

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

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

Name of Management Organisation : Angsana Mini POM, PT Sajang Heulang
subsidiary of SIME DARBY Plantation Sdn Bhd

Plantation Name : PT Sajang Heulang, KKPA 1 Estate (Full Manage Scheme Smallholders)

Location : Village of Sebampan, Sub District of Angsana, District of Tanah Bumbu, Province of Kalimantan Selatan, Indonesia

Certificate Code : **MUTU-RSPO/006b**

Date of Certificate Issue : 6 July 2011 **Date of license issue** : 6 July 2015

Date of Certificate Expiry : 5 July 2016 **Date of license expiry** : 5 July 2016

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-4	29 – 30 April 2015	Bukti Bagja, Rudi Ramdani , Naila Karima , Entin Hendartin , Yohanes Hardian	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	1 June 2015

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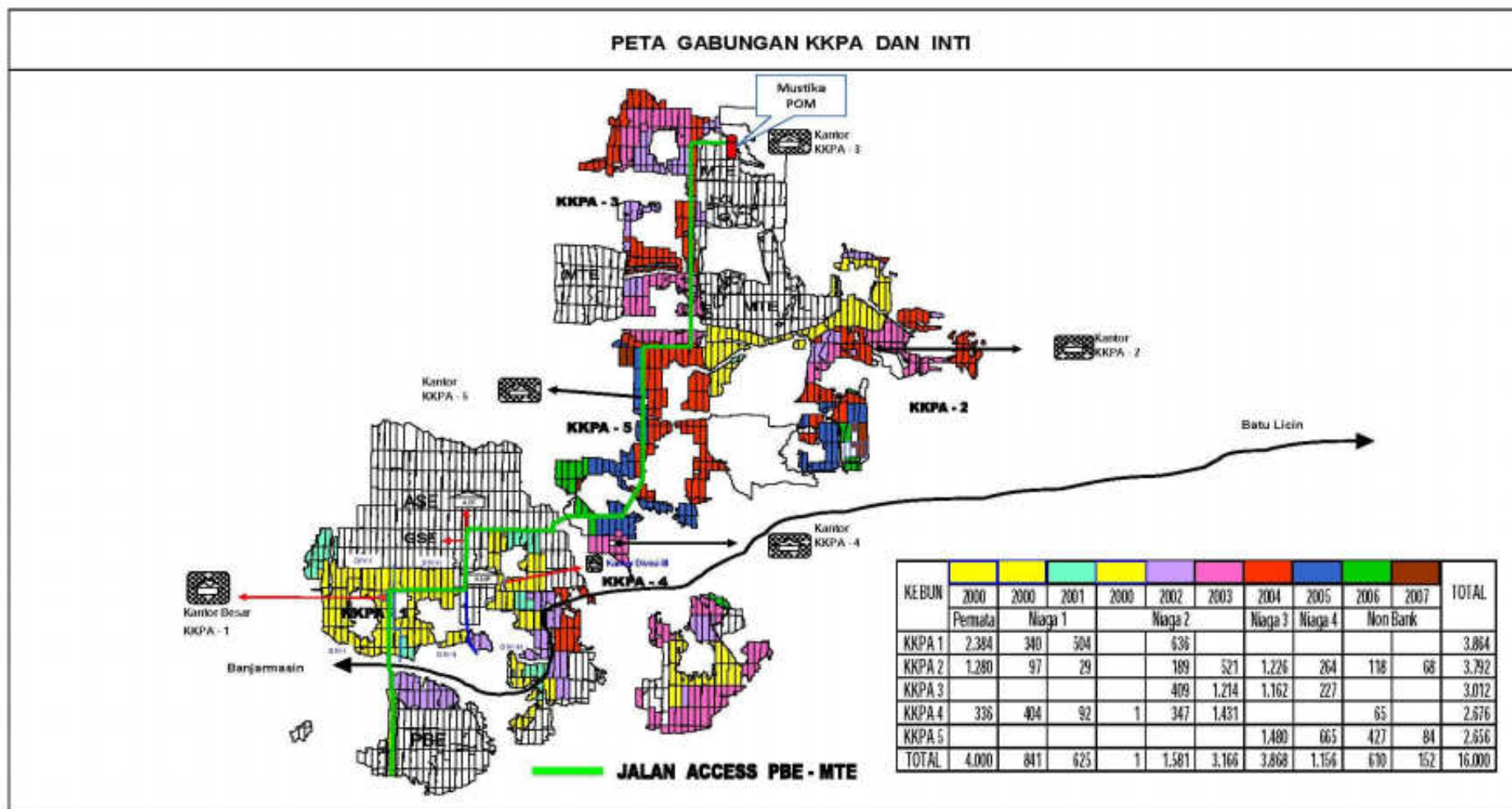
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Figure 1. Location Map of PT Sajang Heulang



Figure 2. Operational Map of PT Sajang Heulang



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

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> <i>RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.</i> <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> 	
1.2	Organization Information		
1.2.1	Organisation name listed in the certificate	Angsana Mini POM, PT Sajang Heulang - SIME DARBY Plantation Sdn Bhd	
1.2.2	Contact person	Mohamad Pirabakaran	
1.2.3	Organisation address and site address	<i>RSPO registered company:</i> No 2, Plantation Tower Jalan PJU 1A/7 Petaling Jaya, Malaysia 47301 <i>Liaison Office:</i> The Plaza Lt. 36, Jl MH Thamrin Kav. 28-30 Jakarta 10350	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	mohamad.pirabakaran@sime-darby.com	
1.2.7	Web page address	www.sime-darby.com	
1.2.8	Management Representative who completed the application for certification	Mohamad Pirabakaran (Head of TQEM Plantation)	
1.2.9	Registered as RSPO member	07 September 2004 1-0008-04-000-00	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of management unit	Palm Oil Mill and supply base <ul style="list-style-type: none"> Angsana Mini POM, KKPA-1 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
	Angsana Mini POM	Sub District Satui District Tanah Bumbu Province Kalimantan Selatan	S 3° 40' 20.3" E 115° 37' 16.7"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	KKPA-1 Estate	Sub District Satui District Tanah Bumbu Province Kalimantan Selatan	S 3° 38' 41" – 3° 45' 33" E 115° 32' 40" – 115° 39' 04"

1.5	Description of Area Statement						
1.5.1	Tenure						
	• State			4,001.00 Ha			
	• Community			- Ha			
1.5.2	Area Statement						
	• Total area			4,001.00		Ha	
	• Mature area			3,787.94		Ha	
	• Immature area			-		Ha	
	• Mill			137		Ha	
	• Emplishment			-		Ha	
	• Infrastructure			-		Ha	
	• Nursery			-		Ha	
	• Occupation			-		Ha	
	• Others area			76.06		Ha	
	• HCV			-		Ha	
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year			Hectarage			
				Total (Ha)			
	2000			2,695.76			
	2001			476.05			
	2002			616.13			
	TOTAL			3,787.94			
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		1 st Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/ year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Angsan Mini POM	15	64,459.05	15,160.76	23.52	3,003.79	4.66
<i>*Production data source from April 2014 – March 2015</i>							
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
		KKPA 1 (2,421 smallholders)	4,001.00	3,787.94	79,054.00	20.86	44,527.00
	TOTAL	4,001.00	3,787.94	79,054.00	20.86	44,527.00	69.07

	<i>*Production data source from April 2014 – March 2015</i>						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location	Supplied to Mill			
				FFB (tonnes/year)			
	KKPA 4 (RSPO Certified)	Scheme Smallholder	Sub District Satui District Tanah Bumbu Province Kalimantan Selatan	8,819.05			
	Pantai Bonati Estate (RSPO Certified)	PT Ladangrumpun Suburabadi (Sime Darby Plantation Sdn Bhd)	Sub District Satui District Tanah Bumbu Province Kalimantan Selatan	11,113.00			
	TOTAL				19,932.05		
	<i>*Production data source from April 2014 – March 2015</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Estimate Certified Product						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 06 July 2014 to 5 July 2015 (tonnes/year)		Actual certified product 06 July 2014 to 25 May 2015 (tonnes/year)	
	• FFB Production			79,723.59		51,093.34	
	• CPO Production			18,878.55		12,023.47	
	• Palm Kernel (PK) Production			3,563.64		2,413.92	
1.8.2	Estimate Claim Certified of FFB						
	Name of Estate(s)		Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	
	KKPA 1 (2,421 smallholders)		4,001.00	3,787.94	83,006.7	20.74	
	TOTAL		4,001.00	3,787.94	83,006.7	20.74	
	<i>*Projected FFB production for 12 months of certificate</i>						
1.8.3	Estimate Claim Certified of Palm Product						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Angsana Mini POM		15	83,006.7	19,299.06	23.25	3,693.8
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>						
1.9	Other Certifications						
	ISO 9001:2008			-			
	ISO 14001: 2004			-			
	OHSAS 18001:2007			-			
	ISCC			-			
	Others						
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	Management Unit		Estate (Supply	Time Bound	Location		

MILL	Time Bound Plan	Base)	Plan	
Sekunyir. PT. Indotruba Tengah	Certified 2010	Sekunyir Seruyan	Certified 2010 Certified 2010	Seruyan and West Kotawaringin District – Central Kalimantan
Manggala. PT. Tunggal Mitra Plantations	Certified 2010	Manggala 1 Manggala 2 Manggala 3	Certified 2010 Certified 2010 Certified 2010	Rokan Hilir District – Riau
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 Pinang Sebatang Aneka Persada	Certified 2011 Certified 2011 Certified 2011	Pekanbaru, Siak District – Riau
Sungai Pinang. PT. Bina Sains Cemerlang	Certified 2012	Sungai Pinang Bukit Pinang	Certified 2012 Certified 2012	Musi Rawas District – South Sumatera
Pematang. PT. Teguh Sempurna	Certified 2011	Pematang Kawan Batu Hatan Tiring Batang Garing	Certified 2011 Certified 2011 Certified 2011 Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan
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 Nusa Perkasa Nusa Lestari	Certified 2011 Certified 2011 Certified 2011	Indragiri Hilir District – Riau
Mandah. PT. Bhumireksa Nusa Sejati	Certified 2014	Mandah Rotan Semelur	Certified 2011 Certified 2011	Indragiri Hilir District – Riau
Angsana Mini. PT Sajang Heulang	Certified 2011	KKPA-1 PT.SHE Pantai Bonati	Certified 2013 Certified 2011	Tanah Bumbu District – South Kalimantan
Angsana. PT Ladangrumpun Suburabadi	Certified 2011	Angsana Gunung Sari KKPA-4 PT.SHE	Certified 2011 Certified 2011 Certified 2013	Tanah Bumbu District – South Kalimantan
Mustika. PT Sajang Heulang	Certified 2013	KKPA-2 PT.SHE KKPA-3 PT.SHE KKPA-5 PT.SHE	Certified 2013 Certified 2013 Certified 2013	Tanah Bumbu District – South Kalimantan
Gunung Aru. PT Bersama Sejahtea Sakti	Certified 2011	Gunung Aru Gunung Kemas Laut Timur Pantai Timur	Certified 2011 Certified 2011 Certified 2011 Certified 2011	Kotabaru District – South Kalimantan
Bebunga. PT. Langgeng Muaramakmur	Certified 2011	Sungai Cengal Bebunga KKPA Sungai Cengal	Certified 2011 Certified 2011 2014	Kotabaru District – South Kalimantan

	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	
	Rantau. PT Laguna Mandiri	Certified 2012	Rantau	Certified 2012	Kotabaru District – South Kalimantan
			Matalok	Certified 2012	
	Betung. PT Laguna Mandiri	Certified 2014	Betung	Certified 2012	Kotabaru District – South Kalimantan
			Sekayu	Certified 2012	
	Ungkaya. PT Tamaco Graha Krida	Certified 2012	Ungkaya	Certified 2012	Morowali District – Sulawesi Tengah
			Plasma TGK	2015	
	Ladang Panjang. PT Bahari Gembira Ria	Certified 2012	Ladang Panjang	Certified 2012	Muaro Jambi District - Jambi
			Plasma BGR	2015	
	Rantau Panjang. PT Guthrie Pecconina Indonesia	Certified 2012	Rantau Panjang	Certified 2012	Musi Banyuasin District – South Sumatera
			Bumi Ayu	Certified 2012	
			Karang Ringin	Certified 2012	
			Napal	Certified 2012	
			Mangun Jaya	Certified 2012	
			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	
			Karya Palma	2016*	
			Pelanjau (PT Budidaya Agro Lestari)	2018**	
			Sungai Putih (PT Budidaya Agro Lestari)	2018**	
			Baturus (PT Budidaya Agro	2018**	

		Lestari)		
	<p>Sime Darby has achieved 39 Management units in Malaysia and 21 Management Units in Indonesia RSPO certified. There was change of the Time Bound Plan under Sime Darby cause the Sime Darby postpone the others certification process. Change of the Time Bound Plan explanation:</p> <ul style="list-style-type: none"> • PT Mitra Austral Sejahtera. There are social issue still unresolved from the Serikat Petani Kelapa Sawit (SPKS) Sanggau, however the improvement are in progress. • PT Budidaya Agro Lestari. Waiting RTRWP status. • Karya Palma Estate, under construction. <p>Sime Darby has informed the Time Bound Plan progress, MUTUAGUNG has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>			
1.9.2	Progres Sumber lain (petani rekanan dan kebun lain) terhadap standard sertifikasi			
	All the FFB received by Angsana mIni POM PT Sajang Heulang are from RSPO certified source			

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-4	<p>1. Bukti Bagja (Lead Auditor). Master of Science majoring environment, Indonesia University. He had involved in RSPO assessment and HCV for GIS. The training he has followed namely ArcGIS, MAPInfo, Global Mapper, ER MAPPER, ERDAS Imagine, Indonesian Sustainable Palm Oil auditor and Awareness RSPO. At this time the surveillance activities on verifying aspects: legal, social and conflict resolution. Covered the legal, Social Aspect, GHG, hazardous waste and conservation and supply chain.</p> <p>2. Rudi Ramdani (Auditor). Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty of Bogor Agricultural University. He has experienced more than two years as an operational staff in a private oil palm plantation company in Indonesia. He also followed training he namely: Indonesian Sustainable Palm Oil auditor, Awareness RSPO, Management System Certification (ISO 9001:2008) training and awareness OHSAS. Currently he works for Independent Certification Body. He had involved activities RSPO and ISPO certification assessment as an auditor. Covering the best agricultural practices, Integrated Pest Management.</p> <p>3. Naila Karima (Auditor). Bachelor of Public Health, Department of Occupational Health and Safety. Faculty of Public Health, University of Indonesia. She had experience working in private oil palm plantation companies in Indonesia. She had followed training such as ISPO Lead Auditor, awareness training the RSPO certification system, awareness training Occupational Health and Safety Management System (PP No. 50 year of 2012), and Integrated Management System (OHSAS 18001:2007, ISO 14001:2004, and ISO 9001:2008). Covered safety and health, worker welfare and gender issue.</p> <p>4. Entin Hendartin (Auditor). Doctorate from the Faculty of Forestry, Bogor Agricultural University in 2011. She has followed training as Lead Auditor of RSPO, ISPO and Certification of Sustainable Forest Management (SFM) Scheme Indonesian Ecolabelling Institute (LEI) and the Ministry of Forest Management. Experts in the field of environment, social, economic and cultural rights. Previously been a lecturer at the Bandung Institute of Technology. Covering the Environmental Aspect, Social Aspect.</p> <p>5. Yohanes Hardian (Auditor). Diploma 3 Forest Resource Conservation, Faculty of Forestry, Bogor Agricultural University, specialist in the field of environment and wildlife. HCV attended training. Has been involved in several managers identification of HCV Oil Palm Plantation. Worked as an environmental staff on Oil Palm Plantation. Have been trained as ISPO auditor, ISO 9001 & ISO 19011 and awareness training of RSPO certification. Covering the Environmental Aspect, Conservation Aspect.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-4	<p>Number of auditors : 5 auditor</p> <p>Number of days for ASA-4 at site : 2 days</p> <p>Number of working days for ASA-4 at site : 10 Working days</p>
2.2.2	Assessment Process
ASA-4	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sajang Heulang to the requirements of RSPO Principles and Criteria (P&C) for the Production of Sustainable Palm Oil - April 25th, 2013 and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (RC).</p> <p>Improvement of findings from main assessment findings were observed by auditors at this RC assessment. All</p>

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

The assessment program please find Appendix 2

2.2.3	Locations of Assessment
ASA-4	<p>Angsana Mini POM:</p> <ol style="list-style-type: none"> 1. Processing Stage (loading ramp till dispatch). Observation on the FFB processing to be CPO and mill emergency response. Interview with the mill workers (boiler operator and engine room operator) in term of the medical checkup, operator license, waging, complaint expression, OHS implementation, training, safety work practice, PPE provision and procedure of MB. 2. Chemical warehouse. Observation on the chemicals handling and interview with the warehouse Officer in term of the procedure of chemicals handling, emergency situation handling and OHS implementation. 3. Water Treatment Plan. Observation on the firstly processed clean water. 4. Workshop. Observation on the OHS (first aid kit) and emergency response facilities provision and interview with the welding expert in term of training, medical checkup, OHS implementation safety work practice, complaint expression, freedom to unite and waging. 5. Diesel Fuel Tank. Observation on the fire extinguishing facilities availability. 6. POM hazardous waste storage. Observation on hazardous waste handling referring the applied regulations and interview with the hazardous waste storage Officer in term of the medical checkup, hazardous waste handling procedure and availability of contamination and radiation handling facilities. 7. Waste Water Treatment Plant (WWTP). Observation on the effluent handling and pollution reduction handling. 8. Laboratory. Observation on the sampling and OHS implementation on the laboratory. First aid kit is incomplete. The first aid kit completeness needs to be monitored consistent (Observation). <p>KKPA 1 Estate</p> <ol style="list-style-type: none"> 1. Division I of KKPA 1. Observation on the EFB application and the sandy soil. 2. Block H11-12 of Division I of KKPA 1. Observation and interview with the harvesters. The harvesters are equipped with helmet and boots. The harvesters have been permanent and they have aware of the rights in term of labor social assurance and they have become the labor union member. 3. Blok H55 of Division I of KKPA 4. The boundary pole of scheme smallholders (KKPA 4) against the nucleus estate. 4. Block K11 of Division I. Observation on the spraying program. The sprayers have been equipped with masker, gloves, apron and safety boots. There is no pregnant nor breastfeeding women workers working with chemicals. 5. Block H12 of Division I. Observation on the harvesting program. The harvesters have been equipped with boots and helmet and the sickles with its cover. 6. Riparian area in Division 1 of KKPA 1. The riparian area is well maintained. There is a riparian area marking and riparian area signboard. 7. Boundary of KKPA against the nucleus estate. The boundary pole of the nucleus estate is well maintained. It was created by the nucleus estate (PT. LSI).
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-4	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Sajang Heulang was held by:</p> <ul style="list-style-type: none"> Public Notification on website Mutuagung Lestari. Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples.

	Numbers of input from stakeholders were clarified by PT Sajang Heulang
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (Re-Certification) will be determined one year after this ASA-4 (April – June 2016).

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Angsana Mini POM – PT Sajang Heulang, SIME DARBY Plantation Sdn Bhd operation consisting of one (1) mill and one (1) oil palm estates.

During the assessment, there were one (1) Nonconformity were assigned against Major Compliance Indicator; five (5) nonconformities were assigned against Minor Compliance Indicators and one (1) nonconformity for RSPO Certification System 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. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g documents. Those corrective action(s) taken that consist of one (1) Nonconformity were assigned against Major Compliance Indicator; five (5) nonconformities were assigned against Minor Compliance Indicators and one (1) nonconformity for RSPO Certification System shall be verified during next assessment.

MUTUAGUNG LESTARI found that Angsana Mini POM – PT Sajang Heulang, SIME DARBY Plantation Sdn Bhd complied with the requirements of *Principles and Criteria for Sustainable Palm Oil Production. Issued by RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, 25 April 2013 and RSPO Supply Chain Certification Standard November 2014.*

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
	<p>The management unit has all the needed documents referring the applied regulations such as Land Use Title (HGU) certificate, document of EIA/environmental management and monitoring plan, document of social and manpower impact assessment. Therefore, the company is able to provide the information needed by the stakeholders in term of the aspect of legal, environment management, social management and manpower. The management unit also has procedure which regulates the public access over the documents. Furthermore, the management unit also conducts routine reporting to the associated agencies. For example, the 1st quarter of 2015 OHS Guiding Committee report which was reported to the Head of Tanah Bumbu District Manpower Agency and was received on April 17th 2015.</p> <p>The management unit has SOP of information request dated May 1st 2014 for PT LSI SOU 4-Angsana. According to the document, all information request letters should be purposed to the Manager of Operational Unit. The response over the document should be given within 1 week and if the request needs the approval from the Head of Department it would be responded within 1 month.</p> <p>The management unit of KKPA 1 and Angsana Mini POM have log book of the incoming letter sent by the stakeholders. Most of the letters are asking the assistance for providing place at the company to be a practical laboratory for the vocational students, fund assistance request, and invitation. The KKPA 1 management unit has 1 log book of the</p>	

incoming letter sent by several parties. Most of the letters are asking the road grader assistance, fund assistance request for mosque and park construction.

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

The management unit is able to show the evidence of the socialization of the mentioned documents on September 8th 2014. According to the interview with the staff of Purwodadi Village, management unit was informing the list of the publicly-accessed documents.

Status : Full Comply

1.3

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

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

Status : Full Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

There is evidence of the management unit compliance over the legal requirements such as Compliance over the decree of the South Kalimantan Governor number 188.44/0633/KUM/2014 dated December 16th 2014 in term of the minimum wage standard for Tanah Bumbu District for period of 2015 for IDR 1,913,000 (USD 147). The decree shall start to be implemented on January 1st 2015. The management unit shows the memorandum from the General Manager of HRM Number 014/HRM-13/I/2015 dated January 12th 2015 in term of the daily permanent workers salary and the monthly permanent workers structure for period of 2015 in South Kalimantan. The lowest wage on class 1G is IDR 1,940,505 (USD 149) and the highest wage on class 8A is IDR 2,378,005 (USD 182). The wage is excluding the income tax cut. The management unit has composed the document of the regulation compliance. It covers the type of the existed

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

According to the interview with the workers and observation on Angsana Mini POM, there are several facts. For example:

- a. The boiler operator license on behalf of Dian Feriyanto is expired.
- b. The loader operator does not have operator license/OHS license for load and crane machine.

NC Number 2015.1 as Major category 2.1.1

Root Cause: There is a late of boiler operator license processing. Meanwhile, the loader operator does not have license because the operator is a new guy. The replaced loader operator has resigned.

Corrective Action: Processing the boiler operator license extension and holding training for the loader operator.

Preventive Action: Ensuring all boiler and heavy equipments operators to have their own license and the operator license period should always be monitored.

Auditor observation on June 20th 2015

- a. The management unit shows the boiler operator license on behalf of Dian Feriyanto (number P.10.83.OPK3-PUBT-B.I/V/2015). It is issued by RI Manpower Ministry. The license is valid till May 22nd 2020.
- b. The management unit shows the crane and load machine operator OHS license on behalf of M. Ali Sadikin (Reg number 52573-OPK3-LT/PAA/V/2015). It is issued by RI Manpower Ministry. The license is valid till May 22nd 2020.

NC Number 2015.1 is closed.

Major 2.1.1	Status: Non conformance NC.2015.1 with major category	
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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.

Just like previous assessment, the KKPA estate which provides FFB to Angsana Mini POM is the full-managed community estate. It is managed by PT. Sajang Heulang. The agreement between PT SHE and Tuwuh Sari Cooperative Unit are written on:

- Recommendation from Kotabaru District Government number 590/1849/Tibum dated March 18th 2000 and recommendation from Tanah Bumbu Regent number 525/1023/BUN/2005 dated December 22nd 2005.
- The first stage cooperation agreement between PT. Sajang Heulang with Tuwuh Sari Cooperative Unit on January 5th 2000. The total area managed for scheme smallholder is 4,000 Ha. It is located in Satui Sub-District, Kotabaru District (before the disintegration).

The KKPA area which is considered as the transmigration soil are located in Villages of Purwodadyi Bayan Sari, Banjar Sari, Makmur, and Karang Indah. All of them belong to the community (Ownership Certificate Paper). Several legality of land area belong to Angsana Village are still proven by the "Land Certificate Paper". During the cooperation period, PT. SHE facilitates the progress of ownership certificate paper for the community land which the land status is still proven by "Land Certificate Paper".

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

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

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

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

The copy of agreement with the locals for establishing KKPA 1 is available in form of the cooperative agreement. It is the agreement between the company and Tuwuh Sari Cooperative Unit for developing 4000 hectare of the community's land on January 5th 2000. By then, the estate development shall be conducted without crossing the line.

According to the interview with the board of Tuwuh Sari Cooperative Unit and the document review, all the information relevant to the scheme smallholders has been provided before the agreement signing. The negotiation and agreement process is using "Bahasa Indonesia" in order to be easily understood by both parties.

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

Status : Full 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 management unit has had annual work plan and 5 years projection. Those are composed by each estate and mill unit (Angsana Mini Mill and KKPA 1). The business plan for Angsana Mini Mill for period of 2014/2015 and the projection for period of 2016-2019 contains the source of FFB, CPO production, PK production, total of palm extraction, total budget for period of July 2014 – June 2015, projection for period of 2016-2019. Meanwhile, the business plan for KKPA 1 is consisted of the planted land hectare, the harvested land hectare, FFB production, the transported FFB, the outcome, direct cost per kg of FFB, constant cost of the FFB per kg, direct cost per hectare of the mature plant and constant cost of the mature plant, actual cost for period of 2012/2013, the budget for period of 2014-2015, and the projection for period of 2016-2019.

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

Status : Full 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 SOP of reference of palm oil plants planting agronomy manual number 110/EST-ARM/13. It consisted of 18 chapters in term of the technical culture of the palm oil cultivation technical released based on the memorandum of the Head of plantation Upstream Indonesia on September 16th 2013, and SOP of palm oil processing system number 110/POD-FAC/07. It was legalized by the Mill Manager and Mill area GM.

The procedure to inspect the SOP implementation at PT SHE – Angsana Mini POM is conducted by the internal auditor team of Sime Darby Plantation Indonesia in form of the Plantation Advisory and Mill Advisory program. For example:

- Plantation Advisory: it was conducted on December 14th – 16th 2014 and the score of the performance qualitative report was 75.
- Mill Advisory of Angsana Mini POM number Minamas/AMF/01/14-15. It was conducted on August 23rd – 24th 2014 and the PQR score was 80%. The score covers the aspects of machinery running, store stock holding, effluent treatment, line site upkeep, product & losses, etc. For example, anaerobic pond number 2 is suggested to be desludged.

The records of all programs conducted on estate and POM are consistently documented on the foreman program report to the manager report. For example:

- Monthly report of KKPA 1 estate unit on March 2015.
- Monthly report of Angsana Mini POM on March 2015. It discussed and evaluated the production and dispatch, product quality analysis, losses and application, production cost, employees data. For example, the oil losses in score 1.32 shall be maintained (the score threshold is 1.5).

Angsana Mini POM does not receive FFB beyond the nucleus estate and KKPA.

Status : Full Comply

4.2

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

The company has conducted several efforts to increase soil fertility. For example: Analyzing soil each 5 years, Analyzing soil at the effluent application block in ASE referring the effluent application permit, Analyzing the fertilizer sample, Monitoring the realization evaluation of manuring program, Conducting annual leaf analysis, Utilizing EFB as organic soil, Utilizing effluent at the land application block.

Soil and leaf analysis:

The company shows the document of final report of soil survey and evaluation on the land suitability for the palm oil plants in KKPA 1 estate, PT SHE. It was composed by the Minamas Plantation Research Department on 2012. The KKPA estate is consisted of:

- Topography: flat (0-2% for 2,705 Ha or 70%); wavy (2-6% for 1,159 ha or 30%).
- Soil Type:
 1. Ultisol, typic hapludults for 967 Ha (25%).
 2. Ultisol typic plintudults for 2,375 Ha (61.5%).
 3. Ultisol plintic kandiudults for 518 Ha (13.4%).
 4. Inceptisol typic humic endoaquepts for 4 ha or 0.1%.

Leaf Analysis for period of 2014-2015 in GSE and KKPA 1: there is a record of the leaf analysis for KKPA 4 from the Minamas Center Research staff.

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

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

Status : Full Comply

4.3

Practices minimize and control erosion and degradation of soils.

The semi-detail soil survey also provides the unit of land map. The map shows the land suitability level referring the soil type and slop for each area (SPL 1 to SPL 7). The marginal soil is described as N1 suitability level (currently unsuitable) and N2 suitability level (unsuitable).

According to the semi detail soil topography, the KKPA 1 soil is constituted by flat land with slope level between 0%-2%. Hence, there is no specific strategy needs to be implemented.

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

According to the result of semi-detail soil survey, there is no peat land area within KKPA 1 operational area. Furthermore, according to the field visit to KKPA 1 estate block, there is no peat soil. Furthermore, KKPA 1 is not conducting replanting program due to the fact that the palm oil plants age is still below 25 years.

There is no sulfate acid soil within KKPA a area. There is only low organic ingredient soil. The effort conducted by the company to manage the soil are

- The improvement on soil fertility by planting LCC plants (*Nephrolephis sp*); applying EFB; selective weeding.
- The manuring management in order to maintain the nutrient balance, especially for the nutrient N, P and K and other fertilizer with balance dosage adjusting several plant maintenance programs.
- Maximizing fertilizer use efficiency in form of the precise type, dosage, method, time and place manuring. For example, the slow release fertilizer.
- Pressing the leaching and improving the water availability. Especially for the soil type of plintudults (easily washed off) and typic hapludults/sandy clay (easily leached).

The company has EFB application program for division 1 – 3. According to the field visit to KKPA 4 estate, the FFB is applied on the block consisted of *laterit* soil. For example, block J58. Meanwhile, the stop bound made from the knapsack filled with soil are installed alongside the road on the block where the sandy soil exist. Furthermore, the frond arrangement is applied to slow the water flow down

Status : Full Comply

4.4

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

There are several company's policies in order to maintain the water quality and availability. For example, avoiding chemicals usage on all buffer zone area and water source, restoring the riparian area function by classifying it as HCV 1. The company determines the riparian area for 50 meter off the river referring the Memorandum of the Head of Plantation Office - HPO Number POD-UM-061/IV/ 2010 dated March 8th 2010) and Number POD-UM-089/XII/1911 dated December 6th 2011 in term of the HCV area monitoring and management.

There is a document of HCV map and monitoring at KKPA 1 in form of the riparian area along with the its zoning. For example:

- The company has determined the riparian area within operational area as HCV area. Therefore, the chemicals should not be applied within 50 meter area of the river, the flora and fauna at the riparian area should also be

monitored and the woody plants should be planted.

- The company has monitored the river water quality (Sebamban River and Bekarangan River upstream and downstream including the monitoring well). The test is routinely conducted (each semester).
- The company also has tested the monitoring well water as well as the community's well water referring the Health Ministry Regulation number 416 year 1990. It was conducted by the accredited laboratory (Baristan Banjarbaru, South Kalimantan) on October 2014. The river water quality is conducted routinely (each semester).

The company has monitored the effluent quality regularly. It is analyzed on the research laboratory and industry standardization of Banjarbaru.

Parameter	Quality Threshold	July	August	September	October	November	December
BOD	<5,000	840	245	165	144	420	210
PH	6-9	7.9	8.7	7.6	7.3	7.2	8.8

According to the result of effluent monitoring, the WWTP is effectively decreasing the effluent parameter score. In general, the effluent BOD has complied the quality threshold.

According to the document review on the water consumption monitoring for mill processing stage on December 2nd 2014, the average of water consumption for processing FFB during period of 2014 was 1.4 m³/ton of FFB. Meanwhile, the water consumption is planned for 1.5 m³/ton of FFB. Hence, the water consumption has complied the plan.

According to the observation on WTP, the inlet and outlet water debit flowmeter is well functioned. According to the result of interview with the WTP Officer, the mill water consumption is recorded by referring the first and final data of flowmeter. The Officer is equipped with masker, gloves, etc. The Officer has been paid by referring the minimum wage standard as well as the housing complex, clean water, electricity, medical center and health insurance.

Status : Full Comply

4.5

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

The company shows the documentation of the IPM training in PT SHE was conducted by MRC Plantation on December 23rd 2014. The training material is the IPM for bagworm, nettle caterpillar, Oryctes sp, rat.

The early warning system over the pest and disease attack in KKPA 1 is started with the visual monitoring conducted by the staff and employees over the plants condition at estate.

There are :

- Recapitulation of beneficial plants in 3 division for 250 m of *Turnera sp* at the main road, 342 m of *Turnera spin* collection road; 160 m of *Cassia spin* collection road and 238 *Cassia spin* main road.
- According to the Oryctes attack monitoring on September 22nd 2014, there is no attack on division 1 and 2.
- According to the barn owl development monitoring, there are 1 owl and 4 flying owlets in division 3.
- According to the monitoring of hogs, termites, bagworm, ganoderma attack on March 2015, there is no attack on 3 division

Status : Full Comply

4.6

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

There are 10 pesticides used by the company. Those are *garlon*, *starane*, *kenlon*, *decis*, *metaprime*, *metafuron*, *basta*, *prima up*, *dejavu*, *supremo*. All the pesticide have has registration number. All the pesticides are permitted by the Agriculture Department.

The company shows the document of circle and harvesting path maintenance realization and program monitoring for division 1 – 3 of KKPA 1. It informs the hectare of the application and amount of the ingredient used by. Furthermore, the pesticide toxicity is also monitored. For example, the usage of *metaprima*, the active ingredient/ha during period of July 2014 to April 2015 was 2.64 gram/ha. The LD50 of *metaprima* was >5,620 mg/kg.

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

The company shows the documentation of the ULV and VLV spraying equipments training for the sprayers. The training was cooperating with PT Agritama Multi Sarana in ASE Sportorium on September 11th 2014. The company also has held first aid training in SOU 4 on February 6th 2015. It was conducted by the company doctor. It was attended by the foreman and staff. According to the field visit, the company has provided MSDS and complete first aid kit at the warehouse.

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

According to the result of interview with the pest control team and sprayer's team, there is no pesticide application from air in KKPA 1 Estate.

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

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

According to the observation at the hazardous waste storage, the hazardous waste are categorized based on its type. The hazardous waste storage refers to the permitted coordinate (away from the flood and settlement area). The hazardous waste storage has also been supported with the symbols of hazardous waste, fire extinguishers, *showereye wash*, oil trap and tank. According to the result of interview with the hazardous waste storage, the Officers have aware of the SOP of waste management. They have also been supported with PPE, they have received minimum wage standard as well as housing complex, electricity, clean water, medical center and health insurance.

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

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

1. Eyes disorder caused by drugs or manuring programs (manuring technique). The wind should be concern when

dealing with this thing to reduce the eyes disorder potential.

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

The management unit has implemented a policy that all programs have to do with pesticide should not be conducted by the pregnant nor breastfeeding women workers. According to the result of observation to block K11 of division I, there is no pregnant nor breastfeeding women sprayers. The workers have aware of the policy.

Status : Full Comply

4.7

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

The management unit is consistently documenting and implementing the policy, procedure and program of OHS to each POM and estate. According to the result of interview with the management unit, there are no changes on the SOP procedure until ASA-4 assessment. The OHS policy is announced by the installation of OHS policy pamphlet for each work unit in Angsana Mini POM office.

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

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

The management unit has provided the proper PPE for all workers at the high risk operational units. According to the result of observation at block H12 of division I, the harvesters have been equipped with boots and helmet as well as the sickles with its cover. According to the result of observation on spraying program on block K11 of division I, the sprayers have been equipped with masker, gloves, apron and boots.

There is a change of the structure of OHS Guiding Committee board for POM and estate management unit during ASA-4 assessment. It has been reported to the Tanah Bumbu District Manpower Agency (the Decree number 565/36/BNWS-WAS/2014 which was legalized on April 25th 2014). The OHS Guiding Committee is regularly holding an assembly to discuss OHS issue from each POM and estate management. For example, the KKPA 1 OHS Guiding Committee assembly on April 9th 2015. It was discussing the socialization of HIRAC, work ethic, driving ethic, accident alert and PPE usage. The OHS Guiding Committee programs are reported to the Tanah Bumbu Manpower Agency routinely (each quarter). There was a document handover number 079/KKPA1-P2K3/IV/15/S dated April 16th 2015.

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

management unit needs to monitor the completeness of the first aid kit consistently.

The management unit has registered the employees on the Manpower BPJS program. There is an evidence of the Manpower BPJS program payment for period of March 2015. It was paid on April 22nd 2015. However, according to the basic salary observation on March 2015, there are still uncovered temporary daily labours in KKPA 1 with work accident insurance. **NC Number 2015.2 as Minor category 4.7.6**

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

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

The management unit has composed the employees training and competence improvement programs. It covers all aspect of RSPO P&C on the human resource development program for period of July 2014 – June 2015. For example:

- Spraying technique training for the sprayer, sprayer foreman, foreman 1 and assistant on September and Desember 2014
- Manuring technique training for the manurer, manurer foreman, foreman 1 and assistant on July 2014.
- Grading technique training for the harvester, harvester foreman, foreman 1, harvesting clerk, grading Officer, grading Officer foreman, assistant on July and December 2014.
- First aid kit training for all employees on February 2015. It was taught by the company doctor.
- RSPO/ISPO/ISCC training for all employees on October 2014, February and March 2015. It was taught by the PSQM facilitator.

The records of the training result for the employees have been shown by the management unit. It consisted of attendance list and the training materials as well as the training certificate. All records of employees training are maintained on each estate and mill work unit. For example, the SCCS – RSPO-Certified SG training on April 8th 2015. It was attended by 15 participants consisted of mill manager, senior assistant, POM staff, PSQM staff, Logistic & Distribution staff, weighbridge operator and production administrator.

Status : Full Comply

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

5.1
Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.

The company has had environment document (EIA) referring the decree of the Secretary General of the Plantation and Forestry Department Number 154/menhut-II/2000 dated December 26th 2000 in term of the EIA of palm oil estate and POM in Sutai Sub-District, Sungai Loban Sub-district and Kusan Hulu Sub-district of Kotabaru District, South Kalimantan Province for 40,000 ha of land and 26,000 ha of estate area and POM with capacity for 2 X 60 Ton of FFB/Hour.

The cultivated nucleus estate area for ±12,000 ha. It covers the nucleus estate I (Mustika Estate) for ±6.200 ha at the northern estate area and the nucleus estate 2 (Pantai Bonati Estate) for 5,800 ha at the southern estate area. However, the effective area for planting the palm oil plants is only 10,000 ha. Therefore, it would be divided fairly (both estate get 5,000 ha).

In order to process the FFB, the company built 2 POM. Each POM has capacity for 60 ton of FFB/Hour.

Type of the must-managed and must-monitored impacts:

1. Water quality reduction on Bekarangan and Sebamban River caused by POM operationals.
2. Social restlessness caused by inappropriate land compensation.
3. Job and business opportunity.
4. Land fire potential.
5. Erosions.
6. Air quality reduction and noise.
7. Changes on the community's perception and attitude.

The company has sent the result of environment monitoring and has it reported to the associated agency. The report in 2nd semester of 2014 has been sent on March 30th 2015.

The location for the POM 2 establishment referring the EIA document is as follows:

The cultivated nucleus estate area for ±12,000 ha. It covers the nucleus estate I (Mustika Estate) for ±6.200 ha at the northern estate area and the nucleus estate 2 (Pantai Bonati Estate) for 5,800 ha at the southern estate area. However, the effective area for planting the palm oil plants is only 10,000 ha. Therefore, it would be divided fairly (both estate get 5,000 ha).

In order to process the FFB, the company built 2 POM. Each POM has capacity for 60 ton of FFB/Hour. Those POM are located in nucleus estate I and II. Therefore, Angsana Mini POM is beyond the EIA coverage. **NCR Number 2015.03**

The company has shown the responsibility for monitoring the environment as written on the report of environmental management and monitoring plan in 2nd semester of 2014. For example:

- **River Water Quality Reduction.** The company has tested river water quality regularly and has it reported to the associated agency.
- **Air Quality and Noise.** The company has tested the air quality and noise regularly and has it reported to the associated agency.
- **Job Opportunity.** The company has recruited the local (76.69 %) and non-local workforce (20.31%).

Minor 5.1.2	Status : Non conformance NC.2015.3 with minor category
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5.2

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

There is a report of HCV identification result within PT. Sajang Heulangin the scope of KKPA 1 and KKPA 4. The HCV identification was held on January 2010. It was identified by the external assessor from Bogor Agriculture University. According to the result of identification, there is no endanger and rare species within PT SHE area. However, there is HCV area such as riparian area. For example HCV area within KKPA 1 area: Nibung Riparian (3.26 hectare), Setarap Riparian (7.14 hectare) and Riparian in LA block (6.1 hectare), Nibung Riparian (19.77 ha), Bayan Sari Riparian (1.69 ha), Riparian in block H31 (5.46 ha).

There are several stages to protect HCV area within KKPA 1 area. For example:

- Determining and protecting the riparian area.
- Woody plants planting in riparian area for 50 m (5 palm oil plants) of left and right of the river.
- Installing HCV signboard which informs that the area is protected and trespassing the area means "you are looking for trouble".
- Holding socialization to the locals including the board of cooperative unit in term of the must-preserved HCV area (riparian area) on Wednesday, May 8th 2013.
- Flora and Fauna monitoring.

There is an HCV training program written on the human resource development program. The company needs to improve the performance and inform it clearly on the HCV training program as well as its sustainable monitoring. The latest socialization and training was held on March 10th 2015 for the employees in KKPA 1. The official record and the attendance list is available.

PT. SHE as the company in charge of KKPA 1 has had management plan for HCV area as well as its sustainable monitoring result for HCV area in KKPA1 and KKPA 4. For example, the palm oil plant marking, manual maintenance at the riparian area, water debits measurement and river water quality test. However, there is no evidence of its HCV management evaluation (**NCR 2015. 4**)

In general, the HCV area within KKPA 1 is located at the community's area. There was evidence of HCV socialization for the locals. For example Socialization in KKPA 1. It was held in Bayansari Village Office on October 8th 2012. It was discussing the flora and fauna preservation, introduction of the endanger animals and the environment preservation. The socialization of the HCV/wildlife handling to the employees is informed during morning briefing. It is informed by the Assistant of division I of KKPA 1.

Minor 5.2.4 | **Status : Non conformance NC.2015.4 with minor category**

5.3

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

The POM and estate management unit has SOP in term of the hazardous waste management. For example:

- SOP of hazardous and non-hazardous waste management, revision 01 dated January 2nd 2014. The procedure describes the method of waste management of both different waste type (hazardous and non-hazardous waste).
- SOP of measurement and monitoring number 33/MTF/SOP/SMK3LH dated March 1st 2011.
- SOP of pesticide storing, revision 01 dated January 2nd 2014. The procedure describe that the recent incoming pesticide containers must be recorded on the bincard which shows the amount, type and date of pesticide purchase; the pesticide must be stored at the safe locatio (away from the food ingredient, fertilizer and water source); each pesticide type must be placed separately regarding its classification; the pesticide must be stored at the safe containers (no leakage) with the label describes the full and clear information; during its storing, the pesticide must be sealed; the stored pesticide must be regularly inspected; the pesticide containers must be handed over to the estate storage to be secured.

Solid Waste.

The descriptions of the procedure are as follows:

- Each unit must identify and handle all type of solid waste referring the determined operational criteria.
- Each unit must separate the solid hazardous and non-hazardous waste.
- The hazardous waste management is referring the SOP of hazardous waste management.

Hazardous Waste

The descriptions of the procedure are as follows:

- The units which generates hazardous waste must identify the type of hazardous waste at its unit as well as monitor and record the generated hazardous waste.
- Determining the type of the hazardous waste as written on the standardization of work instruction of hazardous and non-hazardous waste receipt.
- The hazardous waste recording must inform the type of material or product name, material classification, amount of waste and the date of its recording.

Hazardous Material Usage and Inventory.

The descriptions of the procedure are as follows:

- The hazardous material (including its supporting materials) user (unit) must identify the type hazardous material and monitor it at each department.
- Each unit which store the hazardous material must determine the inventory control over the hazardous material.
- The inventory control must describes and record the information of the material type or product name, date of incoming and outgoing of the material, amount of material (the incoming and outgoing materials).
- Unit (for example, Kg, Liter, Drum, etc)

The hazardous waste is managed by storing it at the licensed hazardous waste storage (decree of the Head of Tanah Bumbu Environment Agency number 660.4/129/BLHD/2013 dated September 17th 2013 in term of the changes over the decree of Tanah Bumbu District number 118 year 2011 in term of the permit for storing hazardous waste to PT SHE, Angsana Mini Mill. The mill is located in coordinateS 03°40'20,3" – E 115°37'16,7". The hazardous waste shall be handed over to the licensed hazardous waste collector.

According to the document of hazardous waste monitoring and balance sheet and the observation, there are still undisputed hazardous waste at the Angsana Mini POM hazardous waste storage (the waste is stored more than 90 days). **NC Number 2015.5 as Minor category 5.3.3**

The company has the record of waste and contamination source. For example:

- Mill:effluent,exhaust gas emission, shell, fibre, EFB, used oil
- Household (housing complex):plastic, cast-off, paper/leaf
- Workshop :used oil, used battery, used filter, rag, metal crap, used tire, used paint and oil can, grease, lamp.
- Warehouse:Herbicide containers, rag, knapsack
- Office:paper&leaf

The company manages the waste as written on the document of waste source identification and its management. It was legalized on February 12th 2015. There are 5 identified contamination sources such as mill, household, workshop, warehouse and office. For example:

- The hazardous waste like used oil, used battery, used filter and rag are stored at the storage to be then delivered to the licensed collector.
- The processed mill effluent is applied to the soil as the land application once the BOD comply the quality threshold. It should also be reported to the associated agency.
- The tested exhausted gas is regularly tested and is reported to the associated agency.
- The shell and fiber are used as boiler fuel.
- The EFB has been used as organic mulches.

Minor 5.3.3 **Status : Non conformance NC.2015.5 with minor category**

5.4

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

The company has implemented the plan of renewable energy usage (shell and fiber). The monitoring of the renewable energy usage for period of 2014/2015 is shown below:

Month	Mar	Apr	Mei	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
KWh/ ton of CPO	0.46	0.46	0.47	0.48	0.46	0.45	0.43	0.44	0.44	0.45	0.43	0.43

The diesel fuel usage monitoring has been conducted by the company regularly. For example:

Month	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Liter / ton of CPO	9.07	11.60	5.12	4.36	6.83	7.21	7.08	7.25	7.14	12.13	9.52	9.67
Status : Full 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.												
<p>The policy of zero burning land clearing is written on the procedure of land preparation on part 3 of SOP number 110/EST-ARM/08. It is supported by the SOP of sustainable estate management number 724/TQEM-SPMS/09, point 5.7.2 in term of zero burning technique, page 24.</p> <p>The company does not have the replanting plan yet as well as the replanting program during ASA-4 assessment program.</p> <p>KKPA 1 is not conducting replanting program yet.</p> <p>The land fire and fire extinguishers usage simulation was held in block C22 of division III of ASE on February 7th 2015. It was attended by 48 participants from the nucleus estate and KKPA, including KKPA 4 and KKPA 1, GSE, ASE, PBE.</p>												
Status : Full Comply												
5.6 Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.												
<p>The company has shown the procedure of GHG emission identification and inventory (Policy Number 700/PSQM-GRK-01/12). The SOP describes the method used by the company to identify and calculate the generated GHG on the company operationals and as a reference to determine the environment program. The GHG identification and calculation are using IPCC 2006 Guideline and principle of MRV (Measurable, reportable, dan Variable) for the land conversion and carbon stock.</p> <p>GHG emission inventory</p> <p>Emission sources generated by estate operationals</p> <ul style="list-style-type: none"> • Changes on the land layer : differences between the time averaged C stock above the soil among the vegetation before the estate establishment. • Recent land usage : fertilizer usage (N₂O), change on the soil Corg (CO₂), soil management (CH₄), planting on the peat soil (CO₂ and CH₄) • Diesel fuel usage for the generator and heavy equipments operationals (CO₂) • FFB transport from estate to POM <p>Emission sources generated by mill operationals</p> <ul style="list-style-type: none"> • Diesel fuel usage for the generator operational (CO₂) • Shell and fiber usage for the boiler and generator operational (CO₂) • The usage of electricity for the mill operationals • Kernel separation • POME dispose (CH₄ and CO₂) • Product transport (CPO and PKO) to refinery or port(CO₂) <p>The company has tested the emission regularly as written on the report of environmental management and monitoring</p>												

plan in 2nd semester of 2014. The air quality test covers the emission test at the generator and boiler chimney, ambient air quality test. Those tests were conducted by the Province Hyperkes and OHS Research Center, Banjarmasin April 1st 2014.

Emission Test in Generator Chimney Number 1

The tested parameters are NH₃, Cl₂, HCL, HF, NO₂, Opacity, Particulate, SO₂, CO, the total of the reduced sulphur. The quality threshold is referring the South Kalimantan Governor Regulation Number 70/2008 in term of the non-moving emission source quality threshold and vehicle exhaust gas quality threshold. According to the test, all parameters comply the environment quality threshold.

Emission Test in Boiler Chimney.

The tested parameters are NH₃, Cl₂, HCL, HF, NO₂, Opacity, Particulate, SO₂, CO. The quality threshold is referring the South Kalimantan Governor Regulation Number 70/2008 in term of the non-moving emission source quality threshold and vehicle exhaust gas quality threshold. According to the test, all parameters comply the environment quality threshold.

Ambient Air Test in Employees and Staff Housing Complex and Office Front.

The tested parameters are NO₂, SO₂, CO, TSP, and Noise. The quality threshold is referring the South Kalimantan Governor Regulation number 53 year 2007 in term of the ambient air quality threshold. According to the test, all parameters comply the environment quality threshold

Status : Full Comply

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

6.1

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

The company has the document of *Sosial Impact Asssesment* (SIA) on 2010. It was composed by cooperation between Pollito and PT Sanjang Heulang. The type of the must-monitored and must-managed impacts are the profession changes, welfare improvement. Two of the social impacts management conducted by the company decrease the negative impact and increase the positive impact are by recruiting the locals and establishing KKPA program. The *Sosial Impact Asssesment* (SIA) on 2010 has involved the locals participation. It is written on the signed book of visum. There were 46 involved stakeholders constituted by the community of Kulipak Village, Betung Village, Bekambit Asri Village, Sejah Village, Tanjung Pengnarapan Village, Sebambang Barum Banjarsari Village, Purwodadi Village, Bayansari Village, Persiapan Makmur Village, Waringin Tunggal Village, Giri Mulya Village, Kuranji Village, Mustika Village, Karang Mulya Village, Tuwuh Sari Village, Karang Indah Village, Bunata Village, etc.

According to the result of interview with the board of Makmur Village, there is no crucial issue so far. All aspects are running well. There are several positive impacts. For example:

- The local workforce absorption up to 85% of the total of population
- Scheme smallholders establishment (\pm 574 hectare) on 2000 and the estate management is transparent enough. The output of KKPA estate increases annually.
- Better road infrastructure repairment.
- Education institution for the employees work at estate.
- Good communication between the locals and the company.
- There is no land dispute nor conflict against the locals.

There are 16,000 Ha of scheme smallholders in KKPA system (it is managed by Tuwuh Sari Village). It involves 10,892

people from 26 nearby villages, it consisted of KKPA 1 (3,864 ha), KKPA 2 (3,792 ha), KKPA 3 (3,012 ha), KKPA 4 (2,676 ha), and KKPA 5 (2,656 ha). According to the social assessment conducted by Pollito on 2010, there is company's influence over the nearby community economy development. The money circle increase from IDR 1,056,720,000 (USD 81,286) per month to IDR 1,773,200,000 (USD 136,400) per month. It is calculated based on the shopping value of 821 local employees. The benefit of KKPA is also considered by the KKPA member during the normal harvesting period such as Angsa Village, Karang Indah Village, Bekarangan Village and Karangmulya Village.

According to the document of *Social Impact Assessment* (SIA) on 2010, two of the social impacts management conducted by the company decrease the negative impact and increase the positive impact are by recruiting the locals and establishing KKPA program.

The CSR programs are implemented by KKPA 1 in aspects of education, health, social, and economy. For example, the sacrificial animal assistance (2 cattle's) for Angsana and Karang Indah Village priced IDR 22,000,000 (USD 1,692) on October 3rd 2014. Furthermore, there is also assistance such as heavy equipments to Angsana Village, Karang Indah Village, Bayansari Village. The management unit shows the evidence of the smallholder's competence improvement. It was conducted by KKPA 1 on January 10th 2015. The KKPA 1 management unit suggests all the cooperative units under KKPA 1 guidance to develop the cooperative unit (not depends only from the estate output). For example, bank-like business and product sales like Tuwuh Sari Cooperative Unit and the agriculture tools and ingredient sales such as sickles, fertilizer, and agrochemicals.

The company is never showing twice-reviewed and adequately-updated SIA document. There should be evidence which shows that the review process is involving all the impacted parties. **NC Number 2015.08 as Minor category 6.1.4.**

Minor 6.1.4	Status : Non conformance NC.2015.6 with minor category
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6.2

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

PT SHE has had procedure of communication and consultation with the locals number KKM dated April 2nd 2009. The record of communication and consultation with the locals is written on the "Log Book of Communication. Most of the records of communication and consultation with the locals are dominated by the assistance request, request for providing practical location at the company for the vocational students and the request of infrastructure repairmen. According to the procedure of communication, the unit Manager communicates with the locals via letter, the company gives 10 days to respond the letter. The management unit shall then follow up the response from the community. According to the interview with the stakeholders (staff of Purwodadi Village), the communication between the Mill Manager and the guided villages are well maintained. However, the meeting is only maintained informally. Therefore, there is no evidence such as minutes of meeting and the attendance list.

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

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

The KKPA 1 management unit shows the minutes of meeting of the assembly between the smallholders and the KKPA 1 estate in KKPA 1 on September 9th 2014. The assembly discussed the data of scheme smallholder management report on July 1st 2014. There are several feedbacks. For example:

- Assistant is barely meet the harvesters in division I (Purwodadi Village).

- The transport foremen are expected to coordinate with the cooperative unit to avoid the restan and losses during the FFB transport in division II (Bayansari Village).

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

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

The KKPA 1 management unit maintains the record of the internal complaints on the book of the internal complaint list. The Angsana Mini Mill management unit records the complaint on the book of complaint register. For example, the complaint from employees (division I and traction), there are 7 employee's complaints such as the low rice quality, the invalid labour social assurance card, the undistributed Manulife card, etc. The Head of Administration respond the situation by replacing the low performance supplier with the better one on January 2nd 2015 and calling the Manulife insurance.

According to the result of interview with the KKPA 1 housing complex settlers, the complaints are immediately responded (1 – 2 days).

The community's complaints are informed during the KKPA 1 assembly (monthly). The complaints are routinely evaluated (monthly).

Status : Full 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.

KKPA-SHE has determined the land conflict resolution referring the SOP of the occupied land acquisition number 343/PSD-OKUM/11 dated February 23rd 2011. However, there is no land compensation so far, the land is still belong to the community by it is managed by PT. Sajang Heulang.

KKPA area which is considered as the transmigration soil are located in Villages of Purwodadi, Bayan Sari, Banjar Sari, Makmur, and Karang Indah. All of them belong to the community (Ownership Certificate Paper). Several legality of land area belong to Angsana Village are still proven by the "Land Certificate Paper". During the cooperation period, PT. SHE facilitates the progress of ownership certificate paper for the community land which the land status is still proven by "Land Certificate Paper".

Status : Full Comply

6.5

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

The unit management has provided the record of payroll document for March 2015. Based on the document review, it is

known that the unit management has implemented the payment system in form of Memo no 014/HRM-i3/I/2015 dated January 12, 2015 from General Manager of HRM referring to minimum payment determined by Decree of Governor of Kalimantan Selatan No. 188.44/0633/KUM/2014 dated December 16, 2014. Further, based on interview with Chief of Mandiri Worker Union of GSE known that the unit management has implemented the regulation on valid minimum payment.

Beside monthly payment, the worker is given rice monthly and for the worker and their families as much as: (1) worker (man/women): 0.5 kg/working day (2) legal wife (1 person): 0.3 kg/working day (3) each child (maximum 3 children): 0.25kg/working day. Based on interview result with the worker explained that the rice is in a good condition for consumption.

The unit management has shown the company regulation of PT SHE for period of 2012 – 2014 applied for permanent worker and mutual working agreement period of period of 2014-2016 applied for Staff (managerial). The Company Policy and Mutual Working Agreement has confirmed with the applied Manpower Regulation.

Unit Management has provided housing facilities, clean water sourced from water basin and well, health facility (central clinic and medical center) that has a corporation with BPJS of health, education facility (kindergarten and elementary school) and praying facility (mosque) for workers. Observation result in emplacement of KKAP – 1 known that its facilities are in a proper condition.

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

The management unit has facilitated the labour union forming in each POM and estate work unit in order to accommodate the labour rights regarding the company policy. The KKPA and Angsana Mini POM (PT SHE) Labour Union have been registered to the Tanah Bumbu District Manpower Agency number 565/016/OPP/Naker dated march 7th 2013.

The labour union has documented the result of assembly in form of the minutes of meeting. For example, the assembly on March 16th 2015. It was discussing the minimum wage standard, PPE usage, Government Regulation/Company Regulation, labour union dues. The assembly was attended by the management unit representatives and the labour union board.

Status : Full Comply

6.7

Children are not employed or exploited.

The management unit has implemented the minimum workers age requirements consistently on the recruitment process as written on the social policy number 724/TQEM-SPMS/09. It was signed by the CEO of the company. According to the point 6, the plantation upstream Indonesia shall not employ the underage workers. According to the KKPA 1 employees database review on March 2015, there is no underage workers employed by the company.

Status : Full 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 unit management has owned its policy in regards to equal opportunity and treatment authorized on December 2011 by Head of Plantation Upstream Indonesia. The company has a commitment to obey on principal of each staff/employee must be treated fairly in term of recruitment, promotion, work limitation and condition without focusing on personal matter such as race, status, sexuality, skin color, disability, membership of particular organization, political view, religion and age.

For the policy implementation, the unit management has showed SOP of recruitment (No.Policy: 431/HRM-RCT/07) dated May 24, 2007 authorized by General Manager of Business Development and System Procedure, GM of Human Resource Management and SGM of Administration and Corporate Service. The SOP explains the selection and recruitment based on skill, ability and requirement of health that has to be met by the worker candidate, no discrimination as in applied company policy.

Evaluation on worker achievement with the evaluation criteria are skill, responsibility, achievement, honesty, discipline, loyalty, hardworking, belonging, teamwork, open minded and inisiatif. Unit management has showed the Decree of appointment No. 269/KKPA-1-SKP/III/2015 on *per pro* Aloysius Ngongo with employee number 103820 dated March 01, 2015 as daily permanent worker with prohibition period of 3 months.

Status : Full Comply

6.9

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

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

Policy Implementation: Structure of Gender Committee KKPA 1 is constituted by the Leader (Susilowati), Vice Leader (Sitti Sarbia), Secretary (Tuti Wahyu W), Treasurer (Siti Komariah), and other divisions such as sport division, the highest division, education division, health division and public relation division.

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

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

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

There are evidences of the implementation of reproduction right protection. For example, the childbirth day off on behalf of Sulmahni (supervisor on KKPA 1). She was given childbirth day off since December 31st 2014 to March 30th 2015 (90 days). According to the wage voucher review, her wage is not deducted.

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

Status : Full Comply

6.10

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

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

The range of the FFB price is determined based on the palm oil plants age (3 to 13 years old). The determined FFB price is informed to all estate company in South Kalimantan including the cooperative units and the smallholders. Meanwhile, the price of FFB is transparently known by the community. For example, the FFB price on February 2015 was IDR 1,178 (USD 0.09) for the 3 years old plants and IDR 1,608 (USD 0.12) for the > 13 years old plants.

According to the interview with the contractor, they have read and aware of the composed contract. Each contractor maintain 1 contract as copy of the document

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

The management unit shows the evidence of payment referring the cooperative agreement letter number 038/KKPA-1/SPK-LKL/XII/14 dated December 18th 2014. The company paid IDR 36,323,700 (USD 2,794) on March 19th 2015. According to the amount of payment, the company has complied the composed contract. The payment receipt is supported with the official record of inspection and payment.

Status : Full Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

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

The CSR programs are implemented by KKPA 1. For example, the sacrificial animal assistance (2 cattles) for Angsana and Karang Indah Village priced IDR 22,000,000 (USD 1,692) on October 3rd 2014. Furthermore, there is also assistance such as heavy equipments to Angsana Village, Karang Indah Village, Bayansari Village.

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

Status : Full Comply

6.12

No forms of forced or trafficked labour are used.

According to the result of interview with the Assistant of KKPA-1, the recruitment for the workers level is constituted by the locals and the newcomers. The recruitment stage is referring the SOP of recruitment (Policy Number: 431/HRM-RCT/07, dated May 24th 2007). For example: (1) Based on the request to fill the position or to replace the resign employees. (2) The additional request uses form of the need for workers. (3) Advertising the recruitment on the mass media, electronic media, cooperating with the education institution or consultant. (4) Process of selection, interview, and medical checkup. (5) Salary negotiation. (6) 3 months probation period. (7) If the workers pass the probation time, the promotion decree shall be issued by the Department of HRM.

Status : Full Comply

6.13

Growers and millers respect human rights

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

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

The Angsana Mini POM and KKPA 1 management unit recruit employees from various region/tribe, religion and gender. Socialization in term of human right to all workers and operational units was held on September 2014. The socialization materials, attendance list and photographs are available.

Status : Full 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.

There is no new planting on the KKPA 1 operational area during ASA-4 assessment. The latest planting was conducted on 2006.

Status : Full 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.

There is no new planting on the KKPA 1 operational area during ASA-4 assessment. The latest planting was conducted on 2006.

Status : Full 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.

There is no new planting on the KKPA 1 and KKPA 4 operational area during ASA-4 assessment. The latest planting was conducted on 2006.

Status : Full Comply

7.4

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

There is no new planting on the KKPA 1 operational area during ASA-4 assessment. The latest planting was conducted on 2006.

Status : Full 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.

There is no new planting on the KKPA 1 operational area during ASA-4 assessment. The latest planting was conducted on 2006.

Status : Full 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.

There is no new planting on the KKPA 1 operational area during ASA-4 assessment. The latest planting was conducted on 2006.

Status : Full 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.		
There is no new planting on the KKPA 1 operational area during ASA-4 assessment. The latest planting was conducted on 2006.		
	Status : Full Comply	
7.8		
New plantation developments are designed to minimise net greenhouse gas emissions.		
There is no new planting on the KKPA 1 operational area during ASA-4 assessment. The latest planting was conducted on 2006.		
	Status : Full 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 not been using <i>paraquat</i> active ingredient pesticide consistently referring the company's policy.		
The company has internal audit team which consistently conducts audit over the POM and estate operations.		
The company also conducts regular river water quality test (each semester). The company tests Bekarangan River and Sebamban River water quality as well as the monitoring well and housing complex well.		
The management unit has implemented the sustainable commitment. For example, the management unit is no longer using the chemicals included on the type 1A nor 1B of WHO nor the ingredients written on the list of Stockholm and Rotterdam Convention including <i>paraquat</i> (Major indicator 4.6.4)		
	Status : Full Comply	

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module D) CPO Mills – Identity Preserved Requirements
D1	Definition
D.1.1	<p>A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p> <p>The mill has implemented IP supply chain. They use only the FFB from the certified nucleus estate and the full-managed scheme smallholder. According to the supply for last one year, the list of the FFB suppliers is as follows:</p> <p>Nucleus Estate</p> <ol style="list-style-type: none"> 1. Pantai Bonati Estate(RSPO-certified) <p>KKPA Full Managed:</p> <ol style="list-style-type: none"> 2. KKPA 1 Estate (RSPO-certified) 3. KKPA 4 Estate (RSPO-certified) <p>The supply in last three months is as follows:</p> <p>January : Pantai Bonati (879.80 ton), KKPA 1 Estate (3,469.83 ton), KKPA 4 (766.05 ton). February: Pantai Bonati (607.27 ton), KKPA 1 Estate (2,640.00 ton), KKPA 4 (565.36 ton). March : Pantai Bonati (702.27 ton), KKPA 1 Estate (3,164.07 ton), KKPA 4 (566.98 ton).</p>
	Status : Full Comply
D.2	Explanation
D.2.1	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>The estimation of the CPO and PK product tonnage is recorded by the CB on the ASA-3 assessment report. Furthermore, it has been attached on the issued RSPO certificate. The actual certified CPO and PK production tonnage is recorded on the annual surveillance report. The estimation of CPO product for the certification period of July 6th 2014 to July 5th 2015 is 18,878.55 ton of CPO and 3,563.64 ton of PK.</p>
	Status : Full Comply
D.2.2	<p>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> <p>The company has complied the requirements on the supply chain registration and reporting via RSPO IT Platform (<i>e trace</i>) on behalf of: Angsana Mini POM – PT. SHEwith license code for period of 2014-2015 is CB19002. The Account of <i>e-trace</i>is used to report the transaction of the RSPO-certified product.</p>
	Status : Full Comply
D.3	Documented procedures
D.3.1	<p>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements</p>

specified in these requirements. This shall include at minimum the following:

- 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.

Angsana Mini POM of PT SHE has had technical procedure and guideline to ensure all elements associated with the supply chain requirements implementation, for example:

1. SOP of product identification and traceability in Minamas Plantation POM number 501/SHE-AMF-03/12. It was legalized by POM Manager and estate Manager on October 20th 2011.
2. Memorandum of the Head of PSQM dated February 27th 2013 to the SGM Plantation Operation Sumatera / Kalsel, Head of Marketing Division, All GM of estate, Estate Manager, Manager of ESH, Manager of PSQM in term of the RSPO supply chain system. The memorandum describes the model of supply chain at mill, description of supply chain model, labelization on FFB product and the associated Officers, labelization on CPO, PK and shell supply chain product, procedure of supply chain system.
3. SOP of Angsana Mini POM is referring the Technical guideline of the POM (1st and 2nd edition) and procedure on POM administration which describes FFB receipt number 110/POD-FAC/07, sterilization number 110/POD-FAC/07, stripping number 110/POD-FAC/07, digesting Number 110/POD-FAC/07, Pressing number 110/POD-FAC/07, clarification number 110/POD-FAC/07, separation of kernel and fibre number 110/POD-FAC/07, Kernel Station number 110/POD-FAC/07, CPO storing number 110/POD-FAC/07..
4. The personnel in charge of the implementation of the requirements are:
 - Manager of Angsana Mini POM. The manager maintains and keeps all the records and documents in term of raw material usage, the supporting material usage on the production process and ultimate product quality.
 - Assistant of Plantation Sustainable Quality Management (PSQM). The Assistant of PSQM inspects the FFB quality at POM, compose the daily recapitulation.
 - Assistant of Laboratory. The Assistant of Laboratory analyzes and tests the raw materials and products produced in all POM production process in Angsana Mini POM.

Assistant/Senior Assistant /Manager of Bulking are responsible over the CPO and PKO products dispatch from POM to the bulking station.

Status : Full Comply

D.3.2

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

The procedure and guideline to regulate the certified and non-certified FFB receipt and processing is written on the SOP of product identification and traceability in Minamas Plantation Number 501/SHE-AMF-03/12 Revision 1 dated March 1st 2013.

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

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

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

	Status : Full 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.																	
The company has verified the certified and non-certified FFB documentation referring the applied SOP. According to the document, the FFB verification and processing is conducted by reviewing:																	
a. The list of the certified suppliers as shown by the list of the certified suppliers for period of 2014 – 2015 (it is described on the previous indicator).																	
b. The “RSPO-certified” stamped FFB covering letter as shown by the FFB covering letter during March 2015.																	
c. The “RSPO-certified” stamped weighbridge ticket as shown by the document of weighbridge ticket during March 2015.																	
d. The report of “RSPO certified” stamped FFB quality controls shown by the document during March 2015.																	
e. The SIME Weight application program which controls the FFB receipt only from the certified suppliers.																	
The document of the RSPO-certified and non RSPO-certified monthly recapitulation as shown by the last 6 months recapitulation.																	
	Status : Full Comply																
D.4.2																	
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.																	
According to the CPO production projection since the certification period to ASA-4 assessment, the projection of CPO production was 18,878.55 ton of CPO and the projection of PK production was 3,563.64 ton. The realization of CPO production during the certificate period (2014 – 2015) is below the projection of the CPO production. Therefore, there is no overproduction on the previous period. However, according to the SCCS procedure, the company shall inform the overproduction.																	
	Status : Full 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.																	
There are documents which shows the balancing of all RSPO-certified FFB in quarter-based on the daily-based and monthly-based monitoring. The recapitulation and balancing of the certified-CPO and certified-PK production for period of 2014 and 2015 in quarter-based production is as follows:																	
<table><tr><th>Period</th><th>Processed FFB</th><th>CPO Production</th><th>CPO Dispatch</th></tr><tr><td>July–Sep 2014</td><td>17,689.34</td><td>3,953.30</td><td>3,813.68</td></tr><tr><td>Oct-Dec 2014</td><td>14,344.03</td><td>3,232.96</td><td>3,464.34</td></tr><tr><td>Jan-Mrc 2015</td><td>13,361.86</td><td>3,063.33</td><td>3,079.63</td></tr></table>		Period	Processed FFB	CPO Production	CPO Dispatch	July–Sep 2014	17,689.34	3,953.30	3,813.68	Oct-Dec 2014	14,344.03	3,232.96	3,464.34	Jan-Mrc 2015	13,361.86	3,063.33	3,079.63
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Jan-Mrc 2015	13,361.86	3,063.33	3,079.63														
All the records and reports have been composed and maintain by the company. The system of the document maintenance are in form of soft copy on the System Application Program (SAP), SIME Weight program and in form of hard copy (FFB Covering Letter, Weighbridge Ticket, Delivery order) are maintained on the Angsana Mini POM administration room. Angsana Mini POM – PT SHE also has determined the SCCS implementation records and Process Controll Report documents for 5 years..																	
	Status : Full Comply																

D.6	Processing
D.6.1	<p>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</p> <p>The company does not have facilities to separate the certified and non-certified FFB. However, the company has implemented the SG supply chain as shown by the Memorandum from the Head of PSQM dated February 27th 2013 to SGM Plantation Operation Sumatera / Kalsel, Head of Marketing, all GM estate, Estate Manager, ESH Manager, Manager of PSQM in term of the RSPO supply chain system. According to the memorandum, PT. SHE – Angsana Mini POM implements segregation supply chain model. Therefore, the contamination should not more than 5%.</p>
	Status : Full Comply
D.6.2	<p>The objective is for 100 % segregated material to be reached</p> <p>The company has achieved 100% separation by all the regulation to receive only the certified FFB as shown by:</p> <ol style="list-style-type: none"> 1. Memorandum from the Head of PSQM dated February 27th 2013 to the management of PT SHE – Angsana Mini POM that the mill has implemented segregation supply chain model. 2. The production report in one last year shows that there is no FFB from the non-certified suppliers.
	Status : Full 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√
ASA-4	Angsana Mini POM (PT Sajang Heulang) and its supply base has logo and certificate approval (MUTU-RSPO/006b)	√
	Status : Full Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-4	The Company does not use the logo both on-product and off-product within the scope of PT.Sajang Heulang.	√
	Status : Full Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-4	The Company does not use the logo both on-product and off-product within the scope of PT.Sajang Heulang.	√
	Status : Full Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-4	The Company does not use the logo both on-product and off-product within the scope of PT.Sajang Heulang.	√
	Status : Full Comply	

3.4. Summary of RSPO Partial Certification.

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

	reviewed with the Head of Department.	
	Status: COMPLIANCE	
7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	X or√
	No new planting has taken place since 2011, where the last NPP notification was carried out for operations in Liberia.	√
	Status: COMPLIANCE	
7.5	No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	X or√
	For any new land acquisitions, the RSPO NPP procedure is followed where the company will complete the required HCV and EIA assessments.	√
	Status: COMPLIANCE	
7.6	Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	X or√
	Any new land acquisition will be done by mean of a participatory process with local villages and land owners. No complaints received during this audit process.	√
	Status: COMPLIANCE	

3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.5.1 Identification of Findings, Corrective Actions and Observations at ASA3 Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.01.	Major 1.2.1	Type of information/ documents that can be accessed by stakeholder Based on observation document (SOP information answer) its known that there is no list over legal and environment document as a document that can be accessed by stakeholders.	POM & Estate	Major	25 June 2014	Company must ensure that the document is inline with RSPO requirement.	<u>Root cause:</u> The absence of updated SOP on information provision regarding legal and environment document. <u>Corrective Action:</u> Observation on 18th May 2014 Company has presented the evidence of its improvement actions by set type of document that can be accessed by stakeholder in SOP of information request. <u>Preventive Actions:</u> Internal Audit	Closed	18th May 2014
2014.02.	Major 2.1.1	Compliance evidence over legal and related regulation. Company not able to present its compliance evidence toward the applicable legal and related regulation, such as: a. The entire medical personnel have not been following the hyperkes training that is not inline with <i>Permenaker</i> 01 in 1979 regarding the mandatory Hygiene training for company's health and occupational				Company should be able to present its compliance evidence toward the applicable legal and related regulation	<u>Root cause:</u> a. Company's physician has submitted proposal for hyperkes training on 18 th October 2013. Letter no 006/PS-GAE/X/2013 is still under process in HRM. b. Welders that will be trained have not been identified yet c. The contain of first aid box is not fully inline with permennakertrans No.15 in 2008 d. Lack of understanding on PP No.4	Closed	15th June 2014

		<p>safety for paramedic personnel.</p> <p>b. Operator license (SIO), such as:</p> <ul style="list-style-type: none"> - Welders should be inline with <i>Permenaker</i> 2 in 1982, for instance in central workshop. - Craft and production operator inline with <i>Permenaker</i> No.4 in 1985 like in AMF. - <i>Permenakertrans</i> No. 09 in 2010 regarding the Operator and loading and transport operator. <p>c. <i>Permenakertrans</i> No.15 in 2008 regarding first aid in work place.</p> <p>d. President decree No. 4 in 2001 related to damage control or environment pollution due to forest or field fire.</p> <p>e. Company did not have shower eye wash and alarm on hazardous waste temporary landfill that should be inline with decision letter from SK BLHD Tanah Bumbu district No. 660/14/BLHD/2012 on 27th Feb 2012.</p>				<p>in 2001</p> <p>e. Management has not received any change and implementation over drinking water quality standard based on <i>permenkes</i> No.4 92 in 2010, LHU is not inline with ASF request</p> <p>f. Delay on shower eye installation</p> <p><u>Corrective Action</u> Observation on 15th June 2014 Company has presented the evidence over its improvement actions, such as:</p> <p>a. There is hyperkes training evidence for the entire paramedic personnel in PT. LSI and SHE that was conducted on 9-11th June 2014</p> <p>b. Welder recommendation letter for class III No. 566/01/Disnakertrans/2013 on behalf of Hairudin</p> <p>c. There is an improvement evidence over first aid box contain. The contains have been inline <i>Permenakertrans</i> No.15 in 2008</p> <p>d. There is improvement evidence over report letter for fire hazard to head of plantation agency.</p> <p>e. Procurement of shower eye wash and alarm in hazardous waste temporary land fill (the installation documentation is available)</p> <p><u>Preventive Actions:</u></p>		
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							<ul style="list-style-type: none"> a. Conducting the hyperkes training for paramedic personnel in PT.LSI-PT.SHE on 4th June – 9th June 2014 in accordance with memorandum from GM HRM no.165-HRM-i1-V-14 b. Monitoring toward the completeness of SIO in entire unit. c. Regular monitoring over first aid box contains examination d. Monitoring over fire preventive activity report in order to prevent field fire every 6 months. e. Field observation 		
2014.03.	Major 2.1.2	Evidence of company's efforts to comply the change in applicable regulation Based on document's review and field observation, its known that there are several compliances toward the change on regulation that have not been implemented yet, such as: <ul style="list-style-type: none"> • Parameter for drinking water quality still refers to Permenkes No. 416 in 1990. • The utilization of hazardous waste label still refers to bipedal decision No. 5 in 1995. 	POM & Estate	Major	25 June 2014	Company have to ensure the entire changes over applicable regulation should be implemented.	Root Cause: <ul style="list-style-type: none"> a. Management neither received nor implemented the permenkes drinking water quality standard No. 492 in 2010 b. The absence of updating latest regulation. Corrective Action: Observation 15th May 2014 <ul style="list-style-type: none"> a. Request for drinking water re-examination No. 126/ASF/INT/V/2014, on 02nd May 2014 that refers to Permenkes No. 492 in 2010. Company has presented the record over clean water quality examination on 10th March 2014 that refers to permenkes No. 416 in 1990 and conducting socialization to entire personnel so they can boil water first before consume it. (Memorandum No. 	Closed	15th May 2014

							<p>038/LSI-ASF/VI/2014 on 18th June 2014).</p> <p>b. Company has presented the evidence of hazardous waste symbol Permen LH No. 14 in 2013 (documentation and check list evaluation over company's compliance toward estate and mill regulation of PT LSI-SHE that has been endorsed by head of SOU-4 is available)</p> <p><u>Preventive actions:</u></p> <p>a. The examination over drinking water quality based on permenkes no. 492 in 2010</p> <p>b. Updating symbol and label in temporary hazardous waste landfill.</p>		
2014.04.	Minor 2.1.1	<p>Evidence on the presence of documented system that consists information regarding legal requirement and regulation that should be comply by compnay.</p> <p>Based on document's review, its known that company has had the list of regulation that should be compliedby company, however, the evidence is not sufficient whather this list has been update or not.</p>	POM & Estate	Minor	ASA-4	Company need to ensure that list of regulation is always updated.	<p><u>Root cause:</u></p> <p>List of regulation and evaluation over company's compliance are not updated for period 2014</p> <p><u>Corrective Action:</u></p> <p>Observation on 18th May 2014</p> <p>Company has presented the evidence of its improvement actions by updating the list of regulation document.</p> <p><u>Preventive actions:</u></p> <p>Regularly updating the evaluation over compliance toward the applicable regulation.</p>	Closed	18th May 2014
2014.05.	Minor	The implementation over water	POM	Minor	ASA-4	Company should present	<u>Root cause:</u>	Closed	15th May

	4.4.2	management program Based on document's review, company has not presented the evidence over river's water parameters evaluation that exceeding the standard quality threshold (BOD, COD, DO, Cd, Chloride, Nitrite as N & Total Coliform)	& Estate			the evaluation result toward river's water examination parameters that exceeding the standard threshold (BOD, COD, DO, Cd, Chloride, Nitrite as N & Total Coliform) inline with government regulate the PP No. 82 in 2001	The evaluation over examination result has not carried out yet. <u>Corrective Action::</u> Observation on 15th May 2014 Company has presented the evaluation evidence over exceeding standard parameters, which were recorded in LCPKS and PPA evaluation report. Parameters above NAB were generated from coal mining activity in river's headwater and downstream \pm 4 km from sample pick-up location. Follow up actions from company are by conducting periodic monitoring over river's water quality, conducting reporting, greening, installing the ban board to throw waste to river and make sedimentation pond for managing mill's waste water before flowing to river. <u>Preventive actions:</u> Conducting evaluation over river's water evaluation in case its not inline with standard threshold and monitoring over riparian area.		2014
2014.06.	Minor 4.7.6	Compliance over occupational health and safety tools and first aid. Based on field visit to Angsana Mini mill, its known that company does not conducting the evaluation toward completeness of first aid box contain regularly.	POM & Estate	Minor	ASA-4	Company have to conduct regular monitoring toward completeness of first aid box contains	<u>Root cause:</u> There is no special officer that in charge to conduct evaluation toward completeness of first aid box contains <u>Corrective Action:</u> Observation on 18th June 2014 Company has presented the evidence of its improvement actions to complete first aid	Closed	18th June 2014

							<p>box contain, such as: documented checklist for evaluating the completeness of first aid box contains in central warehouse and office.</p> <p><u>Preventive actions:</u> Regular monitoring over evaluation toward completeness of first aid box contains</p>		
2014.07.	Major 5.1.2	<p>Record over periodic implementation of environment management</p> <p>RKL/RPL implementation report has not covered the entire aspect of impact monitoring that inline with UKL/UPL document like behaviour change and community perception change.</p>	POM & Estate	Major	25 June 2014	<p>Company should be able to present the evidence of environment management periodically that inline with UKL/UPL's request.</p>	<p><u>Root Cause:</u> Lack of understanding on personnel to make RKL/RPL report that should be inline with RKL/RPL guideline and Amdal regarding the presence of behaviour change and community perception change.</p> <p><u>Corrective Action:</u> Observation on 15th May 2014 Company has presented the periodic improvement evidence over environment as requested by UKL/UPL document, such as:</p> <ol style="list-style-type: none"> 1. The implementation report of UKL/UPL semester II in 2013, which consists type of impact like community's behaviour and perception change. 2. Evidence of RKL/RPL semester II 2013 report to BLH Tanah Bumbu district on 24th May 2014 and has been accepted on 04th June 2014 3. Evidence of RKL/RPL report semester II in 2013 to KLH on 07th May 2014 and has been accepted on 09th May 2014 	Closed	15th May 2014

							<u>Preventive Action:</u> Conducting socialization and fill out the questioner for local community, the questioner score will be stated in next RKL/RPL.		
2014.08.	Minor 5.3.1	Hazardous waste management Based o field observation to TPAS in block I10/J10 KKPA-1, audit found hazardous waste like used pesticide package and used accu container.	Estate	Minor	ASA-4	Company have to present the evidance over hazardouse waste management and utilization in accordance with PP 18 in 1999.	<u>Root Cause:</u> There are no personnel in charge for hazardous waste. <u>Corrective Action:</u> Observation on 15th June 2014 Company has presented the evidence over hazardous waste management improvement, such as: prohibition letter to throw waste carelessly No. 417/KP1-Int/VI/2014 on 5th June 2014. The evidence of RKL/RPL report semester II 2013 to KLH on 07th May 2014 and has been accepted on 09th May 2014. <u>Preventive Actions:</u> Monitoring over hazardous waste periodically and field observation.	Closed	15th June 2014
2014.09.	Major 5.3.2	Waste management in order to prevent pollution. Based on field observation in I KKPA-1 material warehouse, audit team found oil leakage in solar fuelling station.	Estate	Major	25 June 2014	Company must present its commitment toward waste management that inline with PP. No. 74 in 2011 regarding the hazardous waste management.	<u>Root Cause:</u> The absence of reservoir to collect oil leakage. <u>Corrective Action:</u> Observation on 11th June 2014 Company has presented its improvement	Closed	11th June 2014

							evidence toward waste management (oil leakage) in fuelling such as the documentation over establishment of oil evidence fuelling station and improvement in solar station. <u>Preventive Actions:</u> Oil trap has been installed in fuelling station.		
2014.010.	SCCS 4.1	Supply Chain Lack of evidence that Angsana Mini mill has putted the code or supply chain model stamp as required in identification product and product traceability procedure in Minamas Plantation mill No. RSPO/65/SCPP/SHE on 1 st April 2013 annex, declaration 2 and requirement for RSPO supply chain certification, for instance Delivery Order (DO) document.	POM	Minor	25 May 2014	Company has to ensure the entire related documents have had the code or stamp inline identification product and product traceability procedure No. RSPO/502/SPC-LSI/03/13 on 1 st March 2013.	<u>Root Cause:</u> Company has not regularly put the supply chain model stamp in DO document. <u>Corrective Action::</u> Observation on 18th May 2014 Company has presented the evidence of segregation supply chain model stamp on the entire DO's document. <u>Preventive Actions:</u> Put a RSPO segregation supply chain model stamp regularly on the entire DO's document, based on SOP.	Closed	18th May 2014

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA4 Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2015.1.	2.1.1	<p>Evidence of legal requirement compliance</p> <p>According to the interview with the workers and observation on Angsana Minim POM, there are several facts. For example:</p> <ol style="list-style-type: none"> The boiler operator license on behalf of Dian Feriyanto is expired. The loader operator does not have operator license/OHS license for load and crane machine 	Angsana Mini POM	Major	June 29 th 2015	The management unit must be able to show the evidence of the compliance over the legal requirements in term of operator license.	<p>Root Cause</p> <p>There is a late of boiler operator license processing. Meanwhile, the loader operator does not have license because the operator is a new guy. The replaced loader operator has resigned.</p> <p>Corrective Action:</p> <p>Processing the boiler operator license extension and holding training for the loader operator.</p> <p>Preventive Action</p> <p>Ensuring all boiler and heavy equipments operators to have their own license and the operator license period should always be monitored.</p> <p>Auditor observation on June 20th 2015</p> <ol style="list-style-type: none"> The management unit shows the boiler operator license on behalf of Dian Feriyanto (number P.10.83.OPK3-PUBT-B.I/V/2015). It is issued by RI Manpower Ministry. The license is valid till May 22nd 2020. The management unit shows the crane and load machine operator OHS license on behalf of M. Ali Sadikin (Reg number 52573-OPK3- 	Closed	June 20 th 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							LT/PAA/V/2015). It is issued by RI Manpower Ministry. The license is valid till May 22 nd 2020. NC Number 2015.1 is closed		
2015.2.	4.7.6	Medical service and work accident insurance for workers According to the list of basic salary on March 2015, there are still insurance-uncovered temporary daily workers in KKPA 1.	KKPA -1	Minor	Re-certification	The management unit must be able to show the evidence that all the temporary daily labours are insured (work accident insurance).	<ul style="list-style-type: none"> Root cause: Corrective action Preventive action: Auditor conclusion: 		
2015.3.	Minor 5.1.2	Revision of Angsana Mini POM EIA According to the document of EIA on 2000, the location of POM 2 of PT SHE is in nucleus estate 2 (Pantai Bunati Estate). However, POM 2 of PT SHE is located in Gunung Sari Estate during ASA-4 assessment. Therefore, there is no environment document revision yet.	Angsana Mini POM	Minor	Re-certification	The company must be able to show the revision of document which covers Angsana Mini POM.	<ul style="list-style-type: none"> Root cause: Corrective action Preventive action: Auditor conclusion: 		
2015.4.	Minor 5.2.4.	HCV management evaluation The company has shown the regular HCV monitoring program. However, it has not been evaluated yet (there is no evidence of its evaluation).	POM & Estate	Minor	Re-certification	The company must be able to show the evidence of the HCV management evaluation as the feedback to compose the next HCV management plan.	<ul style="list-style-type: none"> Root cause: Corrective action Preventive action: Auditor conclusion: 		
2015.5.	Minor 5.3.3	Implementation of waste management plan According to the document of hazardous	Angsana Mini	Minor	Re-certification	The company must be able to show the hazardous waste management	<ul style="list-style-type: none"> Root cause: Corrective action 		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		waste monitoring and balance sheet and the observation, there are still undisposed hazardous waste at the Angsana Mini POM hazardous waste storage (the waste is stored more than 90 days).	POM			referring the applied SOP and regulations.	<ul style="list-style-type: none"> Preventive action: Auditor conclusion: 		
2015.6.	Minor 6.1.4	Review on Social Impact assessment (SIA) The company is not showing the review of the plan to decrease the negative impacts and increase the positive impacts participatively.	POM & Estate	Minor	Re-certification	The company must be able to show the document of the review over the plan to decrease the negative impacts and increase the positive impacts which involves all parties.	<ul style="list-style-type: none"> Root cause: Corrective action Preventive action: Auditor conclusion: 		
2015.7.	RSPO Certification System 4.2.4.c (Minor)	Implementation of Time Bound Plan There is no justified Time Bond Plan for the estates under Simedarby in Indonesia until 2015.	-	Minor	Re-certification	The management unit must be able to show the revision of the justified Time Bound Plan.	<p>Root cause : Has not done a review of the actual time bound plan until 2014.</p> <p>Corrective action : Conduct a review and revision time bound plan in 2015.</p> <p>Preventive action : Review annually to the time bound plan previously defined.</p> <p>Auditor observation, 29 June 2015 : The management unit showed revision of time bound plan for 2015 which is approved by the Head of PSQM along with the justification to change of the time bound</p>	Closed	29 June 2015

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

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	Major 1.1.2	The management unit needs to ensure that the records of response over the information request are well maintained.
2	Minor 4.4.1	Evaluation of the river water quality test. The company has described the evaluation on the Sembamban river water quality test on the report of environmental management and monitoring plan more comprehensively.
3	Major 4.7.2	The management unit needs to ensure that the HIRAC has covered the POM and estate operational referring the work location. For example, on hazardous waste storage, generator house in estate, warehouse in estate.
4	Major 4.7.3	a. The management unit needs to improve the monitoring over the PPE usage discipline. b. The management unit needs to re-evaluate the PPE usage period referring the job position.
5	Minor 4.7.5	The management unit needs to ensure the consistency of first aid kit monitoring (observation).
6	Major 6.2.1	The procedure of communication and consultation need to be documented better.

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
		The company's commitment to implement the sustainable estate management principles.
		The company is constituted by competent personnel in each position.

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

Issue from Public (Agency/ NGO/Community)	Management Response	Auditor Response
<p>Monday, April 27th 2015 The Board of Makmur Village 1. Samuji (The Chief of Hamlet 01) 2. Purwanto (The Chief of Civil Division) 3. Sumanto (The Member of Village Forum) 4. Wildan (The Village Staff) 5. Zuriyah (The Administration Staff) Consultation Result: 1. In general, there is no alarm bells ringing. All are undercontrol. 2. Positive impacts: - The local workforce absorption up to 85% of the total of population. - Scheme smallholders establishment (\pm 574 hectare) on 2000 and the estate management is transparent enough. - The output of KKPA estate increases annually. - Better road infrastructure repairment. - Education institution for the employees work at estate. 3. The communication between the community and the company is running well. 4. There is no land dispute issue against the locals. 5. The CSR contribution need to be improved to keep the community close with the company. The programmed CSR programs are missing the hotspot. 6. There is a complaint from the community of hamlet 2 nearby Angsana Mini POM. The complaint the effluent</p>	<ul style="list-style-type: none"> The good part shall be maintained and improved The CSR programs the company implements are the sacrificial animal assistance as well as the village operational fund assistance. There is no oral nor written report in term of the effluent smell so far (within \pm 2 years). However, the environment impact of the waste management shall be concerned. 	<p>The company is expected to maintain good relation with the employees and respond the issues carefully to avoid misunderstanding.</p>



Issue from Public (Agency/ NGO/Community)	Management Response	Auditor Response
smell which like craps. It has been discussed several years ago but there is no follow up action.		
Monday, April 27th 2015 The Board of Karang Indah Village: Wijiono (the Chief of Karang Indah Village) 1. There is no alarm bells ringing so far. 2. There are a lot of good impacts caused by the company existence, especially the scheme smallholders program for 380 hectare. The scheme smallholder management is transparent enough. However, the cooperative unit needs to be involded on the estate budgeting plan at the beginning of the year. Therefore, they shall know the must-paid cost. They do not know it so far. 3. There is no significant environment impact. There is a decrease on the fish population at the river. However, it is not caused by the company. 4. There is no land dispute nor conflict against the locals. 5. Only small number of Karang Indah villagers who work at the company (only 15 villagers of 3,200 villager). The villagers of Karang Indah Village have many income alternatives. 6. The communication is well maintained despite there is no routine and scheduled assembly. 7. There is no programmed CSR referring the community's need. It should be improved at the future so the company can point out its existence. The recent expected	<ul style="list-style-type: none"> The good part shall be maintained and improved. The cooperative unit is not involved on the budget plan because principally the scheme smallholder has already been manager by the company management unit. However, the final budget plan shall be socialized to the cooperative unit board on the coordination assembly. The CSR assistances have already been given frequently, especially on the sacrificial animal, village operational fund and the heavy equipments to support the infrastructure construction of Angsana 1 High School (attached). 	The company is expected to maintain good relation with the employees and respond the issues carefully to avoid misunderstanding.

Issue from Public (Agency/ NGO/Community)	Management Response	Auditor Response
assistance is for renovating of Angsana 1 High School.		
<p>Monday, April 27th 2015 The Board of Bayan Sari Village 1. M Rukma Gani (the Head of Development Division). 2. Abdul Wahid (The Head of Social Affair) 3. Ahmad Maksum (The Head of Government Affair) 4. Hendra Setiawan (LPM) 5. Rohidayati (Administration staff) 6. Sahril Sipayadi (The Head of Village Consultative Institution) 7. Abner Sani (PSP3)</p> <p>Consultation Result: 1. The assistances granted by the company are the heavy equipments, sacrificial animals, scholarship, road and bridge construction, religious feast, national feast, mosque yard levelling and cooperative unit yard leveling. 2. Half of the village population are working on the company. 3. The company prioritizes the local contractor and workers. 4. If the work performance of the locals (employees) is barely zero (mess up), the GSE Manager shall communicate with the chief of village to educate and train them (the designated ugly fat employees). 5. The information of the job opportunity is placed on the place of crowds and is informed by the foreman and the chief of village. 6. The contractor announcement with the invitation to the</p>	<ul style="list-style-type: none"> The good part shall be maintained and improved 	<p>The company is expected to maintain good relation with the employees and respond the issues carefully to avoid misunderstanding.</p>

Issue from Public (Agency/ NGO/Community)	Management Response	Auditor Response
<p>village.</p> <p>7. There is no land conflict nor other conflict against the locals.</p> <p>8. The company is very thankful for the company existence.</p> <p>9. The village apparatus knows and has the telephone number of the company-appointed staff to communicate and consult with them including the GSE Manager telephone number.</p> <p>10. The village apparatus aware of the procedure to express complaint to the company.</p> <p>11. The company respond the assistance request sent by the locals immediately (1 – 2 day). Despite the fund cash has to wait.</p> <p>12. Each of the village development plan is discussed with the company and vice versa.</p> <p>13. The company is frequently invited and is participated on the village, sub-district and district development forum.</p> <p>14. The planned CSR programs have been informed by the estate Manager to the villages.</p> <p>15. Assistance in form of the building and road is planned on the company's budget.</p> <p>16. There is no environment contamination caused by the company operationals. The company has its own road to transport CPO.</p> <p>17. The company responds the complaint expressed by the locals immediately. For the example, the effluent overflow caused by frequent rainfall and broken flatbed. The company repairs it in 1 day.</p>		

Issue from Public (Agency/ NGO/Community)	Management Response	Auditor Response
<p>18. The musical instruments belong to GSE are frequently borrowed by the locals to support the locals for the wedding or circumcision celebration.</p> <p>19. The existence of 918 Ha of KKPA for 450 family head is incredibly helpful. The income of the locals lies on USD 223 – 231 / month (IDR 2,900,000 – 3,000,000 / month). The highest income reaches USD 462 – 692 (IDR 6,000,000 – 9,000,000 / month).</p> <p>20. The income of KKPA from the 60 ha land for the cooperative program is used to support the village operational.</p> <p>21. The company hold HCV and the endanger flora and fauna socialization.</p> <p>22. The locals expect the communication keeps running well and the assistances are consistently provided by the company.</p>		
<p>Monday, April 27th 2015 The Board of Purwodadi Village Heriyanto (Chief of Village) Consultation Result:</p> <ol style="list-style-type: none"> 1. Most of the community of Purwodady Village work at the company (75%). 2. The frequent assistance from the company are the assistance for the religious feast, national feast, mushola construction, assistance for the oldee, fund assistance for the village operational for USD 538 / year (IDR 7,000,000 / year), fund assistance for the chief of village for USD 12 / 	<p>The good part shall be maintained and improved.</p>	<p>The company is expected to maintain good relation with the employees and respond the issues carefully to avoid misunderstanding.</p>

Issue from Public (Agency/ NGO/Community)	Management Response	Auditor Response
<p>month (IDR 150,000 / month), assistance for providing heavy equipments and scholarship until the college for the brilliant students.</p> <p>3. The local workforce and contractors are prioritized by the company.</p> <p>4. The Hectarage of the established KKPA is 1,118 ha</p> <p>5. The locals income increases with the existence of KKPA USD 193/months (IDR 2,500,000).</p> <p>6. Purwodadi has 25 ha land for KKPA. The income the village received is used on the village operationals such as school bus and ambulance.</p> <p>7. The company is frequently invited and is participated on the village development forum.</p> <p>8. The locals complaint over the company is expressed at the assembly at cooperative unit.</p> <p>9. The assistance request is immediately responded (1 – 2 days)</p> <p>10. There is no land dispute.</p> <p>11. There is no environment contamination caused by the company's operationals.</p> <p>12. The job opportunity is informed by the company via announcement, foreman and chief of village.</p>		

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>PT Sajang Heulang Head of PSQM of Minamas Plantation Sime Darby Sdn Bhd</p>  <p><u>Mohamad Pirabaharan</u> 20 June 2015</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Bukti Bagja</u> 20 June 2015</p> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Dinas Kehutanan dan Perkebunan Kab. Tanah Bumbu, Prov. Kalimantan Selatan	Jl. Dharma Praja, Gunung Tinggi, Batu Licin 72171	-	Interview	27 April 2015	√	
2	Dinas Sosial Tenaga Kerja dan Transmigrasi Kab. Tanah Bumbu, Prov. Kalimantan Selatan	Jl. Dharma Praja No. 04 Gunung Tinggi, Batu Licin 72171	(0581) 6076012	Interview	27 April 2015	√	
3	BLHD Kab. Tanah Bumbu Prov. Kalimantan Selatan	Jl. Dharma Praja No. 03 Gunung Tinggi, Batu Licin 72171	(0581) 6076050	Interview	27 April 2015	√	
4	Pengurus Desa Makmur 1. Samuji (Kepala Dusun 01) 2. Purwanto (Kepala Urusan Pembangunan) 3. Sumanto (Anggota BPD) 4. Wildan (Staf Desa) 5. Zuriyah (Staf Tata Usaha)	Desa Makmur . Kecamatan Angsana Kabupaten Tanah Bumbu	-	Interview	27 April 2015	√	
5	Pengurus Desa Karang Indah: Wijiono (Kepala Desa Karang Indah)	Desa Karang Indah Kecamatan Angsana Kabupaten Tanah Bumbu	-	Interview	27 April 2015	√	
6	Pengurus Desa Bayan Sari 1. M Rukma Gani (Kaur Pembangunan). 2. Abdul Wahid (Kaur Kemasyarakatan) 3. Ahmad Maksum (Kaur Pemerintahan) 4. Hendra Setiawan (LPM) 5. Rohidayati (Tata Usaha) 6. Sahril Sipayadi (Ketua BPD) 7. Abner Sani (PSP3)	Desa Bayan Sari Kecamatan Angsana Kabupaten Tanah Bumbu	-	Interview	27 April 2015	√	
7	Pengurus Desa Purwodadi Heriyanto (Kepala Desa)	Desa Purwodadi Kecamatan Angsana Kabupaten Tanah Bumbu	-	Interview	27 April 2015	√	
8	WALHI	Jl. Tegalparang Utara No 14, Mampang, Jakarta Selatan	informasi@walhi.or.id	Questionnaire via Email	24 April 2015		√
9	Sawit Watch	-	info@sawitwatch.or.id	Questionnaire via Email	24 April 2015		√

Appendix 2. Assessment Program

DATE		26 April - 1 May 2015						
PROGRAM		PROCESSES / CLAUSES TO BE AUDITED	AUDITOR					
PLANNED TIME	ACTUAL DURATION		BB	NK	RR	EH	YH	
Sunday, 26 April 2015								
07.00-09.00 12.00-	11.00-14.30 17.00-23.00.	JAKARTA → BANJARMASIN BANJARMASIN → Site	✓	✓	✓	✓	✓	
Monday, 27 April 2015								
08.00-08.30 08.30-12.00	08.00-08.30 09.00-12.00	Opening meeting Stakeholders consultation to local stakeholder Document review + Verification of Previous Nonconformances	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	
Wednesday, 29 April 2015								
14.00-17.00	14.00-17.00	Field Observation to Angsana Mini POM • POM activities, IPAL, OHS Implementation, Land Application • Supply Chain Requirement Document review + Verification of Stakeholder Consultation Result	✓	✓	✓	✓	✓	
Thursday, 30 April 2015								
08.00-12.00	08.00-12.00	Field Observation to KKPA 1 Estate • Manuring, Spraying, Harvesting, best agricultural practices • Worker Welfare (payments, complaint mechanism) • Hazardous Waste Material (B3) management • Legal operational and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) and • Land Fire facilities, Storage, ect..	✓	✓	✓	✓	✓	
14.00-15.00 16.00-17.00	14.00-15.00 16.00-17.00	Preparation for closing meeting Closing Meeting	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	
18.00-22.00	18.00-23.00	To Banjarmasin	✓	✓	✓	✓	✓	
Friday, 1 May 2015								
09.00 -	09.00 – 11.00	BANJARMASIN → Jakarta	✓		✓	✓	✓	