

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

☐ Stage-1 ☐ Stage-2 ☒ Surveillance ☐ Re-Certification

Plantation Management/Owner : PT Perkasa Subur Sakti - SIME DARBY Plantation Sdn. Bhd.

Plantation Name : Blang Simpo POM (PT Perkasa Subur Sakti)
Blang Simpo 01 Estate, Blang Simpo 02 Estate,
Tamiang Estate (PT Padang Palma Permai) and
Batang Ara Estate (PT Perusahaan Sri Kuala).

Location : Village of Seuneubok Lapang, Sub district
Peureulak Timur, District of Aceh Timur, Aceh
Province, Indonesia

Certificate Code : **MUTU-RSPO/026**

Date of certificate issue : May 03rd, 2013

Date of expiry of certificate : May 02nd, 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Review by	Approved by
ASA-2	23-27 March 2015	Ardiansyah (Lead Auditor), Bukti Bagja, Muhammad Rinaldi, Mohamad Amarullah, Radytio Puspanjana	Octo Nainggolan	Taufik Margani

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2	23 June 2015

Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia

Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6

Email : agri@mutucertification.com • www.mutucertification.com

MUTU Certification • Accredited by Accreditation Services International on March 12th, 2014

TABLE OF CONTENT

FIGURE

Figure 1. Location Map of PT PPP (Blang Simpo Estate) dan PT PSS (Blang Simpo Factory)	1
Figure 2. Location Map of PT PPP (Tamiang Estate) dan PT PSK (Batang Ara Estate)	2
Figure 3. Operational Map of PT PPP (Blang Simpo Estate) dan PT PSS (Blang Simpo Factory)	3
Figure 4. Operational Map of PT PPP (Tamiang Estate) dan PT PSK (Batang Ara Estate)	4

1.0 SCOPE of the SURVEILLANCE ASSESSMENT

1.1 Assessment Standard Used	5
1.2 Organization Information	5
1.3 Type of Assessment	5
1.4 Location of Plantations, Mill and Area Statement	5
1.5 Description of Supply Base	6
1.6 Planting Year and Cycles	7
1.7 Approximate Tonnage Certified	8
1.8 Other Certifications	8
1.9 Time-Bound Plan	8

2.0 ASSESSMENT PROCESS

2.1 Certification Body	12
2.2 Assessment Team	12
2.3 Assessment Methodology, Assessment Process and Locations of Assessment	12
2.4 Stakeholder Consultation and Stakeholders Contacted	15
2.5 Determining Next Assessment	16

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification	17
3.2 Summary of Assessment Report of Supply Chain Requirement	43
3.3 Conformity Checklist of Certificate and Logo Use	48
3.4 Summary of RSPO Partial Certification	49
3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	52
3.6 Summary of Arising Issues from Public, Management and Auditor Responses	69

4.0 CERTIFIED ORGANIZATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Signing of Assessment Findings	80
---	----

APPENDICES

1. List of Stakeholders Contacted in the RSPO Certification Process	81
2. Assessment Program	82
3. Glossary	84

Figure 1. Location Map of PT PPP (Blang Simpo Estate) dan PT PSS (Blang Simpo Factory)

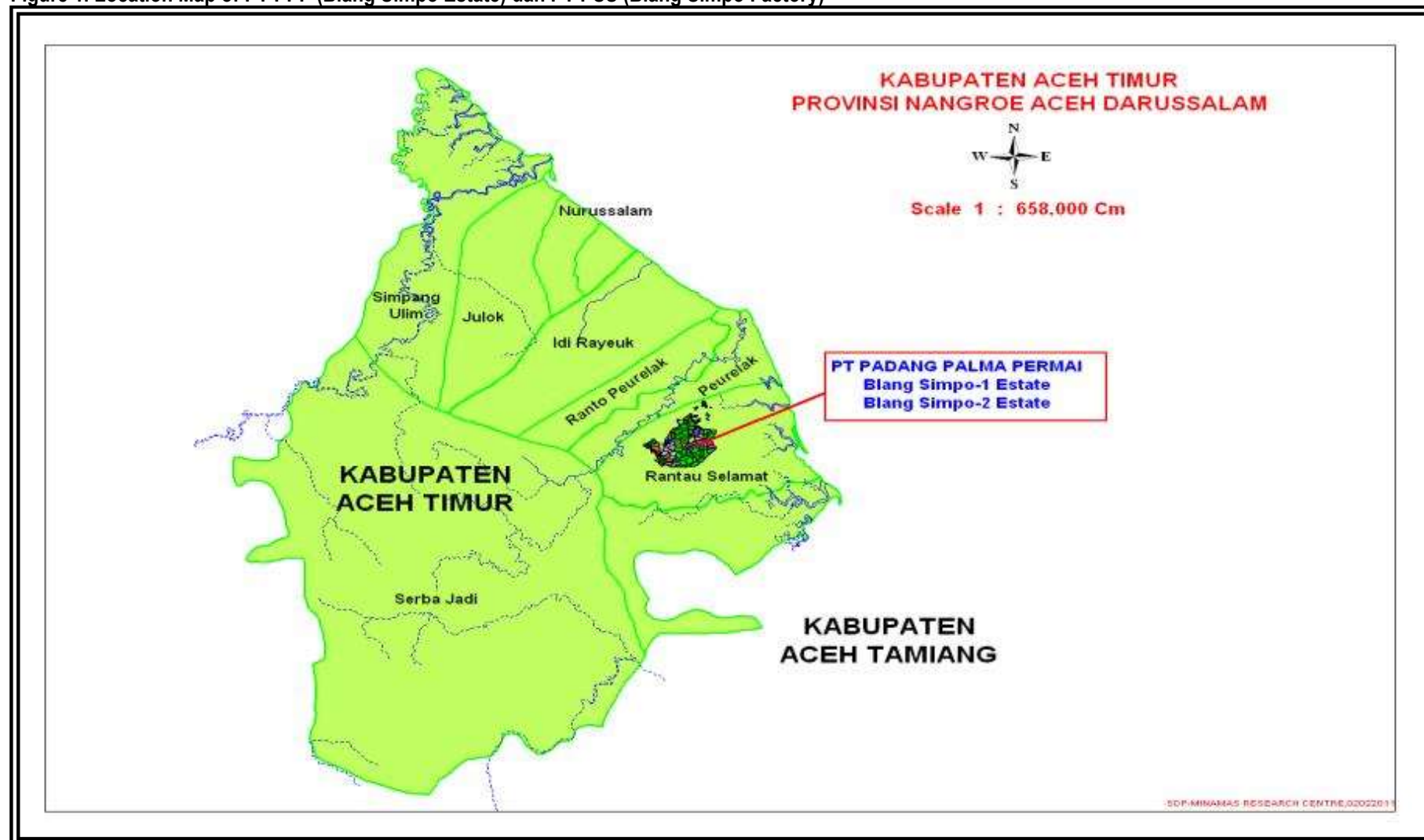


Figure 2. Location Map of PT PPP (Tamiang Estate) dan PT PSK (Batang Ara Estate)

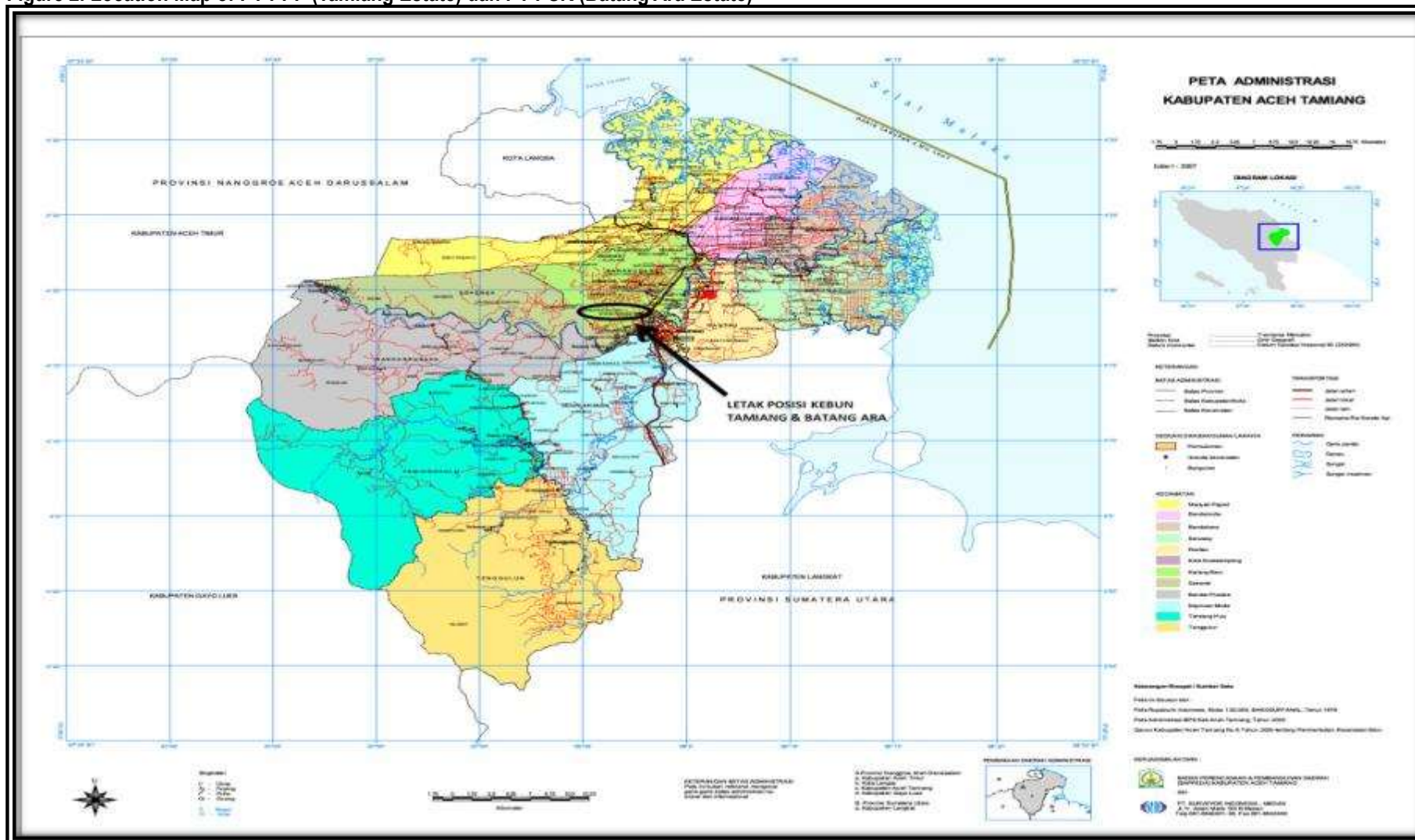


Figure 3. Operational Map of PT PPP (Blang Simpo Estate) dan PT PSS (Blang Simpo Factory)

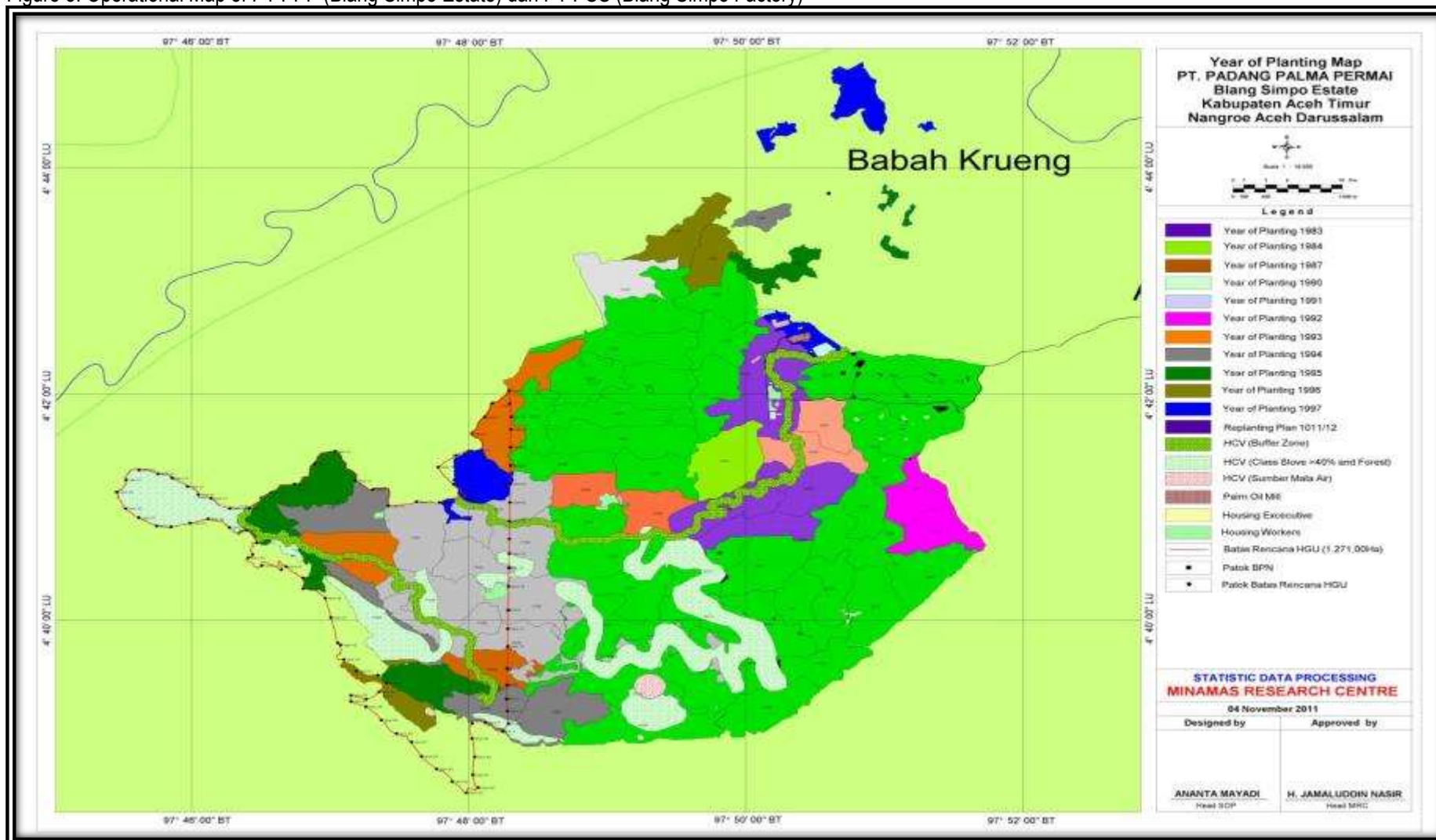
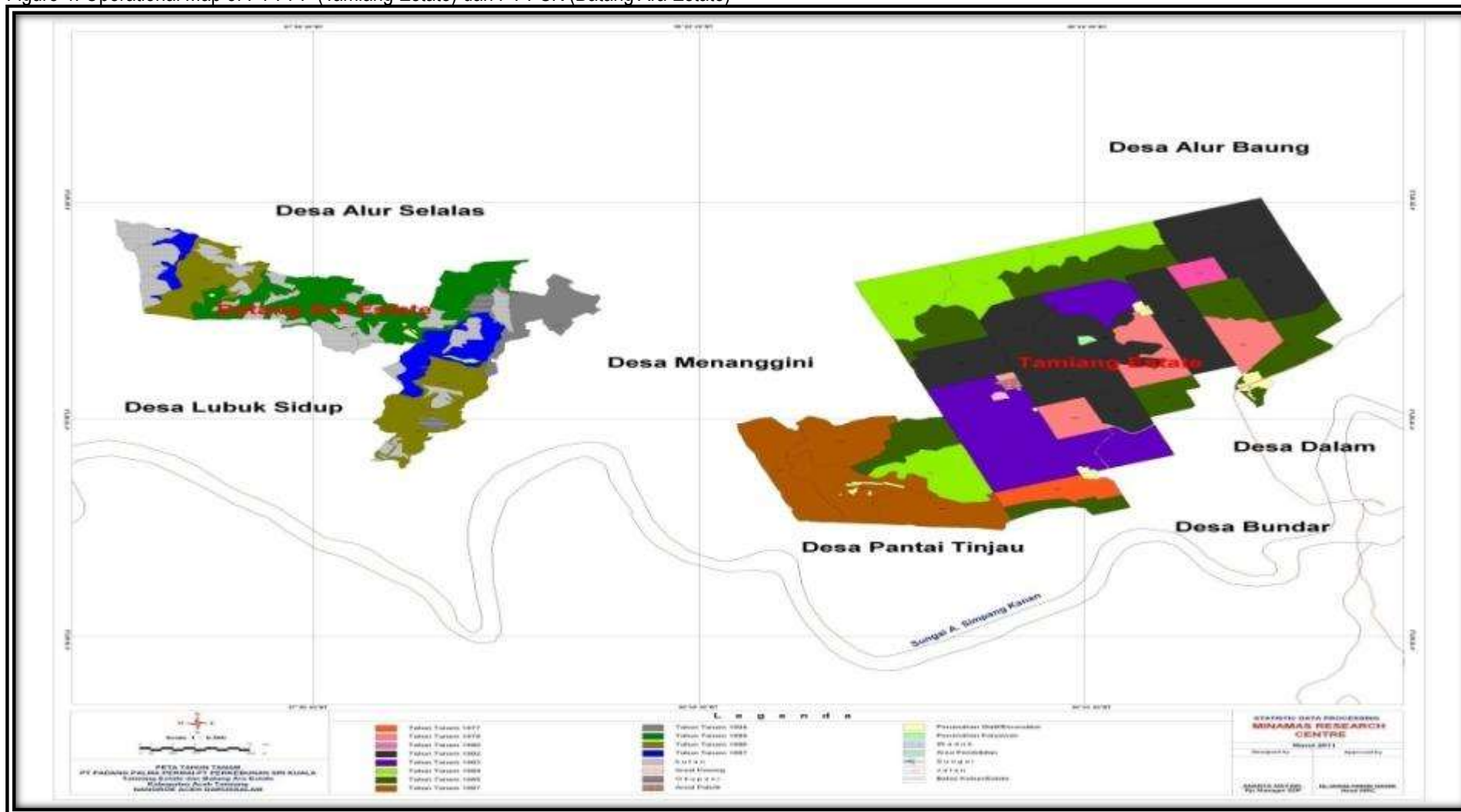


Figure 4. Operational Map of PT PPP (Tamiang Estate) dan PT PSK (Batang Ara Estate)



1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<i>National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Republic of Indonesia - RSPO INA-NIWG, May 2008 and RSPO Supply Chain Certification Standard November 2011 for CPO Mill.</i>	
1.2	Organization Information		
1.2.1	Company name	PT Perkasa Subur Sakti, PT Padang Palma Permai dan PT Perusahaan Perkebunan Industri & Niaga Sri Kuala – SIME DARBY Plantation Sdn. Bhd.	
1.2.2	Contact person	Mohamad Pirabaharan	
1.2.3	Company address and site address	<ul style="list-style-type: none"> RSPO registered company: No 2, Plantation Tower Jalan PJU 1A/7 Petaling Jaya, Malaysia 47301 Liaison Office: The Plaza Lt. 36, Jl MH Thamrin Kav. 28-30 Jakarta 10350 	
1.2.4	Telephone	+62-21-2992600	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	mohamad.pirabaharan@sime-darby.com	
1.2.7	Web page address	www.sime-darby.com	
1.2.8	Company status	Swasta	
1.2.9	Management Representative who completed the application for certification	Mohamad Pirabaharan (<i>Head of PSQM</i>)	
1.2.10	Registered as RSPO member	1-0008-04-000-00/ 8 Desember 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of management unit	Palm Oil Mill and supply base: Blang Simpo Factory (PT PSS); Blang Simpo 01 Estate, Blang Simpo 02 Estate, Tamiang Estate (PT PPP) dan Batang Ara Estate (PT Perkebunan Sri Kuala).	
1.3.2	Type of certificate	Single	
1.3.3	Company names listed in the certificate	PT Perkasa Subur Sakti, PT Padang Palma Permai, PT Perusahaan Perkebunan Industri & Niaga Sri Kuala - SIME DARBY Plantation Sdn. Bhd.	
1.4	Locations of Mill, Plantations and Area Statement		
1.4.1	Location of Mill		
	Name of Mill	Location	GPS Latitude Longitude
	Blang Simpo POM (PT Perkasa Subur Sakti)	Seuneubok Lapang Village, Peureulak Timur Sub district, Aceh Timur District, Aceh Province.	04°42.28'74" N 97°50.19'56" E

1.4.2	Location of Supply Base						
	Name of Supply Base	Location	GPS				
			Latitude		Longitude		
	Blang Simpo 01 Estate (PT Padang Palma Permai)	Seuneubok Lapang Village , Peureulak Timur Sub district, Aceh Timur District, Aceh Province.	4° 38' 54.67" - 4° 40' 52.98" N		97° 45' 28.21" – 97°48' 47.26" E		
	Blang Simpo 02 Estate (PT Padang Palma Permai)	Seuneubok Lapang Village , Peureulak Timur Sub district, Aceh Timur District, Aceh Province.	4° 40' 54.67" – 4° 43' 52.98" N		97° 48' 28.21" – 97°51'47.26" E		
	Tamiang Estate (PT Padang Palma Permai)	Kebun Tanah Terban Village, Karang Baru Sub district, Aceh Tamiang District, Aceh Province	04 ° 17' 03" – 04 ° 20' 2,5" N		97 ° 56' 50" – 98°03'26" E		
Batang Ara Estate (PT Perusahaan Sri Kuala)	Batang Ara Village, Karang Baru Sub district, Aceh Tamiang District, Aceh Province	04° 17' 0,29"–04° 19' 49,89" N		97° 56' 9,82" – 98°1'34,12" E			
1.4.3	Tenure						
	• State		7,574.12 Ha				
	• Community		Ha				
1.4.4	Area Statement		PT PSS (Ha)	PT PPP (Ha)	PT PSK (Ha)	TOTAL (Ha)	
	• Total area		5.92	7,685.15	1,128.91	8,819.96	
	• Mature area		-	4,156.99	801.51	4,958.50	
	• Immature area		-	1,463.31	-	1,436.31	
	• LC		-	169.36	-	169.36	
	• Mill		5.92	-	-	5.92	
	• Infrastructure		-	167.49	20.03	187.52	
	• Emplasmment		-	52.66	5.01	57.67	
	• Nursery		-	19.00	-	19.00	
	• Occupation area		-	888.39	17.67	906.06	
	• Reserve area		-	300.00	-	300.00	
	• HCV		-	484.10	284.68	768.78	
	• Other area		-	10.85	-	10.85	
1.5	Description of Supply Base						
1.5.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/ year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Blang Simpo (PT PSS)	30	67,737.36	14,458.33	21.35	2,874.25	4.24
	*Source Production Data on 12 months before assessment (March 2014-February 2015)						

1.5.2	Description of Certified Estate(s)						
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Blang Simpo 01 Estate (PT PPP)	3,561.23	2,200.00	22,192.64	12.95	22,192.64	100
	Blang Simpo 02 Estate (PT PPP)	2,677.84	2,081.34	27,291.95	15.73	27,291.95	100
	Tamiang Estate (PT PPP)	1,452.00	1,311.96	10,854.92	15.32	10,854.92	100
	Batang Ara Estate (PT PSK)	1,128.91	801.51	7,486.64	9.34	7,486.64	100
	TOTAL	8,819.98	6,394.81	67,826.15	13.68	67,826.15	100
	*Source Production Data on 12 months before assessment						
1.5.3	FFB description from other source						
	Name of source(s)	Member(s)	Location			Supplied to Mill	
						FFB (tonnes/year)	%
	-	-	-	-	-		
	TOTAL					-	-
	*Source Production Data on 12 months before assessment						
1.5.4	Product categories			FFB / CPO / PK			
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage					Total (ha)
		Tamiang (ha)	Batang Ara (ha)	Blang Simpo 1 (ha)	Blang Simpo 2 (ha)		
	1979	24.39	-	-	-	24.39	
	1982	160.47	-	-	-	160.47	
	1983	252.20	-	-	-	252.20	
	1984	56.19	-	-	-	56.19	
	1985	217.29	43.66	-	-	314.95	
	1987	-	259.13	-	-	259.13	
	1990	-	-	1,278.97	698.65	1,977.62	
	1991	-	-	65.61	538.80	604.41	
	1992	-	-	110.87	-	110.87	
	1993	-	-	-	278.88	278.88	
	1994	-	61.76	119.05	161.80	342.61	
	1995	-	170.11	52.47	-	222.58	
	1996	-	143.97	-	-	143.97	
	1997	-	66.70	86.89	56.65	210.24	
	2011	127.21	-	-	-	127.21	

	2012	148.60	-	164.19	-	312.79
	2013	164.96	-	189.24	146,53	500.73
	2014	162.84	-	132.71	-	295.55
	2015	-	-	-	200,03	200.03
	TOTAL	1,311.96	801.51	2,000.00	2,081.34	6,394.82
1.6.2	New Planting area after January 2010			- Ha		
1.6.3	Planting Cycle			2 nd Cycle		
1.7	Approximate Tonnage Certified					
1.7.1	Past Annual Claim Certified Product		Previous Certificate Claim (tonnes/year)		Actual certified product (tonnes/year)	
	• FFB Production		87,798.00		56,647.21	
	• CPO Production		18,485.96		12,094.18	
	• Palm Kernel (PK) Production		4,239.90		2,412.67	
	** Certificate Claim period 3 May 2014 – 2 May 2015					
	** Actual Claim periode 3 May 2014 – 24 March 2015					
1.7.2	Claim Certified of FFB					
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	
	Blang Simpo 01 Estate (PT Padang Palma Permai)	3,561.23	2,200.00	18,972	14.00	
	Blang Simpo 02 Estate (PT Padang Palma Permai)	2,677.84	2,081.34	27,756	16.00	
	Tamiang Estate (PT Padang Palma Permai)	1,452.00	1,311.96	13,369	16.00	
	Batang Ara Estate (PT Perusahaan Sri Kuala)	1,128.91	801.51	6,409	10.00	
	TOTAL	8,819.98	6,394.81	66,506	13.50	
1.7.3	Claim Certified of Palm Product					
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel
				Out put (tonnes)	Extraction (%)	Out put (tonnes)
						Extraction (%)
	Blang Simpo	30	66,506	14,299	21.5	2,860
						4.30
1.8	Other Certifications					
	ISO 9001:2008			-		
	ISO 14001: 2004			-		
	OHSAS 18001:2007			-		
	ISCC			-		
	Others					
1.9	Time Bound Plan					

1.9.1	Rencana Terikat Waktu (Time Bound Plan) Sertifikasi untuk Unit Management Lainnya					
	Unit Manajemen		Estate (Supply Base)	Rencana Tata Waktu	Lokasi	Status
	Pabrik	Tata Waktu				
	Sekunyir. PT. Indotruba Tengah	2010	Sekunyir	Certified 2010	Seruyan and West Kotawaringin District – Central Kalimantan	Certified
			Seruyan	Certified 2010		
	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	Certified 2010	Rokan Hilir District – Riau	Certified
			Manggala 2	Certified 2010		
			Manggala 3	Certified 2010		
	PT. Sime Indo Agro	2010	PT. Sime Indo Agro	Certified 2010	Sanggau District –West Kalimantan	Certified
	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	Certified 2011	Pekanbaru, Siak District – Riau	Certified
			Pinang Sebatang	Certified 2011		
			Aneka Persada	Certified 2011		
	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	Certified 2012	Musi Rawas District – South Sumatera	Certified
			Bukit Pinang	Certified 2012		
	Sukamandang. PT. Kridatama Lancar	2011	Sukamandang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
			Sapiri	Certified 2011		
			Baras Danum	Certified 2011		
			Kuala Kuayan	Certified 2011		
	Pemantang. PT. Teguh Sempurna	2011	Pemantang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
			Kawan Batu	Certified 2011		
			Hatan Tiring	Certified 2011		
			Batang Garing	Certified 2011		
	Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	Certified 2011	Indra Giri Hilir District – Riau	Certified
			Nusa Perkasa	Certified 2011		
			Nusa Lestari	Certified 2011		
	Mandah. PT. Bhumireksa Nusa Sejati	2014	Mandah	Certified 2011	Indra Giri Hilir District – Riau	Certified
			Rotan Semelur	Certified 2011		
	Angsana Mini. PT Sajang Heulang	2011	KKPA-1 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan	Certified
			Pantai Bonati	Certified 2011		
	Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	Certified 2011	Tanah Bumbu District – South Kalimantan	Certified
			Gunung Sari	Certified 2011		
			KKPA-4 PT.SHE	Certified 2013		
	Mustika. PT Sajang Heulang	2013	KKPA-2 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan	Certified
			KKPA-3 PT.SHE	Certified 2013		
			KKPA-5 PT.SHE	Certified 2013		
	Gunung Aru. PT Bersama	2011	Gunung Aru	Certified 2011	Kotabaru District – South Kalimantan	Certified
			Gunung Kemasan	Certified 2011		

	Sejahtea Sakti		Laut Timur	Certified 2011		
			Pantai Timur	Certified 2011		
	Bebunga. PT. Langgeng Muaramakmur	2011	Sungai Cengal	Certified 2011	Kotabaru District – South Kalimantan	Certified
			Bebunga	Certified 2011		
			KKPA Sungai Cengal	2014		
	Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	Certified 2012	Kotabaru District – South Kalimantan	Certified
			Pondok Labu	Certified 2012		
			Rampa	Certified 2012		
			Sesulung	Certified 2012		
	Selabak. PT Swadaya Andhika	2012	Selabak	Certified 2012	Kotabaru District – South Kalimantan	Certified
			Randi	Certified 2012		
			Sangkoh	Certified 2012		
			Lanting	Certified 2012		
	Rantau. PT Laguna Mandiri	2012	Rantau	Certified 2012	Kotabaru District – South Kalimantan	Certified
			Matalok	Certified 2012		
	Betung. PT Laguna Mandiri	2014	Betung	Certified 2012	Kotabaru District – South Kalimantan	Certified
			Sekayu	Certified 2012		
	Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	Certified 2012	Morowali District – Sulawesi Tengah	Certified
			Plasma TGK	2015		
	Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	Certified 2012	Muaro Jambi District - Jambi	Certified
			Plasma BGR	2015		
	Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	Rantau Panjang	Certified 2012	Musi Banyuasin District – South Sumatera	Certified
			Bumi Ayu	Certified 2012		
			Karang Ringin	Certified 2012		
			Napal	Certified 2012		
			Mangun Jaya	Certified 2012		
			KKPA Sungai Jernih	2015		
	Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	Certified 2013	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam	Certified
			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	2017	MAS 1	2017	Sanggau District – West Kalimantan	2017
			MAS 1	2017		
			MAS 1	2017		
	Lembiru. PT Sandika Nata Palma	2014	Lembiru	Certified 2014	Ketapang District – West Kalimantan	Certified
			Awatan	Certified 2014		
			Pelanjau (PT BAL)	2017		
			Sungai Putih (PT BAL)	2017		

		Baturus (PT BAL)	2017		
	<p>Sime Darby has achieved 39 managment 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: PT Mitra Austral Sejahtera. There are social issue still unresolved from the Serikat Petani Kelapa Sawit (SPKS) Sanggau, however the improvement are in progress. 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>				
1.9.2	Progres Sumber lain (petani rekanan dan kebun lain) terhadap standard sertifikasi				
	Blang Simpo Factory does not recieve any FFB from out grower.				

2.0	ASSESSMENT PROCESS
2.1	Certification Body
	PT Mutuagung Lestari Jl. Raya Bogor Km 33,5 No. 19, Cimanggis - Depok 16953 Telp. +62-21-8740202; Fax +62-21-87740745/46 Website: www.mutucertification.com Email : agri@mutucertification.com
2.2	Assessment Team
ASA-2	<p>Ardiansyah (Lead Auditor). Bachelor of Forest Resources Conservation, Department of Forestry, Bogor Agricultural University. He has followed several activities for identified environmental impact such as preparing EIA document for plantation and plantation forest. He has followed several trainings namely: Management System Certification (ISO 9001-2008/SNI 19011-9001:2008), Environmental Management System (ISO 14001-2004), SMK3 based on OHSAS, RSPO Lead Auditors Training Course endorsed by Proforest and Diameter, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course and mapping for land cover analysis. During the assessment the auditor verified environment and HCV aspect.</p> <p>Muhammad Rinaldi (Auditor). Associate of Oil Palm Plantations, Bogor Agricultural Institute. He has 4 years experience working as a staff operational plantations at oil palm plantation companies in Indonesia. He has attended the RSPO Awareness training, Lead Auditor/Auditor ISPO training, Auditor/Lead Auditor ISO 9001-2008 training, HCV training and Health and Safety Officer training. During this assessment, he assigned to verify of Manpower and OHS aspect.</p> <p>Bukti Bagja (Lead Auditor Witnesser). 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, and Auditor/Lead auditor Management System Certification (ISO 9001-2008). At this assessment, he assess aspect of legality, social and supply chain.</p> <p>Mohamad Amarullah (Auditor Witnessed). Master in Wood Science and Technology from Universiti Putra Malaysia and Bachelor of Forestry from Forest Product Department, Bogor Agricultural University (IPB). Have six years professional experience as an Oil Palm Agronomist and Research Assistant in Indonesia and Malaysia. He taken part in Soil Correlation Tour and Yield Improvement Project on Peat Area during 2011-2014 as well as participate and passed several training such as, ISO 17021, ISO 17065, HCV, ISPO Auditor, ISO 9001:2008 in 2014 and RSPO Awareness in 2015. At the time of Surveillance-2, he appointed to verify best agricultural practices aspect.</p> <p>Radytio Puspanjana (Observer) The Agriculture Scholar of Andalas University, Padang, West Sumatera. He was working as a honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMIT, ISPO auditor training and RSPO Awareness. During the Surveillance program he is considered as Observer.</p>
2.3	Assessment Methodology, Assessment Process and Locations of Assessment
2.3.1	Figure of person days to implement assessment
ASA-2	Number of auditors : 4 auditor Number of days for ASA-2 at site : 5 days Number of working days for ASA-2 at site : 20 Working days
2.3.2	Detail process of assessment
ASA-2	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT PT Perkasa Subur Sakti, PT Padang Palma Permai, PT Perusahaan Perkebunan Industri & Niaga Sri Kuala - SIME DARBY Plantation Sdn. Bhd to the requirements of National Interpretation of the Republic of Indonesia from RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO INA-NIWG, May 2008) and Supply Chain Requirement for CPO Mill, November 2011.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, 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.

The auditor determined estate sample by using formula of $0.8 \sqrt{y}$. The sample taken was 2 estates from 4 estates. During surveillance 2, the sample estate is Batang Ara Estate and Blang Simpo 1 Estate. Specific for assessment on polyclinic and workshop, the visit is conducted in Tamiang Estate.

Some opportunities for improvement of the results **ASA-2** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**ASA-3**).

Improvement of findings from main assessment findings were observed by auditors at this **ASA-2** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-2**.

The assessment program please find Appendix 2

2.3.3 Locations of Assessment

ASA-2

Location visited is fully presented as below:

Batang Ara Estate:

1. **Block D008 and D01 of Division 3.** Observation on the poster of the endanger species.
2. **Housing Complex of Division 3 (Tanjung Kelumpang).** Observation and interview in term of the employees' welfare and the provided public facilities such as house, clean water, electricity, fire extinguisher and etc.
3. **Daycare, Division 2.** Observation and interview in term of the facilities at the daycare.
4. **Landfill, Division II.** Observation in term of the domestic waste management.
5. **Boundary of Land Use Title (HGU) at Batang Ara Estate Division 3 Block D08, Land Use Title (HGU) pole Number 46 and 47** are well maintained. Several poles at division 3 are missing. However, the corrective action shall be conducted by cooperating with National Land Agency.
6. **HCV Area, Division 3, Block D03:** HCV area with slope > 40% is well maintained and preserved.
7. **HCV Signboard on Division 3, Block D008;** HCV area signboards are well maintained.
8. **Water Pump and Generator Station in Division 3 Housing Complex.** Observation in term of the hazardous waste and hazardous material management.
9. **Office of Division 3.** Observation over the availability of the first aid kit and fire extinguishers.
10. **Agrochemicals Warehouse.** Observation and interview with the warehouse Officer in term of the hazardous waste and hazardous material, there are symbols of hazardous waste, MSDS and PPE for the warehouse Officers.
11. **Fire Extinguishing Equipments Warehouse.** Observation in term of the facilities of fire extinguisher, equipment readiness and equipments condition.
12. **Clinic.** Observation on the provided medical facilities and interview with the paramedic in term of the medical service for the workers and their family, medical promotion, work accident, procedure of recommendation and the infectious waste management.
13. **Block C005 of Division 2.** Interview and observation on the harvesting program in term the workers awareness over the procedure of the mature fruit criteria, PPE usage (helmet and boots), first aid, work risk, work equipments and its safety cover, the procedure of complaint and waging. The interviewed foreman was Suryanto and the interviewed harvesters were Pairin and Sahrial.
14. **Block C004 of Division 2.** Interview and observation on the spraying program in term of the workers awareness over the work procedure, prohibition to spray on riparian area, PPE usage, first aid, work risk, regular medical check up, implementation of reproduction rights (pregnant day off, menstruation day off and other special treatments), prohibition to spray for the pregnant and breastfeeding workers, procedure of complaint over gender problem and waging. The interviewed foreman was Ari Aryani and the interviewed sprayers are Jharwati, seni and

Mardiani.

15. **Block A005 of Division 1 of Tamiang Estate, Block Spraying System (BSS).** Interview and observation on the management of pesticide, spraying equipments, PPE, washing station, ex-pesticide containers washing and the ex-washing water tank, first aid kit, fire extinguisher. The interview was held with the liaison Officer.
16. **Block A005 of Division 3 of Tamiang Estate.** Interview with the manuring program foreman to recognize the awareness over the work procedure, PPE usage, first aid, work risk, waging, regular medical check up and procedure of complaint delivery. The interviewed foreman was M. Dalori from division 2 of Batang Ara Estate.
17. **Block A009 Division 1 of Tamiang Estate, Nursery.** Inspecting the nursery area and interview with the foreman and workers in term of the procedure of nursery, awareness over the unqualified seed criteria, seed maintenance, treatment on the unqualified seed and workers status. The interviewed foreman was Tony.
18. **Block A005, A007, A009 and A010 Batang Ara Estate.** Inspecting the replanting and LCC planting (*Mucuna*) area.

Tamiang Estate:

1. **Policlinic.** Observation and interview in term of the medical waste management and the provided medical facilities.
2. **Traction.** Observation and interview in term of the hazardous waste management, emission source maintenance and employees welfare.

Blang Simpo 01 Estate:

1. **Block C011, Division 3.** Observation on the legal boundary pole.
2. **Block A006, Division 1.** Observation on HCV area in form of Babak Kreung Riparian.
3. **Traction.** Observation and interview in term of the hazardous waste management, emission source maintenance and employees welfare.
4. **WWTP.** Observation on the effluent management and the nearby area.
5. **Hazardous Material Storage.** Observation and interview in term of the hazardous material management, medical check up and ex hazardous material package management.
6. **Hazardous Waste Storage.** Observation and interview in term of the hazardous waste management and emergency response facilities.
7. **Engine room.** Observation and interview in term of the documentation of generated electricity, PPE, medical check up and employee's welfare.
8. **Riparian Area at Blang Simpo 1.** There is a marking of riparian area in form of yellow paint at the palm oil plants. There is no indication of chemicals application.
9. **Block C003 of Division 3.** Interview and observation on the spraying program in term of the workers awareness over the work procedure, prohibition to spray on riparian area, PPE usage, first aid, work risk, regular medical check up, implementation of reproduction rights (pregnant day off, menstruation day off and other special treatments), prohibition to spray for the pregnant and breastfeeding workers, procedure of complaint over gender problem and waging. The interviewed foreman was Jahidin and the interviewed sprayers were Yusnidar, Maimunah, Rasni, Rismawati and Jainabun.
10. **Block C002 of Division 3.** Interview and observation on the harvesting program in term the workers awareness over the procedure of the mature fruit criteria, PPE usage (helmet and boots), first aid, work risk, work equipments and its safety cover, the procedure of complaint and waging. The interviewed foreman was M. Jafar and the interviewed harvester was Ilyas.
11. **Block C002 of Division 3.** Interview with the manuring program foreman to recognize the awareness over the work procedure, PPE usage, first aid, work risk, waging, regular medical check up and procedure of complaint delivery. The interviewed foreman was and the interviewed manurer was Syarifudin H.

12. **Block A003 of Division 1, Nursery.** Inspecting the nursery area and interview with the foreman and workers in term of the procedure of nursery, awareness over the unqualified seed criteria, seed maintenance, treatment on the unqualified seed and workers status. The interviewed foreman was Abdullah and the interviewed nursery worker was Mustari.
13. **Block A002 of Division 1.** Observation on the location of flatbed (POME Application) and interview with foreman 1, Hanifah in term of the flatbed control when rain which could cause flood.
14. **Block A002 and A013 of Division 1.** Observation on the monitoring well. The monitoring well is not well maintained, specifically the monitoring well of the block of LA (replanting) and non-block of LA.

Blang Simpo Factory

1. **Processing Stage (loading ramp to dispatch).** Observation and interview with the processing stage workers in term of the process of FFB processing to be CPO, employees awareness in term of the applied SOP, emergency response equipments at mill, first aid kits, the provided facilities, the held training programs.
2. **Engine/Turbine Room.** Observation and interview with the operator in term of the efficiency of fuel usage, employees awareness in term of SOP, mill emergency response facilities, first aid kit, OHS implementation, the provided facilities, the held training programs.
3. **Workshop, Hazardous Waste Storage, Chemicals Warehouse:** According to the field visit and interview in term of OHS< hazardous waste and hazardous material management, employee welfare and freedom to unite. The workers have aware of the safety work practice, they have used PPE and proper regular medical check up, the hazardous waste and hazardous material are properly symbolized.
4. **WTP and WWTP:** Field visit and interview in term of the clean water and effluent management, waste and land application management. The amount of water used on the mill needs and debit of the effluent for land application program is monitored by using *flow meter*.
5. **Workshop.** Observation and interview with the head of workshop and mechanic in term of OHS implementation, safety work practice and hazardous waste management.
6. **Agrochemicals Warehouse.** Observation and interview with the warehouse Officer in term of the hazardous materials management, the used hazardous materials, there are symbols of hazardous materials and MSDS, PPE for the warehouse Officers.
7. **Employees Central Housing Complex.** Observation on the facilities provided by management unit such as house, clean water, electricity, fire extinguisher.
8. **Landfill.** Observation in term of the domestic waste management.
9. **Spraying PPE Storage.** Observation in term of the spraying equipments and PPE washing station, management over hazardous waste, the storage.
10. **Fire Extinguishing Equipments Storage.** Observaton on the fire extinguisher equipments, equipments readiness and condition.
11. **Hazardous Waste Storage.** Observation on the hazardous waste management.

Konsultasi Publik

1. Villages nearby management unit (Villages of Tualang Pating, Seneubok Lapang, Chik Mbon, Lubuk Pemping, Alur Niri). Interview in term of the environment management, social management and land issue.
2. Aceh Tamiang Government Agencies (Manpower Agency, Plantation and Forestry Agency, Environment Agency, National Land Agency). Interview in term of the compliance over the applied regulations, environment issue, social issue and manpower issue.
3. East Aceh Government Agencies (Manpower Agency, Plantation and Forestry Agency, Environment Agency, National Land Agency). Interview in term of the compliance over the applied regulations, environment issue, social issue and manpower issue.

2.4	Stakeholder Consultation and Stakeholders Contacted
2.4.1	Summary of stakeholder consultation process.
ASA-2	<p>Summary of stakeholder consultation process Consultation of stakeholders for PT Perkasa Subur Sakti, PT Padang Palma Permai, PT Perusahaan Perkebunan Industri & Niaga Sri Kuala - SIME DARBY Plantation Sdn. Bhd was held by:</p> <ul style="list-style-type: none"> • Public Notification at web mutucertification.com tanggal 16 Februari 2015 • Field visit to the nearby villages and the interview with the locals (Tana Terban Village, Kebun Batang Ara Village and Kampung Dalam Village in Aceh Tamiang District. Tualang Pating Village, Seneubok Lapang Village, Chik Mbon Village, Lubuk Pemping Village and Alur Nirih Village in East Aceh District) on March 24th 2015. • Visitation to government agencies in Aceh Tamiang District and East Aceh District (Environment Agency; Plantation and Forestry Agency; Manpower Agency) on March 24th 2015. • Consultation with NGO (WWF, Walhi, AMAN) via email on March 18th 2015. <p>Numbers of input from stakeholders were clarified by PT Perkasa Subur Sakti, PT Padang Palma Permai, PT Perusahaan Perkebunan Industri & Niaga Sri Kuala - SIME DARBY Plantation Sdn. Bhd .</p>
2.4.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.5	Determining Next Assessment
	The next visit (ASA-3) will be determined one year after this ASA-2 (February -2016).

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Blang Simpo POM - PT Padang Palma Permai, PT Perkasa Subur Sakti dan PT Perkebunan Sri Kuala (Sime Darby Sdn. Bhd. Group) operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there were eight (8) Nonconformities were assigned against Major Compliance; four (4) nonconformity(s) were assigned against Minor Compliance; and one (1) nonconformance against supply chain requirement for CPO mill and eight (8) opportunity(s) for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidence e.g. Those corrective action(s) taken that consist of eight (8) Major non-conformities, four (4) Minor non-conformities and one (1) nonconformance against supply chain requirement for CPO mill had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Blang Simpo POM – PT Padang Palma Permai, PT Perkasa Subur Sakti dan PT Perusahaan Srikuala (Sime Darby Sdn. Bhd. Group) complied with the requirements of **RSPO Principles & Criteria and National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Republic of Indonesia - RSPO INA-NIWG, May 2008 and RSPO Supply Chain Certification Standard November 2011 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		
Plantation and Palm Oil Factory have to give adequate information for stakeholders in appropriate language and forms, to ensure the effective participation of stakeholders in decision-making.		
<p>The procedure of information request has been written on the SOP of RSPO/1.1/PI, dated March 4th 2009. The procedure is that the information request is purposed to the operational unit Manager, it will be then analysed by the operational unit Manager, the head of division shall compose the draft of the response over the information request and it is then approved by the unit Manager, then the response shall be informed. The procedure of information response shall be provided within 14 days. The information request and response records are maintained for 5 years as written on the SOP of record management of PT PPP & PT PSK in document number 011/PC-PPP-PSK/III, dated March 2nd 2011.</p>		
<p>The management unit has documented the information request sent by the stakeholders and its information response on the book of stakeholder log book. For example:</p>		
<ul style="list-style-type: none">• Agriculture socialization agency of Sekerat Sub-District, Tamiang District, it request the data of rainfall rate for period of 2010 to 2014 dated March 17th 2014. The company has responded the information request on March 24th 2014 in letter number 04/02/ PT PPP & PT Sri Kuala 2014.• Manpower BPJS, it request the data of manpower reporting on the Manpower BPJS program on August 20th 2014. The company respond the request by sending the list of employees labour social assurance (Jamsostek) of PT Perkebunan Sri Kuala, Batang Ara Estate dan PT Padang palma Permai, Tamiang Estate on August 2014.		

Based on stakeholder consultation with Environmental Agency and Manpower Agency, it is informed that the unit management always provide information such as routine report to the agencies. Despite of it, the unit management always responses each incoming letter from the agency.

Status: Comply

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.

Documents of the company which are considered as publicly accessed documents (public/stakeholders) are written on the document number 001/TME-BAE/RSPO for example: 1) Land Use Title (HGU), 2) Plantation Business Permit/Trade Business Permit, 3) Permits, 4) HVCV, 5) SIA, 6) Waste/Application, 7) EIA, 8) Environmental Management and Monitoring Plan, 9) OHS, 10) Employees Data, 11) FFB Production Data, 12) Hazardous Waste Data, 13) Specification of Mill Machines, 14) Vehicle Specification, 15) Tax and 16) Insurance.

Meanwhile for the Blang Simpo Mill, BSE 1 and BSE 2, the publicly-accessed documents are written on the SOP of information request in document number PI/01/V/PPP-PSK-PSS/12. For example:

1. Legal: Documents of permit (location permit, plantation business permit, Land Use Title (HGU) permit or the documents has to do with the process of Land Use Title (HGU)).
2. Environment: Document of Social and Environment Impact Assessment (SEIA), report of environmental management and monitoring plan.
3. Social: Documents of the social activity and relation with the locals. For example, the report of social and pollito consultant, documentation of OHS programs and documentation of the *ad infinitum* corrective action.

The retention time of the document is 5 years. It is written on the SOP of PT PPP & PT PSK documents handling in document number 011/PC-PPP-PSK/III dated March 2nd 2011. According to point 6, it describes the retention period and the record incineration.

Status: Comply

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 is a changes of OHS Guiding Committee Structure at PT. PSK referring the decree of the Head of Aceh Tamiang District Manpower Agency number 560/509/2014 in term of the legalization of OHS Guiding Committee in PT PPP and PT PSK on November 20th 2014. The OHS Guiding Committee Secretary is an OHS expert (Mohammad Ruslin, number.13.1311/AK3/U/V/2013 dated May 27th 2013). However, the OHS expert has been mutated to other company. **NC Number 2015.01 as Major category.**

The company has shown the evidence of the compliance of the applied law requirements. For example:

- a. Land legality in form of Land Use Title for all estate area, unless for 1,239 Ha area of Blang Simpo 2 which is still considered as location permit (see indicator 2.2.1).
- b. The company has had business permit in form of plantation business permit for PT PPP, business permit in form of plantation business permit for PT PSK, and the approval of plantation industry business principles for PT PSS (see indicator 2.2.1).
- c. The company has had environment permit in form of environment evaluation study (SEL) on 1993 for Tamiang and Batang Ara area, the document of environment management (DPPLH) on 2010 PT Perkasa Subur Sakti Mill, environmental management and monitoring effort on 2011 for PT Padang Palma Permai for 1,239 ha land in Blang Simpo 2, environmental management and monitoring effort on 2013 for PT Padang Palma Permai for 83.37 ha.

- d. The company has had land application permit in form of the decree of East Aceh Regent number 538.3/444/2013 in term of the permission granting for using effluent on the land to PT Perkasa Subur Sakti Mill of Blang Simpo dated June 18th 2013.
- e. The company has permit to store hazardous waste and dispose it regularly as described on indicator 5.3.1.
- f. The company pays the workers wage referring the minimum wage standard (Aceh Governor Regulation number 81 year 2014).
- g. The company complies the terms of PPE provision for the workers.
- h. The company has had OHS Guiding Committee Structure and has the OHSMS implemented.

The company shows the evidence of its attempt to adjust the regulation changes. For example:

- 1. The effort of adjustment on the Agriculture Ministry Regulation number 19 year 2011 in term of ISPO by participating on ISPO Audit on 2014.
- 2. The effort of the adjustment on the employees wage standard by referring the minimum wage standard determined by the Aceh Governor as written on the Aceh Governor Regulation number 81 year 2014 in term of the Aceh Province minimum wage standard determining on 2015.

In order to ensure the compliance over the statute, the company has had a documented system. It contains the must-complied law requirements. For example:

- 1. The SOP of the regulation and statute compliance (RSPO/P&C.2.1/PUUP) number 021/PPP-PUUP/IV/11 dated April 12th 2011. The procedure is purposed to give the guidance on the procedure of the compliance over all type of regulations (local, national and international).
- 2. The document of the matrix of the list of regulation and the company also conducts cross test with the operations at estate which is annually composed. However, the list is not attaching the new regulation and requirements update during period of 2010 – 2015. **NC Number 2015.02 as Minor category.**

The company has procedure of the evaluation over the law requirements compliance as shown by the procedure number 021/PPP-PUUP/IV/11 dated April 12th 2011. The stage of the evaluation procedure is as follow:

- 1. Updating and evaluating the changes of statute and regulation per clause at least once in 4 months.
- 2. Conducting field inspection to ensure that the statute and regulation have been implemented.
- 3. Reporting the NC to RSPO team.
- 4. Communicating with the Government Agencies.
- 5. Downloading the reliable source and conducting socialization to the staff, employees and the locals (if necessary).

There is a record of the implementation of the procedure during period of 2014 – 2015 as shown on the document named "Evaluation of the Compliance over the Statute and Regulation for period of 2014-2015". However, the evaluation is conducted only for the regulation that was issued on 2009. Therefore, there is no evaluation over the regulations during period of 2010 – 2015. **NC Number 2014.02 as Minor category becomes Major.**

Auditor Verification:

May 8th 2015

The company has proposed the request to form OHS Guiding Committee of PT PSK in letter number 135/TAN/P3/IV/2015 dated April 23rd 2015 from Estate Manager to the Head of Aceh Tamiang Manpower Agency on behalf of Zulfikar Tindaon. He has participated on the OHS Expert training on April 20th – 29th 2015 and he also has achieved the certificate of OHS expert from PT Delta Indonesia and RI Manpower Ministry

The company has proposed the request to form OHS Guiding Committee of PT PPP in letter number 136/TAN/P3/IV/2015

dated April 23rd 2015 from Estate Manager to the Head of Aceh Tamiang Manpower Agency on behalf of Muhammad Soaloan Pasaribu. He is an OHS Expert. He has achieved OHS Expert certificate number 13.1313/AK3/U/V/2013 dated May 27th 2013.

NC Number 2015.01 is closed and it will be observed further.

Auditor Verification:

May 18th 2015

The management unit has shown the list of the updated regulations and statutes on April 22nd 2015. There are 201 regulations associated with plantation consisted of several type of law products. **NC Number 2015.02 as Major category is closed.**

The management unit has shown the list of the updated regulation on April 22nd 2015. There are 201 regulations associated with plantation consisted of several type of law products. **NC Number 2015.02 as Major category is closed.**

Status: Comply

2.2

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

There is no changes on the surveillance 2, the company has had the legal document of the land acquisition referring the statute regulation. For example:

1. Document of PT PPP Land Legality Acquisition

- a. Land Use Title (HGU) certificate number 131 year 2002 on behalf of PT PPP dated May 11th 2002. The document is valid for 25 years (till May 10th 2027).
- b. Land Use Title (HGU) certificate number 2 year 1993 on behalf of PT PPP for 2,000 hektar. The document is valid till December 31st 2022.
- c. Land Use Title (HGU) certificate number 149 year 2011 on behalf of PT PPP for 2,993.23. The document is valid till December 30th 2034.
- d. Location permit for estate establishment of PT Padang Palma Permai dated November 24th 2011. The company needs to improve the performance of the Land Use Title (HGU) progress of the location permit. Observation shall be conducted on the next assessment.

2. Document of PT PSK Land Legality Acquisition

- a) Land Use Title (HGU) certificate number 2 year 1993 for 401 ha on behalf of PT Perusahaan Perkebunan Industri & Niaga Sri Kuala (PT Sri Kuala). The document is valid till December 31st 2024.
- b) Land Use Title (HGU) certificate number 132 year 2002. The document is valid till August 11th 2037.

3. Document of PT PPP Business Legality

Estate Business Registration Letter (SPUP) of PT Perusahaan Perkebunan dan Pertanian for 6,558 ha dated March 16th 2001.

4. Document of PT PSK Business Legality

Estate Business Registration Letter (SPUP) of PT Perusahaan Perkebunan Industri & Niaga Sri Kuala dated March 15th 2001 for 1,121 ha and 1 (one) unit of POM with capacity of 25 ton of FFB/hour.

5. Document of PT PSS Business Legality

Approval of PT PSS Estate Industry Principle with permit for mill capacity of 30 ton of FFB/Hour in Lubuk Pempeng Village, Babahkreung Village, Peureleulak Sub-District, East Aceh District.

As efforts to demarcate the legal boundary area of the company operational area, the company has attempt to demarcate

and maintain the boundary area. For example:

1. Map of Land Use Title (HGU) pole area referring the attachment of Land Use Title (HGU) certificate on 2002 for Tamiang Estate. There are 45 Land Use Title (HGU) poles and 75 supporting poles. The company is able to show the evidence of the regular poles maintenance (each quarter) for period of December 2014. From 45 poles, there were only 13 poles left and 32 poles were missing. The photographs are available.
2. Map of Land Use Title (HGU) of PT PSK (Batang Ara Estate). It shows 71 poles. There are 21 Land Use Title (HGU) poles number 2/1993 and 50 Land Use Title (HGU) poles number 132 year 2002. The company is able to show the Land Use Title (HGU) pole monitoring for period of December 2014. There were 4 well maintained poles and 17 poles are missing for the certificate number 2 year 1993 and there were 41 well maintained poles and 9 poles were missing for the certificate number 132 year 2002.
According to the field verification to pole number 45, 46, and 47 - Batang Ara Estate, Block D03 of Division III, several poles (number 46 and 47) are well maintained and several other are missing (pole number 45).
The company shows the official record of the coordination between PT PPP and PT PSK to reconstruct the missing poles with the Aceh National Land Agency. The reconstruction of the missing poles in Batang Ara and Tamiang Estate has been started. For example, there are 8 installed poles (poles number 04, 06, 09 and 37) in Batang Ara Estate and poles number 40, 41, 34, 30 in Tamiang Estate for period of 2014/2015. There are 35 poles for Tamiang Estate and 14 poles in Batang Ara Estate that are planned to be installed during period of 2015 as written on the document of the material usage plan on the budget of Tamiang and Batang Ara Estate.
3. In term of the Land Use Title (HGU) boundary demarcation on behalf of PT PPP (Blang Simpo 1, Blang Simpo 2), there is no evidence of the implementation of the demarcation and maintenance of the legal boundary poles in Blang Simpo Estate. **NC Number 2015.03 as Major category.**

According to the interview with the locals in public consultation during surveillance 2 in Tamiang and Blang Simpo 1 and 2 Estate, there are records of the ongoing conflict since ST-2. For example:

1. Land Use Title (HGU) overlap with the community's land in Seuneubok Lapangan and Tualang Village for \pm 877 ha in Blang Simpo 1 Estate. The company is complaining for the ownership of the certificate due to their settlement and plantation are included on Land Use Title (HGU) area. The dispute is still being processed. As described on the chronic as follow:
 - On January 15th 2012, there is a company policy to compensate the occupied land (if it has legal standing) until the end of Land Use Title (HGU). When the area is unable to be compensated, the company shall consider to get it out of the Land Use Title (HGU) referring the applied regulation.
 - On 2014, the company has agreed to process the enclave and get the area out of Land Use Title (HGU). The Forestry and Plantation Agency and National Land Agency agree to facilitate the measurement.
2. Land Use Title (HGU) overlap with the community's land in Batang Ara Estate. It has been solved on 2014. There is an agreement that the locals shall not disturb the company operationals and both parties shall support each other and shall not expand their land and if there is a land trade, both parties shall inform each other.
3. Land Use Title (HGU) overlap with PT Para Sawita has been solved in court. Langsa High Court agrees to grant the proposal of PT PPP in term of the Rights Restoration over the land in Blang Simpo. There is an official record of the execution on June 6th 2011.
Based on the legal standing of the execution 10/EKS/PDT/1999/PN-LGS on June 6th 2011, the East Aceh Regent issued the location permit number 525/666/2011 on November 24th 2011 in term of the location permit granting for the establishment of palm oil estate to PT Padang Palma Prima in Gampang Cek Mbon, East Peureulak Sub-District, East Aceh Timur District for 1,239 Ha
4. Land Use Title (HGU) overlap with the community's land of Chik Mbon.
After the issuance of the location permit on November 24th 2011, there was a land claim from Chick Mbon Community and Rimba Jaya II Cooperative Unit for 200 Ha and 150 Ha of land. In order to solve the dispute, the government

suggest the company to establish scheme smallholder partnership by allocating 720 Ha of the land. The company agrees the suggestion as written on the official record number 360/3525 dated July 3rd 2012. However, the allocated location for scheme smallholder is still beyond the location permit and the status is still a conservation forest. It will be observed on the next surveillance.

The company need to ensure the effective communication and consultation to ensure the progress of the procedure of conflict and dispute resolution. (**OFI No. 01**)

According to the verification on the document of Land Use Title (HGU), the land of PT PPP and PT PSK is the leased forest area. There is no evidence of the land ownership of the community until ST-2 audit. Therefore, there is no land compensation.

The claim for 720 Ha of land ownership within Blang Simpo 2 Estate from the community of Chik Mbon has been solved. The company guarantee the scheme smallholder establishment and it will facilitated by th government.

The dispute in Blang Simpo 2 between PT PPP and PT Para Sawit juga also has been solved in court. It is won by PT PPP.

The resolution of the Land Use Title (HGU) overlap in Blang Simpo 1 and 2 with the community's land (occupation) has been solved in forum. According to the agreement, the company shall not take the land and consider it as an "enclave".

According to the interview with the Head of Division of Aceh Tamiang National Land Agency and the Head of East Aceh National Land Agency. The company has achieved Land Use Title (HGU) and location permit. It has been won by the company and the problem is considered solved.

As the previous assessment, the company has had SOP of conflict resolution number PK/04/PPP-PSK-PSS/V/12 Revision 1 dated May 1st 2012. It describes the method of claim handle, resolution and after resolution action.

Auditor Verification:

May 2nd 2015

The management unit has shown the evidence of the legal boundary poles and trench maintenance. The missing poles shall be reconstructed referring the legal coordinate. **NC Number 2015.03 as Major category is closed and the auditor team shall re-verifies it on the next assessment (ASA-2).**

Status: Comply

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.

There is no changes on the records of the company which states that there is no traditional rights within the company operational area. For example:

- Letter number 140/190/2011 from Datok Penghulu of Kebun Tanah Terban Village (it was signed on May 3rd 2011) referring the letter from the Head of the Culture and Tourism Agency of Aceh Tamiang District number 430-432/202 dated April 20th 2011 in term of the indigenous culture and the historical site. According to the statute number 5 year 1992 and statute number 11 year 2010, there is no indigenous culture and historical site within the area of Kampung Kebun Tanah Terban.
- Letter number 140/35/2011 from Datok Penghulu of Kebun Batang Ara Village (it was signed on May 1st 2011) referring the letter from the Head of the Culture and Tourism Agency of Aceh Tamiang District number 430-432/202 dated April 20th 2011 in term of the indigenous culture and the historical site. According to the statute number 5 year 1992 and statute number 11 year 2010, there is no indigenous culture and historical site within the area of Kampung Kebun Batang Ara.
- According to the result of interview with the Head of Aceh Tamiang District Plantation Agency and the Head of East Aceh

Forestry and Plantation Agency, there is no customary land within area of PT PPP and PT PSK.

According to the verification with the village apparatus (Tualang Pating Village, Senebok Village, Chik Mbon Village, Lubuk Pemping Village, Alur Nirih Village, Batang Ara Village, Tana Terban Village and Kampung Dalam Village) on the public consultation, there is no customary land within area of PT PPP and PT PSK. However, there are several private land for the settlement and the crops cultivation.

As the description on the criteria 2.2, there is a land overlap between the land owned by the company and the private land in Blang Simpo Estate. The resolution of the Blang Simpo 1 and 2 Land Use Title (HGU) overlap with the community land is solved in forum. According to the resolution, the company shall no occupy the land and shall get it out of the Land Use Title (HGU).

Status: Comply

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

3.1

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

The company is able to show the company work plan to reach long term economy feasibility in form of the document of "Budget Presentation" and "Projection". The company is able to show the presentation budget for period of 2014/2015 and projection for period of 2017/2020 for PT PPP, PT PSK and Blang Simpo Mill (BSM). The study of the work plan covers the discussion on areal statement, replanting programme, nursery status, plants condition and situation, employees, cost analysis (direct-cost and fixed cost), running account, vehicle, strategy of target accomplishment and projection referring the budget. Ensuring that the management can be implemented, the unit management has conducted internal review every each 6 month and make the monthly report to know the target achieved.

The company is able to show the long term programs as written on the Long Range Replanting Programme (LRPP) for period of 2010-2035. LRPP has been approved by Head of Plantation Upstream Indonesia (HPUI). The company has conducted analysis of mitigation over the replanting impact and the analysis of the social and environment impact caused by replanting program in PT Padang Palma Permai for period of 2014-2017. It was composed by Aksenta on January 2015. According to the result of the analysis, the physical component analysis is focused on the soil and water conservation, the biological component analysis is focused on the stages and objective of the replanting program, the social component analysis is focused on the manpower aspect.

According to the analysis of LRPP for period of 2010-2035, the replanting program in Batang Ara Estate has been started since 2014 and the realization till 2015 reaches 289.96 ha from the replanted planting year of 1984, 1985 and 1987. Meanwhile, the replanting program in Blang Simpo 1 Estate has been started since 2011. The realization till 2015 reaches 1,102.09 ha from the replanted planting year of 1983, 1984, 1987 dan 1990.

Status: Comply

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 had SOP to regulate the estate cultivation program started from land clearing to FFB harvesting. The procedure is written on the "Procedure of Palm Oil Planting Agronomy Manual", or Agricultural Reference Manual (ARM) Policy No. 110/EST-ARM/08 which was signed by CEO (Franky Anthony) on August 19th 2008. It has been distributed to each operational unit on December 22nd 2008. The interview with spraying worker in Block C004 Division 2, Batang Ara Estate shows that the worker understand the technical procedure of spraying in riparian area and the use of PPE. Further, the interview with harvester in Block C002 Division 2 Blang Simpo 1 Estate can be concluded that that the harvester

understand the working procedure, rape fruit criteria and the use of PPE.

The company has procedure to regulate the palm oil processing stages started from the FFB receipt to the CPO dispatch. For example:

1. Procedure of product traceability (Traceability) (RSPO/4.1/KP) – Minamas Plantation, dated March 4th 2009. The procedure describes the production process system with Mass Balance Supply Chain system.
2. Policy Number 110/POD-FAC/07 Chapter I, Sub Chapter 1.1 in term of the Technical Guideline of the POM 1st edition. It covers the basic of the palm oil processing, CPO and PKO storage, effluent handling, water processing and laboratory analysis.
3. Technical Guideline of the POM 2nd edition, Minamas Plantation, Policy Number 120/POD-FAC/07.
4. Procedure of POM Operations Administration, Minamas Plantation, Policy Number 130/POD-FAC/07.

According to the observation on the Blang Simpo POM, the company has implemented the procedure in term of the FFB processing like FFB receipt (grading), processing stage and CPO dipatch referring the owned procedure.

The company has had operationals inspection and monitoring programs. The programs are routinely conducted (each semester) and the company is also able to show the documents. For example, Plantation Advisory Report (visitation on March 1st – 3rd 2015), Mill Advisory Report (visitation on February 13th – 15th 2015) and Finance Internal Audit in 1st Semester 1 of 2014/2015. Each report attach the result of the observation finding, recommendation, observation finding resolution date, action plan that shall be taken by the Manager.

The company has had well maintained document of the record of operationals associated with the cultivation and processing program. The documents are the Monthly Manager Report, Mill monthly report, Assisstant monthly report, Foreman daily operationals book, and book of FFB receipt of the FFB clerk. According to the field visit and interview with the foreman, the result of recording on the BKM is recapitulated by the clerk referring the foreman operational programs.

Status: Comply

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 annual leaf analysis in order to calculate the manuring recommendation. The laboratory test of leaf analysis is tested on Minamas Research Centre of Teluk Siak, Riau. The visual assessment is written on the Annual Advisory Report which is composed routinely (each semester). However, according to the result of interview with RSPO staff, the soil analysis has not yet been conducted since November 2008. **NC Number 2014.03 as Minor category becomes Major.**

The company has conducted programs to maintain and improve the soil fertility such as manuring program, Mucuna planting, EFB and POME application. The recommended dosage for manuring is calculated based on the result of leaf analysis. The Mucuna planting is purposed to conserve the water and soil. The EFB and POME application is purposed to keep the nutrition supply for the soil as well as keeping it humid. The program is well recorded on the book of daily foreman program and Manager Monthly Report.

The field visit in Block A005 Division 3 Tamiang Estate and Block C002 Division 3 Blang Simpo 1 Estate shows that the manuring worker understand the technique of fertilizer spread and the correct spot for manuring, the correct dosage and the use of PPE as regulated in Company Regulation.

Auditor Verification :

May 2nd 2015

The management unit shows the report of soil analysis in Tamiang Estate, Blang Simpo 1 Estate and Blang Simpo 2 Estate. There is a documentation of the program and map of the program location. The management unit also has shown the request letter of the soil sample analysis purposed to the *Manager of Laboratory Services of Minamas Research Center* dated April 18th 2015. NC Number **2014.03 as Major category is closed and it shall be observed on the next assessment (ASA-3).**

Status: Comply

4.3
Practices minimize and control erosion and degradation of soils.

The company has had marginal soil map based on the report of the semi detail soil survey. It was composed by PARAM Agricultural Soil Survey (M) Sdn. Bhd. on November 2008. According to the result of soil survey, there is no marginal soil in class of ultisol, oxisol, peatland, sulfat masam and pasang surut. The boundary factor of the palm oil cultivation is the slope area, high erosion rate and the soil low fertility. The company also has identified the slope area in estate unit. For example, in Batang Ara Estate, on the block of the planting year on 1996, the hectareage of the slope area is 45.17 ha or 96% of the block total area. The management technique conducted on the block is by creating terrace (50%), creating individual terrace (20%), planting the area with *Nephrolepis* (40%) and arranging frond with U-shape form (100%).

The company has strategies to manage the specific slope land. For example, by issuing the policy to stop the palm oil plants planting at the area with slope >40% since 1997. Furthermore, the company has has programs to manage marginal soil since 2014. The strategies to manage the soil is based on the result of the analysis of the independent consultant (Aksenta) for period of 2014/2015 and the recommendation of semi detail soil survey which is composed by PARAM Agricultural Soil Survey (M) Sdn. Bhd on 2008. Several of the recommended strategies are:

1. Stopping the replanting program on the area with slope >40% and the area with slope <40% shall be well managed with several civil technique such as terrace construction, individual terrace construction and so on.
2. Monitoring the progress of the slope area management such as the installation of erosion pole, arrangement of frond along with the contour, planting *Nephrolepis*, constructing indivisual terrace, planting woody seed and fruit seed.
3. Planting legume cover crop such as *Mucuna* in replanting area.

The company has annual road maintenance as written on the report of the plan and realization of road maintenance for period of 2014/2015. The report describes the need of material per meter, criteria of the material, tonnage of the material, budget for the ongoing period and estimation of the maintenance cost for the next three years. For example, the unrealized road maintenance for 105,930 meter, the company has allocated IDR 16,906,428,000. The project is planned to be finished in 4 years. The annual target of realization is 26,483 meter/year. The stages of the road maintenance are by hardening road each semester, keeping the form and the slope of the road routinely (monthly), disposing and cleaning the organic ingredient routinely (monthly) and keeping the obstacle out of the road. The company has conducted road maintenance for 14,096 meter or 53% of the program target for period of 2014/2015 (26,483 meter/year) until surveillance 2. According to the field visit to division 1 and 2 of Batang Ara Estate and Division 3 of Tamiang Estate, the road condition is well maintained.

The company has strategy to manage marginal soil. It is based on the report of semi detail soil survey on 2008. According to the survey, the soil properties considered as the boundary factor at Batang Ara, Tamiang and Blang Simpo Estate are the soil with high erosion rate and the low fertility. The strategies taken to manage the high-erosion rate soil are by planting cover crop, creating terrace and arranging frond along with the contour to conserve the soil and water and monitoring the erosion rate. Meanwhile, in order to improve the soil fertility, the company is conducting EFB application, putting fertilizer on the hole and conducting well programmed manuring.

According to the field visit to Block A005, A007, A009 and A010 of Batang Ara Estate, the estate unit has planted LCC

(*Mucuna*) in replanting area and has applied EFB in several points on the blocks. In order to reduce the erosion rate and as the effort to conserve the water and soil, the estate unit has created terrace system and/or individual terrace on the area with slope >40% and frond arrangement in U-shape.

Status: Comply

4.4

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

The company has water protection and riparian area maintenance program by conducting efficiency of water usage and maintenance of the water quality and water source, determining the riparian area for 50 meter off the left and right of the river. Prohibits the spraying program at the bufferzone area, utilizing effluent for land application and digging the monitoring well to monitor the underground quality threshold over the effluent utilization for land application and planting woody plants at riparian area.

According to the field visit to Batang Ara (Blok D08) and Blang Simpo Estate (A006), the estate unit has marked the bufferzone area by painting it with yellow (painting the 50 m off riverbank plants). The palm oil plants at the bufferzone area do not receive the agronomy treatment such as spraying and manuring program. Furthermore, there is a "no hunting and electrocute" signboard. According to the interview with the sprayers and manurer in block C004 of Division 2 of Batang Ara Estate and Block C003 of Division 3 of Blang Simpo Estate, they have aware of the policy.

The company has conducted water quality test as written on the report of environmental management and monitoring effort in 1st semester of 2015. According to the evaluation result, there is no contaminated underground water. It can be confirm on the result of monitoring well analysis, control well analysis and the community well analysis. The sampling and laboratory test was conducted by Testing Laboratory of Binalab branch of Medan on December 2nd – 10th 2014. The tested parameters were:

1. Physical parameter such as temperature, odour, TDS, colour and turbidity.
2. Chemical parameter such as the calculation of the concentration of Hg, As, Fe, Cd, CaCO₃, Cl, Cr⁶⁺, Mn, NO₃-N, NO₂-N, pH, Se, Zn, CN, SO₄, Pb, Detergen as MBAS and KMnO₄.
3. Micrology parameter which calculates the concentration of total of Coliform.

According to the result of the test, all parameters have complied the celan water quality threshold referring the Health Ministry Regulation on attachment 2 number 416 year 1990 and the Government Regulation number 82 year 2001. **NC Number 2014.04 as Minor category is closed.**

The company has conducted mill effluent monitoring effort. It covers the test on pH, BOD₅, COD, Fat and Oil, Cd, Cu, Zn, Pb and the effluent debit from WWTP outlet. The recapitulation of the result of laboratory test is written on the report of environmental management and monitoring effort implementation. According to the test during period of October – December 2014, the effluent quality was complying the quality threshold as written on the decree of Environment Ministry number 28 year 2003. For example, the effluent pH was 7.92-8.39 (quality threshold: 6-9) and BOD₅ was 229.7-725.0 mg/l (quality threshold: 5,000 mg/l). The effluent is used by estate unit on the land application.

The company has conducted water usage evaluation per ton of FFB as written on the report of water usage evaluation for the FFB processing. According to the result of evaluation on period of 2013/2014 and 2014/2015 (up to February 2015), the clean water usage for processing FFB in Blang Simpo POM is still below the applied standard (1.35 m³/ton of FFB). The average of the water usage during period of July 2013 to June 2014 was 1.05 m³/ton of FFB. Meanwhile, the water usage during the period of July 2014 to February 2015 was 1.24 m³/ton of FFB. According to the result of field observation, Blang Simpo POM has 3 well-functioned flowmeter.

Status: Comply
4.5
Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.

The company has had IPM program referring the *Minamas Agricultural Reference Manual* (ARM) Policy Number 110/EST-ARM/08 dan) and Policy Number 110/EST-ARM/013 (Version 3), chapter 10 in term of the plant protection over the attacks of bagworm, nettle caterpillar, rat, asiatic rhinoceros beetle, and disease. The IPM program's objective is to implement early warning system by conducting visual monitoring, census program to several pest such as bagworm, rat, ganoderma, termites and Asiatic rhinoceros beetle. The biological pest control is conducted by planting *beneficial plants* to control bagworm, installing *pherotrap* and applying *metharizium* to control Asiatic rhinoceros beetle and installing *barn owl box* (BOB) to control rat. The chemical pest control shall be conducted when the attack exceed the applied quality threshold.

In order to control the bagworm attack, the estate unit shows the progress and monitoring of *beneficial plants* planting. For example, along the 50 m, there are *Cassia cobanensis* planting in Batang Ara Estate, *Antigonon leptopus* planting along to 65 m and *Turnera Subulata* along to 2,970 m. Meanwhile, there is an *Antigonon leptopus* planting along to 2,750 m and *Turnera Subulata* planting along to 13,540 m in Blang Simpo 1 Estate. According to the evaluation of the *beneficial plant* planting during period of 2009 to 2015, the bagworm attack trend is now reduced along with the increase of *beneficial plant* planting. The program of *beneficial plant* planting shall always be conducted until its ratio reach 10 m/ha.

The company is able to show the record of monitoring/recapitulation of census for period of 2015 in all estate unit to identify bagworm, nettle caterpillar, rat, ganoderma, termites and oryctes. According to the result of OPT census, the attack of rat, ganoderma, termites and oryctes still comply the quality threshold.

The company has held bagworm control training The training was held on March 18th – 19th 2015. It was attended by 31 participants consisted of Manager, Assistant, Foreman and Clerk of all estate unit, Agronomist and employees representatives.

The company has conducted pesticide toxicity monitoring routinely (annually). For example, the monitoring for period of October 2014 in Batang Ara Estate as follow: Prima Up with active ingredient of *Gliphosate Isopropilamine* was 0.05/ton of FFB or 0.03/ha, Kenlon 480 EC with active ingredient of *Triklopir Butoksi Etil Ester* was 0.03/ton of FFB or 0.02/ha and Meta Prima with active ingredient of *Gliphosate Isopropilamine* was 0.01/ton of FFB or 0.00/ha.

Status: Comply
4.6
Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorized as World Health Organization Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.

The company uses the registered and the allowed pesticides and agrochemicals. For example:

Agrochemicals	Active Ingredient	Registration Number	Target
Trap 20 WP	<i>Metil Metsulfuron</i>	RI.1797/11-2007T	Wide Lead Weed
AMM Basta	<i>Glufosinate</i>	RI.01030119921113	Immature Plant area Weed
Kenlon 480 EC	<i>Triklopir</i>	RI.01030120062433	Branch
Metaprima 20 WD	<i>Metil Metsulfuron</i>	RI.1897/7-2008T	Branch and Wide Lead Weed
Strane	<i>Fluoroxypyr</i>	RI.854/7-2009T	Branch
Trendi	<i>Metil Metsulfuron</i>	RI.3161/13-2008/T	Branch and Wide Lead Weed

Prima up	Glyphosate	RI.1779/11-2007/T	Common Weed
<p>The company has recorded the annual usage of agrochemicals and pesticide. The document of the records covers the information of the trademark, name and the active ingredient content, area and hectareage of the application, quantity of the usage, usage of active ingredient/ha, usage of active ingredient/ton of FFB, the targeted species. The records of the agrochemicals and pesticide ingredient usage is annually monitored and recapitulated in order to evaluate the annual usage trend. For example, the recapitulation of the Kenlon usage for period of 2014 – 2015 is as follow:</p> <p>Name of Ingredient: Kenlon (active ingredient: <i>Triklopir Butoksi</i>); registration number: RI.01030120062433. Dosage/ha: 250-375 ml/ha; Rotation: 3 times. Actual application: 300 ml/ha. Operation: Chemist on the harvesting path. Target: wide leaf weed, <i>Synedrella nodiflora</i> and <i>Ageratum conyzoides</i>. Total of pesticide usage: 397 liter (203 liter in Tamiang Estate and 194 liter in Batang Ara Estate).</p> <p>The company is able to show the document which describes that the pesticide usage is referring the targeted species and the usage guidelines as written on the lable. For example, the report of pesticide usage on 2014 – 2015. The report informs the ingredient of the pesticide or agrochemicals used by the company, the registration number, type of active ingredient, the targeted species and the dosage. The company is then able to show the recapitulation of the pesticide type usage. For example, the pesticide usage during period of 2014 – 2015 in Tamiang and Batang Ara Estate as follows:</p> <p>Name of Ingredient: Sidametrin (active ingredient: <i>Sipermetrin</i> 50 EC); registration number: RI.0101012001136. Dosage /ha: 160 cc/ha ml/ha; Rotation: 24 times. Actual application: 150 cc/ha. Operation: The immature plant attacking pest control Target: Oryctes Total of pesticide usage: 2,655.4 liter</p> <p>Summarising from the ebove explanation, it is concluded that there is a reduce of dosage per ha as much as 6.25% (or 10 cc/ha) from the recommendation. It is in line with the ongoing program of beneficial plant planting. Based on evaluation over neetle caterpillar attack from 2009 until 2015, the attack level is going down hand in hand with the planting of beneficial plant.</p> <p>The records of the agrochemicals and pesticide ingredient usage is annually monitored and recapitulated in order to evaluate the annual usage trend.</p> <p>The company hold training to the employees to ensure that the application of the agrochemicals and pesticide are applied by the well trained workers. The training was held on March 18th – 19th 2015. It was attended by 31 participants consisted of Manager, Assistant, Foreman and Clerk of all estate unit, Agronomist and employees.</p> <p>The company has managed the ex-pesticide and hazardous waste containers by storing it at the licensed hazardous waste storage such as PT PPP hazardous waste storage (Decree of Aceh Tamiang Regent Number 691 year 2011 dated November 14th 2011; the coordinate is N 04° 03' 048" / E 098° 02' 700") and PT PSK hazardous waste storage (Decree of East Aceh Regent number 538.3/445/2013, dated June 18th 2013; the coordinate is N 04° 42' 535" / E 097° 50' 447"). The ex-pesticide container is handed over to the licensed collector (CV Amindy Barokah which has achieved decree of Environment Ministry number B-11493/DEP.IV/LH/PDAL/11/2012, dated November 23rd 2012) and it is also reported to Aceh Tamiang and East Aceh District Environment Agency. The cooperative agreement letter between the company and the collector is written</p>			

on the document of cooperative agreement letter number SPK 670/PT PSS-CV AB/SPK-LB3/2014 dated January 20th 2014.

The company is no longer use pesticide nor chemicals such as *paraquat*, *bradifacoum* and *deltamethrin* or any chemicals categorized as type 1A or 1B (including on the convention of Stockholm and Rotterdam) once the policy in form of Memo number TME/001/VI/2010/M and memo number HPO.POD-UM-127/X/2008 dated November 4th 2008. According to the result of interview with the RSPO staff, assistant of division 3 of Blang Simpo and assistant of division 2 of Batang Ara Estate, the policy has been immediately implemented once the issuance of the memo. According to the report of recapitulation of pesticide usage during period of 2014 – 2015 in Batang Ara and Blang Simpo Estate, the company does not use the agrochemicals as mentioned on the memo. According to the field visit to Block C003 of Division 3 of Blang Simpo 1 Estate and block C004 of Batang Ara Estate, the used herbicide to spray the weed at the circle is Prima Up with *Glyphosate* active ingredient.

The company has held the medical check up on March 16th – 19th 2015. The medical check up was examining blood (*Eosinofil*, *Basofil*, *Neutrofil batang*, *Neutrofil segmen*, *Limfosit*, *Monosit*) as well as audiotometry and rontgent on the lungs area. The medical check up is held for the high-risk workers such as sprayers, manurer and the mill workers. According to the interview with the boiler operator and sprayers, the medical check up is routinely held (annually). The latest medical check up was held on March 2015. The management unit complies the doctor's recommendation based on the held medical check up (**OFI No. 03**).

The company has had policy in term of the treatment to the women workers in memorandum number TME/002/VII/2010/M. It contains the description that the company gives H1 and H2 day off, prohibition for the pregnant and breastfeeding women workers to work with chemicals. According to the interview with the sprayers of Blang Simpo 1 Estate and Batang Ara Estate, they have aware of the policy.

Status: Comply

4.7

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

The documented OHS policy is the OHS policy in policy number 724/TQEM-SPMS/09. It was signed by the CEO of Minamas on April 1st 2010. The company also has policy of OHS which was approved by the Head of Plantation Upstream Indonesia on December 2011. According to the result of field observation, the company has implemented OHS policy by showing the evidence of the PPE handover to the workers, holding routine medical check up, holding OHS training to the employees and complying the regulations associated with OHS.

The company has persons in charge and the structure of OHS Guiding Committee that responsible on the OHS program. The changes of the OHS Guiding Committee structure has been legalized by the associated agency. For example, the structure of Blang Simpo Mill (PT PPP) OHS guiding Committee referring the decree of the Head of Manpower Agency of East Aceh number 760 year 2014 dated September 17th 2014. The secretary of the OHS Guiding Committee is an OHS expert (Arfan, decree of the Manpower Ministry number KEP.1248/M/DJPPK/V/2013 dated May 27th 2013). However, according to the change of OHS Guiding Structure of PT PSK, the OHS expert has been mutated to other company. **NC Number 2015.01**

The company has reported all the OHS Guiding Committee programs to the associated agency routinely (each quarter). It describes the report of OHS Guiding Committee, report of work accident, minutes of meeting (a quarter-based assembly), type of chemicals used by the company ad the recommendation of OHS Guiding Committee to the company. There is an evidence of the OHS Guiding Committee report handover to the associated agency. For example, the report of OHS Guiding Committee of Blang Simpo 1 Estate for period of January – March 2014. It was reported on April 8th 2014; the report of OHS Guiding Committee for period of April – June 2014. It was reported on July 7th 2014; the report of OHS Guiding Committee for

period of July – September 2014. It was reported on October 7th 2014. The report of OHS Guiding Committee for period of October – December 2014. It was reported on January 5th 2015.

According to the result of interview with the the Head of Aceh Tamiang East Aceh Manpower Agency and the Head of Division of Manpower of Aceh Tamiang East Aceh Manpower Agency, the company (PTPPP, PTPSS and PTPSK) is routinely reporting the OHS Guiding Committee programs and its realization.

The company has provided insurance for its workers on the BPJS program for the work accident insurance, death insurance, retiree insurance and the medical service as well. There is an evidence of the BPJS insurance payment for period of February 2015. It was paid on March 2015. According to the evidence, all employees BPJS insurance have been paid. According to the interview with the workers of Blang Simpo 1 Estate and Blang Simpo Mill, all workers have been registered by the company to the work accident insurance and they have had BPJS member card.

The company has held the medical check up on March 16th – 19th 2015. The medical check up was examining blood (*Eosinofil, Basofil, Neutrofil batang, Neutrofil segmen, Limfosit, Monosit*) as well as audiotometry and rontgent on the lungs area. The medical check up is held for the high-risk workers such as sprayers, manurer and the mill workers. According to the interview with the boiler operator and sprayers, the medical check up is routinely held (annually). The latest medical check up was held on March 2015. The management unit complies the doctor's recommendation based on the held medical check up (**OFI No. 03**).

The HIRAC owned by the company is not yet revised. However, there is new additions of the new programs such as replanting and nursery. It describes the type of work, accident probability, accident effect, risk level, risk control and the person in charge. For example, the HIRAC on replanting program describes the risk of fallen, being thorned and slashed by machete; wound effect; low level risk; risk control with safety briefing, the usage of helmet and boots. The estate management re-evaluate the effectiveness of HIRAC, especially on harvesting program (**OFI No.04**)

The company has held socialization to all employees in Blang Simpo 1 Estate, Blang Simpo 2 Estate and Blang Simpo Mill on September 4th 2014 in term of the work safety, awareness of OHS, fire extinguisher usage way, PPE usage for all staff and the locals. However, during to visit to Blang Simpo Mill, there was an operator who refuse to use ear plug. **NC Number 2014.05 is not closed yet and becomes Major category.**

The company has held training for the empyoeees. For example, the evidence of the nursery management training which was held on June 12th 2014, first aid training which was held on June 17th 2014 in Batang Ara Estate, emergency response training which was held on September 4th 2014 and the training of SOP of boiler operation which was held on August 20th 2014. According to the result of interview with the sprayers and harvesters in Batang Ara Estate and Blang Simpo 1 Estate, they have received regular training and they have aware of the OHS.

The company has held training of crane and load SIO on March 18th – 19th 2015. It was attended by 26 participants consisted of the operators from PT PPP, PT PSK dan PT PSS. According to the interview with the Manpower Agency, the company has held training for the crane and load operator to achieve new SIO. **NC Number 2014.06 is closed and it will be observed on the next assessment.**

The SOP of emergency response and circumstance restoration (No.PRPKTD/12/ppp-PSK-PSS/V/12 dated May 1st 2012) and the SOP of fire prevention and handling (No.PPK/13/PPP-PSK-PSS/V/12 dated May 1st 2012) are not changed at all. The company also has had structure of the emergency response team such as fire team, evacuation team, first aid team, logistic team, transportation team, communication team and security team

The company has first aid kits provided on the workplace. For example, there are 9 units of first aid kits and 11 unit of the mobile first aid kit held by the foreman on Batang Ara Estate. According to the field visit to office of division 3 of Batang Ara Estate, there is an unproper first aid kit content. **NC Number 2014.07 is not yet closed and becomes Major category.**

The company has given PPE for its workers such as helmet, boots, masker, etc. there are evidence of the PPE handover to the employees. According to the interview with the sprayers and harvesters in Blang Simpo 1 Estate and Batang Ara Estate, the PPE is given by referring the employees need. The obsolete PPe shall be replaced with the new one.

Auditor Verification:

May 8th 2015

The company has proposed the request to form OHS Guiding Committee of PT PSK in letter number 135/TAN/P3/IV/2015 dated April 23rd 2015 from Estate Manager to the Head of Aceh Tamiang Manpower Agency on behalf of Zulfikar Tindaon. He has participated on the OHS Expert training on April 20th – 29th 2015 and he also has achieved the certificate of OHS expert from PT Delta Indonesia and RI Manpower Ministry

The company has proposed the request to form OHS Guiding Committee of PT PPP in letter number 136/TAN/P3/IV/2015 dated April 23rd 2015 from Estate Manager to the Head of Aceh Tamiang Manpower Agency on behalf of Muhammad Soaloan Pasaribu. He is an OHS Expert. He has achieved OHS Expert certificate number 13.1313/AK3/U/V/2013 dated May 27th 2013.

NC Number 2015.01 is closed and it will be observed further

The company has shown the evidence of the list of first aid kit contents and the amount of the first aid kit content. The company also appoints an Officer to monitor first aid kit in appointment letter number No 008/TAN/PPP/V/2015 from the Estate Manager to Indri Kasandi. The inspection on the first aid kits is routinely conducted (monthly). **NC Number 2014.07 is closed and it will be observed on the next assessment.**

May 21st 2015

The company has shown the evidence of the PPE provision referring the HIRAC. For example, the processing stage workers are given helmet, ear plug, masker, gloves and boots.

The company also inspect the PPE used by employees during the morning briefing. The company appoints 1 safety Officer on behalf of Jamaluddin (appointment letter number 004/BSF-INT/V/2015 from the Mill Manager) who responsible to monitor the implementation of PPE usage at mill area. **NC Number 2014.05 is closed and it will be observed on the next assessment.**

Status: Comply

4.8

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

The company is consistently composing the training program referring the result of sustainable needs. The training programs are analyzed based on the method of training needs analysis, aspects that need further development (composed by referring the development priority), the list of *leadership competences* (general standard competence based on Sime Darby Group), name of the training for each competence, training implementation strategy, training calendar. The training programs for period of July 2014 – June 2015 are the awareness of OHS, HIRAC, PPE socialization, emergency response handling, first aid training, etc.

The company has held training for the employees. For example, the evidence of the nursery management training which was held on June 12th 2014, first aid training which was held on June 17th 2014 in Batang Ara Estate, emergency response

training which was held on September 4th 2014 and the training of SOP of boiler operation which was held on August 20th 2014. According to the result of interview with the sprayers and harvesters in Batang Ara Estate and Blang Simpo 1 Estate, they have received regular training and they have aware of the OHS. The company has opportunity to improve the documentation over the records of the held trainings (**OFI No. 05**).

The evidence of the well trained contractor is recorded on the composed and agreed cooperative agreement letter. Furthermore, the company also has direct evaluation over the contractors work. For example, the evaluation over the loosen fruit picking contractor such as the evaluation on the aspect of time, manpower, PPE and the work quality.

Based on the interview result with CPO transporting contractor, it is known that the unit management has endorseed the contractor to obey the required regulation by the company. The required regulation is based on the Republic of Indonesia Regulation. Each incoming vehicle is check its completeness of driving license and letter of vehicle identity number. Based on the explanation, it is concluded that the certificate holder consistently use the trained contractor.

Status: Comply

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

5.1

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

The company has had environment document consisted of:

1. Document of Environment Study Evaluation (SEL) of PT PPP

Based on the decree of Agriculture Ministry in RC number 220/797/B/V/1993, dated May 13th 1993 for mill and estate for 1,859.14 ha (for Batang Ara and Tamiang) and 4,236 ha for Blang Simpo and the other associated programs. The installed POM capacity is 20 ton of FFB/hour.

2. Document of Environment Management of (DPPLH) PT Perkasa Subur Sakti

Based on the decree of Environment Ministry number B-5054/Dep.I/LH/7/2010, dated July 6th 2010 for the establishment of PT PSS POM in Pereulak Sub-District, East Aceh District.

3. PT Padang Palma Permai Environmental Management and Monitoring Effort

Based on the decree of East Aceh Regent number 592.12/23/2011, dated February 14th 2011 in term of the environment permit for PT PPP estate operationals at Pereulak Sub-District, East Aceh District for 1,239 ha.

4. PT Padang Permai Environmental Management and Monitoring Effort

Based on the decree of East Aceh Regent number 538.31/651/2013 in term of the environment permit of the PT PPP estate operationals at Gampong Jengki and Tualang Pateng Village, Pereulak Sub-District, East Aceh District for 83.37 ha.

5. Document of Environment Management (DPLH) of PT Perusahaan Perkebunan Industri dan Niaga Sri Kuala

Based on the approval of Aceh Tamian District Environment Agency number 660/ 1346 tanggal 24/09/2014. The scope of the document is the estate for **± 1,128.9 Ha**

PT PPP, PT PSS and PT PSK has managed and monitored the environment as described on the report of environmental management and monitoring plan. However, it is no describing the result of erosion monitoring as required on the environment evaluation study owned by PT PPP. PT PPP is not able to show the evidence of the report of environmental management and monitoring plan handover to the associated agency in Aceh Province. **NC Number 2015.04 as Major category**

Based on the interview with the related stakeholder (Tualang Pating Village, Seneubok Village, Chik Mbon Village, Lubuk Pemping Villahe and Alur Nirih Village) known that the unit management has managed its environmental impact such as by

water spraying to reduce dust.

According to the result of public consultation with the Aceh Tamian District Environment Agency, the environment document of PT Perusahaan Perkebunan Industri and Niaga Sri Kuala is recently legalized on September 2014. The environmental management and monitoring report in 1st semester of 2015 must be reported. Meanwhile, the obligation to report the environmental management and monitoring plan becomes the responsibility of Aceh Province due to the fact that PT PPP is located on 2 districts (Aceh Tamian and East Aceh District).

Auditor Verification:

May 15th 2015

The management unit has shown the report of environmental management and monitoring plan of PT PPP which describes the erosion monitoring result as well as the evidence of the report handover to Aceh Province Environment Agency on May 10th 2015. **NC Number 2015.04 as Major category is closed.**

Status: Comply

5.2

The status of rare, threatened or endangered species and high conservation value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and their conservation taken into account in management plans and operations.

The management unit has identified HCV. It was conducted by the third party (POLLITO) on 2010. The identified HCV area within the company operational area is 295.27 Ha.

The programs of HCV management conducted by the company are as follows:

- Routine flora and fauna monitoring (each quarter) at block A014 of Division 1 of Tamiang (riparian); C005 Division II of Batang Ara (mountainside); D004 of Division III of Batang Ara (forest). According to the result of monitoring in Block C005 Division II of Batang Ara Estate, there are 13 wildlives during period of August 2014 – December 2014.
- Woody plants planting. According to the field visit to Division III of Batang Ara Estate, there are growing raintrees (*Albizia saman*) and there are bushes at the riparian area.
- Protecting the riparian area by not conducting replanting and chemist program. According to the field visit to Alur Riparian in BSE 1, there are growing kadam (*Neolamarckia cadamba*) and there are a lot of bushes at riparian area. The palm oil plants close to riparian area (5 plants) shall not be replanted nor cut down.
- Installing signboard to protect HCV area and the prohibition to conduct animal hunting and illegal fishing (electrocute and poison method). According to the result of field visit, there are posters of “no hunting” prohibition. For example, at Batang Ara Estate (Block D001, D008). However, there is no similar poster at Blang Simpo Estate 1. **NC Number 2015.05 as Minor category.**
- Appointing the well trained Officers to manage HCV area.

Auditor Verification:

May 8th 2015

The management unit has shown the documentation of the poster and signboard installation in Blang Simpo 1 Estate. **NC Number 2015.05 as Minor category is closed.**

Status: Comply

5.3

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

The company has identified the waste on 4 categories. For example, hazardous waste (used filter, used oil, rag, etc); domestic waste (plastic and organic waste); medical waste (used injection needle, used infuse, etc); mill waste (shell, fiber,

EFB, effluent, boiler ash and scrap metal). Each of the waste category has its own different handling and waste source information. The medical waste is also identified by the company further such as the infectious waste, pathology waste, sitotoxic waste, pharmacy waste, chemicals waste, radioactive waste and sharp object.

The plan of hazardous waste management composed by the company is referring the SOP number SPO/P&C/PLB3 dated April 12th 2011. The SOP describes the objective of waste management, compilation of the record and identification on hazardous waste based on type, characteristic and quantity, registration of the generated hazardous waste number, preparation of the licensed hazardous waste, compiling used materials delivery note (NPBB) and inspection on hazardous waste condition. The company has achieved the hazardous waste storage permit referring the decree of Aceh Tamiang Regent number 691 year 2011 on November 14th 2011 in term of the permit of hazardous waste storing at the storage at Tamiang Estate and referring the decree of East Aceh Regent number 538.3/445/2013 dated June 18th 2013 in term of the storage at Blang Simpo Factory.

The company is cooperating with the licensed hazardous waste collector (CV Amindy Barokah) referring the decree of Environment Ministry number 33 year 2011 in term of the hazardous waste transport and handover. Meanwhile, the company is also cooperating with the incinerator-supported medical center (Sekerak Community Medical Center) to handle the medical waste. The company-generated, collector-delivered hazardous waste are reported to the Aceh Tamiang And East Aceh District Environment Agency.

Sewer system to dispose the ex spraying equipments washing water at Block Spraying System (BSS) station has a potential to cause pollution. **NC Number 2015.06 as Major category.**

According to the field visit to Blang Simpo 1 Estate central housing complex, there were employees whom were using used oil containers as water containers. **NC Number 2015.07 as Minor category.** Based on the interview with the worker, revealed that the domestic waste is collected in each house and thrown away to unit management' managed landfill.

The company records and monitor and analyze the waste. The data is then written on the report of Blang Simpo Mill environmental management and monitoring plan implementation. According to the result of the test for period of October – December 2014, the parameters like air quality and noise, river water quality and effluent quality were still complying the quality threshold. The company uses effluent for land application as shown during the field visit to flatbed location in block A002 of Division 1 of Blang Simpo 1 Estate.

The record of the EFB and effluent application is written on the Manager report. For example, 6,199.29 ton of EFB has been applied on division 1 and 2 of Blang Simpo Estate during period of 2014/2015 for 182.33 Ha (the application dosage is 34 ton/ha). According to the data of the POM effluent application program, the effluent is conducted monthly in Block A002, A013 and C002 with dosage of 750 m³/ha/year.

The record of the hazardous waste is recorded on the hazardous waste balance sheet and is reported to the Aceh Tamiang and East Aceh District Environment Agency routinely (each quarter). The company is able to show the report of hazardous waste for period of 2014 (1st to 4th quarter). The mentioned hazardous waste are rage, used oil, hazardous waste jerry can, used tonner, used TL lamp, used battery and used filter.

The medical waste is handed over to the Health Agency of Sekerak Sub-District Community Medical Center. The company has shown the evidence of the medical waste handover number 056/BSE/Poliklinik/VI/2014 to the Officer of Sekerak Community Medical Center incenerator. For example, sputit, NaCl, Infuset, infuse bottle, hans cund, masker, abocet, vial, ampoul, nald hecting and bisturi.

Auditor Verification:
May 8th 2015

The management unit has shown the evidence of the sewer system repairmen on the BSS station. The water shall be accommodated behind the BSS station. **NC Number 2015.06 as Major is closed.**

The management unit has shown the evidence of the socialization of the hazardous usage prohibition, specifically for domestic usage. The socialization is also conducted by installing signboards and providing water drum to accommodate the clean water at housing complex. According to the evidence, **NC Number 2015.07 as Minor category is closed and it will be re-verified on the next assessment (ASA-3).**

Status: Comply
5.4
Efficiency of energy use and use of renewable energy is maximized.

Blang Simpo Factory has utilized shell and fiber as the renewable energy resource. There is a data of shell and fiber utilization including the calculation of its efficiency of the energy usage per ton of FFB. For example:

Month	Processed FFB (ton)	Generator Energy (kWh)		Turbine Energy (kWh)		Total of energy (kWh)	Ratio energy per ton of FFB
		1	2	1	2		
Nov 14	4,226.23	15,212	-	82,440	-	97,652	23.11
Dec 14	3,468.77	6,608	640	82,440	-	89,688	25.86
Jan 15	2,870.16	4,976	-	53,920	-	58,896	20.52

The company also monitors the petroleum fuel usage at mill and estate. According to the data, the petroleum fuel usage during period of July 2014 – January 2015 was as follows:

- Batang Ara Estate: 8.51 – 17.58 liter/ ton of FFB
- Tamiang Estate: 1.67 – 5.91 liter/ ton of FFB
- Balang simpo Factory: 0.18 – 2.35 liter/ ton of FFB

Status: Comply
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.

According to the field visit and observation to replanting block on 2013/2014, division 1 (Block A005, A009, A007 and A010) in Tamian Estate and to block A003 Blang Simpo 1 Estate, the replanting is conducted mechanically. Furthermore, there is a “no burning” prohibition signboard.

The company has policy of mechanical land clearing as written on *Agricultural Reference Manual (ARM)* Policy No. 110/EST-ARM/08, Part 3. The procedure describes that the land clearing technique is conducted mechanically. According to the cooperative agreement letter between the company and the replanting contractor (PT Vidya Palma Permai) No. 013/Replanting/PPP-TME/X/2014 dan SPO No. 003/Replanting/PSK-BAE/XI/2014, dated October 1st 2014, it describes that the replanting scope is started from the stacking, chipping and hoarding the ex rod, construction of new road, terrace construction with embankment, soil management, planting hole digging and guludan construction at the lowland area. It is supported by the information from the community figures (Datok Penghulu) of the nearby villages. They inform that the company does conduct the replanting program mechanically.

The SOP of emergency response and circumstance restoration (No.PRPKTD/12/ppp-PSK-PSS/V/12 dated May 1st 2012)

and SOP of fire prevention and handling (No.PPK/13/PPP-PSK-PSS/V/12 dated May 1st 2012) are not changed at all. The company also has had structure of the emergency response team such as fire team, evacuation team, first aid team, logistic team, transportation team, communication team and security team.

The management unit also has held training of fire handling. For example, fire simulation and fire extinguisher usage at Bland Simpo Estate and Mill. It was attended by 38 participants on September 4th 2014.

The company has had facilities and equipments to handle the fire. For example, there area 2 units of water pump, 3 units of 9 meter vacuum hose, 20 meter of canvast hose, 6 units of protective glasses, 8 units of wet knapsack, 6 units of bucket, 1 unit of 2,000 liter water tank, 6 units of leather gloves, 20 units of fire extinguisher, 1 unit of water tank truck, 6 units of masker, 6 units of solo sprayer, 3 units of Handy Talky Radio, 3 units of fire monitoring post. According to the field visit to the fire equipments storage, the equipments are well maintaind and ready use. The company needs to evaluate the position of fire extinguisher provided at the employees housing complex (**OFI No. 06**).

Status: Comply

5.6

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

The company has conducted identification of the pollution and emission souce as written on the report of environmental management and monitoring effort in 1st semester. For example:

Type of Impact	Source of Impact	Effort to Manage the Impact
Air Quality	POM Operationals	<ul style="list-style-type: none"> - Testing the air quality at the accredited laboratory - Distance of the mill is ± 2 km away from the settlement - Ordering the mill employees to use ear muff/ear plug
Fire Potential	Fire within and beyond mill area	<ul style="list-style-type: none"> - Forming fire anticipating team - Conducting socialization of the fire dangers to the employees and the locals.

The company also had conducted generator emission test (1 Unit) and boiler test (1 unit) routinely (6 months). According to the result of the test of December 2014, all the tested parameters have complied the environment quality threshold. In order to reduce the pollution, the company is routinely maintaining the operational equipments and machines. For example the replacement of oil, fuel filter and battery on March 2015 for the generator number 1.

According to the document review and field observation, the company has managed POME on the WWTP ponds. There is a result of the POME management such as the applied effluent monitoring, the calculation of the effluent debit and the routine quality test (monthly). Furthermore, there is no overflow on the WWTP, the flowmeter is still well functioned and there is a well trained Officer to monitor the WWTP ponds and Land Application. There are 2 buffer ponds to anticipate the overflow during rain season.

Status: Comply

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 company has conducted identification of the social impacts caused by the estate operationals as written on the documents as follow:

- Document of the Environment Evaluation Study (SEL). It describes the positive and negative impacts caused by the company operational.
- Document of social impact assessment (Social Impact Assessment) for replanting program.

In order to reduce the negative impacts caused by the company operational, the company compose the plan of social impact management and monitoring. The company has shown the plan by involving the participation of the community. For example, "Cooperative Program of Padang Palma Permai and Kebun Tanah Terban Village on 2014/2015". The social management conducted by the company are in aspects of sport, education and religiousity and the public facilities. The program is collectively composed with the 5 village representatives on June 6th 2014.

The company is able to show the report of social impact management and monitoring implementation to the associated agency. For example, the report of environmental management and monitoring plan in 1st semester of 2014 of PT PPP. It was sent to the Aceh Tamian District Environment Agency and Forestry and Plantation Agency on November 17th 2014.

Status: Comply

6.2

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

The company has procedure of communication and consultation with the locals as written on the SOP of communication and consultation (RSPO/6.2/KKM). The procedure has been agreed by the locals. It is signed by each Chiefs of Villages. The record of the consultation and communication with the locals show good progress. Based on interview result with the surrounding community (Tualang Pating Village, Seneubok Village, Chik Mbon Village, Lubuk Pemping Village, Alur Nirih Village, Batang Ara Village, Tana Terban Village and Kampung Dalam Village) showed that the community has understood the communication mechanism provided by the company.

The record of the list of stakeholders has also been improved by adding the name of agency/person in charge, full address, contact number and position. The list of the stakeholders is consisted of the community figures, the agency and government, Aceh Government and Central Government, NGO, product buyer of PT PPP (Buyer), school/university, insurance and bank, contractor, vendors/suppliers.

The record of the community's aspiration and the follow up the company has been well documented on the "LOG BOOK of STAKEHOLDER/ COMMUNITY". The Log book is consisted of date, name, issue/report, solution and action. For example, the aspiration from the Chief of TJ Glumpang Village on January 15th 2015 which was requesting the fund assistance. The aspiration was sent on February 26th 2015 by including "Cash Voucher"

The company has persons in charge for communicating and consulting with the locals. Those are (1) Chairul Zein referring the decree of appointment number BSE II/12/V/2011/M dated May 16th 2011; (2) Zulfikar Ritonga, SE referring the decree of appointment No.105/EST/TME/III/2011 for estate; and (3) Jasman referring the decree of appointment No. 169/POM/TMF/III/2011 for mill.

Status: Comply

6.3

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

The procedure of the complaint resolution (Internally and Externally) as described on the document of:

- SOP of the community complaint: KK/05/V/PPP-PSK-PSS/12
- SOP of the employees complaint: KK/06/V/PPP-PSK-PSS/12

- SOP of communication and consultation with the locals: KKM/07/V/PPP-PSK-PSS/12

The SOP have been approved by the locals. It was represented by the Chiefs of the nearby villages (batang ARa Village, Budar Village, Tanah Terban Village, Tupah Village). It was signed by each Chiefs of villages. The record of the consultation and communication with the locals show good progress. Based on interview result with the surrounding community (Tualang Pating Village, Seneubok Village, Chik Mbon Village, Lubuk Pemping Village, Alur Nirih Village, Batang Ara Village, Tana Terban Village and Kampung Dalam Village) showed that the community has understood the communication mechanism provided by the company.

The complaint from the company's internal and external has been well documented on the LOG BOOK of STAKEHOLDER/ COMMUNITY. According to the result of document review and interview with the locals, there is no complaints whether from company's internal nor external during period of February 2014 to April 2015.

Status: Comply

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.

According to the verification on the document of Land Use Title (HGU), the land of PT PPP and PT PSK is the leased forest area. There is no evidence of the land ownership of the community until ST-2 audit. Therefore, there is no land compensation.

The claim for 720 Ha of land ownership within Blang Simpo 2 Estate from the community of Chik Mbon has been solved. The company guarantee the scheme smallholder establishment and it will facilitated by th government.

The dispute in Blang Simpo 2 between PT PPP and PT Para Sawit juga also has been solved in court. It is won by PT PPP.

Status: Comply

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 wage of employees on 2015 is referring the decree of Aceh Governor (number 81 year 2014) for IDR 1,900,000/month. General Manager Resources Management determine the minimum wage standard for IDR 1,900,000,- /month,. There is a record of the list of employees wage. According to the document, the company has paid the employees wage based on the minimum wage standard. According to the interview with the workers in Blang Simpo Mill, Blang Simpo 1 Estate and Batang Ara Estate, the workers have recognized the minimum wage standard and they have received the wage based on the decree of the Aceh Governor. Based on interview with FBB transporting contractor, the payment is determined by the calculation of FFB weight transported to the miil.

There is an agreement used by the workers in PT Perkasa Subur Sakti, PT Padang Palma Permai referring the registration of the collective labour agreement between the Indonesia Labour Union and the Cooperative Agency of Sumatera Estate Company referring the decree of Director General of Industrial Relation and Labour Social Assurance number 191/PHIJSK-PKKAD/PKB/XII/2012 dated November 14th 2012. The agreemen is valid for 2 years (till November 13th 2014) and it shall always be used until the issuance of the new collective labour agreement. According to the interview with the labour union, the new collective labour agreement is on progress. Despite of it, there is a complaint from worker union on BPJS because the worker thing that BPJS services is not satisfied.

There is no changes on the facilities owned by Batang Ara Estate and Blang Simpo Mill. However, there is an addition of 22 G2 type unit of house in Blang Simpo 1 Estate. According to the interview with the grading operator and the employees

family in Batang Area Estate, the facilities are well provided by the company such as place of worship, clean water, housing complex, sport facility and etc. The company is encouraged to re-evaluate the properness of the education facilities in Batang Ara Estate (**OFI No. 07**).

the company has an agreement with the contractor which describes the work, payment method, and the requirements the contractor must comply. For example the cooperative agreement letter number TME/LKL/2014XII/32-DT. The cooperative agreement between PT PPP and Dian Armansyah to transport FFB. According to the agreement, the contractor has had taxpayer ID number and according to clause 7, the contractor must comply OHS requirements.

Status: Comply

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.

There is policy over the freedom of the workers to unit as written on Minamas group collective labour agreement number: B.117/PHIJKS-PKKAD/PP&PKB/VII/2014 over the Minamas Plantation Labour union of PT Anugerah Sumbermakmur and PT Minasmas Gemilang for period of 2014 – 2016 clause 8.

There is an assembly between the labour union and the company. For example, the assembly on December 16th 2014 which was discussing the socialization of PPE usage and the invitation sent by Banda Aceh Manpower Agency to discuss minimum wage standard for period of 2015.

Status: Comply

6.7

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

According to the collective labour agreement of the Minamas Group, the company does not employ the underage workers (<18 years old). According to the data of employees for period of March 2015, the youngest employees in PT PPP, Blang Simpo 1 Estate is 22 years old.

The company has shown the data of the loosen fruit picker of division 3 of Blang Simpo 2 Estate, there is no worker on behalf of Amri and according to the data of employees on March 2015 and the interview with the labour union, there is no underage workers for longer. **NC number 2014.08 is closed.**

Status: Comply

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.

There is a guideline of the sustainable estate management (Policy number 724/TQEM-SPMS/09 dated August 27th 2010). It describes the equal opportunity and treatment at the workplace. According to the data of Blang Simpo 1 employees, there are various tribes and religions working on the meltpot.

According to the result of interview with the spraying foreman, the foreman is a Javanese and sprayers are consisted of several tribes. Hence, there is no discrimination over the employees.

Status: Comply

6.9

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

The policy of prevention on the sexual harassment is written on the gender policy. The gender policy has been socialized to the employees by using signboards or by using announcement at estate or mill office.

The company has conducted socialization of procedure of sexual harassment prevention to the locals. According to the result of interview with the spraying foreman, the sprayers have aware of the policy of sexual harassment prevention and the gender committee as well.

The company has shown the evidence of the implementation of women reproduction rights protection policy. The company gives H1 day off (menstruation day off) and H2 day off (pregnant day off) for the women workers. It is proven by the records of the identification of H1 day off records for period of July 2014 – February 2015. It describes the information in term of the women workers who take day off during menstruation.

According to the interview with the women workers (sprayers) in Batang Ara Estate, the workers have aware of the rights in term of menstruation day off (2 days) and pregnant day off (45 days before childbirth and 45 days after childbirth). The company is encouraged to ensure that the reproduction rights policy is properly implemented. (**OFI No. 8**)

Status: Comply

6.10

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

The FFB supply to Blang Simpo POM is sent by the nucleus estate until the Surveillance-2 assessment. The smallholders program is not yet working.

According to the previous assessment, the company has an agreement with the contractor which describes the work, payment method, and the requirements the contractor must comply. For example the cooperative agreement letter number TME/LKL/2014XII/32-DT. The cooperative agreement between PT PPP and Dian Armansyah to transport FFB. The cooperative agreement letter is signed collectively with the contractor.

According to the previous assessment, the company has an agreement with the contractor which describes the work, payment method, and the requirements the contractor must comply. For example the cooperative agreement letter number TME/LKL/2014XII/32-DT. The cooperative agreement between PT PPP and Dian Armansyah to transport FFB. The cooperative agreement letter is signed collectively with the contractor. According to the agreement, the company must pay the contractor monthly. There is an evidence of the payment (Bank Voucher) on March 18th 2015 for paying the project on February 2nd – 28th 2015.

According to the interview with the contractor, the payment is conducted by company referring the collectively agreed cooperative agreement letter.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

Records of the realization of each company's contribution over the regional development are consisted of the recapitulation of the type of contribution annually, amount of the paid money, evidence of the payment. According to the interview with the associated agency of Aceh Tamian District and the villages nearby PT PPP-PT PSK (Tualang Pating Village, Senebok Village, Chik Mbon Village, Lubuk Pemping Village, Alur Nirih Village, Batang Ara Village, Tana Terban Village and Kampung Dalam Village), the management unit has given CSR assistance in form of the scholarship (D3) for the brilliant students.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings		
7.1		
A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.		
The company does not establish nor develop new estate after November 1 st 2005 and the company does not create smallholder partnership system.		
	Status: Comply	
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.		
The company does not establish nor develop new estate after November 1 st 2005 and the company does not create smallholder partnership system.		
	Status: Comply	
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 company does not establish nor develop new estate after November 1 st 2005 and the company does not create smallholder partnership system.		
	Status: Comply	
7.4		
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
The company does not establish nor develop new estate after November 1 st 2005 and the company does not create smallholder partnership system.		
	Status: Comply	
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.		
The company does not establish nor develop new estate after November 1 st 2005 and the company does not create smallholder partnership system.		
	Status: Comply	
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.		
The company does not establish nor develop new estate after November 1 st 2005 and the company does not create smallholder partnership system.		
	Status: Comply	
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.		
The company does not establish nor develop new estate after November 1 st 2005 and the company does not create smallholder partnership system.		

	Status: Comply	
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>RSPO team compose the follow up by communicating with the department in charge over the compliance on criteria and indicator. However, it is just communicated via email. It is expected that there is control and update system over the requested requests (such as soil sample via email). The unit management has conducted monitoring and evaluate their activities routinely such as:</p> <ul style="list-style-type: none"> • Conducting air quality and emission source monitoring every 6 month. Based on the newest monitoring known that all test parameter has met the environmental threshold • Conducting continuous beneficial plant planting. The latest evaluation result shows that the leaf eater caterpillar is going down significantly • There is no use of pesticide with active ingredient of paraquat. 		
	Status: Comply	

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module D) CPO Mills - Segregation Requirements
1	Documented Procedures
1.1	<p>The facility 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> <ol style="list-style-type: none"> Complete and up to date procedures covering the implementation of all the elements in these requirements. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard.
	<p>The Record follows:</p> <ol style="list-style-type: none"> SOP of Supply Chain (Supply Chain), No. 4.1/PSS-PPP-SC). It was legalized by Bland Simpo Mill Manager on December 22nd 2013. The SOP regulates the procedure of supply chain implementation on the process of FFB receipt, production, and the CPO and PK product dispatch. The organization structure which shows the competent and responsible personnels over the supply chain implementation. For example: <ul style="list-style-type: none"> Mill Manager who responsible to monitor all SCCS implementation at mill including programming the proper training in term of the requirements of supply chain certification to all involved staff on the process of FFB receipt, production, product storing and transport to the buyers. PSQM assistant who responsible on the FFB quality control at mill and composing the daily recapitulation; monitoring the palm product dispatch and load and unload; analysing the FFB and product quality in all production process; storing, maintaining and distributing the result of analysis and test of the FFB and product quality test to the associated parties. Processing assistant who responsible on the FFB processing to CPO and PKO from POM to bulking station.
	Status: Comply
1.2	<p>The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>
	<p>The document verification shows that the mill has procedure of FFB receipt and processing as written on:</p> <ul style="list-style-type: none"> SOP of Supply Chain, No. 4.1/PSS-PPP-SC). It was legalized by Blang Simpo Mill Manager on December 22nd 2013. The SOP order the driver to show the FFB covering letter from each estate and FFB contractor. It describes the FFB source and quantity. SOP of POM. It was legalized by Mill Controller on December 2011. It covers the SOP for weighbridge station, loading ramp station, boiling station, tripler and thresher station, digester station, press station, oil room station, deprecarker station, nut cracker station, kernel silo station, CPO and PKO dispatch, boiler house, power plant.
	Status: Comply
2	Purchasing and goods in
2.1	<p>The facility shall verify and document the volumes of certified and non-certified FFBs received.</p>
	<p>The company has evidence of the verification and documentation of received certified and non-certified FFB volume. For</p>

example:	
1.	<p>The list of official FFB supplier to Blang Simpo POM for period of 2014 – 2015 on the information system of mill (SIME-WEIGHT). According to the list, all the processed FFB are delivered from the certified estates (Batang Ara Estate (PT Perkebunan Sri Kuala), Tamiang Estate, Blang Simpo 1 Estate, dan Blang Simpo 2 Estate (PT Padang Palma Permai) till ASA-2 assessment.</p> <p>2. Documentation of the incoming FFB as written on:</p> <ul style="list-style-type: none"> • FFB covering letter which contains the date of FFB transport, name of the transporter, identity of the transporter vehicle, origin of the block, planting year, quantity of FFB, date of harvest, BJR, gross weight, net, tarra, hour of dispatch and FFB taking. • The weighbridge ticket describes the number of weighbridge ticket, FFB covering letter serial number, FFB origin, date of harvest, FFB cut circle, planting year, block, FFB quantity, tonnage, vehicle police number, date of delivery. The weighbridge ticket is stamped “RSPO certified – segregation”. • Report of FFB quality control (Grading and Sortation). It describes the FFB covering number information, DO number, vehicle police number, FFB quality control time, block and estate of the FFB, FFB quality category. • Program of FFBGS (Fresh Fruit Bunch Grading System). It describes the FFB quality referring the result of the FFB grading. It informs the FFB quality, CPO and Kernel production target of each estate supplier. • Mill daily report. It is composed based on the computer-based recording (SIME-weight program). It contains the information of estate name, division name, range of circle, rit quantity, FFB grading, FFB quality, FFb colume and loss fruit.
	Status: Comply
2.2	The facility shall inform the CB immediately if there is a projected overproduction.
	<p>The mill has achieved RSPO certificate in projection of CPO production for 21,937 ton and Palm Kernel for 5,281 ton in period of May 3rd to May 2nd 2015. According to the document verification, the total of the produced CPO and Kernel since May 3rd 2014 to March 24th 2015 was 12,094.18 ton of CPO and 2,412.67 ton of Kernel. Hence, it was not exceeding the projected production yet. Blang Simpo POM has commitment to inform PT Mutuagung Lestari when they experience overproduction. Minamaas Plantation has registered the RSPO-certified products (CSPO nd CSPK) via e-trace UTZ.</p>
	Status: Comply
3	Record keeping
3.1	The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements.
	<p>The Mill has maintained all records associated with supply chain requirements accurately, completely, and in state of art referring the applied SOP. The system of document maintenance in form of soft copy on the System Application Program (SAP), Sime-Weight Programme for weighing FFB, CPO and Palm Kernel, FFBGS (Fresh Fruit Bunch Grading System) to recognize the future-processed FFB quality. Meanwhile, the documents in form of hard copy (print out) are maintained on the Blang Simpo POM administration room.</p> <p>Blang Simpo POM has document of daily production report. It describes the records of all aspects such as the incoming and the processed FFB, the CPO quality output and capacity, the Kernel quality output and capacity, CPO and Kernel dispatch, CPO and Kernel production stock.</p> <p>In aspect of CPO and Kernel sales at Blang Simpo POM, the documents are maintained at the HQ in Jakarta (Minamas Plantation). The maintained documents are the document of Contract, Delivery and Invoice.</p>
	Status: Comply

3.2	Retention times for all records and reports shall be at least five (5) years.
	According to the SOP of supply chain, the mill has maintained all reports for the last 5 years. It covers the recording of FFB receipt and processing, vegetable oil storing at storage tank, daily report, mill utilization, CPO and Kernel quality and capacity output, vegetable oil quality at storage tank, data of CPO and Kernel dispatch (Delivery Order) and document of Control Process Report.
	Status: Comply
3.3	The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal on a three-monthly basis.
	<p>According to the document verification and field visit, the mill has recorded the certified FFB and CPO and PK dispatch brilliantly. They are also supported by computerized system SIME-weight program which records all information of FFB receipt, FFB processing and CPO and PK dispatch.</p> <p>The mill is balancing the receipt of the certified FFB and certified CPO and PK dispatch routinely (each quarter). According to the review of the record of balancing for period of 2014 – 2015, there was no negative stock at the end of the period.</p>
	Status: Comply
3.4	The following trade names should be used and specified in relevant documents, e.g. purchase and sales contracts, e.g. *product name*/MB or Mass Balance. The supply chain model used should be clearly indicated.
	<p>The mill has described the name of trade and the scheme of supply chain used by the mill (RSPO-certified SG) on the associated documents. For example:</p> <p>a) Sales Contract, sample:</p> <ul style="list-style-type: none"> - Contract number 00144/PSS/KTR-MKS/LOK/II/2015 dated February 2nd 2015 with PT SMART Tbk. It describes the name of trade (CPO with Free Fatty Acid quality for (As Palmitic) maximum for 6.5%, maximum Moisture and Impurities for 0.5%, and Quantity for 450,000 kg. - Contract number 00080/PSS/KTR-MKS/LOK/II/2015 dated February 6th 2015. It described the name of trade (PK as Palm Kernell with quality of Moisture, Impurities, SHELL, dirt maximum of 16.00 max and Quantity for 250,000 kg. <p>b) Document of the incoming FFB (Weighbridge ticket and FFB covering letter)</p> <p>c) Document of outgoing CPO / PK (Weighbridge ticket and goods covering letter of CPO and PK)</p>
	Status: Comply
4	Sales and goods out
4.1	<p>The facility shall ensure that all sales invoices issued for RSPO palm oil delivered include the following information:</p> <p>(a) The name and address of the buyer</p> <p>(b) The date on which the invoice was issued</p> <p>(c) A description of the product, including the applicable supply chain model (Segregated)</p> <p>(d) The quantity of the product delivered</p> <p>(e) Reference to related transport documentation</p>
	<p>The mill has ensured that all documents of CPO and PK sales and dispatch have contained all the needed information including the model of the applied supply chain. For example:</p> <p>a. Sample of invoice document:</p> <ul style="list-style-type: none"> - Invoice number 00248/PSS/II/2015 dated February 5th 2015 for the CPO product sales. It describes: Name of buyer: PTSMART Tbk in Jakarta, the associated sales contract number 00144/PSS/KTR-MKS/LOK/II/2015, with quantity for 450,000 kg, the “RSPO Certified Segregation” stamp is used.

<p>- Invoice number 00249/PSS/II/2015 dated February 9th 2015 for th PK product sales. It describes: Name of buyer: PT Musim Mas in North Sumatera, the associated sales contract number 00080/PSS/KTR-MKS/LOK/II/2015, the associated DO, with quantity for 250,000 kg, the “RSPO Certified Segregation” stamp is used.</p> <p>b. Goods covering letter for CPO with stampe of “ RSPO certified segregation”. It describes the information of date of delivery, weight, name of product, name of driver, vehicle police number, date and hour of departure, destination, product specification, DO number information, contract number, goods covering letter number, driving license number and locis number.</p> <p>c. Despatch weightbridge ticket describes the information of costumer, destination, product specification, DO number, vehicle police number, contract number, volume and weight.</p>	
	Status: Comply
5	Processing
<p>5.1</p> <p>The facility shall assure and verify through clear procedures and record keeping that the RSPO certified palm oil is kept segregated from non certified material including during transport and storage and be able to demonstrate that is has taken all reasonable measures to ensure that contamination is avoided. The objective is for 100 % segregated material to be reached. The systems should guarantee the minimum standard of 95 % segregated physical material9; up to 5 % contamination is allowed.</p>	
<p>According to the verification of the supply chain documents, the mill has received FFB and has it processed to be CPO in one line of processing. The company implements policy to receive the FFB only from the certified suppliers as whon on the list of suppliers on SIME – Weight for period of 2014 – 2015.</p> <p>The company has ensured the zero contamination on the FFB transport and the certified product storing via recording and document review.</p>	
	Status: Comply
<p>5.2</p> <p>The facility shall provide documented proof that the RSPO certified palm oil can be traced back to only certified segregated material.</p>	
<p>Blang Simpo POM is able to show the documentation the produced products are traceable by using:</p> <p>a. Documentation of all process of FFB receipt, FFB processing and CPO and PK dispatch digitally by using SIME-Weight Bridge System.</p> <p>b. The usage of one line flow chart and there is no non-certified FFB receipt. Therefore, all CPO products are processed from the certified FFB. The documents which supports the traceability are:</p> <ul style="list-style-type: none"> • The list of the certified suppliers on the program of SIME weight. The system has been set to limit and lock the allowed suppliers automatically. Therefore, there is a zero possibility for the non-certified FFB contamination. • Document of FFB covering letter from the FFB supplier. It describes the quantity of FFB, block, division, vehicle police number. • Weighbridge ticket which describes the quantity of FFB, gross weight, net weight, vehicle police number, sortation number. • Document of CPO and PK dispatch which describes the delivered product specification. 	
	Status: Comply
<p>5.3</p> <p>In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that:</p> <ul style="list-style-type: none"> • The crush operator conforms to these requirements for segregation • The crush is covered through a signed and enforceable agreement 	

Blang Simpo POM, PSS only sell Palm Kernel to the third party and does not cooperate with Kernel Crushing Plant management.	
	Status: Comply
6	Training
6.1 The facility shall provide the training for all staff as required to implement the requirements of the Supply Chain Certification Systems The mill has held RSPO Supply Chain System Certification training on January 27 th 2014. The trainer is from Department of Plantation Sustainability Quality Management (ESH Manager). It was attended by 19 estate and mill staff. However, there are several new staff recruited by the company like production assistant, weighbridge operator, and the head of division. Therefore, there is no evidence of the training for the new staff. NC Number 2015.08 Auditor Verification: April 18th 2015 Blang Simpo Mill has shown the evidence of the SCCS training on April 11 th 2015. It was attended by 27 participants such as mill and estate managers, estate assistant, weighbridge clerk, production clerk). Therefore, NC number 2015.08 is closed and it will be verified on the next assessment (ASA-2).	
	Status: Comply
7	Claims
7.1 The facility shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules for Communications and Claims. Blang Simpo POM, PSS is able to show the claim usage to support the RSPO-certified CPO referring the RSPO Guidelines for Communication and Claims whether at Sales Contract, Delivery Order and Invoice.	
	Status: Comply

3.3. Conformity Checklist of Certificate and Logo Use

1.		X or√
ASA-2	The company does not use log on its product (on-product) and its non-product (off-product) within PT PPP, PSK dan PSS.	
	Status: Not Applicable	
2.		X or√
ASA-2	The company does not use log on its product (on-product) and its non-product (off-product) within PT PPP, PSK dan PSS.	
	Status: Not Applicable	
3.		X or√
ASA-2	The company does not use log on its product (on-product) and its non-product (off-product) within PT PPP, PSK dan PSS.	
	Status: Not Applicable	
4.		X or√
ASA-2	The company does not use log on its product (on-product) and its non-product (off-product) within PT PPP, PSK dan PSS.	
	Status: Not Applicable	

3.4. Summary of RSPO Partial Certification.

Name of organization : PT Mitra Austral Sejahtera		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	X or√
	PT Mitra Austral Sejahtera is compliance with applicable laws and regulations.	√
2.2	The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.	X or√
	PT Mitra Austral Sejahtera has demonstrated land use and not legitimately contested by local communities. The company's land acquisition process has been in accordance with the prevailing regulations	√
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√
	PT Mitra Austral Sejahtera has documented system for dealing with complaints and grievances, which is implemented and accepted by all parties. There is a Communication Procedure No. Policy 501/MAS-KOM-03/11 dated 8 April 2011 implemented through the Mail Box, Email, Announcements, posters, brochures / pamphlets and meeting / briefing, etc. To resolve complaints / disputes associated with land, the company has prepared a Compensation Negotiation Process Mechanism No Policy 501/MAS-Doc 01/11 dated 8 April 2011, which contains a flowchart of (derasa) compensation payment process through a amicable discussion and meetings with Muspika (Task Force).	√
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√
	PT Mitra Austral Sejahtera has a Compensation Negotiation Process Procedure No. Policy 501/MAS-Doc 01/11 dated 8 April 2011, which contains a flowchart of compensation payment process (Derasa) through amicable discussion and meeting with Muspika. The pricing of compensation is based on the Minutes of Agreement on Compensation (Derasa) Pricing dated December 8, 2005 as agreed by PT MAS, Community Leaders and KUD managers, acknowledged by Sub-District Chiefs (3 Sub-districts). Socialization was held on December 9, 2005 and attended by 35 representatives of related groups.	√
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√
	PT Mitra Austral Sejahtera has not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values. Based on the company's Plantation Concession issued through Decision of Land Agency Head of Sanggau District No. 400-56/IL-1999 dated January 8, 1999 on the Granting of Extension Concession the Purposes of Palm Oil Plantation located at Parindu, Bonti, Hulu and Kembayan Tayan sub-districts in the name of PT Mitra Austral Sejahtera with a total area of 20,000 hectares of 30,000 hectares reserved area, the concession of PT MAS is located within Other Use Area (APL) in accordance with the Spatial Plan of West Kalimantan Province The company management has declared to the community that the company will preserve and	√

	will not cultivate palm oil crops in areas that have been identified as HCV (MAS-3 Estate's Statement Letter dated May 1, 2011). Local people / Indigenous Figures joined in Satlak were directly involved in the identification process of areas where palm oil planting is not allowed in accordance with the agreement.	
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√
	<p>Available EIA documents as approved by the Central EIA Committee letter the Department of Forestry and Plantations, No: 242/Menhutbun-II/2000, on March 23, 2000.</p> <p>The company has conducted studies of social impact, but until the implementation of Stage-1 is still in draft form. SIA mentioned in the draft document;</p> <p>a. Positive Impacts</p> <ol style="list-style-type: none"> Direct Impacts <ul style="list-style-type: none"> - Significant local people are employed by the company. - Emergence of livelihood sources. - Increased revenue sources and incomes of the villagers. - Increased productivity, value and status of land (impact of KKPA plasma development). - Increased accessibility and mobility of people, goods and services. - Public's positive perception to the company. Indirect <ul style="list-style-type: none"> - The increasingly growth of local businesses - Increased cash flow and fund circulation in the surrounding villages. - Increased purchasing power of the local people. <p>b. Negative Impacts;</p> <ol style="list-style-type: none"> Direct impacts; <ul style="list-style-type: none"> - Reduced size of public lands, - Public's negative perception to the company, - Dispute/conflict Indirect impacts and Accumulation <ul style="list-style-type: none"> - Clean water problem, - Impaired traditional value system of mutual cooperation, <p>- Change in lifestyles of rural people.</p> <p>Based on the Plantation Development Realization Report of the socialization of new land opening has been conducted in July to September 2010 for Bonti and Kembayan Sub-districts, and unit has done socialization of new land opening in March 2011 (Sedae, Canal, Mua, Kampuh, and Tapa sub-villages).</p> <p>Based on interviews with residents of RT Pinsam the company's new plantation opening process also involved te Satlak Team consisting of Sub-village Chiefs, Indigenous leaders, KUD Sekayam Jaya Manager and Village officials as officers who perform verification of the land to be opened.</p>	√
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√
	<p>There is a Land Compensation Negotiation Process procedure No. 501/MAS-Doc 01/11 dated 8 April 2011 in which contains a flow chart of compensation process involving amicable deliberation and meetings with Muspika (Task Force).</p> <p>Documented process and agreement of land acquisition for new plantation area are maintained in</p>	√

	MAS 3 Estate's office and RSPO secretariat office in MAS 1 Estate.	

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-1 Assessment

No.	Ref Std/ indicators	Non-compliance sorces	Area	Grade	Deadline	Request for corrective actions	Observation and date	Status	Closing Date
2014. 01	Major 2.1.1.	Regulation obedience. Based on the documents' review, it is known that a worker in Blang Simpo mill: IKHWANI is working with a temporary working agreement (PKWT) and his working contract has been extended for more than 1 time. This is not obeying the decision from the ministry of manpower No.100 in 2004 regarding the regulation on PKWT.	PKS	Major	6 April 2014	The certificate owner should present that the worker with a temporary working agreement in Blang Simpo mill already is in accordance with the applicable regulation.	<p>Root cause: The unit management of Blang Simpo mill is not understand the PKWT regulation</p> <p>Corrective action:</p> <ul style="list-style-type: none"> There are 21 personnel with a PKWT contract who are not extended by the management of Blang Simpo mill which is in accordance with the termination contract No. 379 up to No. 390 /POM/BSF/IV/2014 that explain, start from 15 April 2014 these personnel temporary contract agreement will be terminated. Conducting the socialization of regulation on the manpower, which is in accordance with the law No.13 in 2003 and decision letter from the ministry of manpower No.100 in2004, which was implemented on 4 April 2014 and was attended by 13 participants (The attendance sheet and copy of outline are available). 	Closed With observati ons	4 April 2014

							Preventive action: <ul style="list-style-type: none"> The Unit management of Blang Simpo mill will not use the temporary worker (PKWT). Conducting the coordination and consultation to related institutions (manpower agency of Aceh timur District) regarding the manpower issue. 		
2014.02	Minor 2.1.4	The company has conducted the evaluation on the compliance of the applicable and related regulation but based on documents' review in December 2013 and interview with one of the RSPO member, the certificate owner has not yet conducted the evaluation over the regulation of ministry of agriculture No. 98 in 2013.	Estate and mill	Major	26 mei 2015	The certificate owner is consistently conducting the evaluation over the regulation compliance (policy and regulation) as regulated in the company policy of government policy and regulation's obedience No. 021/PPP-PUUP/IV/11.	Root Cause: There is no appointed Officer. Therefore, the regulations associated with estate and mill is not yet updated. Corrective Action: <ul style="list-style-type: none"> Appointing 1 Officer to update the regulation (composing the decree of Officer appointment) Preparing the list of the updated regulations. Preventive Action: Reviewing the statute regulation routinely (each quarter). Auditor Verification March 26th 2015: There is no proper evidence in term of the law compliance evaluation based on the applied SOP.	Closed	May 18 th 2015

							<p>May 18th 2015</p> <p>The management unit has shown the list of the updated regulations and statutes on April 22nd 2015. There are 201 regulations associated with plantation consisted of several type of law products. NC Number 2015.02 as Major category is closed.</p>		
2014.03	Minor 4.2.1	<p>Periodic soil analysis:</p> <p>The 5 year periodic soil analysis is not conducted yet since November 2008. This is not complying with the applicable soil analysis procedure.</p>	Estate	Major	26 mei 2015	<p>The certificate owner should implement the periodic soil analysis based on existing procedure in order to support the effort to maintain soil structure, organic material of the soil, soil nutrition status, and the soil microbiology.</p>	<p>Root Cause:</p> <p>Bad coordination with the supporting team (MRC).</p> <p>Corrective Action:</p> <p>The soil sampling has been conducted on April 6th – 10th 2015. It was conducted by MRC (the photographs are available).</p> <p>Preventive Action:</p> <ul style="list-style-type: none"> • Composing soil sampling monitoring list. • Improving coordination with the supporting team (MRC) <p>Auditor Verification:</p> <p>March 26th 2015</p> <p>There is no progress from the company.</p> <p>May 2nd 2015</p>	Closed With observati on	May 2 nd 2015

							<p>The management unit has shown the report of soil analysis in Tamiang Estate, Blang Simpo 1 Estate and Blang Simpo 2 Estate. There are documentations on the program and map of program location. The management unit also shows the letter which requests the soil sample analysis to the Manager of Laboratory Services of Minamas Research Center on April 18th 2015.</p>		
--	--	--	--	--	--	--	---	--	--

2014.04	Minor 4.4.2	Based on documents' review on the water examination, its known that: 1. The coliform microbiology examination over the dam water in Division II of Batang Ara Estate (BAE), it's already exceeding the standard threshold, which is 920 MPN, meanwhile the required threshold is 10 MPN in nozzle and 50 MPN in non-nozzle as stated in the ministry of health regulation No. 492 in 2010. 2. Some indicators on the dam water examination in Division III of Batang Ara Estate (BAE) have been exceeding the standard threshold, with the acidity level of 6.22 (standard quality 6.5-9.0), Mangan of 0.56444 mg/L (standard quality 0.5 mg/L), Nitrat of 18 mg/L (standard quality 0.1 mg/L), and organic material of 28.44 mg/L (standard quality 10 mg/L).	Estate	Major	26 mei 2015	Certificate owner has consistently protected the water source from pollution.	Root cause: The result of the test is not evaluated yet (it has just been received on February 1 st 2014). Corrective action: The result of the water quality parameter is written on the report of water quality test on December 2014. It complies the quality threshold. Preventive action: Composing the regular schedule (each semester) and evaluates the result.	Closed	March 24 th 2015
2014.05	Minor 4.7.3	Implementation of the risk analysis. Field observation's results: • Boiler operator in Blang Simpo mill not using the PPE (ear plug) in mill's station when they are working.	Mill and estate	Major	26 mei 2015	Certificate owner must be able to show the implementation of risk management that in accordance with the risk analysis document.	Root Cause: Lack of the workers over the aspect of OHS. Corrective Action: The company has held socialization to all employees in Blang Simpo 1	Closed With observation	May 21 st 2015

		<ul style="list-style-type: none"> The workshop personnel not wearing the PPE (Apron, gloves and protective glasses) when they are performing the cutting work. Harvesting personnel in Block A-014, Division 1, Tamiang estate not wearing the PPE like boot. <p>These findings are not in accordance with the implementation of risk analysis which owned by the certificate owner.</p>				<p>Estate, Blang Simpo 2 Estate and Blang Simpo Mill on September 4th 2014 in term of the OHS, awareness in term of OHS, fire extinguisher usage, and the PPE usage for all employees to the nearby community.</p> <p><u>However, there is an operator who does not use PPE (ear plug) in mill during workhour.</u></p> <p>Preventive Action: Supervising the PPE usage implementation and the PPE provision</p> <p>Auditor Verification: March 26th 2015: According to the description. The NC Number 2014.05 is not yet closed</p> <p>May 21st 2015 The company has shown the evidence of the PPE provision referring the HIRAC. For example the processing stage employees are given helmet, ear plug, masker, gloves and boots.</p> <p>The company also inspect the PPE used by the employees. It is inspected by the security Officer and it is also inspected during the morning briefing. The company</p>		
--	--	---	--	--	--	---	--	--

							<p>appoints 1 safety officer on behalf of Jamaluddin (appointment letter number 004/BSF-INT/V/2015 from Mill Manager) to monitor the PPE usage at mill.</p> <p>Therefore, NC Number 2014.05 is closed and it will be observed on the next assessment.</p>		
2014.06	Minor 4.7.4	<p>Training for operator.</p> <p>Operator license (SIO) for heavy equipment personnel and transport personnel in Tamiang estate and Batang Ara estate has been expired.</p>	Estate	Minor	S-2	<p>Certificate owner should present the evidence that it has implemented the occupational health and safety training, such as the operators should have the valid operator license.</p>	<p>Root cause:</p> <p>The update of Operator's SIO is not conducted</p> <p>Corrective action:</p> <p>The company has held load and crane SIO training on March 18th – 19th 2015. It was attended by 26 participants consisted of the operators of PT.PPP, PT.PSK and PT.PSS. according to the interview with the Manpower Agency, the company has held training for crane and load operator to achieve new SIO.</p> <p>It shall be observed on the next assessment.</p> <p>Preventive action:</p> <p>Reviewing the SIO expire date and other permits regularly.</p> <p>Auditor Observation :</p> <p>NC Number 2014.06 is closed</p>	Closed	March 24 th 2015

2014.07	Minor 4.7.6	Evidence on the PPE and first aid compliance Based on field observation and interview with personnel, its known that: <ul style="list-style-type: none"> Harvesting personnel in Block A-014 Division 1, Tamiang estate have not got the PPE (boots) since 2009 Empty fruit bunches application personnel in Tamiang estate have not got the PPE (boots and gloves) The first aid box that brought by chemical foreman (Division 2, BSE 2), fertilizer foreman (Division3, BS-2), harvesting foreman (Division 3, BSE 2), the first aid box in mill's workshop is not complete and not comply the list of contain which owned by the BSE-2. 	Mill and estate	Major	26 mei 2015	Certificate owner should presents the evidence that it has implemented the compliance on the occupational health and safety regulation (PPE and first aid)	Root Cause: The lack of communication on the PPE provision. Corrective Action: <ul style="list-style-type: none"> The company is able to show the evidence of PPE provision to the harvester. For example, the PPE for 22 harvesters in division 1 of Tamiang Estate on February 22nd 2014. The company is able to show the evidence PPE provision to the EFB applicator. For example, the PPE for 9 EFB applicators in division 1 of Tamiang Estate on February 6th 2014. The company has had Checklist of first aid kit along with its condition. However, according to the field visit to office of division 3 of <u>Batang Ara Estate, there is a first aid kit which contains only alcohol and cotton and gauze while there are 21 items that the first aid kit must have.</u> Preventive Action: Supervising the PPE usage implementation along with its availability. Auditor Observation:	Closed with observation	May 8 th 2015
---------	-------------	--	-----------------	-------	-------------	--	--	-------------------------	--------------------------

							<p>March 26th 2015 Therefore, NC Number 2014.07 is closed.</p> <p>May 8th 2015 The company has shown the evidence of the list of first aid kit content. The company also has appointed the Officer to monitor the first aid kit in appointment letter number 008/TAN/PPP/V/2015 from the Estate Manager to Indri Kasandi. The first aid kit inspection is conducted once a month.</p> <p>NC Number 2014.07 is closed and it shall be observed on the next assessment.</p>		
2014.08	Minor 6.7.1	<p>Personnel under 18 years old. Based on field observation in Division 3 BSE 2 Block F02, there is 16 years old worker, named Amri that work as a fruit buyer. This finding is not comply the company's regulation (PKB period 2012-2014) article 16 regarding the personnel recruitment point 1.1.2 which required all personnel should at least at the age of 18 years old during the hiring.</p>	Estate	Minor	S-2	Company should hire personnel with a minimum age of 18 years old, which is in accordance with the company's collective labor agreement and the government's regulation.	<p>Root Cause : Lack of socialization of the prohibition to employ the underage workers.</p> <p>Corrective Action : The company has shown the data of contractor workers in division 3 of Blang Simpo 2 Estate. There is no employee on behalf of Amri and according to the employee data on March 2015 and interview with labour union, there is no underage workers.</p>	Closed	March 26 th 2015

							Preventive Action: Supervising and revising the cooperative agreement letter by adding the prohibition to employ the underage workers. Auditor Observation: According to the description. The NC number 2014.08 is closed.		
--	--	--	--	--	--	--	---	--	--

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-2 Assessment

NCR No	Ref Std	Finding	Area	Grade	Deadline	Corrective Action	Observation	Status	Closed Date
2015.1	Major 2.1.1 Major 4.7.2	OHS Guiding Committee Structure There is a changes of OHS Guiding Committee Structure at PT. PSK referring the decree of the Head of Aceh Tamiang District Manpower Agency number 560/509/2014 in term of the legalization of OHS Guiding Committee in PT PPP and PT PSK on November 20 th 2014. The OHS Guiding Committee Secretary is an OHS expert (Mohammad Ruslin, number.13.1311/AK3/U/V/2013 dated May 27 th 2013). However, the OHS expert has been mutated to other company.	Batang Ara & Tamiang Estate	Major	May 26 th 2015	The company must be able to show the evidence of the OHS Guiding Committee structure referring the applied regulation.	Root Cause: The replacement of the foremer OHS expert has not yet been appointed. Corrective Action: <ul style="list-style-type: none"> OHS Expert training for BAE has been held on April 20th – 29th 2015 (on behalf of Zulfikar Tindaon) and MS pasaribu is appointed as an OHS Expert for TME Preventive Action: The OHS expert in each unit shall be prepared before the mutation of the existed OHS expert.	Closed with observ ation	May 8 th 2015

							Auditor Verification: May 8th 2015 <p>The company has proposed the request to form OHS Guiding Committee of PT PSK in letter number 135/TAN/P3/IV/2015 dated April 23rd 2015 from Estate Manager to the Head of Aceh Tamiang Manpower Agency on behalf of Zulfikar Tindaon. He has participated on the OHS Expert training on April 20th – 29th 2015 and he also has achieved the certificate of OHS expert from PT Delta Indonesia and RI Manpower Ministry</p> <p>The company has proposed the request to form OHS Guiding Committee of PT PPP in letter number 136/TAN/P3/IV/2015 dated April 23rd 2015 from Estate Manager to the Head of Aceh Tamiang Manpower Agency on behalf of Muhammad Soaloan Pasaribu. He is an OHS Expert. He has achieved OHS Expert certificate number 13.1313/AK3/U/V/2013 dated May 27th 2013.</p> <p>NC Number 2015.01 is closed and it will be observed further.</p>		
2015.2	Minor 2.1.1	Information of the law and regulation requirements <p>The company has had the list of regulation and law in order to comply the changes of the applied regulation.</p>	Estate and Mill	Minor	ASA - 3	<p>The company must be able to show the evidence of the update of the must-complied regulation and law requirements</p>	Root Cause: <p>There is no an appointed well trained Officer to deal with that stuff.</p> <p>Corrective Action:</p>	Closed	May 18 th 2015

		However, the list is not covering the law and regulations issued during period of 2010 – 2015.				changes.	<ul style="list-style-type: none"> The company appoints 1 well trained Officer to update the statute changes (compilation of appointment decree) Preparing the list of the updated regulation. <p>Preventive Action: The company shall review the regulation routinely (each quarter).</p> <p>Auditor Verification: May 18th 2015 The management unit has shown the list of the updated regulations and statutes on April 22nd 2015. There are 201 regulations associated with plantation consisted of several type of law products. NC Number 2015.02 as Major category is closed.</p>		
2015.3	Major 2.2.2	Maintenance of the Legal Boundary Pole There is no evidence of the implementation of demarcation and legal estate area boundary maintenance. Specifically at Blang Simpo Estate.	Blang Simpo 1 and Blang Simpo 2 Estate	Major	May 26 th 2015	The company must be able to show the evidence of the implementation of demarcation and legal estate area boundary maintenance. Specifically at Blang Simpo Estate	<p>Root Cause: The boundary of demarcation which is referring the location permit is still complete. Demarcation which is bordering with the locals is bordered by trench (6 meter trench) and the existence of the Land Use Title (HGU) pole at the location is missing.</p> <p>Corrective Action:</p> <ul style="list-style-type: none"> Re-inventory of the Land Use Title (HGU) poles. 	Closed with observation	May 8 th 2015

						<ul style="list-style-type: none">Updating the list of Land Use Title (HGU) pole inventory.Composing the schedule to maintain the boundary poles and trench. <p>Preventive Action: The company should conducts routine monitoring over the trench and poles (each quarter).</p> <p>Auditor Verification: May 2nd 2015 The management unit has shown the evidence of the legal boundary poles and trench maintenance. The missing poles shall be reconstructed referring the legal coordinate.</p> <p>The auditor team must re-verify the issue on the next assessment (ASA-2).</p>			
2015.4	Major 5.1.2	Report of Environmental Management and Monitoring Plan The management unit is not able to show: <ul style="list-style-type: none">The report of environmental management and monitoring plan is not describing the erosion monitoring yet.Evidence of the report of environmental management and	PT PPP	Major	May 26 th 2015	PT PPP must be able to show the evidence that: <ul style="list-style-type: none">The report of environmental management and monitoring plan is describing the erosion monitoring.Evidence of the report of environmental	<p>Root Cause: The erosion monitoring is not yet incorporated on the report of environmental management and monitoring plan.</p> <p>Corrective Action: The erosion monitoring shall be incorporated on the report of environmental management and</p>	Closed	May 15 th 2015

		monitoring plan delivery to the associated agencies in Aceh Province.				management and monitoring plan delivery to the associated agencies in Aceh Province.	<p>monitoring plan.</p> <p>Preventive Action: The review in term of erosion management shall be conducted routinely (monthly).</p> <p>Auditor Verification: May 15th 2015 The management unit has shown the report of environmental management and monitoring plan of PT PPP which describes the erosion monitoring result as well as the evidence of the report handover to Aceh Province Environment Agency on May 10th 2015. NC Number 2015.4 is close.</p>		
2015.5	Minor 5.2.1	<p>Poster and Signboard which inform the endanger species.</p> <p>According to the result of field visit to Blang Simpo 1 Estate, there is no poster nor signboards which informs the endanger species.</p>	Blang Simpo 1	Minor	ASA-3	The management unit must be able to show the existence of signboard and poster which informs the endanger species.	<p>Root Cause: The poster and signboard are not yet installed</p> <p>Corrective Action: It shall be installed.</p> <p>Preventive Action: HCV signboard maintenance</p> <p>Auditor Verification: May 8th 2015 The management unit has shown the</p>	Closed	May 8 th 2015

							documentation of the poster and signboard installation in Blang Simpo 1 Estate.		
2015.6	Major 5.3.2	Implementation of Waste Management Sewer system to dispose the ex spraying equipments washing water at Block Spraying System (BSS) station has a potential to cause pollution.	Estate	Major	May 26 th 2015	The company must ensure that the management of the spraying equipments washing system is well implemented in order to avoid pollution.	Root Cause: BSS trap is not yet created Corrective Action: BSS trap shall be created Preventive Action: Maintaining the BSS trap Auditor Verification: May 8 th 2015 The management unit has shown the evidence of the sewer system repairmen on the BSS station. The water shall be accommodated behind the BSS station.	Closed	May 8 th 2015
2015.7	Minor 5.3.1	Hazardous Waste Management According to the field visit to Blang Simpo 1 Estate central housing complex, there were employees who use used oil containers as water containers.	Estate	Minor	ASA-3	The hazardous waste must be disposed properly.	Root Cause: Lack of socialization over the prohibition to use ex hazardous waste containers. Corrective Action: The ex hazardous material drum shall be replaced with 300 liter of water drum. Preventive Action: The socialization in term of prohibition to use hazardous material must be held to the employees. Auditor Verification:	Closed with observ ation	May 8 th 2015

							<p>May 8th 2015</p> <p>The management unit has shown the evidence of the socialization to prohibit the use of ex hazardous material containers. The signboards are installed as well. Furthermore, the water drum at housing complex must also be provided by the company.</p> <p>The auditor team shall re-verify the issue on the next assessment.</p>		
2015.8	SCCS butir 6.1 (Modul D Ver. Nov. 2011)	<p>Training of SCCS Implementation</p> <p>There is no evidence of the SCCS requirements training implementation for all personnel involved on the SCCS implementation such as production Assistant, weighbridge Operator and the Head of Administration.</p>	Mill	NC	April 25 th 2015	The company must be able to show the evidence of the SCCS training to all the involved personnels.	<p>Root Cause:</p> <p>There is no update of training over the new employees.</p> <p>Corrective Action:</p> <p>SCCS training must be held.</p> <p>Preventive Action:</p> <p>The schedule of SCCS training must be composed.</p> <p>Auditor Verification:</p> <p>April 18th 2015</p> <p>Blang Simpo Mill has shown the evidence of the SCCS training on April 11th 2015. It was attended by 27 participants such as mill and estate managers, estate assistant, weighbridge clerk, production clerk). Therefore, NC number 2015.08 is closed and it will be verified on the next assessment (ASA-2).</p>	Closed with observation	April 18 th 2015

--	--	--	--	--	--	--	--	--	--

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	Major 2.2.3.	The company needs to ensure the communication and consultation run effectively with the locals to ensure the procedure of conflict and dispute resolution.
2	4.7	The company needs to evaluate the number of the bathroom at the new BSS station.
3	Minor 4.7.2	Estate management unit needs to evaluate the effectiveness of HIRAC on the harvesting program especially (Observation)
4	Minor 4.7.3	The management unit ensures the implementation of the doctor's recommendation over the held medical check up (Observation) .
5	Major 4.8.2	The company has opportunity to improve the documentation over the records of the held training.
6	Minor 5.5.1	The company needs to evaluate the fire extinguishers provided by the company at employees housing complex.
7	Minor 6.9.2	The company is encouraged to ensure that the policy of the reproduction rights is implemented to the women workers at office or field.
8	Minor 6.5.1	The company is encouraged to evaluate the properness of the facilities for education.

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1	-	The company has commitment to implement the sustainable estate management principles
2	-	The company has competent PIC

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

Issues from Stakeholders	Management Response	Auditor Response
<p>Tuesday, March 24th 2015 The locals 1. Jamaluddin (Geuchik / Chief of Tualang Pating Village) 2. Zainuddin A. (Chief of Hamlet in Seneubok Lapang Village) 3. Tgk. H. Yusuf (Tuha Peut Chik Mbon) 4. Mahyuddin (Villager of Chik Mbon) 5. Ibrahim (Geuchik / Chief of Chik Mbon Village) 6. M. Harun (Chief of Hamlet in Lubuk Pemping Village) 7. M. Nizar (Tuha Peut in Alur Nirih Village) 8. Muslim (Geuchik / Chief of Alur Nirih Village)</p>		
<p>Result of Consultation: 1. Land Conflict</p> <ul style="list-style-type: none"> The company achieved the land in Chik Mbon village in 1990 for the uncertain ha of land. however, it has not yet been compensated. The community has been asking for the compensation since period of 2000. The establishment of scheme smallholders for 700 Ha was then agreed on 2012. (\pm 2 hektar / family head). However, there is no realization over the agreement. If the company shows no commitment on it, the community shall ask the land back. There is a Land Use Title (HGU) overlap with the community area (plantation and settlement) for \pm 100 ha in Tualang Paiting. The community cannot process their certificate of ownership because the National Land Agency considers the land as Land Use Title (HGU). The community has had evidence that they have cultivated and owned the land before the issuance of the Land Use 	<ul style="list-style-type: none"> The company has compensated the land during period of 1991 to 1997. The land is now considered legally belong to PT. PPP referring the decree of the RI Grand Court (Review of Court Decision). The East Aceh Government has determined the scheme smallholder for \pm 720 Ha and the status of scheme smallholder establishment is on the process of land clearing permit. The company has commitment to establish scheme smallholder. Principally, PT. PPP management does not mind to get that \pm 800 ha of the community-occupied land (occupied by the community of Tualang Pating, Lubuk Pemping and Sbn. Lapang Village) out of Land Use Title (HGU) as the result of coordination 	<ul style="list-style-type: none"> It complies the criteria 2.2. The scheme smallholders establishment shall be observed at the next assessment (ASA-3). It complies the criteria 2.2.

Issues from Stakeholders	Management Response	Auditor Response
<p>Title (HGU) on 1985. According to the consultation held by National Land Agency and facilitated by the government, the community recognize the Land Use Title (HGU) revision now is being processed to accomodated the community's demand.</p> <ul style="list-style-type: none"> There was a demonstration in term of the land compensation for \pm 300 ha in Seuneubok Lapang Village on 2013. There are community's land (community's plantation and settlement). However, those area are included on the Land Use Title (HGU). Therefore, the certificate of ownership is cannot be processed then. The uncertainty over the land bounary in Lubuk Pemping Village explodes to be a problem. There are \pm 500 ha of community's land that the certificate of ownership cannot be processed. There is no land dispute in Alur Nereh; there is no land dispute, the community volunteerly wants their land becomes the company's land as long as the company concern the road infrastructure. <p>2. Environment Impact</p> <ul style="list-style-type: none"> Couple years ago, there was an effluent contaminating the Tualang Pating Village. The locals is then asking for the boundary trench. It has been fulfilled by the company now. 	<p>with East Aceh Government on May 2013. The East Aceh District National Land Agency has measured the boundary of the Land Use Title (HGU) on July 2013. However, it is no continued due to the prohibition of the locals figures (Lubuk Pempeng Village).</p> <ul style="list-style-type: none"> The land claim by the community of Snb. Lapang Village has been informed by PT. PPP to East Aceh Government. The government suggests the company to solve it in court. Principally, PT. PPP management does not mind to get that \pm 800 ha of the community-occupied land (occupied by the community of Tualang Pating, Lubuk Pempeng and Snb. Lapang Village) out of Land Use Title (HGU) as the result of coordination with East Aceh Government on May 2013. The East Aceh District National Land Agency has measured the boundary of the Land Use Title (HGU) on July 2013. However, it is no continued due to the prohibition of the locals figures (Lubuk Pempeng Village) The company concern the road repairment and maintenance from Alur Nireh to Seuneubok Lapang Village. The road shall be watered during drought season. <p>Environment Impact</p> <ul style="list-style-type: none"> The boundary trench has been constructed as well 	<ul style="list-style-type: none"> It complies the criteria 2.2. It complies the criteria 2.2. It complies the criteria 2.2. It complies the criteria 5.1 and 6.2

Issues from Stakeholders	Management Response	Auditor Response
<ul style="list-style-type: none"> The company's effluent is considered by the locals as the troublemaker for contaminating their fish farm as well as the contamination on Babah Krueng River. <p>3. CSR and Social Contribution</p> <ul style="list-style-type: none"> The company has given social assistance such as facility at the place of worship and the education, etc. however, the assistance is expected to be improved by the company. In several villages such as Tualang Pating and Seuneubok Lapang, the response over the aspiration is considered well managed. The lack of the clean water becomes the crucial problem. Therefore, the community is expecting the clean water assistance from the company. The community thinks that the company uses huge amount of water for the operationals. The community is expecting the road construction program due to the road condition (for example in Lubuk Pemping). The community was demonstrating on 2013 for asking the company to provide the asphalt-based road from Alur Nirih to Seuneubok Lapang. Meanwhile, it has been constructed by using government fund. The road which is still not asphalt-based road shall be routinely watered. In Alur Nirih, there were 1.3 km road realization with capacity of 3C (± 20 ton) on 2014 by using the government fund. In order to ensure the road condition, the company is routinely conducting road maintenance by installing embankment. The government cannot be expected to 	<p>as the reservoir for tualang pateng village. It is still well functioned.</p> <ul style="list-style-type: none"> The boundary trench is expected to be the troubleshooter for the previous trouble caused by the the company's effluent. <p>6. CSR and Social Contribution</p> <ul style="list-style-type: none"> The CSR shall be evaluated by the company so the CSR shall be given effectively at the future. The good relation with the community such as good relation with Tualang pating and Seuneubok Lapang Village is well maintained to keep the positive impacts felt by the locals. The company has attempted to construct reservoir to provide water as well as dig the soil to make arthesian well. The damage road is repaired by the company and it is programmed by the East Aceh Government as well. The road construction from Alue Nireh to Snb. Lapang Village shall be conducted immediately. 	<ul style="list-style-type: none"> It complies the criteria 5.1 and 6.2 It complies the criteria 6.1 and 6.11 It complies the criteria 1.1 and 6.2 It complies the criteria 6.11. It complies the criteria 5.1 and 6.2

Issues from Stakeholders	Management Response	Auditor Response
<p>repair the road immediately.</p> <ul style="list-style-type: none"> The chief of village needs to be given incentive for breaking the ice on the community. <p>4. Communication and Consultation</p> <ul style="list-style-type: none"> The communication with the Chik Mbon villagers is not well running. The communication with the Tualang Pating villagers is well running, the company expects the development of the company so do they. In general, the communication with Lubuk Pemping villagers is not well running. The communication with the Alur Nirih villagers is well running. <p>5. Workforce Absorption</p> <ul style="list-style-type: none"> The number of the family head in Chik Mbon is \pm 400 KK. However, there is no one of them working on the company. The company employs the workforce from Tualang Pating Village, there are 60 the family heads of 180 family heads working on the company. The workforce absorption is well conducted in Seuneubok Lapang. 240 family heads of \pm 400 family heads are working on the company. There are 15% of the Lubuk Pemping villagers that are working on the company. 150 family heads of the 1,000 family heads in Alur Nirih Village are working on the company. However, the more job opportunity and recruitment is still needed. 	<ul style="list-style-type: none"> The incentive for the chief of village is not routinely given. However, they receive the incentive during the religious feast and other big ceremonies. <p>7. CSR and Social Contribution</p> <ul style="list-style-type: none"> The communication between the company and the community is generally well running. However, the company cannot grants the community's request. It will be evaluated for the improvement of the communication between two parties. <p>Workforce Absorption</p> <ul style="list-style-type: none"> The workforce absorption is dominated by the locals. It is adjusted to the job opportunity and the company's needs. There is no discrimination on the workers recruitment process. 	<ul style="list-style-type: none"> It complies the criteria 6.11. It complies the criteria 1.1 and 6.2 It complies the criteria 6.8 and 6.11.

Issues from Stakeholders	Management Response	Auditor Response
East Aceh District Manpower Agency (The Head of Monitoring Division) <ul style="list-style-type: none"> The company has paid the wage referring the province minimum wage standard. The company has registered all employees on the work accident insurance. The company has achieved zero accident certificate on 2013 – 2014. The communication with the agency is running well. The must-reported reports such as OHS Guiding Committee report and work accident report have been regularly informed. The labour union has already existed and has already been registered. The contract letter can only be extended once if it has been rested for 1 months. The company must re-ensure the validity of the operator's SIO. 	<ul style="list-style-type: none"> The company has commitment to comply all the applied regulations. 	<ul style="list-style-type: none"> It complies the criteria 2.1; 4.7; 6.5 and 6.6.
East Aceh District Forestry And Plantation Agency (The Head of Forestry And Plantation Agency) <ul style="list-style-type: none"> On the process of Land Use Title (HGU) compilation, there is a request for establishing scheme smallholders from Chik Mbon Village. It has been processed but there is an obstacle due to the land overlap with PT. Parawita. There is a land dispute against PT. Todong Besare at the area without Land Use Title (HGU). The report of estate business development has been regularly informed. Coordination with the company is well running. 	<ul style="list-style-type: none"> The scheme smallholder issue has been determined by East Aceh Government (± 720 Ha), it has been coordinated by RI Plantation Direktorat General to Aceh Province Government and East Aceh Government to establish scheme smallholder. The land dispute against PT. Tudong Beusare Raya in on law progress in Aceh Province Police Department and East Aceh Sector Police 	<ul style="list-style-type: none"> It complies the criteria 2.1; 2.2 and 6.11.

Issues from Stakeholders	Management Response	Auditor Response
<ul style="list-style-type: none"> There was a road repairmen request via letter. However, it has not yet responded. 	Department.	
East Aceh District Environment Agency (The Head of Hazardous Waste Sub-Division) <ul style="list-style-type: none"> The company has had hazardous waste permit, and the effluent application permit. The must-obliged reports such as environmental management and monitoring plan report, hazardous waste balance sheel have been regularly conducted. CSR assistance has been given by the company. There was a leakage on the effluent pipe caused by the installation of the natural gas pipe conducted by other company. The management unit has conducted corrective action over the issue and has prevented the contamination. 	<ul style="list-style-type: none"> The management of hazardous waste is conducted by referring the company regulations and SOP. The company respond the impacted environment immediately. 	<ul style="list-style-type: none"> It complies the criteria 2.1; 5.1; 5.3 and 6.11.
East Aceh District National Land Agency (The Head of National Land Agency HTIS Division) <ul style="list-style-type: none"> There is no land dispute on the land which has Land Use Title (HGU). The information over the progress of Land Use Title (HGU) proposed by the company is not found at the District National Land Agency. The company process the Land Use Title (HGU) to the Province National Land Agency. 	<ul style="list-style-type: none"> The Land Use Title (HGU) process is conducted referring the applied regulation. 	<ul style="list-style-type: none"> It complies the criteria 2.2.
Tamiang Aceh District Manpower Agency: <ul style="list-style-type: none"> Good relation between the company and the agency is well maintained. The company has implemented province minimum wage standard for period of 2015. 	<ul style="list-style-type: none"> The good relation shall always be maintained and the compliance over report of the company's operational shall always be fulfilled referring the applied regulation. 	<ul style="list-style-type: none"> It complies the criteria 1.1; 2.1; 4.7; 6.5; 6.6 and 6.11

Issues from Stakeholders	Management Response	Auditor Response
<ul style="list-style-type: none"> There is no report in term of manpower dispute. CSR assistance has been given the company. The management unit has reported OHS Guiding Committee routinely (each quarter) and has reported WLTk annually. The management unit has had organization to express their opinion such as labour union, Bipartite cooperative institution and cooperative unit. The organization functions are expected to be optimized. The training for the crane and load operation has been held on March 2015. However, the SIO is not yet issued. 		
Tamian Aceh District Environment Agency <ul style="list-style-type: none"> Batang Ara Estate (PT PSK) is processing the hazardous waste storage permit. Meanwhile, Tamiang Estate (PT PPP) has had the licensed hazardous waste storage. There is no environment contamination issue. There is no land conflict within Tamiang and Batang Ara Estate operational area. 	<ul style="list-style-type: none"> The construction of the hazardous waste is based on the suggestion of Aceh Tamiang District Environment Agency. The hazardous waste is now stored at Tamiang hazardous waste storage. 	<ul style="list-style-type: none"> It complies the criteria 2.1; 5.1 and 5.3
Gender Committee <ul style="list-style-type: none"> The management unit has given reproduction rights such as menstruation and pregnant day off. However, the menstruation day off is not implemented for the female office workers. There is no sexual harassment issue yet. Holding routine assembly (monthly assembly). The road watering shall be conducted routinely. Especially at the area nearby school area. 	<ul style="list-style-type: none"> The company is always attempting to improve employees welfare and comfort. 	<ul style="list-style-type: none"> It complies the criteria 5.1 and 6.9

Issues from Stakeholders	Management Response	Auditor Response
Indonesia Labour Union		
<ul style="list-style-type: none"> The reduction on complaint in term of BPJS due to the medical service. The harvest premium on the planting year of 2011 has been miscalculated. The harvesting basic should be 300 FFB. Meanwhile the recorded one is just 56 FFB. The company has deducted the wage manually to adjust the harvesting basic. However, the company does not analyze the tax deduction over employees. The company policy in term of the prohibition to employ the underage workers have been well recognized and well implemented. The labour union is objected for the company's move for not involving them on the BPJS program. 	<ul style="list-style-type: none"> Program of BPJS shall be implemented by the company. The satisfactory level shall help the improvement of the program a lot. The corrective action shall be conducted by the company to fix that mistake. The adjustment has been suggested to the management (1 harvester, 1 picker, 1 carrier system). BPJS is the government program and the company complies that policy. 	<ul style="list-style-type: none"> It complies the criteria 2.1; 4.7 and 6.7
Local Contractor (FFB Transport)		
<ul style="list-style-type: none"> The contractor is paid on time. The contract value is expected to be reviewed due to the changes of fuel price (petroleum fuel). 	<ul style="list-style-type: none"> The contract value shall be reviewed referring the increase of fuel price (petroleum fuel). 	<ul style="list-style-type: none"> It complies the criteria 6.10
The Chiefs of Batang Ara dan Kebun Tana Terban Villages:		
Positive and Negative Aspect <ul style="list-style-type: none"> There is no environment contamination caused by the company operations. 	<ul style="list-style-type: none"> The company protects the environment. 	<ul style="list-style-type: none"> It complies the criteria 2.1; 5.1; 5.3 and 6.11

Issues from Stakeholders	Management Response	Auditor Response
<ul style="list-style-type: none"> The honorarium of the religion Educator is assisted by the company. The payment is adjusted with the workhour \pm 2 hours per day/ work. The company gives fullbright scholarship to the brilliant students (employees children) to the S-1 level. Job opportunity for the locals. Good communication between the company and the locals in term of the response for each complaint. The village party informs that the system of the religion Educator (Ustadz/Ustadzah) honorarium needs to be re-evaluated. The village party asks the obligation of the company to pay the village electricity and water consumption. The village party wants landfill. 	<ul style="list-style-type: none"> The fund is expected to be well managed. The fullbright scholarship is the company program from the company under Minamas Group. The scholarship program for period July 2014 to the present is for the brilliant students from the villages nor the employees housing complex. The honorarium of the religion Educator is assisted by the company. The payment is adjusted with the workhour \pm 2 hours per day/ work. The company cannot control the electricity needs of the employees for their domestic needs in housing complex. Therefore, the electricity bill becomes the employees responsibility. The company shall pay the basic electricity needs once the house is left by the employees. The company gives subsidy for the water needs at the employees housing complex for IDR 10,000 per house. Both issues are not considered as complaint. The garbage at Batang Ara Village is disposed at the landfill at Tamiang, block A001 due to the garbage truck of TME. The new landfill shall be constructed on BAE, block C005 	<ul style="list-style-type: none"> It complies the criteria 6.11 It complies the criteria 1.1 and 6.11 It complies the criteria 6.11 It complies the criteria 6.11

Issues from Stakeholders	Management Response	Auditor Response
		<ul style="list-style-type: none"> It complies the criteria 5.3
Chief of Kampung Dalam Village Positive and Negative Aspect <ul style="list-style-type: none"> There is no environment contamination caused by the company operational. The company contributes on the community feast such as religious feast assistance fund, assistance fund for the orphans and independence day. The company gives social assistance for the natural disaster (flood) The village party informs that the refund of the scholarship fund for the Drop-Out students need to be re-evaluated. The village party informs that the system of the religion Educator (Ustadz/Ustadzah) honorarium needs to be re-evaluated. The village party suggest that the CSR fund provided by the company is used to hold productive skill training for the locals.. The contract is considered untransparent due to the lack of involvement on the process of tender or the late information. The permanent post constructed on 2013 is considered by the village community improper. There is no specific public relation appointed by the company 	<ul style="list-style-type: none"> The company protects the environment. The fund is expected to be well managed. The scholarship to the brilliant students shall always be given in condition that the drop-out students should refund the scholarship fund. It will be informed to the top management. The honorarium of the religion Educator is assisted by the company. The payment is adjusted with the workhour \pm 2 hours per day/ work. The CSR fund shall be evaluated based on the village needs. The information in term of the contract tender is transparent and no discrimination. The company assess the capability and the compliance of contractor over OHS aspect. The security post shall be activated. Mr Chairul Zein and Mr Izhar are the specific public relation Officer who are in charge to communicate with 	<ul style="list-style-type: none"> It complies the criteria 5.1 It complies the criteria 6.11 It complies the criteria 6.11 It complies the criteria 6.11 It complies the criteria 6.10

Issues from Stakeholders	Management Response	Auditor Response
to communicate with the village party.	the locals. However, each social program with the community is handled by the estate Manager and staff directly.	<ul style="list-style-type: none"> • It will be re-observed at the next visit. • It complies the criteria 6.2

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	<p>Formal Sign-off of Assessment Findings</p> <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-between; align-items: flex-end; padding-top: 50px;"> <div style="text-align: center;"> <p>Company Name Management Representative</p> <p><u>Mohamad Pirabaharan</u> Senin, 15 Juni 2015</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Ardiansyah</u> Senin, 15 Juni 2015</p> </div> </div>

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

No	Institusi/LSM/Masyarakat	Alamat	Telepon/ Email	Bentuk komunikasi	Tanggal	Respon	
						Ya	Tidak
1	World Wild Fund (WWF)	Jakarta		E-mail	March 18 th 2015	√	
2	Aliansi Masyarakat Adat Nusantara (AMAN)	Jakarta		E-mail	March 18 th 2015	√	
3	Sawit Watch	Jakarta		E-mail	March 18 th 2015	√	
4	Dinas Tenaga Kerja dan Transmigrasi	East Aceh District		Interview	March 24 th 2015	√	
5	Dinas Perkebunan dan Kehutanan	East Aceh District		Interview	March 24 th 2015	√	
6	Badan Lingkungan Hidup	East Aceh District		Interview	March 24 th 2015	√	
7	Kantor Pertanahan (BPN)	East Aceh District		Interview	March 24 th 2015		√
8	Dinas Tenaga Kerja dan Transmigrasi	Aceh Tamiang District		Interview	March 24 th 2015	√	
9	Dinas Perkebunan dan Kehutanan	Aceh Tamiang District		Interview	March 24 th 2015		√
10	Badan Lingkungan Hidup	Aceh Tamiang District		Interview	March 24 th 2015	√	
11	Kantor Pertanahan (BPN)	Aceh Tamiang District		Interview	March 24 th 2015	√	
12	Kepala Desa Tualang Pating	East Aceh District		Interview	March 24 th 2015	√	
13	Kepala Dusun Desa Seneubok Lapang	East Aceh District		Interview	March 24 th 2015	√	
14	Tuha Peut Chik Mbon	East Aceh District		Interview	March 24 th 2015	√	
15	Geuchik Chik Mbon	East Aceh District		Interview	March 24 th 2015	√	
16	Warga Desa Chik Mbon	East Aceh District		Interview	March 24 th 2015	√	
17	Kepala Dusun Desa Lubuk Pemping	East Aceh District		Interview	March 24 th 2015	√	
18	Tuha Peut Desa Alur Nirih	East Aceh District		Interview	March 24 th 2015	√	
19	Geuchik Desa Alur Nirih	East Aceh District		Interview	March 24 th 2015	√	
20	Datuk Penghulu Desa Kebun Batang Ara	Aceh Tamiang District		Interview	March 24 th 2015	√	
21	Datuk Penghulu Desa Kebun Tana Terban	Aceh Tamiang District		Interview	March 24 th 2015	√	
22	Datuk Penghulu Desa Kampung Dalam	Aceh Tamiang District		Interview	March 24 th 2015	√	
23	SPSI PKS Blang Simpo	Aceh Tamiang District		Interview	March 24 th 2015	√	
24	Komite Gender	Aceh Tamiang District		Interview	March 24 th 2015	√	
25	Kontraktor Lokal jasa angkut TBS	Aceh Tamiang District		Interview	March 24 th 2015	√	

Appendix 2. Assessment Program

Date	23 – 27 March 2015					
PROGRAM	PROSES / HAL YANG DIAUDIT	AUDITOR				
		BB	MR	MA	ARD	RP
Monday, 23 March 2015						
06.00 – 08.00 08.30 – 12.00 14.00 – 15.00 15.00 – 17.00	JAKARTA → MEDAN MEDAN → PT PPP OPENING MEETING Verification finding ASA-1	√	√	√	√	√
Tuesday, 24 March 2015						
08.00 – 12.00	<ul style="list-style-type: none">Stakeholders consultation to Related Government Institution (Aceh Tamiang District Government and local NGO)Stakeholders consultation to Related Government Institution (Aceh Timur District Government and local NGO)Stakeholders consultation to Nearest village and community leader	√	√	√	√	√
12.00 – 14.00	BREAK	√	√	√	√	√
14.00 – 17.00	<ul style="list-style-type: none">Clarification of Public Consultation and field observationStakeholders consultation to Labour union (SPSI), Gender Committee and local contractor	√	√	√	√	√
Wednesday, 25 March 2015						
08.00 – 12.00	Field Observation BLANG SIMPO 01 ESTATE <ul style="list-style-type: none">Manuring, Spraying, Harvesting, best agricultural practicesWorker Welfare (payments, complaint mechanism)Hazardous Waste Material (LB3) and Hazardous Material (B3) managementLegal operational and Conservation AreaWorker facilities (housing, health clinic, clean water, etc) andLand Fire facilities, Storage, ect.	√		√		
		√	√	√		√
			√			√
			√		√	
			√			√
12.00 – 14.00	BREAK	√	√	√	√	√
14.00 – 17.00	Field observation clarification	√		√		
	Field Observation BLANG SIMPO POM: <ul style="list-style-type: none">Operational, OHS, Supply ChainWWTP, WTP Hazardous Waste Material (B3) management and Warehouse.		√		√	√
Thursday, 26 March 2015						
08.00 – 12.00	Field Observation BATANG ARA ESTATE <ul style="list-style-type: none">Manuring, Spraying, Harvesting, best agricultural practicesWorker Welfare (payments, complaint mechanism)	√		√		
		√	√	√		

	<ul style="list-style-type: none"> Hazardous Waste Material (LB3) and Hazardous Material (B3) management 		√			
	<ul style="list-style-type: none"> Worker facilities (housing, health clinic, clean water, etc) and Land Fire facilities, Storage, ect.. Legal operational and Conservation Area 		√			
12.00 – 14.00	BREAK	√	√	√	√	√
14.00 – 17.00	Continue Field Observation to BATANG ARA ESTATE and field observation clarification	√	√	√	√	√
Friday, 27 March 2015						
08.00 – 09.00	Audit finding preparation	√	√	√	√	√
09.00 – 10.30	Closing Meeting	√	√	√	√	√
11.00 – 15.00	PT PPP → MEDAN	√	√	√	√	√
17.00 –	MEDAN → JAKARTA	√	√	√	√	√

Appendix 3. Glossary

AMDAL	:	<i>Social and Environmental Impact Assessment (Analisis Mengenai Dampak Lingkungan)</i>
APD / PPE	:	<i>Personal Protection Equipment (Alat Pelindungan Diri)</i>
ASEAN	:	<i>Association of South East Asian Nations</i>
B3	:	<i>Hazardous Material Waste (Bahan Beracun dan Berbahaya)</i>
BAE	:	<i>Batang Ara Estate</i>
BOD	:	<i>Biological Oxygen Demand</i>
BSE	:	<i>Blang Simpo Estate</i>
BSF	:	<i>Blang Simpo Factory</i>
CPO	:	<i>Crude Palm Oil</i>
CBD	:	<i>Convention on Biodiversity</i>
HCV	:	<i>High Conservation Value (Nilai Konservasi Tinggi)</i>
HGU	:	<i>Land Use Permit (Hak Guna Usaha)</i>
IUP	:	<i>Plantation Operation Licence (Izin Usaha Perkebunan)</i>
IPAL	:	<i>Installation of Waste Distribution (Instalasi Penyaluran Air Limbah)</i>
JAMSOSTEK	:	<i>Social Assurance of Labor (Jaminan Sosial Tenaga Kerja)</i>
Jankos / EFB	:	<i>Janjangan Kosong / Empty Fruit Bunch</i>
K3 / OHS	:	<i>Keselamatan dan Kesehatan Kerja. (Occupational Health and safety)</i>
KER	:	<i>Kernel Extarction Rate</i>
LC	:	<i>Land Clearing</i>
OER	:	<i>Oil Extarction Rate</i>
PHT / IPM	:	<i>Pengendalian Hama Terpadu (Integrated Pest Management)</i>
PK	:	<i>Palm Kernel</i>
PKS / POM	:	<i>Pabrik Kelapa Sawit / Palm Oil Mill</i>
POME	:	<i>Palm Oil Mill Effluent</i>
PPP	:	<i>Padang Palma Permai</i>
PSD	:	<i>Plantation Services Departement</i>
PSQM	:	<i>Plantation Sustainability and Quality Management</i>
PSK	:	<i>Perusahaan Srikuala</i>
PSS	:	<i>Perkasa Subur Sakti</i>
RKL/RPL	:	<i>Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan. (Environmental Management Plan/ Environment Monitoring Plan)</i>
SOP	:	<i>Standart Operating System</i>
S-01	:	<i>Surveillance 1</i>
TBS / FFB	:	<i>Tandan Buah Segar (Fresh Fruit Bunches)</i>
TME	:	<i>Tamiang Estate</i>
UKL/UPL	:	<i>Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan. (Environmental Management Efforts/ Environmental Monitoring Efforts)</i>