



**PT. MUTUAGUNG
LESTARI
ASSESSMENT REPORT**

***Roundtable on Sustainable Palm Oil Certification
RSPO***

[] Stage-1 [✓] Stage-2 [] Surveillance [] Re-Certification

Name of Management : **WILMAR International Limited**
Organisation : **Rimba Harapan Sakti POM**
Plantation Name : **PT Rimba Harapan Sakti: RHS - 1 Estate & RHS – 2 Estate**
Location : **Village of Pematang Limau, Sub District of Seruyan Hilir, District of Seruyan, Province of Central Kalimantan, Indonesia**
Certificate Code : **MUTU-RSPO/082**
Date of Certificate Issue : **8 Desember 2015** Date of License Issue : **8 Desember 2015**
Date of Certificate Expiry : **7 Desember 2020** Date of License Expiry : **7 Desember 2020**

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST-1	April 27 – May 01, 2014	Oktovianus Rusmin (Lead Auditor), Moh Arif Yusni, Sandra Purba, Bukti Bagja	Ganapathy Ramasamy	Tony Arifiarachman
ST-2	March 24 – 26, 2015	Oktovianus Rusmin (Lead Auditor), Abdul Rahman, Andi Pratama Pasaribu, Entin Hendartin		

Assessment	Approved by MUTUAGUNG LESTARI on:
ST-2	8 December 2015



PT. MUTUAGUNG LESTARI ASSESSMENT REPORT

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Figure 1. Location Map of RHS POM & Plantation Area of PT Rimba Harapan Sakti

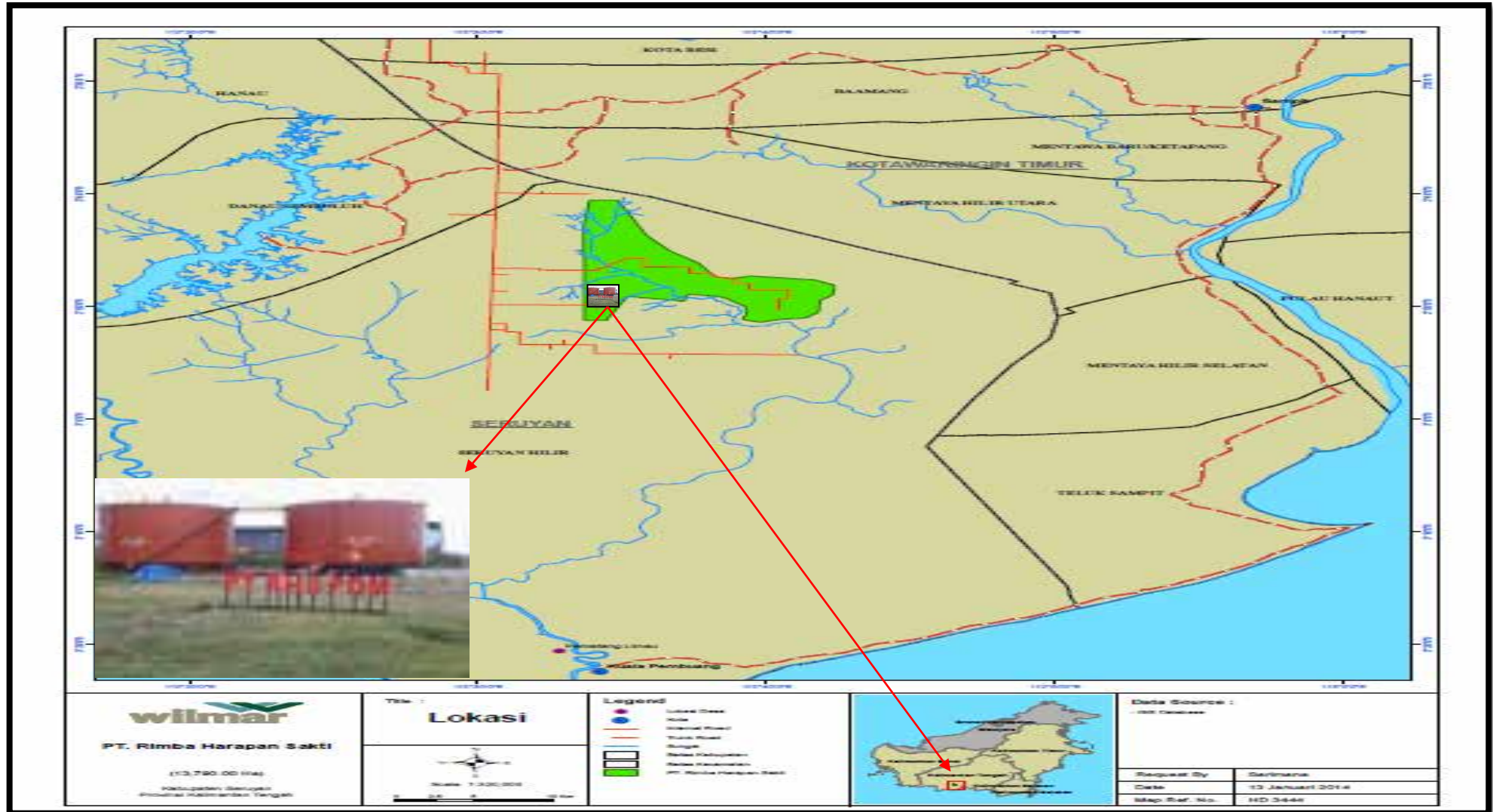
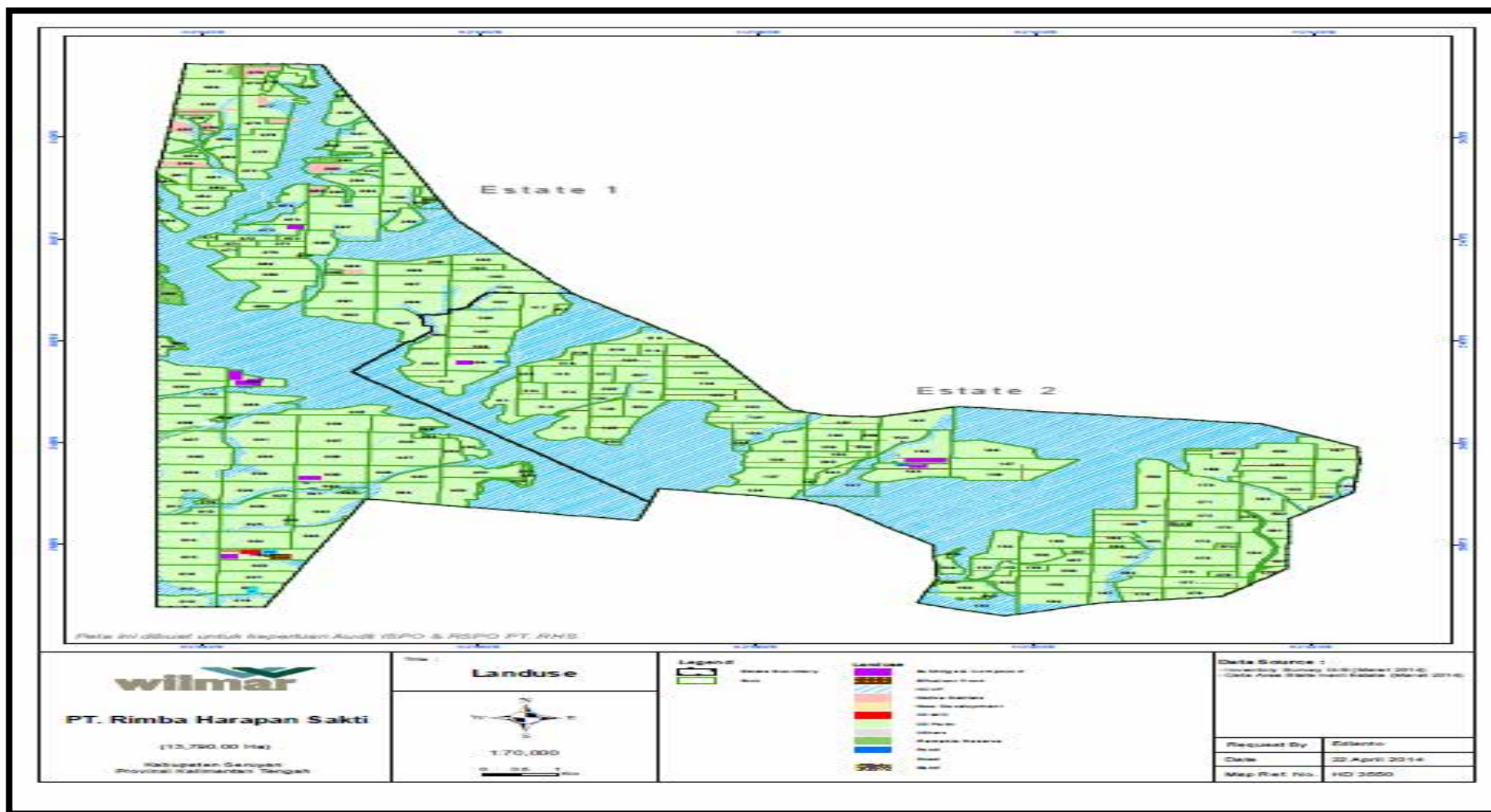


Figure 2. Operational Map of PT Rimba Harapan Sakti



Abreviations Used

AMDAL	:	<i>Environmental Impact Analysis (EIA)</i>
APD	:	<i>Personal Protective Equipment (PPE)</i>
B3	:	<i>Toxic and Hazardous Materials</i>
BOD	:	Biological Oxygen Demand
BPJS / JAMSOSTEK	:	<i>Manpower Social Insurance</i>
CKP	:	<i>Central Kalimantan Project</i>
CPO	:	Crude Palm Oil
HGU	:	<i>Operational Land Use Title</i>
IUP	:	<i>Plantation Licensee Permit</i>
IPAL	:	<i>Effluent Management Plant</i>
K3	:	<i>Occupational Health and Safety</i>
KER	:	Kernel Extraction Rate
LC	:	Land Clearing
NKT	:	<i>High Conservation Value</i>
OER	:	Oil Extraction Rate
P2K3	:	<i>Health and Safety Organisation Structure</i>
PHT	:	<i>Integrated Pest Management</i>
PK	:	Palm Kernel
PKB	:	<i>Collaborative Contract Agreement</i>
PKO	:	Palm Kernel Oil
POM	:	<i>Palm Oil Mill</i>
PT RHS	:	<i>PT Rimba Harapan Sakti</i>
RKL/RPL	:	<i>Environmental Management and Monitoring Plan</i>
RSPO	:	Roundtable on Sustainable Palm Oil
SOP	:	Standard Operating Procedure
TBS	:	<i>Fresh Fruit Bunch (FFB)</i>
UKL/UPL	:	<i>Environmental Management and Monitoring Strategy</i>
UMSP	:	<i>Minimum Wage on Plantation Sector</i>

1.0	SCOPE of the CERTIFICATION ASSESSMENT			
1.1	Assessment Standard Used		<ul style="list-style-type: none"> • <i>RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> 	
1.2	Organisation Information			
1.2.1	Organisation name listed in the certificate		Wilmar International Limited – PKS Rimba Harapan Sakti (PT Rimba Harapan Sakti)	
1.2.2	Contact person		Simon Siburat	
1.2.3	Organisation address and site address		<u>Head Office:</u> Multivison Tower Lt. 15 Jl. Kuningan Mulya Blok B9, Kuningan, Jakarta 12980 – Indonesia. <u>Site Address:</u> Desa Pematang Limau, Kec. Seruyan Hilir, Kab. Seruyan	
1.2.4	Telephone		(62-21) 461 6555	
1.2.5	Fax		(62-21) 461 6687	
1.2.6	E-mail		simonsiburat@wilmar.com	
1.2.7	Web page address		www.wilmar.co.id	
1.2.8	Management Representative who completed the application for certification		Simon Siburat (Head of Sustainability)	
1.2.9	Registered as RSPO member		2-0017-05-000-00, 16 Agustus 2005	
1.3	Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit		Palm Oil Mill and supply base Rimba Harapan Sakti POM , Rimba Harapan Sakti 1 Estate (RHS 1 Estate) & Rimba Harapan Sakti 2 Estate (RHS 2 Estate).	
1.3.2	Type of certificate		Single	
1.4	Locations of Mill and Plantation			
1.4.1	Location of Mill			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Rimba Harapan Sakti POM	Desa Pematang Limau, Kec. Seruyan Hilir, Kab. Seruyan	2° 50' 8.80" S	112° 34' 20.23" E
1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Rimba Harapan Sakti 1 Estate	Village of Pematang Limau, Sub District of Seruyan Hilir, District of Seruyan	2 ° 51' 14.51" S	112 °37' 8.75" E

	Rimba Harapan Sakti 2 Estate	Village of Pematang Limau, Sub District of Seruyan Hilir, District of Seruyan	2 ° 51' 24.20" S	112 ° 42' 20.89" E			
1.5	Description of Area Statement						
1.5.1	Tenure						
	• State		13,789.745 Ha				
	• Community		- Ha				
1.5.2	Area Statement						
			Ha				
	• Total area		13,790 Ha				
	• Mature Area		6,945.71 Ha				
	• Immature Area		794.21 Ha				
	• Mill/Emplacement/roads		384.85 Ha				
	• Unplantable area		70.39 Ha				
	• HCV		5,379.31 Ha				
	• Land bank		86.44 Ha				
	• Cultivated area		129.09 Ha				
	• Nursery		- Ha				
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year		Hectarage (Ha)				
RHS 1 Estate			RHS 1 Estate	Total			
	2009		2,606.62	695.18	3,301.80		
	2010		646.82	2,567.90	3,214.72		
	2011		173.93	255.26	429.19		
	2012		438.92	181.34	620.26		
	2013		129.80	44.15	173.95		
	TOTAL		3,996.09	3,743.83	7,739.92		
1.6.2	New Planting area after January 2010		Ha				
1.6.3	Planting Cycle		1 st Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	RHS POM	45	215,805	219,243	22.83	8,677	3.96
					<i>* Production data source from March 2014 – February 2015</i>		
1.7.2	Description of Certification Scope of Supply Base						

	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Rimba Harapan Sakti 1 Estate	7,043.65	3,996.09	48,394	6,87	45,626	94.28
	Rimba Harapan Sakti 2 Estate	6,746.35	3,743.83	29,349	4,35	25,257	86.06
	TOTAL	13,790	7,739.92	77,743		70,883	
	<i>* Production data source from March 2014 – February 2015</i>						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location	Supplied to Mill			
				FFB (tonnes/year)			
	PT Kerry Sawit Indonesia 1 *	Wilmar International Ltd.	Seruyan District, Central of Kalimantan	150.28			
	PT Kerry Sawit Indonesia 2 *	Wilmar International Ltd.	Seruyan District, Central of Kalimantan	1,193.22			
	PT Kerry Sawit Indonesia3 *	Wilmar International Ltd.	Seruyan District, Central of Kalimantan	20,091.07			
	PT Sarana Titian Permata 1 **	Wilmar International Ltd.	Seruyan District, Central of Kalimantan	16,176.76			
	PT Sarana Titian Permata 2 **	Wilmar International Ltd.	Seruyan District, Central of Kalimantan	18,042.06			
	PT Sarana Titian Permata 3 **	Wilmar International Ltd.	Seruyan District, Central of Kalimantan	74,866.14			
		TOTAL					130,519.53
	<i>* Production data source from March 2014 – February 2015</i>						
	<i>* RSPO Certified 2010</i>						
	<i>** RSPO Certified 2012</i>						
1.7.4	Product categories			FFB/CPO/PK			
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim to (tonnes/year)		Actual certified product** to (tonnes/year)		
	• FFB Production		-		-		
	• CPO Production		-		-		
	• Palm Kernel (PK) Production		-		-		
	<i>** Will verify on next surveillance</i>						
1.8.2	Estimate of Certified FFB Claim						
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)		Yield (tonnes/ha/year)	
	Rimba Harapan Sakti 1	7,043.65	3,996.09	53,233.7		7.56	
	Rimba Harapan Sakti 2	6,746.35	3,743.83	32,283.7		4.79	
	TOTAL	13,790	7,739.92	85,517.4		11,04	
	<i>*Projected FFB production for Maret 2015 – Februari 2016</i>						
1.8.3	Estimate of Certified Palm Product Claim						

	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
		RHS POM	45	85,517	20,524	24.00	3,420
*Projected FFB production for Maret 2015 – Februari 2016							
1.9	Other Certifications						
	ISO 9001:2008			-			
	ISO 14001: 2004			-			
	OHSAS 18001:2007			-			
	ISCC			-			
	Others			-			
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	No	Management Unit	Location		Time bound plan	Status	
	1	Sapi (1 + 2)	Sandakan, Sabah, Malaysia		2008	Certified	
	2	Sabahmas	Lahad Datu, Sabah, Malaysia		2008	Certified	
	3	Reka Halus	Sandakan, Sabah, Malaysia		2008	Certified	
	4	Saremas (1 + 2)	Miri Serawak, Malaysia		2008	Certified	
	5	Kaminsky	Miri Serawak, Malaysia		2008	Certified	
	6	Suai	Miri Serawak, Malaysia		2008	Certified	
	7	Segarmas	Miri Serawak, Malaysia		2008	Certified	
	8	Terusan (1 + 2)	Sandakan, Sabah, Malaysia		2009	Certified	
	9	Kiabau	Sandakan, Sabah, Malaysia		2009	Certified	
	10	Ribubonus	Sandakan, Sabah, Malaysia		2009	Certified	
	11	PT Perkebunan Milano (SDE, BSE & MBE)	North Sumatera		2009	Certified	
	12	PT Mustika Sembuluh	Central Kalimantan		2009	Certified	
	13	PT Kencana Sawit Indonesia	West Sumatera		2010	Certified	
	14	PT Kerry Sawit Indonesia	Central Kalimantan		2010	Certified	
	15	PT Tania Selatan (BT & BB)	South Sumatera		2010	Certified	
	16	Hibumas	Sandakan, Sabah		2010	Certified	
	17	Sri Kamusan	Sandakan, Sabah		2010	Certified	
	18	Sekar Imej	Sandakan, Sabah		2010	Certified	
	19	Aktif Kukuh & Koperasi	Sandakan, Sabah		2010	Certified	
	20	PT AMP Plantation	West Sumatera		2011	Certified	
	21	PT Primatama Muliajaya	West Sumatera		2011	Certified	
	22	PT ANI (Sambas)	West Kalimantan		2012	Certified	
	23	PT Buluh Cawang Plantation	South Sumatera		2012	Audited	
	24	PT Tania Selatan (Bambu Kuning)	South Sumatera		2012	Audited	
	25	PT Bumi Sawit Kencana	Central Kalimantan		2012	Audited	
	26	PT Sarana Titian Permata	Central Kalimantan		2012	Certified	
	27	PT Gersindo Minang Plantation	West Sumatera		2014	Certified	
	28	PT Permata Hijau Pasaman	West Sumatera		2014	Certified	
	29	PT Daya Labuhan Indah	North Sumatera		2014	Certified	
	30	PT Milano (Cabang Dua Estate)	North Sumatera		2014	Certified	
	31	PT Agro Palindo Sakti	South Sumatera		2014	Audited	

	32	PT. Citra Riau Sarana	Riau	2014	Not classified, shares are being divested
	33	PT Mentaya Sawit Mas	Central Kalimantan	2014	Certified
	34	PT Musi Banyuasin Indah	South Sumatera	2014	Final Audit
	35	PT Agronusa Investama Pahauman	West Kalimantan	2014	Planning
	36	PT Murini Sam Sam	Riau	2015	1 st Stage Audit
	37	PT Sinarsiak Dianpermai	Riau	2015	1 st Stage Audit
	38	PT Bumi Pratama Khatulistiwa	West Kalimantan	2015	Planning
	39	BBPOP (Benso Plantation)	Ghana	2015	Final Audit
	40	PT Buluh Cawang Plantation	West Kalimantan	2015	Planning
	41	PT Pratama Prosentindo	West Kalimantan	2016	Planning
	42	PT Putra Indotropical	West Kalimantan	2016	Planning
	43	PT Agro Palindo Sakti	West Kalimantan	2016	Planning
	44	PT Daya Landak Plantation	West Kalimantan	2016	Planning
	45	PT Indoresins Putra Mandiri	West Kalimantan	2016	Planning
	46	PT Karunia Kencana Permaisejati	Central Kalimantan	2016	Final Audit
	47	PT Rimba Harapan Sakti	Central Kalimantan	2016	Final Audit
	48	PT Agro Indah Persada 2	Bangko - Jambi	2016	Planning
<i>*latest update of Time Bound Plan 2015 under WILMAR management.</i>					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	PT. Rimba Harapan Sakti did not received FFB from independent smallholders. PT. RHS received FFB only from Wilmar Group Member who has certified RSPO.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ST-1	<ol style="list-style-type: none"> Oktovianus Rusmin (Lead Auditor). Bachelor's Degree in Social & Political Sciences Department of Anthropology. Specialists in the field of Social and Cultural (Social Impact & Conflict Resolution) and HCV. Already participated in Forest Management Auditor Training (FSC Standard), ISO 14001 Environmental Management System Training, SVLK (wood legality) Auditor, Indonesian Sustainable Palm Oil (ISPO) and RSPO Lead Auditor Training. He was several times involved in the assessment of Sustainable Forest Management Certification (Standard LEI) and Gap Analysis Audit (FSC Standard). Had worked at the Center for study of Anthropology University of Indonesia and Social Advisor at Tropical Forest Trust (TFT) Indonesia. He was numerously involved in Social Impact Assessment and HCV Identification in Palm Oil Plantations and Natural Forest concessions and was approved as HCV assessor by RSPO for Social Discipline Specialist. Have been involved in several palm oil certification as Auditor and Lead Auditor Moh. Arif Yusni (Auditor). A bachelor of Agriculture, majoring of Plant Pest and Diseases (Plant Protection). He has a working experience for 2 (two) years in oil palm Plantation Company in Indonesia. Trainings attended namely: Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course. Now he worked at Professional Certification Body. Sandra Purba (Auditor). Bachelor of Forestry, Department of Forest Products Technology, Faculty of Agriculture, University of North Sumatra. Have experience working in oil palm plantations Company. She had attended such training: Training Expert of OHSAS General, Training ISPO Auditor. Bukti Bagja (Auditor). Master of Science majoring environment, Indonesia University. He had involved in RSPO assessment and HCV for GIS. The training he has followed namely . ArcGIS, MAPInfo, Global Mapper, ER MAPPER, ERDAS Imagine, Indonesian Sustainable Palm Oil auditor and Awareness RSPO.
ST-2	<ol style="list-style-type: none"> Oktovianus Rusmin (Lead Auditor). Bachelor's Degree in Social & Political Sciences Department of Anthropology. Specialists in the field of Social and Cultural (Social Impact & Conflict Resolution) and HCV. Already participated in Forest Management Auditor Training (FSC Standard), ISO 14001 Environmental Management System Training, SVLK (wood legality) Auditor, Indonesian Sustainable Palm Oil (ISPO) and RSPO Lead Auditor Training. He was several times involved in the assessment of Sustainable Forest Management Certification (Standard LEI) and Gap Analysis Audit (FSC Standard). Had worked at the Center for study of Anthropology University of Indonesia and Social Advisor at Tropical Forest Trust (TFT) Indonesia. He was numerously involved in Social Impact Assessment and HCV Identification in Palm Oil Plantations and Natural Forest concessions and was approved as HCV assessor by RSPO for Social Discipline Specialist. Have been involved in several palm oil certification as Auditor and Lead Auditor Abdul Rahman (Auditor). Bachelor of Environmental Engineering, Islamic University of Indonesia and Master of Management & Utilization of Waste, Gadjah Mada University. He has experience in mitigation of greenhouse gas emissions. He was listed as the Social Carbon Validator for a carbon project in Indonesia. During this time he was active in various seminars and forums for the development of standards and methodology of greenhouse gases in Indonesia. In addition he has experience as document drafting team effort Environmental Management and Environmental Monitoring Effort (UKL - UPL) for 1 year at nasional environmental consultant. He has been involved in water sampling methodology and analysis training, waste management training, auditor training ISO (ISO 9001, ISO 14001, and ISO 14064-65), awareness training ISO 50001, awareness auditor RSPO, Auditor ISPO, Lead Auditor RSPO RED, and Safety Health Environment specialist. Andi Pratama Pasaribu (Auditor). A bachelor of Agriculture, Departement of Socio Economic Agriculture, Agriculture Faculty, Jember University. He has attended several training such as ISPO Auditor, Awareness RSPO, Awareness ISO 22000, Lead Auditor ISO 9001:2008 and High Conservation Value training. He have a 5 years experiences as an operational staff in several palm oil company in Indonesia.

4. **Entin Hendartin (Auditor)**. Doctor in Forestry Science, Bogor Agriculture Institute. She has a lot experiences as a dozen in Bandung Technology Institute. Now she work as a freelance auditor in a certification bodies. She has followed several training, such as lead auditor ISPO, lead auditor RSPO, Sustainable Forest Management Training, ISO 9001 & ISO 14001.

2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ST-1	Number of auditors : 4 auditor Number of days for ST – 1 at site : 3 days Number of working days for ST - 1 at site : 12 Working days
ST-2	Number of auditors : 4 auditor Number of days for ST – 2 at site : 3 days Number of working days for ST - 2 at site : 12 Working days
2.2.2	Assessment Process
ST-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Rimba Harapan Sakti to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production RSPO INA-NIWG, May 2008 and Supply Chain Requirement for CPO Mill.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Number of units in this certification activity is 2 (two) estates: (RHS 1 Estate & RHS 2 Estate) , which supply the raw material (FFB) to 1 (one) palm oil mill (RHS POM). In conducting the assessment, the team of auditors was assessed all of the management units to be focused on and also considered the issues raised by stakeholder.</p> <p>Some opportunities for improvement of the results ST-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-1.</p> <p>Improvement of findings from main assesment findings were observed by auditors at this ST-2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ST-2.</p> <p>The assessment program please find Appendix 2</p>
2.2.3	Locations of Assessment
ST-1	During the audit, auditor only verify the documents. Auditor not doing field observation.
ST-2	<p>RHS 1 ESTATE</p> <ol style="list-style-type: none"> Herbicide Application/spraying (Block B071 Division I). Observation and interviews were conducted with the supervisor and spray workers. The results suggested that the supervisor and the spray workers have understood the work instructions related to the proper process of herbicide application, have equipped themselves with personal protective equipment, recognized the symbols of herbicide application prohibition on the riparian area as well as on the conservation area, and are able to demonstrate the proper work manners that are in accordance with the procedure set by the company. Planting and Nursing of Host Plants (Block A076 and B085 Division I). Observation is related to the routine maintenance of host plants that are the natural predators for oil palm leaf-eating caterpillars (<i>UPDKS</i>). Fertilizing (Block C040). Observation is done on the implementation of fertilizing that is in accordance with the Fertilizing SOP. Fertilizing workers are able to demonstrate the accurate dosage of fertilizing application that is right on target and efficient. Furthermore, the workers are also able to properly provide the explanation on the

- fertilizing regulations, appropriate personal protective equipment, and wage system.
4. **Harvesting activity (Block D77 Division I).** Observation and interviews were conducted with the supervisor and harvesters in relation to the harvesting work procedure, OHS aspects, wage system, and harvesting premiums. The interview result showed that the harvesters have understood, demonstrated, and implemented the proper harvesting work instructions that comply with the procedure, equipped themselves with personal protective equipment, and recognized the calculation system for the wages and the harvesting premiums.
 5. **Agrochemical Warehouse.** On-site observation is related to the management of agrochemical substances, the placement of symbols for chemicals, and the completeness of fire extinguishers and wash-and-rinse facility.
 6. **Fire Drills and Simulations (RHS 1 Estate Field).** Observation on the fire emergency preparedness and response at RHS 1 Estate. The results showed that the emergency response team is able to demonstrate the well-coordinated firefighting techniques, including how to use the firefighting tools and how to equip oneself with personal protective equipment.
 7. **Workshop.** The auditor team has conducted the observation related to the implementation of OHS and employment, such as regular medical checkup, PPE gear, grievance mechanism, *BPJS-Ketenagakerjaan* insurance, etc.
 8. **Hazardous Waste Temporary Warehouse.** The auditor team has conducted an observation related to the implementation of environmental management, particularly the hazardous waste treatment.
 9. **Chemical Warehouse.** The auditor team has performed an observation on the implementation of OHS, such as the availability of *MSDS*, First Aid Emergency Kit, etc.
 10. **HGU Boundary Poles.** On-site inspection, boundary poles sampling, namely RHS 138, RHS 01 – 10 (the gap between two poles is approx. 500 meters). The poles are in good condition and the pole numbers are clearly visible.
 11. **HCV Areas:** HCV area inspection (RHS1D2-004 Block B44 and RHS1D2-003 Block C35), the area has been equipped with sign boards and warning signs that prohibit any hunting of protected animals and other illegal activities.
 12. **Environmental Monitoring Station** (Pukun River Block B18 inlet and Pondok Haur Block E71 outlet). The monitoring location (inlet) has been equipped with the sign boards containing coordinates to point out the location of sampling water.
 13. **Housing Complex of RHS 2 Estate.** The auditor team has done the observation on the housing facilities, public facilities, infrastructure and facilities for places of worship, and medical facilities.
 14. **Pematang Limau Village,** the consultation was done through a Focus Group Discussion, attended by the Village Officials, Village Representative Body, Cooperative Management, and several other community representatives.

RHS 2 ESTATE

15. **Harvesting activity (Block H54 Division IB).** The observation and interviews with the supervisor and harvesters are related to the harvesting work procedure, OHS aspects, wage system, and harvesting premiums. The interview result showed that the harvesters have understood, demonstrated, and implemented the proper harvesting work instructions that comply with the procedure, equipped themselves with personal protective equipment, and recognized the calculation system for the wages and the harvesting premiums.
16. **Herbicide Application/spraying (Block H57 Division IB).** Observation and interviews were conducted with the supervisor and spray workers. The results suggested that the supervisor and the spray workers have understood the work instructions related to the proper process of herbicide application, have equipped themselves with personal protective equipment, recognized the symbols of herbicide application prohibition on the riparian area as well as on the conservation area, and are able to demonstrate the proper work manners that are in accordance with the procedure set by the company.
17. **Empty Bunch Application (Block T69).** The observation was done on the empty bunch application, which is done as an effort to improve the soil fertility.
18. **Agrochemical Warehouse.** On-site observation is related to the management of agrochemical substances, the placement of symbols for chemicals, and the completeness of fire extinguishers and wash-and-rinse facility.
19. **Fire Drills and Simulations (RHS 2 Estate Field).** Observation on the fire emergency preparedness and response at RHS 1 Estate. The results showed that the emergency response team is able to demonstrate the well-coordinated firefighting techniques, including how to use the firefighting tools and how to equip oneself with personal protective equipment.
20. **HGU Boundary Poles.** On-site inspection, boundary poles sampling, namely RHS 24 – 27 & RHS 71 – 75 (the gap between two poles is approx. 500 meters). The poles are in good condition and the pole numbers are clearly visible.
21. **HCV Areas:** HCV area inspection (RHS2 D2-012 Block L74 and RHS2 D1-005 Block G 46-48), the area has

been equipped with sign boards and warning signs that prohibit any hunting of protected animals and other illegal activities.

22. **Housing Complex of RHS 2 Estate.** The auditor team has done the observation on the housing facilities, public facilities, infrastructure and facilities for places of worship, and medical facilities.

RHS POM

23. **Loading ramp.** Observation and interviews were done with the grading personnel in relation to the sorting/grading process of the incoming FFB. There is an SOP for FFB reception, and the grading personnel are able to explain and demonstrate the sorting/grading process that complies with the existing procedure. The personnel have been equipped with the appropriate PPE.
24. **Water treatment plant.** The observation is related to the work procedure at the WTP and the monitoring of the amount of water used in the processing activity.
25. **Weighbridge Station:** the interviews were conducted with two personnel of fruit weighing bridge (Fresh Fruit Bunch), the result showed that said personnel have practically understood the mechanism of FFB (Fresh Fruit Bunch) reception that is applied by RHS POM.
26. **WTP Station.** The auditor team has done the observation related to the water treatment for boiler needs.
27. **WWTP Station.** The auditor team has done the observation related to the implementation of environmental management, particularly the palm oil effluent treatment.
28. **Land Application** at Block I2 Division I STP 2 Estate (Effluent generated by PT. RHS is disposed to PT. STP). The auditor team has done the observation related to the implementation of the license for effluent utilization for fertilizing activity.
29. **Monitoring Well** at Block I3 Division I STP 2 Estate (Effluent generated by PT. RHS is disposed to PT. STP). The auditor team has done the observation related to the implementation of the license for effluent utilization for fertilizing activity.
30. **Housing Complex of RHS POM.** The auditor team has done the observation on the housing facilities, public facilities, infrastructure and facilities for places of worship, and medical facilities.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ST-2	Summary of stakeholder consultation process Consultation of stakeholders for PT. Rimba Harapan Sakti was held by: Public Notification in MUTU Website on Februari 17, 2015. Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples in March 25, 2015. Internal consultation (Gender Committee and Worker Union) in 25 – 26 March 2015. Also consultation has been done to several NGO by email. Numbers of input from stakeholders were clarified by PT. Rimba Harapan Sakti.
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit ASA-1 will be determined 9 month or at least one year after PT. RHS certified RSPO.

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Rimba Harapan Sakti POM – PT. Rimba Harapan Sakti operation consisting of one (1) mill and two (2) estates.

During the assessment, there were three (3) Nonconformities were assigned against Major Compliance indicators; three (3) nonconformity(s) were assigned against Minor Compliance Indicators, and no nonconformance(s) against supply chain requirement for CPO mill; and two (2) opportunity(s) for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g. document record/photographic. Those corrective action(s) taken that consist of *three (3)* Major non-conformities had been closed out and *three (3)* Minor non-conformity(s) shall be verified during next assessment.

MUTUAGUNG LESTARI found that Rimba Harapan Sakti POM – PT. Rimba Harapan Sakti complied with the requirements of *Principles and Criteria (P&C) for the Production of Sustainable Palm Oil - April 25th, 2013* and *RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)*

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **Issued**.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Plantation and Palm Oil Factory have to give adequate information for stakeholders in appropriate language and forms, to ensure the effective participation of stakeholders in decision-making.	
	<p>The Unit Management has presented the SOP for Information Release for Outside Parties (Document No. SOP 47/PR/2/0312 Rev.02) effective since March 2012, which was authorized by the General Manager. The length of time for the response given by the company is 14 days. The retention time for any document/public information requests is 3 years.</p> <p>The Unit Management of PT RHS has recorded all incoming letters in the incoming letter log book. Based on the document study, there is no record of information requests from outside parties; instead most of the incoming letters were regarding requests for assistance. For example; the letter from the Head of Pematang Limau Village under document No. 410/57/DPL/II/2014 dated 14 February 2014 regarding the Request for CSR Funding for a Cattle Farm, as a follow up to the dissemination of the company's CSR program plan, held on 5 February 2014, and the priority scale determination for the events hosted by Pematang Limau Village. The letter was responded by the CD and Plasma Manager by releasing an Internal Office Memo No. 09/BM-CD/II/2014 on 15 February 2014 which recommended both the Plantation Head and the General Manager to provide the funding for said event.</p> <p>There is the minute of event of the donation handover on 20 March 2014 to the Head of Pematang Limau Seruyan Hilir Sub-district Seruyan Regency Central Kalimantan Province.</p> <p>Moreover, the Unit Management has submitted the regular reports (information release) to relevant institutions, in compliance with the applicable rules and regulations. For example; Report of <i>RKL-RPL</i> implementation at PT RHS for the Period of the 2nd Semester of 2014 (the months of July – December 2014). There is a receipt from the Environment Bodies of Seruyan Regency and from the Plantation Agency dated 12 March 2015.</p>	
	Status: Complied	

1.2

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

The following documents are accessible by the other stakeholders, as stated in the SOP for Information Release to Outside Parties, document No. SOP 47/PR/2/0312 Rev.02 effective date March 2012, valid from February 2011;

- EIA Documents
- Company's Annual Reports
- Company's Policy
- HGU Licenses and other related licenses
- Monthly Production Reports of the Estate and the Mill
- The operational areas of the estate and the mill
- The company's organizational structure
- HCV reports and Management Plans
- SIA (Social Impact Assessment) Reports
- Magazines, Tribunes, or other company's Bulletins
- Investment Activity Report (LKPM)
- Plantation Business Activity Report (LKUP)
- Plantation Statistic Monitoring
- Employee Data
- Data of Expatriate/Foreign Labor Recruitment (TKWNAP),
- Land Use Data,
- CPO Sales Data,
- Smallholders' Production Data
- Implementation of the Company's CDP & CSR
- SOP of both the Estate and the Mill.

Meanwhile, the documents that are not mentioned on the list are accessible only under the consent of the GM of Central Kalimantan Project (CKP).

Status: Complied

1.3

Growers and millers commit to ethical conduct in all business operations and transactions.

The PT Rimba Harapan Sakti not yet sighted an evidence of written policy related commit to ethical conduct in all business operations and transactions. **NCR.2015.01. Minor 1.3.1**

1.3.1 Status: Non Conformities 2015.01 Minor

Open

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS
2.1

There is compliance with all applicable local, national and ratified international laws and regulations.

The Unit Management of PT RHS keeps a document of List of Rules and Regulations (Law Register) that have been updated in accordance with each field of work. The documents that have been updated since 1 November 2014 are as follows;

1. The ones related to the Plantation Company
2. Environmental Area
3. Occupational Health and Safety
4. Employment

Below are several samples of proof of compliance with the applicable and relevant law register;

- PT RHS has obtained the License for Hazardous Waste Temporary Warehouse that was issued by the Environment Bodies of Seruyan Regency.
- There is a P2K3 (Guiding Committee of Occupational Health and Safety) organization that was authorized by the Agency for Labor and Social Services of Seruyan Regency.
- The wages payment has been in compliance with the existing provision requirement for Regency Minimum Wage (UMK) and Regency Sectoral Minimum Wage (UMSK) for Seruyan Regency, in compliance with the Regulation issued by the Governor of Central Kalimantan.

The proof of the efforts taken by the Unit Management in order to adjust to the regulation amendment is that the company has identified the recently issued regulations and has made necessary adjustments. The 2015 standard payment for the employee is one of the examples of such adjustment made during said year.

Such adjustments are made with the following basis;

- Regulation of the Regent of Central Kalimantan No. 45 Year 2014, issued on 6 November 2014, on the 2015 Regency Minimum Wage (*UMK*) and Regency Sectoral Minimum Wage (*UMSK*) for Seruyan Regency. Based on said Regulation Attachment, the Regency Minimum Wage (*UMK*) for Seruyan is Rp 2,010,000 per month, while the Regency Sectoral Minimum Wage (*UMSK*) is Rp 2,110,500 per month.
- Based on the abovementioned regulation, an Internal Office Memo was issued on 1 December 2014 by the Senior HRR Manager of the Regional Office of Central Kalimantan Project and was approved by the Plantation Head under the Decree No. 005/PH-CKP/XII/2014, on the Regency Minimum Wage (Year 2015), stating that the Regency Minimum Wage applicable at the entire company of Central Kalimantan Project (CKP) for the year 2015 at Seruyan Regency is Rp 2,110,000 per month (Rp 84,000/day). The Decree is effective per 1 January 2015.
- There are samples of employee payroll records, such as the ones for *Firmansyah* and *Abdul Hadi* (Harvesters), confirming that the wages received by said workers are Rp 2,896,013 and Rp 2,706,919 respectively, for 25 working days, which are already above the standard set by the government.

The evaluation on the implementation of the compliance with the law requirements and other relevant regulations are stipulated in the Standard Operating Procedure (SOP 08/CKP/(2)/0111). The procedure explains that the Legal Officer assigned at the Central Kalimantan Project is responsible for ensuring that all licensing procedures are complied with, by conducting a 6-monthly audit or by reviewing said compliance at all operating units.

For any discrepancies, they shall be indicated in the Report of Audit Result and submitted to the Head of relevant Operating Unit. Proof of evaluation is available in the document of the List of Rules and Regulations, which covers the following aspects; Plantation, Environment, and Occupational Health and Safety, which has been evaluated with its compliance until November 2014. Based on said evaluation, it is revealed that the Unit Management of PT RHS has made serious efforts in complying with the applicable and relevant legal requirements.

The result of the public consultation, that was conducted with relevant agencies operating in Seruyan Regency, namely; Forestry and Plantation Agency, Environment Bodies, Social Service & Labor Agency, and National Land Agency, revealed that the company has made serious efforts in complying with the obligations stipulated in the applicable laws and regulations.

The Unit Management of PT RHS has presented their follow up efforts towards *IUP* (Plantation Business Permit) adjustments, namely;

- Letter No. 04/BM-RHS/V/2014 dated 5 May 2014, on the Subject of Request for *IUP* Adjustment.
- Letter from the Regional Secretary of Seruyan Regency No. 500/618/EK/VI/2014 dated 23 June 2014, on the Subject of Technical Consideration on the Adjustment for Plantation Business Permit (*IUP*) for PT Rimba Harapan Sakti.
- Office Memo from the Forestry and Plantation Agency of Seruyan Regency, No. 525.26/2055/DISHUTBUN/VIII/2014 dated 20 August 2014, on the Subject of Technical Consideration on the Adjustment for Plantation Business Permit (*IUP*) for PT Rimba Harapan Sakti. The main point of said office memo is the need for the coordination meeting and on-site inspection with the relevant Agency/Technical Institutions.
- Minutes of Meeting for the Discussion of *IUP* (Plantation Business Permit) Revision for PT Rimba Harapan Sakti with Seruyan Deputy Regent, Forestry & Plantation Agency of Seruyan Regency and the Seruyan Regional Legal Bureau. The primary point resulted from said meeting is as follow; the Technical Consideration that is issued by the Forestry & Plantation Agency shall be utilized as the basis for issuing the *IUP* Revision for PT Rimba Harapan Sakti. The draft for such document will be prepared by the Seruyan Regional Legal Bureau.

The result of the Public Consultation conducted with the Forestry & Plantation Agency of Seruyan Regency revealed that the Forestry & Plantation Agency has issued an Office Memo regarding the technical consideration for the *IUP* revision for PT RHS, which was addressed to the Acting Regional Secretary, the Deputy Regent, and the Regent of Seruyan on August 2014.

Furthermore, the following papers are the documentation of the follow up actions for smallholders scheme;

- Letter No. 14/400.9/62.07/II/2015 dated 15 January 2015, on the Subject of Study Results from the Regional Land Agency

of Seruyan Regency Central Kalimantan Province, regarding the Application for Location Principle License for **MAKMUR SEJAHTERA COOPERATIVE** that covers an area of 186 Ha located at Pematang Limau Village, Seruyan Hilir Sub-district, Seruyan Regency.

- Office Memo issued by the Head of Forestry & Plantation Agency of Seruyan Regency, No. 525.26/389/DISHUTBUN/II/2015 dated 23 February 2015, on the Subject of Technical Consideration for the Application for Location Principle License for *Makmur Sejahtera Cooperative*, Pematang Limau Village.
- Minutes of Event from the Small-Holding Projected Land Measurement, that was conducted on 26 February 2015. The location is intended for a Cooperative for the people of Pematang Limau Village, with a total area of 185,285 Ha. The photos are available from the on-site inspection, which was conducted with the Cooperative representative and the National Land Agency of Seruyan Regency.
- The Document of the Profile of *Makmur Sejahtera* Multi-Purpose Cooperative of Pematang Limau Village, Seruyan Hilir Sub-district, Seruyan Regency.
- Letter No. 09/KSU-MS/PL/III/2014 dated 24 March 2015 from the Head of *Makmur Sejahtera* Multi-Purpose Cooperative that was addressed to the Seruyan Regent, on the Subject of the Request for the Selection of Grower Candidates and the Projected Land for the Scheme Smallholder Plantation.
- The Materials from the Meeting to Discuss the Location Principle License for the Establishment of Oil Palm Smallholder Estate for *Makmur Sejahtera Cooperative*, which was held on 11 March 2015. (The Map of Location Principle License for said Cooperative and photos from the event are attached).

The results from the consultation with the Forestry & Plantation Agency of Seruyan Regency and the consultation with the community representative at Pematang Limau Village have both revealed that the company is currently on a collaboration with the *Makmur Sejahtera Cooperative* for the establishment of the Scheme Estate (*kebun plasma*) for the residents of Pematang Limau Village, with the total area of 186 Ha for 355 households.

Based on the proofs presented by the Unit Management of PT RHS, the above-mentioned **Non-conformance** is **Closed with Observation**.

Occupational Health and Safety (OHS)

The Unit Managements of both the Estate and the Mill are able to present the proof of compliance with the regulations related to the Occupational Health and Safety, as described below;

- Forklift and Conveying Operators have obtained their Operator License (S/O) in accordance with the requirements specified in the *Permenaker* No. 09 Year 2010.
- Boiler Operators have obtained their Operator License (S/O) in accordance with the requirements specified in the *Permenaker* No. 01 Year 1988.
- Welding Specialists have obtained their Welder Certificate in accordance with the requirements specified in the *Permenaker* No. 02 Year 1982.
- The mill's machinery have been licensed and authorized by the *Disnakertrans* of Seruyan Regency.

10 August 2015

PT RHS has presented the Decree of Seruyan Regent No. 188.45/1.6.1/2015 dated 14 April 2015 on the Plantation Business Permit (*IUP*) for PT Rimba Harapan Sakti (*IUP* Adjustment that includes the Mill's capacity, which is 45 tons/hour).

Based on the abovementioned proofs presented by the Unit Management of PT RHS, the **Closed with Observation** status is now declared fully **Closed**.

2.1.1	Status: Non Conformities 2015.02 Major	Closed
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2.2

The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights

The Unit Management of PT Rimba Harapan Sakti has the following documents related to the land tenure and cultivation;

- A Decree of Forestry Minister No. SK.100/Menhut-II/2005 dated 21 April 2005 regarding the Partial Release of the Forest Area with a total of 16,702.26 (Sixteen Thousand Seven Hundred And Two Point Twenty-Six) Hectares located at Danau Sembuluh Forest Group, Seruyan Regency, Central Kalimantan Province for the purpose of Oil Palm Plantation Cultivation Business for a company by the name of PT Rimba Harapan Sakti.
- A Decree of Seruyan Regent No. 374 Year 2007 dated 31 December 2007, regarding the **Location Permit Extension** for the Purpose of the Establishment of Oil Palm Plantation for a company by the name of PT Rimba Harapan Sakti at

Pematang Limau Village at Seruyan Hilir Sub-district, Seruyan Regency with a total area of $\pm 13,800$ Ha. A map with a 1:250,000 scale is also attached.

- A Decree of the Head of National Land Agency of the Republic of Indonesia, No. 26/HGU/BPN RI/2011 dated 13 June 2011 on the Issuance of Land Use Title for PT Rimba Harapan Sakti, over a land located at Seruyan Regency, Central Kalimantan Province. **Land Use Title Certificate Number 25** is issued by the Head of National Land Agency of Seruyan Regency on 04 August 2011, which covers an area of 13,789.745 Ha located at Pematang Limau Village, at Seruyan Hilir Sub-district, Central Kalimantan Province, and valid until 12 June 2046 (35 years). It was based on Survey Certificate No. 24/Seruyan/2011 dated 3 August 2011.
- Seruyan Regent License No. 525/109/EK/2009 dated 2 May 2009 on the Plantation Business Permit for PT Rimba Harapan Sakti, for Oil Palm Trees plantation that stretches for $\pm 13,800$ Ha located at Pematang Limau Village, at Seruyan Hilir Sub-district, Seruyan Regency.

The operational area boundaries of PT RHS have been legally marked on site, both through the legal document (the poles' coordinates and the map) and by placing physical boundaries at the premise. The proofs of records of such activities are described below;

- HGU Map of PT Rimba Harapan Sakti (1:80,000 scale), with a total of 238 poles (137 poles are actually installed, while another one has not yet installed, namely Pole RHS 119 located at the lowland area/riparian of Pukun River). The Unit Management has prepared and presented the Action Plan for said poles installation.
- The coordinates of the BPN Boundary Poles at PT Rimba Harapan Sakti, with a total of 138 spots of Boundary Poles.

The activities of monitoring and maintenance of the abovementioned boundary poles (BPN Poles) are conducted based on the Standard Operating Procedure for the Installation and Monitoring of Boundary Poles (001/SOP/GIS/2014), which is valid since 1 July 2014 for the entire area of the Unit Management of Wilmar International Limited.

This procedure is intended to protect and to maintain the boundary marks that have been installed on the site on a regular basis, to ensure that their positions do not shift from the original spot. The schedule for maintenance/monitoring is 3 months after the installation. If the condition does not allow any installation to be carried out, said activity shall be done in the next 3-month period, or no later than one year at maximum.

Below is the recap of the monitoring and maintenance of boundary said poles;

RHS 1

Concrete Poles (01 – 21 & 79 – 138) = 81 poles.

Monitoring result from the period of September – December 2014
(80 poles = in good condition, 1 is not installed yet; namely Pole #119).

The result of site visit for Boundary Poles inspection at PT RHS identified the following sampling poles; RHS 138, RHS 01 – 10 (the gap between one pole and another is ± 500 meters). The poles are in good condition and the pole's numbers are clearly visible.



RHS 2

Concrete Poles (22 – 78) = 57 poles.

Monitoring result from the period of September – December 2014
(57 poles = in good condition and have all been installed).

The result of site visit for Boundary Poles inspection at PT RHS identified the following sampling poles; RHS 24 – 28 & RHS 71 – 75 (the gap between one pole and another is ± 500 meters). The poles are in good condition and the pole's numbers are clearly visible.



Moreover, PT RHS has a Standard Operating Procedure No. SOP 30/BM/(0)/0409 that serves as a technical guideline for the settlement of any land conflicts or land disputes. On the subject of the acquisition of community land, the company must comply with the principle of Free, Prior and Informed Consent (FPIC).

There is a sample of record proof of the conflict settlement mechanism kept by all involved parties; namely Memorandum of Understanding, between the people of Pematang Limau Village and the Company, dated on 14 March 2012. Said

Memorandum of Understanding document was signed by the Company's Representative, the Head of Village, and the Witnesses from the Community Representatives.

Furthermore, there is also a record of the execution of such conflict settlement through an agreement reached by all involved parties. For example; the settlement for the lands that were still cultivated by the community, such as the one at Block C38 of 6.65 Ha, by a village resident named *Juliani*.

The settlement was reached by all involved parties through a meeting (attached is the Minutes of Meeting held on 22 July 2013) and a Memorandum of Understanding between the Company and the People of Pematang Limau Village on 5 January 2014.

The main point of said Understanding is as follow; The Company shall continue providing access for the community to carry out their activities, and if the community will be practicing the buy and sell, it should be reported in written form to the company to be used as the basis for other agreements with other parties.

Based on the interviews done at Pematang Limau Village, both the company and the community have basically agreed on finding solutions for both parties for the settlement of said issues. The results gathered from the consultation with relevant institutions at Seruyan Regency, such as with the National Land Agency and Forestry & Plantation Agency, suggested that up until now no information has been received on any land disputes possibly occurred between PT RHS and the community around the plantation. The *BPN* has also confirmed that PT Rimba Harapan Sakti has obtained necessary permit for the release of forest as part of the *HGU* (Land Use Title) document process which was obtained in 2011.

Status : Complied

2.3

Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.

The Unit Management of PT Rimba Harapan Sakti keeps a Report of High Conservation Value Identification from January 2009. The identification was conducted by a team from *Malaysian Environmental Consultant Sdn. Bhd.* The team consists of 7 people, namely; *Dr. Kishokumar Jeyaraj* (RSPO approved), *Dr. Sarinder Kaur*, *Dr. Lim Meng Tsai* (RSPO approved), *Tunku A. Ismail*, *Anse Srineni Aerlynova*, *Andi Kiki*, and *Jeje Siahaan*.

From the total 4,985.49 Ha of HCV area being identified, no customary land was identified to be located inside said area (HCV 6). A proof of record has also been presented for the Memorandum of Understanding for Customary Land Management and for High Conservation Value (HCV) Area Management between PT Rimba Harapan Sakti and the Government of Pematang Limau Village.

The main point of said Understanding is that both the Company and the Community shall work together in protecting and maintaining the areas that have been identified as HCV areas.

The following details are of the records of the land acquisition and the compensation payment for the resident named *M. Erwin Toha*;

- Minutes of Event of the Measurement and Coordinates Taking, conducted on 28 August 2013 (photos are attached).
- Statement Letter from Directly Bordered Witnesses.
- Statement Letter Indicating No Land Disputes (Witnessed by the Village Team and Acknowledged by the Head of Village).
- Minutes of Event of Land Compensation Settlement Price, on 2 September 2014.
- Statement Letter for the Release of Rights and Interests on Land and for Planted Crops on the Land at Forest Area, and the Compensation Payment Receipt, dated 13 October 2014 (sealed with IDR 6,000 Revenue Stamp; signed by the Land Owner, and acknowledged by the Head of Village and the Head of Sub-district, and the Witnesses from the Unit Management Representative).
- Statement Letter for the Release of Rights on Land, dated 13 October 2014, signed by the Land Owner, and acknowledged by the Head of Village and the Head of Sub-district.
- Certificate of Land Handover, dated 13 October 2014, signed by the Land Owner, and acknowledged by the Head of Village and the Head of Sub-district, and the Representative from the Unit Management (Map of Land is attached).
- Proof of Payment Receipt from PT RHS, dated 13 October 2014 (photos from the event are attached).

Status: Complied

PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1

There is an implemented management plan that aims to achieve long term economic and financial viability.

The company has a 5-Year Forecast Document (2014 – 2019) containing the budget details for both the Estate and the Mill for the next five years. There is information related to the progress of Mature Plants and Immature Plants (Planting Maturity), production estimate at the estate, the mill's processing plan, oil extraction rate (OER), kernel extraction rate (KER), crude palm oil (CPO) production, PKO production, price estimate, fertilizing plan, harvesting, transporting, labor needs, taxation, and so on.

The results of the interviews and document study revealed that the planting materials used are as follow; *Lonsum, Selapan Jaya, Good Hope, Clonal, Socfindo, Tania Selatan, and Bina Sawit Makmur*. All the seedlings used are the authorized seedlings that are produced by the producers of oil palm certified seeds that are registered at the Ministry of Agriculture. The long-term budget is evaluated on an annual basis to observe how well the plan is being executed. An adjustment to said budget shall be made if required.

The company doesn't have any replanting plans in the next 5 years since all the existing plants are still in their productive years, and some are even still immature or early mature. The oldest planting year is that of 2009 (the plants are only 6 years old).

Status: Complied

PRINCIPLE #4 Use of appropriate best practices by growers and millers

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

The company has an SOP for the practices of cultivation that is included in the Agricultural Manual and Standard Operating Procedure for Oil Palm, issued in the year 2011 and has been authorized by the Executive Director of Wilmar International Plantation.

The document contains the procedures for pre-development survey, assessment and planting, nurseries, land clearing and preparation, legume cover crops, oil palm planting, upkeep and maintenance of oil palm, harvesting of fresh fruit bunch, plant protection, pest and disease management, oil palm to oil palm replanting, EFB mulching, quantitative agro management system (QAMS), and oil palm thinning techniques.

Meanwhile, in relations with the processing activity at the mill, the company has a document of the processing work execution procedure (SOP for the Palm Oil Mill). Said SOP consists of the following details;

- **Volume I**, which consists of FFB Grading, Laboratory Sampling and Test Procedure, General Affairs and Security, Weighbridge, Loading Ramp, Sterilization Station, Threshing Station, Pressing Station, Clarification Station, Depericarping Station, Kernel Recovery Station, and Boiler House.
- **Volume II**, which consists of Power Plant, Water Treatment Plant, Waste Management, Land Application and Solid Waste, EFB Utilization, Workshop, Electrical System, Quality, Stockpiling and Dispatch of CPO and Kernel, Laboratory, Procedure for Producing Low FFA CPO, OHS, PROPER, and Mechanical Electrical Maintenance.

Aside from the procedure for processing, there is a work instruction for the processing activity which consists of Production (from Document No. RHS-POM-IK-101B-PR until No. RHS-POM-IK-1020B-PR), Laboratory (consisting of Production Analysis in the Document No. RHS-POM-IK-LAB-2001B-PR and No. RHS-POM-IK-101B-PR. Additionally, there is a work instruction related to the Maintenance, Administration (Finance & Accounting, Store, Logistics, Weighbridge, Security, and Document Control), EHS (general affairs, emergency response, EHS Equipment Operational, and Waste Treatment).

All of the abovementioned work instructions were authorized by the Regional Technical Head.

The document observation showed that the company has its own mechanism for monitoring the operational activities, which is conducted on a regular basis (annually at minimum) in the form of audit activity.

Below are samples of such audit activities conducted regularly by the company;

1. QAMS (*Quantitative Agronomy Management System*), the activity in which the inspection includes the following subjects; Harvesting Loss Rate, Effectiveness of maintenance activity, Fertilizing, and Pest & Diseases Detection. The audit is conducted every week. For example; the result of an audit at RHS1 on 12 -18 January 2015, which showed the 2.1% increase of the semi-ripe bunches. The repair is conducted through intensifying the harvesting monitoring,
2. Audit of System Development Control (SDC) of the estate's administration, which is conducted once every two years.
3. Audit of Safety and Environment at the Mill, which is conducted once a year.

The site visit to Block D77 Division I RHS 1 Estate revealed that the supervisor and the field conductor have documented the

results of harvesting paths on a daily basis. For example; the Book of Fruit Quality Inspection at the Fruit Collection Station (TPH) on 24 March 2015, which was conducted by the Harvesting Field Conductor of Division I, showed that there are no unripe fruits, broken lower midribs (*sengkleh*), or ripe fruit bunches left on the field.

There are leftover loose fruits with an average coefficient of 0.2 – 1.5 bunches per harvesting path, coming from 44 sample trees. The check results will be used as a daily evaluation of harvesting activity for future improvements.

RHS POM has documented all daily production reports that are prepared based on the processing performance results. The document contains information on the amount of processed FFB, oil extraction rate, kernel extraction rate, fruit fat acid, daily throughput, and other information where all of the parameters recorded are compared with the existing target.

From the document study, on-site observation, and interviews with the employees, the auditor team has concluded that the company has already owned and implemented the proper work procedure, conducting regular monitoring on the operational activities, and documenting all of the aforementioned operational activities.

Status: Complied

4.2

Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.

In order to preserve the soil's fertility, the company has done the following analyses;

1. Soil Analysis

There is a record of a Semi Detailed Soil Analysis Activity conducted by *Param Agricultural Soil Survey (M) SDN. BHD* on June 2007. The activity was intended to finding out the availability of the soil nutrient used as the growth medium for oil palm trees. The report also attaches the result of laboratory analysis of the soil sample, using the following parameters; texture, acidity (pH), the content of C, N, P, K, Mg, Ca, Na, BS, CEC, A and H. The soil analysis is conducted on a regular basis every 15 years.

2. Leaf Analysis

The leaf analysis is conducted once a year by the Ecological Management Unit (EMU) Laboratory. There are two kinds of parameters that are observed; the Major Elements, namely N, P, K, Mg, and Ca; and the Minor Elements, namely B, Cu, Zn, and Fe.

3. Visual Observation

Other than the soil and leaf analyses, the company also conducts the visual observation at the time of sample taking on site. Such observation serves as the consideration in determining the recommendation for fertilizing, and in analyzing certain disease attacks potentially become endemic of certain diseases.

Below are several efforts taken by the company to preserve the soil fertility;

1. Program and Realization of empty bunch application activity. According to the recommendation given by EMU, the dosage for the empty bunch application for RHS 1 and RHS 2 is 40 tons/Ha. On-site observation at the empty bunch application area showed that such activity has been carried out at Block I70 RHS2 Estate with the recommended dosage.
2. Inorganic fertilizing. There is a document of the fertilizing recommendation that is based on the results of soil analysis, leaf analysis, and visual analysis in the document of the 2015 Fertilizing Recommendation. Said document is then prepared by the Unit Management in the form of the 2015 Manuring Program which shall determine the schedule for fertilizer application. For example; the fertilizers that are recommended to be applied at Block 001 are as follow; *NPK* with the dosage of 2.25 kg/tree, *Dolomit* with the dosage of 1.50 kg/tree, *SOA* 1.25 kg/tree, *MOP* 1.25 kg/tree, and *NPK* 2.25 kg/tree (for second application).

Status: Complied

4.3

Practices minimize and control erosion and degradation of soils.

The following soil type distribution identified at PT RHS area is the result of the soil survey conducted by *Param Agriculture* on June 2007.

Soil Series	Slope class (%)	Description	Total Area	
			Ha	%
Gong Chenak	Level (0-4)	Deep (>100 cm) imperfectly drained fine sandy clay. Yellow to around 70 cm and light gray below.	28.5	0.2

		Moderate medium sub angular blocky; friable, patchy clay skins, soils developed over sub recent alluvium		
Pukun / moderate	Undulating (4-12)	Moderately deep (50 -100 cm) To shallow (<50 cm) dark brown loamy sand overlying brownish gray sandy clay. Poorly drained. Loose to sticky consistence. Soils over sub recent alluvium decomposite	5568.9	40.4
Pukun / Shallow	Undulating (4-12%)		310.8	2.3
Buso	Level (0-4)	Shallow (<50 cm) dark brown to white sand overlying thick (>10 cm) strongly commented hard pan (spodic) layer within 50 cm depth. Well poorly drained. Seasonally flooded. Soils developed over Sub Recent terrace alluvium	1491.8	10.8
	Undulating (4-12)		1462.0	10.6
Miri	Undulating (4-12)	Moderately deep (50 -100 cm) brown to light gray sand overlying thick (>10 cm) strongly commented hard pan (Spodic horizon) between 50 To 100 cm depth. Well somewhat excessively drained. Soils developed over sub recent terrace alluvium	1152.0	8.4
Local alluvium complex	Level (0-4)	Deep (>100 cm) mixture of partly decomposed organic soil material and clay. Very poorly drained, mixed deposit	1560.0	12
Proposed conservation area			2126.0	15.4
Total			13790.0	100

Based on the above table, the company has categorized the marginal soil as the type of soil with sandy characteristic.

The Contour Map derived from the satellite image data of SRTM 3 Arc Second Resolution (contour interval is 90 meters) on 12 July 2010 using a 1:100,000 scale is analyzed to become a slope map showing that the entire area of PT RHS is located at the area with <6% sloping.

This means the management of the areas on a certain sloping does not need to be carried out by the company. Moreover, there is no peat land inside the operational area of the company.

To ensure that the access to production is working properly, the company has prepared the annual road maintenance program, in accordance with the previously set budget. The following proofs show the maintenance realization done every month;

1. **RHS1 Estate:** there is a map of monthly road maintenance realization which shows a maintenance progress. For example; the realization at Block B64 and C64 in January 2015. Other than that, there is an excavator vehicle log book (VLB) from January 2015 that shows the activity of road maintenance in said month.
2. **RHS 2 Estate:** there is a plan and realization of the road maintenance in the 2015 budget. The execution of such road maintenance is available in the mutual working agreement for C&A road paving No. 1608.01/2015/RHS2-224 dated 14 January 2015 between PT RHS and PT Sabindo for the 10,400 m of road at RHS2.
3. Infrastructure and facilities for the road maintenance at both estates; **RHS 1 Estate:** 1 unit of road grader, 1 unit of compactor @20 tons, 1 unit of TLB (tractor loader backhoe), and 2 units of PC 110 excavator. **RHS 2 Estate:** 1 unit of TLB and 4 units of excavator.

The on-site observation at Block I59 of RHS 2 Estate exposed the realization of the collection and boundary road paving. The paving process was carried out to create a chamber to ensure that the road drainage is working well.

The interviews with management staff (EMU staff) suggested that the company has carried out the following actions for the management of the marginal soil and other critical soils (sandy soil, sulfuric acid contained soil, low organic content soil);

1. Selective weed control (soft weeds are left to grow) to preserve the soil moisture.
2. Empty bunch application with the dosage of 40 tons/Ha. There is a document of plans & realizations of the empty bunch application activity from EMU (Eco Management Unit / Agronomy Research).
3. Mounding activity with a diameter of 2 trees on the soil with hard pan texture (soil type Buso).
4. Fertilizing that complied with the recommended dosage established every year.

Based on the document study, the interviews with the operational staff and operational employees, and the results of on-site observation, the auditor team concluded that the company has identified the types of soil found at the estate area, and has taken necessary efforts in preserving and improving the soil fertility.

Status: Complied

4.4
Practices maintain the quality and availability of surface and ground water.

The Unit Managements of both the Estate and the Mill have taken serious efforts in protecting the water channels and the wetlands, including protecting and maintaining the riparian area, as listed below;

- The establishment of the riparian buffers, namely; 5 meters for the river that is <5 m; 10 meters for 5-10 meters; 10-30 meters for 50 meters, and 100 meters for the river that is >30 meters.
- Installation of buffer boundary sign boards at the field using red poles for the HCV and the riparian areas.
- Installation of HCV signboards and riparian protection sign boards.

The Unit Management of PT RHS has been monitoring and managing the water on a regular basis. Both activities include the surface water quality test at the Upstream and the Downstream of Pukun River, the installation of buffer boundary sign boards at the field using red poles, and the installation of HCV sign boards at the riparian.

The Result of Surface Water Monitoring for the Period of October 2014

Parameter	Unit	Pukun Upstream	Pukun Downstream	Quality Standards
Oil and Fat	mg/l	<0.2	<0.2	-
pH	-	5.34	5.08	5 - 9
TSS	mg/l	7	12	400
BOD	mg/l	13	12	12
COD	mg/l	51	50	100

Remarks: the Quality Standard that is used is the Government Regulation No. 82 Year 2001 Class IV. The Laboratory conducting the analysis is *Unilab Laboratory* that has been accredited by the National Accreditation Committee. Based on the test results, there is one parameter that exceeds the quality standard, namely *BOD* (Biological Oxygen Demand). The company has conducted an evaluation on this matter. The high level of BOD is due to the natural process caused by the organic material decomposition of the natural vegetation on the riparian.

The Unit Management of the Mill regularly (every month) monitors the BOD level of the mill effluent. For example the one conducted in December 2014, as shown in the table below;

Parameter	Unit	Analysis Result	Quality Standard
BOD	mg/l	543	<5,000
COD	mg/l	1,607	-
pH	-	7.52	6 - 9
Oil and Fat	mg/l	14.7	-

Remarks: the Quality Standard that is used is the Government Regulation No. 28 Year 2003. The Laboratory conducting the analysis is *Unilab Laboratory* that has been accredited by the National Accreditation Committee (KAN). Based on the analysis results, there is no parameter that exceeds the quality standard.

The Unit Management of the Mill regularly monitors the water usage for the mill's operational activity. The records of such monitoring are included in the document of palm oil water use kept by PT RHS. The data of water usage during the period of January – March 2015 is shown below:

Period	Water Usage (m ³)	Water / Ton (M ³ / Ton FFB)
January 2015	21,609.650	1.17
February 2015	18,313.990	1.28
March 2015*	3,409.750	1.45

*Data from March 2015 (07 March 2015)

Status: Complied

4.5

Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.

The Procedure for the Observation and the Control of Pests & Diseases is stipulated in the Agriculture Manual & Standard Operating Procedure for Oil Palm, Chapter 8. Plant Protection – Pest and Disease Management. The procedure contains detailed explanation on the types of pests and diseases, the detection period (1 or 2 months), the control threshold for pests & diseases, the sample taking method during detection and census, and the control recommendation. Moreover, the procedure also explains that the pest detection activity is carried out monthly or bi-monthly.

In addition, there is also a Procedure for the Detection and the Census of the Pests and Diseases of Oil Palm Trees, which is intended to ensuring that the pest & disease control program is able to be carried out both regularly and sustainably. The procedure provides a detailed description on the activities of Pest & Disease Detection, Pest & Disease Census, Beneficial Plant Planting, Reporting, and Documentation.

The IPM program carried out by the company is described below;

- Pest Detection Program, which is conducted every 2 months, or every month if there are symptoms of attacks.
- Beneficial plant nursery, which is done on a monthly basis. On-site observation at RHS 1 found that there were activities of planting the beneficial plant of the following species: *Turnera subulata* at Block B35, *Cassia cobanensis* at Block B65, and *Antigonon leptopus* at Blocks B58, B88, B85, and B75.

In addition to that, the company regularly conducts the pest & disease detection activity once every 2 months in accordance with the previously established procedure. Such detection activity done at February 2015 at RHS 1 Estate and RHS 2 Estate found that the pest attacks were still below the economic threshold, which is $\geq 5\%$.

To ensure that all employees are implementing the program of pest & disease control, the company has given them the pest & disease training that was held by the Department of Ecological Management Unit (EMU) on 12 March 2015 at RHS 1 Estate. The materials given were related to the detection and census of the pests, how to fill in the detection and census form, and so forth. There were 25 participants attending said training.

The use of agrochemicals is in accordance with the procedure and is documented on a monthly basis. For example; the record of pesticide use in February 2015 at RHS 1 Estate showed there was usage of 1,362 liters of *glyphosate Isopropylamine* on the area of 2,397.21 Ha. The toxicity level of said pesticide was 0.31 ppm per Ha.

The on-site observation at Block B071 Division I of RHS 1 Estate found that all employees and supervisor have appropriately applied the herbicide according to the recommended dosage and they were able to demonstrate the safe and proper application techniques.

Based on the document study, the on-site observation, and the interviews with employees, the auditor team concluded that the company has applied the proper principle of integrated pest control that is also well documented and regularly monitored.

Status: Complied

4.6

Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorized as World Health Organization Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.

In its operational activities, the company is still using agrochemical substance, particularly for the weed control. Based on the document study, all pesticide that is used are registered at the Pesticide Commission of the Agricultural Department of the Republic of Indonesia. All of said pesticides are documented in the document of the 2015 Active Ingredient Analysis, which also provide complete information on the hectare, the amount applied, the active ingredients contained, and the pesticide toxicity (*LD50*).

Below are several moves that the company has done to ensure that the use of pesticides has complied with the principle of safe and environmental-friendly application;

- a. The company has specific MSDS (Material Safety Data Sheet) for each types of agrochemical ingredient used

(pesticides) containing description on the storage instructions and material handling instructions, treatment for any case of accident (First Aid Emergency), Hazard Identification, Actions to be taken in the event of spills and leakage, personal Protective Equipment, physical & chemical characteristics, reactivity & stability, toxicology information, ecology information, and waste disposal & transport. On-site observation confirmed that each supervisor has carried the MSDS card to work site, and that the same card is also available at the spraying tool storage.

- b. In relation with the dosage of pesticide use, the company refers to the recommended dosage available on each packaging label of each pesticide. The document examination has also confirmed that the company has complied with the dosage recommendation.
- c. To ensure that the use of pesticide is in accordance with the company's target, the types of weed are identified and the types of weed control done are based on the identification result. The document verification also confirmed that the types of herbicide used have complied with the target and their specification.
- d. The company has given the two trainings to the pesticide operators at RHS 1 Estate on 12 February 2014, which was attended by 9 participants; and on 12 February 2014, attended by 12 participants.
- e. To ensure that the dosage given is exactly the same, the company has been doing the spraying tool calibration on a regular basis, minimum once every 6 months.

All used pesticide containers have been stored and disposed of in accordance with the existing procedure stipulated in the SOP for the Leaching of Used Toxin and Used Fertilizer Containers, as well as the Management of the Waste Water from the Leaching Process.

All of said containers are stored at the licensed Hazardous Waste Temporary Warehouse, with the License issued by the Seruyan Regent through a Decree No. 188.45/355/2014 on the permit for hazardous and toxic waste storage for PT RHS.

All the hazardous waste generated is then handed over to the licensed collector and transporter, namely *PT. Maju Asri Jaya Utama* (authorized hazardous waste collector per the Decree of Environmental Minister No. 37 Year 2011, issued on 21 February 2011). All of the transactions of hazardous waste handover are properly documented.

The Unit Management issued a GM Internal Office Memo No. 016/GM/VIII/2009 on 26 August 2009, regarding the Job Substitution for Pregnant and Breastfeeding Female Workers. The memo is describing that pregnant and breastfeeding women bear high risk of being exposed to contamination for their babies/children to suffer from the condition and the impact of fetal trauma, which means that they are not allowed to be assigned to certain types of work, such as spraying, fertilizing, and operating means of transportation.

In addition to that, the SOP for Spraying and Fogging in Clause 2.4.2 states that pregnant and breastfeeding women are not allowed to work on the mixing and spraying of agrochemicals or other kinds of activity that are related to the chemicals.

The Unit Management was able to present the minutes of event of *MCU* for the employees working with chemicals, as well as those who work at the high-risk stations on a regular basis at both the Mill and the Estate. The examination results found no workers who were exposed to the chemicals since the blood analysis results indicated the normal level.

As for the workers whose test results showing their hearing function is decreasing, they have been transferred to the type of work with less noise level. For example; the generator operator who was transferred to other station through a letter of Work Transfer Due To Certain Health Condition, issued by the company's Doctor.

In compliance with the standard of pesticide use per RSPO Requirements, the company does not use herbicides with active ingredient *paraquat dichloride*, as specified in the Agricultural Manual and Standard Operating Procedure for Oil Palm.

The site visit to the agrochemical warehouse also confirmed that there is no usage of type 1A and 1B WHO pesticides.

Status: Complied

4.7

An occupational health and safety plan is documented, effectively communicated and implemented.

The Unit Management of PT RHS has a policy for the OHS program. Said policy was authorized by the Group Plantation Head and Group CSR Head of Wilmar Group. The Unit Management of PT RHS also has a procedure related to the OHS, such as the SOP for First Aid Emergency, SOP for Regular Health Check Up, and so forth. In addition, the Unit Managements of both the Estate and the Mill also have the work programs related to OHS.

The personnel in charge for the OHS program have also been identified. The Unit Management of PT RHS has established an organization that is responsible for the OHS programs, called the Guiding Committee of Occupational Health and Safety (*P2K3*) that was authorized by the Head of Labor and Transmigration Agency of Seruyan Regency.

The Committee has regular monthly meeting, such as the one on 6 December 2014 held at the meeting room of PT RHS, attended by 22 participants from the worker's representatives and was discussing the issues related to the workers' OHS.

The Unit Management of PT RHS has also provided occupational accident insurance for its workers, in accordance with the government regulation. Such insurance is called *BPJS Ketenagakerjaan*, and the premiums are regularly deposited to the *BPJS* office.

The regular health check, both the general and the specific ones, is performed every year. Such examination is intended for all employees working at high-risk stations. The latest examination result found out that there were workers at RHS 1 Estate and RHS 2 Estate who suffered from occupational diseases. The company has done some evaluations to respond to said issue, including conducting further health examination on said employees and transferring them to the sections with less risks to avoid from getting more exposure.

The Unit Management of both the Estate and the Mill has prepared a risk analysis document to identify and to assess the risks in each operational activity at both premises. Said document is reviewed on a regular basis.

The Unit Managements of both the Estate and the Mill have given the OHS trainings to their workers. One of the trainings was the one related to the First Aid Emergency (*P3K*), and all employees that joined said training are those who are involved in the operational activity of the Estate and the Mill. Additionally, a training related to emergency response is also regularly conducted. The procedure related to said emergency response is also available.

The Unit Management of both the Estate and the Mill is committed to providing the Personal Protective Equipment (PPE) and the first aid kit at all work locations. Those first aid kits are regularly inspected/monitored every month.

The result of site visit to the Harvesting Area at Block B77 Division I (RHS 1) and to Block IB (RHS 2) showed that all workers have been equipped with proper PPE.

There is a Minutes of Case of occupational accident for every incident that took place. Such minutes of case provides descriptions on the victim's identity and the chronology of the incident. The document also contains the occupational accident investigation form and improvement suggestions informing the impact of an accident, information on the injuries, source of injuries, hazardous condition, and conclusion.

On the L column of the investigation form there is an evaluation given by the OHS specialist as to prevent similar incident from happening in the future. The results of interviews with the management showed that the Unit Management of both the Estate and the Mill has done the evaluation on each incident of occupational accident.

Status: Complied

4.8

All staff, workers, smallholders and contractors are appropriately trained.

The Unit Management of PT RHS has a training program for its employees, farmers/growers, and contractors, both at the Estate and at the Mill. Based on the auditor's observation, the following data are the proofs of documentation of the training realization;

- Training for Employees at RHS 1 in 2014, which include the trainings for OHS, the usage of fire extinguishers, fire drill, fertilizer dose and spraying tool calibration, and simulation for chemical spill that had been planned to be carried out in February and was realized in said month.
- Training for farmers/growers, such as Training for White Oyster Mushroom Cultivation that was held on 5 – 9 January 2015 and was attended by the ladies from the Family Welfare Movement (*PKK – Pembinaan Kesejahteraan Keluarga*) of Pematang Limau Village.
- Training for the contractors, such as the one documented in the Minutes of Event shown by the Unit Management, which was the OHS and PPE Training for the contractor named *CV. Awa Raya Pratama* (contractor for the work of primary school field at PT RHS 1) held on 16 September 2014 at Block B58.

Below are several proofs showing that the management is employing the trained contractors (besides giving the training to them);

- The existence of SOP for the Service Procurement Tender in a document No. SOP 53/CKP/(0)/0909 that is valid form September 2009.
- There are samples of company profile of the contractors that are currently in a collaboration with the company, such as a

contractor named CV Bunga Sawit, whose profile reveals that said company is working on similar project in another company (at PT Mustika Sembuluh), that said company owns sufficient fleet of dump trucks, and owns experienced personnel/operators with the proper and valid driver's license (B1 Public).

Status: Complied

PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity

5.1

Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.

The company has a document of environmental management that is included in the EIA Document of PT Rimba Harapan Sakti prepared in 2009 and authorized by the Governor of Central Kalimantan in 2009. The EIA Document consists of the document of Environmental Impact Analysis (EIA), Environmental Management Plan (RKL), and Environmental Monitoring Plan (RPL).

The Environmental Management and Monitoring Plans comprise the impact management for the following subjects; micro weather, gas and dust, noise, physical and chemical characteristics of the soil, river water quality, ground water quality, river water discharge, aquatic biota, and community's attitudes and perceptions.

Based on the examination on the following documents; the mill's monthly report, the estate's monthly report, area statement, and a number of other documents, it is revealed that there are no changes in the business specification in terms of area as well as the operational activity of the company, therefore no revision on environmental documents is needed.

Furthermore, the company has also presented the Report of RKL & RPL Implementation, as well as the Community Development Program from the 2nd Semester of 2014, which is regularly submitted to relevant institutions (Environment Bodies of Seruyan and Forestry Agency of Seruyan).

However, the report is not supplemented with supporting proof of the social impact monitoring activity (such as observation, interviews, or questionnaire) that is in accordance with the EIA Document guidelines.

The **Auditor Observation** done on **24 March 2015** revealed that the Unit Management was able to present the document of Questionnaire Form related to the social impact monitoring as specified in the EIA Guidelines, even though there is not enough proof to show that the EIA Guidelines was complied with, which specifically calls for a participatory manner in conducting the social impact monitoring. Based on the above explanation, there is a **Non-conformance No. 2015.03**.

07 August 2015

PT RHS has taken follow up actions in response to said Non-conformance by presenting the records of the following;

- Report of the Implementation of a Participatory Social Impact Monitoring with the Community, for the period of 2015.
- Attachment (Questionnaire of Social Impact Monitoring Result of PT RHS at Pematang Limau Village).

Based on said proofs; the **Non-conformance** is declared **Closed**.

5.1.2

Status: Non Conformities 2015.03 Major

Closed

5.2

The status of rare, threatened or endangered species and 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 their conservation taken into account in management plans and operations.

PT Rimba Harapan Sakti has the report of the identification result of the species that are protected, rare, extinct, or endangered as well as the habitat with High Conservation Value. The identification was conducted on January 2009 by the team from *Malaysian Environmental Consultant Sdn. Bhd.*

The total HCV area that is identified is 4,985.49 Hectares, as described in the table below;

HCV 1	4,885.49 ha	Habitat for orangutans, gibbons, bears, etc.
HCV 2	4,885.49 ha	The buffer of Pukun River, a corridor in between HCV areas at Pukun River watershed.
HCV 3	4,885.49 ha	Freshwater swamp and Heath Forest.
HCV 4	2,703.24 ha	Riparian Zone and Buffer area for Pukun River.
HCV 5	2,140.3 ha	The area for fish hunting at Pukun River.

The document of the identification result is equipped with the HCV and Riparian Management Plan of PT RHS for the year of

2012 – 2020, which contains the HCV management actions for the short term, medium term, and long term.

Below are the HCV Protection measures, both the ones that are planned and the ones that are implemented;

1. Riparian and HCV Protection from the destruction and chemical contamination, by performing patrols, installing sign boards, and prohibiting any chemical application.
2. Monitoring the flora and fauna inside the HCV area on a regular basis.
3. Conducting enrichment and restoration activities (still in the stage of seeding) at certain areas requiring restoration.
4. HCV Dissemination to both internal and external stake holders.
5. Collaboration between the company and the NGO in the preservation of the protected animal species.

The actions taken in protecting the species that are extinct or endangered and the habitat with High Conservation Value, are described below;

RHS1

- Disseminating the HCV areas to the employees, and staff (on 12 December 2014), and to the community (on 12 August 2014). The record proofs attached include the Minutes of Event, Attendance List, and Photos from the event.
- Sign boards installation (6 – 14 February 2014), Posters installation (4 April 2014, and GHU Poles installation. The record proofs attached include the Minutes of Event, List of Locations of the Installation, and Photos from the event.
- HCV Trainings given to employees and staff (27 – 31 October). The record proofs attached include the Minutes of Event and the Training Certificates.

RHS 2

- Dissemination on the HCV areas to the employees, each held on 24 January 2014 and 20 June 2014; and dissemination on the Flora and Fauna Protection on 13 – 7 February 2014 at each Division, namely Division 1A, 1B, 2A, and 2B. The records of attendance list and photos from the events are attached.
- HCV Signboard Installation, each on the following dates; 27 and 28 February 2014; 19 March 2015; 7 March 2015; and 19 March 2015. The List of Locations/Coordinates of the Signboards and the Photos from the event are attached.



Site visit to several HCV areas, namely; HCV area at RHS1 which are RHS1D2-004 Block B44 and RHS1D2-003 Block C35, and HCV Area at RHS2, which are RHS2 D2-012 Block L74 and RHS2 D1-005 Block G 46-48. The sign boards, warning signs, HCV area boundary poles, and posters have been installed at those areas.

Furthermore, the company has presented the document of the Realization of HCV Management Plan Program from the year 2014. The activities are as follow;

- Monthly Monitoring Activity at the HCV areas to prevent any illegal activities and wild animals hunting.
- Creating Observation Trails for orangutan survey and the plants diversity (plot and transect)
- Restoration on certain areas by planting the seeds of local plants, such as at ex-fire area and open areas (photos from the event are attached).
- Installation of camera traps for the inspection of the fauna existence (the photos of camera location and the results are attached).
- Rapid surveys at regular intervals (every 6 months or once a year) to observe the overall condition of the HCV areas (the records in the form of Rapid Survey Reports for HCV Areas and Riparian from the year 2014 have been presented).

To support the monitoring and management activity the HCV areas, the management of PT RHS has assigned special personnel to be in charge at each estate. Below are the details;

RHS 1

There is a Decree of Senior OD Manager No. 054/RHS-HRD/SK/III/2013 issued on 12 March 2013 on a Permanent Employee named *Insan Taufik Nurhudaya* with the position of Conservation Staff at PT RHS 1. Said personnel has received an internal

training about HCV monitoring that was held on 7 – 9 October 2013, a training about habitat monitoring, and a training about SMART usage method.

There is a record of the latest training given to the HCV personnel at RHS 1, namely *Insan Taufik Nurhudaya*, in a form of HCV Training Certificate (No. CKP-04-A-2014). The training was organized by Wilmar International Limited – Central Kalimantan Project on 27 – 31 October 2014.

Additionally, there is a Decree of HRD Supervisor – Central Kalimantan Project, assigning 5 personnel to be stationed as HCV Maintenance Staff at RHS 1, namely *Suriansyah, Juhriansyah, Mulyadi, Denny Kasmiran, and Salim*.

RHS 2

There is a Decree No. 041/RHS-HRD/SK/VII/2014 issued on 1 July 2014 on the assignment of *Hari Setyono* the HCV Staff Level 4A as Permanent Employee of PT Rimba Harapan Sakti – Estate 2. Said staff has been given the HCV Monitoring Training organized by Wilmar International Limited – Central Kalimantan Project on 27 – 31 October 2014 (HCV Training Certificate No. CKP-04-A-2014 is attached for reference).

Additionally, there is a Decree of HRD Supervisor – Central Kalimantan Project, assigning 4 personnel to be stationed as HCV Maintenance Staff at RHS 2, namely *Amir, Hamli, Ambeng, and Haris*.

Status: Complied

5.3

Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.

The company has all the procedures for the management of all types of waste; solid waste, liquid waste, hazardous waste, as well as domestic waste at both the housing complex and the mill.

Several related procedures include the SOP for Hazardous Waste Management, which is included in the SOP for the Management of Hazardous Materials and Hazardous Waste, The Treatment of Hazardous Waste and Non-Hazardous Waste, Liquid Waste, Utilization of the Mill Effluent, Utilization of Solid Waste, and the SOP for the Management of Solid Waste from the Housing Complex that explains the final treatment of the waste using sanitary landfill method.

Other than that, the company also keeps an SOP for the emission management (air quality) that is included in the SOP for the Monitoring and Measurement of the Emission from the Stationary Sources, No. 23/EHS/(0)/0114 dated 1 January 2014 and has been authorized by the top management. The SOP contains the explanation on the treatment, monitoring, and management of the air quality.

The treatment of the waste generated from the operational activities of both the estate and the mill is documented in the Document of Identification of the Waste Sources, Contamination Sources, and Glass House Gas Emission for the Plantation Activities. Said document contains the list of activities at the estate, the types of waste or the type of contamination caused by both the hazardous type and the non-hazardous type of materials, and the types of glass house gas generated from said activities.

There are 20 kinds of activity at the estate, including herbicide spraying, fertilizing, and housing complex and office complex that generate various kinds of hazardous waste, non-hazardous waste, and glass house gas. As for the mill, there is a Document of Waste Management containing the types of waste generated from the mill and the housing complex around the mill based on the station's names, waste classifications, final disposals, TPS (Temporary Warehouse), and the personnel-in-charge.

Each used pesticide container has been stored and disposed of in accordance with the procedure as stipulated in the SOP for the Leaching of Used Toxin Containers and Used Fertilizer Containers, as well as in the SOP for the Management of Leaching Waste Water. All of those containers are stored at a Hazardous Waste Temporary Warehouse that has obtained a license from the Seruyan Regent under a Decree No. 188.45/355/2014 on the license for storing hazardous and toxic waste for PT RHS. All hazardous waste generated will then be delivered to the collector and transporter that has a license, namely *PT. Maju Asri Jaya Utama* (authorized hazardous waste collector licensed through a Decree of Environmental Minister No. 37 Year 2011, issued on 21 February 2011). All transactions of such hazardous waste handover are well documented.

Especially for medical waste (infectious), the company has made collaboration with a government-owned hospital in managing such waste. There is a minutes of handover of infectious waste to *Mustika Sembuluh Clinic*, who will forward it to *Imanuddin Hospital* at Pangkalan Bun.

From the on-site observation at Hazardous Waste Temporary Warehouse of PT RHS, the auditor team found that the

hazardous waste symbols have not been installed in accordance with the existing regulation (*Permen.LH* No. 14 Year 2013 on the Symbols and Labels for Hazardous Waste).

Non-conformance No. 2015.04.

The following records are of the waste monitoring / analysis;

1. Hazardous Waste Treatment Monitoring

The company keeps a hazardous waste balance sheet that serves as the recorded proof, which is prepared on a regular basis (every month) using the bin card data at the Hazardous Waste Warehouse as the basis.

2. Effluent Monitoring

The company is practicing the effluent application on land (land application). Based on the measurement of waste quality for its pH, alkalinity, BOD and COD, there is no parameter of said waste that exceeds the quality standard.

3. Solid Waste Monitoring

The company has documented all records of the solid waste utilization in the Report of Shell and Fiber Utilization, which is put on details on a daily basis, as well as on the monthly and annually bases.

5.3.1	Status: Non Conformities 2015.04 Minor	Open
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**5.4
Efficiency of energy use and use of renewable energy is maximized.**

The company utilizes shells and fiber for boiling. There is a record of monitoring of the use of shells and fiber for the last 2 months. Namely:

Period	Processed FFB (Kg)	Use of Shells (Kg)	Use of Fiber (Kg)
January	21,609,650	1,013,354	5,143,097
February	18,313,990	783,769	4,358,730

The company routinely monitors the use of fossil fuel for the operations. There is a record of monitoring of the use of diesel fuel for the last 2 months, namely:

Period	Processed FFB (Kg)	Use of Diesel Fuel (Liter)
January	21,609,650	7,674
February	18,313,990	8,368

The company shown the efficiency energy data for 2014. Namely:

Period	Energy Efficiency
October 2014	89.60%
November 2014	87.68%
December 2014	92.80%

	Status: Complied
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**5.5
Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.**

The result of document examination and interview with the management showed that the company did not do the burning during land-clearing. It is proven by Contractual Agreement/PKK between the company and contractors for each type of work. Each land-clearing contract stated that all works are done mechanically zero-burning. Based on field visit done by the auditor, there is no evidence that the company has done the burning during land-clearing. Thus, it can be concluded that there is no fire in land-clearing. The company has done several effort related to zero-burning, such as:

- Identifying area/location potential for high-fire, such as in HCV area managed by the community, or in the area that is bordered with public land.
- Patrol fires simultaneously with the HCV patrol which is carried out daily.
- Reporting the implementation of preventing, handling and monitoring fires recorded in the document of RKL/RPL every semester.

- The company already has a well-trained fire team. Fire awareness training had been conducted on 29 September 2014 at PT Mustika Sembuluh Building which was attended by 66 members of the fire teams from all units in Wilmar Central Kalimantan Project (CKP), including PT RHS. A simulation of land fire emergency response was documented namely:
 - RHS1: simulation of land fire emergency response on 1 December 2014 at the area of Block 034 attended by 16 participants.
 - RHS2: fire simulation on 18 December 2014 at Block 130.
 - RHS POM: dissemination of risk assessment of fire simulation on 29 December 2014 attended by 18 employees.

The auditor had the opportunity to witness the simulation of fire emergency response organized by emergency response team of RHS 1 and RHS 2 Estate in the area of the plantation. Based on the observation of auditors, emergency response team was able to demonstrate the process of fire handling properly and in accordance with the rules of safe handling of fire (e.g. using appropriate personal protective equipment and using adequate breathing apparatus). Moreover, the whole infrastructures of firefighting can function well so they are ready to be used at any time.

The company has had SOP/procedures of land and forest fire emergency response. The SOP aims at handling emergency situation caused by forest fire in small and large scale. These procedures include preparedness and contacts, fire handling, fire team and evacuation.

Firefighting infrastructures owned by the company, among others:

No	Remarks	Amount	
		RHS1	RHS2
1	Helmet	3 Pcs	4 Pcs
2	Fire Suits	3 Sets	4 Sets
3	Gloves	3 Pairs	4 Pairs
4	Shoes	3 Pasang	4 Pasang
5	Fire Hose	2 Pcs	2 Pcs
6	Alkon	1 Unit	1 Unit
7	Water Bowser	2 Units	2 Units
8	Excavator	2 units	-
9	Back hoe loader	1 unit	1 unit

Figure : firefighting simulation by using hydrant at RHS POM



To anticipate fires around the housing and the company's infrastructure there are 74 fire extinguishers at RHS 1 and 58 fire extinguishers at RHS 2. RHS POM has 22 units fire extinguisher at the mill housing and 22 units at the mill operational area. In addition, there 5 points of hydrants at the mill with complete tools in good condition.

Status: Complied

5.6

Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.

As a part of the efforts to reduce contamination and pollution, the company has identified the source of contamination and emission through document of EIA of oil palm plantation stating that the potential for pollution particularly liquid waste and emission is mainly from the boiler (SO₂, NO₂, CO, O₃). It is reinforced with the document titled "Waste Management" at the mill and the housing which includes the name of the station, the type of pollution and the emission produced.

Emission monitoring is conducted periodically every six months by Unilab, an external accredited laboratory. The latest results are available for the second half of 2014 which was conducted in November 2014. The measurement included boiler emission, noise and ambient air quality.

As the evidence of efforts to reduce pollution and emission, there is recorded evidence: tool maintenance regularly as indicated by SOP of maintenance and evidence of the implementation, the use of renewal energy of fiber and shells consistently as indicated by the monitoring record, and maintaining the HCV area covering ± 4,900 hectares to ensure the carbon sequestration. the management unit RHS 1, RHS 2 & RHS POM was sighted document of monitoring fossil fuel January till December 2014 and the action plan for reduce.

Pollution and emission reduction plans are available in the forms of methane capture installation plan to reduce emission from POME and planting end enrichment activity plans in HCV area to increase carbon sequestration. Especially for waste

watermanagement, there are 3 (three) SOP of Waste Water Management arranging the stages of waste water management in WWTP related to: planning, licensing, management, monitoring and measuring, reporting and the attachment of forms used in waste water management. In addition, the company can also demonstrate layout document and WWTP pond specification to manage the POME consisting of 13 waste ponds for cooling pond, mixing pond, anaerobic pond and aerobic pond. The document of GHG emission reports (using Palm GHG) to the RSPO Secretariat was observed by auditor.

Status: Complied

PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills

6.1

Aspects of plantation and mill management, including replanting, that have social impacts 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 the continuous improvement.

The unit management of PT Rimba Harapan Sakti has had a document of EIA, drafted in 2009 and approved by the Governor of Central Kalimantan through SK No. 18844/285/2009. The document describes Environment Feasibility of the Development of Palm Oil Mill and Plantation of PT. Rimba Harapan Sakti covering an area of 13,800 hectares, Capacity of Mill 45 tons of FFB/hour in Sembuluh I and Sembuluh II Village, Danau Sembuluh Sub district, Seruyan District of Central Kalimantan Province. The EIA document consists of 3 (three) parts: Environmental Impact Analysis (EIA), Environmental Management Plan/RKL and Environmental Monitoring Plan/RPL.

Environmental Management Plan/RKL includes management of: micro climate, gas and dust, noise, physical and chemical characteristic of soil, river water quality, groundwater quality, water flow of the river, the water biota, attitude and perception of the community. Environmental Monitoring Plan/RPL includes management of: micro climate, gas and dust, noise, physical and chemical characteristic of soil, river water quality, groundwater quality, water flow of the river, the water biota, attitude and perception of the community, public unrest and the quality of public health.

There are also documents of Social Impact Assessment Report of PT. Rimba Harapan Sakti, Estate (RHS1 & RHS2) and POM, Seruyan Hilir Sub district of Seruyan District, Central Kalimantan. The assessment process was carried out on 19 to 26 January 2014 by the Team of AFI ERFOLG – Bogor. The report contains a description of the socio-economic impacts that are positive and negative from the activities of mill and estate of PT. Rimba Harapan Sakti. The process of data collection was conducted by involving community and workers as information sources using methods of interview, focus group discussion, and questionnaires distribution in the villages. In the report there is a matrix of Social Management Plan and Social Monitoring Plan as well as attachment of participants Attendance List in the process of data collection in Pematang Limau Village and in the scope of PT RHS employees.

The unit management has shown the Questionnaire Form on Perception Attitude, Public Unrest and Health Quality, but there has not been sufficient evidence of the results of social impact management and monitoring that has been done through community participation on a regular basis. Based on the fact there is **Non-Conformance No. 2015.05**

Until the implementation of the Audit Stage 2, there is no change of the scale of estate and mill operations. The area of the estate covers 13,789.745 Ha and the capacity of the mill reaches 45 tons of FFB/hour. There is a Report of RKL and RPL implementation for the second half of 2014 available. The report has been submitted to Seruyan Environment Bodies. Receipt of the report has also been shown on 12 March 2015.

6.1.1	Status: Non Conformities 2015.05 Minor
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Open

6.2

There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.

The unit management has procedures or SOP of the mechanism of implementation of communication and consultation with the community. The record showed that the unit management conducted a dissemination of community development program (CSR) in 2015 and asked the representatives of Pematang Limau Village to select programs based on priority. The evidence of the communication and consultation with the community was signed by Head of Pematang Limau Village, Head of Representative Board of Pematang Limau, Community and Youth Leaders.

To support the process of communication and consultation between the company and stakeholders (updated on 12 March 2014), the company already had a list of stakeholders for the period of January 2014 until June 2015. The list includes

subjects, contact names, relations, addresses and phone numbers. The unit management keeps the record of people's aspiration and its follow-ups as noted in the book of incoming mails. In addition, the company has also appointed person in charge for the communication and consultation with community. In the Minutes of SOP Dissemination Meeting on the Assignment of Officer of Communication and Consultation with Community on 12 August 2014, the company disseminated the process of communication and consultation as well as introduced the person in charge. The meeting was attended by 10 representatives of the company, and 45 representatives of community. There are photographs and attendance list from the dissemination.

Status: Complied

6.3

There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.

The company has provided means and open mechanism to receive complaints and resolve problems. The means and mechanism are listed in several procedures, such as:

- SOP of Grievance and Employee Complaints.
- SOP of Mechanism of Communication and Consultation with Community.
- SOP of Complaint Acceptance Mechanism and Dispute Settlement Particularly Outside the Court.
- SOP of Technical Guidance of Land Processing/Land Acquisition.

Based on the document verification, it is known that during 2014 until March 2015 there was no complaint from the community. Only there was a complaint from an employee. The complaint was from harvest workers to Field Officer of Division 2 on 14 October 2014 related to the housing facilities that are poor (e.g. less bright lights, clean water/drink water is substandard). The unit management has responded the complaint by changing and adding several lightbulbs for lighting, and making routine schedule for water replenishment in water tanks.

The company has not been able to demonstrate mechanism of communication and consultation which was arranged together with local community and other parties affected or having similar interest, such as rural community concerned. Procedure of Open System on the Mechanism of Complaint Acceptance by All Parties has been demonstrated, but there is no sufficient evidence that the scope of the procedure has something to do with PT. RHS. Based on the fact there is **Non-conformance 2015.06**.

07 August 2015

PT RHS has demonstrated record of evidence, among others:

- Minutes of SOP Dissemination and MoU of PTRHS with the residents of Pematang Limau Village, on 6 May 2015.
- SOP of Mechanism of Complaint Acceptance and Dispute Settlement Particularly Outside the Court (SOP 34/PR/(2)/0515. The document was signed by Representative of PT RHS and Head of Pematang Limau Village, Secretary of the Village and Head of Representative Board of the Village.
- Minutes of meeting, 6 May 2015.
- Documentation (photographs), on 06 May 2015.
- Attendance list of dissemination participants, on 6 May 2015.

Based on the improvement evidence above, the **Non-conformance** in this indicator is declared **Closed**.

6.3.1

Status: Non Conformities 2015.06 Minor

Open

6.4

Any negotiations concerning compensation for loss of legal or customary 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.

The unit management of PT Rimba Harapan Sakti has Standard Operating Procedure of Technical Guidance of Land Acquisition. The procedure is a technical guide for the company to ensure that decision of the steps or actions in the process of land acquisition for the benefit of oil palm plantation industry has been done correctly and properly according to the applicable provision and regulation and according to RSPO Principles and Criteria, particularly related to Communal/Customary Land. The procedure explains that land acquisition is conducted based on the procedure; It is well-documented and supported by Document of Agreement Letter of the land handover between relevant parties and known to local government.

Examples of compensation had been demonstrated, such as:

- Minutes of Measurement and Coordinate Points Decision on 28 August 2013 (photos attached).
- Minutes of Agreement on the Land Compensation on 2 September 2014.
- Directly bordered Epistle (directly bordered witnesses).
- Statement of Removing the Rights and Interests over Land and Plants on the Forest Area as well as Payment Reimbursement on 13 October 2014 (stamped IDR 6,000,-, signed by the landlord and known by Head of Village and Head of Sub district), Witnesses and Representative of the Unit Management.
- Certificate of Land Submission on 13 October 2014, signed by the landlord (known by Head of Village and Head of Sub district) and Representative of the Unit Management (map of the area attached).
- Evidence of the payment slip from PT RHS mounting IDR 36,740,000 on 13 October 2014 (photographs of the payment process attached).

Status: Complied

6.5

Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.

The company's wage system was made according to Regulation of the Governor of Central Kalimantan No. 45/2014 on 6 November 2014 on District Minimum Wage/UMSK). Particularly for plantation sector it is about IDR 2,110,500. Based on the document observation of POM and Estate employee wage recapitulation it is known that the wages had been received in accordance with the provision and had met the regulation of District Minimum Wage in 2014.

PT Rimba Harapan Sakti has Company Regulation year 2015-2017 which had been ratified by Head of Labor Transmigration and Tourism Service of Seruyan District No. 560/352/Disnakertranspar/III/2015 on 20 March 2015 on the Ratification of the Company Regulation of PT. Rimba Harapan Sakti. The regulation describes among others: company policies, occupational relation, leave and permission not to work, wages, employee benefits and social security, business travel, discipline and sanction, employee transfer, layoffs and complaints. The regulation is announced during morning assembly and posted on the bulletin board near the employee housing. It is expected that all employees understand their rights and obligations.

Based on the field observation in the employee housing at RHS 1, RHS 2 and POM it is known that the unit management has provided public facilities that are adequate and in good conditions, such as:

- Employee housing was built permanently consisting of 2 bedrooms, living room and bathroom equipped with WC. The lighting is from the mill and generators. Clean water source is from the water treatment existing in each estate and mill (RHS1, RHS2 and POM).
- For education facilities, the company provides Kindergarten and Elementary School buildings located in RHS 1 and RHS 2, as well as a school bus to shuttle students who live far from school.
- For health facilities the company provides clinic located at RHS 1 and RHS 2. The clinic has the company doctor which is assisted by 3 paramedics.
- The company also provides other public facilities such as mosque and church, Cooperative public toilets, sport facilities such as soccer field, volley ball court, tennis and badminton court, as well as day care.

The unit management has set each contract with contractors to comply with applicable regulation. For example, in Work Agreement Letter No. C&A.1608.15/2014/RHS1-215 on 22 December for Empty Fruit Bunch Transporting. Point 9 stated that the contractors are obliged to implement Occupational Health and Safety (OHS) including providing personal protective equipment (PPE) for their workers. Implementation of the clause in the contract is always evaluated by the company to determine the next contract.

Status: Complied

6.6

The employer respects the right 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.

The company has the Internal Memorandum on the guarantee of the freedom of association for employees. The implementation of this policy is the inaugural of the Structure of Bipartite Cooperation Institution by the Decree of Head of Labor Transmigration and Tourism Service of Seruyan District No. 560/346/DISNAKERTRANSPAR/III/2015 dated 20 March 2015.

Freedom of association is documented in the minutes of meeting of Bipartite Cooperation Institution. For example: minutes of

Bipartite Cooperation Institution on 14 October 2014 attended by representative of staffs and employees. The meeting discussed the cleanliness of the housing based on SOP, and discussed complaints about each block and housing facilities. The meeting was attended by 7 participants.

Status: Complied

6.7

Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education program. Children are not exposed to hazardous working conditions.

The company has the policy about hiring children under age, The policy about child workers had been ratified by Group Plantation Head and Group CSR Head which explained the commitment of management to not hiring children included in the definition of ILO convention, even though there are acts or state regulation would enable the matter. The commitment is also outlined in Company Regulation period of 2015-2017 article 3 point 2 where there is company policy of not employing children under 18 years old.

Based on employee list in February 2015 and the result of field observation at RHS 1, RHS 2 and POM, there are no workers under 18 years old found. The youngest employee at this time is a 19-year-old spray worker (in accordance with the ID and appointment decree).

Status: Complied

6.8

Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.

The latest Company Regulation of PT Rimba Harapan Sakti valid since 20 March 2015 until 19 March 2017. The regulation had been approved by Disnakertrans based on the decree No. 560/352/Disnakertranspar/III/2015. One of the contents describes the company policy on the opportunity and equal treatment to gain employment. Article 3 (Company Policy) point 7 stated that the company is committed to providing equal opportunity to every individual with respect and dignity, free of discrimination of sex, race, ethnicity, age, class, religion or belief.

Examples of non-discrimination can be seen from the list of employees in PT RHS. Based on the list, in RHS 2 Estate there are 390 male workers, 187 female workers, 501 Moslems, 76 Christians. The workers are from Sampit, Kuala Pembuang, Wonosobo, Subang, Tenggara, Tanjung Rangas, Suai, Samuda, Takin, Banjarnegara, Katingan, Ulak Batu and so forth. Thus, it can be stated that all employees of the company consist of various ethnicity backgrounds, religion, race and origins but they live peacefully side by side without being differentiated from each other.

Status: Complied

6.9

Policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.

The unit management has the document of the policy to prevent sexual harassment and all forms of violence against women and to protect their reproductive rights as follows:

- SOP of Handling Complaints Regarding Sexual Harassment.
- Company Regulation of PT RHS for the year of 2015 – 2017 Chapter II about Company Policy Article 3 Point 3 explains that the company encourages the efforts of prevention, reporting and prosecution of all acts of sexual harassment experience by individual regardless of the position, age and sex.
- Policy of sexual harassment was approved by Group Plantation Head in September 2010. The policy aims at encouraging to report all events of sexual harassment experienced by individual, without any exception of sex and age as the result of working with corporate bond.
- Internal Memo from HRD Head No. 02/WGP-HRD/I/2007 concerning Employment No. 4 related to Prevention of Sexual Abuse and Oppression to women, namely the principles of equal rights and obligations for every worker to obtain protection over occupational health and safety, moral and decency and equal treatment.
- Policy on the protection of reproductive rights in the company regulation of PT RHS in the year of 2015 – 2017 Article 10 regarding Maternal Leave and Article 11 regarding the rest of menstrual illness.

Implementation of the policy:

- The unit management showed minutes of the establishment of gender committee organization, for example in RHS 1, the

gender committee was formed on 15 January 2014. The board consists of Chairman, Deputy Chairman, Treasurer, and 3 representatives from Block C75, Block O34 and Block B30.

- Epistle of menstrual leave from Midwife in charge. No deduction of salaries during leave.
- Certificate of employment transfer due to pregnancy made by midwife of PT RHS and known by the Doctor.

Status: Complied

6.10

Growers and mills deal fairly and transparently with smallholders and other local businesses.

Until today PT RHS does not purchase and process FFB from farmers or other sources. All FFB processed at RHS POM come from nucleus estate and others (PT Kerry Sawit Indonesia and PT Sarana Titian Permata) which are still under the same group of Wilmar International Limited. However, the unit management has other contracts outside the FFB purchasing such as empty bunch transporting and water transporting.

To find out whether all parties understand the term of the contract, the auditor has contacted one of the contractors. The result of interview showed that the party concerned has understood the term of the contract (Right and Obligation) as indicated in SPK No. C&A.1608.15/2014/RHS1-215 which was made on 22 December 2014 for Empty Bunch Transporting Job. The unit management always made the payment on time in accordance with the SPK made.

Status: Complied

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

Contribution of the company to local development include implementation of CD/CSR program in the field of Education, Society, Health, Art, Culture, Sport and Economy, also include taxes such as Land and Building Tax, Income Tax 21, Income Tax 23 and Final Income Tax Article 4. There are records of evidence in the form of Recapitulation of CD/CSR Implementation Report for each field and type of the activities as well as the tax payment.

Status: Complied

6.12

No forms of forced or trafficked labour are used.

Berdasarkan hasil verifikasi dokumen ketenagakerjaan dan wawancara kunjungan lapangan, tidak terindikasi adanya penggunaan tenaga kerja secara ilegal dan dipaksa bekerja. Seluruh tenaga kerja telah menandatangani SPK (Surat Perjanjian Kerja), menyatakan bersedia bekerja di PT RHS. Berdasarkan hasil konsultasi dengan Serikat Pekerja, Karyawan semprot, panen, pupuk diketahui bahwa bahwa tidak ada tenaga kerja imigran.

Status: Complied

6.13

Growers and millers respect human rights

Wilmar International Limited has have Policy of respect to human rights. These policy signed by Goh Ing Sing (Group Plantation Head) and Jeremy Goon (CSR Group Head). The document was explained two key aspects of Wilmar International Limited Policy :

1. Workers Rights:
 - Freedom for unity
 - There is no force labour
 - There is no child workers
 - The work environment in a good condition
2. The indigenous people and local people rights:
 - Acknowledgement to land property rights
 - Comittement to Free Prior for Informed Consent (FPIC) by local community before commence of new activities.
 - Comittement to be open, transparent, honest and fairly conflict resolutiion

The company has been sighted an evidences Official Report of Socialization of Company Policies, included Policy of Human Right to the workers in each division. Attached also documentataion (pictures) and Attendant List of Participants, dated on March 10, 12 and 13 , 2015.

Status: Complied

PRINCIPLE #7 Responsible development of new plantings
7.1

A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.

The unit management of PT Rimba Harapan Sakti has had a document of EIA, drafted in 2009 and approved by the Governor of Central Kalimantan through SK No. 18844/285/2009. The document describes Environment Feasibility of the Development of Palm Oil Mill and Plantation of PT. Rimba Harapan Sakti covering an area of 13,800 hectares, Capacity of Mill 45 tons of FFB/hour in Sembuluh I and Sembuluh II Village, Danau Sembuluh Subdistrict, Seruyan District of Central Kalimantan Province. The EIA document consists of 3 (three) parts: Environmental Impact Analysis (EIA), Environmental Management Plan/RKL and Environmental Monitoring Plan/RPL.

Environmental Management Plan/RKL includes management of: micro climate, gas and dust, noise, physical and chemical characteristic of soil, river water quality, groundwater quality, water flow of the river, the water biota, attitude and perception of the community. Environmental Monitoring Plan/RPL includes management of: micro climate, gas and dust, noise, physical and chemical characteristic of soil, river water quality, groundwater quality, water flow of the river, the water biota, attitude and perception of the community, public unrest and the quality of public health.

There are also documents of Social Impact Assessment Report of PT. Rimba Harapan Sakti, Estate (RHS1 & RHS2) and POM, Seruyan Hilir Subdistrict of Seruyan District, Central Kalimantan. The assessment process was carried out on 19 to 26 January 2014 by the Team of AFI ERFOLG – Bogor. The report contains a description of the socio-economic impacts that are positive and negative from the activities of mill and estate of PT. Rimba Harapan Sakti. The process of data collection was conducted by involving community and workers as information sources using methods of interview, focus group discussion, and questionnaires distribution in the villages. In the report there is a matrix of Social Management Plan and Social Monitoring Plan as well as attachment of participants Attendance List in the process of data collection in Pematang Limau Village and in the scope of PT RHS employees.

Until today PT Rimba Harapan Sakti does not expand new plantation outside permitted area which had been previously owned.

Status: Not Applicable

7.2

Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.

Until today PT Rimba Harapan Sakti does not expand new plantation outside permitted area which had been previously owned.

There is a Map of soil type from the result of soil survey made by Param Agricultural Soil Survey (M) Sdn. Bhd. Malaysia as set forth in the document of Soils of PT RHS. The map indicate that in the estate there are several types of soil such as: Gong Chenak, Pukun, Busi, Miri, and Local Alluvium Complex (See Minor Indicator 4.2.1). The nomenclature of soil grade uses Malaysia standard, but is still equipped with complete explanation about the characteristic of each soil grade. The soil classified as marginal one is sandy soil.

The results of document examination and interview showed the availability of soil map informing soil classification, texture, depth, drainage, limiting factors, rocks, and compliance information for the development of oil palm plantation. The company has compiled the development program of the estate to gain maximum production, among others:

1. Selective weed control (soft weed is left to grow) to keep the soil moist.
2. Empty bunch application with the dose of 40 tons/ha.
3. Growing plants to prevent erosion (*vertifer grass*).
4. Manuring as recommended.
5. Mounding palm technique to break up the hard soil layers (hard pan) in order to help the root system grow well.

Status: Not Applicable

7.3

New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.

Identification of HCV has been conducted in 2009 and there is area covering $\pm 4,985.49$ hectares identified. Based on the overlay of HCV map with the planting year map, there was no indication of the existence of plantation area which was opened in the area of primary forest or in HCV area.

The result of consultation between the stakeholders and National Land Agency of Seruyan District showed the information that PT Rimba Harapan Sakti has obtained license of forest area release as a part of Land Use Title management in 2011. There is no overlapped area with the forest.

Status: Complied

7.4

Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.

Until today PT Rimba Harapan Sakti does not expand new plantation outside permitted area which had been previously owned.

A semi-detailed soil survey has been conducted by Param Agricultural in June 2007. There is a map of semi-detailed soil with the scale of 1:25000.

Soil Series	Slope class (%)	Description	Width	
			Ha	%
Gong Chenak	Level (0-4)	Deep (>100 cm) imperfectly drained fine sandy clay. Yellow to around 70 cm and light gray below. Moderate medium subangular blocky; friable, patchy clayskins, soils developed over sub recent alluvium	28,5	0,2
Pukun / moderate	Undulating (4-12)	Moderately deep (50 -100 cm) To shallow (<50 cm) dark brown loamy sand overlying brownish gray sandy clay. Poorly drained. Loose to sticky consistence. Soils over sub recent alluvium decomposite	5568,9	40,4
Pukun / Shallow	Undulating (4-12%)		310,8	2,3
Buso	Level (0-4)	Shallow (<50 cm) dark brown to white sand overlying thick (>10 cm) strongly cemented hard pan (spodic) layer within 50 cm depth. Well poorly drained. Seasonally flooded. Soils developed over Sub Recent terrace alluvium	1491,8	10,8
	Undulating (4-12)		1462,0	10,6
Miri	Undulating (4-12)	Moderately deep (50 -100 cm) brown to light gray sand overlying thick (>10 cm) strongly cemented hard pan (Spodic horizon) between 50 To 100 cm depth. Well to somewhat excessively drained. Soils developed over sub recent terrace alluvium	1152,0	8,4
Local alluvium complex	Level (0-4)	Deep (>100 cm) mixture of partly decomposed organic soil material and clay. Very poorly drained, mixed deposit	1560,0	12
Proposed conservation area			2126,0	15,4
Total			13790,0	100

Based on the table above the company classified sandy soil as marginal soil.

Based on the result of interview with the management (staff of EMU), the company conducts management of marginal soil and other critical soils (sandy soil, soil with sulphuric acid, low organic content), among others:

1. Selective weed control (soft weed is left to grow) to keep the soil moist.
2. Empty bunch application with the dose of 40 tons/ha.
There is document of plan and implementation of Empty Bunch Application from EMU (Eco Management Unit/Agronomy Research).
3. Mounding with the diameter of 2 main staples on the ground with the texture of hard pan (soil type Buso).
4. Manuring as recommended.

Status: Not Applicable

7.5

No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

Until today PT Rimba Harapan Sakti does not expand new plantation outside permitted area which had been previously owned.

There are examples of compensation records, namely:

- Minutes of Measurement and Coordinate Points Decision on 28 August 2013 (photos attached).
- Minutes of Agreement on the Land Compensation on 2 September 2014.
- Directly bordered epistle (directly bordered witnesses).

Status: Not Applicable

7.6

Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.

Until today PT Rimba Harapan Sakti does not expand new plantation outside permitted area which had been previously owned.

There is example of evidence of compensation on behalf of M. Erwin Toha, attached document as follows:

- Certificate of Land Submission on 13 October 2014 signed by Land Owner (known by Head of Village and Head of Sub district) and Representative of Unit Management (Land Map attached).
- Evidence of Payment Receipt from PT RHS amounting IDR 36,740,000 on 13 October (photographs of the payment process attached).

Status: Not Applicable

7.7

Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.

Until today PT Rimba Harapan Sakti does not expand new plantation outside permitted area which had been previously owned.

The result of document examination and interview showed that the company applied zero-burning during the land clearing. It is proven by Contractual Agreement/**PKK** between the company and contractors for each type of work. Each land-clearing contract stated that all works are done mechanically zero-burning. Based on field visit done by the auditor, there is no evidence that the company has done the burning during land-clearing. Thus, it can be concluded that there is no fire in land-clearing.

The company has done several efforts related to zero-burning, such as:

- Identifying area/location potential for high-fire, such as in HCV area managed by the community, or in the area that is bordered with public land.
- Patrol fires simultaneously with the HCV patrol carried out daily.
- Reporting the implementation of preventing, handling and monitoring fires recorded in the document of RKL/RPL every semester.
- The company already has a well-trained fire team. Fire awareness training had been conducted on 29 September 2014 at PT Mustika Sembuluh Building which was attended by 66 members of the fire teams from all units in Wilmar Central Kalimantan Project (CKP), including PT RHS. A simulation of land fire emergency response was documented namely:
 1. RHS1: simulation of land fire emergency response on 1 December 2014 at the area of Block 034 attended by 16 participants.
 2. RHS2: fire simulation on 18 December 2014 at Block 130.
 3. RHS POM: dissemination of risk assessment of fire simulation on 29 December 2014 attended by 18 employees.

The auditor had the opportunity to witness the simulation of fire emergency response organized by emergency response team of RHS 1 and RHS 2 Estate in the area of the plantation. Based on the observation of auditors, emergency response team was able to demonstrate the process of fire handling properly and in accordance with the rules of safe handling of fire (e.g. using appropriate personal protective equipment and using adequate breathing apparatus). Moreover, the whole infrastructures of firefighting can function well so they are ready to be used at any time.

The company has had SOP/procedures of land and forest fire emergency response. The SOP aims to handle emergency

situation caused by forest fire in small and large scale. These procedures include preparedness and contacts, fire handling, fire team and evacuation.

Firefighting infrastructures owned by the company, among others:

No	Type of Equipment	Amount	
		RHS1	RHS2
1	Helmet	3 Pcs	4 Pcs
2	Fire Suit	3 Sets	4 Sets
3	Gloves	3 Pairs	4 Pairs
4	Shoes	3 Pairs	4 Pairs
5	Fire Hose	2 Pcs	2 Pcs
6	Alkon	1 Unit	1 Unit
7	Water Bowser	2 Units	2 Units
8	Excavator	2 units	-
9	Back hoe loader	1 unit	1 unit

To anticipate fires around the housing and the company's infrastructure there are 74 fire extinguishers at RHS 1 and 58 fire extinguishers at RHS 2. RHS POM has 22 units fire extinguisher at the mill housing and 22 units at the mill operational area. In addition, there are 5 points of hydrants at the mill with complete tools in good condition.

Status: Not Applicable

PRINCIPLE #8 Commitment to continuous improvement in key areas of activity

8.1

Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.

Mill

The unit management of RHS POM has made addition to the Storage Tank area in the form of second containment to avoid contamination to the ground in case of spill around the area.

Social Impact

Social Impact Assessment had been conducted by PT Rimba Harapan Sakti (RHS 1 and RHS 2) and POM in Seruyan Hilir District of Seruyan District, Central Kalimantan. The assessment process was carried out on 19 to 26 January 2014 by the Team of AFI ERFOLG – Bogor. The report contains a description of the socio-economic impacts that are positive and negative from the activities of mill and estate of PT. Rimba Harapan Sakti. The process of data collection was conducted by involving community and workers as information sources using methods of interview, focus group discussion, and questionnaires distribution in the villages. In the report there is a matrix of Social Management Plan and Social Monitoring Plan as well as attachment of participants Attendance List in the process of data collection in Pematang Limau Village and in the scope of PT RHS employees.

Aspects of Best Management Practices

The company has implemented operational activities monitoring system which is conducted periodically in order to evaluate performance and for sustainable improvement. Such as:

1. QAMS (*Quantitative Agronomy Management System*), examination on loss level, effectiveness of treatment, manuring and pest and disease detection. It is conducted every week. For example: the result of audit in RHS 1 on 12 to 18 January 2015 showed that there is an increase of the percentage of half-ripe bunches namely 2.1%. The improvement done was to increase harvest supervision.
2. Audit System Development Control (SDC) as estate administration audit which is conducted periodically twice a year.
3. Audit safety and environment at the mill which is conducted annually.

Status: Complied

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module E) CPO Mills - Mass Balance Requirements
E.1	Definition
E.1.1	<p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>
	<p>The unit management of RHS POM – PT Rimba Harapan Sati has not obtained certificate of RSPO. There is a documented procedure of the receipt and processing of certified and uncertified FFB in RHS POM as indicated in SOP/RHS POM-ILOG-006. The stages consist of:</p> <p>A. FFB Data Input:</p> <ol style="list-style-type: none"> 1. The driver hands the Fruit Epistle/SPB to the security officer. 2. The security officer records all trucks that enter/exit the mill. 3. Weighbridge officer must ensure the epistles of certified and uncertified FFB are applicable and complete. 4. Weighbridge officer must be able to know that the incoming FFB is certified or uncertified by checking out if the name of supplier is on the list of certified supplier then the FFB must be certified. 5. The FFB truck is weighed to get the gross weight. 6. The FFB truck goes to the sorting to be unloaded and sorted. 7. The sorting officer fills out the sorting form based on the sorting result to be submitted to another weighbridge officer. 8. The FFB truck is weighed to get the tareweight of the truck and the nett of FFB. 9. The weighbridge officer hands the scale slip to the truck driver. 10. The weight-bridge officer reports the recapitulation of FFB receipt to the logistic to be input into the Mass Balance Calculation Format. <p>B. Data Input of FFB Processing to CPO</p> <ol style="list-style-type: none"> 1. Department of Processing processes FFB into CPO and report the data of processed FFB to logistic section in Daily Production Report. 2. Logistic officer calculates CPO produced based on the Daily Production Report and report to Mill Head. 3. Logistic officer inputs the data of processed FFB and CPO Production to Mass Balance format according to Daily Production Report. <p>C. CSPO/NCSPD Despatch Data Input</p> <p>D. CSPK/NCSPK Despatch Data Input</p>
	<p>There are examples of Daily Production Report in RHS POM on 24 March 2015 which among others contain:</p> <p>FFB RECEIVE AND PRODUCTION</p> <ul style="list-style-type: none"> • Total FFB Received (After Grading) • Total FFB Received (Before Grading) • Total FFB Processed (After Grading) <p>CPO PRODUCTION & DESPATCH</p> <ul style="list-style-type: none"> • CPO Opening Stock • Oil Produced • OER • Despatch • Closing Stock • FFA Oil Production <p>PK PRODUCTION & DESPATCH</p> <ul style="list-style-type: none"> • PK Opening Stock

- Kernel Production
- KER
- Despatch
- Closing Stock

SHELL PRODUCTION & DESPATCH

- Shell Opening Stock
- Shell Production (stored)
- SER
- Despatch
- Boiler Use
- Closing Stock

The documents are prepared by Logistic section, Examined by Administration Head and confirmed by Mill Manager.

Status: Complied

E.2 Explanation
E.2.1

The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.

The RHS POM – PT Rimba Harapan Sakti not yet RSPO certified. Based on production budget data March 2015 – Februari 2016, RHS POM – PT Rimba Harapan Sakti was determined estimation of CPO and PK product. The estimation as description on table below:.

Description	Number (Tonnes/Year)	Extraction (%)
FFB processed	85,517	-
CPO	20,527	24
PK	3,420	4,04

Status: Complied

E.2.2

The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).

The RHS POM – PT Rimba Harapan Sakti not yet RSPO certified. Registration and reporting requirements for the appropriate supply chain will implement after the management unit earn the RSPO certificate.

Status: Complied

E.3 Documented procedures
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:

- Complete and up to date procedures covering the implementation of all the elements in these requirements;
- The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.

The unit management of RHS POM – PT Rimba Harapan Sakti has had procedures related to supply chain (SCSS_ Mass Balance (SOP/RHS POM-ILOG-006). The procedures describe:

- a. Objective: to ensure the receipt of FFB to the delivery of CSPO/CPO is conducted with correct workflow, starting from the receipt of FFB, processing of FFB to CSPO/CPO and CSPK/PK, the delivery of CSPO/CPO and CSPK/PK until the reporting, so the traceability of FFB and products can be easily and consistently done.
- b. The scope: these procedures apply to every section that is responsible for providing data of the receipt of FFB, processing to the delivery of CSPO/CPO and CSPK/PK to meet the RSPO certification and other certifications. And applicable within the mill of PT Rimba Harapan Sakti.

Undertakers based on the procedures are:

- Security officer is responsible for recording all FFB expedition and CSPO/CPO and CSPK/PK dispatch.
- Weight-bridge officer is responsible for weighing all FFB received and delivered, ensuring all reports of receipt and delivery of CSPO/CPO and CSPK/PK are in accordance with requirement of RSPO-SCCS.
- Logistic officer is responsible for calculating the result of CSPO/CPO and CSPK/PK production, reporting the result of production, CSPO/CPO and CSPK/PK delivery report, traceability report.
- Sorting officer is responsible for grading the FFB, ensuring the reports of grading and FFB placement accepted.
- Administration Head is responsible for controlling the receipt of FFB and CSPO/CPO and CSPK/PK, the reports of FFB receipt, dispatch, reports of CPO and traceability.
- Mill Head is responsible for ensuring all of the processing work well.

There is also a Working Instruction for Scale Operations – RHS-POM-IK-ADM-44018-PR, effective since 1 December 2014. The document is a guide for handling administrative and operations of weighing prevailing in the company as well as ensuring the implementation of internal supervision of the weighing procedure has been running well. .

Undertakers based on the Work Instruction are:

- Mill Manager/Assistant Mill Manager is responsible for overseeing and ensuring that the internal control of the weighing operations has been running well in accordance with Work Instruction.
- Administration Head is responsible for administrative management and ensuring weighing operations have been running well.
- Weight-bridge Officer is responsible for administrative management and the smooth of weighing operations as well as ensuring the internal control has been running well.

Status: Complied

E.3.2

The site shall have documented procedures for receiving and processing certified and non-certified FFBs.

The unit management of RHS POM – PT Rimba Harapan Sati has not obtained certificate of RSPO. There is a documented procedure of the receipt and processing of certified and uncertified FFB in RHS POM as indicated in SOP/RHS POM-ILOG-006. The stages consist of:

A. FFB Data Input:

1. The driver hands the Fruit Epistle/SPB to the security officer.
2. The security officer records all trucks that enter/exit the mill.
3. Weighbridge officer must ensure the epistles of certified and uncertified FFB are applicable and complete.
4. Weighbridge officer must be able to know that the incoming FFB is certified or uncertified by checking out if the name of supplier is on the list of certified supplier then the FFB must be certified.
5. The FFB truck is weighed to get the gross weight.
6. The FFB truck goes to the sorting to be unloaded and sorted.
7. The sorting officer fills out the sorting form based on the sorting result to be submitted to another weighbridge officer.
8. The FFB truck is weighed to get the tareweight of the truck and the nett of FFB.
9. The weighbridge officer hands the scale slip to the truck driver.
10. The weight-bridge officer reports the recapitulation of FFB receipt to the logistic to be input into the Mass Balance Calculation Format.

B. Data Input of FFB Processing to CPO

1. Department of Processing processes FFB into CPO and report the data of processed FFB to logistic section in Daily Production Report.
2. Logistic officer calculates CPO produced based on the Daily Production Report and report to Mill Head.
3. Logistic officer inputs the data of processed FFB and CPO Production to Mass Balance format according to Daily Production Report.

- C. CSPO/NCSPPO Despatch Data Input
- D. CSPK/NCSPK Despatch Data Input

There are examples of Daily Production Report in RHS POM on 24 March 2015 which among others contain:

FFB RECEIVE AND PRODUCTION

- Total FFB Received (After Grading)
- Total FFB Received (Before Grading)
- Total FFB Processed (After Grading)

CPO PRODUCTION & DESPATCH

- CPO Opening Stock
- Oil Produced
- OER
- Despatch
- Closing Stock
- FFA Oil Production

PK PRODUCTION & DESPATCH

- PK Opening Stock
- Kernel Production
- KER
- Despatch
- Closing Stock

SHELL PRODUCTION & DESPATCH

- Shell Opening Stock
- Shell Production (stored)
- SER
- Despatch
- Boiler Use
- Closing Stock

The documents are prepared by Logistic section, Examined by Administration Head and confirmed by Mill Manager.

Status: Complied

E.4 Purchasing and goods in

E.4.1

The site shall verify and document the volumes of certified and non-certified FFBs received.

The company has not documented the volume of certified and uncertified FFB since it has not obtained RSPO certificate. Currently RHS-POM has already had the sample form of FFB Receipt – Daily Traceable Record (recapitulation per month). The form will be used to verify and document the volume of certified and uncertified FFB received.

Status: Complied

E.4.2

The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.

The unit management of PT RHS and RHS POM has not received approval as RSPO certified estate and mill. There is Work Instruction available in case of Over Production-RHS-POM-IK-ADM-46038-PR valid since 1 December 2014. In point 7 it is stated that Mill Manager must immediately report in writing (e-mail or letter) to Certification Body if the POM will produce excessive production as indicated in RSPO certificate.

Status: Complied

E.5	Record keeping
E.5.1	
<p>a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p> <p>b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>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>	
Claims and records of certified products cannot be done yet since the company has not received approval as RSPO certified estate and mill.	
	Status: Complied
E.5.2	
<p>In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.</p>	
Until now RHS – POM does not cooperate with independent outsource palm kernel crusher.	
	Status: Complied

3.3. Conformity Checklist of Certificate and Logo Use (Only apply for Surveillance Assessment Report)

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ST-2	Will verify in surveillance 1. PT. RHS not yet certified RSPO.	NA
	Status: Not Applicable	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ST-2	Will verify in surveillance 1. PT. RHS not yet certified RSPO.	NA
	Status: Not Applicable	
3.	Implementation of Certificate and Logo is not used on product	X or√
ST-2	Will verify in surveillance 1. PT. RHS not yet certified RSPO.	NA
	Status: Not Applicable	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ST-2	Will verify in surveillance 1. PT. RHS not yet certified RSPO.	NA
	Status: Not Applicable	

3.4. Summary of RSPO Partial Certification.

The Unit Management observed: 1. PT Buluh Cawang Plantations 2. Agro Palindo POM – PT Agro Palindo Sakti, South Sumatera		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	X or√
	Based on results of verification in 2 units as an examples of the assessment, company has complied with the regulation.	
	Status: Complied	
2.2	The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.	X or√
	Based on documents verification there is available legal documents of land use right and there is no land conflict in each sample units.	
	Status: Complied	
6.3	There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.	X or√
	There is available several procedure : - Standard Operational Procedure of Communication, Consultation and Coordination (No. PRO-BM.BEN-001) - Standard Operational Procedure of Land Acquisition (No. SOP-IJIN LAHAN&OPS-006) - Standard Operational Procedure of Conflict Resolution Mechanism (No. PRO-BNM-004) These procedures was implemented and already socialization to stakeholder.	
	Status: Complied	
6.4	Any negotiations concerning compensation for loss of legal or customary 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.	X or√
	Based on verification is available evident of land acquisition and compensation in each management unit. These process was documented and the document is signed by all parties related on compensation process.	
	Status: Complied	
7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	X or√
	Based on verification there is not primary forest replaced and the management unit is still on process to identification the High Conservation Value Area.	
	Status: Complied	
7.5	No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	X or√
	There is no new plantings	
	Status: Complied	
7.6	Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	X or√
	There is no new plantings	
	Status: Complied	

3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components
3.5.1 Identification of Findings, Corrective Actions and Observations at *ST-2* Assessment

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
2015.01	Minor 1.3.1	Growers and millers commit to ethical conduct in all business operations and transactions. The company not yet sighted an evidence of witten policy related commitment to ethical conduct in all business operations and transactions	Kebun & Pabrik	Surveil- lance 1	The company shall shows an evidence of witten policy related commitment to ethical conduct in all business operations and transactions was documented and socialization to all workers level.	Root of the problem: Not yet available written policy related commitment to ethical conduct in all business operations and transactions issue by Head Ofiice Corrective Action: Preventive Action: Will issue written policy related commitment to ethical conduct in all business operations and transactions issue by Head Ofiice Auditor Conclusion: The Non conformities still Open.	Open	
2015.02	Major 2.1.1	Evidence of applicable, relevant legal requirement compliance. 1. There is Plantation Business Permit/IUP of PT Rimba Harapan Sakti No. 525/109/EK/2009 issued by Head of Seruyan District on 2 May 2009, covering an area of 13,800 Ha. PT RHS operates Palm Oil Mill with the capacity of 45 tons of FFB/hour. However, the foundation of the	Estate & Mill	Before certificate is issued	1. The company must ensure the foundation of the IUP for RHS POM. 2. The company must implement the development of estate for surrounding community, at least 20% of the total area of the	Root of the problem: 1. Format of IUP from Head of Seruyan District is not in accordance with Regulation of Agricultural Ministry No. 26 year 2007 which should contain the capacity of the mill. The format made only contained the total area of the	Closed	10 August 2015

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
		<p>IUP for PT RHS is not clear yet.</p> <p>2. There are several evidence of documents of smallholding development plan in Pematang Limau Village of Seruyan Hilir Subdistrict of in Seruyan District, but the development of the estate for surrounding community is not realized yet. At least only 20% of the total area of the estate is managed during the development of nucleus estate according to Regulation of Agricultural Ministry No. 26 year 2007.</p>			<p>estate managed according to applicable Regulation of Agricultural Ministry No. 26 year 2007 during the development of nucleus estate.</p>	<p>estate in the IUP.</p> <p>2. The company does not comply with the Regulation of Agricultural Ministry 26 year 2007.</p> <p>Corrective Action:</p> <ol style="list-style-type: none"> Proposing the IUP revision to Head of Seruyan District by adding the capacity of the mill in the IUP of PT RHS. Seeking the opportunity to smallholding land for Pematang Limau Village. <p>Preventive Action:</p> <ol style="list-style-type: none"> There is integrated IUP of estate and mill. The company has a program of the development of smallholding for PT RHS. <p>Auditor Observation: 24 March 2014</p> <ol style="list-style-type: none"> PT RHS has demonstrated the follow-up of IUP adjustment, such as: <ul style="list-style-type: none"> Letter No. 04/BM-RHS/V/2014, dated 5 May 2014, on the Request for the Adjustment of IUP. Letter from Secretary of 		

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
						<p>Seruyan District No. 500/618/EK/VI/2014 dated 23 June 2014 on Technical Consideration of the Adjustment of Plantation Business Permit/IUP on behalf of PT. Rimba Harapan Sakti.</p> <ul style="list-style-type: none"> • Memorandum of the Department of Forestry and Plantation of Seruyan District No. 525.26/2055/DISHUTBU N/VIII/2014 dated 20 August 2014 on Technical Guidance Concerning the Adjustment of Plantation Business Permit/IUP on behalf of PT Rimba Harapan Sakti. • Minutes of Meeting Discussing the Revision of Plantation Business Permit for PT Rimba Harapan Sakti, attended by Deputy Head of Seruyan District, Forestry and Plantation Service, 		

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
						<p>and Legal Bureau of Seruyan Local Government. Conclusion of the meeting: Technical Consideration that had been issued by Forestry and Plantation Service will be used as a basis for the issuance of IUP Revision for PT Rimba Harapan Sakti. The issuance will be drafted by Legal Bureau of Seruyan Local Government.</p> <p>2. Progress of scheme smallholders program of PT RHS.</p> <ul style="list-style-type: none"> Letter No. 14/400.9/62.07// 2015 dated 15 January 2015 on The Result of the Study from Seruyan District Land Office of Central Kalimantan Province regarding Request of Location Principle License on behalf of Makmur Sejahtera Cooperative 		

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
						<p>covering an area of 186 hectares which is located in Pematang Limau Village, Seruyan Hilir Sub district, Seruyan District.</p> <ul style="list-style-type: none"> • Memorandum from the Head of Forestry and Plantation Service of Seruyan District No. 525.26/389/DISHUTBU N/II/2015, dated 23 February 2015 regarding Technical Consideration of Location Principle License on behalf of Makmur Sejahtera Cooperative, Pematang Limau Village. • Minutes of Land Measurement of Smallholding Plan dated 26 February 2015. The location is reserved for residents Cooperative of Pematang Limau Village covering an area of 185.285 hectares (photographs of the field inspection by the 		

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
						<p>representative of the Cooperative together with Seruyan Land Office attached).</p> <ul style="list-style-type: none"> Document of the Profile of Makmur Sejahtera Multi-purpose Cooperative, Pematang Limau Village, Seruyan Hilir Subdistrict, Seruyan District. Letter No. 09/KSU-MS/PL/III/2014 dated 24 March 2015 from the Chairman of Makmur Sejahtera Multi-purpose Cooperative to the Head of Seruyan District regarding the Request of Potential Farmer Candidate and Land Candidate Determination for Scheme Smallholding. Discussion Material for the Meeting of Location Principle of the Development of Oil Palm Smallholding Plantation of Makmur Sejahtera 		

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
						<p>Cooperative dated 11 March 2015 (Map of Location Principle License on behalf of Makmur Sejahtera Cooperative and photographs of the event attached).</p> <p>10 August 2015 PT RHS has demonstrated Decree of the Head of Seruyan District No. 188.45/1.6.1/2015 dated 14 April 2015 on Plantation Business Permit/IUP on behalf of PT Rimba Harapan Sakti (the adjustment of IUP which included the capacity of the mill).</p> <p>Auditor Conclusion: Based on the evidence demonstrated by the unit management of PT RHS, status of the non-conformance above is declared Closed.</p>		
2015.03	Major 5.1.2	<p>Completeness of RKL-RPL Report. The company has prepared implementation report of RKL-RPL which is reported on a regular basis. However, the report has not been equipped with supporting evidence of th</p>	Estate	Before certificate is issued	The company must show evidence of RKL-RP Implementation that is according to the request in EIA document.	<p>Root of the problem: The report of RKL-RPL Semester II 2014 has not included the implementation of participatory social impact monitoring in</p>	Closed	07 August 2015

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
		eimplementation of social impact monitoring according with the direction in EIA document.				<p>accordance with the direction in EIA document.</p> <p>Corrective action: Conducting social impact participatory monitoring with the community through analysis of questionnaires result/FGD.</p> <p>Preventive action: Ensuring the results of the analysis of social impact participatory monitoring is available in the report of RKL-RPL Semester I 2015.</p> <p>Auditor Observation: 24 March 2015 The unit management had been able to show document of Questionnaire Form related to social impact monitoring in accordance with the direction of EIA but there is not sufficient evidence that the direction had been implemented.</p> <p>Auditor Conclusion: Based on the evidence above, the non-conformance is still OPEN.</p>		

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
						<p>07 August 2015 PT RHS has demonstrated evidence of records in the form of:</p> <ul style="list-style-type: none"> • Report of the Implementation of Social Impact Participatory Monitoring with the Community for the Period of 2015. • Attachment (Questionnaires of the Result of Social Impact Monitoring of PT RHS in Pematang Limau Village). <p><i>Auditor Conclusion:</i> Based on the evidence the non-conformance can be declared Closed.</p>		
2015.04	Minor 5.3.1	<p>Hazardous Waste Management Plan. Based on the field observation in hazardous Waste Temporary Warehouse of PT RHS, there are not symbols of hazardous waste in accordance with applicable regulation (Regulation of Environment Ministry No. 14 year 2013 on Hazardous Waste Symbols and</p>	PT RHS	Surveillance 1	The company must be able to demonstrate evidence that hazardous waste symbols in the temporary warehouse have been installed in accordance with applicable regulation.	<p>Root of the problem: Dissemination about hazardous waste symbols and labels have never been carried out.</p> <p>Corrective action: Installing hazardous waste</p>	Open	

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
		Labels).				<p>symbols and labels according to the characteristic of the waste.</p> <p>Preventive action: EHS checks to ensure the symbols and labels have been installed in the warehouse and at the time of the delivery of hazardous waste to the 3rd party.</p> <p>Auditor observation: There has been no evidence of follow-up for improvement.</p>		
2015.05	Minor 6.1.1	<p>Records of social impact management and monitoring plan with public participation on a regular basis.</p> <p>The unit management has demonstrated Questionnaire Form on Perception Attitude, Unrest and Quality of Public Health but has not yet demonstrated evidence in the form of the result of monitoring implementation according to existing questionnaires.</p>	PT RHS	Surveillance 1	The unit management must be able to demonstrate evidence in the form of results of monitoring implementation according to existing management.	<p>Root of the problem: Reporting of environmental impact monitoring period of semester I 2015 is still in the progress of preparation so the result of the questionnaires cannot be analyzed yet.</p> <p>Corrective action: Making the report of the monitoring of perception and public unrest as well as the quality of public health based on the questionnaires prepared.</p> <p>Preventive action: Reporting of RKL-RPL has been</p>	Open	

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
						<p><i>available and based on public participation.</i></p> <p>Auditor observation: There has been no evidence of follow-up for improvement.</p>		
2015.06	Major 6.3.1	<p>An open system receiving complaints from all affected parties.</p> <p>The company could not demonstrated the mechanism of communication and consultation that have been arranged together with local community and other affected parties or those having interests, such as rural community concerned.</p>	Estate & Mill	Before certificate is issued	The company must be able to prove the open system receive complaints accepted by all affected parties.	<p>Root of the problem: Mechanism of Communication and Consultation prepared together with people of Pematang Limau Village is not available yet.</p> <p>Corrective action: Making the mechanism of communication and consultation together and approved by people of Pematang Limau Village.</p> <p>Preventive action: Mechanism of Consultation and Communication which is approved by the company and community, also disseminated to people of Pematang Limau Village is already available.</p> <p>Auditor Observation: 26 March 2015 The unit management has</p>	Closed	07 August 2015

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
						<p>demonstrated Open System Procedure on How to Accept Complaints which has been agreed by all parties but there is no sufficient evidence that the scope of the procedure is related to PT RHS.</p> <p><i>Auditor Conclusion:</i> Based on the evidence above, non-conformance is still OPEN.</p> <p>07 August 2015 PT RHS has demonstrated record of evidence, such as:</p> <ul style="list-style-type: none"> • Minutes of SOP Dissemination and MoU of PT RHS with the residents of Pematang Limau Village dated 6 May 2015. • SOP of Mechanism of Complaints and Handling Disputes Particularly Outside the Court (SOP 34/PR/(2)/2015. The document was signed by Representative of PT RHS and Head of Pematang Limau Village, Secretary of the Village and Board of Village 		

No.	Ref Std/ Indicator	Non-conformance	Area	Time Limit	Request for Corrective Action	Observation and Date	Status	Closing Date
						<p>Representative.</p> <ul style="list-style-type: none"> Minutes of meeting dated 6 May 2015. Documentation (photographs) dated 6 May 2015. Attendance List of Dissemination Participants dated 6 May 2015. <p>Based on the evidence of improvement mentioned above, the Non-conformance in this indicator is declared Closed.</p>		

3.5.2 Opportunity for Improvements at ST-2 Assessment

No	Ref Std	Descriptions
1	Minor 5.2.1	The company has the opportunity to add a sign board on HCV area for example in the area that is directly bordered to other parties.
2	Minor 4.7.6	The company has the opportunity to improve the monitoring related to the completeness of First Aid Emergency box.

3.5.3 Noteworthy Positive Components at ST-2 Assessment

No	Ref Std	Descriptions
1		The company's commitment to apply the principles of sustainable palm oil management.
2		Competence of <i>Personal in Charge (PIC)</i> at each field.
3		Good document presentation.

3.6 Summary of Arising Issues from Public, Management and Auditor Response

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>Forestry and Plantation Service of Seruyan District Licensing and Plantation Business Development Section</p> <ul style="list-style-type: none"> PT Rimba Harapan Sakti has obtained Plantation Business Permit from Head of Seruyan District in 2009. Currently PT Rimba Harapan Sakti is proposing IUP revision. It is because the previous IUP did not contain capacity of processing unit (Mill). Forestry and Plantation Service of Seruyan District has issued a memo related to technical consideration of IUP Adjustment on behalf of PT Rimba Harapan Sakti which was addressed to Acting Regional Secretary, Head and Deputy Head of Seruyan District in August 2014. PT Rimba Harapan routinely report the development of plantation business/LKUP as a liability from Plantation Business Permit. Currently PT RHS has been cooperating with Makmur Sejahtera Cooperative related to the development of scheme smallholding plantation for people in Pematang Limau Village. The plantation is covering an area of 186 hectares for 355 households. No issues of land disputes to the Forestry and Plantation Service of Seruyan District. 	<p>PT RHS will always seek to fulfill the obligations related to the management of estate and mill.</p>	<p>Based on the verification of documents, in consultation with relevant agency (Forestry and Plantation Service of Seruyan District) and interviews in the villages around, it is known that PT Rimba Harapan Sakti has engaged in estate and mill management according to existing provisions, such as:</p> <ul style="list-style-type: none"> PT RHS has made an adjustment to the IUP by including the capacity of the mill, namely by the issuance of Decree of Head of Seruyan District No. 188.45/1.6.1/2015 dated 14 April 2015 on Plantation Business Permit/IUP on behalf of PT Rimba Harapan Sakti (the adjustment of IUP which is including the capacity of the mill). Program of scheme smallholders has been established, for example Land Measurement of Smallholding Plan on 26 February 2015. The location is reserved for Cooperative for the people of Pematang Limau Village covering an area of 185.285 hectares.

<p>Environment Bodies Field of Law and EIA Compliance</p> <ul style="list-style-type: none"> PT Rimba Harapan Sakti has obtained environmental permit from Head of Seruyan District in 2009. PT Rimba Harapan Sakti has obtained temporary storage permit of Hazardous Waste (Hazardous Waste Temporary Warehouse). PT Rimba Harapan Sakti has obtained Permit of Liquid Waste Utilization Assessment for Land Application Activity. Environment Bodies of Seruyan District allows PT Rimba Harapan Sakti (PT RHS) to dispose the waste to PT Sarana Titian Permata (PT STP) with consideration of soil condition (sandy soil type) in PT RHS that does not allow the Land Application. PT STP is a unit management under the same group with PT RHS. PT Rimba Harapan Sakti has been routinely reporting the RKL/RPL. PT Rimba Harapan Sakti has been routinely reporting the study of Land Application. PT Rimba Harapan Sakti has been routinely reporting the Liquid Waste. PT Rimba Harapan Sakti has been routinely reporting the Hazardous Waste. Currently the company is not revising the document of EIA. 	<p>PT RHS will always seek to fulfill the obligations related to environmental management and the reporting.</p>	<p>The result of document verification and consultation to relevant agency showed that the company has fulfilled its obligations related to environmental management.</p> <p>Implementation of RKL and RPL has been reported regularly to local Environment Bodies.</p>
<p>Land Office of Seruyan District Complaints and Land Planning Section</p> <ul style="list-style-type: none"> PT Rimba Harapan Sakti has obtained permit of forest release as a part of the administration of Land Use Title. 	<p>PT RHS will perform estate management according to the basic use and area management due to the legality of land owned (Certificate of Land Use Title).</p>	<p>Program of scheme smallholders has been established, for example Land Measurement of Smallholding Plan on 26 February 2015. The location is reserved for Cooperative for the</p>

<ul style="list-style-type: none"> PT Rimba Harapan Sakti has obtained Certificate of Land Use Title in 2011. There are no overlapped areas in the forest. There are no requests for new location permit for PT RHS plantation. PT Rimba Harapan Sakti has been cooperating with Makmur Sejahtera Cooperative to develop scheme smallholding plantation veering an area of 186 hectares. National Land Agency of Seruyan District along with other agencies has measured the land. 		<p>people of Pematang Limau Village covering an area of 185.285 hectares.</p>
<p>Labor and Transmigration Service</p> <ul style="list-style-type: none"> District Sector Minimum Wage of Seruyan District in 2015 is IDR 2,110,500,- PT Rimba Harapan Sakti has had licenses to use the mill engines, such as generator set, steam boiler, and so forth. 2 x 24 hours reporting time in case of occupational accidents. PT Rimba Harapan Sakti has obtained Decree of Legalization of Guiding Committee of Occupational Health and Safety. PT Rimba Harapan Sakti has been routinely reporting the Guiding Committee of Occupational Health and Safety. 	<p>PT RHS has been reporting work accidents within 2x24 hours to Workers Social Security Agency (BPJS). Occupational accidents are reported every 3 month to Labor Service in the report of Guiding Committee of Occupational Health and Safety. In the near future, the company will report within 2x24 hours to BPJS and Labor Service of Seruyan in case of accidents.</p>	<p>The unit management of estate and mill is committed to provide personal protective equipment (PPE) for workers and first aid equipment at the work site.</p> <p>Examples of field visit at the Harvesting area namely Block D77 Division I (RHS 1) and Block H54 Division IB (RHS 2), as well as Manuring area namely Block H54 Division IB (RHS 1) and Application/herbicide spraying at Block H57 Division IB (RHS 2) showed that the workers were wearing PPE.</p>
<p>Head of Pematang Limau Village</p> <ul style="list-style-type: none"> PT Rimba Harapan Sakti routinely provides assistance through CSR program to the community around particularly people of Pematang Limau Village. PT Rimba Harapan Sakti has been cooperating with Makmur Sejahtera Cooperative in developing scheme smallholding. 	<p>PT RHS will always strive to maintain harmony with all parties and carries out the CSR program in accordance with the ability of the company.</p>	<p>PT RHS has implemented the CSR program, for example:</p> <ul style="list-style-type: none"> Economic Aspect: economic empowerment of the community through business of cattle. Social Aspect: development of habitable houses for the elderly and incapacitated.

<p>Management of Makmur Sejahtera Cooperative</p> <ul style="list-style-type: none"> • Makmur Sejahtera Cooperative has been cooperating with PT RHS for the development of scheme smallholding covering an area of 186 hectares for 355 households in Pematang Limau Village. • The management of Cooperative expects PT RHS to help the licensing process. 	<p>The company basically can assists through facilities. Other decisions are on the hands of the Cooperative management in accordance with the Articles of Association they have.</p>	<p>Program of scheme smallholders has been established, for example Land Measurement of Smallholding Plan on 26 February 2015. The location is reserved for Cooperative for the people of Pematang Limau Village covering an area of 185.285 hectares.</p>
<p>Boards of Village Consultative Council/BPD</p> <ul style="list-style-type: none"> • The boards of village consultative council/BPD expects the increasing support of CSR every year. • The boards of BPD expects that the company provides scholarships for high-achievers students and college students. 	<p>CD program will continue to be run in accordance with the ability of the company and the needs of rural community.</p> <p>The program for education that had been implemented:</p> <ul style="list-style-type: none"> • Assistance of school uniforms for 120 students of SDN 01 Pematang Limau amounting IDR 10,000,000,-. • Incentive for Quran teacher as much as IDR 6,000,000 per year. <p>In the future, the field of education will be more considered including the plan of scholarship provision.</p>	<p>The company has the opportunity to implement CSR program based on the assessment of the needs of rural community around.</p>

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**4.1 Formal Sign-off of Assessment Findings**

Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.

Signed on behalf of:

PT. Rimba Harapan Sakti
Head of Sustainability



SIMON SIBURAT
Friday, August 10th 2015

Mutuagung Lestari
Lead Auditor



OKTOVIANUS RUSMIN
Friday, August 10th 2015

Appendix 1. List of Stakeholder Contacted in the RSPO Certification Process

No	Institution/NGO/Community	Address	Phone/Email	Form of Contact	Date of Contact
1	Dinas Sosial Tenaga Kerja dan Transmigrasi (Labour Office)	Seruyan	-	Interview	March 25, 2015
2	Dinas Kehutanan dan Perkebunan (Forest and Agriculture Office)	Seruyan	-	Interview	March 25, 2015
3	Kantor Pertanahan (Land Administration Office)	Seruyan	-	Interview	March 25, 2015
4	Badan Lingkungan Hidup (Environmental Office)	Seruyan	-	Interview	March 25, 2015
5	Wahana Lingkungan Hidup Indonesia	-	info@walhi.or.id ; informasi@walhi.or.id	Quisioner by Email	March 16, 2015
6	Sawit Watch Indonesia	Jl. Taman Sempur Kaler No.28, Bogor. Jawa Barat. 16129	Telp : 0251-8352171 Fax : 0251-8352047 Email : info@sawitwatch.or.id	Quisioner by Email	March 16, 2015
7	Aliansi Masyarakat Adat Nusantara	-	rumahaman@cbn.net.id	Quisioner by Email	March 16, 2015
8	Save Our Borneo	Jl. Tumanggung Tilung XI, Gg. Savero Perum Borneo Indah No. 4 Palangkaraya, Kalimantan Tengah 73111	Telp. (0536) 3245196 Email : info@saveourborneo.org	Quisioner by Email	March 16, 2015
9	WWF Indonesia	-	wwf-indonesia@wwf.or.id	Quisioner by Email	March 16, 2015
10	Village Secretary, Head of Village and several people of Pematang Limau Village	Pematang Limau Village	-	Interview	March 25, 2015
11	Gender Committee RHS 1 and RHS2	PT Rimba Harapan Sakti	-	Interview	March 25, 2015
12	Local Contractor EFB Transport and Water Transport for Mill Allocation.	Seruyan	-	Interview	March 25, 2015

Appendix 2. Assessment Program

DATE		23 – 27 March 2015	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 23 March 2015			
13.25 -14.50		JAKARTA →SAMPIT	OR/AR/AP/EH
15.30 -18.30		SAMPIT → PT RIMBA HARAPAN SAKTI	
Tuesday, 24 March 2015			
08.00 – 12.00		Opening Meeting <ul style="list-style-type: none">• Review of Previous Visit Non-conformance (Stage-1)• Document Review of Rimba Harapan Sakti POM and Supply Base (Rimba Harapan Sakti I Estate &Rimba Harapan Sakti II Estate)	OR/AR/AP/EH
12.00 – 14.00		Break	
14.00 – 16.00 16.00 – 17.00		Field Observation Rimba Harapan Sakti POM <ul style="list-style-type: none">• SCCS Verification• Workers interview (Worker Rights: payments, complaint mechanism, etc)• Land Application& Hazardous Waste Management/Hazardous Storage, WTP• Environment/EIA• Production Processing, Fire Protection & Emergency Team (Interview & Simulation)	<ul style="list-style-type: none">• OR• EH• AR• AR• AP
Wednesday, 25 March 2015			
08.00 – 17.00		Stakeholder Consultation to related agencies (the government)	• AR
08.00 – 12.00		Field Observation in Rimba Harapan Sakti I Estate <ul style="list-style-type: none">• Manuring, Spraying, Harvesting (best agricultural practices)• Land Fire facilities, etc• Worker facilities (housing, health clinic, clean water, etc) and Workers interview (Worker Rights: payments, complaint mechanism, etc)• Stakeholder Consultation to Village Adjacent of Plantation Area & Check of Boundary Stone• Conservation Area & Environment Station Monitoring• Hazardous Waste Management	<ul style="list-style-type: none">• AP• AP• EH• OR• OR• AP
12.00 – 14.00		BREAK	
14.00 – 16.00 16.00 – 17.00		<ul style="list-style-type: none">• Continuing of Field Observation• Field Observation Clarification	<ul style="list-style-type: none">• OR, AP, EH• OR, AP, EH
Thursday, 26 March 2015			
08.00 – 12.00		Field Observation in Rimba Harapan Sakti II Estate <ul style="list-style-type: none">• Manuring, Spraying, Harvesting (best agricultural practices)	<ul style="list-style-type: none">• AP

DATE		23 – 27 March 2015	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> Land Fire facilities, etc Worker facilities (housing, health clinic, clean water, etc) and Workers interview (Worker Rights: payments, complaint mechanism, etc) Stakeholder Consultation to Village Adjacent of Plantation Area & Check of Boundary Stone Conservation Area Environment Station Monitoring Hazardous Waste Management 	<ul style="list-style-type: none"> AP EH OR OR AR AP
12.00 – 14.00		BREAK	
14.00 – 15.00 15.00 – 16.30 16.30 – 18.30 19.00 – 21.00		<ul style="list-style-type: none"> Field Observation Clarification Completing of Check List Tim Auditor Meeting (Preparation for Closing Meeting) Closing Meeting 	<ul style="list-style-type: none"> OR, AR, AP, EH
Friday, 27 March 2015			
07.00 – 10.00 11.00 – 12.25		<ul style="list-style-type: none"> Travel from Plantation area to Sampit SAMPIT → JAKARTA 	<ul style="list-style-type: none"> OR, AR, AP, EH