Major compliance -</p>	<p>Organization has defined a pesticide application program in the annual budget and annual work plan in each division. Appropriate dosage of herbicide use and the type of job rotations per year has been defined by organization in work program, i.e. Spraying circle and path three times a year using Roll Up + Erkafuron.</p> <p>Agrochemicals use in TASIK MAS ESTATE was well recorded in "Data Toxicity Pesticida" including active ingredients used, their LD50, area treated, amount applied per ha and number of applications. It was noted that dosage applied and application rotation was in accordance to budget.</p> <p>Volume of pesticide used by TASIK MAS ESTATE for period August 2017 was Roll Up 480 SL: 291.91 litre, areal applied 2,686.24 Ha and Erkafuron: 12.35 Kg, areal applied 1,138.17 Ha. To date August 2017, Roll Up: 1,221.93 litre, areal applied 9,608.68 Ha and Erkafuron: 53.48 Kg, areal applied 4,470.86 Ha.</p> <p>Volume of pesticide used by HANAU ESTATE for period August 2017 was Roll Up 480 SL: 163.90 litre, areal applied 1,130.15 Ha, Erkafuron: 7.41 Kg, areal applied 7.41 Ha, and Erkatriil: 16.02 Kg, areal applied 32.82 Ha. To date August 2017, Roll Up: 1,064.20 litre, Erkafuron: 60.91 Kg, and Rolifos: 50.20 litre.</p>	Comply																							
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</p>	<p>Trend of pesticide use in Tasik Mas Estate:</p> <table border="1"> <thead> <tr> <th rowspan="2">Type</th> <th colspan="5">Year</th> </tr> <tr> <th>2013</th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Roll Up</td> <td>1776.54</td> <td>1848.67</td> <td>2260.43</td> <td>2188.99</td> <td>1221.93</td> </tr> <tr> <td>Erkafuron</td> <td>103.11</td> <td>97.23</td> <td>105.12</td> <td>99.95</td> <td>53.48</td> </tr> </tbody> </table>	Type	Year					2013	2014	2015	2016	2017	Roll Up	1776.54	1848.67	2260.43	2188.99	1221.93	Erkafuron	103.11	97.23	105.12	99.95	53.48	Comply
Type	Year																									
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Erkafuron	103.11	97.23	105.12	99.95	53.48																					

Criterion / Indicator		Assessment Findings					Compliance																									
	<p>situations identified in Indonesia Best Practice guidelines.</p> <p>- Major compliance -</p>	<table border="1"> <tr> <td>Rolixone</td> <td>608.40</td> <td>421.97</td> <td>316.96</td> <td>-</td> <td>-</td> </tr> <tr> <td>Rolifos</td> <td>-</td> <td>-</td> <td>-</td> <td>45</td> <td>-</td> </tr> </table> <p>Trend of paraquat use in Hanau Estate:</p> <table border="1"> <thead> <tr> <th rowspan="2">Type</th> <th colspan="5">Year</th> </tr> <tr> <th>2013</th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Rolixone</td> <td>780.12</td> <td>794.50</td> <td>356.05</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>Roll Up used by Hanau Estate in 2016 was 1,967.90 litres and in 2017 to date August was 1,064.20 liter. Erkafuron used by Hanau Estate in 2016 was 88.29 Kg and in 2017 to date August was 60.91 Kg.</p>	Rolixone	608.40	421.97	316.96	-	-	Rolifos	-	-	-	45	-	Type	Year					2013	2014	2015	2016	2017	Rolixone	780.12	794.50	356.05	-	-	
Rolixone	608.40	421.97	316.96	-	-																											
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Type	Year																															
	2013	2014	2015	2016	2017																											
Rolixone	780.12	794.50	356.05	-	-																											
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 policy on safe use of chemical including pesticides which stated in GAR Social and Environment Policy, dated September 8<sup>th</sup>, 2015. The company has also established memorandum that the use of paraquat is prohibited. Based on table in indicator 4.6.3, it was verified that no paraquat dichloride (Rolixone) been used for weed control since 2016.</p>	Comply																													

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -		
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>Pesticides have been applied and handled by trained spraying workers who have received usage of limited pesticide training. Training was delivered annually by SMARTRI, Pesticides Commission and Pesticides Supplier, the latest training held on 28 February 2017 at Tasik Mas Estate to all spraying worker in Tasik Mas and Hanau Estate. Training record such as attendance list and training module were sighted. Training covered handling of pesticide concentrate and spraying method including pesticide hazard. Pesticides application and handling were continuously disseminated in morning briefing.</p> <p>Pesticides always applied in accordance with the product label and storage instruction. All spraying personnel have known well the target of each pesticide, e.g. <i>Glyphosate</i> is for narrow-leafs weeds, <i>Metil Metsulfuron</i> is for wide-leaf weeds.</p> <p>MSDS and hazard symbol label were provided at worksite nearby the agrochemicals. PPE for handling of chemicals were provided including boots, apron, safety glass, respiratory mask and hand gloves. The possible spill was managed, spill kit was provided in the area.</p> <p>Site visit in Tasik Mas and Hanau Estate has been done to observe the spraying and pesticide application in field. Interview with spraying workers were evident that all of them has a good knowledge regarding the pesticide usage and its material usage and toxicity. All the workers has used the personal protective equipment meet with the safety rules and work instruction such as: Aprons, safety goggles, chemical mask, hand gloves (2 type: cotton inside and rubber outside) and safety shoes. All precautions attached to the products properly observed, applied, and understood by workers. All applications of agrochemicals were in accordance with the product label and storage instruction. MSDS of all product was understood by workers</p>	Comply
4.6.6	Storage of pesticides shall be according to recognised best practices. All pesticides containers shall be properly managed	SOP for pesticide storage has been provided. Pesticides are stored in the determined area separated from fertiliser and other chemicals. Pesticides storage is provided in Divisions as well as in central storage. Agrochemicals storage is locked areas with limited access. The storage is ventilated. MSDS and hazard symbol label are provided nearbyof pesticides. Emergency shower and eyewash are also	Comply

Criterion / Indicator	Assessment Findings	Compliance
<p>according to the existing regulations and or instructions enclosed on the containers (see criterion 5.3).</p> <p>- Major compliance -</p>	<p>provided to anticipate in case of an emergency of agrochemical handling. PPE for handling of pesticides are provided including boots, apron, safety glass, respiratory mask and hand gloves. The possible spill is managed. Secondary containment is provided around the pesticides storage area. Spill kit is also provided in the area.</p> <p>All empty pesticides containers were triple rinsed and stored in the temporary storage of hazardous wastes. The jerrycans were reused to spraying activities, while bottles containers were returned to suppliers (PT Rolimex Kimia Nusamas). And managed by licensed transporter PT Maju Jaya Asri Utama and processor PT Wastec International Hazardous. PT Tapian Nadenggan cooperates in transporting with herbicide suppliers PT Rolimex Kimia Nusamas based on "Herbicide Used Cargo Transportation Agreement No.017/TPN-RKN/III/2017 dated 21 March 2017, valid until 20 May 2018. Delivery of ex pesticide/herbicide container were recorded in "Berita Acara". Sample verified for delivery dated 15 August 2017 from PT Tapian Nadenggan:</p> <ul style="list-style-type: none"> <li>- Ex Roll Up container/jerrycan from Hanau Estate 44 pcs, Tasik Mas Estate 35 pcs, Tanjung Paring Estate 28 pcs, Langadang Estate 10 pcs.</li> <li>- Ex Rolifos container from Tanjung Paring Estate 15 pcs, Langadang Estate 8 pcs.</li> <li>- Ex Erkafuron from Hanau Estate 175 pcs, Tasik Mas Estate 124 pcs, Tanjung Paring Estate 155 pcs and Langadang Estate 65 pcs.</li> </ul> <p>The incoming and outgoing of ex-agrochemical container is recorded in the "Logbook Neraca LB3". Monitoring results by August 2017 remaining 10 pcs ex Erkafuron, 3 pcs ex Rollup.</p>	
<p>4.6.7 Application of pesticides shall be by proven methods that minimize risk and negative impacts.</p> <p>- Minor compliance -</p>	<p>Mechanism for pesticide use and handling was documented in the procedure SOP/SMART/MCAR/VIII/TA-PGM and work instruction for Weeds control (IK/SMART/MCAR/VIII/TA-PGM/03). Training and dissemination on work instruction including risk and impacts of pesticide applications (Material safety data sheet) has been performed by organization on 28 February 2017 to all sprayers and chemical workers. Training and dissemination records were sighted.</p> <p>Personnel interviewed can clearly explain the type of work including work methods and goals,</p>	<p>Comply</p>

Criterion / Indicator		Assessment Findings	Compliance
		<p>materials used (pesticides) including the dosage and danger, personal protective equipment and first aid. Several BKM of circle weeding spray using agrochemicals was sighted. It was noted that agrochemicals (roll up and erkafuron) use were approved and registered agrochemical.</p> <p>All the workers interviewed has used the personal protective equipment meet with the safety rules and work instruction such as: Aprons, safety goggles, chemical mask, hand gloves (2 type: cotton inside and rubber outside) and safety shoes. All precautions attached to the products properly observed, applied, and understood by workers.</p> <p>Spraying tank and PPE (apron, cloth and mask) are washed by designated person in a designated area after use. Field observation conducted to the washing facility at Pondok 1 Hanau Estate. Water from washing activity are reused for the next spraying activity. There is no potential contamination observed. Person interview was understood her job and responsibility.</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>	<p>Based on interview with auditee and field observation, there are no pesticides applied aerially in PT. Tapian Nadenggan, Tasik Mas and Hanau Estate.</p>	N/A
4.6.9	<p>Evidence of training on handling pesticide for workers and scheme smallholder (if any) shall be available.</p>	<p>Agrochemicals have been applied and handled by trained spraying workers who have received usage of limited pesticide training. Training was delivered by Pesticide Commission of Agriculture Department and Man Power Department Kabupaten Seruyan and East Kotawaringin, Central Kalimantan Province and agrochemical supplier.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	Last training for pesticides operator has been held on 28 February 2017. There is no scheme smallholder associated to PT Tapian Nadenggan – Hanau.	
4.6.10	Proof that pesticide waste has been handled as per legal regulations and understood by worker and manager, shall be demonstrated.  - Minor compliance -	SOP for proper disposal of pesticide waste material was described in SOP/SMART/LEMS-EHSD/SADV/I/002 and IK/SMART/LEMS-EHSD/SADV/I/002/001 – Waste handling. Pesticide waste was reuse as mixing water for the next spraying activity. Ex pesticide container were returned to supplier, as evident in Berita Acara Serah Terima Eks Kemasan Agrochemical. On 15 August 2017 there has been returned 35 pcs ex container of Roll Up from Tasik Mas Estate and 44 pcs from Hanau Estate, and there has been returned 124 pcs ex container of Erkafuron from Tasik Mas Estate and 175 pcs from Hanau Estate.	Comply
4.6.11	Annual medical records of pesticide operators, and follow-up treatment of medical results, shall be available.  - Major compliance -	Company has establish MCU programme for Tasik Mas Estate and Hanau Estate presented in "Formulir Program Pemeriksaan Kesehatan" F/SMART/HESS-EHSD/SADV/012/001 dated 3 January 2017, consist of: <ul style="list-style-type: none"> <li>✓ Physical examination and checked for all workers (tension, pulse, breathing, height and general physical examination), has been done on 13 – 18 April 2017 in Tasik Mas Estate and Hanau Estate, all workers checked in Normal condition. For example in Hanau Estate there are 428 SKU workers and 247 BHL workers has been checked by Clinic doctor and the result indicated that all workers were in health condition and normal.</li> <li>✓ Cholinesterase check conducted for warehouse workers (once a year), sprayers (twice a year), fertilizer workers (once a year), has been done on 24 May 2017 in Tasik Mas Estate and Hanau Estate, all workers checked resulted indicated in Normal condition.</li> <li>✓ Spirometri checked conducted for warehouse workers (once a year), sprayer workers (twice a year), fertilizer workers, operator grader, welder (once a year); it has been done on 7 – 12 July 2017 in Tasik Mas Estate and Hanau Estate, all workers checked resulted indicated in Normal condition.</li> <li>✓ Audiometri checked for genset operator and mechanic, has been done in 6 July 2017 in in Tasik</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>Mas Estate and Hanau Estate, all workers checked resulted indicated in Normal condition.</p> <ul style="list-style-type: none"> <li>✓ Rontgen conducted if necessary.</li> <li>✓ MCU in HANAU ESTATE has been carried out by company for sprayer workers and fertilizer workers. It has been performed on 10 – 11 May 2017. There are 79 workers including warehouse operator and foreman checked or cholinesterase and indicated that all workers in normal condition with choline content 75% - 100% (normal).</li> </ul>	
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>PT Tapian Nadenggan has a policy to prohibit the female pregnant and breastfeeding working as a sprayer workers, fertilizer workers and other working related to agrochemical. This is according to a circular letter from the CEO-PSM6 on 12 January 2010 regarding Workers Pregnant - Breastfeeding and Sprayer, No. 001/SE-ADH3/BNJO/01/2010.</p> <p>Pregnancy test to female spraying workers and fertilizer workers has ben conducted each month by clinic midwife PT Tapian Nadenggan both in Tasik Mas Estate and Hanau Estate. Pregnancy test performed by test pack which provided in clinic PT Tapian Nadenggan. Latest pregnancy test conducted on 5 September 2017. For example in Hanau Estate there were 15 sprayer workers following the pregnancy test and the result indicated that all female workers were negative pregnant. Evidence of pregnancy test result were available in Clinic Pt Tapian Nadenggan.</p> <p>If the employee who performed the pregnancy test indicated positive pregnancy then for a time will be mutation for other types of work. For example, Suryani (spraying workers of Hanau Estate) when she was positive pregnant, she was directly transferred to the Child Care Center as child guard workers.</p> <p>Based on interview with the spraying workers and fertilizer workers both in Hanau Estate and Tasik Mas Estate, it can be demonstrated that there is no female workers who indicated a positive pregnant.</p>	Comply
<b>Criterion 4.7</b>			

Criterion / Indicator	Assessment Findings	Compliance
An occupational health and safety plan is documented, effectively communicated and implemented.		
<p>4.7.1</p> <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>PT Tapian Nadenggan has Occupational health and safety policy. The Health and safety policy was approved / signed by organization director on 1 November 2013; written in Bahasa Indonesia, the content of policy includes risk mitigation, regulation compliance and continual improvement. The policy was displayed at strategic locations of estate and mill and communicated to employees including contractor workers; the records of socialization were also evident. Latest socialization in Tasik Mas Estate and Hanau Estate was conducted on January 2017.</p> <p>There is available documented health and safety management system manual that referred to national OHS Management system (SMK3 PP 50/2012) includes the stages of plan-do-check-act cycles on the health safety management system. Moreover, Hanau mill and estates have series of procedures and working instructions in order as defined the stages of OHS management system plan, such as:</p> <ul style="list-style-type: none"> <li>- Policy development and communication (SOP/SMART/HESS- EHSD/SADV/I/01)</li> <li>- Hazard identification and Risk assessment (SOP/SMART/HESS-EHSD/SADV/I/02)</li> <li>- OHS objectives and targets (SOP/SMART/HESS-EHSD/SADV/I/03)</li> <li>- OHS Programmes (SOP/SMART/HESS-EHSD/SADV/I/04)</li> <li>- Incident and occupational disease handling (SOP/SMART/HESS-EHSD/SADV/I/05)</li> <li>- Material handling (SOP/SMART/HESS-EHSD/SADV/I/06)</li> <li>- Design review (SOP/SMART/HESS-EHSD/SADV/I/07)</li> <li>- Infrastructures maintenance and changes (SOP/SMART/HESS-EHSD/SADV/I/08)</li> <li>- Lock out tag out (SOP/SMART/HESS-EHSD/SADV/I/009)</li> <li>- PPE Management (SOP/SMART/HESS-EHSD/SADV/I/010)</li> </ul>	<p>Major NC # 1529140-201709-M1 has been CLOSED on 31/10/2017</p> <p>Comply</p>



Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>- First aid (SOP/SMART/HESS-EHSD/SADV/I/011)</li> <li>- Health Measurement (SOP/SMART/HESS-EHSD/SADV/I/012)</li> <li>- Fire extinguisher (SOP/SMART/HESS-EHSD/SADV/I/013)</li> <li>- Hydrant utilization (SOP/SMART/HESS-EHSD/SADV/I/014)</li> <li>- Safe work permit (SOP/SMART/HESS-EHSD/SADV/I/015)</li> <li>- OHS Measurement and monitoring (SOP/SMART/HESS-EHSD/SADV/I/016)</li> <li>- OHS Management review (SOP/SMART/HESS-EHSD/SADV/I/017)</li> </ul> <p>There was also established OHS Programmes/plans for year period 2017 which presented in F/SMART/HESS-EHSD/SADV/004/001. OHS programmes has been defined for each estates and mill as describes below:</p> <p><u>Tasik Mas Estate and Hanau Estate:</u></p> <p>Safety programs/plans for estates period 2017 have been defined, such as: Risk assessment review; Mandatory trainings; Safety committee meeting; Work environment measurement; periodic medical check-up; periodic OHS inspection and monitoring and PPE availability; etc. The implementations of the programs were evident such as:</p> <ul style="list-style-type: none"> <li>- Review and updating risk assessment (ISBPR) and regulation compliance last conducted on 09<sup>th</sup> January 2017</li> <li>- Periodic MCU conducted on period April 2017 for TASIK MAS ESTATE, General workers (harvester, pembondol, mandor, operator, upkeep, etc) conducted MCU once a year, while for pesticide operator performed cholinesterase check using Tintometer date 24 May 2017. Spirometri twice a year for sprayer workers. Fertilizer operator performed spirometri and cholinesterase check each year.</li> <li>- Periodic OHS committee (P2K3) meeting for period year 2017 (January – August 2017)</li> </ul>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>record of meeting are available and can be demonstrated. For example on 28 August 2017 in Tasik Mas Estate regarding OHS review programme, SNI helmet standard for motorcycle driver, OHS warning sign, PPE.</p> <p>During audit was also conducted site observation for several activities at estates includes replanting activities at BPRE and BPTE; also routine activities includes harvesting, pesticides spraying and workshops at all estates. While at mill was also conducted observation regarding CPO processes machineries, workshop and warehouses. In general, housekeeping at Mill and Estates (office estate, storage, and workshop) was good, several mandatory PPE are available by the organization to the employees and visitors such as: helmet, safety shoes, ear plugs, ear muffs and respirators. Also there were deployed several PPE symbols at the at risk areas. It was also several working tools and machineries that utilized at mills and estate are equipped with safety devices, such as knives cover that using by harvester and also pressure release valve at mill processing machineries.</p> <p><u>Hanau Mill:</u></p> <p>Safety Programs/Plans period 2016-2017 have been defined such as: regulation evaluation and compliance; risk assessment review; periodic meetings; PPE availability; periodic OHS inspection and monitoring; periodic medical check-up; emergency simulation and monitoring; internal audit; availability of safety equipment includes LOTO, signage, etc. The implementations of the programs were evident such as:</p> <ul style="list-style-type: none"> <li>- Review and updating risk assessment (ISBPR) and regulation compliance last conducted on 21 December 2016.</li> <li>- Periodic MCU conducted on period Februari 2017 (Includes physical examination, blood tension, weight and height as vital sign, eyes, ear, and stomach and skin condition). Cholinesterase check performed twice a year for workers of laboratory operator, warehouse operator, and water treatment plan Hanau POM; latest checked on May 2017 and indicated all workers in normal condition. On 18 - 25 August 2017, specific examination includes spirometry and audiometry has been performed and shown that there were 5 workers indicated sensorional disturbance, company has taken action to provide referral for further examination to specialist doctor and provide</li> </ul>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>follow-up action as per doctor's recommendation.</p> <ul style="list-style-type: none"> <li>- Periodic OHS committee (P2K3) meeting for period year 2017 (January – August 2017) record of meeting are available and can be demonstrated.</li> </ul> <p>There is Sustainability audit performed by company including OHS audit (SMK3). In the audit also checked the PPEs used by workers at the mill and estate. PPE checking is also done by the company every morning before work at mill and estate. At the Hanau Mill security post before entering the Mill area PPE checs performed to ensure that employees use the appropriate PPE. Evidence of PPE usage checking can be demonstrated. PPE usage checking is also done randomly in each week to ensure no violations committed by employees. An PPE check is also performed for contractors whose working for the company. Company conducted safety patrol once a week by Division Field Asistance and mill asisstance to checked unsafe action and PPE usage, record in "Formulir Inspeksi Ktidakdisiplinan Pemakaian APD" F/SMART/HESS-EHSD/SADV/010/005.</p>	
4.7.2	<p>A documented risk assessment shall be available and its implementation shall be recorded.</p> <ul style="list-style-type: none"> <li>- Major compliance -</li> </ul>	<p>PT Tapan Nadenggan-Hanau Palm Oil Mill has demonstrated HIRADC under document ISBPR (identifikasi Sumber Bahaya Penilaian dan Pengendalian Resiko), latest review 9 January 2017. The quantitative method of risk analysis was conducted for all activities at Mill and Estates that calculate the probability and severity at every risk identified. The risk assessment conducted for risk prior controls and residual risks after controls defined. Low risks categorized as acceptable risks and high/extreme risks categorized as unacceptable risks that needed further control to develop OHS programmes/plans.</p> <p>This risk assessment developed by each estates/mill assistance (Askep) assist by each safety officer in charge and approved by each Managers as the authorized to issue the report of risk assessment. Risk assessment had been carried out on all operations where health and safety is an issue. Significant hazards were determined and documented in the HIRADC analysis which included noise exposure, chemical and pesticides exposure, accident and fire outbreak. Procedures and control measures were implemented to mitigate the risks.</p> <p>The mill risk analysis activities includes weighbridge activities; FFB grading; loading ramp activities;</p>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>transfer carriage; Sterilizer; hoisting crane; thresher; pressing (include conveyor and digester); clarification station include CPO tank cleaning; boiler activities; kernel station; engine room activities; water treatment activities; waste effluent station; workshop activities includes welding, cutting and lathe; warehousing activities include fuel storage; laboratory activities; CPO and kernel dispatch. Those Risk assessments found to be satisfactory.</p> <p>In Estate, the risk assessment document found to be satisfactory, and has covered all activities in estate starting from land development, harvesting, spraying, fertilizing, until workshop, office, and housing. The document covers the following information: location, activities/material. Type of aspect (health /safety), operating condition (N/AN/E), Hazard, Risk, Positif or negatif, Controlled or Influenced, Regulation, Control, Possibility, Consequence, Value of environment impact, Environmental Importance Value, Further control.</p> <p>According to the procedure (SOP/SMART/HESS-EHSD/SADV/I/002 dated 30 May 2014 ), at least OHS risk assessment document must be reviewed once a year and/or when incident happened will consider as review agenda. OHS risk assessment records 2016-2017 were sighted for all Mill and Estates. Within the risk analysis was also considered the hierarchy of control to take action of risk control such as elimination, substitution, engineering, administrative and PPE. Action plan was developed as followed up the existing high risk in order to reduce to lowest residual risk analysis.</p> <p>The procedure for controlling the critical activities was established for estate and mill, the procedure was covering OHS control for working in confined space (e.g. cleaning of storage tank), working at height and welding. Work permit system was implemented for these works; this was mentioned in the procedure safe work permit (SOP/SMART/HESS-EHSD/SADV/I/015). Lock out tag out (LOTO) procedure (SOP/SMART/HESS-EHSD/SADV/I/009) has also been established and implemented especially intended for risk control of maintenance activities. It was noted that measurement of adequacy of oxygen and availability of dangerous gas were required before entering confined space and it was mentioned in the work permit; the portable gas detector was sighted during this audit. It was also noted that working above 2 meters from land or platform has been classified as working at height.</p>	

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.3</p> <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>OHS training has been programmed and provided appear balanced with OHS hazard and risk at Mill and Estates. Basic OHS training performed internally by safety officer in charge at mill and estate, the training record and programme related to OHS were sighted and verified during this audit, e.g. licenses for boiler operator, licence for operator of generator set, licence of heavy equipment operator, pesticide training for sprayers, etc.</p> <p>Observed evidence that all workers have been adequately trained in safe working practices. For example safe working practice training in Tasik Mas Estate conducted on January 2017 and in Hanau Estate on April 2017. Complete records are in place for all training including pesticide workers in each estate. Personal Protective Equipment (PPE) is available for all workers in regards to pesticide applications and use of other hazardous areas and is being used correctly in most cases. During field audit indicated that all sprayer workers using appropriate PPE such as rubber hand gloves, safety goggles, respiratory masker, apron and safety boots. Previously, company provides closed safety goggles which fog up and nowadays company changed the safety goggles with glasses safety goggles and it was anti fog up. In other areas, all PPE is supplied are being used correctly at all times – this includes mill, estates and contractors. The contractors are inducted on all occasions and made fully aware of any OHS and PPE requirements on site. Company conducted safety patrol once a week by Division Field Assistance and mill assistance to checked unsafe action and PPE usage, record in "Formulir Inspeksi Ktidakdisiplinan Pemakaian APD" F/SMART/HESS-EHSD/SADV/010/005. Latest inspection conducted on 28 August 2017.</p> <p>Training programme planned for year 2016/2017 was consistently implemented. The programme includes training for all categories of workers. Evidence of adequate and appropriate training on safe working practices provided to:</p> <ul style="list-style-type: none"> <li>- Workers exposed to machinery and high noise levels,</li> <li>- Heavy machinery operators,</li> <li>- Harvesters</li> </ul>	<p>Comply</p>

Criterion / Indicator		Assessment Findings	Compliance
		<p>- Pesticides operators</p> <p>The safe working practices and application of pesticides is covered in procedure Pesticide application. During field audit and interview with sprayer workers indicated that they have been trained and well understanding regarding pesticide/herbicide handling. Evident of sprayer workers training can be demonstrated.</p> <p>The procedure for management of PPE has been established (SOP/SMK3/SMART/LH-20). The PPE for each activity has been established, e.g. working at mill, working at generator set, welder, working at laboratory, harvester, sprayer, fertilizer storage, chemical storage, etc. Observation during this audit generally concluded that PPE has been well provided and implemented. Several mandatory PPE are available by the organization to the employees and visitors such as: helmet, safety shoes, ear plugs, ear muffs and respirators. Also there were deployed several PPE symbols at the at risk areas. Workers were interview during this audit and generally they were understood the risk of their work and the purpose of using PPE.</p> <p>Records of PPE distribution available under form of in "Formulir Berita Acara Serah Terima APD" F/SMART/HESS-EHSD/SADV/010/002." (shoes, helmet, glass, gloves, masker) signed by store officer and worker.</p>	
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>The organisation was established the OHS/Occupational Health and safety committee as per national regulation requirement which usually called P2K3 (Panitia Pembina Keselamatan dan Kesehatan Kerja) that consist of Estate/mill managers as the chairman; the safety officer/AK3 Umum as the secretary and members are representative from each functions/sections.</p> <p>PT Tapian Nadenggan demonstrated the appointed and approved health and safety committee. Each estate and mill has safety committee which has been endorsed by Dinas Tenaga Kerja dan Transmigrasi Provinsi Kalimantan Tengah. For example:</p> <p>- P2K3 in Tasik Mas Estate approved as per "Decree Letter Nomor:KEP.389/DISNAKERTRANS/VII/2017 dated 13 July 2017." Secretary of P2K3 (safety committee) has been Certified as OHS Expert on behalf Kasmayadi Certificate No.</p>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>Ser.17.4270/AK3/U/VI/2017, ISSUED 5 June 2017 by Kemenakertrans RI.Decree OHS expert based on KepMenakertrans RI Nomor: KEP.4302/NAKER-BINWASK3/VI/2017 dated 5 June 2017 valid until 5 June 2020.</p> <ul style="list-style-type: none"> <li>- P2K3 in Hanau Estate approved as per "Decree Nomor:KEP.388/DISNAKERTRANS/VII/2017 dated 13 July 2017." Secretary of P2K3 (safety committee) has been Certified as OHS Expert on behalf Pamungkas Agung Wahyu Prasetya Certificate No. Ser.16.3365/AK3/U/VI/2016, ISSUED 20 June 2016 by Kemenakertrans RI.Decree OHS expert based on KepMenakertrans RI Nomor: KEP.3446/NAKER-BINWASK3/VI/2016 dated 20 June 2016 valid until 20 June 2019.</li> <li>- P2K3 in Hanau Palm Oil Mill approved as per Keputusan Kepala Dinas Tenaga Kerja dan Transmigrasi dan Pariwisata Kab. Seruyan Nomor: 560/9B/KEP/DISNAKERTRANSPAR/XII/2016 dated 12 December 2016.</li> </ul> <p>P2K3 conducted meting each month, each quarter reported to Disnakertrans Provinsi Kalimantan Tengah. Latest reported for period April–June 2017 on 26 July 2017, evidence of reporting were available.</p>	
<p>4.7.5</p> <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>There were established several documented procedures related to emergency response in local language Bahasa Indonesia. Company has establish SOP Kesiapsiagaan Tanggap Darurat Nomor: SOP/SMART/UMU/SADV/I/2005 dated 30 May 2014. The emergency conditions have been identified including Fire and explosion at buildings; land fire; earthquake; flooding; chemical spill and poisonings also waste water ponds spillage. The procedures described the roles and responsibilities of each emergency response team include the mechanism how to conduct medical evacuation to near hospital/local health centre, the emergency contact number of each internal emergency team and external related parties such as public fire station at local area Kabupaten Seruyan and Public health centre "Puskesmas Seruyan" were also available.</p> <p>Each estate and mill has establish Emergency response Team called "Tim Tanggap Darurat PT Tapian Nadenggan" endorsed by Dinas tenaga Kerja dan Transmigrasi Provinsi Kalimantan Tengah. For example:</p>	<p>Comply</p>

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- "Tim Tanggap Darurat PT Tapian Nadenggan – Tasik Mas Estate" endorsed by Dinas tenaga Kerja dan Transmigrasi Provinsi Kalimantan Tengah Nomor: KEP.389/DISNAKERTRANS/VII/2017 dated 13 July 2017.</li> <li>- "Tim Tanggap Darurat PT Tapian Nadenggan – Hanau Estate" endorsed by Dinas tenaga Kerja dan Transmigrasi Provinsi Kalimantan Tengah Nomor: KEP.388/DISNAKERTRANS/VII/2017 dated 13 July 2017.</li> </ul> <p>The composition of emergency response team was established consist of ERT commander, several fire fighters and first aiders.</p> <p>Company conducted regular simulation of emergency response/drill. Latest training and simulation fire conducted on 22 – 24 May 2017 cooperation with Manggala Agni Pangkalan Bun. In 2016 simulation fire conducted on 21 October 2016, record on "Skenario Tanggap Darurat" Skenario Simulasi Kebakaran lahan Perkebunan F/SMART/UMUM/SADV/005/004 Tasik Mas Estate PT Tapian Nadenggan.</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 mill and estate including daily workers have been covered by Medical and Social Insurance (BPJS), as requested by applicable regulation. Records of insurance payment available in:</p> <ul style="list-style-type: none"> <li>- BPJS registration number</li> <li>- Monthly BPJS insurance premium payment.</li> </ul> <p>The records of monthly payment for national incident insurance (BPJS) with percentage 0.54 % from the wages are evident. The reports of monthly payment were evident or period August-2017.</p> <p>Company has also programmed and implemented the annual medical checkup for all workers at all estate and mill. MCU has been done annually for all workers. Latest MCU was held in 2016 and attended by all workers including those who work with high risk (blood, urine, cholinestrace, spirometri). All workers are in fit condition. Complete report on MCU result and workers health condition available at clinic</p>	Comply



Criterion / Indicator		Assessment Findings	Compliance
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.  - Minor compliance	PT Tapan Nadenggan EHS team prepares safety index. The safety index is monitoring tool, indicating number of worker (at each operating units), number of major and minor accident as well as the lost time injury.  The monitoring carried out on monthly basis and results were discussed during safety committee meeting. The incident statistics include man-hours, lost time accident and Frequency rate (FR) and Severity rate (SR) were reported quarterly within a year to local authority (Seruyan Regent) by safety officer.  For example in Tasik Mas Estate by August 2017, total man hours 1,393,393 hours; total incident in a year 2 incident with lost time accident in a year 68 days; FR 1.44 and SR 48.80.	Comply
<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 -	Company has determined training program each year in "Program Pelatihan Tahunan". Matriks Personal competence identification F/SMART/UMUM/SADV/003/001 has been set to identify training needs and gaps for each employee.  All functions and levels included contract employees within the organisation were covered by the training programme. The training needs identified appear sufficient and complete, this including training needs identification to all employees level based on their competence needed related to OHS, environmental, social, training required by regulations, training related to operation of Mill and Estates; such as:  <ul style="list-style-type: none"> <li>- Pelatihan operator alat berat untuk SIO, Maret 2017</li> <li>- Pelatihan K3 listrik Oktober 2017</li> <li>- Pelatihan Juru Las Juni 2017</li> </ul>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>- Pelatihan petugas P3K 13 February 2017</li> <li>- Pelatihan Penggunaan APAR pada 22 – 24 May 2017</li> <li>- Pelatihan petugas khusus P2K3 Agustus 2017</li> <li>- Pelatihan lingkungan 26 May 2017</li> <li>- Pelatihan tenaga semprot 28 February 2017</li> <li>- Pelatihan tenaga pupuk 16 february 2017</li> <li>- Pelatihan PHT 1 Maret 2017</li> <li>- Pelatihan LSU 11 April 2017</li> <li>- Pelatihan HCV 27 April 2017</li> <li>- Training welder sertifikasi September 2017</li> <li>- Training P3K Mei 2017</li> <li>- Training ISBPR tanggal 4 Mei 2017</li> <li>- Sosialisasi MSDS 31 Mei 2017</li> <li>- Training SOP, IK dan APD 4 Mei 2017</li> <li>- Training LOTO 16 January 2017</li> <li>- Training Pemahaman RSPO 22 February 2017</li> <li>- Training SCCS 22 February 2017</li> <li>- Simulasi tanggap darurat dan training KTD 9 Maret 2017</li> </ul> <p>All the training has been performed by company.</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.8.2	Records of training for each employee shall be maintained. - Minor compliance –	<p>Training record for each employee are well maintained. Some of training record sample taken:</p> <ul style="list-style-type: none"> <li>- Pelatihan operator alat berat untuk SIO, Maret 2017</li> <li>- Pelatihan K3 listrik Oktober 2017</li> <li>- Pelatihan Juru Las Juni 2017</li> <li>- Pelatihan petugas P3K 13 February 2017</li> <li>- Pelatihan Penggunaan APAR pada 22 – 24 May 2017</li> <li>- Pelatihan petugas khusus P2K3 Agustus 2017</li> <li>- Pelatihan lingkungan 26 May 2017</li> <li>- Pelatihan tenaga semprot 28 February 2017</li> <li>- Pelatihan tenaga pupuk 16 february 2017</li> <li>- Pelatihan PHT 1 Maret 2017</li> <li>- Emergency preparedness and response on 6 January 2017</li> <li>- Etc.</li> </ul> <p>Record of training for each employee are properly maintained in Training transcript for each employee. For example on behalf Tri Widodo (Tractor operator in Tasik Mas Estate) he has complete the SIO tractor training, certificate No. 289000721205000419942017 dated 8 May 2017; &gt; Riyan Septiyanto (Greader operator) has complete the training Greader operator licensing, certificate Reg. P.10.5776-OPK3-LT/PAA/VIII/2015 dated 20 November 2015 valid until 2020.</p>	Comply
<p><b>Principle 5: Environmental responsibility and conservation of natural resources and biodiversity</b></p>			

Criterion / Indicator	Assessment Findings	Compliance
<p><b>Criterion 5.1</b></p> <p><b>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.</b></p>		
<p>5.1.1</p>	<p>Environmental impact assessment document(s) shall be available.</p> <p>- Major compliance -</p> <p>Environmental impact analysis documents were provided, such as Documented AMDAL, RKL and RPL approved by Governor of Central Kalimantan (Approval 430/2006) on 21 December 2006 for PT. Tapian Nadenggan. Total area covered: 17,062 Ha.</p> <p>Mill and Estates implemented procedure for identifying environmental aspect and evaluating its impact. The result of environmental aspect and impact identification and evaluation was documented. As required by the procedure, the information of environmental is reviewed and updated regularly. Last review and update of environmental aspect and impact register was performed in January 2016.</p> <p>The environmental impact analysis documented in AMDAL, RKL RPL included consultation with relevant stakeholders to identify impacts and to develop any mitigation measures.</p> <p>Impact assessment covered in AMDAL, RKL RPL document and environmental aspect and impact, e.g.:</p> <ul style="list-style-type: none"> <li>- Building new roads, processing mills or other infrastructure;</li> <li>- Putting in drainage or irrigation systems;</li> <li>- Replanting and/or expansion of planting areas;</li> <li>- Management of mill effluents;</li> <li>- Clearing of remaining natural vegetation;</li> <li>- Management of pests and diseases palms by controlled burning</li> </ul>	<p>Comply</p>

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Environmental impact assessment was conducted through regular environmental monitoring, e.g. river water quality, mill effluent quality, air emission, economical, social and culture of community and wildlife.</p> <p>Implementation of RKL RPL is reported in six monthly basis. Report for 1<sup>st</sup> semester of 2017 for PT. Tapian Nadenggan – Hanau Palm Oil Mill and Estate was sighted and has sent to Seruyan Regency Environmental Agency and Estate Agency on 23 August 2017, Central Kalimantan Province Environmental Agency on 24 August 2017, Forestry and Plantation Agency of Seruyan District and Central Kalimantan Province on 24 August 2017 and Ministerial Office Environment. Receipt note was also sighted.</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>Environment management plan document were available in Environmental management plan (RPL-Rencana Pemantauan Lingkungan) document. Document has been approved by Governor Kalimantan Tengah Nomor 430 Tahun 2006 dated 21 December 2006. Environmental monitoring based on document :</p> <ul style="list-style-type: none"> <li>- Micro climate monitoring performed in order to prevent negative impact of micro climate change. Performed by using machine technology with low emission, dust collector installation, dust collector height, periodically machine maintenance, planting and upkeep the vegetation in open area around mill and along the CPO/FFB road transport.</li> <li>- Air quality management performed in order to prevent and control the air quality to comply with PP No. 41 year 1999. Performed by using machine technology with low emission, dust stake with sufficient height, dust collector installation, periodic machine maintenance, planting and upkeep the vegetation in open area around mill and along the CPO/FFB road transport.</li> <li>- Surface water quality management performed in order to prevent and control the physic and chemist quality of surface water comply to PP Nomor 82 tahun 2001. Performed by create terracing, land cover crop planting in open area and sloping area, organic fertilizer usage, natural predator usage for pest control, operating IPAL, land application</li> <li>- Water biota management performed in order to prevent and control the negative impact of water</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>biota degradation causing by upkeep activity, waste management, and land application. Performed by create terracing, land cover crop planting in open area and sloping area, organic fertilizer usage, natural predator usage for pest control, operating IPAL, land application.</p> <ul style="list-style-type: none"> <li>- Community perception management performed in order to prevent and control the negative perception and potential conflict from community against employee recruitment process. Company has conducted workers recruitment transparently, each vacancy were publish to surrounding village. Total local workers in PT Tapian Nadenggan was 582 workers (in TASIK MAS ESTATE 75 workers and in HANAU ESTATE 133 workers).</li> </ul>	
5.1.3	<p>Environment monitoring plan document, its implementation report, and the corrective plan (if non-conformance arised from the monitoring result) shall be available. This plan is reviewed on two-yearly basis.</p> <ul style="list-style-type: none"> <li>- Minor compliance –</li> </ul>	<p>Environment monitoring plan document were available in Environmental Monitoring Plan (RPL-Rencana Pemantauanan Lingkungan) document. Document has been approved by Governor Kalimantan Tengah Nomor 430 Tahun 2006 dated 21 December 2006. Environmental monitoring based on document :</p> <ul style="list-style-type: none"> <li>- Micro climate monitoring performed in order to prevent negative impact of micro climate change. Company has monitored micro climate each month using Micro Climate measuring equipment by SMARTRI. Since Januay – June 2017 Rainfall average 71.8 ml/month – 422 mm/month, Temperature 26.29 – 27.33 dgre C, humidity 86.38 – 91.22 % and all categorized as good.</li> <li>- Water biota monitoring performed in 6 waterways : River Tarum, Mandiasu, Palembang, Kuning, Pasipu, Langadang. Conducted ecah semester by PT MAL. Based on monitoring result there are 46 species fitoplankton found, 6 sepcies zooplankton and 5 species nekton/fish.</li> <li>- Air quality monitoring performed each semester in location biogas plant and front mill office and emplacement as well as kernel krushing plant by Testing laboratory PT Mutu Agung Lestari on 10 April 2017, Report of testing No: 2696-2695, 2697, 2700/SL/IV/17 All parameter (SO2, CO, NO2, O3, HC, TSP, Pb, noise)has comply to PP RI No. 41 tahun 1999.</li> <li>- Emission Boiler No 1,2,3 in Hanau Palm Oil Mill measured each semester by Testing laboratory PT Mutu Agung Lestari. Parameter measured are Particulate, SO2, NO2, HCl, Cl2, NH3, HF, opacity, flow rate. All parameter measured has comply with PermenLH No. 07 Tahun 2007 Lamp.</li> </ul>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>I. Report of testing No: 2691-2692-2693/SL/IV/17.</p> <ul style="list-style-type: none"> <li>- Emission Genset 06-04 636 KVA,06-05 500 KVA, 06-06 also measured each year by Testing laboratory PT Mutu Agung Lestari. Parameter measured are partikulat, CO, NO2, SO2, opacity, flow rate. All parameter measured has comply to PerMenLH No. 21 tahun 2008 Lamp IVB. Report testing No. 2688, 2689, 2690/SL/IV/17.</li> <li>- Odor was measured in waste water instalation area (IPAL) each semester. Parameter measured are NH3, H2S, CH3SH, (CH3)2S, Stirena, temperature, kelembaban. Based on latest analysis result semester I 2017, all parameter measured were met with KepMenLH No. 50 Tahun 1996. Report of testing No. 2698/SL/IV/17</li> <li>- Surface water quality monitoring in 6 river River Tarum, Mandiasu, Palembang, Kuning, Pasipu, Langadang each semester by Testing laboratory PT Mutu Agung Lestari has comply to PP Nomor 82 tahiun 2001.</li> <li>- Community perception monitoring performed each semester. Company has conducted workers recruitment transparently, each vacancy were publish to surrounding village. Total local workers in PT Tapian Nadenggan was 582 workers (in TASIK MAS ESTATE 75 workers and in HANAU ESTATE 133 workers).</li> </ul> <p>All management plan has been implemented well by company according to RKL document. The implementation report has been reported to government agency such as: Report for 1<sup>st</sup> semester of 2017 for PT. Tapian Nadenggan – Hanau Mill was sighted and sent to Seruyan District Environmental Agency and Estate Agency on 23 August 2017, Central Kalimantan Province Environmental Agency on 24 August 2017, Forestry and Plantation Agency of Seruyan District and Central Kalimantan Province on 24 August 2017 and Ministerial Office Environment. Receipt note was also sighted.</p>	
<p><b>Criterion 5.2</b></p> <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>		

Criterion / Indicator		Assessment Findings	Compliance
5.2.1	<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>HCV Assessment has been conducted in HANAU ESTATE, TASIK MAS ESTATE, TPRE, and LANGADANG ESTATE by Biodiversity and Conservation Section of Sustainability Division SMART group on August 2011. TASIK MAS ESTATE:</p> <ul style="list-style-type: none"> <li>- In August 2010 : Field Survey</li> <li>- 16 Agustus 2010 : Presentage of Survey result to management PT. Tapian Nadenggan.</li> <li>- Peer review by RSPO accredited HCV assessor Mr. Siswoyo (Independent HCV Consultant) on Januari 2011.</li> <li>- 25 March 2011: Public consultation HCV, attended by 39 person comprise of staff PT. Tapian Nadegan, Leader BPD Tanjung paring, Sekdes Makarti Jaya, Kades Panimbu Raya, P. Hulu I &amp; II, Sandul, Derangga, Tj. Hara, Medang sari, Community representative Medang sari, Sekcam Hanau, Sub BU Kecamatan Batu Ampar, etc.</li> </ul> <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>Identification of HCV habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower or miller; HCV assessment performed by a qualified HCV assessor i.e:</p> <ul style="list-style-type: none"> <li>- Norman Faried (Team cordinator – Ecology and mapping)</li> <li>- Firmansyah (wildlife ecology and environmental services)</li> <li>- Ridho Farianto (flora/plant ecology and environmental services)</li> <li>- Tomi Hendartomo (social)</li> </ul>	Comply



Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Yosaphat AR (social)</li> </ul> <p>HCV assessment performed in consultation with relevant stakeholders as described above.</p> <p>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>All HCV identified was mapped with scale 1: 40,000 in LANGADANG ESTATE dan 1 : 50,000 in TASIK MAS ESTATE.</p>	
5.2.2	<p>Where rare, threatened or endangered (RTE) species and or other HCVs are present or affected by the plantation and mill operations, an appropriate measures that are expected to maintain or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p>	<p>HCV assessment results showed that in the plantation area of HANAU ESTATE, TPRE, TASIK MAS ESTATE and LANGADANG ESTATE were identified several areas of HCV.</p> <p>In Hanau Estate there were identified HCV area as wide as 375.87 ha consist of:</p> <ul style="list-style-type: none"> <li>- HCV 1.1 &amp; 4.1: Riparian Palembang (35.80 ha), Riparina Ulin (28.81 ha), Riparian Kuning (13.46 ha), Riparian Pasipu (75.74 ha), Riparian Nahambau (39,90 ha), Riparian Bakung (14.32 ha), fresh water swamp 1 (2.45 ha), fresh water swamp 2 (23.58 ha), fresh water swamp 3 (25.44 ha), fresh water swamp 4 (78.33 ha), fresh water swamp 5 (38.04 ha)</li> <li>- HCV 1.2: Identified protected species Raja udang meninting (Alcedo meninting), Macan akar (Felis bengalensis)-Protected by PP No 7 tahun 1999 and CITES Apendix I</li> <li>- In Tanjung Paring Estate there were identified HCV area as wide as 338.61 ha consist of:</li> <li>- HCV 1.1, 3 &amp; 4.1: riparian Kantin (21.85 ha), riparian Mandi Asu (96.95 ha), riparian Blok T (22.36 ha), reservoir (6.59 ha), fresh water swamp (89.88 ha), peatlands (15.44 ha), peatland</li> </ul>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>forest (84.54 ha).</p> <ul style="list-style-type: none"> <li>- HCV 1.2: Identified protected species Meranti merah (<i>Shorea pinanga</i>), Meranti rawa (<i>Shorea balangeran</i>), Kantung semar (<i>Nepenthes sp.</i>), Burung raja udang meninting (<i>Alcedo meninting</i>), Macan akar (<i>Felis bengalensis</i>), Beruang (<i>Helarctos malayanus</i>), Burung toing (<i>Gracula religiosa</i>) - Protected by PP No 7 tahun 1999 and CITES Appendix I</li> <li>- HCV 6. Cemetery (1.0 ha)</li> </ul> <p>In Langadang Estate there were identified HCV area as wide as 245.81 consist of:</p> <ul style="list-style-type: none"> <li>- HCV 1.1 : Langadang 1 Riparian (52.18 ha), Langadang 2 Riparian (20.87 ha), Langadang 3 Riparian (45.03 ha), Langadang 4 Riparian (11.82 ha)</li> <li>- HCV 1.2 : Identified protected species Raja udang meninting (<i>Alcedo meninting</i>), Macan akar (<i>Felis bengalensis</i>), Meranti merah (<i>Shorea pinanga</i>), Meranti rawa (<i>Shorea balangeran</i>) - Protected by PP No 7 tahun 1999 and CITES Appendix I</li> <li>- HCV 3 : Peat Swamp forest ecosystem (106.82 ha)</li> <li>- HCV 4.1 : Langadang 1 Riparian (52.18 ha), Langadang 2 Riparian (20.87 ha), Langadang 3 Riparian (45.03 ha), Langadang 4 Riparian (11.82 ha), wetland/fresh water swamp (9.09 ha), Peat swamp forest ecosystem (106.82 ha)</li> </ul> <p>While in Tasik Mas Estate there were identified HCV area as wide as 397.462 ha consist of:</p> <ul style="list-style-type: none"> <li>- HCV 1.1 : Tarus 1 Riparian (77.95 ha), Tarus 2 Riparian (68.36 ha), Palembang Riparian (14.26 ha), SS Blok P (15.46 ha), Blok N Riparian (30.36 ha), water springs area (1 ha)</li> <li>- HCV 1.2 : Kangkareng hitam (<i>Anthracoseros malayanus</i>), Burung raja udang meninting (<i>Alcedo meninting</i>), macan akar (<i>Felis bengalensis</i>), monyet ekor panjang (<i>Macaca fascicularis</i>)</li> <li>- HCV 1.3 : Fresh water swamp/wetland (78.03 ha)</li> <li>- HCV 4.1 : Riparian and water catchment area (78.3 ha), spring water and water catchment area</li> </ul>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>(112.04 ha)</p> <ul style="list-style-type: none"> <li>- HCV 6 : Cemetery (7 cemetery 0.002 ha)</li> </ul> <p>Estate has established the management plan to maintain and/or enhance High conservation value area. HCV management and monitoring plan described measures taken for each HCV and its monitoring. Relevant laws were taken into account for determining appropriate measure including UU #5/1990 about Natural resources conservation, PP#7/1999 about List of protected plan and wildlife, Kepres #32/1990, and PP26/2008 Management plan consist of :</p> <p>Management plan HCV 2017 TASIK MAS ESTATE and HANAU ESTATE consist of :</p> <ul style="list-style-type: none"> <li>• Placement, maintenance and monitoring of warning boards and boundary markers. There are 25 poles boundary markers maintain each 3 month, maps of poles and geographis coordinate were available.</li> <li>• Planting of Guatemala grass, trembesi (Samanea saman) and Sengon (Paraserianthe falcataria) at Riparian zone. Evidence of restoration were available, for example in HANAU ESTATE Sengon planting 12 tree and Trembesi 8 tree</li> <li>• Dissemination of information on how to manage and conserve the HCV area to employees, contractors and the public/local community</li> <li>• Placement for HCV sign board, protected species information and posters</li> </ul> <p>HCV patrol and monitoring. Patrol conducted each weeks by Patrol team consist of security team, evidence of patrol can be demonstrated, latest monitoring conducted on First Week September 2017. Monitoring areal HCV perfomed each 3 month, latest monitoring in August 2017 was in good condition.</p> <p>Management and monitoring all riparian condition (HCV area utilization, management activities, rehabilitation, HCV conditions, the effectiveness of management activities, the level of threat and the condition of land cover).</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Management and monitoring of springs/water source</li> <li>• Management and monitoring of peat swamp forest</li> <li>• Management and Monitoring of protected wildlife/animal</li> <li>• Management and monitoring local cultural area such as Cemetery/shrine graves</li> <li>• Planting, maintenance and monitoring of plant barriers to erosion (vetiver grass &amp; woody plants)</li> <li>• Patrol and monitoring HCV area</li> </ul> <p>The measures contained in the management plan actively implemented to maintain and/or enhance HCV values. During audit, record of HCV management implementation was sighted. Monitoring activities was well conducted. Its records was documented and sighted. HCV management and monitoring report was indicated that management implementation was effective. During field observation to HCV area in Hanau Estate, Tanjung Paring Estate, and Langadang Estate, it was confirmed that Managemet Plan was performed, e.g. warning and HCV signboard are well sight and maintained, vetiver grass are well grown, no damage to HCV areas occurred, etc.</p> <p>Company has SOP Pengelolaan dan Pemantauan NKT (HCV) SOP/SMART/BCOS-EHSD/SADV/I/002 dated 30 May 2014 as a guidance to manage and monitoring the HCV area.</p>	
5.2.3	Program(s) to socialize the status of protected, rare, threatened or endangered (RTE) to all workers shall be available, including records of appropriate sanction disciplinary measures to any individual working for the company who is found to capture, harm, collect or kill these species.	<p>PT Tapian Nadenggan has a program to regularly educate the workforce about the status of the RTE species, to socialize the HCV and give the awareness both internally to all workers and externally to surrounding community. Internal socialization to all workers conducted each semester and socialization to surrounding community conducted once a year. Latest socialization to all workers conducted in March 2017 in Tasik Mas Estate, on June and August 2017 in Hanau Estate and Mill. Socialization to surrounding community conducted on 11 February 2017 in Pembuang Hulu Village, on 25 – 28 May 2017 to all contractor/supplier including FFB supplier. Evidence of socialization can be demonstrated such as minutes of socialization and attendant list.</p> <p>Organization has a policies or rules to protect RTE species based on UU No.5 / 1990. Penalties under</p>	Comply

Criterion / Indicator	Assessment Findings	Compliance
<p>- Minor compliance –</p>	<p>the UU No.5 / 1990 "person who deliberately capture, injure, kill, keep, possess, maintain, transport, and trade in protected animals alive or dead can shall be punished with imprisonment of 5 years and a maximum fine IDR 100.000.000, - (one hundred million). Penalties were communicated directly to all employees and the local community during HCV socialization and through the HCV signboards and warnings board.</p>	
<p>5.2.4</p> <p>Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.</p> <p>- Minor compliance –</p>	<p>Continous monitoring of HCV was conducted once a week by organisation, such as :</p> <ul style="list-style-type: none"> <li>- Monitoring of HCV attributes (Sign Boards Conditions)</li> <li>- Monitoring of HCV conditions from any disturbance both internal and external factor (HCV area conditions)</li> <li>- Monitoring of Animals and protected animals (recapitulation encounter animals in 1 month)</li> <li>- HCV Patrol Schedule (Schedule team to monitor the condition and attributes HCV)</li> </ul> <p>The Company carries out primary and secondary monitoring of wildlife. Primary monitoring is done every 3 months at location block K24 Tasik Mas Estate, block M16 (secondary forest vegetation), block P6 (river border). Monitoring takes the form of a 500-1000m line with a left - right observation limit of 20m.</p> <p>The last monitoring at Tasik Mas Estate was conducted in July 2017 (July 11<sup>th</sup> at block P6, July 18<sup>th</sup> at block M16 and July 25<sup>th</sup> at block K24. Suppressed in block K24 observed species of animals such as: Macan akar (<i>Felis bengalensis</i>), Biawak (<i>Varanus salvator</i>), Tupai (<i>Calosciurus notatus</i>), Rats, Burung Raja udang (<i>Alcedo meninting</i>), Burung Kruok, Cinenen kelabu.</p> <p>Company has monitored Meranti merah (<i>Shorea pinnanga</i>), Meranti Rawa (<i>Shorea balangeran</i>) and Kantung semar (<i>Nepenthes sp.</i>) using Vegetation Analysis method by using plot transek. Latest monitoring conducted on March 2017. Meranti merah and Meranti putih has been monitored.</p> <p>Company has create the Field guide to monitor the wildlife species in and around the estate area.</p>	<p>Comply</p>

Criterion / Indicator		Assessment Findings	Compliance
		Monitoring result of wildlife and rare plant species reported each semester and evaluated.	
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>There was no HCV area with existing rights of local communities in Tasik Mas Estate based on public consultation result and interview with local community leaders. During HCV assessment, PT Tapian Nadenggan conducts the public consultation to local communities on 28 October 2014. Public consultation conducted on local communities around the estate. The public consultation also involves a village government, community leaders, district, NGOs and related agencies. In public consultation the findings discussed the identification of HCV areas and the response from public and relevant government agencies. The public consultation also summarizes a number of inputs/feedback from local communities, community leaders, NGOs and related agencies in the management plan of HCV areas.</p> <p>In Hanau Estate, there are HCV 6 area in Block A-06 in the form of grave. Company has made agreement letter with land owner in Division 1 Block A6 to protect and conserve HCV area. Agreement signed by Muhamad Harlih, Istra and Siti Aminah as the heirs grave.</p>	N/A
<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>Identification of waste and pollution sources from Hanau Mill and its supply bases activities was evident. The source of pollution, type and control method of waste was documented on procedure SOP/SMART/LEMS-EHSD/SADV/I/002 – Waste handling. The waste products were defined as follows:</p> <ul style="list-style-type: none"> <li>• Mill waste, such as: fibre, shell, empty bunch, waste water and gaseous emissions</li> <li>• Estate waste, such as: pesticides, chemicals rinsed waters discharge and land application flatbed.</li> <li>• Medical waste, such as: expired drugs, contaminated cottons</li> <li>• Solids organics and inorganics waste</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Domestic waste water</li> </ul> <p>In addition, sources of pollution and waste were also documented in the list of environmental aspects and environmental impacts evaluation year 2017 in May for Tasik Mas Estate and in January for Hanau Estate. The document described the sources of waste and pollution and the control techniques for significant impacts on important environmental aspects.</p>	
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 SOP/SMART/LEMS-EHSD/SADV/I/002 – Waste handling and IK/SMART/LEMS-EHSD/SADV/I/002/001 – Hazardous waste and empty chemical containers handling. Details of disposed methods as follows:</p> <ul style="list-style-type: none"> <li>• Storing Disposed to Temporary Hazardous Waste Storage managed by licensed vendors</li> <li>• Reuse the chemical containers reused for the same purpose for agrochemical usage/chemical containers.</li> <li>• Return the containers to supplier/vendors</li> <li>• Zero burning</li> </ul> <p>Chemicals are stored in central warehouse and division warehouse. Quantity of chemical was monitored and recorded in “Kartu Gudang”. The chemical containers were triple rinsed and stored in the temporary storage of hazardous wastes. The jerrycans were reused to spraying activities, while bottles containers were returned to suppliers (PT Rolimex Kimia Nusamas) and managed by licensed transporter PT Maju Jaya Asri Utama and processor PT Wastec International. Chemical laboratory containers were returned to supplier. The transportation and processing of chemical containers were according to manufacturers’ labels and regulation of Environmental Ministry.</p> <p>Records of chemical containers quantity returning to supplier and transported and processed by licensed vendor were evident. Liquid waste from agrochemical was reused for the next spraying application.</p> <p>The Company has licensed temporary hazardous waste storage (TPS LB3) based on: Seruyan Regent</p>	<p>Major NC # 1529140-201709-M2 has been CLOSED on 31/10/2017</p> <p>Comply</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>Decree Number: 188.45/447/2015 dated November 6<sup>th</sup>, 2015, valid for 5 years. The length of storage allowed is 180 days. Type of hazardous waste: Pesticide used container, medical waste, used oil, used bottles, other contaminated packaging.</p> <p>The Company has a cooperation with licensed vendor as a transporter and processor/user. Cooperation agreement letter document on hazardous waste management presented in "Memorandum of Understanding between PT Tapan Nadenggan and PT Maju Asri Jaya Utama" No. 001/SMPO-CPRC/05/2017 dated 21 May 2017 valid until one year. PT Maju Asri Jaya Utama has licensed for collecting hazardous waste from KLH RI based on KepMenLHK RI Number: 06.9.05 year 2015 dated 13 May 2015, valid until 5 years. Permission for transport from Ministry of Transportation of the Directorate General of Land Transportation Number: SK.1693/A.J.309.DJP/2016/640710253BB-0007 dated 30 March 2016.</p> <p>All incoming and outgoing hazardous waste recorded in "Logbook Neraca LB3" F/SMART/LEMS-EHSD/SADV/002/00". Sample verified: Logbook Neraca LB3 Tasik Mas Estate by August 2017: Used oil 385 L, Majun Fabrics 40 Kg, used battery 3 units, Filter 33 pcs. Logbook Neraca LB3 Hanau Estate by August 2017: Used oil 341.3 kg, Majun Fabrics 14.1 kg, used battery 2 pcs and used filter 31 pcs. Logbook Neraca LB3 Hanau Palm Oil Mill by August 2017: Used oil 686L, Filter 4 pcs.</p> <p>For the management of waste ex pesticide/herbicide container/jerrycan, the company cooperates in transporting with herbicide suppliers PT Rolimex Kimia Nusamas baed on "Herbicide Used Cargo Transportation Agreement No.017/TPN-RKN/III/2017 dated 21 March 2017, valid until 20 May 2018. Delivery of ex pesticide/herbicide container were recorded in "Berita Acara" Sample verified for delivery dated 15 August 2017 from PT Tapan Nadenggan:</p> <ul style="list-style-type: none"> <li>- Ex Roll Up container/jerrycan from Hanau Estate 44 pcs, Tasik Mas Estate 35 pcs, Tanjung Paring Estate 28 pcs, Langadang Estate 10 pcs</li> <li>- Ex Rolifos container from Tanjung Paring Estate 15 pcs, Langadang Estate 8 pcs</li> <li>- Ex Erkafuron from Hanau Estate 175 pcs, Tasik Mas Estate 124 pcs, Tanjung Paring Estate 155 pcs and Langadang Estate 65 pcs.</li> </ul>	



Criterion / Indicator		Assessment Findings	Compliance
		<p>The incoming and outgoing of ex- agrochemical container is recorded in the "Logbook Neraca LB3". Monitoring results by August 2017 remaining 10 pcs ex Erkafuron, 3 pcs ex Rollup.</p> <p>The ex chemical bottle from Hanau POM (laboratory) is sent to third party (supplier) which is PT Kstraco Engineering, for example delivery on 16 February 2017 sent 29 pcs, 12 April 18 Ea, 20 July 2017 as much as 22 Ea.</p> <p>Medical waste is temporarily stored at the clinic and sent to a licensed medical waste vendor, PT Bank Sampah Indonesia. PT Tapian Nadenggan has a partnership with PT Bank Sampah Indonesia based on Perjanjian Kerjasama Pengelolaan LB3 (Limbah Medis) Nomor: 001/PSM6-BSI-TJS/PLB3/VII/2017 dated 1 July 2017 valid until 1 July 2018. Waste delivery recorded in Berita Acara and Manifest, PT Tapian Nadenggan deliver medical waste to PT Bank Sampah Indonesia in June 6, 2017, manifest No. ARB00003151 Infectious medical waste of 9.5 kg. PT Bank Sampah Indonesia has a transportation license from the Ministry of Transportation of the Directorate General of Land Transportation according to Keputusan Dirjen Perhubungan Darat Nomor: SK.7735/aj.309.djpd/2015/330130921BB tanggal 6 Desember 2015, valid for five years. PT Bank Sampah Indonesia also has permit from Ministry of Environment and Forestry Indonesia according to Surat Rekomendasi Nomor: S.2885/PSLB3-VPLB3/2015 tanggal 12 November 2015, valid for five years.</p> <p>Medical waste from Tasik Mas Estate Clinic is sent to Hanau Estate Clinic to be collected and handed over to the official collector PT Bank Sampah Indonesia. For example "Berita Acara Penyerahan Sampah Medis" dated September 5, 2017, delivery of 1 kg: Cotton, needle, gauze, scalpel, handglove, vial, ampoule.</p> <p>The incoming and outgoing of medical waste recorded in the "Logbook Neraca LB3". Monitoring result by August 2017, medical waste in Central Clinic PT Tapian Nadenggan (Hanau Estate) remaining 2.6 Kg sharp medical waste and 2.9 Kg non sharp medical waste.</p>	
5.3.3	A documented waste management	The company has developed hazardous waste management plan, including infectious waste from	Comply

Criterion / Indicator	Assessment Findings	Compliance
<p>plan to avoid or reduce pollution and its implementation shall be available.</p> <p>- Minor compliance –</p>	<p>clinic. The hazardous waste collected in temporary storage and disposed off through licensed contractor. The Company has a MoU with PT Maju Asri Jaya Utama and PT Bank Sampah Indonesia for transporting and collecting hazardous waste and medical waste. Transporter also has cooperation with licenced contractor to processing hazardous waste, namely PT Wastec International, PT Tenang Jaya Sejahtera, PT Prasadha Pamunah Limbah Industry, PT Karya Nusa Bumi Persada and PT Muhtomas. Cooperation agreement letter PT Tapian Nadenggan woth PT Maju Asri Jaya Utama No. 001/SMPO-CPRC/05/2017 dated 21 May 2017 and with PT Bank Sampah Indonesia Nomor: 001/PSM6-BSI-TJS/PLB3/VII/2017 dated 1 July 2017.</p> <p>Company reports the hazardous waste management to Ministry of Environment on regular basis. Related record such as hazardous waste stock, manifest and hand over minutes from temporary storage to licensed contractor is maintained.</p> <p>PT Tapian Nadenggan has an operational plan to avoid and reduce the pollution sources from sewage and organic rubbish according to SOP/SMART/LEMS-EHSD/SADV/I/002 – Waste handling. Sources of waste and pollution and the control techniques for significant impacts on important environmental aspects was described in "Environmental Aspect and Impact Evaluation Document". Company has provide the organic and inorganic waste bins in housing area and the disposal segregated according to the type of waste. Company has determined the domestic waste disposal schedule both organic and inorganic waste. There are personel/workers who has been trained to collected the organic and anorganic waste and transport to landfill (TPSA).</p> <p>The Company has an domestic waste disposal schedule of 2017. The disposal domestic waste from Tasik Mas Estate emplacement is done in around Pondok I, II and III. Inorganic waste is disposed to sanitary landfill Block P-04. While in Hanau Estate the disposal of domestic inorganic waste is done in Pondok I, II and III, IV. Inorganic waste is disposed to sanitary landfill Block D-11.</p>	
<p><b>Criterion 5.4</b></p> <p>Efficiency of fossil fuel use and the use of renewable energy is optimized.</p>		

Criterion / Indicator	Assessment Findings	Compliance
<p>5.4.1 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>Tasik Mas Estate and Hanau Estate monitors the use of diesel fuel every month. Budget usage of diesel fuel in Tasik Mas Estate is 31,621 L per month. Actual usage of average diesel fuel per month is 19,000 - 22,000 L with ratio 2.92 L/ton FFB. Total diesel fuel usage from January to August 2017 is 170,064 L and still under budget 379,456 L.</p> <p>While in Hanau Estate budget usage of diesel fuel is 38,268 L per month. Actual average diesel usage per month 28.419 L - 31.996 L with average use of diesel fuel 4.35 L/ton FFB. Total usage from January to August 2017 is 240,857 L and still under budget 459,216 L. Diesel use trend per year always decreases: 2015 is 372,791 L, 2016 327,591 L and in 2017 is 240,857 L.</p> <p>Diesel fuel efficiency in Estate 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 transportation.</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 HSD fuel when the palm oil mill is not operating. Company has prepared for fibre and shell-fueled boiler utilization every month.</p> <p>Total actual diesel fuel usage from September 2016 – August 2017 was 285,429 L and assuming diesel fuel needs was 1,187,875 L so that the total diesel fuel saved is 902.447 L from the use of shell and fiber. Biofuel utilization efficiency on average from September 2016 – August 2017 was 72.59%. Total domestic and mill electrical power plant was 3,258,747 kWh. Total power generated by Turbine was 2,474,454 kWh and by Generator was 784.292 kWh.</p> <p>The organisation has project regarding using biogas. Currently 2 from 10 waste water treatment ponds were not used any longer for waste water treatment. The area is planned to be used for</p>	<p>Comply</p>

Criterion / Indicator		Assessment Findings	Compliance
		biogas project. Finishing of biogas project will be finished within 16 months.	
<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 -	The company has implemented a zero burning policy since the start of the oil palm development. Burning is not allowed and there is no evidence of burning. Zero burning policy was described in Procedure of Replanting (SOP/SMART/MCAR/VI/TA-RPL). It described that land preparation of replanting is conducted by cutting and chipping.  During audit and field visit, there is no activity related to land clearing and land preparation and no evidence that company has prepare the land clearing by burning.	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 -	No land cearing replanting activity has been conducted in Tasik Mas Estate, Hanau Estate, Langadang Estate and Tanjung Paring Estate.	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	Identification of pollution and emission sources at Mill and Estates activities was evident. The source of pollution, type of pollution and its control was documented in List of environmental aspect and impact evaluation:	Comply

Criterion / Indicator	Assessment Findings	Compliance
<p>and effluent, shall be available. (see Criterion 4.4)</p> <p>- Major compliance -</p>	<ul style="list-style-type: none"> <li>- Boiler stack emission including particulate and soot</li> <li>- Diesel electric generator emission</li> <li>- POME methane emission</li> <li>- Use of fertiliser</li> <li>- Vehicle and heavy equipment emission</li> </ul> <p>All the activities of mill and estate as well as the waste generated has been well documented, for examples the operational activities from generator is generates air emissions, the company conducts periodic generator maintenance and perform quality measurement of exhaust emissions each semester to ensure air quality is comply with standard regulation.</p> <p>The Company has conducted Genset emission test once a year. The last analysis was conducted on April 10, 2017 by Testing laboratory of PT Mutu Agung lestari. Analysis report were available:</p> <p><u>In Tasik Mas Estate</u></p> <ul style="list-style-type: none"> <li>- Genset GST 5-01 100 KVA, Report of Testing No. 2711/SL/IV/17 dated 2 May 2017.</li> <li>- Genset GST 5-02 100 KVA, Report of Testing No. 2710/SL/IV/17 dated 2 May 2017.</li> <li>- Genset GST 5-03 100 KVA, Report of Testing No. 2713/SL/IV/17 dated 2 May 2017.</li> <li>- Genset GST 3-04 65 KVA, Report of Testing No. 2712/SL/IV/17 dated 2 May 2017.</li> </ul> <p>All parameter measured was met with PerMenLH No. 21 Tahun 2008 Lampiran IVB tentang Baku Mutu Emisi Sumber Tidak Bergerak.</p> <p><u>In Hanau Estate</u></p> <ul style="list-style-type: none"> <li>- Genset GST 1-02 65 KVA, Report of Testing No. 2731/SL/IV/17 dated 2 May 2017.</li> <li>- Genset GST 05 95 KVA, Report of Testing No. 2727/SL/IV/17 dated 2 May 2017.</li> <li>- Genset GST 6-01 135 KVA, Report of Testing No. 2728/SL/IV/17 dated 2 May 2017.</li> </ul>	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Genset GST 3-02 65 KVA, Report of Testing No. 2730/SL/IV/17 dated 2 May 2017.</li> <li>- Genset GST 3-01 56 KVA, Report of Testing No. 2732/SL/IV/17 dated 2 May 2017.</li> <li>- Genset GST 2-01 75 KVA, Report of Testing No. 2729/SL/IV/17 dated 2 May 2017.</li> </ul> <p>All parameter measured was met with PerMenLH No. 21 Tahun 2008 Lampiran IVB tentang Baku Mutu Emisi Sumber Tidak Bergerak.</p> <p><u>In Hanau Palm Oil Mill</u></p> <p>Monitoring and measurement results for 1<sup>st</sup> semester of 2017 were sighted boiler emission against Environment Ministry Regulation #07/2007, diesel electricity generator against Environment Ministry Regulation #21/2008, vehicle and heavy equipment emission against Environment Ministry Regulation #05/2006, odour emission against Environment Ministry Decree #50/Menlh/11/96, ambient noise against Environment Ministry Decree #48/Menlh/11/96, also ambient air quality against Government Regulation #41/1999.</p>	
5.6.2	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plan to reduce or minimize them implemented.</p> <p>- Major compliance -</p>	<p>Identification of greenhouse gas (GHG) emissions sources at Hanau Palm Oil Mill and estates activities were evident. The information of GHG sources at Hanau Mill and estate was reviewed including :</p> <p><u>Estate</u></p> <ul style="list-style-type: none"> <li>- Fertilisers usage</li> <li>- Pesticides usage</li> <li>- Fossil fuels usage</li> </ul> <p><u>Palm Oil Mill</u></p> <ul style="list-style-type: none"> <li>- POME</li> <li>- Fossil fuel</li> </ul>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>- Chemical materials usage</li> </ul> <p>PT Tapiro Nadenggan has plans to reduce or minimise the identified pollutants and GHG emission, such as:</p> <ul style="list-style-type: none"> <li>✓ Use of renewable energy in Mill</li> <li>✓ Manuring application according to manuring recommendation from SMARTRI efficient and right on target</li> <li>✓ Use organic fertiliser – land application and EFB application</li> <li>✓ Implement Integrated Pest Management (IPM) to control pest and disease</li> <li>✓ Use registered pesticides and use registered pesticides according to needs</li> <li>✓ Monitor water level in peat land and install piezometer and water gate</li> <li>✓ Control of chemical use in Mill</li> <li>✓ Use pesticide for prevention according to procedure</li> <li>✓ Disseminate efficiency of electricity use</li> <li>✓ Use energy saving lamp</li> <li>✓ Biogas plant project</li> </ul> <p>All the plans are being implemented as described in the body of report. So far the plans remained the same with previous year.</p> <p>Company also has defined greenhouse gas mitigation strategies, covered:</p> <ul style="list-style-type: none"> <li>- Do not conduct land clearing in a particular area of peat which refers to the Agronomy policy chapter 24 - organic planting soil.</li> <li>- Do not conduct planting oil palm in areas of HCV.</li> </ul>	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Do not perform planting in certain degree slope refer to Agronomy policy chapter 06 - soil conservation and terracing.</li> <li>- Implementation of environmental management in accordance with the approved environmental documents by related agencies.</li> <li>- Implementation of best practices plantation management, Land Cover Crop applications, periodic environmental monitoring, etc.</li> </ul>	
5.6.3	<p>A monitoring plan and results of regular reporting on emission and pollutants from estate and mill operations using appropriate methods, shall be available.</p> <p>- Minor compliance –</p>	<p>The company has identified significant pollution and emission in all operation units and calculating GHG based on RSPO Palm – GHG Calculator Version 3.0.</p> <p>Monitoring of air emissions and ambient air quality conducted every semester. Emissions test conducted by Testing Laboratory PT Mutu Agung Lestari. The results of the analysis can be demonstrated, and it was indicate in accordance with the quality standards established. For examples the emission test results for Genset on April 2017 based on Quality Standard regulation of the state minister of environment (PERMENLH) No. 13 Year 2009, Appendix I.1a shown that emission analysis result is comply with regulation.</p>	Comply



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	A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	PT Tapian Nadenggan has conducted a survey and Social Impact Assasment (SIA) on period June - July 2010 and recorded in Report SIA – (Laporan Study Identifikasi Dampak Sosial Perkebunan Kelapa Sawit), by SMART Research Institute Jakarta. The SIA covered several factors, such as demography, education, livelihood, economics matters, social, cultures, religion, and health aspects.  After the identification in 2010, then every year provides supervision and evaluation of social impact implementation. Monitoring the social impact of last performed and also reviewed by management in November 2015 – November 2016 period.	Comply
6.1.2	There shall be evidence that the assessment has been conducted with the participation of affected parties. - Major compliance -	Assessment of aspects of social impacts is done by several methods, including: <ul style="list-style-type: none"> <li>- Focus Group Discussion (DKF)</li> <li>- Deep interview</li> <li>- Structured Interviews</li> <li>- Field observation</li> </ul> Evidence of participation with affected parties is to use a questionnaire conducted on August 5-10, 2010, questionnaires can be demonstrated at the time of the audit.	Comply
6.1.3	Plans for management and monitoring of social impacts to	PT Tapian Nadenggan and Mill has established a plan to address and correct the problems contained in the social impact study in the form of a "Rencana Kelola Dampak Sosial", consisting of a	Comply

Criterion / Indicator	Assessment Findings	Compliance
<p>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>management plan:</p> <ul style="list-style-type: none"> <li>- Field of tenure</li> <li>- Social field</li> <li>- Field of Community Empowerment.</li> <li>- Employment field and</li> <li>- Environmental field</li> </ul> <p>For Example:</p> <p>Positive findings:</p> <ul style="list-style-type: none"> <li>▪ Local people obtain employment opportunities,</li> <li>▪ The road condition is maintained, the procurement and maintenance of facilities and infrastructure around the village always getting maintenance</li> <li>▪ Increasing the community's economy and the improvement of safety and health</li> <li>▪ The increase in education for communities around the plantations.</li> </ul> <p>Negative findings:</p> <ul style="list-style-type: none"> <li>▪ HANAU MILL: There were issues about the pollution of river water due to runoff from the rest of the production of CPO and sedimentation pond PKS</li> <li>▪ Against social unrest because the company is considered uneven in providing support CSR in every village.</li> <li>▪ Public unrest associated with the lack of assistance or contribution of companies, especially the religious sector and health.</li> </ul> <p>Some of action for reduce the negative impact, including:</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>▪ Strengthening the sedimentation pond building construction in accordance with the proportion of the processing plant and also monitoring routine maintenance on the sedimentation pond.</li> <li>▪ Preparation of annual corporate social activities program</li> <li>▪ Mapping and identification of community needs</li> <li>▪ Carry out social assistance activities that has been compiled</li> <li>▪ Monitoring activities through verification of data and visits to affected communities.</li> <li>▪ Preparation of social assistance programs, especially health sector</li> <li>▪ Provides assistance in the health sector and cooperation with the Tzu Chi Foundation.</li> </ul> <p>The site conducted the consultation with stakeholders for sharing information of the social impact implantation. The last consultation on 14 July 2017.</p>	
6.1.4	<p>The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties.</p> <p>- Minor compliance –</p>	<p>SIA activities conducted from July - August 2010 and carried out a public consultation in September 2010. The last monitoring and evaluation the social impact performed and also reviews by management in the November 2015 – November 2016.</p> <p>In according with decision letter from Top Management through Decision Letter No. 014/RC-KALTENG-1/02/2012 on 6 February 2012 (HANAU ESTATE), No. 014/RC-KT- 1/09/15 on 1 September 2015 (TPRE), No. 022/TN-HANAU MILL.K/SPO-INT/SK/VIII/2015 on 27 August 2015, and No. 014/RC KT-1/09/15 on 01 September 2016 regarding appointment to PIC of the communication and consultation, Unit Head was responsible to coordinate communication and consultation with community.</p> <p>It appears that the review also includes stakeholders, community leaders figure, and related government agencies etc. through a public consultation on 14 July 2017, attendance records were shown. The participation of affected parties was confirmed during group discussion with Village Head Tanjung Paring, Tanjung Hara, Derangga, Kalang, Pembuang Hulu I and Pembuang Hulu II Villages and public figure, religious figure, headmaster, and inclair. Negative impacts and positive were</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		identified during assessment. Social impact implementation was reported by management to heads of village.	
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).  - Minor compliance -	In according interview with unit head during audit, there are no out grower schemes (smallholder) in Hanau Estate, Tasik Mas Estate, Tanjung Paring Estate, and Langadang Estate.	Comply
<b>Criterion 6.2</b>			
There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Communication and consultation procedures shall be documented.  - Major compliance -	<p>Documented procedure for communication and consultation with public was established (Procedure SOC/PSM/9.01– Social communication). Stage of communication and consultation with public was described in the procedure and it has been communicated to stakeholder on 14 November 2016 (HANAU ESTATE), 10 March 2016 (TPRE), and 06 August 2016 (LANGADANG ESTATE). Communication and consultation has considered differential access to information for male/ female, workers, villagers representative both old and new villagers including ethnics.</p> <p>The procedure designed in collaboration with local communities and other affected or interested parties, and also designed with consideration to the use of appropriate existing local mechanisms and languages. The procedure was in Bahasa Indonesia that understood by all surrounding communities.</p> <p>Communication and consultation has considered differential access to information for male/ female, workers, villagers representative both old and new villagers including ethnics.</p> <p>Communication and consultation can be done using verbal or letter. Result of communication and consultation was recorded in the Record No. F/SMART/UMUM/SADV/004/003, e.g. road</p>	Comply

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Criterion / Indicator		Assessment Findings	Compliance
		<p>maintenance, donation, facilities support, invitation for memorial, etc. Most of requests were an invitation to follow the event held by the stakeholders, for example: invitation for memorial of religious holidays, invitation for area meeting from local labour department, etc. It verified during public consultation with stakeholders on 01 September 2016.</p>	
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>Unit Head (estate and mill) have the responsibility for response of the communication and consultation form stakeholders or affected parties that assisted by SPO Officer. Base on Decision Letter No. 014/RC- KALTENG-1/02/2012 on 6 February 2012 (HANAU ESTATE), No. 014/RC-KT-1/09/15 on 1 September 2015 (TPRE), No. 022/TN-HANAU MILL.K/SPO- INT/SK/VIII/2015 on 27 August 2015, and No. 014/RC KT- 1/09/15 on 01 September 2016 about appointment to PIC of the communication and consultation, the responsibilities includes :</p> <ul style="list-style-type: none"> <li>- Communication and consultation</li> <li>- Grievance and complaints</li> <li>- Response of the request information</li> </ul> <p>During interview with stakeholders, they have understood the mechanism of the communication and consultation.</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 records of actions taken in response to input from stakeholders.</p>	<p>Stakeholder list was made and mentioned the interested party. Stakeholder list covered District Head, Forestry and Plantation Department, Environmental Agency, Labour, Transmigration and Social Department, National Land Agencies, Camat, Village Head around estate and mill, FFB supplier, Police of district, Worker union and gender committee. Stakeholder list was made detail, address and phone numbers were mentioned in the list. Update the list was performed annually by Unit Head (Estate and Mill) and SPO Officer. It was List of stakeholders is well maintained and always done regularly update data (6 months), the last performed update on 06 March 2017 (Hanau Mill and Estate) and 01 August 2017 (Tasik Mas Estate) and recorded on form no. F/SMART/UMUM/SADV/004.</p> <p>In logbook of the aspiration, communication, and consultation contains the date of entry from</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	stakeholders and responded by company, e.g. road maintenance, donation, scholarship, invitation for memorial, etc. The information has been verified with stakeholders during consultation with stakeholder on 12 September 2017.	
<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	<p>The mechanism, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested, as long as that information is supported with adequate initial evidence.</p> <p>- Major compliance -</p>	<p>The organisation has set a delivery mechanism for complaints of workers in the PT SMART Procedure No. PPNM/SOP/21, on 1 June 2012 on grievance and dissatisfaction. Complaint follow up was carried out in accordance with the grievance procedure and Consultation Communication No. SOP/SPO/SMART/LH-19. Complaints and grievances from anonymity of complainants and whistleblowers will be received by organization. Identity of whistle-blowers was protected and will be withheld by organization to reduce the risk of reprisal. Complaint and grievance from stakeholder was recorded in Log book of Complaint and Grievance. All of social complaint from stakeholder shall be responded maximum in one month. Head of administration (KTU) will be informed to manager maximum in one week to discuss handling of complaint.</p> <p>This procedure has communicated to village head and community leader around estate on 14 November 2016 at Hanau Estate, 10 March 2016 at Tasik mas Estate, and 8 March 2016 at Langadang Estate.</p>	Comply
6.3.2	<p>There shall be records of process and outcome of dispute resolution.</p> <p>- Major compliance -</p>	<p>Workers and stakeholder grievance recorded in the log book Records of grievance and complaint- "Monitoring Keluhan Karyawan" (F/SMART/SIGS- CSR/SADV/003/001).</p> <p>For example:</p> <ul style="list-style-type: none"> <li>- On 23/04/2017 on behalf of Nanang P, related request to manage cleaning water to the housing and has followed up on 25/04/2017.</li> <li>- On 29/05/2017 on behalf of Samidar (masjid) related request for repair of broken floors (cracked)</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>and has been followed up on date 31/03/2017.</p> <ul style="list-style-type: none"> <li>- On 17 Maret 2017 on behalf of Suriyadi, related request for repairing the roof of a leaky room, has been followed up on 19 March 2017.</li> <li>- On 30 may 2017 on behalf of Roni, related for repair of doors, has been followed up on 2 June 2017</li> </ul> <p>Based on an interview with the head of the Trade Union, there were complaints from employees related to the electricity usage subsidy of Rp 40,000 per month. The complaint has been addressed by management by meeting with Bipartite on April 18, 2017 and has been proposed to the management subsidy of Rp 151,049 per month.</p> <p>Complaints about road watering due to dust during the dry season in the housing environment of employees, the company has set a schedule of watering of housing roads 2017 per month, ie the implementation carried out once a week took turns in each employee housing.</p> <p>Based on log book of record there is no complaint was received during this audit.</p>	
<p><b>Criterion 6.4</b></p> <p>Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>			
6.4.1	<p>A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be available, referring to decision of the Constitution Court.</p> <p>- Major compliance –</p>	<p>The procedure was described in the documented procedure (SOP/NP/SMART/VII/D&amp;L002) to identify and determine calculation method to provide fair compensation due to loss of land and customary rights where identified. Awareness for procedure introduction was evident and documented. It was communicated to related parties (community leaders, and religious figures and youth leaders). Last awareness for procedure was conducted on 10 March 2017.</p> <p>PT Tapan Nadenggan has not acquiring any additional land and not involved in any land compensation payments. Therefore the mechanism only applicable to resolve land dispute within company's HGU. Land ownership from previous landowner becomes important document in order to</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		continue negotiation process against land claim. Land claim without supporting evidence of land ownership, will be treated with approach and legal manner.	
6.4.2	<p>A procedure for calculating and distributing fair compensation shall be established, implemented, monitored and evaluated in a participatory way. Corrective actions are taken as a result of this evaluation.</p> <p>- Minor compliance –</p>	<p>Procedures related to giving and determining the amount of compensation in land acquisition described in Procedure of Land Compensation SOP/NP/SMART/VII/D&amp;L002, on 1 July 2010.</p> <p>Procedure monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. It's evident through public consultation with stakeholder. Equal opportunities have been provided to both female and male heads of households to hold land titles.</p> <p>The procedures explained that: Once a company knows the extent of land to be compensable, the company in consultation and coordination regarding the payment of team the village community / districts to get a benchmark price that will be used. After the benchmark price of the compensation obtained, the company will disseminate to the public landowner.</p> <p>Some records in the compensation process are:</p> <ul style="list-style-type: none"> <li>- Minutes of Data Collection (land area)</li> <li>- Minutes of Delivery of Land and Compensation Provision (witnessed by the Village Head and Head)</li> <li>- Submission of Statement of Land</li> <li>- Statement letter</li> <li>- Map Details Land</li> <li>- List of attendance of measurement land, which was witnessed by the local government.</li> </ul> <p>It was noted that there was no on going progress of new land acquisition during interview with sampled villager's representative; all land acquisition was solved before Land Use Title-Hak Guna Usaha (HGU).</p>	Comply



Criterion / Indicator		Assessment Findings	Compliance
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>During this audit it was noted that there was no ongoing progress of new land acquisition during interview with sampled villager’s representative, all land acquisition was solved before Land Use Title-Hak Guna Usaha (HGU). No any land compensation due to no customary land and/or local community land rights within the company’s and scheme smallholders’ area.</p>	Comply
<p><b>Criterion 6.5</b> 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>Documentation of employees’ pay rates was made by the organization. Workers were classified into permanent employees - SKU (Permanent worker – Syarat Kerja Utama), PKWT (Contracted worker – Pekerja Waktu Tertentu) and BHL (casual workers – Buruh Harian Lepas). Evidence that the workers have received wage according regulation could be shown. From pay checks received was proved that the pay conformed to the minimum wages refers to latest Central Kalimantan Governor’s Decree Letter No. 23/2016, dated 1 November 2016, about Sectoral Minimum Pay Central Kalimantan Province’s on 2017 is Rp 2,294,126.00.</p> <p>Wages are also based on the Collective Labour Agreement (PKB - Perjanjian Kerja Bersama) Chapter IV Working Days and Hours of Work, Article 19 Overtime, overtime calculation is based on the calculation of overtime pay in Kepmenakertrans regulation 102/MEN/VI/2004. In the PKB, wage system described in Article 21.</p> <p>Payments for workers were determined according daily absence. Daily absence for workers was recorded and controlled by the Assistant through manual records and finger print system for mill and estate office. While for field employee in estate such as harvesters and upkeep workers was absence manually by each foreman using absence form. It was evident that the wage was paid according working hours and daily absence. According to pay list of employee and interview result with worker,</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		it was assumed that wage received by the workers was complied with the determined regulations.	
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>Agreement/contract of employment for workers, has been included in the Collective Labour Agreement (PKB - Perjanjian Kerja Bersama). PKB is processing the endorsment at Disnakertranspar District of Seruyan. In the agreement regulates about :</p> <ul style="list-style-type: none"> <li>▪ The provisions concerning wages</li> <li>▪ Wages follow government regulations, the UMP / UMSK</li> <li>▪ Provision and the amount of overtime pay</li> <li>▪ Provisions to leave work including annual leave, maternity leave and leave to marry as well as menstruation leave.</li> <li>▪ Participation of Social Security and social assistance.</li> <li>▪ Etc.</li> </ul> <p>All information provided in several stakeholders is in accordance with the terms and language used, for example in the form of reports and the contents of the report. Delivery of Information is delivered in Bahasa Indonesian, so it can be understood by employees and stakeholders.</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><b>Estate and mill:</b></p> <p>Public facilities were provided by the organisation and covered residential facilities, day care, kindergarten, building for prayers, sports facility (e.g. volley ball, badminton, futsal, and tennis), etc. Housing for workers and medical facilities (clinics) were was provided by the organisation with basic facilities.</p> <p>If the clinic can not handle, it will be referred to a RSUD Sultan Immanudin Pangkalan Bun.</p> <p>The uses of water for the daily needs of employees are met by utilizing rainwater catchment ponds, and in the event of prolonged drought in the pond so that the water does not meet, then use water</p>	Comply

Criterion / Indicator	Assessment Findings	Compliance
	<p>from the plant. Checking the water is routinely performed in the laboratory and found to comply with clean water standards based on PERMENKES No: 416/MENKES/PER/IX/1990 about: standards of clean water quality. Water quality testing has been carried out by Mutu Agung Lestari Laboratorium.</p> <p>Electricity supply provided to employees through provision of electricity generator. Clean water provided for employees housing sourced from plants (water treatment). Water analysis/testing have been done based on the laboratory analysis report of clean water in Hanau Estate, Tasik Mas Estate and Hanau Mill.</p> <p>The company has prepared facilities for their workers, such as:</p> <p>Estate:</p> <ul style="list-style-type: none"> <li>- Housing; Staf (18 units), type D1(22 units), Type E1 (191 units),</li> <li>- kindergarden (1 unit),</li> <li>- Clinic (2 units),</li> <li>- Mosque (3 units),</li> <li>- Church (1 units),</li> <li>- School bus (4 units),</li> <li>- Ambulance (1 unit),</li> <li>- Minimarket which managed by company cooperative (1 units); Koperasi karyawan Jaya Abadi,</li> <li>- Community hall (1 units),</li> <li>- Sport facilities (football, volley ball, tennis, badminton, etc.</li> </ul> <p>Mill:</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Housing Type B/CM (1 unit), Type C (4 Unit), Type D (5 unit), type E (38 Unit),</li> <li>- Polidinic (1 units)</li> <li>- Mosque (2 units)</li> <li>- Church (1 unit)</li> <li>- School bus (1 units)</li> <li>- Ambulance (1 unit)</li> <li>- Sport facilities</li> </ul> <p>Company has provide the clean water by drilling wells and water ponds. Laboratory test of clean water was conducted on 17 May 2017 by Testing laboratory PT Mutu Agung Lestari according to clean water standards based on PERMENKES No: 416/MENKES/PER/IX/1990. The result of analysis were available and indicated that all parameter analyzed is met with the standard.</p>	
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>Markets in Sandul with the range of +/- 3 Km, every payday traders will be closer to the location of the estate to trade the basic needs of. Access to the market is always taken care of by graders regularly, so that during the rainy season can still be passable.</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</p>	<p>A published statement in local languages recognizing freedom of association was stated in Circular Letter (Surat Edaran) No.169/HR-OPS/08/10 and approved by the top management. Memorandum stated that the organisation respect to comply with regulation pertinent to freedom of association.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	<p>association, shall be available.</p> <p>- Major compliance –</p>	<p>Also Company Regulation (Peraturan Perusahaan) stated that freedom of association can be conducted by the worker through Labour Union.</p> <p>SPM (Serikat Pekerja Mandiri – Independent Worker Union) was established for Mill and each Estate. Worker representative was elected independently among workers. Worker Union has been registered on Labour Department of Seruyan District, among others :</p> <ul style="list-style-type: none"> <li>- Hanau Estate : Registered with the Registration No. 560/919/Disnakertranspar/VIII/2016 concerning Structural Change Unions, on 10 August 2016, by Disnakertranspar, Seruyan District</li> <li>- Tasik Mas Estate : Registered with the Registration No. 560/600/Disnakertranspar/VI2016 concerning Structural Change Unions, on 7 May 2014, by Disnakertranspar, Seruyan District</li> </ul> <p>Periodic meeting was also held to discuss any issues as necessary and recorded in minutes of meeting. Several issues discussed at meetings were not limited to labour issues. Meetings here also discussed cleanliness, safety of housing areas and work equipment. All employees are represented by unions have agreed on a cooperation agreement on the document of PKB, the agreement will be renewed after two years.</p>	
6.6.2	<p>Records of meetings with labor unions or workers representatives shall be available.</p> <p>- Minor compliance –</p>	<p>Based on the information from the chairman of the union, the union meeting conducted in accordance with the requirements of temporary and existing issues, the recording of this meeting with the unions, among others: the attendance list and note taker. Several meetings were conducted with the unions, among others :</p> <ul style="list-style-type: none"> <li>- Hanau Estate : Meeting on 25 January 2017, about Pricing Rice to supply the Company with the United Workers' Party</li> <li>- Tasik Mas Estate : Meeting on 24 April 2017, about development of the SPM office and targeted completion in July 2015</li> <li>- Hanau Mill : Meeting on 27 August 2017 between the SPM and management, a discussion of the problems of the use of facilities BPJS Health, motorcycle parking facilities, cleanliness residential</li> </ul>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		neighborhood, etc.	
<b>Criterion 6.7</b>			
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>Organisation has policy for minimum age for worker and mentioned in the Circular Letter (Surat Edaran) No. 002/SE-HRD/03/09' and also was described in Company Regulation. Minimum age for worker is 18 years. In according to list of worker and related document was verified and there is no worker under 18 years old. During audit and interview with workers, field observation and stakeholder consultation can be demonstrated that there is no employee under 18 years old in PT Tapan Nadenggan.</p> <p>Sampel taken:</p> <p>Hanau Estate: the youngest worker is Mr. Snt (birth: 24 Dec 1997, joined in the company on 8 March 2015 – 19 year and 6 month).</p> <p>Hanau Mill: the youngest worker is Mr. PLT; birth: 13 April 1994, joined in the company on 3/1/2013 – 23 years and 2 months.</p>	Comply
<b>Criterion 6.8</b>			
Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			
6.8.1	<p>A company's policy on equal opportunity and treatment for work shall be available and documented.</p> <p>- Major compliance –</p>	<p>Policy for discrimination was determined by the organisation, and all discrimination is prohibited for all area in the Mill and Estates as regulated in Social policy of company. Circular Letter (Surat Edaran) No. 146/CE01- SE/04/2010, on 14 December 2010. Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age is prohibited. The policy was publicly available and has been communicated</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>to all workers and surrounding communities.</p> <p>The policy describe that the organization identify relevant/affected groups in the local environment, e.g. surrounding villages, Moslems, Christian, Melayu tribe, Javanese tribe, Flores tribe, etc. Based on interview with representative workers, there was no discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age.</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>Interviews of male and female workers confirmed that the company anti-discrimination policy was strictly enforced. They were not aware of any cases of discrimination, e.g. document review of salary payment did not find any evidence of discrimination.</p> <p>Worker list of Mill and Estates mentioned that all workers came from different back grounds (race, religion, gender, etc). Ethnic diversity of worker and also during interview with workers, no discrimination was identified based on religion, ethnic, gender.No evidence of discrimination found during the audit.</p>	Comply
6.8.3	<p>Records of evidence that equal opportunity and treatment for work shall be available.</p> <p>– Minor compliance -</p>	<p>The company has procedure hiring workers regulated that hiring and promotion of workers based on skill, work experiences, and job evaluation.</p> <p>All discrimination was prohibited for all area in estate and mill. PKB also mentioned ban of discrimination for all workers in the organization. Procedure for worker recruitment (SDM-A-001-00) and procedure for employee assessment (HRD C- 002-00) was available and mentioned there was no discrimination treatment during recruitment and promotion process.Promotion of worker will be done base on work period, annual evaluation result, and availability of position.</p> <p>In the recruitment process, the company has set the standard of competence that inferred in the Position Description and Job Profile. Recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness.</p> <p>Job opportunities were communicated and given to surrounding villagers at first priority where no discrimination found observed during interview and related records of workers being employed. All workers are treated equally in accordance with company regulation including rights of worker as</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<p>well. The compliance in accordance with national laws has been evaluated by the organisation as described in criterion 2.1. Annuals performance evaluation result of worker was shown.</p> <p>It is indicated that the hiring and promotion are based on skills, capabilities and qualities. The company has a procedure of hiring workers regulated that hiring and promotion of workers based on skill, work experiences, and job evaluation. In the period January – December 2016, there are no employee recruitment and also positions promotion.</p> <p>The company conducted the performance evaluation of workers annually.</p>	
<p><b>Criterion 6.9</b></p> <p>There is no harassment or abuse in the work place, and reproductive rights are protected.</p>			
6.9.1	<p>A policy to prevent sexual and all other forms of harassment and violence, shall be documented, implemented and communicated to all levels of the workforce.</p> <p>- Major compliance –</p>	<p>Policy for sexual harassment and violence was determined in the Circular Letter No. SE 114/HR-PSM-6/08/2011. Gender committee was established by the organisation. Each estate and mill has appointed representative for gender committee. The committee consider matters such as: socialization on women’s rights, child care facilities to be provided by the growers and millers, women to be allowed to breastfeed up to nine months before resuming chemical spraying or usage tasks, and women to be given specific break times to enable effective breastfeeding. Organization has also setting several signboards about breastfeed up to nine months before resuming chemical spraying or usage tasks. It was observed that has been assembled on main access road and crowd locations such as: division office and housing area.</p> <p>Based on workers interview and group discussion, it was concluded that there was no sexual harassment and violence within the organisation.</p>	Comply
6.9.2	<p>A policy to protect the reproductive rights, shall be documented, implemented and</p>	<p>Policy to protect women reproduction rights has been also stated in Circular Letter No. 266/HR-OPS/08/2010. Menstruation leave are given to female worker for 2 days-off without any salary deduction. The sprayers’ pregnancy examination which is conducted every 3 months. Based on</p>	Comply



Criterion / Indicator		Assessment Findings	Compliance
	<p>communicated to all levels of the workforce.</p> <p>- Major compliance –</p>	<p>interviews with the Agronomy Unit Heads, there was no use a female employee to perform work related to pesticides.</p> <p>Gender committee was established by the organisation. Each estate and mill has appointed representative for gender committee. The committee consider matters such as; socialization on women’s rights, child care facilities to be provided by the growers and millers, women to be allowed to breastfeed up to nine months before resuming chemical spraying or usage tasks, and women to be given specific break times to enable effective breastfeeding. Organization has also setting several signboards about breastfeed up to nine months before resuming chemical spraying or usage tasks. It was observed that has been assembled on main access road and crowd locations such as: division office and housing area.</p> <p>Communication to all workers pertinent to prevent sexual harassment and protect women reproduction was conducted by the gender committee team and attended by the organisation.</p> <p>Complaint handling procedure for sexual harassment was determined. All complaints can be issued verbal and or written and informed to all administrator, gender committee and Agronomy / Mill Unit Head.</p> <p>List of menstruated female workers was established and monitored. 2 days-off are given to those women in the list without any salary deduction. Pesticide female workers are checked periodically and recorded in the medical record. Pesticide female workers are prohibited to do their job during pregnancy as stated in company policy while no mother with breast feeding period was identified during the audit. In that case, those workers are relocated to another job station with low risk level. No negative case was found in regard with reproduction rights of female workers during past years as interviewed with female workers and gender committee.</p>	
6.9.3	<p>A specific grievance mechanism which respects anonymity of complainants where requested, and as long as they are supported</p>	<p>Complaint handling procedure for sexual harassment was determined. All complaints can be issued verbal and or written and informed to all administrator, gender committee and Agronomy / Mill Unit Head.</p> <p>List of menstruated female workers was established and monitored. 2 days-off are given to those</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	<p>with adequate information, shall be documented, implemented, and communicated to all workforce.</p> <p>- Minor compliance –</p>	<p>women in the list without any salary deduction. Pesticide female workers are checked periodically and recorded in the medical record.</p> <p>Pesticide female workers are prohibited to do their job during pregnancy as stated in company policy while no mother with breast feeding period was identified during the audit. In that case, those workers are relocated to another job station with low risk level. No negative case was found in regard with reproduction rights of female workers during past years as interviewed with female workers and gender committee.</p>	
<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>Pricing mechanisms and payment method for FFB was described in FFB Purchase Agreement. Price mechanism of FFB, CPO and palm kernel was determined by province government and reviewed in monthly basis. The price was applied for all growers in the province. The company updates the information on the FFB pricing formula that includes details of transport, milling and shipping costs, each month and provides it to out growers.</p> <p>Annual contract are made between FFB suppliers and mill, describing FFB specification required, contract period, determination of FFB pricing, and term of payment. Information of FFB set was available to the FFB suppliers and the commitment was stated in the procedure.</p> <p>Current and past prices paid for Fresh Fruit Bunches (FFB) from province government provided by FFB Purchase Department HO/JKT to the related supplier. Current FFB price also informed by FFB Purchase Department HO/JKT to Palm Oil Mill Manager, so that Mill Manager can disseminate also to the FFB supplier. FFB Price sourced from Result of Meeting on FFB Price Determination in Central Kalimantan Province, issued monthly by DISBUN (Plantation Agency) of Central Kalimantan.</p> <p>During audit it was observed that there was no complaint on FFB pricing from FFB suppliers.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
6.10.2	<p>Pricing mechanisms for Fresh Fruit Bunches (FFB) and inputs/services shall be explained and documented (where these are under the control of the mill or plantation).</p> <p>- Major compliance -</p>	<p>FFB Purchase Agreement as documented contract has described the model of FFB Recording/documenting transactions between millers with middlemen and/or the outgrowers. In chapter 3 mentioned that:</p> <ul style="list-style-type: none"> <li>- FFB price following the price determined by DISBUN (Plantation Agency) of Central Kalimantan on age 10 years (HD 10).</li> <li>- Payment performed by PT. Tapian Nadenggan in monthly basis, in 10 working days, counted from all original document received completely in Jakarta Office, consist of:               <ul style="list-style-type: none"> <li>✓ Legal invoice</li> <li>✓ Recapitulation of weighbridge ticket which have been stamped and signed by Mill Manager and representative of FFB supplier.</li> <li>✓ Tax document</li> </ul> </li> <li>- If in 1 month, Plantation Agency of Central Kalimantan did not issue FFB Price, then the previous FFB Price will be used.</li> <li>- All payment will be performed by bank transfer to the account of FFB supplier.</li> </ul> <p>The Mill has explained FFB price and pricing mechanisms for FFB in the agreement which described FFB specification required, contract period, determination of FFB pricing, and term of payment. The company and the FFB supplier have signed the contract document as evidence that both parties have understood FFB pricing and pricing mechanisms for FFB. Document verified was "Berita Acara Hasil Rapat Tim Penetapan Harga Pembelian TBS Kelapa Sawit Produksi Pekebun Di Provinsi Kalimantan Tengah" for period May 2017 and June 2017.</p> <p>Specification of inputs and or services required was communicated to the supplier/vendor through tender document or request for quotation. Outgrower recycling waste (e.g. EFB) is not practiced.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.  - Minor compliance -	Annual contract were made between FFB suppliers and mill, describing FFB specification required, contract period, determination of FFB pricing, and term of payment. Information of FFB set was available to the FFB suppliers and the commitment was stated in the procedure. The selection and evaluation of supplier/vendor was based on capability of supplier and vendor to supply required inputs and or services. Specification of inputs and or services required was communicated to the supplier/vendor through tender document or request for quotation.  - The contract was understood, signed and agreed together between Hanau Mill and FFB suppliers. All contractual agreements were fair, legal and transparent. All contract documents were found valid during audit. Contract document are kept by both parties. Contract verified was "Adendum Perjanjian Jual Beli TBS Kelapa Sawit" No.001/TBS/TN-ITR/XII/2015, that valid from 1 January 2017 to 31 December 2017.	Comply
6.10.4	Agreed payments shall be made in a timely manner.  - Minor compliance -	Payment is made through bank transfer. The mill record and resume the FFB purchased from third party supplier or middleman in weekly basis then reported to FFB Purchase Head Office Jakarta. FFB Purchase Head Office Jakarta then creates receipt as the basic of payment. Finance department then issued Application for Funds Transfer.  - KTU of Hanau Mill kept all transaction and payment records. Agreed payments been made in a timely manner that stated in agreement which is in monthly basis and paid maximum 10 days from complete invoice received. There is no complaint from FFB supplier regarding payment. It was verified Invoice from PT Indotruba Timur No.006/ITR/VI/2017 to PT Tapan Nadenggan dated 30 June 2017 regarding sales of FFB, quantity 1,505,258 kg, price IDR 1,713/kg.	Comply
<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	Records of organisation contribution to regional development were evident as also integrated with CSR program. It was provided by the organization and deployed in to CSR program. Activity of CSR	Comply

Criterion / Indicator		Assessment Findings	Compliance
	<p>of consultation with local communities shall be available.</p> <p>- Minor compliance -</p>	<p>was identified by the estate/mills (Rekapitulasi Laporan Kegiatan CSR), including: repairs the village road, low-cost market, mosques renovation in surrounding villages, checks and medical for free, etc. Implemented document was recorded within photo and minutes of aid delivery.</p> <p>CSR Program 2017 made based on the results of consultation with local communities, several records were evident, such as: letter from the head surrounding villages, regarding request for borrowing heavy equipment (excavator, grader and compactor).</p> <p>During consultation with village head, community leader and public figure, it was verified that the organization providing jobs for villagers around mill and estate. Preference has been given to member of local communities if candidates for employment are of equal merit.</p> <p>The role and commitment of the company as a social responsibility for community development is given in accordance with the existing proposals.</p> <p>Another local business was supported for growers and mills, main supports were pertinent to procurement spare parts and vehicle maintenance. The local business is assigned and controlled by central purchasing in Head Office.</p> <p>The company has implemented CSR program in 2017, e.g.</p> <ul style="list-style-type: none"> <li>- Donation for National and religious religious commemoration events in February 2017</li> <li>- Assistance for tent-rental business in Pembuang Hulu Village in April 2017</li> <li>- Goat livestock support for self-farming groups in Sandul village in July 2017</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>Based on SIA, monitoring social impact, and interview with unit head during audit, there are no out grower schemes in PT Tapan Nadenggan Plantation.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -		
<b>Criterion 6.12</b>			
No forms of forced or trafficked labor are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labor are used. - Major compliance -	Based on interview with employee representative and chairman of worker union concluded that there was no complaint and any grievances regarding the contract and their right. Interview with workers representative also verified that no migrant workers in HNAE, HNAM and TMSE.	Comply
6.12.2	It shall be demonstrated that no contract substitution has occurred. - Minor compliance -	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.	Comply
6.12.3	Where migrant/foreign/honorary workers are employed, a special worker policy and procedures and the evidence of implementation shall be available. - Major compliance -	Based on interview with worker union committee and gender committee, there was no 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.	Comply
<b>Criterion 6.13</b>			
Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and	Company has a social policy and roles the community as a manifestation the respect of Companies to human rights, the rights of local communities and as a commitment to comply with the rules and	Comply

Criterion / Indicator		Assessment Findings	Compliance
	<p>communicated to all levels of the workforce and operations.</p> <p>- Major compliance -</p>	<p>regulations. This commitment is outlined in the policy, which was signed by the President Director on 10 November 2011.</p> <p>The policy contains such as :</p> <ul style="list-style-type: none"> <li>- Respect for human rights</li> <li>- Empowerment of local community development programs</li> <li>- recognizes, respect and reinforce the rights of workers</li> <li>- Compliance with all applicable laws and regulations</li> <li>- FPIC to indigenous and local communities</li> </ul> <p>This policy has been disseminated to all employees and the community around the plantation. Evidence of dissemination, list of attendance on 14 and 17 March 2017 (Hanau Estate), and 10 March 2017 (Tasik Mas Estate).</p>	
<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	An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders, shall be	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	N/A

Criterion / Indicator		Assessment Findings	Compliance
	documented. - Major compliance -		
7.1.2	Appropriate management planning and operational procedures shall be developed and implemented to avoid or mitigate identified potential negative impacts. - Minor compliance -	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	N/A
7.1.3	Where the development includes an outgrower scheme ( <i>skema kemitraan</i> ), the impacts of the scheme and the implications of the way it is managed shall be given particular attention. - Minor compliance -	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	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	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	N/A



Criterion / Indicator		Assessment Findings	Compliance
	operations. - Major compliance –		
7.2.2	Topographic information adequate to guide the planning of drainage and irrigation systems, roads and other infrastructure shall be available. - Minor compliance -	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	N/A
<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.			
7.3.1	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). - Major compliance –	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	N/A

Criterion / Indicator		Assessment Findings	Compliance
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>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A
7.3.3	<p>Records of land preparation and clearing dates shall be available.</p> <p>- Minor compliance –</p>	<p>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A
7.3.4	<p>An action plan shall be developed that describes operational actions consequent to the findings of the HCV assessment, and that references the grower’s relevant operational procedures. (see Criterion 5.2)</p> <p>- Major compliance –</p>	<p>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A
7.3.5	<p>Evidence of consultation with the affected community shall be available in order to identify the</p>	<p>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A

Criterion / Indicator		Assessment Findings	Compliance
	<p>area required by such community to fulfill its basic needs, by considering the positive and negative changes to the livelihood as a result of plantation operations. Such matters shall be included in the HCV analysis and management plan (see Criteria 5.2).</p> <p>- Minor compliance –</p>		
<p><b>Criterion 7.4</b> Extensive planting on steep terrain, and/or marginal and fragile soils, including peat, is avoided.</p>			
7.4.1	<p>Indicative maps showing marginal and fragile soils, including excessive gradients and peat soils, shall be available and used to identify areas to be avoided.</p> <p>- Major compliance –</p>	<p>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A
7.4.2	<p>Where limited planting on fragile and marginal soils, including peat, is proposed, a documented plan shall be developed and implemented to protect them without incurring adverse impacts.</p>	<p>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A

Criterion / Indicator		Assessment Findings	Compliance
- Major compliance –			
<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 –	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	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 rights, subject to their free, prior and informed consent and negotiated agreements.			
7.6.1	Records of identification and assessment of legal, customary	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There	N/A

Criterion / Indicator		Assessment Findings	Compliance
	and user rights shall be available. - Major compliance –	is no new planting after November 2005 in Hanau and Tasik Mas Estate.	
7.6.2	A procedure for identifying people entitled to compensation shall be available. - Major compliance –	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	N/A
7.6.3	Records of calculation system and distribution of fair compensation shall be available. - Major compliance –	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	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. - Minor compliance –	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	N/A
7.6.5	The process and outcome of any compensation claims shall be documented and made available to the affected communities and their representatives. - Minor compliance –	Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.	N/A

Criterion / Indicator		Assessment Findings	Compliance
7.6.6	<p>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.</p> <p>- Minor compliance –</p>	<p>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A
<p><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.</p>			
7.7.1	<p>Records of zero burning implementation on land clearing, referring to the ASEAN Policy on zero burning (2003) and recognised techniques based on the existing regulations shall be available.</p> <p>- Major compliance –</p>	<p>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A
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</p>	<p>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A

Criterion / Indicator		Assessment Findings	Compliance
	<p>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><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>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</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>Year of planting of Hanau Estate were 1995 to 1997, and Tasik Mas Estate were 1996 to 1999. There is no new planting after November 2005 in Hanau and Tasik Mas Estate.</p>	N/A
<p><b>Principle 8: Commitment to continuous improvement in key areas of activity</b></p>			
<p><b>Criterion 8.1</b> Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key</p>			

Criterion / Indicator	Assessment Findings	Compliance
operations.		
8.1.1	<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>Several improvement programs for PT Tapan Nadenggan – Hanau mill and its supply bases has already established for year 2017. The implementations are monitored in monthly basis through record Progress Monitoring of Innovation. Several improvements recorded are as follows:</p> <ul style="list-style-type: none"> <li>• Environmental impacts:               <ul style="list-style-type: none"> <li>- Land application from the liquid wastes,</li> <li>- Application of empty fruit bunch</li> <li>- Manual manuring at 50 m on riparian buffer zones</li> <li>- Recycle turbine cooling water and vacuum dryer</li> <li>- Reuse condensate steriliser for water dilution</li> <li>- Recycle soclet cooling water</li> </ul> </li> <li>• Waste reduction:               <ul style="list-style-type: none"> <li>- Provision of waste bins</li> <li>- Transport domestic waste for landfilling</li> <li>- Manage domestic waste water</li> <li>- Collect fertiliser sack for other use</li> <li>- Reuse water for fertiliser sack cleaning</li> </ul> </li> <li>• Pollution and GHG emission               <ul style="list-style-type: none"> <li>- Use of fibre and shells for boiler fuel</li> </ul> </li> </ul>	Comply



Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>- Operate turbine during non-processing hour</li> <li>- Reduce operational hour of genset by adding turbine operation non processing</li> <li>• Social:               <ul style="list-style-type: none"> <li>- Monitoring the social impact of last performed and also reviews by management in the period November 2016 – November 2017.</li> <li>- Reduction or mitigation plan for negative impact is monitoring the social impact once a year.</li> </ul> </li> <li>• Agronomy Best Practices:               <ul style="list-style-type: none"> <li>- Reduction in use of pesticides: Minimize use of herbicide by making equipment for wiping <i>lalang</i>,</li> <li>- Not using paraquat dichloride since 2016</li> <li>- Optimization of pest control by natural enemies, maintaining barn owl as rat predator.</li> <li>- Planting beneficial plant (host plant) as nest for nettle caterpillar predator,</li> <li>- Use of fibre to increase quality of sandy soil.</li> <li>- Use of trailer hopper to increase efficiency of fertilizer spreader.</li> <li>- Modifying complete spinner disc on fertilizer spreader (EMDEK).</li> </ul> </li> </ul> <p>The new action plan 2016/2017 was made by organisation on December 2016. The action plan has been discussed and reviewed by management through management meeting on 19 December 2016. Action plan has been approved by Top management. In the preparation of the action plan, company has already considering inputs from direct affected parties.</p>	



**Appendix B: Approved Time Bound Plan**

Mill Name	Mill Address	Estate Name	Estate Address	Time Bound for Certification	Progress
Padang Halaban	Desa Padang Halaban, Kecamatan Aek Kuo, 21455 Kabupaten Labura, Sumatera Utara	Padang Halaban	Kecamatan Aek Kuo, Kabupaten Labuan Batu Utara, Sumatera Utara, Indonesia	2011	Certified
		Pernantian	Kecamatan Merbau, Kabupaten Labuan Batu Utara, Sumatera Utara, Indonesia		
		Adi Pati	Kecamatan Merbau, Kabupaten Labuan Batu Utara, Sumatera Utara, Indonesia		
		Kanopan Ulu	Kecamatan Kualuh Hulu, Kabupaten Labuan Batu Utara, Sumatera Utara, Indonesia		
Langga Payung	Desa Huta Baru Nangka, Kecamatan Halongonan, 22753 Kabupaten Padang Lawas Utara, Sumatera Utara	Langga Payung	Huta Baru Nangka Village, Halongonan, Padang Lawas Utara, Sumatra Utara	2012	Certified
		Paya Baung	Huta Baringin Village, Simangambat, Padang Lawas Utara, Sumatra Utara		
		Normark	Normark Village, Kota Pinang, Labuhanbatu Selatan, Sumatra Utara		
		Pernantian	Kecamatan Merbau, Kabupaten Labuan Batu, Sumatera Utara, Indonesia		
Jelatang	Desa Jelatang; Kecamatan Pamenang Kabupaten Merangin;	Bangko	Desa Langling, Kecamatan Bangko, Kabupaten Merangin, Provinsi Jambi, Indonesia	2014	Certified
		Tiga Serumpun KKPA	Desa Tanjung, Kecamatan Bathin VIII, Kabupaten Sarolangun, Provinsi Jambi, Indonesia		
		Batang Gading KKPA	Desa Tanjung, Kecamatan Bathin VIII, Kabupaten Sarolangun, Provinsi Jambi, Indonesia		
		Bangko Plasma	Desa Langling, Kecamatan Bangko, Kabupaten Merangin, Provinsi Jambi, Indonesia		

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	Jambi 37352 ; Indonesia	Pamenang Plasma	Desa Bukit Bungkul, Kecamatan Renah Pamenang, Kabupaten Merangin, Provinsi Jambi, Indonesia		
		Kubang Ujo Plasma	Desa Tanjung, Kecamatan Bathin VIII, Kabupaten Sarolangun, Provinsi Jambi, Indonesia		
		Bukit Bungkul KKPA	Desa Bukit Bungkul, Kecamatan Renah Pamenang, Kabupaten Merangin, Provinsi Jambi, Indonesia		
Langling	Desa Langling; Kecamatan Bangko Kabupaten Merangin; Jambi 37351 ; Indonesia	Bangko	Desa Langling, Kecamatan Bangko, Kabupaten Merangin, Provinsi Jambi, Indonesia	2014	Certified
		Bangko Plasma	Desa Langling, Kecamatan Bangko, Kabupaten Merangin, Provinsi Jambi, Indonesia		
		Tanjung Rusa	Kembiri Village, Membalong Sub District, Belitung District, Bangka Belitung Province, Indonesia		
		Tanjung Rusa KKPA	Kembiri Village, Membalong Sub District, Belitung District, Bangka Belitung Province, Indonesia		
Leidong West	Kecamatan Kelapa, Kabupaten Bangka Barat Kepulauan Bangka Belitung 33364	Leidong West Utara	Kelapa Sub-district, Bangka Barat Regency, Bangka Belitung Province.	2014	Certified
		Leidong West Selatan	Kelapa Sub-district, Bangka Barat Regency, Bangka Belitung Province.		
		Bukit Intan	Kelapa Sub-district, Bangka Barat Regency, Bangka Belitung Province		
		Bukit Mas	Kelapa Sub-district, Bangka Barat Regency, Bangka Belitung Province.		
Bukit Perak	Kecamatan Kacung, Kabupaten Bangka Barat, Kepulauan	Bukit Perak Estate	Kecamatan Kelapa, Kabupaten Bangka Barat, Bangka Belitung, Indonesia	2015	Certified 2015
		Bukit Permata Estate	Kecamatan Kelapa, Kabupaten Bangka Barat, Bangka Belitung, Indonesia		

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	Bangka Belitung 33364	Bukit Permai	Sungai Selan Sub-district, Bangka Tengah Regency, Bangka Belitung Province.		
		Bukit Lestari	Sungai Selan Sub-district, Bangka Tengah Regency, Bangka Belitung Province.		
Sungai Buaya	Kampung Talang Batu, Kecamatan Mesuji Timur, Kabupaten Mesuji 34697 Lampung	Sungai Buaya	Desa Talang Batu, Kecamatan Mesuji Timur, Kabupaten Mesuji – Lampung	2014	Certified
		Mesuji KKPA	Desa Brabasan, Kecamatan Tanjung Raya, Kabupaten Mesuji – Lampung		
		Gedung Aji Lama KKPA	Desa Paduan Rajawali, Kecamatan Meraksa Aji, Kabupaten Tulang Bawang – Lampung		
Sungai Merah	Kampung Sidomukti, Kecamatan Gedung Aji, Kabupaten Tulang Bawang 34595 Kampung Sidomukti	Sungai Merah	Desa Sidang Gunung Tiga, Kecamatan Rawa Jitu Utara, Kabupaten Mesuji – Lampung	2014	Certified
		Gedung Aji Baru KKPA	Desa Sidoharjo, Kecamatan Penawartama, Kabupaten Tulang Bawang – Lampung		
		Gedung Aji Lama KKPA	Desa Paduan Rajawali, Kecamatan Meraksa Aji, Kabupaten Tulang Bawang – Lampung		
Kasuari	Desa Lapua, Distrik Kaureh. Kabupaten Jayapura. Provinsi Papua	Cendrawasih Estate	Lapua village, Kaureh Sub-district, Jayapura District, Papua Province	2018	Pre Audit
		Nuri Estate	Lapua village, Kaureh Sub-district, Jayapura District, Papua Province		
		Rajawali Estate	Lapua village, Kaureh Sub-district, Jayapura District, Papua Province		
		Mambruk Estate	Lapua village, Kaureh Sub-district, Jayapura District, Papua Province		
	Desa Pangkalan Panji,				

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Pangkalan Panji	Kecamatan Banyuasin III, Kabupaten Banyuasin, Sumatera Selatan 30954, Indonesia	Sawit Mas Estate	Pangkalan Panji and Langkan Village, Banyuasin III District, Banyuasin Regency, South Sumatera, Indonesia	2015	Certified 2015
Bumi Sawit	Desa Tanjung Miring, Kecamatan Rambang Buang, Kabupaten Ogan Ilir, Sumatera Selatan, 30869, Indonesia	Sawit Mas Estate	Pangkalan Panji and Langkan Village, Banyuasin III District, Banyuasin Regency, South Sumatera, Indonesia	2015	Certified 2015
		Bumi Sawit Estate	Tanjung Miring Village, Rambang Kuang District, Ogan Ilir Regency, South Sumatera, Indonesia		
Muara Kandis	Desa Lubuk Pandan, Kecamatan Muara Lakitan Kabupaten Muara Rawas, Sumatera Selatan, 31666, Indonesia	Muara Kandis Estate	Karya Sakti village, Muara Lakitan Sub-district, Musi Rawas District, South Sumatera Province	2015	Certified 2015
		Muara Tawas Estate	Karya Mukti village, Muara Kelingi Sub-district, Musi Rawas District, South Sumatera Province		
		Pandawa KKPA	Beliti Jaya village, Muara Kelingi Sub-district, Musi Rawas District, Sumatera Selatan Province		
		Pandawa Plasma	Karya Sakti village, Muara Kelingi Sub-district, Musi Rawas District, Sumatera Selatan Province		
Batu Ampar	Desa Serongga, Kecamatan Kelumpang Hilir, Kabupaten Kotabaru Kalimantan Selatan 72161	Batu Ampar	Kelumpang Hilir Subdistrict, Kotabaru Regency, South Kalimantan	2012	Certified
		Batu Mulia	Kelumpang Hilir Subdistrict, Kotabaru Regency, South Kalimantan		
		Sungai Panci	Kelumpang Hilir Subdistrict, Kotabaru Regency, South Kalimantan		
		Sungai Panci Plasma	Kelumpang Hilir Subdistrict, Kotabaru Regency, South Kalimantan		
Tanah Laut	Desa Serongga, Kecamatan Kelumpang Hilir, Kabupaten Kotabaru Kalimantan Selatan 70883	Tanah Laut	Kecamatan Kintap, Kabupaten Tanah Laut, South Kalimantan, Indonesia	2012	Certified
		Kintapura	Kecamatan Kintap, Kabupaten Tanah Laut, South Kalimantan, Indonesia		

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Sei Kupang	Kecamatan Kelumpang Hilir, Kabupaten Kotabaru Kalimantan Selatan 72161	Sungai Kupang Estate	Desa Sangking Baru, Kecamatan Kelumpang Selatan , Kab. Kota Baru	2016	Main Audit, 25-29 May 2015
		Sungai Kupang KKPA	Desa Sangking Baru, Kecamatan Kelumpang Selatan , Kab. Kota Baru		
		Sungai Panci Estate	Desa Pulau Panci, Kecamatan Kelumpang Hilir		
		Sungai Panci KKPA	Desa Pulau Panci Kecamatan Kelumpang Hilir		
Sawita	Kabupaten Kotabaru Kalimantan Selatan	Sawita Estate	Manunggul Lama KM 6 Village, Sungai Durian Sub Distric, Kotabaru Distric, South Kalimantan Province	2018	Pre Audit
		Sawita KKPA	Rantau Buda Village, Sungai Durian Sub Distric, Kotabaru Distric, South Kalimantan Province		
		Pamakan Estate	Manunggul Baru Village, Sungai Durian Sub Distric, Kotabaru Distric, South Kalimantan Province		
Senakin	Desa Sangsang, Kecamatan Kelumpang Tengah, Kabupaten Kotabaru Kalimantan Selatan	Senakin Estate	Sang - Sang Village, Kelumpang Tengah sub distric, Kotabaru distric, South Kalimantan Province	-	SNKM Will stop operating on March 2015
Bukit Kapur	Desa Bangkalan Melayu, Kecamatan KelumpangHulu, Kabupaten Kotabaru Kalimantan Selatan	Bukit Kapur Estate	Karang Liwar Village, Kelumpang Hulu sub distric, Kotabaru District, South Kalimantan Province	2020	Pre Audit
		Sungai Cantung Estate	Bangkalan Melayu Village, Kelumpang Hulu sub distric, Kotabaru District, South Kalimantan Province		
		Muara Wahau	Makmur Jaya Village, Kongbeng Sub District, Kutai Timur District, East Kalimantan Province		

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Muara Wahau	Desa Sukamaju, Kecamatan Kongbeng, Kabupaten Kutai Timur Propinsi Kalimantan Timur 75666	Gunung Kombeng	Sukamaju Village, Kongbeng Sub District, Kutai Timur District, East Kalimantan Province	2014	Certified
		Pantun Mas	Desa Karya Bakti Kecamatan Muara Wahau		
		Pantun Mas KKPA	Desa Jak luay Kecamatan Muara Wahau		
Jak Luay	Desa Jakluay, Kecamatan Muara Wahau, Kabupaten Kutai Timur Propinsi Kalimantan Timur 75655	Jak Luay Estate	Desa Jak Luay Kecamatan Muara Wahau Kabupaten Kutai Timur	2015	Certified
		Bukit Subur Estate	Desa Juk Ayak Kecamatan Telen Kabupaten Kutai Timur		
		Pantun Mas	Desa Karya Bakti Kecamatan Muara Wahau		
		Long Buluh Estate	Desa Jak Luay Kecamatan Muara Wahau Kabupaten Kutai Timur		
		Jak Luay KKPA	Desa Jak Luay Kecamatan Muara Wahau Kabupaten Kutai Timur		
		Bukit Subur KKPA	Desa Juk Ayak Kecamatan Telen Kabupaten Kutai Timur		
		Pantun Mas KKPA	Desa Jak Luay Kecamatan Muara Wahau Kabupaten Kutai Timur		
Gunung Kombeng	Desa Sukamaju, Kecamatan Kongbeng, Kabupaten Kutai Timur Propinsi Kalimantan Timur 75666	Gunung Kombeng KKPA	Desa Sukamaju, Kecamatan Kongbeng, Kabupaten Kutai Timur Propinsi Kalimantan Timur 75666	2019	GKMM currently only supplied by non certified estate
		Gunung Kombeng	Desa Sukamaju, Kecamatan Kongbeng, Kabupaten Kutai Timur Propinsi Kalimantan Timur 75666		
Bumi Palma	Desa Bagan Jaya, Kecamatan Tempuling, 29261 Kabupaten Indragiri Hilir, Provinsi Riau	Bumi Palma Estate	Bagan Jaya village, sub district of Tempuling, district of Indragiri Hilir, Riau Province	2014	Certified
		Bumi Sentosa Estate	Suhada village, sub district of Enok, district of Indragiri Hilir, Riau province		
		Bumi Lestari Estate	Pebenaan village, sub dictrict of Kritang, district of Indragiri Hilir, Riau province		
	Desa Talang Sukamaju,	Indrasakti	Village Of Sungai Limau Sub District Of Rakit Kulim District Of Indragiri Hulu		Certified



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Indra Sakti	Kecamatan Rakit Kulim, Kabupaten Indragiri Hulu, Provinsi Riau	Indrasakti KKPA	Village Of. Sungai Limau, Sub District Of Rakit Kulim, District Of Indragiri Hulu	2013	
		Indralestari KKPA	Village Of Kuala Gading, Sub District Of Batang Cenaku, District Of Indragiri Hulu		
		Indragiri KKPA	Village Of Talang Bersemi, Sub District Of Batang Cenaku, District Of Indragiri Hulu		
Kijang	Desa Kijang Makmur, Kecamatan Tapung Hilir, 28464 Kabupaten Kampar, Provinsi Riau	Kijang Mas	Desa Sekijang, Kecamatan Tapung Hilir, Kabupaten Kampar, Riau	2012	Certified
		Kijang Kencana Plasma	Desa Kijang Jaya, Kecamatan Tapung Hilir, Kabupaten Kampar, Riau		
Naga Sakti	Desa Sekijang, Kecamatan Tapung Hilir 28464 Kabupaten Kampar, Provinsi Riau	Nagamas	Desa Sekijang, Kecamatan Tapung Hilir, Kabupaten Kampar, Riau	2012	Certified
		Nagasakti	Desa Sekijang, Kecamatan Tapung Hilir, Kabupaten Kampar, Riau		
		Ramabakti	Desa Beringin Lestari, Kecamatan Tapung Hilir, Kabupaten Kampar, Riau		
		Kijang Mas	Desa Sekijang, Kecamatan Tapung Hilir, Kabupaten Kampar, Riau		
Rama Rama	Desa Petapahan, Kecamatan Tapung 28464 Kabupaten Kampar, Provinsi Riau	Ramarama	Petapahan Village , Tapung Sub District, Kampar District, Riau Province	2012	Certified
		Amarta Jaya Plasma	Petapahan Village , Tapung Sub District, Kampar District, Riau Province		
		Sungai Tapung Plasma	Petapahan Village , Tapung Sub District, Kampar District, Riau Province		
Libo	Desa Sam-Sam, Kecamatan Kandis 28686 Kabupaten Siak, Provinsi Riau	Libo	Village of Samsam, Sub-district of Kandis, District of Siak, Riau Province, Indonesia	2012	Certified
		Nenggala	Village of Samsam, Sub-district of Kandis, District of Siak, Riau Province, Indonesia		
		Sungai Rokan	Village of Samsam, Sub-district of Kandis, District of Siak, Riau		

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			Province, Indonesia		
		Ramabakti	Village of Petapahan, Sub-district of Kampar, District of Siak, Riau Province, Indonesia		
Sam Sam	Desa Bekalar, Kecamatan Kandis 28686 Kabupaten Siak, Provinsi Riau	Samsam	Village of Bekalar, Sub-district of Kandis, District of Siak, Riau Province, Indonesia	2012	Certified
		Kandista	Village of Belutu, Sub-district of Kandis, Riau Province, Indonesia		
		Palapa	Village of Bekalar, Sub-district of Kandis, Riau Province, Indonesia		
		Ujung Tanjung	Sub-district of Kandis, District of Siak, Riau Province, Indonesia		
Ujung Tanjung	Desa Kandis, Kecamatan Kandis Kota 28686 Kabupaten Siak, Provinsi Riau	Sungai Tapung Plasma	Petapahan Village , Tapung Sub District, Kampar District, Riau Province	2012	Certified
		Ujung Tanjung	Sub-district of Kandis, District of Siak, Riau Province, Indonesia		
Hanau	Kecamatan Hanau, Kabupaten Seruyan, 74271 Desa Derangga	Hanau	Kecamatan Hanau, Kabupaten Seruyan, Kalimantan Tengah, Indonesia	2013	Certified
		Tasik Mas	Kecamatan Hanau, Kabupaten Seruyan, Kalimantan Tengah, Indonesia		
		Tanjung Paring	Kecamatan Batu Ampar, Kabupaten Seruyan, Kalimantan Tengah, Indonesia		
		Langadang	Kecamatan Batu Ampar, Kabupaten Seruyan, Kalimantan Tengah, Indonesia		
		Medang Sari	Desa Runtuh, Kecamatan Arut Selatan, Kabupaten Kotawaringin Barat, Kalimantan Tengah, Indonesia	2018	HGU in progress
		Semilar	Rungau Raya Village, Sub District of Danau Seluluk, District of Seruyan, Province of Central Kalimantan		
		Sei Rindu	Tangar Village, Sub District of Mentaya, District of Kotawaringin Timur, Province of Central Kalimantan		

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Semilar	Desa Rungau Raya, Kecamatan Danau Seluluk, 74271 Kabupaten Seruyan Kalimantan Tengah	Mandang	Rungau Raya Village, Sub District of Danau Seluluk, District of Seruyan, Province of Central Kalimantan	2013	Certified
		Puri	Biru Maju Village, Sub District of Telawang, District of Kotawaringin Timur, Province of Central Kalimantan		
Sungai Rungau	Desa Rungau Raya, Kecamatan Danau Seluluk, 74271 Kabupaten Seruyan Kalimantan Tengah	Sungai Rungau	Rungau Raya Village, Danau Seluluk Sub district, Seruyan District, Kalimantan Tengah Province	2013	Certified
		Sungai Seruyan	Rungau Raya Village, Danau Seluluk Sub district, Seruyan District, Kalimantan Tengah Province		
		Terawan	Seluluk Village, Seruyan Raya, Seruyan Sub district, Kalimantan Tengah Province		
		Tangar	Rungau Raya Village, Danau Seluluk Sub district, Seruyan District, Kalimantan Tengah Province		
		Bukit Tiga	Rungau Raya Village, Danau Seluluk Sub district, Seruyan District, Kalimantan Tengah Province		
Perdana	Desa Terawan, Kec. Seruyan Raya, Kab. Seruyan, Propinsi Kalimantan Tengah	Perdana Estate	Desa Terawan, Kec. Danau Sembuluh, Kab. Seruyan, Propinsi Kalimantan Tengah	2020	Pre Audit
		Lenggana Estate	Desa Terawan, Kec. Danau Sembuluh, Kab. Seruyan, Propinsi Kalimantan Tengah		
		Semandau Estate	Desa Terawan, Kec. Danau Sembuluh, Kab. Seruyan, Propinsi Kalimantan Tengah		
		Muara Dua Estate	Desa Terawan, Kec. Danau Sembuluh, Kab. Seruyan, Propinsi Kalimantan Tengah		
		Sungai Rungau	Desa Terawan, Kec. Danau Sembuluh, Kab. Seruyan, Propinsi Kalimantan Tengah		
		Mentaya Estate	Sungai Ayawan Village, Seruyan Tengah Sub District, Seruyan District, Kalimantan Tengah Province		

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Kuayan	Jalan Ex PT.Sarpatim KM 21 Desa Keminting,Kec Bukit Santuhai Kab.Kotim Kalimantan Tengah	Kuayan Estate	Tumbang Keminting Village, Bukit Santuai Sub District, Kotawaringin Timur District, Kalimantan Tengah Province	2020	Pre Audit
		Bukit Santuhai Estate	Tumbang Keminting Village, Bukit Santuai Sub District, Kotawaringin Timur District, Kalimantan Tengah Province		
		Tajur Beras Estate	Pemantang Village , Mentaya Hulu Sub District, Kotawaringin Timur District, Kalimantan Tengah Province		
		Seranau Estate	Sapiri Village, Mentaya Hulu Sub District, Kotawaringin Timur District, Kalimantan Tengah Province		
		Sapiri Estate	Tukang Langit Village, Metaya Hulu Sub District, Kotawaringin Timur District, Kalimantan Tengah Province		
Tangar	Desa Rungau Raya, Kecamatan Danau Seluluk, 74271 Kabupaten Seruyan Kalimantan Tengah	Katayang Estate	Sahabu Village, Batu Ampar Sub District, Seruyan District, Kalimantan Tengah Province	2020	Pre Audit
		Nahiyang Estate	Seibabi Village, Batu Ampar Sub District, Seruyan District, Kalimantan Tengah Province		
		Sulin Estate	Wanatirta Village, Batu Ampar Sub District, Seruyan District, Kalimantan Tengah Province		
		Sungai Nusa Estate	Gantung Pengayuh Village, Seruyan Tengah Sub District, Seruyan District, Kalimantan Tengah Province		
		Sulin KKPA	Wanatirta Village, Batu Ampar Sub District, Seruyan District, Kalimantan Tengah Province		
		Sungai Ayawan Estate	Suka Mandang Village, Seruyan Tengah Sub District, Seruyan District, Kalimantan Tengah Province		
		Kayung Estate	Desa Sungai Kelik, Kecamatan Nanga Tayap, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Pekawai Estate	Desa Sungai Kelik, Kecamatan Nanga Tayap, Kabupaten Ketapang, Kalimantan Barat, Indonesia		

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Pekawai	Kecamatan nanga Tayap, Kabupaten Ketapang Kalimantan barat	Kayung KKPA	Desa Lembah Hijau 1, Kecamatan Nanga Tayap, Kabupaten Ketapang, Kalimantan Barat, Indonesia	2018	Pre Audit
		Nanga Tayap Estate	Desa Nanga Tayap, Kecamatan Nanga Tayap, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Sungai Kelik Estate	Desa Siantau Raya, Kecamatan Nanga Tayap, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
Kenanga	Dusun Bakung, Desa Randai, Kecamatan Marau, Kabupaten Ketapang, Kalimantan Barat	Kenanga Kemitraan	Desa Randai, Kecamatan Marau, Kabupaten Ketapang, Kalimantan Barat, Indonesia	2015	Certified 2015
		Kenanga Estate	Desa Randai, Kecamatan Marau, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Cendana Estate	Desa Belaban, Kecamatan Marau, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Delima Estate	Desa Randai, Kecamatan Marau, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Kencana Kemitraan	Desa Rangkung, Kecamatan Marau, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Kencana Estate	Desa Randai, Kecamatan Marau, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Gaharu Kemitraan	Desa Periangan, Kecamatan Jelai Hulu, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Kenanga Kemitraan	Desa Merabong, Kecamatan Manis Mata, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Kenari Estate	Desa Biku Sarana, Kecamatan Jelai Hulu, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Gaharu Estate	Desa Periangan, Kecamatan Jelai Hulu, Kabupaten Ketapang, Kalimantan Barat, Indonesia		
		Muara Tawang	Kec. Semitau, Suhaid dan Selimbau, Kab. Kapuas Hulu, Kalimantan Barat		

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Belian Mill	Desa Nanga Seberuang Kecamatan Semitau 78771 Kab. Kapuas Hulu Kalimantan Barat	Muara Tawang KKPA	Kec. Semitau, Suhaid dan Selimbau, Kab. Kapuas Hulu, Kalimantan Barat	2018	Pre Audit
		Kapuas Hulu Estate	Desa Sentabai Kecamatan Silat Hilir		
		Kapuas Hulu KKPA	Desa Sentabai Kecamatan Silat Hilir		
		Belian Estate	Desa Baru (Kec. Silat Hilir), Desa Nanga Seberuang dan Desa Komplek Kenepai (Kec. Semitau), Kab. Kapuas Hulu, Kalimantan Barat		
		Belian Kemitraan	Desa Baru (Kec. Silat Hilir), Desa Nanga Seberuang dan Desa Komplek Kenepai (Kec. Semitau), Kab. Kapuas Hulu, Kalimantan Barat		
		Tengkawang Estate	Desa Baru (Kec. Silat Hilir), Desa Nanga Seberuang dan Desa Komplek Kenepai (Kec. Semitau), Kab. Kapuas Hulu, Kalimantan Barat		

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

PT. Tapian Nadenggan  
Hanau Palm Oil Mill  
Hanau District,  
Seruyan Regency,  
Central Kalimantan Province,  
INDONESIA

BSI RSPO Certificate No: RSPO 679706

Date of Initial Certificate Issued: 26/9/2012

Date of Expiry: 25/9/2022

RSPO membership number: 1-0096-11-000-00 dated 31 March 2011

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

<b>PT. Tapian Nadenggan – Hanau Palm Oil Mill and Supply Base</b>						
Location Address	Kecamatan Hanau and Batu Ampar, Seruyan Regency, Central Kalimantan Province, Indonesia					
GPS Location	112° 6' 35" E and 02° 21' 39" S					
CPO Tonnage Total	111,019.47 MT					
PK Tonnage Total	29,711.05 MT					
CPO Claimed for Certification*	86,498.94 MT					
PK Claimed for Certification *	23,155.41 MT					
Own estates FFB Tonnage	385,923.56 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)				
Hanau Estate	4,199.05	0	523.11	167.84	4,890.00	107,209.23
Tasik Mas Estate	4,285.87	0	569.54	190.07	5,045.48	116,161.67
Tanjung Paring Estate	3,966.12	0	554.49	196.45	4,717.06	106,105.69
Langadang Estate	2,039.96	0	253.70	115.91	2,409.57	56,446.96
<b>TOTAL</b>	<b>14,491.00</b>	<b>0</b>	<b>1,900.84</b>	<b>670.27</b>	<b>17,062.11</b>	<b>385,923.56</b>

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### Appendix D: Assessment Plan

RAV Assessment plan

Date	Time	Subjects	MJ	EW	EP
			PRSPOLA,EMS, OHS, HCV	PRSPOSA, Legal	PRSPOSCC, BMP
Monday 11/09/2017	06.00 – 08.00	Travel from Jakarta – Pangkalanbun	√	√	√
	08.30 – 11.30	Travel from Pangkalanbun – Hanau POM	√	√	√
	12.00 – 14.00	Break	√	√	√
	14.00 – 14.30	<b>Opening Meeting</b> Presentation by PT. Tapian Nadenggan – Hanau Palm Oil Mill Presentation by PT BSI Broup Indonesia	√	√	√
	14.30 – 17.00	<b>Document Review: Tasik Mas Estate</b> Best management practices Agronomy, OHS implementation, EMS implementation, Social and Labour, HCV MM, Continual improvement, etc.	√	√	√
Tuesday 12/09/2017	08.00 – 12.00	<b>Tasik Mas Estate Field Visit:</b> Herbicide application programmes, harvesting, fertilising operations, , water management, road maintenance, terracing, etc.  <b>Continue Document Review</b>			√
	08.00 – 12.00	<b>Tasik Mas Estate Field Visit:</b> Agrochemical stores, Fertilizer store, workshops, housing, landfill, clinic, HCV's, riparian zones, Hazardous Waste, etc.  <b>Continue Document Review</b>	√		
	08.00 – 12.00	<b>Tasik Mas Estate Field Visit:</b> Boundaries inspection, worker interviews, social amenities, etc. Interview with: Labour Union and Gender Committee. <b>Continue Document Review</b>		√	
	12.00 –14.00	Break, Lunch	√	√	√
	14.00 – 17.00	<b>Document Review: Hanau Estate</b> Best management practices Agronomy, OHS implementation, EMS implementation, Social and Labour, HCV MM, Continual improvement, etc.	√	√	√
Wednesday, 13/09/2017	08.00 – 12.00	<b>Hanau Estate Field Visit:</b> Herbicide application programmes, harvesting, fertilising operations, water management, road maintenance, terracing, etc.			√



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		<b>Hanau Estate Field Visit:</b> Agrochemical stores, Fertilizer store, workshops, housing, landfill, clinic, HCV's, riparian zones, Hazardous Waste, etc.	√		
		<b>Hanau Estate Field Visit:</b> Boundaries inspection, worker interviews, social amenities, etc.  Interview with: Labour Union and Gender Committee, local contractor, FFB supplier  <b>Continue Document Review</b>		√	
	12.00 – 14.00	Break, Lunch	√	√	√
	14.00 – 17.00	<b>Hanau Palm Oil Mill 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.	√	√	√
Thursday 14/09/2017	08.00 – 10.00	<b>Hanau Palm Oil Mill Continue 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.	√	√	√
	10.00 – 11.00	Preparing Closing Meeting	√	√	√
	11.00 – 12.00	<b>Closing Meeting</b>	√	√	√
	12.00 – 13.00	Break, Lunch		√	
	13.00 – 16.00	Traveling Site – Pangkalanbun & Stay in Pangkalan Bun	√		√
	13.00 – 15.00	<b>Stakeholder consultation</b> Interview with: local community		√	
	13.00 – 19.00	Traveling Site – Kuala Pembuang & Stay in Kuala Pembuang		√	
Friday 15/09/2017	07.35 – 08.45	Travel Pangkalanbun – Jakarta	√		√
	08.00 – 15.00	<b>Stakeholder consultation</b> Interview with: BLH, BPN, Disbun, Disnakertrans Kab. Seruyan		√	
	15.00 – 19.00	Traveling to Sampit & Stay in Sampit		√	
Saturday 16/09/2017	13.10 – 14.35	Traveling Sampit - Jakarta		√	

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The BSI auditor team will comprise of the following members. Please let us know should you have any comments:

	<b>Name</b>	<b>Role</b>	<b>Assessment aspects</b>
1	Mujinius Jalaraya	Team Leader	EMS and OHS implementation for Palm oil plantation and Mill, HCV MM Implementation (Fluent in English and Bahasa Indonesia)
2	Edy Widodo	Team member	Legal aspect, Social and labor aspect
3	Eko Purwanto	Team member	Best Agriculture Practices for Estate RSPO Supply Chain, Continual improvement (Fluent in English and Bahasa Indonesia)

**Appendix E: Stakeholders Contacted**

<p><b>Internal Stakeholders</b></p> <ol style="list-style-type: none"> <li>1. Gender Committee of PT Tampilan Nadenggan</li> <li>2. Employee PT Tampilan Nadenggan (harvester, sprayer, manuring worker, operator, etc)</li> </ol>	<p><b>Union/Contractors/Local Communities</b></p> <ol style="list-style-type: none"> <li>1. SPSI (Worker union representative of PT Tampilan Nadenggan).</li> <li>2. Local community and village head of Pembuang Hulu Village and Sandul Village, Hanau Santuai District.</li> </ol>
<p><b>Government Departments</b></p> <ol style="list-style-type: none"> <li>1. Dinas Tenaga Kerja dan Transmigrasi Kabupaten Seruyan (Manpower and Transmigration Office – Seruyan Regency)</li> <li>2. Badan Lingkungan Hidup Kabupaten Seruyan (Environmental Office – Seruyan Regency)</li> <li>3. Dinas Ketahanan Pangan dan Pertanian Kabupaten Seruyan (Food and Agriculture Service – Seruyan Regency)</li> <li>4. Kantor Pertanahan Kabupaten Seruyan (Land affairs office, Seruyan 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)**

Requirements	
<b>E.1. Definition</b>	
<p>E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>	<p>PT Tapian Nadenggan – Hanau POM and its supply bases has been registered for RSPO P&amp;C Certificate. The Palm Oil Mill implemented Mass Balance model for the supply chain system. The FFB supplies for Hanau POM, PT Tapian Nadenggan are come from own estates: Hanau Estate (HANAU ESTATE), Tasik Mas Estate (TASIK MAS ESTATE), Langadang Estate (LANGADANG ESTATE) and Tanjung Paring Estate (TPRE). Other FFB supply was coming from other company or outgrower which is not certified.</p>
<b>E.2. Explanation</b>	
<p>E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&amp;C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products has been recorded by previous CB the public summary of the P&amp;C certification report. The 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 estimated of certified CPO and PK volume are as follows:</p> <ol style="list-style-type: none"> <li>1. Initial Certification Audit: Estimated CPO: 94,052 MT, PK: 21,553 MT</li> <li>2. ASA1: Estimated CPO: 81,340.34 MT, PK: 19,037.13 MT</li> <li>3. ASA2: Estimated CPO: 88,369 MT, PK: 21,855 MT</li> <li>4. ASA3: Estimated CPO: 81,593.56 MT, PK: 21,669.77 MT</li> <li>5. ASA4: Estimated CPO: 81,350 MT, PK: 21,298 MT</li> <li>6. Recertification Audit: Estimated CPO: 86,761.41 MT, PK: 23,200.64 MT</li> </ol> <p>Actual CPO and PK tonnage produced has also been recorded by the CB in each subsequent annual surveillance report. The actual of certified CPO and PK volume produced are as follows:</p> <ol style="list-style-type: none"> <li>1. ASA1: Actual CPO: 90,942 MT, Actual PK: 21,871 MT</li> <li>2. ASA2: Actual CPO: 89,878 MT, Actual PK: 23,365 MT</li> <li>3. ASA3: Actual CPO: 81,593.56 MT, Actual PK: 21,669.77 MT</li> <li>4. ASA4: Actual CPO: 68,578.32 MT, Actual PK: 18,374.07</li> <li>5. Recertification Audit: Actual CPO: 78,443.74 MT, PK: 21,745.53 MT.</li> </ol>
<p>E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and</p>	<p>PT Tapian Nadenggan – Hanau Mill has been registered in RSPO IT Platform, with ID number RSPO_PO1000001154. PT Tapian Nadenggan – Hanau Mill has meet all registration and reporting requirements for the appropriate supply chain through</p>

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claim).	the RSPO supply chain managing organization (RSPO IT platform or book and claim).
<b>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 shall include at minimum the following:	PT Tapian Nadenggan – Hanau Mill 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 complete and up to date covering the implementation of all the elements in RSPO Supply Chain Certification requirements.
a. Complete and up to date procedures covering the implementation of all the elements in these requirements;	<p>The procedures and work instructions are as follows:</p> <ul style="list-style-type: none"> <li>- SOP/TN/SCP – RSPO Supply Chain Model Mass Balance, revision dated 1 April 2015, covers Receiving of Raw Material, Weighing (weighbridge ticket printing, quality checking, processing), Monitoring of Product (quality, quantity, validation of report), Mass Balance counting, Delivery of Product and Documentation. The Procedure was established to ensure that the product produced by palm oil mill was sourced from traceable raw material (Fresh Fruit Bunch) and can be ensured that the related sources are implementing sustainable principal and criteria. Scope of the procedure is FFB receiving as raw material until delivery of product from palm oil mill. Supply Chain system implemented based on principles of Mass Balance.</li> <li>- SOP/TN/PCPR – Reporting of RSPO Certified Product, dated 1 April 2015. As a guidance for making report of RSPO product in Mill, KCP and Bulking compliance to RSPO requirement. Scope of the procedure is FFB receiving as raw material until delivery of product from palm oil mill.</li> <li>- SOP/TN/RCP - FFB Receiving</li> <li>- SOP/TN/PPCK – Production Process of CPO &amp; Kernel</li> <li>- SOP/TN/PKCPO – Control Process of CPO</li> <li>- SOP/TN/PKK – Control Process of Kernel</li> <li>- SOP/TN/PPCPO – Measurement of CPO Production</li> <li>- SOP/TN/PCK – Delivery of CPO &amp; Kernel</li> </ul> <p>Work Instruction:</p> <ul style="list-style-type: none"> <li>- IK/TN/PCK/01 – WI FFB Weighing</li> <li>- IK/TN/PKCPO/01 – WI Grading</li> <li>- IK/TN/PPCK/01 – WI Loading Ramp</li> <li>- IK/TN/PPCK/05 – WI Sterilizer Station</li> <li>- IK/TN/PCK/01 – WI Despatch CPO &amp; PK</li> </ul>
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	The company has appointed person who have overall responsibility for and authority over the implementation of RSPO Supply Chain Certification requirements and compliance with all applicable requirements, which is the Mill Unit Head (Factory Manager) Mr. Dwi Dharmo Suhendro as Management Representative based on Decree Letter from Production Controller KT 1&2 #023/TN-HANAU MILL.K/SPO-

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<p>implementation of this standard.</p>	<p>INT/SK/VIII/2015 dated August 27<sup>th</sup>, 2015.</p> <p>The Mill Management Representative then appointed Sub Unit Head of Administration, Mr. Cecep Supriyono as SCCS Officer based on Hanau Mill Manager Decree Letter #021/TN-HANAU MILL.K/SPO-INT/SK/VI/2015 dated June 15<sup>th</sup>, 2015.</p> <p>Management Representative and SCCS Officer was having awareness and knowledge for the procedure and implementation of RSPO SCC standard since he already have trained on June 17<sup>th</sup>, 2015. Refreshment training of RSPO SCCS was regularly performed annually. The latest refreshment training was held on 8 July 2017. Refreshment training was delivered to personnel involved in this requirement, such as weighing clerk, administration, HR, SPO Officer etc. Invitation, Attendance register and training module were available.</p>
<p>E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBS.</p>	<p>As mentioned above the site has documented procedure for receiving and processing certified and noncertified FFB in SOP/TN/SCP – RSPO Supply Chain Model Mass Balance and SOP/TN/RCP - FFB Receiving.</p>
<p><b>E.4. Purchasing and goods in</b></p>	
<p>E.4.1 The site shall verify and document the volumes of certified and non-certified FFBS received.</p>	<p>KTU (Sub Unit Administration Head) of Hanau Mill as SCCS Officer has verified and documented the volumes of certified and non-certified FFB received. FFB documentation from certified estate is "Surat Pengantar Buah" (FFB Delivery Note), which contain number of bunches, location, vehicle identity, etc. FFB received are daily recorded in "Laporan Penerimaan TBS" (FFB Receiving Record) and recapitulated monthly in "Laporan Harian Penerimaan dan Produksi" (Daily Report of Receiving and Production).</p> <p>Record observed are as follows:</p> <p>Certified FFB:</p> <ul style="list-style-type: none"> <li>- Tasik Mas Estate: Surat Pengantar Buah No.1424/TBS/02/17/08/0004 dated 15 August 2017, from Tasik Mas Estate, Division 2 block O7 and O6, 387 bunches of certified FFB, transporter truck KH9600GA. Weighbridge ticket No.A034652-047227, nett weight 9,030 Kg, received by Hanau POM.</li> <li>- Hanau Estate: Surat Pengantar Buah No.1422/TBS/01/17/08/7956 dated 15 August 2017, from Hanau Estate, Division 1 block A2, 404 bunches of certified FFB, transporter truck KH8273PG. Weighbridge ticket No.A034651-047226, nett weight 8,770 Kg, received by Hanau POM.</li> </ul> <p>Non-certified FFB:</p> <p>PT Indotruba Timur: Surat Pengantar Buah dan Brondolan No.SPB/I/ITR-X/01/17/08/0146 dated 15 August 2017, from PT</p>

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	Indotruba Timur, Division 1 block B26, 408 bunches of non-certified FFB, transporter truck KH8324GC. Weighbridge ticket No.B012539-047017, nett weight 6,460 Kg, received by Hanau POM.
E.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	The mill has procedure SOP/TN/PCPR – Reporting of RSPO Certified Product, dated 1 April 2015 on Chapter 6.2 page 7 mentioned that the site will inform Certification Body immediately if there is a projected over production of certified tonnage. The communication will be assisted by Certification Section, EHS Department.
<b>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.	The site recorded daily FFB received, CPO and PK produced and delivered in "Laporan Harian Penerimaan dan Produksi" (Daily Report of Receiving and Production), recapitulated it in monthly basis and balance it in three monthly basis in document "Laporan Mass Balance CPO and PK" (Mass Balance Report of CPO and PK. Observed document shown that the record is balanced.
E.5.1 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.	All volumes of palm oil and palm kernel delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. There is no over deliveries of certified product neither negative stock of certified product. The site has clear system to implement the requirement that all volumes of palm oil and palm kernel oil that are delivered to be deducted from the material accounting system, i.e. document Mass Balance Report for SCCS. There are delivery of Palm Kernel, i.e: <ul style="list-style-type: none"> <li>- Transaction ID: TRa55dec0b-2743; Seller: PT. Tapian Nadenggan – Hanau Mill; Buyer: PT. Tapian Nadenggan – Hanau KCP; Product: Palm Kernel (PK); Program: Mass Balance; Volume: 2,000 MT; Status: Confirmed; date: 12/10/2016</li> <li>- Transaction ID: TR-f8027bdd-8419; Seller: PT. Tapian Nadenggan – Hanau Mill; Buyer: PT. Tapian Nadenggan – Hanau KCP; Product: Palm Kernel (PK); Program: Mass Balance; Volume: 2,998.60 MT; Status: Confirmed; date: 09/08/2017.</li> </ul>
E.5.1 c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)	The procedure SOP/TN/PCPR – Reporting of RSPO Certified Product, dated 1 April 2015 Chapter 6.2 page 6 has described the mechanism of "sell short" is allowed, however for safety reason the site has never practiced it.
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	The mill delivered CPO to Bumiharjo Bulking Station, PT. Tapian Nadenggan (Pangkalan Bun – Central Kalimantan). The Bulking Station is already certified for RSPO Supply Chain by SAI Global

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<p>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>Indonesia with certificate number SQUAL40065 valid from 23 September 2014 to 22 September 2019. During this one year period, Hanau Mill has never delivered RSPO certified CPO. The mill only delivered certified CPO under other scheme (ISCC). Document verified was Delivery Note No.1451/CPO/TT/17/08/0482 dated 15 August 2017 from PT Tapian Nadenggan – Hanau Mill to PT Tapian Nadenggan – Bumiharjo Bulking, regarding 7.450 kg CPO, transporter KH8516P (Yayasan Al-Miftahussalam), weighbridge ticket No.B012545-047046, DO No.1451/CPO/1451/17/ T028.</p> <p>Hanau Mill use contractor to deliver CPO, the contractor are as follows:</p> <ol style="list-style-type: none"> <li>1) CV. Alam Persada; MR: H. Amaryan; Address: Jl. Jend. Sudirman, RT 18 Kelurahan Sidorejo, Kecamatan Arut Selatan, Kabupaten Kotawaringin Barat; Capacity: 22 trucks @ 7.5 MT; Contract: 001/TN/HANAU MILL/03/2015 – CPO, valid from 1 April 2015 to 31 March 2018.</li> <li>2) CV. Berkas Sekumpul; MR: Siswanto; Address: Kelurahan Kumai Hilir RT 11, Kecamatan Kumai, Kabupaten Kotawaringin Barat; Capacity: 26 trucks @ 7.5 MT; Contract: 002/TN/HANAU MILL/03/2015 – CPO, valid from 1 April 2015 to 31 March 2018.</li> <li>3) CV. Karya Bahtera Utama; MR: H. Edi Ruslianor; Address: Jl. Pameran No.375 RT 008 RW 002 Pembuang Hulu, Kecamatan Hanau, Kabupaten Seruyan; Capacity: 23 trucks @ 7.5 MT; Contract: 003/TN/HANAU MILL/03/2015 – CPO, valid from 1 April 2015 to 31 March 2018.</li> <li>4) Yayasan Al Miftahussalam; MR: H. Noordin; Address: Jl. Bakri Entong, Pembuang Hulu 1, Kecamatan Hanau, Kabupaten Seruyan; Capacity: 17 trucks @ 7.5 MT; Contract: 004/TN/HANAU MILL/03/2015 – CPO, valid from 1 April 2015 to 31 March 2018.</li> </ol> <p>The mill delivered palm kernel to palm kernel crusher which has been separately certified by SAI Global, it is PT. Tapian Nadenggan – Hanau Kernel Crushing Plant, with certified ID: SQUAL40064 and SCC Model: Mass Balance. The certificate valid from 23 September 2014 until 22 September 2019. Document verified was Delivery Note No.1451/KER/LK/17/09/0103 dated 11 September 2017 from PT Tapian Nadenggan – Hanau Mill to PT Tapian Nadenggan – Hanau KCP, regarding 7.030 kg PK, transporter KH8614FD (internal), weighbridge ticket No.B014299-053222, DO No.1451/KER/1451/ 17/L008. Hanau Mill uses internal trucks to deliver palm kernel.</p>
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**Actual Tonnage Certified Palm Production - September 2016 – August 2017**

Mill	Capacity	CPO (MT)	PK (MT)
Hanau Palm Oil Mill	80 tons FFB/hour	78,443.74	21,745.53

**Actual Tonnage Sales of Certified Palm Products - September 2016 – August 2017**

Mill	Certified CPO Sales (MT)	Certified PK Sales (MT)	Remarks
Hanau Palm Oil Mill	0	21,304.59	According to Palm Trace transaction

**Actual Tonnage Sales Certified Palm Products Other Scheme (September 2016 – August 2017)**

Mill	Certified CPO Sales (MT)	Certified PK Sales (MT)	Remarks
Hanau POM	78,443.74	0	ISCC/Other scheme

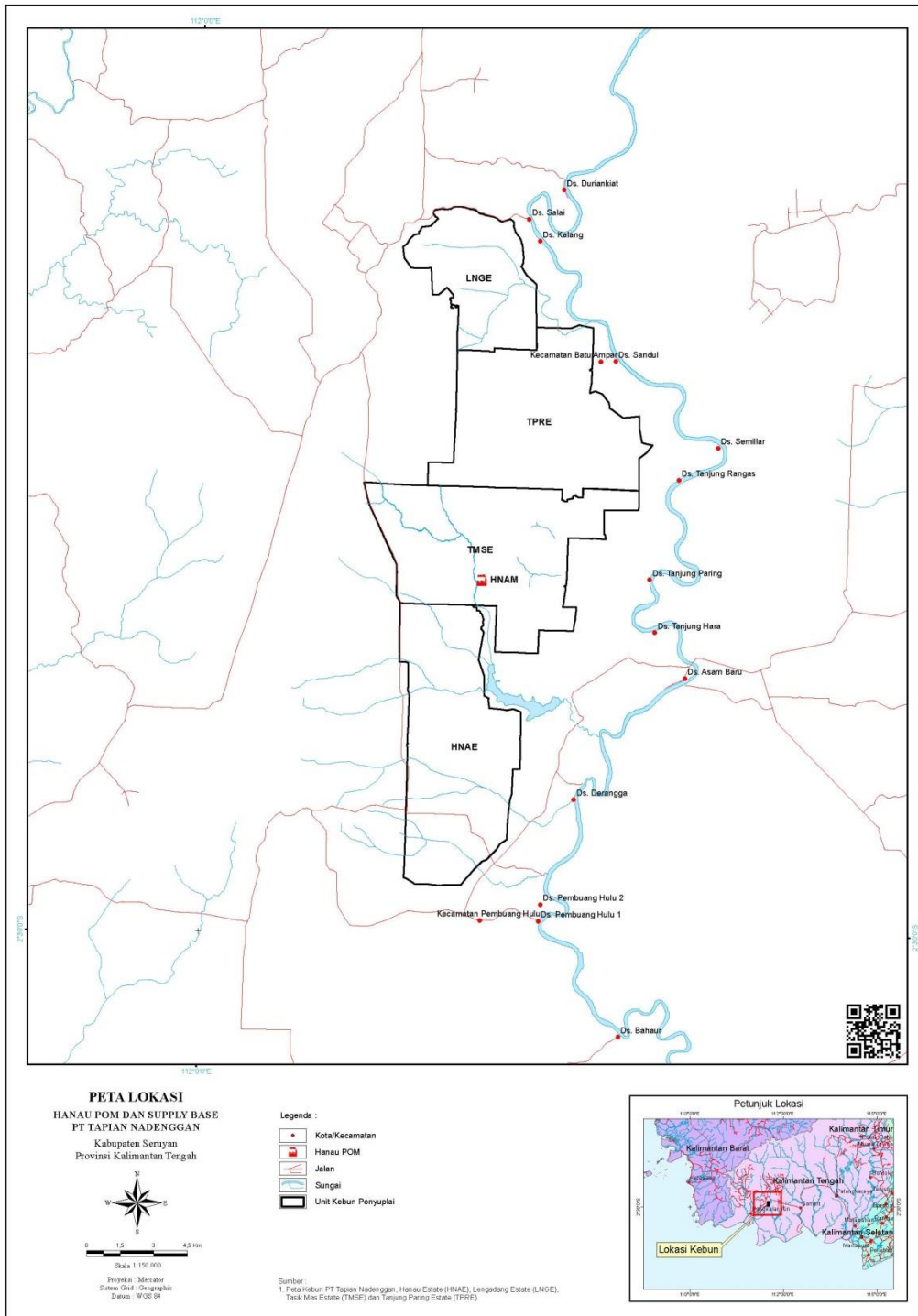
**Actual Tonnage Sales Non Certified Palm Products/Conventional Product (September 2016 – August 2017)**

Mill	Certified CPO Sales (MT)	Certified PK Sales (MT)	Remarks
Hanau POM	0	0	

Month	Certified Supply Base (from own certificate scope) (MT)				
	Hanau Estate	Tasik Mas Estate	Tanjung Paring Estate	Langadang Estate	Total FFB/Month (MT)*
September 2017	8,944.10	8,942.50	8,172.65	3,660.42	29,719.66
October 2017	8,546.58	9,150.47	8,837.86	4,462.70	30,997.61
November 2017	8,745.34	9,358.43	9,027.93	5,264.99	32,396.68
December 2017	8,645.96	9,254.45	9,408.05	5,766.41	33,074.87
January 2018	8,176.12	9,387.19	8,922.14	4,957.64	31,443.09
February 2018	8,280.95	9,498.94	8,717.03	4,406.79	30,903.71
March 2018	9,224.35	10,392.96	9,640.01	4,792.38	34,049.70
April 2018	9,329.17	10,392.96	9,229.80	4,792.38	33,744.31
May 2018	9,538.81	10,728.21	8,717.03	4,572.04	33,556.09
June 2018	9,958.10	9,127.24	9,127.24	4,572.04	32,784.62
July 2018	9,958.10	10,281.20	7,794.05	5,233.06	33,266.41
August 2018	9,433.99	8,828.43	8,511.92	3,966.11	30,740.45
<b>Total</b>	<b>107,209.23</b>	<b>116,161.67</b>	<b>106,105.69</b>	<b>56,446.96</b>	<b>385,923.56</b>

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

**Map 1.** Location of PT. Tapian Nadenggan in Indonesia





**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 Tapian Nadenggan - Hanau Palm Oil mill and supply base was calculated using the GHGpalm 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 Bukit Santuai mill and supply base are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	0.15
PK	0.15
PKO	0.13
PKE	0.13

Extraction	%
OER	28.05
KER	7.68

Production	t/year
FFB process	336,745.39
CPO Produced	94,457.08
PK Produced	25,862.05

Land use	Ha
OP Planted Area	13,133.25
OP Planted on peat	0
Conservation area (forested)	0
Conservation area (non forested)	1,357.752
<b>Total</b>	<b>14,491</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	117,667.08	0.35	-	-	-	-	117,667.08	0.35
CO <sub>2</sub> Emission from fertilizer	10,798.98	0.003	-	-	-	-	10,798.98	0.003
NO <sub>2</sub> Emission	10,950.88	0.003	-	-	-	-	10,950.88	0.003
Fuel consumption	1,476.46	0	-	-	-	-	1,476.46	0
Peat oxidation	0	0	-	-	-	-	0	0
<b>Sink</b>								
Crop sequestration	-122,753.82	-0.37	-	-	-	-	-122,753.82	-0.37
Conservation sequestration	-2,130.60	-0.01	-	-	-	-	-2,130.60	-0.01
<b>Total</b>								

**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emission</b>		
POME	205.25	0
Fuel Consumption	1,479.26	0
Grid Electricity	0	0
Utilisation		
Credit	0	0
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>1,684.51</b>	<b>0.01</b>

**Summary of Kernel Crusher Emission and Credit**

Emission Source	tCO <sub>2</sub> e
PK from own mill	3,802.76
PK from other sources	0
Fuel consumption	0
<b>Total crusher emission</b>	<b>3,802.76</b>

<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 (%)	0
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