



**PT. MUTUAGUNG
LESTARI
ASSESSMENT REPORT**

***Roundtable on Sustainable Palm Oil Certification
R S P O***

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

Name of Management Organisation : Angsana POM, PT Ladangrumpun Suburabadi - SIME DARBY Plantation Sdn Bhd
Plantation Name : Angsana Estate, Gunung Sari Estate, Pantai Bonati Estate & KKPA 4 Estate
Location : Village of Sebamban Baru, Sub District of Sei Loban, District of Tanah Bumbu, Province of South Kalimantan, Indonesia
Certificate Code : **MUTU-RSPO/006a**
Date of Certificate Issue : 6 July 2011 **Date of License Issue** : 6 July 2015
Date of Certificate Expiry : 5 July 2016 **Date of License Expiry** : 5 July 2016

Assessment	Assessment Date	PT. Mutuagung Lestari Auditors	Reviewed by	Approved by
ASA-4	26 – 29 April 2015	Bukti Bagja, Rudi Ramdani, Naila Karima, Entin Hendartin, Yohanes Hardian	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	8 June 2015

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on March 12th, 2014 with registration number **RSPO-ACC-007**

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Figure 1. Location Map of PT Ladangrumpun Suburabadi

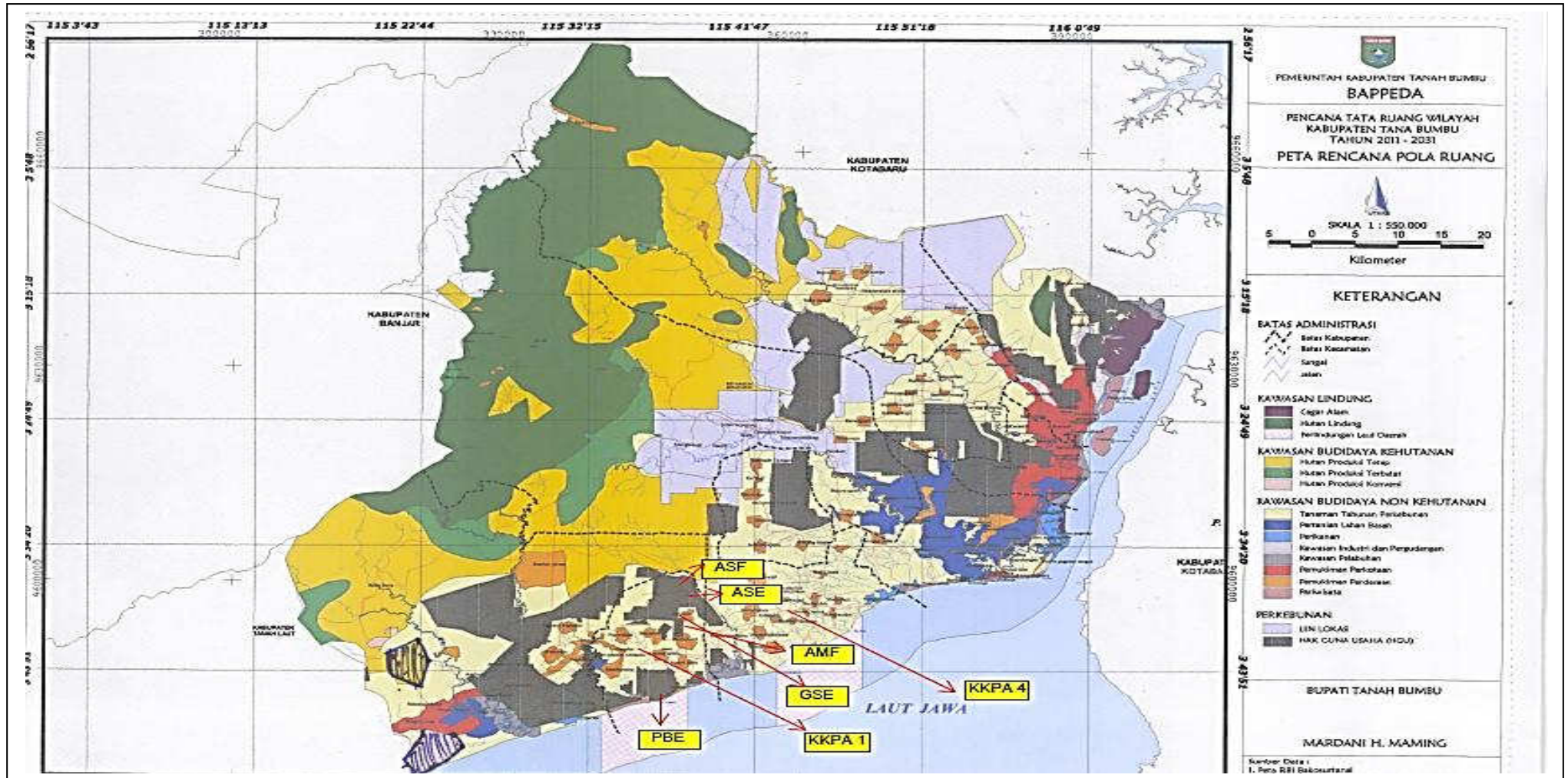
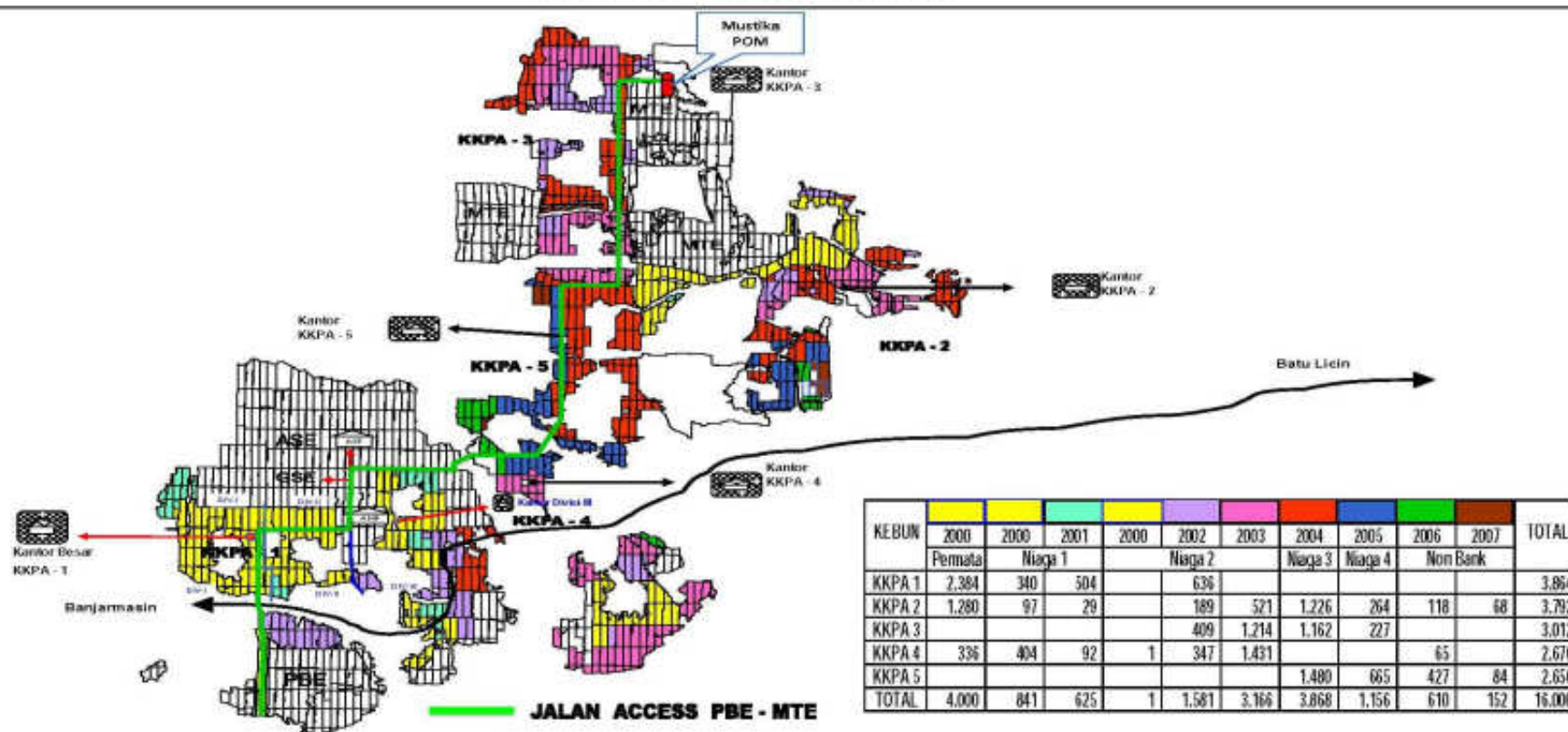


Figure 2. Operational Map of PT Ladangrumpun Suburabadi

PETA GABUNGAN KKPA DAN INTI



Abbreviations Used

AMDAL (SEIA)	:	Analisis Mengenai Dampak Lingkungan (<i>Social and Environmental Impact Assessment</i>)
APD (PPE)	:	Alat Pelindungan Diri (<i>Personal Protective Equipment</i>)
ASE	:	Angsana Estate
ASF	:	Angsana Factory
B3	:	Bahan Beracun dan Berbahaya (<i>Hazardous Material Waste</i>)
BOD	:	Biological Oxygen Demand
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
GSE	:	Gunung Sari Estate
HCV	:	High Conservation Value (Nilai Konservasi Tinggi)
HGU	:	Hak Guna Usaha. (<i>Land Use Permit</i>)
HPT	:	Hama Penyakit Tanaman (Plant pest and diseases)
IPAL (WWTP)	:	Instalasi Pengelolaan Air Limbah (<i>Wastewater Treatment Plant</i>)
IUP	:	Izin Usaha Perkebunan. (<i>Plantation Operation Licence</i>)
JAMSOSTEK	:	Jaminan Sosial Tenaga Kerja (<i>Social Assurance of Labor</i>)
Jankos / EFB	:	Janjangan Kosong / Empty Fruit Bunch
K3 (OHS)	:	Keselamatan dan Kesehatan Kerja (<i>Occupational Health and safety</i>)
KER	:	Kernel Extarction Rate
KKPA-4	:	Full Managed Plasma-4 Estate (PT Sajang Heulang Management)
LC	:	Land Clearing
LSI	:	PT Ladangrumpun Suburabadi
MRC	:	Minamas Research Center
OER	:	Oil Extraction Rate
P2K3	:	Panitia Pembinaan Keselamatan dan Kesehatan Kerja (Guiding Committee of Occupational Safety & Health)
PBE	:	Pantai Bonati Estate
PHT (IPM)	:	Pengendalian Hama Terpadu (<i>Integrated Pest Management</i>)
PK	:	Palm Kernel
PKS (POM)	:	Pabrik Kelapa Sawit (Palm Oil Mill)
POME	:	Palm Oil Mill Effluent
RKL/RPL	:	Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan. (<i>Environmental Management Plan/ Environment Monitoring Plan</i>)
RSPO	:	Roundtable on Sustainable Palm Oil
SIA	:	Social Impact Assessment
SOP	:	Standard Operating Procedure
S1	:	Surveillance 1
S2	:	Surveillance 2
S3	:	Surveillance 3
S4	:	Surveillance 4
TBS (FFB)	:	Tandan Buah Segar (<i>Fresh Fruit Bunch</i>)
UKL/UPL	:	Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan. (<i>Environmental Management Efforts/ Environmental Monitoring Efforts</i>)
WALHI	:	Wahana Lingkungan Hidup Indonesia
Sawit Watch	:	LSM yang fokus pada komoditas kelapa sawit

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 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	Organization Information						
1.2.1	Organisation name listed in the certificate	PT Ladangrumpun Suburabadi - SIME DARBY Plantation Sdn Bhd					
1.2.2	Contact person	Mohamad Pirabaharan					
1.2.3	Organisation address and site address	Head Office : No.2, Plantation Tower, Jalan PJU 1A/7 Petaling Jaya, Malaysia 47301 Liason Office : The Plaza Lt. 36 Jl MH Thamrin Kav. 28-30 Jakarta 10350					
1.2.4	Telephone	+62-21-29926000					
1.2.5	Fax	+62-21-29922686					
1.2.6	E-mail	mohamad.pirabaharan@simedarby.com					
1.2.7	Web page address	www.simedarby.com					
1.2.8	Management Representative who completed the application for certification	Mohamad Pirabaharan (Head of PSQM)					
1.2.9	Registered as RSPO member	07 September 2004 (1-0008-04-000-00)					
1.3	Type of Assessment						
1.3.1	Scope of Assessment and Number of management unit	Palm Oil Mill and supply base <ul style="list-style-type: none"> Angsana Mill, Angsana Estate, Gunug Sari Estate, Pantai Bonati Estae, KKPA 4 Estate 					
1.3.2	Type of certificate	Single					
1.4	Locations of Mill and Plantation						
1.4.1	Location of Mill						
	Name of Mill	Location	Coordinate <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>S 03° 36' 43"</td> <td>E 115° 26' 35"</td> </tr> </table>	Latitude	Longitude	S 03° 36' 43"	E 115° 26' 35"
Latitude	Longitude						
S 03° 36' 43"	E 115° 26' 35"						
	Angsana Factory	Village Sebamban Baru, Sub District of Sei Loban, District of Tanah Bumbu, Province of South Kalimantan					
1.4.2	Location of Certification Scope of Supply Base						
	Name of Supply Base	Location	Coordinate <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>S 3° 38' 45" – 3° 35' 39"</td> <td>E 115° 34' 04" - 115° 38' 11"</td> </tr> </table>	Latitude	Longitude	S 3° 38' 45" – 3° 35' 39"	E 115° 34' 04" - 115° 38' 11"
Latitude	Longitude						
S 3° 38' 45" – 3° 35' 39"	E 115° 34' 04" - 115° 38' 11"						
	Angsana Estate	Village of Bayansari, Sub District of Angsana, District of Tanah Bumbu, Province of South Kalimantan					

Gunung Sari Estate	Village of Bayansari, Sub District of Angsana, District of Tanah Bumbu, Province of South Kalimantan	S 3° 41' 27" – 3° 37' 40"	E 115° 33' 34" - 115° 39' 46"
Pantai Bonati Estate	Village of Angsana, Sub District of Satui, District of Tanah Bumbu, Province of South Kalimantan	S 3° 41' 35" – 3° 46' 05"	E 115° 32' 23" - 115° 41' 56"
KKPA 4 Estate	Village of Sebamban Lama, Sub District of Angsana & Sungai Loban, District of Tanah Bumbu, Province of South Kalimantan	S 3° 41' 65" – 3° 46' 75"	E 115° 06' 25" - 115° 07' 25"

1.5	Description of Area Statement	
1.5.1	Tenure	
	• State	11,484.497 Ha
	• Community	- Ha

1.5.2	Area Statement					
	Item	Angsan Estate (Ha)	Gunung sari Estate (Ha)	Pantai bonati Estate (Ha)	KKPA Estate (Ha)	TOTAL (Ha)
	• Mature area	2,747.04	2,557.06	907.43	2,676.34	8,887.87
	• Immature area	-	-	-	-	-
	• Mill/infrastructure/building	160.56	155.544	174.4	8	498.504
	• Nursery	-	-	-	-	-
	• Occupation	-	120	90.953	-	210.953
	• Reserved area	296.06	-	1,544.78	-	1,840.84
	• HCV	46.33	-	-	-	46.33
	• Others area	-	-	-	-	-
	Total area	3,249.99	2,832.604	2,717.563	2,684.34	11,484.497

1.6	Planting Year and Cycles					
1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		Angsana Estate	Gunung Sari Estate	Pantai Bonati Estate	KKPA 4	Total
	1995	-	593.986	-	-	593.986
	1996	628.26	833.739	-	-	1,461.99
	1998	1,409.39	1,129.333	907.43	-	3,446.15
	1999	95.21	-	-	-	95.21
	2000	75.12	-	-	741	816.12
	2001	-	-	-	92	92
	2002	-	-	-	347.1	347.1
	2003	-	-	-	1,431.41	1,431.41
	2006	320.54	-	-	64.83	385.37
	2007	181.9	-	-	-	181.9
	2008	36.62	-	-	-	36.62
	TOTAL	2,747.04	2,557.06	907.43	2,676.34	8,887.87
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 (%)
	Angsana Factory	60	138,528.15	42,652.82	30.79	9,433.76	6.81
	<i>*Production data source from April 2014 – March 2015</i>						
1.7.2	Description of Certification Scope of Supply Bases						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Angsana Estate	3,249.99	2,747.04	50,962.72	18.55	50,962.72	36.78
	Gunung sari Estate	2,832.604	2,557.06	47,017.41	18.38	47,017.41	33.94
	Pantai bonati Estate	2,717.563	907.43	16,744.59	18.45	5,631.64	4.06
	KKPA 4 (1,847 Smallholders)	2,684.34	2,676.34	43,683.76	16.32	34,864.71	25.16
	TOTAL	11,484.497	8,887.87	158,408.48	17.82	138,476.48	99.96
	<i>*Production data source from April 2014 – March 2015</i>						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location			Supplied to Mill FFB (tonnes/year)	
	KKPA 1 *RSPO Certified	Full Manage Scheme Smallholder of PT Sajang Heulang	Sub District of Satui, District of Tanah Bumbu, Province of South Kalimantan, Indonesia			51.666	
	TOTAL					51.666	
	<i>*Production data source from April 2014 – March 2015</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 (tonnes/year)		Actual certified product (tonnes/year)	
	• FFB Production			184,818		157,436.79	
	• CPO Production			43,432.23		33,019.46	
	• Palm Kernel (PK) Production			8,316.81		7,345.35	
	<i>** Certificate Claim period 6 July 2014 – 5 July 2015</i>						
	<i>** Actual Production period 6 July 2014 – 25 May 2015</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)	
	Angsana Estate	3,249.99	2,747.04	55,852		20.33	
	Gunung sari Estate	2,832.604	2,557.06	49,368		19.30	
	Pantai bonati Estate	2,717.563	907.43	17,470		19.25	
	KKPA 4 (1,847 Smallholders)	2,684.34	2,676.34	45,868		17.13	
	TOTAL	11,484.497	8,887.87	168,558		18.96	
	<i>*Projected FFB production for 12 months of certificate</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 (%)
	Angsana	60	168,558	51,899	30.79	11,479	6.81
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>						
1.9	Other Certifications						
	ISO 9001:2008			-			
	ISO 14001: 2004			-			
	OHSAS 18001:2007			-			
	ISCC			-			
	HACCP			Certified No. 026/MC HACCP/2009 dari Mutuagung Lestari valid to 21 January 2016.			
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location		
	MILL	Time Bound Plan					
	Sekunzir. PT. Indotruba Tengah	Certified 2010	Sekunzir	Certified 2010	Seruyan and West Kotawaringin District – Central Kalimantan		
			Seruyan	Certified 2010			
	Manggala. PT. Tunggal Mitra Plantations	Certified 2010	Manggala 1	Certified 2010	Rokan Hilir District – Riau		
			Manggala 2	Certified 2010			
			Manggala 3	Certified 2010			
	PT. Sime Indo Agro	Certified 2010	PT. Sime Indo Agro	Certified 2010	Sanggau District –West Kalimantan		
	Teluk Siak. PT Aneka Inti Persada	Certified 2011	Teluk Siak	Certified 2011	Pekanbaru, Siak District – Riau		
			Pinang Sebatang	Certified 2011			
			Aneka Persada	Certified 2011			
	Sungai Pinang. PT. Bina Sains Cemerlang	Certified 2012	Sungai Pinang	Certified 2012	Musi Rawas District – South Sumatera		
			Bukit Pinang	Certified 2012			
	Pemantang. PT. Teguh Sempurna	Certified 2011	Pemantang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan		
			Kawan Batu	Certified 2011			
			Hatan Tiring	Certified 2011			

		Batang Garing	Certified 2011	
Alur Dumai. PT Lahan Tani Sakti	Certified 2011	Alur Dumai	Certified 2011	Rokan Hilir District – Riau
Teluk Bakau. PT. Bhumireksa Nusa Sejati	Certified 2011	Teluk Bakau	Certified 2011	Indra Giri Hilir District – Riau
		Nusa Perkasa	Certified 2011	
		Nusa Lestari	Certified 2011	
Mandah. PT. Bhumireksa Nusa Sejati	Certified 2014	Mandah	Certified 2011	Indra Giri Hilir District – Riau
		Rotan Semelur	Certified 2011	
Angsana Mini. PT Sajang Heulang	Certified 2011	KKPA-1 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		Pantai Bonati	Certified 2011	
Angsana. PT Ladangrumpun Suburabadi	Certified 2011	Angsana	Certified 2011	Tanah Bumbu District – South Kalimantan
		Gunung Sari	Certified 2011	
		KKPA-4 PT.SHE	Certified 2013	
Mustika. PT Sajang Heulang	Certified 2013	KKPA-2 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		KKPA-3 PT.SHE	Certified 2013	
		KKPA-5 PT.SHE	Certified 2013	
Gunung Aru. PT Bersama Sejahtera Sakti	Certified 2011	Gunung Aru	Certified 2011	Kotabaru District – South Kalimantan
		Gunung Kemasan	Certified 2011	
		Laut Timur	Certified 2011	
		Pantai Timur	Certified 2011	
Bebunga. PT. Langgeng Muaramakmur	Certified 2011	Sungai Cengal	Certified 2011	Kotabaru District – South Kalimantan
		Bebunga	Certified 2011	
		KKPA Sungai Cengal	2014	
Pondok Labu. PT Paripurna Swakarsa	Certified 2012	Binturung	Certified 2012	Kotabaru District – South Kalimantan
		Pondok Labu	Certified 2012	
		Rampa	Certified 2012	
		Sesulung	Certified 2012	
Selabak.	Certified	Selabak	Certified	Kotabaru District – South Kalimantan

PT Swadaya Andhika	2012		2012	
		Randi	Certified 2012	
		Sangkoh	Certified 2012	
		Lanting	Certified 2012	
Rantau. PT Laguna Mandiri	Certified 2012	Rantau	Certified 2012	Kotabaru District – South Kalimantan
		Matalok	Certified 2012	
Betung. PT Laguna Mandiri	Certified 2014	Betung	Certified 2012	Kotabaru District – South Kalimantan
		Sekayu	Certified 2012	
Ungkaya. PT Tamaco Graha Krida	Certified 2012	Ungkaya	Certified 2012	Morowali District – Sulawesi Tengah
		Plasma TGK	2015	
Ladang Panjang. PT Bahari Gembira Ria	Certified 2012	Ladang Panjang	Certified 2012	Muaro Jambi District - Jambi
		Plasma BGR	2015	
Rantau Panjang. PT Guthrie Pecconina Indonesia	Certified 2012	Rantau Panjang	Certified 2012	Musi Banyuasin District – South Sumatera
		Bumi Ayu	Certified 2012	
		Karang Ringin	Certified 2012	
		Napal	Certified 2012	
		Mangun Jaya	Certified 2012	
Blang Simpo. PT Perkasa Subur Sakti	Certified 2013	Tamiang (PT PPP)	Certified 2013	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam
		Batang Ara ((PT PSK))	Certified 2013	
		Blang Simpo-01 (PT PPP)	Certified 2013	
		Blang Simpo-02 (PT PPP)	Certified 2013	
MAS. PT Mitra Austral Sejahtera	2020	MAS 1	2020	Sanggau District – West Kalimantan
		MAS 1	2020	
		MAS 1	2020	
Lembiru. PT Sandika Nata Palma	Certified 2014	Lembiru	Certified 2014	Ketapang District – West Kalimantan
		Awatan	Certified 2014	
		Karya Palma	2016	
		Pelanjau (PT BAL)	2018	
		Sungai Putih (PT BAL)	2018	
		Baturus (PT BAL)	2018	

	<p>Sime Darby has achieved 39 Management units in Malaysia and 21 Management Units in Indonesia RSPO certified. There was change of the Time Bound Plan under Sime Darby cause the Sime Darby postpone the others certification process. Change of the Time Bound Plan explanation:</p> <p>PT Mitra Austral Sejahtera. There are social issue still unresolved from the Serikat Petani Kelapa Sawit (SPKS) Sanggau, however the improvement are in progress.</p> <p>Sime Darby has informed the Time Bound Plan progress, MUTUAGUNG has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>
1.10.2	<p>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</p> <p>All associates sources of FFB which supplied to Angsana POM PT Ladangrumpun Suburabadi are RSPO certified.</p>

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-4	<p>1. Bukti Bagja (Lead 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. At this time the surveillance activities on verifying aspects: legal, social and conflict resolution. Covered the legal, Social Aspect, GHG, hazardous waste and conservation and supply chain.</p> <p>2. Rudi Ramdani (Auditor). Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty of Bogor Agricultural University. He has experienced more than two years as an operational staff in a private oil palm plantation company in Indonesia. He also followed training he namely: Indonesian Sustainable Palm Oil auditor, Awareness RSPO, Management System Certification (ISO 9001:2008) training and awareness OHSAS. Currently he works for Independent Certification Body. He had involved activities RSPO and ISPO certification assessment as an auditor. Covering the best agricultural practices, Integrated Pest Management.</p> <p>3. Naila Karima (Auditor). Bachelor of Public Health, Department of Occupational Health and Safety. Faculty of Public Health, University of Indonesia. She had experience working in private oil palm plantation companies in Indonesia. She had followed training such as ISPO Lead Auditor, awareness training the RSPO certification system, awareness training Occupational Health and Safety Management System (PP No. 50 year of 2012), and Integrated Management System (OHSAS 18001:2007, ISO 14001:2004, and ISO 9001:2008). Covered safety and health, worker welfare and gender issue.</p> <p>4. Entin Hendartin (Auditor). Doctorate from the Faculty of Forestry, Bogor Agricultural University in 2011. She has followed training as Lead Auditor of RSPO, ISPO and Certification of Sustainable Forest Management (SFM) Scheme Indonesian Ecolabelling Institute (LEI) and the Ministry of Forest Management. Experts in the field of environment, social, economic and cultural rights. Previously been a lecturer at the Bandung Institute of Technology. Covering the Environmental Aspect, Social Aspect.</p> <p>5. Yohanes Hardian (Auditor). Diploma 3 Forest Resource Conservation, Faculty of Forestry, Bogor Agricultural University, specialist in the field of environment and wildlife. HCV attended training. Has been involved in several managers identification of HCV Oil Palm Plantation. Worked as an environmental staff on Oil Palm Plantation. Have been trained as ISPO auditor, ISO 9001 & ISO 19011 and awareness training of RSPO certification. Covering the Environmental Aspect, Conservation Aspect.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-4	<p>Number of auditors : 5 auditor</p> <p>Number of days for ASA-4 at site : 4 days</p> <p>Number of working days for ASA-4 at site : 20 Working days</p>
2.2.2	Detail process of assessment
ASA-4	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Ladangrumpun Suburabadi to the requirements of RSPO Principles and Criteria (P&C) for 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).</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>Some opportunities for improvement of the results ASA-4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (RC).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this RC assessment. All</p>

information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-4**.

The assessment program please find Appendix 2

2.2.3	Locations of Assessment
ASA-4	<p>Angsana POM</p> <ol style="list-style-type: none"> 1. Processing Stage (loading ramp till dispatch). Observation on the FFB processing stage to be CPO, OHS and emergency response implementation, environmental impact management effort (location of air quality, noise & vibration test) and procedure of MB supply chain. 2. First aid is not well maintained. Therefore, the management unit needs to ensure the consistent first aid kit monitoring. (Observation) 3. PPE provision and using. According to the interview with the loader operator, the PPE are replaced once a year. However, according to the actual condition, several PPE have been broken before the replacement period. Therefore, the company needs to evaluate the PPE usage period referring the work station. 4. Workshop. Observation on the machine and other instruments maintenance programs. 5. Laboratory. Observation on the sampling test and laboratory OHS implementation. 6. Sanitary. All stations in mills are well cleaned. The FFB processing runs by referring the SOP. <p>Gunung Sari Estate</p> <ol style="list-style-type: none"> 7. Workshop. Observation on the heavy equipments and vehicle maintenance, there are PPE for operator and mechanic such as safety boots, helmet, leather gloves, hazardous waste management (used oil and filter are collected on one drum) there is no oil spillage on the ground (concrete floor). 8. Fertilizer Warehouse. Observation on the fertilizer storing, fertilizer stack is less than 3 meters and lies on the wood floor, there are symbols of hazardous waste, MSDS and fire extinguisher. 9. Agrochemical Warehouse. Observation on the chemical pesticide storing, there are MSDS and work instruction, the chemical mixing station is supported with eyewash and PPE such as glasses, gloves and masker. 10. 10,000 liter of diesel fuel tank. The building is supported with secondary containment, flowmeter and nozzle, symbols of hazardous waste and MSDS. There is no spillage on the ground (concrete floor). 11. Hazardous waste storage. Observation on the hazardous waste storage for the waste such as used oil and filter, rag and ex-pesticide containers, the permanent building is supported with the symbol of hazardous waste and fire extinguisher. 12. Block G20-21, Division II of GSE & Block K11, Division I of KKPA 1. Observation & interview with the sprayers team in term of the safety work procedure, provision of PPE, spraying vehicle unit, the employees rights and the proper PPE usage such as boots, apron, gloves, masker and glasses). The personnel transport vehicle and the spraying materials are well maintained. The foreman is supported with mobile first aid kit. The women workers have aware of the reproduction rights. The permanent workers have been registered to the labour social assurance. The policy in term of riparian area protection has been well known by the sprayers. The sprayers have also been registered on the annual medical check up. 13. Block H22, Division II of GSE. Observation and interview with the FFB loaders. The loaders are equipped with the proper PPE such as helmet and boots. The permanent workers have aware of their rights in term of the labour social assurance (Jamsostek) and they have became the labour union member. 14. Block I22, Division II of GSE & Block 08, Division I of KKPA 1. Observation in term of the EFB application to the sandy soil. 15. Block E13, Division II of GSE & Block H11-12, Division I of KKPA 1. Observation and interview with the harvesters. The harvesters are equipped with the proper PPE such as helmet and boots. The permanent

workers have aware of their rights in term of the labour social assurance (Jamsostek) and they have become the labour union member.

16. **Block C22, Division I of ASE.** Observation on the erosion rate by using erosion poles. The erosion poles are well maintained.
17. **Block B22, Division 3 of ASE.** Observation on the barn owl box and interview with the workers in term of the pest and disease condition at the harvesting block. The barn owl box is not occupied by the barn owl. However, there are rat bones inside. The workers inform the auditor that there is no pest and disease attack.
18. **Block E10.** Observation on the riparian area management and woody plants planting to enrich the biodiversity.
19. **Land Use Title (HGU) boundary with plantation business permit next to the mining complex in Division III of Angsana Estate.** Observation on the demarcation and boundary with well installed plantation business permit.
20. **Land Use Title (HGU) boundary poles on the western part of Division III of Gunung Sari Estate.** Observation on the field visit to GSE Land Use Title (HGU) boundary (western boundary of PT. LSI). Most of the poles are not found.
21. **HCV riparian area in Block D16, Division III of Gunung Sari Estate.** Observation on the result of field visit, the riparian area HCV is well maintained and the warning signboards are installed as well.

Central Clinic

22. Observation on the medical service and interview with the company doctor (hyperkes-certified doctor) in term of the cooperation with the Medical BPJS, medical promotion, MCU, work accident action, procedure of recommendation and storing of medical waste. Clinic permit is referring the decree of the Head of Health Agency number 445.2.02.1.013-VIII-2013 which valid till August 28th 2016.

KKPA-4

23. **10,000 liter of diesel fuel tank.** The building is supported with secondary containment, there are flowmeter and nozzle, there is no spillage on the ground (concrete floor), there are symbols of hazardous waste and MSDS.
24. **Fertilizer Warehouse.** Observation on the fertilizer storing, fertilizer stack is less than 3 meters and lies on the wood floor, there are symbols of hazardous waste, MSDS and fire extinguisher.
25. **Agrochemical Warehouse.** Observation on the chemical pesticide storing, there are MSDS and work instruction, the chemical mixing station is supported with eyewash and PPE such as glasses, gloves and masker.
26. **Workshop.** Observation on the heavy equipments and vehicle maintenance, there are PPE for operator and mechanic such as safety boots, helmet, leather gloves. According to the interview with the head of workshop, the PPE are replaced once a year. However, according to the actual condition, several PPE have been broken before the replacement period. Therefore, the company needs to evaluate the PPE usage period referring the work station
27. **HCV riparian area in Division 1 of KKPA 4.** Observation on the field visit to the border of the nucleus estate. The boundary poles are well maintained. The poles are a crafted stone. It was made by PT. LSI.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-4	Summary of stakeholder consultation process

	<p>Consultation of stakeholders for PT Ladangrumpun Suburabadi was held by: Public Notification in MUTU website (www.mutucertification.com) at April, 10 2015. Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples at 27 April 2015. Numbers of input from stakeholders were clarified by PT Ladangrumpun Suburabadi management and as input information of team auditor surveillance 4.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (RC) will be determined one year after this ASA-4 (March – Mei 2016).

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Angsana POM – PT Ladangrumpun Suburabadi, Sime Darby Plantation Sdn Bhd operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there were six (6) Nonconformities were assigned against Minor compliance Indicators; one (1) Minor nonconformance against RSPO certification system and three (3) opportunities 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 actions that had been reviewed and accepted by Auditor(s) in form of documentation evidences e.g. (*document record*). Those corrective actions taken that consist of 1 (one) Minor non-conformity against RSPO certification system had been closed out. Six (6) Nonconformities which were assigned against Minor Compliance Indicators; and three (3) opportunity(s) for improvement shall be verified during next assessment.

MUTUAGUNG LESTARI found that Angsana POM – PT Ladangrumpun Suburabadi, Sime Darby Plantation Sdn Bhd complied with the requirements of RSPO 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 **Continued**.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
	<p>The management unit has all the needed documents referring the applied regulations such as Land Use Title (HGU) certificate, document of EIA/environmental management and monitoring plan, document of social and manpower impact assessment. Therefore, the company is able to provide the information needed by the stakeholders in term of the aspect of legal, environment management, social management and manpower. The management unit also has procedure which regulates the public access over the documents. Furthermore, the management unit also reports the documents to the associated agencies routinely. For example:</p> <ul style="list-style-type: none"> Report of Guiding Committee of Occupational Safety & Health in 1st quarter of 2015 (January – March 2015) to the Head of Tanah Bumbu District Manpower Agency. There is a document receipt paper from the associated agency on April 17th 2015 on behalf of Apri Narulah. <p>The management unit has SOP of information request dated May 1st 2014 for PT LSI SOU 4-Angsana. According to the document, all information request letters should be purposed to the Manager of Operational Unit. The response over the document should be given within 1 week and if the request needs the approval from the Head of Department it would be responded within 1 month.</p> <p>The Gunung Sari Estate management unit has log book of the incoming letter sent by the stakeholders. There were 38 incoming letters during period of 2014. There are 9 incoming letters during period of 2015 so far. Most of the letters are</p>	

asking the assistance for providing place at the company to be a practical laboratory for the vocational students, fund assistance request, and invitation. During period of 2014 and 2015, there were 7 incoming letters. Most of the letters are asking the road grader assistance, fund assistance request for mosque and park construction.

Status: Compliance

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 management unit has the list of the publicly-accessed document written on the SOP of information request, revision 02. It was issued by SOU 4 (Puji Sasmito) on April 28th 2015. The publicly-accessed documents are the LC hectareage, immature plants, mature plants, facilities, evidence of the labour social assurance payment, evidence of the employees medical service payment, employees public facilities, data of pest and disease attack, data of the heavy equipments and the light vehicle, data of the operational building, data of the supporting machines, data of the conducted CSR programs, data of bridge, data of the road length, data of the public building, data of the school building, type of the fertilizer used by the company, type of the agrochemicals used by the company, data of the permanent employees, data of the students, plantation business permit, EIA document, Land Use Title (HGU) certificate, OHS plan, plan and assessment on the social and environment impact, HCV documentation, plan of the pollution reduction and prevention, detail of the complaint and disgruntle, procedure of negotiation, plan of the sustainable corrective action, public summary of the certification assessment report and human rights policy.

The management unit is able to show the evidence of the socialization of the mentioned documents on September 8th 2014. According to the interview with the staff of Bayansari Village, Gunung Sari Estate management unit was informing the list of the publicly-accessed documents. However, the village staff have it forgotten.

Status: Compliance

1.3

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

The management unit shows the policy of business ethic number 440/HRM-COC/07. It was approved by the GM, SGM, HPO, and GHPI on May 24th 2007. The management unit develops the business ethic by considering the stakeholders expectation over the company and how to implement the ethic code including the monitoring, reporting and sanction over the ethic code violence. The commitment on the interaction with the stakeholders become the first priority of the company and it becomes the part of company's business ethic as well as creating the additional values. The stakeholders and its expectations are well described in detail. Furthermore, the management unit also composes the work ethic code which regulates the individuals basic behaviour and their attitude and aptitude in and off the company. The socialization was held on September 8th 2014. It was attended by 64 employees who represents several operational units. According to the interview with the GSE staff, the employees have aware of the ethic code for the employees.

Status: Compliance

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

There are evidence of the management unit compliance over the legal requirements. For example:

- Compliance over the decree of the South Kalimantan Governor number 188.44/0633/KUM/2014 dated December 16th 2014 in term of the minimum wage standard for Tanah Bumbu District for period of 2015 for IDR 1,913,000. The decree shall started to be implemented on January 1st 2015. The management unit shows the memorandum from the General Manager of HRM Number 014/HRM-13/I/2015 dated January 12th 2015 in term of the daily permanent workers salary and the monthly permanent workers structure for period of 2015 in South Kalimantan. The lowest wage on class 1G is IDR 1,940,505 and the highest wage on class 8A is IDR 2,378,005. The wage excludes the income tax cut.

The management unit has composed the document of the regulation compliance. It covers the type of the existed regulation, compliance status (document/program reference) and the information. The future-evaluated documents on regulations per April 1st 2015 covers 122 type of regulations (regional and national). According to the evidence, the document has been successfully updated referring the changes on the regulation in aspects of plantation, environment and manpower which are considered relevant with the operational programs. The management unit evaluates the statute regulation per April 1st 2015. The document contains the regulation, description, compliance status, evidence of the compliance and information. The management unit has document of the procedure of law requirements in policy number 301/LSI - HKM-05/11. The procedure regulates the units in charge over the regulation compliance, identification and inventory over all law requirements, evaluation of the regulation compliance, updating the result of evaluation of the regulation and monitor the operational units performance over the regulation and guideline which are determined as the reference to decide the compliance and to ensure the performance improvement to be annually updated.

Status: Compliance

2.2

The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.

a. PT. LSI

Just like previous assessment result, PT. LSI has legal land acquisition in form the Land Use Title (HGU) certificate for 6,077 Ha. For example:

- Land Use Title (HGU) certificate number 19 dated July 8th 1999 for 5,909 Ha.
- Land Use Title (HGU) certificate number 43 dated June 25th 2004 for 45.50 Ha
- Land Use Title (HGU) certificate number 44, dated June 25th 2004 for 112 Ha
- Land Use Title (HGU) certificate number 45, dated June 25th 2004 for 10,50 Ha.

Furthermore, PT LSI has achieved Building Use Title (HGB) number 1 on May 19th 2006. It was issued by the Kotabaru District National Land Agency for 49,927 m². The area where the Land Use Title (HGU) has been achieved by the company is Gunung Sari Estate for 2,833 Ha. It consisted of 2,571 Ha of the planted area, 9 Ha of area for mill and 120 Ha of the occupied area.

The legal boundary of PT. LSI is determined by the applied Land Use Title (HGU) map. In order to maintain the poles, PT LSI has the Book of Pole which shows the coordinate of the Land Use Title (HGU) poles and the actual condition based on the monitoring result (census of the Land Use Title (HGU) poles of Gunung Sari Estate on 2012). According to the field visit to the western border of GSE Land Use Title (HGU), most of the Land Use Title (HGU) poles are not found.

According to the pole monitoring and field verification in GSE, there are several missing Land Use Title poles (more than 90 poles). However, there is no proper action plan to ensure the legal demarcation boundary referring the regulation. Especially the government regulation in term of the land registration. Based on the explanation, raised **the non conformance NC.2015.1 with minor category.**

According to the result of previous assessment, all occurred conflicts till period of 2013 have been solved referring the applied SOP. There are evidence of the conflict resolution. For example:

- Official Record of the land lease and payment receipt for the land claim which was expressed by the villagers of Waringin Tunggal Village and Tiberao Panjang Village in block K and I of SHE in period of 2008.
- Declaration letter of the land owners in Sebanban Baru Village. It was witnessed by the Chief of Village on its resolution on August 10th 2009.

Land Claim in Pantai Bonati

According to the interview with the staff of legal division of PT LSI, there is a record of land conflict / claim over the nucleus estate caused by the unfinished scheme smallholders establishment. According to the letter sent on March 27th 2015, the community of Sumber Sari and Dwi Marga Village claims the nucleus estate as the substitution over the unfinished scheme smallholders establishment for both villages.

According to the SOP, the company solve the dispute by holding dialogue and by accelerating the scheme smallholders establishment. According to the field visit, there is no significant conflict which disturbs the estate operational. The dialogue process is still conducted by the company so far (ongoing negotiation/negotiation in progress).

According to the interview with the locals and PT LSI management, and the field visit, there is no indication of violence conducted by both parties to solve the conflict resolution. It is shown by the official record of the forum for the disputed land with the locals and the mining company.

Overlap with the mining company

Furthermore, there is also a Land Use Title (HGU) overlap with the coal mining company during ASA-4 assessment. In order to solve the dispute, the company hold dialogue and agreement with the coal mining industrialist. For example:

- Official record of the mining business permit boundary poles installation of PT. Palmsphere for bordering PT. LSI area,
- Official record of the plants calculation associated with the plants overthrow for the road construction by PT. Toudano Mandiri Abadi, and
- An agreement between PT. LSI with PT. Sumber Global Energi on October 15th 2014 in term of the usage of PT LSI area as the mining road of PT. SGE for 3 km.

Hence, all the conflicts and the Land Use Title (HGU) overlap with the mining business permit have been solved by signing agreement of land usage to avoid the significant conflict.

The estate land mapping with the mining business permit has been well conducted. Therefore, the hectareage of the estate land used to support the coal mining operations can be surely known including the supporting facilities such as the mining road. Evidence of the land mapping are as follows:

- Official record of the installation of mining business permit boundary pole of PT. Palmsphere bordering PT. LSI on February 2015
- Official record of the plants overthrow for constructing the mining road and area.
- Map in detail scale which shows the result of measurement on the mining complex and facilities.

b. PT. Sajang Heulang – KKPA 4

The KKPA 4 estate which supply the FFB to Angsana POM is the full-managed community land by PT. Sajang Heulang. The cooperation on the land management is conducted by referring the agreement between PT. Sajang Heulang with Tuwuh Sari Cooperative Unit. The agreement was signed on January 5th 2000.

Furthermore, the area of KKPA 4 is also the area of the land owned by the community of Angsana Village (Indigenous). The area still has the land certificate paper from the Chief of Village. During the cooperation period, PT. SHE facilitates the progress of ownership certificate paper for the community land which the land status is still considered as "land certificate paper".

The legal boundary demarcation is not only the bordered by the poles but also by the natural boundary such as road, river and trench. According to the field observation result, the estate is clearly bordered by the road, river and trench.

According to the interview, there is no dispute within KKPA 4 – PT. SHE area. At the beginning of the estate establishment, there is an MoU of the scheme smallholders on January 5th 2000. It shows the voluntarily cooperation between the locals and the company. The KKPA land is still owned by the locals. Therefore, no compensation need to be paid.

There is no land conflict once and during the agreement due to each smallholder is given 2 Ha of the land. The shareprofit is based on the monthly profit and referring the planting year.

In order to avoid the conflict, the management of PT SHE and the board of cooperative unit hold monthly LPKP assembly. Tuwuh Sari Cooperative Unit hold annual member assembly (RAT) to report the development of the cooperative unit business division and the finance report.

Minor 2.2.2	Status: Non conformance NC.2015.1 with minor category
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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.

a. PT. LSI

According to the result of previous assessment, there is no customary and traditional land within GSE – PT LSI area. The locals are mostly dominated by the transmigrants who build transmigrant village. It is supported by Tanah Bumbu District National Land Agency in decree number 000/175/KP.12 dated July 15th 2010 to clarify the status of area within PT LSI.

The transmigrant land for the estate has been compensated by the company. It was compensated based on the agreement on October 31st 1998. The company agreed to establish scheme smallholder for the locals of both village in other location.

There are evidence of the land dispute resolution. For example:

- Official record of payment for the land claimed by the locals of Waringin Tunggal Village and Tiberao Panjang Village in block K and I of PT SHE on 2008.
- The declaration of the land owner in Sebamban Baru Village which was witnessed by the Chief of Village on August 10th 2009.
- Evidence of the collectively-agreed land compensation. It is agreed by all the parties involved on conflict in form of the land waiver, payment receipt, official record, the location of the land dispute, compensation process photographs and copy of the ID of the parties. For example, at the land dispute resolution of Mr Suriani's land for 40 Ha per August 11th 2010.

During the period of socialization of nucleus estate establishment (early estate establishment) and scheme smallholder establishment, all relevant information must be available in proper form and language including the impact assessment, profit share and legal regulations.

On the negotiation process, the locals have been represented by the institutions or the representatives they appoint. For example, according to the agreement on 1998, the locals are represented by the village apparatus. It was witnessed by the Head of Sub-District and the company.

KKPA 4 – PT. Sajang Heulang

There is no compensation process for the KKPA 4 land. It does not disturb the customary right nor the legal right because KKPA 4 is the community's land. the KKPA area which is considered as the transmigration soil are located in Villages of Purwodadi, Bayan Sari, Banjar Sari, Makmur, and Karang Indah. All of them belong to the community

(Ownership Certificate Paper). Several legality of land area belong to Angsana Village are still proven by the "Land Certificate Paper". During the cooperation period, PT. SHE facilitates the progress of ownership certificate paper for the community land which the land status is still proven by "Land Certificate Paper"

According to the information from the board of Tuwuh Sari Cooperative Unit, the KKPA agreement has been implemented voluntarily, transparently and fairly. The process of socialization and dialogue before the establishment of KKPA is well held. Therefore, the locals have aware of the risk and implication of KKPA program. For example, there is an evidence of socialization. It was held on February 8th 1998 between PT. SHE and the locals (103 participants). It was socializing the KKPA project agenda in PT SHE.

The copy of agreement with the locals for establishing KKPA 1 is available in form of the cooperative agreement. It is the agreement between the company and Tuwuh Sari Cooperative Unit for developing 400 hectare of the community's land on January 5th 2000. By then, the estate development shall be conducted without crossing the line.

According to the interview with the board of cooperative unit, the negotiation process is conducted transparently. Meanwhile, the agreement is signed by the board of cooperative unit member chosen by the locals. The project is involving the government on the selection of member and land of (CPCL) KKPA 1.

Status: Compliance

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 management unit has had annual work plan and 5 years projection. Those are composed by each estate and mill unit (Angsana Mill, Angsana Estate, Gunung Sari Estate, Pantai Bonati Estate and KKPA 4). The business plan for Angsana Mill for period of 2014/2015 and the projection for period of 2016-2019 contains the source of FFB, CPO production, PK production, total of palm extraction, total budget for period of July 2014 – June 2015, projection for period of 2016-2019. Meanwhile, the business plan for GSE and KKPA are consisted of the planted land hectareage, the harvested land hectareage, FFB production, the transported FFB, the outcome, direct cost per kg of FFB, constant cost of the FFB per kg, direct cost per hectare of the mature plant and constant cost of the mature plant, actual cost for period of 2012/2013, the budget for period of 2014-2015, and the projection for period of 2016-2019.

The management unit always evaluates the realization of annual workplan along with the budget plan compilation for the next year and compare it with the 5 years workplan. The evaluated aspects are the area statement, production and production cost, workforce, housing complex and building, analysis of average of wage and the interest rate. According to the evaluation, the company adjusts the annual workplan and the next 5 years projection.

Status: Compliance

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:

- SOP of reference of palm oil plants planting agronomy manual number 110/EST-ARM/13. It consists of 18 chapters in term of the technical culture of the palm oil cultivation technical released based on the memorandum of the Head of plantation Upstream Indonesia on September 16th 2013.
- SOP of palm oil processing system, number 110/POD-FAC/07.

The procedure to inspect the consistency of the procedure implementation in PT LSI is conducted by the internal auditor

team of the Simedarby Plantation Indonesia internal auditor in form of the Plantation Advisory and Mill Advisory program. There is an example of the both programs. For example:

- Document of Plantation Advisory for GSE dated April 7th – 9th 2015. It contains the information in term of the estate performance on the aspects of harvesting program, plant maintenance program, manuring program, pest and disease handling program, road and bridge condition, workforce, etc.

All the records of the programs conducted on the estate and mill have been consistently documented on the report of foreman programs to the manager report. For example:

- **GSE:** the document of the management meeting on march 2015. It discuss the **General Data** which covers the brief summary of the manager report and general summary of the manager report; **Production and Dispatch** which covers the monthly production report, production stock, FFB receipt data, production statistic and extraction, daily production data and production dispatch; **Analysis of Quality, Losses and Application** which covers the production quality, production loss, analysis of the received FFB quality, recapitulation of the EFB application recapitulation of the solid application, recapitulation of the effluent application and chemicals usage; **(4) Monthly Report** which covers the total mill cost, mill processing cost, mill fixed cost, selling expense, running account- evit; **(5) Data of Staf, Employees and Housing Complex** which covers the report of employees position, data of employees and housing complex, recapitulation of staff and employees attendance list, the report of guest and agency visit along with the attachments.
- **KKPA 4:** The company shows the document of the report of KKPA 4 estate unit for period of February 2015. It informs the monitoring over the area statement, organization structure, rainfall rate, harvest and plant maintenance, manuring program and realization, traction/transport, etc.
- The Angsana Mill monthly report for period of March 2015 discuss the production and dispatch, product quality analysis, losses and application, production cost, employees data, etc. For example, the oil losses for 1.32 of the standard oil losses for 1.5 and it shall be maintained.

Angsana POM does not receive the FFB beyond the certified estate. All FFB received by Angsana POM are delivered from the RSPO-Certified SG estate.

Status: Compliance

4.2

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

The company has conducted several efforts to increase soil fertility. For example:

- Analyzing soil each 5 years.
- Analyzing soil at the effluent application block in ASE referring the effluent application permit.
- Analyzing the fertilizer sample.
- Monitoring the realization evaluation of manuring program.
- Conducting annual leaf analysis.
- Utilizing EFB as organic soil.
- Utilizing effluent at the land application.

The fertilizer usage has been recorded and monitored on the estate monthly report. For example:

Soil and Leaf Analysis:

There are records of the soil analysis conducted by Lambung Mangkurat University Environment Research Center.

- a. The result of analysis of Gunung Sari Estate soil Number 220/UN8.2.1/PL/2013 file code: SQ-058/2013 dated May 18th 2013. According to the result of analysis on sample code number MM/EF/13/GSE/PK-1, the soil texture are constituted by sand (64.41%), dust (31.87%), clay (3,72%) (texture class: sandy clay).

- b. There is a record of semi-detail soil survey. It was conducted by Minamas Research Center on 2012. It was conducted to analyze the soil condition and soil substance on each sample and used as part of manuring recommendation to maintain soil nutrient balance. The tested parameters are the texture, acidity (pH), Ingredient C, N, P, K, Mg, Ca, Na, BS, CEC, Al, H and cation exchange capacity.

Leaf Analysis for period of 2014-2015 in GSE and KKPA 4: there is a record of the leaf analysis for KKPA 4 from the Minamas Center Research staff.

According to that fact, the company has conducted regular soil and leaf analysis. The soil is analyzed by Minamas Research Center for once every 5 years and the leaf is analyzed annually.

The company does not have plan for conducting replanting program. However, the company conducts EFB application as organic fertilizer.

Status: Compliance

4.3

Practices minimize and control erosion and degradation of soils.

PT LSI has map of marginal soil written on the document of Soil Suitability Survey and or the final report of semi-detail soil survey. It was issued by the Research Department of Minamas Plantation on 2006. It covers all area of PT.LSI. According to the map, the land suitability is described. The marginal soil in PT LSI area has land suitability level until N1 (currently unsuitable).

Gunung Sari Estate

According to the result of land suitability analysis result, the land suitability is considered as N1 class. However, it has big potential to increased to S2 and S3. The main obstacles are the low soil fertility, dry season which cause water deficit, soil texture which is dominated by erosion-potential sand on the declivous area.

Soil Analysis Program

There is a record of semi-detail soil survey. It was conducted by Minamas Research Center on 2012. It was conducted to analyze soil condition and soil substance on each sample and used as part of manuring recommendation to maintain soil nutrient balance. The tested parameters are the texture, acidity (pH), Ingredient C, N, P, K, Mg, Ca, Na, BS, CEC, Al, H and cation exchange capacity.

Semi detail soil survey at KKPA4

According to the result of land review's analysis of KKPA 4 of PT Sajang Heulang, each soil map unit's shows the actual suitability on class S3 (Marginal Suitable). However, it has big potential to be promoted to class S1 (Highly Suitable) and S2 (Suitable). The main obstacles on the KKPA 4 are the status and availability of low soil nutrient, it is caused by the high rainfall rate which stimulates the base cations wash.

According to the field visit, the erosion rate monitoring in GSE is no longer conducted due to the area is overthrown by the the coal mining complex. The company monitors the erosion rate in Angsana Estate in 7 monitoring points. According to the field visit to block C22, there are erosion rate monitoring poles.

Furthermore, according to the topography, the GSE area is located in flat area (2,118.604 Ha) and undulating area (wavy 438,454 Ha). There is no area with slope more than 20 degree.

KKPA 4 :

According to the analysis of topography map, the KKPA 4 is located in the flat area. According to the field visit to division 2 of KKPA 4, the management unit shows the effort to reduce the erosion on the specific area with specific slope by creating stop bound installed on the road drainage to prevent the erosion caused by rain.

PT LSI, as an example Gunung Sari Estate (GSE) has annual work plan for the program such as Road & Bridge Upkeep (Road and Bridge Maintenance/RB5201 & 5202). According to the program, each road of the block shall be maintained for 10% of the road length within a year. The realization of road maintenance is depend on the priority of the road condition. The company has heavy equipments to maintain and repair the road. For example, 1 unit road grader, 1 unit vibro compactor and 1 unit TLB. There is a record of road maintenance realization in GSE for period of July – November 2014 (1st semester). For example, 10,978 meter of the road has been maintained on November 2014.

KKPA 4:

There is a document of road inventory of KKPA 4. It informs the total of road access, the collection road, pringgane, hardened road access, data of road hole, plan for hardening the road with calculation 1 meter for 40 cm. the road maintenance in form of road hardening in the risky points are conducted manually.

According to the information from the estate staff, the CPO road access maintenance becomes the responsibility of the estate in term of the manpower. Meanwhile, the road hardening program becomes the responsibility of the logistic division.

According to the result of semi-detail soil survey, there is no peatland area within PT LSI and KKPA 4 operational area. Furthermore, according to the field visit to KKPA 4 estate block, there is no peat soil.

According to the result of semi-detail soil survey, there is no peatland area within PT LSI and KKPA 4 operational area. PT LSI and KKPA 4 do not have replanting program plan yet.

There is no sulfate acid soil within PT LSI and KKPA 4 area. There is only low organic ingredient soil. The effort conducted by the company to manage the soil are:

- Recovery of the soil fertility by planting LCC plants such as *Nephrolepis sp*, applying EFB (EFB); selective weeding; MOP fertilizer application with dosage for 2.5 kg - 3 kg/plant/year.
- Manuring management in form of: the effort to maintain the nutrient balance, especially for the substance N, P and K and other fertilizer with balance dosage.
- Maximizing fertilizer use efficiency in form of: proper dosage, type, period and spot manuring; fertilizer type selection. For example, the slow release fertilizer.
- Reducing the leaching and improving the water availability, especially for the plintudults soil type (easily run off soil), typic hapludults/sandy clay soil (easily washed off). The efforts conducted by the company are: the location nearby waterway should be kept closed to maintain the water reserve, each block should be designed with field drain design with ratio of 1:8 for the water reservoir and flooding prevention; the organic application for the sandy clay soil; mulching by using EFB.

KKPA 4: the company has EFB application program, as an example program for division 1 – 3.

According to the field visit to KKPA 4 estate, the FFB is applied on the block consisted of laterit soil. For example, block J58. Meanwhile, the stop bound made from the knapsack filled with soil are installed alongside the road on the block where the sandy soil exist. Furthermore, the frond arrangement is applied to slow the water flow down.

Status: Compliance

4.4

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

There are several company's policies in order to maintain the water quality and availability. For example, avoiding chemicals usage on all bufferzone area and water source, restoring the riparian area function by classifying it as HCV 1. The company determines the riparian area for 50 meter off the river referring the Memorandum of the Head of Plantation Office - HPO Number POD-UM-061/IV/ 2010 dated March 8th 2010) and Number POD-UM-089/XII/1911

dated December 6th 2011 in term of the HCV area monitoring and management.

According to the HCV document, there is HCV area in form of the riparian area. There is map of riparian area for:

GSE :

- Map of GSE HCV on Division I, II and III. There are 3 main tributaries, 2 of them flow to Sebamban River.
- The distribution of HCV area for division II and II in form of the tributaries riparian flow to Sebamban River are as follows:
 - Division II, Field E012, block E23 for 4.40 Ha, there are 236 plants. Field E013, block E24 for 8.8 Ha, there are 357 plants, E25 for 0.10 Ha, there are 48 plants.
 - Division III, Field D009, D010, D011, E005, E006 for 27.3 Ha, there are 1,343 plants.
 - According to the information from the estate staff, the division III is the authority of mining complex. Therefore, the riparian area is managed by them.

KKPA 4 :

There are documents of map and monitoring of HCV area in KKPA 4 in form of riparian area. The riparian area is determined for 50 meter off the river. According to the field visit verification in block J58, the company has marked the riparian area boundary by painting the plants located 50 meter of the rivers with yellow.

According to the document review and field visit, the waterway is well managed by the company. For example:

GSE :

- Evidence of the Sebamban River water quality test before and after the mill establishment. The test was conducted by Baristan Banjarbaru on October 1st 2014 with the comparator of class 1 water referring the Government Regulation number 82 year 2001. There were 4 parameters which exceeds the quality threshold. Those are BOD, COD, TSS and DO. Meanwhile, referring the quality threshold of the river water class 2, there were only 3 parameters which exceeds the quality threshold. Those are BOD, TSS dan DO. Sf. OFI: the company conducts the river water quality and evaluates it referring the quality threshold of river water class 2 based on Government Regulation number 82 year 2001.
- The company also has tested the monitoring well water as well as the community's well water referring the Health Ministry Regulation number 416 year 1990.
- According to the interview with the sprayers in division II of GSE, the well water is used for the domestic needs but it is not considered as the drinking water. The community's well water quality is good.

KKPA 4 :

- The company has determined the riparian area within operational area as HCV area. Therefore, the chemicals should not be applied within 50 meter area of the river, the flora and fauna at the riparian area should also be monitored and the woody plants should be planted.
- The company has monitored the river water quality (Sebamban River and Bekarangan River upstream and downstream including the monitoring well).

According to the effluent quality monitoring, the WWTP installation is well functioned. The water usage for the domestic and mill on July 2014 to March 2015 was 265,229 M³. It was exceeding the budget plan due to the high water consumption rate for the mill operationals as well as the consumption for watering the road during drought season. The water is also consumed to provide clean water for Sebamban Baru Village during drought season as well.

The water usage for the domestic and mill on July 2014 to March 2015 was 265,229 m³. It was exceeding the budget plan due to the high water consumption rate for the mill operationals as well as the consumption for watering the road

near the emplacement during drought season.

Status: Compliance

4.5

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

The company shows the documentation of the IPM training in PT LSI (ASE, GSE) dan PT SHE (PBE, MTE). It was conducted by MRC Plantation on December 23rd 2014 in ASE Sportorium. It was attended by 48 participants from the nucleus estate and KKPA 4 Estate. The training material is the IPM for bagworm, nettle caterpillar, Oryctes sp, rat.

The company shows the documents below:

- Pest and disease monitoring in GSE on March for monitoring the bagworm, termit, Oryctes sp, ganoderma, hogs, rat. There is no attack which exceeds the economy threshold.
- Nest Box Monitoring, Division I of GSE. There are 9 barn owl boxes, there are 2 occupied barn owl boxes. There are 21 nest boxes in division II, there are 5 occupied boxes.
- Example of the annual IPM workplan for division II of GSE. It covers:
 - Annual workplan of P&D Beneficial plant. Each block get 1 harvesting and monitoring program.
 - Annual workplan of bagworm and nettle caterpillar. Each block get 1 rotation of the detection program. For example, it is planned on block E20 in July 2014.
 - Annual workplan Oryctes sp. Each block get 1 rotation of the detection program. For example, it is planned on block G22 on March 2015 and on block H19 April 2015.
 - Annual workplan of barn owl box installation and maintenance annually in each block. For example, it is planned in block H21 in April 2015.
- Example of the realization of Integrated Pest Management for Division 1 of GSE on March 2015 :
 - According to the rat census on Block F32, Division I of GSE dated March 27th 2015, there is no attack indication.
 - According to the bagworm and nettle caterpillar census on 28 plants on Block F16, Division I of GSE dated March 27th 2015, there is no attack indication
 - According to the report of Plantation Advisory (PA) on March 2015, there is no pest and disease attack which requires the company to use chemicals.
- Beneficial plant program for period of 2014-2015 for GSE. It informs the program and realization of the hectareage of area planted with beneficial plant in CR and MR in 4 Divisions with the planted beneficial plants till June 2014 & development programs in 2015.

KKPA 4 :

The early warning system over the pest and disease attack in KKPA 4 is started with the visual monitoring conducted by the staff and employees over the plants condition at estate.

The company shows the example of the document of pest census program on March 3rd – 11th 2015. It was conducted by the plants inspector clerk at the FFB collecting point. There is no rat attack which exceeds the economy threshold. For example, there were 6 attacked plants of 87 plants in block G61 – G62. Meanwhile, there is no palm oil leaf attack based on the visual monitoring and interview with the harvesters.

Status: Compliance

4.6

Pesticides are used in ways that do not endanger health or the environment

There are 10 pesticides used by the company. Those are garlon, starane, kenlon, decis, metaprima, metafuron, basta, prima up, dejavu, supremo. All the pesticide have has registration number. There are 4 pesticides routinely used by the company. Those are prima up, staraane, meta prima dan déjà vu. All the pesticides are permitted by the Agriculture Department.

The company is able to show the document of the ingredient usage total for period of July 2014 to April 2015 for KKPA 4 and GSE. It informs the pesticide used by the company, active ingredient, percentage of the active ingredient, total of ingredient usage, active ingredient per hectare, LD50 for each pesticide. For example, prima up (Isoprophyl aminaglyphosat) with the active ingredient for 480 gram/L, the total of the prima up usage is 729 L, the total of area for its usage is 3,520 Ha, LD50 of pesticide is 8,660 mg/kg based on the test on the rat.

There is no propilactic pesticide usage to prevent the disease for the period of 2014 - 2015. Its usage is following the work plan and its realization is recorded on the document of the annual work plan for each program referring the rotation and the classification of the weed type at the estate (heavy, medium, light).

The company shows the documentation of the ULV and VLV spraying equipments training for the sprayers. The training was cooperating with PT Agritama Multi Sarana in ASE Sportorium on September 11th 2014. It was attended by 55 participants including the participants from KKPA 4.

The company also has held first aid training in SOU 4 on February 6th 2015. It was conducted by the company doctor in ASE sportorium. It was attended by the foreman and staff of the nucleus estate (ASE, GSE, PBE) and KKPA (KKPA 1 & KKPA 4).

According to the field visit, the company has provided MSDS and complete first aid kit at the warehouse.

According to the result of field visit, the company has had the document of the danger identification for the spraying programs and safety spray practice to the sprayers team. The company has also provided proper PPE (masker, gloves, apron and boots) and block spraying system vehicle, has given extra eggs and milk for the sprayers, and has held socialization in term of riparian are as well as its marking. Furthermore, the regular medical check up has also been held by the company for examining the sprayers.

According to the result of document review and interview with the pest control team and sprayers team, there is no pesticide application from air in GSE and KKPA 4 Estate during period of July 2014 to March 2015.

The management unit is consistently implementing the commitment for not using chemicals categorized as type 1A or 1B WHO and paraquat by referring the Memo from the research department number MRC/Controller/HPO/698/X/2008 dated November 4th 2008. According to the interview with the Head of GSE and KKPA 4 Estate warehouse, there is no chemicals categorized as type 1A or 1B WHO and paraquat.

The management unit has consistently held training on pesticide handling to the sprayers. It is proven by the official record of training on September 11th 2014 (training of spraying equipments and safety work practice by cooperating with PT Agritama Multi Sarana as the spraying equipments distributor.

The medical check up for the sprayers is routinely held by the company's doctor by cooperating with Mandiri Healthy Care Clinic of Kotabaru. The medical check up are the physical check up, cholinesterase check up and spirometri check up. The management unit shows the recapitulation of the medical check up result on 2014. In general, the doctor informs that there are fit to work pesticide applicators and there are also conditionally fit to work pesticide applicators.

The letter number 009/PS-ASE/VIII/2014 sent by the central clinic doctor in term of the analysis of the employees health from Mandiri Health Care Clinic of Kotabaru. The letter describes :

1. Eyes disorder caused by chemical of manuring programs (manuring technique). The wind should be concern when dealing with this thing to reduce the eyes disorder potential.

2. The workers with hypertense shall be routinely (monthly) examined in the company clinic. The company shall figure out the causes of the hypertense.
3. The spirometri result categorized as light restrictive type is still considered normal. However, the the medium restrictive type is considered abnormal. It could be caused by the chemicals or fertilizer. The worker are suggested to drink mineral tons of mineral water and to use PPE. The worker shall mutated to the non-chemicals division for 1 year. The management unit shows the mutation letter of the workers on behalf of Poniyem and Yatinem. They were mutated to the plant maintenance work on April 1st 2015 for at least 1 year.
4. The victim of the light poisoned detected by the cholinesterase check up only need to use PPE more frequently and implement self hygiene.

The management unit has implemented a policy that all operations associated with chemicals should not be conducted by the pregnant and breastfeeding women workers. It is proven by the recapitulation of the regular medical check up for period of 2014 and according to the interview with the sprayers.

The company has had SOP of hazardous and non-hazardous waste management number RA012/ASF/SOP.ESH/10 dated April 12th 2010 for Angsana Mill; and SOP Number RSPO/5.3/PLB3&BB3 for Angsana Mini Mill and PT SHE Estate, procedure to regulates the agrochemicals and pesticide containers waste handling by reducing it (sell it to the licensed hazardous waste collector) and reusing it (reuse for the operationals).

There is a book of goods monitoring in hazardous waste storage for each of the generated hazardous waste. For example, the book of used oil monitoring, used pesticide containers monitoring, diesel fuel filter, medical waste, the pesticide waste is managed by being stored at the licensed hazardous waste storage. The KKPA 4 management unit stores the waste on the licensed hazardous waste collector referring the decree of the Head of Tanah Bumbu District Environment Agency number 660.4/112/BLHD/2013. The KKPA 4 management unit transports the hazardous waste to the licensed hazardous waste collector (PT Sinar Bintang Albar (referring the decree of the Environment Ministry number 46 year 2013 in term of the license for collecting hazardous waste for PT Sinar Bintang Albar). The hazardous waste is transported by using the licensed truck (Referring the decree of the Direktorat General of Land Transportation Number 4566/AJ.309/DJPD/2014/630720549BB). The management unit has reported the hazardous waste balance sheet and manifest for period of 3rd and 4th quarter to Tanah Bumbu District Environment Agency on December 30th 2014.

Status: Compliance

4.7

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

The management unit is consistently documenting and implementing the policy, procedure and program of OHS on the estate and POM operationals. According to the interview with the management, there is no changes on the OHS programs and procedures until the ASA-4 assessment. Meanwhile, the OHS programs for period of 2014 are the monthly meeting, OHS Guiding Committee Meeting, signboard installation and maintenance, emergency equipments inspection, safety work patrol, HIRAC socialization, employees medical check up, OHS month implementation, emergency situation simulation, fire extinguishing simulation, OHS Guiding Committee report, company annual report, personal hygiene, work accident monitoring, workhour report and OHS Guiding Committee programs evaluation.

The Hazard Identification Risk Aseesmenet and Risk Control (HIRAC) for the POM and estate operationals is annually updated. The compilation of HIRAC is referring the SOP of OHS identification Guideline, Hazard Identification Risk Assessment and Risk Control (Policy Number 7301/PSQM-ESH/11). It was legalized on July 7th 2011. According to the observation on the estate and POM operationals, the company has implemented risk control by referring the dangers identification.

The training of safety work practice for the workers is regularly held by the management unit. For example, the safety briefing for the sprayers team in block E37-E38 of Division I of GSE on January 28th 2015 and safety briefing for the harvesters team in Division III of GSE on August 11th 2014. Furthermore, the management unit has provided PPE for workers referring the HIRAC. For example, the loader operator is provided with safety boots, helmet, masker, earplug.

There is a change on the OHS Guiding Committee structure during ASA-4 assessment. It has been reported to the Tanah Bumbu District Manpower Agency. The OHS Guiding Committee has held assembly to discuss the OHS aspect in each unit of POM and estate regularly. For example, the OHS Guiding Committee assembly which was attended by the board of OHS Guiding Committee on April 4th 2015. It was discussing the operational monitoring and daily inspection on OHS. The OHS Guiding Committee programs have been reported to the Tanah Bumbu District Manpower Agency routinely (each quarter).

The first aid training for the foreman was held on February 6th 2015. It was taught by the company's doctor (dr. Nur Hasanah). The management unit has provided first aid kit for the operational on estate and POM. According to the result of field observation, there are first aid kit at the POM processing station, workshop, laboratory and office. However, the management unit needs to monitor the completeness of the first aid kit consistently.

The management unit has registered the employees on the Manpower BPJS program. There is an evidence of the Manpower BPJS program payment for period of March 2015. It was paid on April 22nd 2015. However, according to the basic salary observation on March 2015, there are still uncovered temporary daily labour in KKPA 4 with work accident insurance. Based on the explanation, raised **the non conformance NC.2015.2 as Minor category 4.7.6**

The management unit shows the recapitulation of Lost Time Incident – Frequent Rate (LTI-FR) for POM and estate unit for period of July 2014 – March 2015. According to the recapitulation, the workhour, number of work accident, the missing work days and LTI-FR year to present are described.

Minor 4.7.6	Status: Non conformance NC.2015.2 with Minor category	
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4.8 All staff, workers, smallholders and contractors are appropriately trained.

The management unit has composed the training program to improve the employees competence covers the RSPO P&C and PT LSI human resource development for period of July 2014 – June 2015. For example, the RSPO/ISPO/ISCC trainings are scheduled on October 2014, February and March 2015 for all workers. It was held by PSQM.

The records of the training result for all employees have been shown by the management unit. It covers the attendance list, training certificate and the training materials. All records of employees training are maintained in each estate and mill office. For example, the training of SCCS – RSPO Certified SG. It was attended by 15 participants (mill Manager, senior Assistant, POM staff, PSQM staff, Logistic and Distribution Staff, weighbridge Operator and production Administration) on April 8th 2015.

	Status: Compliance	
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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 documents owned by PT LSI are as follow:

1. The environmental management and monitoring plan was approved by the Head of Central Standardization and

Environment of EIA Commission number 191/II/DAR-3/1999 dated September 22nd 1999 for 6,095 ha of land & mill capacity for 30 ton of FFB/Hour year 1999 for PT Ladangrumpun Suburabadi.

2. The environmental management and monitoring plan was approved by the Head of Tanah Bumbu District Environment Agency in approval number 660/89/IL/PDL-BLHD/2013 dated June 21st 2013 with the extension on PT LSI mill capacity from 30 Ton of FFB/Hour to 60 Ton of FFB/Hour on 2013. The company has corrected the document and complied the environment permit requirements. For example, the company has had hazardous waste storage permit, the company has had effluent utilization on estate permit, the company has managed the impacts and has reported the environment monitoring to the Tanah Bumbu District Environment Agency routinely (each semester).

According to the document of environmental management and monitoring, the positive and negative impacts are managed and monitored by PT LSI. It covers the aspects of physic, chemical, biology and social:

- Socio-Economy
- Air quality and noise
- Behaviour and perception
- Community's health
- Surface water quality
- Underground water quality
- Effluent quality
- Disturbance on Flora & Fauna

According to the document review and interview with Tanah Bumbu District Environment Agency, one of the documents owned by PT LSI is the environmental management and monitoring plan. It was approved by the Head of Tanah Bumbu District Environment Agency in approval number 660/89/IL/PDL-BLHD/2013 dated June 21st 2013 with the extension on PT LSI mill capacity from 30 Ton of FFB/Hour to 60 Ton of FFB/Hour on 2013. The company has corrected the document and complied the environment permit requirements. For example, the company has had hazardous waste storage permit, the company has had effluent utilization on estate permit, the company has managed the impacts and has reported the environment monitoring to the Tanah Bumbu District Environment Agency routinely (each semester).

- There is an evidence of the report of environmental management and monitoring plan implementation of PT LSI in 1st semester of 2014 and evidence of its reporting on period of 2014 to Tanah Bumbu District Environment Agency on September 24th 2014.
- There is an evidence of the report of environmental management and monitoring plan implementation of PT LSI in 2nd semester of 2014 and its reporting on period of 2014 to Tanah Bumbu District Environment Agency on March 6th 2015.

The company is not managing and monitoring the environment referring the EIA recommendation. Especially on the social aspect on the community restlessness. Based on the explanation, raised **the non conformance NC.2015.3 with minor category.**

Minor 5.1.3	Status: Non conformance NC.2015.3 with minor category	
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5.2
The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced

a. PT. LSI
 There is a document of the HCV identification report of PT. Ladangrumpun Suburabadi. It was composed by Pollito. There is no endanger or rare species within PT LSI operational area. The identified HCV were only HCV 1.1 (riparian area) for providing wildlife livelihood and HCV 4.1 for providing water and controlling flood (riparian area).

In order to protect the identified HCV area such as 1.1 and HCV 4.1, there are stages of protection on the management plan. For example:

- Procedure compilation of riparian area preservation number PM 0300 dated April 1st 2010, procedure of conservation forest management number PM 0500 dated April 1st 2010, procedure of wildlife handling number AI 0900 dated April 1st 2010 and work instruction of flora and fauna inventory number 700/IK-PSQM-HCV/12 dated February 10th 2012.
- Installing boundary pole of HCV area, installing signboards, installing permanent plot of vegetation and wildlife, planting woody plants, creating erosion monitoring plot, palm oil frond stacking on the slope land.

There are evidence of the HCV socialization and education for the employees as follows:

- Evidence of the socialization to employees on June 11th 2010, June 30th 2010 and September 30th 2010.
- PT LSI has shown the evidence of socialization in term of the HCV and the endanger animals awareness to 17 sprayers in Division III of GSE on May 16th 2013 in form of the document and photographs.
- Angsana Estate also has held socialization of HCV and company policy in term of wildlife to the employees. It was attended by the 40 participants consisted of sprayers and harvesters on July 6th 2013 in division I of Gunung Sari Estate. It was taught by the Senior Assistant of GSE. There are attendance list, policy and photographs of socialization.

The company has shown the regular HCV monitoring program. However, there is no evidence of the HCV management result evaluation compared to the management plan. Based on the explanation, raised the non conformance **NC.2015.4 with minor category**.

b. KKPA 4 – PT. Sajang Heulang

There is a report of HCV identification result within PT. Sajang Heulang in the scope of KKPA 1 and KKPA 4. The HCV identification was held on January 2010. It was identified by the external assessor from Bogor Agriculture University. According to the result of identification, there is no endanger and rare species within PT SHE area. However, there are HCV area such as riparian area. For example:

- HCV area within KKPA 1 area: Nibung Riparian (3.26 hectare), Setarap Riparian (7.14 hectare) and Riparian in LA block (6.1 hectare), Nibung Riparian (19.77 ha), Bayan Sari Riparian (1.69 ha), Riparian in block H31 (5.46 ha).
- HCV area within KKPA 4 area: River of block H37/38 (9.04 ha), River of block J37/38 (3.41 ha), River of block H39/40 (3.28 ha), River of block E60/E61 (13.27 ha) and cemetery in block J60 (0.0006 ha).

There are several stages to protect HCV area within KKPA area. For example:

- Determining and protecting the riparian area.
- Woody plants planting in riparian area for 50 m (5 palm oil plants) of left and right of the river. There is a result of tree grows development in HCV area for period of 2014 and the dead trees inserting. The woody plants planted on the riparian area are the New Guinea Rosewood (*Pterocarpus indicus*), Quickstick (*Gliricidia sepium*), Jack tree (*Artocarpus heterophyllus*), Guava tree (*Psidium guajava*) and Rambutan tree (*Nepphelium lappaceum*).
- Installing HCV signboard which informs that the area is protected and trespassing the area means “you are looking for trouble”.
- Holding socialization to the locals including the board of cooperative unit on Wednesday, May 8th 2013 in term of the must-preserved HCV area such as riparian area.

KKPA 4 - PT Sajang Heulang has held HCV socialization. It was socializing the wildlife introduction, signboard installation, bufferzone introduction and OHS and PPE socialization to the sprayers and harvesters. It was attended by 20 participants in division I of KKPA 4 on April 3rd 2013. It was taught by the Senior Assistant of KKPA4.

KKPA 4 also has map of signboard installation. There are 9 maps, those maps are placed on the estate, HCV location and office. According to the result of interview with the Senior Assistant of KKPA 4, the company has installed signboard at the location. According to the result of field visit to block J61 of Division I of KKPA 4, there is no HCV signboard as shown by the HCV signboard map and as the information from the Senior Assistant of KKPA 4.

Minor
5.2.4

Status: Non conformance NC.2015.4 with minor category

5.3

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

The company has SOP for managing waste. For example:

- Hazardous waste management is described on the SOP number 398/KLR/LB3-SOP/44/12 dated November 2nd 2011. The generated hazardous waste are stored at the licensed hazardous storage.
- The infectious medical waste management is described on the SOP number 131/OPR dated January 2nd 2012. The infectious medical waste are stored at the infectious medical waste storage before those are dispatched to Regional Hospital of Imanudin.
- The hazardous and non hazardous waste management is described on the SOP number RA 012 dated April 1st 2010. The generated non-hazardous waste are the metal crap and used wheel are stored at the storage to be then sold. The domestic waste are disposed on the landfill.

In general, the company has managed the hazardous and non-hazardous waste based on the government regulation number 18 year 1999 referring the result of waste source and type generated by estate and mill including its documentation. The waste is managed by several methods. For example:

- The hazardous waste are placed on the hazardous waste storage.
- The domestic waste are disposed on the landfill.
- The ex pesticide containers are collected on the hazardous waste storage and then it shall be returned to the licensed collector.
- The effluent is used on land application program.
- The solid waste (shell and fiber) are used to substitute the diesel fuel.

According to the field visit to Gunung Sari Estate employees housing complex, the domestic waste management is not conducted based on the applied procedure. Based on the explanation, raised **the non conformance NC.2015.5 with minor category**.

Angsana POM

- There is a report of evaluation and balance sheet of hazardous waste management for period of January – March. According to the report, the permit of hazardous waste storage is being extended. The permit is being processed on the Tanah Bumbu District Environment Agency.
- There is an official record of the hazardous waste transport to PT Sinar Bintang Albar in form of the used oil waste (evidence of the hazardous waste manifest number 0001560), used filter and chemical containers (evidence of the hazardous waste manifest number 0001559) dated April 1st 2015.

Gunung Sari Estate

- There is a hazardous waste balance sheet for period of 2015. It consisted of the warehouse card-monitored used oil, rag, ex-kenlon can, garlon metaprime starane, metafuron Accu 50 Amp, accu 70 amp. Those waste have been transported to PT Sinar Bintang Albar
- There is an official record of the hazardous waste transport to PT Sinar Bintang Albar in form of the used oil waste (evidence of the hazardous waste manifest number AGU0001554), used filter and chemical containers

(evidence of the hazardous waste manifest number AGU0001556) dated April 2nd 2015.

KKPA 4

According to the document review and the interview, the hazardous waste is managed by keeping it stored at the licensed hazardous waste storage (Referring the decree of the Head of Tanah Datar District Environment Agency number 660.4/115/BLHD/2013 in coordinate point of S 03° 36' 43,7"- Angsana POM, decree of the Head of Tanah Bumbu District Environment Agency number 660/14/BLHD/2012 in coordinate point of S 03° 37' 10,4" – E 115° 36' 13,2"-Angsana Estate and decree of the Head of Tanah Bumbu District Environment Agency number 660/15/BLHD/2012 in coordinate point of S 03° 38' 51,3" – E 115° 36' 45,1"- Gunungsari Estate. The management unit then handover the hazardous waste to the licensed hazardous waste collector (PT Sinar Bintang Albar (referring the decree of the Environment Ministry number 46 year 2013 in term of the license for collecting hazardous waste for PT Sinar Bintang Albar). The hazardous waste is transported by using the licensed truck (Referring the decree of the Direktorat General of Land Transportation Number 4566/AJ.309/DJPD/2014/630720549BB). The management unit has reported the hazardous waste balance sheet and manifest for period of 3rd and 4th quarter to Tanah Bumbu District Environment Agency on December 30th 2014.

Minor
5.3.3

Status: Non conformance NC.2015.5 with minor category

5.4

Efficiency of fossil fuel use and the use of renewable energy is optimised.

The plan of emission reduction and renewable energy efficiency improvement is written on the waste management plan which covers the mill emission management. The record of the renewable energy usage is written on the document of the renewable energy usage monitoring result in Angsana POM as shown on the document of fuel usage evaluation for period of July 2014 to June 2015. The data covers the information of the used renewable energy (fiber and shell), the generated energy (Kwh), the processed FFB, CPO production, fuel usage for generator and ratio between the renewable energy with the FFB production.

For example, the total of the renewable energy (shell and fiber) used on the last one year was 21,198 ton and the generated energy was 4,137,314 Kwh and the ratio of FFB was 0.15.

Status: Compliance

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 policy of zero burning of land clearing is written on the procedure of land preparation on part 3 of SOP number 110/EST-ARM/08. It is supported by the SOP of sustainable estate management number 724/TQEM-SPMS/09, point 5.7.2 in term of zero burning technique, page 24.

PT LSI and KKPA 4 is not conducting replanting program during ASA-4 assessment program. The land fire and fire extinguishers usage simulation was held in block C22 of division III of ASE on February 7th 2015. It was attended by 48 participants from the nucleus estate and KKPA, including KKPA 4 and KKPA 1, GSE, ASE, PBE. According to the document of of specific estate monitoring report for period of March 2015 for GSE, there is no land fire in and off the GSE area.

Status: Compliance

5.6

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

The company has the record of POM emission and pollution. For example:

No	Emission Source	Emission Type
1	Land Clearing	CO ₂

2	Manuring	CO ₂ & NO ₂
3	Diesel Fuel Usage	CO ₂
4	Transportation	CO ₂
5	POM FFB Processing	CO ₂
7	POME	CH ₄

The company has held emission quality monitoring routinely (each semester). It is recorded on the document of environmental management and monitoring plan implementation in 2nd semester of 2014 (July 2014 – December 2014). According to the result of analysis conducted by Hyperkes and OHS Center – Banjarmasin, there are several facts. For example

Generator chimney monitoring result

Parameter	Unit	Quality Threshold	Generator 1 Chimney	Generator 2 Chimney
NH ₃	Mg/m ³	0.5	0.01	0.01
Cl ₂	Mg/m ³	10	0.01	0.01
HCL	Mg/m ³	5	0.01	0.01
HF	Mg/m ³	10	0.01	0.01
NO ₂	Mg/m ³	1000	54.94	285.26
Opacity	%	35	25	17
Particulate	Mg/m ³	350	14.33	7
SO ₂	Mg/m ³	800	56	85.60
CO	Mg/m ³	-	5.29	1.35
H ₂ S	Mg/m ³	35	2	2

Quality Threshold: South Kalimantan Governor Regulation number 070 year 2008 dated December 31st 2008 in term of the emission quality threshold of the non-moving sources and the vehicle exhaust emission quality threshold.

According to the air emission quality generated by the generator, the emission quality still complies the applied quality threshold.

Boiler chimney emission monitoring result

Parameter	Unit	Quality Threshold	Boiler 1 Chimney	Boiler 2 Chimney
NH ₃	Mg/m ³	1	0.01	0.01
Cl ₂	Mg/m ³	5	0.01	0.01
HCL	Mg/m ³	5	0.01	0.01
HF	Mg/m ³	8	0.01	0.01
NO ₂	Mg/m ³	800	42.78	39.49
Opacity	%	30	17	15
Particulate	Mg/m ³	300	63.33	59
SO ₂	Mg/m ³	600	2.66	1.8
CO	Mg/m ³	-	6.32	5.80

Quality Threshold: South Kalimantan Governor Regulation number 070 year 2008 dated December 31st 2008 in term of the emission quality threshold of the non-moving sources and the vehicle exhaust emission quality threshold.

According to the air emission quality generated by the boiler, the emission quality still complies the applied quality threshold.

Meanwhile, the air quality for the area nearby mill and housing complex are also monitored. According to the result of analysis conducted by Hyperkes and OHS Center – Banjarmasin, there are several facts. For example:

Parameter	Unit	Quality Threshold	GM Office	Housing Complex
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NO ₂	µg/Nm ³	200	125.96	90.61
SO ₂	µg/Nm ³	900	15.80	19.21
CO	µg/Nm ³	20.000	52.82	41.90
TSP(dust)	µg/Nm ³	230	0.61	19.70
Noise	dBA	55	43.6	47.5

Quality Treshold: South Kalimantan Governor Regulation number 035 year 2007 in term of the ambient air quality threshold and noise level quality threshold.

According to the result of the analysis, the ambient air quality nearby mill is considered good (comply the quality threshold). According to the document review, the company has attempted to reduce the pollution and emission. For example:

Source	Emission Type	Management
Land Clearing	CO ₂	Zero Burning
Manuring	CO ₂ & NO ₂	Reducing the Urea usage, utilizing solid waste for manuring program (EFB application) and using fertilizer referring the proper dosage.
Diesel Fuel Usage	CO ₂	Reducing on diesel fuel usage
Transportation	CO ₂	Regular emission test
POM FFB Processing	CO ₂	Regular emission test and reducing the diesel fuel usage
POME	CH ₄	Methane Tapping/Biogas (is not implemented)

Status: Compliance

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 document which informs the social impact caused by PT LSI estate operationals is the document of environment impact assessment on 2010. According to page V .30 – 41, the social impact is assessed participatively. It is written on the official record of socialization in Banjarsari Village, Bayansari Village and Purwodadi Village, Angsana Sub-District, South Kalimantan Province. Furthermore, there is also an attendance list of the socialization participants.

The company has the document of the report of PT LSI social impact assessment. It was composed by Pollito on 2010. The document informs the risk factors of the company in aspect of social and economy in the locals. According to the assessment report, the consultation has been conducted, it has been written on the “book of visum”. The company has reported to document of environmental management and monitoring plan implementation in 2nd semester of 2014 (July – December 2014) to Tanah Bumbu District Environment Agency on March 6th 2015.

The company can not show the review on the plan to reduce the negative impact and increase the positive impact and there is no evidence that the assessment program is involving all the impacted parties. Based on the explanation, raised **the non conformance NC.2015.6 with minor category.**

The company has had the report of environmental management and monitoring implementation in 2nd semester of 2014 (June – December 2014). One of the monitored parameter is the social restlessness. According to the field visit to Bayan Sari Village and Karang Indah Village, the relation between the company and the locals is well maintained. According to the result of interview, two of the good impacts caused by the company existence is the establishment of

the scheme smallholder and zero conflict. There are 16,000 Ha of scheme smallholders in KKPA system (it is managed by Tuwuh Sari Village). It involves 10,892 people from 26 nearby villages, it consisted of KKPA 1 (3,864 ha), KKPA 2 (3,792 ha), KKPA 3 (3,012 ha), KKPA 4 (2,676 ha), and KKPA 5 (2,656 ha).

Minor 6.1.4	Status: Non conformance NC.2015.6 with minor category	
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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.

PT Ladangrumpun Suburabadi has had procedure of communication and consultation with the locals number KKM dated April 2nd 2009. The record of communication and consultation with the locals is written on the "Log Book of Communication. Most of the records of communication and consultation with the locals are dominated by the assistance request, request for providing practical location at the company for the vocational students and the request of infrastructure repairmen. According to the procedure of communication, the unit Manager communicates with the locals via letter, the company gives 10 days to respond the letter. According to the result of interview with the management unit and stakeholder (Staf of Bayansari Village), the communication between the GSE Manager and the locals are well maintained. However, the meeting is only maintained informally. Therefore, there is no evidence such as minutes of meeting and the attendance list.

According to the result of interview with SOU 4, the communication and consultation with the locals becomes the manager's responsibility (estate or mill). However, several estates appoint Officers to communicate and to consult with the locals.

The management unit shows the list of stakeholders. It is sorted based on the government level (central, province, district, sub-district, village and NGO). The list is consisted of the agency name and address, the name of officials, telephone/fax number and email address.

The KKPA 4 management unit shows the minutes of meeting of the KKPA smallholders in KKPA 4. The assembly was participated by 26 participants consisted of the board of KKPA, the village apparatus, the locals, independent supervisor on April 26th 2014. There are several results of the smallholders meeting with the board of KKPA estate. For example, the communication is well maintained, PI and cooperative unit are actively assisting the board of estate, the bad estate operational shall be improved.

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

The management unit has had system to receive complaint along with the resolution procedure as written on:

- SOP Number 005/LSI-PKM/14 dated January 1st 2014 in term of the community's complaint handling (RSPO/6.3/PKM). Each complaint is purposed to the unit Manager in writing via the Head of Division. The unit Manager has authority to respond the complaint in aspect of environment and social caused by the company operational.
- SOP Number 006/LSI-PKK/14 dated January 1st 2014 in term of the employees complaint handling (RSPO/IN 6.5/PKK). Each complaint is purposed to each employees supervisor in writing. If the supervisor is not able to solve it, it will be purposed to the top management (Unit Manager and the Head of Department). If the top management is still not able to solve it, it will be informed to the Bipartite Cooperative Institution. The result of the resolution shall be gradually informed to the Head of Department to the employees (complainer).

The GSE management unit maintains the complaint of company internal (employees) on the book of "List of Internal

Complaint Record". There were 24 complaints during period of 2014. There are 12 complaints during period of 2015 so far. The complaints are dominated by the reports like leak house roof, broken septic tank, leak water tank and broken floor. There are documentations before and after the repairs. For example, the broken windows was reported on February 23rd 2015 and it was finally repaired on March 14th 2015. The KKPA 4 management unit records 3 complaints during period of 2015 so far. It is recorded on the "book of complaint register". According to the result of interview with settlers in division II, the complaints are immediately responded (1 – 2 days).

Status: Compliance

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.

a. PT. LSI

There is a procedure of the occupied land acquisition number 343/PSD-OKUP/11 dated February 23rd 2012. According to the procedure, there are several acquisition stages. For example, the official record of the negotiation should be first composed; the compensation payment should be witnessed and recognized by all associated parties, the payment shall be conducted once the documents (official record of the agreement, land right waiver, declaration letter, compensation paper, recapitulation of compensation, map of compensation) are signed by the land owners (compensation receiver), the company representatives, the Head of Sub-District, the Chief of Village and/or the local Head of neighbourhood association.

PT LSI has had the record of land conflict resolution which is clearly identifying the compensated parties, land hectareage, land location and recent land status. For example:

- Land right waiver dated June 12th 1999. It was witnessed by the Chief of Bayansari Village and the Head of Satui Sub-District.
- Declaration letter of the land acquisition agreement and the compensation payment dated June 12th 1999.
- Land compensation payment receipt for 18 Ha of the land for IDR 5,000,000 dated June 12th 1999.
- ID Card on behalf of Ideham.
- Map of land location
- Procuration of the Director of PT. LSI to Angsana Estate Manager to pay the compensation dated May 25th 1999.

b. PT. SHE – KKPA 4

There is no compensation process for the KKPA 4 land. It does not disturb the customary right nor the legal right because KKPA 4 is the community's land. the KKPA area which is considered as the transmigration soil are located in Villages of Purwodady, Bayan Sari, Banjar Sari, Makmur, and Karang Indah. All of them belongs to the community (Ownership Certificate Paper). Several legality of land area belong to Angsana Village are still proven by the "Land Certificate Paper". During the cooperation period, PT. SHE facilitates the progress of ownership certificate paper for the community land which the land status is still proven by "Land Certificate Paper"

Status: Compliance

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 management units shows the record of the wage list for period of March 2015. According to the review, the management unit has implemented the waging system by referring the Memorandum number 014/HRM-i3/II/2015 dated January 12th 2015 from the General Manager of HRM. The memorandum is referring the decree of the South Kalimantan Governor number 188.44/0633/KUM/2014 dated December 16th 2014. Furthermore, according to the interview with the Head of GSE Labour Union, the management unit has implemented the minimum wage standard.

Furthermore, the workers are given allowance in form of rice allowance (*natura*) for themselves and their family member. The workers are given 500 gram of rice/ workday, the employees wife receives 300 gram of rice/workday, the employees children (3 children only) are given 250 gram of rice/ workday. According to the result of interview with the workers, the rice is consumable.

The company regulation of (PP) PT LSI for period of 2012 – 2014 has been legalize by referring the decree of Tanah Bumbu District Manpower Agency number 560/484/PP/Naker/2012 dated July 10th 2012. The decree is valid for 2 years (till July 2014). The company regulation is no longer valid during the ASA-4 assessment and the management unit shows the official record of the company regulation extension for period of 2012 – 2014. It has been extended on December 1st 2014. According to the official record, the company and the labour union shall extend the company regulation for period of 2012 – 2014 for only 1 year.

The management unit has provided the housing complex, clean water facilities (reservoir and well), medical facilities (Central Clinic and Medical Post) by cooperating with BPJS program, educational facilities (Elementary School and Kindergarten) and place of worship (mosque) for the workers. According to the observation to GSE and KKPA 4, all facilities are well maintained.

Status: Compliance

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 management unit has facilitated the labour union forming in each POM and estate work unit in order to accommodate the labour rights. It has been written on the SOP of the sustainable estate management guideline number 724/TQEM-SPMS/09 on August 27th 2010. According to the social policy page 13 point 5, the company is expected to respect the employees rights to form and join the labour union including to negotiate with them collectively.

The labour union has documented the result of the assembly in form of official record and minutes of meeting. For example, the record of the assembly of GSE Labour Union on February 28th 2015. It was discussing the replacement of the secretaty, a quarter-based finance report, the membership card for the labour union member and suggestion for the premium for the foreman 1 bufferzone.

Status: Compliance

6.7

Children are not employed or exploited.

The management unit has implemented the minimum workers age requirements consistently on the recruitment process as written on the social policy number 724/TQEM-SPMS/09. It was signed by the CEO of the company. According to the point 6, the plantation upstream Indonesia shall not employ the underage workers. According to the result of interview with the Head of GSE Labour Union, the management unit does not employ the underage workers. Furthermore, according to the GSE and KKPA 4 employees database review on March 2015, there is no underage workers employed by the company.

Status: Compliance

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 management unit has a policy in term of the equal treatment and opportunity. It was legalized by the Head of the Plantation Upstream Indonesia on December 2011. According to the policy, the company has a commitment to treat the employees fairly in aspects of recruitment, promotion, work condition and limitation regardless personal business, race, tribes, religion, physical condition, gender, skin colour, organization membership, political thought and age.

According to the result of the interview with the Head of GSE SPM, there is no discrimination over the employees. Furthermore, the management unit gives equal opportunity and treatment to get job opportunity for the locals and the newcomers.

The management unit shows the SOP of employees recruitment. It becomes the reference for recruiting the employees in PT LSI. According to the SOP, the selection process are based on the must-have competences, capabilities and medical check up requirements.

Status: Compliance

6.9

There is no harassment or abuse in the work place, and reproductive rights are protected.

The company has had the guideline of the gender policy implementation number 301/SNP-ENV-03/11. It develops the gender policy and prevent the sexual harassment at the workplace. Furthermore, PT LSI also has gender committee policy. It was legalized by Mr Mohd Ghozali Yahaya (Head of Plantation Upstream Indonesia) on April 2011. The policy is purposed for preventing the sexual harassment and any kind of criminality over the women, workers and the locals.

The policy implementation: the management units appoints the structure of the gender committee of Gunung Sari Estate for period of July 2014 – June 2015. It was formed by the GSE Manager on July 2nd 2014. It is led by Zoharoh Hawaris (Leader) and supported by Jumanem (Vice Leader) and Ni Komang Karniasih (Secretary).

The socialization programs conducted by the gender committee are: (1) Description of the complaint procedure via gender committee, (2) rights and obligations equality (3) reproduction rights protection, procedure of menstruation and pregnant day off, prohibition for the women workers to work with chemicals and the childbirth recommendation.

According to the result of interview with the gender committee, the management unit supports the existence of the gender committee by providing vehicle for their operationals and the hall to hold assembly.

The management unit has had policy in term of the reproduction rights on the social policy number 724/TQEM-SPMS/09. According to point 4, the company shall develop and implement the policy to protect the women workers from the criminality and sexual harassment and protecting the women reproduction rights.

There is an evidence of the protection over the reproduction rights implementation. For example, the childbirth day off on behalf of Sapriah. An office staff (KKPA 4), she was given childbirth day off from December 1st 2014 to February 28th 2015 (90 days). According to the wage paper review, there is no deduction over Sapriah. The day off paper is supported with the company's doctor recommendation (dr. Hj. Nur Hasanah).

The specific complaint procedure has been socialized to all workers during morning briefing. There are evidence in form of the attendance list and minutes of meeting of the assembly at mill or estate. According to the result of interview with the gender committee, there is no report of sexual harassment complaint. According to the result of interview with the staff, they have aware of the procedure of specific complaint and the sanctions as well.

Status: Compliance

6.10

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

The applied FFB price is determined by the South Kalimantan Province Plantation Agency referring the assembly with several parties such as the estate company representatives, the cooperative units/smallholders, the associated agencies. The FFB price for period of March 2015 was determined by the South Kalimantan Province Plantation Agency in decree number 525/0497/PUPPH-2 dated March 18th 2015.

The range of the FFB price is determined based on the palm oil plants age (3 to 13 years old). The determined FFB price is informed to all estate company in South Kalimantan including the cooperative units and the smallholders. Meanwhile, the price of FFB is transparently known by the community. For example, the FFB price on February 2015 was IDR 1,178 (3 years old plants) and IDR 1,608 (> 13 years old plants).

Angsana POM has never been purchasing FFB beyond the nucleus estate (Gunung Sari Estate, Bonati Estate and KKPA 4 Estate) since its first operation on December 2012 until now. According to the interview with the contractor, they have read and aware of the composed contract. Each contractor maintain 1 contract as copy of the document.

According to the contractor, the company has complied all the contract clauses.

The management unit shows the evidence of payment referring the cooperative agreement letter (SPK) number KKPA-4/SPK-LKL/II/15/026 dated February 16th 2015 for IDR 12,632,778 on April 19th 2015. The payment is referring the composed contract. The payment receipt is supported with the payment official record and payment, work inspection and recapitulation over the transported FFB.

Status: Compliance

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

The management unit contributes the regional development by implementing CSR program, scheme smallholder establishment and tax payment.

The routinely conducted CSR programs are: assistance for sacrificial animals (Bayansari Village), levelling the soccer field (Bayansari Village), levelling the foundation of Polmas housing complex (Angsana Village), road maintenance (Sebambam Baru Village), soil transport to hoard Angsana 1 high school (Karang Indah Village), increasing the soil level of Angsana 1 high school (Karang Indah Village), soil transport to hoard Angsana 1 high school (Karang Indah Village), Ampar Batu Base Course (Banjarsari Village), digging trench alongside the road (Bayansari Village), digging Polmas fish pond (Angsana Village).

Evidence of the tax cut:

- Evidence of income tax 21 cut on the temporary daily labour for period of January for IDR 2,903.181, for period of February 2015 for IDR 2,006.064, for period of March 2015 for IDR 2,225.583

The management unit shows the evidence of the smallholders capacity improvement. It was conducted by KKPA 4 on January 10th 2015. The KKPA 4 management unit suggests all the cooperative units under KKPA 1 guidance to develop the cooperative unit (not depends only from the estate output). For example, bank-like business and product sales like Tuwuh Sari Cooperative Unit and the agriculture tools and ingredient sales such as sickles, fertilizer, and agrochemicals.

Status: Compliance

6.12

No forms of forced or trafficked labour are used.

According to the result of interview with the Head of Gunung Sari Estate Division, the recruitment for the workers level is constituted by the locals and the newcomers. The recruitment stage is referring the SOP of recruitment (Policy Number: 431/HRM-RCT/07, dated May 24th 2007). For example:

1. Based on the request to fill the position or to replace the resign employees.
2. The additional request uses formulir of the need for workers.
3. Advertising the recruitment on the mass media, electronic media, cooperating with the education institution or consultant. (4) Process of selection, interview, medical check up.
4. Salary negotiation.
5. 3 months probation period.
6. If the workers pass the probation time, the promotion decree shall be issued by the Departement of

HRM.

Status: Compliance

6.13

Growers and millers respect human rights

The management unit has shown the policy of the human rights as written on the social policy. The social policy was legalized by Mohd Ghozali Yahaya (the Head of Plantation Upstream Indonesia on December 2011).

The social policy describes that all employees must be fairly treated for the aspects of recruitment, promotion, work condition and limitation regardless race, tribes, class, gender, skin colour, physical condition (disable or difable), organization membership, political thought, religion and or age.

Program Implementation:

- Angsana Mill, Gunung Sari Estate and KKPA 4 management unit recruits the workers from various region/tribe, religion and gender. The faiths of the workers are Islam, Christian, Hindu and Budha. Meanwhile, the tribes of the workers are constituted by the Javanese (216 workers: 57.85%), Lombok (76 workers: 20,25%), Timorese (30 workers:8 persen), Bugis (3 workers: 0,80%), Banjar (5 workers:1,35%), Balinese (2 workers:0,55%), Bataknese (2 workers:0,55%), Maduranese, Tator, Mandailing, etc (39 workers:10,15%).

Socialization in term of the human rights was held on September 2014 to all workers. The socialization materials, attendance list and the event photographs are available.

Status: Compliance

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.

Not Applicable.

There is no new planting on the Gunung Sari Estate, Angsana Estate, Pantai Bonati Estate and KKPA-4 Estate during the ASa-4 assessment. The latest planting conducted in order to extend the new scope in KKPA-4 was conducted on 2006. The latest planting on Angsana Estate operational area on 2007 – 2008 was conducted within the Land Use Title Area (HGU).

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.

Not Applicable.

There is no new planting on the Gunung Sari Estate, Angsana Estate, Pantai Bonati Estate and KKPA-4 Estate during the ASa-4 assessment. The latest planting conducted in order to extend the new scope in KKPA-4 was conducted on 2006. The latest planting on Angsana Estate operational area on 2007 – 2008 was conducted within the Land Use Title Area (HGU).

Status:

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.

The latest planting conducted in order to extend the new scope in KKPA-4 was conducted on 2006. The latest planting on Angsana Estate operational area on 2007 – 2008 was conducted within the Land Use Title Area (HGU). The company has sent the report of LUC analysis to the RSPO board (So Chin Oi) on 5 December 2015.

Status: Compliance	
7.4 Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.	
<i>Not Applicable.</i> There is no new planting on the Gunung Sari Estate, Angsana Estate, Pantai Bonati Estate and KKPA-4 Estate during the ASa-4 assessment. The latest planting conducted in order to extend the new scope in KKPA-4 was conducted on 2006. The latest planting on Angsana Estate operational area on 2007 – 2008 was conducted within the Land Use Title Area (HGU).	
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.	
<i>Not Applicable.</i> There is no new planting on the Gunung Sari Estate, Angsana Estate, Pantai Bonati Estate and KKPA-4 Estate during the ASa-4 assessment. The latest planting conducted in order to extend the new scope in KKPA-4 was conducted on 2006. The latest planting on Angsana Estate operational area on 2007 – 2008 was conducted within the Land Use Title Area (HGU).	
Status: Not Applicable	
7.6 Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	
<i>Not Applicable.</i> There is no new planting on the Gunung Sari Estate, Angsana Estate, Pantai Bonati Estate and KKPA-4 Estate during the ASa-4 assessment. The latest planting conducted in order to extend the new scope in KKPA-4 was conducted on 2006. The latest planting on Angsana Estate operational area on 2007 – 2008 was conducted within the Land Use Title Area (HGU).	
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.	
<i>Not Applicable.</i> There is no new planting on the Gunung Sari Estate, Angsana Estate, Pantai Bonati Estate and KKPA-4 Estate during the ASa-4 assessment. The latest planting conducted in order to extend the new scope in KKPA-4 was conducted on 2006. The latest planting on Angsana Estate operational area on 2007 – 2008 was conducted within the Land Use Title Area (HGU).	
Status: Not Applicable	
7.8 New plantation developments are designed to minimise net greenhouse gas emissions.	
<i>Not Applicable.</i> There is no new planting on the Gunung Sari Estate, Angsana Estate, Pantai Bonati Estate and KKPA-4 Estate during the ASa-4 assessment. The latest planting conducted in order to extend the new scope in KKPA-4 was conducted on	

2006. The latest planting on Angsana Estate operational area on 2007 – 2008 was conducted within the Land Use Title Area (HGU).		
	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.		
<p>The company has not been using paraquat active ingredient pesticide consistently referring the company's policy. The management unit has implemented the sustainable commitment. For example, the management unit is no longer using the chemicals included on the type 1A nor 1B of WHO nor the ingredients written on the list of Stockholm and Rotterdam Convention including paraquat (Major indicator 4.6.4).</p>		
	Status: Compliance	

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module D) CPO Mills – Identity Preserved Requirements
D1	Definition
D.1.1	<p>A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p> <p>The mill has implemented IP supply chain. They use only the FFB from the certified nucleus estate and the full-managed scheme smallholder. According to the supply for last one year, the list of the FFB suppliers is as follows:</p> <p>Nucleus Estate:</p> <ol style="list-style-type: none"> 1. Angsana Estate (RSPO certified) 2. Gunung Sari Estate (RSPO certified) 3. Mustika Estate (RSPO certified) 4. Pantai Bonati Estate (RSPO certified) <p>Full Manage Scheme Smallholders:</p> <ol style="list-style-type: none"> 5. KKPA 1 Estate (RSPO certified) 6. KKPA 2 Estate (RSPO certified) 7. KKPA 3 Estate (RSPO certified) 8. KKPA 4 Estate (RSPO certified) 9. KKPA 5 Estate (RSPO certified) <p>The supply in last three months is as follows:</p> <p>January: Angsana Estate (3,582.880 ton), Gunung Sari Estate (3,290.840 ton), Pantai Bunati (326.660 ton), KKPA 1 Estate (1,506.590 ton), KKPA 4 (2,464.170 ton), and KKPA 5 (1,203.580 ton).</p> <p>February: Angsana Estate (2,707.130 ton), Gunung Sari Estate (2,302.240 ton), Pantai Bunati (159.460 ton), KKPA 1 Estate (1,044.480 ton), KKPA 4 (1,509.980 ton), and KKPA 5 (887.710 ton).</p> <p>March: Angsana Estate (3,565.270 ton), Gunung Sari Estate (2,863.710 ton), Pantai Bunati (197.970 ton), KKPA 1 Estate (1,459.730 ton), KKPA 4 (1,704.650 ton), and KKPA 5 (1,031.910 ton).</p>
	Status: Compliance
D.2	Explanation
D.2.1	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>The estimation of the CPO and PK product tonnage is recorded by the CB on the ASA-3 assessment report. Furthermore, it has been attached on the issued RSPO certificate. The actual certified CPO and PK production tonnage is recorded on the annual surveillance report. The estimation of CPO product for the certification period of July 6th 2015 to July 5th 2015 is 43,432.23 ton of CPO and 8,316.81 ton of PK.</p>
	Status: Compliance
D.2.2	<p>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the</p>

RSPO supply chain managing organization (RSPO IT platform or book and claim).	
The company has complied the requirements on the supply chain registration and reporting via RSPO IT Platform (e trace) on behalf of: Angsana POM – PT. LSI with license code for period of 2014-2015 is CB18996. The Account of e-trace is used to report the transaction of the RSPO-certified product. The Account of Greenpalm for PT. LSI is P0030 on behalf of PT. Ladangrumpun Sumburabadi.	
	Status: Compliance
D.3	Documented procedures
D.3.1	
<p>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</p>	
<p>Angsana POM - PT LSI has had technical procedure and guideline to ensure all elements associated with the supply chain requirements implementation, for example:</p> <ol style="list-style-type: none"> 1. SOP of product identification and traceability in PT. Ladangrumpun Suburabadi Minamas Plantation Number RSPO/502/SPC-LSI/03/13 Revision 1 dated March 1st 2013. 2. Technical guideline of the POM (1st and 2nd edition) and procedure on POM administration which describes: FFB receipt number 110/POD-FAC/07, boiling (sterilization) number 110/POD-FAC/07, Striping number 110/POD-FAC/07, Digesting Number 110/POD-FAC/07, Pressing number 110/POD-FAC/07, Purification (clarification) number 110/POD-FAC/07, separation of kernel and fiber number 110/POD-FAC/07, Kernel Station number 110/POD-FAC/07, CPO storing number 110/POD-FAC/07. 3. Memorandum from the Head of PSQM dated February 27th 2013 to the SGM Plantation Operation Sumatera / Kalsel, Head of Marketing Division, All GM of estate, Estate Manager, Manager of ESH, Manager of PSQM in term of the RSPO supply chain system. The memorandum describes the model of supply chain at mill, description of supply chain model, labelization on FFB product and the associated Officers, labelization on CPO, PK and shell supply chain product, procedure of supply chain system. 4. The personnel in charge of the implementation of the requirements are: <ul style="list-style-type: none"> – Manager of Angsana POM. The manager maintains and keeps all the records and documents in term of raw material usage, the supporting material usage on the production process and ultimate product quality, the manager also verifies the product status to the buyer referring the invoice, DO and sales contract and the manager also signs the official record of the product dispatch to the buyer and holds training in term of the supply chain requirements to all involved staff on the production chain, production process and product storing and dispatch to the buyer. – Assistant of Plantation Sustainable Quality Management (PSQM). The Assistant of PSQM inspect the FFB quality at POM, compose the daily recapitulation, monitor the palm product load and unload and witness the official record of the CPO and Palm Kernel. – Assistant of Laboratory. The Assistant of Laboratory analyze and test the raw materials and products produced in all POM production process, the Assistant of Laboratory should also keeps, maintains and distributes the result of the raw material analysis and test to the associated parties. <p>Assistant/Senior Assistant /Manager of Bulking are responsible over the CPO and PKO product transportation from POM to the bulking station.</p>	
	Status: Compliance

D.3.2
The site shall have documented procedures for receiving and processing certified and non-certified FFBs.

The procedure and guideline to regulate the certified and non-certified FFB receipt and processing is written on the SOP of product identification and traceability in PT. Ladangrumpun Suburabadi Minamas Plantation Number RSPO/502/SPC-LSI/03/13 Revision 1 dated March 1st 2013.

According to the document, the FFB verification and processing is conducted by reviewing:

- The list of the certified suppliers
- The "RSPO-certified" stamped FFB covering letter
- The "RSPO-certified" stamped weighbridge ticket
- The report of "RSPO certified" stamped FFB quality control
- The SIME Weight application program which controls the FFB receipt only from the certified suppliers
- The document of the RSPO-certified and non RSPO-certified monthly recapitulation

The implementation of the system is shown by the memorandum from the Head of PSQM dated February 27th 2013 to SSGM Plantation Operation Sumatera / Kalsel, Head of Marketing Division, All GM of estate, Estate Manager, Manager of ESH, Manager of PSQM in term of the RSPO supply chain system. The memorandum describes the model of supply chain at mill, description of supply chain model, labelization on FFB product and the associated Officers, labelization on CPO, PK and shell supply chain product, procedure of supply chain system.

Status: Compliance

D.4
Purchasing and goods in
D.4.1
The site shall verify and document the volumes of certified and non-certified FFBs received.

The company has verified the certified and non-certified FFB documentation referring the applied SOP. According to the document, the FFB verification and processing is conducted by reviewing:

- The list of the certified suppliers as shown by the list of the certified suppliers for period of 2014 – 2015 (it is described on the previous indicator).
- The "RSPO-certified" stamped FFB covering letter as shown by the FFB covering letter during March 2015.
- The "RSPO-certified" stamped weighbridge ticket as shown by the document of weighbridge ticket during March 2015.
- The report of "RSPO certified" stamped FFB quality control as shown by the document during March 2015.
- The SIME Weight application program which controls the FFB receipt only from the certified suppliers.
- The document of the RSPO-certified and non RSPO-certified monthly recapitulation as shown by the last 6 months recapitulation.

Status: Compliance

D.4.2
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.

According to the CPO production projection for the certificate period on July 6th 2014 until the ASA-4 assessment, the CPO production projection is 43,432 ton of CPO and PK production projection is 8,316.81 ton. The realization on CPO production on the previous certificate period until ASA-4 was 33,019.46 ton and the PK realization was 7,345.35 ton. Therefore, there was no overproduction on the previous period. However, according to the company SCCS procedure, the company shall inform the overproduction.

Status: Compliance

D.5
Record keeping
D.5.1

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.

There are documents which shows the balancing of all RSPO-certified FFB in quarter-based on the daily-based and monthly-based monitoring. The recapitulation and balancing of the certified-CPO and certified-PK production for period of 2014 and 2015 in quarter-based production is as follows:

Period	Processed FFB	Production		Dispatch		Stock	
		CPO	PK	CPO	PK	CPO	PK
July–Sep 2014	41,415,770	9,405,036	2,243,503	9,207,830	2,629,250	1,234,849	709,833
Oct–Des 2014	41,415,770	9,405,036	2,221,977	10,338,550	2,106,310	674,407	752,052
Jan–March 2014	31,808,960	7,363,816	1,439,465	7,004,760	1,409,960	1,763,590	716,924

All the records and reports have been composed and maintained by the company. The system of the document maintenance are in form of soft copy on the System Application Program (SAP), SIME Weight program and in form of hard copy (FFB Covering Letter, Weighbridge Ticket, Delivery order) are maintained on the Angsana POM administration room. Angsana POM – PT. LSI also has determined the SCCS implementation records and Process Control Report documents for 5 years.

Status: Compliance

D.6
Processing
D.6.1
The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage

The company does not have facilities to separate the certified and non-certified FFB. However, the company has implemented the SG supply chain as shown by the Memorandum from the Head of PSQM dated February 27th 2013 to SGM Plantation Operation Sumatera / Kalsel, Head of Marketing, all GM estate, Estate Manager, ESH Manager, Manager of PSQM in term of the RSPO supply chain system. According to the memorandum, PT. LSI Angsana POM implements SG supply chain model. Therefore, the contamination should not more than 5%.

Status: Compliance

D.6.2
The objective is for 100 % segregated material to be reached

The company has achieved 100% separation by all the regulation to receive only the certified FFB as shown by:

1. Memorandum from the Head of PSQM dated February 27th 2013 to the management of PT. LSI – Angsana POM that the mill has implemented SG supply chain model.
2. The production report in one last year shows that there is no FFB from the non-certified suppliers.

Status: Compliance

3.3. Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-4	Angsana POM (PT Ladangrumpun Suburabadi) and its supply base already has the approval/permission to use the certificate with the number MUTU-RSPO/006a LSI.	√
	Status: Full Compliance	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-4	The company does not use either logo in the product (on-product) and not the product (off-product) in the scope of Angsana POM (PT Ladangrumpun Suburabadi) and its supply base.	√
	Status: Full Compliance	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-4	The company does not use either logo in the product (on-product) and not the product (off-product) in the scope of Angsana POM (PT Ladangrumpun Suburabadi) and its supply base.	√
	Status: Full Compliance	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-4	The company does not use either logo in the product (on-product) and not the product (off-product) in the scope of Angsana POM (PT Ladangrumpun Suburabadi) and its supply base.	√
	Status: Full Compliance	

3.4. Summary of RSPO Partial Certification.

Summary: At the beginning of 2015, Sime Darby Plantation Sdn Bhd (SDPSB), owns and manages 34 palm oil mills in Malaysia and through their subsidiary ownership of PT Minamas Gemilang, own 25 palm oil mills in Indonesia. The time bound plan under 1.9 highlights all certified units and uncertified units. As of this assessment, SDPSB has successfully certified all their mills with the exception of one, which has been audited and pending certification. The progress of this last mill will be reviewed during the next surveillance assessment. Sime Darby Plantation Sdn Bhd is a member of RSPO and has been involved in the certification since 7 September 2004. The membership number with RSPO is 1-0008-04-000-00 .		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	X or√
	<p>Sustainable Plantation Management System (SPMS) is a common set of policies and documents used by all SOU's. The Plantation Quality Management system (PQMS) are manuals also used by all operations. The sustainability polies will also address legal concerns that need to be adhered by the company.</p> <p>These manuals and polies abide by local and national land laws. ie. Compliance with legal documents such as the "Land Rules Applicable to the States in Malaysia" and relevant acts.</p> <p>The group has a common human resource policy which is also cascaded to all operating units. There are several handbooks and guides, shared with employees. Examples: "The Group Employee Handbook" latest revision May 2014, explains to employees their benefits and company rules. The manual and policies are used to educate and inform employees of their rights and responsibilities.</p> <p>Issues relating to employees are all operating units are monitored on a monthly basis and reported through the monthly Plantation Management Committee Meeting (PMC) attended by head of departments. Monitoring is also done via e-mail and official communications with the respective departments. For example: PSQM monitors HR and Social related matters with the help of the internal audit team and reviewed by the PSQM Head of Department.</p>	√
	Status: Compliance	
2.2	The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.	X or√
	Legal ownership of land and its land use is available for all operating units and demonstrated through the respective land titles.	√
	Status: Compliance	
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 a standard complaints procedure that is communicated to all facilities and locations. The procedure, under the SPMS manual, "Complaints & Grievances, Appendix 5", is made available from the head office and cascaded to all operating units.	√
	Status: Compliance	
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√
	SDPSB has Social Welfare Officers are based regionally across the nation, where internal and external stakeholders can share their views and concerns. On a monthly basis, the reports are shared with Head of Social and Environmental Projects Units under PSQM, and reviewed during the monthly PMC meetings. The PSQM with the HR department will monitor any issues and	√

	reviewed with the Head of Department.	
	Status: Compliance	
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√
	No new planting has taken place since 2011, where the last NPP notification was carried out for operations in Liberia.	√
	Status: Compliance	
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√
	For any new land acquisitions, the RSPO NPP procedure is followed where the company will complete the required HCV and EIA assessments.	√
	Status: Compliance	
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√
	Any new land acquisition will be done by mean of a participatory process with local villages and land owners. No complaints received during this audit process.	√
	Status: Compliance	

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 ASA-03

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.01	Major 1.2.1	Type of information/ document that can be accessed by stakeholders Based on document's review (SOP for information provision and memo on SOP for company's information response – Angsana Estate), it is known that there are no legal documents and environment documents that can be accessed by stakeholders.	Mill and Estate	Major	23 June 2014	Company have to ensure the handed-document to stakeholder is based on RSPO requirement.	Root Cause: No revision/ update over SOP for information provision related to legal and environment document. Corrective action: Observation on 18th May 2014 Company has presented its improvement by setting type of document that can be accessed by stakeholders and issuing SOP for information provision. Preventive Actions: Internal Audit	Closed	18 th May 2014
2014.02	Major 2.1.1	Compliance over applicable and related legal requirement Based on document's review, company did not able to present its compliance over applicable and related legal requirement: a. Paramedics not entirely have follower hyperkes training based on Ministry of Manpower Decree No. 1 in 1979 regarding the mandatory company hygiene and occupational health and safety training for paramedics	Mill and Estate	Major	23 June 2014	Company must present its compliance evidence toward the applicable regulation and law	Root Cause: 1. Proposal for hyperkes training has been submitted by company's physician on 18 th October 2013 Letter No. 006/PS-GAE/X/2013, currently under process in HRM. 2. There is no welder being identified to follow training 3. Lack of understanding on first aid content based on Manpower and Transmigration Ministry Decree No. 15 in 2008 4. Lack of understanding on Government	Closed	15 th May 2014 and 15 th June 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		<p>b. Driving license for operator (SIO) like:</p> <ul style="list-style-type: none"> • Welder based on Ministry of Manpower Decree No. 2 in 1980 regarding the qualification for welders. • Operator for power and production vehicle based on Ministry of Manpower Decree No. 4 in 1985. <p>c. Content of first aid box not inline and similar to requirement as stated in Manpower and Transmigration Ministry Decree No. 15 in 2008 regarding the first aid in workplace.</p> <p>d. Activity report for managing fire in field based on President Decree No. 4 in 2001.</p> <p>e. Standard quality for drinking water is not in line with Ministry of Health Decree No. 492 in 2010 regarding the requirement for drinking water quality.</p> <p>f. Does not have shower eye wash and alarm in temporary hazardous waste storage based on Environment Agency of Tanah Bumbu District Decree No. 660/15/BLHD/2012 on 27th Feb 2012.</p>					<p>Decree No. 4 in 2001</p> <p>5. Management has not received an update and latest regulation for drinking water quality based on Ministry of Health Decree No. 492 in 2010, LHU does not in line with ASF request.</p> <p>6. Delay on shower eye installation.</p> <p>Corrective action: Observation on 15th May 2014 company has presented its compliance evidence toward the applicable regulation, for instance:</p> <ol style="list-style-type: none"> 1. Evidence in a form of hyperkes training plan for the entire paramedic in PT. LSI and SHE that was conducted on 9-11th June 2014. 2. Recommendation letter for welder class III No. 566/01/Disnakertrans/2013 on behalf of Mr Hairudin. 3. There is an improvement evidence over field fire delivery order for Plantation Agency 4. Request for drinking water re-examination no. 126/ASF/Int/V/2014, which based on Ministry of Health Decree No. 416 in 1990. Company is waiting for the examination result from Baristan Laboratory (± 1.5 months) and conducting socialization to boil water 5. Documentation on shower eye washes and alarm installation in temporary 		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>hazardous waste storage that based on Environment Ministry Decree no. 14 in 2013.</p> <p>Observation on 15th June 2014 Company has presented the improvement evidence over first aid box content and list of first aid box content in work place based on Manpower and Transmigration Ministry Decree No 15 in 2008.</p> <p>Preventive Actions:</p> <ul style="list-style-type: none"> a. Conducted hyperkes training for paramedics PT.LSI-PT.SHE on 4th June – 9th June 2014 based on memorandum from GM HRM No.165-HRM-i1-V-14 b. Monitoring over driving license completeness on entire working units. c. Monitoring on periodic examination over first aid box content d. Monitoring on field fire prevention activity (every 6 months) e. Revision over regulation change f. Field observation 		
2014.03	Major 2.1.2	<p>Evidence over company's effort to comply regulation's change Based on document's review and field observation, some changed-regulations have not been implemented in company's operation. For instance:</p>	Mill and Estate	Major	23 June 2014	Company have to ensure that operation regulation has been in line with every changed-regulation.	<p>Root Cause:</p> <ul style="list-style-type: none"> a. Management has not received update or revision over drinking water quality regulation based on Ministry of Health Decree No. 492 in 2010 b. Not updating latest regulation 	Closed	15 th May 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		<ul style="list-style-type: none"> Examination parameter for drinking water quality is still using Ministry of Health Decree No. 416 in 1990. The utilization of hazardous waste symbols and label are still using Bapedal Decree No. 5 in 1995. 					<p>Corrective action: Observation on 15th May 2014 Company has presented its compliance evidence over changed-regulation. For instance:</p> <ol style="list-style-type: none"> Request for re-examination over drinking water quality No. 126/ASF/Int/V/2014 based on Ministry of Health Decree No. 492 in 2010. Company is waiting for the examination result from Baristan Laboratory (± 1.5 months) and presented the evidence of socialization to boil water through memorandum No. 39/LSI-ASF/V/12 on 1st May 2012. Documentation over hazardous symbols and labels is based on Environment Agency Decree No 14 in 2013 as well as evaluation checklist for PT LSI-SHE estate and mill regulation. <p>Preventive Actions:</p> <ol style="list-style-type: none"> Examination over drinking water quality that based on Ministry of Health Decree No.492 in 2010 Updating symbols and labels in temporary hazardous waste storage. 		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.04	Minor 2.1.1	Evidence over written system, which consists of information about legal and regulation requirement that have to be complied by plantation company Based on document's review, company has had regulation list that have to be complied by company, however company has lack of evidence that this regulation list has been updated in accordance to its change.	Mill and Estate	Minor	ASA-04	Company have to ensure that list of regulation has been updated.	<p>Root Cause: company did not updating its regulation list as well as the evaluation over company's compliance in 2014</p> <p>Corrective action: Observation on 18th May 2014 Company has presented evidence of its improvement efforts by updating company's regulation list on regulation compliance evaluation-document.</p> <p>Preventive Actions: Periodically updating the regulation-compliance evaluation</p>	Closed	18 th May 2014
2014.05	Major 4.4.1	Protection over water flow and wet lands, including to protect and to maintain riparian area before and after replanting. Based on field observation in block J61 Division I KKPA-4, auditors found that the management for riparian area was not in line with HPUI protection policy for sloping area and river's support area, in December 2011, which is 50 meters from left and right side of river.	Estate	Major	23 June 2014	Company should ensure protection over riparian area to be in line with HPUI protection policy for sloping area and river's support area.	<p>Root Cause: Lack of understanding on riparian area's management policy</p> <p>Corrective action: Observation on 03rd June 2014 Company has presented its revision over minutes of painting activity (50 meters from right and left side of river's body as buffer zone) that in line with company's policy No. 2 (minutes of painting activity is available, 08th May 2014)</p> <p>Preventive Actions: Monitoring over riparian's management.</p>	Closed	03 rd June 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.06	Minor 4.4.2	Record over the implementation of water management program Based on document's review, company doesn't able to present evaluation evidence over Sembaban River water examination parameters that were exceeding the standard threshold like suspension residue, BOD ₅ and Chloride.	Estate	Minor	ASA-04	company have to present the evaluation evidence over exceeding parameters for Sembaban River's water like suspension residue, BOD ₅ and Chloride based on Government Decree No. 82 in 2001	<p>Root Cause: No evaluation being conducted over river's water exceeding examination parameters.</p> <p>Corrective action: Observation on 15th May 2014 Company has presented the evaluation evidence over river's water exceeding examination parameters that was recorded in LCPKS and PPA evaluation report. Exceeding parameters were generated in riverhead water and downstream (\pm 4 km from sample pick-up location). Company's follow up actions are conducting periodic monitoring for river's water quality, submitting report, greening, installing prohibition board to throw rubbish in to river's body and build sedimentation pond for treated effluent management before throw into river's body.</p> <p>Preventive Actions: Monitoring over riparian management.</p>	Closed	15 th May 2014
2014.07	Major 4.5.1	Documented and latest integrated pest management program Based on document's review, company has limited evidence that company has documented integrated pest management program (especially KKPA-4)	Estate	Major	23 June 2014	Company must present the evidence that it has documented the integrated pest management program.	<p>Root Cause: During field visit, integrated pest management program has not documented yet.</p> <p>Corrective action: Observation on 18th May 2014 Based on improvement evidence that has</p>	Closing	18 th May 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>been sent on 18th May 2014, KKPA-4 has presented the improvement evidence in a form of integrated pest census and pest management program in 2014.</p> <p>Preventive Actions: Company is suggested to make regular monitoring and to record integrated pest management program.</p>		
2014.08	Major 4.6.4	<p>Agrochemical waste Based on field observation in Division I KKPA-4 office, auditors found used pesticide packages were kept in non-licensed warehouse.</p>	Estat e	Major	23 June 2014	<p>Company must present the evidence that hazardous waste management has been in line with Government Decree no. 18 in 1990 regarding the hazardous waste management.</p>	<p>Root Cause: During the visit, temporary hazardous waste in KKPA-4 was under planning stage.</p> <p>Corrective action: Observation on 03rd June 2014 Company has presented its improvement actions over hazardous waste management (used pesticide package), such as:</p> <ul style="list-style-type: none"> - Memorandum No. KKPA-4/Int/093/2/14/2 regarding the prohibition to store used pesticide package in division warehouse. This memo also instructs personnel to store used pesticide package in licensed hazardous warehouse. - Socialization on prohibition to store used pesticide package in Division I & III on 28th April 2014 (attendance sheet for 30 participants orang from Division I and 17 participants from Division III is available) 	Closed	03 rd June 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>- hazardous waste hand over (used pesticide package) on 20th May 2014 from Division I to licensed temporary hazardous waste storage</p> <p>Preventive Actions: Monitoring over out-going hazardous waste balance and in-coming hazardous waste balance in licensed temporary hazardous waste storage.</p>		
2014.09	Minor 4.7.6	<p>Company's compliance evidence over occupational health and safety equipment and first aid kits in work place.</p> <p>Based on visit to housing in KKPA-4 and workshop, auditors found fire extinguisher tool with below condition:</p> <ul style="list-style-type: none"> • Pressure manometer was in a low pressure. • Fire extinguisher was located in a too high (hardly reachable) that not in line with Manpower and Transmigration Ministry Decree No. 4 in 1980. • Based on field visit in ASE central workshop. Auditors found the content of first aid box was not in line with Manpower and Transmigration Ministry Decree No. 15 in 2008 regarding first aid box in work place. 	Estate and Mill	Minor	ASA-04	Company have to ensure that first aid kits have been in line with the applicable regulation.	<p>Root Cause:</p> <ul style="list-style-type: none"> • During the visit, fire extinguisher was empty and not refilled yet • no socialization over first aid box content in KKPA-4 (based on this regulation) <p>Corrective action: Observation on 30th April 2014 Company has presented its improvement actions, such as:</p> <ul style="list-style-type: none"> - Refilled the empty fire extinguisher and put fire extinguisher in a reachable place based on Manpower and Transmigration Ministry Decree No. 4 in 1980. <p>Observation on 15th June 2014 Company has presented the improvement evidence over list of first aid box content in work place, which based on Manpower and Transmigration Ministry Decree No. 15 in</p>	Closed	30 th April 2014 and 15 th June 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							2008. Preventive Actions: <ul style="list-style-type: none"> • Periodic monitoring over fire extinguisher check and fire extinguisher refill. • monitoring over first aid box content, based on regulation (annex 4.7.6) 		
2014.10	Major 5.2.2	Protection for ecosystem with high conservation value Based on document's review, KKPA-4 does not have HCV 3 and HCV 6 management program based on identification result over HCV within KKPA PT. Sajang Heulang area (in cooperation with Bogor Agriculture Institution).	Estate	Major	23 June 2014	Company should have HCV 3 and HCV 6 management program based on management and monitoring plan.	Root Cause: HCV 3 and HCV 6 management program within KKPA-4 were not well documented. Corrective action: Observation on 11th May 2014 Company has presented evidence for HCV 3 and HCV 6 management program and implementation through buffer zone maintenance, vegetation monitoring, signboard installation and measurement over water debit. Preventive Actions: Monitoring program and realization for HCV 3 and HCV 6 management program in KKPA-4.	Closed	11 th May 2014
2014.11	Minor 5.2.1	Monitoring over sign board HCV Based on document's review and field observation in Block J61 Division I, KKPA-4 neither performed monitoring nor evaluation over signboard existence.	Estate	Minor	ASA-04	Company should able to present its monitoring and evaluation over signboard existence.	Root Cause: The absence of monitoring over HCV officer (who is in charge to monitor signboard existence). Corrective action:	Closed	11 th May 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Observation on 11th May 2014 Company has presented replacement evidence for missing signboard (minutes of signboard, installation is available). Develop signboard map and photos for 15 units of installed-signboard in KKPA-4.</p> <p>Preventive Actions: HCV officer should periodically monitors HCV signboards.</p>		
2014.12	Major 5.3.2	<p>Waste management in order to avoid pollution Based on field observation in KKPA-4 warehouse, auditors found oil and diesel fuel leakage in diesel fuelling station.</p>	Estate	Major	23 June 2014	Company should present evidence that waste has been managed based on Government Decree. No. 74 in 2011 regarding the hazardous waste management.	<p>Root Cause: The absence of reservoir to collect diesel fuel leakage.</p> <p>Corrective action: Observation on 11th June 2014 Company has presented the improvement evidence over waste management (oil leakage) in diesel fuelling station, for instance: <ul style="list-style-type: none"> ✓ Documentation over oil traps installation in diesel-fuel station area. ✓ Minutes of oil trap installation and repair in diesel-fuel station area on 2 May 2014 in KKPA-4. </p> <p>Preventive Actions: Oil trap has been available in diesel fuelling station.</p>	Closed	11 th June 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.13	Minor 5.3.1	Hazardous Waste Management 1. Based on document's review and field observation in temporary hazardous waste storage in Angsana Mill, auditors found hazardous waste packages that have been stored for more than 90 days. 2. Based on field observation in KKPA-4 clinic, auditors found that infectious waste management from clinic activity has not been in line with the applicable regulation.	Estate	Minor	ASA-04	Company should present the evidence of hazardous waste management has been in line with Government Decree No. 18 in 1999.	Root Cause: 1. Hazardous waste producer has an obstacle to send hazardous waste package to third party because the volume (quantity) of hazardous waste is too small. 2. Delay on delivery of infectious waste from KKPA-4 clinic to ASE central warehouse due to small quantity. Corrective action: Observation on 03rd June 2014 Company should present improvement evidence over infectious waste management, such as: ✓ Purchase order for waste bin red, yellow and green on 02 nd April 2014. ✓ Documentation for red, yellow and green waste bin in KKPA-4 clinic (infectious waste bin was completed with plastic bag) Preventive Actions: 1. Conducting negotiation to make cooperation with third party (PT.Maju Asri Jaya) 2. Periodically monitor the delivery of infectious waste to ASE central clinic every date 25 (consecutive month)	Closed	03 rd June 2014

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-04.

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2015.1.	2.2.2.	Action plan over the corrective action on the legal demarcation boundary According to the pole monitoring and field verification in GSE, there are several missing Land Use Title poles (more than 90 poles). However, there is no proper action plan to ensure the legal demarcation boundary referring the regulation.	PT. LSI	Minor	Re-certification assessment - RSPO	The company must be able to show the demarcation and legal boundary referring the applied land legality documents.			
2015.2.	4.7.6	Medical treatment and work accident insurance for workers According to the result of basic salary list observation for period of March 2015, there are still several insurance-uncovered temporary daily labours in KKPA-4.	KKPA-4	Minor	Re-certification assessment - RSPO	The management unit must shows evidence that all temporary daily labour are covered with work accident insurance.			
2015.3.	5.1.3	Record of the environment reporting and management referring the applied regulation The company is not managing and monitoring the environment referring the EIA recommendation. Especially on the social aspect on the community restlessness.	PT. LSI	Minor	Re-certification assessment - RSPO	The company must be able to show all environmental management and monitoring programs are conducted by referring the EIA.			
2015.4.	5.2.4.	HCV management evaluation The company has shown the regular HCV monitoring program. However, there is no evidence of the HCV management result evaluation compared to the management plan.	PT. LSI	Minor	Re-certification assessment - RSPO	The company must be able to show the evidence of the HCV management result evaluation as the <i>feed back</i> for the next HCV management plan.			
2015.5.	5.3.3	Domestic waste management According to the field visit to Gunung Sari Estate employees housing complex, the domestic waste	Estate	Minor	Re-certification	The company must be able to manage the domestic waste referring the applied			

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		management is not conducted based on the applied SOP.			assessment - RSPO	SOP.			
2015.6.	6.1.4	Social Impact assessment (SIA) The company can not show the review on the plan to reduce the negative impact and increase the positive impact and there is no evidence that the assessment program is involving all the impacted parties.	Estate & Mill	Minor	Re-certification assessment - RSPO	The company must be able to show the document of the assessment over the plan to avoid or reduce the negative impact which must involve all the impacted parties.			
2015.7.	RSPO Certification System 4.2.4.c (Minor).	Implementation on Time Bound Plan On <i>time bound plan</i> for the Sime Darby Estate in Indonesia, there is no justified revision by the management for period of 2015. For example, the certification process for PT BAL, Kebun Pelanjau, Sungai Putih and Baturus which was planned on 2014).	Sime Darby	Minor	Re-certification assessment - RSPO	The management unit must be able to show the justified revision on Time Bound Plan.	<ul style="list-style-type: none"> • Root cause : Has not done a review of the actual time bound plan until 2014. • Corrective action : Conduct a review and revision time bound plan in 2015. • Preventive action : Review annually to the time bound plan previously defined. • Auditor observation, 29 June 2015 : The management unit showed revision of time bound plan for 2015 which is approved by the Head of PSQM along with the justification to change of the time bound plan. PT BAL certification plan was revised 	Closed	29 June 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							to 2018 due to waiting for the determination of decree spatial plan and settlements. Non conformance NC.2015.7 is closed.		

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	Minor 4.4.1	Evaluation of the river water quality test. The company has described the evaluation on the Sembamban river water quality test on the report of environmental management and monitoring plan more comprehensively.
2	Major 4.7.2	The management unit needs to ensure that the HIRAC has covered the POM and estate operationals referring the work location. For example, on hazardous waste storage, generator house in estate, warehouse in estate.
3	Major 4.7.3	a. The management unit needs to improve the monitoring over the PPE usage discipline. b. The management unit needs to re-evaluate the PPE usage period referring the job position.

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1.	-	The company's commitment to implement the sustainable estate management principles.
2.	-	The company is constituted by competent personnel in each position.
3.	-	The company has conducted ISCC certification on 2015 for nucleus estate in PT LSI.

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

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>Monday, April 27th 2015 The Board of Makmur Village 1. Samuji (The Chief of Hamlet 01) 2. Purwanto (The Chief of Civil Division) 3. Sumanto (The Member of Village Forum) 4. Wildan (The Village Staff) 5. Zuriyah (The Administration Staff)</p> <p>Consultation Result: 1. In general, there is no alarm bells ringing. All are under control. 2. Positive impacts: - The local workforce absorption up to 85% of the total of population. - Scheme smallholders establishment (\pm 574 hectare) on 2000 and the estate management is transparent enough. The output of KKPA estate increases annually. - Better road infrastructure repairment. - Education institution for the employees work at estate. 3. The communication between the community and the company is running well. 4. There is no land dispute issue against the locals. 5. The CSR contribution need to be improved to keep the community close with the company. The programmed CSR programs are missing the hotspot. 6. There is a complaint from the community of hamlet 2 nearby Angsana Mini POM. The complaint the effluent smell which like craps. It has been discussed several years ago but there is no follow up action.</p>	<ul style="list-style-type: none"> • The good part shall be maintained and improved • The CSR programs the company implements are the sacrificial animal assistance as well as the village operational fund assistance. • There is no written report in term of the effluent smell so far (within \pm2 years). However, the environment impact of the waste management shall be concerned. 	<p>The company is expected to maintain the good relation with the locals and empower more of the locals.</p> <p>The company is expected to provide complete information in term of the environment management efforts such as permits and the stages of effort.</p> <p>The company is expected to maintain good relation with the employees and respond the issues carefully to avoid misunderstanding.</p>
<p>Monday, April 27th 2015 The Board of Karang Indah Village: Wijiono (the Chief of Karang Indah Village)</p>		



Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>Consultation Result:</p> <ol style="list-style-type: none"> There is no alarm bells ringing so far. There are a lot of good impacts caused by the company existence, especially the scheme smallholders program for 380 hectare. The scheme smallholder management is transparent enough. However, the cooperative unit needs to be involved on the estate budgeting plan at the beginning of the year. Therefore, they shall know the must-paid cost. They do not know it so far. There is no significant environment impact. There is a decrease on the fish population at the river. However, it is not caused by the company. There is no land dispute nor conflict against the locals. Only small number of Karang Indah villagers who work at the company (only 15 villagers of 3,200 villager). The villagers of Karang Indah Village have many income alternatives. The communication is well maintained despite there is no routine and scheduled assembly. There is no CSR program referring the community's need. It should be improved at the future so the company can point out its existence. The recent expected assistance is for renovating of Angsana 1 High School. 	<ul style="list-style-type: none"> The good part shall be maintained and improved. The cooperative unit is not involved on the budget plan because principally the scheme smallholder has already been manager by the company management unit. However, the final budget plan shall be socialized to the cooperative unit board on the coordination assembly. The CSR assistances have already been given frequently, especially on the sacrificial animal, village operational fund and the heavy equipments to support the infrastructure construction of Angsana 1 High School (attached). 	<p>The company is expected to maintain the good relation with the locals and empower more of the locals.</p> <p>The company is expected to provide complete information in term of the environment management efforts such as permits and the stages of effort.</p> <p>The company is expected to maintain good relation with the employees and respond the issues carefully to avoid misunderstanding.</p>
<p>Monday, April 27th 2015 The Board of Bayan Sari Village</p> <ol style="list-style-type: none"> M Rukma Gani (the Head of Development Division). Abdul Wahid (The Head of Social Affair) Ahmad Maksum (The Head of Government Affair) Hendra Setiawan (LPM) Rohidayati (Administration staff) Sahril Sipayadi (The Head of Village Consultative Institution) Abner Sani (PSP3) 		

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
Mulyo Joko (Gunung Sari Estate GSE)		
<p>Consultation Result:</p> <ol style="list-style-type: none"> 1. The assistances granted by the company are the heavy equipments, sacrificial animals, scholarship, road and bridge construction, religious feast, national feast, mosque yard levelling and cooperative unit yard leveling. 2. Half of the village population are working on the company. 3. The company prioritizes the local contractor and workers. 4. If the work performance of the locals (employees) is barely zero (mess up), the GSE Manager shall communicate with the chief of village to educate and together train them . 5. The information of the job opportunity is placed on the place of crowds and is informed by the foreman and the chief of village. 6. The contractor announcement with the invitation to the village. 7. There is no land conflict nor other conflict against the locals. 8. The company is very thankful for the company existence. 9. The village apparatus knows and has the telephone number of the company-appointed staff to communicate and consult with them including the GSE Manager telephone number. 10. The village apparatus aware of the procedure to express complaint to the company. 11. The company respond the assistance request sent by the locals immediately (1 – 2 day). Despite the fund cash has to wait. 12. Each of the village development plan is discussed with the company and vice versa. 13. The company is frequently invited and is participated on the village, sub-district and district development forum. 	<ul style="list-style-type: none"> • It has been running well. It shall be maintained and improved, especially for keeping the good relation. 	<p>The company is expected to maintain the good relation with the locals and empower more of the locals.</p> <p>The company is expected to provide complete information in term of the environment management efforts such as permits and the stages of effort.</p> <p>The company is expected to maintain good relation with the employees and respond the issues carefully to avoid misunderstanding.</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>14. The planned CSR programs have been informed by the estate Manager to the villages.</p> <p>15. Assistance in form of the building and road is planned on the company's budget.</p> <p>16. There is no environment contamination caused by the company operationals. The company has its own road to transport CPO.</p> <p>17. The company responds the complaint expressed by the locals immediately. For the example, the effluent overflow caused by frequent rainfall and broken flatbed. The company repairs it in 1 day.</p> <p>18. The musical instruments belong to GSE are frequently borrowed by the locals to support the locals for the wedding or circumcision celebration.</p> <p>19. The existence of 918 Ha of KKPA for 450 family head is incredibly helpful. The income of the locals lies on USD 223 – 231 / month (IDR 2,900,000 – 3,000,000 / month). The highest income reaches USD 462 – 692 (IDR 6,000,000 – 9,000,000 / month).</p> <p>20. The income of KKPA from the 60 ha land for the cooperative program is used to support the village operationals.</p> <p>21. The company hold HCV and the endanger flora and fauna socialization.</p> <p>22. The locals expect the communication keeps running well and the assistances are consistently provided by the company.</p>		
<p>Monday, April 27th 2015 The Board of Purwodadi Village Heriyanto (Chief of Village)</p>		
<p>Consultation Result:</p> <p>1. Most of the community of Purwodady Village work at the company (75%).</p> <p>2. The frequent assistance from the company are the assistance for the religious feast, national feast, mushola construction, assistance for the oldee, fund</p>	<ul style="list-style-type: none"> It has been running well. It shall be maintained and improved, especially for keeping the good relation.. 	<p>The company is expected to maintain the good relation with the locals and empower more of the locals.</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>assistance for the village operationals for USD 538 / year (IDR 7,000,000 / year), fund assistance for the chief of village for USD 12 / month (IDR 150,000 / month), assistance for providing heavy equipments and scholarship until the college for the brilliant students.</p> <p>3. The local workforce and contractors are prioritized by the company.</p> <p>4. The Hectarage of the established KKPA is 1,118 ha</p> <p>5. The locals income increases with the existence of KKPA USD 193/months (IDR 2,500,000).</p> <p>6. Purwodadi has 25 ha land for KKPA. The income the village received is used on the village operationals such as school bus and ambulance.</p> <p>7. The company is frequently invited and is participated on the village development forum.</p> <p>8. The locals complaint over the company is expressed at the assembly at cooperative unit.</p> <p>9. The assistance request is immediately responded (1 – 2 days)</p> <p>10. There is no land dispute.</p> <p>11. There is no environment contamination caused by the company's operationals.</p> <p>12. The job opportunity is informed by the company via announcement, foreman and chief of village.</p>		<p>The company is expected to provide complete information in term of the environment management efforts such as permits and the stages of effort.</p> <p>The company is expected to maintain good relation with the employees and respond the issues carefully to avoid misunderstanding.</p>
<p>Gunung Sari Estate Gender Committee</p> <p>Zoharh Mawaras (the Leader):</p> <p>1. There is no complaint in term of sexual harasshment received by the gender committee during period of 2014 – 2015.</p> <p>2. The gender committee conducts socialization in term of sexual harasshment including its reporting.</p> <p>The company's support over the gender committee is in form of the provision of hall and food when they hold assembly.</p>	<ul style="list-style-type: none"> The gender committee programs shall always be monitored and be coordinated. The company always supports gender committee and open for the constructive criticism. 	<p>The company is expected to improve the function of gender committee at the company.</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>Gunung Sari Estate Labour Union: Agus Hariadi (the Leader)</p> <ol style="list-style-type: none"> 1. The communication between the labour union and the company is well maintained. 2. The management unit does not employ the underage workers and no discrimination over the employees. 3. The management unit has attempted to adjust the wage by referring the minimum wage standard. 4. The management unit has involved all employees on the Manpower BPJS and Medical BPJS program. 5. The management unit has provided proper welfare facilities for the employees such as housing complex, clinic, place of worship and education institution. 6. The complaint and aspiration expressed by the labour union are well responded by the management unit. 	<ul style="list-style-type: none"> • It has been running well. It shall be maintained and improved, especially in aspect of communication and coordination when dealing with problems or looking for solution. 	<p>The company is expected to maintain good relation with the employees and respond the issues carefully to avoid misunderstanding.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>Company Name Management Representative</p>  <p><u>Mohamad Pirabarahan</u> Monday, 8 June 2015</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Bukti Bagja</u> Monday, 8 June 2015</p> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	The Board of Makmur village 1. Samuji (The Chief of Hamlet 01) 2. Purwanto (The Chief of Civil Division) 3. Sumanto (The Memembr of Village Forum) 4. Wildan (The Village Staff) 5. Zuriyah (The Administration Staff of Makmur village)	Makmur village, sub district of Angsana District of Tanah Bumbu	-	Interview	27 April 2015	√	
2	The Board of Karang Indah Village: Wijiono (The Chief of Karang Indah village)	Karang Indah village, Sub district of Angsana, District of Tanah Bumbu	-	Interview	27 April 2015	√	
3	The Board of Bayan Sari village 1. M Rukma Gani (The Head of Development Division). 2. Abdul Wahid (The Head of Social Affair) 3. Ahmad Maksum (The Head of Government Affair) 4. Hendra Setiawan (LPM) 5. Rohidayati (Administration Staff) 6. Sahril Sipayadi (The Head of Village Consultative Division) 7. Abner Sani (PSP3)	Bayan Sari village, Sub district of Angsana, District of Tanah Bumbu	-	Interview	27 April 2015	√	
4	The Board of Purwodadi village Heriyanto (Chief of village)	Purwodadi village, Sub district of Angsana, District of Tanah Bumbu	-	Interview	27 April 2015	√	
5	Gender committee of Gunung Sari Estate Zoharh mawaras (Chief)	Gunung sari estate, Sub district of Angsana, District of Tanah Bumbu	-	Interview	27 April 2015	√	
6	Serikat pekerja (Labor Union) Mandiri Gunung Sari Estate: Agus Hariadi (Chief)	Gunung sari estate, Sub district of Angsana, District of Tanah Bumbu	-	Interview	27 April 2015	√	
7	WALHI	Jl. Tegalparang Utara No 14, Mampang, Jakarta Selatan	informasi@walhi.or.id	Via email	24 April 2015		√
8	Sawit Watch	-	info@sawitwatch.or.id	Via email	24 April 2015		√

Appendix 2. Assessment Program

DATE		26 April - 1 May 2015						
PROGRAM		PROCESSES / CLAUSES TO BE AUDITED	AUDITOR					
PLANNED TIME	ACTUAL DURATION		BB	NK	RR	EH	YH	
Sunday, 26 April 2015								
07.00-09.00 12.00-.	07.00-09.00 12.00-.	JAKARTA → BANJARMASIN BANJARMASIN → PT. LSI	✓	✓	✓	✓	✓	
Monday, 27 April 2015								
08.00-08.30 08.30-12.00	08.00-08.30 08.30-12.00	Opening meeting Stakeholders consultation to local stakeholder Document review + Verification of Previous Nonconformances	✓	✓	✓	✓	✓	
14.00-17.00	14.00-17.00	Field Observation to Angsana POM • POM activities, IPAL, OHS Implementation, Land Application • Supply Chain Requirement Document review + Verification of Previous Nonconformances	✓	✓	✓	✓	✓	
Tuesday, 28 April 2015								
08.00-12.00	08.00-12.00	Field Observation to Gunung Sari Estate • Manuring, Spraying, Harvesting, best agricultural practices • Worker Welfare (payments, complaint mechanism) • Hazardous Waste Material (B3) management • Legal operational and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) and • Land Fire facilities, Storage, ect..	✓	✓	✓	✓	✓	
14.00-17.00	14.00-17.00	Document review + Verification of Stakeholder Consultation Result	✓	✓	✓	✓	✓	
Wednesday, 29 April 2015								
00-12.00	00-12.00	Field Observation to KKPA 4 Estate • Manuring, Spraying, Harvesting, best agricultural practices • Worker Welfare (payments, complaint mechanism) • Hazardous Waste Material (B3) management • Legal operational and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) and • Land Fire facilities, Storage, ect..	✓	✓	✓	✓	✓	
14.00-17.00	14.00-17.00	Document review + Verification of Stakeholder Consultation Result	✓	✓	✓	✓	✓	
Thursday, 30 April 2015								
14.00-15.00 16.00-17.00	14.00-15.00 16.00-17.00	Preparation for closing meeting Closing Meeting	✓	✓	✓	✓	✓	
18.00-22.00	18.00-22.00	PT. LSI – Banjar Masin → Jakarta	✓	✓	✓	✓	✓	

