

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

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

Name of Management Organisation : PEMANTANG Palm Oil Mill, PT TEGUH SEMPURNA
Subsidiary of SIME DARBY Plantation Sdn Bhd

Plantation Name : Pemantang Estate, Kawan Batu Estate, Hatan Tiring Estate,
Batang Garing Estate

Location : Village of Sahabu, Sub District of Batu Ampar, District of Seruyan,
Province of Kalimantan Tengah, Indonesia

Certificate Code : **MUTU-RSPO/004**

Date of Certificate Issue : 05 July 2011 **Date of License Issue :** 05 July 2015
Date of Certificate Expiry : 04 July 2016 **Date of License Expiry :** 04 July 2016

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-4	3, 8 – 11 Juni 2015	Trismadi Nurbayuto (lead Auditor), Leonada, Yohanes Hardian, Panggading Hariara	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	5 July 2015

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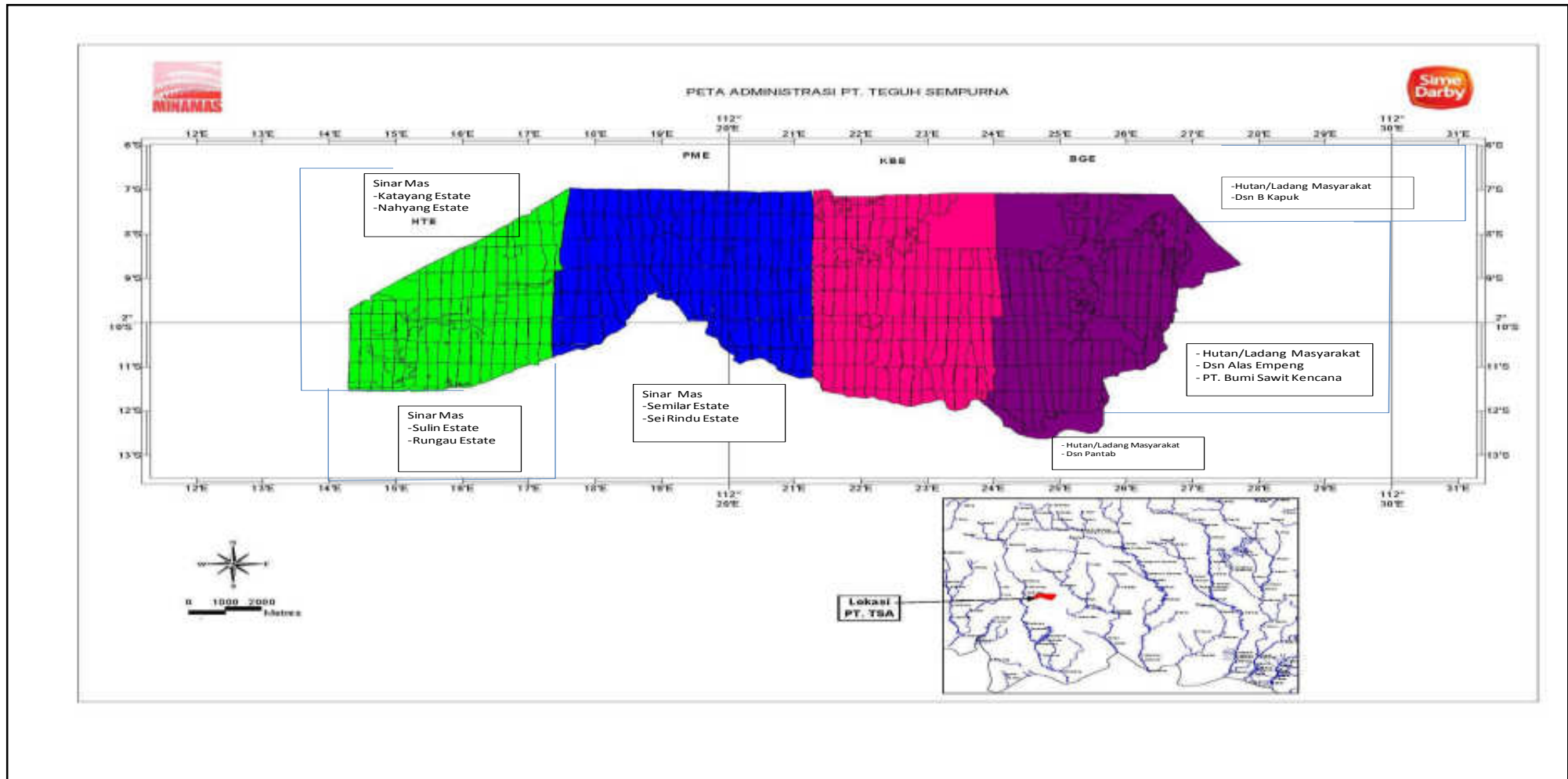
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Figure 1. Location Map of PT. Teguh Sempurna



Figure 2. Operational Map of PT. Teguh Sempurna



Abbreviations Used

ASA-4	:	Annual Surveillance Assessment 4
BGE	:	Batang Garing Estate
BOD	:	Biological Oxygen Demand
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
HCV	:	High Conservation Value (Nilai Konservasi Tinggi)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Permit)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
HTE	:	Hatan Tiring Estate
IPM	:	Integrated Pest Management
KBE	:	Kawan Batu Estate
KER	:	Kernel Extraction Rate
KLR	:	Kridatama Lancar
MRC	:	Minamas Research Center
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and safety
PK	:	Palm Kernel
POM	:	Palm Oil Mill
PPE	:	Personal Protective Equipment
PME	:	Pemantang Estate
PMF	:	Pemantang Factory
POME	:	Palm Oil Mill Effluent
PSD	:	Plantation Services Departement
PSQM	:	Plantation Sustainability and Quality Management
RSPO	:	Roundtable on Sustainable Palm Oil
SEIA	:	Social and Environmental Impact Assessment
SEL	:	Studi Evaluasi Lingkungan (Environment Evaluation Study document)
SIA	:	Social Impact Assessment
SOP	:	Standard Operating Procedure
SOU	:	Strategic Operation Unit
TSA	:	PT.Teguh Sempurna (Minamas Plantation-Sime Darby group)
WWTP	:	Wastewater Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • <i>RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT. Teguh Sempurna subsidiary of Sime Darby Plantation Sdn, Bhd	
1.2.2	Contact person	Mohamad Pirabaharan	
1.2.3	Organisation address and site address	Head Office: No 2, Plantation Tower Jalan PJU 1A/7 Petaling Jaya, Malaysia 47301 Indonesia Liaison Office: The Plaza Lt. 36 JI MH Thamrin Kav. 28-30 Jakarta 10350.	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	mohamad.pirabaharan@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 Pirabaharan (Head of PSQM Minamas Plantation)	
1.2.9	Registered as RSPO member	1-0008-04-000-00, 7 September 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Pematang Mill, Pematang Estate, Kawan Batu Estate, Hatan Tiring Estate and Batang Garing 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
	Pematang	Desa Sahabu, Sub District of Batu Ampar, District of Seruyan, Province of Kalimantan Tengah	S 2° 08' 54" E 112° 17' 34"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Pematang Estate	Desa pematang, Sub district of Mentaya Hulu, District of Kotawaringin Timur, Province of	S 2° 06' 58" - 2° 11' 14" E 112° 17' 23" - 112° 21' 16"

		Kalimantan Tengah				
	Hatan Tiring Estate	Desa Sahabu, Sub district of Batu Ampar, District of Seruyan, Province of Kalimantan Tengah	S 2° 06' 58" - 2° 11' 32"	E 112° 14' 17" - 112° 17' 36"		
	Kawan Batu Estate	Desa Kawan Batu, Sub district of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah	S 2° 05' 28" - 2° 12' 33"	E 112° 21' 15"- 112° 27' 40"		
	Batang Garing Estate	Desa Karang Biring Kapuk Sub district of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah	S 2° 06' 00"- 2° 12' 08"	E 112° 24' 06"- 112° 26' 00"		
1.5	Description of Area Statement					
1.5.1	Tenure					
	• State		16,601.66 Ha			
	• Community		- Ha			
1.5.2	Area Statement					
		Pemantang Estate (Ha)	Hatan Tiring Estate (Ha)	Kawan Batu Estate (Ha)	Batang Garing Estate (Ha)	Total (Ha)
	• Total area	3857.909	3,811.00	4,400.00	4,532.75	16,601.66
	• Mature area	3,248.02	3,414.00	3,775.00	3,128.80	13,565.82
	• Immature area	309.651	7.00	-	192.00	508.65
	• Mill	-	59.00	-	-	59.00
	• Emplishment	86	72.00	72.80	50.20	281.00
	• Infrastructure	110	149.00	117.00	116.00	492.00
	• Occupation		83.00	246.50	992.50	1,322.00
	• HCV	104.24	27.00	187.95	53.25	372.44
	• Others area (cemetery)	-	-	0.75	-	0.75
1.6	Planting Year and Cycles					
1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		Pemantang	Hatantiring	Kawan Batu	Batang Garing	Total
	1996	1,114.36	-	-	-	1,114.36
	1997	2,133.66	94.00	1,440.00	-	3,667.66
	1998	-	785.00	537.00	-	1,322.00
	1999	-	301.00	211.00	-	512.00
	2000	-	164.00	497.00	-	661.00
	2004	-	202.00	59.00	-	261.00
	2005	-	725.00	575.00	-	1,300.00
	2006	-	651.00	325.00	692.47	1,668.47
	2007	-	492.00	131.00	911.31	1,534.31

	2008	-	-	-	468.00	468.00	
	2009	-	-	-	762.00	762.00	
	2010	-	-	-	295.00	295.00	
	2011	-	-	-	192.00	192.00	
	2012	-	-	-	-	-	
	2013	-	7.00	-	-	7.00	
	2014	-	-	-	-	-	
	2015	309.651	-	-		309.65	
	TOTAL	3,557.67	3,421.00	3,775.00	3,320.78	14,074.45	
1.6.2	New Planting area after January 2010		4,919.78 Ha 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 (%)
	Pemantang	45	279,933.35	41,247.03	22.44	8,675	4.72
	*Production data source from 12 months before assessment, period of June 2014 –May 2015						
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)	%
	Pemantang	3,857.91	3,557.67	65,615.79	18.44	63,479.26	96.7
	Hatantring	3,811.00	3,421.00	84,398.57	22.36	79,461.84	94.1
	Kawan Batu	4,400.00	3,775.00	82,951.00	24.25	81,230.51	97.9
	Batang Garing	4,532.75	3,320.78	63,676.87	19.18	61,327.00	96.3
	Total	16,601.66	14,074.45	296,642.23	21.08	285,498.61	96.2
	*Production data source from 12 months before assessment, period of June 2014 –May 2015						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location			Supplied to Mill	
						FFB (tonnes/year)	
	-	-	-			-	
	TOTAL						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 5 July 2014 to 4 July 2015 (tonnes/year)		Actual certified product 5 July 2014 to 7 June 2015 (tonnes/year)	
	• FFB Production			214,975.11		260,691.75	

	<ul style="list-style-type: none">CPO ProductionPalm Kernel (PK) Production	49,444.28	59,335.53	10,748.76	12,291.52		
	* Over of production has been reported to Mutuagung (CB) on 18 Mei 2015						
1.8.2	Estimate of Certified FFB Claim						
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Pemantang	3,857.91	3,557.67	70,209	19.73		
	Hatantring	3,811.00	3,421.00	90,306	23.92		
	Kawan Batu	4,400.00	3,775.00	88,758	25.94		
	Batang Garing	4,532.75	3,320.78	68,134	20.52		
	Total	16,601.66	14,074.45	317,407	22.55		
	*Projected FFB production for 12 months of certificate						
1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO	Palm Kernel		
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Pemantang	45	317,407	73,797	23.25	15,870	5
	*Projected CSPO and CSPK production for 12 months of certificate						
1.9	Other Certifications						
	ISCC		Certificate No. EU-ISCC-CERT-DE100-20152084 valid from 19 March 2015 to 18 March 2016.				
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	MANAGEMENT UNIT		Estate (Supply Base)	Time Bound	LOCATION		
	P O M	Time Bound					
	Sekunzir. PT. Indotruba Tengah	Certified 2010	Sekunzir	Certified 2010	Seruyan and West Kotawaringin District – Central Kalimantan		
			Seruyan	Certified 2010			
	Manggala. PT. Tunggal Mitra Plantations	Certified 2010	Manggala 1	Certified 2010	Rokan Hilir District – Riau		
			Manggala 2	Certified 2010			
			Manggala 3	Certified 2010			
	PT. Sime Indo Agro	Certified 2010	PT. Sime Indo Agro	Certified 2010	Sanggau District –West Kalimantan		
	Teluk Siak. PT Aneka Inti Persada	Certified 2011	Teluk Siak	Certified 2011	Pekanbaru, Siak District – Riau		
			Pinang Sebatang	Certified 2011			
			Aneka Persada	Certified 2011			
	Sungai Pinang. PT. Bina Sains Cemerlang	Certified 2012	Sungai Pinang	Certified 2012	Musi Rawas District – South Sumatera		
			Bukit Pinang	Certified 2012			
	Sukamandang. PT. Kridatama Lancar	Certified 2011	Sukamandang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan		
			Sapiri	Certified 2011			
			Baras Danum	Certified 2011			

		Kuala Kuayan	Certified 2011	
Pematang. PT. Teguh Sempurna	Certified 2011	Pematang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan
		Kawan Batu	Certified 2011	
		Hatan Tiring	Certified 2011	
		Batang Garing	Certified 2011	
Alur Dumai. PT Lahan Tani Sakti	Certified 2011	Alur Dumai	Certified 2011	Rokan Hilir District – Riau
Teluk Bakau. PT. Bhumireksa Nusa Sejati	Certified 2011	Teluk Bakau	Certified 2011	Indra Giri Hilir District – Riau
		Nusa Perkasa	Certified 2011	
		Nusa Lestari	Certified 2011	
Mandah. PT. Bhumireksa Nusa Sejati	Certified 2014	Mandah	Certified 2011	Indra Giri Hilir District – Riau
		Rotan Semelur	Certified 2011	
Angsana Mini. PT Sajang Heulang	Certified 2011	KKPA-1 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		Pantai Bonati	Certified 2011	
Angsana. PT Ladangrumpun Suburabadi	Certified 2011	Angsana	Certified 2011	Tanah Bumbu District – South Kalimantan
		Gunung Sari	Certified 2011	
		KKPA-4 PT.SHE	Certified 2013	
Mustika. PT Sajang Heulang	Certified 2013	KKPA-2 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		KKPA-3 PT.SHE	Certified 2013	
		KKPA-5 PT.SHE	Certified 2013	
Gunung Aru. PT Bersama Sejahtera Sakti	Certified 2011	Gunung Aru	Certified 2011	Kotabaru District – South Kalimantan
		Gunung Kemas	Certified 2011	
		Laut Timur	Certified 2011	
		Pantai Timur	Certified 2011	
Bebunga. PT. Langgeng Muaramakmur	Certified 2011	Sungai Cengal	Certified 2011	Kotabaru District – South Kalimantan
		Bebunga	Certified 2011	
		KKPA Sungai Cengal	Certified 2015	
Pondok Labu. PT Paripurna Swakarsa	Certified 2012	Binturung	Certified 2012	Kotabaru District – South Kalimantan
		Pondok Labu	Certified 2012	
		Rampa	Certified 2012	
		Sesulung	Certified 2012	
Selabak. PT Swadaya Andhika	Certified 2012	Selabak	Certified 2012	Kotabaru District – South Kalimantan
		Randi	Certified 2012	
		Sangkoh	Certified 2012	
		Lanting	Certified 2012	
Rantau. PT Laguna Mandiri	Certified 2012	Rantau	Certified 2012	Kotabaru District – South Kalimantan
		Matalok	Certified 2012	
Betung. PT Laguna Mandiri	Certified 2014	Betung	Certified 2012	Kotabaru District – South Kalimantan
		Sekayu	Certified 2012	
Ungkaya. PT Tamaco Graha Krida	Certified 2012	Ungkaya	Certified 2012	Morowali District – Sulawesi Tengah
		Plasma TGK	Audited 2015	
Ladang Panjang. PT Bahari Gembira	Certified 2012	Ladang Panjang	Certified 2012	Muaro Jambi District - Jambi
		Plasma BGR	2015	

Ria				
Rantau Panjang. PT Guthrie Pecconina Indonesia	Certified 2012	Rantau Panjang	Certified 2012	Musi Banyuasin District – South Sumatera
		Bumi Ayu	Certified 2012	
		Karang Ringin	Certified 2012	
		Napal	Certified 2012	
		Mangun Jaya	Certified 2012	
		KKPA Sungai Pinang	2015	
Blang Simpo. PT Perkasa Subur Sakti	Certified 2013	Tamiang (PT PPP)	Certified 2013	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam
		Batang Ara ((PT PSK))	Certified 2013	
		Blang Simpo-01 (PT PPP)	Certified 2013	
		Blang Simpo-02 (PT PPP)	Certified 2013	
MAS. PT Mitra Austral Sejahtera	2020	MAS 1	2020	Sanggau District – West Kalimantan
		MAS 1	2020	
		MAS 1	2020	
Lembiru. PT Sandika Nata Palma	Certified 2014	Lembiru	Certified 2014	Ketapang District – West Kalimantan
		Awatan	Certified 2014	
	New Development	Karya Palma	2016	
PT. Budidaya Agro Lestari	2018	Pelanjau	2018	Ketapang District – West Kalimantan
		Sungai Putih	2018	
		Baturus	2018	
<p>Sime Darby has been certified at all management unit POM in Malaysia (39 Unit management) and Indonesia (21 Unit management). There's several change's for time bound plan that cause for delayed certification process, such as: PT Mitra Austral Sejahtera, still has unfinished social issue from Serikat Petani Kelapa Sawit (SPKS), but the progress is on going.</p> <p>PT. Budidaya Agro Lestari is waiting for Surat Keputusan Rencana Tata Ruang dan Wilayah Province Kalimantan Barat. TBP for Karya Palma Estate (PT. Sandika Nata Palma) is planned on 2016.</p>				
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard			
	Certificate Holder of PT Teguh Sempurna has no associated smallholders program			

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-4	<p>1. Trismadi Nurbayuto (Lead Auditor). Bachelor of Economics from the Department of Agribusiness, Faculty of Economics and Management, Bogor Agricultural University. Specialist for Environmental Social Impact Assessment (SEIA) and High Conservation Value (HCV). Has attended several training such as: HCV, Auditor for Indonesian Sustainable Palm Oil (ISPO) training and Auditor/Lead auditor Management System Certification (ISO 9001:2008). Previously worked in the private oil palm plantations, became HCV assessor who registered at the Roundtable on Sustainable Palm Oil (RSPO) until 2014. He has been involved in the SEIA and Identification of HCV in Plantation company</p> <p>2. Leonada (Trainee Auditor). Bachelor of Agriculture, majoring of Agronomy, Agriculture Faculty of Bogor Agricultural University. Seven years working experience at oil palm Plantation Company in Indonesia and followed several trainings namely: Auditor Indonesian Sustainable Palm Oil (ISPO), Awareness RSPO, Lead Auditor ISO 9001:2008 (Management System Certification), Basic Management Development Program Agronomy, Plantation Integrated Pest Management training, Training of the limited pesticide usage (pesticide commission), training of pesticide and fertilizer waste management, training of OHS Specialist. Currently he worked as an auditor at Certification Body</p> <p>3. Yohanes hardian (Auditor). Bachelor of Forest Conservation, Faculty of Forestry, Bogor Agriculture University. A specialist in environment and wildlife aspects. He was participating HCV training in several Palm Oil Plantation Companies. He was working as environment staff on Palm Oil Plantation Company. He was participating on the training of Auditor of ISO 9001 and ISO 19011. Another training he followed was the training of ISPO legal document which was taught by ISPO commission (internal training).</p> <p>4. Panggading Hariara (Auditor). Bachelor of Social and Political Science. Experience as a social activist in Indonesia and the Commonwealth Commission on Child Protection. Attended training including ISO 9001:2008 Auditor, Social Accountability 8000, Indonesian Sustainable Palm Oil (ISPO) Auditor and has attended five (5) times the latest audit system of sustainable palm oil certification as an auditor.</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 : 4 auditor</p> <p>Number of days for ASA-4 at site : 4 days</p> <p>Number of working days for ASA-4 at site : 16 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 PT Teguh Sempurna to the requirements of RSPO Principle and Criteria for The Production of Sustainable Palm Oil. Endorsed by RSPO Executive Board and Accepted at The Extraordinary General Assembly by RSPO Members on April 25th 2013 and RSPO Supply Chain Certification Standard for Organizations Seeking or Holding Certification Adopted by The RSPO Board or Governors on November 21st 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. 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 ASA-4 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-4.</p> <p>The assessment program please find Appendix 2</p>

2.2.3	Locations of Assessment
ASA-4	<p>Number of units in this certification activity is four estates, which supply the raw material (FFB) to one palm oil mill. In conducting the assessment, the team of auditors used the $0.8\sqrt{y}$ formula to determine the management units sampling to be focus on and considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are one palm oil mill (Pemantang POM) and two estates (Pemantang estate and Hatan Tiring estate)</p> <p>PEMANTANG POM</p> <p>Location 1 – Security Post. The Auditor interviews the security Officer in term of the recording of the incoming FFB, CPO and PK transporting truck (RSPO Certified) and the stamping of the seal at the CPO and PK truck. In general, the security Officers have aware of the procedure of the certified FFB receipt and its seal stamping procedure. There are 17 CPO dispatching contractors now.</p> <p>Location 2 – Weight Bridge. The Auditor interviews the Operator. The SCCS training was held on December 2014. Furthermore, the Operator has aware of the SCCS IP/SG standard. According to the document review, the weighbridge ticket of FFB, CPO and PK have had specific stamp (RSPO certified) and RSPO Segregation.</p> <p>Location 3 – Grading Station. The Auditor interviews the grading Foreman. According to the foreman information, the grading program is conducted each 20% or average of 3 trucks of each division. The unqualified FFB shall be separated and shall be returned to estate.</p> <p>Location 4 – Boiler Station. The Auditor interviews the boiler Operator, the boiler Operator has had boiler machine operator license. The employees have participated on the medical check up on 2014. The company has provided PPE for all employees. Furthermore, the employees have aware of the procedure of complaint delivery and they have received sectoral standard wage on 2015.</p> <p>Location 5 – Workshop. The Auditor observes the workshop sanitation, there is no hazardous waste spillage. Furthermore, there has been workplan for each division and there is a first aid kit supported with complete drugs.</p> <p>Location 6 – Hydrant nearby Storage Tank. The Auditor observes the condition of hydrant and conducts simulation. The fire extinguishing equipments are not ready use. For example, the unfit hydrant rubber.</p> <p>Location 7 – Water Treatment Plan. The Auditor observes the flowmeter condition. It consisted of 4 pieces for boiler (1 piece), for processing stage (1 piece) and for domestic usage (2 pieces).</p> <p>Location 8 – Hazardous Waste Storage. The Auditor observes the hazardous waste storage condition. The hazardous waste has complied the applied permit. Furthermore, the amount of hazardous waste has been updated on the logbook and the balance sheet. The hazardous waste is stored by referring the permitted storing period. There are hazardous waste symbols at the hazardous waste storage.</p> <p>Location 9 – Diesel Fuel Tank. The Auditor observes the diesel fuel tank condition, there is no diesel fuel spillage to the ground.</p> <p>Location 10 – Flowmeter before WWTP Inlet. The Auditor observes the digital flowmeter condition. The flowmeter condition is well functioned.</p> <p>Location 11 - Hydrant nearby Storage Tank. The Auditor observes the condition of hydrant and conducts simulation. The fire extinguishing equipments are well maintained.</p> <p>Location 12 – WWTP. Observation on the effluent management. The effluent is added with oxygen. The effluent for the land application is pumped for 24 hours with pump capacity for 60 ton/hour</p> <p>PEMANTANG ESTATE</p> <p>Location 1 – Pole Number 64, 65 dan 66. The Auditor observes the Land Use Title (HGU) pole condition. The poles have been well maintained and clearly demarcated.</p> <p>Location 2 – HCV 4.2 & HCV1, Block R42 of Division 3. The Auditor observes the baka hill condition which is manually maintained. Furthermore, there are HCV sigboards. The woody plants have also been planted <i>Pterocarpus indicus</i> (angsana).</p>

Location 3 – HCV4.2. Springs and Natural Reservoir in Block O34 of Division 2. Manggis River Upstream, the annual available springs. It is used for supporting the PMM processing stage during the drought season. There are signboards and the prohibition to spray and manure 2 palm oil plants at the buffer zone.

Location 4 – HCV 4.1. Manggis Riparian in Block O37 of Division 2. The Auditor observes the riparian area condition. The riparian area has been managed as HCV area. For example, the chemicals spraying and manuring programs are not allowed at the riparian area, there are faded warning signboards. The woody plants have also been planted such as *Pterocarpus indicus*, the Buffer zone is not planned to be replanted.

Location 5 – Replanting Program in Block O34 of Division 2. The Auditor observes the mechanical replanting program and the hilly area. The management unit creates contour terrace and road in order to prevent the surface erosion and to ease the harvesting program for the new planting once the plant becomes mature.

Location 6 – Spraying Program. The weed spraying program at block R24 of Pemantang Estate is conducted by 7 sprayers. The sprayers used pesticide named Audit (glyphosat active substance) for exterminating the narrow leave weed referring the condition of the dominating weed at estate. The company used 250 cc per ha. The sprayers have aware of the spraying technical as well as the recommended dosage, the targetted weed, the dangers of the pesticide and the function of the spraying PPE. The sprayers have used PPE during their work. There is no pregnant worker and the pregnant workers are not allowed to work close to chemicals.

Location 7 – Harvesting Program. The harvesters at block O2 of Pemantang Estate have aware of the harvesting procedure and the harvesting technical referring the OHS aspect including the procedure to handle the work accident. The Foreman brings the first aid kit and aware of the first aid action to handle the work accident

Location 8 – BSS (Blok Spraying System) Station. The BSS station at Pemantang Estate is well managed, all the PPE and spraying equipments are washed and stored at the BSS/BMS station. The pesticide-contaminated sewer water is stored and is reused for the pesticide mix at the estate. Therefore, there is no environment contamination potential.

Location 9 – Pesticide Warehouse. The ingredient of pesticide are well composed and well supported with MSDS, the ventilation condition is well maintained, there is an accomodating tank to handle the leakage, the PPE are available for the visitors, there is also pesticide ingredient mix station at the Pemantang Estate. The Head of warehouse knows the pesticide storing technique perfectly as well as the OHS aspect at the pesticide storage. The pesticide stock are well recorded at the storage recording card such as the sample of audit stock till June 8th 2015 for 1500 liter (75 Jerry Can) and Kenlon for 258 liter (51 bottles) referring the actual amount at the warehouse.

Location 10 – Nest Box (*Tyto alba*) Application. There are several active and well maintained nest boxes at block P31 of Pemantang Estate.

Location 11 – Beneficial plant Application. There are beneficial plants such as *Turnera subulata* and *Cassia cobanensis* at block P31, R24, O26 of Pemantang Estate.

Location 12 – EFB Application. There is an EFB application at block O33 of Pemantang Estate. The EFB are stacked fairly for 300 kg per stack and 40 ton per ha

Location 13 – Silt Pit Application. There is a silt pit application in size for 60 cm x 40 cm x 4 meter at block O26 of Pemantang Estate for holding the water and soil nutrient on the slope area.

Location 14 – Road Maintenance. There is no road maintenance program during the field visit. However, according to the field observation at block P31, R24, O26, O33 of Pemantang Estate. However, the road is well maintained and accessible.

Location 15 – Terrace Contour. There is a replanting area with contour terrace and violle system at block O33 of Pemantang Estate. The LCC plants such as *Pueria javanica*, *Calopogonium mucunoides* and *Mucuna bracteata* are planted along the terrace contour.

Location 16 – Workshop. Observation on the maintenance program for maintaining the heavy equipments and vehicles. There are PPE for Operators and Mechanics such as safety boots, helmet, leather gloves. In order to manage the hazardous waste (used oil and used oil filter), the hazardous waste are collected on the drum. There is no oil spillage on the ground (concrete floor).

Location 17 – Hazardous Waste Storage: Observation on the hazardous waste storing such as used oil, used filter, rag and the pesticide containers. The permanent buildings are supported with the symbols of hazardous waste and fire extinguishers.

Location 18 - Division 1 and 2: Observation on the condition of housing complex and its facilities. There are place of worship and the sport facility as well as the meeting spot during the emergency condition.

Location 19 – Generator Station of division 1 and 2: Observation on the oil and petroleum fuel storage, electricity stuff and the sanitation of the generator station area.

Location 20 – Daycare of division 1 and 2: Observation on provided facilities in children daycare for example first aid kit, playground and its equipment and facility for children nursing.

Location 21 - Clinic: Observation on the condition of clinic and its facilities.

Location 22 - Reservoir: Observation on the reservoir condition and its management. According to the result of field visit, the reservoir at division 1 and 2 have been barricaded to protect the external disturbances such as the spraying program. There are also warning signboards as well.

Location 23 – Landfill: The domestic waste is collected at specific location and is managed based on the applied procedure.

HATANTIRING ESTATE

Location 1 – Spraying Program. There are 22 sprayers at block R03 of Hatantiring Estate. The pesticide used by the company is Prima Up (active ingredient of bahan aktif gliposat) for exterminating the narrow leaves weed referring condition of the dominating weed at the estate. The company uses 250 cc of Prima Up per Ha. The sprayers have aware of the spraying technical as well as the recommended dosage, the targetted weed, the dangers of the pesticide and the function of the spraying PPE. The sprayers have used PPE during their work. There is no pregnant worker and the pregnant workers are not allowed to work close to chemicals.

Location 2 – Manuring Program. There are 21 manurers at block U12 of Hatantiring Estate. The applied fertilizer is the CCM 44 with dosage for 3 Kg/plant and the worker's achievement for 2 Ha/worker. The manurers have aware of the manuring technical including the use of spraying bowl based on the result of calibration. The manurers have aware of the functions and the use of PPE perfectly. The manurers have used PPE and in good condition.

Location 3 – Harvesting Program. The harvesters at block S06 of Hatantiring Estate have aware of the harvesting procedure and the harvesting technical referring the OHS aspect including the procedure to handle the work accident. The Foreman brings the first aid kit and aware of the first aid action to handle the work accident.

Location 4 – BSS (Block Spraying System) Station. The BSS station at Hatantiring Estate is well managed, all the PPE and spraying equipments are washed and stored at the BSS/BMS station. The pesticide-contaminated sewer water is stored and is reused for the pesticide mix at the estate. Therefore, there is no environment contamination potential.

Location 5 – Pesticide Warehouse. The ingredient of pesticide are well composed and well supported with MSDS, the ventilation condition is well maintained, there is an accomodating tank to handle the leakage, the PPE are available for the visitors, there is also pesticide ingredient mix station at the Pemantang Estate. The Head of warehouse knows the pesticide storing technique perfectly as well as the OHS aspect at the pesticide storage. The pesticide stock are well recorded at the storage recording card such as the sample of audit stock till June 8th 2015 for 1,460 liter (73 jerry cans) referring the actual number at the warehouse.

Location 6 - Nest Box (*Tyto alba*) Application. There are several active and well maintained nest boxes at block V11 of Hatantiring Estate.

Location 7 – Beneficial Plant Application. There are beneficial plants such as *Turnera subulata* and *Cassia cobanensis* at block R03, S06, U12, V2, V11, V12 of Hatantiring Estate.

Location 8 – EFB Application. There is EFB application at block V12 of Hatantiring Estate. The EFB are stacked evenly for 300 Kg per stack and 40 ton per ha.

Location 9 – Silt Pit Application. There is a silt pit application in size for 60 cm x 40 cm x 4 meter at block V11 of

	<p>Hatantiring Estate for holding the water and soil nutrient on the slope area.</p> <p>Location 10 – Road Maintenance. There is no road maintenance program during the field visit. However, according to the field observation at block R03, S06, U12. V2, V11, V12 of Hatantiring Estate, the road is well maintained and accessible.</p> <p>Location 11 - Water Management. There is a peatland area at block V2 of Hatantiring Estate. The condition of the peatland area is the mature to semi-mature peatland with black chocolate colour. In order to manage the peatland area, the company constructs semi-permanent watergate which set the water level for 60 cm.</p> <p>Location 12 – Workshop. Observation on the heavy equipment and vehicles maintenance, there are PPE for the Operator and Mechanic such as safety boots, helmet, leather gloves, hazardous waste management (used oil and used filter) is conducted by collecting the waste on the drum, there is no oil spillage on the ground (concrete floor).</p> <p>Location 13 – Land Application. Observation on the land application, according to the field visit, the flat bed is well functioned and there is no leakage.</p> <p>Location 14 – HCV. Blok U7/8. There is a natural bufferzone at the Sahabu Riparian, there are HCV signboards and marks in form of the yellow paint at the palm oil tree and the sanctuary of the wildlife at block I3. The sanctuary is well maintained and there are HCV marks.</p> <p>Location 15 – Boundary Pole Number 75 at blocks blok U20. There is an obvious and well-maintained paint and numbering.</p> <p>Location 16 - Boundary Pole Number 94 at blocks blok Q11. There is an obvious and well-maintained paint and numbering.</p> <p>Location 17 - Boundary Pole Number 97 at block O19. There is an obvious and well-maintained paint and numbering.</p>
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. Teguh Sampurna was held by:</p> <ul style="list-style-type: none"> 11 May 2015 public notification on Mutuagung Lestari website(www.mutucertification.com) 26 May 2015 send a consultation letter by email to NGO's (WALHI, Sawit Watch, and WWF) <p>Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples:</p> <ul style="list-style-type: none"> 3 June 2015 visit and consultation to Social, Manpower and Transmigration Agency, National Land Agency and Environmental Agency of Kotawaringin Timur District. 4 June 2015 visit and consultation FGD with local peoples, local contractor and chief pf Desa Sahabu. <p>Numbers of input from stakeholders were clarified by PT. Teguh Sempurna.</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (RC) will be determined after date of certificate expired

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has assessed PT Teguh Sempurna – Pematang POM, SIME DARBY Plantation Sdn Bhd operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators, one (1) nonconformity against supply chain requirement for CPO mill and one (1) nonconformity against certification system.

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 Auditors in form of documentation evidence e.g. (*document record/photographic/etc.*). Those corrective actions taken that consist of *one* (1) Minor nonconformity shall be verified during next assessment.

MUTUAGUNG LESTARI found that PT Teguh Sempurna – Pematang POM, SIME DARBY Plantation Sdn Bhd complied with the requirements of RSPO Principle and Criteria for The Production of Sustainable Palm Oil. Endorsed by RSPO Executive Board and Accepted at The Extraordinary General Assembly by RSPO Members on April 25th 2013 and RSPO Supply Chain Certification Standard for Organizations Seeking or Holding Certification Adopted by The RSPO Board or Governors on November 21st 2014 (Module D/E for CPO Mill).

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>PT. TSA has had a procedure of communication (No. 398/KLP/ROM-SOP/41/42). The procedure is considered as the practical reference to handle the communication (internal and external) on aspect of environmental occupational health and safety (OHSE).</p> <p>The company has record of the information request from the stakeholders including its response. For example: Letter from the Seruyan District Manpower Agency number 560/555/Disnakertranspar/IV/2015 to the top management of PT TSA dated May 8th 2015 in term of the workforce report mandatory. The company management has responded the report of the labor to the Manpower Agency via email to the office staff on June 6th 2015.</p>	
	Status: Full Compliance	
1.2	Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	
	<p>According to the SOP of document management number 398/TSA/DOC-SOP/42/12. The publicly-accessed documents are:</p> <ul style="list-style-type: none"> a. Legal Document ; location permit, decree of the forest area lease, plantation business permit, Land Use Title (HGU), SITU/HO, Building Construction Permit (IMB), Taxpayer ID Number (NPWP), OHS Certificate b. Company management; Vision and Mission, organization structur, the company profile, number of the 	

employees, the company regulation, the cooperative agreement letter.

- c. Estate; Area Statement, fertilizer usage, agrochemicals usage, production data, seed certificate.
- d. Social; medical facility, educational facility, place of worship facility, sport facility, employees cooperative unit, scholarship, CSR.
- e. Regional Economy; regional tax retribution, property tax
- f. Environment; EIA, environmental management and monitoring plan, fire equipment facility, water analysis, air analysis, ambient analysis, soil analysis, effluent analysis.
- g. Reporting; investment report, plantation business development report, workforce mandatory report, OHS Guiding Committee Report, report of hazardous waste balance sheet, report of labour social assurance, job opportunity.

The company is encouraged to re-socialize the type of the publicly accessed documents to all stakeholders. **OFI**

Major 1.2.1.	Status: Opportunity For Improvement
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1.3
Growers and millers commit to ethical conduct in all business operations and transactions.

The company has policy number 440/HRM-COC/07 dated May 24th, 2007 in term of the Code of Conduct (Ethic Code). It describes:

1. The personal interest of each person at the Minamas Plantation should not be involved on the decision making which shall cause the negative effect toward the company.
2. Corporate Governance: Structure and process implemented by the company to improve the chance of business success and the company accountability in order to keep the shareholder's value high for the long term period by keep considering the other stakeholder's interest referring the statutes and the ethics value.

Furthermore, the personal's basic attitude, personal's internal and external behaviour, the manager's and employee's attitude are also described. The company and each person and are not allowed to give, offer or receives anything which are considered as bribery from and to the costumers, government officials and other parties which shall influence the decision making process.

According to the result of interview with the staff, management and the employees of estate and POM, they have aware of the company ethic code.

Status: Full Compliance

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS
2.1
There is compliance with all applicable local, national and ratified international laws and regulations.

Estate:

Permanent business permit issued by the Head of Investment Agency number 239/T/PERTANIAN/INDUSTRI/2009 dated March 11th 2009. It describes that:

- Land Permits for: 16,601.66 Ha (Based on the Land Use Title (HGU))
- FFB Production for: 332,000 ton
- CPO Production for: 66,400 ton
- PK Production for: 13,280 ton

Proposing for land extension once the company production reaches 30% more than the installed capacity.

According to the document review and the result of public consultation with the Forestry and Plantation Agency, PT TSA does not send the 1st quarter of the plantation business development report on 2014. **NCR Number 2015.1.**

Root Cause:

PT TSA has not reported the 1st quarter of 2015 report of plantation business progress to the associated agency yet.

Corrective Action:

PT TSA shows the evidence of the delivery of the plantation business development report in 1st period of 2015 to Plantation Agency in letter number 302/TSA/UM/PSD/V/2015

Preventive Action:

The report compilation is conducted on time.

Observation on June 24th 2015

The management unit shows the letter number 302/TSA/UM/PSD/V/2015 dated May 29th 2015 (in term of: the delivery of the plantation business development report in 1st period of 2015 to Central Kalimantan Province Plantation Agency, East Kotawaringin District Plantation Agency and Seruyan District Plantation Agency. The letter is received by the Central Kalimantan Province Plantation Agency recently.

Observation on June 25th 2015

The management unit sends the report of plantation business progress in 1st period of 2015 to the Seruyan District Forestry and Plantation Agency and to East Kotawaringin District Plantation Agency on June 22nd 2015 via POST service.

NC is Closed.**Manpower:**

PT TSA is located on the two districts (Seruyan and East Kotawaringin). The waging system of PT TSA is referring the decree of the Central Kalimantan Governor number 43 year 2014 dated October 28th 2014 in term of the district minimum wage standard and the district sectoral minimum wage standard of East Kotawaringin District on 2015 for IDR 2,108,920 (USD 162). Meanwhile, the similar minimum wage standard for Seruyan District is referring the decree number 45 year 2014 dated November 6th 2014 for IDR 2,110,500 (USD 168). According to the General Manager of HRM through Memorandum No.016/HRM-i3/I/2015 dated January 12th 2015, the wage of the employees are increased from IDR 1,918,618/month (USD 147/month) to IDR 2,110,500/month (USD 168/month). According to the result of interview with the estate labour union, the new minimum wage standard has been implemented since January 2015. Furthermore, the estate and POM employees have aware of it as well.

The company has had the procedure to evaluate the regulation compliance. The evaluation is conducted each 6 month. The meeting is also conducted monthly to review the progress. In order to update the regulation, the company consults the associated agency.

The company has several records in term of the compliance over the legal aspects such as the reporting of:

- The report of investment program in 2nd semester of 2014 to the East Kotawaringin District Cooperative Unit and Micro Business Agency and to Seruyan District Industrial, Trade and Investment Agency via post on January 16th 2015.
- Manpower Reporting of PMM to East Kotawaringin District and Seruyan District Manpower Agency on June 9th 2015 via email.
- Manpower Reporting of HTE and PME East Kotawaringin District and Seruyan District Manpower Agency on June 9th 2015 via email.

The company has conducted regular monitoring and reporting in form of the report of environmental management and monitoring plan each semester to the Regional Environment Agency. For example:

- Report of environmental management and monitoring plan in 1st semester of 2014 to the Seruyan District and East Kotawaringin District Environment Agency on October 17th 2014.
- Report of environmental management and monitoring plan in 2nd semester of 2014 to the Seruyan District and East Kotawaringin District Environment Agency on March 5th 2014.

Major 2.1.1	Status: Non conformance 2015.1 with major category has been closed
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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.

According to the result of interview with the management, East Kotawaringin District National Land Agency, the locals (villagers of Sahabu and Pemantang), there is no land compensation process conducted by the company in last 1 year since 2006 to 2011.

Documents of the abstract of title owned by PT Teguh Sempurna are consisted of :

- The location permit which was issued by National Land Agency (document number 2057.460/BPN/XII/1993) on December 16th 1993. The location permit for 17,500 ha at Gantung Pangayuh/Tangar Village, Central Seruyan /Mentaya Hulu Sub-District, East Kotawaringin District.
- The Decree of Forestry Ministry in document number SK 640.KPTS-II/1996 dated October 8th 1996 in term of the forest area conversion at Semilat River Forest Area in East Kotawaringin District for 16,300 Ha for the estate of PT Teguh Sempurna.
- The Land Use Title (HGU) certificate Number 10 which valid till August 9 2034 for 16,602 ha (Demarcation Letter number 03/1999). It is supported by the decree of the Agraria Ministry number 63/HGU/BPPN/1999 in term of the Land Use Title (HGU) grant at the East Kotawaringin District, Central Kalimantan Province.
- The paper of Plantation Business Registration which was issued by the Forestry and Plantation Ministry (444/Menhutbun-VII/2000, April 25th 2000). The plantation business permit is applied for 16,601.65 Ha

PT. TSA has conducted monitoring over the Land Use Title (HGU) poles at each estate. HTE has 28 poles (number 71 to 98), PME has 8 poles (number 63 to 70), KBE has 8 poles (number 55 to 62), and BGE has 18 poles (number 37 to 54). According to the result of field observation to pole number 64, 65, 66 of Division 3 of Pemantang Estate, the poles are well maintained and are clearly painted. Meanwhile, according to the field observation to Hatantiring Estate, the pole number 75, 94, 97 are well maintained and are repainted.

According to the result of interview with the management, East Kotawaringin District National Land Agency, the locals (Villagers of Sahabu and Pemantang), there is no land dispute between the company and the locals nor the company with other company in last 1 year.

According to the result of field visit to several Land Use Title (HGU) poles at Sapiri Estate and Baras Danum Estate, the estate has been clearly demarcated (border between PT. TSA with other company and the border with nearby villages). PT. TSA is able to show the record of land acquisition process like the process on period of 2006 to 2009. The land compensation documents are consisted of:

- Official record
- Map of land acquisition
- Land compensation payment receipt
- Land waiver paper
- Declaration paper

- Photographs of land compensation

There is no land conflict with PT TSA recently. However, Tabion Hamlet is still incorporated to Land Use Title (HGU) since its legalization by National Land Agency. The management unit creates map of Tabion Hamlet based on the work area map. The participative demarcation with the community of Tabion Hamlet has been attempted on June 10th 2015 referring the official record number BA/KBE/2015/VI/022. The three representatives of the community signed it. The company is encouraged to complete the map of Tabion Hamlet at the Land Use Title (HGU) with complete scale, legend and coordinate. **Minor OFI 2.2.5.**

According to the result of interview with the management, East Kotawaringin District National Land Agency, the locals (villagers of Sahabu and Pemantang), there is no dispute between the company and the locals in last 1 year. However, the company has had the policy which was signed by the Head of Pemantang SOU on June 4th 2015 in term of the policy to prohibit the use of mercenary or paramilitary on the estate operationals as shown by:

1. The company shall comply the applied law/statute of RI to operate the company.
2. The conflict resolution is conducted by the company by referring the company policy and not using mercenary to deal with the conflict.

The company does not legitimate the violence over the conflict resolution.

Minor 2.2.5.	Status: Opportunity For Improvement
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2.3

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

According to the document of the HCV identification report conducted by the consultant on August 2009, there is no customary land within the company operationals area of the 1,045.69 Ha of the identified HCV area. It is supported by the information from the PT TSA management, the result of stakeholder consultation with several government agencies and the result of the field visit (interview with the nearby villages in Sahabu and Pemantang).

According to the result of interview with the management and the locals (Sahabu and Kuala Kuayan Villagers), there is no compensation process in the last 1 year. The management unit is also able to show the record of the land compensation during period of 2006 to 2009. It consisted of:

- Official Record
- Map of the Land Compensation
- Land Compensation Payment Receipt
- Land Waiver Paper
- Declaration Paper
- Photograph of the Land Compensation Payment

All the information of the land compensation is recorded in bahasa Indonesia. Therefore, it could be understood by all stakeholders. For example, the document of the payment official record, EIA document, other relevant documents. According to the result of interview with East Kotawaringin National Land Agency and the locals (Pemantang and Sahabu Villagers), there is no customary land over the indigenous community. However, the company and the locals shall solve the land conflict by have it represented by the village administration government.

	Status: Full Compliance
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PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1
There is an implemented management plan that aims to achieve long term economic and financial viability.

The company has short term period plan and the long term projection for the next 5 years in term of the estate operational cost planning. It has been legalized by the Head Plantation Operation. The workplan distribution is covering the workplan for period of 2015 – 2016 and the projection of cost and production for period of 2016 – 2020.

The company also has a replanting program based on the memorandum number POD-UM-027/IV/2014 dated March 10th 2014. The attachment of the memorandum is describing the hectareage of the future-planted area, budget allocation for cost and seed. According to the attachment, the Hatantring Estate shall start their replanting program on period of 2019/2020 for 278.51 ha for the plants which have been planted since 1997. Meanwhile, Pemantang Estate shall start their replanting program on period of 2014/2015 for 269.06 ha for the plants which have been planted since 1995.

Status: Full Compliance

PRINCIPLE #4 Use of appropriate best practices by growers and millers
4.1
Operating procedures are appropriately documented and consistently implemented and monitored.

The company has had the procedure for estate and POM. For example:

- Agricultural Reference Manual (Document Number : 110/EST-ARM/13). It was legalized on September 16th 2013. It describes the preparation of the seed, nursery technique, land preparation, harvest density period, harvest period, maintenance, manuring, immature plant manuring, EFB application, effluent application, canopy management, water management on the coastal area and the planting on the peatland area, ablation, maturity standard, harvest cycle, loosen fruit picking, plant protection, weed control, LCC planting and opacity recording.
- Procedure of the POM operational was legalized on July 26th 2010. It describes the SOP No.110/POD-FAC/07, Chapter I in term of the palm oil plant processing such as the FFB receipt (1.1), boiling (sterilization) (1.2), stripping (1.3), stirring (digesting) (1.4), threshing (pressing) (1.5), purification (clarification) (1.6), separation of fiber and kernel (1.7), Kernel station (1.8), Chapter II. CPO and Kernel Storing. CPO Storing (2.1), Laboratory Management (5.9), Steam Kettle (6.1), Generator (6.2), Type of the Generator (6.3), Occupational Health and Safety (6.10), etc.

The operational monitoring is shown by the monthly report which describes the FFB production, harvest rotation, plant maintenance, manuring and general cost. The monitoring over the company operational is conducted regularly. For example, the audit conducted by the Plantation/Mill Advisory and the operational audit which is conducted annually (at least).

According to the review of the Pemantang POM production data, Pemantang POM does not receive the FFB from the third party in last 1 year. The FFB received by Pemantang POM comes from Pemantang Estate, Batang Garing Estate, Kawan Batu Estate, and Hatantring Estate.

Status: Full Compliance

4.2
Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.

The company has conducted manuring as the effort to maintain the soil fertility. The manuring is conducted by referring manuring recommendation based on the result of leaf analysis. Example of the attempts to maintain the soil fertility are follow:

- Pemantang Estate for period of July 2014 – June 2015 to May 2015: MOP (581,187 Kg), RP (555,940 Kg), HGFB (30,883 Kg), ZA (571,181 Kg), CCM 44 (500,326 Kg).

- Hatantiring Estate for period of 2014 – June 2015 to May 2015: MOP (1,096,084 Kg), RP (1,800,515 Kg), HGFB (75,820 Kg), ZA (762,675 Kg), CCM 44 (534,687 Kg), Kieserite (20,421 Kg), Dolomite (307,661 Kg)

The conducted lead analysis is can be seen like the result of leaf analysis on 2014. It was conducted by the Laboratorium Services of MRC in order to decide manuring recommendation for period of 2014 – 2015. The example of Pematang Estate: Field Q008, Blok Q23 no LSU PME117, planting year 1997, % nett weight (N: 2.94), (P: 0.150) (K: 0.898), (Mg: 0.192), PPM nett weight B (13.73).

The company also has a strategy to improve the soil fertility by recycling the soil nutrient by using Empty Fruit Bunches (EFB). For example, the EFB application for period of 2014 – 2015 on April 2015 (Pematang Estate applied 153.53 ton of EFB and Hatantiring Estate applied 1,245.95 ton of EFB). According to the result of field observation to block O33 of Pematang Estate and to block V12 of Hatantiring Estate, there are EFB applications. The EFB are stacked fairly for 300 Kg per stack of 40 ton per ha. The company is able to improve the availability of fertilizer by having it adjusted with the soil nutrient need referring the fertilizer recommendation and the conducted soil analysis. (OFI).

The company has had the extension of effluent usage for the estate of PT Teguh Sempurna based on the decree of regent number 96 year 2014. The decree is valid for 2 years after the issuance on February 28th 2014 for 386 ha. The company has utilized the effluent application at the estate. The dosage used for effluent application is 250 m³/ha/year/rotation. There is a monthly effluent application monitoring of Pematang POM as follow:

2015	Amount of POME Application (m ³)
January	19,226
February	21,168
March	19,981
April	24,676
May	16,719

Minor 4.2.1.	Status: Opportunity For Improvement
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4.3

Practices minimize and control erosion and degradation of soils.

The company has map of land class in scale 1: 200,000. It describes the location of marginal soil of class of N1 (slope >50% and the low soil nutrient substance) at each estate. For example, the marginal land at Kawan Batu Estate for 52.8 ha, Pematang estate for 156 ha and Batang Garing for 400 ha. There is also an operational map of marginal soil such as map of laterite marginal soil area and map of the sandy marginal soil area. According to the result of tanah tinjau soil survey on April 2010 at Pematang Estate, there is no peat soil (*Ordo Histosol*) within the operational area. According to the result of the survey, the existed soil classification are the ordo ultisol and entisol. Meanwhile, according to the result of soil survey on May 2015, there is Histosol soil consisted of haplosaprist (Sapric Mature) and haplohemist (middle hemic mature) at Hatantiring Estate. The peat subsidence measurement is conducted by MRC at Block T2, V5, U2 (260 Ha) with the depth for 40 – 120 cm.

The company has several strategies to managed the area with specific slope such as the construction of silt pit, individual terrace, terrace, U-shape frond stacking application, nephrolepis planting. The realization for period of 2014/2015 is as follow:

- Pematang Estate: silt pit for 55,746 units, individual terrace for 58,328 units
- Hatantiring Estate: silt pit for 51,407 units, individual terrace for 36,649 units and road silt pit for 1,251 units.

Furthermore, the company has conducted soil erosion rate monitoring by using erosion poles. For example, there are 14 points (Blok R25, R42, S34, T39, P36, P32, P41, Q33, R34, S36, S41, T37, U40, Q41) at Pematang Estate. The company also recycle the nutrient by using Empty Fruit Bunches (EFB) for dealing with the marginal soil. For example for period of 2014 – 2015 on April 2015 (Pematang Estate for 153.53 ton and Hatantring Estate for 1,245.95 ton).

The company has executed replanting program for the hilly are with contour terrace system in line with the SOP of Agronomy Manual Reference in part 4 (Land Celaring). It describes the making of terrace for the specific slope area (6 – 25%) and violle system for the hilly area. The example of the making of terrace contour during the replanting program in blocks O31, O32, O33, O34, O35, O36, O37, O38, O39, O40, O41, O42, O43, P35, P36, P39 with total of block for 370.57 Ha). Example of the contract for service No. 010/Replanting/TSA-PME/XI/2014 dated November 1st 2014 between PT TSA and PT. Putra Sarana Trans Borneo for replanting programs such as the making of terrace. One of the effort to prevent the degradation of erosion and erosion is by planting LCC plants as shown on the example of the record of LCC planting till May 2015 in Hatantring Estate is several blocks. For example, block O31 (27.36 Ha), O32 (28.79 Ha), O33 (19.92 Ha), O34 (19.30 Ha), O35 (21.41 Ha), O36 (12.56 ha).

The company has conducted several attempts to manage peatland area. For example, by conducting water management. The company installed semi permanent watergate. The installation of watergate and dam at block R1, S1, S2, T1, T2, U1, V1, V2. According to the result of field observation to block V2 of Hatantring Estate, there is a peatland area. Visually, the peat maturity condition between the semi mature peat to mature peat with chocolate dark colour. There is a semi permanent watergate with water level condition for 60 cm.

The company has mechanical road maintenance and road hardenning program by using laterite stone for period of July 2014 – June 2015. The realization of the program was that 29,567 meter (Hatantring Estate) and 4,316 meter (Pematang Estate).

According to the result of field observatio to block O33 of Pematang Estate, there is replanting area with terrace contour and violle system. The LCC planted along the terrace are *Pureria javanica*, *Calopogonium mucunoides* and *Mucuna bracteata*. The siltpit application is found at block O26 of Pematang Estate and at block V11 of Hatantring Estate with size 60 cm x 40 cm x 4 meter. The purpose of the siltpit application is to hold the water and soil nutrient at slope area. Furthermore, the U-shape frond stacking application and Nephrolepis are purposed to hold the erosion along the location of soil sample at block P31, R24, O26 of Pematang Estate and at block R03, S06, U12. V2, V11, V12 of Hatantring Estate. There is no road maintenance program. However, according to the field observation at block P31, R24, O26, O33 of Pematang Estate and block R03, S06, U12. V2, V11, V12 of Hatantring Estate, the road are well maintained and accessible.

Status: Full Compliance

4.4

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

The waterway preservation programs conducted by PT TSA are:

- Planting woody plants like Rosewood (*Pterocarpus indicus*), Mahogani (*Swietenia macrophylla*), Cottonwood (*Hibiscus tiliaceus*) at riparian area.
- Marking the buffer zone area by using yellow cross-painted lumber.
- Prohibiting the spraying and manuring programs at the buffer zone area.
- Letting the last 2 line of palm oil plants off the river off the chemicals.
- Planting softgrass, vetiver grass and beneficial plant.
- Creating signboard at the bufferzone area.

- Conducting routine river water quality monitoring.
- Executing the planting and maintenance program of Shorea for 3,003, *nyatoh* for 7,650, *Shorea belangeran* for 5,344, *Arecaceae* for 2,190, *gerunggang* for 2,275

Sahabu River Water Quality Monitoring

The river water quality monitoring is conducted by UNILAB (accredited). The result of the monitoring is as follow:

Parameter (Mg/L)	Quality Threshold	Sahabu River Inlet	Sahabu River Outlet
BOD	2.00	15	17
COD	10000	60	68
DO	6	1.8	1.2
phospat	0.20	<0.01	<0.01
Nitrat = N	10000	0.4	0.4
NH3-N	0.50	<0.01	<0.01
Cu	0.02	<0.009	<0.009
SO4	400.00	<0.002	2.0

According to the result of monitoring, the substance of BOD before entering the estate area have been high and the estate operationals do not add significant encumbrance over the water contamination.

The company has monitored the effluent BOD routinely (monthly). There is a report of the routine effluent BOD monitoring. For example:

Parameter	Unit	2015						Quality Threshold
		July	August	Sept	Oct	Nov	Dec	
BOD	mg/	1020	624	1020	660	840	2.280	5.000

According to the data, the effluent quality of the WWTP ponds are still complying the applied quality threshold and the WWTP ponds have been well managed (no leakage) based on the field visit.

The company has water consumption plan and its consumption is still referring the planned budget for 1,3 m3/ton of FFB. For example:

Month	Total of Water Consumption	Processed FFB	Ratio
January	20,209	22,629	0.89
February	17,108	19,147	0.89
March	18,333	20,900	0.88
April	20,032	23,078	0.87
May	17,441	21,969	0.79

Status: Full Compliance

4.5

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

The company has planned and implemented the well monitored IPM such as the regular IPM monitoring by installing the barn owl boxes and by planting beneficial plants. In general, according to the result of pest census at Sapiri Estate and Kuala Kuayan Estate, there is no pest attack categorized as massive pest attack. The employees who deal with the pest

and disease have been trained. For example, the pest and disease training on March 12th – 13th 2014, which was attended by 90 employees and on, March 14th – 15th 2015 which was attended by 114 employees.

The company also has developed the beneficial plant as the plant for the pest predator. According to the result of field observation, there are beneficial plants planting at Pemantang Estate such as *Cassia cobanensis*: 555 m, *Antigonon leptopus*: 146 m, *Turnera subulata*: 5,331 m and for Hatantring Estate such as *Cassia cobanensis*: 11,020 m, *Antigonon leptopus*: 590 m, *Turnera subulata*: 21,893 m.

According to the result of field observation to block P31 of Pemantang Estate and to block V11 of Hatantring Estate, there are active nest boxes. The beneficial plants like *Turnera subulata* and *Cassia cobanensis* are found along the block P31, R24, O26 of Pemantang Estate and along the block R03, S06, U12. V2, V11, V12 of Hatantring Estate.

Status: Full Compliance

4.6

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

The company has used the pesticide commission listed pesticides referring the target of weed, pest and disease at estate. The pesticide usage per hectare is monthly recorded. According to the data of pesticide usage, there is no pesticide categorized as class 1A or 1B of the WHO nor the pesticide recorded on the Stockholm and Rotterdam Convention. The company also has implemented policy for not using paraquat as written on the document of memorandum from the Head of Plantations Operation (number: POD-UM-127/X/2008, dated November 4th 2008). It is supported by the result of field observation to block R24 of Pemantang Estate and to block R03 of Hatantring Estate where the pesticide used by the company is the mix of pesticide up to 50%. Therefore, it reduces the contamination risk of the active pesticide. According to the result of field observation, the pesticide used at Pemantang Estate is Audit (glyphosat active ingredient) for exterminating the narrow leaf weed with dosage of 250 cc per ha and the pesticide used at Hatantring Estate is Prima Up (glyphosat active ingredient) for exterminating the narrow leaf weed with dosage of 250 cc per ha.

The company also has implemented Early warning system (EWS) by monitoring the pest and disease routinely before the pest and disease control by using chemicals is conducted by the company. The company is no longer using paraquat based on the result of interview with the sprayers as well as the pesticide application from air. The employee exposed by pesticide has been registered on the regular medical check up.

According to the result of regular medical check up, the company has conducted annual medical check up for the pesticide Operator. However, the company does not conduct specific medical check up for the pesticide Operator. **It becomes the observation issue for the company.**

The sprayers met during the field observation have aware of the spraying technique, the recommended dosage, the must-sprayed weed and the dangers of the pesticide as well as the function of the PPE. The sprayers have used well maintained PPE. The sprayers have also participated on the spraying technique training based on the record of sprayers training on April 7th 2015 in division II of Hatantring Estate. It was attended by 26 sprayers. The sprayers training in Pemantang Estate was held on February 7th 2015. It was attended by 16 sprayers.

According to the result of field observation to the pesticide warehouse at Pemantang Estate, the pesticide is well classified and is supported by MSDS, the ventilation condition is good, there is a leakage preventing tank; the PPE are well provided for the visitors and there is a mixing station as well. The Head of warehouse also deal with the pesticide storing technique and the aspect of OHS at the warehouse. The pesticide stock are well recorded at the storage recording card such as the sample of audit stock till June 8th 2015 for 1500 liter (75 Jerry Cans) and Kenlon for 258 liter

(51 bottles) referring the actual amount at the warehouse. Meanwhile, the pesticide warehouse at Hatantiring Estate is the pesticide type Audit for 1,460 liter (73 jerry cans).

The company also has BSS station. According to the field observation to BSS station at Pemantang and Hatantiring Estate, the BSS and BMS are well managed, all PPE and spraying equipments are washed and are stored at BSS station. The contaminated water are reused by the company as the ingredient to mix the pesticide so it shall not contaminate the environment.

The hazardous waste categorized ex pesticide containers are collected at hazardous waste storage based on the evidence of hazardous waste balance sheet. For example, the containers of Kenlon 0.041 ton and prima up 0.00272 ton. The ex pesticide containers are then transported by the license transported. It is shown by the evidence of hazardous waste handover and hazardous waste take over manifest on March 24th 2015 for Ex Prima up (27 bottles), ex metaprima (103 bottles), ex dejavu (47 bottles), ex kenlon (31 bottles).

The company has policy to prohibit the pregnant and breastfeeding women workers to work as sprayers. The company has held routine medical check up for the women sprayers to ensure that they are not in pregnant nor breastfeeding. Furthermore, the company has policy to provide H1 day off for the cause of menstruation and H2 for the pregnancy cause for the women workers. According to the result of interview with the sprayers of block R24 of Pemantang Estate and sprayers of block R03 of Hatantiring Estate, there is no pregnant nor breastfeeding women workers and they are not allowed to deal with chemicals as well.

Major 4.6.11.	Status: Observation
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4.7

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

The company has had OHS policy. It was legalized by the Head of Plantation Upstream Indonesia on December 2011. According to the policy, the company shall create safe and healthy workplace by implementing effective management to prevent the work accident and the unhealthy environment for the employees/staff, contractor and the visitor/guest. The management unit has opportunity to improve the fire extinguishing equipments readiness at POM; improving the fire warning by adding fire potential danger signboard at the replanting area and creating the evacuation route signboard to the meeting point at the estate employees housing complex. (OFI)

The company also has OHS Guiding Committee program for period of 2015 for the estate and POM of PT TSA. The medical services and the work accident assurance are provided to the employees. For example, the company register all the employees to the labour social assurance and health BPJS program. Furthermore, the company analyze the risk and dangers potential (HIRARC) which are caused by all estate and POM operationals. However, the company is not analyzing the HIRARC yet for the previous period and the next period of 2015. **It becomes the issue for the evaluation of the OHS Guiding Committee at the company to consistently analyze the danger sources and and risk control regularly.**

The company has held training for the employees on the OHS aspect. The PPE are provided for the employees by referring the risk and danger potential. For example, there is an evidence of the PPE handover for the sprayers of Pemantang Estate on May 12th 2015 in form of the helmet, helmet glass, masker, gloves, safety boots for 18 sprayers. It was given by the assistant. The Hatantiring Estate gives the sprayers PPE (gloves) as well on June 6th 2015 for 26 pieces of PPE.

The company also has had the OHS personels for dealing with the OHS aspect in form of the OHS Guiding Committee. It has been legalized by the Manpower Agency and the OHS secretary has been considered as the OHS expert. The

OHS Guiding Committee reporting to the associated agency is conducted routinely. The company also has the procedure to deal with the accident and the emergency situation. Several workers have been trained to provide the first aid actions, the equipments for the first aid actions have been provided and the work accident records have been well monitored.

According to the result of field observation to the Pemantang Estate for several programs such as harvesting at block O26, spraying at block R24 and to Hatantiring Estate for the harvesting at block S06, spraying at block R03, manuring at block U12, each employees have aware of the work technique perfectly and have used PPE based on the function and the work type. The PPE are well functioned and well maintained. The foremen have brought first aid kit and have aware of first aid action to deal with the work accident.

Major 4.7.1.	Status:
Major 4.7.2.	Opportunity For Improvement Observation

4.8

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

The company has several training programs for the employees:

Hatan Tiring Estate Tahun (Juli 2014 – Juni 2015)

No	Type of Training	Participants	Facilitator	Plan
1	Harvesting	Harvesters, Harvester Foreman, Foreman 1	Manager, Assistant, PSQM	January 15
2	Maintenance	Maintenance, Maintenance Workers, Foreman 1	Manager, Assistant	February 15
3	Manuring	Harvester, Harvester Foreman, Foreman 1	Manager, Assistant	March 15
4	Spraying	Sprayers, Sprayer Foreman, Foreman 1	Manager, Assistant	April 15
5	Workshop	Mechanic, Operator, Driver	Manager, Assistant	May 15
6	Security	Head of Security Officer, Security	Manager, Assistant	June 15
7	Warehouse	Head of Warehouse, Clerk of Warehouse, Warehouse Workers	The Head of Administration, Manager	July 15
8	Staff	EM, Assistant	HRM	June 15

Pemantang Estate Year (July 2014 – June 2015)

No	Type of Training	Participants	Facilitator	Plan
1	Harvesting	Harvesters, Harvester Foreman, Foreman 1	Manager, Assistant, PSQM	March 15
2	Maintenance	Maintenance, Maintenance Workers, Foreman 1	Manager, Assistant	July 14
3	Manuring	Harvester, Harvester Foreman, Foreman 1	Manager, Assistant	January 15
4	Spraying	Sprayers, Sprayer Foreman, Foreman 1	Manager, Assistant	February 15

5	Workshop	Mechanic, Operator, Driver	Manager, Assistant	September 14
6	Security	Head of Security Officer, Security	Manager, Assistant	February 15
7	Warehouse	Head of Warehouse, Clerk of Warehouse, Warehouse Workers	The Head of Administration, Manager	September 14
8	Staff	EM, Assistant	HRM	October 14

Sukamandang Factory

No	Type of Training	Participants	Facilitator	Plan
1	Training of Quality Control SOP	All staf and employees	Manager	December 14
2	Renold Chain	All staf and employees	External	October 14 and February 15
3	Hazardous Waste	Warehouse Workers	Assistant	June 15
4	Emergency Response and Townhall	Emergency Response Team	PSQM	October 14 and February 15
5	SOP of Processing Stage	Workshop	Assistant of Maintenance and OHS Expert	September 14 and March 15

There are several training program records. For example:

- Training of harvesting and grading (BMS) dated January 12th 2015. It was attended by 147 harvesters. The training material is available.
- Training of spraying technique and the fertilizer dosage on March 15th at block R8 and R9 of division III. It was attended by 24 participants.
- Training of first aid on September 24th 2014 in PT TSA high school hall. It was attended by 32 participants. The training material is available.
- Training of poison handling on April 7th 2015 in division III. The event photographs are available.
- Training of OHS expert on April 20th – 29th 2015 at Training Center of PT. Minamas Gemilang-Sukamandang, Central Kalimantan Area. It was held by cooperating with Delta Indonesia and RI Manpower Ministry. It was attended by 32 participants. The prove of the training was the certificate on behalf of Zoe Hendry Purba No. 680/IV/K3/AK3U/2015.
- Training of fertilizer on January 5th 2015 in division I of PME. It was attended by all manurer of PME.
- Training of sprayers on February 7th at division II of PME. The evidence of training evaluation for PPE usage training, spraying training, HCV training and buffer zone training of PME are available.
- Training of WTP analysis on February 13th 2015 at Pemantang POM processing stage room. It was attended by 18 participants. The training material is available.
- Training of generator's diesel fuel consumption efficiency with the operasional fuel return scrapper conveyor at POM meeting room on January 17th 2015. It was attended by 15 participants.
- Training of SOP of nut and kernel station and quality control and losses on June 10th 2014 at the processing stage office. It was attended by 8 participants. The attendance list and the training material are available.
- Training of Conveyor and Elevator on January 31st 2015 at the processing stage room. It was attended by 23 participants.
- Training of Renold Chain on December 11th 2014 at PMM meeting room. It was attended by 10 participants. The attendance list is available.

- Training of SOP of nut and kernel station and quality control and losses on June 10th 2014 at the PMM meeting room. It was attended by 8 participants.
- Training of crane operator on March 24th – 27th 2014. It was held by East Kotawaringin District Manpower Agency. The evidence of the training is the certificate on behalf of Agus Yanus and the operator license number 14.34367-OPK3-PAA/IV/2014 which is valid till April 12th 2019.

Status: Full Compliance

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 document of environment impact assessment and the document of environmental management and monitoring plan. There is a document of PT TSA environment impact assessment for 16,300 Ha area based on the land waiver letter from Forestry Ministry number 640/Kpts-II/1996 dated October 8th 1996. Furthermore, there is a decree number 35/ANDAL/RKL-RPL/BA/X/1998 from the Agriculture Ministry c.q the Head of Agribusiness Department dated October 9th 1998 in term of the approval of EIA and environmental management and monitoring plan of PT Kridatama Lancar and PT Teguh Sempurna at East Kotawaringin District, Central Kalimantan Province.

The company has managed and monitored the environment based on the legalized environmental management and monitoring plan. The managed and the monitored aspects are:

- Air and noise quality.
- Water and soil conservation.
- Effluent and solid waste quality.
- Fire potential.
- Disturbance over flora and fauna.
- Social restlessness.

According to the document review and field visit, there is no change on the company scope. Therefore, there is no need of environment monitoring changes. PT TSA has reported the implementation of environmental management and monitoring plan to the associated agencies routinely. For example:

- Report of environmental management and monitoring plan on 1st semester of 2014 to Seruyan and Estate Kotawaringin District Environment Agency on October 17th 2014.
- Report of environmental management and monitoring plan on 2nd semester of 2014 to Seruyan and Estate Kotawaringin District Environment Agency on March 5th 2014.

Status: Full Compliance

5.2

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

PT TSA has identified the HCV area. It was conducted by Aksenta on August 2009. The team is consisted of:

- Wibowo A Djatmiko
- Bambang Widyatmiko
- Ganip Gunawan
- Erwin Hermawan

The identified HCV area is 1,045.69 Ha with HCV type as follows:

- HCV 1.2 – endanger animals
- HCV 1.3 – animals sanctuary
- HCV 4.1 – water source for housing complex and mill
- HCV 4.2 – erosion and river sedimentation control
- HCV 4.4 – agriculture and fishery functions
- HCV 5 – plantation and estate for the basic need
- HCV 6 – picnic place for the estate settlers

The company has prepared SOP of animal protection (01/TSA/SOP/09) dated June 1st 2009. The program of HCV management composed by the company covers all HCV area in each estate. For example:

- Signboard installation
- Endanger species poster installation
- Buffer zone planting (riparian area)
- Socialization to the employees and contractor in term of the prohibition to not kill, harm, catch nor raise the endanger animals.
- Coordinating with the regional conservation agency for managing the endanger species.

According to the result of field visit to several HCV area at Sahabu Riparian, the vegetation are raised naturally to prevent the chemicals and fertilizer contamination and to protect the river. The animals sanctuary at the Sahabu River upstream is managed by installing the HCV signboards the pringgana road are not disturbed to ease the disturbance on the HCV area.

Several attempts conducted by the company to protect the endanger species are by protecting the animals sanctuary, installing the endanger animals poster and installing the hunting prohibition signboards at the strategic location and attaching the warning of the law breach on statute number 5 year 1999. The company has socialized the HCV area for its staff and employees on February 10th. It was attended by 10 participants.

The company has conducted flora and fauna biodiversity monitoring. For example, at Pematang Estate, the type of the identified flora and fauna during period of February – March are the black-winged kite (*Elanus caeruleus*), biawakmonitor lizzard (Varanidae), phyton (Phytonidae), long-tailed shrike (*Lanius schach*), ashy tailorbird (*Orthomus ruficeps*), oriental magpie-robin (*Copsychus saularis*), bar-winged prinia (*Prinia familiaris*), greater coucal (*Centropus cinensis*), crow (*Corvus*). The company has HCV signboard maintenance realization program. For example:

1. Determining HCV map as definitive HCV in order to manage the HCV area and to ensure the location of HCV area is within the work area.
2. Socializing HCV area to all staff and employees and the locals.
3. Prohibiting the spraying program at riparian area and HCV monitoring area.

According to the document review and field visit, there is no local community right on the HCV area of PT Teguh Sempurna. All HCV area are within the company operational area. The company has opportunity to manage HCV area by adding time management of HCV monitoring and management including the maintenance of signboards. (OFI)

Major 5.2.2.	Status: Opportunity For Improvement
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5.3

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

PT TSA has identified the hazardous waste sources of estate and mill. The result of identification are as follow:

- Household: plastic, food waste, paper and leaves (landfill).
- Workshop: used oil, used battery, rag, metal crap, used tires, paint can, grease can, used lamp (is stored at

hazardous waste storage and is collected by the licensed collector), paper and leaves (landfill).

- Warehouse: ex-herbicide containers, rag, paper/leaves and chemicals sack (is stored at hazardous waste storage and is collected by the licensed collector).
- Office: paper and leaves (landfill).
- Polyclinic: medical waste (transported to Pangkalan Bun Regional Hospital).
- Mill: EFB which is applied to the land.

The result of waste source identification of POM are as follow:

- Loading ramp: rag, used lamp, metal crap, used oil, used PPE (is stored at hazardous waste storage and is collected by the licensed collector), empty bunch, deteriorated loosen fruit, partenocarp (application), gravel (landfill).
- Sterilizer: rag, used lamp, metal crap, used oil, used PPE (is stored at hazardous waste storage and is collected by the licensed collector), empty bunch, deteriorated loosen fruit, condensated water (application).
- Press: rag, used lamp, metal crap, used oil, used PPE (is stored at hazardous waste storage and is collected by the licensed collector), empty fruit bunch, deteriorated loosen fruit (application) and shell and fibre (for boiler fuel).
- Nut & Kernel: rag, used lamp, metal crap, used oil, used PPE (is stored at hazardous waste storage and is collected by the licensed collector), empty bunch, deteriorated loosen fruit (application), shell, fibre (boiler fuel), ex. Hyd cyclone water, kernel oil (application), sand stone (landfill).
- Clarification: rag, used lamp, metal crap, used oil, used PPE (is stored at hazardous waste storage and is collected by the licensed collector), sludge decanter, sludge separator (re-use), sand (landfill).
- WTP: rag, used lamp, metal crap, used oil, used PPE, chemical sack, ex chemical plastic (is stored at hazardous waste storage and is collected by the licensed collector), back wash softener water (river).
- Boiler: rag, used lamp, metal crap, used oil (is stored at hazardous waste storage and is collected by the licensed collector), shell, fibre, (boiler fuel), ashes (landfill).
- Engine room: rag, used lamp, metal crap, used oil, used PPE, used filter (is stored at hazardous waste storage and is collected by the licensed collector).
- Store: rag, used PPE, used lamp, metal crap, used drum, used bucket, used jerry can, paint/tiner can, used sack, used carton, used plastic (is stored at hazardous waste storage and is collected by the licensed collector).
- Workshop: rag, used PPE, used lamp, metal crap, used oil, used filter, used battery, used tires, used can, oil can, welding barbed wire, used spare part, used lamp, used paper, used stationery & printer (is stored at hazardous waste storage and is collected by the licensed collector).
- Office: used PPE, used lamp, used paper, used stationery & printer (is stored at hazardous waste storage and is collected by the licensed collector).
- Lab: rag, used PPE, , used lamp, used paper, used stationery & printer, used chemicals sack, used cotton, shard, analysis ex waste (is stored at hazardous waste storage and is collected by the licensed collector).
- All statsiun: steam water (river), used sweeper, used cleaning tools (landfill), shell, fiber (boiler fuel), soap water (river)
- Canten: soap water (river), leftover (river)
- Effluent treatment plant: effluent (flat bed in estate), sekam (for organic fertilizer).

The generated hazardous waste of PT TSA are managed on the permitted hazardous waste storage. PT TSA has achieved hazardous waste permit issued by the Regent of Seruyan District based on the decree number 302 year 2010 dated August 31st 2010. The permit is valid for 5 years. The stored hazardous waste at the hazardous waste storage are the used oil/lubricant, used battery, used filter, used diesel fuel and the used grease trap for 90 days. The permitted location for storing the hazardous waste are:

- Pematang Estate (S 02 07,076' and E 112 19,863')

- Kawan Batu Estate (S 02 09,294' and E 112 22,233')
- Hatantiring Estate (S 02 10,263' and E 112 16,127')
- Batang Garing Estate (S 02 09,632' and 112 25,169')

The company has hazardous waste balance sheet for period of January to March. It informs the amount of hazardous waste and the hazardous waste are transported to the licensed collector named PT. Wiraswasta Gemilang Indonesia. The latest transport was conducted on March 24th 2015. According to the manifest number AE : 0121359, the hazardous waste volume was 1,876 m³ and the type of the hazardous waste based on the official record of the hazardous waste handover from PT TSA to PT Wiraswasta Gemilang Indonesia for Hatantiring estate are as follow:

1. ex prima up = 27 bottles
2. ex metaprima = 103 bottles
3. ex dejavu = 47 bottles
4. ex kenlon = 31 bottles
5. ex kaleng cat = 10 cans
6. ex accu = 2 accumulators
7. ex filter = 42
8. used oli = 205 liters

Pematang POM: there are waste balance sheet which informs the amount and type of waste. The detail of the transported hazardous waste to PT WGI on March 24th 2015 are as follow:

1. Used oil = 345 liter
2. Jerry can = 42 jerry cans
3. TL lamp = 32 lamps
4. Filter = 19 filters
5. Rag = 50
6. Gloves = 6

Pematang Estate : there are waste balance sheet which informs the amount and type of waste. The detail of the transported hazardous waste to PT WGI on March 24th 2015 are as follow:

1. Ex prima up = 18 jerry cans
2. Ex metaprima = 10 cans
3. Ex Kemasan kenlon = 8 cans
4. Used accumulator = 8 units
5. Used oil = 219 liter
6. Use tire = 30

The company also has reported the result of analysis of effluent, noise, odour and hazardous waste balance sheet for period of January to March 2015 to the associated agencies. It is proven by:

1. Receipt record of the document delivery to Central Kalimantan Province Environment Agency on April 20th 2015.
2. Receipt record of the document delivery to Kalimantan Region Environment Education Center on April 14th 2015.
3. Receipt record of the document delivery to East Kotawaringin District Environment Agency on April 14th 2015.
4. Receipt record of the document delivery to Seruyan District Environment Agency on April 14th 2015.

The company has had SOP of domestic waste management in document number SOP/ TSA/073 Revision 1 dated June 8th 2015. It describes the domestic waste management as follows:

- The domestic wastes are collected on the landfill.
- The domestic waste at the housing complex are collected twice a week.
- The hole of the landfill size for 5 m x 5 m x 1 m and the distance is at least 1 km away from the settlement and 200 meter away from the riparian area.

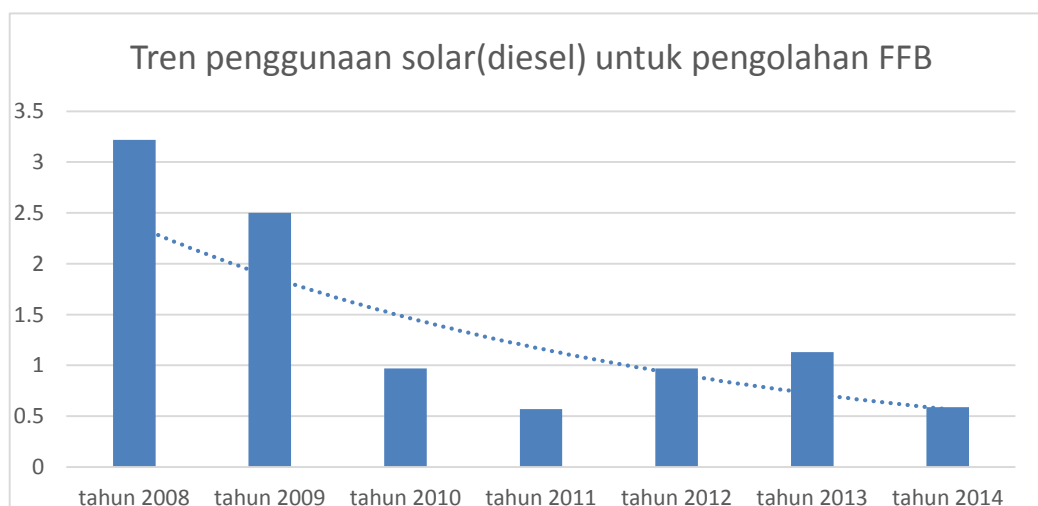
According to the official record number BA/KBE/2015/VI/021, the garbage hoarding was conducted at block S59 on June 9th 2015 referring the applied SOP.

Status: Full Compliance

5.4

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

The company has the data of diesel fuel ratio monitoring for the fuel consumed by the company to process FFB based on the data of period of 2008 to 2014. According to the data, there is a reduction trend of diesel fuel consumption. Therefore, the use of shell and fiber to retrench the diesel fuel is very efficient. It is shown by the graphic of diesel fuel consumption trend for processing FFB during period of 2008 to 2014 as follow:



According to the graphic, the diesel fuel consumption ratio for processing FFB on 2014 was 0.65 liter/Kg FFB.

Status: Full Compliance

5.5

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

The management unit has had sustainable estate management guideline. According to point 5.7.2, the zero burning technique is described. It describes the company policy to support the zero burning technique for replanting program. The replanting is conducted mechanically on the old plants. The cutted down plants are purposed to be deteriorated in order to provide the soil nutrient. The zero burning policy also minimize the air pollution.

PT. TSA has replanted 269.06 Ha are in Pematang Estate. There is a cooperative agreement letter number 010/Replanting/TSA-PME/XI/2014 dated November 1st 2014 between PT. TSA and PT. Putra Sarana Transborneo Jl. Pramuka Km. 6, Ruko Mitramas No. 11 G RT.20, Banjarmasin, South Kalimantan. For period of November 1st 2014 to March 31st 2015.

Type of the projects are:

- Stacking, Chipping

- Digging & Hoarding
- New road construction (along with the contour)
- New trench digging
- Terrace construction with barriers for each 20 m
- Soil cultivation
- Mechanical planting hole digging
- Cambering on the lowland.

PT. TSA shows the official record of the work inspection number 120/SGM-HPUI/Bjb/I/2015 dated January 16th 2015 for the first period project.

According to the result of field observation to block 32 of division 2, the replanting program has been conducted mechanically. There have been 17,491 of the planted plants on 116.78 ha of land in block O31 – O43 till May 22nd 2015.

Status: Full Compliance

5.6

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

The company has shown the procedure of GHG emission inventory and identification (Policy Number: 700/PSQM-GRK-01/12). The SOP describes the method used by the company to calculate and inventorize the GHG generated by the company processing stage and to give reference for the company's environment management. The GHG emission identification is using IPCC 2006 Guideline and principle of MRV (Measurable, reportable, and Variable) for the land conversion and the carbon balance sheet.

GHG emission inventory

Estate operationals emission sources

- Changes of land layer : differences between time averaged C stock on the land between the pre and post estate establishment.
- Recent land usage : fertilizer usage (N₂O), soil Corg changes (CO₂), soil management (CH₄), planting on the peatland area (CO₂ and CH₄)
- Diesel fuel consumption for the generator and heavy equipments operationals (CO₂)
- FFB transport from estate to POM

POM operationals emission sources

- Diesel fuel consumption for the generator operational (CO₂)
- The use of shell/fiber for boiler and generator operationals (CO₂)
- The use of electricity for mill operationals
- Kernel separation
- POME dispose (CH₄ and CO₂)
- Transport of product (CPO and PKO) to refinery or port(CO₂)

The result of GHG calculation for period of July 2014 – June 2015

Estate		
Program	Emission	Unit
Default value from estate	0.1224	kg CO ₂ eq/kg FFB
	0.4885	kg CO ₂ eq/kg CPO
Sukamandang POM		
Electricity consumption	466,863.38	kg CO ₂ eq

(POME)	19,882,947.49	kg CO ₂ eq
Heat production	6,221,013.17	kg CO ₂ eq
Fuel consumption	79,963.24	kg CO ₂ eq
Composting	00	kg CO ₂ eq
Total produktion CPO yearly	58,047,236.47	Kg CPO/ year
Total emission from processing	26,650,877.28	kg CO ₂ eq
Total emission from estate	0.540	kg CO₂ eq/kg CPO
Total emission from processing	0.459	kg CO₂ eq/kg CPO
Total emission of Estate + POM	1.00	Kg CO₂ eq/kg CPO

PT. TSA is able to show the result of GHG emission calculation for period of 2014/2015 by using Palm GHG method. However, the company is not able to show the evidence of GHG emission calculation reporting to RSPO secretariat.
NCR 2015.02

The company has evaluated the environment parameter on the air quality and has composed action plan to reduce the emission and pollution on the document of Pematang POM Air Emission Reduction and Monitoring Recapitulation. Several attempts conducted by the company to manage the air and noise quality are as follow:

- Conducting reforestation at the area nearby mill and employees housing complex.
- Maintaining the mill's machines routinely to reduce the emission.
- Placing the distance of settlement is at least 2 km away from mill.
- Improving the work safety for the mill employees by ordering them to use PPE (masker, ear protection and helmet) at the area with high noise and pollution area.
- Installing the symbols and signboard of warning at the POM station.

The company has supported the employees with PPE like masker, ear protection and helmet. There are evidence of PPE handover to employees in form of official records. For example:

1. On behalf of Eko Dwi (maintenance's employee) on Monday, April 9th 2015 for receiving masker and ear plug.
2. On behalf of M. Nurhadi (workshop's employee) on Monday, April 9th 2015 for receiving masker and ear plug.

The company has tested the quality of air emission and air ambient at the work station of POM. According to the test result, all the parameters like dust, CO, NO₂, SO₂ comply the quality threshold based on the Manpower Ministry Regulation number PER.13/MEN/X/2011 year 2011 attachment 2 NAB of the chemical factor at the workplace. According to the result of ambient air quality test at the office front, settlement, WWTP, the parameters like SO₂, CO, NO₂ and dust comply the quality threshold based on the PPRI number 41 year 1999 of the national ambient quality threshold.

According to the result of emission test on the Pematang POM boiler chimney over the parameters like Particulate ,SO₂, NO, HCL, Cl₂, NH₃, HF, Opacity ,Velocity, all the parameters comply the quality threshold based on the Environment Ministry Regulation number 07 year 2007 (attachment 1) in term of the non-moving emission sources quality threshold for the steam kettle which uses biomass fuel like shell and fiber.

According to the emission test result on POM generator chimney over the parameters like Particulate ,CO, NO, SO₂ ,Opacity, Velocity, all the parameters comply the quality threshold based on the Environment Ministry Regulation number

21 year 2008 (attachment IVA) in term of the non-moving emission sources quality threshold for the generator which use diesel fuel. According to the test result, the emission complies the applied quality threshold.

Minor 5.6.3.	Status: Non conformance NCR 2015.02.
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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.

There is no extension or changes on the PT TSA scope until ASA-4 assessment. The document used by the company are the EIA on 2005 and SIA on 2010. There are 269.06 Ha of the replanted land since November 2014. The SEIA has been composed by the consultant team for period of 2014 – 2017 for the replanting program. The analysis was conducted on November 2014 and the report of the analysis was finished on January 2015.

The replanting program has impact potential on several aspects. For example:

- Aspect of physical environment: water absorption and storing, erosion and morfoerosion, overflow, flood, land fire, chemicals washing, eutrofication, pH and soil fertility, water quality.
- Aspect of biology environment: changes of ecosystem, changes of habitate, animal migration (including pest and disease), disturbance on the water biodiversity.
- Aspect of social environment: job opportunity for the locals and the social restlessness issue.

The social impact assessment program has been conducted participatively with the internal and external stakeholders. It is proven by the attendance list of FGD and the program documentation. It is supported by the result of interview with the locals (Kapuk and Tabion Village community). According to the document review and the interview with the locals, the indicators have been complied.

The management unit has had plan to avoid or reduce the negative impacts and improve the positive impacts referring the recommendation of the replanting review conducted by consultant team. For example:

- Construction on the tip stacking: positive impact, the preparation on bamboo stake of the bamboo from the locals (Tabion Village) as the improvement on the job opportunity.
- Push and fell, stacking and chipping of palm oil plants: negative impact (surface erosion), LCC planting and EFB application to reduce the surface erosion.
- Construction on the new road, sewer and bridge: positive impact, preparation of laterite for hardenning the road as the improvement on the job opportunity.
- Construction on terrace contour stake: positive impact: the preparation on bamboo stake of the bamboo from the locals (Tabion Village) as the improvement on the job opportunity.
- Construction on palm oil plants stake: positive impact, stake from the bamboo of the nearby locals (Tabion Village) as the improvement on the job opportunity.
- LCC planting positive impact, contractual work for planting LCC as the improvement on the job opportunity.
- Palm oil plants planting: positive impact, contractual work for planting palm oil plants as the improvement on the job opportunity.
- EFB application: positive impact, the EFB contractual transport work from POM and the EFB application contractual work at the palm oil plant as the improvement on the job opportunity.

The composed plans are reviewed by the management unit annually. For example on period of 2014/2015:

The management at each estate are:

PME: aspect of education, health, spirituals, social, sport and environment.

HTE: aspect of spirituals and social;

KBE: aspect of spirituals, cultural, social;

BGE: aspect of education, health, spirituals, social and culture.

According to the result of interview with the management, East Kotawaringin District Forestry and Plantation Agency and the locals (Sahabu and Pemantang Village), PT TSA does not has scheme smallholders program whether independent smallholders nor KKPA untill ASA-4 assessment program.

Status: Full Compliance

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.

There is a procedure of communication (No. 398/KLP/ROM-SOP/41/42). The procedure is considered as the practical reference to handle the communication (internal and external) on aspect of environmental occupational health and safety (OHSE).

There is a record of the assembly between the community and the company in term of the socialization of the SOP of communication referring the result of the interview with the local representative on October 2014.

The company has the appointee for conducting communication and consultation with the community (Plantation Service Department (PSD). Toni Manurung was appointed by the company to charge on the PT TSA area in Sukamandang as well as the area of Central Kalimantan.

There is a list of the stakeholders owned by PT TSA. For example:

- Agriculture Ministry, the Head of National Land Agency, Direktorat General of the Plantation Production Guidance, the Head of Investment Agency.
- Governor, The Head of Agency at the level of Central Kalimantan Province.
- The East Kotawaringin Regent and Seruyan District Regent along with the associated agencies.
- The Head of Subdistrict Forum
- The Head of Dayak Customary Board.
- The Chief of Village
- NGO: Angkatan Penerus Perjuangan Gerakan Mandau Talawang Indonesia (The future generation of Mandau Talawang Struggle Movement, Indonesia)

Status: Full Compliance

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.

There is a SOP of the complaint handling over the PT TSA management (SOP of Administration dated March 4th 2009), the purpose of the SOP is to give the reference and guideline over the complaint, suggestion and aspiration over the management of PT TSA from several parties to the operational unit. There is a description of the procedure of the complaint, suggestion and aspiration delivery which are documented on the HQ and division office. Its secret is assured

The company has several records of complaint. For example:

- The employee's complaint on behalf of Siti Barkiah dated March 7th 2015 in term of the frequent blackout to the Head of Division. The company responded it on March 9th 2015. The company fix that promptly.
- The employee's complaint on behalf of Badriyah (Division I babysitter on daycare) dated March 5th in term of the provision of the sleeping pod for daycare to the Division I clerk. The company responded it on June 10th 2015 (field

observation). The company provides the sleeping pod and swing immediately.

Status: Full 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.

PT. TSA has procedure number 344/PSD-OKUP/10. It describes the right over the land based on the result of the data collecting conducted by Plantation Services Department Team. Furthermore, the company also has the SOP of the land compensation standard and identification – document number 001/PSD-L&AS – it covers the record of the result of land inventory, agreement process and payment.

PT. TSA has procedure number 344/PSD-OKUP/10 in term of the occupied land compensation. There is a description of calculation of the negotiation on land compensation payment between both parties. The negotiation official record must be arranged before the land compensation payment. The official record contains the information of the hectareage of the future compensated land, the soil condition of the compensated land (plain/estate/building within), land right legal standing (seal/abstract of title/certificate) and the agreed value of the land as the land compensation payment basic.

All the records of the land compensation have been recorded on the document of the land compensation process. For example, the land compensation record for period of 2006 – 2009 is consisted of:

- Official record of the collective agreement.
- Land waiver (SPHAT)
- Declaration paper
- Recapitulation of the compensation.
- Map of land compensation.
- Map of land compensation pencil.
- Copy of ID card.
- Receipt of the land payment.
- Abstract of Title.
- The land certified copy, etc.

Status: Full Compliance

6.5

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

The company has adjusted the employees wage to the decree of the Central Kalimantan Governor in term of the minimum wage standard of agricultural sector 2015 in Seruyan District. The decree is no. 45 year 2014 and the minimum wage stated is IDR 2,110,500 (USD 162). The memorandum of General Manager of HRM Number 016/HRM-i3/II/2015 dated January 12th, 2015 in term of the daily permanent employees wage and the wage structure of the monthly permanent employees. For example (wage on April 2015):

- HTE
On behalf of Andi Lewi Nugroho (permanent employees B of manurer supervisor) for IDR 2,185,168 (USD 168) with 25 workdays. Observation in division II of HTE.
- PME
On behalf of Puji Triatmo (permanent harvester). He is paid IDR 2,110,500/month (USD162/month) with 25 workdays.
- PMF
On behalf of Wahyu Hidayat (Laboratory). He is paid IDR 2,110,500/month (USD 162/month) with 25

workdays.

There is a company regulation of PT. TSA for period of 2014 – 2016 referring the decree of the head of Central Kalimantan Province Manpower Agency number KEP.574/HI.01/X/Nakertrans in term of the legalization of PT TSA company regulation on October 23rd 2014. There is also an attachment of the employee's representatives consideration and suggestion over the company regulation material for period of 2014 – 2016 and the evidence of the company regulation socialization record. It was held at division office of Kawan Batu Estate on July 8th 2014.

The company also has collective labour agreement for period of 2014 – 2016. It is agreed by PT Minamas and the the Minamas Plantation Labour Union and it is attested by the Director of the Work Requirement, Welfare and Discrimination Analysis of the Manpower Ministry dated April 11th 2014.

The company has provided the facilities for its employees. For example:

HTE

Facility	Unit
House of Manager	1
House of Sr Assistant	2
House of Assistant	3
G1 type house	18
G2 type house	183
Employees hall	2
Kindergarten	1
Elementary School	1
Mosque	3
Church	1
Clinic	1
School Bus	1
Water Pump	2
Soccer Field	2

PME

Facility	Unit
House of Manager	1
House of Sr Assistant	1
House of Assistant	3
G1 type house	21
G2 type house	182
Employees hall	2
Mosque	3
Clinic	2
School Bus	1
Water Pump	2
Soccer Field	1

PMF

Facility	Unit
House of Manager	1
House of Staff	6
G1 type house	10
G2 type house	42
Water Treatment	1

All employees have gotten house to settle. The mill employees use the facilities at the estate.

The company provides the employees household domestic need via employees cooperative unit and the vegetable sellers who are allowed to enter the estate and mill housing complex area is referred to the permit issued by the mill and estate managers.

Status: Full Compliance

6.6

The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

PT Teguh Sempurna has policy to respect all rights of employees to join and to form labour union written on the SOP of sustainable estate management guideline number 724/TQEM-SPMS/09 dated August 27th 2010. Specifically at page 13 on point 5 which describe that the company is expected to respect the rights of the employees to form and join labour union and to negotiate with them collectively.

There is a record of the internal meeting of the labour union at the office gazebo of Hatantiring Estate dated November 10th 2014. It was discussing the consolidation and monitoring over the Bipartit and Tripartit negotiation. It was attended by 30 participants.

According to the result of interview with the labour union, the company does not intervene the organization.

Status: Full Compliance

6.7

Children are not employed or exploited.

According to the document review of the estate and POM employee list and the result of interview with the labour union and the field observation to division II and III of HTE, there is no underage worker.

Status: Full Compliance

6.8

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

The policy in term of the equal opportunity and treatment is written on the SOP of sustainable estate management guideline number 724/TQEM-SPMS/09. CEO legalized it on April 1st 2010. The social policy is specified in point 1 which states that employees/staff must be treated normally and equally in term of the recruitment, development, work condition and description, organization membership, political thought, religion and age.

Example's of job advertising are:

Estate

The requirements of the recruitment for harvester:

1. Minimum Age is 18 – 35 years old
2. Physically and Spiritually Healthy.
3. Shows the ID card and Family Card.
4. Attaching the criminal record.

5. Able to follow the rule.

It was issued on June 1st 2015.

PMM

The requirements of the recruitment for administration staff, mechanic and driver:

- Physically and Spiritually Healthy.
- Minimum Age is 19 years old and the maximum age is 30 years old.
- Minimum education grade is High School/Vocational School.

It was issued on August 3rd 2014.

The company has the records of the position promotion:

1. Evidence of permanent employees B promotion on behalf of Ratno Wahyudi referring the decree number SK-Prom/SKU-PME/2014/VI/046. It was legalized by the company based on the result of work evaluation. The promoted employees is promoted to be the head nurse plant as a permanent monthly - E2 since June 1st 2014 along with the result of performance evaluation and the recommendation of the promotion.
2. Promotion paper of the probated daily permanent employees number 174/PME-ekst/III/2015/S on behalf of Michael Tiger (Driver PME). It is valid from February 28th – March 2nd 2015. He is now become the permanent employee attached with the result of performance evaluation along with the collective labour agreement.
3. The decree of the permanent employees B promotion number 47/TSA-PMF/SK-GRD/II/2015 on behalf of Rafik Ruski Naryo (from class G6 to G8) along with the result of performance evaluation (dated July 12th 2014). It was issued on January 5th.

Status: Full Compliance

6.9

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

The company has policy of the sexual harassment and domestic violence prevention written on the SOP of the sustainable estate management number 724/TQEM-SPMS/09 dated August 27th 2010 on the chapter of policy and sub-chapter of Plantation Upstream Indonesia policy in term of social policy on point 4. It describes that the company shall protect the women workers from the domestic violence and the sexual harassment and protects the reproduction rights.

It is also written on the collective labour agreement for period of 2014-2016 on clause 30 in term of the sanctions, clause 2.4.4 in term of the law breach stage IV. The warning letter III if the employees conducts pervert actions or gambling within the company area (point E), conducting physical attack, threatening, torturing, intimidating the workmates or industrialist within the company area (point F).

According to the collective labour agreement for period of 2014 – 2016, it is described on clause 33 that:

- (1) The women workers has right to get childbirth day off for 45 days before and 45 days after the childbirth referring the doctor's or midwife's recommendation with full paid wage.
- (2) The women workers who are having the misbirth are allowed to take 45 days of day off referring the doctor's recommendation.
- (3) The breastfeeding workers are given dispensation for breastfeeding their baby based on the superintendent's approval.

Evidence of socialization:

- Socialization of gender committee on December 12th 2014 in Baitul Rahman Mosque of hatantiring Sapiri Estate. It was participated by 50 participants. It was discussing the women's rights, domestic violence, sexual harassment and gender discrimination.

Evidence of the implementation are as follow:

- Hatan Tiring Estate
Form of day off proposal on behalf of Wanita Andriani (midwife of division I), she was proposing the childbirth day off from March 31st 2015 to May 31st 2015. It was approved on February 26th 2015.
- Pemantang Estate
Form of day off proposal on behalf of Marinem (harvester of division III), she was proposing the childbirth day off from May 2nd 2015 to July 30th 2015. It was approved on April 27th 2015.

There is a SOP of the complaint handling over the PT TSA management (SOP of Administration dated March 4th 2009), the purpose of the SOP is to give the reference and guideline over the complaint, suggestion and aspiration over the management of PT TSA from several parties to the operational unit. There is a description of the procedure of the complaint, suggestion and aspiration delivery, which are documented on the HQ and division office. Its secret is assured.

Status: Full Compliance

6.10

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

There are several fair and transparent contract of service agreements. For example:

HTE

The contract of service number HTE/SHTPK-LKL/III/2015/009-TBS between HTE with Tri Sapyanto dated March 26th 2015. The contract of the FFB transport from estate to mill based on the agreed price including the clause of the OHS compliance. The contract period is from March 26th to April 25th 2015. The company has paid the contractor based on the agreed contract. Both parties agreed that the payment is conducted after the official record of the issuance of inspection and payment. For example, *per pro* Tri Sapyanto as the second party (KKE No. HTE/SHTPK-LKL/III/2015/009) was paid on May 21st 2015. The official record was issued on May 6th 2015.

PME

The contract of service number PME/SPK-LKL/XII/201/028-TBS between PME with Mudiono dated December 31st 2014. The contract of the FFB transport from estate to mill based on the agreed price including the clause of the OHS compliance. The contract period is from January 1st – June 30th 2015. The company has paid the contractor referring the the agreed contract. Both parties agreed that the payment is conducted after the official record of the issuance of inspection and payment. For example, *per pro* Mudiono as the second party (contract of service number PME/SPK-LKL/XII/201/028) was paid on May 20th 2015. The official record was issued on April 2nd 2015.

PMM

The contract of service number 010/PMF/SPK/LOK/VII/2015 between PMM with Liasen Ibal dated December 29th 2014. The contract of CPO dispatch from POM to the Bulking station for IDR 135,195/kg. The contract period is from January 1st 2015 to June 30th 2015 including the payment and the clause of OHS compliance.

The company pays contractor based on the agreed contract by both parties. Both parties agreed that the payment is conducted after the official record of the issuance of inspection and payment. For example, *per pro* Imin Suganda as the second party (contract of service number 010/PMF/SPK/LOK/VII/2015) was paid on May 20th 2015. The official record was issued on April 2nd 2015.

All the agreement is supported with law seal and is signed by both parties as the evidence that the contract is legal and the payment is conducted by referring the determined period (interview with the contractor).

According to the interview with the security Officer and the weighbridge Operator in Sukamandang POM, the company

does not receive not buy the FFB of the community or other company beyond Minamas Group. According to the document review of the date of FFB receipt and processing, Sukamandang POM receives FFB only from the nucleus estate and from PT TSA estate (RSPO-Certified).

Status: Full Compliance

6.11
Growers and millers contribute to local sustainable development wherever appropriate.

Several records of the local development contributions are as follow:

- The assistance of the heavy equipment for repairing the Warnatirta Village road for 2 Km on September 6th 2014. It is referring the letter number 61/DS-WT/IX/2014 in term of the assistance request sent by the Chief of Wanatirta Village on September 1st 2014.
- The assistance of the heavy equipment for digging hole to make pool at Sahabu Village dated May 13th – 14th 2014 referring the letter number 017/SHB/Mei/2014 in term of the assistance request sent by the Chief of Sahabu Village on May 6th 2014.

(According to the result of interview with the community figures, the company has contributed on the local development referring the document of company).

Status: Full Compliance

6.12
No forms of forced or trafficked labour are used.

There are several evidence which prove that the company does not hire illegal workforce:

HTE

The decree of the permanent employee's promotion number 106/THE-ekst/I/2014/S and the collective labour agreement *per pro* Agus Sumidi (loader of Division III) with the probation period of 3 months since January 8th 2014 to April 8th 2014. The wage is referring the minimum wage standard.

The collective labour agreement *per pro* Andi Toni Supriyanto (harvester) with probation period since December 5th 2014 to March 5th 2015.

The decree of the permanent employees B promotion number SK/SKU-THE/2014/XI/2015 *per pro* Wanita Andriani (midwife of G1) since June 1st 2014. It supported with the result of performance evaluation.

According to the result of interview with several employees, there is no any job position substitution since the beginning of their work until now.

According to the document review, there is no migrant worker at the company. NA

Status: Full Compliance

6.13
Growers and millers respect human rights

Minamas Sime Darby Plantation Company has social policy. The Head of Plantation Upstream Indonesia signed it on December 2011. It describes:

- All employees should be treated fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, physical, union membership, political view, religion and/or age.
- The company shall respect the rights of all personnel to form and join trade unions of their choice and to bargain collectively.

The management unit has human rights policy. The Head of SOU 03 Pematang PT. TSA signed it. Minamas Plantation Group has a commitment to protect the employee's rights. For example:

1. The right to live such as the right to survive, to get physical and spiritual welfare and to get healthy life.
2. The right to copulate and marry.
3. The right to develop personal soft skill.
4. The right to get the justice.
5. The right over the personal freedom.
6. The right over the sense of security.
7. The right over welfare.
8. The right to participate on the political affair.
9. The right of women.
10. The right of children.

PT. TSA also has conducted socialization in term of the human rights policy. For example:

- a. Hatantering Estate Unit: during the morning briefing on June 10th 2015 in each division to 253 employees.
- b. Pemantang Estate Unit: during the morning briefing on June 10th 2015 in each division to 129 employees.
- c. Pemantang Mill Unit: socialization on June 9th 2015 to 12 employees.

According to the result of interview with employees in Pemantang Estate, Hatantering Estate and Pemantang POM, the company has respected all the human rights.

Status: Full Compliance

PRINCIPLE #7 Responsible development of new plantings

7.1

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

The social and environmental impact assessment for PT TSA is written on the document of the EIA on 1998 *per pro* PT Kridatama Lancar (15,500 ha) and PT Teguh Sampurna (16,000 ha) and the plan of POM construction with capacity of 40 ton/hour. It was approved by the Agriculture Ministry – the Head of Agribusiness Division number 35/ANDAL/RKL-RPL/BA/X/1998 dated October 9th 1998.

According to the data of area statement on 2015, there is no scheme smallholder area. PT TSA has document of environmental management and monitoring plan, which describes the social and environmental impacts monitoring and management. For example:

- Conducting reforestation nearby POM and housing complex and ordering the POM workers to use PPE.
- Conserving the soil and water by creating silt pit, arranging frond and planting *Neprolepis*.
- Managing the generated effluent at the WWTP pool before its application to the land.
- Prioritizing the IPM technique by planting beneficial plants and raising the natural predators to reduce the insecticide and herbicide.
- Recruiting the local's workforce and developing the communities nearby estate.

Status: Full Compliance

7.2

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

The company has had map of the estate class in scale 1: 200,000. It describes the location of the marginal soil in class N1 (slope >50% and low soil nutrient) in each estate. There is also map of marginal soil operational map like the map of laterite marginal area and the map of the sandy marginal area. The company has map of topography in scale 1 : 2,000. According to the map, PT TSA is categorized in height between 0 – 130 DML.

According to the result of the tinjau soil survey on April 2010, there is no peat soil within Pematang Estate area. According to the result of the survey, the existed soil classification are the ordo ultisol and entisol. Meanwhile, according to the result of soil survey on May 2015, soil consisted of the haplosaprist (maturity level of sapric level) and haplohemist (maturity level of middle hemic) within Hatantiring Estate area a Histosol. The peat subsidence measurement is conducted by MRC in blocks T2, V5, U2 (260 Ha) with the depth between 40 – 120 cm.

Status: Full 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.

The company has sent the LUC analysis report on December 5th 2015 to the RSPO (So Chin Oi) and it has been responded by RSPO (Lee Swee Jin). According to the result of LUC analysis in new planting area between December 2007 to December 2009 is 15 ha and 4.15 ha of the final liability in Hatantiring Estate is the monoculture land and the meadow.

PT TSA has conducted Sime Darby Plantation Remediation to conducted remediation over the HCV-identified area. The programs aim is to restore the function of the HCV area, which has been planted with palm oil plants. The independent consultant conducts the remediation. The remediation is located in BGE cover block Q68-69, R68 for 57.71 hectare (HCV 1.2 and 1.4). According to the result of remediation of HCV functions restoration, the community land is bought by the company in form of the forest area within Land Use Title (HGU) area and the rehabilitation and reforestation of the ex mining complex in block U68-71, U74, and V69-71 (56.9 ha).

The company has been conducting rehabilitation and reforestation since September 2011. According to the monitoring on December 2011, the survival rate was 91,88% (Remarkable – based on the Forestry Ministry Regulation number 60 year 2009 which determines the acceptable survival rate is 80%). The selected plants are consisted of meranti/shorea (300 trees), nato (3550 trees), belangeran (3430 trees), galam (400 trees), garunggang (2800 trees).

There are 3 estates, which were established after 2005. The date of its establishment are as follow:

- Hatan Tiring Estate: the estate was established on March 23rd 2007 (according to the document of the land clearing photographs).
- Kawan Batu Estate: the estate was established on June 1st 2005 (referring the contract of service number 005/LC/TSA-KBE/ VII /05)
- Batang Garing Estate: the estate was established on June 1st 2005 (referring the contract of service number 005/LC/TSA-KBE/ VII /05). It was a clearing on the KBE, which was divided into part of Batang Garing Estate since April 1st 2007. Furthermore, there was also land clearing on April 2nd 2009 (according to the document of land clearing photographs).

According to the HCV map in each estate, there is no land clearing in HCV area. The planted riparian area before the HCV identification (2010) shall not be applied with chemicals nor manuring program. Furthermore, the riparian area shall be restored to its function during replanting program. The company has had plan of replanting and there is a analysis of the replanting program on 2014. According to the result of observation fro the fire monitoring tower in block Q71 and from the Tungku Hill in block T46 (KBE), the preserved HCV area spots are can be seen.

Status: Full Compliance

7.4

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

PT TSA has the document of the land map which contains the information of the marginal land location. The land map is

based on the soil survey conducted by Minamas Research Center on 2010. The area of the planting year after November 2007 is covered on the document. There is no customary area nor forest on the HCV document.

The company has the environment protection policy dated April 30th 2003. The zero burning policy during replanting program and the land-clearing program is described on chapter 3.1.

Status: Full 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.

The company does not expand nor develop new estate now.

Status: Full Compliance

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 a procedure of the occupied land compensation number 343/PSD-OKUP/10. The SOP is purposed as reference for the companies under Minamas Plantation so they can conduct the occupied land compensation process perfectly referring the company's policy and the RI law statute.

The procedure of the land compensation are as follow:

The result of the occupied land mapping conducted by the Plantation Service Dept informs discussing the future compensated land and determines the maximum price as the compensation payment budget, inventory and negotiation with the landowner and land compensation agreement that is documented on the official record.

The process of identification covers the inventory team forming consisted of estate, PSD, landowner, the village apparatus and or the forum of the Subdistrict Heads, research division and the security. The negotiation is conducted in forum and the compensation is adjusted to the land condition (forest, bushes, and crops).

PT TSA does not develop a new estate nor plant beyond the Land Use Title (HGU) area.

Status: Full Compliance

7.7

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

According to the document of the sustainable estate management guideline, the zero burning technique is described on point 5.7.2. The company supports the zero burning land clearing technique for the replanting program. The zero burning replanting technique is conducted by cutting down the old palm oil trees, cutting it to pieces and then letting it deteriorates. It is purposed to provide the additional soil nutrient for soil. Its purpose is to reduce the air pollution.

PT. TSA has conducted replanting for 269.06 Ha in Pemantang Estate, there is a letter of contract of service number 010/Replanting/TSA-PME/XI/2014 dated November 1st 2014 between PT. TSA and PT. Putra Sarana Transborneo Jl. Pramuka Km. 6, Ruko Mitramas No. 11 G RT.20, Banjarmasin, Kalimantan Selatan. The project period was from November 1st 2014 to March 31st 2015.

The must-conducted works are:

- Stacking
- Digging and hoarding the hole
- New road construction (along with the contour)

- New trench digging
- Terrace construction with the barrier in each 20 m.
- Soil processing
- Hole digging mechanically
- Levee construction at the lowland

PT. TSA shows the official record of the work inspection number 120/SGM-HPUI/Bjb/I/2015 dated January 16th 2015 for the 1st period.

According to the result of observation to block O32 of division 2, the replanting program has been conducted mechanically. There are 17,491-planted plants for 116.78 ha from block O32 – O43 until May 22nd 2015.

Status: Full Compliance	
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7.8

New plantation developments are designed to minimise net greenhouse gas emissions.

According to the document of the sustainable estate management guideline, the zero burning technique is described on point 5.7.2. The company supports the zero burning land clearing technique for the replanting program. The zero burning replanting technique is conducted by cutting down the old palm oil trees, cutting it to pieces and then letting it deteriorates. It is purposed to provide the additional soil nutrient for soil. It is also aimed to reduce the air pollution.

Status: Full Compliance	
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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.

PT. TSA has conducted internal audit program on March 15th – 18th 2015. It was conducted by the interim of Assistant of ESH ASD. There were 10 nonconformities. For example:

- There is no result of the employee's medical checkup yet.
- There is no evidence of the SCCS training yet.
- There is no plan of hazardous waste sales yet.
- There is no pesticide usage and pesticide toxicity value monitoring yet.
- The overproduction of the CPO, PK and FFB is not yet reported to CB.

All non-conformity found by internal auditor has been closed by each unit management.

Operational

- The record of the sustainable corrective action in aspect of social (internal) are the construction of place of worship and the educational facilities within the company area. For example, 8 KCP building at PMM.
- The construction of contour road to ease the harvesting program at the dating time for 169.4 ha or for 20,345 m in block O31-O43, and in block P35-P39 for 3.12 ha for 1,025 m (Division 2, Pemantang Estate).

Environment

The construction of the terrace to reduce the surface erosion. For example, at block O31-O43 for 161.81 ha or for 82.145; and in block P35-P39 for 3.12 ha for 1,470 m (Division 2, Pemantang Estate).

The company has determined the policy for not using paraquat as written on the document of the memorandum from the Head of Plantations Operation (number: POD-UM-127/X/2008, dated November 4th 2008) in term of the recommendation of the paraquat-gramoxone active ingredient replacement within Minamas area. According to the result

of interview with the sprayer, the company does not use the paraquat pesticide for any longer.

The company has conducted environment monitoring by managing and monitoring the environment. It is reported to the associated agency routinely (each semester). The company has provided the conservation area for refugium wildlife for their habitat.

Status: Full Compliance

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module D) CPO Mills – Identity Preserved Requirements
D1	Definition
D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.	
<p>Pematang Mill (PMM) receives and process FFB from the certified estates only. For example, Pematang Estate, Hataniring Estate, Kawan Batu Estate and Batang Garing Estate.</p> <p>The management unit is able to describe and demonstrate the process of FFB receipt and processing. According to the actual operational, Mustika POM is now implementing Module D (IP) SCCS standard. The document of the FFB receipt has been stamped with RSPO-Certified.</p> <p>For Example:</p> <ul style="list-style-type: none"> • Weighbridge ticket on June 8th 2015 for FFB sent from PME. It informs the vehicle police number (KH 8854 GC); the driver name (Tulus); nett weighing (3,890 kg). The weighbridge ticket has been stamped as RSPO-Certified. The FFB letter informs the afdeling, FFB letter serial number, vehicle police number, trip number, hour of its outgoing, harvest date, planting year, section, block, FFB quantity and tonnage. The weighbridge ticket and FFB letter have been stamped as RSPO Certified. • The weighbridge ticket on June 8th 2015 for FFB sent from HTE. It informs the vehicle police number (KH 8306 FD); driver name (Sunarto); nett weighing (3,920 kg). The FFB letter informs the afdeling, FFB letter serial number, vehicle police number, trip number, hour of its outgoing, harvest date, planting year, section, block, FFB quantity and tonnage. The weighbridge ticket and FFB letter have been stamped as RSPO Certified. 	
	Status: Full Compliance
D.2	Explanation
D.2.1 The CB in the public summary of the P&C certification report must record the estimated tonnage of CPO and PK products that could potentially be produced by the certified mill. 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>PMM determined the produced CPO and PK production estimation during the period of July 5th 2014 to July 4th 2015 is as follow:</p> <p>PME: 49,807.38 ton; HTE: 58,670.15; KBE: 62,098.75 ton and BGE: 44,398.83 ton. Meanwhile, the CPO is: 49,444.28 ton and PK is: 10,748.76 ton.</p> <p>The actual production since July 5th 2014 to June 7th 2015 was that the nucleus FFB was 260,691.75 ton; the CPO was 59,335.53 ton and the PK was 12,291.52 ton. PT TSA has informed the CPO and PK overproduction to PT Mutuagung Lestari on May 18th 2015.</p>	

	Status: Full Compliance
D.2.2	
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	
The company is not able to show the evidence of the supply chain reporting and registration via RSPO IT Platform (E-Trace). NC Number 2015. 03. With SCCS Grade D.2.2	
Root Cause: PT TSA does not able to show the evidence of the supply chain reporting and registration via RSPO IT Platform (E-Trace)	
Corrective Action: The supply registration number (E-Trace) of PT TSA has been shown	
Preventive Action: PT TSA shall maintain the document referring the PT TSA document maintaining procedure.	
Observation on June 19th 2015 The management unit shows the etrace ID of PT. TSA (CB17550) which valid till April 7 th 2015.	
	Status: NC Number 2015. 03. With SCCS Grade D.2.2 has been closed
D.3	Documented procedures
D.3.1	
The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:	
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.	
a) The company has SOP of product identification and traceability in Minamas Plantation POM (Policy Number RSPO/65/SCPP/TSA) dated May 1 st 2015. It describe the raw material and product identification (the estate must ensure the the RSPO-certified CPO is kept separated physically from the non-certified one and is able to be identified to its mill and supply base, quality assurance of product and FFB in POM, product traceability, product dispatch from POM to <i>Bulking Stasiun</i> (test sampling, sealing on the FFB truck and compilation of official record), CPO product dispatch to the vendee (it is conducted referring the contract), CPO loading to the ship (ship condition verification, the hatch must be sealed and closed the official record of the product receipt must be composed). According to the point 7 of the administration, the production daily report attach the certified CPO and PK production, the overproduction shall be reported to the CB. The mix of the certified and the non-certified FFB is considered as MB module.	
b) The responsible personnel over the requirements implementation are as follow: <ul style="list-style-type: none"> • Mill Manager (Mariadi) and Senior Asisten (Elbegijon) keep and maintain all document and record of raw material and supporting material usage on the production process and to the final product, CPO dispatch. They are holding the proper training in term of the supply chain certification requirements to all the involved staff on the stage of the raw material receipt to the product dispatch to the vendee. • Assitant of PSQM (Andri Hamidi) analyze and test the raw material and product in all production process, monitors the palm product dispatch and load/unload and witness the compilation of the CPO and PK 	

dispatch.

- Sr. Assistant of Logistic & Distribution (Marcelinus Teddy T) monitors the CPO and PK product transport from POM to bulking station including its sales within Sebukat Bulking area (Pangkalan Banteng Area)
- Production Clerk (Rafik Ruski Naryo) record the FFB receipt (RSPO certified and non RSPO-certified) administration and the product dispatch.

According to the result of the interview with the weighbridge ticket security Officers, they have aware of the certified FFB receipt procedure when dealing with the unstamped RSPO certified FFB letter. The truck shall not allowed entering the POM area. Meanwhile, according to the result of interview with the weighbridge Operators, they have aware of the IP SCCS Modul D training on June 9th 2015 at the meeting room of Pemantang Mill. It was participated by 33 employees from the estate and POM.

Status: Full Compliance

D.3.2

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

PMM receive and process the FFB sent from the certified estates (SIE, KKE, BDE, SME); furthermore, the it also receives the RSPO-Certified FFB from PT. Teguh Sempurna (KBE, BGE, THE, PME). PMM is able to describe and demonstrate the FFB receipt and process procedure. According to the actual implementation, PMM is no implementing SCCS IP Module standard. The company has had the procedure of the FFB receipt as written on the SOP in document number PMF/SOP. PBR dated June 22nd 2010. Each driver must show the FFB letter from each estate and FFB contractor. The FFB letter describes the origin of the FFB and its quantity. For example:

- **Pemantang Estate:** Weighbridge ticket on June 8th 2015 for FFB sent from PME. It informs the vehicle police number (KH 8854 GC); the driver name (Tulus); nett weighing (3,890 kg). The weighbridge ticket has been stamped as RSPO-Certified. The FFB letter informs the afdeling, FFB letter serial number, vehicle police number, trip number, hour of its outgoing, harvest date, planting year, section, block, FFB quantity and tonnage. The weighbridge ticket and FFB letter have been stamped as RSPO Certified.
- **Hatantiring Estate:** The weighbridge ticket on June 8th 2015 for FFB sent from HTE. It informs the vehicle police number (KH 8306 FD); driver name (Sunarto); nett weighing (3,920 kg). The FFB letter informs the afdeling, FFB letter serial number, vehicle police number, trip number, hour of its outgoing, harvest date, planting year, section, block, FFB quantity and tonnage. The weighbridge ticket and FFB letter have been stamped as RSPO Certified.

Status: Full Compliance

D.4

Purchasing and goods in

D.4.1

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

The FFB receipt by the mill is documented on the FFB and weighbridge ticket document. For example:

- **Pemantang Estate:** Weighbridge ticket on June 8th 2015 for FFB sent from PME. It informs the vehicle police number (KH 8854 GC); the driver name (Tulus); nett weighing (3,890 kg). The weighbridge ticket has been stamped as RSPO-Certified. The FFB letter informs the afdeling, FFB letter serial number, vehicle police number, trip number, hour of its outgoing, harvest date, planting year, section, block, FFB quantity and tonnage. The weighbridge ticket and FFB letter have been stamped as RSPO Certified.
- **Hatantiring Estate:** The weighbridge ticket on June 8th 2015 for FFB sent from HTE. It informs the vehicle police number (KH 8306 FD); driver name (Sunarto); nett weighing (3,920 kg). The FFB letter informs the

afdeling, FFB letter serial number, vehicle police number, trip number, hour of its outgoing, harvest date, planting year, section, block, FFB quantity and tonnage. The weighbridge ticket and FFB letter have been stamped as RSPO Certified.

The record of the daily FFB receipt is recorded on the FFB receipt record. According to the document, the company receive the RSPO-Certified FFB from PT. TSA (PME, THE, KBE and BGE). The document also informs the origin of FFB, tonnage and hour of its receipt. According to the document review, the company received 270,784,050 kg FFB on June 1st 2015.

Status: Full Compliance

D.4.2

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

The Head of SOU 3 Pemantang sent letter to Mutuagung Lestari on May 18th 2015 in letter number THE – Ekstern/V/2015/075/S in term of the CPO and Kernel overproduction of PT Teguh Sempurna over the plan of RSPO ASA-3 (period of July 5th – May 18th 2015). The FFB production of PME was 54,913 ton; KBE was 70,753 ton; THE was 70,578 ton and BGE was 55,882 ton; CPO was 54,856.37 ton and PK was 11,296.52 ton.

Meanwhile, according to the result of verification of daily production report on June 7th 2015, the production since July 2014 was that CPO for 59,335.53 ton and PK for 12,291.52 ton.

Status: Full Compliance

D.5

Record keeping

D.5.1

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

PMM has recorded and has balanced the RSPO-Certified receipt, CPO and Kernel dispatch on the daily-based, monthly-based, quarter-based and annual-based period:

The recapitulation of the FFB receipt, CPO and PK dispatch on March – May 2015 is as follow:

Month	Processed FFB	CPO		PK	
		Dispatch	Stock	Dispatch	Stock
March 2015	20,900.79	4,444.57	319.32	904.30	211.04
April 2015	23,078.54	5,053.61	542.16	902.26	252.39
May 2015	21,969.57	5,144.41	319.32	1,053.54	211.04

PMM can also show the traceability for each daily CPO and PK dispatch. For example, the CPO dispatch to the bulking station on May 26th 2015 for 276.18 ton. The CPO stock on the storage was 593,191 kg. Meanwhile, the PK dispatch to the vendee (PT Sukajadi Sawit Mekar/Musim Mas) on May 26th 2015 for 111.75. the PK stock at the Silo was 46.98 ton. In DO 00212/00187/05/15/L-TSA-IKS (total 300,000 Kg).

The recapitulation of the CPO sale during period of July 5th 2014 – May 31st 2015 to PT Golden Hope Nusantara, PT. Mega Surya Mas, PT. Sukajadi Sawit Mekar, PT. Gloal Interniti Industry, PT. Sinar Alam Permai, PT. Multimas Nabati Asahan, PT. Musim Mas, PT. SMART, Tbk, PT. Wilmar Nabati Indonesia, PT. Mikie Oleo Nabati Industri, PT. Dumai Paracita Abadi, PT. Batara Elok Semesta Terpadu, PT. Indo Truba Tengah, PT. Sime Indo Agro, and PT. Kridatama Lancar is recorded. The total sale is 58,604.23 ton of CPO.

Meanwhile, the recapitulation of the PK sales during period of July 5th 2014 – May 31st 2015 to PT. Batara Elok Semesta Terpadu, PT. Wilmar Nabati Indonesia, PT. Sukajadi Sawit Mekar, PT. Global Interinti Industry for the total of 12,007.64 ton PK.

According to the CPO and Kernel weighbridge ticket, the traded products are attached. For example:

- CPO weighbridge ticket on June 9th 2015 *per pro* PT Golden Hope Nusantara, the CPO product informs the vehicle police number (AD 1887 Y), nett weight (7,240 Kg), driver name, seal number, it has been stamped as RSPO Certified – SG.
- PK weighbridge ticket on May 26th 2015 *per pro* PT Sukajadi Sawit Mekar. It informs the vehicle police number (KH 8430 FL), driver's name, seal number and nett weight (8,720 Kg), it has been stamped as RSPO Certified – SG.

The company is able to show the other documents, which describes the produced and the generated products. For example:

- Sales contract No. 00464/tSAA/KTR-MKs/LOK/IV/2015 dated April 1st 2015 *per pro* PT. Megasurya Mas in Jl. Tambak sawah No. 32 Tambaksawah – waru, Sidoarjo 61256, the invoice document number 00723/TSA/IV/2015 dated April 14th 2015 for 1,000,000 kg of CPO sales. The sales contract and invoice have been supported with RSPO-Segregation Certified mark.
- Sales contract No. 00467/TSA/KTR-MKS/LOK/IV/2015 dated April 9th 2015 *per pro* PT Golden Hope Nusantara in Jl. MH. Thamrin Kav. 28-30, The Plaza Office Tower Lt. 36, RT: 009/005, Gondangdia Menteng Jakarta Pusat, DKI Jakarta Raya-10350; the invoice document number 00726/TSA/IV/2015 dated April 24th 2015 for 1,503,753 kg of CPO sales. The sales contract and invoice have been supported with RSPO-Segregation Certified mark.
- Sales contract No. 00183/TSA/KTR-IKS/LOK/III/2015 dated March 17th 2015 *per pro* PT Wilmar Nabati Indonesia in Gedung B&G Lantai 9, Jalan Putri Hijau No. 10, Kesawan, Medan Barat, Sumatera Utara, the invoice document number 00819/TSA/KTR-IKS/LOK/IV/2015 dated April 1st 2015 for 300,000 kg of PK sales. The sales contract and invoice have been supported with RSPO-Segregation Certified mark.
- Sales contract No. 00128/TSA/KTR-IKS/LOK/II/2015 dated February 24th 2015 *per pro* PT. Batara Elok Semesta Terpadu in Jl. Gamma Maspion Q No. 2 – Kawasan Industri Maspion RT: 000/000, Kelurahan Manyar Sidomukti, Kecamatan Manyar Gresik, Jawa Timur, the invoice document number 00714/TSA/II/2015 dated February 27th 2015 for 500,000 kg of PK sales. The sales contract and invoice have been supported with RSPO-Segregation Certified mark.

Status: Full Compliance

D.6

Processing

D.6.1

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

Pematang Mill (PMM) receives and process FFB from the certified estates only. For example, Pematang Estate, Hatantiring Estate, Kawan Batu Estate and Batang Garing Estate. According to the SOP of supply chain of PT TSA Minamas Plantation (RSPO/65/SCPP/TSA), the estate must ensure that the RSPO-certified CPO and the non RSPO-certified one must be kept separated. The unit management must be able to identify its supply base and must be able to show that the facility has conducted all stages to avoid the contamination.

The management unit has an opportunity to adjust all administration recording referring the SCCS standard of November 2014. For example, the stamp of the SG product to IP. (**Observation**)

Status: Comply with Observation

D.6.2

The objective is for 100 % segregated material to be reached

According to SOP of RSPO/65/SCCS/TSA of declaration 6, PT TSA is able to produce the product physically for the RSPO certified and for the non-RSPO certified. The separation is conducted since the early process to the storage tank. The company shall not mix the certified product with the non-certified one as written on the clause of Module D.6

SCCS.

According to the result of interview with the security officer, weighbridge operator, senior assistant mill, PMM only receive and process the RSPO certified FFB. It is supported by the document of the FFB receipt (FFB letter and weighbridge ticket), daily FFB receipt report and production report.

Status: Full Compliance

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

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-4	PT Teguh Sempurna has the approval of logo and permit/certification number MUTU-RSPO/004	√
	Status: Full Compliance	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-4	The company does not use logo whether at the on-product and off-product within the scope of PT.Teguh Sempurna.	N/A
	Status: Not Applicable	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-4	The company does not use logo whether at the on-product and off-product within the scope of PT.Teguh Sempurna.	N/A
	Status: Not Applicable	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-4	The company does not use logo whether at the on-product and off-product within the scope of PT.Teguh Sempurna.	N/A
	Status: Not Applicable	

3.4. Summary of RSPO Partial Certification.

Management units observed		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	X or√
	All the operational units (subsidiary) under SIME DARBY are planned to be certified referring the TIME BOUND PLAN.	√
	Status: Full 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√
	All the operational units (subsidiary) under SIME DARBY are planned to be certified referring the TIME BOUND PLAN.	√
	Status: Full 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√
	All the operational units (subsidiary) under SIME DARBY are planned to be certified referring the TIME BOUND PLAN.	√
	Status: Full 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√
	All the operational units (subsidiary) under SIME DARBY are planned to be certified referring the TIME BOUND PLAN.	√
	Status: Full 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√
	All the operational units (subsidiary) under SIME DARBY are planned to be certified referring the TIME BOUND PLAN.	√
	Status: Full 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√
	All the operational units (subsidiary) under SIME DARBY are planned to be certified referring the TIME BOUND PLAN.	√
	Status: Full 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√
	All the operational units (subsidiary) under SIME DARBY are planned to be certified referring the TIME BOUND PLAN.	√
	Status: Full Compliance	

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

3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-3 Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.01	Minor 4.4.1	Record of Water Management Implementation There is not enough evidence and evaluation yet on water quality monitoring at villagers' well that is used as water source	Estate	Minor	S4	The company has to show record and evaluation on well water monitoring quality that is used as water source.	<p>Root causes: Certificate holder has not conducted the water quality analysis which use by by the workers.</p> <p>Corrective Action All the water used by the workers have been monitores and tested in the laboratory.</p> <p>Preventive Action To maintained the water quality used by the workers the certificate holder will monitored by environmental officers.</p>	Closed	21 July 2014
2014.02	Minor 4.4.2	Record of Mill's Effluent BOD Monitoring The company has not showed the evidence of BOD monitoring evaluation result in pond 9's outlet on Ocotber and December 2013 that above the allowed threshold.	PKS	Minor	S4	The company has to show evaluation evidence of Mill's effluent for its BOD monitoring.	<p>Root causes: The BOD in outlet pond on October and December 2013 have not been met with the treshold.</p> <p>Corrective Action The certificate holder have been evaluated the BOD and impennting the improvement. During the overcoming months the BOD level have been met with the treshold. The evidence and records available.</p> <p>Preventive Action Ensure the pond are clean from organic</p>	Closed	21 July 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							waste and the circulation also areasion of the water treatment plant follow the procedure of the waste water management in the mill.		
2014.03	Major 4.6.1	The use of permitted agrochemical There is an application of Lentrek (active ingredient <i>Klorpirofos</i>) and Spontan (active ingredient <i>Dimehipo</i>) in agrochemical storage of Kawan Batu Estate that is not included in the approved list by the concerned agency.	Estate	Major	Juni 15, 2014	The company should show the evidence that all applied agrochemicals is registered and permitted.	<p>Root cause: The certificate holder has not had list of permitted agrochemical</p> <p>Corrective action: May 6, 2014 Agrochemical with Lentrek brand (active ingredient <i>Klorpirofos</i>) and Spontan (active ingredient <i>Dimehipo</i>) has been registered and got the permit from Labor and Transmigration Agency of Kotawaringin Timur (Decree 60.566/64/WAS-KK/IV/2014) including other agrochemical.</p> <p>Preventive Action: TSA will monitor the use of registered agrochemical.</p>	Closed	May 6, 2014
2014.04	Minor 4.7.4	OHS Training Record There is not enough evidence that 10 Heavy Equipment Operators and 11 Generator Operators have had OHS Training and SIO/OHS License.	Mill and Estate	NC	S4	The company has to provide recorded evidence of OHS Training and SIO/OHS License for Operators of Heavy Equipment and Generator	<p>Root Cause: Not all operators get OHS Training</p> <p>Preventive Action: Observation on May 15, 2014 All heavy equipment and generator operators has got the training and have SIO/OHS license for each operator that valid until April 12. 2019. For example:</p> <ul style="list-style-type: none"> On behalf of Iswandi Idris, OHS 	Closed	May 15, 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>License for Grader Operator No. 14.34363-OPK3-PAA/IV/2014 valid until April 12, 2019.</p> <ul style="list-style-type: none"> On behalf of Yanuar, OHS license for Generator Operator and Production No. 14.596-OPMK3-PTP/IV/2014 valid until April 29, 2019 <p>All training evidence and operator license are available and well kept.</p> <p>Preventive Action: Ensuring all operators have been trained with OHS and OHS license is to be kept in the company.</p>		
2014.05	Major 5.1.2	Impact Analysis Document The company has not managed and monitor social, economics and culture in accordance with RKL-RPL Matiks.	Mill and Estate	NC	June 15, 2014	The company has managed and monitored social, economics and cultural impact in accordance to Matrix of Environmental Management and Monitoring Plan (RKL-RPL).	<p>Root Cause: TSA has made Environmental Management and Monitoring Plan Report consistantly comprising all impacts especially social, economics and culture.</p> <p>Corrective Action June 15, 2014</p> <ul style="list-style-type: none"> The company has revised its Environmental Plan and Monitoring Implementation Report for the 2nd Period of 2013 that has listed social, economics and culture, environmental health and community. The company has provided questionnaire evidence for community of the surrounding villages on company's 	Closed	June 16, 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>impacts on social, economics and culture. Based on questionnaire, majority of community supports the company existence and there is no environmental degradation. Further, there is some realisations of company participation in local business development (e.g. seedling support, cages, cattle feed and duck cultivation technique</p> <p>.Preventive Action: TSA will report and evaluate consistently all impact aspect included in environmental management and monitoring plan</p>		
2014.06	Major 5.2.1.	<p>Record of identification result of vulenrable, endangered and threatened species and habitat with high conservation value.</p> <p>There is HCV identification report, however there is no grouping for flora based on protection status conforming Government Regulation No, 7 year 1999, Redlist IUCN and CITES</p>	Estate	NC	June 15, 2014	The company has to show the flora identification based on protection status conforming Government Regulation No. 7 year 1999, Redlist IUCN and CITES. Identification should be conducted by an RSPO accredited assessor.	<p>Root Cause The limited information on flora protection against applied regulation</p> <p>Corrective Action <u>May 14, 2014</u> The company has showed flora identification conforming on all ANDAL document in 1996 and 1998, however, flora status has not been grouped against Government Regulation No. 7 year 1999, RedData List IUCN and CITES Appendix</p> <p>The guidance can be found in HCV-RSPO Toolkit 2009.</p>	Closed	June 16, 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Based on HCV-RSPO Toolkit 2009 page 11 on sub HCV 1.2 management as follow: Species with important point in global conservation and its existence can make HCV . It is recognized that the species (flora and fauna) existence as listed in endangered group on Red Data List of IUCN or listed in appendix 1 CITES will develop an HCV.</p> <p>Page 13 on sub HCV 1.3 management as follow: Conserve and or increase the habitat quality and quantity therefore, vegetation population and wildlife (in accordance to Government Regulation No. 7/1999) and threatened (EN; VU; CITES Appendix 1 and 2) can survive.</p> <p>June 15, 2014 The company has showed vegetation/ flora species based on its protection status in each vegetation (plantation crop variety, natural vegetation and secondary forest vegetation). For example for secondary forest vegetation there is Meranti species (<i>Shorea uliginosa</i>) including vulnerable (Redlist IUCN) and Ramin (<i>Gonystylus</i> sp.) including appendix II CITES and vulnerable (Redlist IUCN)</p> <p>Status: no adequate evidence</p>		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							Preventive Action The company ensures the record of flora grouping based on its protection status in each vegetation is well documented and stored.		
2014.07	Major 5.3.2	Waste management plan is documented and implemented <ul style="list-style-type: none"> There is unused filter that has been stored in hazardous waste landfill in Batang Gading Estate since December 2013. The period of filter storage in hazardous waste landfill has over the permitted time (over 90 days). Number of pesticide ex-packaging has been reduced, however, there is no adequate legal evidence that the pesticide ex-packaging has been sent to licensed transporter/ collector. 	Estate	NC	June 15, 2014	The company has provided adequate evidence that hazardous waste management is documented and comply with applied regulation.	Root cause The company has not monitored the incoming and out-going hazardous waste in hazardous waste landfill Corrective action May 24, 2014 <ul style="list-style-type: none"> In regard to ex-filter that has been stored since December 2013, Regional Environmental Agency (Decree 660/199/BLHD/IV/2014, April 22, 2014) has given extension time for keeping hazardous become 180 days. Based on the extension keeping period, the hazardous waste, especially the ex-filter only can be stored in hazardous waste landfill maximum until June 30, 2014. June 15, 2014 Pesticide ex-packaging waste of Batang Garing and Kawan Batu Estates has been sent to licensed collector PT Wira Swasta	Closed	16 Juni 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Gemilang. The pesticide ex-packaging from Kawan Batu Estate is 21 pieces (ex prima up), 94 bottles (ex-starane), 6 pieces (ex-kenlon) and from Batang Garing Estate is 26 pieces (size of 20 liter), 29 pieces (size of 5 liter), 964 bottles (size of 0.25 kg) have been sent on March 15, 2014. (Evidence is in form of hazardous waste manifest and the stuff handover).</p> <p>Preventive Action The company will monitor consistently the in coming and out going waste, therefore, it is well documented and in line with actual condition in the field.</p>		
2014.08	Minor 6.1.1	<p>Record of participatory social impact management and monitoring plan periodically. The company has not given evidence that social and cultural impact management and monitoring plan has been conducted participatively.</p>	Estate	NC	S4	The company should be able to show evidence that social and cultural impact management and monitoring plan has been conducted participatively.	<p><i>Root cause</i> TSA has make environmental management and monitoring plan consistently comprising all impact especially social, economics and culture</p> <p><i>Corrective action</i> June 15, 2014</p> <ul style="list-style-type: none"> The company has shown questionnaire evidence for surrounding community on company's impacts on social, economics and culture. Based on its questionnaire, majority of the community supports the company existence and there is no environmental degradation. 	Closed	16 Juni 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Further, there are some company's participation in developing local business (e.g. seedling support, cattle feed and duck cultivation technique).</p> <p>Preventive action TSA will report and evaluate consistently all impact in environment management and monitoring plan.</p>		
2014.09	Minor 6.5.1	<p>Adequate clean water facility provided by the company for its employee</p> <p>There is no adequate evidence that clean water source from well that consumed by Estate's employees has been tested for its water quality in accordance to Ministry of Health Regulation No. 416 year 1990.</p>	Estate	NC	S4	The company has to provide proper clean water facility	<p>Root Cause</p> <p>Corrective Action</p> <p>Preventive Action</p>	Open	

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-4 Assessment

No.	Ref Std/ Indikat or	Nonconformity	Grade	Area	Time	Corrective Action	Observation and Date	Status	Closed Date
2015.1	Major 2.1.1	Implementation over the applied regulation According to the document review and to the result of the public consultation, PT. TSA has not reported the plantation business development of 1 st quarter of 2015.	Major	PT. TSA	August 9 th 2015	The company must be able to show the evidence of the compliance over the applied regulation.	Root Cause: PT TSA has not reported the report of plantation business progress in 1 st quarter of 2015 to the associated agency yet. Corrective Action: PT TSA shows the evidence of the delivery of the plantation business development report in 1 st period of 2015 to Plantation Agency in letter number 302/TSA/UM/PSD/V/2015 Preventive Action: The report compilation is conducted on time. Observation on June 24th 2015 The management unit shows the letter number 302/TSA/UM/PSD/V/2015 dated May 29 th 2015 (in term of: the delivery of the plantation business development report in 1 st period of 2015 to Central	Closed	June 25 th 2015

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Time	Corrective Action	Observation and Date	Status	Closed Date
							<p>Kalimantan Province Plantation Agency, East Kotawaringin District Plantation Agency and Seruyan District Plantation Agency. The letter is received by the Central Kalimantan Province Plantation Agency recently.</p> <p>Observation on June 25th 2015</p> <p>The management unit sends the of report plantation business development in 1st period of 2015 to the Seruyan District Forestry and Plantation Agency and to East Kotawaringin District Plantation Agency on June 22nd 2015 via POST service.</p> <p>NC is closed</p>		
2015.2	Minor 5.6.3	<p>GHG emission calculation</p> <p>PT. TSA is able to show the result of GHG emission calculation for period of 2014/2015. However, PT TSA is not able to show the evidence of its calculation reporting to the RSPO secretariat.</p>	Minor	PT. TSA	Re-certification	PT. TSA must be able to show the evidence of the GHG emission calculation reporting by using Palm GHG to the RSPO secretariat.	<p>Root Cause:</p> <p>Corrective Action:</p> <p>Preventive Action:</p>	Open	

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Time	Corrective Action	Observation and Date	Status	Closed Date
2015.3	SCCS D.2.2	Supply chain reporting and registration via RSPO IT Platform The company is not able to show the evidence of the supply chain reporting and registration via RSPO IT Platform (E-Trace)	Minor	Mill	March 31 st 2016	The company must be able to show the evidence of the supply chain reporting and registration via RSPO IT Platform (E-Trace)	Root Cause: PT TSA is not able to show the evidence of the supply chain reporting and registration via RSPO IT Platform (E-Trace) Corrective Action: The supply registration number (E-Trace) of PT TSA has been shown Preventive Action: PT TSA shall maintain the document referring the PT TSA document maintaining procedure. Observation on June 19th 2015 The management unit shows the etrace ID of PT. TSA (CB17550) which valid until April 7 th 2015.	Closed	June 9 th 2015
2015.4	Certification System RSPO 4.2.4 dan lamp	Time Bound Plan. PT Minamas Plantation (Sime Darby Group) shows the revision of Time Bound Plan. However, the justification and the legalization by the authority has not yet shown. Furthermore, there is no time	Minor	Sime Darby	One Year	PT Minamas Plantation (Sime Darby Group) must be able to show the justification and legalization over the revision of ime bound plan.	Root Cause: Corrective Action: Preventive Action:	Closed	June 26 th 2015

No.	Ref Std/ Indikat or	Nonconformity	Grade	Area	Time	Corrective Action	Observation and Date	Status	Closed Date
	4.2.2	bound plan in Karya Palma Estate (PT. SNP)					<p>Observation on June 26th 2015 Observation on June 22nd 2015 Minamas Simerdarby has revised the telah Time Bound Plan (TBP). The Head of PSQM signed it on June 11th 2015. PT BAL TBP revised it in 2018. It is waiting the decree of the West Kalimantan Province Spatial Plan.</p> <p>Observation on June 26th 2015 Minamas Simerdarby has revised the Time Bound Plan (TBP). The Head of PSQM signed it on June 26th 2015. Juni 2015, where TBP PT. BAL has been revised in 2018. It is waiting the decree of the spatial planning of West Kalimantan Province Meanwhile, the TBP for Karya Palma Estate is planned for 2016.</p>		

3.5.3 Opportunity for Improvement

No	Ref.Std	Description
1	1.2.1.	The company is encouraged to socialize the type of the publicly accessed documents to the stakeholders.
2	2.2.5.	The company is encouraged to add the map of Tabion Hamlet with complete coordinate, scale and legend.
3	4.2.1	The company should be able to improve the fertilizer availability adjusted with the soil nutrient need based on the conducted leaf analysis and fertilizer recommendation.
4	4.6.11	The company has held regular physical check up. However, the company has not conducted the specific regular check up (cholinesterase & spirometri) to the workers who work at the high-risk station such as agrochemicals dealing workers. (Observation).
5	4.7.2	The OHS Guiding Committee should be able to evaluate and follow up the danger sources and control the risk routinely.
6	4.7.1.	The management unit has opportunity to improve the readiness of fire equipments monitoring in POM. The management unit has an opportunity to add the land fire potential signboard on the replanting area. The company needs to create evacuation route / plank to the meeting point at the employees housing complex.
7	5.2.2	The company has opportunity to improve the HCV management program by adding the time management on its HCV monitoring including the signboard maintenance.
8	SCCS D.6.1.	The management unit has n opportunity to adjust the administration recording referring the SCCS standard on November 2014. For example, the product stamps to IP. (Observasi)



3.5.4 Noteworthy Positive Components

No	Description
1	The company's commitment to implement the sustainable palm oil estate management principles.
2	The personal enthusiasm to demonstrate the RSPO standard requirements and the good team work.
3	The company has achieved ISCC certificate on 2015
4	The company has issued the policy for not using paraquat any longer and the company has commitment on it.
5	The Pematang Mill achieves the Zero Accident award on 2014 from the Manpower Ministry.
6	The award from the Directorate General of Tax in term of the most tax payment and the most complying company on the tax payment on 2014.
7	The company shows its commitment to provide employees PPE, specific vehicle for the full spraying program supported with BSS station. The BSS station is a base camp for the sprayers to wash themselves and its spraying equipments clean after the spraying programs.

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

Issues From Public	Management Response	Auditor Response
Sahabu Village (the community figure, the local contractor) In general, the relation between the company and the community is good. It is supported by the assistances provided by the company such as road maintenance, free medical service, mass circumcision, fund assistance and religious ritual assistance. There is no land dispute between the company and the locals. The socialization of procedure of stakeholder communication and consultation has been held.	The company has a commitment to make the locals as the strategic partner so the company's operational run well.	The company can improve the good relation with the locals in Sahabu Village. Furthermore, the type of the publicly accessed document can also be socialized.
Labour Union (Estate and Mill) The relation between the labour union and the company management runs harmonic. It is supported by the worker's freedom to form labour union. The company gives dispensation for the labour union board to do the business trip programs.	The company complies the law statute and drives the labour union programs purposed to increase the productivity and to meet the worker's rights.	The company can improve its relation with the labour union more.
Gender Committee The company has complied the reproduction rights for its women workers. The women workers do not experience job opportunity discrimination. The socialization of the women reproduction rights is held along with the gender committee assembly.	The company provides the facilities needed by the gender committee so the gender committee conducts their programs perfectly.	The company is able to improve the guidance over the gender committee.
East Kotawaringin District National Land Agency (The Head of Community Control and Development) The company has had Land Use Title (HGU) certificate referring its purpose. Despite there is an enclave within the company's Land Use Title (HGU) 10. The decree of the enclave issued by Central Kalimantan Province National Land Agency is a reliable assessment process (decree number 06/PTT-HGU/BPN RI 2012 for 1138.07 Ha.). However, the East Kotawaringin District National Land Agency does not have the copy of the decree.	The company operates based on the legal standing issued by the regional government and the central government. All the laws and its revisions become the company's legal standing. All the required legal aspects have been complied by the company.	The company should coordinate more intensively with the RI National Land Agency in term of the existing enclave.

<p>East Kotawaringin District Plantation and Forestry Agency (The Head of Plantation Guidance And Structure Division)</p> <p>The company has been running the company well so far. The plantation business assessment has been conducted. However, the assessment is in process. The assessment is waiting the decision of Central Kalimantan Province Plantation Agency.</p> <p>Note:</p> <ul style="list-style-type: none"> - The company should held training for the limited pesticide sprayers. - The company is not giving the report of plantation business development in 1st quarter of 2015. <p>East Kotawaringin District Manpower Agency (The Head of Work Safety Division)</p> <p>The company has conducted its mandatory in term of the routine reporting (1st quarter of OHS Guiding Committee Report, Annual Mandatory Report of Manpower) and has implemented the minimum wage standard. The East Kotawaringin District Manpower Agency shall monitor the manpower activity at the company soon. There is no crucial complaint expressed by the labour union nor the employees to the Manpower Agency.</p>	<ul style="list-style-type: none"> - The company has held limited pesticide sprayers training authorized to Dow Agroscience and Bayer Indonesia - The company head office composed and sent the report of plantation business development. The compilation and delivery process shall be traced back. <p>The company shall comply the applied regulation, especially the regulation of ministry of workforce in term of the workforce report and monitoring. The company is remarkably transparent to the agency for increasing the monitoring and productivity and employees welfare.</p>	<p>The company must be able to increase its reporting consistency referring the law statute. Furthermore, the company should be able to inform the sprayer training record on the quarter-based plantation business development.</p> <p>The company is able to maintain the consistency on the law implementation in aspect of manpower.</p>
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4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>Minamas Plantation, Sime Darby Bhd Head of PSQM</p>  <p><u>Mohamad Pirabaharan</u> Friday, 26 June 2015</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Trismadi Nurbayuto</u> Friday, 26 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	Social, Labour and Transmigration Agency of Kotawaringin Timur District.	Kotawaringin Timur	-	Interview`	3 June 2015	√	
2	Forestry and Plantation Agency of Kotawaringin Timur District	Kotawaringin Timur	-	Interview`	3 June 2015	√	
3	National Land Agency of Kotawaringin Timur District	Kotawaringin Timur	-	Interview`	3 June 2015	√	
4	Environmental Agency of Kotawaringin Timur District	Kotawaringin Timur	-	Interview`	3 June 2015	√	
5	Wahana Lingkungan Hidup Indonesia		info@walhi.or.id; informasi@walhi.or.id	Questionnaire	26 May 2015		√
6	Sawit Watch Indonesia	Jl. Taman Sempur Kaler No.28, Bogor. Jawa Barat. 16129	Telp : 0251-8352171 Fax : 0251-8352047 Email : info@sawitwatch.or.id	Questionnaire	26 May 2015		√
7	WWF Indonesia			Questionnaire	26 May 2015		√
8	Sahabu Villager Head		-	Interview`	4 June 2015	√	

Appendix 2. Assessment Program

DATE / TANGGAL		3,8 – 11 Juni 2015	
PLANNED TIME RENCANA WAKTU	ACTUAL DURATION DURASI AKTUAL	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
Wednesday/Rabu, 3 June 2015			
08.00 - 09.00	08.00 - 09.00	Opening Meeting PT. TSA	• TN / YH / LEO
08.00 – 12.00	08.00 – 12.00	Public Consultation with Government in Sampit	• PHN
10.00 – 12.00	10.00 – 12.00	Document Review and Review of Previous Visit Non-conformance (ASA-03 RSPO)	• TN / YH / LEO
Monday, Senin 8 June 2015			
08.00 – 09.00	08.00 – 09.00	OPENING MEETING	• TN / YH / LEO / PHN
09.00 – 12.00	09.00 – 12.00	Field Observation PEMANTANG ESTATE <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), and Worker Welfare (payments, complaint mechanism) • Legal operational • High Conservation Value Area, Empty Fruit Bunch Application, Soil Erosion Monitoring Poule. • Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Land Fire facilities, Storage, ect. Stakeholders consultation to Nearest village and community leader (Pemantang, Sahabu)	• LEO • TN • TN • YH • PHN
12.00 – 14.00	12.00 – 14.00	BREAK	• TN / YH / LEO / PHN
14.00 – 17.00	14.00 – 17.00	Document Review and Review of Previous Visit Non-conformance (ASA-03 RSPO)	• TN / YH / LEO / PHN
Tuesday/Selasa, 9 June 2015			
08.00 – 12.00	08.00 – 12.00	Field Observation HATAN TIRING ESTATE <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), and Worker Welfare (payments, complaint mechanism) • Legal operational • High Conservation Value Area, Empty Fruit Bunch Application, Soil Erosion Monitoring Poule. • Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Land Fire facilities, Storage, ect. • Stakeholders consultation to Labour Union, Committee Gender, EFB/CPO transporter, Local Contractor 	• LEO • TN • TN • YH • PHN
12.00 – 14.00	12.00 – 14.00	BREAK	• TN / YH / LEO / PHN
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> • Clarification of Public Consultation and Field Observation • Document Review and Review of Previous Visit Non-conformance (ASA-03 RSPO) 	• TN / YH / LEO / PHN
Wednesday/Rabu, 10 June 2015			
08.00 – 12.00	08.00 – 12.00	Field Observation PEMANTANG POM <ul style="list-style-type: none"> • WWTP (IPAL), Land Application (LA), Hazardous Waste Material (B3) management, Water Treatment Plant (WTP) • Supply Chain, K3 (OHS) 	• YH • TN

DATE / TANGGAL		3,8 – 11 Juni 2015	
PLANNED TIME RENCANA WAKTU	ACTUAL DURATION DURASI AKTUAL	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
		<ul style="list-style-type: none"> Clarification of Public Consultation and Field Observation Document Review and Review of Previous Visit Non-conformance (ASA-03 RSPO) 	<ul style="list-style-type: none"> LEO PHN
12.00 – 14.00	12.00 – 14.00	BREAK	• TN / YH / LEO / PHN
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Completion of checklist and clarification/ follow-up on outstanding audit issues Audit finding discussion and preparation 	• TN / YH / LEO / PHN
19.00 – 20.00	19.00 – 20.00	<ul style="list-style-type: none"> Closing Meeting 	• TN / YH / LEO / PHN
Thursday/Kamis, 11 June 2015			
06.00 – 11.00	06.00 – 11.00	PT. TSA → PANGKALAN BUN	• TN / YH / LEO / PHN
12.50 – 14.00	12.50 – 14.00	PANGKALAN BUN → JAKARTA	• TN / YH / LEO / PHN