

RSPO Code of Practice

1. INTRODUCTION

These Codes of Practice have been structured in accordance with the requirements of the Roundtable of Sustainable Oil Palm (RSPO) in which PT SGS Indonesia ("Certification Body") currently holds Accreditation for both Principles & Criteria (P&C) and Supply Chain certification.

2. SCOPE

The Certification Body provides an independent assessment and certification of palm oil mill and estate management activities performed by organizations for conformance with the requirements of the RSPO Principles & Criteria (P&C)'s accredited RSPO programme.

The Certification Body also provides independent assessment and certification of chain of custody to confirm that firms, companies or organizations ("Clients") are operating mechanisms by which sale to the customer of oil palm products from sustainable sources can be assured through its RSPO Supply Chain's accredited RSPO programme.

The Certification Body itself may in its absolute discretion, fulfil the services of the Certification Body by its own employees or by the Certification Body entrusting them to an SGS affiliated company or subcontractor.

The Certification Body explicitly ensures that criteria against which management systems evaluated are outlined in specific internationally recognized standards or other normative documents. Certificate holders that were certified prior to the date of approval of an applicable RSPO standard shall comply with the requirements of the new RSPO approved standard in accordance with the 'standards effective date' specified in the new standard.

The Certification Body has a compliance program, based on its Code of Integrity and Professional Conduct, (the "Code") to ensure that the highest standards of integrity are applied to all its activities worldwide in accordance with international best practice. Every employee of the Certification body shall deal on behalf of the company with professionalism, honesty, integrity as

well as high moral and ethical standards as provided in the Code. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

3. CONFIDENTIALITY

The Certification Body maintains confidentiality at all levels of its organization concerning information obtained in the course of its business.

No information will be disclosed to any third party unless in response to legal process or required by the RSPO accreditation body, after providing the Client with a copy of such process or requirement. In this regard it would be important to point out that RSPO requires the contact details of every certificate holder to be published on the website <http://www.rspo.org/>. Notwithstanding anything contrary contained herein, the Certification Body is entitled to and the client grants the certification body the right to use and publish the information contained in the client's certificate such as, certification scope and certificate validity.

4. ORGANIZATIONAL STRUCTURE

A copy of the Management System Overview of the Certification Body, showing the responsibility and reporting structure of the organization, and documentation identifying the legal status of the Certification Body are available on request.

5. REGISTRATION REQUIREMENTS

In order to obtain registration, the Client shall comply with the following procedures and rules:

- a. Client shall always fulfill the certification requirements including implementing appropriate changes when Client is communicated by Certification Body:
 - For P&C Certification, Client shall meet the requirements of RSPO P&C with the most recent version and other related indicators (or the P&C/indicators as stated in an applicable National Interpretation);
 - For Supply Chain Certification, Client shall meet the requirements of RSPO Supply Chain Standard with the most recent version.

- For New Planting Procedure, Client must conform with at least the following P&C indicators: 2.1.1; 2.1.3; 3.2.1; 3.3.1; 3.3.2; 3.4.1; 3.4.2; 3.4.3; 4.1.2; 4.2.1; 4.3.1; 4.4.1; 4.4.3; 4.4.6; 4.5.1; 4.5.2; 4.5.3; 4.5.7; 4.5.8; 4.6.1; 4.7.1; 4.8.1; 4.8.2; 4.8.3 7.5.2; 7.5.3; 7.6.1; 7.6.2; 7.6.3; 7.7.1; 7.10.1; 7.10.2; 7.11.1; 7.11.3; 7.12.1; 7.12.2; 7.12.3; 7.12.4; 7.12.8.

- b. It is required that the Client holds a valid "RSPO Membership" for the duration of the certificate. The absence of a valid "RSPO Membership" shall be treated as a formal major non-conformity which has to be corrected within a period of time determined by Certification Body. Failure to close this major non-conformity shall lead to the suspension of the certificate.
- c. The client shall make available to the Certification Body all documents, samples or products, drawings, specification and other information required by the Certification Body to complete the assessment programme and shall appoint a designated person who is authorized to maintain contact with the Certification Body;
- d. The Certification Body, if not satisfied that all registration requirements are met, shall inform the Client of those aspects in which the application has failed;
- e. When the Client can show that remedial action has been taken by it, within the time limit specified by the Certification Body, to meet all the requirements, the Certification Body will arrange, at additional cost to the Client, to repeat only the necessary parts of the assessment;
- f. If the Client fails to take acceptable remedial action within the specified time limit it may be necessary for the Certification Body, at additional cost, to repeat the assessment in full;
- g. Identification of conformity shall refer only to the sites assessed as specified in the Certificate and Assessment Schedule or other attachments, which may accompany the Certificate.
- h. The Client shall agree to pay all fees and costs as specified in the contract;

- i. The Client does not use its product certification in such a manner as to bring the certification body into disrepute and does not make any statement regarding its product certification which the certification body may consider misleading or unauthorized.
- j. if the client provides copies of the certification documents to others, the documents shall be reproduced in their entirety or as specified in the certification scheme.

6. APPLICATION FOR CERTIFICATION

The Certification Body shall not be obliged to enter into or maintain any commercial or other relationship with any entity or issue or maintain a certificate previously issued to any entity whose activities are or could be, in the sole opinion of the Certification Body, prejudicial or defamatory to the image and/or the reputation of the Certification Body or RSPO.

On receipt of a completed Questionnaire, a proposal shall be sent to the Client outlining the scope and costs of the services together with an Agreement to Proceed (Agreement to Pre-Assessment or Main Assessment). Once the Agreement is returned, the project will be allocated to an auditor who will be responsible for ensuring that the services are carried out in accordance with the procedures of the Certification Body.

The Client shall make no claim of conformity (or near conformity) with RSPO requirements (e.g. the RSPO Principles and Criteria in the case of palm oil mill and estate management certification, or Supply Chain Certification System in case of RSPO Supply Chain certification) in the area included in the scope of the evaluation until and unless a certificate is awarded.

On acceptance of the certification proposal, the Client agrees to comply with any conditions set by the Certification Body.

7. CERTIFICATION

The certification body shall have the right to delay or postpone its decision on certification in order to take proper account of new or additional information which has become available to the certification body and which has not already been considered in its evaluation report and which, in the opinion of the certification body, could affect the outcome of its evaluation. When the main assessment report has been submitted to Peer Review and the Certification Body is satisfied that the Client meets all the registration requirements, it will inform the Client and issue a Certificate. The Certificate shall remain the property

of the Certification Body and may only be copied or reproduced for the benefit of a third party if the word "copy" is marked thereon.

The P&C and Supply Chain certificates validity will normally remain valid for a period of five (5) years from issuance date of certificate with annual surveillance; unless surveillance reveals that the management system, products or manufacturing process of the Client no longer meet the RSPO certification standards.

Under particular circumstances, the representative of Certification Body and its Accreditation Body have rights to access the Client's premises as well as documents, records as deemed necessary by the Certification Body, or its Accreditation Body.

Accreditation Body has the right to conduct witness assessment, compliance assessment or a short notice assessment. For short notice assessment, the Accreditation Body shall inform the certified organisation about the audit at least three (3) working days in advance.

The RSPO accreditation body retains the right to over-rule decisions of the Certification Body on the issue, suspension or withdrawal of a certificate.

In case the scope of the Certification Body's accreditation for RSPO certification services are reduced, suspended or withdrawn, the Client's certificate remain valid until the next surveillance date. The client shall be informed by SGS, within 14 days of the reduction, suspension or withdrawal of the scope of RSPO accreditation that the accreditation of the Certification Body has been reduced, suspended or withdrawn.

8. CERTIFICATION MARKS

RSPO: If the certified company wishes to use the RSPO logo then the company shall apply directly to the RSPO for a RSPO Logo license.

The Client will comply with all the Certification Body's and RSPO's conditions regarding claims, logos, certification marks and trademarks.

No claim of conformity or near conformity with RSPO requirements may be made in respect of sites undergoing assessment or sites not specified in the Certificate and Assessment Schedule or other attachments which may accompany the Certificate. Improper use of a certification mark shall be a non-conformance.

The Client acknowledges the title of the RSPO intellectual property rights and that RSPO shall continue to retain full

ownership of the intellectual property rights and that nothing shall be deemed to constitute a right for the Client to use or cause to be used any of the intellectual property rights.

The Certification Body maintains the right to use information which is brought to the attention of the Certification Body to follow up on and investigate infringements of the RSPO Trademarks and of the intellectual property rights held by RSPO.

Where a certificate is issued to a group entity or a multi-site operation, the Client shall not issue any self-made certificates or declarations to their participants that could be mistaken as formal RSPO certificates

SGS: When the SGS product mark is used it must always be used with the mark (reflecting the company's certificate/mark license number) of the specific standard the company is certified against. When using the SGS mark the "Regulations governing the use of SGS product certification mark" and "SGS Certification Mark License Terms and Conditions" must be adhered to.

9. MAINTENANCE OF CERTIFICATE AND SURVEILLANCE

Periodic surveillances of multi-year certificates (P&C and Supply Chain Certifications) shall be carried out, as a minimum annually, and shall cover aspects of the management system, documentation, manufacturing and distributing processes and products at the discretion of the nominated auditor.

RSPO reserves the right to temporarily request higher surveillance frequencies from certification bodies for certain geographical areas or certification services that are deemed "challenging" by RSPO as the result of an internal risk assessment.

The Client shall give access to all sites, products or documents for surveillance purposes whenever deemed necessary and the Certification Body and its Accreditation Body shall reserve the right to make unannounced visits as required. RSPO Accreditation body reserves the right to accompany RSPO assessors on any client audit and access to confidential or other information will not be restricted. The Client shall be informed of the results of each surveillance visit.

The Client shall maintain a register recording all complaints from customers or other interested parties, and environment and safety-related incidents reported by an enforcing authority or users relating to those covered by the Certificate and make this available to the Certification Body on request. The Certification Body retains the right to

revise the requirements of certification and/or the cost and fees at any time. The Certification Body shall inform the Client within 30 days of approval of such changes by the approval body. Unless otherwise indicated, the Client shall be granted a period of 12 months to implement any changes arising from amendments to the RSPO programme or changes to the generic RSPO requirements.

Should there be any changes in the company's contact detail (e.g. company name, address or contact numbers) SGS must be informed immediately to ensure the contract, certificate and websites are updated.

10. CERTIFICATE RENEWAL

In order to renew its Certificate at the end of every five-year cycle (P&C and SC), the Client shall be required to repeat the application procedure set out in Clause 6 and undergo a full re-evaluation. The Client will normally be informed of the requirement for Certificate renewal during the pre-renewal visit, which is the last surveillance visit of each cycle, but sole responsibility for timely filing the renewal application shall be with the Client.

11. EXTENSION OF CERTIFICATION

In order to extend the scope of a Certificate to cover additional sites or products, the Client will be required to complete a new Questionnaire. The application procedure outlined in Clause 6 will be followed and an assessment will be carried out on those areas not previously covered. The cost of extending the scope of registration will be based on the nature and programme of work.

In order to reduce the scope of the certificate, the Client must inform the Certification Body in writing of the reasons for the reduction. The Certification Body must be satisfied that the reduction in scope does not prejudice the remaining certification. An assessment may be carried out on the remaining areas.

Following a successful assessment an amended Assessment Schedule will be issued covering those aspects covered by the extended Certificate. Although the original Certificate will normally remain in force it may be necessary in some instances to issue a new Certificate. In such cases, the Client must return the superseded Certificate to the Certification Body.

12. SYSTEM/PRODUCT MODIFICATION

The Client shall inform the Certification Body, in writing, of any intended modification to the management system, products or manufacturing process, which may affect compliance with the

RSPO standards. The Certification Body will determine whether the notified changes require additional assessment. Failure to notify the Certification Body of any intended modification may result in suspension of the Certificate.

PUBLICITY BY CLIENT

A Client may make reference in communication media that its management system or products have been certified and may apply the relevant certification mark to stationery and publicity materials relating to the scope of registration as provided in its license agreement. The Client may not, however, apply such mark in relation to its products unless such products have been certified for product conformity.

In every case, the Client shall ensure that in its publications and advertising material no confusion arises between certified and non-certified products. The Client shall not make any claim that could mislead third parties to believe that certain products have been certified when, in fact, they have not.

13. MISUSE OF CERTIFICATE AND CERTIFICATION MARK

The Certification Body shall take suitable action, at the expense of the Client, to deal with incorrect or misleading references to certification or use of Certificates and certification marks. These include suspension or withdrawal of Certificate, legal action and/or publication of the transgression.

14. SUSPENSION OF CERTIFICATE

The Certification Body may suspend a Certificate for a limited period in cases such as the following:

1. If a Corrective Action Request has not been satisfactorily complied with within the designated time limit;
2. If a case of misuse as described in Clause 15 is not corrected by suitable retractions or other appropriate remedial measures by the Client;
3. If two similar Major Corrective Action Requests (CARs) are raised during the life of the certificate, or five new Majors are raised during a single surveillance visit;
4. If there has been any contravention of the Proposal, Application for Certification, General Conditions for Certification Services or Codes of Practice;
5. If products are being placed on the market in non-conforming condition; or
6. If there is a change in the Client's management such that continued compliance with the Programme Requirements is uncertain.

On suspension of the certificate the Client shall immediately cease to make any use of any RSPO trademarks, or to sell any products that the supplier has previously labelled or marked using the RSPO trademarks, or to make any claims that imply that they comply with the requirements for certification.

Upon suspension or cancellation of certification, the client shall discontinue its use of all advertising matter that contains any reference thereto and returns any certification documents as required by the certification body;

The Certification Body will confirm in writing to the Client the suspension of a Certificate. At the same time, the Certification Body shall indicate under which conditions the suspension will be removed. At the end of the suspension period, an investigation will be carried out to determine whether the indicated conditions for reinstating the Certificate have been fulfilled. On fulfilment of these conditions the suspension shall be lifted and the Client notified of the Certificate reinstatement. If the conditions are not fulfilled the Certificate shall be withdrawn.

All costs incurred by the Certification Body in suspending and reinstating a Certificate will be charged to the Client.

In case the scope of the Certification Body's accreditation for RSPO certification services is reduced, suspended or withdrawn, the Client's certificate remain valid until the next surveillance date. The client shall be informed by SGS, within 14 days of the reduction, suspension or withdrawal of the scope of RSPO accreditation that the accreditation of the Certification Body has been reduced, suspended or withdrawn.

15. WITHDRAWAL OF CERTIFICATE

A Certificate may be withdrawn if:

1. The Client takes inadequate measures in case of suspension or goes out of business; or
2. The Client terminates its contract with the Certification Body.

In either case, the Certification Body has the right to withdraw the Certificate by informing the Client in writing. The Client may give notice of appeal (refer Clause 19).

In cases of withdrawal:

- The Client must return all copies of the Certificate to the Certification Body;
- No reimbursement of assessment fees shall be given, and Withdrawal of the Certificate shall be published by the Certification Body and notified to the appropriate accreditation body.

- SGS reserves the right to initiate legal action if the certificate holder does not comply with all of the requirements of SGS Indonesia.

On withdrawal of the certificate, the Client shall:

- Immediately cease to make any use of any RSPO trademarks, or to sell any products that the supplier has previously labelled or marked using the RSPO trademarks, or to make any claims that imply that they comply with the requirements for certification;
- Return the certificate to the certification body;
- At its own expense remove all uses of RSPO's name, initials, logo, certification mark or trademarks from its products, documents, advertising or marketing materials;
- Co-operate with the certification body and with RSPO accreditation body in order to allow the certification body or RSPO accreditation body to confirm that these obligations have been met.

16. CANCELLATION OF CERTIFICATE

A Certificate will be cancelled if the Client advises the Certification Body in writing that it does not wish to renew the Certificate or no longer offers the products or the Client does not timely commence application for renewal.

In cases of cancellation no reimbursement of assessment fees shall be given and cancellation of the Certificate shall be published by the Certification Body and notified to the appropriate accreditation body, if any.

17. COMPLAINTS, APPEALS, OR DISPUTES

In relation to the Certification Body assessment process, or a Certificate not being issued, suspended or certificate being withdrawn, the Client has the right to appeal. Notification of the intention to appeal must be made in writing and received by the Certification Body.

In case of expressing a non-agreement with certification decision made by Certification Body (e.g. suspension or withdrawal of the Certificate), Client shall submit its appeal within seven days of receipt of notification by Certification Body supported by relevant facts and data for consideration during the Appeals Procedure.

The Certification Body shall notify Accreditation Body within seven (7) days of a complaint received from any RSPO Stakeholder concerning its auditor's competency or concerning the outcome or implementation of a certification assessment that it conducted.

Certification Body shall respond to complaints, appeals or disputes within 2 weeks acknowledging receipt and confirming that investigation will be made.

Investigation of the complaints, appeals, or disputes shall commence within 30 days of receipt. The Certification Body may appoint other individuals within the organization to investigate and address complaints, appeals, or disputes. The Client may be contacted to determine the full nature and extent of the complaints, appeal, or disputes and to inform the progress of its investigation results.

The Certification Body shall seek resolution of complaints within 60 days. If the Certification Body is not able to resolve a complaint within that time frame, the Certification Body shall inform the Accreditation Body immediately. Furthermore, SGS will inform the complainant about the Accreditation Body Complaints Procedure, which is available on the Accreditation Body's website.

If the complaint refers to the conditions of RSPO membership the Certification Body shall inform the RSPO Secretariat if a resolution was not achieved within 60 days.

All appeals forwarded to the Certification Body are put before an independent Appeals Panel. The Certification Body shall be required to submit evidence to support its decision to continue the investigation or to withhold, suspend or withdraw the Certificate. The decision of the Appeals Panel shall be final and binding on both the Client and the Certification Body. Once the decision regarding an appeal has been made, no counter-claim by either party in dispute can be made to amend or change this decision.

In instances where the complaints, appeals, or disputes has been successfully resolved and/or the Certificate is issued or reinstated, no claim can be made against the Certification Body for reimbursement of costs or any other losses incurred as result of the impacts that may arising or certificate being withholding, suspension or withdrawal during investigation period.

The appeal shall not suspend the validity of the decision which is being appealed, unless otherwise decided by the duly convened Appeals Panel.

If a Client has cause to complaint regarding the conduct of assessment of the Certification Body, the complaint shall be made in writing, without delay, and addressed to the RSPO Programme Manager. If the complaint is made against the RSPO Programme Manager, the letter of complaint shall be addressed to the PT SGS Indonesia Certification Division Manager.

THE CERTIFICATION BODY RESERVES THE RIGHT TO ADD TO, DELETE OR CHANGE THIS CODE OF PRACTICE WITHOUT PRIOR NOTIFICATION.

ALL SERVICES ARE PERFORMED ACCORDING TO THE GENERAL CONDITIONS FOR CERTIFICATION SERVICES.