

## **PT. INTI INDOSAWIT SUBUR**

RSPO Membership No: 1-0022-06-000-00

PLANTATION MANAGEMENT UNIT

**PT. RIGUNAS AGRI UTAMA**

**Peranap Palm Oil Mill**

Indragiri Hulu Regency, Riau Province, Indonesia



Valued Quality. Delivered.

# Assessment Report

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# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R2018/11-26 Parent Co: PT. INTI INDOSAWIT SUBUR  
Unit: PT. Rigunas Agri Utama grouping: ASA-04 (Transfer CB)

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## 4<sup>th</sup> ANNUAL SURVEILLANCE ASSESSMENT REPORT ON RSPO CERTIFICATION

### PUBLIC SUMMARY REPORT

#### **PT. Inti Indosawit Subur**

RSPO Membership No: 1-0022-06-000-00

PLANTATION MANAGEMENT UNIT

**PT. Rigunas Agri Utama**

Indragiri Hulu Regency, Riau Province, Indonesia

#### **Certificate No: (Before Transfer)**

Issued date:

Expiry date:

#### **FMS40006 (Previous CB)**

07 January 2015

06 January 2020

#### **Certificate No: (After Transfer)**

Start date:

Expiry date:

#### **RSPO 932188 (Intertek)**

07 January 2019

06 January 2020

#### **Assessment Type**

Initial Certification (Main Assessment)

Annual Surveillance Assessment (ASA-01)

Annual Surveillance Assessment (ASA-02)

Annual Surveillance Assessment (ASA-03)

Annual Surveillance Assessment (ASA-04)

+ Transfer CB

Re-Certification Assessment

#### **Assessment Dates**

21 - 23 January 2014

17 - 19 November 2015

22 - 25 November 2016

21 - 23 November 2017

26 - 30 November 2018

#### **Intertek Certification International Sdn Bhd**

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## 1.0 SCOPE OF ASSESSMENT

### 1.1 Introduction

This 4<sup>th</sup> Annual Surveillance Assessment (ASA-04) was conducted on the Plantation Management Unit (company) of PT. Rigunas Agri Utama – Peranap Palm Oil Mill (member of PT. Inti Indosawit Subur) from **26 - 30 November 2018**, to assess the organization's operations of the mill and its supply bases, for continued compliance against the RSPO Principles and Criteria (2013), Indonesian National Interpretation (2016) and the RSPO Supply Chain Certification Standard (June 2017) for Palm Oil Mill.

Note: The plantation management unit (company) or management unit is equivalent to a certification unit as defined in the RSPO Certification Systems Document. Company consists of one mill and its supply bases which are made up of estates owned by PT. Rigunas Agri Utama and Scheme Smallholders (Plasma) where the mill has management control on the smallholders land area.

### 1.2 Location (address, GPS and map) of palm oil mill and estates

PT. Rigunas Agri Utama consists of one palm oil mill, namely Peranap Palm Oil Mill and two (2) plantations as indicated in Table 1 below, which includes the addresses and GPS locations of the mill and estates. Estate is owned by Rigunas Agri Utama and Scheme Smallholders (Plasma). The location maps are provided in **Appendix C**.

**Table 1: Address of Palm Oil Mill, Estates and GPS Location**

Name	Address	GPS Reference	
		Latitude	Longitude
Peranap Palm Oil Mill (Capacity: <b>45 MT/hr</b> )	Simelinyang, Pauh Ranap, Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau Province, Indonesia	0°35'05" S	102°01'10" E
Peranap Estate	Simelinyang, Pauh Ranap, Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau Province, Indonesia	0°36'12" S	102°02'34" E
Peranap Smallholders Estate	Simelinyang, Pauh Ranap, Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau Province, Indonesia	0°36'12" S	102°02'34" E

### 1.3 Description of supply base (fruit sources)

The supply base, i.e. FFB sources to the POM at PT. Rigunas Agri Utama are from the above mentioned 2 estates which supplied FFB certified and other external / outside Crop Producers supplied non-certified FFB. Details of the planted hectareage for the FFB supply for PT. Rigunas Agri Utama are as shown in Table 2 below.

**Table 2: Estate Area Summary**

Estate	Area Summary (ha) – Previous 2017		Area Summary (ha) – Current 2018	
	Certified Area	Planted Area	Certified Area	Planted Area
Peranap Estate	5,215.00	3,658.00	5,215.00	3,658.00
Peranap Smallholders Estate	5,142.00	5,142.00	5,142.00	5,142.00

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<b>Total:</b>	<b>10,267.00</b>	<b>8,800.00</b>	<b>10,267.00</b>	<b>8,800.00</b>
<b>Percentage:</b>	<b>100 %</b>	<b>85.71%</b>	<b>100 %</b>	<b>85.71%</b>

**Notes:**

1. This Assessment has covered the overall land use for oil palm plantation areas, and the identified Conservation areas including HCV areas and unplanted areas marked out at the estates.
2. The estates sampled for this Assessment were selected based on their potential risks on social, environmental and biodiversity issues such as their proximity to forest reserves, hill sides, riparian zones and high conservation value areas.

### 1.4 Summary of plantings and cycle

The 2 estates had been developed from 1992 – 1997, there is no new planting and replanting took place. The age profile is as shown in Table 3.

**Table 3: Age Profile of Planted Oil Palm (Current Year: 2018)**

Estate Name	Year of Planting	Cycle of Planting	Mature - planting above 3 years (ha)	Immature – planting - 3 years & below (ha)	Total (ha) - Planted
Peranap Estate	1992-1997	1 <sup>st</sup> cycle	3,658.00	-	3,658.00
Peranap Smallholders Estate	1994-2001	1 <sup>st</sup> cycle	5,142.00	-	5,142.00
		<b>Total</b>	<b>8,800.00</b>	<b>-</b>	<b>8,800.00</b>

### 1.5 Summary of Conservation and HCV Areas

The summary of Conservation and HCV Areas as identified in PT. Rigunas Agri Utama and Scheme Smallholders (Plasma) during this assessment is as shown in Table 4 below:

**Table 4a. Conservation and HCV Areas in Peranap Estate**

#	Statement of Land Use (Ha)	Hectarage- ha Current year: 2018
<b>1</b>	<b>Planted Area (ha) – Oil Palm</b>	
	- Mature	3,658.00
	- Immature	-
<b>2</b>	<b>Conservation Area (ha)</b>	
	Comprising buffer zones along small streams, hilly areas, swampy and unplanted areas	1,412.01
<b>3</b>	<b>HCV Area (ha)</b>	
	Comprising buffer zones near forest reserves, water catchments, burial & religious sites (Included in planted statement area)	109.99
<b>4</b>	<b>Mill &amp; Emplacement</b>	
	Total	5,215.00

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**Table 4b. Conservation and HCV Areas in Peranap Smallholders - Plasma**

#	Statement of Land Use (Ha)	Hectarage- ha Current year: 2018
<b>1</b>	<b>Planted Area (ha) – Oil Palm</b>	
	- Mature	5,142.00
	- Immature	-
<b>2</b>	<b>Conservation Area (ha)</b>	
	- comprising buffer zones along small streams, hilly areas, swampy and unplantable areas	-
<b>3</b>	<b>HCV Area (ha)</b>	
	- comprising buffer zones near forest reserves, water catchments, burial & religious sites	-
	Total	<b>5,142.00</b>

### 1.6 Other certifications held and Use of RSPO Trademarks

PT. Rigunas Agri Utama has been certified to International Sustainability & Carbon Certification (ISCC) since 2012.

The RSPO's trademarks and logo are not used by the company audited. Instructions for use were provided and acknowledged by the company through a signed Memorandum of commitment agreeing to adhere to the **latest "RSPO Rules on Communications & Claims"** during the assessment.

### 1.7 Organizational information / Contact Person

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### 1.8 Tonnages Verified for Certification

The breakdown of all the suppliers and their tonnages of FFB supplied and processed at the Peranap POM of PT. Rigunas Agri Utama for the reporting period in FY November 2017 – October 2018 are verified as follows:

**Table 5: Tonnages Verified for Certification**

#	Estate /Supplier	FFB Processed (MT)	Main Processing Palm Oil Mill	Certified By
1.	Peranap estate	107,582.00	Peranap POM	SAI Global
2.	Peranap Scheme Smallholders	86,320.00	Peranap POM	SAI Global
	<b>Sub-total for company estates</b>	<b>193,902.00</b>		
3.	<b>Other certified sources under same company</b>	0.00	Peranap POM	SAI Global
	<b>Sub- total from Other certified sources under same company</b>	<b>0.00</b>		
	<b>Other suppliers / external FFB</b>			
4.	Outside crop producers (OCP) – dealers, outgrowers etc *)	70,506.00	Peranap POM	SAI Global
	<b>Grand total</b>	<b>264,408.00</b>		

\*) Note: OCP consist of Asosiasi Swadaya Mandiri (162 members), KT. Rezeki Jaya (32 members), KT. Timber Jaya (39 members), KT. Sumber Harapan (33 members), KT. Bukit Permai Jaya (51 members), KT. Timber Permai (34 members), KT. Indah Sepakat (24 members), KT. Tani Jaya (20 members), KT. Semoga Sukses (23 members), KT. Harapan Makmur (39 members), KT. Podan Permai (35 members), Gapoktan Petani Maju (169 members) & Asosiasi Petani SR (104 members).

Total annual volumes / tonnages of FFB processed by the Peranap POM of PT. Rigunas Agri Utama during the previous, current and projected period are as follows:

**Table 6: Annual FFB Processed**

Estate / Supplier	FFB Processed in FY Nov. 2016-Oct.2017 (Actual)		FFB Processed in FY Nov. 2017 – Oct. 2018 (Actual)		FFB Processed for FY Nov. 2018 - Oct. 2019 (Projected)	
	MT	%	MT	%	MT	%
PT. Rigunas Agri Utama company Estates	189,322.00	71.09	193,902.00	73.33	173,251.00	68.13
Other Certified FFB under same Company / Group	0.00	0.00	0.00	0.00	0.00	0.0
<b>Sub-total Certified FFB</b>	<b>189,322.00</b>	<b>71.09</b>	<b>193,902.00</b>	<b>73.33</b>	<b>173,251.00</b>	<b>68.13</b>
Non-certified FFB from OCP	76,978.00	28.91	70,506.00	26.67	81,050.00	31.87

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Sub-total non-certified FFB	76,978.00	28.91	70,506.00	26.67	81,050.00	31.87
<b>G-Total</b>	<b>266,300.00</b>	<b>100.00</b>	<b>264,408.00</b>	<b>100.00</b>	<b>254,301.00</b>	<b>100.00</b>
SCCS Module of POM	MB		MB		MB	

The comparison of annual certified tonnages at PT. Rigunas Agri Utama verified during assessment is detailed as follows:

**Table 7: Annual Certified Tonnages**

POM	FFB Processed in FY 2016/2017 - Actual		FFB Processed in FY 2017/2018 - Actual		FFB for Processing FY 2018/2019- Projected	
Total certified FFB Processed (MT)	189,322.00		193,902.00		173,251.00	
Total certified CPO Production (MT)	41,410.00	OER: 21.87%	41,859.00	OER: 21.59%	37,978.00	OER: 21.92%
Total certified PK Production (MT)	10,594.00	KER: 5.57%	10,828.00	KER: 5.58%	9,702.00	KER: 5.60%
SCCS Module of POM	MB		MB		MB	

The POM has established and maintained procedures for the book keeping and monitoring requirements for the CPO at the mill and was verified to be the “**Mass Balance - MB**” module in accordance with the RSPO Supply Chain Certification Standards (SCCS) requirements. Verified activities and checked items for the SCCS of the POM are reported in section 3.1.1.

### 1.9 Time Bound Plan and Multiple Management Units

PT. Inti Indosawit Subur is a member of RSPO since 2006 and has been taking an active role in support RSPO certification of all its management units located in North Sumatera, Riau and Jambi Provinces. Time bound plan has been developed to achieve the RSPO certification for all its management units.

Todate PT. Inti Indosawit Subur manages a total 19 Palm Oil Mills, 22 plantation / estates owned by company, and manages 10 units scheme smallholders (8 units manage under plasma scheme and 2 units manager under KKPA scheme). Currently 18 of its PMUs have been certified with another 1 managed unit still “non-certified”.

Details of the updated Time Bound Plan as submitted by PT. Inti Indosawit Subur and reviewed by Intertek are shown in **Appendix D**.

On overall, PT. Inti Indosawit Subur Group had progressively implemented their Time Bound Plan and its commitment to complete RSPO certifications on remaining 1 (one) management unit, targeted by 2020.

#### Verification of requirements for Uncertified Management Units:

Requirement	Finding and Objective Evidence	Compliance
<b>RSPO Certification System, 2017: Clause 4.5.4</b>		
a. No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. Any new plantings since January 1st, 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;		
- Is there any replacement of primary forest or any area required to	Updates on the RSPO CP Complaints case tracking was referred to on issues related to this on PT. Inti Indosawit Subur uncertified units prior to and during each audit.	Complied



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<p>maintain or enhance HCVs in accordance with RSPO P&amp;C criterion 7.3.</p>	<p>PT. Inti Indosawit Subur manages a total 19 Palm Oil Mills, 22 plantation / estates owned by company, and manages 10 units scheme smallholders (8 units manage under plasma scheme and 2 units manager under KKPA scheme)</p> <p>Monitoring details and updates are verified (see <b>Appendix D</b>).</p> <p>As at this current assessment, there has been no new incidences of any replacement of primary forest at any area under the PT. Inti Indosawit Subur group.</p>	
<p>- Is there any new plantings since January 1st 2010 and did the new plantings comply with the RSPO New Planting Procedure (NPP)</p>	<p>Based on review of Time Bound Plan, it is verified that remaining 1 (one) uncertified management unit, namely PT. Mitra Unggul Pusaka identified (where new plantings occurred) have been making progress to comply with the RSPO New Planting Procedure.</p> <p>Currently PT. Mitra Unggul Pusaka has communicated to RSPO for Land Use Change review. They are waiting LUC review done to ensure the eligibility of NPP scenario, (based on the company information that converted land after 1 January 2010 from rubber plantation).</p> <p>As at this current assessment, there has been no recent new or additional new plantings by the PT. Inti Indosawit Subur group.</p>	<p>Complied</p>
<p>- Was the new planting development verified by an RSPO accredited CB;</p>	<p>Based on review of Time Bound Plan, it is verified that remaining 1 (one) uncertified management unit, namely PT. Mitra Unggul Pusaka identified (where new plantings occurred) have been making progress to comply with the RSPO New Planting Procedure.</p> <p>They are waiting LUC review done to ensure the eligibility of NPP scenario, based on the company information that converted land after 1 January 2010 from Rubber plantation to Oil Palm plantation (this conversion of land use does not require a CB verification)</p> <p>Currently PT. Mitra Unggul Pusaka has communicated to RSPO to comply with RSPO new planting procedure, the latest communication with RSPO for LUC review.</p> <p>As at this current assessment, there has been no recent new or additional new plantings by the PT. Inti Indosawit Subur group.</p>	<p>Complied</p>
<p>b. Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&amp;C criteria 2.2, 6.4, 7.5 and 7.6;</p>		
<p>- Are there any existing Land conflicts and is it being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&amp;C criteria 2.2, 6.4, 7.5 and 7.6;</p>	<p>Updates on the RSPO CP Complaints case tracking was referred to on issues related to this on PT. Inti Indosawit Subur uncertified units prior to and during each audit.</p> <p>Presently, there are no recent land conflicts at the uncertified Management Unit.</p>	<p>Complied</p>
<p>c. Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&amp;C criterion 6.3;</p>		

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<ul style="list-style-type: none"> <li>- Are there any existing Labour disputes and is it being resolved through a mutually agreed process, in accordance with RSPO P&amp;C criterion 6.3;</li> </ul>	<p>As at this current assessment, there has been no publicly known or existing Labour disputes at the uncertified units under the PT. Inti Indosawit Subur group.</p>	Complied
<p>d. Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&amp;C criterion 2.1;</p>		
<ul style="list-style-type: none"> <li>- Are there any Legal non-compliance and is it being addressed through measures consistent with the requirements of RSPO P&amp;C criterion 2.1;</li> </ul>	<p>It is noted that PT. Inti Indosawit Subur group is aware of the Legal compliances, there is no issue for legal compliance at the uncertified management unit of PT. Mitra Unggul Pusaka.</p>	Complied
<ul style="list-style-type: none"> <li>- Has the organisation conducted an Internal Audit on the above (a) to (d)?</li> <li>- Has the evidence been submitted for verification?</li> </ul>	<p>Internal audit report dated 3 Sept 2018 had covered the requirements, conducted by the Sustainable Team. The report was available and verified during "Time Bound Plan" verification.</p>	Complied
<ul style="list-style-type: none"> <li>- Has a positive assurance statement been produced based on the internal audit and other supporting assessments results?</li> </ul>	<p>Overall a positive assurance statement is made at the conclusion of the Internal audit and Management reviews made at the PT. Inti Indosawit Subur.</p> <p>Sustainability Progress report of 30 October 2018 made available at weblink: <a href="https://www.asianagri.com/id/keberlanjutan/panel-keberlanjutan/laporan-keberlanjutan">https://www.asianagri.com/id/keberlanjutan/panel-keberlanjutan/laporan-keberlanjutan</a></p>	Complied

### 1.10 Abbreviations Used

AMDAL	Analisis Mengenai Dampak Lingkungan ( <i>Social &amp; Environmental Assessment</i> )	PIR-Trans	Perkebunan Inti Rakyat – Transmigrasi
CB	Certification Body	PKB	Perjanjian Kerja Bersama ( <i>Labour Collective Agreement</i> )
CD	Community Development	PK	Palm Kernel
CPO	Crude Palm Oil	POM	Palm Oil Mill
CSPO	Certified Sustainable Palm Oil	POME	Palm Oil Mill Effluent
CSPK	Certified Sustainable Palm Kernel	PPE	Personal Protective Equipment
CSR	Corporate Social Responsibility	PEFC	Program Endorsement Forest Certification
CSV	Create Share Value	PT	Perseroan Terbatas ( <i>Limited Company</i> )
EFB	Empty Fruit Bunch	PHL	Pekerja Harian Lepas ( <i>Temporary Workers</i> )
EoF	Eye on the Forest	PKO	Palm Kernel Oil
FFB	Fresh Fruit Bunches	PKE	Palm Kernel Expeller
FGD	Forum Group Discussion	PKWT	Perjanjian Kerja Waktu Tertentu ( <i>Piece Rate working</i> )

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GPS	Global Positioning System	RKL	Rencana Kelola Lingkungan ( <i>Environmental Management Plan</i> )
HIRAC	Hazard Identification and Risk Assessment Control	RKS	Rencana Kelola Sosial ( <i>Social Management Plan</i> )
HCV	High Conservation Value	RPL	Rencana Pemantauan Lingkungan ( <i>Environmental Monitoring Plan</i> )
Intertek	Intertek Certification International Sdn Bhd	RPS	Rencana Pemantauan Sosial ( <i>Social Monitoring Plan</i> )
ISCC	International Sustainable Carbon Certification	RAU	PT. Rigunas Agri Utama
IPM	Integrated Pest Management	RTEs	Rare, Threaten & Endangered Species
KER	Kernel Extraction Ration	SCCS	Supply Chain Certification System
KKPA	Kredit Koperasi Primer Anggota	SIA	Social Impact Assessment
KUD	Koperasi Unit Desa	SOP	Standard Operating Procedure
MB	Mass Balance	SPK	Surat Perjanjian Kerja ( <i>Working Agreement Letter</i> )
MSDS	Material Safety Data Sheet	VA	Visiting Agronomy
Mt	Metric ton	VE	Visiting Engineer
NGO	Non-Government Organization		
OER	Oil Extraction Ratio		
OHS	Occupational Health & Safety		

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## 2.0 ASSESSMENT PROCESS

### 2.1 Assessment Methodology, Plan and Site Visits

Since **14 November 2018**, Intertek has initiated public communications and notifications and invited the relevant stakeholders before the assessment to provide feedback and comments on their concern (if any) on PT. Rigunas Agri Utama – Peranap regarding the environmental, biodiversity, community development and other relevant issues.

From **26 - 30 November 2018**, the Assessment team of Intertek conducted the 4<sup>th</sup> Surveillance Assessment (ASA-04) in which two out of two estates under the PT. Rigunas Agri Utama i.e. Peranap estate and Peranap Scheme Smallholders (Plasma) as well as the palm oil mill were assessed for compliance against the RSPO requirements.

The number of estates sampled was based on a high-risk sampling of  $0.8\sqrt{y} \times \text{risk} (1.4)$ , where  $y$  is the number of estates, minimum estate sampled is  $0.8\sqrt{2} \times \text{risk} (1.4) = 2$  estates. For scheme smallholders (Plasma), samples are distributed proportionally based on number of cooperative and farmers/members. Total cooperatives are 11 unit with total members are 2,592 farmers, minimum sampled KUD is  $0.8\sqrt{11} \text{ KUDs} \times \text{risk} (1.4) = 4$  KUDs (sampled during audit 6 KUDs) and minimum sampled members is  $0.8\sqrt{2.592} \text{ members} \times \text{risk} (1.4) = 58$  members (sampled during audit 70 members). List of Peranap Plasma cooperative as “**Appendix E**”. Potential risks based on social, environmental and biodiversity issues such as their proximity to forest reserves, hill sides, riparian zones, high conservation value areas, transfer audit from previous CB.

During the on-site assessment, relevant documents and records, including Standard Operating Procedures (SOP), management plans, hectare development, FFB, CPO and PK production, oil palm age profile, operational controls and measures, operational data and records, training records, etc. were reviewed and verified for compliance. The Assessment team using the process approach auditing technique covered the palm oil mill and estate operations, agricultural practices, pest management, pesticide and fertilizer application, occupational health and safety, social accountability, environment and other requirements. Stakeholders’ interviews were conducted during the assessment and feedback obtained as part of information and evidence gathering (See section 2.5 Process of stakeholder consultation).

PT. Rigunas Agri Utama - Peranap POM was also assessed against the requirements of the RSPO Supply Chain Certification Standard for CPO mill (See section 3.1.1). This part of the assessment covered the verification of implementation of documented procedures and availability of records to demonstrate compliance against all the elements of the appropriate supply chain module applied. These include documented procedure, purchasing and goods in, record keeping, sales and goods out, processing, monitoring and traceability of the CSPO and CSPK quantities, training for staff and claims.

After completion of the on-site field assessment, Intertek also performed the evaluation of conformity against the RSPO Certification System requirements for CB. The assessment report, findings and associated documents were evaluated through an independent review by the Intertek Internal Technical Reviewer/Panel and the External Peer Reviewer (applicable for Initial and Re-Certification assessments) prior to the approval of this report and decision on continued certification by Intertek.

The details of the Assessment Plan (actual on-site) are provided in **Appendix B**.

Details of the findings and actions taken are provided in **Section 3.2 of this report**.

### 2.2 Date of next scheduled visit

The next scheduled visit will be the Re-certification which will be carried out within a 12-month period prior to the certificate anniversary date.

### 2.3 Qualifications of the Lead Assessor and Assessment Team

Competency details of the Lead Assessor and Assessment Team are given in **Appendix A**.

### 2.4 Certification Body

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Intertek Certification International Sdn Bhd is part of the Intertek Group, which is a worldwide technical services organization dedicated to reducing clients' risks by providing technical inspection services, management system certification in quality, environmental, occupational safety & health and product certification, RSPO SCC, ISCC, Marine Sustainability Chain-of-Custody, MTCS and PEFC Chain-of Custody certification in applicable industry sectors including the agricultural and forestry sectors. Intertek operates globally providing clients with a wide-ranging technical inspection expertise and access to thousands of skilled specialists worldwide. Intertek Group's certification business is ranked in the top 10 worldwide and is available globally offering certification across a wide range of industries.

### 2.5 Process of stakeholder consultation

Stakeholder consultations began with notification of the upcoming assessment through the websites of Intertek. E-mails and letters of the same were sent to applicable stakeholders, including government agencies, NGOs and local communities.

During the assessment, stakeholders were interviewed on-site, and their feedbacks were recorded. Among the stakeholders consulted were workers, trade union leaders, women representatives, and local community leaders, representatives of government departments / agencies and contractors.

Details on stakeholders' feedback, company response and Intertek verification / comments are provided in **section 3.3**.

Among the list of key stakeholders consulted was the following:

1. Dinas Perkebunan (Agriculture Department) of Kabupaten Indragiri Hulu (by letter and on-site interview)
2. Dinas Kehutanan (Forestry Department) of Kabupaten Indragiri Hulu (by letter and on-site interview)
3. Dinas Tenaga Kerja dan Transmigrasi (Transmigrasi and Manpower Department) of Kabupaten Indragiri Hulu (by letter and on-site interview).
4. Badan Lingkungan Hidup (Environmental Department) of Kabupaten Indragiri Hulu (be letter and on-site interview)
5. Eye on Forest – NGO (by email)
6. WWF, Riau – NGO (by email)
7. Kepala Desa / Head of village: Pangkalan Kayu, Peranap District, Indragiri Hulu Regency, Riau (on-site interview)
8. Kepala Desa / Head of Village: Pesajiau, Peranap District, Indragiri Hulu Regency, Riau (on-site interview)
9. Serikat Pekerja / Labour Union of PT. Rigunas Agri Utama (on-site interview).
10. Gender Committee of PT. Rigunas Agri Utama (on-site interview)
11. Ketua SPSI / Labour Union Head – PT. Rigunas Agri Utama (on-site interview)
12. Outside FFB supplier: Gapoktan Petani Maju (on-site interview)
13. Contractor: Building contractor (on-site interview)
14. Clinic staff of PT. Rigunas Agri Utama (on-site interview)

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## 3.0 ASSESSMENT FINDINGS

### 3.1 Summary of findings

#### Principle 1: Commitment to transparency

Criterion 1.1		
Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
Indicators	Findings and Objective Evidence	Compliance
<p>1.1.1. List of information related to criterion 1.2 that can be accessed by relevant stakeholders shall be available</p> <p>Minor compliance</p>	<p><b>Estate, Mill and Scheme Smallholders (plasma):</b></p> <p>The company has documented and maintained stakeholder list in “<i>Daftar Stakeholder PT Rigunas Agri Utama</i>” updated in August 2018 and list of stakeholders in scheme smallholders (plasma) is documented in “<i>Daftar list stakeholders kebun plasma Peranap - 2018</i>”.</p> <p>Stakeholder consists of governance agency, head of village, community leader, labour union and third parties. Data and information will be update by “Humas” Department if there are changes of stakeholders</p> <p>Information provided to stakeholders specified in social communication and consultation procedures no. AA-GL-5008.1-R1. The company has determined type of information that is available and accessible to all stakeholders, it was noted there are 30 types of information that is available to stakeholders covering environmental, social and legal /permit.</p> <p>All information accessible by interested parties, “Humas” Department responsible to provide information and for confidential information, e.g. financial, trading, etc. go through to the Regional Head Office for approval.</p> <p>The company communicated information available to stakeholders regularly, the last meeting with stakeholders was done on 10 &amp; 12 November 2018.</p>	Complied
<p>1.1.2 Records of requests for information and responses shall be maintained.</p> <p>Major Compliance</p>	<p><b>Estate, Mill and Scheme Smallholders (plasma):</b></p> <p>The company has established and implemented a mechanism for receiving and providing information in the procedure - SOP “<i>Penanganan Permintaan Informasi Stakeholder</i>” (Handling of Information Request from Stakeholder) SOP AA-GL-5008.1-R1 dated 22 August 2011 which explain the mechanism of response to requests for information by referring to the list of stakeholders and stakeholder information according to the principles and criteria for sustainable palm oil. The initial response was given no later than 14 days after receipt of the request from stakeholders.</p> <p>All information except confidential commercial information or information which has a negative impact on the environment</p>	Complied

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	<p>and social can be provided by the company. Request for information outside of the list of public information should be approval of top management and the provision of information comes with an official receipt.</p> <p>All information requests from stakeholder and response were listed and recorded in logbook "Information Request and Response year 2018". There is no information request was noted during last year, all records in logbook related to the invitation from local community and governments, donation, etc. The company has submitted report to the authority regularly based on national and local regulation, such as RKL/RPL, Laporan Limbah B3, Laporan Ketenagakerjaan (Labour report), etc.</p>	
<p><b>Criterion 1.2</b> Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>1.2.1 Publicly available documents shall include, but are not necessarily limited to:</p> <p>Major Compliance</p>	<p><b>Estate, Mill and Scheme Smallholders (plasma):</b></p> <p>The company's policy declared that upon request, the following types of mandatory documents are available to the public, such as:</p> <ul style="list-style-type: none"> <li>- land titles/user rights,</li> <li>- occupational health and safety plan,</li> <li>- plans and impact assessments relating to environment and social impacts,</li> <li>- pollution prevention plans,</li> <li>- details of complaints &amp; grievances,</li> <li>- negotiation procedures</li> <li>- continuous improvement plan)</li> <li>- Public summary of certification assessment report.</li> </ul>	Complied
<ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> </ul>	<p>Copies of all the land titles were available and have been maintained in Estate and copy of land title (Sertifikat Hak Milik/SHM) scheme smallholder – plasma available in KUD's office and held by the members.</p>	Complied
<ul style="list-style-type: none"> <li>• Occupational health and safety plans (Criterion 4.7);</li> </ul>	<p>Policy and HIRAC documented for estates, mill and Plasma. Occupational Safety and Health Plan documented, reviewed and implemented. OHS Plan includes the establishment and implementation of HIRAC, medical surveillance, Emergency Response, Fire Drill, First Aid and PPE.</p>	Complied
<ul style="list-style-type: none"> <li>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</li> </ul>	<p>The renewal AMDAL approved by Governor of Riau no. 660.1/BAPEDAL Prop/AMDAL/567a, on 04 November 2002 for areas 5,215.24 ha (estate), 23,502.26 ha (plasma), and Mill Capacity of 60 MT/hour</p> <p>Review of social impact assessment was done in 2017 by internal together with group stakeholder consultations (internal and external parties). Positive and negative impacts and action plans required were considered. Social Impact Management Action Plans were noted to be reviewed and revised accordingly.</p> <p>See also findings under Criteria 5.1, 6.1 and 7.1.</p>	Complied
<ul style="list-style-type: none"> <li>• HCV documentation (Criteria 5.2 and 7.3);</li> </ul>	<p>HCV Assessment has been conducted at Peranap Estate and Plasma areas by independent assessors from Forestry</p>	Complied

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	<p>Department, Bogor Agriculture University on 24 - 28 September 2012.</p> <p>Monitoring and control of any illegal hunting within the company were implemented via patrolling at the estates as evidenced in the records of the Patrol log books.</p> <p>All HCV identified areas was mapped in HCV Identification Report.</p> <p>HCV areas were identified (109.99 ha) during HCV Assessment, as follows:</p> <ul style="list-style-type: none"> <li>- HCV 1.2 &amp; 4.1: riparian zone of Ketipo, Todung, Pelangkawan and Senkilo river (109.76 ha) as well as water pond (0.22 ha) with buffer zone 50 meters both sides of the river based on National laws.</li> <li>- HCV 6: Pohon Madu / Sialang tree (<i>Koompasia sp.</i>): 0.01 ha.</li> </ul> <p>There is no HCV present within the Plasma areas.</p>	
<p>• Pollution prevention and reduction plans (Criterion 5.6);</p>	<p>Source of waste and pollutant and type of waste and pollutant has been identified as documented in "Identifikasi Aspek Lingkungan", updated on 05/04/2017.</p> <p>Source of waste / pollutant in estate: land clearing, nursery, planting, spraying, fertilizer, pest and disease control, harvesting, warehouse, storage of hazardous waste, workshop and mill: loading ramp until dispatch of CPO/PK, water treatment, LA, boiler, genset,</p> <p>POME treatment and land application is monitored, maintained and adhered to national laws</p> <p>Pollution Prevention and Reduction Management Plans were reviewed and carried out. Documented pollution prevention and reduction plans include measures for pollution control (smoke emission, POME / effluent discharge), pesticides reduction, scheduled wastes (chemicals, hydraulic oil, filters) and domestic wastes disposal, reuse and recycling (paper, glass, plastic).</p>	<p>Complied</p>
<p>• Details of complaints and grievances (Criterion 6.3);</p>	<p>The estate, mill &amp; Plasma had maintained complaints and grievances in "Complaint - Logbook"</p> <p>It was also confirmed based on interview with surrounding village representative, labour union, workers, and Gender Committee that the complaints handling by the company is effective, timely and appropriate manner.</p> <p>For the period concerned, the POM, estates &amp; Plasma did not receive any complaints from any external stakeholders within 12-months period. All records of log book from external are request donation and road maintenance and complaint and grievances from internal mostly for housing maintenance.</p>	<p>Complied</p>
<p>• Negotiation procedures (Criterion 6.4);</p>	<p>The company has established procedures of identifying legal customary or user rights in "Calculation and compensation method" SOP AA-GL-5003.1-R1.</p>	<p>Complied</p>



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	Based on interview with surrounding stakeholders and local government confirmed that there is no traditional land use right within the company concession areas. Therefore, there has been no record of any negotiation or compensation pertaining to this criterion.	
• Continual improvement plans (Criterion 8.1);	Continuous Improvements Plans in key operations for the POM and estates have been identified, documented and progressively implemented on ongoing basis.	Complied
• Public summary of certification assessment report;	Public summary of certification assessment reports is available from the company upon request.	Complied
• Human Rights Policy (Criterion 6.13).	Human rights policy was determined on the Company Policy dated 01 December 2014. Policy has been disseminated to all workforce on 13 July 2018 and 08 August 2018.  This policy also has been communicated to all customer and supplier on 17 July 2018.  Based on the interviews done with the workers, labour union and stakeholders (i.e. Manpower Department Officer of Kabupaten Indragiri Hulu), confirmed that there are no issues related to human rights violations.	Complied
<b>Criterion 1.3</b> Growers and millers commit to ethical conduct in all business operations and transactions.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
1.3.1 There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.  Minor Compliance	<b>Estate, Mill and Scheme Smallholders (plasma):</b>  Written policy committing to code of ethical conduct and integrity in all operations and transactions was available in "Company Policy" dated 1 December 2014 and signed by the Managing Director.  This policy has been communicated to all levels of the workforce and operations, including contracted third parties. Dissemination of code of ethics policy has been carried out on 05/03/2018, attended by 78 participants in mill operation and 05/09/2018, attended by 69 participants which included the scheme smallholders (plasma).	Complied

### Principle 2: Compliance with applicable laws and regulations

<b>Criterion 2.1</b> There is compliance with all applicable local, national and ratified international laws and regulations.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
2.1.1 Evidence of compliance with relevant legal requirements shall be available.  Major Compliance	<b>Estate, Mill and Scheme Smallholders (plasma):</b>  The relevant laws and legislations identified and listed cover regulations governing land tenure and land-use rights, labour, agricultural practices (e.g. chemical use), environment (e.g. wildlife laws, pollution, environmental management and forestry laws), storage, transportation and processing practices, and ratified international laws.  Copies of the legal requirements were shown and maintained properly, e.g.:  <u>Best Practice Agronomy for Plantation and mill, such as:</u>	Complied

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	<ul style="list-style-type: none"> <li>- UU No. 5/1960 – Basic Agrarian law.</li> <li>- UU No. 12/1992 - cultivation system.</li> <li>- UU No. 41/1999 – Forestry</li> </ul> <p><u>Environmental legal compliance such as:</u></p> <ul style="list-style-type: none"> <li>- Government regulation of the Environment No. 5/2014 - water quality standard, environmental impact analysis, etc.</li> <li>- Government Regulation No. 101/2014 hazardous waste management.</li> <li>- Government Regulation No. 41/1999 re: Emission Control,</li> </ul> <p><u>Conservation legal compliance, such as:</u></p> <ul style="list-style-type: none"> <li>- Keppres No. 32 / 1990 regarding Management of protected areas comply by identifying areas comply with HCV in the estate and surrounding area, perform management and monitoring of HCV</li> <li>- UU No. 5 / 1990 regarding the conservation of natural resources and ecosystems, comply with managing HCV areas, create HCV management and monitoring plan and performed it well, create procedures regarding HCV protection.</li> </ul> <p>The company had carried out a Compliance Checks, based on the site observations, interviews and records checking at the POM, own estates and plasma estates. There were evidences of compliance with the relevant laws, regulations, local and international laws. There were no cases of any violation or actions imposed by relevant authorities.</p> <p>The company has obtained Izin Lokasi (<i>Location Permit</i>), Izin Usaha Perkebunan – IUP (<i>Operational Business Permit</i>), SEIA (<i>AMDAL</i>), Land title (<i>HGU</i>), Izin Penyimpanan Limbah B3 (<i>Hazardous waste storage permit</i>), Izin Land Aplikasi (<i>Land Application permit</i>), Approval OHS Committee, register labour union, PKB (<i>Collective Labour Agreement</i>), minimum wages paid based on regulation, medical surveillance, using approval pesticides, approval operators (<i>Surat Izin Operator</i>), disposed schedule waste to approval collector, mill machineries permit, register workers in Social Insurance (BPJS Ketenagakerjaan) &amp; Health Insurance (BPJS Kesehatan), etc.</p> <p>The company submitted report to the authority regularly, such as: Laporan Bulanan Ketenagakerjaan (<i>Labour Monthly report</i>), Laporan Rencana Pengelolaan dan Pemantauan Lingkungan (<i>RKL / RPL Report</i>) per semester, included environmental monitoring, Laporan Konservasi (Conservation report) to “Badan Konservasi Sumber Daya Alam, Riau Province”, etc.</p>	
<p>2.1.2 A documented system, which includes written information on legal requirements, shall be maintained.</p> <p>Minor Compliance</p>	<p><b>Estate, Mill and Scheme Smallholders (plasma):</b></p> <p>The company has established and implemented a documented procedure for identifying, determining, reviewing and updating applicable legal and other requirements. It has included the listing of laws and regulations that were being monitored for changes (reference SOP - Procedure “Identification and evaluation regulation compliance” no. AA-GL-5001.1-RO.)</p>	<p>Complied</p>

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<p>2.1.3 A mechanism for ensuring compliance shall be implemented.</p> <p>Minor Compliance</p>	<p><b>Estate, Mill and Scheme Smallholders (plasma):</b></p> <p>The mechanism for ensuring compliance involved updating (when necessary) and an annual review with the compliance status indicated in the "Evaluasi Pemenuhan Hukum PT. Rigunas Agri Utama" updated on 15/08/2018.</p>	<p>Complied</p>
<p>2.1.4 A system for tracking any changes in the law shall be implemented.</p> <p>Minor Compliance</p>	<p><b>Estate and Mill:</b></p> <p>Legal requirement evaluation mechanism regulated under SOP "Pemenuhan Peraturan Perundang-undangan dan Perubahannya" (No. SOP; AA-GL-5001.1-RO) dated 5<sup>th</sup> December 2009. The procedure explains the stages for evaluation applicable legal requirements, person in charge and ensures implementation of legal requirements.</p> <p>A system for tracking any changes of regulation conducted by Public Relation Department (<i>Humas Department</i>) officer through searching in internet and/or communication with local government.</p> <p><b>Scheme Smallholders (Plasma):</b></p> <p>Scheme manager will inform the scheme smallholders (cooperative) if there is any a change or amendment in laws and regulations. Scheme manager conduct meetings with the cooperative members to ensure compliance, the last updated was done on 15/08/2018.</p> <p>There was noted changes of Agriculture Ministry regulation no. 01/2018 related FFB pricing (Penetapan harga TBS). in Indonesia, there is mechanism for FFB pricing is issued weekly by local government (Provincial Agriculture Department). The FFB price is determined through weekly meeting with attended the representative from government officer, companies and smallholders, then FFB price approved by Governor for implemented weekly. This Permentan no. 01/2018 is referred by local government to determine the FFB price weekly. (implementation See indicator 6.10.1)</p>	<p>Complied</p>
<p><b>Criterion 2.2</b> The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>2.2.1 Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Mill:</b></p> <p>Copies of the land titles of POM, own estates and plasma estates were maintained, such as:</p> <ul style="list-style-type: none"> <li>- Izin Lokasi (<i>location permit</i>) Issued by BKPM Provinsi Dati I Riau according "SK. Gubernur Kepala Daerah Tingkat I Riau" no. KPTS.78/I.L-VI/1992 tentang Izin lokasi dan pembebasan hak di Kecamatan Pasir Pinyu dan Peranap Kab. Indragiri Hulu untuk perkebunan kelapa sawit pola PIR-TRANS atas nama PT. Rigunas Agri Utama for areas 12,857 ha.</li> <li>- Izin Usaha Perkebunan: SPUP approved by Dirjen Bina Produksi perkebunan, Departemen Pertanian RI no. HK.350/94/Dj.Bun.5/II/2002, dated 28 Feb. 2002, mill</li> </ul>	<p>Complied</p>

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	<p>capacity: 60 mt/hours and plantation areas: 5,215.242 ha is located in Indragiri Hulu Regency, Riau Province.</p> <ul style="list-style-type: none"> <li>- Land rights / Hak Guna Usaha (HGU): SK. HGU PT. Rigunas Agri Utama no, 18/HGU/DA/2000, dated 27/04/2000 for areas: 5,215.24 ha and certificate No. 03/2000; areas 5,215.142 ha.</li> <li>- Izin Mendirikan Bangunan (IMB) / Mill construction permit no. 28/IMB/2000, issued by Bupati Dati II – Indragiri Hulu, dated 07/09/2000</li> </ul> <p><b>Smallholders (plasma):</b></p> <ul style="list-style-type: none"> <li>- Akte Pendirian Koperasi is available in KUD's office, sample taken: KUD Bukit Makmur, issued by Departemen Koperasi Pengusaha Kecil dan Menengah RI – Kantor Wilayah Provinsi Riau no. 004/BH/KDK 44/1.2/X/1993 and KUD Semelinang Jaya no. 123/BH/KDK 44/1.1/XII/1999.</li> <li>- Land title (Sertifikat Hak Milik / SHM) for all plasma members is maintained in KUD's office and held by members, sample taken:  SHM No. 4: Mr. Suparmin; 20,000 m<sup>2</sup>; 16/11/1998.  SHM No. 19; Mr.Joko Widodo; 20.000 m<sup>2</sup>; 16/11/1998.  SHM No. 1; Mr. Suryanto; 20.000 m<sup>2</sup>; 16/11/1998.</li> </ul> <p>The original copies for mill and Peranap estate are maintained by the Corporate Head office and land title for plasma is kept in KUD's office.</p> <p>The legal use of the land was confirmed to be for agricultural crops (oil palm plantation)</p> <p>There were no recorded or known disputes over the ownership of the land. No changes to the land ownership or new land acquisition since HGU obtained in 2000.</p>	
<p>2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained.</p> <p>Minor Compliance</p>	<p><b>Estate:</b></p> <p>It was verified that there has been no change to the stated land titles and designated use for agricultural crops.</p> <p>Legal boundary markers were sighted and maintained along the perimeters of estate lands which were mapped with differential Global Positioning System (GPS). Locations of legal boundary stones / markers identified and verified to be within the boundary perimeters of the estates.</p> <p>Monitoring of legal boundaries is conducted regularly; the last monitoring was done 02 – 05 June 2018 as documented in "Laporan monitoring &amp; pemeliharaan patok batas - PT. RAU – Kebun Peranap". There were 38 legal boundary markers along the perimeters.</p> <p><b>Scheme Smallholders (Plasma):</b></p> <p>Legal boundaries within scheme smallholder (Plasma) areas were visibly maintained. Based on field inspection in plots sampled, there were noted boundaries using 'concrete' and wooden poles.</p>	<p>Complied</p>

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<p>2.2.3 In the event that there is a dispute or a dispute has occurred, adequate evidence of legitimate acquisition and compensation or compensation settlement process through conflict resolution which has been received through Free, Prior and Informed Consent by all related parties shall be provided.</p> <p>Minor Compliance</p>	<p><b>Estate and Scheme smallholders (Plasma):</b></p> <p>The company areas were a government initialed project back in 1990's (some 20 years ago) under Project 'PIR – Trans" / <i>Perkebunan Inti Rakyat – Transmigrasi</i> or Transmigration Program for Agricultural Nucleus Estates for Community, where land was allocated by the Government to transmigrant communities and selected private companies such as PT. Rigunas Agri Utama for economic agricultural development.</p> <p>There has been no dispute on the land rights in the company since the said program was started.</p> <p>As such, the process of fair compensation and FPIC is currently not applied.</p>	<p>Complied</p>
<p>2.2.4 There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved.</p> <p>Major Compliance</p>	<p><b>Estate:</b></p> <p>Verified that there were no land conflicts or land expansion at this company unit since 1992. Process for conflict resolution verified to be publicly available on company website: <a href="https://www.asianagri.com/id/keberlanjutan/panel-keberlanjutan/keluhan-pengaduan">https://www.asianagri.com/id/keberlanjutan/panel-keberlanjutan/keluhan-pengaduan</a></p> <p>PT. Rigunas Agri Utama has established a mechanism for resolution of conflicts and disputes through SOP for Social Conflict and Land Dispute Resolution (document no: AA-GL-0052.1-R1.)</p> <p>The said procedure stated the process for resolving any land conflict or dispute including proper legal action in court, if the disputes are not able to be solved in an amicable manner.</p> <p>There was no issue of any land dispute during the last public consultation done with stakeholders on 10 &amp; 12 November 2018.</p> <p>The audit had reviewed the matter and verified during on-site direct consultation and stakeholder interviews that there was no evidence of any complaints related to land disputes between the company and the surrounding community.</p> <p><b>Scheme smallholders (Plasma):</b></p> <p>Plasma areas is initiated by government through the PIR-Trans project, there was no land dispute was noted since this Plasma project started in 1994.</p>	<p>Complied</p>
<p>2.2.5 For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable).</p> <p>Minor Compliance</p>	<p><b>Estate and Scheme smallholders (Plasma):</b></p> <p>No land disputes in the company. As such the process of participatory mapping is not applicable for verification of implementation.</p>	<p>Not applicable</p>
<p>2.2.6 To avoid escalation of conflict, there shall be no evidence that palm oil operations have</p>	<p><b>Estate and Scheme smallholders (Plasma):</b></p>	<p>Complied</p>

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<p>instigated violence in maintaining peace and order in their current and planned operations.</p> <p>Major Compliance</p>	<p>No evidence that the palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.</p>	
<p><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.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>2.3.1 Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</p> <p>Major Compliance</p>	<p><b>Estate:</b> The lands at the company are legally owned by PT. Rigunas Agri Utama and it was noted that there is no dispute on the land rights in the company.</p> <p><b>Scheme smallholders (Plasma):</b> Plasma units have maintained documents showing that legal ownership or lease of the land in the form of property right certificates (SHM) issued by BPN.</p> <p>Scheme smallholders (Plasma) was developed based on Izin Lokasi (Location Permit) issued by the Governor Riau no. KPTS.78/IL-VI/1992 covering areas 12,857 ha, which included Peranap Estate.</p> <p>There was no issue of any land dispute during the last public consultation done with stakeholders and the local community on 23 November 2018 as per the meeting records maintained.</p> <p>The audit had reviewed the matter and verified during on-site direct consultation of the smallholders and local community interviews that there was no evidence of any complaints related to land disputes between the company and the surrounding community.</p> <p>Documents showing legal ownership or lease of the land were complete and made available for audit. These were kept in Smallholder office/KUD.</p>	<p>Complied</p>
<p>2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a. Evidence of consultation b. Statement of transfer of rights c. Evidence of compensation see specific guidance 2.3.2</p> <p>Minor Compliance</p>	<p><b>Estate and Scheme smallholders (Plasma):</b> The company areas were a government project back in 1990's, the project was initiated as PIR-Trans of Community Transmigration Program where the land was prepared by government with legal requirements and does not infringe on any legal rights that require free, prior and informed consent (FPIC).</p>	<p>Complied</p>
<p>2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed</p>	<p><b>Estate and Scheme smallholders (Plasma):</b> No cases of land claims in this company.</p>	<p>Complied</p>

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benefit sharing, and legal arrangements.	As such this process is not applicable for verification.	
Minor Compliance		
2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.	<b>Estate and Scheme smallholders (Plasma):</b>  As per above.	Complied
Major Compliance		

### Principle 3: Commitment to long-term Economic & Financial Viability

<b>Criterion 3.1</b>		
There is an implemented management plan that aims to achieve long-term economic and financial viability.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
3.1.1. A documented management plan, a minimum of three years shall be available, including, where appropriate, plan for scheme smallholders	<p><b>Estate and Mill:</b></p> <p>Palm Oil Mill has documented a 5-year (FY2018 to FY2023) Business Management Plan consist of:</p> <ul style="list-style-type: none"> <li>- Mill extraction rates (OER and KER trends)</li> <li>- Production cost</li> <li>- Profitability forecast.</li> </ul> <p>The respective Estates have documented a 5-year (FY2018 to 2023) Business Management Plan with details:</p> <ul style="list-style-type: none"> <li>- Yield production (Mt/year)</li> <li>- Production cost</li> <li>- Hectare statement</li> <li>- Replanting program</li> </ul> <p>The achievement of the management plan is reviewed every month in the Estate Unit Report (LUK) and Mill Unit Report (LUP). Reviewing of LUK and LUP – 2018 was verified during audit.</p> <p>Verified that there was no peat land in certified areas of PT Rigunas Agri Utama. Therefore there was no issue or long-term viability plan needed for plantation related to peat.</p> <p>The company has a system to improve practices in line with new information and techniques with implementing internal control and monitoring processes, check and report the implementation of the Management Guidelines. These include independent checks of the Mill and Estates by the corporate internal audit. The team in charge for internal audits is the Sustainability team and R &amp; D department. The internal audit was done on 02 – 03 April 2018, there are 9 NCs was raised during internal audit and it have been closed out in June 2018.</p> <p>The company has defined the procedure to address non-compliance and corrective action for continuous improvement.</p> <p><b>Scheme smallholders (Plasma):</b></p>	Complied
Major Compliance		

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	<p>The respective scheme smallholders (plasma) have documented a 3-year (FY2018 to 2021) Business Management Plan with details:</p> <ul style="list-style-type: none"> <li>- Number of members and farmer group.</li> <li>- Hectarage</li> <li>- Projection of FFB production (production yield)</li> <li>- Production cost (Rp./Mt FFB)</li> <li>- Production cost (Rp./Mt FBB)</li> <li>- Net income (Rp./Mt FFB)</li> </ul> <p>Sample taken:  KUD Bukit Makmur and KUD Semelinang  “Estimasi Biaya Produksi 2018 – 2021”</p>	
<p>3.1.2 An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</p> <p>Minor Compliance</p>	<p><b>Estate:</b></p> <p>Annual replanting program had been prepared for FY2020 / 2026 for the estates with details as follows:</p> <ul style="list-style-type: none"> <li>- FY2020: 332 ha</li> <li>- FY2021: 541 ha</li> <li>- FY2022: 585 ha</li> <li>- FY2023: 559 ha</li> <li>- FY2024: 569 ha</li> <li>- FY2025: 576 ha</li> <li>- FY2026: 496 ha</li> </ul> <p><b>Scheme smallholders (Plasma):</b></p> <p>Annual replanting in Plasma areas under socialization and it will be planned based on input from the members. At present, there has been no replanting yet.</p>	<p>Complied</p>

### Principle 4: Use of appropriate best practices by growers and millers

<p><b>Criterion 4.1</b>  Operating procedures are appropriately documented, consistently implemented and monitored.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>4.1.1 Standard Operating Procedures (SOPs) for estates (land clearing to harvesting) and SOP for mills (reception of FFB to dispatch of CPO and PKO) shall be available.</p> <p>Major Compliance</p>	<p><b>Estate and Mill:</b></p> <p>Standard Operating Procedures for the POM and Estate operations were available and verified to be maintained. Verified samples of SOP for the POM operations which were maintained include: Receiving Station (AA-MPM-OP-1400.02-R1), Sterilizer Station (AA-MPM-OP-1400.03-R1), Loose Fruit Separation Station (AA-MPM-OP-1400.04-R1), Mixing Station (AA-MPM-OP-1400.05-R1), Clarifying Station (AA-MPM-OP-1400.06-R1), Nut &amp; Fiber Separation Station (AA-MPM-OP-1400.07-R1), Kernel Station (AA-MPM-OP-1400.08-R1), Boiler Station (AA-MPM-OP-1400.09-R1), dispatch CPO &amp; Palm Kernel (AA-MPM-OP-1400.14-R1)</p> <p>Verified samples of SOP for the Estate operations which were maintained include: seedling (AA-APM-OP-1100.01. R1), land preparation (AA-APM-OP-1100.02. R1), Road (AA-APM-OP-1100.03. R1), soil and water conservation (AA-APM-OP-1100.05. R1), planting legium cover crops (AA-APM-OP-1100.06. R1), planting (AA-APM-OP-1100.07-</p>	<p>Complied</p>



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	<p>R1), weeding control (AA-APM-OP-1100.08. R1), manuring (AA-APM-OP-1100.09. R1), pest and disease control (AA-APM-OP-1100.10. R1), pesticide control (AA-APM-OP-1100.11. R1), census AA-APM-OP-1100.14. R1, harvesting (AA-APM-OP-1100.18. R1) and FFB transport (AA-APM-OP-1100.19. R1).</p> <p>Consistent with previous audit result, documented Standard Operating Procedures (SOP) for Estate and mill were available and maintained.</p> <p>SOPs are implemented and understood by workers. SOPs is displayed at work stations within the mill and each division in estate. The procedures have been disseminated periodically to all related employees (harvesters, sprayers, mill operators, etc.), especially during “morning call”. Interviews done with the employees indicate satisfactory level of understanding and implementation in relation to their respective job function.</p> <p><b>Scheme smallholders (Plasma):</b></p> <p>SOP is documented in “Agricultural Policy Manual”, dated 01<sup>st</sup> March 2013, consist of 4 procedures, such as:</p> <ol style="list-style-type: none"> <li>1. AA-PLASMA-PP-KS-01 (Pembibitan/Nursery)</li> <li>2. AA-PLASMA-PP-KS-01 (Pengendalian Hama dan Penyakit/Pest and Disease control)</li> <li>3. AA-PLASMA-PP-KS-01 (Pemupukan/Manuring).</li> <li>4. AA-PLASMA-PP-KS-01 (Potong buah/panen).</li> </ol>	
<p>4.1.2 Checking or monitoring of operations procedures is conducted at least once a year</p> <p>Minor Compliance</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>Master list of SOPs and revision is available and maintained.</p> <p>Hardcopy of procedure were available and controlled. Copies of the procedure were available on site and were documented in “Bahasa Indonesia”, SOP distribution to all section and division was documented.</p> <p>Monitoring of operation procedures was conducted per semester as documented in Visit Engineering (VE) and Visit Agronomy (VA) from Head office done on 20 – 23 May 2018.</p> <p>Corrective actions were documented as evidenced.  Sample taken:  Corrective action taken for VE findings on conveyor maintenance, tank tower platform, etc. It was seen that non-compliance have been addressed appropriately.</p> <p>Procedure to address non-compliance and corrective action for continuous improvement defined in procedure preventive and corrective action.</p>	<p>Complied</p>
<p>4.1.3 Records of monitoring and any follow-up actions shall be available.</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>The records of monitoring and the actions taken over the past 12 months had been maintained at the mill and estates assessed.</p>	<p>Complied</p>

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Minor Compliance	These records had been verified to have been satisfactorily maintained.	
<p>4.1.4. 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><b>Estate and Scheme smallholders (Plasma): N/A</b></p> <p><b>Mill:</b>            FFB incoming from third parties is recorded daily basis and incorporated into the Monthly Report. Currently, Peranap Mill has 21 FFB suppliers (excluded Plasma) and 13 has been developed under CSV (Create Share Value) program. This program generated to ensure that all FFB suppliers of Peranap POM from traceability sourced and no incoming FFB illegal sources (e.g. from National Park, forest area, peat land and illegal areas).</p> <p>Recently, the NGO “Eye on the Forest” (EoF), had released a report alleging that the POM had received FFB from deforestation areas (Tanam Nasional Tesso Nilo and Kawasan Hutan Bukit Barisan). The said NGO had invited all companies which was suspected of receiving illegal FFB from deforestation areas prior “Enough is Enough” report released in June 2018.</p> <p>EoF had also requested the Big 4 and 20 global traders and brands mentioned in the report to check the draft report and inform EoF of factual errors with supporting evidence.</p> <p>Overall, the responses from the companies were positive. Many agreed with EoF recommendation to work together towards a solution, whether their links to the problems in the two landscapes are direct or indirect. Some informed about their engagement with specific direct or indirect suppliers.</p> <p>One company explained that a ‘Delivery Order’ holder was identified and suspended. Some explained that they had stopped sourcing from mills highlighted in the report.</p> <p>The company had uploaded the said EoF report in their website for public view:  <a href="https://www.asianagri.com/id/keberlanjutan/panel-keberlanjutan/keluhan-pengaduan">https://www.asianagri.com/id/keberlanjutan/panel-keberlanjutan/keluhan-pengaduan</a></p> <p>The company was committed to sustainable practices and had accordingly taken actions to improve the monitoring process to ensure that all FFB suppliers from legal source, such as:</p> <ol style="list-style-type: none"> <li>1. The company has procedure to identify all FFB suppliers as documented in SOP no. AA-SOP-MM-506.4-R1 – Pembelian TBS Luar dan Grading.</li> <li>2. All FFB supplier must fulfill the company requirements, such as: legal rights (SHM, Surat Girik, dan/atau SK Camat).</li> <li>3. All FFB supplier shall sign “Surat Pernyataan” which state that FFB are produced from legal sources, no deforestation, not planted in forest area, conservation areas, protected forest areas, zero burning, no child labour and readiness to allow the company take GPS positions.</li> <li>4. Smallholder estate / farm inspection was done to all farm which supplied FFB to Peranap POM, list of suppliers consists of name of member, address, GPS</li> </ol>	Complied

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	<p>positioning, it was verified during audit to ensure land rights, planting years, yield, and distance from mill and National Forest of Bukit Barisan.</p> <p>5. The company was able to produce the List of suppliers, based on review of these list. Audit was able to verify that the company has taken appropriate actions to ensure that all their supplier fulfill the company requirements.</p> <p>Samples taken on the list of suppliers:</p> <ul style="list-style-type: none"> <li>- Asosiasi Swadaya Mandiri: 162 members: 809 ha</li> <li>- KT. Rezeki jaya: 32 members (158 ha)</li> <li>- KT. Timber Jaya 39 members (200 ha)</li> <li>- KT. Sumber Harapan: 33 members (200 ha)</li> <li>- KT. Bukit Permai Jaya: 51 members (150 ha)</li> <li>- KT. Timber Permai: 34 members: (150 ha).</li> </ul> <p>6. The company has started Create Share Value (CSV) program to ensure that FFB suppliers able to monitored and cooperative closely as well as supporting the independent smallholders to manage their farm in a sustainable way.</p> <p>7. Based on identification of FFB suppliers, the company issued quota to the suppliers based on yield production, the company will automatically stop received FFB from supplier if their quota achieved.</p> <p>8. The company has sufficient staff as dedicated in "Traceability Team" to monitor incoming FFB from all the suppliers and to ensure that all FFB are received for legal sources.</p> <p>9. The company was able to demonstrate its commitment to sustainable and legal practices with actual termination of contracts with FFB suppliers, once they are found to supply FFB from illegal sources.</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>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>4.2.1 A record of SOP implementation to maintain soil fertility that ensures optimal and sustained yield, shall be available.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Consistent with previous audit findings, the company has established SOPs for Good Agricultural company Practices in managing soil fertility which defined in Manuring Procedure (AA-APM-OP-1100.09-R6 dated 12 June 2017), Soil and Water Conservation (AA-APM-OP-1100.05-R1) and Manuring Guide for Smallholders (AA-PLASMA-PP-KS-03).</p> <p>The company has implemented the SOP, it was seen that leaf and soil sampling is taken regularly, fertilizer recommendation issued by R &amp; D Department and dosage fertilizer applied based on recommendation, the company also applied POME Land Application and EFB to increasing soil nutrient.</p>	Complied
<p>4.2.2 Records of fertiliser inputs shall be maintained.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Records of fertilizer inputs are well maintained in document "Rencana dan Realisasi Pemupukan". Fertilizer recommendation in 2018 for Peranap Estate &amp; Plasma has</p>	Complied

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	<p>been defined based leaf sampling unit (LSU) and Soil sampling unit (SSU).</p> <p>Record of fertilizer usage per ton FFB is available and maintained, type of fertilizer usage are ZA, MOP, Dolomite, Rock Phosphate, and HGFB.</p>	
<p>4.2.3. Records of periodical leaf, soil and visual analysis shall be available.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The has been a work instruction for LSU (Leaf sampling unit) and Soil sampling unit (SSU) which is issued by Research and Development of Asian Agri. Leaf sampling analysis is done annually and soil sampling done at least every five years.</p> <p>The last of leaf sampling analysis was done as “Foliar Analysis Report” dated 3 May 2018 no: 064/INT/R&amp;D/MEI/L/18, which contains nutrient elements contained in the sampled leaves from all blocks (Ash, N, P, K, Mg, Ca, B).</p> <p>Records of soil analysis was also available as seen on “Soil Analysis Report” dated 3 November 2018 no: 033/RD-INT/S/NOV/18, which covers soils from each division at several blocks according to soil depth class. There are parameters of soil physical characteristic along with nutrient contents i.e. CA, Mg, K, pH, P.</p> <p>Leaf and soil sampling analysis are using to develop fertilizer recommendation annually.</p>	Complied
<p>4.2.4 A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Nutrient recycling strategy is conducted by the company through POME &amp; EFB application as well as stacking frond. The POME is applied on field by using piping system and flat bed and was verified on-site during the audit at Block A93D.</p> <p>The dosage for POME application is 375 m<sup>3</sup>/ha/year with 3 times rotation. While the EFBs are applied by manually spread them around each palm with standard dosage of 250 kg/palm, block sampled visit for EFB application in A94B.</p> <p>Records of POME and EFB application in Peranap Estate were maintained and verified and no EFB and POME is applied in Plasma areas due to distance from mill reason.</p>	Complied
<p><b>Criterion 4.3</b> Practices minimise and control erosion and degradation of soils.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>4.3.1 Maps of any fragile soils shall be available.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Consistent with previous audit findings, there was no areas with fragile soils in Peranap and Plasma Estate based on Map of Soil Type (Asian Agri Research and Development Centre Tebing Tinggi – Sumatera Utara, October 2012). Georeferenced map was available with scale 1:25,000. Types of soils are Endoaquepts, Dystrudepts, and Hapludults.</p>	Complied

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<p>4.3.2 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><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has management strategy for planting on slope areas above certain limit, as referred to company's SOP and work instructions. The work instruction AA-APM-OP-1100.05-R1 described preparation for planting including planting on slopes area has been developed, such as:</p> <ul style="list-style-type: none"> <li>- Flat undulating 0° – 5°</li> <li>- Rolling 6° - 12°</li> <li>- Hilly 13° - 20°</li> <li>- Steep &gt;20°</li> </ul> <p>System for planting on slopes area was provided through terracing, levelling of terrace, planting legume cover crops and determining of planting space. During field verification to estate and plasma there were several evidences of terracing and "silt pit" in place. Reconfiguration of those landscape management will be conducted during replanting.</p> <p>There was no soil erosion noted during current assessment at the estates and plasma.</p>	<p>Complied</p>
<p>4.3.3 A road maintenance programme shall be in place.</p> <p>Minor Compliance</p>	<p><b>Estate:</b></p> <p>The company has established road maintenance program for main and collection road by manual and mechanical maintenance. Road maintenance includes manual, grading and compacting and road hardening. Manual road maintenance was implemented based on Division Work Program. Mechanical road maintenance use heavy equipment – motor grader, dump truck and compactor. Example of road maintenance was Monitoring of Cross Drain Maintenance of Estate with monthly progress record.</p> <p><b>Scheme smallholders (Plasma):</b></p> <p>Road maintenance program is conducted by mandatory fee charged to farmers by the group 15/kg of FFB production. Heavy equipment for road maintenance in Plasma is provided by the company.</p> <p>Estate and plasma roads were found to be in good. Annual road maintenance program for 2018 had been verified.</p>	<p>Complied</p>
<p>4.3.4 Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Based on the estate and plasma soil maps, there was no peat soil on any of the estates as confirmed during the current assessment on-site</p>	<p>Not applicable</p>
<p>4.3.5 Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>As per findings above.</p>	<p>Not applicable</p>
<p>4.3.6 A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils).</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Based on the estate soil maps and on-site assessment there were no other fragile and problematic soils found at these estates.</p>	<p>Not applicable</p>

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Minor Compliance				
<b>Criterion 4.4</b> Practices maintain the quality and availability of surface and ground water.				
Indicators	Findings and Objective Evidence	Compliance		
4.4.1 An implemented water management plan shall be in place.  Minor Compliance	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The documented procedure defined water management plan, the plan is consisting of identification of water source, efficiency of water usage, and impact on catchment area and stakeholders, avoidance of surface and ground water contamination.</p> <p>The water sources at Peranap Mill were from surface water (Ketipo River) for mill processing and estate consumption. The company has obtained surface water usage from local authority from "Dinas Pekerjaan Umum dan Perumahan Rakyat Kabupaten Indragiri Hulu" no: 689/KPTS/M/2018, dated 13 September 2018 valid for five years with intake quota is 16.67 liter/second or or 30,000 m<sup>3</sup>/month.</p> <p>For estate operations (include housing, pesticides mixings and office operations) using water sources from ground water (ABT), the ground water usage permit as follows: . New License related ground water (ABT):</p> <ul style="list-style-type: none"> <li>o No. 503/DPMPSTSP/IZIN-ESDM/86 from <i>Badan Pelayanan Perizinan Terpadu</i>, Riau Province on 31 Mach 2017 (valid 3 years) for pump no. 1.</li> <li>o No. 503/DPMPSTSP/IZIN-ESDM/85 from <i>Badan Pelayanan Perizinan Terpadu</i>, Riau Province on 31 Mach 2017 (valid 3 years) for Pump no. 2.</li> <li>o No. 503/DPMPSTSP/IZIN-ESDM/87 from <i>Badan Pelayanan Perizinan Terpadu</i>, Riau Province on 31 Mach 2017 (Valid 3 years) for pump no. 3</li> </ul> <p>The monitoring of water usage in estate and mill was recorded monthly</p> <p>The company has program to reduce water consumption, such as: recycle the water cooler turbine; recycle condensate water dilution; minimize duration of cleaning to be every two weeks.</p> <p>The measurement analysis for surface water was conducted periodically (twice a year) against the standard of PP 82/2001 for Ketipo river, Rotan river, Indragiri river, Pelangkawan river, Sengkilo river by third party laboratory (<i>Dinas Bina Marga</i>, Riau Province) last water test conducted on 25 May 2018 for for upstream and downstream with result all parameters is comply with the regulation.</p> <p>Flow meters were installed to monitor water usage and fee of charged has been paid to local authority (<i>Dinas Pendapatan Daerah Provinsi Riau</i>).</p>	Complied		
4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has identified all water courses in the plantation area and smallholders (plasma) i.e.:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">River</td> <td style="width: 50%;">Area (ha)</td> </tr> </table>	River	Area (ha)	Complied
River	Area (ha)			

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Major Compliance	<table border="1" style="width: 100%;"> <tr> <td style="width: 60%;">Ketipo</td> <td style="text-align: right;">32.70</td> </tr> <tr> <td>Sengkilo</td> <td style="text-align: right;">78.80</td> </tr> <tr> <td>Pelengkawan</td> <td style="text-align: right;">46.51</td> </tr> <tr> <td>Todung</td> <td style="text-align: right;">32.00</td> </tr> <tr> <td>Water pond</td> <td style="text-align: right;">10.00</td> </tr> </table>	Ketipo	32.70	Sengkilo	78.80	Pelengkawan	46.51	Todung	32.00	Water pond	10.00	
	Ketipo	32.70										
Sengkilo	78.80											
Pelengkawan	46.51											
Todung	32.00											
Water pond	10.00											
<p>Protection of water courses are conducted by setting riparian buffer zone as stated on SOP on Riparian Management (AA-APM-OP-1100.21-R2 dated 7 December 2015).</p> <p>Riparian zone has demarcated 50 metres (left and rights side) with plant marking along the river based on national regulation, no any spraying and chemical fertilizer was applied in these areas to prevent chemical contamination into the river</p> <p>Riparian zones were implemented and verified to be satisfactorily marked and maintained during on-site field inspection in Estate.</p> <p>There was no construction of bunds/ weirs/dams across the main rivers or water courses passing through the estates and plasma. It was observed that water was free-flowing.</p> <p>There is no water course within Plasma areas.</p>												
<p>4.4.3 Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6).</p> <p>Minor Compliance</p>	<p><b>Estate and Scheme smallholders (Plasma): N/A</b></p> <p><b>Mill:</b> Peranap Mill waste water (POME) was processed through a series of waste water treatment ponds as effluent pond flow chart.</p> <p>POME treatment pond in good condition with no leakage, the company has established procedure related POME treatment as documented in "Waste Water Treatment and Pond Leakage Handling (AA-KL-01-EFP rev.2 dated 1 December 2010). The nearest river i.e. Ketipo was around 700 m away from the perimeter pond, hence there is no risk of riparian contamination by POME.</p> <p>POME is monitored monthly basis as required by regulation. The last results of POME by independent laboratory "Dinas Pekerjaan Umum, Provinsi Riau" ref #. 1999/MT.1/09.04.29.57 on 25/09/2018, it was found that all parameters are comply with the regulation.</p> <p>POME land application has obtained permit from "Kepala Badan Lingkungan Hidup, Kabupaten Indragiri Hulu" no.21/2017, dated 3 November 2017 (206.50 Ha), valid 5 (five) years.</p>	Complied										
<p>4.4.4 Monitoring of mill water use per ton of FFB shall be recorded</p> <p>Minor Compliance</p>	<p><b>Estate and Scheme smallholders (Plasma): N/A</b></p> <p><b>Mill:</b> Mill water use per Mt FFB is monitored monthly, result of monitoring of mill water use per Mt FFB was sighted in January to October 2018. The company has program to reduce water consumption, such as: recycle the water cooler turbine discharge water basin; recycle condensate</p>	Complied										

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	<p>water discharge water dilution; minimize duration of cleaning to be every two weeks. The water usage data for 2017 and 2018 were as follow:</p> <ul style="list-style-type: none"> <li>- 2018 (until October): 1.05 m<sup>3</sup>/ton FFB.</li> <li>- 2017: 1.08 m<sup>3</sup>/ton FFB.</li> </ul>	
<p><b>Criterion 4.5</b> Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>4.5.1 Monitoring of Integrated Pest Management (IPM) plan implementation shall be available</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>IPM Plan has been developed for estate, included plasma as documented in "Pest and Diseases management program". IPM Plan has been prepared within the budget in 2018.</p> <p>The IPM plans, included detection and census of pest and diseases, weeds controlling, planting and upkeep of beneficial plant, use of pesticide and herbicide.</p> <p>The company has established IPM procedure:</p> <ul style="list-style-type: none"> <li>• AA-APM-OP-1100.10-R1 Pest &amp; Diseases Control</li> <li>• AA-APM-OP-1100.07-R1 Weeding Control</li> <li>• AA-APM-OP-1100.14-R1 Census and Identification Plant</li> </ul> <p>The SOP describes integrated pest control (integrated pest management/IPM) which combines various control techniques e.g. mechanical, biological, physical and chemical, applied Early Warning System (EWS) through periodically census for pests, diseases and rat attack.</p> <p>Records of IPM implementation verified, such as:</p> <ul style="list-style-type: none"> <li>- Leaf eating caterpillar Census for period: January – October 2018,</li> <li>- Rat attack census for period January – September 2018,</li> <li>- Monitoring of barn owl (total 46 boxes, 55% occupancy, and 100% good condition).</li> </ul> <p>So far, there has no outbreak which led to insecticide/rodenticide usage.</p> <p>Pest and disease management for smallholders are conducted directly by the estate personnel.</p> <p>Records on planting of beneficial plants had been verified on the estates and plasma, the beneficial plant planted, i.e. <i>Turnera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i>,</p>	<p>Complied</p>
<p>4.5.2 Training records of Integrated Pest Management (IPM) shall be available.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>IPM training records in 2018 was available and verified during audit, e.g. record of IPM training was done on 23/10/2018 attended by 12 participants.</p>	<p>Complied</p>
<p><b>Criterion 4.6</b> Pesticides are used in ways that do not endanger health or the environment</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>



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<p>4.6.1 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><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company only used approved and registered pesticides, permitted by the relevant authority, and based on “The Green Book of pesticides” issued by The Pesticides Commission of the Agricultural Ministry of the Republic of Indonesia.</p> <p>Circle and path spraying are conducted twice a year using the same active ingredients for each type spraying. Pesticide rotations have been applied. This situation is also applicable for associated smallholders, where all chemical spraying activity is conducted by and according to the company’s personnel and procedures.</p> <p>Pesticides application in Plasma is handled by the Estate.</p>	<p>Complied</p>
<p>4.6.2 Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) shall be available.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Records of pesticides and their active ingredients used LD50, area treated, including active ingredient, area treated, amount applied per ha, use of selective product and rotation number of applications.</p> <p>Records of pesticide used were sighted, e.g. application schedule, list of pesticide use, stock card, agrochemicals applied, quantity and name of sprayers.</p> <p>The quantity of pesticides usage was within the recommended levels as seen on LD50 Monitoring Records which consist data of pesticide toxicity, applied active ingredient and chemical per ha, verified that records of monitoring were maintained.</p>	<p>Complied</p>
<p>4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in Indonesia Best Practice guidelines.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>IPM Plan has been established as documented in “Pest and Diseases management program”. IPM program includes detection and census of pest and diseases, weeds controlling, planting and upkeep of beneficial plant, use of pesticide and herbicide.</p> <p>The IPM plan includes the following:</p> <ul style="list-style-type: none"> <li>• Identification of potential pests.</li> <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 of agrochemical usage.</li> <li>• Prophylactic use of pesticides</li> </ul> <p>Early Warning System (EWS) for pest and disease implemented, e.g. monitoring of pest and disease is performed every 2 months, planted beneficial plant (<i>Turnera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i>) along main and collection road and installed barn owl with ratio 1:25 ha. Agrochemical will be applied if the economic threshold has been exceeded, there is no agrochemical applied during previous year to control pest and disease as well as rat attack.</p>	<p>Complied</p>

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	There was no prophylactic use of pesticides, it's evident by site visit and field observation.	
<p>4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has a complete listing of WHO class 1A, class 1B, and Stockholm or Rotterdam Conventions pesticide. It was well documented.</p> <p>Paraquat was still used, however the company has commitment to reduce paraquat use. Data of paraquat used has been provided since 2009 to 2017, as follows:</p> <p>FY2009: 2,064 liters.  FY2010: 2,033 liters.  FY2011: 4,877 liters.  FY2012: 969 liters.  FY2013: 233 liters.  FY2014: 1,252 liters.  FY2015: 336 liters  FY2016: 621 liters  FY2017: 633 liters  FY2018: 487 liters (up to October 2018)</p>	Complied
<p>4.6.5 Evidence of pesticide application by trained person and in accordance with application guidelines in product label and storage guidelines shall be available. Appropriate safety equipment shall be provided and utilized. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7)</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has established procedure for safe handling and application of pesticide as documented in the SOP AA-APM-OP-1100.11-R1-Management Pesticides and SOP AA-APM-OP-1100.08-R1-Weeding Control. General instructions of security in working with pesticides described in procedure includes the selection of pesticides types, storage, pesticide use, addressing pesticide contamination, first aid instructions and medical assistance.</p> <p>Agrochemical is only handled, used and applied by trained personnel, training for handling limited pesticides was done by trainer from "Pesticide Commission of Agriculture Department of Riau Province" on 17 March 2018. Internal training of handling pesticides also has been done on 05 June 2018. Training material covering handling of concentrate agrochemical and spraying method including pesticide hazard.</p> <p>Pesticides were always applied in accordance with the product label and storage instruction, such as: Gramoxone dose 1,5 L/ha, Garlon dose 0,33/ha, Lindomin dose 200-500 L/ha.</p> <p>The chemical store equipped with MSDS, appropriate PPE (respiratory mask, apron, gloves and rubber boot) and emergency equipment – in the case of spillage or exposure, based on field visit, it was found that sprayers is provided PPE appropriately, such as: glove, apron, goggle, respiratory mask, boots. The PPEs provided and used and can be easily replaced if damaged.</p> <p>All precautions attached to the products properly observed, applied, and understood by workers. Supervisor as person in charge to check the workers usage of appropriate PPEs</p>	Complied

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	<p>was monitored in "morning Call" and supervisor during working at field.</p> <p>The MSDS are in English and Bahasa Indonesia with supporting briefing documents in photographic demonstration was verified to be understood by sprayer and supervisor during interview.</p>	
<p>4.6.6 Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3).</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Storage of pesticides found to be in accordance with hazard identification and risk assessment and national guideline for limited pesticide use. Empty chemical containers had been used for mixing chemicals for spraying pesticides in the field and disposed to the approved collector.</p> <p>MSDS, hazard sign, emergency shower, eye wash, secondary containment, spill kit and PPE were provided in pesticides storage. Stock keeper maintains the balance of incoming and outgoing scheduled waste.</p> <p>Empty pesticide containers for disposal were triple rinsed and punctured prior to disposed to approved collector, such as PT PPLI and PT Indo Star Cargo.</p> <p>Some of empty container pesticides are re-used for application pesticides purposes, it was noted that no empty pesticide containers are used for other purposes.</p>	<p>Complied</p>
<p>4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Pesticides had been applied using the proven methods (Best Management Practices) that minimized risk and impacts. The pesticide operators found to understand the use of the right nozzle, spray drift, spray quality and run-off.</p> <p>Warning notice displayed in the area being sprayed with pesticides.</p> <p>Training materials with photographic illustrations and training records had been verified to be satisfactory maintained.</p>	<p>Complied</p>
<p>4.6.8 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><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>It is verified that the company does not practice any aerial application of pesticides.</p>	<p>Complied</p>
<p>4.6.9 Evidence of training on handling pesticide for workers and scheme smallholder (if any) shall be available</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Periodic training on pesticide handling had been carried out. Information on the pesticides was being displayed next to the pesticides in the store and notice board.</p> <p>Training for smallholders was done regularly, although spraying members plot is done by the Peranap Estate team.</p>	<p>Complied</p>

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	Morning briefing is conducted to all sprayers' on their related daily activities, included information materials on pesticides handling.	
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	<b>Estate &amp; Scheme smallholders (Plasma):</b>  Empty pesticide containers for disposal were triple rinsed and punctured prior to disposal via approved waste contractor, such as PT PPLI and PT Indo Star Cargo. Records of scheduled waste involved had been verified  Training/briefing regarding disposal of waste material has been conducted to all workers and staffs. Based on interview with sprayer workers at Afdeling/Div. I, Block A95c, they understood of waste material disposal.	Complied
4.6.11 Annual medical records of pesticide operators, and follow-up treatment of medical results, shall be available  Major Compliance	<b>Estate &amp; Scheme smallholders (Plasma):</b>  List of pesticides operator was shown and updated periodically.  Medical surveillance is done every 6 months to all personnel who are involved and worked with high risk area, included spraying team, the last medical surveillance was done on 9 May 2018.  Based on the reports, it was verified that there were no significant health issues and the workers were still found fit for their designated work.  It was verified that the CHRA recommendations has been satisfactorily followed.  Pesticide operators interviewed said that they did not have skin disorders or rashes, mouth and throat pain, breathing difficulties or nail problems. It was verified that there were no classical symptoms of toxic reactions due to work with pesticides.	Complied
4.6.12 Records shall be available to show that spraying is not conducted by pregnant or breast-feeding women  Major Compliance	<b>Estate &amp; Scheme smallholders (Plasma):</b>  A policy related to prevent pregnancy and breastfeeding women from handling pesticides has been described in the Environment Field Procedure Agro-Chemical Usage (AA_KL-04-EFP rev.1 dated 1 December 2009) section 6.1.g.  The company has a system to identify pregnant women with pregnancy test is done monthly.  Verified that no pregnant or breast-feeding woman had been offered work as pesticide operators.	Complied
<b>Criterion 4.7</b> An occupational health and safety plan is documented, effectively communicated and implemented.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
The health and safety plan shall cover the following: 4.7.1 A health and safety policy shall be in place. A health and	<b>Estate &amp; Mill:</b>  OHS policy is established and reviewed by Management as stated on Company Policy dated 1 December 2014 signed	Complied

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<p>safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.</p> <p>Major Compliance</p>	<p>by Mr. Kevin Tio (Managing Director), this policy in Bahasa Indonesia and displayed in Estate and Mill areas.</p> <p>A safety and health policy had been verified. Records on training and analysis on understanding of training by the workers had been verified.</p> <p>OHS committee is in charge of health and safety has been set up and registered to the “Dinas Tenaga Kerja dan Transmigrasi Kabupaten Indragiri Hulu”.</p> <p>Risk Assessment has been carried out on all operations.</p> <p>Awareness OHS training was done regularly, record of training was verified and maintained, such as: PPE, handling of pesticide and chemical substance, emergency response and first aid.</p> <p>An OHS plan was documented as part of internal system such as objective, target and program, management review, internal audit program. The OHS plan has been implemented, such as:</p> <ul style="list-style-type: none"> <li>- OHS training: PPE, handling of pesticide and chemical substance, emergency response and first aid.</li> <li>- “Morning call”: deliver daily OHS awareness.</li> <li>- Provided fire extinguisher and hydrant in located at strategic locations and risk areas.</li> <li>- Appropriate PPE (safety boots, safety helmets, rubber boots, masks, safety goggles, gloves, and apron) verified to be provided, the usage of this PPE was also monitored by the Safety Officer.</li> <li>- Medical surveillance (cholinesterase, audiometric test, spirometry test and routine medical check-up); medical surveillance record is verified and maintained.</li> <li>- Ear muffers and ear plugs were seen to be worn by workers exposed to high noise levels such as in the engine room of POM.</li> <li>- Precautions attached to products properly observed and applied to workers in all estates</li> <li>- inspection and renewal permit of working equipment,</li> <li>- PPE distribution,</li> <li>- Monitoring physical and chemical factor at work area, monitoring and measurement program.</li> <li>- Evacuation route and assembly point.</li> <li>- First aid is provided in working areas adequately.</li> <li>- The POM and estates have established their accident reporting and incident monitoring implemented according to requirements of OHS.</li> </ul> <p>Monitoring of the safety plan was conducted by monthly through “Safety Meeting”, action has been taken if targets are not achieved.</p> <p><b>Scheme smallholders (Plasma):</b> Health and safety guideline for smallholders is in place. OHS policy was available and signed by Chief of KUD.</p> <p>OHS Plan 2018 for Peranap Estate and Smallholder were available and implemented such as: safety trainings (first aid, basic fire, and basic safety), Personal Protective</p>
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	equipment, Handling of incidents and emergency simulation.	
4.7.2 A documented risk assessment shall be available, and its implementation shall be recorded.  Major Compliance	<b>Estate, Mill &amp; Scheme smallholders (Plasma):</b> All operations had been risk assessed, documented and implemented.  All precautions attached to the products had been observed and applied to the workers through MSDS available and briefing provided to them.	Complied
4.7.3 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  Major Compliance	<b>Estate, Mill &amp; Scheme smallholders (Plasma):</b> Awareness and training program had been carried out.  All workers involved had been adequately trained in safe working practices, e.g. OHS and First Aid training on 01 November 2018, trainer by company's doctor  Appropriate PPE had been provided at the place of work to cover all potentially hazardous operations. The implementation was verified to be maintained during the on-site field inspections. The PPE was provided by company for workers and replaced if damaged.	Complied
4.7.4 The responsible person(s) for occupational health and safety shall be identified and there shall be records of periodical meetings on health and safety issues  Major Compliance	<b>Estate, Mill &amp; Scheme smallholders (Plasma):</b>  The responsible persons is for occupational health and safety is safety committee officer.  Records of regular meetings including daily muster and 'roll call' between the responsible persons and workers to discuss about health and safety had been verified.  The Organisation has appointed a responsible person for OHS implementation at Peranap estate i.e. in Peranap Estate & Plasma: Mr. Denny M Sitompul (OHS licensed officer) and Mr. Santo Dominikus Siringoringo (OHS licensed officer)  The OHS committee (P2K3) was approved by local authority of Indragiri Hulu Regency on 2 September 2018.  Evidence of Regular Meeting of Safety Committee with workers was in place as evidenced also in the three monthly P2K3 report to authority period January - September 2018.  Based on interview with workers it was confirmed that workers understand regarding safety committee and there was monthly meeting that they attended.	Complied
4.7.5 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.  Minor Compliance	<b>Estate, Mill &amp; Scheme smallholders (Plasma):</b>  Emergency response procedure written in Bahasa Indonesia was available and covers reporting, responsibility of all members of ERP Team, handling and mitigation of emergency.  The procedure described the roles and responsibilities of each emergency response team include the mechanism how to conduct medical evacuation to near hospital/local health center, also it was available the emergency contact	Complied

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	<p>number of each internal emergency team and external related parties. Evacuation route and muster point are available.</p> <p>All workers involved in the operation have been appropriately trained in safe working practices/Basic Safety Training as evidenced by attendance list of OHS and First Aider Refresh Training on 1 November 2018 conducted by dr. Parulian Manggita attended by 34 participants.</p> <p>First Aid Kits were available at worksites.</p> <p>Records on all accidents had been verified. Quarterly review on accident cases had been carried out during quarterly meeting of Environment, Safety, &amp; Health (ESH).</p> <p>The first aid kit is available at spraying area carried by group leader, mill, workshop, warehouse, office etc. and were checked in accordance with local regulation Permenaker 15/2008.</p>	
<p>4.7.6. All workers shall be provided with medical care and covered by accident insurance (see criterion 6.5.3).</p> <p>Minor Compliance</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>All workers have been provided with medical care and accident insurance (BPJS Kesehatan).</p> <p>Clinic is provided to all workers in Mill and estate and state clinic (Puskesmas) for Plasma with free of charge.</p>	<p>Complied</p>
<p>4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.</p> <p>Minor Compliance</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>Lost Time Accidents metrics were using to record the accidents and injuries.</p> <p>Safety performance for both mill and estates was calculated using frequency rate (FR) and severity rate (SR). The calculation for FR and SR as below:</p> <ul style="list-style-type: none"> <li>- FR= total lost time accident x 100/total man hour.</li> <li>- SR=total lost time hours x 100/total man hour</li> </ul> <p>The calculation for frequency rate and severity rate was generated from lost time accident (LTA) data, employee working hour's data and lost time hours/lost time day (LTH/LTD) data.</p> <p>The timesheet calculation for each month was shown during audit. The accident record was maintained for period January – October 2018, there were noted 5 days lost accident at mill.</p>	<p>Complied</p>
<p><b>Criterion 4.8</b> All staff, workers, smallholders and contract workers is appropriately trained.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>4.8.1. Records of training program related to the aspects of RSPO Principles and Criteria shall be available.</p> <p>Major Compliance</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>Training program on training for various categories of operators, including all field and office staff, with regards to their duties had been reviewed and found acceptable.</p>	

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	<p>Training program is based on training need assessment including need for RSPO program aimed to fulfill their jobs and responsibilities as per the relevant documented procedures.</p> <p><b>Observation raised:</b> Its need to improve training methodology or training evaluation to ensure that training is delivered appropriately</p>	OBS: 01
<p>4.8.2 Records of training for each employee shall be maintained.</p> <p>Minor Compliance</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>Records of training for each employee including new workers had been maintained and were verified to be progressively updated.</p>	Complied

### Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

<b>Criterion 5.1</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>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>5.1.1. Environmental impact assessment document(s) shall be available.</p> <p>Major Compliance</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>Initial Environmental Impact Assessment documents (ANDAL, RKL and RPL) which were approved by Governor of Riau Province as approval letter no. KPTS.332/VII/2005 dated 8<sup>th</sup> July 2005. The renewal AMDAL approved by Governor of Riau no. 660.1/BAPEDAL Prop/AMDAL/567a, on 04 November 2002. EIA Area of 5,215.24 ha (estate), 23,502.26 ha (plasma), and Mill Capacity of 60 MT/hour.</p> <p>Since the company has ISO 14001 certification, the internal environmental aspect and evaluation is conducted, as required by the procedure AA-EMS-431-PR Rev.3 dated January 2007. The information of environmental aspect and impact was reviewed and updated at least once a year. Last review and update of environmental aspect and impact register was performed in 2018. Document of environmental impact assessment included:</p> <ul style="list-style-type: none"> <li>- 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> <li>- Road management</li> </ul> <p>The assessment include consultation with relevant stakeholders to identify impacts and to develop any mitigation measures.</p>	Complied
<p>5.1.2. Environment management plan document to prevent negative impacts, its implementation report and revision (if the identification of impact requires changes in current</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>The environmental aspect and impact are reviewed and updated annually.</p>	Complied



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<p>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>The environmental monitoring and management plan (RKL-RPL) is reported per semester to the local authority, the last RKL – RPL for Semester I (January – June 2018).</p> <p>The company ensure that all activities with significant environmental impacts were managed. Control measure were defined and implemented for ensuring that negative environmental impacts were prevented or mitigated.</p>	
<p>5.1.3 Environment monitoring plan document, its implementation report, and the corrective plan (if non-conformance arised from the monitoring result) shall be available. This plan is reviewed on two-yearly basis.</p> <p>Minor Compliance</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>Based on document review, there was no changes of identification of impacts since last audit.</p> <p>Management plan and monitoring of environmental impacts documented in <i>RKL (Rencana Kelola Lingkungan)</i> and <i>RPL (Rencana Pantau Lingkungan)</i> was reported as monitoring protocol.</p> <p>Environmental management plans adapted to estate and mill operations change and regulations, if there are changes in the regulations related to operational and environmental, management plan will be reviewed and updated.</p> <p>The reporting of RKL/RPL was conducted 6 monthly issued by Sustainability Department that consist of the implementation of environment management and monitoring plan.</p> <p>The effectiveness of the outcome from the implementation of environmental management and monitoring was reviewed on the reported through the evaluation of compliance, evaluation of trends and evaluation of the effectiveness of management and environmental monitoring.</p> <p>The environmental management plan (RKL-RPL) was reported to Indragiri Hulu District Environmental Agency and cc to Riau Province Environmental Agency, Riau Region Environmental Management Centre, and Ministry of Environmental. Receipt note was also sighted.</p>	<p>Complied</p>
<p><b>Criterion 5.2</b>  The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>		
<p><b>Indicators</b></p> <p>5.2.1. 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><b>Findings and Objective Evidence</b></p> <p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>HCV Assessment has been conducted at Peranap Estate and Plasma areas by independent assessors from Forestry Department, Bogor Agriculture Institute on 24 - 28 September 2012. 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><b>Compliance</b></p> <p>Complied</p>

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	<ul style="list-style-type: none"> <li>- Identification of HCV habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower or miller.</li> </ul> <p>HCV assessment performed by a qualified HCV assessor. All assessors were approved in RSPO as HCV assessor - Discipline Specialist, coordinated by an RSPO approved HCV assessor – Team Leader.</p> <p>Lead Assessor: Dr. Ir. Nyoto Santoso, MSi Assessor:</p> <ul style="list-style-type: none"> <li>- Ir Heru Bagus Pulunggono, MSc. (Expert- Environment, RSPO Registered and JNKTI).</li> <li>- Ahmad Faisal Siregar, S.Hut, MSI (Expert - Social and Culture, RSPO Registered and JNKTI).</li> <li>- Rae Birumbo, S.Pi (Expert- Vegetation, RSPO Registered and JNKTI).</li> <li>- Gilang Prasstyia Pambudi, S.Hut (Expert – Wildlife, RSPO Registered and JNKTI).</li> <li>- Irham Fauzi (Expert – GIS).</li> </ul> <p>HCV assessment performed in consultation with relevant stakeholders around plantation. Public consultation conducted on December 2012 with the community leaders and figures around the estate and government agencies (Village Head, his officials and community leaders in the village).</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>Monitoring and control of any illegal hunting within the company were implemented via patrolling at the estates as evidenced in the records of the Patrol log books maintained.</p> <p>All HCV identified areas was mapped in HCV Identification Report.</p> <p>There is no HCV areas was identified in Plasma areas.</p>	
<p>5.2.2 Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>HCV areas was identified (109.99 ha):</p> <ul style="list-style-type: none"> <li>- HCV 1.2 &amp; 4.1: riparian zone of Ketipo, Todung, Pelangkawan and Senkilo river (109.76 ha) as well as water pond (0.22 ha).. Buffer zone 50 meters both sides of the river based on National laws.</li> <li>- HCV 6: Pohon Madu / Sialang tree (<i>Koompasia sp.</i>): 0.01 ha.</li> </ul>	<p>Complied</p>

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Major Compliance	<p>There is no HCV present within Plasma areas.</p> <p>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</p> <p>Management plan was available containing appropriate measures that are expected to maintain and/or enhance them, includes:</p> <ul style="list-style-type: none"> <li>- Maintenance of HCV marking, manual upkeep</li> <li>- Placement of warning sign/sign board</li> <li>- Monitoring of riparian area</li> <li>- Monitoring the presence of wildlife (Protected animal)</li> <li>- Monitoring of illegal hunting and HCV Patrol</li> </ul> <p>Management plans and monitoring of HCV was documented in "Conservation Management Plan PT RAU Peranap Estate 2018".</p> <p>Field observation to HCV area and document verification "<i>Laporan Monitoring Biodiversity</i>" of PT RAU Peranap Estate and Smallholders in Semester – I, 2018 was available and demonstrate that the measures contained in the management plan been actively implemented.</p>	
<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> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has commitment to protect RTE species as stated in the policy dated 01 December 2014 and Environmental Field Procedure Conservation Area Monitoring (AA-PL-08-EFP).</p> <p>Socialization RTEs and HCV areas to all workers and surrounding communities had been done, e.g. on 13 August 2018 to plasma members, KUD staff and surrounding communities and socialization to workers has been done on 28 April 2018, 11 July 2018 and 11 October 2018. Attendance list, photograph and socialization material is verified and maintained. The company deliver awareness RTEs and HCV areas during "Morning call" and erected sign board in public areas (office, housing, line site and along the main road).</p> <p>Inspections conducted regularly through HCV patrol to check no traps/snares put up within or nearby areas of HCV. Schedule and report of HCV patrol was sighted.</p> <p>The company has appointed the responsible person for RTEs and HCV areas, namely: Mr. Harianto.</p>	Complied
5.2.4. 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	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Management plan of HCV has been established based on HCV assessment in 2012, ongoing monitoring of the HCV management plan is performed regularly in monthly basis. HCV Officer is the personnel in charge for conducting the</p>	Complied

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<p>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>monitoring of HCV. Records of HCV monitoring were available, and it was observed that monitoring was performed consistently.</p> <p>HCV management plan is updated once a year based on the outcome of the HCV monitoring that performed regularly in monthly basis. HCV monitoring was conducted periodically twice in a year (January – June and July – December).</p> <p>HCV and RTE species that are affected by plantation or mill operations have been monitored, documented and reported each semester to the authority, such as: Environmental Department of Indragiri Hulu Regency and Riau Province and Ministry of Environmental.</p> <p>A record was available in Monitoring of RTE species existences and HCV area. Items checked contain RTE species existence, disturbance of people hunting and warning sign condition. The outcomes of monitoring feed back into the management plan that contained in RKL – RPL report.</p>	
<p>5.2.5. 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><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Based on HCV map and public consultation with local communities there was no HCV set-asides with existing rights of local communities.</p> <p>HCV 6 identified in the plantation areas is pohon madu Sialang tree (<i>Koompasia sp.</i>), the company allows the surrounding community to acces this area, an agreement was signed by the company and local communities to safeguard these areas as documented in "MoU of Joint Management of Sialang Tree and Riparian Buffer Zone with Melayu Customary Bard Riau" dated 21 October 2017.</p>	<p>Not applicable</p>
<p><b>Criterion 5.3</b> Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>5.3.1. A documented identified source of all waste and pollution, shall be available.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Documented identification of all the waste products and sources of pollutant has been identified and documented in "Evaluasi Aspek Dampak Lingkungan" EMS-431-003-LT issued 18<sup>th</sup> June 2015.</p> <p>Segregation of wastes i.e. general wastes and scheduled wastes was evidenced. Proper areas were identified for the storage of the respective wastes.</p> <p>Scheduled Waste such as empty container pesticides, used oil, used filters, contamination goods (rags, spill kit material), scrap iron, used batteries, used lamps, and medical waste.</p> <p>The schedule waste storage area had restricted access to authorized personnel only. MSDS/CSDS instructions were available and adhered to.</p>	<p>Complied</p>
<p>5.3.2. There shall be evidence that all chemicals and their empty</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p>	<p>Complied</p>

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<p>containers are disposed of responsibly.</p> <p>Major Compliance</p>	<p>Procedure waste handling including hazardous waste handling has been established and implemented. The company has registered type and source of waste. Scheduled waste included empty containers pesticides and other chemical substances is stored in designated area "Gudang Limbah B3" /Hazardous waste storage which approved by local authority as license no. 4/BPMD&amp;PPT/BP-LB3/XI/2013 dated 28 November 2013 valid for five years. Renewal of permit under progress, the evidence of "Field Inspection Report" from BLH Kabupaten Indragiri Hulu for issuing renewal permit.</p> <p>All scheduled waste be disposed register / licensed contractors, contractual agreement with the transporter no. 002/IIS-SDLI-ISC-PPLI/III/2018 and 001/KKP/IIS-SDLI-KNBP/III/2018 on 2 March 2018 until 1 March 2019, covering transporting by PT Indostar Cargo and processing by PT Prasadha Pamunah Limbah Industri. The transporter has license as stated on Land Transportation Director General Decree no: SK.797/AJ.309/DJPD/2018/120710258BB dated 26 February 2018 valid until 26 February 2023. Sample taken: disposed of scheduled waste on 12/10/2018 with Manifest no: OL0020640, i.e. contamination goods, include empty container pesticides 0.023 ton.</p> <p>Implementation of proper waste handling was reported periodically as evidence by Waste Handling Report period July-September 2018 along with its waste balance sheet. All outgoing scheduled waste were collected by licensed transporter as evidenced.</p> <p>Schedule waste from smallholders (plasma) is handling by Estate.</p>	
<p>5.3.3. A documented waste management plan to avoid or reduce pollution and its implementation shall be available</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Waste Management Plan was established and implemented as documented in "Program Manajemen Lingkungan, Environment Aspect Impact, and Waste Management Programme", such as:</p> <ul style="list-style-type: none"> <li>- Segregation of wastes i.e. general waste and scheduled wastes was evidenced. Proper areas were identified for the storage of the respective wastes.</li> <li>- Scheduled waste was stored in designated area "Gudang Limbah B3"</li> <li>- Disposal of hazardous waste (used oil, used filter, used batteries, empty container pesticides, etc) has been met with regulation.</li> <li>- Anorganic and organic domestic wastes is segregated, anorganic waste is disposed to the designated landfill areas were verified to be at least 100m away from any streams / water sources / housing line and the landfill drain holes were noted to be disconnected and did not reach any of the streams or water sources. Thus, the risk of contamination has been observed to be avoided. No domestic waste was burned during field visit.</li> <li>- Recycling of crop residues / biomass i.e. EFB and POME had been implemented. Effluent was treated in the pond before disposal to the land application and EFB is utilized as boiler fuel.</li> </ul>	<p>Complied</p>

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	<ul style="list-style-type: none"> <li>- Routine maintenance every week, and monitoring of emission every 6 month in the boiler stack and genset exhaust.</li> <li>- Routine emission monitoring on the FFB transport vehicle including scheme smallholder.</li> <li>- Monitoring of environmental impact was done, such as monitoring POME, water-course/river, ambient, e.g. monitoring of water quality in river in upstream and downstream collaborated with external laboratory with result all parameters is complying with PP no. 82, year 2011.</li> </ul> <p>Scheduled waste produced in Plasma is handled by the Estate.</p>	
<p><b>Criterion 5.4</b> Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.</p> <p>Minor Compliance</p>	<p><b>Estate and Mill:</b></p> <p>The company has established improving efficiency of the use fossil fuel as documented in “Program of Energy Efficiency PT. Rigunas Agri Utama”, there were defined goals, objectives, program, PIC, timeframe, and status (continuous/occasionally), increasing</p> <p>The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO.</p> <p>Monthly records of kWh usage of non-renewable and renewable fuel per metric ton of palm product at the POM were available.</p> <p>Biogas plant still under feasibility study.</p>	Complied
<p><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.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>5.5.1 Records of land clearing with zero burning shall be available, referring to the ASEAN Policy on Zero Burning (2003) or other recognized techniques based on the existing regulations.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has policy ‘Zero open burning’ for any replanting at the estates, included plasma.</p> <p>Zero burning for land preparation is prohibited as stated on the Company Policy dated 1 December 2014.</p> <p>Replanting plan will be beginning in 2021. It was noted that Peranap Estate and plasma has not conducted replanting activities since its first plant in 1992, as defined within the procedure that the replanting is within 25 years since its first plant year. Replanting procedure (AA-APM-OP-1100.20-R1) that the company committed to zero burning by using “chipping technique”.</p> <p>No evidence of open burning was found during on-site inspection at Peranap Estate and Plasma Estate.</p>	Complied

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<p>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 authorized agency shall be available.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>It was evident that no fire has been used, included burning of waste at the housing line sites and landfill estate during on-site field assessment.</p>	<p>Complied</p>
<p>Criterion 5.6  Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>5.6.1. Document(s) assessing pollution and emission sources, including gaseous, particles, soot emissions and effluent, shall be available (see Criterion 4.4).</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Source of waste and pollutant and type of waste and pollutant has been identified as documented in "Identifikasi Aspek Lingkungan", updated on 05/04/2017.</p> <p>Source of waste / pollutant in estate: land clearing, nursery, planting, spraying, fertilizer, pest and disease control, harvesting, warehouse, storage of hazardous waste, workshop and mill: loading ramp until dispatch of CPO/PK, water treatment, LA, boiler, genset,</p> <p>POME treatment, monitoring and land application is monitored, maintained and adhered to national laws.</p>	<p>Complied</p>
<p>5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified and plans to reduce or minimise them implemented.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Significant pollutants and greenhouse gas (GHG) emissions are identified e.g. POME, Fuel / Diesel, fertilizer and pesticide usage were documented and monitored.</p> <p>It is noted that the company achieved and maintained the ISCC certifications for sustainable biofuels production since 2012 with annual audit reports and valid certificates available.</p> <p>It is verified that the POME is treated in using aerobic and anaerobic pond and water samples were regularly taken and analyzed to meet national requirements at final discharge points. The discharged water is 100% used for land application as fertilizer.</p> <p>The company has program to reduce GHG, such as: campaign for efficiency of water and electricity usage, usage of biomass (fiber &amp; kernel shell) for power generating, applied EFB to reduce mineral fertilizer, routine maintenance for heavy equipment and trucks.</p>	<p>Complied</p>
<p>5.6.3. A monitoring plan and results of regular reporting on emission and pollutants from estate and mill operations using appropriate methods, shall be available.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Monitoring and reporting of the significant pollutants to water, gaseous emissions to air and contamination on land are available.</p> <p>There has been no change in the land use as an Oil Palm plantation since 1992.</p> <p>Monitoring and reporting of the significant pollutants to water, gaseous emissions to air and contamination on land are available.</p>	<p>Complied</p>

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	<p>The GHG emissions and calculations presented at the company were verified which using the PalmGHG V 3.0.1 for 2017/2018 activity.</p> <p>Based on GHG calculation, it was noted that total GHG emission, as follows:</p> <p>Plantation:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>tCO<sub>2</sub>e/tFFB</th> <th>tCO<sub>2</sub>e/tFFB</th> </tr> </thead> <tbody> <tr> <td>Land Conversion</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>CO<sub>2</sub> Emission from Fertilizer</td> <td>0.68</td> <td>0.03</td> </tr> <tr> <td>N<sub>2</sub>O Emissions</td> <td>1.16</td> <td>0.04</td> </tr> <tr> <td>Fuel Consumption</td> <td>0.30</td> <td>0.01</td> </tr> <tr> <td colspan="3"><b>Sinks</b></td> </tr> <tr> <td>Crop Sequestration</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Sequestration in conservation area</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Total</b></td> <td><b>2.14</b></td> <td><b>0.08</b></td> </tr> </tbody> </table> <p>Mill:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>tCO<sub>2</sub>e</th> <th>tCO<sub>2</sub>e/tFFB</th> </tr> </thead> <tbody> <tr> <td>POME</td> <td>31,219</td> <td>0.12</td> </tr> <tr> <td>Fuel Consumption</td> <td>232</td> <td>0.00</td> </tr> <tr> <td>Grid Electricity Utilisation</td> <td>0</td> <td>0.00</td> </tr> <tr> <td>Exports of Excess Electricity to Housing &amp; Grid</td> <td>-107.82</td> <td>0.00</td> </tr> <tr> <td>Sale of PKS</td> <td>-34,522</td> <td>-0.13</td> </tr> <tr> <td>Sale of EFB</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Total</b></td> <td><b>-3,178</b></td> <td><b>-0.01</b></td> </tr> </tbody> </table>		tCO <sub>2</sub> e/tFFB	tCO <sub>2</sub> e/tFFB	Land Conversion	0.00	0.00	CO <sub>2</sub> Emission from Fertilizer	0.68	0.03	N <sub>2</sub> O Emissions	1.16	0.04	Fuel Consumption	0.30	0.01	<b>Sinks</b>			Crop Sequestration	0.00	0.00	Sequestration in conservation area	0.00	0.00				<b>Total</b>	<b>2.14</b>	<b>0.08</b>		tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB	POME	31,219	0.12	Fuel Consumption	232	0.00	Grid Electricity Utilisation	0	0.00	Exports of Excess Electricity to Housing & Grid	-107.82	0.00	Sale of PKS	-34,522	-0.13	Sale of EFB	0.00	0.00				<b>Total</b>	<b>-3,178</b>	<b>-0.01</b>	
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**Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers**

<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.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
6.1.1 A social impact assessment (SIA) including records of meetings shall be documented.  Major Compliance	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Social impact assessment was done in 2017 by internal. The assessment was identified the negative and positive impact as well as improving positive impacts and mitigate the negative impacts.</p> <p>The SIA document covers all potential impact factor, such as:</p> <ul style="list-style-type: none"> <li>- Access to use rights.</li> </ul>	Complied



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	<ul style="list-style-type: none"> <li>- Economic livelihood (paid employments) and working condition.</li> <li>- Subsistence activities.</li> <li>- Cultural and religious value.</li> <li>- Health and education facilities.</li> <li>- Local business opportunities.</li> <li>- Including the impacts of smallholder schemes and land tenure problem.</li> </ul> <p>The assessment has been done with the participation of affected parties as evidence showed from records of focus group discussion in several villages and workers was done on 10 and 12 November 2017.</p> <p><b>Scheme smallholder (Plasma):</b> Social impact assessment document has been available and dissemination to members of smallholders on February 2017.</p> <p>Plasma members understand the positive impacts of palm oil plantation.</p>	
<p>6.1.2 There shall be evidence that the assessment has been done with the participation of affected parties.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The last stakeholder consultation was conducted on 10 &amp; 12 November 2018. The group has considered issues of social impact to employees and communities affected by their activities. Records of meeting and minutes meeting with stakeholders is available and showing evidence of participation of affected parties, such as head of villages, village representatives, and sub district police head, etc.</p> <p>Affected parties able to express their views through their own representative institutions, or freely chosen spokespersons.</p> <p>Through verification of entries made in the Complaints &amp; Grievance Book in POM and estates and interviews made, it was evident that the workers were kept informed of issues related to their rights.</p>	<p>Complied</p>
<p>6.1.3. Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment, through consultation with the affected parties, shall be available, documented and timetabled, including responsibilities for implementation.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>PT. Rigunas Agri Utama has a management plan in “Action Plan and Implementation SIA PT. Rigunas Agri Utama for Peranap Estate year 2018”. Monitoring of social impacts is incorporated in SIA report and Social Study and Economic Impact PT. Rigunas Agri Utama has been done in 2017.</p> <p>SIA Monitoring conducted annually by CSR Region to monitor the implementation of SIA plan and its documented in CSR activities.</p> <p>There was timetable and responsibilities for implementation in plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote the positive impacts.</p>	<p>Complied</p>

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<p>6.1.4. 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><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Review of Social Management Plan (RKS) and Social Monitoring Plan (RPS) was conducted at least annually. Improvement and corrective action regarding RKS and RPS would be performed based on the relevant and actual condition.</p> <p>Management and monitoring social impact were conducted internally by the company.</p> <p>During the audit there was no changes regarding RKS and RPS, the management and monitoring plan of social impact was still relevant with the actual condition.</p>	<p>Complied</p>
<p>6.1.5 Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Plantation included smallholder as Scheme Smallholder (plasma) has been identified as part of Social Impact Assessment. Main impact affecting smallholders and they are already assessed during SIA are:</p> <ul style="list-style-type: none"> <li>a. request for partnership for replanting,</li> <li>b. development business unit</li> <li>c. capital for development of cooperatives.</li> </ul> <p>The SIA for Plasma is incorporated and documented in the company's SIA report.</p>	<p>Complied</p>
<p><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.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>6.2.1. Communication and consultation procedures shall be documented.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has a list for the local community and other interested parties as documented in "List of Stakeholder of PT. Rigunas Agri Utama", updated in October 2018.</p> <p>SOP related to communication and consultation is described in the "Mechanism local communication / public consultation for interested parties - SOP AA-GL-5009.1-R0, dated 22 August 2011.</p> <p>The company has adopted an open and transparent method of communication and consultation when dealing with relevant parties, e.g. its workers, government agencies, contractors, local communities by personal invitation to attend the internal and external stakeholders' consultation meetings.</p> <p>FPIC was not applicable in PT. Rigunas Agri Utama since the company had been completed develop estate in 1997 and plasma in 2001. FPIC approach was incorporated in the SOP for communication and consultation with the local communities and other affected or interested parties</p>	<p>Complied</p>

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	<p>The existing communication and consultation mechanisms (SOP related to communication and consultation is described in the SOP AA-GL-50009.1-R0 - Mechanism local communication / public consultation) has been designed with consideration to the use of appropriate existing local mechanisms and languages. Consideration has been given to the existence/formation of a multi-stakeholder forum.</p> <p>The Procedure has disseminated to the stakeholder in 18 July 2018. Minutes of meeting and attendance list was sighted.</p> <p>Procedure was available in Indonesian and easily to understand and it was effective. This was verified during public consultation and interviews with stakeholders on 28 November 2018.</p>	
<p>6.2.2. The company shall have official(s) who is responsible for consultation and communications with parties.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>PT Rigunas Agri Utama has appointed dedicated person to responsible for consultation and communication i.e. Mr Doni Soemarto Zendrato as SSL Officer (Humas Department) as company appointment letter no. 005/HRD/AA/CFM/VII/2014, dated 3 July 2014.</p> <p>Based on interview with local communities and other stakeholders, they recognized that PR Officer is responsible for the communications and consultation in PT. Rigunas Agri Utama.</p> <p>The responsible person for consultation and communication in Plasma has been appointed in each KUDs, sample taken: Mr Khairul Ali Rosahan (KUD Serangge Permai), Mr Henri Azlian (KUD Bukit Makmur).</p>	<p>Complied</p>
<p>6.2.3. The company shall have a list of stakeholders, records of communications, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has established and implemented a mechanism for receiving and providing information in the procedure Handling of Information Request from Stakeholder SOP AA-GL-5008.1-R1 dated 22 August 2011. There are open and transparent methods for communication and consultation which has taken into consideration the local mechanisms</p> <p>List of stakeholders is updated and maintained, the lists were used to send the invitation out for stakeholder consultation during the audit.</p> <p>All information requests from stakeholder and their responses were listed and recorded by Mill and Estate on logbook "Record of information request and responses" e.g. road maintenance, donation, scholarship, invitation for memorial, etc.</p> <p>The record of information request and response - logbook, consist date, name of requester, information request, follow-up, PIC and action taken, based on verification of log book</p>	<p>Complied</p>

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	and interview with stakeholders, it is confirmed that all request information have been responded appropriately.	
<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.		
Indicators	Findings and Objective Evidence	Compliance
<p>6.3.1. The mechanism, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested, as long as that information is supported with adequate initial evidence.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has defined system to deal with complaints and grievances for all affected parties which documented in SOP handling of customer complaints / stakeholders SOP: AA-HR-3085.5-R0. The responsible person has assigned, i.e. Estate Manager. Also determined stages follow up of complaint or grievances to General Manager, Region Head and Head Office (if necessary).</p> <p>The existence of the system has been communicated and disseminated to all parties together.</p> <p>The last socialization and procedures training have been performed to all levels of employees were conducted in 8 August 2018 and 13 July 2018.</p> <p>The system was effective to ensure that complaints or grievances are addressed or resolved in an effective, timely and appropriate manner. Complaints and grievances are documented in "Logbook of complaint". Based on review of complaint record and stakeholders consultation during audit, it was confirmed that all complaints have been addressed effective, timely and appropriate manner.</p> <p>Mechanism and procedure were providing a way for workers to report a grievance against a supervisor and proceed based on procedure.</p> <p>Non-retaliation or non-reprisal policy that protects complainants or whistle-blowers was described in Company Policy Privacy of parties who submitted the compliant and grievances were protected if necessary.</p> <p>Where a resolution is not found mutually by means of deliberations between two parties, the problem can be resolved through third-party mediation / authorities, including grievance if there is no agreement it will be resolved through the RSPO Complaints System and it is described in the Asian Agri Sustainability Policy.</p>	<p>Complied</p>
<p>6.3.2. There shall be records of process and outcome of dispute resolution.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has mechanism for handling complaints or grievance. All dispute or complaint is monitored monthly basis and recorded in logbook. There are some complaints was received during period January – October 2018. It was noted that all complaints were received had been responded.</p> <p>It was also confirmed based on interview with surrounding village representative, labour union, workers, and Gender Committee that the complaints handling is effective, timely and appropriate manner.</p>	<p>Complied</p>

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	<p>For the period concerned, the POM, estates &amp; Plasma did not receive any complaints from any external stakeholders within 12-months period. All records of log book from external request donation and road maintenance and internal related repair housing line.</p>	
<p><b>Criterion 6.4</b> Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>6.4.1. A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be available, referring to decision of the Constitution Court.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has established procedures of identifying legal customary or user rights in "Calculation and compensation method" SOP AA-GL-5003.1-R1.</p> <p>Based on interview with surrounding stakeholders and local government confirmed that there is no traditional land use right within the company concession areas. Therefore, there has been no record of any negotiation or compensation pertaining to this criterion.</p>	Complied
<p>6.4.2. A procedure for calculating and distributing fair compensation shall be established, implemented, monitored and evaluated in a participatory way. Corrective actions are taken as a result of this evaluation.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Procedure for calculating and distributing fair compensation has been established and available in procedure of Identification and calculation of land compensation SOP AA-GL-5003.1-R1.</p> <p>Based on interview with surrounding stakeholders and local government confirmed that there has been no dispute by any parties reported at the company. Therefore, there has been no record of any negotiation or compensation pertaining to this criterion.</p>	Complied
<p>6.4.3. 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><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Based on interview with surrounding stakeholders and local government confirmed that there has been no dispute by any parties reported at the estate and plasma. Therefore, there has been no record of any negotiation or compensation pertaining to this criterion.</p>	Complied
<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>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>6.5.1. Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The minimum wages is determined based on regulation, minimum wages for year 2018 based on the official letter from Governor of Riau No: Kpts.880/XI/2017 dated 20 November 2017, regarding minimum wages (UMK) 2018 for Indragiri Hulu District, Riau Province is IDR. 2.751.076,40/month, the company also issued circular letter to determined minimum wages based on official letter from</p>	Complied

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	<p>Governor of Riau no. 012/HR-AAS/MEMO/05/18 on 4 May 2018.</p> <p>The obligation of minimum wages also stipulated in “Perjanjian Kerja Bersama/Collective Workers Agreement and contracts with employees.</p> <p>Payment to all employees is documented in “Monthly Payment List”. Based on document review and interview with employees and labour union, confirmed that minimum wages is implemented.</p> <p>Sample taken: Payment October 2018 for employee with ID no. 01906 (Peranap Estate) payment IDR. 3.740.313.</p> <p>The overtime also was paid based on regulation and rice allowance was given to employees based on family members (employee: 15 kg, wife 9 kg and maximum 3 children @ 7.5 kg).</p> <p>Payment in smallholders (plasma) mostly done by themselves and their family members, employees in plasma is based on piece rate and confirmed during interviewed with workers and KUD’s representative members.</p>	
<p>6.5.2. 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><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Perjanjian Kerja Bersama (PKB) / <i>Collective Worker Agreement</i> or PKB (Perjanjian Kerja Bersama, Period 2015-2017) is in place which regulated rights and obligations both parties, included working hours, overtime, deduction sickness, holidays entitlement, maternity leave, reason for dismissal, period of notice (peringatan I, Peringatan II dan peringatan III), remuneration, complaints, etc.</p> <p>Based on national regulation in Indonesia, if the renewal PKB has not been agreed by both parties, the current PKB still valid and it will be referred based on “Permenakertrans no. 28 Tahun 2014”. The PKB process for 2017 – 2019 still under negotiation, it was confirmed based on letter from representative labour union “Pengurus Pusat Federasi Serikat Pekerja Pertanian dan Perkebunan – Serikat Pekerja Seluruh Indonesia) no. 72/BKS-PPS/2017 dated 12 July 2017 and interview with labour union in estate and mill.</p> <p>The minimum wages which regulated by authority is referred in PKB, it was confirmed that minimum wages was paid based on official letter from governor of Riau Kpts.880/XI/2017 dated 20 November 2017.</p>	<p>Complied</p>
<p>6.5.3 Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company provided adequate facilities for their employees, such as: housing, electricity from national electric company (PLN) which subsidized, potable waters, clinic, satisfied kindergarten &amp; elementary school which managed by company, crèche (Tempat Penitipan Anak), sport facilities, etc.</p>	<p>Complied</p>

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Minor Compliance	<p>Based on on-site visit, it was noted that all facilities are adequate provided.</p> <p>Water analysis is done regularly to ensure that water is provided adequately, the last water monitoring was done by external laboratory <i>UPT Pengujian Material Dinas Bina Marga Provinsi Riau</i> on 11 and 13 July 2018. All parameters are complied with "Permenkes No. 492/MENKES/PER/IX/2010"</p> <p>All workers in smallholders (Plasma) not provided by the KUDs since all workers living in their home where plasma is provided housing, electricity and water by government since this project started in 1990's.</p>	
<p>6.5.4. There shall be demonstrable efforts to improve workers' access to adequate, sufficient and affordable</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company is located nearby settlement and villages where the employees' had access to adequate, sufficient and affordable food in local market, the company also provides basic need in the company's cooperative.</p> <p>The company also has policy for rice allowance and extra food for the spraying workers.</p>	Complied
<p><b>Criterion 6.6</b>  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>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>6.6.1 A record of the company's policy in understandable language recognising freedom of association, shall be available.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The published statement of policy dated 01 December 2014 which recognize employee's freedom of association was noted to be available in "Bahasa Indonesia" and policy has been communicated to all employees by socialization and policy was put in public areas in Estate and Mill.</p> <p>The company committed to provides opportunities for workers to organize in unions and express an opinion.</p> <p>Labour union workers represent estate and mill employee incorporated in the SPSI /Union Labour - Perkebunan PT. Rigunas Agri Utama and it has been registered to the local authority (Dinas Tenaga Kerja dan Trasmigrasi Kab. Indragiri Hulu" no. No. SKP/Disnakers: 02/LKS-B/XI/2018 dated 2 November 2018.</p> <p>Workers in smallholders (Plasma) is freely to join with labour union as stated in Cooperative policy, the policy has been disseminated to members e.g., KUD Serangge Permai on 18<sup>th</sup> January 2018 and KUD Bukit Makmur on 24<sup>th</sup> March 2018, it was confirmed during interview with workers and KUD's representative.</p>	Complied
<p>6.6.2 Records of meetings with labor unions or workers representatives shall be available.</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p>	Complied

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Minor Compliance	Meeting between the company and labour union is conducted regularly, the last meeting was done 29 October 2018 related harvester incentives in holidays.  Minutes meeting, attendance list and photograph as evidence.	
<b>Criterion 6.7</b> Children are not employed or exploited.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
6.7.1 There shall be documentary evidence that minimum age requirements are met.  Major Compliance	<b>Estate &amp; Scheme smallholders (Plasma):</b>  The "No Child Labour policy" adopted by company managements had stated in the company policy, dated 01 December 2014, that the minimum age of workers is 18 years. Site inspection of the employment records in all estates confirmed that this has been complied. The company also established procedure related recruitment of employees to ensure that not hiring employees under 18 years old.  The smallholders (Plasma) also has adopted "No child labour" policy as stated in the KUD policy, dated 07 July 2014.  There was no evidence of any child labor being used at the estates of the company, included smallholders (Plasma)	Complied
<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.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
6.8.1. A company's policy on equal opportunity and treatment for work shall be available and documented.  Major Compliance	<b>Estate &amp; Scheme smallholders (Plasma):</b>  The policy statements which recognize Equal Job Opportunity were widely available and displayed in local languages "Bahasa Indonesia" as stated in the company policy, dated 01 December 2014 "Respect for human rights by putting all employees fairly, both in terms of reception, assessment, conditions and working environment, as well as the representation, regardless of race, caste, national origin, religion / belief, disability, gender, sexual orientation. union membership workers, political affiliation or age"  The smallholders (Plasma) has policy related on non-discrimination and equal opportunities.  The policy has been communicated to workers and relevant stakeholders on 13/07/2018 and 08/08/2018, included to all customers and supplier on 17/07/2018.  This policy also has been communicated to all customer and supplier on 17 July 2018. The policy also has been communicated to smallholders (plasma) members, the last socialization was done on 18/01/2018 and 12/10/2018 in KUD Serangge Jaya members and 24/03/2018 in KUD Bukit Makmur.	Complied
6.8.2. Evidence shall be provided that employees and groups	<b>Estate &amp; Mill:</b>	Complied



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<p>including local communities, women, and migrant workers have not been discriminated.</p> <p><b>Major Compliance</b></p>	<p>The company has policy in relation to this indicator requirement, stated in "Kebijakan Perusahaan", dated 01 December 2014 and KUDs policy, dated 07 July 2014. During the audit, there is no issue has found with regards to discrimination against local communities, women, and migrant workers. This also has been confirmed during stakeholder interview with Manpower Department and local community surrounding.</p> <p><b>Scheme Smallholders:</b></p> <p>KUDs adopted Company Policy for not having discrimination against local communities, women, and migrant workers. There was no issue found regarding discrimination against local communities, women, and migrant workers. This also has been confirmed during stakeholder interview with Manpower Department and local communities.</p>	
<p>6.8.3. Records of evidence that equal opportunity and treatment for work shall be available</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company was able to demonstrate that staff are hired and promoted based on specified requirements of performance, skills and medical fitness.</p> <p>There was no evidence to suggest any discrimination on promotions as both men and women, local and foreign workers were given equal opportunity to be promoted.</p>	<p>Complied</p>
<p><b>Criterion 6.9</b> There is no harassment or abuse in the work place, and reproductive rights are protected.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>6.9.1 A policy to prevent sexual and all other forms of harassment and violence, shall be documented, implemented and communicated to all levels of the workforce.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has a policy for "prohibited sexual harassment and all other forms of harassment and violence" as company policy, dated 01 December 2014 for estate and mill and policy in KUDs dated 07 July 2014.</p> <p>The policy is prominently displayed on notice boards at the Mills and the Estates muster areas. Interviews of female staff, workers and union representatives confirmed that the sexual harassment policy is implemented.</p> <p>The company has communicated this policy to all workers levels on 07/05/2018 and 14/09/2018 and 18/09/2018 in KUDs members.</p> <p>The company has set up "Gender Committee" to ensure that complaint related of any form of sexual harassment and violence is addressed appropriately.</p> <p>Regular meeting between the company and Gender Committee was done regularly and capacity building for Gender Committee was done through training.</p> <p>Based on interview with Gender Committee, their activities include training on women's rights, counselling for women affected by violence, child care facilities and breastfeeding policy. It was verified, no harassment or abuse in the work place, and reproductive rights are protected.</p>	<p>Complied</p>

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<p>6.9.2 A policy to protect the reproductive rights, shall be documented, implemented and communicated to all levels of the workforce.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The Company Policy dated 01 December 2014 and smallholders' policy, dated 07 July 2014 has covered aspects on sexual harassment, gender and women reproductive rights.</p> <p>This policy has been documented and communicated to all the employees by the Assistant.</p> <p>The company has established Work Instruction (WI) to monitoring pregnancy by testing. Pregnancy tests are conducted once a month for female workers whose work involved the application of chemical substances.</p> <p>Pregnant and breastfeeding women were exempted from work associated with potentially hazardous chemicals and were given light duties such as work in and around the office and crèche</p>	<p>Complied</p>
<p>6.9.3. A specific grievance mechanism which respects anonymity of complainants where requested, and as long as they are supported with adequate information, shall be documented, implemented, and communicated to all workforce</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The Grievance process flowchart and procedures are displayed in the estate offices. The grievance mechanism established at the company has been maintained. There are gender committees specifically to address areas of concern to women.</p> <p>These committees headed by the managers and members are representatives from all areas of work.</p> <p>Grievances complaint procedures were already communicated all employees and plasma members.</p> <p>There was no sexual harassment and abuse cases reported in the records. This was also confirmed during interviews done during the audit.</p>	<p>Complied</p>
<p><b>Criterion 6.10</b> Growers and millers deal fairly and transparently with smallholders and other local businesses.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>6.10.1 Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The FFB price for smallholder is determined by local authority in "SK. Penetapan harga TBS" issued by Dinas Perkebunan Provinsi Riau", updated weekly, the latest FFB pricing based on SK. No. 47/TPH TBS-XI/2018 for period 21-27 November 2018, the price is determined based on age of planting years, sample taken for FFB from age planting 23 years, the FFB price is IDR. 1,075.72/kg.</p> <p>The FFB price from supplier is determined by the company using formula based on company's memorandum no. 0002/MM-FFB/Memo/2015, dated 09/01/2015 where the FFB price is based on CPO – PK price, OER – KER and transport cost. This mechanism has been explained to all suppliers and updated weekly. The current FFB and past FFB price is displayed in notice board in front of Peranap Mill.</p> <p>Based on interview with plasma members and FFB suppliers, there was no complaint received related this issue.</p>	<p>Complied</p>

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<p>6.10.2 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><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>FFB incoming from smallholders and suppliers is recorded monthly and submitted to the Finance Department in Regional Office for payment.</p> <p>The FFB price mechanism has been communicated to all parties, for the FFB price from smallholders (Plasma) has been understood by members, this price mechanism is familiar by plasma members, this FFB price updated weekly, the current and past FFB price is displayed in notice board in front of Peranap Mill and submitted to the members using sms/whatsapp.</p> <p>There were services rendered to the smallholders without any influence on the price of FFB.</p>	<p>Complied</p>
<p>6.10.3 Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Based on interview with contractors and suppliers, it is evidenced that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>Samples were taken:  E.g. Sighted contract No. 018/E2/KPN/VII, dated 09 July 2018 with CV Anugerah Keluarga (Building contractor)</p> <p>Interviews with parties concerned confirmed that business practices with local businesses are conducted in a fair and transparent manner. Work tenders are open to appropriate parties and reviewed by Tender Committee before approval. The contractors are monitored during work in progress to follow safety requirements.</p> <p>The contracts were legal and fair according to the national law and copy of contract is kept by both parties.</p>	<p>Complied</p>
<p>6.10.4 Agreed payments shall be made in a timely manner.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>Review of several payment records in year 2018 demonstrated that the payment has been made according to the agreement. The payment was been made periodically according to the contract agreement.</p> <p>The receipt of payment for CV Anugerah Keluarga was evident for October 2018.</p>	<p>Complied</p>
<p><b>Criterion 6.11</b>  Growers and millers contribute to local sustainable development where appropriate.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>6.11.1 Records of contributions to local development based on the results of consultation with local communities shall be available.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has created CSR program for local contribution, CSR program is considering result of consultation with local communities.</p> <p>CSR program in 2018: road maintenance in village surrounding the company areas, low-cost market, mosques renovation, free medical check-up.</p>	<p>Complied</p>

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	<p>The CSR progress is documented in “Realisasi CSR PT. Rigunas Agri Utama”, the company also hired workers from local communities and using local contractors</p> <p><b>Smallholder (plasma) has</b> CSR program in 2018, consist of infrastructure, social and economic.</p>	
<p>6.11.2 Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity.</p> <p>Minor Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company has list of smallholders (Plasma) and list of suppliers which supply FFB to the Peranap Mill.</p> <p>Currently, the company is developing program for independent smallholders, namely Create Share Value (CSV program) for supporting independent smallholders to manage their farm refer to the smallholder (plasma), the independent smallholders will be supported through this program in capacity building, spraying activity, provide fertilizer and FFB quality.</p> <p>The company had been involved in supporting smallholders – Plasma since the PIR-Trans started in 1990s, the company has allocated team, namely: Plasma Management team to support plasma.</p> <p>Support given by the company to improve smallholders’ productivity such as: provide pesticide and spraying team, IPM, provide fertilizer, soil and leaf sampling for fertilizer recommendation, FFB quality, management of KUDs, capacity building through training and socialization, etc.</p>	Complied
<p><b>Criterion 6.12</b>          No forms of forced or trafficked labour are used.</p>		
<p>6.12.1 There shall be evidence that no forms of forced or trafficked labour are used.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>The company policy related to ‘no forced or trafficked labour’ has been determined in the company policy dated 1 December 2014.</p> <p>There is no evidence of any forced or traffic labor used within the company, all workers are Indonesian.</p>	Complied
<p>6.12.2. It shall be demonstrated that no contract substitution has occurred.</p> <p>Minor Compliance</p>	<p><b>Estate, Mill &amp; Scheme smallholders (Plasma):</b></p> <p>No incidents of contract substitution have been found and this is confirmed that during interviews with workers and external stakeholders.</p>	Complied
<p>6.12.3 Where migrant/foreign/honorary workers are employed, a special worker policy and procedures and the evidence of implementation shall be available.</p> <p>Major Compliance</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p> <p>There was no migrant worker, it is verified during document review, interview with employees and stakeholders</p>	Complied
<p><b>Criterion 6.13</b>          Growers and millers respect human rights.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>6.13.1. A policy to respect human rights shall be documented and</p>	<p><b>Estate &amp; Scheme smallholders (Plasma):</b></p>	Complied

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<p>communicated to all levels of the workforce and operations.</p> <p>Major Compliance</p>	<p>Human Rights policy was incorporated into the documented Company Policy dated 01 December 2014. The Policy has been disseminated to all workforce on 13 July 2018 and 08 August 2018.</p> <p>This policy also has been communicated to all contractors and suppliers on 17 July 2018.</p> <p>Based on the interviews with the workers, union and stakeholders (District Manpower Office Indragiri Hulu), there was no issues related to human right violations.</p>
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### Principle 7: Responsible development of new plantings

PT. Rigunas Agri Utama and Plasma has documented procedures for new development but to date has not carried any new plantings after November 2005. Therefore, the requirements of Principle 7 are not applicable during assessment at this unit.

Based on RSPO RaCP Case Tracker updates in Jan 2019, under the PT Inti Indosawit Subur Group it is indicated that there are 3 management units with potential liability. It is verified that the Concept Note (CN) is being submitted for review and approval as per the RSPO Remediation and Compensation Procedure. <https://www.rspo.org/certification/remediation-and-compensation/racp-tracker>

### Principle 8: Commitment to continuous improvement in key areas of activity

<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 operations.		
Indicators	Findings and Objective Evidence	Compliance
<p>8.1.1 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><b>Estate &amp; Scheme smallholders (Plasma):</b> The POM and Estates audited has identified and progressively implemented the following Continual Improvement Action Plans which are annually reviewed.</p> <ul style="list-style-type: none"> <li>- Replaced barn owl to reduce rat attack.</li> <li>- Planted beneficial plants 3,654 meters along the main and collection road to reduce pest attack.</li> <li>- Road maintenance with install cross drain 1,009 units.</li> <li>- Improving terrace using "Tapak Kuda": 133 ha to reduce erosion.</li> <li>- Applied EFB and Land Application as fertilizer to improve soil nutrients and reduce using chemical fertilizer.</li> <li>- Reducing paraquat usage.</li> <li>- Install medical waste treatment facility (under progress obtain permit from Environmental Authority.</li> <li>- Feasibility study to install methane capture.</li> <li>- Enrichment planting with native species along water course.</li> </ul>	<p>Complied</p>

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### 3.1.1 Supply Chain Certification Standards Findings - on CPO Mill

#### General Chain of custody Requirements for the supply chain:

<b>5.1 Applicability of the general chain of custody requirements for the supply chain</b>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>5.1.1. The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors.</p> <p>After the end product manufacturer, there is no further requirement for certification.</p>	<p>The company take legal ownership under PT. Rigunas Agri Utama – Peranap Palm Oil Mill and handling RSPO certified oil palm product physically.</p> <p>No outsourced facility used in the processing and production.</p>	Complied
<p>5.1.2. Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor must pass on the certification number of the product manufacturer and the applicable supply chain model.</p>	<p>The company didn't trade product that did not produce themselves.</p> <p>This facility is Palm Oil Mill (not trader/distributor)</p>	Complied
<p>5.1.3. Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p>	<p>PT. Rigunas Agri Utama is under the PT. Inti Indosawit Subur Group (RSPO membership No. 1-0022-06-000-00) and the unit has been registered in RSPO PalmTrace.</p>	Complied
<p>5.1.4. Processing aids do not need to be included within an organization's scope of certification.</p>	<p>No processing aid since this facility is Palm Oil Mill.</p>	Complied
<b>5.2 Supply chain model</b>		
<p>5.2.1 The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -&gt; Segregated -&gt; Mass Balance.</p>	<p>This facility is Palm Oil Mill only applied supply chain model: Mass Balance (MB)</p>	Complied
<p>5.2.2. The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p>	<p>This facility is Palm Oil Mill only applied supply chain model: Mass Balance (MB)</p>	Complied
<b>5.3 Documented procedures</b>		
<p>5.3.1. The site shall have written procedures and/or work instructions or equivalent to ensure the</p>	<p>'The company has established set of procure to comply with RSPO SCCS requirement, the last updated of procedure on 01.11.2018.</p>	Complied

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<p>implementation of all elements of the applicable supply chain model specified.</p> <p>This shall include at minimum the following:</p> <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> <li>• Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard.</li> </ul>	<p>SOPs has covered element of supply chain model requirement, such as:</p> <ul style="list-style-type: none"> <li>- Standard Operating Procedures – “Book Keeping” no. AA-MPM-OP-1400.18. R4, dated 02/03/2015</li> <li>- Standard Operating Procedure – “Traceability” no. AA-MPM-OP-1400.1. R6, 01/09/2017.</li> <li>- Standard Operating Procedure “Internal Audit” no. AA-SOP-ES-6001-R5, updated 01/05/2018</li> <li>- Standard Operating Procedure “Sistem Palmtrace RSPO” no. AA-SM-405.2-R2, updated 01/07/2017.</li> <li>- Standard Operating Procedure “Non-conformance product” no. AA-MPM-OP-1400.17. R4</li> <li>- Standard Operating Procedure regulated retention time of record no. AA-FA-213.1-R2, dated 01 January 2008 (section 4.3.1 “Retention time of record is 10 years)</li> <li>- Standard Operating Procedure “Compliant” no. AA-GL-5008.1-R1.</li> <li>- Standard Operating Procedure “Management review” no. AA-SOP-ES-6001-R0,</li> <li>- Standard Operating Procedure “Penerimaan Kernel” no. AA-MPM-OP-1400.24-R0</li> </ul> <p>The company updated their records and reports based on daily, monthly, 3-monthly and annually. Based on document review, it was seen that records and documents is updated and demonstrate compliance with the RSPO SCCS system and Standard, June 2017.</p> <p>The responsible person to implement RSPO SCCS requirements is Mill Manager as procedure and organizational chart.</p> <p>Based on interview with the responsible person, confirmed that she able to demonstrate implementation of RSPO supply chain.</p>	
<p>5.3.2.</p> <p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <ol style="list-style-type: none"> <li>i. conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</li> <li>ii. effectively implements and maintains the standard requirements within its organization.</li> </ol>	<p>The company has established internal audit procedure no. no. AA-SOP-ES-6001-R5, updated 01/05/2018.</p> <p>Internal audit was done on 02/08/2018 using checklist with refer to the RSPO SCCS system and standard, 2017, included communication and claim</p> <p>During the last internal audit, there was 1 NC was raised. This NC has been closed out.</p> <p>The company has maintained internal audit report and corrective action appropriately.</p>	<p>Complied</p>

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<p>Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct nonconformities shall be subject to management review at least annually. The organization must be able to maintain the internal audit records and reports.</p>	<p>Internal audit was review during management review, the last management review was done on 13/08/2018, The management review minutes "Bahan &amp; Tinjauan Manajemen Review", was attended by 6 participants.</p> <p>Based on review of minutes management review, it was shown that internal audit results and corrective actions taken had been taken and addressed appropriately.</p>	
<b>5.4 Purchasing and goods in</b>		
<p>5.4.1. The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number</li> <li>• Information must be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> <li>• The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping announcements/ Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.</li> <li>• A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website</li> </ul>	<p>The Daily Production Report showed traceable figures of certified products from certified raw material sources. All incoming certified raw material is recorded by daily, monthly and annual basis.</p> <p>Incoming raw material indicating: name and address of the product origin, name and address of the receiver; ticket number, delivery order no.; contract no.; date; quantity; transporter; type of product; supply Chain model used (MB) and RSPO certificate number.</p> <p>Incoming FFB from supply base owned estate and scheme smallholders (Plasma) with following "Surat Pengantar Buah/SPB) and WB ticket in mill</p> <p>Sample taken: Delivery Note (SPB) WB ticket no. PPNA118215985 Dated: 31/10/2018 Origin: Kebun Inti – Peranap Address: Peranap, Indragiri Hulu Receiver: PT. RAU – Peranap POM Address: Peranap, Indragiri Hulu Product: FFB Certified RSPO - MB Quantity: 5,870 kg (Certified) RSPO certified no. FMS 40006 SPB/Delivery Note no. 003796</p>	<p>Complied</p>



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<p>(<a href="http://www.rspo.org">www.rspo.org</a>) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.</p> <ul style="list-style-type: none"> <li>The validity of license for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements/announcements.</li> </ul>		
<p>5.4.2. The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.</p>	<p>Based on document review, it was shown that the company has procedure for verifying incoming certified raw material from their supplier as described in the procedure "Traceability" no. AA-MPM-OP-1400.17. R4 So far, there was no evidence of any occurrence of non-conforming products or related documents.</p>	Complied
<p><b>5.5 Outsourcing activities</b></p>		
<p>5.5.1. In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.</p> <p>This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).</p>	No outsourced activities	Complied
<p>5.5.2. Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ol style="list-style-type: none"> <li>The site has legal ownership of all input material to be included in outsourced processes;</li> <li>The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</li> <li>The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties</li> </ol>	No outsourced activities	Complied

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<p>engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.</p>		
<p>5.5.3. The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.</p>	<p>No outsourced activities</p>	<p>Complied</p>
<p>5.5.4. The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products.</p>	<p>No outsourced activities</p>	<p>Complied</p>
<p><b>5.6 Sales and goods out</b></p>		
<p>5.6.1. The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer;</p> <ul style="list-style-type: none"> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number of the seller;</li> <li>• A unique identification number.</li> <li>• Information must be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> <li>• For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	<p>PT. Inti Indosawit Subur – Peranap POM shows SOP Traceability Standard Operating Procedure – “Traceability” no. AA-MPM-OP-1400.1. R6, 01/09/2017, section 6.2 indicating the Marketing manager creates Delivery Note of Despatch PKO and PKE in WB System with information:</p> <ul style="list-style-type: none"> <li>- Name and address of production unit.</li> <li>- Name and address of buyer,</li> <li>- Contract number / DO number</li> <li>- Date of delivery product</li> <li>- Transporter ID</li> <li>- Type of product: PKO Certified</li> <li>- Supply Chain model used (IP/SG/MB)</li> <li>- Quantity (kg / MT)</li> <li>- RSPO SCC certificate no.</li> <li>- Surat Pengantar Number (Delivery Note number)</li> </ul> <p>Sample taken: SPB outgoing product (CSPO): No ticket: PPNC117101627 Dated: 14/09/2018 Origin: PT. Rigunas Agri Utama – PMKS Peranap Address; Peranap, Indonesia Receiver: PT. Sari Dumai Sejati Address: Teluk Bagus, Rengat Product: CPO Certified RSPO SC model: Mass Balance (MB) Quantity: 25,160 kg RSPO certified no. FMS 40006 DO/contract no.: 09003/DC41/02/17.</p> <p>SPB outgoing product (CSPK): No ticket: PPNC218100451 Dated: 15/09/2018 Origin: PT. Rigunas Agri Utama – PMKS Peranap Address; Peranap, Indonesia Receiver: PT. Inti Indosawit Subur</p>	<p>Complied</p>

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	<p>Address: Buatan, Riau Product: PK Certified RSPO SC model: Mass Balance Quantity: 24,720 kg RSPO certified no. FMS 40006 DO/contract no.: 09003/DC41/13/18</p>	
<p><b>5.7 Registration of transactions</b></p>		
<p>5.7.1. Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are mills, traders, crushers and refineries; and</li> <li>• take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable.</li> </ul>	<p>The company has registered in “PalmTrace”, as follows:</p> <p>PT Rigunas Agri Utama – Peranap Palm Oil Mill shows the registration to RSPO PalmTrace.</p> <p>Company Name: PT Rigunas Agri Utama; Country: Indonesia; Core product: Palm Oil; Member ID: RSPO_PO1000002063</p> <p>The company has registered their transaction in palm trace.</p> <p>Sample taken: Transaction ID: TR-98788645-621e Seller: PT. RAU – Peranap Mill Buyer: PT. Sari Dumai Sejati (SDS) Product: CSPO Supply chain model: MB Quantity: 1,000 mt Transaction type: Shipping Status: Confirmed Date: 05/10/2018</p> <p>Transaction ID: TR-5b0ec192-e3fc Seller: PT. RAU – Peranap Mill Buyer: PT. IIS Buatan I KCP Product: CSPK Supply chain model: MB Quantity: 24.32 mt Transaction type: Shipping Status: Confirmed Date: 30/09/2018</p>	<p style="text-align: center;">Complied</p>
<p>5.7.2. The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p> <ul style="list-style-type: none"> <li>• Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</li> <li>• Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain</li> </ul>	<p>The company has registered their transaction in palm trace.</p> <p>Sample taken: Transaction ID: TR-98788645-621e Seller: PT. RAU – Peranap Mill Buyer: PT. Sari Dumai Sejati (SDS) Product: CSPO Supply chain model: MB Quantity: 1,000 mt Transaction type: Shipping Status: Confirmed Date: 05/10/2018</p> <p>Transaction ID: TR-5b0ec192-e3fc Seller: PT. RAU – Peranap Mill Buyer: PT. IIS Buatan I KCP</p>	<p style="text-align: center;">Complied</p>

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<p>beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.</p> <ul style="list-style-type: none"> <li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> <li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>	<p>Product: CSPK Supply chain model: MB Quantity: 24.32 mt Transaction type: Shipping Status: Confirmed Date: 30/09/2018</p>	
<p>5.8.1. The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff.</p>	<p>The company create Training plan annually, training plan in 2018 in "Program dan realisasi Pelatihan - 2018". Training plan is reviewed annually.</p> <p>Training material, attendance list and photograph as evidence are verified and available.</p>	Complied
<p>5.8.2. Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed.</p>	<p>The last training was done on 16/07/2018, attended 6 participants who are involved in implementation of the RSPO SCCS.</p>	Complied
<b>5.9 Record keeping</b>		
<p>5.9.1. The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.</p>	<p>The company has procedure to maintain and update all documents and records of RSPO supply chain system as required by the RSPO supply chain.</p> <p>The company has maintained, updated report &amp; record which covering all aspects of RSPO SCCS requirements, such as: daily report, monthly report, 3-months mass balance report, delivery note, balancing stock report, complaint record, non-conforming product report, etc.</p>	Complied
<p>5.9.2. Retention times for all records and reports shall be a minimum of two (2) years and must comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</p>	<p>The company has determined retention time of record for 10 year as described in procedure no. AA-FA-213.1-R2, dated 01 January 2008 (section 4.3.1 "Retention time of record is 10 years)</p> <p>Based on sampling documents, the company able to show record within retention time record period as determined in procedure.</p>	Complied
<p>5.9.3. The organization must be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and</p>	<p>The company has updated the record keeping of volume of purchased, processed and claimed RSPO certified oil palm product based on 3-monthly basis and annually.</p>	Complied

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claimed (output) over a period of twelve (12) months.		
<b>5.10 Conversion factors</b>		
5.10.1 Where applicable a conversion rate must be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which must be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries.	Not Applicable, since this certification unit scope is until the Palm Oil Mill only	N/A
5.10.2 Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Not Applicable, since this certification unit scope is until the Palm Oil Mill only	N/A
<b>5.11 Claim</b>		
5.11.1. The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	To-date, no incorrect claims was made.	Complied
<b>5.12 Complaints</b>		
5.12.1. The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	The company has created the procedure to handling complaints from internal and external in Standard Operating Procedure "Compliant" no. AA-GL-5008.1-R1.  There is no complaint received since previous audit.	Complied
<b>5.13 Management review</b>		
5.13.1. The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	The last management review was done on 13/08/2018, minutes meeting of management review seen that internal audit has been reviewed.	Complied
5.13.2. The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	Minutes meeting of management review is documented in "Bahan & Tinjauan Manajemen Review", review of input: internal audit result where there are 1 (one) NC was raised during previous internal audit, review of corrective and preventive action, follow up action from customer feedback, follow up action from previous management review and changes that could affect the management system.	

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<p>5.13.3.</p> <p>The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>	<p>The output of management review, included of recommendations for improvement, e.g. ensure that complaint is handling properly, provided procedure and work instruction to ensure comply with the RSPO SCCS system and standard, 2017.</p>	Complied
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### RSPO Supply chain requirements – Module E (Mass Balance) for CPO Mill

E.1 Definition		
Indicators	Findings and Objective Evidence	Compliance
<p>E.1.1</p> <p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply 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>The POM received FFB from certified and uncertified sources, then, POM applied RSPO supply chain model as Mass Balance (MB)</p>	Complied
E.2 Explanation		
Indicators	Findings and Objective Evidence	Compliance
<p>E.2.1</p> <p>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. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnages of CPO and PK products has been recorded by the Certification Body (CB) in the public summary of the P &amp; C certification report, such as:</p> <p>Initial Assessment:                      Estimated CPO: 42,791 mt                      Estimated PK : 10,194 mt</p> <p>ASA-01:                      Estimated CPO: 39,219 mt                      Estimated PK : 9,632 mt</p> <p>ASA-02:                      Estimated CPO: 40,995 mt                      Estimated PK : 10,164 mt</p> <p>ASA-03:                      Estimated CPO: 31,668 mt                      Estimated PK : 8,068 mt</p>	Complied
<p>E.2.2</p> <p>The mill must also meet all registration and reporting requirements for the appropriate supply</p>	<p>The company has registered in PalmTrace with RSPO ID_PO1000002063 and transaction has been reported consistently in PalmTrace.</p>	Complied

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chain through the RSPO supply chain managing organization (RSPO IT platform).		
<b>E.3 Documented procedures</b>		
<p>E.3.1  The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following::</p>		
<p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements.</p>	<p>The company has established set of procure to comply with RSPO SCCS requirement, the last updated of procedure on 01.11.2018. SOPs has covered element of supply chain model requirement, such as:</p> <ul style="list-style-type: none"> <li>- Standard Operating Procedures – “Book Keeping” no. AA-MPM-OP-1400.18. R4, dated 02/03/2015</li> <li>- Standard Operating Procedure – “Traceability” no. AA-MPM-OP-1400.1. R6, 01/09/2017.</li> <li>- Standard Operating Procedure “Internal Audit” no. AA-SOP-ES-6001-R5, updated 01/05/2018</li> <li>- Standard Operating Procedure “Sistem PalmTrace RSPO” no. AA-SM-405.2-R2, updated 01/07/2017.</li> <li>- Standard Operating Procedure “Non-conformance product” no. AA-MPM-OP-1400.17. R4</li> <li>- Standard Operating Procedure regulated retention time of record no. AA-FA-213.1-R2, dated 01 January 2008 (section 4.3.1 “Retention time of record is 10 years)</li> <li>- Standard Operating Procedure “Compliant” no. AA-GL-5008.1-R1.</li> <li>- Standard Operating Procedure “Management review” no. AA-SOP-ES-6001-R0,</li> <li>- Standard Operating Procedure “Penerimaan Kernel” no. AA-MPM-OP-1400.24-R0</li> </ul> <p>The company updated their records and reports based on daily, monthly, 3-monthly and annually. Based on document review, it was seen that records and documents is updated and demonstrate compliance with the RSPO SCCS system and Standard, June 2017.</p>	Complied
<p>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’s procedures for the implementation of this standard.</p>	<p>The responsible person to implement RSPO SCCS requirements is Mill Manager as procedure and organizational chart.</p> <p>Based on interview with the responsible person, confirmed that she able to demonstrate implementation of RSPO supply chain.</p>	Complied

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<p>E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>The company has established the procedure to ensure receiving and processing certified and non-certified FFBs, as follows:</p> <ul style="list-style-type: none"> <li>- Standard Operating Procedures – “Book Keeping” no. AA-MPM-OP-1400.18. R4, dated 02/03/2015</li> <li>- Standard Operating Procedure – “Traceability” no. AA-MPM-OP-1400.1. R6, 01/09/2017.</li> </ul> <p>Based on document review, those procedures have been implemented.</p>	<p>Complied</p>
<p><b>E.4 Purchasing and goods in</b></p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>E.4.1 The site shall verify and document the volumes of certified and non-certified FFBs received.</p>	<p>The company has recorded certified and non-certified FFBs in “Mass Balance of PT. Rigunas Agri Utama – Peranap POM. Based on review, the mass balance for certified and non-certified FFBs is recorded correctly.</p>	<p>Complied</p>
<p>E.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p>	<p>There is no over-projection was noted until audit conducted.</p>	<p>Complied</p>
<p><b>E.5 Record keeping</b></p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>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. 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. 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).</p>	<p>Balancing of certified FFB and deliveries CSPO &amp; CSPKO is recorded in “Laporan Mass Balance” based on 3 monthly basis. Outgoing of CSPO and CSPK from positive stock, there is no short selling was done during previous year.</p>	<p>Complied</p>

### 3.1.2 Status on Supply Chain on POM:

Based on the documents and records presented during the on-site verifications made, it is concluded that the POM has been able to comply with the requirements of the RSPO SCCS under the ‘IP’ module and is thus eligible for ‘**MB**’ trading for its palm products for year 2018/2019.



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### 3.1.3 Summary of Certified Product Volumes (Produced and Traded):

The Production data and traded volumes of certified products which was verified for the last 12-months till audit in 2018 is detailed as per Table 8A & 8B below:

**Table 8A: Production Data**

	Estate	Smallholders	Outgrowers
Number of Production Unit	1	1	-
Number of Individual Smallholders	-	2,592	-
Certified Area (ha)	5,215	5,142	-
<b>Production Area (ha) / i.e. Mature area</b>	3,658	5,142	-
HCV Area (ha)	109.99	-	-
<b>Projected Certified FFB Processed (RSPO Certified) (mt)</b>	96,415	76,836	-
Projected Certified - CPO Processed (RSPO Certified) (mt)	21,134	16,844	-
Projected Certified - PK Processed (RSPO Certified) (mt)	5,400	4,302	-

Trading of the certified products was monitored by the POM via RSPO Palm Trace including RSPO GreenPalm and ISCC IT platforms. The records maintained at the POM relied on internal communications of the trading done by the HQ. The volumes of traded certified products as verified during assessment are as follows:

**Table 8B: Summary of Trading volumes**

Details as per RSPO Certification System Document		
	CPO (mt)	PK (mt)
<b>Last year's (Projected) – Certified volume (RSPO Certified)</b>	<b>31,668.00</b>	<b>8,068.00</b>
a) Last year's Actual sold volume (RSPO Certified)	4,315.42	7,592.43
b) Last year's Actual sold volume * (Other Schemes Certified)	25,630.07	0.00
c) Last Year's Actual sold volume ** Conventional	0.00	0.00
<b>Total of (a) + (b) + (c)</b>	<b>29,945.49</b>	<b>7,592.43</b>
Note: Total Actual sold volume for previous 12-month certified period.		
<b>New (Projected) – Certified Volume (RSPO Certified)</b>	<b>37,978</b>	<b>9,702</b>

**Notes:**

\* The non PalmTrace volumes under 'Other Schemes certified' is basically ISCC.

\*\* Remaining volumes traded are not claimed under 'Certified' and traded as 'Conventional' volume.

### 3.2 Status of Identified Noncompliance and Corrective Actions, Observations and Positive Elements.

The status of the Noncompliances (NC) and Observations (OBS) identified against the RSPO P & C – INA NITF, 2016 Compliance Indicators is as per the details below:

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Assessment Type	Year	Noncompliance (NC)	Observations (OBS)	Follow up status
Main Assessment	2014	8 - Major (partial Certification 4.2.4, 2.1.1, 2.2.2, 4.7.1, 5.3.2, 6.2.1, 5.2.2 & 5.2.3)  2 – Minor (4.4.2 & 4.7.3)	-	Actions taken on the NCs
Annual Surveillance - 01	2015	4 - Major (4.6.1, 4.6.2, RSPO SCCS E.3.1 & RSPO SCCS 5.3.7)  5 – Minor (2.2.2, 4.4.1, 4.7.6, 5.2.4 & 5.6.3)	-	Actions taken on the NCs
Annual Surveillance - 02	2016	6 - Major (2.1.1, 4.7.2, 4.7.3, 5.2.2, 5.6.3 & 6.5.2)  5 – Minor (4.2.3, 4.6.9, 5.2.5, 6.1.4, & 6.5.3)	-	Actions taken on the NCs.
Annual Surveillance - 03	2017	10 - Major (2.1.1, 4.6.5/4.7.5, 4.6.6, 4.7.2, 4.7.3, 5.3.2, 6.1.2, 6.1.3, 6.5.1 & 6.5.2)  7 – Minor (1.1.1, 4.1.3, 4.4.1, 4.6.7, 4.7.5, 5.3.3, & 6.8.3)	-	Actions taken on the NCs. Verified as implemented and addressed for effective closure during ASA-04.
Annual Surveillance - 04	2018	-	1 Obs. (4.8.1)	To be followed up in next assessment.

**Year 2017: ASA-03 (17 NCs – 10 Major and 7 Minor):**

NC #	NI-INA Indicator	Details of NC
Minor-01	1.1.1	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b> List of stakeholders did not include all affected parties.</p> <p><b>Objective Evidence:</b> Not all stakeholders in the company were on the stakeholders list, such as local contractors on behalf Yori Chandra, Sri wahyuni, and CV Monica.</p> <p><b>Root Cause:</b> These contractors were handled by Regional Office (contract, payment, etc.) and also domicile them no around at company. Regional Office was not informed to Humas, so they were not identified by Humas.</p> <p><b>Corrective Action:</b> Inform to Regional Office that all contractors handled by them must inform to Humas and if any adding/updating.</p>

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		<p><b>Verification for closure of NC:</b> The company has updated list of stakeholders, included local contractors. The latest updated in August 2018.</p> <p>The company has mechanism for updating list of stakeholders where Humas Department will be informed if any new stakeholders, e.g. new contractors from Regional Office Pekanbaru.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor:</b> Haeruddin</td> <td style="width: 40%;">Date closed: 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Haeruddin	Date closed: 30/11/2018
<b>NC status verified by auditor:</b> Haeruddin	Date closed: 30/11/2018			
		<p><b>Verification (for effectiveness):</b></p> <p>It was verified to be satisfactorily performed and found adequate and acceptable for the closure of the NC.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor:</b> Haeruddin</td> <td style="width: 40%;">Date verified: 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Haeruddin	Date verified: 30/11/2018
<b>NC status verified by auditor:</b> Haeruddin	Date verified: 30/11/2018			

NC #	NI-INA Indicator	Details of NC		
Major-02	2.1.1	Date issued: 21 November 2017		
		<p><b>Nonconformance:</b> There was a regulation that have not been updated and have not been realized.</p> <p><b>Objective evidence:</b> a. Based on document review, SK MenLHK No 130/2017 “<i>Penetapan Peta Fungsi Ekosistem Gambut Nasional</i>” have not been identified in list environment legal update 5 April 2017. b. Based on field observation in Spraying Activity in Block A95C Afdeling I, it was found that 5 knapsacks of the spray workers not given the B3 Symbol, it was not comply with PerMenLh No. 3/2008 <i>Pasal 3</i> related “<i>Tata Cara Pemberian Simbol dan Label B3</i>”.</p>		
		<p><b>Root Cause:</b> a. Lack of cooperation intensity between SSL Dept. Coordinator and Humas/KTU for updating regulation. At the time, regulation updating was conducted minimum once a year and the last updated on 05 April 2017. b. HIRAC has not analysed knapsack’s symbol from Spraying Activity.</p>		
		<p><b>Corrective Action:</b> a. SSL Dept. Coordinator, Sustainability and CSR, Dept., and <i>Humas</i> have been coordinated date on 4 January 2018 regarding revision of regulation updating (International, National, Province, and Local Regulation) minimum every 3 months. SSL Dept. will inform to <i>Humas/KTU</i> by email and knowledge by Sustainability and CSR Dept. It was stated in Internal Memorandum NO. 030/SM-RAU/MEMO/1/2018 date on 04 January 2018. b. Revised the HIRAC by AK3U that analysed knapsack’s symbol from Spraying Activity, such as Hazardous and Toxic in January 2018. And HIRAC was reviewed monthly by <i>AK3U</i> in Safety Meeting.</p>		
		<p><b>Verification for closure of NC:</b> This Major NC has been verified by auditor previous CB (SAI Global):</p> <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor:</b> R. Yosi Zainal (Lead Auditor – SAI Global)</td> <td style="width: 40%;">Date closed: 17/01/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> R. Yosi Zainal (Lead Auditor – SAI Global)	Date closed: 17/01/2018
		<b>NC status verified by auditor:</b> R. Yosi Zainal (Lead Auditor – SAI Global)	Date closed: 17/01/2018	
<p><b>Verification (for effectiveness):</b></p> <p>The company had carried out a Compliance Checks, based on the site observations, interviews and records checking at the POM, own estates and plasma estates. There were evidences of compliance with the relevant laws, regulations, local and international laws. There were no cases of any violation or actions imposed by relevant authorities.</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p>				

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

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NC #	NI-INA Indicator	Details of NC	
Minor-03	4.1.3	Date issued: 21 November 2017	
		<p><b>Nonconformance:</b> The internal calibration tool for measuring the pressure gauge has not been calibrated.</p> <p><b>Objective evidence:</b> The company has internal calibration for pressure gauge for some of process machine on mill, but the internal calibration tool for measuring the pressure gauge has not been calibrated.</p> <p><b>Root Cause:</b> The internal Measurement Calibration Tool (master) does not identified in the list of tools that need to be calibrated in the Mill</p> <p><b>Corrective Action:</b> Assistant Process updates the list of tools that need to be calibrated at the Mill by adding a master pressure gauge to the list.</p> <p><b>Verification for closure of NC:</b> The company has done calibration for pressure gauge by Independent Calibration "Laboratorium Kalibrasi – UPT Pengujian dan Sertifikasi Mutu Barang" Dinas Perdagangan, Koperasi, Usaha Kecil dan Menengah, Prov. Riau with certificate # 582/UPT PSMB/Kall/18, date 28/12/2107.</p> <p>The company has listed all equipment and tools need to be calibrated as monitoring to ensure that calibration is conducted timely manner.</p>	
		<b>NC status verified by auditor:</b> Haeruddin	Date closed: 30/11/2018
		Verification (for effectiveness): It was verified to be satisfactorily performed and found adequate and acceptable for the closure of the NC.	
		<b>NC status verified by auditor:</b> Haeruddin	Date verified: 30/11/2018

NC #	NI-INA Indicator	Details of NC	
Minor-04	4.4.1	Date issued: 21 November 2017	
		<p><b>Nonconformance:</b> Practices maintain the quality and availability of surface and ground water do not conducted properly.</p> <p><b>Objective evidence:</b> Based on interview and field observation in Spraying Activity Block A95C Afdeling I, it was found that hand wash water was not accommodated in available buckets. .</p> <p><b>Root Cause:</b> The driver (TUS Truck) have difficulty to move the bucket of hand wash water.</p> <p><b>Corrective Action:</b> Head Assistant and AK3U making Work Instruction related hand wash activity after spraying.</p> <p><b>Verification for closure of NC:</b> Based on field verification to chemical spraying activity at Block A95A it was evidenced that the chemical spraying truck was equipped with clean water for hand wash or any other emergency.</p>	
		<b>NC status verified by auditor:</b> Andreas Rahutomo	Date closed: 30/11/2018
		Verification (for effectiveness): It was verified to be satisfactorily performed and found adequate and acceptable for the closure of the NC.	

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NC #	NI-INA Indicator	Details of NC				
Major-05	4.7.5	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b> The emergency equipment was not available at working location.</p> <p><b>Objective evidence:</b></p> <ul style="list-style-type: none"> <li>a. There was no MSDS available for Kenrane and Elang at spraying working location block A95c division 01.</li> <li>b. There was no MSDS available for NaOH as water treatment plant material</li> </ul> <p><b>Root Cause:</b></p> <ul style="list-style-type: none"> <li>a. <i>Mandor</i> still lacks understanding and considers it unnecessary to provide MSDS at work location while working.</li> <li>b. Warehouse clerk is still less concerned about the importance of MSDS for chemicals.</li> </ul> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>a. Head Assistant has conducted a socialisation to <i>Mandor Semprot</i> to provide MSDS at workplace during spraying activity. Head Assistant also has conducted weekly monitoring of MSDS at workplace (spraying activity) for December 2017 and January 2018.</li> <li>b. <i>KTU and AK3U</i> has conducted socialisation to warehouse clerk to check the MSDS in Warehouse on 4 December 2017. <i>KTU</i> has conducted monthly monitoring of MSDS in workplace (warehouse mill).</li> </ul> <p><b>Verification for closure of NC:</b> This Major NC has been verified by auditor previous CB (SAI Global):</p> <p>Field verification was conducted in spraying activity at Block D92a Afdeling IV on 16 January 2017, MSDS Kenrane and Elang was available at workplace. Field verification also was conducted in Warehouse Mill on 17 January 2017, MSDS NaOH was available at warehouse.</p> <p>Corrective action has been implemented, i.e.:</p> <ul style="list-style-type: none"> <li>a. Head Assistant has conducted a socialisation to all <i>Mandor Semprot</i> to provide MSDS at workplace area during spraying activity on 27 November 2017 (Afdeling I, II, III and IV). The result of weekly inspection by Head Assistant related MSDS at workplace area (spraying activity) was shown during follow up audit for December 2017 and January 2018 (week 1 and 2).</li> <li>b. <i>KTU and AK3U</i> has conducted a socialisation to warehouse clerk to provide MSDS at warehouse on 4 December 2017, the evidence was shown during follow up audit. The result of weekly inspection by <i>KTU</i> for December 2017 and January 2018 (week 1 and 2) related MSDS at workplace area Mill (fertilizer warehouse, fuel station, chemical storage) was shown during follow up audit.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Nanang Rusmana (Auditor – SAI Global)</td> <td style="width: 30%;">Date closed: 17/01/2018</td> </tr> </table> <p><b>Verification (for effectiveness):</b></p> <p>MSDS are available on-site during field verification, such as chemical storage, fertilizer storage, fuel station, oil storage, spraying team at location.</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Haeruddin</td> <td style="width: 30%;">Date verified: 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Nanang Rusmana (Auditor – SAI Global)	Date closed: 17/01/2018	<b>NC status verified by auditor:</b> Haeruddin	Date verified: 30/11/2018
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NC #	NI-INA Indicator	Details of NC	
Major-06	4.6.6	Date issued: 21 November 2017	
		<p><b>Nonconformance:</b> There were inconsistencies implementations of waste management procedure.</p> <p><b>Objective evidence:</b> Based on field observation in emplacement Afdeling I, it was found private knapsack and empty pesticides container stored in worker's house not well managed.</p>	
		<p><b>Root Cause:</b> There has been no socialization to workers related SOP AA-KL-06 EFP "Limbah B3 Industri"</p>	
		<p><b>Corrective Action:</b></p> <p>a. Assistant has conducted a socialisation to all worker/Afdeling I, II, III and IV during morning cycle (apel pagi) on 13-14 December 2017.</p> <p>b. Assistant, <i>Humas</i> and Head of Security/<i>Danru</i> have conducted monthly monitoring at emplacement for December 2017 and January 2018.</p>	
		<p><b>Verification for closure of NC:</b> This Major NC has been verified by auditor previous CB (SAI Global):</p> <p>Field verification was conducted in emplacement Afdeling IV on 16 January 2018. Based on field verification was shown that no more private knapsack and private empty pesticides container in the emplacement.</p> <p>Corrective action has been implemented with conducted socialisation to all worker in Afdeling I-IV on 13-14 December 2017, the document was shown during follow up audit (photo, minutes of meeting, attendance list).</p> <p>The result of monthly inspection by Assistant, <i>Humas</i> and Head of Security/<i>Danru</i> for December 2017 and January 2018 (week 1 and 2) was shown during follow up audit which are monitored i.e.: Hazardous Waste, Private Knapsack.</p> <p>NCR closed.</p>	
		<p><b>NC status verified by auditor:</b> Nanang Rusmana (Auditor – SAI Global)</p>	Date closed: 17/01/2018
		<p><b>Verification (for effectiveness):</b></p> <p>Empty pesticide containers for disposal were triple rinsed and punctured prior to disposed to approved collector, such as PT PPLI and PT Indo Star Cargo.</p> <p>Some of empty container pesticides are re-used for application pesticides purposes, it was noted that no empty pesticide containers are used for other purposes.</p> <p>All empty container pesticide and other schedule waste are stored in "Gudang Limbah B3/Schedule waste storage and subsequently disposed to the register collector, there was no found empty container pesticide and/or schedule waste in emplacement during field visit, based on interview with workers, they understand that schedule waste shall be stored in "Gudang Limbah B3"</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p>	
		<p><b>NC status verified by auditor:</b> Haeruddin</p>	Date verified: 30/11/2018

NC #	NI-INA Indicator	Details of NC
Minor-07	4.6.7	Date issued: 21 November 2017

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		<p><b>Nonconformance:</b> There is an application of pesticide use that have risk and impact for the employee housing environment.</p> <p><b>Objective evidence:</b> Based on field observations, there was former applications of pesticide use in the employee housing environment of Afdeling 1.</p>		
		<p><b>Root Cause:</b> There has been no socialization to workers related application of pesticides in the emplacement.</p> <p><b>Corrective Action:</b> Assistant has conducted a socialisation to all worker/Afdeling I, II, III and IV during morning cycle (apel pagi) on 13-14 December 2017. Assistant, <i>Humas</i> and Head of Security/<i>Danru</i> have conducted monthly monitoring at emplacement for December 2017 and January 2018.</p>		
		<p><b>Verification for closure of NC:</b> Socialization for chemical spraying personnel has been done on 5 June 2018 and based on field visit housing complex, there was no chemical spraying applied.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Andreas Rahutomo</td> <td style="width: 30%;">Date closed: 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Andreas Rahutomo	Date closed: 30/11/2018
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NC #	NI-INA Indicator	Details of NC
Major-08	4.7.2	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b> The risk control for cutting process at warehouse mill and estate was not determined optimally</p> <p><b>Objective evidence:</b> There was no FBA equipment attached to O2 and LPG gas tube used for metal cutting process at mill and estate warehouse.</p> <p><b>Root Cause:</b> The HIRADC has not analyzed and mentioned the use of FBA on O2 and LPG gas tube.</p> <p><b>Corrective Action:</b> <i>AK3U</i> has revised the HIRADC related the use of FBA in LPG and O2 gas tube for metal cutting process in mill and estate warehouse on 27 November 2017 and also inform the change to workshop division. And HIRADC was updated monthly by <i>AK3U</i> and discussed in Monthly Safety Meeting.</p>

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		<p><b>Verification for closure of NC:</b> This Major NC has been verified by auditor previous CB (SAI Global):</p> <p>Field verification was conducted in Workshop-Estate on 16 January 2018 and Mill 17 January 2018, based on field verification was shown that the FBA has been installed on the O2 and LPG gas tube.</p> <p>Corrective action has been implemented, the HIRADC was revised by AK3U on 27 November 2017. Workshop Division (mill-estate) also has received the new HIRADC. The evidence was shown during follow up audit</p> <p>NCR closed.</p>	
		<p><b>NC status verified by auditor:</b> Nanang Rusmana (Auditor – SAI Global)</p>	<p>Date closed: 17/01/2018</p>
		<p><b>Verification (for effectiveness):</b></p> <p>Risk in all operations (mill and estates) have identified as documented in HIRADC PT. RAU, November 2017 and safety committee meeting done monthly to ensure that risks in all operation are monitored regularly.</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p>	
		<p><b>NC status verified by auditor:</b> Andreas Rahutomo</p>	<p>Date verified: 30/11/2018</p>

NC #	NI-INA Indicator	Details of NC
Major-09	4.7.3	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b> Appropriate protective equipment was not available to workers at the place of work,</p> <p><b>Objective evidence:</b></p> <ul style="list-style-type: none"> <li>a. Harvester at harvesting area block B95 afdeling 02 (safety glasses).</li> <li>b. Driver of FFB transporter at weighbridge area (safety shoes).</li> <li>c. Fertilizer workers at Afdeling 02 block B93 (safety shoes).</li> <li>d. Mill Maintenance worker at clarification station near engine room (ear plug)</li> </ul>



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		<p><b>Root Cause:</b></p> <ol style="list-style-type: none"> <li>a. Harvesters lack the understanding of the importance of protective goggles to protect the eyes from the garbage. Monitoring the use of PPE by Assistant and <i>AK3U</i> is only done at the time of <i>apel pagi</i> (morning call) before work.</li> <li>b. Lack of concern from FFB drivers to use PPE (Shoes and Helmets) into the mill area. Lack of control from security to make sure all drivers are already wearing full PPE into the mill.</li> <li>c. Fertilizer workers lack the understanding of the importance of safety shoes to protect them Monitoring the use of PPE by Assistant is only done at the time of <i>apel pagi</i> (<i>Morning call</i>) before work.</li> <li>d. The worker lacks the understanding of the importance of PPE to protect them. Monitoring the use of PPE by Assistant is only done at the time of <i>apel pagi</i> (<i>Morning call</i>) before work.</li> </ol> <p><b>Corrective Action:</b></p> <ol style="list-style-type: none"> <li>a. Assistant and Mandor monitors the use of PPE to harvest employees at the time of <i>apel pagi</i> (morning call) and when working in the workplace area.</li> <li>b. Security of mill ensure (with checklist) all FFB drivers already use PPE which have been determined and prohibit entering to mill area if not use PPE. Manager Mill provides a briefing to all security to ensure that everyone entering to the factory are required to use the determined PPE.</li> <li>c. Assistant and <i>Mandor Pupuk</i> monitors the use of PPE to harvest employees at the time of <i>apel pagi</i> and when working in the workplace area.</li> <li>d. Assistant Process monitors the use of PPE to harvest employees at the time of <i>apel pagi</i> (<i>morning call</i>) and when working in the workplace area.</li> </ol> <p><b>Verification for closure of NC:</b>  This Major NC has been verified by auditor previous CB (SAI Global):</p> <p>Field verification was conducted in estate on 16 January 2018 and Mill 17 January 2018, based on field verification was shown that all workers has been used the determined PPE. Corrective actions have been implemented, i.e.:</p> <ol style="list-style-type: none"> <li>a. The evidence of socialization from Assistant Process and Danru to all FFB Driver and third party has been shown during follow up audit i.e. to the third party driver: Beny, Asep T, A. E Sembiring, S.Purba, Hasanudin and S. Manurung.</li> <li>b. The organisation has been provide the PPE for FFB drivers and third party in Security Post, during follow up audit was verified, safety shoes 11 pcs and helmet 11 pcs.</li> <li>c. The PPE monitoring form/checklist for estate and mill on December 2017 and January 2018 was shown during follow audit, the result of monitoring that all works have used the determined of PPE</li> </ol> <p>NCR closed.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Nanang Rusmana (Auditor – SAI Global)</td> <td style="width: 30%;">Date closed: 17/01/2018</td> </tr> </table> <p><b>Verification (for effectiveness):</b>  Appropriate PPE had been provided at the place of work to cover all potentially hazardous operations, the implementation was verified to be maintained during the on-site field inspections that PPE was provided by company for workers freely and replaced if damaged.</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Andreas Rahutomo</td> <td style="width: 30%;">Date verified: 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Nanang Rusmana (Auditor – SAI Global)	Date closed: 17/01/2018	<b>NC status verified by auditor:</b> Andreas Rahutomo	Date verified: 30/11/2018
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Minor-10	4.7.5	Date issued: 21 November 2017

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		<p><b>Nonconformance:</b> The emergency equipment was not available at working location.</p> <p><b>Objective evidence:</b> There was no first aid kit carried by foreman at harvesting working area Block B95a division 02, block B93a division 02 and block C93A division 3.</p> <p><b>Root Cause:</b> <i>Mandor</i> still lacks understanding about importance of carrying first aid kit at workplace area while working.</p> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>- Assistant has conducted monthly monitoring at emplacement for December 2017 and January 2018 related First Aid Kit.</li> <li>- AK3U has the schedule of refreshment related First Aid Training in Y2018 for all <i>Mandor</i>.</li> </ul> <p><b>Verification for closure of NC:</b> Based on field verification to spraying, harvesting and EFB application activities (block A92B, A95B, and A94B respectively) it was evidenced that the supervisor (<i>Mandor</i>) carried first aid kit.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor:</b> Andreas Rahutomo</td> <td style="width: 40%;">Date closed: 30/11/2018</td> </tr> </table> <p>Verification (for effectiveness): It was verified to be satisfactorily performed and found adequate and acceptable for the closure of the NC.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>NC status verified by auditor:</b> Andreas Rahutomo</td> <td style="width: 40%;">Date verified: 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Andreas Rahutomo	Date closed: 30/11/2018	<b>NC status verified by auditor:</b> Andreas Rahutomo	Date verified: 30/11/2018
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NC #	NI-INA Indicator	Details of NC
Major-11	5.3.2	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b> The handling of hazardous waste has not been managed properly.</p> <p><b>Objective evidence:</b></p> <ol style="list-style-type: none"> <li>a. The licenses of Hazardous Waste Transport of Truck BM 9172 TU and BM 8085 TU cannot be shown during audit.</li> <li>b. Based on field observation in emplacement Afdeling I, II, III, it was found that empty used oil containers has not been managed properly. The empty used oil containers are disposed at emplacement area.</li> </ol> <p><b>Root Cause:</b></p> <ol style="list-style-type: none"> <li>a. Hazardous Waste transportation is handled by Head Office Medan (Tim Sustainability). Lack of coordination between the site (RAU) and the Head Office Medan (Tim Sustainability) related transportation of Hazardous Waste.</li> <li>b. There has been no socialization to workers related SOP AA-KL-06 EFP "<i>Limbah B3 Industri</i>"</li> </ol> <p><b>Corrective Action:</b></p> <ol style="list-style-type: none"> <li>a. <i>KTU and Ak3U</i> have made the checklist related to the completeness of third party licensing on 1 December 2017.</li> <li>b. Assistant has conducted a socialisation to all worker/Afdeling I, II, III and IV during morning cycle (apel pagi) on 13-14 December 2017. Assistant, Humas and Head of Security/Danru has been conducted monthly monitoring at emplacement for December 2017 and January 2018. <i>AK3U</i> has made an information board not to change personal vehicle oil in the emplacement on 18 December 2017.</li> </ol>

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		<p><b>Verification for closure of NC:</b> This Major NC has been verified by auditor previous CB (SAI Global):</p> <p>Based on document review related requested from KTU to Head Office Medan by email has been shown during follow up audit. The transportation license from Direktur Jenderal Perhubungan Darat are: BM 9172 TU -SK.1066/AJ.309/DJPD/2017/20171025BB-0025 dated 17 March 2017 and for BM 8085 TU SK.No.500/AJ309/DJPD/2017/12071025B-0024 dated 28 February 2017.</p> <p>Corrective action has been implemented with conducted socialisation to all worker in Afdeling I-IV on 13-14 December 2017, the document was shown during follow up audit (photo, minutes of meeting, attendance list).</p> <p>The result of monthly inspection by Assistant, <i>Humas</i> and Head of Security/<i>Danru</i> for December 2017 and January 2018 (week 1 and 2) was shown during follow up audit which are monitored i.e.: Hazardous Waste, Private Knapsack.</p> <p>The sign board are available in the emplacement area.</p> <p>NCR closed.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Nanang Rusmana (Auditor – SAI Global)</td> <td style="width: 30%;">Date closed: 17/01/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Nanang Rusmana (Auditor – SAI Global)	Date closed: 17/01/2018
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		<p><b>Verification (for effectiveness):</b></p> <p>All scheduled waste be disposed to register / licensed contractors, contractual agreement with the transporter no. 002/IIS-SDLI-ISC-PPLI/III/2018 and 001/KKP/IIS-SDLI-KNBP/III/2018 on 2 March 2018 until 1 March 2019, covering transporting by PT Indostar Cargo and processing by PT Prasadha Pamunah Limbah Industri. The transporter has license as stated on Land Transportation Director General Decree no: SK.797/AJ.309/DJPD/2018/120710258BB dated 26 February 2018 valid until 26 February 2023. Sample taken: disposed of scheduled waste on 12/10/2018 with Manifest no: OL0020640, i.e. contamination goods, include empty container pesticides 0.023 ton.</p> <p>Implementation of proper waste handling was reported periodically as evidence by Waste Handling Report period July-September 2018 along with its waste balance sheet. All outgoing scheduled waste were collected by licensed transporter as evidenced.</p> <p>Schedule waste from smallholders (plasma) is handling by Estate.</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Andreas Rahutomo</td> <td style="width: 30%;">Date verified: 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Andreas Rahutomo	Date verified: 30/11/2018
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NC #	NI-INA Indicator	Details of NC
Minor-12	5.3.3	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b> Domestic waste monitoring plan inappropriate with the implementation</p> <p><b>Objective evidence:</b></p> <p>a. Based on field observation, it was found traces of burning of domestic waste in the emplacement Afdeling I, II and III.</p> <p>b. Based on field observation, it was found domestic waste in Pump House-Land Application has not been managed properly.</p>

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		<p><b>Root Cause:</b> a. The workers still lack of care about the housekeeping in the emplacement. b. PIC Pump House LA still lack of care about the housekeeping in the Pump House –LA area.</p> <p><b>Corrective Action:</b> a. AK3U has made an information board in Pump House - LA and all emplacement related handling of domestic waste on 27 November 2017. b. Assistant, <i>Humas</i> and Head of Security/<i>Danru</i> have conducted monthly monitoring at emplacement-PKS for December 2017 and January 2018.</p>		
		<p><b>Verification for closure of NC:</b> Based on field verification to estate and emplacement there were no traces of domestic waste burning anymore. There company have also installed several signboards regarding waste burning prohibition.</p> <p>Domestic waste was handling properly for an-organic waste go through to the landfill and organic waste is put in surrounding housing line as organic fertilizer, it was noted during field visit at landfill is in Block I, domestic waste was handling properly.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Andreas Rahutomo</td> <td style="width: 30%;">Date closed: 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Andreas Rahutomo	Date closed: 30/11/2018
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NC #	NI-INA Indicator	Details of NC		
Major-13	6.1.2	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b> SIA was not conducted participation with the affected parties</p> <p><b>Objective evidence:</b> There was no evidence that the SIA has been involved consultation with the affected parties.</p> <p><b>Root Cause:</b> Consultation with the affected parties regarding SIA has been conducted by Humas, nevertheless he did not document in the SIA Report. Other than that, there was no controlling to the SIA report content.</p> <p><b>Corrective Action:</b> Humas already working with CSR Team regarding compliance of SIA document, such as: consultation with the affected parties, timetable and responsibilities for implementation, etc. date on 13 January 2018. Annually controlling will be held by Sustainability at the Internal Audit.</p> <p><b>Verification for closure of NC:</b> This Major NC has been verified by auditor previous CB (SAI Global):  Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.  NCR closed.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> R. Yosi Zainal (Lead Auditor – SAI Global)</td> <td style="width: 30%;">Date closed: 17/01/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> R. Yosi Zainal (Lead Auditor – SAI Global)	Date closed: 17/01/2018
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		<p><b>Verification (for effectiveness):</b></p> <p>The group has considered issues of social impact to employees and communities affected by their activities. Records of meeting and minutes meeting with stakeholders is available and showing evidence of participation of affected parties, such as head of villages, village representatives, and sub district police head, etc.</p> <p>Affected parties able to express their views through their own representative institutions, or freely chosen spokespersons.</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p>
		<p><b>NC status verified by auditor:</b> Doni <span style="float: right;"><b>Date verified:</b> 30/11/2018</span></p>

NC #	NI-INA Indicator	Details of NC
Major-14	6.1.3	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b>  Management and monitoring plans of social impact does not include timetable and responsibilities for implementation.</p> <p><b>Objective evidence:</b>  There was no timetable and responsibilities for implementation in plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive.</p> <p><b>Root Cause:</b>  <i>Humas</i> did not know that in the SIA Report must be available timetable and responsibilities for implementation in plans for management and monitoring of social impacts. Other than that, there was no controlling to the SIA report content</p> <p><b>Corrective Action:</b>  <i>Humas</i> has been given knowledge related to compliance of SIA document by Sustainability and CSR Dept. date on 08 January 2018.</p> <p><i>Humas</i> already working with CSR Team regarding compliance of SIA document, such as: timetable and responsibilities for implementation, consultation with the affected parties etc. date on 13 January 2018. Annually controlling will be held by Sustainability at the Internal Audit.</p> <p><b>Verification for closure of NC:</b>  This Major NC has been verified by auditor previous CB (SAI Global):</p> <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>NCR closed.</p>
		<p><b>NC status verified by auditor:</b> R. Yosi Zainal (Lead Auditor – SAI Global) <span style="float: right;"><b>Date closed:</b> 17/01/2018</span></p>

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		<p><b>Verification (for effectiveness):</b></p> <p>PT. Rigunas Agri Utama has a management plan in “Action Plan and Implementation SIA PT. Rigunas Agri Utama for Peranap Estate year 2018”. Monitoring of social impacts is incorporated in SIA report and Social Study and Economic Impact PT. Rigunas Agri Utama has been done in 2017.</p> <p>SIA Monitoring conducted annually by CSR Region to monitor the implementation of SIA plan and its documented in CSR activities.</p> <p>There was timetable and responsibilities for implementation in plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote the positive impacts.</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p>
		<p><b>NC status verified by auditor:</b> Doni <span style="float: right;"><b>Date verified:</b> 30/11/2018</span></p>

NC #	NI-INA Indicator	Details of NC
Major-15	6.5.1	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b> Documentation of pay and conditions for workers contract was not available.</p> <p><b>Objective evidence:</b> There was no evidence that pay and condition for the workers contract in accordance with regulation of minimum wage and labour, for example: Sri Wahyuni Contractor; SPK No. 010/P2/SPK/KPN/IV/2017; housing maintenance of semi-permanent.</p> <p><b>Root Cause:</b> The company has not had a monitoring system for the pay and condition of the workers contract.</p> <p><b>Corrective Action:</b> Senior Manager has disseminated information to KTU and contractors that any payment of contractor’s work to its workers shall be accompanied by evidence of monitoring of contractor’s wages.</p> <p><b>Verification for closure of NC:</b> This Major NC has been verified by auditor previous CB (SAI Global):</p> <p>Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.</p> <p>NCR closed.</p>
		<p><b>NC status verified by auditor:</b> R. Yosi Zainal (Lead Auditor – SAI Global) <span style="float: right;"><b>Date closed:</b> 17/01/2018</span></p>
		<p><b>Verification (for effectiveness):</b></p> <p>Based on interview with contractor workers of CV. Anugerah Keluarga for maintenance of housing in emplacement, its confirmed that salary paid based on minimum wages as regulated by government, copied of salary payment is available in estate.</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p>
		<p><b>NC status verified by auditor:</b> Doni <span style="float: right;"><b>Date verified:</b> 30/11/2018</span></p>

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NC #	NI-INA Indicator	Details of NC				
Major-16	6.5.2	<p>Date issued: 21 November 2017</p> <p><b>Root Cause:</b></p> <ol style="list-style-type: none"> <li>a. Lack of precision from Sustainability and Security and Safety Line (SSL) Department at the time of the compliance evaluation.</li> <li>b. There was no company's control system set the PHL working day if more than 21 days must be determined to become SKU.</li> <li>c. Monitoring of illegal workers only done at the muster briefing by Assistant and <i>Mandor</i>, and when work was not done.</li> <li>d. Lack of precision from KTU after receiving SPK documents from <i>Krani</i> to check pay writing and actually no workers were paid below minimum wage.</li> </ol> <p><b>Corrective Action:</b></p> <ol style="list-style-type: none"> <li>a. Sustainability and Security and Safety Line (SSL) Department have coordinated on 8 January 2018 for evaluating of regulation, included PHL's SPK reporting.</li> <li>b. The company created a system through finger print to detect the PHL working day on 1 December 2017.</li> <li>c. Monitoring of illegal workers done at the muster briefing and when work by Assistant and <i>Mandor</i>.</li> <li>d. Senior Manager released Memorandum No. 251/SM-RAU/MEMO/12/17 date on 20 December 2017 regarding PHL SPK must be created by directly KTU at Estate Office and its SPK copy distributed to each unit (afdeling and mill).</li> </ol> <p><b>Verification for closure of NC:</b>                      This Major NC has been verified by auditor previous CB (SAI Global):                      Corrective action has been verified and effectively can be implemented. Non-conformance considered as closed.                      NCR closed.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> R. Yosi Zainal (Lead Auditor – SAI Global)</td> <td style="width: 30%;"><b>Date closed:</b> 17/01/2018</td> </tr> </table> <p><b>Verification (for effectiveness):</b></p> <p>There is agreement between company and workers as documented in "Perjanjian Kerja Bersama" which regulated rights and obligation of both parties and also "Surat Perjanjian Kerja – SPK" signed by both parties, during interview with workers and labour union representative confirmed that no issues related working hours, contracts, payments, overtime, etc.</p> <p>Based on the above evidences at site, the said NC was verified to be implemented effectively.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Doni</td> <td style="width: 30%;"><b>Date verified:</b> 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> R. Yosi Zainal (Lead Auditor – SAI Global)	<b>Date closed:</b> 17/01/2018	<b>NC status verified by auditor:</b> Doni	<b>Date verified:</b> 30/11/2018
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NC #	NI-INA Indicator	Details of NC
Minor-12	6.8.3	<p>Date issued: 21 November 2017</p> <p><b>Nonconformance:</b>                      Implementation for equal opportunity and treatment for all workers did not overall conducted.</p> <p><b>Objective evidence:</b></p> <ol style="list-style-type: none"> <li>a. Based on job vacancy information for Field Assistant that issued by HRD Recruitment and Selection Dept date on 22 August 2017, that required maximum age of 25 years, minimum height of 165 cm, and male sex. Those were discrimination form.</li> <li>b. There was no medical test in recruitment process on behalf Risky Sitohang on 01 October 2014 in accordance with company's procedure AA-HR-305.2-RO – Worker Recruitment and Selection. And his age 16 years, 6 months when he joined.</li> </ol>

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		<p><b>Root Cause:</b></p> <p>a. Lack of precision from HRD Recruitment and Selection Dept. (Regional Pekanbaru) in making non-discriminative job requirements. And also lack of coordinate with Sustainability Dept.</p> <p>b. Lack of precision from <i>Personalia</i> for new employee recruitment (minimum age and medical test) and not re-verified by KTU.</p> <p><b>Corrective Action:</b></p> <p>a. Every job vacancy by HRD Recruitment and Selection Dept. (Regional Pekanbaru) will be cc to Sustainability Department for being verified non-discriminative job requirements.</p> <p>b. Dissemination to <i>Personalia</i> regarding recruitment requirement in accordance with company's procedure by KTU.</p>		
		<p><b>Verification for closure of NC:</b></p> <p>The company has enforced to the unit to follow procedure "Rekrutmen dan Seleksi Karyawan" no. SOP.AA-HR-305.2-R0, dated 01 Feb. 2009, Sustainability Region Office on 04 Dec. 2017.</p> <p>The company has created system to comply with minimum age, namely "Template Employee Master" to ensure that no hiring of employee with under 18 years. The system will automatically be denied if any employee candidate under 18 years.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>NC status verified by auditor:</b> Doni</td> <td style="width: 30%;">Date closed: 30/11/2018</td> </tr> </table>	<b>NC status verified by auditor:</b> Doni	Date closed: 30/11/2018
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Year 2018: 4<sup>th</sup> Annual Surveillance Assessment (ASA – 04): NC - Nil

Year 2017: ASA-03 (No Observation)

Ref No:	NI-INA Indicator	Location	Details of Observation	Status		
				Opened date	Closed date	Remark, if any
-	-	-	Nil	-	-	

Year 2018: 4<sup>th</sup> Annual Surveillance Assessment (ASA – 04):

Ref No:	NI-INA Indicator	Location	Details of Observation	Status		
				Opened date	Closed date	Remark, if any
<b>OBS: HAE-03</b>	<b>4.8.1</b>	Peranap Estate	Its need to improve training methodology or training evaluation to ensure that training is delivered appropriately.	30/11/2018	-	Follow up in next assessment.

### 3.2.2 Identified Positive Elements

- 1) PT. Inti Indosawit group is one of leader company in Indonesia in developed and support scheme smallholders (Plasma) and currently, the company under process to support independent smallholder under Create Share Value (CSV) project.



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- 2) The company has set up good education facilities, such as: permanent building, supported by qualified teachers.
- 3) The company has a team of committed staff and good support from all employees on the RSPO certification.

### 3.3 Feedback Raised by Stakeholders and Findings

Prior to and during the assessment, written and verbal feedback communicated from the stakeholders on the environmental and social performance of the company operations were sourced (**refer to Section 2.0 Assessment Process**). All pertinent feedback received were reviewed and followed up for verification and these had been accordingly incorporated into the report findings. See table below:

#### 2017: ASA-03 (issues raised during ASA – 03 by previous CB - SAI Global)

Stakeholders' Feedback	Company Response	SAI Global verification / comment on further action (if any)	Further action from company (if any)
<b>Government Agencies</b>			
No issue received	No required	-	-
<b>Non-Governmental Organizations</b>			
No issue received	No required	-	-
<b>Local Communities</b>			
<b>Head of Village and local community leaders.</b>			
1. Organization has well relationship with community around estate	Positive comment	No action needed.	No action needed.
2. Land legality was cleared, there was no land dispute	Positive comment	No action needed.	No action needed.
3. Organization has realized CSR programs, such assistance to the road maintenance, fatherless child, ect	Positive comment	No action needed.	No action needed.
4. Whenever there is job vacancy, the organisation informed the community through Village head.	Positive comment	No action needed.	No action needed.
5. Community has been given information of the protected wildlife	Positive comment	No action needed.	No action needed.
<b>Supplier and Contractor (FFB Supplier, EFB Transporter)</b>			
1. Expect reward from the company to smallholders who have the best quality of FFB, so to increase smallholders' performance.	The company has provided information FFB quality in the mill. For FFB that meets the requirements will be received in the mill.	All responses have been reviewed with several supporting document.  Issue was closed	No action needed.
2. Expect to be given training regarding FFB production	Division Assistant for Smallholder was available. If	All responses have been reviewed with	No action needed.

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quality from the company to smallholders.	need sharing knowledge can be discussed with him.	several supporting document.  Issue was closed	
<b>Other Interested parties</b>			
<b>Gender Committee and Labour Union</b>			
1. Gender committee collaborated with staff to conduct communication concerning social harassment handling 2. Daycare was available for employee's children	Positive comment	No action needed.	No action needed.
3. There was no sexual harassment case.	Positive comment	No action needed.	No action needed.
4. Organization has well relationship with union workers and gender committee ( <i>komisi perempuan</i> ).	Positive comment	No action needed.	No action needed.
5. Wage and overtime calculation have appropriately provided in line with related regulation	Positive comment	No action needed.	No action needed.
6. The union invited by organisation's management whenever there was issued to discuss.	Positive comment	No action needed.	No action needed.
<b>Estate Workers</b>			
1. Violation of reproduction rights, e.g. workers have been stopped to work by company without given an opportunity to do other work not related to chemicals; there was pregnant woman still working with chemical as a field mandor.	There was no violation of reproduction rights for all women workers. For information related to a pregnant woman was correct. She was pregnant in April 2017 after being checked by Medical Team. The company released Memorandum No. 155/SM-RAU/MEMO/04/17 date on 29 April 2017 regarding Work Mutation on behalf Marini from Fertilizer <i>Mandor</i> Afdeling to <i>Krani</i> Afdeling who works at Afdeling Office. Other than that, the company has replaced its position ( <i>Mandor</i> Afdeling) with other worker by Memorandum No. 156/SM-RAU/MEMO/04/17 date on 29 April 2017.	This was identified by company's internal system and followed up.	Continued monitor by the company (H1 logbook monitoring in 2016-2017 for all woman workers and was applied) and Pregnant monitoring.  <b>Intertek verification during ASA-04: No issue was noted during interview with workers and gender committee.</b>
2. Provision of H1 leave to all woman workers.	The company has released IM No. 384/HR-R02/MEMO/10/15 date on 11 October 2015 regarding Recommendation from the company's doctor or	This issue was incorrect and the RSPO requirement related to woman rights have complied.	No action needed.

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	medical team for H1 Leave. In PKB, article VIII, that women worker who menstruation not required to work after being examined by the medical team and get a letter from a medical examining team.		
3. Workers brought their child to work or to field.	Gender Committee re-socialized to all workers date on 15 November 2017 regarding prohibiting of bringing children to the field and must be leave in the day care (TPA).	The information was correct. It was identified by company's internal system and followed up. There was a woman worker brought her child to the field based on information from other workers in October 2017.  Intertek Verification in ASA-04: The system has been monitored appropriately, no found children followed their parent to the field/farm.	Continued monitor by the company (Attendance list of children in TPA/Crèche).  <b>Intertek verification during ASA-04: No further issue was noted, as was confirmed during interview with workers and Gender Committee.</b>
<b>Mill workers</b>			
1. Daily worker pay rate for Sunday (rest) day or public holiday which was paid normal rate	Overtime calculation for: 1. For SKU (permanent workers):  If working on Sundays / public holidays for 9 hours then the conversion number of hours overtime is 21 hours (calculation of overtime is the 1 <sup>st</sup> 7 hours multiplied 2, 8 <sup>th</sup> hour multiplied by 3, and 9 <sup>th</sup> hour and so on multiplied 4).  2. For PHL (Temporary workers) If working on the day / holiday as much as 9 hours, then the first 7 hours paid minimum wage (100,672 IDR) while overtime is 2 hours and overtime conversion to 4 hours (calculation of overtime is the 1 <sup>st</sup> 7 hours multiplied 2, 8 <sup>th</sup> hour multiplied by 3, and 9 <sup>th</sup> hour and so on multiplied 4).	The issue was incorrect and the RSPO requirement related to minimum wage has complied by the company.	PHL salary in November 2017 and the calculation was in accordance with PKB/ regulation.  <b>Intertek verification during ASA-04: No further issue on this matter was noted.</b>
2. Availability of enough medicine at the estate's clinic.	The company has submitted the Purchase Order (PO) for medicine in August and November 2017. The	This issue was correct. It was identified by company's internal	Purchase Order (PO) for medicine in August and November 2017.

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	realization was done gradually.	system and followed up.	<b>Intertek verification during ASA-04: No issue was noted, it is confirmed during interview with paramedic at clinic.</b>
3. The referred hospital is too far which is about 4 hour's drive.	The referral hospital (RS. Evarina) should be taken about 4 hours, but the hospital has more facilities and services for the employees, especially for the provision of 24-hour transportation, if compared to the nearest local hospital.	This issue was correct. It was identified by company's internal system and followed up	No action needed.
4. No workers' promotion from daily workers to permanent workers at least for the past 2 years	-	The issue was correct, and it was not identified by the company. This was raised as NCR 6.5.2 #16 (point b).	<b>This NC has been closed out.</b>

### 2018: ASA-04 (by Intertek International Certification Sdn, Bhd)

Stakeholders' Feedback	Company Response	Intertek verification / comment on further action (if any)	Further action from company (if any)
<b>Government Agencies:</b>			
<b>Dinas Pertanahan Kab. Indragiri Hulu (Land Authority of Kabupaten Indragiri Hulu)</b>			
- There is no land dispute.	Positive comment	No action needed.	No action needed.
- The company has obtained land title (HGU).	Positive comment	No action needed.	No action needed.
<b>Dinas Tenaga Kerja Kabupaten Indragiri Hulu (Manpower Department of Kabupaten Indragiri Hulu):</b>			
- Labour reported timely manner.	Positive comment	No action needed.	No action needed.
- Minimum wages was implemented.	Positive comment	No action needed.	No action needed.
- Spraying team was trained.	Positive comment	No action needed.	No action needed.
- Hiring temporary workers follow the regulation.	Positive comment	No action needed.	No action needed.
- No child labour.	Positive comment	No action needed.	No action needed.

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- Suggestion: recruitment employees from local communities consistent implemented.	Each job vacancies has been submitted to the surrounding villages and mostly employees is recruited from local communities.	It was verified during audit that companies submitted job vacancy to surrounding villages and recruitment procedures has been followed.	To be followed up during the next Assessment.
<b>Badan Lingkungan Hidup Kabupaten Indragiri Hulu</b> <i>(Environmental Department of Kabupaten Indragiri Hulu)</i>			
- RKL / RPL is reported regularly per semester.	Positive comment	No action needed.	No action needed.
- No environment contaminating dispute was reported	Positive comment	No action needed.	No action needed.
- The company has obtained Izin TPS Limbah B3 <i>(Hazardous waste storage permit)</i>	Positive comment	No action needed.	No action needed.
- Monitoring of environmental parameters have been done regularly and it is incorporated in RKL / RPL report.	Positive comment	No action needed.	No action needed.
<b>Non-Governmental Organizations:</b> No feedback received.			
<b>Local Communities &amp; Interested Parties:</b>			
Head of village (Desa Pasang Kayu & Desa Pesajian)			
- Asking the company to involved for road maintenance along plasma areas to Peranap Palm Oil Mill	Its not the responsibility of the company to maintain the road from Plasma to Peranap POM since this road is "State Road" which is under local government responsibility. However company can assits to raise the matter to the local government for the proper maintainance needed.	It was confirmed that status of road acces from Plasma area to Peranap Palm Oil Mill is "State Road".  Noted that the road was in satisfactorily safe condition.	No action needed.
- Its need to improve the communication to the local communities.	Communication between company and local communities has been done regularly, such as stakeholders consultation, meeting with the local communities, CSR program, involving in celebrating of national independence days, and religiusness days, e.g.	The communication between the company and local communities has been done appropriately.  The company has appointed dedicated person "Humas Team" for handling complaint	2018: Feedback given to be followed up during the next Assessment.

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	<p>Eid mubarakh, Maulid Nabi, Tahun Baru Islam, etc.</p> <p>The Company had set up “Humas Department” to communicate company policy, procedure and addressing complaint, grievance and dispute. So far, Humas Department has been delivered their job appropriately.</p> <p>The communication will be improved to ensure that all complaints, grevance and dispute (if any) will be addressed appropriately and timely manner.</p>	<p>and communicate the company policy and procedure.</p> <p>Stakeholders’ consultation was done regularly with local communities to ensuring that communication channel was implemented.</p> <p>The company involved meeting with local communities and local authority.</p> <p>Complaint and grievance procedure have been implemented, based on interview with stakeholders that they understand how to extend their complaint and/or grievances.</p>	
<b>Labour Union</b>			
- Follow up of PKB (Collective Labour Agreement) for 2018 – 2019 still under progress	Positive comment	No action needed.	No action needed.
- There is no complaint or dispute related labour during this year.	Positive comment	No action needed.	No action needed.
- The PPEs was provided adequately.	Positive comment	No action needed.	No action needed.
<b>Gender Committee</b>			
- Menstruation and Maternity leave (H1 & H2) have been implemented well.	Positive comment	No action needed.	No action needed.
- No pregnant and breastfeeding women working in risk area, such as spraying, manuring, etc.	Positive comment	No action needed.	No action needed.
- Medical surveillance has been done	Positive comment	No action needed.	No action needed.
- No sexual harassment and violence were reported during this year.	Positive comment	No action needed.	No action needed.

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### 4.0 ASSESSMENT CONCLUSION AND RECOMMENDATION

Based on the findings above, PT. Rigunas Agri Utama had been able to demonstrate its compliance with the RSPO Principles and Criteria (April 2013), Indonesian National Interpretation (INA-NI 2016) and the RSPO Supply Chain Certification Standard (June 2017) for Palm Oil Mill.

Therefore, it is recommended that the certification of PT. Rigunas Agri Utama be approved and continued.

Signed for and on behalf of  
Intertek Certification International Sdn Bhd



Haeruddin  
Lead Assessor

**Date: 28 March 2019**

### 4.1 Acknowledgement of Internal Responsibility and Confirmation of Assessment Findings

This is to acknowledge and confirm the assessment visits described in this report and the acceptance of the contents and findings in this assessment report.

Signed for and on behalf of  
PT. Rigunas Agri Utama



Ir. Welly Pardede  
Head of Sustainability & Environment

**Date: 28 March 2019**

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### 4.2 INTERTEK- RSPO P&C Certificate details for PT. Rigunas Agri Utama (ASA-04)

Certificate No:	<b>RSPO 932188</b>
Original Issue/ Start date:	07 January 2015
Expiry date	06 January 2020
Licence Start date (ASA-04)	<b>07 January 2019</b>
Licence Expiry date (ASA-04)	<b>06 January 2020</b>
Organization (Parent company)	<b>PT. INTI INDOSAWIT SUBUR</b>
Address of Head Office:	Jalan MH. Thamrin No. 31, Jakarta 10230, Indonesia
RSPO Membership No:	1-0022-06-000-00
Plantation Management Unit:	PT. Rigunas Agri Utama
Address of POM:	Simelinyang, Pauh Ranap, & Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau Province, Indonesia
Standards:	RSPO Principles and Criteria (April 2013), Indonesian National Interpretation (INA-NI 2016) and RSPO Supply Chain Certification Standards (June 2017) for the Palm Oil Mill.
Certification scope:	Production of Crude Palm Oil and Palm Kernels
Supply Chain module at POM	Mass Balance (MB)

Details of the Mill and Supply bases covered by this certificate and the tonnage approved are:

Name	Address	GPS Reference		Mature Area (Ha)	Certified Area (Ha)
		Latitude	Longitude		
Peranap Palm Oil Mill (Capacity: 45 MT/hr)	Simelinyang, Pauh Ranap, Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau Province, Indonesia	0°35'05" S	102°01'10" E	-	-
Peranap Estate	Simelinyang, Pauh Ranap, Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau Province, Indonesia	0°36'12" S	102°02'34" E	3,658.00	5,215.00
Peranap Smallholders Estate	Simelinyang, Pauh Ranap, Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau Province, Indonesia	0°36'12" S	102°02'34" E	5,142.00	5,142.00

The annual certified tonnages produced at the company are detailed as follows:

Peranap POM	Annual Tonnages (MT)
Certified FFB	173,251.00
Certified CPO	37,978.00
Certified PK	9,702.00
Supply Chain module at POM	Mass Balance (MB)



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### Appendix A:

#### Qualifications of Lead Assessor and Assessment Team

##### **Mr. Haeruddin (HAE) – Lead Assessor / Technical Expert**

(Palm Oil Mill, Environment, Social, Conservation & HCV area, GAP, IPM, Land Use and Supply Chain and Scheme smallholders)

Graduated from Hasanuddin University, Makassar, South Sulawesi, Indonesia majoring Forest Management. Experienced 16 years working in Natural Forest Concession, forestry industries, palm oil sector and 8 years as an auditor.

Mr. Haeruddin completed the ISO 9001 Lead Auditor Course; ISPO Lead Auditor endorsed Course, RSPO P&C and RSPO SCCS Lead Auditor endorsed Course, and also completed ISCC and RSPO RED course. He had been involved in RSPO auditing since November 2010 in more than various companies in Indonesia, Malaysia, Papua New Guinea, Solomon Islands, Thailand, and Gabon. During this assessment, he assessed on the aspects of legal, HCV, social and labour aspects, and Smallholder audits. He is fluently speaking in English and Bahasa Indonesia.

##### **Mr. Doni (DNI) – Assessor / Technical Expert**

(Social and Scheme smallholders)

Mr. Doni holds Master degree in Sociology and Community science, graduated from Bogor Agriculture University. He has experience in research and consultant of Social-Economy for Agriculture and Forestry between 2002 and 2006. He also has experience conducting several assessment in relation to Forestry performance indicator. Since 2011 he is actively involving in Certification audit in Indonesia as Auditor/team member for Sustainable Natural Forest Management under Indonesia Forestry Department, ISPO certification under Indonesia Agriculture Department, and RSPO Certification. He completed the Auditor training course for Sustainable Natural Forest Management (PHPL), ISPO, as well as RSPO P & C. During this assessment, he assessed on the aspects of social community engagement, stakeholder consultation, and Smallholder audits. He is fluently speaking in Bahasa Indonesia.

##### **Mr. Andreas Budi Rahutomo (ARH) – Lead Assessor / Technical Expert**

(Palm Oil Mill, Environment, GAP, IPM and Scheme smallholders)

Graduated from Gajah Mada University Jogjakarta, Indonesia majoring Forest Management. Experienced 3 years working with NGOs and 4 years as an auditor.

Mr. Andreas Budi Rahutomo completed the ISO 9001 Lead Auditor Course; ISPO Lead Auditor endorsed Course, RSPO P&C and RSPO SCCS Lead Auditor endorsed Course, IFCC (Indonesian Forestry Certification Cooperation). He had been involved in RSPO auditing since November 2014 in more than various companies in Indonesia. During this assessment, he assessed on the aspects of Palm Oil Mill, Environment, GAP, IPM, and Smallholder audits. He is fluently speaking in English and Bahasa Indonesia.

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### Appendix B:

#### 4<sup>th</sup> Annual Surveillance Assessment (ASA-04) - Actual

Date	Time	Assessors and Assessment Activity			
		Assessment Team			
26/11/2018  Day 1	08.00 – 08.30	<b>Opening Meeting and Briefing at Peranap - POM Office (to be attended by representatives from the Estates as well)</b>			
	08.30 - 12.00	Document Review and-Assessment by all Assessors on respective RSPO P&C:1 to 8 at POM			
		<b>HAE</b>	<b>DNI</b>	<b>ARH</b>	
		<b>Document review: Peranap Palm Oil Mill</b> <ul style="list-style-type: none"> <li>• P1 Transparency</li> <li>• P2 Laws &amp; regulations</li> <li>• P3 Economic &amp; Financial Viability</li> </ul>	Stakeholders interview in Kabupaten	<b>Document review: Peranap Palm Oil Mill</b> <ul style="list-style-type: none"> <li>• P4 Best Practices at Mill</li> <li>• P8 Continual Improvement</li> </ul>	
	HAE: <ul style="list-style-type: none"> <li>• Review of changes for compliance to revised P&amp;C 2013</li> <li>• Verification of effectiveness of corrective actions for non-conformances (previous audit at mill)</li> <li>• Review of Time Bound Plan</li> <li>• <b>Verification on compliance with Minimum requirements for Multiple Management Units (MMU)</b></li> </ul>				
12.00 – 13.30	Break / lunch				
13.30 – 17.00	<b>Document review: Peranap Palm Oil Mill</b> <ul style="list-style-type: none"> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues (Incl. interview with contractor)</li> </ul> <b>Field Visit: Peranap Palm Oil Mill</b>	Stakeholders interview in Kabupaten	<b>Document review: Peranap Palm Oil Mill</b> <ul style="list-style-type: none"> <li>• P5 Environmental, Conservation</li> </ul>		

Date	Time	Assessors and Assessment Activity			
		Assessment Team			
27/11/2018  Day 2	08.00 – 12.00	Document Review and-Assessment by all Assessors on respective RSPO P&C:1 to 8 at Estate			
		<b>HAE</b>	<b>DNI</b>	<b>ARH</b>	

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		<b>Field Visit: Peranap Estate: Line site:</b> <ul style="list-style-type: none"> <li>Chemical storage.</li> <li>Fertilizer storage.</li> <li>Hazardous waste storage.</li> <li>Landfill (TPSA),</li> <li>Housing</li> <li>Clinic</li> <li>Estate facilities (school, school bus, creche, etc).</li> <li>Diesel tanks</li> <li>others</li> </ul>	<b>Document Review: Peranap Estate &amp; Peranap Plasma:</b> <ul style="list-style-type: none"> <li>P6 Employees, Individuals &amp; Communities incl. Gender Issues.</li> <li>Interview with SPSI and contractor (if any)</li> </ul>	<b>Field Visit: Peranap Estate: Line site:</b> <ul style="list-style-type: none"> <li>Legal Boundaries</li> <li>Replanting (if any)</li> <li>Riparian zone</li> <li>HCV areas.</li> <li>Barn owl.</li> <li>EFB and LA applied.</li> <li>Sprayer, manuring and harvesting (incl. interview).</li> <li>Terracing</li> <li>Water management in peat (if any)</li> <li>Others Best Practices</li> </ul>	
	12.00 – 13.30	Break / lunch			
	13.30 – 17.00	<b>Document Review: Peranap Estate &amp; Peranap Plasma</b> <ul style="list-style-type: none"> <li>P2 Laws &amp; regulations</li> <li>P5 Environmental, Conservation</li> <li>P8 Continual Improvement</li> </ul>	<b>Document Review: Peranap Estate &amp; Peranap Plasma:</b> <ul style="list-style-type: none"> <li>P6 Employees, Individuals &amp; Communities incl. Gender Issues (continue)</li> <li>Interview with Local Communities</li> </ul>	<b>Document Review: Peranap Estate &amp; Peranap Plasma:</b> <ul style="list-style-type: none"> <li>P4 Best Practices</li> </ul>	
		Verification of effectiveness of corrective actions for non-conformances (previous audit at Estate)			

Date	Time (Note 3)	Assessors and Assessment Activity			
		Assessment Team			
28/11/2018 Day 3		Document Review and-Assessment by all Assessors on respective RSPO P&C:1 to 8 at Estate			
		HAE	DNI	ARH	
	08.00 – 09.30	<b>Interview with members:</b> <b>KUD Bukit Makmur: 17 members</b> <b>KUD Ketipo Jaya: 12 members</b> <b>KUD Bukit Permai: 14 farmers</b>			
	09.30 – 10.00	<b>Document review:</b> <ul style="list-style-type: none"> <li>SHM (land rights): KUD Bukit Makmur</li> </ul>	<b>Document review:</b> <ul style="list-style-type: none"> <li>SHM (land rights) KUD Ketipo Jaya</li> </ul>	<b>Document review:</b> <ul style="list-style-type: none"> <li>SHM (land rights): KUD Bukit Permai</li> </ul>	
	10.00 – 12.00	<b>Document review: KUD Bukit Makmur:</b> <ul style="list-style-type: none"> <li>P1 Transparency</li> <li>P2 Laws &amp; regulations.</li> <li>P3 Economic &amp; Financial Viability</li> </ul>	<b>Document Review: KUD Ketipo Jaya:</b> <ul style="list-style-type: none"> <li>P6 Employees, Individuals &amp; Communities incl. Gender Issues</li> </ul>	<b>Field Visit: Peranap Plasma: KUD Bukit Permai:</b> <ul style="list-style-type: none"> <li>P4 Best Practices</li> </ul>	
	12.00 – 13.30	Break / lunch			

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	13.30 – 17.00	<b>Field Visit:</b> KUD Bukit Makmur KUD Ketipo Jaya	<b>Document Review:</b> <b>KUD Ketipo Jaya:</b> <ul style="list-style-type: none"> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues (continue).</li> <li>• Interview with harvester &amp; sprayer team (Tim TUS)</li> <li>• Interview with non-member</li> <li>• Interview with Head of village</li> </ul>	<b>Field Visit:</b> KUD Bukit Permai	
--	---------------	--	--	---	--

Date	Time	Assessors and Assessment Activity			
		Assessment Team			
29/11/2018 Day 4		Document Review and-Assessment by all Assessors on respective RSPO P&C:1 to 8 at Estate			
		HAE	DNI	ARH	
	08.00 – 09.30	<b>Interview with members:</b> <b>KUD Semelinang Lestari: 9 members</b> <b>KUD Gapoktan: 9 members</b> <b>KUD Serangge Permai: 9 farmers</b>			
	09.30 – 10.00	<b>Document review:</b> • SHM (land rights): KUD Semelinang Lestari	<b>Document review:</b> • SHM (land rights) KUD Gapoktan	<b>Document review:</b> • SHM (land rights): KUD Serangge Permai	
	10.00 – 12.00	<b>Document review:</b> <b>KUD Bukit Makmur:</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations.</li> <li>• P5 Environmental, Conservation</li> <li>• P8 Continual Improvement</li> </ul>	<b>Document Review:</b> <b>KUD Ketipo Jaya:</b> <ul style="list-style-type: none"> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues</li> </ul>	<b>Field Visit: Peranap Plasma:</b> <b>KUD Bukit Permai:</b> <ul style="list-style-type: none"> <li>• P4 Best Practices</li> </ul>	
	12.00 – 13.30	Break / lunch			
	13.30 – 17.00	<b>Field Visit:</b> KUD Semelinang Lestari KUD Gapoktan	<b>Document Review:</b> <b>KUD Ketipo Jaya:</b> <ul style="list-style-type: none"> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues (continue).</li> <li>• Interview with harvester &amp; sprayer team (Tim TUS)</li> <li>• Interview with Ketua KUD</li> </ul>	<b>Field Visit:</b> KUD Serangge Permai	

Date	Time	Assessors and Assessment Activity			
		Assessment Team			
30/11/2018 Day 5		Document Review and-Assessment by all Assessors on respective RSPO P&C:1 to 8 at Estate			
		HAE	DNI	ARH	



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08.00 – 12.00	<b>Document review:</b> RSPO SCCS: <ul style="list-style-type: none"><li>• Documented procedure</li><li>• Document control</li><li>• Qualification and training.</li><li>• Purchasing and goods in</li><li>• Sale and good out</li></ul>	<b>Interview with supplier (FFB suppliers)</b>	<b>Document Review:</b> <b>Peranap Estate &amp; Peranap Plasma:</b> Pending documents)	
12.00 – 13.30	Break / lunch			
13.30 – 15.00	<b>Document review:</b> RSPO SCCS: <ul style="list-style-type: none"><li>• Verification module: Mass Balance record.</li></ul>	Verification of effectiveness of corrective actions for non-conformances (previous audit at Estate	Verification of effectiveness of corrective actions for non-conformances (previous audit at Estate	
15.00 – 15.30	Preparing Closing Meeting			
15.30 – 16.00	Closing Meeting			

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**Appendix C-1:**

**Location Map of PT. Rigunas Agri Utama in Indonesia**



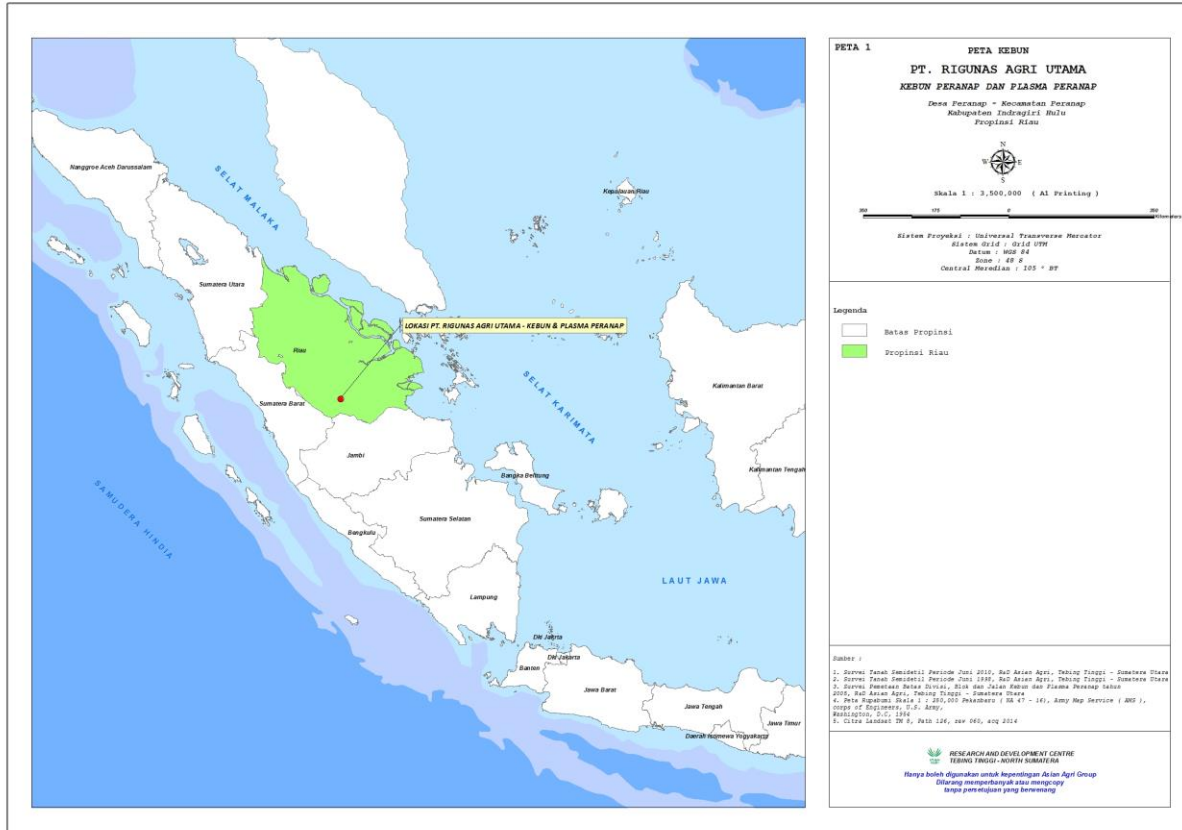
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**Appendix C-2:**

**Location Map of PT. Rigunas Agri Utama in Riau Province, Indonesia**

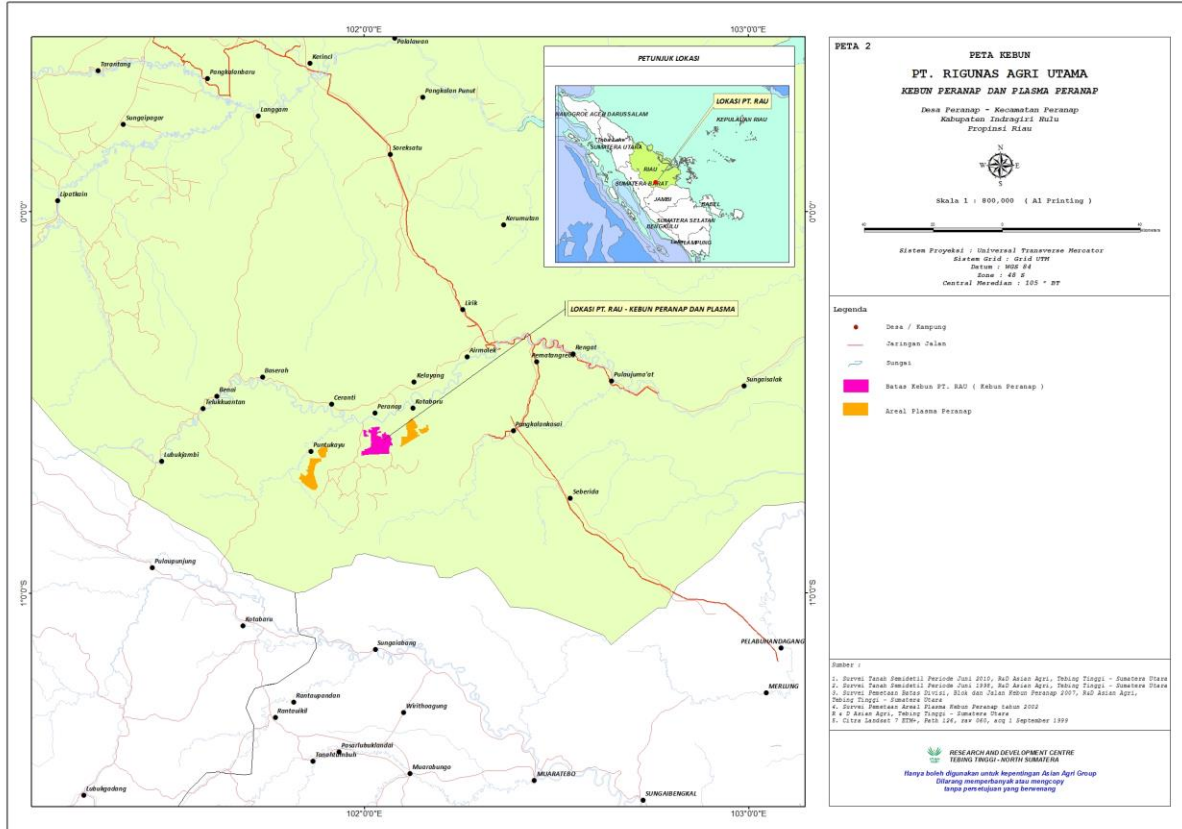


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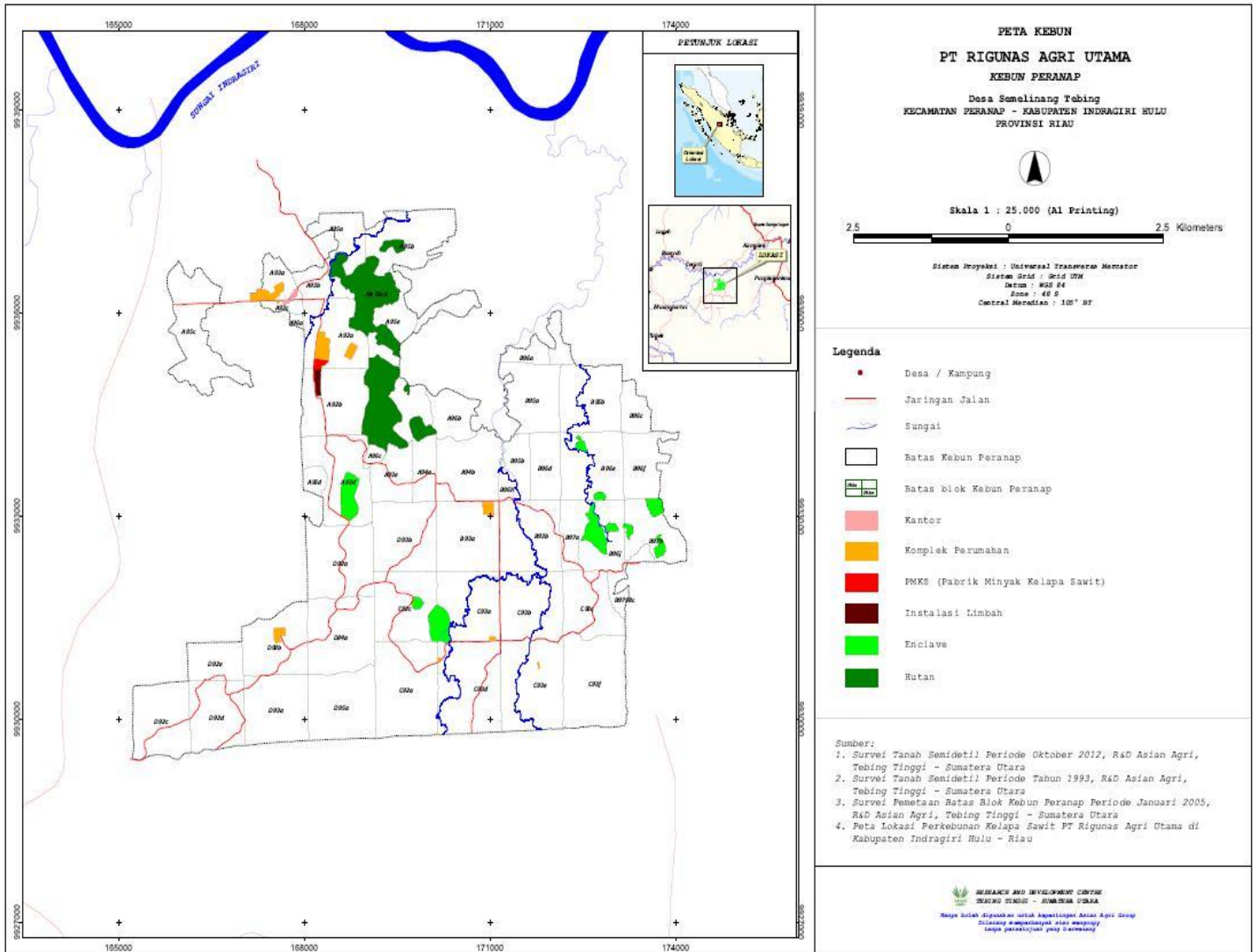


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**Appendix C-3:**

**Location Map - Peranap Estate of PT. Rigunas Agri Utama**



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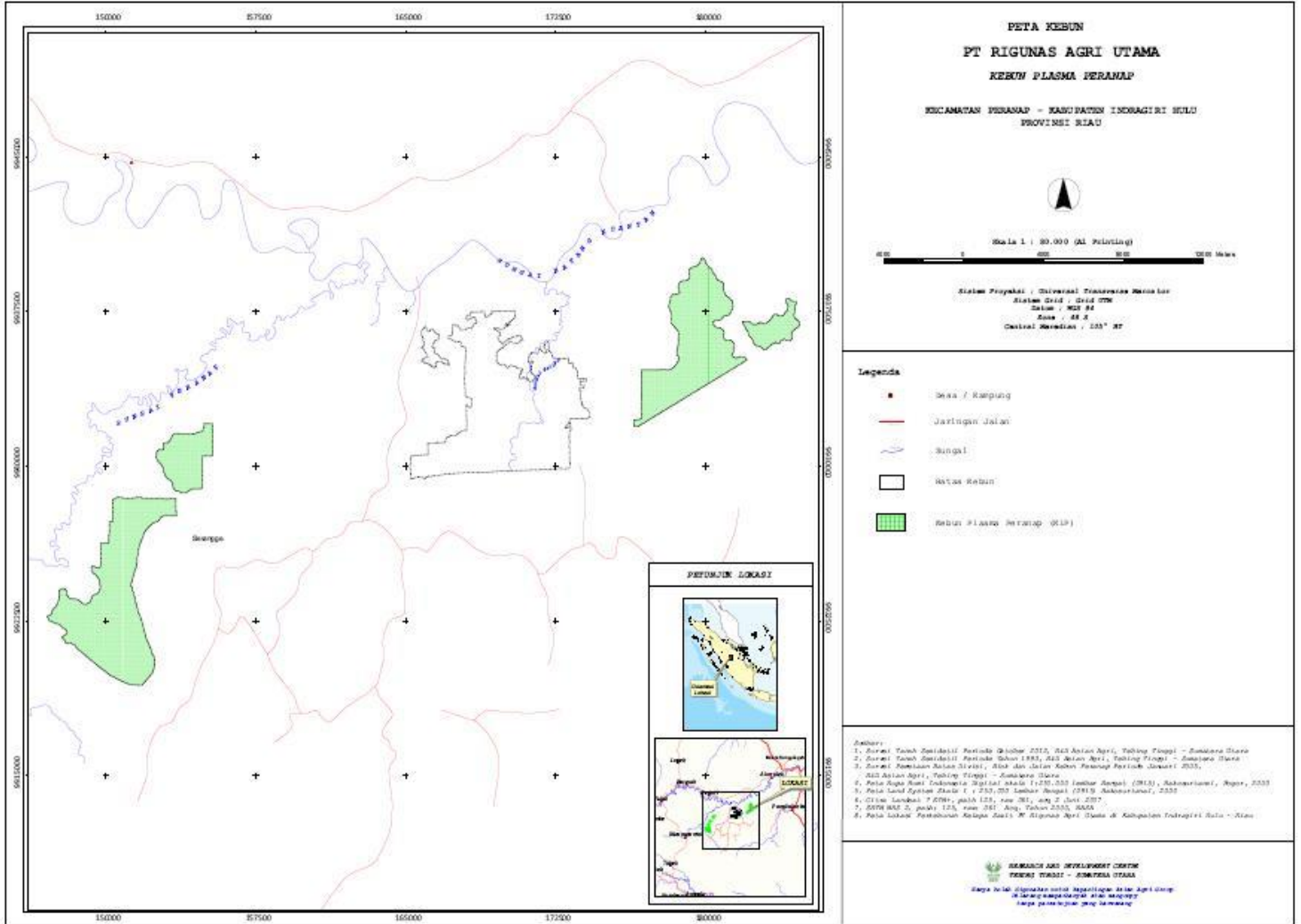
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## Appendix C-4:

### Location Map – Peranap Plasma of PT. Rigunas Agri Utama



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### Appendix D:

#### Details of Time Bound Plan as submitted by PT. Indosawit Sawit Subur – October 2018

No	Company	Mill/Estate	Main Assessment	Certification Status	Current Status	Updated Information for Multiple Management Units as per RSPO Certification Systems for Principles & Criteria (June 2017) - revised clause 4.5.3 & 4.5.4 for Certified and Uncertified Units.
1.	PT. Inti Indosawit Subur – Buatan, Riau	Buatan I POM	2010	Certified in Sept. 2010	ASA 1-03	No outstanding issues
		Buatan Estate				
		Buatan (Plasma)				
2.	PT. Inti Indosawit Subur – Buatan, Riau	Buatan II POM	2010	Certified in Sept. 2010	ASA 1-03	No outstanding issues
		Buatan Estate				
		Buatan (Plasma)				
3.	PT. Inti Indosawit Subur – Ukui, Riau	Ukui I POM	2010	Certified in March 2011	ASA 1-02	No outstanding issues
		Ukui Estate				
		Ukui (Plasma)	2011	Certified in June 2012		
4.	PT. Inti Indosawit Subur - Ukui II POM, Riau	Ukui II POM	2010	Certified in March 2011	ASA 1-02	No outstanding issues
		Ukui Estate				
		Ukui (Plasma)	2011	Certified in June 2012		
5.	PT. Inti Indosawit Subur – Tungkal Ulu, Jambi	Tungkal Ulu POM, Jambi	2012	Certified in August. 2012	ASA 1-01	No outstanding issues
		Tungkal Ulu Estate				
		Tungkal Ulu Plasma	2013	Certified in July 2013		
6.	PT. Inti Indosawit Subur – Tungkal Ulu, Jambi	Muara Bulian POM, Jambi	2012	Certified in August 2012	ASA 1-01	No outstanding issues
		Muara Bulian Estate				
		Muara Bulian (Plasma)	2013	Certified in July 2013		
7.	PT. Tunggal Yunus Estate	Topaz Mill	2014	Certified in March 2015	ASA 03	No outstanding issues
		Topas & Seed Garden estate				
8.	PT. Dasa Anugerah Sejati, Jambi	Taman Raja POM, Jambi	2014	Certified in Feb. 2015	ASA 03	No outstanding issues
		Taman Raja & badang Estate				
9.	PT. Mitra Unggul Pusaka	Segati POM, Riau	2014			Update Time Bound Plan PT. Inti Indosawit Subur 2018, remaining 1 (one) uncertified management unit, namely PT. Mitra Unggul Pusaka.  This management unit had gone through initial assessment in 2014, due to identified new planting, the certification process Postponed until 2018.
		Segati Estate				
		Penarikan & Gondai Estate				
		Penarikan (KKPA)				
		Gunung Sahilan (KKPA)				

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						<p>PT. Mitra Unggul Pusaka has been making progress to comply with the RSPO New Planting, the latest communication with is review of Land Use Change.</p> <p>The company has revised time bound plan to certify this management unit in 2020 instead previous target in 2018.</p>
10.	PT. Supra Matra Abadi, Sumatera Utara	Tanah Datar POM, North Sumatera Tanah Datar Estate Bahilang Estate	2014	Certified in May 2015	ASA 03	No outstanding issues
11.	PT. Supra Matra Abadi, Sumatera Utara	Aek Nabara POM, Aek Nabara Estate	2014	Certified in March 2015	ASA-03	No outstanding issues
12.	PT. Supra Matra Abadi, Sumatera Utara	Teluk Pantjje POM, North Sumatera Teluk Pantjje Estate	2014	Certified in April 2015	ASA-03	No outstanding issues
13.	PT. Rigunas Agri Utama, Peranap, Riau	Peranap POM, Riau Peranap Estate Peranap (Plasma)	2014 2015	Certified in January 2015 Certified in May 2016	ASA-04 conducted in Nov. 2018	No outstanding issues
14.	PT. Rigunas Agri Utama, Bungo Tebo, Jambi	Bungo Tebo POM Bungo tebo Estate Bungo Tebo (Plasma)	2015 2016	Certified in Dec. 2015 Certified in Dec. 2016	ASA-03	No outstanding issues
15.	PT. Indo Sepadan Jaya	Tanjung Selamat POM Tanjung Selamat Estate Pangkalan Estate	2014	Certified in May 2015	ASA-03	No outstanding issues
16.	PT. Saudara Sejati Luhur, Sumatera Utara	Gunung Melayu I POM Pulau Maria Estate	2015	Certified in Sept. 2015	ASA-03	No outstanding issues
17.	PT. Gunung Melayu	Gunung Melayu II POM Batu Anam Estate Sentral Estate	2015	Certified in July 2015	ASA-03	No outstanding issues
18.	PT. Hari Sawit Jaya, Sumatera Utara	Negeri Lama II POM, North Sumatera Negeri Lama I POM, North Sumatera Negeri Lama Estate Aek Kuo Estate	2016 2015 2016 2016	Certified in Dec. 2016 Certified in April 2016 Certified in Dec. 2016 Certified in Dec. 2016	ASA-02 ASA-03 ASA-02 ASA-02	No outstanding issues No outstanding issues No outstanding issues No outstanding issues

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

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### Appendix E.

List of Scheme Smallholders (Peranap Plasma)

No.	Name of Cooperative (KUD)	Number of members	Ha	Sampled in ASA-04
1	Bukit Makmur	300	600	Sampled: 17 members
2	Ketipo Jaya	210	420	Sampled: 12 members
3	Bukit Permai	250	500	Sampled: 14 members
4	Semelinang Lestari	153	306	Sampled: 9 members
5	Gapoktan	169	320	Sampled: 9 members
6	Lembah Rezeki	327	640	-
7	Serange Permai	260	510	Sampled: 9 members
8	Maju Bersama	100	200	-
9	Maju Usaha Bersama	300	600	-
10	Usaha Tani Bersama	170	340	-
11	Lakat Makmur	353	706	-
	<b>Total</b>	<b>2,592</b>	<b>5,142</b>	

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