

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

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

Name of Management Organisation : **AGRO PALINDO SAKTI POM, PT. AGRO PALINDO SAKTI
SUBSIDIARY OF WILMAR INTERNATIONAL Ltd**

Plantation Name : **PALINDO SAKTI ESTATE**

Location : Village of Meranti, Sub District of Suak Tapeh, District of Suak Tapeh,
Province of Central Kalimantan, Indonesia

Certificate Code : **MUTU-RSPO/077**

Date of Certificate Issue : 9 October 2015

Date of License Issue : 9 October 2015

Date of Certificate Expiry : 8 October 2020

Date of License Expiry : 8 October 2016

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST-1	22 – 27 July 2013	Yudwi Wisnu Rahmanto (Lead Auditor); Ibnu Satria Prabudi; Octo HPN Nainggolan; Marsudi Eko Santoso.	Taufik Margani	Tony Arifiarachman
ST-2	11 – 14 November 2014	Trismadi Nurbayuto (Lead Auditor Witnessed); Taufik Margani (Lead Auditor Witnessing); Marsudi Eko Santoso; Panggading Hariara; Entin Hendartin	Taufik Margani	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ST-2	9 October 2015

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TABLE OF CONTENT

FIGURE

Figure 1. Location Map of PT. Agro Palindo Sakti	1
Figure 2. Operational Map of PT. Agro Palindo Sakti	2
Abbreviations Used	3

1.0 SCOPE of the CERTIFICATION ASSESSMENT

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

2.0 ASSESSMENT PROCESS

2.1	Assessment Team	10
2.2	Assessment Methodology, Assessment Process and Locations of Assessment	11
2.3	Stakeholder Consultation and Stakeholders Contacted	13
2.4	Determining Next Assessment	13

3.0 ASSESSMENT FINDINGS

3.1	Summary of Assessment Report of the RSPO Certification	14
3.2	Summary of Assessment Report of Supply Chain Requirement	51
3.3	Conformity Checklist of Certificate and Logo Use	55
3.4	Summary of RSPO Partial Certification	56
3.5	Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	59
3.6	Summary of Arising Issues from Public, Management and Auditor Responses	76

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1	Formal Signing of Assessment Findings	80
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APPENDICES

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

Figure 1. Location Map of PT. Agro Palindo Sakti

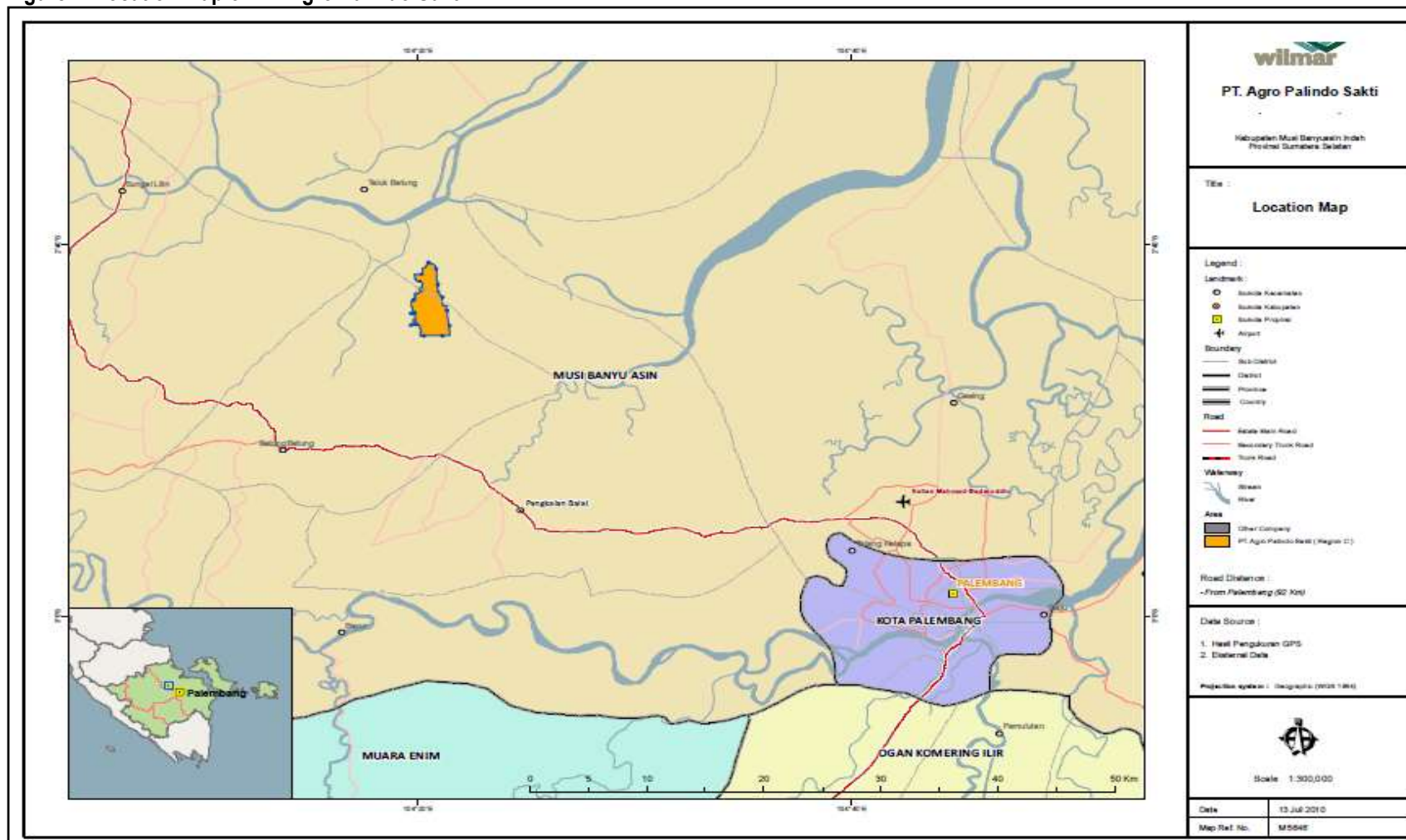
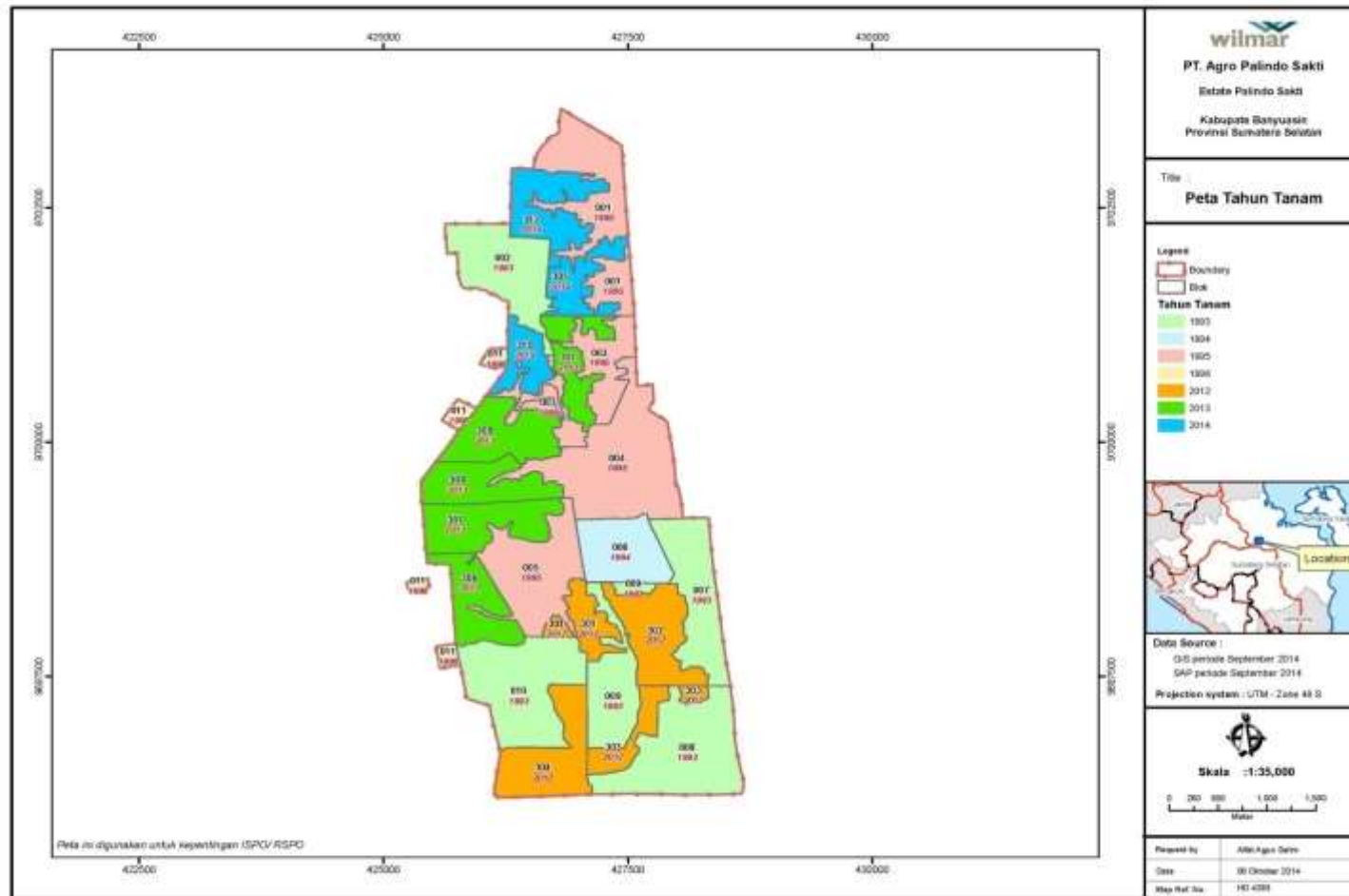


Figure 2. Operational Map of PT. Agro Palindo Sakti



Abbreviations Used	
APS	: Agro Palindo Sakti
EIA	: Environmental Impact Analysis/UKL-UPL
PPE	: Personal Protective Equipment
BOD	: Biological Oxygen Demand
BPN	: National Land Agency
COD	: Chemical Oxygen Demand
CPO	: Crude Palm Oil
CSR/CD	: Corporate Social Responsibility/ Community Development
EFB	: Empty Fruit Bunch
HCV	: High Conservation Value
HGU	: Land Exploitation Rights
HIRAC	: Hazard Identification Risk Assessment Control
JAMSOSTEK	: Jaminan Sosial Tenaga Kerja (Social Security Plan for Workers)
KAN	: Komite Akreditasi Nasional (National Accreditation Committee)
KER	: Kernel Extraction Rate
LC	: Land Clearing
LD ₅₀	: Lethal Dosage (Certain dosage that can kill 50% of total population)
MB	: Mass Balance
MSDS	: Material Safety Data Sheet
NGO	: Non-Governmental Organization
OER	: Oil Extraction Rate
P2K3	: Committee for Occupational Health and Safety Development
IPM	: Integrated Pest Management
PK	: Palm Kernel
POM	: Palm Oil Mill
POME	: Palm Oil Mill Effluent
RSPO P&C	: Roundtable on Sustainable Palm Oil Principle and Criterion
SOP	: Standard Operating Procedures
ST1	: Stage 1
ST2	: Stage 2
FFB	: Fresh Fruit Bunches

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<i>National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Republic of Indonesia - RSPO INA-NIWG, May 2008 and RSPO Supply Chain Certification Standard November 2011.</i>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT. AGRO PALINDO SAKTI – WILMAR INTERNATIONAL Ltd	
1.2.2	Contact person	Simon Siburat	
1.2.3	Organisation address and site address	56 Neil Road, Singapore 088830 Lokasi Kebun: Village of Meranti, Sub District Suak Tapeh, District of Banyuasin, Povice of South Sumatera, Indonesia	
1.2.4	Telephone	(65) 6216-0244	
1.2.5	Fax	(65) 6836-1709	
1.2.6	E-mail	alfat.salim@wilmar.co.id	
1.2.7	Web page address	www.wilmar-international.com	
1.2.8	Management Representative who completed the application for certification	Agus Salim Alfat (Sr Sustainability Manager – Sumatera Region – Wilmar International)	
1.2.9	Registered as RSPO member	16 August 2005 2-0017-05-000-00	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base APS Mill, Agro Palindo 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
	Agro Palindo Sakti	Village Meranti, Sub District Suak Tapeh, District Banyu Asin, Province South Sumatera	N 2° 43' 32,181" E 104 ° 20' 7,404"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Palindo Sakti Estate	Village Meranti, Sub District Suak Tapeh, District Banyu Asin, Province South Sumatera	N 2° 42' 41,183" E 104 ° 20' 32.596"
1.5	Description of Area Statement		
1.5.1	Tenure		
	• State	1,272.00	Ha

	• Community	-	Ha				
1.5.2	Area Statement						
	• Total area	1,272.00	Ha				
	• Mature area	718.25	Ha				
	• Immature area	477.75	Ha				
	• Mill	4.12	Ha				
	• Emplishment&Infrastructure	38.36	Ha				
	• Nursery	3.35	Ha				
	• Unplanted area	0.67	Ha				
	• HCV	29.35	Ha				
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year		Hectarage (Ha)				
	1993		379.78				
	1994		55.7				
	1995		283.10				
	2012		178.58				
	2013		209.86				
	2014		89.31				
	Total		1,196.00				
1.6.2	New Planting area after January 2010 (conversion from rubber estate)	477.75	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 (%)
	Agro Palindo Sakti	30	57,222	12,315	21.52	2,597	4.54
	* Production Data on November 2013 – October 2014						
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)	%
		Palindo Sakti Estate	1.272	1.196	18,456.22	14.5	18,456.22
	TOTAL	1.272	1.196	18,456.22	14.5	18,456.22	100
	* Production Data on November 2013 – October 2014						
1.7.3	FFB description from other source						

	Name of sources	Location	Hectarage (ha)	Supplied to Mill			
				FFB (tonnes/year)			
	PT. SPS QQ PT.SAP / M.DAUD	Senda Mukti Village	450	13,609.57			
	PT. HANURABA SAWIT KENCANA	Mangga Raya Village	940	819.43			
	PT. SPS QQ PT.SAP / PT. DMT	Lubuk Lancang Village	250	894.21			
	PT. SPS QQ PT.SAP / DS.ML	Meranti Village	4.18	60.97			
	KMB	Banjar Sari Village	600	2,957.94			
	U. TANI	Primer 1 dan Primer 2 Village	300	23.35			
	PT. SPS QQ PT.SAP / TONY	Meranti Village	450	241.71			
	PT. SPS QQ PT.SAP / LIDIA	Meranti Village	450	605.26			
	A.RIVAI	Meranti Village	150	93.18			
	SUDAYATI	Meranti Village	450	81.89			
	KUD RAHAYU	Senda Mukti Village	450	17,900.31			
	BUDI ASIH	Budi Asih Village	50	20.58			
	PT. SUMATERA ANUGERAH JAYA	Meranti Village	200	33.12			
	PT. ANDALAN ALAM SUMATRA	Lubuk Karet Village	942.6	10.66			
	TOTAL				37,352.17		
	<i>*Source Production Data on November 2013 – October 2014</i>						
	1.7.4	Product categories			FFB, CPO, PK		
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim (tonnes/year)	Actual certified product (tonnes/year)			
	• FFB Production		-	-			
	• CPO Production		-	-			
	• Palm Kernel (PK) Production		-	-			
	<i>It will be verified on Surveillance 1.</i>						
1.8.2	Estimate of Certified FFB Claim						
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Palindo Sakti Estate	1,272.00	1,196.00	19,463	16.27		
	Total	1,272.00	1,196.00	19,463	16.27		
<i>*Projected FFB production for 12 months of certificate</i>							
1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Agro Palindo Sakti	30	19,463	4,605	23.66	971	4.99

<i>*Projected CSPO and CSPK production for 12 months of certificate</i>				
1.9	Other Certifications			
	ISO 9001:2008	-		
	ISO 14001: 2004	-		
	OHSAS 18001:2007	-		
	ISCC	-		
	Others			
1.10	Time Bound Plan			
1.10.1	Time Bound Plan for Other Management Units			
	No	Nama Unit Manajemen	Alamat	Rencana Tata Waktu
	1	Sapi (1 + 2)	Sandakan, Sabah, Malaysia	2008
	2	Sabahmas	Lahad Datu, Sabah, Malaysia	2008
	3	Reka Halus	Sandakan, Sabah, Malaysia	2008
	4	Saremas (1 + 2)	Miri Serawak, Malaysia	2008
	5	Kaminsky	Miri Serawak, Malaysia	2008
	6	Suai	Miri Serawak, Malaysia	2008
	7	Segarmas	Miri Serawak, Malaysia	2008
	8	Terusan (1 + 2)	Sandakan, Sabah, Malaysia	2009
	9	Kiabau	Sandakan, Sabah, Malaysia	2009
	10	Ribubonus	Sandakan, Sabah, Malaysia	2009
	11	PT. Perkebunan Milano (SDE, BSE & MBE)	North Sumatera	2009
	12	PT. Mustika Sembuluh	Central Kalimantan	2009
	13	PT. Kencana Sawit Indonesia	West Sumatera	2010
	14	PT. Kerry Sawit Indonesia	Central Kalimantan	2010
	15	PT. Tania Selatan (BT & BB)	South Sumatera	2010
	16	Hibumas	Sandakan, Sabah	2010
	17	Sri Kamusan	Sandakan, Sabah	2010
	18	Sekar Imej	Sandakan, Sabah	2010
	19	Aktif Kukuh & Koerasi	Sandakan, Sabah	2010
	20	PT. AMP Plantation	West Sumatera	2011
	21	PT. Primatama Muliajaya	West Sumatera	2011
	22	PT. ANI (Sambas)	West Kalimantan	2012
	23	PT. Buluh Cawang Plantation	South Sumatera	2012
	24	PT. Tania Selatan (Bambu Kuning)	South Sumatera	2012
	25	PT. Bumi Sawit Kencana	Central Kalimantan	2012
	26	PT. Sarana Titian Permata	Central Kalimantan	2012
	27	PT. Gersindo Minang Plantation	West Sumatera	2012
	28	PT. Permata Hijau Pasaman	West Sumatera	2012
	29	PT. Daya Labuhan Indah	North Sumatera	2015
	30	PT. Milano (Cabang Dua Estate)	North Sumatera	2013
	31	PT. Agro Palindo Sakti	South Sumatera	2014

	33	PT. Mentaya Sawit Mas	Central Kalimantan	2014	Certified
	34	PT. Musi Banyuasin Indah	South Sumatera	2014	1st Stage Audit
	35	PT. Agronusa Investama Pahauman	West Kalimantan	2014	Planning
	36	PT. Murini Sam Sam	Riau	2015	Planning
	37	PT. Sinarsiak Dianpermai	Riau	2015	Planning
	38	PT. Bumi Pratama Khatulistiwa	West Kalimantan	2015	Planning
	39	BBPOP (Benso Plantation)	Ghana	2015	Final Audit
	40	PT. Buluh Cawang Plantation	West Kalimantan	2015	Planning
	41	PT. Pratama Prosentindo	West Kalimantan	2016	Planning
	42	PT. Putra Indotropical	West Kalimantan	2016	Planning
	43	PT. Agro Palindo Sakti	West Kalimantan	2016	Planning
	44	PT. Daya Landak Plantation	West Kalimantan	2016	Planning
	45	PT. Indoresins Putra Mandiri	West Kalimantan	2016	Planning
	46	PT. Karunia Kencana Permaisejati	Central Kalimantan	2016	1st Stage Audit
	47	PT. Rimba Harapan Sakti	Central Kalimantan	2016	1st Stage Audit
	48	PT. Agro Indah Persada 2	Bangko – Jambi	2016	Planning
	<i>*latest update of Time Bound Plan 2015 under WILMAR management.</i>				
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	Smallholders and outgrowers will be applied P&C RSPO, 3 years after PT. APS Certified.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ST-1	<ol style="list-style-type: none"> Yudwi Wisnu Rahmanto (Lead Auditor). Bachelor of Forestry with sivil culture background. He has attended in selected training, such as Auditor/Lead Auditor Course Quality Management System (QMS) ISO 9001:2008, Timber Legality Assurance System (SVLK), Verification Organization Training C.A.F.E Practices (Starbucks), Organic Standard (EU, NOP, JAS), Forest Stewardship Council (FSC), Program Endorsement of Forest Certification (PEFC) and Organic Exchange for Textile. He also has experience as an auditor and involved in certification program auditing, such as Sustainable Forest Management by FSC FM/COC Scheme, Coffee And Farmer Equity (C.A.F.E Practices) Starbucks, Sustainable Palm Oil by RSPO Scheme, Organic Standard (EU, NOP, JAS) for Coffee Farmer and Organic Exchange for Textile. Currently, he worked at Professional Certification Body. Octo H.P.N Nainggolan (Auditor). A bachelor of Agriculture, Department of Social Economics of Agriculture (Agribusiness). He has working experience more than six years as an operational staff in a private oil palm plantation company in Indonesia. Trainings attended: Training of Conservation of Natural and Biological Resources in supporting HCV, Basic Plantation Management Program, Integrated Pest Management training, Management System Certification (ISO 9001-2008) training, RSPO Lead auditor training, ISPO lead auditor training and he have followed several audit activities related to certification system of sustainable oil palm plantation as an auditor. Currently, he works in an independent certification agency as an auditor. Ibnu Satria Prabudi (Auditor). A Bachelor of Agriculture Majoring in Agro-technology, Agriculture Faculty of Instiper Yogyakarta. Currently he has been working with an independent certification agency as auditor. Training he has followed are: Lead Auditor RSPO, Auditor ISPO, Awareness HACCP certification, Awareness SQMS Mc Donald, In House Training Green House Gas and Awareness ISO: 9001. He has followed several audit activities related to certification system of sustainable palm oil (RSPO certification) as observer and Auditor. He has been working with an independent certification body as auditor. Marsudi Eko Santoso (Auditor). Bachelor of Agriculture, majoring in Agro technology. Followed the Management System Certification (ISO 9001-2008), Awareness HACCP certification, training of RSPO auditor and training of RSPO Lead Auditor training, ISPO Lead auditor training and distribution quality management process - APMEA. He had involved several time in RSPO certification assessment activities as an auditor. Currently he works for Independent Certification Body.
ST-2	<ol style="list-style-type: none"> Trismadi Nurbayuto (Lead Auditor Witnessed). Associate Forestry from the Forestry Faculty of IPB and Bachelor of Economics from the Department of Agribusiness, Faculty of Economics and Management, IPB. Specialists in the Environmental Social Impact Assessment (SEIA) and the High Conservation Value (HCV). He participated in HCV Management Training, Indonesian Sustainable Palm Oil (ISPO) Auditor, In House Training RSPO; training of ISO 9001:2008 Quality Management System, ISO 22000:2005 Food Safety Management System, and ISO 14001:2004 Environmental Management System. 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 activities of SEIA and Identification of HCV in Palm Plantation. Currently has been several times following audit activities related to sustainable palm oil certification system as an auditor. Taufik Margani (Lead Auditor Witnesser). Bachelor of Science in Forestry, majoring in Forest Management. Specialist in Ecology and Environmental. He has led several audits for Sustainable Forest Management in Indonesia (under LEI- Indonesian Ecolabel Institute and FSC- Forest Stewardship Council) and he is a Lead Auditor for FSC chain of custody and Forest Management. Other experience: He is IRCA Lead auditor IRCA registered for Environment Management System and Quality Management System. Since 1999 he has been working for independent certification body and has conducted Environment Management System audits in Indonesia and Malaysia. Currently he is the General Manager of Management System Certification. On this activities as Lead Auditor Witnesser. Marsudi Eko Santoso (Auditor). Bachelor of Agriculture, majoring in Agro technology. Followed the Management System Certification (ISO 9001-2008), Awareness HACCP certification, training of RSPO P&C and training of RSPO Lead Auditor training, ISPO Lead auditor training. He had involved several time in RSPO certification assessment activities as an auditor. Currently he works for Independent Certification Body. On this assessment as Best Practices Auditor. 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, training of RSPO P&C and Indonesian Sustainable Palm Oil (ISPO) Auditor

and has attended five (5) times the related audit system of sustainable palm oil certification as an auditor. At this time his activities in RSPO certification are to assess the legality and social aspects.

5. Entin Hendartin (Auditor).

Doctor from the Faculty of Forestry, Bogor Agricultural University in 2011. She was attended training RSPO Lead Auditor, ISPO Lead Auditor Training and Sustainable Forest Management (SFM) with LEI Scheme) and the Ministry of Forestry. Experts in the Environmental, Social, Economic and Cultural. Previously has been a lecturer at the Institute of Technology Bandung. On this assessment was observations on environmental aspects. During this assessment, he assigned to verify of environment aspek.

2.2 Assessment Methodology, Assessment Process and Locations of Assessment

2.2.1 Figure of person days to implement assessment

ST-1 Number of auditors : 4 auditor
Number of days for **ST-1** at site: 3 days
Number of working days for **ST-1** at site: 12 Working days

ST-2 Number of auditors: 4 auditor
Number of days for **ST-2** at site: 4 days
Number of working days for **ST-2** at site: 16 Working days

2.2.2 Assessment Process

ST-2 The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT. Agro Palindo Sakti to the requirements of National Interpretation of the Republic of Indonesia from RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO INA-NIWG, May 2008 and Scheme Smallholders October 2009) and RSPO Supply Chain Requirement for CPO Mill November 2011.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.

Some opportunities for improvement of the results **ST-2** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**ASA-1**).

Improvement of findings from main assesment findings were observed by auditors at this **ST-2** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-1**.

The assessment program please find Appendix 2

2.2.3 Locations of Assessment

ST-2 Number of units in this certification activity is one estate, 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 focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are Agrop Palindo Sakti palm oil mill (APS POM) and Agro Palindo Sakti estates.

Estate:

1. **National Land Agency pole No. 1; 14; 19 and 24.** According to the observation, the Land Use Title (HGU) poles were well maintained. Furthermore, there was also planting beyond the Land Use Title (HGU) by the company based on the field visit.

2. **Block 004.**

- Observation and interview with the foreman and harvesters in term of the harvesting process, safety work procedure, PPE use, loosen fruit picking, foreman was equipped with first aid kit, the complaints were expressed to manager, the wage offered more than the minimum wage standard, there was premium system based on weight (IDR 50k – 55k /ton), procedure of medical service through estate clinic and was able to be

recommended to regional hospital, the workers have gotten labour social assurance card, there was vehicle to pick the students, the workers have known the labour union, there was no discrimination, harvesters were at least >18 years old, children were not allowed to work.

- Observation on barn owl box. There was a mature owl, feces and rat corpse.

3. Block 311.

- Observation on the EFB application area.
- Observation and interview with foreman and sprayers in term of the spray work procedure, proper spray procedure, first aid training for foreman, routine medical check up, menstruation and childbirth day off, foreman was equipped by first aid kit, daily wage was IDR 76.800/week based on the determined minimum wage standard, the yellow painted plant area should not be sprayed, the spray equipments were maintained on the storage, procedure of medical check up through human resource, transport tractor Operator has had operator license and labour social assurance card.

4. **Block 307.** Observation and interview with foreman and manurer in term of the manuring procedure, dosage of the fertilizer, method of manuring, foreman has been trained for first aid action and emergency response, employee's complaint was directly expressed to the manager or labour union, there was no sexual harassment at the manuring program area, menstruation and childbirth day off for women, routine medical check up.

5. **Block 004 C.** Observation with the driver and FFB loader in term of the record of FFB load via balngko, tractor Operator was supported by operator license, there was first aid kit, the company provided settlement for employees, work output inspection and complaint deliver to manager.

6. **Nursery area of Block 005.** Observation on the rest of nursery and improper seed management.

7. **Block 15.** Observation on the disputed area with Saimun Hamdan, AZHAN UMAR, SH. MSc and Dra.USYATI which were unmanaged (bushes).

8. **PT APS Main Officer.** Observation and interview with the workers during the Morning Briefing ster Morning program in term of the compliance over the PPE use, work target information, safety briefing and morning workout.

9. **Workshop.** Observation and interview with the Head of workshop and the workers in term of the hazardous waste management. There were first aid kits and handy fire extinguisher, the workers have aware of the safe work procedure, complete PPE has been used.

10. **Hazardous Waste Storage.** Observation on the hazardous waste management, record of hazardous waste monitoring, symbol and label of hazardous waste, medical check up for the workshop workers, there were emergency response equipments (handy fire extinguisher, Shower, Eye Sower), MSDS and hazardous waste storing based on its characteristic.

11. **Chemicals Storage.** Observation on the hazardous waste management, symbol and label of hazardous waste MSDS and hazardous waste storing based on its characteristic.

12. **Fire Team Base Camp.** Observation on the existence of fire extinguishing equipments and its condition.

13. **HCV4.1 and HCV5 (Gaung Springs).** Auditor observed the condition of springs, there were many garbages on the springs due to the locals also use it. PT APS has socialized the importance to keep springs bufferzone as well as monitor it. However, there was no evaluation for the monitoring program.

14. **HCV4.1 (Small Reservoir) in block 08E.** According to the result of observation, the swamp was drying due to drought season. There were yellow paint on the palm oil plants on the buffer zone of swamp to prevent the chemicals application.

15. **Habitat Nepenthes sp in block 08D.** According to the result of interview with the HCV officer, it will be marked for the prevention during land clearing. The location was located on the perringgan trench bordering with other estate.

16. **HCV4.1 (Jauh riparian) in block 09A.** There were palm oil plants on the riparian but it has been painted with yellow. Furthermore, in order to prevent erosion, there were betung plants planting.

POM:

1. **WWTP.** Observation on the POM effluent management, utilization of effluent on land application and effluent flow

	<p>trench closing, there was no WWTP leakage.</p> <ol style="list-style-type: none"> Pos Security. Interviewing the security in term of the procedure of reporting and recording when the FFB truck coming to POM (whether nucleus or outgrower). Weighbridge. Interviewing the weighbridge officer in term of the recording and reporting of the received FFB from the nucleus estate and outgrower estate. It was differentiated by the FFB covering letter and stamp for each FFB. Loading Ramp Station. Interviewing the grading assistant, the improper FFB from the nucleus estate shall be reported to the associated division to be then called to POM and the FFB shall be processed anyway. Meanwhile, the improper FFb from outgrowers shall be returned to the supplier and charged for deduction. Boiler Station. Interviewing the boiler operator, one of the operator's license has expired since December 2012. However, there was proposal for operator license extention No. 10.1741/PNK3-PUBT/B-1/XII/10. Engine Room Station. Interviewing generator operator, there was a medical check up on June 2014. Workshop. Interviewing temporary daily workers for the compound (house keeping) operation and electricity technical. One of them has been working for 18 months but yet was not promoted to permanent daily workers. Processing Stage Station. Observing the implementation of OHSMS, all employees have used PPE and there have been signboard informing warning on the work accident potential area.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ST-2	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT. AGRO PALINDO SAKTI was held by:</p> <p>Public Notification on RSPO Website at 9 October 2014; on Mutu Website at 28 October 2014</p> <p>Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples at 13 November 2014. And then sending questioner to NGO i.a. Sawit Watch, WWF, Wahan Bumi Hijau and Yayasan Wira Bakti Utama at 5 November 2014.</p> <p>Numbers of input from stakeholders were clarified by PT. AGRO PALINDO SAKTI</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (ASA-1) will be determined in period of August to October 2016.

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of APS. POM – PT. AGRO PALINDO SAKTI, (Wilmar International Limited) operation consisting of one (1) mill and one (1) oil palm estates.

During the assessment, there were one (1) Nonconformity were assigned against Major Compliance Indicator(s) (2.1.1); one (1) nonconformity(s) were assigned against Minor Compliance Indicators (5.2.1) and five (5) opportunity(s) for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g. (document record/photographic/etc...). Those corrective action(s) taken that consist of one (1) Major non-conformity and one (1) Minor non-conformity(s) had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that APS. POM – PT. AGRO PALINDO SAKTI, (Wilmar International Limited) complied with the requirements of RSPO Principles & Criteria and National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Republic of Indonesia - RSPO INA-NIWG, May 2008 and Supply chain for CPO Mill, November 2011.

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is Issued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Plantation and Palm Oil Factory have to give adequate information for stakeholders in appropriate language and forms, to ensure the effective participation of stakeholders in decision-making.	
	PT APS has the records of incoming and outgoing letters. In general, all incoming letters were the fund request letter sent by the locals. For example: Letter from Teluk Betung Village Community who was asking for fund for celebrating RI Independence Day on August 8th 2014. Letter from Banyuasin District Manpower Agency No. 560/2580/Nakertrans/3/2014 dated August 11th 2014 in term of the recommendation to pay the contract termination compensation for latex permanent daily workers on behalf of A.Rizal, Kusnaldi Fikri, Dedi which was not paid by the company yet. According to the result of interview with stakeholders (Forestry and Plantation Agency, Environment Agency and National Land Agency) whether government or the locals, PT APS management always respond the incoming letters in last a year. However, the letter from Manpower Agency No. 560/2580/Nakertrans/3/2014 dated August 11th 2014 was not yet responded. Example of the response over letter by PT. APS over the letter sent by Statistic Center Agency on June 27th 2013, No. 01000.269 through letter No. 09/PT. APS/CSR/KPS/X/2013 dated October 2nd 2013. The evidence of the receipt from Statistic Center Agency of Banyuasin District was attached. However, PT. APS was not able to show the response over the letter from Banyuasin District Manpower Agency No. 560/2580/Nakertrans/3/2014 dated August 11th 2014 in term of the recommendation to pay the contract termination	

compensation for latex permanent daily workers on behalf of A.Rizal, Kusnaldi Fikri, Dedi which was not paid by the company yet. The company was given extra 10 days to respond it in writing. **See NCR 2013.01.**

Observation on April 14th 2015.

The company has shown the document of official record of worker's contract termination compensation, the employee list of the contract termination compensation and receipt on January 5th 2015. **However, the company was not able to show the evidence of its report to Manpower Agency.**

Observation on June 5th 2015

The management unit showed the evidence of the latex workshop permanent worker's contract termination compensation of PT. APS to Banyuasin District Manpower Agency on February 16th 2015.

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.

PT. APS has the publicly-accessed documents as reference and that are able to be used under the applied law and are able to be distributed under the approval of PT APS top management by considering properness of the party need it, type of the needed documents and purpose of the documents based on the applied procedure on PT APS. The documents are described on the letter No. 154/PIC-APS/X/2014 dated October 30th 2014 like Company Profile, EIA, Company Policy, Land Use Title (HGU), Plantation Business Permit, Location Permit, map and area statement, CSR report, organization structure, document of HCV, SIA and general summary of certification assessment.

PT. APS has the record of information request and response. For example, the data request by RI Statistic Center Agency on June 27th 2013 and the request from the Head of Pulau Rimau Sub-District in term of the land dispute resolution over the Teluk Betung Village land planted by PT. APS.

PT. APS has well trained Officer to control the document and its retention period on the procedure of document management (Document No. PRO-GEN-002 dated March 1st 2013) as written on chapter 7.0 of general information that the document's retention period are:

1. Documents of quality management system, environment, OHS and RSPO are maintained for 10 years.
2. Archives of Administration are maintained for 10 years.
3. Archives of Taxation are maintained for 10 years.
4. Archives of Human Resource are maintained for 10 years.

Procedure of external information receipt and response No PRO-BNM-001 dated March 1st 2013. The objective was to set the procedure of external information receipt and response. The type of the receipt informations have to do with general information of the company's operational and company's policy, complaint expression over the company's policy, request of company's assistance and social donation.

According to the result of interview with the stakeholders, the company has socialized the type of publicly-accessed information.

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.

The company was not able to show the evidence of compliance over the law of Manpower Ministry No. 100 year 2004. There were 4 temporary daily employees who have been working for 21 days in row within 3 month but were not yet promoted to permanent daily employees on behalf of Elizabeth S (POM employee). It becomes **NCR No. 2014.01.**

Root Cause:

There were 4 temporary daily labours who were not yet promoted to permanent daily labours. Those were division of housekeeping. They have complied the manpower law.

Corrective Action:

1. Identifying 4 temporary daily workers.
2. Planning those 4 temporary daily workers to be promoted to permanent daily employees.
3. Decree for permanent daily workers from HRR

Preventive Action:

PGA along with the Head of OU are recommended to identify the temporary daily workers at mill (if exist).

Observation on April 14th 2015

The company showed the evidence of promotion of temporary daily worker to permanent daily workers. For example:

1. Decree of HRR Manager No. 002/APS-HRR/SK/II/2015 dated January 5th 2015 in term of the promotion of Rahmat Apriady to employee class 2A.
2. Decree of HRR Manager No. 003/APS-HRR/SK/II/2015 dated January 5th 2015 in term of the promotion of Sahuri to employee class 2A.

Observation on June 5th 2015

The management unit showed the letter that employees named Kusno Sucipto (Electrician) and Irfanto (Maintenance) have been approved on January 8th 2015.

Hence, Major NCR No. 2014.01 is closed.

PT APS has hazardous waste storage permit from Banyuasin Regent through decree No. 457/KPTS/BLH/2012 in term of the hazardous waste storage permit for PT Agro Palindo Sakti. The decree was valid for 3 years from June 14th 2012 to June 14th 2015.

According to the result of the interview with Banyuasin District Environment Agency, the company has had the permit for hazardous waste storage, environment permit and land application permit. Furthermore, the company has reported all report obligations on aspect of environment.

The company has formed a team of firefighters with the Chairman who supervises eight teams, in addition there is a special team to patrol the fire every day.

The company have been new local regulations regarding the effluent quality standards Peraturan Gubernur Sumatera Selatan (Governor Regulations) No. 8 Year 2012. Result of testing waste water on July to September 2014.

Month	Jul	Ags	Sep
pH**	8	8	6,89
BOD*	30,7	29,1	35,7
COD*	243	98,4	105
TSS*	40,6	9,67	27,5
Total Nitrogen	1,1	4,45	0,93
Minyak / Lemak*	0,6	0,2	0,4
Ammonia (NH3)*	-	-	0,40
TDS/TS	-	-	1.13

The company has the list of environment law and statute in document No. FRM-GEN-026 dated November 1st 2014. The list is consisted of 8 statutes, 11 government regulations, 16 ministry regulations, 12 decrees of ministry, 1 circular of environment ministry, decree of the Head of environment impact control agency and 2 governor regulation or decree of governor.

Example of the compliance over the applied and relevant law:

1. The company showed the result of test/certificate of the test No. 660/211/SHU-LAB/IX/2014 dated August 26th 2014. According to the result, all the tested vehicles passed the test and the scores were below the quality threshold of the diesel-fuelled vehicle based on Environment Ministry Regulation No. 5 Year 2006.

The company has the result of generator emission test. The sampling was taken by staff of South Sumatera Province Environment Agency Laboratory on August 25th 2014. According to the result of the test, the CO, NO₂, SO₂, NH₃, partikel, Chlorine (Cl₂), HCL, HF, Opacity, Flow Speed and exhaust were below the quality threshold determined by South Sumatera Governor in regulation No. 06 dated February 15th 2012.

PT APS has had procedure over the access and structurization of law and other regulation on PRO-GEN-017 dated March 1st 2013 purposed to:

1. Identify the law and other regulations in term of the implementation of quality management system, environment, OHS and RSPO.
2. Completing the ownership of law and other regulation on estate and POM, review and update the change.
3. Socializing the crucial issue in term of law and other requirements to employees especially the programs.
4. Evaluate the accomplishment of compliance over law and other requirements.

The personel in charge of the procedure of evaluation and responsibility over the law compliance are:

1. EHS officer/ Head of each division/Divisi/Bina Mitra which identify the law
2. Bina Mitra Head who look for the identified law
3. Bina Mitra/Human Resources Regional/EHS officer who composed the list of the related the list of law

Evaluation over the accomplishment for complying law and other regulation is conducted by the Management Representative/EHS officer/P2K3/Team of RSPO/Head of Division.

According to the result of interview with the Manpower Agency, the company has reported all obligation to report on manpower aspect such as report of OHS guiding committee (each quarter), manpower obligation report and work accident report.

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

The company has the documents of land ownership on:

- a. According to the document of Land Use Title (HGU) certificate No. 2 for 1,272 Ha of land in South Sumatera Province, Musi Banyuasin District, Banyuasin III Sub-District, Lubuk Lancang Village dated June 13th 1992 and over on December 31st 2020.
- b. Decree of the Head of National Land Agency (BPN):
 - Decree of the Head of National Land Agency (BPN) NO. 21/HGU/1991 dated December 11th 1991 and over on December 31st 2020.
 - According to the decree of National Land Agency Head No. 22/HGU/BPN/2005 dated March 15th 2005 in term of the extension time for the update for Land Use Title (HGU) in Banyuasing District, South Sumatera Province for 1,272 Ha. The letter describes the extension of period for Land Use Title update shall be valid for 25 years since December 31st 2020.

According to the result of field visit to National Land Agency pole No. 1, 14, 19 and 24, the poles were well maintained. Furthermore, there was no planting beyond the Land Use Title (HGU) area. Meanwhile, according to the result of interview with the staff of Banyuasin District National Land Agency, the company has gotten Land Use Title (HGU) on 1992. diketahui

bahwa saat ini kondisi patok baik dan terpelihara. Serta tidak ditemukan adanya penanaman sawit diluar patok HGU. Sedangkan hasil wawancara dengan staf Badan Pertanahan Nasional Kabupaten Banyuasin, diketahui bahwa perusahaan telah mendapatkan HGU pada tahun 1992. Serta sampai dengan saat ini tidak ada laporan klaim/sengketa lahan dari pihak masyarakat/pihak luar lainnya.

Palm Oil Mill:

PT AGRO PALINDO SAKTI POM has the building use permit (IMB) No. 503/1220/IMB/BPT/2009 dated September 8th 2009 for 36 x 16 Meter on the Land Use Title (HGU) of PT Agro Palindo Sakti

Document of Land Cultivation

According to the document of plantation business registration No. 930/Menhutbun-VII/2000 dated August 8th 2000 on behalf of PT AGRO PALINDO SAKTI as the domestic investment (PMDN) for 1,272 Ha. Meanwhile, the realization of estate based on the result of document review on area statement of estate operational hectarage was 1,549.41 Ha. Therefore, there was a difference for 277.41 Ha which was not yet included on the permit

Observation on November 11th 2014.

According to the document review result, the company operational area is 1,549.41 Ha. Meanwhile, the hectarage of the Land Use Title (HGU) was 1,272 Ha. Therefore, there was a difference for 277.41 Ha area beyond Land use Title (HGU). According to the result of field visit to National Land Agency pole No. 1 and No. 24, there was a planting beyond legal area.

Observation on November 12th 2014.

Berdasarkan hasil kajian dokumen diketahui bahwa perusahaan telah memiliki peta Verifikasi HGU dan areal yang dikelola dengan skala 1: 35.000 serta kunjungan lapangan patok batas No. 1, 14, 15 dan 24 diketahui bahwa patok batas dalam kondisi baik dan terpelihara.

According to the document review over the PT APS operational area, there was 222 ha area beyond the Land Use title (HGU). The was not a scope of certification for now.

According to the information from the company, the operational area beyond the Land Use Title (HGU) has been owned based on the compensation for the locals. However, there was no document of land ownership able to be shown by PT APS untill ST-1 audit finished **NCR 2013.03**

Observation on April 14th 2015

The company showed the official record of hectare statement change of PT Agro Palindo Sakti with the managed area now is only 1,272 ha. According to the information of management, the 277.41 ha of land is the land belong to the locals and is not incorporated to PT APS scope.

Observation on June 28th 2015

The management unit showed the declaration letter No. 062/MGR-APS/VI/2015 dated June 26th 2015 which was signed by the Director of Wilmar International Ltd. It stated that the 277.41 ha of area beyond the Land Use Title (HGU) has been kicked out of the area statement and the ownership is now belong to M. Syafe'i.

PT. APS must be able to show that the dispatched FFB from 277.41 ha of area is legal (binded by contract). **(Closed with Observation)**

There are records of the land dispute resolution process agreement for the unaccomplished agreement between the company and the claimant.

There were two land dispute case. Those were:

1. There was a land dispute on July 15th 2013 for the land on behalf of SAIMUN HAMDAN (authorized to Zainal Lutfi and

Andi Wantoha) who was claiming 2 hectare of area based on the abstract of title No. 58 Year 1985. According to the charge, the company and the claimant held assembly on July 19th 2013. According to the minute of meeting, there was a request for IDR 200,000,000,-/2 Ha. However, there was no decision yet for the proposal and next meeting shall be held.

2. There was a charge on June 27th 2012 for the land on behalf of AZHAN UMAR, SH.MSc and Dra. USYATI who were charging ± 12 Ha area on block 18 and 19 based on the abstract of title No. 51, 52, 53, 54 (8 hectare of the land kicked out by National Land Agency). On June 21st 2013 (a year after the charge), there was an evidence of documentation of resolution mediated by Banyuasin Regent. There were several options follow:
 - The land should be returned to the legitimate owner.
 - The land should be compensated for IDR 150,000/M².

PT APS has the records over the acquisition over the land rights as written on the documents follow:

1. List of the compensated land on Teluk Betung Village, Banyuasin III Sub-District dated May 26th 1990 for 67 people for 134 Ha. The fee for compensating it was IDR 26,800,000 (USD 1,900).
2. List of the compensated land on Lubuk Lancang Village, Banyuasin III Sub-District dated June 14th 1990 for 301 people for 475.7583 Ha. The fee for compensating it was IDR 95,150,526 (USD 6,796).
3. List of the compensated land on Lubuk Lancang Village, Banyuasin III Sub-District dated June 14th 1990 for 106 people for 210.7 Ha. The fee for compensating it was IDR 45,940,000 (USD 3,281).
4. List of the compensated land on Lubuk Lancang Village, Banyuasin III Sub-District dated June 14th 1990 for 92 people for 176.955 Ha. The fee for compensating it was IDR 34,941,000 (USD 2,495).

Total of all the compensated area which are now owned by PT AGRO PALINDO SAKTI is 1,060.7533 Ha for IDR 215,499,526,-. The document of the land right handover is described on several documents. For example:

- a. Right lease official paper agreed by both parties (company and individual). It was witnessed by the chief of village, notary of Banyuasin III sub-District and Head of Banyuasin III Sub-District.
- b. Information letter including the letter number and date of the letter which was issued by the chief of village and witnessed by the regional Head of sub-district informing the name of land owner, hectareage of area and area boundary.
- c. Map of situation which describes the location of the land composed by the village government and witnessed by the chief of village.
- d. Declaration letter for land right composed by individuals and recognized by the chief of village and head of sub-district informing the name of land owner, hectareage of area and area boundary.

All the documents of compensation have been maintained and controlled by the company on the Office in Palembang well.

PT AGRO PALINDO SAKTI memiliki mekanisme dalam menyelesaikan sengketa yang dijelaskan didalam prosedur MEKANISME PENYELESAIAN KONFLIK (PRO-BNM-004 tertanggal 1 maret 2013) yang menjelaskan alur mekanisme penyelesaian sengketa lahan dan non lahan yang jika terjadi di perusahaan.

The company has shown the document of the disputed land location map issued by National Land Agency along with the result of measurement on May 1st 2013 (on behalf of SAIMUN HAMDAN for 2 Ha and AZHAN UMAR, SH.MSc; Dra.USYATI for ± 12 Ha) in scale 1:31,000

The company has the record of official record between the company and Dra Usyati over 12 Ha of land in block 15 (Abstract of title No. 51, 52, 53, 54). According to the assembly, both parties agreed the compensation for IDR 150,000/M². The company has registered the land to be measured by National Land Agency for the re-measurement. However, the National Land Agency did not do the measurement over the land yet.

The company has the record of land dispute resolution progress:

Official record between PT APS and the legacy holder on behalf of Saimun for 2 Ha of land in block 15 (Abstract of title No. 58 year 1985) on February 1st 2014. According to the meeting, the legacy holder (House of Saimun) shall let the land to be compensated. However, the compensation value over the land was not yet agreed. Therefore, the company cancelled the

compensation and give the land back to House of Saimun.

According to the result of public consultation with the locals, the company has compensated the land incorporated to Land Use Title (HGU). Furthermore, the company has socialized the procedure of land dispute.

Status: Full Compliance

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 review on environmental management and monitoring plan of PT APS 200, interview with the locals and National Land Agency of Banyuasin District, there was no traditional rights area within estate area.

Status: Full Compliance

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

3.1

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

According to the result of document review on the long term plan of PT APS for period of 2014 – 2019, the company has estimated profit and loss for period of 2014 – 2019. It covered the estimation of CPO and PK revenue, total of plantation cost, total of milling cost, total of operating cost, gross operating profit, profit before tax and profit after tax.

According to the document review on November 12th 2014, the company has had the document of replanting started on 2016 for the year of planting on 1993. It was legalized by General Estate Manager on November 1st 2013.

The detail is:

Block	Planting Years	Hectarage (Ha)	SPH	5 Year Replanting				
				2015	2016	2017	2018	2019
002	1993	78.91	111	78.91				
007	1993	73.46	127		73.46			
008	1993	109.66	124	109.66				
009	1993	62.98	123	62.98				
010	1993	107.35	133		107.35			
006	1994	55.74	128			55.74		

According to the procedure of Agriculture Manual and Standard Operating Procedure For Palm Oil 2011 WILMAR INTERNATIONAL LIMITED (Chapter 9):

- Old oil palm area is due to for replanting when the fresh fruit bunch (FFB) yield is less than 20 t/ha/year for three successive years or the height of the palms are taller than 13 M or more than 25 years old.

According to the actual yield trend analysis which is relatively low on 16 Ton/Ha.

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.

Several SOP of Best Practices Agriculture owned by PT APS from LC to harvest. It was legalized on March 1st 2013. For example:

1. Nursery (Document No. SOP-EST-001) dated March 1st 2013.
2. Land Clearing (Document No. SOP-EST-002) dated March 1st 2013.
3. Planting (Document No. SOP-EST-003) dated March 1st 2013.
4. Planting of Legume Cover Crops (Document No. SOP-EST-004) dated March 1st 2013.
5. Circle Weeding (Document No. SOP-EST-005) dated March 1st 2013.
6. Selective Weeding (Document No. SOP-EST-006) dated March 1st 2013.

7. Spraying (Document No. SOP-EST-007) dated March 1st 2013.
8. Manuring Application (Document No. SOP-EST-008) dated March 1st 2013.
9. EFB Application (Document No. SOP-EST-009) dated March 1st 2013.
10. Castration (Document No. SOP-EST-010) dated March 1st 2013.
11. Pruning (Document No. SOP-EST-011) dated March 1st 2013.
12. Harvesting (Document No. SOP-EST-012) dated March 1st 2013.
13. FFB Transport (Document No. SOP-EST-013) dated March 1st 2013.
14. Procedure of Plant Maintenance (Document No. PRO-EST-001) dated March 1st 2013.
15. Procedure of Pesticide Usage (Document No. PRO-EST-002).

The company has the records of operational management and monitoring for at least once a year. For example:

1. Record of field visit by Plantation Head on September 25th 2014 in No. 030/PH-WIP/SUMSEL-Int/IX/2014 which cover the Yield Performance, Crop Actual, Crop Forecast 2014, Round & Harvesters status, manuring, monitoring fertilizer delivery and verification over the corrective action for the previous audit findings on July 17th 2014 based on the report No. 025/PH-WIP/SUMSEL-Int/VII/2014.
2. Record of PA visit for once every 2 years. There was a report of Plantation Advisor Visit Report for Kebun Palindo Sakti. It is conducted annually. The visitation on May 10th 2013 covers the programs such as FFB Crop & Cost; Field Yield & Harvesting; Harvesting; Upkeep mature area; Upkeep Immature area and Nursery.
3. Record of inspection by Head R&D No. 392/Est/I dated May 9th 2013 to figure out the condition of all planting on estate. It covers Replanting area, Upkeep Pest and disease; pruning; cultivation; collection (pemeriksaan mutu buah); loose fruits; EFB application and nursery. The next visit was on April 28th 2014 on report No. 434/Est/I.

The company has the record of operational programs written on the **Estate Report Package** briefly. It is composed regularly (monthly). The written data are the area statement, production per year of planting, production per block, FFB grading, crops and harvesting interval, harvest circle, FFB leftover, nursery, rainfall rate, building condition (facilities), maintenance, manuring, pest and disease control, contract and wage payment, storage stock, list of employees. It was legalized by GEM and was sent by Secretary of GEM on November 12th 2014.

The company has the report of internal audit No. 20/IAR/2014 on June 2014. Several findings were:

- Long stalk and immature FFB from the nucleus estate.
- The average of the processed FFB till April 2014 was 1,893 ton or 31%.
- The Generator was used along with the turbine for 24 hours during the processing period. It caused petroleum fuel cost exceeding the budget for 4 times. In general, POM only use generator for starting up.

Several audit findings have been corrected by PT APS POM.

Record of the POM operational on **Monthly Production Report**. It is the compilation of the operational program. According to the Monthly Production Report, there are reports of FFB receipt, production and dispatch, production quality, supply of cost recapitulation, production statistic, CPO and PK OER, worker's position and production losses. There was a monthly for period of October 2014.

1. Mill throughput: 14,033 MT/jam
2. Penerimaan TBS proses 5,032,065 Kg
3. Rendemen CPO 19.25%
4. Rendemen KER 5.08%

Oil Losses

1. Oil loss in empty bunch: 0.857%
2. Oil loss in Fibre Press: 0.518%
3. Oil loss in Fruit loss: 0.097%

4. Oil loss in Press Cake: 0.042%
5. Oil loss in Final Effluent: 0.469%

Kernel Losses

1. Kernel loss in fibre: 0.189%
2. Kernel loss in Dry Sheel (LTDS): 0.061%
3. Kernel loss in Wet Sheel (Claybath): 0.034%

Kernel loss in empty bunch: 0.022%

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 record of the soil, leaf and visual analysis:

1. **Report of Soil Analysis Result** on 1995 (semi detail) which was conducted by Param Agricultural Soil Surveys (M) SDN. BHD on 1995 (Revision on 2009).

According to the report of semi detail soil analysis, there is a soil fertility evaluation on the soil table 4.2. it describes the soil nutrient at PT Agro Palindo Sakti Estate with the parameter of depth (cm); pH; organic C (%); Total N (%); Total P ($\mu\text{g g}^{-1}$), Ketersediaan P ($\mu\text{g g}^{-1}$), Exchangeable K (cmol Kg^{-1}) soil; Exchangeable Mg (cmol Kg^{-1}) soil and CEC (cmol Kg^{-1}) soil

2. **Report of Leaf Analysis Result:**

The leaf analysis result for period of 2014 was derived from the sampling taken on April 16th – 19th 2014 (book of daily costing). It describes the No. LSU/Blok, Year of Planting, Major element (N; P; K; Mg dan Ca% on DM), Minor element (B ppm on DM). For example, at block 1BC for the year of planting on 1995, the substance of % on DM (N=2.3%; P = 0.207 %; K=0.89 %; Ca 0.57%; Mg 0.31% and B 15.5 ppm).

3. **The visual analysis is conducted by checking PH and R&D Head.**

Record of the programs to maintain and improve the soil fertility:

1. The company has manuring program from R&D based on the result of soil and leaf analysis. For example, the manuring recommendation over block 006 with the year of planting on 1993 NPK Super on October 2.5 Kg/palm.
2. Manuring realization. For example, at block 006 for 55.2 Ha with 7,176 plants and NPK manuring application on:
 - On November 3rd for 9,350 Kg covering 28.77 Ha (3,740 plants) with 11 workdays (dosage for 2,5 ha/plant).
 - On November 4th for 8,595 Kg covering 26.43 Ha (3,436 plants) with 10 workdays (dosage for 2,5 kg/ plant).

According to the result of observation and interview with the foreman and manurer on block 307, they have aware of the procedure of manuring including the dosage.
3. LCC plan and realization program for period of 2013. For example, at block 306 with the planting plan for 49.17 Ha and it has been realized for 18.6 Ha till July 2013.
4. Plan of EFB application on September 2014 was 10.56 Ha (1,436 plants). It has been finished on September 30th 2014 based on contract for service agreement No. 091/SPK/PT.APS/IX/2014 dated September 1st 2014.

According to the result of field observation on block 311, the company applied EFB for 30 ton/ha.

Status: Full Compliance

4.3

Practices minimize and control erosion and degradation of soils.

There is a map of Semi-Detail Soil of Agro Palindo Sakti Estate, PT Agro Palindo Sakti Banyuasin District, South Sumatera in Scale 1:250,000.

Strategy for managing planting on the slope area:

According to the map of slope of PT APS Kebun Palindo Sakti in scale 1:50,000, source of date: SRTM3 on 2006, Resolution on 90 m, the interval of slope of Palindo Sakti Estate was identified for $0^\circ - 6^\circ$ (0-12 %). According to the field visit, there was no area with specific slope (hilly, cliff) and high erosion potential. Therefore, there was no any strategy for planting it. Based

on the Agriculture Manual and SOP for Oil Palm Chapter 3 point 7.0, the land need terrace making are the land with slope 12-18 ° (26 – 40%). The erosion is managed by planting LCC, stacking frond and applying EFB. According to the result of field visit, there were LCC planting, frond stacking and EFB application.

There was a program and realization of road maintenance on 2014 like in division 1 on october 2014 for 1,800 meter. It has been realized for 200 Meter.

According to the Soil Map based on the data of semi-detail soil map on 1995 (rev. 2009) which was conducted by Param Agricultural Soil Surveys (M) SDN. BHD, there was no peat soil.

The marginal soil on PT APS based on the USDA 1994 on the boundary factors:

1. Low Soil Fertility

Type of soil which have low fertility based on the result of soil analysis are Soil Mangement group A (Nd 1 & Nd 2/typic Kandiodult; Pp 1/Plinthic Kanhapludults) and (Pg1 &Pg2/ Aquic kanhapludults, Gp1/Typic Plinthaquept) with soil texture of sandy clay loam to sandy clay texture and low fertility status). It is managed by planting LCC, stacking frond and good manuring. According to the result of field visit to block A06, there was a land application program including EFB application in block 311.

2. Sulfid Acid Soil

Type of the soil containing (acid sulfate) are Gd 1/Typic Tropaquept; Gt1/Typic Sulfaquents and HS1/Terric Histosol. Those are managed by repairing the drainage and implementing proper manuring.

The implementation on block 08 petak D was executed with water management by creating drainage. According to the document of manuring plan and realization, the EFB manuring and realization has been executed based on the recommendation of R&D and Land Application has been conducted based on permit.

Status: Full Compliance

4.4

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

The management of PT. APS issued Memo No. 161/Pic.Ou/APS/XI/2014 dated November 6th 2014 in term of the HCV area maintenance including riparian area by installing obvious boundary poles and signboards and by ensuring that there will be no longer agronomy actions such as chemicals manuring and spraying, making parley with the external parties in term of the use of HCV area and holding socialization to employees, workers and the locals in term of the HCV area preservation and installation of the signboard to warn and suggest the people.

There are 6 rivers within PT. APS identified as HCV area on block 1 river (5 meter of riparian, river on block 3 (5 meter of riparian), jauh river including its tributaries (5 meter of riparian, perotanan river including its tributaries (5 meter of riparian), gaung springs (200 meter of bufferzone) and small reservoir (50 meter of bufferzone). Each riparian and bufferzone are considered as water sources have been routinely monitored by the HCV Officer. According to the result of field visit to several water sources area such as gaung springs (HCV 1 & HCV 5); small reservoir in block 08E (HCV 4.1); and in jauh riparian in block 09A (HCV4.1) the company has maintainted the quality and availability of surface and underground water by not applying chemicals and planting the woody trees.

In order to maintain the quality and availability of surface water, the company planted plants on April 23rd 2014 on riparian area with 55 green bamboo in block 05C. The reforestation is conducted based on the suggestion from Environment Agency No. 650/313/Ban.LH/I/2014 to celebrate the world environment day on 2014. The reforestation was reported to South Sumatera Province Environment Agency on July 10th 2014 and the company shall be given score by the South Sumatera Government on the environment day celebration on level of province in Lubuk Linggau. Furthermore, there was a report of riparian area maintenance monitoring on June – November 2014. The type of the monitored programs were the land burning, illegal logging, damage on the sacred cemetery, hunting trap and the trapped animals, hunting, effluent to HCV area, spillage of effluent from LA program, domestic waste at HCV area, nature waste on HCV/river, spray program on riparian, total spray on the planted estate.

Record of effluent monitoring for PT APS on 2014 (period of January – December 2014). It was monitored by South Sumatera Province Environment Agency Laboratory. The tested parameters were pH**, BOD*, COD*, TSS*, Total of Nitrogen, Oil / Fat*, Ammonia (NH3)*, dan TDS/TS. According to the result of the test, there was no score exceeding the quality threshold determined by South Sumatera Governor on Regulation No. 08 Year 2012 for Palm Oil. The latest test was conducted on 2014.

The water consumed by PT APS mill for the operational per October 2014 was 116,063 M³ and for the use of domestic need was 14,684 M³. The water consumed from reservoir was 167,153 M³ and the consumption for water per ton of FFB in average was 2-3 M³ per ton of FFB.

Status: Full Compliance

4.5

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

IPM program for period of 2014 (FRM-EST-108) was as follow:

No	Type of Job	Block/Location	Tata Waktu												Note
			1	2	3	4	5	6	7	8	9	10	11	12	
1	Leaf eater caterpillar monitoring (UPDKS)	All Blocks													Monthly
	Program														
2	Rat Monitoring	All Blocks													
	Program														
3	Turnera Maintenance	Main Road													
	Program														
5	Barn Owl Monitoring														
	Program														
6	Application for virus, mushroom, bacteria														Depend on Attack
7	Ganoderma Monitoring Plan	All Blocks													Depend on Attack

There are records of IPM hectareage monitoring. For example:

1. Rat census on October 2nd 2014. The number of the monitored plants were 333 plants on block 301. There was no attack (there was a map of execution). According to the result of observation over barn owl box in block 004, there were barn owls, feces and rat corpse below the box.
2. Census for palm oil plant frond leaf eater caterpillar on October 11th 2014 in block 311. The number of the monitored plants were 233 plants. There were small larva population/frond 0.05 (11 larva); medium 0.01 (2 larva) and big 0.004 (1 larva).

3. Census for barn owl control for period of October 2014. Total of box were 33 units with 5 occupied boxes and 25 unoccupied boxes and 3 broken boxes. Number of mature owl were 6 owls.

According to the result of pest and disease control in last 1 year, there was no attack which exceed the economy threshold. It showed that the pest control was effective.

The company also has provided training for dealing with pest and training for spraying on June 11th 2014 for the certificate on behalf of Tatik Sugiharnani. Official record of the training on June 11th 2014 by R&D based on the official paper No. 088/WIP-R&D/VI/2014. It was attended by 11 participants consisted of foreman, FC, PIC of protection, DC unit, EHS).

PT APS has the record of pesticide use monthly monitoring to monitor all programs that use pesticide on the document of data of the applied pesticides on land (Document No. FRM – GEN-039). The formulir informed the pesticide toxicity (Active ingredient/Ha). For example, the record of pesticide use on October 2014, the pesticide product (Glisat 40 SL); Active ingredient (Isopropil amina glifosat 480 g/Ltr); Application (Block 001, 003, 004,005, 010, 304, 306, 307, 308, 311, 411 with total of application area for 743.12 Ha); Total of pesticide use for 267 Liter; dosage of the pesticide used was 0.95 Lt/Ha and the concentration of active ingredient was **503.15 g/Ha**.

Status: Full Compliance

4.6

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

List of pesticide and active ingredient of PT APS on 2013. It informed the permit number from the associated agency. The permit from book of pesticide 2013 which was issued by pesticide commission with the type of pesticide follow:

Pesticide Name	Active Ingredient	Target of Weed/Pest	Registration No.	Status of WHO
Agristick	Alkilaril poligikol eter	Mix/ combiner of insecticide/herbicide	Decree No. 213/SR.140/B.5/2/2013	III
Winson 20 WG	Metil Metsulfuron	Wide Leaf Weed (Ageratum, Borreria)	RI. 3657/1-2010/T	Unlikely
Tiara 20 WG	Metil Metsulfuron	Wide Leaf Weed (Ageratum, Borreria)	RI. 01030120124525	Unlikely

Type of agristic and icon 25 chemicals proven as the listed and registered agrochemicals on the authority (agency) in decree No. 213/SR.140/B.5/2/2013.

Record of the use of pesticide is available manually on the Daily Cost Book. The book is the guideline for the daily program of all plant maintenance and treatment programs. The mentioned programs are the manuring, spraying (circle spray, FFB collecting point spray, harvesting path spray), road maintenance, etc. The book is consisted of date, block of application, hectarage of application (Ha), number of employees, the material used by, average per Ha (workers and materials), cost, total of cost. The company also has document of chemist work plan. For example, the plan and realization on division 1 follow:

1. Circle spraying program in block 001 which was planned on January and July 2014 (realized on January and May 2014).
2. Path spraying program in block 001 which was planned on January and July 2014 (realized on January and May 2014).

The use of agrochemicals was based on the target of species and the dosage used by. It was proven by the list of pesticide and the agrochemicals active ingredient for PT APS on 2013. the pesticide type used by company is functioned based on the weed/pest on the label and book of pesticide commission.

The training for spraying on June 11th 2014 for the certificate on behalf of Tatik Sugiharnani. Official record of the training on June 11th 2014 by R&D based on the official paper No. 088/WIP-R&D/VI/2014. It was attended by 11 participants consisted of foreman, FC, PIC of protection, DC unit, EHS). Training of spraying for operator:

- Training on August 30th 2014. It was informed by FC and EHS. It was attended by 11 participants consisted of foreman (Agus Prima) and sprayers in block 301.
- Training on October 24th 2014. It was attended by 12 participants consisted of foreman (Helmidar) and sprayers in block 308.

Pesticides sprayers has provided with PPE (Maskers, apron, hand gloves, and safety booth), and also already has warehouse for cleaning up after work and for keeping PPE. Records regarding the use of pesticides available at chemical storage. While the hours worked contained in foreman book and assistance reports. According to field observation at chemical storage known that there are all MSDS for each chemical material in accordance with Government Regulation.

SOP of hazardous materials and waste management (Document No. SOP-GEN-013). According to point 3, the agrochemical waste management for waste like chemicals are managed by having it washed 3 times at the pesticide container washing station and the containers are then dried and stored on the licensed hazardous waste storage. SOP of hazardous waste storage for hazardous waste containers and fertilizer sack (Document No. SOP-GEN-009). It describes the procedure of pesticide storage construction, law for pesticide storing, procedure of work at storage and environment OHS aspect terms.

According to the result of document review of the list of pesticide and the result of observation to the pesticide storage, the found pesticide was the rodenticide brand of Ratgone with Brodifacum active ingredient. According to the record of the pesticide use, there was trend of pesticide use reduction. It was supported by the effort to use owl to prey rat.

The medical check up was held by Hyperkes and OHS Unit of South Sumatera Province Manpower Agency on June 18th 2014 for the Audiometry (hearing capability) check up, Spirometry check up (lung function), Cholinestrase check up (poison caused by organic/pesticide ingredient and blood HB (Hemoglobine). Recapitulation of the result of medical check up follow:

No	Estate/POM	Medical Check Up		
		Cholinestrase	Spirometri	Audiometri
1	Estate	44 workers	18 workers	16 workers
2	POM	7 workers	24 workers	41 workers
Total		51 workers	42 workers	57 workers

Evaluation:

Cholinestrase:

Estate: 44 sprayers and manurers were normal.

Haemoglobin (HB):

Estate: 33 sprayers and manurer with normal HB. Meanwhile, 11 sprayers experienced anemia (lack of red blood) and were suggested to improve their food nutrient. The anemia caused by fatigue or mal nutrition, according to results of cholinesterase test, there's no the chemicals in blood (normal conditons).

The sprayers and manurers are tested for the pregnancy each 2 months. For example, according to the pregnancy test on October 16th 2014 to 10 sprayers and 16 manurers, all of them were not pregnant. Furthermore, the women workers who experience pregnancy symtoms must report it to the clinic.

According to the result of interview with the sprayers and manurer (women workers) of block 311, the women workers have all been tested for the pregnancy each 2 months. Futhermore, the women workers who experience pregnancy symtoms must report it to the clinic. Moreover, the spray equipments are stored at the storage.

Status: Full Compliance

4.7
An occupational health and safety plan is documented, effectively communicated and implemented.

The policy of OHS was legalized by the top management on September 2010. It stated that PT. Wilmar International (as holding company) committed to:

- 1) Complying all OHS law and requirements whether local, national or ratified international law.
- 2) Implementing and maintaining OHSMS.
- 3) Creating and communicating the employees, contractor, client and visitors in term of the safety work procedure and specific safety law at workplace and the need to prevent work accident, hazard over health and loss or broken goods.
- 4) Showing and establishing awareness through proper regular training, exemplary and responsibility and business partner including contractor and smallholders on their involvement on the sustainable corrective action.

Furthermore, PT APS also has the document of risk analysis written on the document of environment impact/aspect evaluation and OHS risk/hazard identification. It was composed by ESH Officer; witnessed by Estate Manager and approved by Act. GEM on estate on May 4th 2014. The review over the document is annually conducted. The hazard risk identification for all programs on operational unit such as activity at office, manuring, spraying, clinic, land clearing, planting, warehouse, workshop, diesel fuel tank, harvesting, transportation, generator usage and others.

There was a document of the hazard identification in POM dated May 4th 2014 for each operational program like the activity at office, laboratory, warehouse, workshop, diesel fuel tank, processing stage station (boiler, steam, sterilizer; clarification; nut & Kernel) and etc.

For Estate Area:

PT APS (POM) has formed OHS Guiding Committee structure. It has been legalized by the Banyuasin District Manpower Agency on November 7th 2014 via decree of the Head of Banyuasin District Manpower Agency No. KEP KEP - 560/2491/P2K3-27/Nakertrans/3/2014 led by the unit Head; the field director was Rajamin Hasibuan, Alfiansyah and secretary was RH. Munthe (OHS expert certificate No. Ser.13.3527/AK3/U/X/2013 dated October 2nd 2013). The field director led several division such as division of sanitation and spatial, division of warehouse and station, division of electricity and water installation, division of OHS training, division of equipments and transportation, division of workshop, division of emergency response and work accident investigation division and division of paramedic.

OHS Guiding Committee has conducted routine assembly (monthly). There was also minute of meeting. For example, the assembly of OHS Guiding Committee on October 28th 2014. It discussed the dirty settlement sanitation and littering habit and the inconsistent schedule of collective work realization. Furthermore, the report of quarter-based has been reported to the Manpower Agency of Banyuasin District and South Sumatera Province. For example, report of 3rd quarter for period of July – September 2014 to the agency on November 4th 2014.

For Mill Area:

PT APS (POM) has formed OHS Guiding Committee structure. It has been legalized by the Banyuasin District Manpower Agency on November 4th 2014 via decree of the Head of Banyuasin District Manpower Agency No. KEP - 560/2492/P2K3-24/Nakertrans/3/2014 led by Yose Rizal. Secretary of OHS Guiding Committee was RH. Munthe (OHS expert certificate No. Ser.13.3527/AK3/U/X/2013 dated October 2nd 2013) leading the division of patrol, division of OHS and division of environment.

OHS Guiding Committee has conducted routine assembly (monthly). There was also minute of meeting. For example, the assembly of OHS Guiding Committee on September 4th 2014. It discussed the finding/recommendation of environment OHS Guiding Committee on previous month. For example, the finding of air lock fibre cyclone without safety guard. The report of OHS Guiding Committee has been reported to the Banyuasin District Manpower Agency on November 7th 2014.

- a. PT APS has composed document of risk analysis (Risk Assessment Register) for all scope of operational (estate and mill) which informed the hazard potential of all operational unit and its prevention.
- b. PT APS has had company doctor who has achieved Hyperkes certificate. The hyperkes certificate on behalf of dr. Ahmad Dika Wijaya (Certificate No. 26.252/DH-VII/11 for training on December 6th – 11th 2011 and hyperkes certificate for the company's paramedic on behalf of Indra, AMK (Certificate No. 11.430/PM-IX/10) for training on September 27th to October 1st 2010.
- c. The company also has clinic supported with permit for holding medical service No. KEP-560/182/PPKK-02/Nakertrans/3/2013 with the doctor in charge was dr Anita Masipin (SIP No. YM.01.01.4.86) dated January 23rd 2013 to January 22nd 2015. According to the point 4 of the obligation to report the medical service program to manpower agency monthly whether general or specific for the early examination, regular medical check up and specific medical check up. There are 2 doctors (dr Anita and dr Dika) and paramedic (Mr. Indra). The monthly medical report for the list of 10 most experienced disease. For example, report on June 2013 was reported on June 14th 2013 (evidence of reporting was available) and the check up and report of the medical check up for period of 2013 on June 28th 2013 No. 070/65/UPTD/BHP/2013 was informed by Hyperkes Body of South Sumatera Province.

The results of the noise level in the boiler station and sterilization are still of environmental quality standards (Governor Regulations No. 17 year of 2005). During the observation in the Mills, it is known that all worker are using PPE. And also based on interview with the employees known that they have been given morning briefing and training how to use PPE before start to work.

PT APS has given work accident insurance to employees via JAMSOSTEK. The company was able to show the recapitulation of JAMSOSTEK payment to all employees. For example:

- Jamsostek payment of PT APS on September 2014 for 227 permanent daily workers (including staff) for the work accident assurance payment (JKK : 0.54%); retiree assurance (JHT: 5,7%) and death assurance (JK: 0.3%) NPP No. GG00 1426. It was paid on October 15th 2014 via Bank Mandiri.
- Jamsostek payment of PT APS on September 2014 for 203 permanent daily workers for the work accident assurance payment (JKK : 0.54%); and death assurance (JK: 0.3%). It was paid on October 15th 2014 via Bank Mandiri.

PT. APS has held several training programs follow:

1. Training for first aid action on July 10th 2014 in POM meeting hall. It was attended by 28 workers (attendance list and program photographs were available).
2. Training and simulation for controlling fire in POM. It was attended by 20 workers on June 3rd 2014.
3. Training for Log Out dan tag Out (a device may only be operated by the trained workers) on July 1st 2013 in POM meeting hall. It was attended by 8 workers (there were attendance list and program photographs).
4. Simulation of Emergency Situation (Fire Extinguishing) on July 8th 2014 in front of the POM office. It was attended by 20 workers (there were attendance list, program documentation and training materials).
5. Training for first aid action on July 8th 2014. It was attended by 20 workers consisted of the representatives of department in POM and Estate). It was taught by the company's doctor and paramedic (hyperkes certificate). There were attendance list, program documentation and official record of training.
6. Training for land fire simulation on October 10th 2014. It was attended by 30 estate employees (attendance list, program documentation and training official record are available).
7. Training for harvest covering OHS implementation, ISPO/RSPO socialization, SOP of harvest and harvest technique on April 25th 2014. It was attended by 7 participants consisted of 1 harvest foreman and 10 harvesters (attendance list, program documentation and training official record are available).
8. Training for manuring and spraying covering OHS implementation, ISPO/RSPO socialization, SOP of manuring and manuring technique on April 4th 2014. It was attended by 10 manurer (attendance list, documentation of program and training program official record).

9. Training PHT/OPT on 11 Juni 2014, it was attended by 10 workers (attendance list, documentation of program and training program official record).
10. Training for hazardous material and waste on June 3rd 2014. It was attended by 20 workers.
11. Training for electricity OHS on behalf of Sustanto (certified by Manpower Ministry).

1. There are Emergency Response Procedure:

- There is a document for estate in Document No. PRO-GEN-014. It describes the estate and forest fire management and control as well as fire at POM, settlement, oil leakage, crash of oil truck, act of God and riot.
- There is a document for POM in Document No. PRO-EHS-16-00. It describes the fire, chemicals/easily burnt ingredients, embankment damage, explosion of machines in POM, act of God and riot.

2. Emergency Response Team:

- The emergency response structure for estate was legalized by Act. ADM on May 1st 2013. It was led by Mr. Samsowi SP. There are 7 teams consisted of emergency response team, communication team, rescue team, paramedic team, inventory team, recovery dan repairment team.
- There is a map of evacuation area which direct the evacuation direction in PT APS Estate.

The emergency response structure at POM was legalized by Mill Head for period of 2013. It was led by Mr. Ahmad Bero. terdiri There are 7 teams consisted of emergency response team, communication team, rescue team, paramedic team, inventory team, recovery dan repairment team.

PT. APS has provided PPE for all employees with records follow:

- Handover of PPE in estate for 15 harvesters such as cotton gloves, glasses, boots and helmet on July 15th 2015(evidence of handover was available).
- Handover of PPE in estate for 10 sprayers such as rubber gloves, boots and apron on June 18th 2014 (evidence of handover was available).
- Handover of PPE in POM for 30 workers of POM such as gloves, ear plug and gloves on May 2014 (evidence of handover was available). According to the field visit, all employees have worn PPE.

According to the result of interview with the estate and mill employees, the PPE are provided by the company and the damage PPE shall be replaced by the company.

PT. APS has the records of work accident follow:

- There was a statistic of work accident for period of 2014 for 1 work accident (medical action without LTA). There was also document of work accident investigation result and the input for improvement (Form-EHSC/HO-LB-001).

Recapitulation of the work accident in PT APS estate for 1 year. There were 3 work accidents (rocked by frond) on 3 harvesters on behalf of Suliyonto, Muhlisin and M. Hadi Irwanto. There was also evidence of the work accident claim via letter No. 158/APS/10/2014 to Manpower BPJS cq to Banyuasin District Manpower Agency on November 3rd 2014 (attachment of work accident stage I)

Status: Full Compliance

4.8

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

The company has training programs for period of 2014 based on the competence of each position:

POM

No	Type of Training	Participant	Execution
1	Training of Motivation	Staff/Employee	July
2	Fire Control	Staff/Employee	February
3	First Aid	Staff/Employee	July
4	RSPO SCCS	Staff/Employee	November
5	Electricity OHS	Electrician	June

6	Awareness of RSPO and ISPO	Staff/Employee	November
7	Awareness of GHG	Staff/Employee	November

Estate

No	Type of Training	Participant	Execution
1	General OHS	Staff/Employee	April & October
2	Harvest	Staff/Employee	April & October
3	Housekeeping	Staff/Employee	April & October
4	PPE	Staff/Employee	April & October
5	Hazardous Material and Waste Management	Staff/Employee	March & September
6	Emergency Response	Staff/Employee	Juni
7	First Aid	Staff/Employee	Juli
8	Emergency Drill	Staff/Employee	Juli
9	MSDS	Staff/Employee	May & October
10	PHT/OPT	Staff/Employee	Mei
11	Spray and Manure OHS	Staff/Employee	May & October

The company also has several training records. For example:

Records of Training Program
POM

1. Training of motivation which was held by HO HRD on Jakarta on June 26th 2014 for Chandra and Ahmad Bero. There were photographs of training.
2. RSPO SCCS training which was held on November 7th 2014 at the POM meeting hall. The training was supported by the training material records and attendance list for 11 participants.
3. Electricity OHS Training on June 18th – 21st 2014. There was an electricity OHS training certificate for Santoso along with the OHS license per July 14th 2014 – July 14th 2017.

Estate

1. Training for harvester on April 25th 2014. There was an attendance list (attended by 11 participants) as well as the photographs of training. There was evidence of training evaluation like on behalf of Munazir with good score.
2. Training and simulation of fire control to the Head of operational unit, TPKD Officer, OHS Guiding Committee, EHS, labour union and smallholders on June 3rd 2014. The training materials were the fire phenomena and control, fire extinguishing technique as well as the training evaluation on behalf of Joko with good score.
3. First Aid training at workplace on July 10th 2014. The training materials were the description of OHS and health law, basic of first aid action at workplace. There was an attendance list for 8 participants as well as the training evaluation on behalf of R.H Munthe with good score.

The company has also proven that the contractors cooperating with PT APS has competence workers as follow:

Estate

The company has the record of company profile of CV. Panorama (M. Ataini Nasrie). It describes that the contractor has the competence on the construction service in form of the certificate of the construction service company issued by the Construction Service Development Body on May 2nd 2012.

POM

The company has the record of company profile of CV Trust Tech. It describes that the contractor for turbine maintenance has the competent employees proven by the basic fire & safety course certificate issued by PT Arun Natural Gas on May 16th 1997 and Darmadi who was working as Superintendent Fabrication at the previous company .

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.

PT Agro Palindo Sakti (Estate)

There was a document of environmental management and monitoring effort for palm oil estate and rubber estate in Lubuk Lancang Village, Betung Sub-District, Banyuasin District with the scope of analysis for 1,272 Ha. It was composed by the Water and Land Management Research Cental – UNSRI on 2006. The document has been approved by the Banyuasing District Environment Agency based on decree No. 660/26-V/Pertamb/2006 dated January 30th 2006 in term of the approval of environmental management and monitoring effort for PT APS palm oil estate and rubber estate.

The programs of envionmental management and monitoring based on the document of environmental management and monitoring efforts were:

1. Approaches of Impacts Management Effort
 - Technology Approach
 - Social Approach
 - Institutional Approach
2. Benchmark of environmental management and monitoring
3. Environmental Management Effort
 - Water Quality
 - Water Biodiversity
 - Increase of Traffic Jam and Road Damage
 - Community's Perception
 - Community's Health
 - Drought and Land Fire Potential
4. Environmental Monitoring Effort
 - Water Quality
 - Water Biodiversity
 - Increase of Traffic Jam and Road Damage
 - Community's Perception
 - Community's Health
 - Drought and Land Fire Potential

Recently, the realization of PT APS estate development was 1,494.29 Ha. Hence, the hectarage of the managed area was no more than the hectarage of the environmental management and monitoring effort scope (1,272 Ha) for 222.29 Ha. **NC-No. 2013.13.**

Observation on November 13th 2014

The company was not able to show the document of environment impact assessment for 1,549.41 Ha area.

POM was actually operating for 15 ton/hour and was not able to show the legalized document of environment permit despite the company showed the process of revision of environment permit document for the POM upgrade to 30 Ton per hour.

Condition: Major indicator 5.1.1. was not yet complied

Observation on April 14th 2015.

The company has shown the corrective action over the environment permit follow:

1. Recommendation paper of environmental management and monitoring effort for POM capacity upgrade to 30 Ton of FFB/Hour from Banyuasin District Environment Agency No. 660/239-I/BLH/2015 dated February 20th 2015.
2. Decree of Banyuasin Regent No. 208/KPTS/BLH/2015 in term of the environment permit granting for the POM capacity upgrade for PT APS from 10 ton of FFB/Hour to 30 ton of FFB/Hour on 1,272 Ha area.

The company also showed the official record of the changes of PT APS Hectar Statement for the recently managed area for 1,272 ha.

Hence, **Major NC No. 2013.13 is Closed.**

PT Agro Palindo Sakti (Mill)

There was a document of environmental management and monitoring effort for the construction of 10 ton of FFB/hour POM in Meranti Village, Betung Sub-District, Banyuasin District by CV. Gatra Adhi Guna on 2009. The document has been approved by the Regional Environment Impact Control Agency of Banyuasin District based on the decree No. 660/004/DP/2009/ICA dated February 23rd 2009.

The matrix of environmental management and monitoring effort of PT APS POM was as follow:

1. Construction stage
 - Air Quality
 - Noise Level
 - Space, Land and Soil
 - Water Quality
 - Water Biodiversity
 - Job and Business Opportunity
 - Economy Activity and Business Profession
 - Traffic Jam and Road Damage
 - Community's Perception
2. Operational stage
 - Air Quality
 - Noise Level
 - Water Quality
 - Solid Waste
 - Water Biodiversity
 - Job and Business Opportunity
 - Traffic Jam
 - Community's Perception
 - Community's Health

The result of air quality measurement on semester 2 years of 2013 and semester 1 years of 2014 are as follows:

1. There was a result of the ambient air quality test in 2nd semester of 2013 and 1st semester of 2014. The sampling was conducted in front of the office and on the settlement (for estate), in front of mill and settlement (for POM). All sampling was conducted by staff of South Sumatera Province Environment Agency laboratory. According to the result of the test, all the tested indicators like Carbon monoxide (CO), Sulfur Dioxide (SO₂), Nitrogen Dioxide (NO₂), *Timbal* (Pb), Hydrocarbon (HC), Oxidan (O₃), TSP, H₂S, and noise were still comply the quality treshold determined by South Sumatera Governor Regulation No. 17 year 2005.
2. The company has the result of generator emission air. The sampling was conducted on the generator's area on August 25th 2014. It was conducted by the staff of South Sumatera Province Environment Agency laboratory. According to the result of the test of CO, NO₂, SO₂, NH₃, particle, Chlorine (Cl₂), HCL, HF, Opacity, Flow Speed, and smoke exhaust determined based on South Sumatera Governor Regulation No 6 on February 15th 2012.
3. Theh company showed the result of test certificate No. 660/211/SHU-LAB/IX/2014 dated August 26th 2014. According to the result, all vehicles passed the test (comply the quality threshold for the vehicle's emission) referring the Environment Ministry Regulation No. 5 Year 2006.
4. PT APS has the report of environmental management and monitoring plan in 1st semester of 2014. The report was reported to the South Sumatera Province Environment Agency as well as to Banyuasin District Environment Agency. The report follows the the approved document of environmental management and monitoring effort which was the report of the water quality test, water biodiversity, community perception, community health, drought and land fire potential, job opportunity and opportunity to be employees and contractor as well as the discussion over the increase of traffic jam. Hence, CAR 2013.12 is closed.
5. The air quality test has been conducted. However, it was not included on the environmental management and monitoring plan document.
6. Certificate of test result No. 660/1273/SHU-LAB/IX/2014 dated September 5th 2014. Type of the taken sample was plankton. The sampling was conducted by the staff of South Sumatera Province Environment Agency laboratory.
7. The tested taksa were Bacillariophyceae sp, Clrorophyceae sp, Cyanophyceae sp, Zygnematophyceae sp, amount of type, abundancy (individu/liter), diversity index (H), diversity criteria..
8. Type of benthos No. 660/1273/SHU-LAB/IX/2014. Date of sampling was September 1st 2014. It was conducted by the staff of South Sumatera Province Environment Agency laboratory. The tested Taksa benthos were Annelida sp, Oligochaeta sp, Insecta sp, Crustaceae sp, amount of type, abundancy (individu/liter), diversity index (H), diversity criteria.
9. Daily vehicle inspection such as diesel fuel, machine oil, V belt, water radiator, lubricant for brake, lubricant for clutch, lubricant for steering, air compressor, water battery, Grease (repaired) for each 2,000, 4,000, 18,000, 30,000 km need to be checked/serviced: machine oil change, checking air filter, cleaning check tie rod, check the keping, check the brake, check the bearing wheel.

There was a revision of environmental management and monitoring effort for the POM upgrade of PT APS with capacity of 30 ton/hour in Suak Tapeh Sub-District, Banyuasin District, South Sumatera Province on 2013. The revision was signed by Manager of Bina Mitra and Legal (Andri Susano SH). However, the revision was not yet signed by the agency.

The reason for the revision was the plan of PT APS to upgrade the station from 10 ton of FFB/hour to 30 ton of FFB/hour. According to the government regulation No. 27 year 2012 in term of the environment permit, the business or programs in which environment permit has been gotten need to be changed. Hence, PT APS must revise the document of environmental management and monitoring efforts of mill. The revision was composed by PT MAL Sriwijaya (Reg. No 0011/LPJ/AMDAL-1/LRK/KLH).

Status:

5.2

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

HCV 1.1; HCV 4.1 and HCV 5 for 21.45 ha or 1.3% of the total area. Detail of HCV location and hectarage follows:

HCV Location	HCV Attribute	Length (m)	Width (m)	Riparian (m)	hectarage (ha)
River of Block 01	HCV1.1; HCV4.1; HCV5	1,200	3	5	1.86
River of Block 02	HCV1.1; HCV4.1; HCV5	700	3	5	1.05
Jauh River (along with tributaries)	HCV1.1; HCV4.1; HCV5	9,031	3	5	13.55
Perotan River (along with tributaries)	HCV1.1; HCV4.1; HCV5	2,296	3	5	3.44
Gaung Springs	HCV1.1; HCV4.1; HCV5	50	50	200	1.25
Small Reservoir	HCV1.1; HCV4.1; HCV5	40	25	50	0.30

HCV document compilation team is consisted of:

- Dwi R Muhtaman (Head/Socio-Culture Division)
- Yokyok Hadiprakarsa (Member/ Ecology/Biodiversity Division)
- R. Sukasmianto (Member /Environment Division)
- Budi Harland (Member / Socio-Culture Division)
- Sutji Shinto (Member / Socio-Culture Division)
- Sigit Budhi Setyanto (Member / Socio-Culture Division)
- Rahmat (Member /cartographer and GIS)

PT. APS has the list of wildlife and plants which have protection status and HCV status follow:

Scientific Name	Local Name	Status of Protection			Note
		PP	IUCN	CITES	
Spilornis cheela	Elang ular bido	D	LC	II	Aves
Alcedo meninting	Raja udang meinting	D	LC	-	Aves
Todiramphus chloris	Cekakak sungai	D	LC	-	Aves
Halcyon smyrnensis	Cekakak belukar	D	LC	-	Aves
Anthreptes simplex	Burung madu polos	D	LC	-	Aves
Cervus unicolor	Rusa sambar	D	VU	-	Mammals
Prionailurus bengalensis	Kucing hutan	D	LC	-	Mammals
Manis javanica	Teringgiling	D	EN	-	Mammals
Muntiacus muntjak	Kijang	D	LC	-	Mammals
Ophiophagus hannah	Ular anang	-	VU	-	Reptile
Nepenthes spp	Kantong semar	D	LC	-	Plants

Report of HCV has been reviewed (peer reviewer) by Mahmud Thohari on September 2013. There were 3 major comments in term of the provision of HCV map, monitoring recommendation. The public consultation was held for verifying the HCV identification and to obtain feedback. PT. APS has made some efforts to protect the HCV area (border river) by planting bamboo in block 05C as much as 55 plant on April 23, 2014.

According to the result of field visit to several location of water sources such as on Gaung Springs (HCV1 & HCV5); small reservoir on block 08E (HCV 4.1); and in Jauh Riparian of block 09A (HCV 4.1), the company has executed practices to maintain the quality and availability of underground water and surface water by not applying chemicals and planting woody trees and bamboo.

PT. APS has the plan of HCV monitoring and management for period of 2014 – 2019 in form of the matrix which describes the

objectiveness, baseline, target, deadline, indicator, management and monitoring program, time of accomplishment and PIC. For example, all area of HCV1.1, HCV4.1 and HCV5 (riparian) on 2014 were planned to be installed with HCV signboard and warning signboard. The update of signboard installation on November 2014 was:

Observation on November 12th 2014

PT. APS has held socialization by installing 10 unit of warning signboards such as the prohibition to make fire (I/Block 06), prohibition to hunt and type of endanger species (I/Block 06), prohibition to electrocute and poison at small reservoir (I/Block 08), prohibition to shepherd the cattle (I/Block 304) and prohibition to spray and manure (I/Block 05). However, the evidence of socialization was not able to be shown for determining the proper programs.

Evidence of the socialization as legal standing to determine the proper step was not able to be shown. Hence, **NC No. 2013.17.**

Condition: not complied, indicator Minor 5.2.1.

PT. APS has held socialization to the locals on July 11th 2014. It was attended by 34 participants from Teluk Betung Village and Meranti Village. Furthermore, the HCV signboard has been installed. For example, the HCV signboard installation on small reservoir area (HCV 4.1 of block 08E) on June 17th 2014. Meanwhile, the installed signboards are monitored routinely (monthly). There are schedule of monitoring program and report of monthly HCV monitoring.

Report of HCV monitoring in term of the land burning, illegal logging, cemetery/sacred place damage, hunting, HCV signboard, mark for the palm oil plants planted on HCV area/riparian area, fertilizer application at riparian area, land clearing at HCV area.

PT. APS has the well trained HCV Officer proven by decree No. 001/APS-HRR/SK/II/2014 dated February 1st 2014 in term of the appointment of HCV Officer on behalf of Usman to monitor the plan and program of HCV management. There was a training certificate No. 2266.01/WIP.HRR/II/2014. The training was held on February 17th – 21st 2014. The training was held internally. It was taught by Sustainability Coordinator Sumatera (Wilmar).

Minor 5.2.1.	Status: Non Compliance with NCR No. 2013.17
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5.3

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

According to the identification of waste source written on the document No. FRM-MIL-23 dated July 20th 2014, there were several type of waste like used batteries (estate), EFB (POM), used oil (generator, heavy equipments and vehicle to transport from estate to POM), used filter (generator, heavy equipments and vehicle to transport from estate to POM), used lamp (settlement and POM), rag (estate), used gloves (POM workshop), effluent (POM), chemicals containers (POM), medical waste (clinic), ingredient spillage, chemicals containers, used waste water, water to wash spray equipments (spray program at estate), fertilizer spillage, fertilizer sack (manuring at estate), stationary, paper, ink, printer, cartridge (office). Those waste are stored at the hazardous waste storage to be then transported by the contractor and some of waste are transported to estate to be applied to the land or siltpit depend on the type of the generated waste.

Several waste management plans conducted by the company. For example:

1. Socializing reuse and recycle program.
2. Dispose the waste that cannot be reused nor recycled.
3. Collecting the waste at hazardous waste storage.
4. Collecting and accomodating the waste to the specific station.
5. Disposing the waste to the landfill.
6. Making it as boiler fuel.
7. Utilizing it to hardenning the soil.
8. Utilizing it as fertilizer.

PT APS managed the hazardous waste including the pesticide containers, used oil, etc for only its storing and transport. The company has gotten hazardous waste storage permit from Banyuasin Regent in decree No. 457/KPTS/BLH/2012 for the permit to store hazardous waste at storage to PT Agro Palindo Sakti.

The company cooperated with CV Amindy Barokah for transporting and collecting the hazardous waste based on the contract for service agreement No. 001/APS/IV/2013 dated April 1st 2013.

The sewage and organic rubbish was collected in every house bins to landfill was located in estate.

Furthermore, PT APS also cooperated with PT Nirmala Tipar Sesama based on the contract for service agreement No. 009/NTS-PS/VI/2014 dated June 19th 2014. The agreement was valid for a year from June 19th 2014 to June 19th 2015. For example, the official record of waste handover on September 22nd 2014 for transporting hazardous waste from PT APS POM to PT Nirmala Tipar Sesama. It was transported with truck in vehicle police No. B9358 FCA. The detail of hazardous waste were 0.600 ton of used oil, 12 pieces of used batteries, 77 pieces of used filter, 11 pieces of contaminated plastic, 81 pieces of contaminated can with total of waste for 1,130 kg. The official record was signed by PGA (Perdana Simanungkalit), NTS (Hasanudin), KTU (Husni Basuki) and Mill manager (Yose Rizal).

According to the result of field observation to hazardous waste storage, the company has maintained document of hazardous waste monitoring. Furthermore, there were hazardous waste label and symbols installed on the hazardous waste storage. According to the result of interview with the storage Officer, there were emergency response equipments such as handy fire extinguisher, shower and eye shower as well as MSDS document.

Status: Full Compliance

5.4

Efficiency of energy use and use of renewable energy is maximized.

According to the result of document review, PT APS has had programs to reduce GHG emission by conducting several programs such as:

The use of renewable energy has been monitored and analyzed by PT APS POM daily. The analysis is monthly recapitulated on the report of the generated solid waste (Fiber and Shell).

According to the document observation, the production for fiber and shell for the mill operational full for period of 2014 was 6,094,799 ton for fiber and 3,510,747 ton for shell.

PT APS POM has also conducted renewable energy monitoring. For example, the average of renewable energy use for period of 2014 was 296 KKal/Ton of FFB or 1,536 KKal/Ton of CPO.

PT APS conducted several corrective actions to improve the efficiency of the fuel consumption. For example:

- Repairing the rusty pipe and inspecting the overall condition of boiler.
- Repairing the leak turbine cavity.

There was a petroleum fuel consumption calculation on POM for period of 2014, the processed FFB till October 2014 was 44,552.625 ton. Total of the generated power by the generator was 272.614 KWH, total of the fuel need for the generator was 157,614 liter, the fuel for the operational vehicle and for the heavy equipments were 27,316 liter. Total of cost for generator was IDR 1,697,063,078 and cost for the heavy equipments and operational vehicle was IDR 293,577,207.

There was a calculation of the POM energy efficiency for period of 2014 (January – October 2014). The processed FFB was 44,552.625 ton. Total of the generated power by the generator was 272.614 KWH, total of the fuel need for the generator was 157,614 liter, the fuel for the operational vehicle and for the heavy equipments were 27,316 liter. Total of cost for generator was IDR 1,697,063,078. Total of the hours for processing for mill was 3,383.47 hours. Total of power used by generator for full processing stage was 3,654,148 KWH. Total of the fuel needed by generator to conduct full processing stage was 1,096,244 liter. The cost estimation for the generator to conduct full processing stage was IDR 11,789,780,324 and estimation of the

efficiency was IDR 10,092,717,246. The efficiency was 14.39%.

Trend of petroleum fuel consumption for period of 2014 was 8,109 liter on January, 6,269 liter on February, 6,348 liter on March, 10,098 liter on April, 8,528 liter on May, 8,208 liter on June, 7,640 liter on July, 10,361 liter on August, 8,205 liter on September and 8,958 liter on October.

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.

PT. APS has policy in term of environment from Group Plantation Head and Group CSR Head on October 2013. According to point 3, Wilmar implemented zero burning in all estate establishment program as well as the waste disposal unless for the specific condition as written on the guideline of ASEAN for zero burning program.

According to the result of field visit to block 312 for the conversion plants, the LC was conducted mechanically on 2014.

1. There are Emergency Response Procedure:

- There is a document for estate in Document No. PRO-GEN-014. It describes the estate and forest fire management and control as well as fire at POM, settlement, oil leakage, crash of oil truck, act of God and riot.
- There is a document for POM in Document No. PRO-EHS-16-00. It describes the fire, chemicals/easily burnt ingredients, embankment damage, explosion of machines in POM, act of God and riot.

2. Fire Team:

- The emergency response structure for estate was legalized by Act. ADM on May 1st 2013. It was led by Mr. Samsowi SP. There are 7 teams consisted of emergency response team, communication team, rescue team, paramedic team, inventory team, recovery dan repairment team.

Facilities to deal with fire:

1. Robin Pump Machine(2 unit)
2. Nozzle (2 units)
3. Hose reel canvas hydrant (4 units)
4. Handy fire extinguisher (26 units)
5. Fire Truck with capacity of 15,000 liter (1 unit)
6. There was a Form of handy fire extinguisher checklist which showed the number and distribution of the handy fire extinguisher location. The number of handy fire extinguishers at POM were 11 handy fire extinguishers distributed to different location. The handy fire extinguishers are monthly inspected by EHS officer (checking the content of handy fire extinguisher by shaking it; checking the expire period; checking the press indicator; hose, nozzle and seal). The broken handy fire extinguishers shall be replaced.

According to the decree of regional retribution based on the bylaw No. 21 Year 2011 in term of the retribution of the fire extinguishing equipments inspection, the were 5 hydrants.

Status: Full Compliance

5.6

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

The company has evidence of the pollution and emission sources identification at mill and estate as follow:

Identification of GHG sources activity on the estate operational in document No. FRM-EST-119 such as vehicle smoke (FFB transport operation), generator smoke (generator operational), EFB steam (EFB application), oil steam (oil storage), fertilizer steam (fertilizer storage), petroleum steam (petroleum storage), rubber waste steam (rubber waste application to land and latex weighing station). Type of emission generated by mill are the boiler emission (boiler operational), diesel generator operational, vehicle emission (vehicle operational).

The company monitored the emission quality on the estate and mill operational based on the type of emission through the

management and frequency program as shown on table follows:

Identification of emission type, frequency of monitoring and management based on Document of FRM-EST-119 dated November 1st 2014.

No	Type of Emission	Operation	Level of Significant Signifikcant (Yes/No)	Management	Frequency
1	Vehicle smoke	FFB transport operation	Yes	Emission test for all moving sources such as truck and heavy equipments.	Each semester
				Routine machine maintenance to reduce the imperfect combustion.	Continously
2	Generator smoke	Generator operational	Yes	Emission test for all non-moving source such as generator	Each semester
				Routine machine maintenance to reduce the imperfect combustion.	Continously
3	EFB steam	EFB application	Yes	Ambient air test at estate area	Each semester
				Setting the workforce rotation at EFB application program.	Continously
				Use of masker for workers.	Continously
4	Oil steam	Oil storing	Yes	Ambient air test at estate area	Each semester
				Use of masker for load and crane workers.	Continously
5	Fertilizer steam	Fertilizer storing	Yes	Ambient air test at estate area	Each semester
				Use of masker for load and crane workers.	Continously
6	Petroleum steam	Petroleum storing	Yes	Ambient air test at estate area	Each semester
				Use of masker for load and crane workers.	Continously
7	Rubber waste steam	Rubber effluent application to land and latex weighing station.	Yes	Ambient air test at estate area	Each semester

Emission identification at mill operational in document No. FRM-MILL-027 dated April 1st 2014:

No	Type of Emission	Operation	Risk Level (low/medium/high)	Management	Frequency
1	Boiler emission	Boiler operational	medium	Preventive maintenance based on the composed schedule	Continously
				Melakukan uji emisi boiler	Each semester
2	Diesel generator emission	Generator operational	medium	Preventive maintenance based on the composed schedule	Continously
				Holding diesel emission test	Each semester
3	Vehicle emission	Operational vehicle	Low	Preventive maintenance	Continously

				based on the composed schedule	
				Holding vehicle emission test	Each semester

PT APS has equipments maintenance and repairment programs follow:

- Generator machine maintenance
- Vehicle maintenance and repairment
- Mill boiler and machine maintenance
- Reforestation of area nearby mill and WWTP pond.

Testing and maintaining the generator routinely. The tested parameters were CO, NO₂, SO₂, NH₃, Particulate, Cl₂, HCL, HF, Opacity, Water Speed, exhaust gas temperature. According to the result of the test, all complies the quality threshold determined by the decree of South Sumatera Governor No. 6 on February 15th 2012. The use of generator with capacity ≤ 570 KW shall be monitored twice a year.

Testing the boiler at POM routinely. The tested parameters were NO₂, SO₂, NH₃, Particulate, Cl₂, HF, HCL, Opacity, Water Speed, exhaust gas temperature. According to the result of the test, all complies the quality threshold determined by the decree of South Sumatera Governor No. 6 on February 15th 2012.

According to the result of exhaust gas threshold test, the quality threshold is adjusted with the year of the vehicle manufacture in which 2010< or ≥ 2010. The method of SNI and vehicle manual are used by the South Sumatera Province Environment Agency. According to the test, the truck and heavy equipments owned by PT APS (estate and POM) were good.

According to the result of field observation, the workshop area has been concreted and there has been oil trap so there has been no longer oil spillage which directly contaminate the environment.

PT. APS has reported the GHG emission calculation via email to RSPO GHG Manager on June 25th 2015. According to the result of calculation during period of July 2013 to June 2014, total of field emission was 1,595.02 (tCO₂e) and total of mill emissions was 9,529.57 (tCO₂e).

PT APS POM has had WWTP as treatment program to ensure that the effluent disposed to the environment shall not harm the environment (not exceed the quality threshold). There are 10 WWTP ponds at PT APS POM as follow:

- Pond 1 → Acidification pond which is able to accomodate 324 M³ effluent.
- Pond 2 → Acidification pond which is able to accomodate 324 M³ effluent.
- Pond 3 → Acidification pond which is able to accomodate 324 M³ effluent.
- Pond 4 → Mixing pond 1 which is able to accomodate 3,720 M³ effluent.
- Pond 5 → Mixing pond 2 which is able to accomodate 3,720 M³ effluent.
- Pond 6 → Primary Anaerob pond 1 which is able to accomodate 1,870 M³ effluent.
- Pond 7 → Secondary Anaerob pond which is able to accomodate 1,870 M³ effluent
- Pond 8 → Facultative pond which is able to accomodate 810 M³ effluent.
- Pond 9 → Facultative pond which is able to accomodate 810 M³ effluent.
- Pond 10 → Aerob pond which is able to accomodate 810 M³ effluent.

The POME management system in PT Agro Palindo Sakti POM used open pond (10 ponds). End of pipe achievement by using method of IPLC and Land Application. During the Land Application analysis based on the agreement letter for the technical analysis for PT APS POME LA No. 660/1561-I/BLH/2013 dated July 23rd 2013, the IPLC was STOPPED and 10 pond outlets were closed. The WWTP management uses Anaerobic and Aerobic system to reduce the BOD and pH. On the

Anaerobic pond, the Anaerobic battery is used by feeding from other pond in circulation and the anaerobic ponds are cleaned regularly to keep the temperature and battery work process. Meanwhile, the Aerobic pond uses aeration system from circulation pump.

According to the Land Application analysis, the outlet quality monitoring was conducted on pond 6 based on the quality threshold of Environment Ministry Decree No. 28 Year 2003 which was pH (6-9) and BOD (<5,000 mg/l). The effluent quality test is conducted monthly on South Sumatera Province Environment Agency Laboratory (accredited).

According to the Manager of Mill (Yose Rizal), there is a specific budget for the WWTP treatment such as effluent treatment from the manpower, machine maintenance budget, plant maintenance and pond cleaning (once a year).

Status: Full Compliance

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

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

The company has had the document of social impact assessment. It was composed by Re.Mark Asia on July 2103. According to the document, there is a matrix of management and monitoring plan. As evidence of the implementation, the company has composed the CSR program on 2014 adjusted with the matrix of social impact management and monitoring plan. The negative impacts for the company's internal were the damage road, reduction of rubber harvester income, sanitation and settlement sanitation. The negative impacts for the company's external were the improper communication, improper CSR program, POM effluent to Banjar Sari Village and consumption of water during drought season. The positive impacts were the productive swamp area, increase of accessibility for the locals, absorption for the local workers, reliable income, increase of education level for the locals, contribution over the local economy.

The company also has document of revision of environmental management and monitoring effort for PT APS POM on 2013 by adding POM processing capacity for 30 ton/hour (still on draft). There was an information letter from the management unit in term of the document compilation.

The company has proven the routine reporting of the environmental management and monitoring report to Banyuasin District Environment Agency.

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.

PT APS has several transparent method to communicate and consult with the stakeholders. For example:

1. Procedure of Communication and Consultation (Doc No. PRO-GEN-011 dated March 1st 2013).
2. Procedure of External Information Receipt and Resolution ((Doc No. PRO-BNM-001 dated March 1st 2013).
3. Procedure: Received Information → Registration → Distribution to PIC → Analysis → Report & Recommendation → Unit Head (Deciding) → Response to Stakeholder.
4. Procedure of communication, consultation and coordination with the Stakeholder (Doc No. PRO-BNM-010 dated March 1st 2013).
5. Procedure: INPUT of STAKEHOLDERS → MANAGEMENT (Properness Analysis, Supporting Need Inventory, Appointing Public Speaker Team, Approving or Revising the Draft) → PUBLIC SPEAKER TEAM (Analysis of input, Drafting the form and content, implementing function and reporting the outcome) → Response to Stakeholder → Finish.
6. SOP of internal communication (Doc No. SOP-BNM-001 dated March 1st 2013).
7. SOP of external communication (Doc No. SOP-BNM-002 dated March 1st 2013).

Record of consultation and communication with the locals:

The company has the document of social impact assessment on 2013 post the identification with the locals. It was proven by the attachment of public consultation document with the locals. According to the attendance list, it was attended by 43 participants.

The company has several records of communication with the stakeholder. For example:

1. Letter No.140/14/KR/ST 1/X/ 2014 in term of the request for 1 unit of truck to transport corral truck on September 20th 2014. It was responded by the company in letter No. 31/PT. APS/CSR/KPS-1/IX/2014 by lending truck to transport corral stone on September 22nd 2014.
2. Letter No. 140/20/PR/2013 from Teluk Betung Village in term of the road maintenance for the road connecting Pulau Rimau, Pulau Rimau Sub-District on January 29th 2013. The letter was received on February 2nd 2013. It was responded on February 9th 2013 in letter No. 027/DM-Aps/II/2013.

According to the decree No. 002/SK-APS/VI/2013 dated June 1st 2013, the appointed Officer to consult and communicate with the external parties was Mr Andri Susano SH public speaker for external division and Mr Apriyal Jaya Harahap SH as public speaker for division of manpower and company internal.

Status: Full Compliance	
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6.3

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

The company has a transparent system which is accepted by all amicus curiae to receive and solve dispute. For example:

1. Procedure of External Information Resolution and Receipt (Document No. PRO-BNM-001 dated March 1st 2013).
2. Procedure of Internal Conflict and Complaint (Document No. PRO-GEN-015 dated March 1st 2013).

Upaya Pencegahan Perselisihan:

- Updating & Internalizing government regulation, order and other employee law.
- The company must comply the principle to implement the manpower law.
- Ensuring the effectiveness of the ongoing complaint procedure.
- Holding labour training for the member of management and all workers as well as labour union.
- Non violence habit.
- Activating the role of Bipartit forum.
- Respect the existence of labour union.
- Preventing infiltration from the external party.
- Solving human resource dispute immediately to prevent the dissatisfaction.

Method of Complaint Resolution:

- Each complaint is started by filling formulir of employee's complaint (FRM-GEN-023) to Personal General Affair (PGA).
- Analysis of complaint of PGA to decide the follow up.
- Followe up by asking for recommendation over the resolution from the unit leader.
- PGA respond the complaint within 3 week since they receive written complaint.
- Manager of PGA unit solve the complained problem totally. If it has to do with other departments, there will be coordinator.

3. Procedure of Conflict Resolution (Document No. PRO-BNM-004 dated March 1st 2013).

The company has records of internal complaints from workers. For example:

Citra Maya Nanita (Workshop Clerk) complained over the leak house roof and broken backyard floor on June 8th 2014. It was immediately responded by repairing the broken floor and replacing the leak roof on June 17th 2014.

Kasmayadi (Tractor Operator) complained the leak septi tank which cause stinky smell on August 8th 2014. It was immediately hoarded and the new septic tank was created dated September 5th 2014.

The company has procedure in term of the legal and traditional rights over the land including the calculation over the compensation for public. For example:

1. Procedure of Identification for the parties who have right to get land and crops compensation (Document No. PRO-BNM.GEN-002) dated March 1st 2013.
2. Procedure of Non-Land Dispute Issue and Compensation (Document No. PRO-BNM-012) dated March 1st 2013
According to chapter 7.0 of general term on point 7.4, the resolution shall be solved in forum by involving the village government apparatus as well as sub-district government apparatus, community figures and other agency.
3. Procedure of Traditional Right Regulation (Document No. PRO-BNM-006) dated March 1st 2013.
4. Policy of Wilmar Group.
5. PRO BNM 001 : Procedure of External Information Resolution and Receipt.
6. PRO BNM 002 : Community Empowerment.
7. PRO BNM 004 : Land Dispute Resolution.
8. PRO BNM 005 : Procedure of Social Aspect and Impact.
9. PRO BNM 006 : Regulation over Traditional Rights.
10. PRO BNM 010 : Procedure of Communication, Consultation and Coordination with Stakeholder.
11. PRO-HRD-001 : Recruitment.
12. Letter from PT. APS in term of transparency of company's documents.
13. Report and Management Plan of HCV management (HCV).
14. Report and Management Plan of Social Impact Assessment Management (Social Impact Assessment).

Socialization of the existence of wild buffalo within PT APS estate.

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.

AGRO PALINDO SAKTI has the procedure to solve the dispute as written on the procedure of conflict resolution (PRO-BNM-004 dated March 1st 2013). It describes the flowchart of land conflict resolution procedure as well as non-land conflict occurred within the company.

According to the procedure, the land conflict is defined as the conflict over the land ownership between the company and the locals. The procedure is described as follow:

- The land claimed by the locals is informed in writing to the unit leaders and is then registered to be followed up by visiting the location. The industrialist shall invite the locals to hold forum. It shall be solved at court once the forum meet the only the deadend.

PT APS has the records over the acquisition over the land rights as written on the documents follow:

1. List of the compensated land on Teluk Betung Village, Banyuasin III Sub-District dated May 26th 1990 for 67 people for 134 Ha. The fee for compensating it was IDR 26,800,000 (USD 1,900).
2. List of the compensated land on Lubuk Lancang Village, Banyuasin III Sub-District dated June 14th 1990 for 301 people for 475.7583 Ha. The fee for compensating it was IDR 95,150,526 (USD 6,796).
3. List of the compensated land on Lubuk Lancang Village, Banyuasin III Sub-District dated June 14th 1990 for 106 people for 210.7 Ha. The fee for compensating it was IDR 45,940,000 (USD 3,281).
4. List of the compensated land on Lubuk Lancang Village, Banyuasin III Sub-District dated June 14th 1990 for 92 people for 176.955 Ha. The fee for compensating it was IDR 34,941,000 (USD 2,495).

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 several documents in term of minimum wage standard. For example:

- Decree of South Sumatera Province Governor No. 877/KPTS/DISNAKERTRANS/2014 in term of the minimum sectoral wage standard on 2014 dated December 30th 2013 for IDR 1,920,000 (USD 156).
- Internal Memo from HRR No. 2240.01//WIP-HRR/INT-II/2014 dated February 17th 2014 in term of the employees promotion for class 2A (KHT) for IDR 1.920.000 (USD 156).

Example of the wage payment:

Saparudin (temporary daily period Harvester): IDR 307,200 / 4 workdays

Puji Haryanto (permanent daily workers): IDR 1,920,000

Bendi Suendri (temporary daily period Compound workers): IDR 1,536,000/ 20 workdays

According to the result of interview with the estate and POM workers, the paid wage was above the minimum wage standard.

The company has document of collective labour agreement for period of 2013/2015 PT Agro palindo Sakti and PUK Sekar Wilmar Kebun and PT. Agro Palindo Sakti. It was legalized by Banyuasin District Manpower Agency based on the decree of the Head of Banyuasin Manpower Agency No. 560/820/Nakertrans/3/2013 dated April 11th 2013. The collective labour agreement is valid for 2 years from January 1st 2013 to December 31st 2015.

According to the document review and field observation, the facilities provided for employees are quite proper.

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.

The company has given opportunity for the workers to form labour union based on the collective labour agreement on chapter II in term of the admission, facility and assurance on article 7 in term of admission of industrialist over the worker's rights. In detail on verse 1, the company admit the existence of PUK – Sekar Wilmar as official labour union within the company scope and management. It was proven by:

Forming of PT APS Estate Labour Union

The company has formed PT APS labour union named PUK SEKAR WILMAR on January 27th 2012 based on the decree No. 010/Kpts/PP-KASBI/II/2012 sebagai Serikat Buruh Konfederasi. as confederation labour union. There was an evidence of recording of Banyuasin District Manpower Agency No. 560/02/Nakertrans/03/2012 dated January 30th 2012.

Forming of PT APS POM Labour Union

The company has formed PT APS labour union named PUK SEKAR WILMAR APS POM on January 27th 2012 based on the decree No. 011/Kpts/PP-KASBI/II/2012 as confederation labour union. There was an evidence of recording of Banyuasin District Manpower Agency No. 560/01/Nakertrans/03/2012 dated January 30th 2012.

Several records of labour union meeting with the company follows:

- Meeting of estate labour union and the company on February 13th 2014. It discussed the lack of payment for harvester during period of January 1st – 14th 2014, proposal of 3 temporary daily labour contract termination, reimbursement of medical cost for temporary daily workers, promotion of permanent employees based on collective labour agreement. There are attendance list and photographs of meeting.
- Meeting of POM labour union and the company facilitated by Bipartit cooperative forum (monthly meeting). The latest meeting was held on June 27th 2013 in PT APS POM meeting room. It discussed the promotion of employee class. The meeting was attended by 4 board members of labour union and 5 representatives of employees.

According to the result of interview with the board of labour union of estate and POM, the company has given freedom for the employees to unit/gather such as holding routine meeting at the workhour.

Status: Full Compliance

6.7

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

The company has policy in term of the child workers. The policy is adopted from WILMAR Group policy. There is a policy in term of child worker (September 2010). It was issued by Group Plantation Head and Group CSR Head. According to the document, the definition of child worker based on ILO is below 12 years old; below 15 years old (challenging their present at school); and below 18 years old (not good for their physical and psychological health).

Evidence of the policy implementation were:

1. Collective Labour Agreement 2013 / 2015 between PT APS and PUK SEKAR WILMAR, Palembang April 2013. According to article 12 of recruitment for workers, the recruitment is conducted by the company based on the standard and referring the applied law.
2. List of mill and estate employees (workers). The youngest workers was 21 years old (born in 1992) for the permanent workers of estate and 20 years old (born in 1993) for the POM employees. Meanwhile, the youngest temporary daily period workers was 20 years old (born in 1993).

According to the result of interview with the Manpower Agency staff of Banyuasin District, there was no underage workers in last a year. Furthermore, according to the result of interview with the labour union of estate and POM, the future employee must attach ID card to ensure the age.

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 company has policy of equal opportunity (September 2010). It was issued by Group Plantation Head and Group CSR Head.

Wilmar Group established and maintained workplace, requirements and work condition, work practice and procedure which assure the employees and future employees fairly and equally.

Status: Full Compliance

6.9

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

The company has policy in form of the Memorandum Intern from the Head HRD Wilmar International Plantation No. 026/WIP-HRD/Int-VIII/2009 dated August 12th 2009 to the Head of Operating Unit/Head Dept in term of the prevention over the sexual harassment against women (Point 4).

The policy of sexual harassment prevention (September 2010) which was issued by Group Plantation Head and Group CSR Head.

The policy of reproduction right protection is written on the cooperative agreement 2013 / 2015 between PT APS and PUK SEKAR WILMAR, Palembang April 2013. The protection is proven by giving menstruation day off (article 36) and childbirth day off (article 35).

Evidence of the implementation of reproduction right protection were:

1. Official record of temporary job mutation on behalf of Helmidar (maintenance foreman) to the maintenance division since September 1st 2014 due to the pregnancy based on the company regulation.
2. Official record of temporary job mutation on behalf of Supina (maintenance foreman) to the maintenance division since September 1st 2014 due to the condition of her who was breastfeeding her baby.

According to the result of interview with the board of gender committee, the company has facilitated all women workers to get their rights. For example, H-1 day off for menstruation, the pregnant and breastfeeding women workers are mutated to the division away from chemicals like manual maintenance.

Status: Full Compliance

6.10
Growers and mills deal fairly and transparently with smallholders and other local businesses.

PT. APS has procedure to determine the FFB price of FFB supplier based on the result of CPO OER analysis generated by each FFB of suppliers. The price is based on the market price and is directly informed to the supplier. Furthermore, PT. APS also has the data of FFB price determined by South Sumatera Province Plantation Agency for the comparison. For example, decree No. 52/1178-VI.3/BUN in term of the FFB price per estate on November 2014 (1st period) for FFB harvested from 21 years old plants was IDR 1,585.72/Kg (USD 0.11/Kg).

The procedure of pricing is based on the OER potential of the outgrower's FFB. For example:

Rahayu Cooperative Unit with the OER potential for 18.75% based on the taken sample.

The price information based on the OER class is informed directly to the supplier. If the supplier dislike the price, they could send it to another POM.

The company has cooperation with the external FFB supplier. For example:

The FFB purchase agreement No. 004/APS-PLBG/TBS/II/2014 between PT. Dian Mulya Tani (first party) and PT. Agro Palindo Sakti (second party). The pricing and price information are described on article 3.

The FFB price agreed by both parties are referring the market price for CPO and PK applied on the period. The FFB price is informed via SMS after 5.30 p.m.

According to the result of interview with Mr Wahyu (Comercial Department), the suppliers do not have to send the FFB to PT APS if they disagree with the offered price.

According to article 5 verse 2, the first party must send the FFB to the second party and if there is no information about the FFB dispatch within 2 months in row, the second party could terminate the contract.

Estate

Contract for service No. 001/SPK/APS-KPS/IX/2013 between the company and M. Attaini Nasri (CV. Panorama) dated September 29th 2013 for constructing 1 unit of estate medical service center within 90 days (September 29th – December 29th 2013). The value of the contract was IDR 106,000,000 (USD 7,571). The MoU was proven by the contract signed on the law stamp. There was an evidence of the payment for the job based on contract for service agreement No. 001/SPK/APS-KPS/IX/2013 between the company and M. Attaini Nasri dated September 29th 2013 via Bank BCA of Pangkalan Balai to CV Panorama on September 22nd 2014 IDR. 7,339,440 (USD 524).

POM

Contract for service No. 003/SPK/PCH/APS-PSK/II/2014 between the company and Indra Pratama Abadi CV. Maju Abadi Bersama dated January 15th 2014 for painting the Chimney Boiler based on the quotation No. 001/PNW-MBA/APS/II/ 2014. The duration for the job was between January 16th – 23rd 2014 for IDR 9,445,313 (USD 674). There were terms that the contractor must comply the manpower law article 7, labour social assurance law article 8 and OHS law article 9. The MoU was proven by the contract signed on the law stamp. There was an evidence of the payment for the job based on contract for service agreement No. 003/SPK/PCH/APS-PSK/II/2014 between the company and Indra Pratama Abadi CV. Maju Abadi Bersama on April 2nd 2014 for IDR 8,320,676 (USD 594).

Status: Full Compliance

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

The company has several records of fair, legal and transparent transaction. For example:

Estate

Contract for service No. 001/SPK/APS-KPS/IX/2013 between the company and M. Attaini Nasri (CV. Panorama) dated

September 29th 2013 for constructing 1 unit of estate medical service center within 90 days (September 29th – December 29th 2013). The value of the contract was IDR 106,000,000 (USD 7,571). The MoU was proven by the contract signed on the law stamp. There was an evidence of the payment for the job based on contract for service agreement No. 001/SPK/APS-KPS/IX/2013 between the company and M. Attaini Nasri dated September 29th 2013 via Bank BCA of Pangkalan Balai to CV Panorama on September 22nd 2014 IDR. 7,339,440 (USD 524).

POM

Contract for service No. 003/SPK/PCH/APS-PSK/I/2014 between the company and Indra Pratama Abadi CV. Maju Abadi Bersama dated January 15th 2014 for painting the Chimney Boiler based on the quotation No. 001/PNW-MBA/APS/I/ 2014. The duration for the job was between January 16th – 23rd 2014 for IDR 9,445,313 (USD 674). There were terms that the contractor must comply the manpower law article 7, labour social assurance law article 8 and OHS law article 9. The MoU was proven by the contract signed on the law stamp. There was an evidence of the payment for the job based on contract for service agreement No. 003/SPK/PCH/APS-PSK/I/2014 between the company and Indra Pratama Abadi CV. Maju Abadi Bersama on April 2nd 2014 for IDR 8,320,676 (USD 594).

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 company has the document of environmental management and monitoring effort for the impacts over environment caused by mill and estate operational such as the increase of income of the locals (workforce absorption), decrease of water quality and water biodiversity and the disturbances which cause the health issue, road damage and negative perception.

Parameter which informs the impacts:

1. Surface water quality. South Sumatera Governor Regulation No. 16 Year 2005 in term of the water usage and water quality threshold in South Sumatera Province and RI Health Ministry Agency No. 907/Menkes/SK/VII/2002 in term of the requirements for the drinkable water quality.
2. Water biodiversity. Changes on plankton, nekton and benthos for its quantity, index of biodiversity and index of distribution.
3. Perception of the locals. Good cooperation between the company and the associated parties, support of the community over the estate operational and the adjustment of recruitment for workers based on the applied regulation, social approach and assistance to deal with economy issue.
4. Community health. There was no health disturbance over the locals caused by the estate maintenance and harvest program and the FFB transport as well.
5. Traffic jam and road damage. The parameter was the existence of traffic jam and road damage along the road supporting the operational program (FFB transport).
6. Drought and land fire potential. There was no estate and land fire within the operational area of PT APS and nearby.

According to the document of environmental management and monitoring plan, the company described 3 approaches to manage the impact by technology approach, social approach and institutional approach. The attempts are as follow:

1. Water quality is managed by:
 - Maintaining and keeping the waterway nearby estate area.
 - Creating septic tank within estate area so the domestic waste water shall not disposed to the waterway directly.
 - Controlling pest and disease by implementing IPM based on the government regulation No. 5 Year 1995 in order to reduce the use of chemicals.
2. Water biodiversity is managed by:

- Maintaining the drainage system nearby estate area.
- Structuring the waterway continuously so the water biodiversity conducive.
- 3. Increase of traffic jam and road damage are managed by:
 - Creating traffic light.
 - Maintaining the truck for transporting FFB routinely.
 - Holding socialization to the community figures and the locals in term of the FFB transport.
 - Cooperating with the Public Work Agency of Binamarga Banyuasin District to maintain the road.
- 4. Community perception is managed by:
 - Hiring local workforce who has qualification based on need.
 - Watering the road used to transport the FFB to reduce the dust during the drought season.
 - Responding the complaint of the locals wisely.
 - Holding forum between the leader and staff of employees with the locals.
 - Participating on the social events of villages like Lubuk Lancang Village, Teluk Betung Village, Durian Daun Village through CD and RD.
- 5. Community Health is managed by:
 - Cooperating with the Betung Community Health Center to monitor the scheme of disease.
 - Cooperating with the Banyuasin District Health Agency to hold medical check up for employees and the locals.
 - Controlling Pest and Disease.
- 6. Drought and land/estate fire is managed by:
 - Creating fire monitoring tower equipped with binocular and short range radio/handy talkie to detect the fire quickly.
 - Maintaining the retention and cekdam pool as the water source for controlling the fire.
 - Maintaining the fire isolator. The isolator could be the inspection road or others which separates the company estate and the outgrower estate.
 - Providing car (brainware) and the fire team.
 - Installing the signboard to warn the locals for not creating fire and littering the cigar recklessly.
 - Providing consultation to the locals for not clearing the road by burning it.
 - Cooperating with the Political Affair Agency and Forestry and Plantation Agency of Banyuasin District to form and train the fire team of the company.

Cooperating with the security Apparatus and the village government apparatus to give consultation over the danger of fire during the drought season and detecting it early through weather monitoring (CH, max temperature, min temperature) to recognize the drought index nearby estate area.

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.

PT. APS has the document of the result of semi detail soil analysis conducted by Param Agricultural Soil Surveys (M) SDN. BHD March 1995 (Rev. December 2009). It describes the topography, climate, type, soil fertility, underground water and drainage depth.

The company has the letter from Forestry and Plantation Agency No. 525/636-IV/HUTBUN/2012 dated September 28th 2012 in term of the recommendation of the conversion from rubber plant to palm oil plant. According to the result of review and field visit conducted by the Forest and Plantation Agency team on July 11th 2012, 535 ha of land proposed for the conversion was a dry land and suitable for palm oil plants cultivation.

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.

According to the document of HCV identification and supported by Landsat Image interpretation of OLI dated July 4th 2013, the condition of PT APS area are dominated by palm oil plants for 1,072 ha. By using similar interpretation of Landsat 7 ETM+, there was no changes on the land layer since 2000 to 2013. The significant change was the conversion for 430 ha of rubber plantation to palm oil estate during period of 2010 to 2013.

There was a map of year of planting of PT APS in scale 1: 30,000 dated February 4th 2013.

Type of Plant	Year of Planting	Hectarage (Ha)
Palm Oil	2012	188.77
	1998	16.85
	1995	377.36
	1994	55.74
Total		1,071.08
Rubber	1990	367.56
Grand total		1,438.64

According to the result of field visit to Gaung Springs bufferzone and small reservoir buffer zone, there was no planted HCV area post 2010.

Forest Sustainability Manager Wilmar International Limited has sent report of disclosure of RSPO Compensation and Remediation for Wilmar Estate in Sumatera via email and it has been received by RSPO Compensation Coordinator dated September 2nd 2014.

Status: Full Compliance

7.4

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

PT APS has the Map of Semi Soil in scale 1: 250,000. According to the map, there are 2 marginal soils within PT APS area. Those are the low fertility soil and sulfid acid soil.

Marginal soils within PT APS area with boundary factors:

1. Low Soil Fertility

Type of soil with the low fertility level based on the soil analysis result are Kyg/2; Hyd/2; Rsu/2; Btu/2; Gck/2; Lus/1; Jtg/1. It is managed by planting Cover crop, stacking frond and applying good manuring.

2. Sulfid Acid Soil

Type of the sulfid acid soil are Sdu/1 dan Ocm/1. It is managed by repairing the drainage and applying proper manuring. For example, the digging of drainage on block 8 petak D.

According to the document of manuring plan and realization, the manuring has been conducted based on the recommendation of R&D (there was a Dolomite manuring on August 2013).

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 did not have document of revision of environmental management and monitoring effort for PT APS POM (still on draft). There was a declaration letter No. 179/APS-BM/Ext/XI/2014 on behalf of Fransiska Ng (Head of Admin of LO Palembang). It stated that the environment document of environmental management and monitoring effort for PT APS POM was being revised by Consultant of PT. MAL Sriwijaya on November 1st 2014. There is a time schedule for the document revision compilation. It describes that the document revision is now waiting for the schedule from Banyuasing District

Environment Agency for the document presentation.

PT APS has the records over the acquisition over the land rights as written on the documents follow:

1. List of the compensated land on Teluk Betung Village, Banyuasin III Sub-District dated May 26th 1990 for 67 people for 134 Ha. The fee for compensating it was IDR 26,800,000 (USD 1,900).
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3. List of the compensated land on Lubuk Lancang Village, Banyuasin III Sub-District dated June 14th 1990 for 106 people for 210.7 Ha. The fee for compensating it was IDR 45,940,000 (USD 3,281).

List of the compensated land on Lubuk Lancang Village, Banyuasin III Sub-District dated June 14th 1990 for 92 people for 176.955 Ha. The fee for compensating it was IDR 34,941,000 (USD 2,495).

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.

AGRO PALINDO SAKTI has the procedure to solve the dispute as written on the procedure of conflict resolution (PRO-BNM-004 dated March 1st 2013). It describes the flowchart of land conflict resolution procedure as well as non-land conflict occurred within the company.

According to the procedure, the land conflict is defined as the conflict over the land ownership between the company and the locals. The procedure is described as follow:

- The land claimed by the locals is informed in writing to the unit leaders and is then registered to be followed up by visiting the location. The industrialist shall invite the locals to hold forum. It shall be solved at court once the forum meet the only the deadend.

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List of the compensated land on Lubuk Lancang Village, Banyuasin III Sub-District dated June 14th 1990 for 92 people for 176.955 Ha. The fee for compensating it was IDR 34,941,000 (USD 2,495).

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.

PT. APS has policy in term of environment from Group Plantation Head and Group CSR Head on October 2013. According to point 3, Wilmar implemented zero burning in all estate establishment program as well as the waste disposal unless for the specific condition as written on the guideline of ASEAN for zero burning program.

According to the result of field visit to block 312 for the conversion plants, the LC was conducted mechanically on 2014.

1. There are Emergency Response Procedure:

- There is a document for estate in Document No. PRO-GEN-014. It describes the estate and forest fire management and control as well as fire at POM, settlement, oil leakage, crash of oil truck, act of God and riot.
- There is a document for POM in Document No. PRO-EHS-16-00. It describes the fire, chemicals/easily burnt ingredients, embankment damage, explosion of machines in POM, act of God and riot.

2. Fire Team:

- The emergency response structure for estate was legalized by Act. ADM on May 1st 2013. It was led by Mr. Samsowi SP. There are 7 teams consisted of emergency response team, communication team, rescue team, paramedic team, inventory team, recovery dan repairment team.

Facilities to deal with fire:

1. Robin Pump Machine(2 unit)
2. Nozzle (2 units)
3. Rol selang Kampas Hidrant 4 units)
4. Handy fire extinguisher (26 units)
5. Fire Truck with capacity of 15,000 liter (1 unit)
6. There was a Form of handy fire extinguisher checklist which showed the number and distribution of the handy fire extinguisher location. The number of handy fire extinguishers at POM were 11 handy fire extinguishers distributed to different location. The handy fire extinguishers are monthly inspected by EHS officer (checking the content of handy fire extinguisher by shaking it; checking the expire period; checking the press indicator; hose, nozzle and seal). The broken handy fire extinguishers shall be replaced.

According to the decree of regional retribution based on the bylaw No. 21 Year 2011 in term of the retribution of the fire extinguishing equipments inspection, the were 5 hydrants.

Status: Full Compliance

PRINCIPLE #8 Commitment to continuous improvement in key areas of activity

8.1 Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.

The company has had the document of social impact assessment. It was composed by Re.Mark Asia on July 2103. According to the document, there is a matrix of management and monitoring plan. As evidence of the implementation, the company has composed the CSR program on 2014 adjusted with the matrix of social impact management and monitoring plan. The negative impacts for the company's internal were the damage road, reduction of rubber harvester income, sanitation and settlement sanitation. The negative impacts for the company's external were the improper communication, improper CSR program, POM effluent to Banjar Sari Village and consumption of water during drought season. The positive impacts were the productive swamp area, increase of accessibility for the locals, absorption for the local workers, reliable income, increase of education level for the locals, contribution over the local economy.

The attempts of corrective action on aspect of environment are:

- Reducing the water contamination by reducing chemicals use.
- Improving commitment of workers over the environment socialization via continual socialization.
- Managing crucial resource and its continual monitoring.
- Maintaining good relation with the government, community and industrialist.
- Coordinating with the official agent of chemicals for boiler to analyze the dosage and the follow up to maintain the water quality consumed by boiler based on parameter.
- Repairing the rusty pipe and inspecting the boiler condition.
- Repairing the leak turbine cavity.
- Purchasing new turbine with capacity of 500 KVA.

PT APS has conducted internal audit program over the compliance over the RSPO standard on April 30th to May 4th 2013. Several aspects found on the assessment were the Legality, Environment, OHS, Best Practices, Social, Transparency of Information and Operational.

Status: Full Compliance

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module E) CPO Mills - Mass Balance Requirements
1	Documented Procedures
1.1	<p>The facility shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <ol style="list-style-type: none"> Complete and up to date procedures covering the implementation of all the elements in these requirements. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard. <p>SOP – Mill 50 in term of Mass Balance dated January 10th 2013 in term of the FFB receipt, production, dispatch and control of of the certified and non-certified CPO/PK stock.</p> <ul style="list-style-type: none"> Sustainable CPO/PK dispatch should not exceed the sustainable stock balance which cause the negative balance. Sustainable stock balance must always be positive. The identity of CPO/PK sender based on the quantity and status on the weighbridge dispatch slip. The status is in form of stamp which state that the sustainable CPO/PK comply the SCCS requirements and other requirements. The certified CPO and PK overproduction should be informed to the CB via email along with the prediction of overproduction, period and cause of the overproduction. <p>Mill Head (Yose Rizal) is responsible to monitor the mass balance stick and to ensure the CPO/PK dispatch runs well.</p> <p>The reference for SCCS should be written on the latest version of RSPO Supply Chain Certification Standard dated November 25th 2011.</p> <p>The tabel of the receipt FFB (certified or not) in MB supply chain, processing stage, OER, KER, CPO/PK/Dispatch, Certified CPO bersertifikat in-out) and non sustainable CPO/PK (in-out) are described on the procedure.</p>
	Status: Opportunity For Improvement
1.2	<p>The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.</p> <p>According to the point 6.2. SOP – Mill-50 (January 10th 2013), it sets the FFB production and dispatch (certified or not) and the processed FFB, the data of OER and KER related to the CPO and PK production.</p> <p>The receipt of the certified and non-certified FFB is by using FFB covering letter in which the origin of the FFB (nucleus estate and outgrower like Rahayu Cooperative Unit) are described. The received and processed FFB are recorded on the daily production report.</p>
	Status: Full Compliance
2	Purchasing and goods in
2.1	<p>The facility shall verify and document the volumes of certified and non-certified FFBs received.</p> <p>The receipt of the certified and non-certified FFB is by using FFB covering letter. The FFB verification is recorded by the security Officer on the recapitulation of the journal of security on the computer system of the weighbridge for the certified and non-certified FFB. The computer system is connected with the daily production report for the FFB from the nucleus estate and from the outgrower.</p>
	Status: Full Compliance

2.2

The facility shall inform the CB immediately if there is a projected overproduction.

According to point 7.0 (2) SOP-MILL-50-00 dated January 10th 2013, the certified CPO and PK's overproduction shall be reported to the certification body via email.

Furthermore, there is also the SOP-MILL-52 in term of the increase of production (December 5th 2013).

- The representatives of management should compose the recapitulation of the record of CPO and PK MB data monthly.
- The representative of management should determine the dispatched CPO and PK production limit to comply the limit determined by the certification body of RSPO.

When the quantity of the marketed CPO and PK is bigger than the claimed quantity then the representative of management should inform it to the certification body via official email.

Status: Full Compliance

3
Record keeping
3.1

The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements.

APS – PT Agro Palindo Sakti POM was able to show the procedure to maintain the accurate, complete, up to date and accessible record as well as the report which cover all aspects of requirement on:

- Procedure of FFB receipt on the SOP-MIL-01-01 dated July 24th 2013. It described the procedure of record keeping for records like FFB covering letter, grading program official record, weighbridge slip.
- Procedure of CPO and PK Despatch on the SOP-MILL-49-01 dated July 24th 2013. It described the maintained documents like the Delivery Order, weighbridge slip, quality analysis official record and Vehicle Control Form.

The recording is conducted from the receipt for FFB to the dispatch of CPO and PK. It is daily updated and maintained on the private file room on POM (Document Control). PIC Mr. Dendi Putra Usamah.

Status: Full Compliance

3.2

Retention times for all records and reports shall be at least five (5) years.

According to 7.0 point 1 of SOP of Document Control (PRO-GEN-23), the retention period of the SCCS record is 5 years.

Status: Full Compliance

3.3

- (a) The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal on a three-monthly basis.
- (b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
- (c) The facility can only deliver Mass Balance sales from a positive stock. However, a facility is allowed to sell short.

SOP – Mill-50 in term of Mass Balance dated January 10th 2013 about the receipt of FFB, certified and non-certified CPO/PK control stock, dispatch and production. It is written on the point 6.2 in term of FFB process and production and on point 6.3 in term of certified and non-certified CPO and PK production and dispatch in form of MB label.

The recording on the MB calculate the ratio of conversion of the incoming FFB and certified and non-certified CPO and PK production.

PT APS POM did not get the SCCS assessment process for Mill CPO. However, during the PT APS POM assessment program, the company was able to show the simulation with the assumption of the incoming certified and non-certified FFB to the dispatched CPO and PK production.

The simulation was held and was shown for period of July to October 2014.	
	Status: Full Compliance
3.4 The following trade names should be used and specified in relevant documents, e.g. purchase and sales contracts, e.g. *product name*/MB or Mass Balance. The supply chain model used should be clearly indicated.	
Procedure of CPO and PK sales of Wilmar International Plantations SOP.10/TBS/08 dated May 5th 2008. It described the trademark/supply chain model on the document.	
	Status: Full Compliance
3.5 In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	
All PK production are sent to Group Wilmar in Palembang (PT Sinar Alam Permai – KCP).	
	Status: Full Compliance
4	Sales and goods out
4.1 The facility shall ensure that all sales invoices issued for RSPO palm oil delivered include the following information: <ul style="list-style-type: none"> (a) The name and address of the buyer (b) The date on which the invoice was issued (c) A description of the product, including the applicable supply chain model (Segregated or Mass Balance) (d) The quantity of the product delivered (e) Reference to related transport documentation 	
Procedure of CPO and PK dispatch (SOP-Mill-49). According to point 20, the CSPO and NCSPO dispatched on the weighbridge program based on the Delivery Order (DO) are described. For example; <ul style="list-style-type: none"> - Reference No. - DO No. - Name Code and Buyer's Address - Code of the Dispatched Goods (CPO/PK) - Vehicle Police Number and Transport No - Quantity of the dispatched product According to point 21, the product is stamped or chopped by the logistics Officer with MB SCCS stamp.	
	Status: Full Compliance
5	Training
5.1 The facility shall specifies and provides the training for all staff as required to implement the requirements of the Supply Chain Certification Systems.	
The training program was held on 2014. Specifically on November 7th 2014 and November 12th 2014 in term of SCCS. It was attended by all key people of PT APS POM. For example, Person In charge on division of Weighbridge, Administration, Logistic, Personal General Affair. Processing, Document Controller, Warehouse, Laboratory. The SCCS training program materials was able to be shown by the company and according to the interview with the logistic division, the implementation of SCCS at POM was well aware by.	
In order to ensure the effectiveness of SCCS training in term of personal awareness, the regular SCCS training program	

plan must be composed and the personal evaluation should be conducted.	
	Status: Opportunity For Improvement
6	Claims
6.1 The facility shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules for Communications and Claims.	
It was not yet implemented. PT APS POM dispatched the CPO to Refinery of PT Sinar Alam Permai (SAP) Palembang and did not use RSPO logo for the RSPO-certified palm product.	
	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	
	Will be verified during the first surveillance assessment.	
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	
	Will be verified during the first surveillance assessment.	
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	
	Will be verified during the first surveillance assessment.	
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	
	Will be verified during the first surveillance assessment.	
	Status: Comply	

3.4. Summary of RSPO Partial Certification.

Management unit(s) observed: <ol style="list-style-type: none"> PT. Agronusa Investama – Pahauman (West Kalimantan) PT. Buluh Cawang Plantation (West Kalimantan) PT. Daya Landak Plantation (West Kalimantan) 		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	
	<p>Progress of permit process:</p> <ol style="list-style-type: none"> PT. Agronusa Investama – Pahauman (KALBAR) Land Use Title (HGU) is on process, certified welding expert is on process and heavy equipment Operators have operator license is on process. PT. Buluh Cawang Plantation (KALBAR) Hazardous waste storage including its permit is on process; water consumption permit is on process. PT. Daya Landak Plantation (KALBAR) Hazardous waste storage including its permit is on process; water consumption permit is on process. <p>Progress of permit process shall be verified on surveillance-1.</p>	√
	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.	
	<ol style="list-style-type: none"> PT. Agronusa Investama – Pahauman (KALBAR) There are documents which showed the legality of business as follow: <ol style="list-style-type: none"> Location Permit I: No. 117 Year 2005 from Landak Regent Location Permit II: No. 595.1/14/HK-2008 from Landak Regent Plantation Business Permit No. 525/122.b/HK-2009 from Landak Regent There is no land dispute conflict with the locals. Furthermore, The company has compensated the land based on FPIC: holding socialization to compensate the land, measuring the land with the land owner, negotiating the crops and land compensation and give compensation based on the result of collective agreement. PT. Buluh Cawang Plantation (KALBAR) Terdapat dokumen yang menunjukkan legalitas perusahaan sebagai berikut: <ol style="list-style-type: none"> Location Permit I: No. 61 Year 2005 from Sambas Regent Location Permit II: No. 46 Year 2006 from Sambas Regent Location Permit III: No. 269 Year 2009 from Sambas Regent Plantation Business Permit No. 37 Year 2005 from Sambas Regent for 12,500 ha. Changes on Plantation Business Permit No. 372 Year 2008 from Sambas Regent for 12,500 ha. There is no land dispute conflict with the locals. Furthermore, The company has compensated the land based on FPIC: holding socialization to compensate the land, measuring the land with the land owner, negotiating the crops and land compensation and give compensation based on the result of collective agreement. PT. Daya Landak Plantation (KALBAR) Terdapat dokumen yang menunjukkan legalitas perusahaan sebagai berikut: <ol style="list-style-type: none"> Location Permit No. 116 Year 2005 from Landak Regent 	√

	<p>b. Plantation Business Permit No. 71 Year 2005 from Landak Regent</p> <p>There is no land dispute conflict with the locals. Furthermore, The company has compensated the land based on FPIC: holding socialization to compensate the land, measuring the land with the land owner, negotiating the crops and land compensation and give compensation based on the result of collective agreement.</p>	
	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.	
	<p>1. PT. Agronusa Investama – Pahauman (KALBAR) There is an SOP 001/WIP-KB/(0)/0610 in term of the technical guideline for land acquisition since June 2010. There is a document of land compensation record for 42 persil (499.85 ha)</p> <p>2. PT. Buluh Cawang Plantation (KALBAR) There is an SOP 001/WIP-KB/(0)/0610 in term of the technical guideline for land acquisition since June 2010. There is a document of land compensation record for 12 persil (683.45 ha)</p> <p>3. PT. Daya Landak Plantation (KALBAR) There is an SOP 001/WIP-KB/(0)/0610 in term of the technical guideline for land acquisition since June 2010. There is a document of land compensation record for 76 persil (89.34 ha)</p>	√
	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.	
	<p>1. PT. Agronusa Investama – Pahauman (KALBAR) There is a document of land compensation record for 42 persil (499.85 ha). The company has compensated the land based on FPIC: holding socialization to compensate the land, measuring the land with the land owner, negotiating the crops and land compensation and give compensation based on the result of collective agreement. There was no new land compensation since October 1st 2007.</p> <p>2. PT. Buluh Cawang Plantation (KALBAR) There is a document of land compensation record for 12 persil (683.45 ha). The company has compensated the land based on FPIC: holding socialization to compensate the land, measuring the land with the land owner, negotiating the crops and land compensation and give compensation based on the result of collective agreement. There was no new land compensation since July 1st 2009.</p> <p>3. PT. Daya Landak Plantation (KALBAR) There is a document of land compensation record for 76 persil (89.34 ha). The company has compensated the land based on FPIC: holding socialization to compensate the land, measuring the land with the land owner, negotiating the crops and land compensation and give compensation based on the result of collective agreement.</p>	√
	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.	
	<p>1. PT. Agronusa Investama – Pahauman (KALBAR) The company has composed EIA on 2009, there was no planting on the primary forest area and the HCV area (HCV identification was conducted by MEC on April 2009 along with the map of Land Use for period of December 2011).</p>	√

	<p>2. PT. Buluh Cawang Plantation (KALBAR) The company has composed EIA on 2009, there was no planting on the primary forest area and the HCV area (HCV identification was conducted by MEC on April 2009 along with the map of Land Use for period of December 2011).</p> <p>3. PT. Daya Landak Plantation (KALBAR) The company has composed EIA on 2009, there was no planting on the primary forest area and the HCV area (HCV identification was conducted by MEC on April 2009 along with the map of Land Use for period of December 2011).</p>	
	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√
	<p>1. PT. Agronusa Investama – Pahauman (KALBAR) There was no plan of new land clearing within the area of PT. Agronusa Investama – Pahauman</p> <p>2. PT. Buluh Cawang Plantation (KALBAR) There was no plan of new land clearing within the area of PT. Buluh Cawang Plantation.</p> <p>3. PT. Daya Landak Plantation (KALBAR) There was no plan of new land clearing within the area of PT. Daya Landak Plantation.</p>	
	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√
	<p>1. PT. Agronusa Investama – Pahauman (KALBAR) The company did not identify and assess the existence of traditional right by involving the locals. There is an SOP 001/WIP-KB/(0)/0610 in term of Land Acquisition Technical Guideline since June 2010.</p> <p>2. PT. Buluh Cawang Plantation (KALBAR) The company did not identify and assess the existence of traditional right by involving the locals. There is an SOP 001/WIP-KB/(0)/0610 in term of Land Acquisition Technical Guideline since June 2010.</p> <p>3. PT. Daya Landak Plantation (KALBAR) The company did not identify and assess the existence of traditional right by involving the locals. There is an SOP 001/WIP-KB/(0)/0610 in term of Land Acquisition Technical Guideline since June 2010.</p>	
	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 ST-2 Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.01	Major 2.1.1	Evidence of compliance over the law requirements According to the result of document review of the list of employee wage and interview with the employees, there were 4 daily temporary period workers of mill who were not promoted to daily permanent period workers yet in which the law require that the workers who have been working for 21 days for 3 months in a row should be promoted. It was not in line with the decree of Manpower Agency No. 100 Year 2004.	PT. APS	NC Major	Prior the Issuance of Certificate	The company must be able to show the evidence of compliance over the decree of Manpower Agency No. 100 Year 2004.	Root Cause: There were 4 daily temporary period workers of mill who were not promoted to daily permanent period workers as house keeping yet. Corrective Action : 1. Identifying 4 workers 2. Promoting 4 unpromoted workers as daily permanent period workers. 3. Showing the decree of promotion for them. Preventive Action: PGA together with – OU leader identifying the temporary daily workers on the mill (if exist). Observation on April 14th 2015. The company showed the evidence of the promotion of the temporary daily period workers to permanent daily period workers. For example: 3. Decree of HRR Manager No. 002/APS-HRR/SK/II/2015 dated January 5th 2015 in term of the promotion for Rahmat Apriady as employee class 2A.	Closed	June 5th 2015

							<p>4. Decree of HRR Manager No. 003/APS-HRR/SK/I/2015 dated January 5th 2015 in term of the promotion for Sahuri as employee class 2A.</p> <p>Observation on June 5th 2015 The management unit showed the decree that employee on behalf of Kusno Sucipto (Electrician) and Irfanto (Maintenance) have been promoted on January 8th 2015.</p>		
2014.02	Minor 5.2.1	<p>Poster, signboard, circular and socialization in term of the endanger species. PT. APS has conducted socialization by installing 10 signboard such as prohibition to make fire, to hunt, to electrocute and to poison fish on the small reservoir and prohibition to herd the cattle as well as to spray chemicals and manuring. Evidence of evaluation of socialization was not able to be shown as reference for the proper implementation.</p> <p>Condition: minor indicator No. 5.2.1 was not closed.</p>	PT. APS	NC Minor	S1	PT APS must ensure the stages of socialization to the locals and employee in term of the endanger species.			

3.5.3 Opportunity for Improvement

No	Ref.Std	Description
1.	Minor 5.1.1	The company has opportunity to finish the revision of environmental management and monitoring effort (Observation).
2.	Major 2.1.1	The company has opportunity to solve all legal process of company such as environment permit, LA permit (Observation)
3.	Minor 6.5.1	The company has opportunity to conduct corrective action over the employee's house that need renovation.
4.	Butir 1.1 SCCS	One of the reference ask the SCCS to be written on the latest version of RSPO Supply Chain Certification Standard dated November 25th 2011
5.	Butir 5.1 SCCS	In order to ensure the effectiveness of SCCS training in term of personal awareness, the regular SCCS training program plan must be composed and the personal evaluation shoule be conducted.

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1		The company's commitment to implement RSPO standard.
2		Enthusiasm of each personel on the teamwork to demonstrate the RSPO requirements compliance.
3		Personal competence on each division.

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

Isu dari Publik (Institusi/ LSM / Masyarakat)	Tanggapan Manajemen	Tanggapan Auditor
<p>Banyuasin District Manpower Agency, South Sumatera. (Head of Division of Environment Inspection and Monitoring (Inwaslinker)). PT Agro Palindo Sakti have complied the law in term of the manpower in general. There was no any negative issue in term of manpower. The things informed from the result of public consultation were:</p> <ol style="list-style-type: none"> 1. Compliance and implementation of the province minimum wage standard, manpower insurance (BPJS) for worker and health, implementation of OHS, implementation of operator license (crane and boiler) and implementation of OHS Guiding Committee (first aid). 2. Consistency over the regular manpower reporting (each quarter) 3. Existence of OHS expert on the OHS structure known by Manpower Agency. 4. Consistency of test and monitoring over the boiler regularly. 5. Job opportunity for the locals. 6. Consistency of the compliance over the status of temporary daily workers (maintenance) and permanent daily workers (harvesters). 7. Consistency over the provision and distribution of PPE as well as implementation including the regular socialization. 8. Implementation of regular medical check up conducted by Hyperkes. 	<p>Consistency of the implementation and compliance over the manpower law.</p> <ol style="list-style-type: none"> 1. PT. APS keep complying the manpower law by consistently paying wage based on minimum wage standard for workers and registering all workers to be member of BPJS, hiring doctor and OHS expert for the company, implementing permits of the equipments used by, implementing OHS Guiding Committee at PT APS unit. 2. PT. APS shall compose the manpower report to the agency regularly. 3. PT. APS shall always hiring OHS expert as the attempt of monitoring over the environment OHS within the unit of PT APS and register it to Manpower Agency. 4. Test and monitoring over the boiler is conducted by the district Manpower Agency regularly (annually). 5. The company shall announce the job opportunity based on the need of the company whether as temporary or permanent workers. The company has recruited the locals. However, for the job need competence, it shall requires the skill. 6. Progress of promotion for the permanent daily 	<ol style="list-style-type: none"> 1. According to the result of document verification, the company has complied and implemented minimum wage standard, insurance and OHS Guiding Committee based on the applied law. 2. According to the result of document verification, the company has had OHS expert as OHS Guiding Committee secretary and has it reported routinely (each quarter). 3. According to the result of document verification, the company has monitored the boiler routinely. 4. According to the result of interview with the locals, the company has given job opportunity. 5. According to the result of document verification, the company has implemented law in term of manpower. For example, the promotion of temporary period employee to permanent period employee. 6. According to the result of field observation and document review, all employees have received PPE based on their station. 7. According to the result of document verification, the company has held regular medical check

	<p>workers for maintenance and harvest job have been adjusted with the need of the company and the term of the Manpower Agency.</p> <p>7. The system of PPE replacement is based on the PPE matrix. The loss or broken PPE caused by employee becomes the responsibility of the employee to replace it. The socialization of PPE function has been held.</p> <p>8. The regular medical check up is held annually for the workers who deal with chemicals and production process.</p>	up.
<p>Banyuasin District Forestry and Manpower Agency Head of Division of Business and Organization</p> <ol style="list-style-type: none"> The company has reported the report of plantation business progress routinely (each quarter). PT. APS estate class is class II and the company has obligation to report the plantation business progress in each quarter. The company has established village estate for 4 Ha in Meranti Village for improving the economy of the locals. The proposal for plantation business permit for cultivation for palm oil estate is being processed. It needs only the signing of Banyuasing Regent. The additional area for ± 277.6 Ha beyond the Land Use Title (HGU) is being processed for the location permit and the plantation business permit as the requirements to process the Land Use Title. 	<ol style="list-style-type: none"> The company shall report the plantation business progress to the agency consistently. The company shall compose and report the plantation business progress to the agency routinely (each quarter). The 4 Ha of land for the village estate is managed by the locals and some of the area has been used for constructing school. The assessment of estate class for PT. APS has been signed by Banyuasin Regent in estate class II. The area beyond Land Use Title has been kicked out of the hectare statement of PT APS operational. 	<ol style="list-style-type: none"> According to the result of document verification, the company has reported the plantation business progress routinely. Furthermore, it got estate class II. The auditor team has verified the 277.6 Ha of land. It has been kicked out of the area statement and now it has been managed by the locals.

Banyuasin District Environment Agency 1. PT. APS has reported the execution of environmental management and monitoring effort in 2nd semester of 2013 and in 1st semester of 2014. 2. PT. APS has reported the hazardous waste management to the environment agency routinely (each quarter). 3. PT. APS must ensure the effluent management whether it uses effluent disposal permit or Land Application permit. The Regent shall only grant one of the two permits. 4. PT. APS did not get the LA permit. The Regent shall grant LA permit once PT APS get environment permit and update of environmental management and monitoring effort. 5. PT. APS is able to improve the performance of WWTP. According to the result of the latest field visit, the WWTP ponds were visually shallow. Rain shall make it overflow.	1. The document of environmental management and monitoring effort has been consistently reported to the associated agency. 2. The document of environmental management and monitoring effort has been consistently reported to the associated agency. 3. According to the permit from Banyuasin Regent, the LA permit for PT APS was granted on May 4th 2015. 4. LA permit has been granted on May 4th 2015. 5. PT APS has excavated the sedimentation on the WWTP ponds on January 2015.	1. According to the result of document verification, the company has reported implementation of environmental management and monitoring plan consistently to Environment Agency. 2. According to the document verification, the LA permit is being processed. 3. The condition of WWTP shall be verified on ASA-1 program.
Banyuasin District National Land Agency 1. PT APS has gotten Land Use Title (HGU) No. 2 year 1992 for 1,272 ha. 2. According to the re-measurement conducted by the National Land Agency team and the associated agency when converting the commodity (rubber to palm oil), the were additional \pm 277.6 Ha area. PT. APS was suggested to process the Land Use Title (HGU) of the area.	1. PT. APS operational is in line with the hectareage of Land Use Title (HGU). 2. The area beyond Land Use Title (HGU) is now kicked out of the hectare statement of APS operational.	1. According to the result of document verification, the hectareage of Land Use Title (HGU) for PT APS is 1,272 ha. 2. The auditor team has verified the land hectareage for 277.6 ha. It has been kicked out of the area statement and have been managed by the locals.
Teluk Betung Village (Chief and Secretary of Village) The company's operational triggered the economy development for Teluk Betung Village. The contribution of the company on CSR program like the assistance for mosque renovation on Tengguleng Aspiration: description of the company operational boundary.	The company operational boundary area are: - North: Teluk Betung Village - South: Meranti Village - East: Meranti Village and Banjar Sari Village - West: Meranti Village and Senda Mukti Village	According to the result of document verification, PT APS has realized CSR in several aspects like infrastructure, economy, spiritual and others. The company need to hold socialization to the locals and it shall be verified for next.

<p>Meranti Village (Village Government Apparatus and Community Figure)</p> <p>The company's operational triggered the economy development by recruiting the locals. There were several assistances such as road maintenance, place of worship renovation, etc.</p> <p>Aspiration: Realization of clean water facility for the locals whose the springs within the estate operational area.</p>	<p>Realization of clean water facility for the locals has been proposed to the management.</p>	<p>According to the result of document verification, PT APS has realized CSR programs in several aspects like infrastructure, economy, spiritual and others.</p> <p>According to the result of field visit to the springs, the company need to improve the riparian area management.</p>
<p>Board of Cooperative Unit (Head of Cooperative Unit)</p> <p>The operational of cooperative unit is now running well despite the number of employee who become the member is still at the bottom. It is caused by the mass resign from the cooperative unit membership.</p>	<p>The cooperative unit at estate unit shall be developed to improve the employees economy condition.</p>	<p>The company has facilitated the employees to form cooperative unit.</p>
<p>Local Contractor – (M. Ataini)</p> <p>The relation between the company and the locals runs well. The company always give the small and middle scale project for the local contractor.</p>	<p>This is purposed to improve the economy of the locals.</p>	<p>According to the result of document verification, the company has participated to improve the local business.</p>
<p>Labour Union (Estate and POM)</p> <p>There is a good relation between the labour union and the company. It is supported by the freedom for workers to form labour union.</p>	<p>According to the manpower law, the company always support the existence of labour union and comply the agreement written on the collective labour agreement.</p>	<p>The company has given opportunity for the workers to gather and unite based on the law.</p>
<p>Gender Committee</p> <p>The company has implemented the reproduction right protection for the women workers.</p>	<p>The company committed to support the reproduction right protection for the women workers based on the company's policy.</p>	<p>According to the result of document verification, the company has facilitated the forming of gender committee and all the programs.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<p>Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.</p> <p>Signed on behalf of:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;"> <p>Company Name Management Representative (Position)</p> <p></p> <p><u>Alfat Agus Salim</u> Wednesday, 12 August 2015</p> </td> <td style="width: 50%; text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p> <p></p> <p><u>Trismadi Nurbayuto</u> Wednesday, 12 August 2015</p> </td> </tr> </table>	<p>Company Name Management Representative (Position)</p> <p></p> <p><u>Alfat Agus Salim</u> Wednesday, 12 August 2015</p>	<p>Mutuagung Lestari Lead Auditor</p> <p></p> <p><u>Trismadi Nurbayuto</u> Wednesday, 12 August 2015</p>
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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	Labour Department, District of Banyuasin, South Sumatera Province (Head of Inspection and superintendence Work Environment Division)	District of Banyuasin, South Sumatera Province	-	Interview	12 November 2014	√	
2	Forestry and Plantation Department, District of Banyuasin, South Sumatera Province (Head of Institutional and Business Division)	District of Banyuasin, South Sumatera Province	-	Interview	12 November 2014	√	
3	Land Agencies, District of Banyuasin, South Sumatera Province (Head of Sub Division Land Stewardship and specific areas)	District of Banyuasin, South Sumatera Province	-	Interview	12 November 2014	√	
4	Environment Agencies, District of Banyuasin, South Sumatera Province (Head of Environment Inspection Division)	District of Banyuasin, South Sumatera Province	-	Interview	12 November 2014	√	
5	Teluk Betung Village (Head and Secretary of Village)	District of Banyuasin, South Sumatera Province	-	Interview	12 November 2014	√	
6	Meranti Village (Community Figure)	District of Banyuasin, South Sumatera Province	-	Interview	12 November 2014	√	
7	Local Contractor (M. Ataini)	District of Banyuasin, South Sumatera Province	-	Interview	12 November 2014	√	
8	Labour Union	District of Banyuasin, South Sumatera Province	-	Interview	12 November 2014	√	

9	Gender Committee	District of Banyuasin, South Sumatera Province	-	Interview	12 November 2014	√	
10.	Sawit Wach	-	info@sawitwach.or.id	sending questioner	5 November 2015		√
11	WWF	-	Wwf-indonesia@wwf.or.id	sending questioner	5 November 2015		√
12	Wahan Bumi Hijau	-	admin@wbh.or.id	sending questioner	5 November 2015		√
13	Yayasan Wira Bakti Utama	-	Ywbu_plg@telkom.net	sending questioner	5 November 2015		√

Appendix 2. Assessment Program

DATE / TANGGAL		11 - 14 November 2014	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Tuesday, 11 November 2014			
06.00 – 07.00	06.00 – 07.00	JAKARTA → PALEMBANG	• TN / MES / EH / PH
08.00 – 11.00	08.00 – 11.00	LEGALITY DOCUMENT IN REGIONAL OFFICE	• MES
08.00 - 14.00	08.00 - 14.00	PALEMBANG → PT.APS	• TN / EH / PH
14.00 – 14.30	14.00 – 14.30	Opening Meeting	• TN / EH / PH
14.30 – 17.00	14.30 – 17.00	• RSPO document review and Stage-1 Non Compliance Review	• TN / MES / EH / PH
Wednesday, 12 November 2014			
07.30 – 12.00	07.30 – 12.00	Public Consultation with Stakeholders (Government)	• TN / EH
07.30 – 12.00	07.30 – 12.00	Public Consultation with Stakeholders (Local Community, Labour Union and Gender Committee)	• MES / PH
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 17.00	14.00 – 17.00	• Clarification of Public Consultation results • RSPO document review and Stage-1 Non Compliance Review	• TN / MES / EH / PH • TN / MES / EH / PH
Thursday, 13 November 2014			
08.00 – 12.00	08.00 – 12.00	Field Observation to Palindo Sakti Estate • Manuring, Spraying, Harvesting, best agricultural practices • Worker Welfare (payments, complaint mechanism)\ • Hazardous Waste Material (B3) management • Legal operational and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) and • Land Fire facilities, Storage, ect.. APS POM. • WWTP (IPAL), Operational, K3 (OHS), Supply Chain	• MES • EH • TN • PH • TN
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 17.00	14.00 – 17.00	Continue Field Observation to Palindo Sakti Estate and APS POM and field observation clarification	• MES / TN • EH / PH
Friday, 14 November 2014			
08.00 – 11.30	08.00 – 11.30	• Continue checklist and audit finding preparation	• TN / MES / EH / PH

DATE / TANGGAL		11 - 14 November 2014	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 15.00	14.00 – 15.00	Closing Meeting	• TN / MES / EH / PH
15.00 – 18.00	15.00 – 18.00	PT.APS → PALEMBANG → JAKARTA	