

**Roundtable on Sustainable Palm Oil Certification
RSPO**

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : Sekunyir Palm Oil Mill – PT INDOTRUBA TENGAH Subsidiary of Sime Darby Plantation Sdn Bhd

Plantation Name : PT INDOTRUBA TENGAH : Sekunyir Estate & Seruyan Estate

Location : Village of Amin Jaya and Pembuang Hulu, Sub District of Pangkalan Banteng and Hanau, District of Kotawaringin Barat and Seruyan, Province of Kalimantan Tengah, Indonesia

Certificate Code : **MUTU-RSPO/001**

Date of Certificate Issue : 23 November 2015 **Date of License Issue** : 23 November 2015

Date of Certificate Expiry : 22 November 2020 **Date of License Expiry** : 22 November 2016

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
RC	07 – 10 September 2015	Ardiansyah (Lead Auditor), Muhammad Rinaldi, Doni, Arif Faisal Simatupang	Taufik Margani	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
RC	10 November 2015

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FIGURE

Figure 1. Location Map of PT Indotruba Tengah

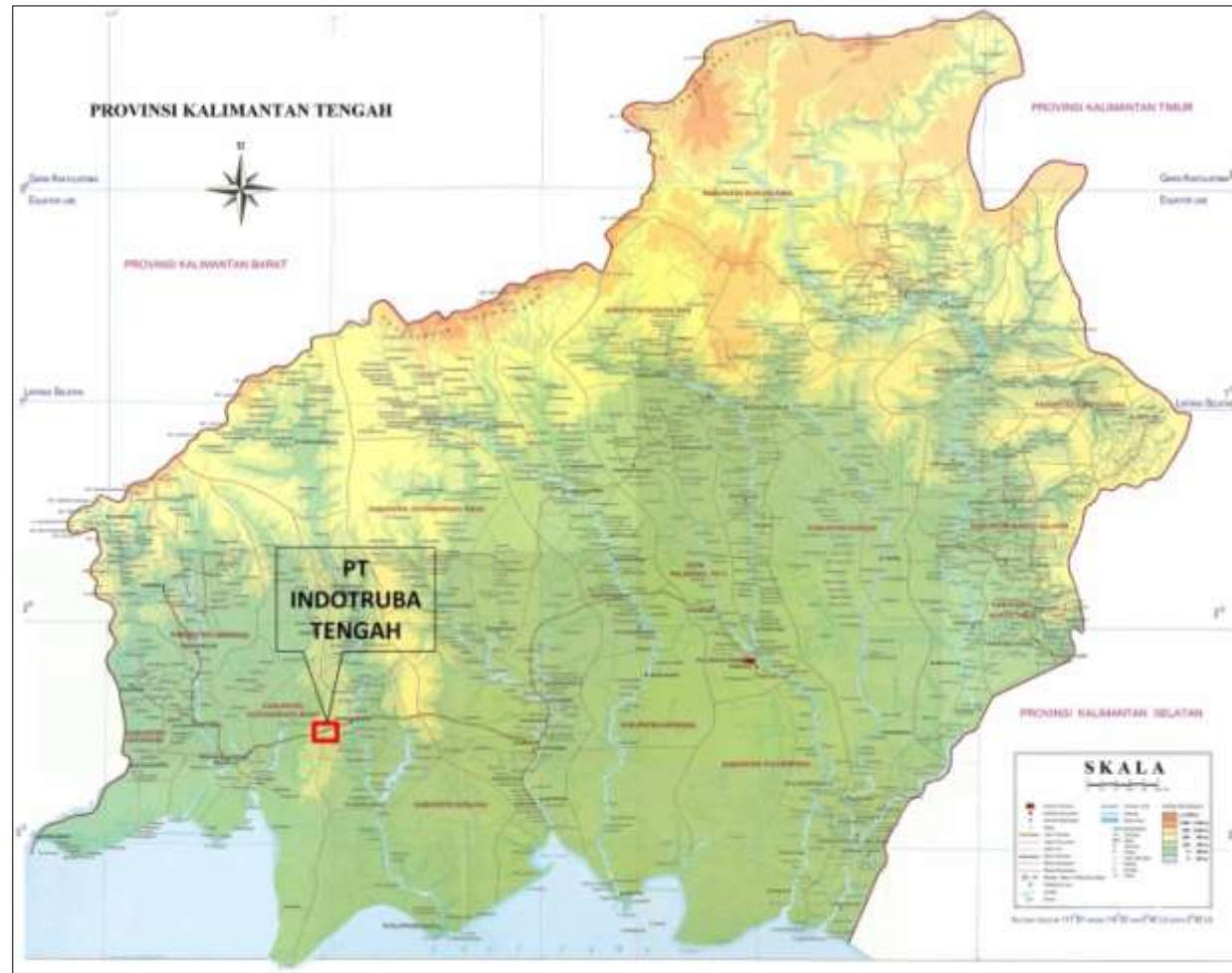
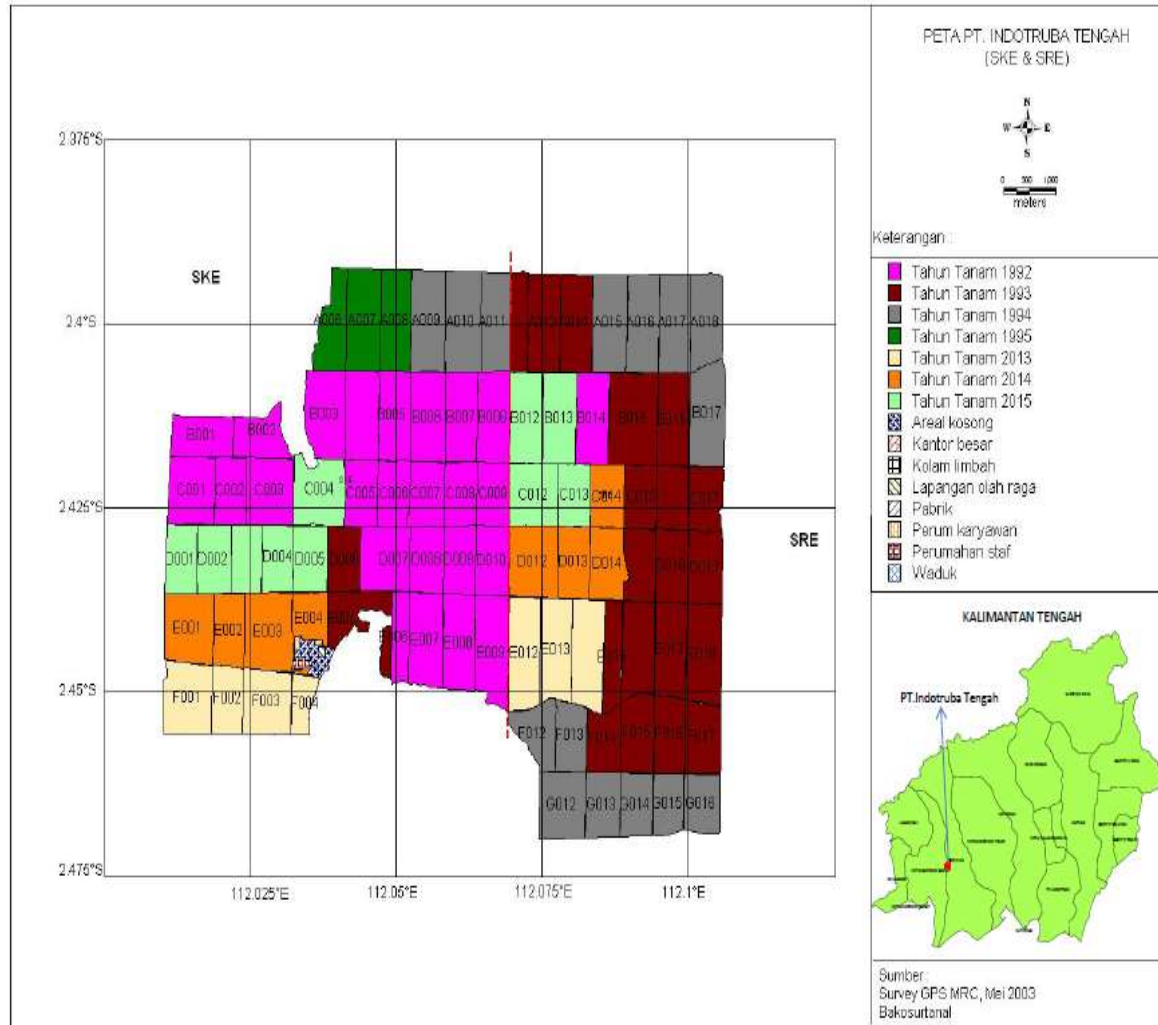


Figure 2. Operational Map of PT Indotruba Tengah



Glossary

ASA	:	Annual Surveillance Assessment
ASEAN	:	Association of South East Asian Nations
BLH	:	<i>Badan Lingkungan Hidup</i>
BPJS	:	<i>Badan Penyelenggara Jasa Sosial</i>
BOD	:	Biological Oxygen Demand
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsible
FFB	:	Fresh Fruit Bunches
GHG	:	Green House Gas
HAM	:	<i>Hak Asasi Manusia</i> (human right)
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIRAC	:	Hazard Identification Risk Assessment and Risk Control
IPM	:	Integrated Pest Management
ITH	:	PT Indotruba Tengah
LB3	:	<i>Limbah Bahan Berbahaya dan Beracun</i> (Hazardous Waste)
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
P2K3	:	<i>Panitia Pembinaan Kesehatan dan Keselamatan Kerja</i> (Guiding Committee of Occupational Health and Safety)
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PSQM	:	Plantation Sustainability Quality Management
PSD	:	Plantation Service Departement
RC	:	Re-Certification
RSPO	:	Roundtable Sustainable Palm Oil
RTE	:	Rare Threatened and Endangered
SKE	:	Sekunyir Estate
SKF	:	Sekunyir Factory
SMK3	:	<i>Sistem Manajemen Kesehatan dan Keselamatan Kerja</i> (Occupational Health and Safety management system)
SPUP	:	<i>Surat Pendaftaran Usaha Perkebunan</i> (Plantation Business Registration Paper)
SRE	:	Seruyan Estate
SOP	:	Standart Operating System
SOU	:	Strategic Operation Unit
WHO	:	World Health Organization
WWTP	:	Waste Water Treatment Plant

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1 Assessment Standard Used		<ul style="list-style-type: none"> • <i>RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill)</i> 	
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	PT Indotruba Tengah subsidiary of Sime Darby Plantation Sdn Bhd	
1.2.2	Contact person	Mohamad Pirabaharan	
1.2.3	Organisation 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 Minamas Gemilang: The Plaza Office Tower, 36th Floor, Jl. M. H. Thamrin Kav. 28-30, Jakarta 10350 	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	mohamad.pirabaharan@simedarby.com	
1.2.7	Web page address	www.simedarby.com	
1.2.8	Management Representative who completed the application for certification	Mohamad Pirabaharan (Head of PSQM Plantation)	
1.2.9	Registered as RSPO member	1-0008-04-000-00– 8 December 2004	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base <ul style="list-style-type: none"> • Sekunyir Mill, Sekunyir Estate, Seruyan Estate 	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Sekunyir Mill	Village of Amin Jaya, Sub District of Pangkalan Banteng, District of Kotawaringin Barat, Province of Kalimantan Tengah.	S 02° 26' 41" E 112° 00' 24"

1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Sekunyir Estate	Village of Amin Jaya, Sub District of Pangkalan Banteng, District of Kotawaringin Barat, Province of Kalimantan Tengah.	S 02° 26' 48"	E 112° 00' 32"
	Seruyan Estate	Village of Pembuang Hulu II, Sub District of Hanau, District of Seruyan, Province of Kalimantan Tengah.	S 02° 24' 32"	E 112° 04' 05"
1.5 Description of Area Statement				
1.5.1	Tenure			
	• State		7,734.59 Ha	
	• Community		- Ha	
1.5.2	Area Statement			
	• Total area		7,734.59 Ha	
	• Mature area		5,035.14 Ha	
	• Immature area		1,532.50 Ha	
	• Mill		8.28 Ha	
	• Emplishment / Workers Quarter		53.73 Ha	
	• Infrastructure		264.84 Ha	
	• Nursery		14.00 Ha	
	• Others area		797.72 Ha	
	• HCV		28.38 Ha	
1.6 Planting Year and Cycles				
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Seruyan Estate	Sekunyir Estate	Total
	1992	83.07	1,732.78	1,815.85
	1993	1,386.00	133.66	1,519.66
	1994	897.20	280.21	1,177.41
	1995	-	253.11	253.11
	2013	277.91	269.11	547.02
	2014	286.44	291.90	578.34
	2015	307.85	368.40	676.25
	TOTAL	3,238.47	3,329.17	6,567.64
1.6.2	New Planting area after January 2010		- Ha	
1.6.3	Planting Cycle		2 nd Cycle	

1.7 Description of Mill and Supply Base							
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
Out put (ton)				Extraction (%)	Out put (ton)	Extraction (%)	
	Sekunyir	45	117,180.28	26,707.25	22.79	5,646.46	4.82
	*Source : production report September 2014 – Agustus 2015						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
FFB (tonnes/year)						%	
	Sekunyir	3,555.19	3,329.17	59,002.28	17.72	59,002.28	100
	Seruyan	4,179.40	3,238.47	58,022.60	17.92	58,022.60	100
	TOTAL	7,734.59	6,567.64	117,024.88	17.82	117,024.88	100
	* Source : production report September 2014 – Agustus 2015						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location	Supplied to Mill			
FFB (tonnes/year)							
	Hataniring Estate (RSPO certified)	PT. Teguh Sempurna - Sime Darby Plantation Sdn Bhd	District of Seruyan, Province of Kalimantan Tengah	26.06			
	Kawan Batu Estate (RSPO certified)	PT. Teguh Sempurna - Sime Darby Plantation Sdn Bhd	District of Seruyan, Province of Kalimantan Tengah	24.12			
	Batang Garing Estate (RSPO certified)	PT. Teguh Sempurna - Sime Darby Plantation Sdn Bhd	District of Seruyan, Province of Kalimantan Tengah	18.05			
	TOTAL			68.77			
	* Source : production report September 2014 – Agustus 2015						
1.7.4	Product categories			FFB, CPO, PK			
1.8 Estimate Tonnage of Certified Product							
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 23 November 2014 to 22 November 2015 (tonnes/year)		Actual certified product 23 November 2014 to 6 September 2015 (tonnes/year)	
	• FFB Production			168,301.20		90,726	
	• CPO Production			38,288.52		20,532	
	• Palm Kernel (PK) Production			7,910.16		4,325	

1.8.2	Estimate of Certified FFB Claim						
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Sekunyir	3,555.20	3,329.17	64,919	19.50		
	Seruyan	4,179.40	3,238.47	63,150	19.50		
	TOTAL	7,734.59	6,567.65	128,069	19.50		
	* Source : production report October 2015 – September 2016						
1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Sekunyir POM	45	128,069	29,456	23	6,403	5
	* Source : production report October 2015 – September 2016						
1.9	Other Certifications						
	ISCC			ISCC EU by SGS period 20 January 2015 - 19 January 2016.			
	Others			ISPO by SAI Global periode 19 August 2014 - 18 August 2019			
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	MANAGEMENT UNIT		Estate (Supply Base)	Time Bound	LOCATION		
	P O M	Time Bound					
	Sekunyir. PT. Indotruba Tengah	Certified 2010	Sekunyir	Certified 2010	Seruyan and West Kotawaringin District – Central Kalimantan		
			Seruyan	Certified 2010			
	Manggala. PT. Tunggul Mitra Plantations	Certified 2010	Manggala 1	Certified 2010	Rokan Hilir District – Riau		
			Manggala 2	Certified 2010			
			Manggala 3	Certified 2010			
	PT. Sime Indo Agro	Certified 2010	PT. Sime Indo Agro	Certified 2010	Sanggau District –West Kalimantan		
	Teluk Siak. PT Aneka Inti Persada	Certified 2011	Teluk Siak	Certified 2011	Pekanbaru, Siak District – Riau		
			Pinang Sebatang	Certified 2011			
			Aneka Persada	Certified 2011			
	Sungai Pinang. PT. Bina Sains Cemerlang	Certified 2012	Sungai Pinang	Certified 2012	Musi Rawas District – South Sumatera		
			Bukit Pinang	Certified 2012			
	Sukamandang. PT. Kridatama Lancar	Certified 2011	Sukamandang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan		
			Sapiri	Certified 2011			
			Baras Danum	Certified 2011			
			Kuala Kuayan	Certified 2011			
	Pematang. PT. Teguh Sempurna	Certified 2011	Pematang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan		
			Kawan Batu	Certified 2011			
			Hatan Tiring	Certified 2011			

		Batang Garing	Certified 2011	
Alur Dumai. PT Lahan Tani Sakti	Certified 2011	Alur Dumai	Certified 2011	Rokan Hilir District – Riau
Teluk Bakau. PT. Bhumireksa Nusa Sejati	Certified 2011	Teluk Bakau	Certified 2011	Indra Giri Hilir District – Riau
		Nusa Perkasa	Certified 2011	
		Nusa Lestari	Certified 2011	
Mandah. PT. Bhumireksa Nusa Sejati	Certified 2014	Mandah	Certified 2011	Indra Giri Hilir District – Riau
		Rotan Semelur	Certified 2011	
Angsana Mini. PT Sajang Heulang	Certified 2011	KKPA-1 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		Pantai Bonati	Certified 2011	
Angsana. PT Ladangrumpun Suburabadi	Certified 2011	Angsana	Certified 2011	Tanah Bumbu District – South Kalimantan
		Gunung Sari	Certified 2011	
		KKPA-4 PT.SHE	Certified 2013	
Mustika. PT Sajang Heulang	Certified 2013	KKPA-2 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		KKPA-3 PT.SHE	Certified 2013	
		KKPA-5 PT.SHE	Certified 2013	
Gunung Aru. PT Bersama Sejahtea Sakti	Certified 2011	Gunung Aru	Certified 2011	Kotabaru District – South Kalimantan
		Gunung Kemasari	Certified 2011	
		Laut Timur	Certified 2011	
		Pantai Timur	Certified 2011	
Bebunga. PT. Langgeng Muaramakmur	Certified 2011	Sungai Cengal	Certified 2011	Kotabaru District – South Kalimantan
		Bebunga	Certified 2011	
		KKPA Sungai Cengal	Certified 2015	
Pondok Labu. PT Paripurna Swakarsa	Certified 2012	Binturung	Certified 2012	Kotabaru District – South Kalimantan
		Pondok Labu	Certified 2012	
		Rampa	Certified 2012	
		Sesulung	Certified 2012	
Selabak. PT Swadaya Andhika	Certified 2012	Selabak	Certified 2012	Kotabaru District – South Kalimantan
		Randi	Certified 2012	
		Sangkoh	Certified 2012	
		Lanting	Certified 2012	
Rantau. PT Laguna Mandiri	Certified 2012	Rantau	Certified 2012	Kotabaru District – South Kalimantan
		Matalok	Certified 2012	
Betung. PT Laguna Mandiri	Certified 2014	Betung	Certified 2012	Kotabaru District – South Kalimantan
		Sekayu	Certified 2012	
Ungkaya. PT Tamaco Graha Krida	Certified 2012	Ungkaya	Certified 2012	Morowali District – Sulawesi Tengah
		Plasma TGK	Audited 2015	
Ladang Panjang. PT Bahari Gembira Ria	Certified 2012	Ladang Panjang	Certified 2012	Muaro Jambi District - Jambi
		Plasma BGR	2015	
Rantau Panjang. PT Guthrie Pecconina Indonesia	Certified 2012	Rantau Panjang	Certified 2012	Musi Banyuasin District – South Sumatera
		Bumi Ayu	Certified 2012	
		Karang Ringin	Certified 2012	

		Napal	Certified 2012	
		Mangun Jaya	Certified 2012	
		KKPA Sungai Pinang	2015	
Blang Simpo. PT Perkasa Subur Sakti	Certified 2013	Tamiang (PT PPP)	Certified 2013	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam
		Batang Ara ((PT PSK))	Certified 2013	
		Blang Simpo-01 (PT PPP)	Certified 2013	
		Blang Simpo-02 (PT PPP)	Certified 2013	
MAS. PT Mitra Austral Sejahtera	2020	MAS 1	2020	Sanggau District – West Kalimantan
		MAS 1	2020	
		MAS 1	2020	
Lembiru. PT Sandika Nata Palma	Certified 2014	Lembiru	Certified 2014	Ketapang District – West Kalimantan
		Awatan	Certified 2014	
	New Development	Karya Palma	2016	
PT. Budidaya Agro Lestari	2018	Pelanjau	2018	Ketapang District – West Kalimantan
		Sungai Putih	2018	
		Baturus	2018	
<p>Sime Darby has been certified at all management unit POM in Malaysia (39 Unit management) and Indonesia (21 Unit management). There's several change's for time bound plan that cause for delayed certification process, such as: PT Mitra Austral Sejahtera, still has unfinished social issue from Serikat Petani Kelapa Sawit (SPKS), but the progress is on going.</p> <p>PT. Budidaya Agro Lestari is waiting for Surat Keputusan Rencana Tata Ruang dan Wilayah Province Kalimantan Barat. TBP for Karya Palma Estate (PT. Sandika Nata Palma) is planned on 2016.</p>				
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard			
	PT ITH does not receive FFB from associated smallholder or outgrower.			
	PT Indotruba Tengah receive supply FFB from the estate (Sekunyir Estate dan Seruyan Estate) and also receive from other estate in one group (PT Teguh Sempurna– Sime Darby Plantation Sdn.Bhd) that has been certified.			

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
RC	<p>1. 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), 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 the Supply Chain Aspect, Conservation and legal aspect.</p> <p>2. 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 audit, he assigned to verify of waste management aspect and OHS aspect.</p> <p>3. Doni (Auditor). Master's Program In Sociology Rural. Have been following the certification of Sustainable Production forest management (PHPL) Ecolabel of Indonesia (LEI) in 2008 and Training Up-Grading at the Pusdiklat PHPL Forestry Bogor in 2010. Since 2003 has been a several times to audit certification of PHPL, among others: PT Bintuni Straits Bay Main Agro Mina Prop. West Papua in 2010 PT. ITCIKU Prop. In 2009, Kaltim Cooperative Meranti Grow Beautiful Prop. In 2008, PT Kaltim Memberamo Indan Agro Mandiri in 2008, PT Arara Abadi Prop. Riau in 2005, PT INHUTANI III (Nanga Pinoh) Kaltim, 2003. Since 2005-present work free lance in BAPPENAS, Ministry of Regional development is lagging behind (KPDT) and Ministry Director General Cipta Karya PU as an evaluation team. 2006-2007 working in JICA-UN-HABITAT and UNDP. During this audit, he conducted an assessment on the employment, worker welfare and social conflict.</p> <p>4. Arif Faisal Simatupang (Trainee Auditor). Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has attended the RSPO Awareness Training, Indonesian Sustainable Palm Oil (ISPO) Auditor Training, Training of Management System Certification ISO 9001-2008, Training of Environmental Management System, Awareness of ISO 17021 and ISO 17065, and training of Management High Conservation Value (HCV). He has been 4 years of working experience as a Plantation Operations Staff on oil palm plantation companies in Indonesia. During this audit, he conducted assessment on best agricultural practices and IPM under lead auditor supervision.</p>
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1 Figure of person days to implement assessment	
RC	<p>Number of auditors : 4 auditor Number of days for RC at site : 4 days Number of working days for RC at site : 16 Working days</p>
2.2.2 Assessment Process	
RC	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Indotruba Tengah to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production on April 2013 and Supply Chain Requirement for CPO Mill, November 2014.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p>

	<p>Some opportunities for improvement of the results RC delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1).</p> <p>Improvement of findings from main assesment findings were observed by auditors at ASA-1 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of RC.</p> <p>The assessment program please find Appendix 2</p>
<p>2.2.3</p>	<p>Location of Assessment</p>
<p>RC</p>	<p>The sampling location determined by using formula $0,8\sqrt{y}$ of the total estate suppliers and consider the issue arose from the review documents and stakeholders consultation that are fundamental and crucial .On this assessment, sample locations is Sekunyir Estate and Seruyan Estate.</p> <p>Sekunyir Estate</p> <ul style="list-style-type: none"> • Block F10. Observation on Land Use Title (HGU) pole No. 2 which is bordering with community's estate and PT Wana Sawit Subur Lestari Estate. • Block B1. Observation on Land Use Title (HGU) pole No. 9 which is bordering with community's road. • Block B1. Observation on Land Use Title (HGU) pole No. 10 which is bordering with community's road. • Block F10. Observation on HCV area management in form of Bahaya Riparian. The riparian area is dominated by bushes. The area is not replanted nor applied with chemicals. • Block C-D16. Observation on HCV area management in form of Bahaya Riparian. The riparian area is dominated by bushes. The area is not replanted nor applied with chemicals. • Block E21. Observation on HCV area management in form of Belibis Lake. The bufferzone of lake is dominated by natural vegetation like bushes and purun. Birds are frequently met on the area since the birds makes the area temporary habitat. There was a Red Cangak Bird during the field visit. • Harvesting, Block A09. Observation and interview with harvester team foreman and harvester in term of work technical, FFB quality, work equipments, PPE, health and work accident insurance, wage, premium and complaint management. The company has completed PPE and work equipments based on the employee's need. The harvesters have known the safe harvesting technique and mature FFB criteria. • Integrated Pest Management, Block D12. Observation on IPM of rat by using. Observation on ferotrap and interview with staff in term of effectiveness of ferotrap usage, census and evaluation. • Manuring Program, Block C16. Observation and interview with manurer team foreman and manurers in term of provision on PPE, work equipments, health and work accident insurance, wage, regular medical check up, first aid training and complain expression. The company has completed PPE and handle the manpower issue perfectly. Manuring technique has been well implemented. The manurer has been equipped with dose of fertilizer and has known the proper manuring method in term of correct dose and target. • Division II, Block C10-C11. Observation and interview with sprayers of pest and disease in term of the use of pesticide, safety work procedure based on SOP, use of PPE, waging system, reproduction right, manpower, training, medical check up, firts aid training and first aid kit, work accident insurance, HCV socialization, socialization of policy, reproduction rights, employee organization and employee facilities. • Division I, Block D3-D4. Observation on empty fruit bunch application (EFB) to improve soil fertility and is applied based on SOP. • Division I, Block. E7. Observation and interview with the workers in term of effluent application based on SOP and leakage or overflow control. • Central Clinic. Observation on medical waste management, data of work accident, data of worker's disease, paramedic training, cooperation with hospital through Health BPJS and interview in term of reproduction right policy.

- **Secondary School of PGRI 6 ITH.** Observation in term of employee's facilities, training to teachers and students, emergency response facilities.
- **Settlement and Daycare.** Observation and interview with the employee's family in term of the provided facilities, complaint mechanism, socialization in term of endanger species, prohibition for child workers, women protection and access to the proper foods.
- **Settlement's Water Source.** Observation on the water source management for employees.
- **Hazardous Waste Storage.** Observation on the hazardous waste storage, building and supporting facilities condition based on permits, hazardous waste recording.
- **Fire Extinguishing Equipments Storage.** Observation on the availability and condition of fire extinguishing equipments.
- **Agrochemicals Storage.** Observation on the agrochemicals waste and containers management as well as emergency response facilities.
- **Diesel Fuel Tank.** Observation on the control over environment contamination and provision of emergency response facilities.
- **Workshop.** Observation and interview with the workers in term of hazardous waste and material management, provision for PPE, training programs, emergency response facilities.

Seruyan Estate

- **Block A33.** Observation on Land Use Title (HGU) pole No. 22 which is bordering with PT Indotruba Timur Estate and Community's Estate.
- **Block A34.** Observation on Land Use Title (HGU) pole No. 23 which is bordering with PT Tapian Nadenggan Estate and Community's Estate.
- **Block E33.** Observation on Land Use Title (HGU) pole No. 30 which is bordering with PT Tapian Nadenggan Estate and Community's Estate.
- **Block E33-34.** Observation on Land Use Title (HGU) pole No. 31 which is bordering with PT Tapian Nadenggan Estate and Community's Estate.
- **Block B34.** Observation on HCV area management in form of Kuning Riparian. The riparian area is dominated by natural vegetation and bushes. There is a signboard informing HCV area and prohibition to hunt.
- **Harvesting, Divisi 2, Block A15.** Observation and interview with harvester team foreman and harvester in term of work technical, FFB quality, work equipments, PPE, health and work accident insurance, wage, premium and complaint management. The company has completed PPE and work equipments based on the employee's need. The harvesters have known the safe harvesting technique and mature FFB criteria.
- **Spraying, Block C17.** Observation and interview with sprayer team foreman and sprayers in term of work technical, work equipments, PPE, health and work accident insurance, first aid training and complain expression. The company has provided PPE, work equipments and has managed the manpower dispute well. The employee have aware of the chemicals used by, safe spraying technical and PPE and work equipments control afterwork. Employees have also aware of the preserved area which should not be sprayed.
- **Integrated Pest Management, Block D12.** Observation on IPM for rat by using ferotrap and spraying using Cypermethrin as active ingredient. Observation and interview with sprayer team foreman and sprayers in term of work technical, work equipments, PPE, health and work accident insurance, first aid training and complain expression, regular medical check up, specific medical check up. The company has provided PPE, work equipments and has managed the manpower dispute well. The employees have aware of the chemicals used by the company, safe spraying technical and PPE and work equipments control afterwork. Employees have also aware of the preserved area which should not be sprayed.
- **Manuring, Block A25, A26.** Observation and interview with manurer team foreman and manurers in term of provision on PPE, work equipments, health and work accident insurance, wage, regular medical check up, first

aid training and complain expression. The company has completed PPE and handle the manpower issue perfectly. Manuring technique has been well implemented. The manurer has been equipped with dose of fertilizer and has known the proper manuring method in term of correct dose and target..

- **Seruyan Clinic.** Observation on medical waste management, data of work accident, data of worker's disease, paramedic training, cooperation with hospital through Health BPJS and interview in term of reproduction right policy.
- **Agrochemicals.** Observation on the agrochemicals and its containers management as well as emergency response facilities.
- **Diesel Fuel Tank and Oil Storage.** Observation on the environment contamination control and provision of emergency response facilities.
- **Workshop.** Observation and interview with the workers in term of hazardous waste and material management, provision for PPE, training programs, emergency response facilities.
- **Hazardous Waste Storage.** Observation on the hazardous waste storage, building and supporting facilities condition based on permits, hazardous waste recording.
- **Generator Station of Pondok 1.** Observation and interview with generator operator in term of medical check up, PPE provision and emergency response facilities.
- **Fire Extinguishing Equipments Storage.** Observation on the availability and condition of fire extinguishing equipments.
- **Block Spraying System Station.** Observation on the work equipments and PPE management for sprayers, bathing facilities and management over environment contamination.
- **Settlement, Daycare and Sport Facility.** Observation and interview with the worker's family in term of the provided facilities, procedure of complaint, socialization of the endanger species, prohibition of child workers, women protection and access to proper food.
- **Karunia Sejahtera Cooperative Unit.** Observation and interview in term of freedom to unit and access to proper food.
- **Clean Water Location.** Observation on the water source management for employees.
- **Landfill (TPAS).** Observation on the domestic waste management.

Sekunyir Factory

- **WWTP Pond.** Observation on the effluent management and WWTP condition.
- **Security Post.** Interview and observation on the method of FFB receipt on mill.
- **Weightbridge.** Interview and observation in term of well-documented FFB receipt on Mill.
- **WTP.** Interview and observation in term of water management and consumption documentation; hazardous waste and material management.
- **Hazardous Waste Storage.** Observation on hazardous waste management and hazardous waste storage condition.
- **Hazardous Material Storage.** Interview and observation on hazardous material management.
- **Processing Stage.** Observation and interview with the workers in term of the processing stage from FFB to CPO, awareness over the applied SOP, emergency response facilities on mill, first aid kit facilities, OHS implementation, company-provided facilities, company-provided training programs and manpower.
- **Engine/Turbine Room.** Observation and interview with the operator in term of the efficiency of fuel consumption, awareness over SOP, emergency response facilities on Mill, first aid kit facilities, OHS implementation, company-provided facilities, medical check up, company-provided facilities and manpower.
- **Boiler Room.** Observation and interview with the operator in term of the awareness over SOP, emergency response facilities on Mill, first aid kit facilities, OHS implementation, company-provided facilities, medical check up, company-provided facilities and manpower.

	<ul style="list-style-type: none"> • Workshop. Observation and interview in term of mill engine maintenance, training for employees, PPE at workshop, emergency response facilities.
2.3 Stakeholder Consultation and Stakeholders Contacted	
2.3.1	Summary of stakeholder consultation process.
RC	<p>Konsultasi publik dengan stakeholder untuk PT ITH dilakukan melalui:</p> <ul style="list-style-type: none"> • Public announcement at web website MUTU (www.mutucertification.com) and RSPO (www.rspo.org) on Agustus 03th, 2015. • Public consultation meeting with local stakeholders conducted by visits to (Desa Pembuang Hulu II, Desa Amin Jaya) on September 08th,2015. • Public consultation meeting with government agency Kotawaringin Barat District (Environment Agency, Plantation Agency; Manpower Agency and National Land Agency) on September 08th,2015. • Public consultation meeting with gender committe, labour union, cooperative and local contarctor on September 08th,2015. • Public consultation by email with NGO (Sawit Watch and Wahana Lingkungan Hidup Indonesia) by email on September 04th,2015. <p>Numbers of input from stakeholders were clarified by PT Indotruba Tengah</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4 Determining Next Assessment	
	The next visit (ASA-1) will be determined one year after this RC (September - 2016).

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of **Sekunyir POM – PT Indotruba Tengah subsidiary of Sime Darby Plantation Sdn Bhd** operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were one (1) nonconformity were assigned against Minor Compliance Indicators and six (6) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that **Sekunyir POM – PT Indotruba Tengah subsidiary of Sime Darby Plantation Sdn Bhd** complied with the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production on April 2013 and Supply Chain Requirement for CPO Mill, November 2014.

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **issued**

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
	<p>The company has the procedure of information request in document No. 394/ITH-KOM-01/11 Revision No. 1 dated September 27th 2011. The information request shall be responded within 15 days. The information requests are recorded on the Log In and Log out of external communication for period of 2014 -2015. All documents and records of internal and external communication must be maintained for 3 years since the last correspondence data. The records that have law implication are maintained without deadline. The implementor of the SOP is the Department of PSD (<i>Plantation Service Departement</i>). There is a list of stakeholder which was composed on August 30th 2015. There are 6 stakeholders from Jakarta Central Government, 35 stakeholders from Central Kalimantan Province, 7 stakeholders from West Kotawaringin District, 4 stakeholders from community figures, 17 stakeholders from the company's partners. The list of stakeholder is updated situationally and is adjusted with the actual condition implemented by the unit. The company has conducted socialization over the list of publicly-accessed document to the community of Sebukit Village, Amin Jaya Village, Sungai Pakit Village, Derangga Village, Pembuang Hulu II Village on September 9th 2015.</p> <p>The company has determined the publicly-accessed documents such as Environment OHS policy, social and gender of company, Environment OHS program and RSPO of company, progress of the Environment OHS program and RSPO of company, things that have to do with Environment OHS and RSPO, EIA analysis, HCV document, reduction and prevention for pollution, negotiation, sustainable corective action plan, public summary of certification assessment report and human right policy (HAM).</p> <p>According to the result of interview with the Amin Jaya Village Government Apparatus and community figures, they generally know the publicly-accessed documents or accessed by themselves. They stated that the company conducts routine (annual) RSPO socialization to the Village Government Apparatus to Village Apparatus and Amin Jaya Village Figure. For example, the assistance request for Dayak Culture Festivals from the Regional Secretary from Central Kalimantan Province on March 4th 2015. The request has been followed up by the company and has the fund assistance given to the committee.</p>	
	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.

The company has the procedure of communication which describes the publicly-accessed documents. For instance:

- Policy of environment OHS, social and gender of company.
- Program of Environment OHS and RSPO of the company.
- Progress of the program of company RSPO and environment OHS.
- Things that have to do with RSPO and Environment OHS.
- EIA Assessment.
- Document of HCV.
- Reduction and Prevention for pollution.
- Negotiation
- Plan of sustainable corrective action.
- Public summary from the certification assessment report.
- Human Right Policy (HAM)

This documents are stored at RSPO Secretariat on Sekunyr Office Estate. According to the result of interview with the Amin Jaya Village Government Apparatus and community figures, they generally know the publicly-accessed documents or accessed by themselves. They stated that the company conducts routine (annual) RSPO socialization to the Village Government Apparatus to Village Apparatus and Amin Jaya Village Figure.

Status: Comply

1.3

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

The company has the Code of Conduct in Policy No. 440/HRM-COC/07 Revision No. 00 dated May 24th 2007. In general, the Code of Conduct describes that Minamas Plantations as the subsidiary is instructed to do business based on the principle of Good Governance on all Minamas Plantations operational unit. The staff-level employee must sign the declaration for compliance over Code of Conduct at the time of work placement.

According to the result of interview with the security officer and harvesters, they have aware of the principles of Code of Conduct that they must work based on the procedure and regulation, must be loyal to the company and shall now disturb environment and professionalism. According to the information from the local contractor, the company was holding socialization to the workers that they must be professional, own integrity and loyal to the company. The contractors are emphasized to respect the worker's rights such as use of PPE, wage, etc.

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.

According to the document verification and consultation with the associated agency (West Kotawaringin District Environment Agency and National Land Agency), the company has attempted to comply several law in term of palm oil plantation management in Indonesia. Several complied law by the company are:

1. The company has had Land Use Title (HGU) for 7,734.6 Ha as evidence of land ownership based on Act No. 5 Year 1969 in term of Agraria Basic Law.
2. The company has plantation business permit in form of Plantation Business Permit Registration from Forestry and Plantation Ministry of Republic Indonesia No. 700/Menhutbun-VIII/2000 dated June 21st 2000 for PT Indotruba Tengah for 7,734.6 Ha. Unit of output processing with capacity of 45 ton of FFB/Hour.
3. The company has the document of environment impact assessment in form of EIA from the Department of Agriculture, Agribusiness Division No. 220/95/B//1994 dated June 17th 1994.
4. The company has the decree of forest area lease based on decree of Forestry Ministry No. 736/Kpts-II/1996 dated November 25th 1996 from RI Forestry Ministry.

5. The company has Building Construction Permit as written on the decree of the Head of West Kotawaringin District Public Work Agency No. 647/03/PUD dated August 18th 1997.
6. Reporting of effluent report every quarter to West Kotawaringin District Environment Agency based on Environment Agency Regulation No. 28 Year 2003.
7. Evidence of hazardous waste balance sheet reporting every quarter to West Kotawaringin District Environment Agency based on Environment Ministry Regulation No. 101 Year 2014.
8. Reporting of OHS Guiding Committee report and work accident report has been conducted regularly every quarter based on the Manpower Ministry Regulation No. 4 Year 1987 and Manpower Ministry Regulation No. 3 Year 1998. The format of reporting could be adjusted with the existed form on the legalization paper for OHS Guiding Committee. **OFI No 1**
9. The company has had organization structure and well trained Officer to deal with fire. They are trained by Regional Field Officer. The fire and rescue team is in line with the Manpower Ministry Decree No. 186 Year 1999.
10. The company has provided PPE to employees free of charge. It is based on the Act No. 1 Year 1970 and Manpower Ministry Regulation No. 8 Year 2010.
11. Adjustment over the wage for the employees has been based on the decree of Central Kalimantan Governor No. 45 Year 2014 dated November 6th 2014 in term of Seruyan District Sectoral Minimum Wage Standard.
12. The company has operator license for steam machine operator and crane operator based on Manpower Ministry Regulation No. 1 Year 1988 in term of the qualification and requirements for Boiler Operator and Manpower and Transmigration Ministry's Regulation No. 9 Year 2010 in term of Operator and Crane and Conveyor Operator.

According to the interview with Environment Agency, explained that the mandatory report has been described. However, the report submission punctuality must be improved. Based on the interview with workers, the employee's wage has been given based on sectoral minimum was standard.

The company has document of compliance evaluation over the regularly updated law for every year in term of the legal requirements information. On 2015, there are 5 additional of new laws such as law in term of employee's wage (decree of Central Kalimantan Governor No. 45 Year 2014 dated November 6th 2014), law in term of the implementation of Indonesia Palm Oil Certification System (ISPO) (Agriculture Ministry Regulation No. 11 Year 2015). According to the result of review over evaluation of compliance over law, the company has complied law whether the new law or old one.

There is a revision of procedure to ensure the attached laws on the document of Procedure of Law Requirements (Policy No. 394/ITH-HKM-08/11) on September 10th 2015. According to the procedure, the update of new law shall be conducted for at least once in a year. The person in charge of the law update is the Manager of ESH. The implementation over the update of law is documented on the document of evaluation over the law compliance which describes the type of law, things must be monitored, status of compliance and evidence of compliance document.

	Status: Comply	
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2.2

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

PT ITH has managed 7,734.60 Ha area with 6,567.65 Ha of the planted area. PT ITH has had the documents of land ownership legality and operational legality in form of:

1. Land Use Title (HGU) for **7,734.60 Ha** on behalf of PT ITH which consisted of:
 - a. Land Use Title (HGU) Certificate No. 04 dated June 19th 1998 for **3,260 Ha**.
 - b. Land Use Title (HGU) Certificate No. 05 dated June 19th 1998 for **829.2 Ha**.
 - c. Land Use Title (HGU) Certificate No. 05 dated June 23rd 1998 for **740.4 Ha**.
 - d. Land Use Title (HGU) Certificate No. 06 dated June 23rd 1998 for **2,905 Ha**.
2. Plantation Business Registration Paper (SPUP) of PT ITH No. 700/Menhutbun-VIII/2000 dated June 21st 2000. It was issued by the Department of Forestry and Plantation of Republic Indonesia – Jakarta with hectarage of estate for 7,734.6 Ha and 1 unit of Palm Oil Mill with capacity of 45 ton of FFB/Hour.

The company has the evidence of legal which contains the boundary of the managed area. The document is the list of coordinate and book of boundary pole of PT Indotruba Tengah No. 1 to 15 which was issued by the Direktorat of Cadastral Measurement of National Land Agency. Based on the document, there are 161 boundary poles which are consisted of 47 big

poles and 114 small poles. PT ITH is able to show the evidence of record of Land Use Title (HGU) pole monitoring for period of September 2014 – August 2015. According to the result of monitoring on August 2015, 45 Land Use Title (HGU) poles were on good condition and 1 pole was broken and it shall be repaired by 4th week of August. The broken pole is National Land Agency pole No. 30 on Block G34/G016 of Seruyan Estate.



HGU Pole No. 22

According to the field visit to boundary poles (Big Poles/National Land Agency Poles), the Land Use Title (HGU) poles No. 2, 9, 10 in Sekunyir Estate and Land Use Title (HGU) of PT ITH No. 22, 23, 30, 31 in Seruyan Estate were on good condition and well maintained. Furthermore, the company also dig trench to make the boundary more obvious.

According to the result of document verification (Area Statement on September 2015 and map) and consultation with the stakeholders (West Kotawaringin District Environment Agency and National Land Agency, Amin Jaya Village and Pembuang Hulu II Village), there is no conflict between PT ITH and the locals since ASA-4 to recertification program (September 2015).

PT ITH has had policy of the prohibition to hire mercenary on the company operational. It was legalized by the Head of SOU I of Sekunyir No. 076/ITH-Intern/IX/2015 dated August 15th 2015. The policy contains:

- The company is referring to the applied law and regulation in Indonesia in running their operational.
- Conflict management between the company and other party is solved based on the company's regulation and without hiring mercenary or para-military to solve the conflict.
- The company does not tolerate violence to solve conflict.

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.

According to the result of public consultation with the nearby villages (Amin Jaya and Pembuang Hulu II Villages), there is no customary land nor customary board within the area of PT ITH.

According to the result of interview with the management, the operational area of PT ITH has been managed since 1990. It was the ex forest concession area.

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 has the document of short term work plan in form of the annual work plan for period of 2015-2016 and long term plan for period of 2019-2020 as written on the Head Out of Budget and document of budget discussion for period of 2015-2016. The document for Sekunyir POM covered the aspects of the processed FFB, CPO production, PK production, palm oil extraction, palm kernel extraction and processing cost. The document for estate covered the aspects of cost/kg of FFB, planted area, Mature, FFB production, production cost, replanting cost and yield (ton/ha). According to the document review on budget and realization of production for period of 2014/2015, production on Sekunyir Estate is 63,365 ton (reaching 107%) of the budget for 59,392 ton. Meanwhile, the production on Seruyan Estate is 62,102 ton (reaching 106%) of the budget for 58,144 ton.

The replanting program is conducted by considering plant age (>25 years old), yield (< 18 ton/ha), and plant height (>15.1 meter). Replanting is conducted systematically and following the operational pattern. Replanting program for Seruyan Estate for period of 2012/2013 to 2023/2024 is 3,201 ha. Meanwhile, the replanting program for Sekunyir Estate 2012/2013 to 2019/2020 for 2,039 ha. According to the data of program and realization of replanting program for Seruyan Estate, replanting program on 2012/2013 and 2013/2014 is conducted based on the budget for 277.9 ha and 286.4 ha. Meanwhile, the realization of the program for period of 2014/2015 is suspended on 2015/2016.

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 procedure written on the Reference of Palm Oil Planting Agronomy Manual and Procedure of Palm Oil Mill Administration Operational of Minamas Plantation. Reference of Palm Oil Planting Agronomy Manual No. 110/EST-ARM/13 dated September 1st 2013 signed by the Head of Plantation Upstream Indonesia Minamas. The procedure has been distributed on September 16th 2013 to all Division Head/Departemen Head and all Head of Estate and Mill Unit. The content of the procedure is described on 18 parts covering seed, land clearing, planting, plant upkeep, integrated pest and disease management to harvest. Based on the field observation on harvesting program (Seruyan Estate on Block A15, Sekunyir Estate on Block A09), spraying program (Seruyan Estate on Block C17, Sekunyir Estate on Block C10 and C11), manuring program (Seruyan Estate on Block A25, A26 , Sekunyir Estate on Block C16) and integrated pest management (Seruyan Estate on Block D12, Sekunyir Estate on Block C12). The operationals have been running based on the applied procedure.

Procedure of Palm Oil Mill Administration Operational of Minamas Plantation No. 130/POD-FAC/07 is consisted on 6 chapters consisted of the basic of palm oil processing (FFB receipt, boiling, pemipilan, digesting, thressing, purification, separation for fiber and shell and Kernel station), CPO and PK bulking, mill effluent control, water processing and laboratory analysis. Based on the field observation on Sekunyir POM, the processing stage is started by receiving FFB, workshop and effluent processing. All has been based on the applied procedure.

Furthermore, the company has SOP of OHS Guideline pictured as palm oil plantation (K/r/SOP/01 s.d K/r/SOP/04), SOP of OHS pictured as palm oil plantation (K/r/SOP/05), SOP of report drafting of environmental management and monitoring plan implementation (K/r/SOP/06), SOP of OHS guideline, identification, assessment and hazard control (K/r/SOP/07), SOP of sustainable plantation management guideline (K/r/SOP/18), Policy of Environment Protection (K/r/SOP/40) and other procedures.

The inspection and monitoring over the implementation of the procedures mentioned previously is conducted through *Plantation Advisory (PA)* for estate and *Mill Advisory (MA)* for mill which is conducted in each semester. *Mill Advisory* for Sekunyir POM was conducted on March 25th – 26th 2015. It covered the aspects of production process and safety. *Plantation Advisory* Seruyan Estate was conducted on July 16th – 18th 2014. Meanwhile, the *Plantation Advisory* for Sekunyir Estate was conducted on July 20th – 22nd 2014. It covered the aspects of mature and immature plants. Furthermore, there is an RSPO Internal Audit. It was conducted on August 2nd – 5th 2015. The next audit shall be conducted on August 27th – 29th 2015 to check the follow up of the finding on the previous audit.

The records of estate and mill operational are written by the company and are regularly reported to the Minamas Headquarter. The report of estate operational covers aspects of production, field condition, manuring, inserting, integrated pest management, estate social condition, security, cost and FFB production control per month. The report of mill operational covers aspects of the received and the rejected FFB, process capacity, production and extraction, quality analysis to CPO dispatch. Based on the data of mill's production for the budget period of 2014/2015, the processed FFB is 130,072 ton (reaching 110%), the produced CPO is 29,570 ton (reaching 107%) with OER for 22.73 %, the produced palm kernel (PK) is 6,351 ton (reaching 108%) with KER for 4.88%, mill's capacity for production is 44.67 ton of FFB/hour with utilization of 53.35%.

According to the result of document review and interview with the management, there is no FFB sourced from external party.

	Status: Comply	
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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 commitment to do best practice and sustainable on the soil fertility management in form of the chemicals and organic fertilizer application such as empty fruit bunch and *Palm Oil Mill Effluent (POME)*. The optimization of manuring program is conducted based on the soil, leaf and visual analysis written on the manuring recommendation and manuring program. The latest soil analysis was conducted by Lambung Mangkurat University, Environment Research Centre on 2015. Meanwhile, the latest leaf analysis was conducted by Minamas Research Centre on January 27th 2015.

The company has conducted budget documentation and manuring realization for period of 2014/2015. According to the document, the realization of Sekunyir Estate manuring program in 2nd semester for NPK CCM 25 is 70 %. Meanwhile, the realization for NPK CCM 44 is 91 %. The company's management describes that the target is not reached due to the lack of fertilizer stock at warehouse. The future corrective and preventive action is by improving coordination so there would be no more late on the transport for fertilizer to the warehouse. Based on the result of observation on manuring program in Sekunyir Estate, Block A25, A26, and Seruyan Estate, Block C16, type and dose of fertilizer for application has complied the recommendation, the fertilizer operator has been equipped with work equipments and proper PPE and they have aware of the good and safe manuring program so it would be fit on target and dose.

The company also documented the EFB and POME application. The realization of EFB application for period of 2014/2015 in Seruyan Estate is 13,477 ton (52% of the budget) on 341 ha area. The company's management describes that it is caused by the EFB generated by mill which is only 22% of the standard which is 23%. Furthermore, the EFB are mostly distributed to Sekunyir Estate. The future corrective action that shall be conducted by the company is by balancing the distribution of EFB between Sekunyir Estate and Seruyan Estate, and optimizing the FFB production. Based on the result of public consultation conducted by the auditor, there is no environment contamination issue caused by EFB and POME application.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

The company has identified marginal soil within Sekunyir Estate and Seruyan Estate on 2008 and 2009 on the document of Detail Soil Survey Result. The company has also mapped the distribution of soil type in scale of 1:50,000 for Sekunyir Estate and in scale 1:42,000 for Seruyan Estate. The definition of marginal soil based on the management is the soil categorized as class N1 (*currently unsuitable*) and N2 (*permanently unsuitable*). Both of the type of soils are not found within the estate area. Most of the soil on the Sekunyir Estate are Ultisol, Oxisol and Inceptisol. Meanwhile, in Seruyan Estate are only Ultisol and Inceptisol. The management strategy on the specific slope area to reduce the erosion impact are by making wheelbarrow path following the contour, planting vertiver grass, arranging frond (*u-shape front stacking*), creating individual terrace.

Based on the result of detail soil survey, there is no peat soil within company's operational area. However, there is other critical land in form of sandy clay soil. For this case, the company applied EFB and planted vertifer grass and applied dolomit. There is a record of EFB application and vertiver grass planting on the identified area as critical soil (sandy clay). According to the result of field observation, EFB has been applied properly.

According to the soil map which inform the soil classification, texture, depth, drainage, boundary factor, rock and land suitability information, the management composed the road maintenance program to ease the FFB distribution from estate to Sekunyir POM. Road maintenance is routinely conducted by using road grader and compactor. Based on the document of road maintenance of Seruyan Estate for period of 2014/2015, the road maintenance realization by using road grader is still below the program. The management describes that the road condition is still good enough. Therefore, road maintenance does not have to be so intense. Sekunyir Estate has road hardenning program for period of 2015/2016 by hoarding 3,639 meter of laterit soil which cover main road, collection road, acces road and public road. According to the result of field visit during the audit, the road condition is good and has already been hardenned.

Status: Comply

4.4

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

The company has composed water management plan and waterway preservation on the environmental management and monitoring plan and report of HCV identification. Among the implemented water management are:

- Monitoring water quality in each semester on Buaya River. There is a result of the latest test on February 25th 2015 to test the dissolved residue, suspended residue, pH, BOD, choliform, amonia, nitrat, lead and other chemicals. The test is conducted before the river entering the company's area and after entering the company's area. According to the result of the test, the water quality passing through estate and mill could be controlled. It is proven by the increased water quality between pre passing and post passing river. Result of Buaya River quaiity test is as follow:

Parameter	Result of river water quality test before entering company's area	Result of river water quality test after entering company's area
Dissolved residual	186	132
Suspended residual	14	11
BOD	5.25	4.20
COD	11,478	9,543
Total of coliform	200	0

- The company also planted woody trees on *buffer zone* whether on riparian, lake and reservoir buffer zone. There is a report of planting till July 2015 with type of Sungkai, Angsana, Ketapang, Waru, Akasia, Dadap, Bambu, Vertiver Grass with total of planted plants for 4,781 tree. Based on the result of field visit to Buaya River (Sekunyir Estate block C-D16), Belibis Lake (Block E21) and Kuning River (Block B34), the riparian and lake buffer zone area are growth with bushes and no replanting program on the area.
- Making bufferzone signboard for 100 meter off the right and left of the big river with yellow paint and 50 meter of the right and left of the small river. Based on the interview with sprayers, the sprayers have known that the riparian area, lake and reservoir buffer zone are not allowed to be sprayed for 5 plants on the riverbank.
- Avoiding the effluent dispose to waterway. Based on the field visit to block E7, the company applied effluent to increase soil fertility. The application does not cause contamination on the underground water. It is proven by the result of monitoring well test in 3 spots (monitoring well on the applied area on block D3, monitoring well on the non applied area on block F5 and monitoring well in settlement I of I SKE) based on the Health Ministry Regulation No. 416 Year 1990 attachment II.

The company has managed mill's waste based on the legal requirements such as the evidence of permit for effluent for land application No. 660/72/BPdl.III.4/VIII/2007 from West Kotawaringin District on August 3rd 2007. According to the permit, the company must re-register the permit annually. The company need to be re-consulted for the annual re-registration based on the effluent use permit from West Kotawaringin District Environment Agency. **OFI No 2**

The company has monitored the BOD of effluent monthly. There is an example of effluent quality follows:

Parameter	Unit	Quality Threshold	Result					
			Jan 2015	Feb 2015	Mar 2015	April 2015	May 2015	Jun 2015
pH	-	Max 6-9	7.66	7.15	7.70	6.99	7.68	7.26
BOD ⁵	mg/l	Max 5000	228	450	220	1186	2819	2954

Quality threshold refers to Environment Ministry Decree No. 28 Year 2003

According to the result of interview with West Kotawaringin District Environment Agency, the company has reported it routinely and there is no issue of contamination caused by effluent. Based on the result of field visit to division I, block E7, effluent application is using overflow system between tree line and there is no effluent overflow.

According to the result of document observation on the report of water consumption for period of 2015 in Sekunyir POM, there is a record of water consumption for period of January – June 2015 with total of water consumption for 50,555.1 M³, average of water consumption for FFB production is 0.9 m³/ton of FFB with water budget for 1.58 m³/ ton of FFB. Based on the result of mill visit, water consumption is recorded based on flowmeter. There are 2 flowmeters used to differentiate the consumption of water consumption for mill processing stage and domestic consumption for employees.

Status: Comply

4.5

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

The company has commitment to implement integrated pest management. For example, the palm oil leaf eater caterpillar is controlled by planting and maintaining beneficial plants such as *Turnera Subulata* and *Antigonon leptosus*, rat population is controlled by installing and monitoring barn owl box. Pest and disease census is conducted to find out the attack level and progress trend and to compose the control program. Therefore, the pest and disease attack could be in general environmentally friendly.

Based on the result of census on July 2015 in Seruyan Estate, the pest attack is dominated by the rhinoceros beetle (*Oryctes rhinoceros*). The level of rhinoceros beetle attack on 2013 (immature plant II) was 2.47 % (new attack), on 2014 (immature plant I) was 1.38 % (new attack) and 17.15 % (previous attack), and year of planting on 2015 (replanting) for 1.36 % (new attack). The attempts conducted by the management is by installing pheromone trap and spraying active ingredient agrochemical of Cypemetrin. There are 102 *pheromone trap* in Seruyan Estate which are monitored every 2 days. The control by spraying *Cypemetrin* is conducted with 2 weeks interval. Based on the document review and interview with the management, the combination of control by using *Cypemetrin* and *pheromone trap* has good effectiveness. It is proven by the decrease of attack on the immature plant I from 17.15 % (previous attack) to 1.38 % (new attack). The company has opportunity to improve the monitoring over pest attack by conducting census post pest control. Therefore, the effectiveness of the program could be known and evaluated. **OFI No 3**



Pheromon trap

The effectiveness of IPM is also significantly decided by the competence of the involved parties. therefore, the company also hold integrated pest management training on March 14th 2014. It was attended by 42 participants. It was trained by *Minamas Research Center*. Based on the result of document observation and field visit to block D12 of Seruyan Estate and to Sekunyir Estate on block D12, the pest control has been conducted properly and safely. The Operator has been given proper PPE and work equipments and have known the preserved area where agrochemicals are not allowed to be applied.

Status: Comply

4.6

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

The company through Minamas Research Center has reviewed the effective pesticide to control pest and disease and weed within company's area. The selection is considering the selection on the narrow spectrum pesticide so it could reduce the negative impacts beyond the target species. The selected pesticides are written on the document of recommendation of pest and diseases and weed control for budget on 2015/2016. The document describes the type of the recommended pesticide to control several type of pests, diseases and weeds. The method of control, dosage, melting per 10 liter of water and method of application are described. There is no active ingredient pesticide on class of WHO 1a and 1b such as brodifakum or paraquat on the document of recommendation.

Documentation of pesticide use on field has been well recorded and well describing the pesticide trademark, active ingredient used by, LD50 oral, LD50 dermal and inhalation, the target area, number of active ingredient per ha and active ingredient per ton of FFB. There are 18 type of pesticides used by the company on the document. For example, the use of Sidametrin with Spermetrin active ingredient to control rhinoceros beetle which has LD50 oral 4,641 mg/kg of BB, number of active ingredient used for period of 2014/2015 is 0.564 ltr/ha.

In order to reduce the use of agrochemicals used by the management, the company modified the technical culture. One of the modification is the integrated pest management. The method has benefit to reduce cost of control, reduce the negative impact over environment and avoid the potential of pest and disease resistance. The practice of technical culture on the weed control are by arranging frond with U-shape system (stacking it on the interrow and in line), it is purposed as organic mulche so it would reduce weed growth. Another pest control is the barn owl box application and monitoring to control rat, pheromone trap to reduce rhinoceros and planting beneficial plants as nest for predator of palm oil leaf eater caterpillat.

According to the result of document review, warehouse verification and field visit, the company did not use pesticide categorized as class WHO 1a and 1b or restricted pesticide. The company has held training of safe pesticide use for sprayers and pest controller on September 4th 2015. Based on the field visit on the spraying circle and rhinoceros spray (Seruyan Estate on Block C17 and D12 and C11), the application technique has been well implemented and operators have been equipped with good and proper PPE and work equipments. The work equipments and PPE are washed and stored at the PPE and work equipments storage. The foreman brings first aid kit and aware of the method of first aid action when dealing with emergency situation. the monitoring is conducted by the foreman and assistant on the morning briefing and during application.

The company does not apply pesticide from air.

Based on the field visit to agrochemicals storage, pesticide storage is separated from other goods. There have been HIRAC, MSDS on the storage, there has been hazard symbol on the door, the hand and eye wash have been available.

The company has disposed pesticide containers based on the applied law by:

- Maintaining pesticide containers on the permitted hazardous waste storage (decree of West Kotawaringin Regent No. 660/871/BLH-III.1/XII/2012 dated December 20th 2012 in term of the hazardous waste storage for PT ITH)
- Recording the existed hazardous waste and reporting the hazardous waste balance sheet every 3 months to West Kotawaringin District Environment Agency. For example, for period of April – June 2015. It was reported on July 24th 2015.
- Cooperating with the licensed hazardous waste collector to incinerate the hazardous waste which is PT. NAZAR (Environment and Forestry Ministry Decree No. 06.8.05 year 2015 in term of hazardous waste management for hazardous waste collecting program on May 13th 2015 for 5 years). There is an evidence of the latest transport in form of Manifest No. 0007403 with type of agrochemicals containers for 1.8604 ton (5 drums) dated July 30th 2015.

According to the field visit to hazardous waste storage, there have been hazard symbol, handy fire extinguisher, oil trap, first aid kits, eye and hand washing station. The hazardous waste is placed based on the type of waste. Based on the result of interview with sprayer team foreman and agrochemicals storage officer, all agrochemicals containers are directly stored at hazardous waste and shall not be re-used. The hectareage of hazardous waste storage in Seruyan Estate and the hazardous waste stored at Sekunyir Estate hazardous waste storage must be ensured. **OFI No 4**

The medical check up is conducted by checking the physic. There is a “certificate of medical check up for workers”. Medical check up certificate which describes the detail of patient, result of medical check up, doctor’s recommendation. For example, the medical check up on March 2015:

- Medical check up to Martini (sprayers) of Seruyan Estate with the result that she is healthy and ready to work.
- Medical check up to Tukinah (sprayers) of Seruyan Estate with the result that she is healthy with condition of recommendation to control her medical if there is a complain.
- Medical check up to Istikomah (sprayers) of Sekunyir Estate with the result that she is healthy with condition of recommendation to control her medical if there is a complain.

There is a recommendation letter from the company’s doctor to GM for the laboratory and auditometri check up for pesticide operator and workers at high noise area which shall be planned on October 2015. **It becomes the observation on the next visit that the evidence of zero negative impact to workers caused by pesticide application. OFI No. 5.**

According to the result of field visit and interview with women sprayers in Seruyan Estate, she aware of the policy that pregnant and breastfeeding women workers should not spray pesticide. There is no pregnant nor breastfeeding women sprayers.

Based on the result of interview with nurse, the women workers identified as pregnant and breastfeeding women shall be mutated to the job away from pesticides and fertilizer.

Status: Comply

4.7

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

The company has committed over occupational health and safety on the work environment whether for employees nor stakeholder. The commitment is composed on the policy of OHS. It was composed on December 2011 and was legalized by Plantation Upstream Indonesia Minamas group. furthermore, the company has had work program in term of occupational health and safety on the OHS Guiding Committee work program for period of June 2015 – July 2016. According to the program, there are plans such as monthly meeting, emergency equipments inspection, socialization of OHS, medical check up.

There are evidence of implementation over the composed plan. For example:

- Based on the field visit to boiler station and engine room at Sekunyir POM, there is an inspection for handy fire extinguisher which is conducted monthly. The condition of handy fire extinguisher during inspection on August 2015 was good.

- Based on the interview with the sprayers and mill's workers, there has been regular medical check up (annual). The conducted medical check up covered audiotometri check up for employees working on high noise area. The result of medical check up is known by the workers.

In order to deal with the risk, the company has composed risk identification on the document of risk analysis. The risk analysis stay same as seen on the previous visit. According to the result of field visit to mill and agrochemicals storage at estate, the company has installed HIRAC based on the existed risk identification. In order to deal with the risk, the company has given PPE based on HIRAC. For example, the company gives apron (spray suit) on Seruyan Estate on September 5th 2015 for 12 sprayers of division I.

The company has had the procedure in term of the safety work practice on the SOP of OHS pictured for mill operational (723/PSQM-PSS/12) and for estate (722/PSQM-PSS/10). It describes the safe work practice by using PPE< installing symbols at the work area and safe work position which is described to the emergency condition. Furthermore, the company has implemented safe work practice such as Hosting Crane and boiler training at Sekunyir Factory training on June 10th 2015 and July 31st 2015.

According to the result of field visit and interview with the workers of boiler station and engine room, the workers on that area have used ear muff and have known the danger. The workers are also trained to work based on procedure and dangers on the work station.

The company has had organization which responsible on the occupational health and safety which is OHS Guiding Committee. It has been legalized by Manpower Agency. The structure of OHS Guiding Committee is composed by management unit and each structure is supported by OHS experts as secretary of OHS Guiding Committee. The company with OHS Guiding Committee hold meeting to discuss occupational health and safety every quarter. The result of the meeting is attached on the report of OHS Guiding Committee and given to West Kotawaringin District Manpower Agency. For example, report of OHS Guiding Committee on April – June 2015 in Seruyan Estate dated July 15th 2015. It discussed the evaluation of PPE use, work accident monitoring, work accident action, fire monitoring.

The company has attempted to manage emergency situation. For example:

- Composing procedure in term of emergency situation.
- Forming emergency response team in each management unit and it should be led by each manager and there should be emergency situation team for situation such as fire, natural disaster and work accident.
- Holding emergency response training program such as fire simulation at Sekunyir Factory on August 29th 2015, training the workers, teachers and students to use handy fire extinguisher on August 25th 2015 and training of first aid action in Seruyan Estate on August 27th 2015.
- Having the emergency equipments such as handy fire extinguisher and hydrant, first aid kits and first aid bag. Based on the field visit on work facilities to settlement, clinic, school and warehouse, there have been handy fire extinguisher and first aid kit with good condition and there has been formulir of inspection which is checked for every month. The company also has fire extinguishing equipments storage. According to the result of observation, the fire equipments are good.

The company has registered all workers whether contract or permanent workers on the BPJS program for work accident insurance. According to the result of interview with the workers of Sekunyir Estate, Sekunyir Factory and Seruyan Estate, the workers have had insurance proven by the insurance membership card.

The company has the recapitulation of work accident on the report of OHS Guiding Committee which describes the name of victim, time of accident, type of accident, number of lost time accident, cause of accident. For example, the work accident for period of April – June 2015 in Seruyan Estate, there was 1 work accident on May 2015 which cause 2 days of lost time accident. There is a report of investigation which describes the work accident chronology, cause of eaccident to corrective action.

According to the description, the company has had plan of occupational health and safety which is documented, effectively communicated and properly implemented based on the company's law and regulation.

Status: Comply

4.8

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

The company has training program or training period for June 2014 - June 2015 which is based on the result of analysis of level promotion. It is conducted annually by each manager. The department in charge is Department in charge of training center. If needed, the company shall send employees to participate on the external training held by third party or government. The company does not have partnership with scheme smallholder. The training programs owned by the company are such as safety driving license, SME Card Group and OHS. For example:

- Townhall on safety breafing. It was held on September 2014 and February – March 2015. The participants are all employees, trainer GM, PSQM, SOU.
- First aid kit officer license. It was held on September 2014. The participants are first aid officer. The trainer is from Manpower Agency.
- Safety driving license training. It was held on September 2014. The participants are operator/driver. The trainer is HRM and OHS Officer.
- Socialization of OHS. It was held on August, September, October, November, December 2014, January, February, March, April, May, June 2015. The participants are all employees. The trainer is Sr. Asisten of PSQM.
- SME Card Group. It was held on June 2015. The participants are all supervisors. The trainer is PSQM.

According to the result of interview with the workers, the company is actively holding training for employees whether internal or external training. The employees have participated on training of OHS socialization, the workers must wear PPE during work to prevent work accident, provision for PPE is the company's responsibility.

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.

PT ITH managed 7,734.60 Ha are with 6,567.65 Ha of the planted area and POM with capacity of 45 Ton of FFB/Hour. PT ITH has the document of environment impact assessment in form of:

- Document of EIA which was legalized based on the decree of Agriculture Department, Division of Agribusiness No. 220/95/B/II/1994 dated June 17th 1994 for 12,000 ha of estate and POM with capacity of 30 ton of FFB/hour which is upgrade to 60 Ton of FFB/hour.
- Document of environmental management and monitoring plan which was legalized based on the decree of Agriculture Department, Division of Agribusiness No. 020/RKL-RPL/BA/X/1994 dated October 18th 1994.

The must managed and monitored aspect of impact are the decrease of air and soil quality, erossion and sedimentation, decrease of water quality, change on flora and fauna and social restlessness. PT ITH has shown the result of environmental management and monitoring as described on the report of environmental management and monitoring plan implementation report. The document describes all impact aspects that should be managed and monitored by the company based on the document of environmental management and monitoring plan owned by them. PT ITH can also show evidence of reporting of environmental management and monitoring plan report to the associated agency. For example, report of environmental management and monitoring plan in 1st smester of 2015. It was reported to West Kotawaringin District Environment Agency on September 5th 2015.

According to the result of public consultation with West Kotawaringin District Environment Agency, Pembuang Hulu II Village and Amin Jaya Village, there is no issue of environment contamination conducted by PT ITH.

Status: Comply

5.2

The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced

PT ITH has identified HCV. It was conducted by PT AKSENTA on 2010. The compilation for HCV document was using guideline of HCV Toolkit 2008. It has passed through public consultation and expert's review stage (*peer review*). According to the result of HCV identification on PT ITH Land Use Title (HGU) area, there are 76.56 Ha are consisted of:

- Forest area in Seruyan Estate with hectarage for 3.57 ha (HCV 1.2; 4.2)
- Riparian (unnamed) in Seruyan Estate for 33.45 Ha (HCV 4.2)
- Swamp area in Sekunyir Estate for 4.85 Ha (HCV 1.3)
- Bahaya Riparian and Bahaya Tributary in Sekunyir Estate for 20.14 Ha (HCV 1.3; 4.2)
- Kuning Riparian in Seruyan Estate and Sekunyir Estate for 9.13 Ha (HCV 1.2; 4.2)
- Reservoir in Seruyan Estate and Sekunyir Estate for 5.42 Ha (HCV 4.1)
- Spesies of RTE (HCV 1.2) which are identified within PT ITH area are orang utan, beruang madu and tringgiling.

Stages conducted by the company for managing RTE species and HCV area. For example:

- Rehabilitating riparian area by:
 - Not conducting replanting program. According to the result of field visit to block F10 of Sekunyir Estate, there is no replanting program on the Bahaya Riparian and it has been growth with bushes. The last 5 palm oil plants off the riverbank shall not be replanted.
 - Planting several type of plants to enrich plants. The planted plants are sungkai, mahoni, angkana, ketepeng, waru, akasia, bamboo, vertifer grass, dadap and teresede. According to the result of monitoring on June 2015, there are 4,781 planted plants of 7,089 plants in Seruyan Estate HCV area.
- Composing SOP that has to do with HCV which consisted of:
 - SOP of wildlife control (47/ITH-SOP/09 dated June 1st 2009). The procedure regulates the flora – fauna monitoring every month; sanction to employees and contractor who trade the endanger wildlife.
 - SOP of conservation forest management (K/r/SOP/58). It has been legalized on July 7th 2009. The procedure regulates the location of conservation as well as its maintenance and management.
- Creating signboard of HCV area and poster of endanger species.
- Monitoring and management of HCV area.
- Identifying flora and monitoring the fauna. The species monitoring is conducted monthly based on the SOP of wildlife control. According to the result of monitoring on August 2015, the found endanger species are:
 - Seruyan Estate: turtle, biawak, cobra and eagle
 - Sekunyir Estate: lynx, squirrel, boa, eagle



According to the result of field visit to block A/B 34 of Seruyan Estate which is considered as forest area (HCV 1.2), the area is still a forest area without any disturbance. The company has also installed signboard of warning on HCV area and posters of endanger species. Based on the result of interview with workers and management of company, orangutan, tringgiling and beruang are never found on HCV area nor PT ITH operational area again.

According to the result of interview with sprayers of Sekunyir Estate and Seruyan Estate, they have known the prohibition to use poisons on the riparian area. The workers also know the endanger species and prohibit to bother the species. The law breach shall be reported to the peace officer by the company.

According to the result of document review and interview with the management, the HCV area determined by PT ITH has been acquired since the beginning of land clearing. It is not owned by the community nor individual.

Status: Comply

5.3

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

Identification of pollution and waste sources owned by the company did not change at all (similar with previous assessment) due to no change nor addition of program. For example, waste source identification and management in Seruyan Estate describes the waste source generated by generator station, manuring program, chemicals spraying program to clinic:

No	Location	Waste Source	Type of Waste	Control
1	Generator Station	Used Oil	Liquid	Collecting and dispatching it to hazardous waste storage
		Use Filter	Solid	Collecting and dispatching it to hazardous waste storage
2	Spraying	Chemicals Jerry Can	Solid	Collecting and dispatching it to hazardous waste storage
		Used PPE	Solid	Collecting and dispatching it to hazardous waste storage
3	Policlinic	Injection Needle	Solid	Collecting and dispatching it to hazardous waste storage
		Drugs Bottle	Solid	Collecting and dispatching it to hazardous waste storage

Furthermore, the company has identified the generated pollution. For example, at Sekunyir Factory:

No	Type of Pollution	Pollution Source	Management	Realization
1	Air	Boiler chimney	Supporting it with Dust Collector	Air monitoring every semester and using smoke density
2	Noise	Units of Station of press, nut, kernel, boiler and engine room	Ear Plug and Ear Muff for employees	Regular monitoring every semester
3	Vibration	Units of Station of press, nut, kernel, boiler and engine room	Preventive Maintenance on the high vibration machine	Regular monitoring every semester
4	Odour	Station of waste processing stage	Having it processed with anaerobic pond system	Regular monitoring every semester

The company has disposed chemicals and its containers based on the applied regulation by:

- Storing all hazardous waste on the permitted hazardous waste storage (Decree of West Kotawaringin Regent No. 660/871/BLH-III.1/XII/2012 dated December 20th 2012 in term of the permit of hazardous waste storage for PT Indotruba Tengah). The hectarage of hazardous waste storage on Seruyan Estate and the waste stored at hazardous waste storage on Sekunyir Estate must be ensured. **OFI No 4**
- Recording the existed hazardous waste and report the waste balance in each quarter to West Kotawaringin District Environment Agency. For example, for period of April – June 2015 was reported on July 24th 2015 with amount of used oil for 54 Kg, filter oli for 74 Kg, chemicals container for 40 Kg, rag for 16 Kg.
- Cooperating with the permitted hazardous waste collector to incinerate hazardous waste which is PT. NAZAR (Environment and Forestry Ministry Decree No. 06.8.05 year 2015 in term of hazardous waste management for hazardous waste collecting program on May 13th 2015 for 5 years). There is evidence of the latest dispatch on July 30th 2015 in form of Manifest. For example:
 - No. 0007403 with type of solid waste including agrochemical containers for 1.8604 ton (5 drums).
 - No. 0007405 with type of TL lamp for 5.88Kg
 - No. 0007402 with type of used oil for 1.44 ton.

The management unit has implemented waste management based on the applied plant. For example:

- According to the result of field visit to Sekunyir Factory, shell is re-used for boiler fuel.
- According to the result of field visit to WWTP pond of Sekunyir Factory and effluent application area at Sekunyir Estate, Division 1 of Blok E7, the effluent has been applied to the land.
- According to the result of field visit to Sekunyir Estate, Block D3-4, the EFB generated by Sekunyir Factory is used as organic fertilizer to increase soil fertility.
- According to the result of interview with sprayer team foreman and agrochemicals storage Officer, all agrochemicals containers are stored directly to hazardous waste storage and it will not be used anymore.
- According to the result of field visit to workshop of Sekunyir Estate and Seruyan Estate, the hazardous waste generated by workshop's operational are stored at the permitted hazardous waste storage.



WWTP

The management unit has monitored and documented hazardous waste management conducted by the company. For example:

- Hazardous Waste: there is a hazardous waste balance sheet which is regularly reported to West Kotawaringin District Environment Agency which describes the amount of incoming and outgoing waste from and to storage and official record of hazardous waste dispatch to the collector.
- POME: there is a result of effluent analysis every month and data of effluent application and its quarter-based reporting to West Kotawaringin District Environment Agency.
- Emission: there is a result of air emission, vibration and odour quality test for those aspects nearby mill and settlement every 6 months. Those are reported along with environmental management and monitoring plan. According to the emission quality test result, it still below the quality threshold applied by the government.

Status: Comply

5.4

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

The company has conducted efficiency over the fossil fuel consumption by using turbine powered by fiber and shell. There is a document of fossil fuel efficiency for period of July 2014 – June 2015. It describes that the total of Kwh based on turbine use was 3,036,514 Kwh, average of Kwh of generator per liter of diesel fuel was 3.10 and efficiency of generator's diesel fuel with turbine operation was 990,957.38 Liter (diesel fuel efficiency over average of processed FFB was 7.62 L/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.

The company had conducted replanting program for period of 2013/2014 in Seruyan Estate for 286 ha and in Sekunyir Estate for 291 ha. Replanting program is conducted by using zero burning method based on the company's policy on SOP of sustainable estate management guideline in Policy No. 724/TQEM-SPMS/09; Copy No. 20.11.02 dated of distribution of November 8th 2010. Based on the field observation on the immature plant area, there is a chipping process on the palm oil plants and no indication of burning. It is supported by the result of public consultation.

Status: Comply

5.6

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

The company has conducted assessment over all pollution programs written on the document of identification and management of GHG emission source. It was legalized by the Chairman of SOU-Sekunyir. The data describes:

Source	Type of the generated emission	Management Plan
Land Clearing	CO2	Implementing <i>zero burning</i> system
Manuring	CO2 and NO2	1. Reducing the area usage 2. Using empty fruit bunch (FFB) and effluent for manuring
Diesel Fuel Consumption	CO2	Reducing diesel fuel consumption
Transportation	CO2	Regular emission test
FFB processing	CO2	Regular emission test and reducing diesel fuel consumption
POME	CH2	Methane trapping

The company has conducted several actions to reduce or minimize emission. For example:

- According to the result of field visit to replanting area, the company has conducted replanting program by pushing the plant down and chipping it on the interrow. All replanting programs implemented *zero burning* system.
- According to the result of field visit to Sekunyir Estate on block D3-D4 and E7, the company has used empty fruit bunch and effluent to replace anorganic fertilizer.
- Reducing the consumption of diesel fuel for mill's generator by using shell and fiber as mill's fuel (see indicator 5.4.1)
- Conducting air emission test regularly every 6 month in boiler chimney, diesel generator and monitoring the air on boiler area, Sekunyir Estate Office, Mill Office, employee's settlement.

The management unit was not able to show the result of GHG calculation and reporting based on PalmGHG calculator Version 2.1.1. **Minor NC No 2015.01.**

5.6.3 | Status: Minor NC No 2015.01

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 composed social management and monitoring program based on the direct survey and communication to Amin Jaya Village, Pembuang Hulu II Village, SP3 Village, Sungai Pakit Village, Derangga. Interview and communication with the stakeholder to know the actual condition of accessibility, economy, education, health, spiritual, social and sport, culture. It was conducted on July 2015. The objective is to avoid negative impact and increase the positive impacts.

According to the result of interview with Amin Jaya Village Government Apparatus and community figure, the company was conducting survey on aspect of social, economy and culture on July 2015. The objective of the survey is to know the actual condition of accessibility, economy, education, health, spiritual, social and sport, culture. It was conducted on July 2015. The objective is to know the actual condition of social, economy and culture of Amin Jaya Village. According to the company's information, the result of the survey is considered as reference to compose social management which is conducted every semester on the document of environmental management and monitoring plan implementation.

The company has shown the evidence of record of community's participation on the social management and monitoring plan compilation based on the direct survey to the villages nearby estate, interview with stakeholder and questionnaires dissemination. Hence, **Minor NC No. 2014.02 is closed.**

Minor 6.1.1 | Status: Minor NC No. 2014.02 is closed.

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 the procedure of information request in document No. 394/ITH-KOM-01/11 Revision No. 1 dated September 27th 2011. In general, the procedure of communication give practical guideline to communicate in aspects of safety, environment occupational health and safety (K3LL) and RSPO. The procedure is applicable for all programs and operational of PT ITH which covers the internal and external communication. The company records or documents each communication with the stakeholders on the logbook of incoming and outgoing letters.

The person in charge to communicate with the locals are PSD, GM/Head of SOU and Manager. If there is a negative impact caused by the existence of company to the impacted parties, the company and the impacted parties shall communicate and consult it on forum to solve it. According to the result of interview with the Amin Jaya Village Government Apparatus, they have known the procedure to communicate with the company. Media of communication in letter or direct visit.

There is a list of stakeholder which was composed on August 30th 2015. There are 6 stakeholders from Jakarta Central Government, 35 stakeholders from Central Kalimantan Province, 7 stakeholders from West Kotawaringin District, 4 stakeholders from community figures, 17 stakeholders from the company's partners. The list of stakeholder is updated situationally and is adjusted with the actual condition implemented by the unit

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 affected parties.

The company has procedure of employee's and community's complain written on the procedure of communication in Policy No. 394/ITH-KOM-01/11, Revision No. 2 dated August 29th 2015. In general, the procedure of communication give practical

guideline to handle communication in aspect of safety, environment OHS and RSPO. The external complain is managed by PSD or PR and the internal complain is managed by Unit Manager, GM/Head of SOU.

The procedure has been socialized to the locals and employees. According to the result of interview with Amin Jaya Village Government Apparatus and harvesters and security officer, they have aware of the procedure to express complain. Furthermore, the harvesters and security officers added that the company is cooperative and responsive. The complains are so far solved in forum.

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.

PT ITH has had procedure to identify legal, customary or use as described on the work instruction for land compensation No 394/ITH-PSD-01/11.

PT ITH did not expand operational area since Asa-4 program to re-certification program (September 2015). It is supported by the result of public consultation with the locals (Amin Jaya Village and Pembuang Hulu II Village), PT ITH has conducted their operational (since land compensation) since 1990s and did not expand the area.

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.

Region of estate and mill of PT Indrotuba Tengah is located on 2 Districts which are West Kotawaringin and Seruyan District. Hence, there are district minimum wage standard and district sectoral minimum wage standard as follow:

1. Based on decree of Central Kalimantan Governor No. 40 Year 2014 dated October 17th 2014 in term of West Kotawaringin District Sectoral Minimum Wage Standard for **IDR 2,103,941**
2. Based on decree of Central Kalimantan Governor No. 45 Tahun 2014 dated November 6th 2014 in term of Seruyan District Sectoral Minimum Wage Standard for **IDR 2,110,500**
3. According to the letter No. 017/HRM-i3/I/2015 form the General Manager of HRM dated January 12th 2015. PT ITH has implemented the highest sectoral minimum wage standard of Seruyan District.

According to the result of document review on list of wage on August 2015 and interview with workers of Sekunyir POM, Sekunyir Estate and Seruyan Estate, the company has given wage to employees based on the sectoral minimum wage standard and the workers have known the minimum wage standard applied by the government.

Law of manpower in term of payment and work condition (for example, workhour, deduction, overtime, sick, day off right, excuse of work contract termination, period of work contract termination, etc) owned by the company is attached on the company's regulation and not yet changing since the previous assessment. The applied company's regulation has expired on June 3rd 2015. However, there is a clause that the regulation shall valid untill the new regulation applied. The company is now composing new regulation based on the letter from HRM on September 2nd 2015 in term of the formula for composing new regulation between the labour union and management unit. The compilation for new regulation shall be observed on the next visit. **OFI No 6**

The company has provided proper settlement for employees. According to the result of field visit to settlement of division II of Seruyan Estate and Division I of Sekunyir Estate, the company has provided proper facilities for employees such as permanent and semi permanent settlement, soccer field, electricity, clinic, daycare, school bush, cooperative, clean water. In order to deal with drought season, the company created a water tank in each settlement.

According to the result of interview with the harvesters and security Officer, the company has provided settlement and other proper facilities. No damage house, adequate clean water, sport facilities, daycare shall be provided and school bus for transporting students.

One of the method to improve the worker's access to the proper and affordable food is by establishing employee's cooperative unit at Estate of Seruyan and Estate of Sekunzir. The company encouraged and facilitated the establishment of cooperative unit. There is a daily market for about 5 km away from the employee's settlement on Amin Jaya Village which sell the daily need. There is also a mobile trader who sell vegetables and fishes and etc. During the small payday every date of 15th and big wage every date of 5th there are primary and secondary goods seller who bring the goods with cars to the employee's settlement.

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.**

The company has the guideline for sustainable estate management in Policy No. 724/TQEM-SPMS/09 dated August 27th 2010. According to point 5, the company is expected to respect employee's right to form and join labour union based on their choice and negotiating with it collectively.

According to the result of interview with the labour union, there are 2 labour unions on PT ITH. First is the Minamas Group Labour Union which was established by the staff level (Manajer, Head of Section and Division Assistant) and second is the Estate Labour Union which was established by the workers based on the code and requirements owned by them. The labour union on employees level named Indonesia Labour Union for Agriculture and Plantation Sector of PT ITH unit. It has been registered on West Kotawaringin District Manpower Agency in reg No. 05/DTT/HIP-HI/VIII/2013.

The company has the record with the labour union. For example, Bipartit meeting between PT ITH employees with the representatives of management. It discussed the health insurance, permit for bunking off to take and wait for inpatient and payment for rice allowance on April 17th 2015 at Sekunzir Estate Office.

Status: Comply

**6.7
Children are not employed or exploited.**

The company has the guideline for sustainable estate management in Policy No. 724/TQEM-SPMS/09 in term of social policy. According to point 6, Plantation Upstream Indonesia does not employ underage workers (children). Based on the review on the employee database on August 2015, the youngest employees is 19 years old. The employee was born on October 16th 1995 and was starting to work on August 1st 2014. There is no underage workers (<18 years old).

According to the result of interview with HRD Department, the company does not recruit underage workers and the company has commitment to not employ children. According to the field visit to worker's pondok and interview with the harvesters and security workers, there is no underage workers (<18 years old) and the company is indeed refuse underage workers.

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.**

The company has the guideline for sustainable estate management in Policy No. 724/TQEM-SPMS/09 in term of social policy. According to point 1, all staff/employees must be treated normally and fairly on things that have to do with recruitment, development and job description regardless race, class, tribe, gender, skin colour, disability, sexual orientation, organization membership, political thought, religion and age.

According to the result of interview with HRD Department, the company committed to avoid discrimination from the recruitment process and at work. Based on the result of interview with the board of labour union, there is no discrimination to the local workers and women workers. All workers are treated by the company fairly.

Status: Comply

6.9

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

The company has the guideline for sustainable estate management in Policy No. 724/TQEM-SPMS/09 dated August 27th 2010. According to point 4, the company shall develop and implement policy to protect women workers away from criminality and sexual harassment and protect the reproduction rights. There is a gender committee on PT ITH.

According to the result of interview with gender committee board, the gender committee board protect the women workers and socialize all type of sexual harassment over workers. The policy to protect worker's rights are socialized during the morning briefing before starting to work.

According to the company regulation for period of 2013-2015 which was legalized by the Head of Central Kalimantan Manpower Agency (Ir. Sutrisno) on June 3rd 2013, as written on clause II No. 6 in term of women workers at point B, the menstruating women workers must be given day off for 2 days with full paid wage with terms. Meanwhile, the childbirth/missbirth day off is given for 45 days pre and post childbirth based on the recommendation of doctor and midwives with full paid wage. (based on Manpower Law No. 13 Year 2003 clause 82 verse 1 and 2). According to the result of interview with women workers, the workers have known the policy of reproduction such as menstruation and childbirth day off.

Status: Comply

6.10

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

PT ITH does not buy FFB from the locals whether from independent smallholders or others. However, there are local contractors who transport FFB, making harvest titian and other supporting facilities.

According to the result of interview with the local contractor, the company paid the contract on time based on the contracto for service and never late. The contract for service agreement is the result of negotiation between the company and the contractor based on principle of fairness, legal and transparency.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

According to the result of interview, the company always participate on the regional development forum on level of village, sub-district and district. The objective is to know the development priority that would be conducted by the village government, sub-district government and district government so the CSR programs shall not overlap the government's development program.

According to the result of interview with the government and community figure of Amin Jaya Village, the company is very helpful for developing the village. The company and the village administrative government could coordinating to avoid the overlap of CSR programs. For example, the village administrative government provides corall for the road infrastructure and the company provides the road grader. The realization of CSR on Amin Jaya Village like the village road maintenance on August 2015 and celebrating the independence day every August 17th by assisting the fund, assisting the construction of mosque as place of worship on September 2014. Lending the money to buy FFB transport truck to the smallholder group in Pembuang Hulu Village. Furthermore, the company also pay the retribution to the West Kotawaringin District Government by paying SP3 of CPO on March – May 2015, paying the tax, water tax and vehicle tax.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

According to the result of document review on the employees list of company on July 2015 and result of interview with the company and Chief of Amin Jaya Village, the company did not employe the illegally traded workers and did not force the workers. Based on the result of interview with labour union, there is no illegal worker.

Status: Comply

6.13

Growers and millers respect human rights

PT ITH has human right policy which was composed on August 5th 2015. According to the human right policy, SOU I Sekunyir PT Indotruba Tengah which is incorporated on Minamas Plantation Group committed to protect human right for all staff and employees such as right to live, right to have family and to mate, right to develop themselves, right to get justice, right to get personal freedom, right for the security, right for the welfare, right to get into governmanship, right of women and child.

The policy of human rights has been communicated on division 3 of Sekunyir Estate on August 15th 2015. It was attended by 60 workers. It was also socialized on Seruyan Estate on September 5th 2015 which was attended by 109 workers and on Sekunyir POM on September 9th 2015 which was attended by 64 workers.

The company has also socialized and communicate the human human right principle socialization during the contract for service signing. The company emphasize the contractor to work professionally, with discipline and responsibility as described on each contract for service.

According to the result of interview with the local contractor, the company was holding human right principle socialization during the contract for service signing. The implementation of human rights for the worker's rights based on the applied law.

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.

According to the result of document review and interview with the management, PT ITH did not clear the land post November 1st 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.

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.

According to the result of document review and interview with the management, PT ITH did not clear the land post November 1st 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.

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.

According to the result of document review and interview with the management, PT ITH did not clear the land post November 1st 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.

PT ITH has conducted HCV identification on 2010. The identified area shall then determined as HCV area. PT ITH gives special treatment as described on criteria 5.2.

According to the result of document review and interview with the management, PT IHT was clearing the land for first time on November 13th 1991.

Status: Comply

7.4

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

According to the result of document review and interview with the management, PT ITH did not clear the land post November 1st 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015.

2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.	
	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.	
According to the result of document review and interview with the management, PT ITH did not clear the land post November 1st 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.	
	Status: Comply
7.6	
Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	
According to the result of document review and interview with the management, PT ITH did not clear the land post November 1st 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.	
	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.	
According to the result of document review and interview with the management, PT ITH did not clear the land post November 1st 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.	
	Status: Comply
7.8	
New plantation developments are designed to minimise net greenhouse gas emissions.	
According to the result of document review and interview with the management, PT ITH did not clear the land post November 1st 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.	
	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.	
The company has conducted sustainable improvement. For example:	
<ul style="list-style-type: none"> Reduction over the Use of Agrochemicals The management describes that the technical culture has been conducted by reducing the use of agrochemicals with IPM technique. It is purposed to reduce the production cost, reduce the negative impacts over environment and avoiding the potential of pest and disease resistance. The implemented technical culture are the frond arrangement forming U-shape system by arranging the frond on the interrow and on the line. The system shall optimize the land layer triggered by frond as organic mulche. Therefore, it would reduce the weed growth. Furthermore, there is a barn owl box application and monitoring to control rat population, there is also pheromon trap application to reduce rhinoceros beetle population and planting of beneficial plants as predator's nest to reduce the population of palm oil leaf eater caterpillar. The pest and disease control using agrochemicals is conducted based on the economy threshold consideration and visual monitoring. 	

- **Management and Reduction for Waste, Pollution and Air Emission**

The company always identify the waste and pollutant sources. The company has controlled it based on the applied law and has the pollutant monitored in each semester by conducting test for air quality, noise, vibration and odour.

- **Conducting RSPO internal audit**

PT ITH has conducted RSPO internal audit on August 2nd – 5th 2015 and it has been re-audited on August 27th – 29th 2015 to review the follow up up the finding on the previous audit.

	Status: Comply	
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3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module D) CPO Mills – Identity Preserved Requirements										
D1	Definition										
	<p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p>										
	<p>The procedure of product identification and traceability on Minamas Plantation POM(SCCS/ITH, Revision 02, dated July 1st 2014) describes that the definition of supply chain model implemented by the company is IP. This model selected because Sekunyir Factory did not receive FFB from RSPO non certified estate.</p>										
	<p>Status: Comply</p>										
D.2	Explanation										
	<p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p>										
	<p>Estimation of the RSPO-certified product has been described on the report of assessment result. For this Re-certification assessment the estimation production are 29,456 Ton CPO and 6,403 Ton PK.</p>										
	<p>Status: Comply</p>										
	<p>D.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>										
	<ul style="list-style-type: none"> • RSPO IT Platform member registration number: RSPO_PO1000000321 • Certified CPO sold to each buyer period of 23 November 2014 to 7 September 2015 										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Date</th> <th style="width: 40%;">Buyer</th> <th style="width: 30%;">Volume (ton)</th> </tr> </thead> <tbody> <tr> <td align="center">April 14th 2015</td> <td align="center">Unilever</td> <td align="center">17,000</td> </tr> <tr> <td align="center" colspan="2">Total</td> <td align="center">17,000</td> </tr> </tbody> </table>		Date	Buyer	Volume (ton)	April 14th 2015	Unilever	17,000	Total		17,000
Date	Buyer	Volume (ton)									
April 14th 2015	Unilever	17,000									
Total		17,000									
	<ul style="list-style-type: none"> • Certified Palm Kernel sold to each buyer period of 23 November 2014 to 7 September 2015 There is no sales of palm kernel during period 23 November 2014 to 7 September 2015. 										
	<p>Status: Comply</p>										
D.3	Documented procedures										
	<p>D.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <ol style="list-style-type: none"> a. Complete and up to date procedures covering the implementation of all the elements in these requirements; b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate 										

awareness of the site procedures for the implementation of this standard.

The procedure of product identification and traceability on Minamas Plantation POM(SCCS/ITH, Revision 02, dated July 1st 2014). It was legalized by the Manager of SKE, Manager of SRE and Manager of SKF. The procedure describes:

- Definition
- PIC on each supply chain model implementation.
- Procedure to identify the raw material and product. In order to identify FFB from the RSPO-certified estate and non-RSPO certified product, the FFB covering letter makes clear of it. The RSPO-certified FFB covering letter shall be stamped as RSPO.
- Procedure of CPO dispatch from POM to Bulking Station.
- Procedure of PK dispatch from POM to vendee.

According to the result of interview with weighbridge operator, the FFB covering letter for FFB from certified estate must be stamped with RSPO. RSPO stamping is conducted by the estate authority.

To maintain knowledge of person who responsible for SCCS, PT ITH conduct SCCS training on 10 September 2015 which followed by 8 person.

Status: Comply

D.3.2

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

The procedure of product identification and traceability on Minamas Plantation POM(SCCS/ITH, Revision 02, dated July 1st 2014). It was legalized by the Manager of SKE, Manager of SRE and Manager of SKF. The procedure describes:

- Procedure to identify the raw material and product. In order to identify FFB from the RSPO-certified estate and non-RSPO certified product, the FFB covering letter makes clear of it. The RSPO-certified FFB covering letter shall be stamped as RSPO.
- RSPO-certified FFB and non-RSPO certified FFB processing stage must be separated since entering sterilizer to the storage tank of mill and bulking station.

According to the result of document review and field visit, since ASA-4 program to re-certification (September 2015) program, Sekunyir Factory only receives FFB from the RSPO-certified estate.

Status: Comply

D.4

Purchasing and goods in

D.4.1

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

Sekunyir Factory has verified and documented the certified and non-certified FFB received through daily FFB covering letter to be then recapitulated monthly.

- **Certified and non-certified FFB received period of 23 November 2014 to 7 September 2015**

Month	FFB (Ton)		
	RSPO Certified	Non Certified	Total
November 23rd – 30th 2014	2,437.92	-	2,437.92
December 2014	9,850.90	-	9,850.90
January 2015	7,849.74	-	7,849.74
February 2015	6,904.52	-	6,904.52
March 2015	8,719.28	-	8,719.28

April 2015	10,444.38	-	10,444.38
May 2015	10,825.48	-	10,825.48
June 2015	10,962.50	-	10,962.50
July 2015	11,113.85	-	11,113.85
August 2015	9,629.34	-	9,629.34
September 1st – 7th 2015	2,050.54	-	2,050.54
Total	90,788.45		90,788.45

Status: Comply

D.4.2

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

According to the implemented supply chain procedure, the part 7 describes:

- Point 7. Particular Condition
- Point 7.2: the overproduction (more than what has been projected) shall be reported to certification body directly.

According to the result of document review, the CPO and PK production on Sekunyir Factory did not exceed the projection written on certificate of RSPO ASA-4 (September 6th 2015), for example:

- Processed FFB: projected for = 168,301.20 Ton; produced up to = 90,725.859 Ton
- CPO: projected for = 38,288.52 Ton; produced up to = 20,532.275 Ton
- PK: projected for = 7,910.16 Ton; produced up to = 4,325.237 Ton

According to the result of interview with PSQM and Mill Manager, the mill and PSQM monitor FFB, CPO and PK production. The overproduction of RSPO-certified product shall be informed by PSQM and Mill Manager to Head of SOU and the Head of SOU shall inform it to certification body.

Status: Comply

D.5

Record keeping

D.5.1

The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.

Record of balancing of certified product is shown on the report of daily production. It describes the received FFB, the processed FFB and the produced CPO and PK from the RSPO-certified estate and non RSPO-certified estate. The daily report shall be then recapitulated monthly on the Mill Manager monthly report. There is an example of daily report. For example, report on August 31st 2015. It describes:

	RSPO	Non RSPO	Lain-lain
Received FFB (Ton)	406,450	-	-
Processed FFB (Ton)	364,266	-	-
CPO (Ton)	84,640	-	-
PK (Ton)	21,706	-	-

According to the result of document review and interview with the management, there is no physical RSPO-certified product dispatch or sales (CPO and PK).

Status: Comply

D.6

Processing

D.6.1

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

Sekunyir Factory has had procedure and records that the RSPO-certified CPO is well transported and well stored. According to the result of document review and field visit, since ASA-4 program to re-certification (September 2015) program, Sekunyir Factory only receives FFB from the RSPO-certified estate.
Documents of processing stage are maintained for 5 years.

Status: Comply

D.6.2

The objective is for 100 % segregated material to be reached

According to the declaration 6 of processing stage dated July 1st 2015, PT ITH declared that they could separate the product physically for the non-RSPO certified FFB and with the RSPO certified one. The separation is conducted since the early process to the bulking station and by not mixing the certified and non-certified product. Therefore, the costumers couls have awate of the bought products are proper to clause D.6.2 which states that 100% of CPO certificate could be reached.

According to the result of document review and field visit, since ASA-4 program to re-certification (September 2015) program, Sekunyir Factory only receives FFB from the RSPO-certified estate.

Status: Comply

3.3 Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
RC	PT ITH has had permit to use certificate No. MUTU-RSPO/001.	√
	Status: Terpenuhi	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
RC	<i>Not Applicable;</i> The company did not use logo whether on the product (on-product) and not on the product (off-product) within the scope of PT ITH.	NA
	Status: Not Applicable	
3.	Implementation of Certificate and Logo is not used on product	X or√
RC	<i>Not Applicable;</i> The company did not use logo whether on the product (on-product) and not on the product (off-product) within the scope of PT ITH.	NA
	Status: Not Applicable	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
RC	<i>Not Applicable;</i> The company did not use logo whether on the product (on-product) and not on the product (off-product) within the scope of PT ITH.	NA
	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 TuK (facilitator), on behalf of the Kerunang/Entapang community would propose solutions to Sime Darby by March 2015 on the settlement of the land issues especially those pertaining to HGU.	
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. Status:	
7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	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	

	<p>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</p> <p>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).</p> <p>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.</p>	
<p>7.5</p>	<p>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.</p>	<p>X or√</p>
	<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"> 1. 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. 2. 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"> 1. Direct impacts; <ul style="list-style-type: none"> - Reduced size of public lands, - Public's negative perception to the company, - Dispute/conflict 2. 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</p>	

	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.	
7.6	Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	X or√
	There is 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). Documented process and agreement of land acquisition for new plantation area are maintained in MAS 3 Estate's office and RSPO secretariat office in MAS 1 Estate.	

3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

3.5.1 Identification of Findings, Corrective Actions and Observations at *Surveillance-4* Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.01	Major 2.1.1	<p>Compliance's evidence over the applicable and related legal requirements.</p> <p>a. Based on document's verification, it's known that appointment letter for P2K3 secretary has been expired since 15th March 2009. This finding is not in line with Ministry of Manpower Decree No 4 in 1987 regarding the P2K3 committee and appointment mechanism for occupational health expert.</p> <p>b. Based on document's review and field visit in Sekunyir Mill, there is a hazardous waste has been exceedingly stored based on its permitted storage duration. This finding is not in line with Government Regulation No. 18 in 1999 regarding the management of hazardous waste.</p>	<p>Seruyan Estate</p> <p>Mill</p>	Major	10 th November 2014	<p>Company must present the evidence that appointment letter for P2K3 secretary in Seruyan has been in line with the applicable regulation</p> <p>Company must present the evidence that hazardous waste has been sored based on the applicable regulation.</p>	<p>Root Cause:</p> <p>a. Previous person in charge has been moved to another work unit so there is a change in P2K3 organogram.</p> <p>b. Extension for permit has not been being registered yet.</p> <p>Corrective Actions: 15th September 2014</p> <p>a. Company has submitted the approval request to revise P2K3 organogram for PT ITH Seruyan Estate, and Manpower and Transmigration Agency in Kotawaringin Barat District has granted this request by issued Decree number KEP.1048/DTT/HIP-KP/VII/2014 on 11th September 2014 (Closed)</p> <p>b. Company has presented documented-evidence like:</p> <ul style="list-style-type: none"> - Letter number: 003/SK-EKS/VIII/2014, on 08th August 2014 regarding the request to extend hazardous waste storage permit up to 90 days. - Fruit delivery note number: 010/SKF-SP/VIII/2014, on 08th August 2014 and has been accepted by Local 	Closed	06 th October 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Environmental Agency in Kotawaringin Barat District.</p> <p>There is no evidence (recommendation) from Local Environmental Agency in Kotawaringin Barat District related to extension for hazardous waste storage duration (Open).</p> <p>06th October 2014 Company has presented letter number: 660/677/BLH.IV/MS/IX/2014, on 29th September 2014 from Local Environmental Agency in Kotawaringin Barat District, regarding the approval to extent storage duration for hazardous waste PT Indotruba Tengah , that will be valid until 06th November 2014 (from 90 days to the maximum 180 days), Closed.</p> <p>Preventive Actions:</p> <ul style="list-style-type: none"> a. Pay attention to duration of appointment letter for occupational health expert who become a secretary in P2K3. b. Recheck and ensure the storage permit for hazardous waste is in line with the applicable regulation. <p>Summary from auditor: Based on improvement evidences, therefore non-compliance 2014.01.a. Major</p>		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							2.2.1 is closed and 2014.01.b. Major 2..2.1 has been fulfilled.		
2014.02	Minor 6.1.1	<p>Record on periodic social impact management and monitoring plan by involving local community's participation.</p> <p>There is a document for environmental management and monitoring plan for period January - June 2014, which describes the managed-social impact (social, education, religion, art, culture, economy) however, there is no evidence about local community's participation on drafting this management and monitoring plan.</p>	Mill & Estate	Minor	Re - certification	Company should present that social impact management and monitoring plan has been drafted by involving local community's participation.	<p>Root Cause: Company Perception about public participation its not based on required, and there is no scheduling and no officer designated.</p> <p>Corrective Action: Auditor Verification September 10th, 2015</p> <p>The company has shown the evidence of record of community;s participation on the social management and monitoring plan compilation based on the direct survey to the villages nearby estate, interview with stakeholder and questionnaires dissemination. Hence, Minor NC No. 2014.02 is closed.</p> <p>Preventive Actions: The company has determined the schedule to annual survey and interviews with the villages around Plantation , with Person In Charge is rspo clerk.</p>	Close	September 10 th , 2015

3.5.2 Identification of Findings, Corrective Actions and Observations at Re-Certification Assessment

No.	Ref Std/ Indikator	Nonconformity	Location	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
2015.01	5.6.3	GHG Calculation and Reporting The management unit was not able to show the result of GHG calculation and reporting based on PalmGHG calculator Version 2.1.1	Estate and Mill	Minor	ASA-1	The management unit should be able to show the result of GHG calculation and reporting based on PalmGHG calculator Version 2.1.1 and have it reported to RSPO	<i>Root Cause:</i> <i>Corrective Action:</i> <i>Preventive Action:</i>		

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	2.1.1	Formulir of reporting could be adjusted with the existed formulir on the letter of legalization for OHS Guiding Committee structure from West Kotawaringin Manpower Agency (Observation).
2	4.4.3	Need to be reconsulted for the re-registration (annually) based on the permit of effluent use from West Kotawaringin District Environment Agency. (Observation)
3	4.5.1	The company has opportunity to improve the pest attack monitoring by conducting census post pest control program. Therefore, the effectiveness of the pest control action could be evaluated and known.
4	4.6.6 5.3.3	The width of hazardous waste storage on Seruyan Estate and the waste stored on Sekunyir Estate hazardous waste storage should be known for sure.
5	4.6.11 5.3.3	Ensuring that the laboratory medical check up program to be held based on the plan for the employees exposed by pesticide and noise (Observation)
6	6.5.2	The company needs to ensure the compilation over the new company regulation (Observation)

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1		The company's commitment to implement the sustainable palm oil management principles
2		The company has gotten ISPO and ISCC certificate
3		The company has had competent PIC

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

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>West Kotawaringin District Environment Agency (Head of Division of Prevention over Soil, Air and Water Contamination)</p> <ul style="list-style-type: none"> • The company has managed and monitored environment as written on the report of environmental management and monitoring implementation. The report is regularly reported. The result of air, river water, reservoir water and monitoring well water quality test are attached on the report. The criticism over the report is the late reporting so the environment agency expects that the report shall be reported on time for the future. • Based on the Ministry Decree No 1 Year 2010, the company has processed the permit for new land application for period of 2015 – 2020. • The company has processed the monthly mill effluent quality test and has it reported regularly. The environment agency suggests that the format of the report and other test result reports to be improved by adding page of management review and page of legalization. • There is no environment contamination issue on PT ITH area reported to environment agency. • The company is not socializing the list of publicly-accessed documents to West Kotawaringin District Environment Agency. 	<ul style="list-style-type: none"> • The cause of the report late is the late of laboratory analysis report from the accredited laboratory in the middle of October 2015. Therefore, the report of environmental management and monitoring report can just be conducted on January 2016. • The process of progress shall be monitored by the company for the future. • The company shall compose the management review and page of legalization on each of the reported quarter-based report. • Shall be maintained. • The company has sent the list of publicly-accessed documents to the West Kotawaringin District Environment Agency in letter No. 095/SKE-Ekternal/IX/2015 dated September 9th 2015. 	<ul style="list-style-type: none"> • The company is expected to sent the report on time. It complies the criteria 5.1 • It complies the criteria 2.1 and 4.4 • It complies the criteria 2.1 and 4.4 • It complies the criteria 5.1 • It complies the criteria 1.1
<p>West Kotawaringin District National Land Agency (Head of National Land Agency)</p> <ul style="list-style-type: none"> • The company has proposed for Building Use Title (HGB) for the construction of pier on Mulya Jadi Village. It has passed the technical consideration from National Land Agency. The company has consulted with National Land Agency in term of 	<ul style="list-style-type: none"> • The process shall be continued in line with the applied law. 	<ul style="list-style-type: none"> • Building Use Title (HGB) for the construction of pier on Mulya Village is not within RSPO audit scope for PT ITH.

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>the process of Building Use Title (HGB). All the process have been running based on the applied law.</p> <ul style="list-style-type: none"> There is an indication that Building Use Title (HGU) of PT ITH is overlapping the land for business of Amin Jaya Village (transmigration). National Land Agency suggests the company to solve this issue for the conflict potential that might appear. 	<ul style="list-style-type: none"> no issues overlapping land and has been confirmed to the Amin Jaya Village 	<ul style="list-style-type: none"> The company is expected to coordinate with the nearby villages. It complies the criteria 1.2 and 2.2
<p>Pembuang Hulu II Village (Chief of Village and Head of Neighbourhood Association 15)</p> <ul style="list-style-type: none"> Pembuang Hulu II Village is consisted of 15 neighbourhood associations where neighbourhood association 13 and 14 are located on PT ITH area. There is no negative impact and environment contamination conducted by PT ITH. The absorption for local workers is still low for only about 10%. CSR realization is less satisfying. PT ITH frequently following village development forum process. PT ITH was holding HCV and endanger species socialization. Socialization in term of the publicly-accessed documents is not yet to be held. There is no land conflict between the company and the locals. There is no land burning during replanting program. The company is always communicating with the locals through public relation or estate manager. The company was informing the job opportunity. There are locals who work as contractor in the company. 	<ul style="list-style-type: none"> The company has informed the job opportunity to the locals based on the specification and need. The company has composed CSR program consisted of 5 aspects. It is now waiting for the realization. It shall be maintained. It shall be held annually. The company has sent the publicly-accessed documents to the Pembuang Hulu II Village Chief in letter No. 094/SKE-Ekternal/IX/2015 on September 9th 2015. It shall be maintained. It shall be maintained. It shall be maintained. It shall be maintained. Cooperation with the local contractors shall be continued (contractor for FFB and CPO transport and civil construction). 	<ul style="list-style-type: none"> It complies the criteria 1.1 and 6.1 The company is expected to give proper CSR based on the community's need. It complies the criteria 6.11 It complies the criteria 5.2 It complies the criteria 1.2 It complies the criteria 2.2 It complies the criteria 5.5 It complies the criteria 6.2 It complies the criteria 1.2; 6.1 and 6.2 It complies the criteria 6.10

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<ul style="list-style-type: none"> The complain expressed by the locals was the rhinoceros beetle during replanting program. The company has responded it. The company is expected to give consultation in term of agriculture due to one of the potential of Pembuang Hulu II Village is the watermelon production. The company is expected to give the shortcut to the locals to Tabuk Market. 	<ul style="list-style-type: none"> The company shall respond the complains from the locals consistently. It shall be the consideration for the company to conduct agriculture consultation. The bad function of market shall be evaluated by the company on the future including the security aspect and other aspects. 	<ul style="list-style-type: none"> It complies the criteria 6.2 and 6.3 It complies the criteria 6.11 It complies the criteria 6.2
<p>Amin Jaya Village, Pangkalan Banteng Sub-District, West Kotawaringin District</p> <ul style="list-style-type: none"> The company routinely provided assistance by giving heavy equipments for maintaining village roads. The road grader was lend on September 12th 2015. If they propose for assistance, the company shall respond it. There have been socialization in term of RSPO, HCV, endanger flora and fauna to the locals (Amin Jaya Village Community) on August 5th 2015. The company was never holding socialization in term of the publicly-accessed documents. The locals do not know the publicly-accessed documents yet. Amin Jaya Village Government has Karya Jaya Abadi Cooperative Unit. The village government ask for the company for any project they could deal with. During replanting program, there was a pest attack to community's estate on Hamlet I and II of Amin Jaya Village. The attack was indicated by the replanting program of the company. The company has controlled it. There is no contamination caused by the company's existence and there is no land dispute within company's area. 	<ul style="list-style-type: none"> It shall be maintained. It shall be held annually. The company has sent the publicly-accessed documents to the Amin Jaya Village Chief in letter No. 094/SKE-Ekternal/IX/2015 on September 9th 2015. The Village Company is not officially give proposal to the company. It has been well managed. It shall be maintained. 	<ul style="list-style-type: none"> It complies the criteria 6.10 It complies the criteria 1.1 and 5.2 It complies the criteria 1.2 It complies the criteria 6.2 and 6.10 It complies the criteria 6.1 and 6.2 It complies the criteria 6.2 and 6.3

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>Gender Committee</p> <ul style="list-style-type: none"> - The board of gender committee is consisted of Head, deputy on each unit, secretary and members. - The routine gender committee meeting is conducted in each quarter. The materials are the introduction of gender, benefit of gender committee on the workplace environment and socialization of sexual harasshment prevention. - Socialization of sexual harasshment prevention is held on every morning briefing. There is no any sexual harasshment that ever happened nor complaint in term of sexual harasshment to gender committee. 	<p>The Gender Committee is the company's program. The company shall always guide and support the success of Gender Committee program. Socialization of gender is continously held.</p>	<p>It complies the criteria 6.9</p>
<p>Contractor named CV Dwimahasta, Pangkalan Banteng Village, Pangkalan Banteng Sub-District, West Kotawaringin District on behalf of Rustam Efendi, Pembuangan Hulu Village, Hanau Sub-District, Seruyan District</p> <ul style="list-style-type: none"> - CV Dwimahasta works for making bridge, titian panen, settlement and supplying materials. Rustam Efendi works for transporting FFB from division II of Seruyan Estate ke to Sekunyir POM for about 8 Km. - The company could absorp the local workforce and open new business opportunity. The company guided the local contractor. - PPE for workers are provided by the contractor based on the contract for service agreement. The work accident become the responsibility of contractor. - On time payment based on the contract for service and no late payment ever happened. - The company was socializing the issue that the workers should 	<ul style="list-style-type: none"> • The company committed to guide and cooperate harmonically with the contractor. • The company is now proposing for replanting program to the top management. 	<p>It complies the criteria 6.10 and 6.11</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>be professional, have integration and loyal to the employer. The contractor should also respect the right of the workers such as PPE, wage, etc.</p> <ul style="list-style-type: none"> - Rustam Efendi asked the company to give facility for maintaining FFB transport vehicle. 		
<p>Head of Labour Union of Agriculture and Plantation of PT ITH</p> <ul style="list-style-type: none"> - There is a labour union named Indonesia Labour Union for Agriculture and Plantation Sector of PT Indotruba Tengah Unit which is led by Dian Masruri. It has been registered on West Kotawaringin District Manpower Agency in No. 05/DTT/HIP-HI/VIII/2013. The number of member are 506 workers. - There was a meeting between the labour union and the company to discuss Health BPJS (labour insurance). - The company has paid worker's wage based on the applied law and provided good facilities and gave their rights. - The manpower dispute could be solved in Bipartit mechanism so far. 	<p>The company has commitment to coordinate with labour union to deal with industrial relation dispute.</p>	<p>It complies the criteria 6.5 and 6.6</p>

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Sign-off of Assessment Findings

Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.

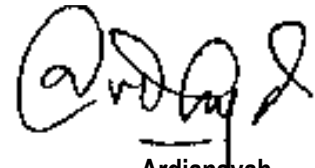
Signed on behalf of:

PT Indotruba Tengah
Head of PSQM Sime Darby Plantation

Mutuagung Lestari
Lead Auditor



Mohamad Pirabaharan
Friday, 25 September 2015



Ardiansyah
Friday, 25 September 2015

APPENDICES

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Environment Agency	Kotawaringin Barat District	-	Interview	September 08 th , 2015	√	
2	National Land Agency	Kotawaringin Barat District	-	Interview	September 08 th , 2015	√	
3	Man Power Agency	Kotawaringin Barat District	-	-	-		√
4	Plantation Agency	Kotawaringin Barat District	-	-	-		√
5	Pembuang Hulu II Village	Seruyan District	-	Interview	September 08 th , 2015	√	
6	Amin Jaya Village	Pangkalan Banteng sub district, Kotawaringin Barat District	-	Interview	September 08 th , 2015	√	
7	Gender Committee	Kotawaringin Barat District	-	Interview	September 08 th , 2015	√	
8	Infrastructure Contractor	Pangkalan Banteng village, Pangkalan Banteng Subdistrict, Kotawaringin Barat District	-	Interview	September 08 th , 2015	√	
9	Labour Union of Agriculture and Plantation of PT ITH	Kabupaten Kotawaringin Barat	-	Interview	September 08 th , 2015	√	
10	Sawit Watch	Indonesia	info@sawitwatch.or.id	By email	September 04 th , 2015		√
11	Wahana Lingkungan Hidup Indonesia	Indonesia	informasi@walhi.or.id	By email	September 04 th , 2015		√

Appendix 2. Assessment Program

Date/ Tanggal		07– 11 September 2015	
PROGRAM	ACTUAL	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, September 7th, 2015			
09.20 – 10.20	09.20 – 10.20	JAKARTA →PANGKALAN BUN	<ul style="list-style-type: none"> • ARD/ MR/ AF/ DN • ARD/ MR/ AF/ DN • ARD/ MR/ AF/ DN • ARD/ MR/ AF/ DN
11.00 – 13.00	11.00 – 13.00	PANGKALAN BUN→ SITE	
14.00 – 15.00	14.00 – 15.00	OPENING MEETING	
15.00 – 17.00	15.00 – 17.00	Verification review of previous visit non-comformance (ST-2 – ASA-4) RSPO and preparation of stakeholder consultation.	
Tuesday, September 8th, 2015			
08.00 – 12.00	08.00 – 12.00	<ul style="list-style-type: none"> • Stakeholders consultation to Related Government Institution (Kotawaringin Barat District Government and local NGO) • Stakeholders consultation to Nearest village and community leader Field Observation PT ITH	<ul style="list-style-type: none"> • AF • DN/ARD • MR • ARD/ MR/ AF/ DN • DN • ARD • MR/AF
12.00 – 14.00	12.00 – 14.00	• Public facilities (health clinic, education facility, etc)	
14.00 – 17.00	14.00 – 17.00	BREAK	
		<ul style="list-style-type: none"> • Stakeholders Consultation with contractor, SPSI and gender Field ObservationSEKUNYIR FACTORY: <ul style="list-style-type: none"> • WWTP, WTP, Hazardous storage, waste management and Workshop. • Operational, OHS and Worker Welfare(payments, complaint mechanism). 	
Wednesday, September 9th, 2015			
08.00 – 12.00	08.00 – 12.00	Field Observation SERUYAN ESTATE	<ul style="list-style-type: none"> • AF • MR • DN • ARD • ARD/ MR/ AF/ DN • MR/ AF/ DN • ARD
		<ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, IPM, OHS and Worker Welfare (payments, complaint mechanism) • Hazardous Waste Storage (LB3), Hazardous storage, OHS, Workshop, Worker Welfare (payments, complaint mechanism) and Land Fire facilities. • Emplasmnt, Waste management/landfill and Worker Welfare (payments, complaint mechanism). 	
12.00 – 14.00	12.00 – 14.00	Field Observation PT ITH	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> • Legal boundry and Conservation area BREAK <ul style="list-style-type: none"> • Clarification of Public Consultation and continue field observation Field Observation SEKUNYIR FACTORY <ul style="list-style-type: none"> • Supply Chain and interview with contractor 	
Thursday, September 10th, 2015			
08.00 – 12.00	08.00 – 12.00	Field Observation SEKUNYIR ESTATE:	<ul style="list-style-type: none"> • AF • DN • MR
		<ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, IPM, Worker Welfare(payments, complaint mechanism). • Emplasmnt, Waste management/landfill and Worker Welfare (payments, complaint mechanism). • Hazardous Waste Storage (LB3), Hazardous storage, OHS, Workshop, Worker Welfare (payments, complaint mechanism) and Land Fire facilities. 	

12.00 – 14.00	12.00 – 14.00	BREAK	• ARD/ MR/ AF/ DN
14.00 – 15.00	14.00 – 15.00	Audit finding discussion and preparation	• ARD/ MR/ AF/ DN
15.00 – 17.00	15.00 – 17.00	CLOSING MEETING	• ARD/ MR/ AF/ DN
17.30 – 19.30	17.30 – 19.30	SITE →PANGKALAN BUN	• ARD/ MR/ AF/ DN
Friday, September 11th, 2015			
07.35 – 09.00	11.30- 13.00	PANGKALAN BUN→JAKARTA	• ARD/ MR/ AF/ DN