

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

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

Name of Management Organisation : Suayap Mill, PT Mitra Mendawai Sejati Subsidiary of PT Sawit Sumbermas Sarana

Plantation Name : PT Mitra Mendawai Sejati, Suayap Estate and Umpang Estate

Location : Runtu and Umpang Village, Sub District of Arut Selatan and Nangamua village, Sub District Arut Utara, District of Kotawaringin Barat, Kalimantan Tengah Province, Indonesia.

Certificate Code : **MUTU-RSPO/101**

Date of Certificate Issue : 27 October 2016 Date of License Issue : 27 October 2017

Date of Certificate Expiry : 26 October 2021 Date of License Expiry : 26 October 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST-2	7, 9 & 12 December 2015	SGS Malaysia Sdn Bhd	-	Nyoman Susila
Major Verification	8 & 11 August 2016	TUV Rheinland Indonesia	-	
ASA-1 (Certificate Transfer)	25 – 30 August 2017	Ardiansyah (Lead Auditor), Arif Faisal Simatupang, Dwi Haryati, Radytio Puspanjana	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1	31 October 2017

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FIGURE

Figure 1. Location Map of PT Mitra Mendawai Sejati

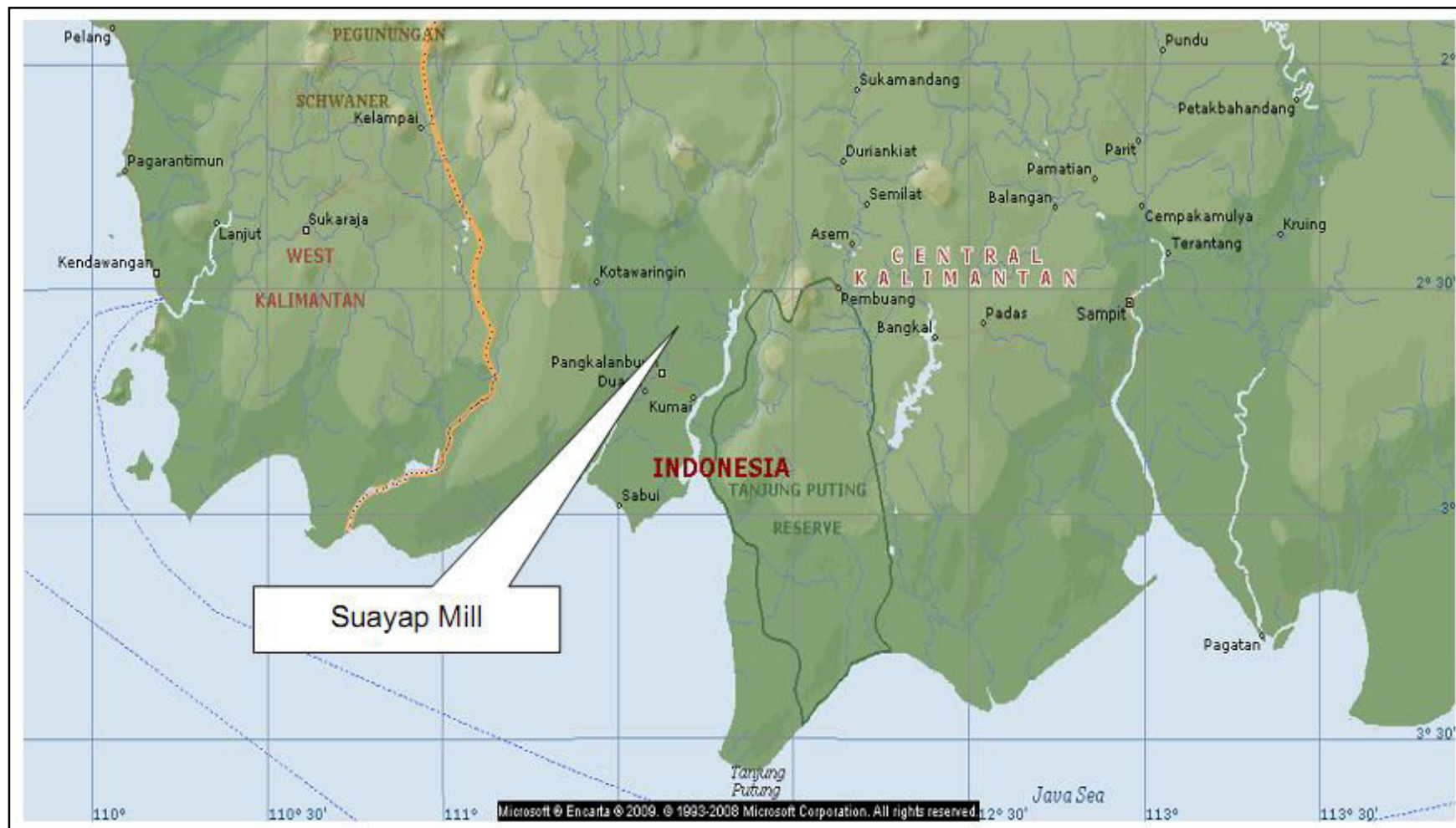
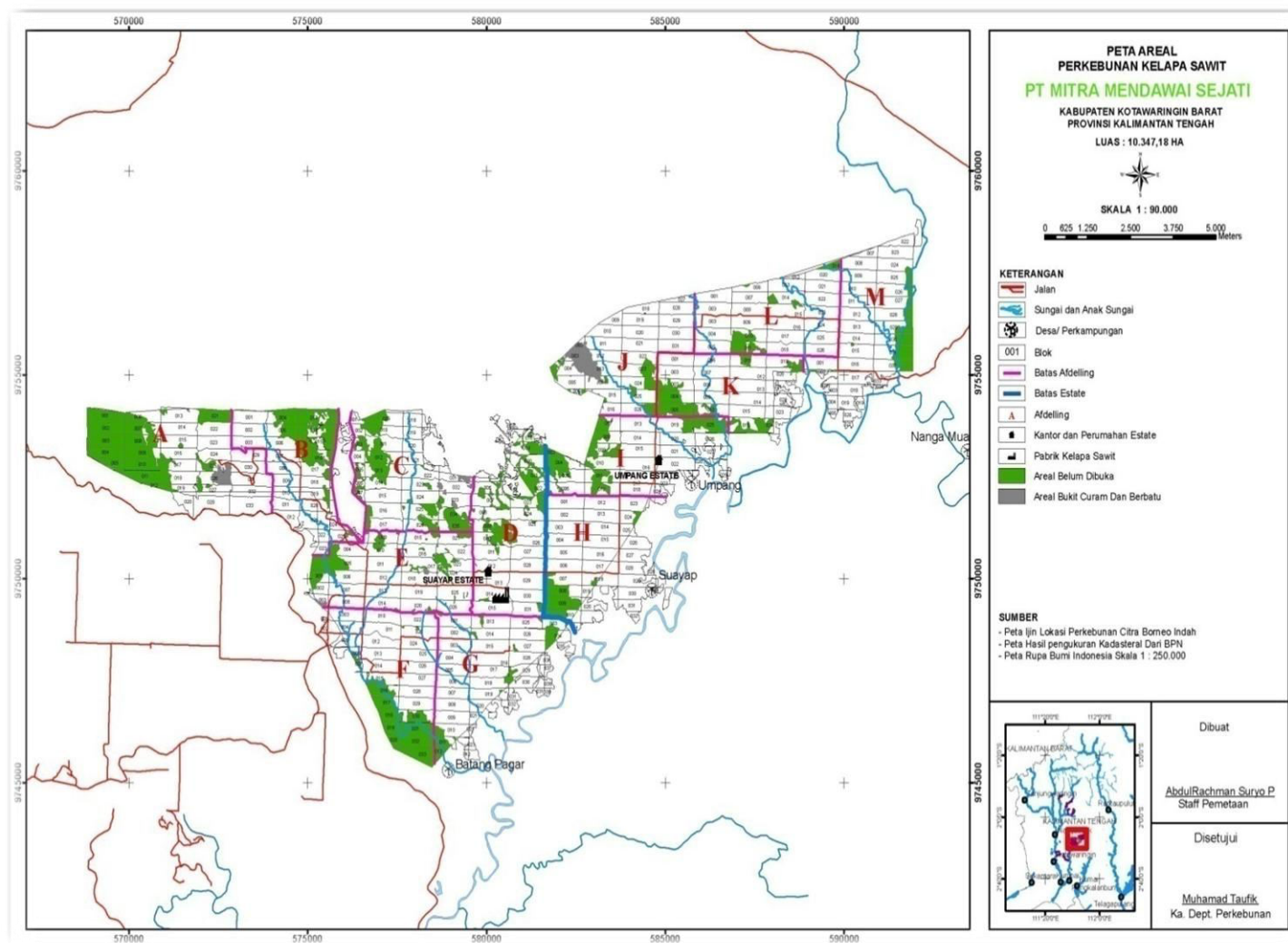


Figure 2. Operational Map of PT PT Mitra Mendawai Sejati – Suayap Mill



Glossary

ASA	: Annual Surveillance Assessment	LSU	: Leaf Sampling Unit
BMP	: Best Management Practices	MMS	: Mitra Mendawai Sejati
BOD	: Biological Oxygen Demand	MSDS	: Material Safety Data Sheet
BPJS	: Workers Social Security Agency	MUTU	: Mutuagung Lestari
BSI	: <i>Bank Sampah Indonesia</i>	NGO	: Non-Government Organisation
CB	: Certification Body	OER	: Oil Extration Rate
CH	: Certificate Holder	OHS	: Occupational Health and Safety
CITES	: Convention, International, Threatened, Endangered Species	OHSAS	: Occupational Health and Safety Assessment Series
CPO	: Crude Palm Oil	P&C	: Principle and Criteria
CSPO	: Certified Sustainable Palm Oil	PIC	: Personel In Charge
CSR	: Corporate Social Responsibility	PK	: Palm Kernel
EFB	: Empty Fruit Bunches	POM	: Palm Oil Mill
EHS	: Environmental, Health and Safety	POME	: Palm Oil Mill Effluent
EIA	: Environmental Impact Assessment	PPE	: Personel Protective Equipment
EMS	: Environmental Management System	P2K3	: <i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee
FFB	: Fresh Fruit Bunches	QHSE	: Quality, Health, Safety and Environmental
FPIC	: Free, Prior and Informed Consent	RKL- RPL	: Enviromental Management and Monitoring Report
GHG	: Green House Gases	RSPO	: Roundtable on Sustainable Palm Oil
HCV	: High Conservation Value	RTE	: Rare, threatened or endangered
HGU	: Hak Guna Usaha (Land Use Title/Right)	SCCS	: Supply Chain Certification System
HIRAC	: Hazard Identification Risk Assessment and Control	SIA	: Social Impact Assessment
HSE	: Health Safety and Environment	SSS	: Sawit Sumbermas Sarana
IPM	: Integrated Pest Management	SPO	: Suistanability Palm Oil
ISCC	: International Susainability and Carbon Certification	SOP	: Standard Operating Procedure
ISO	: International Standard Organisation	SSU	: Soil Sampling Unit
ISPO	: Indonesia Sustainable Palm Oil	WHO	: World Health Organization
IUCN	: International Union for Conservation of Nature	WTP	: Water Treatment Plant
KER	: Kernel Extration Rate	WWTP	: Waste Water Treatment Plant
LUC	: Land Use Change		

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1 Assessment Standard Used			
	<ul style="list-style-type: none">Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016)RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module E for CPO Mill)		
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	PT Mitra Mendawai Sejahtera	
1.2.2	Contact person	Rudi Hendarto	
1.2.3	Organisation address and site address	RSPO Registered Company: Jln. H. Udan Said No. 47 Pangkalanbun Kalimantan Tengah, Indonesia.	
1.2.4	Telephone	+62 532 21 297	
1.2.5	Fax	+62 532 21 297	
1.2.6	E-mail	rudy.hendrarto@citraborneo.co.id	
1.2.7	Web page address	www.ssms.co.id	
1.2.8	Management Representative who completed the application for certification	Rudy Hendarto	
1.2.9	Registered as RSPO member	PT Sawit Sumber Mas Sarana, 1-0111-07-000-00, 18 April 2007	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Suayap Palm Oil Mill, Suayap Estate and Umpang Estate	
1.3.2	Type of certificate	Single Dates of certificate validity were 27 October 2016 until 26 October 2021 issued by TUV Rheinland Indonesia. ASA-1 transfered to PT Mutuagung Lestari on July 2017.	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
	Suayap	Umpang Village, Arut Selatan Sub-ditric, Kotawaringin Barat District, Central Kalimantan Province.	LatitudeLongitude
			S 2° 15' 55"E 111° 43' 23"
1.4.2 Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate
	Suayap	Umpang Village, Arut Selatan Sub-ditric, Kotawaringin Barat District, Central Kalimantan Province.	LatitudeLongitude
			S 2° 15' 36"E 111° 43' 12"

	Umpang	Umpang Village, Arut Selatan Sub-ditrictr, Kotawaringin Barat District, Central Kalimantan Province.	S 2° 14' 07"	E 111° 45' 46"			
1.5 Description of Area Statement							
1.5.1	Tenure						
	• State		8,921.38 Ha				
	• Community		- Ha				
1.5.2	Area Statement						
	• Total area		8,921.38 Ha				
	• Mature area		7,177.95 Ha				
	• Immature area		- Ha				
	• Emplasmment		30.82 Ha				
	• Swamp / Rocky Area (HCV)*		815.17 Ha				
	• Mill		20.22 Ha				
	• Unreleased area		2.91 Ha				
	• reserve area		874.31 Ha				
1.6 Planting Year and Cycles							
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Suayap Estate	Umpang Estate	Total			
	2005	497.51	-	497.51			
	2006	1,159.07	-	1,159.07			
	2007	1,359.46	1,158.47	2,517.92			
	2008	762.54	1,678.61	2,441.15			
	2009	51.21	491.19	542.40			
	2010	-	19,90	19.90			
	TOTAL	3,829.79	3,348.16	7,177.95			
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		1 st Cycle				
1.7 Description of Mill and Supply Base							
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFBProcessed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Suayap	45	243,731.82	58,232.48	23.93	10,764.96	4.42
	* Source: Production data from August 2016 – July 2017						

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)	%
	Suayap	5,081.26	3,829.79	93,142.23	23.91	92,447.68	99.3
	Umpang	3,840.12	3,348.16	73,272.59	21.89	73,272.59	100
	TOTAL	8,921.38	7,177.95	166,414.82	22.97	165,750.27	99.6
	* Source: Production data from August 2016 – July 2017						
1.7.3	FFB description from other source						
	Name of sources/ Organisation (RSPO certified / non-certified)		Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill	
						FFB (tonnes/year)	
	Sulung Estate, PT Sawit Sumbermas Sarana (Certified RSPO)		-	-	3,268.30	77,981.55	
	TOTAL					77,981.55	
	* Source: Production data from August 2016 – July 2017						
	* Mill will received FFB from non certified area since 12 September 2017						
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 27 October 2016 to 26 October 2017 (tonnes/year)		Actual certified product 27 October 2016 to 24 August 2017 (tonnes/year)	
	• FFB Production			352,710.269		207,083.450	
	• CPO Production			52,982.984		49,511.505	
	• Palm Kernel (PK) Production			9,521.940		9,050.789	
1.8.2	Product selling						
	Tonnage of selling product			Actual selling product period 27 October 2017 until 24 August 2017 (Ton)			
	• CSPO			16,000			
	• CSPK			-			
	• CPO under other scheme trading (e.g ISCC, RFS)			-			
	• CPO under conventional trading (if any)			27,614.050			
	• PK under other scheme			-			
	• PK under conventional trading (if any)			8,341.350			
1.8.3	Estimate of Certified FFB Claim						
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/ year)	Yield (tonnes/ha/year)		
	Suayap	5,081.26	3,829.79	95,745	25.0		
	Umpang	3,840.12	3,348.16	77,008	23.0		
	TOTAL	8,921.38	7,177.95	172,752	24.0		
		*Projected FFB production for 27 October 2017 – 26 October 2018					

1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Model
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Suayap	45	172,752	41,460	24.0	7,774	4.5	MB
<i>*Projected production for 27 October 2017 – 26 October 2018</i>								
1.9 Other Certifications								
	ISO 9001:2004 which valid 25 October 2011 until 25 October 2017							
	ISO 14001:2004 which valid 19 October 2014 until 19 October 2017							
	ISO 18001:2004 which valid 19 October 2014 until 19 October 2017							
1.10 Time Bound Plan								
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time bound						
	Sulung (PT SSS)	2013	Sulung	2013	Kotawaringin Barat District, Kalimantan Tengah Province	Certified		
			Kenambui	2013		Certified		
			Rangda	2013		Certified		
			Pulau	2013		Certified		
	Selangkun (PT SSS)	2015	Selangkun	2015	Kotawaringin Barat District, Kalimantan Tengah Province	Certified		
			Rungun	2015		Certified		
			Kondang	2015		Certified		
	Suayap (PT MMS)	2016	Suayap	2016	Kotawaringin Barat District, Kalimantan Tengah Province	Certified		
			Umpang	2016		Certified		
	Natai Baru (PT KSA)	2018	Natai Baru	2018	Kotawaringin Barat District, Kalimantan Tengah Province	-		
	Malata (PT TSA)	2018	Malata	2018	Lamandau District, Kalimantan Tengah Province	-		
			Nanuah	2018		-		
			Sungai Bulik	2018		-		
	Nagakiu (PT SMU)	2018	Nanga Kiu	2018	Lamandau District, Kalimantan Tengah Province	-		
			Sepondam			-		
			Pedongatan			-		
			Merambang			-		
	-	-	Sumber Cahaya (PT. Mirza Pratama Putra)	2018	Lamandau District, Kalimantan Tengah Province	-		
	-	-	PT. Menteng Kencana Mas: <ul style="list-style-type: none">• Badirih Estate• Kanamit Estate• Bahaur Estate	2018	Pulang Pisau District, Kalimantan Tengah Province	-		

	-	-	Uncertified Area of Selangkun Estate (62.85 Ha)	2020	Kotawaringin Barat District, Kalimantan Tengah Province	-
	<i>Source TBP: Area of Plantation Managed in Holding PT Mitra Mendawai Sejahtera Tbk – 1 June 2017</i>					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	Suayap Mill receive FFB from own estate and sister company. All supply base has been RSPO Certified.					

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ASA-1	<p>1. Ardiansyah (Lead Auditor). Indonesian citizen, Bachelor of Forest Resources Conservation, Department of Forestry. Had work experience in Environmental NGO for 6 month (2007) and consultant for making EIA Document and KLHS for 3 years (2009 – 2012). Had attend training such as RSPO Lead Auditor course, Lead Auditor ISPO, OHSAS (SIO 18001 – 2007), land cover crop mapping and Management System Certification (ISO 9001-2008), Environmental Management System Certification (ISO 14001-2004), Social Auditing and Conflict Resolution. Had many times following audit activities related to sustainable palm oil certification system which is ISPO as an auditor since 2012 for legal, environmental aspect, conservation and social. Fluent in bahasa and malay. At the time of audit, has verify aspect of Legality, SCCS and Land Dispute.</p> <p>2. Arif Faisal Simatupang (Auditor). Bachelor of Agriculture from the Department of Agricultural Cultivation Agronomy Program, Faculty of Agriculture, University of Gadjah Mada. He has attended the Training of Indonesian Sustainable Palm Oil Auditor (ISPO), Quality Management System Certification Training (ISO 9001-2008), Environmental Management System Certification Training (ISO 14001-2005), Awareness ISO 17021 and ISO 17065 and High Conservation Value (HCV). He has 4 years working experience as a plantation operations staff at a private oil palm plantation company in Indonesia. At the time of audit, has verify aspect of transparency, social and worker welfare.</p> <p>3. Dwi Haryati (Auditor). Indonesian citizens. Bachelor of Agriculture Department of Agriculture – Program study : Agronomy. Has experience on Palm Oil Plantation as Sustainability staff. Training have been followed : Training Auditor ISPO, Quality Management ISO 9001-2008, ISO 14001 Environmental Management, ISO 17021 & 17065, HCV, General Health Safety Expert, Health Safety Management System, Workshop GHG by the ISPO Commission, IHT Palm Oil Mill Processing, Awareness RSPO, IHT Best Practice in Peat Management, Mapping Potential and Conflict Resolution in Production Forest. RSPO audit experience since March 2015 and ISPO since May 2014. At the time of audit, has verify aspect of long term plan, OHS and BMP.</p> <p>4. Radytio Puspanjana ((Auditor Trainee). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT Hight Conservation Value, IHT Environmental Impact Assesment, IHTGreen House Gas and RSPO Awareness In House Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. At the time of audit, has verify aspect of HCV and Environment.</p>
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1	Figure of person days to implement assessment
ASA-1	<p>Number of auditors : 3 auditor and 1 trainee auditor</p> <p>Number of days for ASA-1 at site: 6 days</p> <p>Number of working days for ASA-1 at site : 18 Working days</p>
2.2.2	Assessment Process
ASA-1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Mitra Mendawai Sejati the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module E for CPO Mill)</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) 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.</p> <p>Some opportunities for improvement of the results ASA-1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-2).</p>

	Improvement of findings from surveillance assesment findings were observed by auditors at this ASA-1 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	Location of Assessment
ASA-1	<p>The number of management units of this activity consists of four estates that supply material FFB to the Suayap Mill. In conducting the assessment, auditor team using formula $0.8 \sqrt{y}$ to determine the sample of and consider the issue of problems arising from the stakeholders as fundamentaly and critical. Based on this formula, the team of auditors determine the location of sample is 1 unit mill, 2 estates (Umpang Estate and Suayap Estate).</p> <p>Suayap Mill</p> <ol style="list-style-type: none"> 1. Weigh Bridge. Observation and interview with Weigh Berridge Operator towards FFB reception, product delivery, training/socialization, weigh device callibraton and OHS. 2. Security. Observation and interview with key personnel related to implementation of Supply Chain Requirement 3. Grading Station. Observation and interview with key personnel related to implementation of FFB grading system, employment and OHS aspect. 4. Process Station. Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare. 5. Boiler Station. Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare. 6. Engine Room Station. Observation and interview with operator related to the efficiency of fuel utilization, personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare. 7. Workshop. Observation and interview with mechanic and welder related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, waste management, medical examination, trainings from company and worker welfare. 8. Chemical material warehouse. Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health. 9. WTP. Observations and interviews related to water management, recording of water use, health checks, PPE and waste management. 10. Mill Drainage. Observations mill effluent lines, sanitation mill and flow of leaching mill. 11. Hazardous waste temporary warehouse. Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse. 12. Solid Waste. Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill. 13. WWTP. Observation of the condition of wastewater management. 14. Water source. Observation of the condition of water source management and monitoring. <p>Umpang Estate</p> <ol style="list-style-type: none"> 15. Block U10, Afd L (HCV). Observation the implementation of management in HCV area in form of riparian of Kelalai River. 16. Block P13/14, Afd K (HCV). Observation the implementation of management in HCV area in form of forest area called Bukit Gadung. 17. Block T7/8, Afd L (HCV). Observation the implementation of management in HCV area in form of water catchement called "Embung". 18. Block Q14, Afd K. Observation the areal that not cleared/ owned by community. 19. Block M22, Afd D. Observation the conditions and position of legal boundary MMS 45. 20. Block M16, Afd D. Observation the conditions and position of legal boundary MMS 50. 21. Block S13, Afd K (harvesting). Observation of procedure application related fruit ripeness, safe working practices and interview about worker welfare. 22. Block P11, Afd K (EFB application). Observations related to EFB aplication prosedur, Health safety and labor

- management.
23. **Block P21, Afd L (Erosion stakes).** observation the monitoring of erosion in slope area using erosion stakes and interview with assistant head related to how monitoring the erosion.
 24. **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
 25. **Generator room number 6.** Observation and interview with clerk related to generator system, engine capacity, and possible occurrence of spills to environment, PPE dan Health safety and labor management.
 26. **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
 27. **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
 28. **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
 29. **Housing Complex (Afdeling M).** Field observations and interviews related to workers facility, electricity, domestic waste, sources of fresh water and socialization of company policy.
 30. **Body shower of spraying team (afdeling M).** Observation the conditions body shower room and PPE handling.
 31. **PPE pesticide spraying and ex-pesticide container wash place (afdeling M).** Observation the equipment PPE washing and hazardous waste management.
 32. **Water source.** Observation of the condition of water source management and monitoring.
 33. **Daycare.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, daycares, school, employment and interview related complaint mechanism.
 34. **Land fill Afdeling I.** Observations related to the implementation procedures of domestic waste bins and disposal site is about 5 kilometers from the settlement.
- Suayap Estate:**
35. **Block Q16, Afd I.** Observation the conditions and position of legal boundary MMS 102.
 36. **Block Q16, Afd I.** . Observation the conditions and position of legal boundary MMS 103.
 37. **Block L30-31, Afd D.** Observation the land application area and monitoring well
 38. **Block K33, Block G16 and G19 (EFB Application).** Observations related to EFB application prosedur, Health safety and labor management.
 39. **Block L33, Afd G (landfill).** Observation the management of domestic waste from housing complex.
 40. **Block M30, Afd D.** Observation the use of boiler ash.
 41. **Agrochemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
 42. **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
 43. **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
 44. **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
 45. **Fuel station.** Observation the management fuel and contaminant container.
 46. **Block B13 (HCV).** Observation the management to protect water spring.
 47. **Block G24 (HCV).** Observations related to the management of HCV area in form of Sintang riparian.
 48. **Block I30, Afd E (harvesting).** Observation of procedure application related harvesting, fruit ripeness, safe working practices and interview about worker welfare.
 49. **Block L38, Afd G (Pestiside Spraying).** Observation on safe working practices and interview with the spraying team related type of pesticides use according to the procedure and also worker welfare.
 50. **Block L28, Afd D (Manuring).** Observation on safe working practices and interview related type of fertilizer use according to the procedure and also worker welfare.
 51. **Block L28, Afd D (FFB Trasport).** Interview related to OHS and worker welfare.
 52. **Block K32, Afd G (barn owl nest).** To check nest condition and the occupation by owl.
 53. **Housing of Suayap Estate.** Observation and interview with residents related to employee facilities, management of domestic waste, emergency response facilities, provision of clean water and electricity.
 54. **Clinic.** Observation and interview with paramedic related to first aid mechanism, medical waste management and work accident record monitoring.

	Stakeholder Consultation 55. Surrounding communities (Umpang Village). Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities. 56. Government Institutions of Kotawaringin Barat Districts (Environmental Agency, Manpower Agency and Plantation Agency). Interviews related to regulatory compliance, the issue of environmental pollution, land conflict issue and company contributions to the area.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1	Consultation of stakeholders for PT Mitra Mendawai Sejati held by: 1. Public announcement at web www.mutucertification.com on 18 August 2017. 2. Public consultation with government agencies of Kotawaringin Barat district (Plantation agency, Environmental agency) on 22 August 2017. 3. Public consultation by interview with locals of the nearby village (Umpang Village) on 26 August 2017. 4. Consultation meeting and interview with Internal Stakeholder (labour union, worker cooperative and gender committee and local contractor) on 26 August 2017. 5. Consultation with NGO (Jikalahari and Sawit Watch) via email on 18 Agustus 2017. Numbers of input from stakeholders were clarified by PT Mitra Mendawai Sejati
2.3.2	Stakeholder contacted
ASA-1	<i>Please find appendix 1</i>
2.4	2.5 Determining Next Assessment
ASA-1	The next visit (ASA-2) will be determined at least 12 months after this ASA-1 (<i>Agustus 2018</i>).

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Suayap Mill – PT Mitra Mendawai Sejati operation consisting of one (1) mill and three (2) oil palm estates.

During the assessment, there was 1 Nonconformity assigned against Major Compliance Indicator; 2 Minor Noncompliance Indicators and there were two (2) opportunity for improvement were identified.

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

MUTUAGUNG LESTARI found that Suayap Mill – PT Mitra Mendawai Sejati complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module E for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is Maintained.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
1.1.1, 1.1.2 Certificate holder has procedure for the provision of information in procedure of communication, participation and consultation of environment and OHS (No. SOP-EHS.GN-006). The procedure regulates the provision/request of public information by email, phone, fax or directly coming to the Head Office, the request communicated to Group Manager to approve or disapprove it. Response over the request of public information is by completing the data of information request. The response over the information request should be given within 10 days since the information request received by. It is responsibility in entire department. The information request is maintained for a year. Based on document review and interviews with officials of Umpang Village, the procedure has been socialized. Stakeholders already known the communication PIC, and no obstacles in dealing with the company. In period of 2016 to July 2017, there is no incoming information request. However the certificate holder has submitted mandatory reports regularly to the related agencies such as employment report, environment management report, and plantation development report.		
	Status: Comply	
1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.		
1.2.1 The type of publicly accessible document is available in the procedure related to provision of information to outside parties (No. SOP-CS.GN-001) passed on 1 December 2015 by the President Director. In the procedure explained that the provision of information to the public can be done through direct visits to the field, or review the documentation at the headquarters or representatives. Response to an information request within 10 days of receipt of the request for such information.		
In the document, the list of accessible informations covers relevant legal, social and environmental aspects related to		

sustainability. These documents include, land certificates, OHS plans, environmental and social impact plans and assessments, HCV documentation, pollution prevention and reduction plans, complaints, negotiation procedures, continuous improvement plans, public summary reports on certification assessment, and also human rights policy. Based on interviews with officials of Umpang Village, they area already know the types of documents accessible to the public.

Status: Comply

1.3

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

1.3.1

Commitment of code of integrity and ethical behavior is contained in Directors Decree (No. 002/SSS-DIR/SKD/IV/2017) dated 1 April 2017 related to human rights policy. It is explained that the policies and commitments related to human rights and corporate ethical behavior apply to internal behavior as well as to external party. The human rights policy includes transparency, no forced labor, discrimination of gender, religion and ethnic, sexual orientation or disability, and guarantee of reproductive rights and freedom of union.

Based on interviews with employees at Suayap Mill, Suayap Estate and Umpang Estate, contractor of FFB transport at Umpang Estate, and Gender Committee it is known that the certificate holder's human rights policy has been socialized and understood by workers and contractors, and there is no incidents of human rights violations.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

2.1.1 & 2.1.2

The Certificate Holder has document of compliance with relevant legal requirements in form of "*Matriks Identifikasi dan Evaluasi Peraturan*". This matrix informs about objects, related rules, chapters, clauses, regulatory descriptions, fulfillment parameters, current compliance, follow-up and responsibility. Those documents has prepared by QHSE department and kept in every management unit (mill and estates). Based on the latest update of "*Matriks Identifikasi dan Evaluasi Peraturan*" is known that there are 18 biodiversity regulation, 8 fires regulation, 8 EIA regulation, 12 workers regulation, 63 OHS regulations, 23 water regulations, 9 air regulations, 8 soil regulations, 22 hazardous waste regulations, 7 BMP regulations, 2 energy regulations, 1 CSR regulation, 7 environment regulations, 4 land regulations and 17 others regulations. CH has shown compliance with the regulatory such as:

- Compliance with possession of a document related to EIA (Environmental Impact Analyst) and reporting RKL-RPL periodically to the government agency. Complied with UU Number 32 year 2009.
- Has a temporary storage hazardous wastes and reported the waste balance refers to PP No.101 Tahun 2014.
- Land preparation without burning and has the infrastructure in fire anticipation, according to Permentan Number. 26 of 2007 section 15.
- Compliance with the permit to utilization effluent. According to Decree of regent Kotawaringin Barat district Number. No. 660/45/BLH.IV/LA/IX/2015
- Has had land use title
- Has had business permit
- Has had environmental permit

2.1.3; 2.1.4

In accordance with the Manual of Environmental Management System, Occupational Health and Safety No. Doc: SOP-EHS.GN-003, internal audit activities are conducted once per year. Internal audits are not specific to legal requirements alone, but the entire RSPO standard. The internal audit is department sustainability consisting of QHSE division, Legal, Social.

The Suayap Mill management unit show the PT MMS Risk Based Audit Operations Audit Report. The checking date is 15 - 26 May 2017. The audit team consists of a head internal audit and audit team consisting of 3 auditors. The purpose of

the examination is to evaluate the feasibility of the system, procedures, data and reports and provide recommendations for improvement in the field of administration and operational control.

The Suayap Estate management unit has received an internal assessment from the Internal audit department. The examination of Suayap Estate performance and productivity for the period of August 2016 - January 2017 conducted on 6-16 February 2017. Examination includes document evaluation, field observation, inquiries to related estate officials as well as other systematic and regular approaches to evaluating data and information development.

Status: Comply

2.2

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

2.2.1

CH has had the land rights in the form of Land Use Title (HGU) for an area of 8,921.38 hectares which consist of 2 certificate HGU. Based on document review and field visit known that management unit has manage a area of 8,921.38 Ha consist of 7,177.95 Ha planted area; 877.21 Ha reserve area; 51.05 Ha supporting facilities and 815.17 Ha conservation area. Interview with communities and government agencies is known that the CH did not conduct expansion the operation area since last assessment (2015).

2.2.2

Management unit has had list and map of boundry stone from National Land Agency. Based on the data, there are 155 boundary stones in PT MMS. Management unit have conducted monitoring and maintenance of boundary stone every six month. The monitoring results for 2016 – 2017 showed that not all boundary stones in PT MMS can be install, because some boundary stones in rocky area and swamp area.

Field visit in PT MMS showed that Boundary stone MMS 45, MMS 50, MMS 102 and MMS 103 are well-maintained and the pole position is meet with the coordinate. Besides that, CH also maintaining road as part of boundary marker. Based on verification **NC No. 2-2015 is closed.**

2.2.3; 2.2.4 & 2.2.5

The consultation results with community (Umpang Villange) is known that there was no dispute / conflict of land between the companies and communities for period 2016 – 2017. Field visit and document review also shows that there was no dispute / land conflict in operation area of CH for period 2016 – 2017. The The company has had procedure for conflict resolution which stated that the resolution involve the stakeholder.

2.2.6

PT SSS as parent company of PT MMS has had policy in form of Director Decree which stated "The company didn't Use of Violence. Consultation with the stakeholders (Umpang Village), there is no indicate that the company use the mercenary/paramiliter in operation area.

Status: Comply

2.3

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

2.3.1; 2.3.2; 2.3.3 & 2.3.4

CH has had SOP that explain related to FPIC consist of Land Acquisition SOP, Land Clearing SOP and Land Resolution Conflict SOP. The results of the interview note that the company's compensation process has been completed in 2013. All documents of compensation are kept by the legal section.

Document review, field visit and interview shows that since the last assessment (2016), the company does not perform land expansion.

Status: Comply

PRINCIPLE #3 Commitment to long-term economic and financial viability		
3.1		
There is an implemented management plan that aims to achieve long term economic and financial viability.		
3.1.1		
<p>Certificate holder has a work plan in the Long Term Business Plan period 2017 to 2021. The document describes projections each year of hectare statement, production (FFB, CPO, PK), production cost, CPO yield, price, profit and loss calculation.</p> <p>Based on a document review of survey documents and semi-detailed land evaluation of PT MMS Suayap Estate, the area which is a peat Typi haplosapric, has a maximum area of 10 ha with distribution at some spot (spot) which is a low area, so there is no water management in the area.</p> <p>Field visits on peat area at Suayap Estate, in the block F26 Afdeling F and block 06 afdeling 05 is known peat area is (peat moss) with peat thickness 0 - 25 cm in lowland area located in the basin and surrounded by higher ground surface .</p> <p>The document is evaluated annually in annual management meetings such as the Monthly Plantation Progress Working Meeting for the Period of June 2017 (Regional Operation Meeting).</p>		
3.1.2		
<p>The company does not yet have a long term plan for replanting because the age of the oldest plant is 12 years with a plant cycle plan of about 25 years. The annual management meeting will evaluate the possibility of replanting before the age of 25 due to factors of production, disease and other factors.</p>		
	Status: Comply	
PRINCIPLE #4 Use of appropriate best practices by growers and millers		
4.1		
Operating procedures are appropriately documented and consistently implemented and monitored.		
4.1.1		
<p>Certificate holder has a quality management system procedure under the name of Controlled Document Master List. The procedures of estate consist of land clearing, nursery, planting, upkeep, integrated pest management, harvesting and administration. Furthermore the procedures of mill consist of FFB receipt, sortation, processing, waste management, effluent analysis, FFB quality analysis, oil control and kernel losses, as well as despatch. These procedures have been relevant and have covered all the operational aspects of existing plantations and factories. SOPs are stored in each unit (estate and mill) and available in Bahasa. Based on field observations at grading work of Suayap Mill, harvest work at Suayap Estate, and Umpang Estate it was observed that the procedures were understood and applied in every work unit in the estate and factory.</p>		
4.1.2, 4.1.3		
<p>In accordance with the Manual of Environmental Management System, Occupational Health and Safety No. Doc: SOP-EHS.GN-003, internal audit activities are conducted once per year. Internal audits are not specific to legal requirements alone, but the entire RSPO standard. The internal audit is department sustainability consisting of QHSE division, Legal, Social.</p> <p>CH show the Audit Operations Report when the last audit conduct on May 2017 for mill and February 2017 for estate. The audit team consists of a head internal audit and audit team consisting of 3 auditors. The purpose of the assessment is to evaluate the feasibility of the system, procedures, data, reports and provide recommendations for improvement in the field of administration and operational control.</p>		
4.1.4		
<p>Suayap Mill has record the origins of all FFB source. The result of field visit, document review and interview with the management, known there is FFB sourced from sister company which is PT Sawit Sumbermas Sarana.</p>		
	Status: Comply	

4.2

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

4.2.1 & 4.2.3

Certificate holder has guidelines on soil fertility management are included in the Palm Oil Fertilization Procedure (No. SOP-KBN.GN.003) passed on 1 February 2015. There are documentations of efforts to maintain soil fertility through the implementation of a controlled fertilization, maintenance of cover crops, empty fruits bunch applications and also POME application. Based on document review and field observation, the strategy has been implemented among others conducted soil sampling (SSU) every 5 year and leaf sampling (LSU) annually. The last SSU and LSU was conducted on June 2016.

Based on the observation of fertilization activities at Suayap Estate, Afdeling D Block L28. It is known that the inorganic fertilization activity of RP dose of 2 kg / palm oil has been done in accordance with the specified dose. Employees understand the dosage, have used the dosage and understand the fertilizer sowing method and position. Personal protective equipment has been worn such as masks, gloves, apron and boots.

4.2.2

The Company has recorded fertilization activities in the Estate Progress Reports document for July 2017. Based on interviews with management, fertilization activities are conducted based on fertilizer recommendations, where the recommendations are based on soil and leaf analysis.

Based on the document review, fertilization activities from January to June 2017 have been carried out according to the specified type, dose and the realization has been in accordance with the specified months and application blocks. The applied fertilizer is NcK, RP, Kieserite, Chelated zinco and HGFB.

4.2.4

Nutrient recycling strategy as a part for increasing soil fertility has been conducted, such as EFB mulching application and POME application. The record off EFB and POME application has been well documented. Field observation in Umpang Estate Afdeling K Blok P 11 shows that EFB mulching application has been implemented especially with dose 40 tons/ha/year, whereas in Suayap Estate, Afdeling A Blok 18 shows that POME application with four rotation/year.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

CH has a semi-detailed soil map of Scale 1: 50,000. The map consists of Land Map Unit (SPT), Soil Classification, soil group, Topography (percent and degree), Soil Texture, Depth (solum And effective), drainage, land suitability classes, limiting factors and hectareage. There is no fragile soil in the operational area of PT MMS.

4.3.2

CH has procedure of planting management in specific slope describe from slope mapping of scale 1:50.000. One of strategy to manage area with specific slope is regarding to SOP on Conservation soil and water (No. SOP – EHS.GN – 033). Several applied management strategy are constructing terrace, contour, conservation terrace, individual terrace with silt pit and conservation plant planting. Based on document review of land suitability in 2014, there is a map of land slope of PT MMS consist of flat-wavy 0-8%, wavy > 8 - 15%, mildly hilly> 15-25% and hilly> 25 - 40%.

The land management action for particular slope especially by maintaining terrace construction and frond stacking surrounding plant circle, weeding surrounding plant circle and inter row and by letting wild plant growing to prevent erosion such as *Nephrolepis bisserata* and cover crop. Based on field observation at Umpang Estate planting, Block U10 afdeling L planting *vertiver* grass on the road cliff and natural vegetation.

4.3.3

The management unit can show period January to August 2017 road maintenance programs authorized by the Estate Manager, as well as records of its realization. The average comparison of rocks and sand is. For example, based on the recapitulation report on road maintenance of Umpang Estate and Suayap Estate for afdeling G realization laterite road 600

meters and realization road grading 105.420 meters. Based on field observation to Umpang Estate and Suayap Estate, it was found that road conditions were satisfactory and easily passable by FFB transport unit.

4.3.4, 4.3.5, 4.3.6

Procedure on peat management has presented in SOP of water management for peat soil (SOP-ESH.GN-033). Both procedures mentioned that in order to minimize peat subsidence and peat over drain, water level management 50 – 07 centimeters, water table monitoring through piezometer, peat subsidence poles monitoring, Watergate installation and drains or canals were compulsory to be conducted. Procedure drainage system (SOP – EHS.GN – 031).

The company shows survey documents and semi-detailed land evaluation of PT MMS Suayap Estate conducted by Soil Department Research and Development in 2014. Based on survey results and semi-detailed land evaluation, it is known that the physical properties of PT MMS Suayap Estate land such as *Typic Dystrudepts*, *Typic Hapludults*, *Asosiasi Lithic Hapludults lithic Dystrudepts*, *Asosiasi Aquic dystrudepts*, *histic humaquets dan typic endoaquepts and Typic haplosapric*.

Based on soil survey documents and semi-detailed land evaluation of PT MMS, there is peat land with classification is *Typic haplosapric* in Suayap Estate. The area has a width 26.16 hectare with distribution at spot which is a lowland. There is no water management in that area because based on the document review is known that the peat thickness was 0 - 25 cm. Field visit in block 26 Afdeling F, Suayap Estate is known peat land located in lowland and surrounded by higher ground surface.

Status: Comply

4.4

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

4.4.1

Certificate Holder has a water management plan that take account of the efficiency of use and renewability of sources. That's management plan has described in EIA report Semester 2 of 2016 which consist of the objectives such as water sources including catchment pond, rainfall records, water requirement, current, water quality and contingency plan. The management plan for estate and mill consist of:

- Identify water sources
- Planting trees around the water source
- Monitoring the use of water for production
- Monitoring water quality
- Socialization to all employees related to water utilization

Based the explanation, the previous **Nonconformity No. 3-2015 is closed**.

According to environment monitoring analysis, it was informed that the company activity has not give negative affect. Moreover, domestic housing well and consumption water from reverse osmosis testing shows that all parameters are accordance with Minister of Health Regulation No. 416/1990 and No. 492/2010.

4.4.2

CH has identified rivers and wetlands inside plantation area. Analysis of HCV containing maps of the river in the area of PT MMS. Based on the identification documents of HCV note that there are several rivers that flow in the area of PT MMS namely Baung River, Cinabutun River, Umpang River, Kelalai River, Muah River, Baah River, Tebarau River, Sintang River and Kuning River.

All identified buffer zone has been designated as HCV and protected areas. Field observations in Sintang River and Kelalai river showed evidence of surface water protection measures and including riparian such as:

- Determination of river buffer zone with a distance of 50 meters left-right of Small River Demarcation of the border is done with the installation of boundary markers.
- Periodic water quality testing every three months with the parameters of environmental quality standards as stipulated in Government Regulation No. 82 in 2001.

- No chemicals application (fertilizers and herbicides) in the buffer zone area,
- Install signboard of river buffer zone protection with information related to prohibiting the use of chemicals in the river buffer zone.
- Planting riparian with *guatemala* and *mahoni* to prevent landslide and erosion
- Buffer zone block U10, afdeling L with natural vegetation (Kelalai river)

4.4.3

Monitoring of BOD has carried out every month regularly and reported to Environment Agency every three month. Evaluation and water sampling in WWTP outlet were carried out by accredited laboratory. Based laboratory testing, it could be concluded that testing results from July 2016 to June 2017 were accordance with Regulation of Environmental Ministry No. 28/2003.

Permit of effluent utilities was accordance decree of regent Kota Waringin Barat Number No. 660/45/BLH.IV/LA/IX/2015 dated September 22 2015, valid for five years. Based on observation to WWTP, it was found that flow meter was well functioned and there were no spills to the land. Furthermore, the certification also has had land application permit and there is no issues from stakeholders related to land application.

4.4.4

Results of Interviews and field visits it was obtained information that the water used for mill processing activities comes from Arut River. The use of water has been monitored on a daily basis by using flow meter gauges. SOP for water use monitoring available in work instruction for water treatment plant. Records of daily water use were collected and compared with the per tonne of FFB processed to check efficiency of water use in mill. The average ratio of water consumption for the last 6 months (January – July 2017) was 1.27 m³/ton FFB for processing and 1.37 m³/ton FFB for domestic. The budget for water consumption is 1.60 m³/ton of FFB. Field observation in Suayap Mill shows all instruments for measuring water usage in good condition and functioning.

Status: Comply

4.5

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

4.5.1 and 4.5.2

Certificate holder has had annually IPM program, that is regularly detection and census Integrated pest management program is based on procedure of pest and disease (No. SOP-KBN.GN-007). Potential pest and disease has been identified such as oryctes, rat, termite, tirathaba and leaf eater caterpillar. As an anticipation to prevent infestation of leaf eater caterpillar, certificate holder implemented planting and maintenance of beneficial plants (*Turnera Subulata* and *Antigonon leptosus*). In addition to preventing the rat infestation, performed biological control by utilizing barn owl by building barn owl boxes.

Certificate holder has shown minutes of meeting training of integrated pest management on May 3, 2017. Based on the results of census of January to July 2017, field visit and interview with the management unit, there was no pest and disease exceeding economy threshold. Therefore, no pest and disease control that should be conducted. The well trained team for handling pest and disease attack is placed on each estate.

Status: Comply

4.6

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

4.6.1

The certificate holder already has a policy on the management of pesticide in procedure (SOP - EHS.GN – 019) effective as of 15 June 2012) as shown in point 6.1.1: requesting authorization from authorized institution and Material Safety Data Sheet (MSDS) of all pesticides used to all suppliers.

Based on the field visit of spraying application at Suayap Estate, Afdeling G Block L38, using active pesticide *glyphosate*

(dose 300 cc/ ha blanket) and *metyl metsulfuron* (dose 2 gr / ha blanket) is in accordance with the provisions in the packaging. Document review show that pesticide being used have received permission from the government

4.6.2

The routine pesticide application program is for weed control in circle and path using *Glyphosate* and *Metyl metsulfuron* conducted every 4 months. Certificate holder has documentation of pesticide utilization that record product name, active ingredients, LD50, percentage of active ingredients, total application, total active ingredients, hectare application and active ingredients per hectare application. In addition the company shows List of Procurement Plan Material Chemical and Pesticide. The application plan is scheduled 4 times a year ie in January, April, July, and October 2017.

4.6.3

The certificate holder undertakes the application of biological controls such as barn owl nest and beneficial plant installation. Based on document review and field visits to the chemical and warehouse, there is no prophylactic use of pesticides.

The management unit shows the percentage decrease of pesticide application informed through tables and diagrams. There is a decrease of pesticide usage from year:

2015: 92%

2016: 43%

2017: 38%

4.6.4

Certificate holder has had a policy of restricted pesticides in the Environmental Management, Occupational Health and Safety Management System Procedures (SOP-EHS.GN-019 June 2012). Describes that the certificate holder is committed to reduce or eliminate the use of pesticides class of WHO 1A and 1B as well as *Parakuat dichloride*. Based on document review, since 2016 certificate holder did not use pesticide class WHO 1A and 1B or paraquat. Field visit in chemical store it is known that there is no paraquat or pesticides class of WHO 1A and 1B.

4.6.5; 4.6.7; 4.6.9

Based on the document review, the spraying operator has received training on safe working practices at PT MMS such as limited pesticide training on 16 September 2015. The training was followed by pesticide operator, pesticide foreman, warehouse head, admin and store clerk warehouse (50 workers from Suayap Estate and 55 workers from Umpang Estate).

The auditor conducted field observations at Umpang Estate :

- Body shower of spraying team (afdeling M). Observation the conditions body shower room and PPE handling.
- PPE pesticide spraying and ex-pesticide container wash place (afdeling M). Observation the equipment PPE washing and hazardous waste management.

Based on activity observations and interviews with pesticide operator at Suayap Estate, it is known that workers have been practicing safe working for spraying activities. The workers also provided and use the PPE in accordance with MSDS such as mask, apron, glass and shoes. Beside that the workers also can explain well about areas that are prohibited to be sprayed and understand mechanisms in case of emergencies such as when exposed to toxins to eyes and skin.

4.6.6

Certification unit has a SOP of material management and the displacement, explained the material characteristics and hazardous chemicals (SOP-EHS.GN-015), 2012. The expired chemicals will be stored in hazardous waste warehouse or be returned to supplier. Based on field visit in Chemical warehouse Umpang Estate and Suayap Estate (storage central) it is known, there are signboards and hazardous symbols, Material Safety Datasheet (MSDS), chemical logbook, emergency response, personal protective equipment and OHS management.

The Company has SOP of hazardous waste management No. SOP - EHS.GN - 016 Rev 2 (January 1, 2015). The pesticide containers is store in hazardous waste warehouse. Certification unit has record of handover the ex-pesticides container which from Suayap Estate and Umpang Estate to licensed transporter. Based on field visit in housing of Suayap Estate and landfill is known there are not ex pesticide containers disposed in landfills and the use pesticide containers for other uses that are not similar.

4.6.8

Based on a review of documents and interviews with management staff, certificate holder did not perform the application of pesticides from the air.

4.6.10

Certification unit has a SOP about waste management (SOP – EHS.GN – 016) published on January 1, 2015. SOP explained that the ex agrochemical containers washed three times and stored in the warehouse to be transported to the licensed third party. Certification unit has agreement with supplier for transport the former pesticide container which valid until 1 September 2018. Certification unit also has a work instruction (WI-EHS.GN-004) of washing and cleaning of used pesticide containers. SOP explained that the former pesticide containers were washed 3 times (according to the MSDS) and used washing water is re-used for spraying. All discarded containers of chemicals generated by estate and mill, placed in hazardous waste warehouse.

Record of hazardous waste management included in report of hazardous waste management which quarterly sent to environment agency, such as report of on July to September 2017. The training and socialization to spraying workers, about ex pesticide container disposal is available.

4.6.11

Certificate Holder has been carrying out periodic health examinations for all employees once a year and specific medical examinations for employees who are at high risk twice a year such as workers who work with chemicals. The last medical examination on March 2017 to all workers who work with chemical. The test results showed that all employees are in healthy condition. Interview with workers known that they are never get experience of occupational injury which caused by chemical such as irritation.

4.6.12

The company also commits to prohibit the pregnant and breastfeeding women workers to work close to chemicals that mentioned in Human Rights policy who described "Protection of reproductive rights, the company will comply with all applicable laws relating to reproductive rights, including the right to maternity leave, and will provide pregnant and breastfeeding women with tasks that do not pose a health risk to themselves or their children".

The company has scheme to detect the pregnant and breastfeeding women workers. The scheme is written on the program of non-estate policlinic pregnancy monitoring. According to the result of document review of non-estate policlinic pregnancy monitoring, there is no pregnant nor breastfeeding women workers in Suayap Estate and Umpang Estate. According to the field visit, the company does not empower pregnant orbreastfeeding women workers to work close to chemicals.

Status: Comply

4.7

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

4.7.1

The company has policy in term of environment, occupational health and safety on May 1st 2011. The policy has been implemented based on the applicable regulation and written in bahasa. Field visit and interview in mill and estate revealed that the occupational health and safety has been socialized and implemented by company through Socialization with personnel during muster morning before work. Furthermore, the company has also SOP in term of occupational health and safety management system (OHSMS).

The company has established OHS Program for 2017. The program has included a target to improve health and safety aspects, for example Training of Preparedness Emergency Response and socialization of safe work practices. To ensure the policy has been implemented effectively the Committee of Occupational Safety & Health conduct OHS meeting regularly every month to make sure the aspect of occupational health and safety be improved and monitored.

4.7.2

The certificate holder already has a hazard identification and risk analysis control document for all activity in mill and estate (Revision 06; March 24, 2017) who prepared by the HSE officer. The document has explained about the area/ situation/ activity; Potential hazards, risks, risk assessments, control measures and actions. The document is prepared to identify

and to analyze the hazard potentials possibly occur at every work area and its recommendation to minimize the incidents.

Interviews with workers obtained information that employees have known the potential dangers that arise in the work place. Based on the results of field visits, employees have used PPE in accordance with the identified hazard identification, other than that employees working with chemicals for example chemist employees at Suayap Estate have used PPE in accordance with the instructions attached to the product, such as apron, eye protection (googles), gloves and safety shoes.

4.7.3

The PPE provided by the company has been adjusted to the potential hazards and risks of its work so as to effectively protect the workers as its users. Based on the document review, the management unit shows the PPE Fulfillment Plan Proposal which was compiled in August 2017. This procurement proposal informs that the company continuous improvement program and approved by the President Director on 5 August 2017. The time frame for PPE of PT MMS will gradually be held starting in October 2017 for the Suayap Mill, Umpang and Suayap estate. This is will be observed in next assessment (OFI).

Based on interviews with boiler workers and engine rooms at Suayap Mill, it is known that workers already use PPE that has been provided by the company that is ear muff, safety shoes, gloves, glasses, helmet. In addition, field visit and interviews with workers in the Suayap Estate block I30 afdeling E in harvesting activities, the company has provided PPE such as helmets, glasses, shoes, gloves. This is in accordance with the PPE matrix and HIRAC.

4.7.4

The company has updated the structure of Guiding Committee Of Occupational Safety & Health based on the decision Labor Agency of Kotawaringin Barat Regency No: Kep 566/183 / PK.10 / VIII / Disnakertrans on 16 August 2017 related to ratification of PT MMS Guiding Committee Of Occupational Safety & Health (P2K3).

Guiding Committee of Occupational Safety & Health Board has drafted an OHS working program and evaluates the implementation of OHS program in the field. In order to ensure that the OHS program has been implemented effectively, the board of Guiding Committee of Occupational Safety & Health performs a meeting with workers routinely. Certification unit has recorded the routine meeting such as the last meeting on 22 August 2017 to discuss safe working practise and the function of PPE.

4.7.5

The certificate holder has procedure of emergency response on SOP of emergency response handling and maintained at the head office with SOP number – EHS.GN – 012. Interviews with estate and mill workers are known that workers are aware of the OSH procedures. To facilitate evacuation in the event of an emergency, the company has established an evacuation route. The evacuation route is available in offices and mill and has been equipped with maps and other markers and adequate sign boards. To the visitors who come will be delivered safety induction as a guide health and safety in the visit process.

The results of the field visit found the first aid box with the contents not in accordance with *Permenaker* No. 15 of 2008. **Non-conformance 2017.01.** Field visit as well as interviews with harvest workers in block I 30 afdeling E and spray foreman in block L38 afdeling G Suayap Estate are known that the foreman carries a waist bag for first aid box where the contents of this waist bag do not match the recommendation of doctor. The foreman also said that he has attend the first air training. Based on field visits is known the CH has provided First aid box in working areas (Estate and Mill), but items in First aid box has not accordance with recommendations of doctors.

4.7.6

Certificate holder has provided the employees with insurance to cover occupational accident and health in accordance with the provision set by the government which is BPJS. BPJS for occupational accident is only for workers and BPJS for health is for workers and the family (wife and children). CH can shows the evidence of insurance paid to BPJS every month. Based on the evidence **NC No. 9-2015 is closed.**

4.7.7

Certificate holder has been consistently conducting the Occupational Accident monitoring that could provide a comprehensive information on the month the accident occurred, the number of cases, the accident location, the types of accident, the effects, the work hours lost, the causes, the follow-up, and the results. Such monitoring is performed every month. An evaluation of the accident is also conducted every month and the outcome is discussed during the monthly meeting of Guiding Committee OHS.

4.7.5	Status: Non Conformity No. 2017.01
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4.8

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

4.8.1 & 4.8.2

The certificate holder has had a training program for workers included all staff, all workers and contractors for period of 2017. The training has covered all aspects of the RSPO principles and criteria, OHS awareness, environment, good agricultural and manufacturing practices. The records for each training has been well documented. Based on observation and interviews with workers in Suayap Mill, Suayap Estate, Umpang Estate, and contractor of FFB transport, it is known that all workers have been trained and can demonstrate the implementation of the work in accordance with the procedure.

Certificate holder shows the limited pesticide user training report, 50 worker of Suayap Estate and 55 worker of Umpang Estate, including spraying worker, foreman, and warehouse workers. Interview with Training & Development Manager and document review of Training Program 2017 and 2018, there is no limited pesticides user training program in the future. This is related to policy that no longer use limited pesticides. Based on the description, the previous **NC No. 10-2015 related compulsory training of limited pesticide users is stated Comply**.

Status: Comply

PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity
5.1

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

5.1.1

EIA of PT. MMS has been conducted according to the scope of plantation operation covering three (1) Mills and two (2) Estates since 2008 namely "Analisis Mengenai Dampak Lingkungan". EIA document is available and proofed by Head of Regency Kotawaringin Barat as letter decree Number 05 year 2008 dated on 20 February 2008 covered to the total area 10 000 ha as per permit on location site number Ekbang/525.26/132/V/2004 May 10, 2004 and CPO mill with the capacity 45 ton FFB per hour. The EIA has follow to all relevant Indonesian regulation such as environmental law Number 23 year 1997 and government regulation Number 27 year 1999 regarding EIA. The EIA identified all environmental aspects during pre-construction, construction, operation and post- operation. It is including building new roads, putting drainage and irrigation system, management of mill effluent, clearing of remaining natural vegetation, and management pest and diseases. However, the assessment does not cover to the replanting activities. Recommendation was given since replanting would be done on upcoming 2025.

5.1.2

The Company has conducted environmental management based on addendum documents of Environmental Management Plan / Environmental Monitoring Plan, among others:

- Manpower recruitment of the local community. The company manages and applies the proposed community empowerment program and the implementation of the Community Development program.
- Increase business opportunity and community income. The company manages the management by increasing the recruitment of local worker.
- Impact of Nursery, Planting and Maintenance of Crops and Production.
- Transport of FFB and materials to Mill / Estate. The company carries out the management by installing traffic signs, frequency of transportation and tonnage, reducing transport speed and performing road maintenance according the program.

- Small-holder (Plasma). The company manages the management by increasing the recruitment of local worker.
- Estate Activity. The company manages the management domestic waste, septic tank and routinely medical checkup.

Records of implementation of environmental management describe in RKL-RPL implementation report such as report of 2nd semester 2016 and has been reported to environment agency.

5.1.3

Implementation of environmental monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of semester 2 of 2016 known there isn't negative impact caused by CH. The result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government. Interview with Environmental Agency of Kotawaringin Barat District show that CH has been submit the RKL-RPL implementation report every six month and there isn't negative impact caused by CH.

Status: Comply

5.2

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

5.2.1

HCV Assessment was conducted by Sonokeling Akreditasi Nusantara on 2012 (external HCV assessor team). Assessor team consist of 13 persons with Lead Assessor has been approved by the RSPO, assessment conducted by using identification guidance of high conservation value in Indonesia issued by Indonesia HCV toolkit consortium, June 2008.

Identified such areas having high conservation values 1.1 ; 1.2 ; 1.3 ; 1.4 ; 4.1 ; 4.2 ; 5 covered in total 1,643.64 ha distributed within 8 forested areas, 8 hilly areas and 8 water sources. Information related RTE species and its habitat have been identified. CH has the list of endanger species based on Government Regulation No. 7 Year 1999, CITES and IUCN in term of preservation for flora and fauna on PT MMS. For example *rangkong badak*, *berang-berang* and *cekakak belukar (Halcyon smyrnensis)*. Meanwhile, there was one *Tengkawang (Shorea pinanga)* endangered flora. Sighted HCV distribution map of PT. MMS (Umpang Estate and Suayap Estate) scale of 1:50,000.

5.2.2

The company has HCV management plan document period of 2017, the program consist of :

- Riparian area management (HCV boundaries marking and maintaining, marking of chemicals application borders, HCV socialization to surrounded community and workers, planting of erosion control plants and HCV area patrols)
- Management of RTE species
- To conduct species identified protection (SOP-EHS.GN-029)
- Implementation of company procedure related to HCV management, such as Number (SOP-EHS.GN-026) about HCV identification and management.
- HCV monitoring (monitoring of HCV attribute, monitoring of HCV in three monthly basis and monitoring of HCV rehabilitation)

Based on field observation on riparian area of Kelalai river in Block U10 afd L (Umpang Estate) and Block G24 Suayap Estate known that the HCV area has been managed well and in accordance with the management plan. The company was able to shows monthly monitoring of fauna and monitoring/maintenance of marking HCV stick which conducted weekly. It was reported that there were no conflict between human and wildlife.

5.2.3

Disciplinary action to the employee who catch, hurt and/or collecting RTE species has been explained SOP RTE management protection (SOP-EHS.GN-029). Training and socialization on RTE species and sanction programmed and conducted routinely, for examples training on 16 Mei 2017 as many as 23 attendants. Meanwhile, socialization on RTE species to the workers also conducted in time of muster morning including socialization of sanction. It also has been verified during interview with the workers in field and emplacement.

The company has patrolling routine, security is responsible for daily report patrol. In addition also regular monitoring of HCV inspectors every month for all daily data obtained from HCV inspectors, reported in the HCV management and monitoring reports such as the HCV report semester 1 of 2017.

The policy has been explicit in the knowledge that it has been known to prohibit the capture, maintenance and harm of RTE species as described in SOP-EHS.GN-029, in the SOP has not been explained in relation to the legal rules related to violations of the species RTE. **(OFI)**

Based on interview with community figures from Umpang Village, it was state that the CH has conducting socialization on HCV area and protected fauna within estates operational areas which also informed by signboard. Moreover, there were found no protected fauna on offices and employees housing areas in both in estate and mill.

5.2.4

Monitoring of RTE species has been conducted routinely, the monitoring result will be the input in the next monitoring plan. The CH was able to shows evidence of receipt note document of flora and fauna identified in to relevant Agency. Base on document verification HVC Monitoring period July 2017 be discovered RTE species for example *gagak*, *rangkong badak*, *berang- berang* and *cekakak belukar* (*Halcyon smyrnensis*).

The management unit has regularly monitored HCV & RTE and can show the monitoring record. Based on monitoring in June 2017 it was found that the entire HCV area was in preserved condition and there was no disturbance. The results of monitoring of RTE species in June 2017 showed there were 41 species in the operational area. Based on the evidance **NC No. 11-2015 is closed.**

5.2.5

Based on document verification and field observation, interview with workers, surrounded community and related institution known HCV area was not overlapped with local communities' rights, and that there is no community land and traditional rights defined as HCV area.

Status: Comply

5.3

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

5.3.1

SOP of Hazardous waste management Number. SOP - EHS.GN - 016 Rev 2 January 1, 2015 approved Head of Sustainability. This procedure describes hazardous waste management. The company also has work instruction, WI of Hazardous waste WI-EHS.GN-004 November 1, 2016 which describes the utilization of hazardous waste such as chemical packaging, waste of fertilizer and oil / oil container.

CH has a list of waste products generated by operational matters is also described in the AMDAL / RKL / RPL document (AMDAL). CH has also implemented an integrated EMS and OHSAS management system in EMS and OSHAS management documents as well as identification period 2017 of all waste and pollution generated from Mill and Estate.

Based on visit in FFB processing activities known that effluent product resulting from the processing of FFB. Based on visit in chemical warehouse known that the former packaging chemical products are produced from chemical warehouse. Results of observation on housing known that the waste products generated from household activities.

5.3.2

CH has also implemented an integrated EMS and OHSAS management system in EMS and OSHAS management documents as well as identification period 2017 of all waste and pollution generated from Mill and Estate. The result of inventory in estate such as spray activities produce waste, such as former pesticide container placed in hazardous waste warehouse, preparation and maintenance block mark, such as former paint cans, placed in hazardous waste warehouse, plastic waste fertilizer, placed in hazardous waste warehouse.

Based on field visits in chemical warehouse Suayap Estate (central warehouses) is known the resulting, former chemicals

container be placed to hazardous waste warehouse. Record of hazardous waste management included in report of hazardous waste management which quarterly sent to environment agency, such as report of on July to September 2017. The training and socialization to spraying workers, about ex pesticide container disposal is available.

5.3.3

Record of hazardous waste management, included in reporting management hazardous waste quarter period July to September 2017 addressed to environment agency. Hazardous waste management recorded several documents, consist of:

- Company has Logbook (Hazardous Waste Warehouse) period July to September 2017
- Company has Balance Hazardous waste warehouse reported period July to September 2017
- Company has Agreement Letter, PT BSI (Bank Sampah Indonesia) transporter Hazardous waste
- Company has shipping manifest Hazardous waste warehouse, period July to September 2017

Based on document verification log book hazardous waste period June 2017 used lights 7.46 kg and utilized 1 kg, total used lights (TL) lamp period July to 6.46 kg. Based on interviews with mill QHSE assistant, the used lights (TL) were reused at clarifier station. Usage of waste used lamp (TL) is not in accordance with the procedure owned, based on the explanation raised **NC No.20117.02** with minor category.

Based on verification document, company has Agreement Letter with PT BSI for transporter of hazardous waste expired in 1 September 2018. CH is encouraged to clarify the mechanism and timing of the delivery of hazardous waste originating from the site to the licensed hazardous waste warehouse, including the medical waste management generated from first aid post in estate. **(OFI)**

Based on field visits in the boiler station any a fiber and shell is used as fuel. Remaining fiber shell and placed so did not result in pollution and potential fire. Company has minutes of meet ex pesticides container which come from Umpang Estate and Suayap to third party licensed. Based on field visit in housing of Suayap and landfill of Umpang Estate is known there are no ex pesticide containers disposed in landfills and the use pesticide containers for other uses that are not similar.

5.3.3	Status: Non Conformity No. 2017.02
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5.4

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

5.4.1

The Company already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example use of shells and fiber in January to July 2017 was 23,972,721 kg, which produce 3,352,700 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 0.05 kwh / ton FFB.

	Status: Comply
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5.5

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

5.5.1; 5.5.2

CH has SPO fire prevention and control, SOP EHS-023 – Management fire extinguishers, May 1, 2011. There are also fire management procedures for prevention of land fires SOP-EHS.GN.013. The company has conducted socialized to prevent land fire such as on 15 March 2017 in Umpang Village.

Based on visit in Umpang Estate and Suayap Estate, there is no indication of burning activity for land clearing activity.

	Status: Comply
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5.6

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

5.6.1 & 5.6.2

The Company has corporate HSE objective program (OTP) period of 2017 that specifies the list of operational activities that produce pollution and emission activities such as optimization activities of waste management activities that are monitored annually. The Company has a greenhouse gas emission mitigation mechanism. Identification of GHG sources has been done, as follows:

- Emissions derived from the consumption of fossil fuels for internal transportation of Estate and machinery.
- Emissions derived from the use of fertilizers.
- Emissions derived from the use of pesticides
- Emissions derived from fossil fuel consumption at the plant, and used of Mill by products.
- Emissions from Palm Oil Mill Effluent (POME).

The management unit has identified the sources of pollution and emissions in the Mill and Estate.

Mitigation efforts in estate that have been done are:

- Reduce the use of chemical fertilizers with EFB and land applications.
- Reduction of pesticide use.
- Enrichment of species especially high carbon-absorbing tree such as *trembesi* and mahogany.

Mitigation efforts in Mill that have been done are:

- Efficiency of water consumption
- Efficiency of diesel fuel
- Efficiency of diesel fuel
- POME
- Tree planting around PKS and staff housing.

The Company periodically per 6 months has been testing the sources of emissions and pollutants, as indicated by the test results semester 2 years 2016 with test results that are below the threshold.

5.6.3

Available proof of delivery of GHG RSPO performances as follows Suayap Mill dated July 29, 2017.

Summary of Net GHG Emissions periode August 2016 – Juli 2017 Suayap Mill:

Emissions per product	tCO ₂ e/tProduct	Extraction	%	Production	ton/year
CPO	-0.11	OER	20.53	FFB Processed	10466.99
PK	-0.11	KER	4.8	CPO Produced	38542

Land Use	ha
OP planted area	10466.99
OP Planted on peat	0
Conservation (forested)	897.54
Conservation (non-forested)	0

Summary of Field Emissions and Sinks

	Own Crop		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha
Emissions								
Land conversion	47600.04	10.2	34227.62	10.47				
*CO ₂ emissions from fertilizer	2842.84	0.6	2240.47	0.69				
**N ₂ O emissions	3839.28	0.74	2258.1	0.96				
Fuel consumption	462.96	0.1	811.72	0.25				
Peat Oxidation	0	0	0	0				
Sinks								

Crop sequestration	-43606.01	-9.36	-30596.95	-9.36				
Conservation Sequestration	-4461.68	-1.05	-696	-0.21				
Total	6677.43	1.24	8244.96	2.52				

Summary of Mill Emissions and Credits

	tCO ₂ e	tCO ₂ e/tFFB
Emissions		
POME	473.08	0
Fuel consumption	1120.02	0.01
Grid Electricity Utilisation	0	0
Credits		
Export of Grid Electricity		0
Sales of PKS	-2183.43	-0.12
Sales of EFB	0	
Total	-20286.33	-0.11

Palm oil Mill Effluent (POME) Treatment

Divert to compost	0
Divert to anaerobic digestion	100

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	100
Divert to methane capture (flaring)	0
Divert to methane capture (electricity generation)	0

Status: Comply
PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills
6.1

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

6.1.1; 6.1.2

The social impact has been identified in social impact assessment (SIA) of PT Mitra Mendawai Sejati. The assessment was conducted in 24-30 July 2012 by accredited consultant PT. Sonokeling Akreditasi Nusantara and involved of all affected parties, included of Umpang Village and Nanga Dua Village. All records of meeting and minutes of activities are available in place. Based on interviews with officials of Umpang Village, the village has been involved in the assessment.

6.1.3

Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment is available within the SIA report. The social impact management plan has contains timetable, including responsibilities for implementation. One of the plans to reduce negative impacts and promote positive ones are implementing the CSR program described in criterion 6.11. Based on interviews with officials of Umpang Village, the CSR program had a positive impact on the village community, so as to create a conducive relationship between the company and the villagers.

6.1.4

The review of social impact assessment is carried out every year, which is conducted simultaneously with future programming. The evaluation document recommends programs that may continue or need to be discontinued. The plan is developed and updated in accordance with the social trends of the affected parties.

The Certificate Holder has the last evaluation of the SIA in the document of Evaluation of Internal and External Stakeholder Activities in 2016, in which internal (employee) and external (surrounding community) stakeholders are within the scope of the SIA document. The document shows the evaluation of previous CSR program, and is used as a reference to arrange the next year CSR program. Based on the verification, **Non Conformity at Stage 2 No. 15.2015 related to evaluation of SIA documents stated as Comply.**

6.1.5

The certificate holder has a MoU of smallholder with Kundur Jaya Farmer Group, located in Umpang Village on 18 January 2017, covering 121 ha. The SIA document is compiled in 2012, while the MoU is in 2017, but based on interviews with officials of Umpang Village, it is known that farmer group have been involved in the SIA assessment.

Status: Comply

6.2

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

6.2.1; 6.2.2 ; 6.2.3

List of stakeholders are available and well maintained by the certificate holder. The list updated in January 2017 contained all relevant stakeholders of PT Mitra Mendawai Sejati. The Certificate Holder has established procedure of communication, participation and consultation of environment and OHS (No. SOP-EHS.GN-006), that has been socialized to all stakeholders. Responsible person for doing communication and consultation is CSR Staff. According information during stakeholder consultation in Umpang Village, the community has acknowledge the procedure and the person in charge that usually contacted. The certificate holder regularly conducts consultations, and annually conducted meeting with village to evaluate and develop CSR programs. The last meeting took place on 20 January 2017, the minutes of meeting shows that that last year's CSR programs need to be maintained, and have been outlined in CSR programs by 2017.

Status: Comply

6.3

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

6.3.1 ; 6.3.2

The mechanism, open to all affected parties, resolve disputes in an effective, timely and appropriate manner was described within procedure of Mechanism of Communication and Consultation with the Community (SOP-LEGAL.GN-13), procedures of Land & Land Conflict Resolution (SOP-LEGAL.GN-014), procedure of Handling of Employee Complaints (SOP-PERS.GN-017), and Company Regulations. The procedure includes ensuring anonymity of complainants and whistleblowers.

As the implementation of the complaints submission and employee complaints mechanism, the certificate holder already has a gripe book and suggestion box to file an employee complaint or suggestion at the Estate and Mill Office. Based on document verification and interview in Umpang Village, Gender Committee, and employees in the Estate and Mill, it is known that there are no complaints from stakeholders regarding the operations. The stakeholders have acknowledged the actions to be taken if they will submit complaints to the management.

Status: Comply

6.4

Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

6.4.1

CH has had SOP for land compensation which describes identification, calculation and compensation for land release mechanism. In this procedure was explained that the process of land identification is involved the community and the village government.

6.4.2 & 6.4.3

The results of document review, field visit and interviews show that the CH does not perform new expansion since the last assessment (2015). The latest land compensation has been conducted in 2013.

Status: Comply

6.5

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

6.5.1

The results of document verification known that the employee payment is referred to the regulations of Central Kalimantan Governor No. 24 Year 2016 about Sectoral Minimum Wage of Regency in 2017 for Regency of Kotawaringin Barat amounted to Rp 2,511,053. Result of documents review of payroll and interviews with employees obtained information that the salary received is in accordance with the applicable provisions.

Result of documents review of payroll and interviews with employees obtained information that the salary received is in accordance with the regulations of Central Kalimantan Governor on 2016. Based on overtime record at Suayap Mill, Suayap Estate and Umpang Estate its known the calculation of overtime has been met the applicable regulation and procedure. The harvesters works daily based in 7 working hours. CH provides output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the harvest premium payment. Based on payment list, the harvesters have earned more than the minimum wage.

Based on overtime record at Suayap Mill, Suayap Estate and Umpang Estate its known the calculation of overtime has been met the applicable regulation and procedure.

6.5.2

The certificate holder has shown the Company Regulations that has been ratified by Labor and Transmigration Agency of West Kotawaringin Regency. The Company Regulations is in accordance with the existing labor regulations in Indonesia, and it is written in Indonesian language and understood by the worker. Based on document verifications and interviews with the workers obtained information if all workers has had a direct work agreement with the company. They have understood the terms of the agreement such as payment, overtime, leave, as well as health and employment insurance. There is no significant problems related to employment or violations of company regulations.

6.5.3 ; 6.5.4

Based on field observations known that the certificate holder has been providing well housing facilities, lighting, water, daycare, employee halls, places of worship, educational facilities, school buses, and clinics. As an effort to make it easier for workers to access reasonable, adequate and affordable food sources, the certificate holder has provided groceries store in each unit. Based on interviews with workers at the emplishment, it is known that the workers have felt fulfilled with the infrastructure and facilities that have been provided by the certificate holder.

Status: Comply

6.6

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

6.6.1

The certificate holder has the policy that provides freedom of association contained in Human Rights Policy. The policy described the freedom of association, stated that every employee is free to form and join worker unions and labor unions in accordance with applicable regulations. Until the ASA- 1 in PT Mitra Mendawai Sejati, the worker has not been formed Worker Unions, but the certificate holder is formed Bipartite Cooperation Institution and has been reported to the relevant agencies, as a forum for the settlement of the existing industrial relations and related to the compliance with the applicable regulations. The results of interviews with workers known that the worker has known about the policy on freedom of association and workers also have known about the function of the Bipartite Cooperation Institution.

6.6.2

Based on interview with Bipartite Cooperation Institution boards, it is known that there are no problems that occurred along 2017. The meeting of the institution performed routinely or whenever if there is a problem that must be discussed. Last meetings were conducted on May 2017 with a discussed of the job descriptions and responsibilities of the boards.		
	Status: Comply	
6.7 Children are not employed or exploited.		
6.7.1 The certificate holder has the policy of no child labor or child exploited that contained in Human Rights Policy, that described not employing children under 18 years old. Based on review of employee list, and field observation, known that there are no employees under 18 years old. The workers in Suayap Mill, Suayap Estate, and Umpang Estate already known about the employee minimum age.		
	Status: Comply	
6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		
6.8.1 ; 6.8.2 ; 6.8.3 The certificate holder's Human Rights Policy, have included policies on non-violence, harassment, reproductive rights protection, fair employee selection, and fair employee treatment. Based on review of employee list, field observation, interview with the workers in Estates and Mill, Gender Committee, Bipartite Cooperation Institution, and officials of Umpang Villages, it is known that there is no indication of discrimination based on ethnicity, religion, gender, sexual orientation, race and class, or origin. The employee selection and promotion are conducted in accordance with the assessment and without any discrimination.		
	Status: Comply	
6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.		
6.9.1 ; 6.9.2 ; 6.9.3 The policy about prevent of sexual harassment mentioned in Human Rights Policy, that described: <ul style="list-style-type: none"> - Protection of reproductive rights: The Company will comply with all applicable laws relating to reproductive rights, including the right to maternity leave, and will provide pregnant and breastfeeding women with tasks that do not pose a health risk to themselves or their children. - No Harassments: All employees have the right to work in an area that is free from harassment of any form, including religious, disability, gender, sexual orientation, political persuasion, race, marital status, ethnicity or age. All reports discrimination or harassment will be handled properly and kept confidential to get a fair statement in reducing the risk of harm. <p>There is procedure of sexual harassments complaint handle (SOP-PERS.GN-016), dated 1 August 2012. Based of interview with the workers in the Mill and Estate, and Gender Committee, it is known that the workers have understood the policy and the mechanisms of the complaints. The certificate holder guarantees the anonymity of the reporting and the revellers of the case. In period of 2016 to July 2017, there is no specific complaints related of harassments or reproductive rights.</p>		
	Status: Comply	
6.10 Growers and mills deal fairly and transparently with smallholders and other local businesses.		
6.10.1; 6.10.2 ; 6.10.3 ; 6.10.4 During the assessment, the certificate holder does not accept the FFB from outside parties. Related to local business, Suayap Estate and Umpang Estate have agreements of FFB with local contractors. The agreements has been describes in detail related the volume of contracts, prices, methods of payment as well as the period of payment.		

Based on interviews with management representatives of one of the contractors, it is known that the contractor has understood the provisions contained in the agreement, such as payment methods, aspects of OHS, and the environment, obligations and sanctions, and applicable legal provisions. The agreement is made transparently without harming either party, is legally binding and signed on stamp duty by both parties. Payment of work is done on time in accordance with the provisions. There are no obstacles in working with the company.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1 ; 6.11.2

Based on stakeholder consultation in Umpang Village, the Certificate Holder always made consultation frequently to identify and collecting information the type of community needs for local development, included charity as well as community empowerment. The certificate holder always gives priority to the surrounding community if there is a job opportunity in the Estates or Mill, where currently 70% of villagers have worked in the certificate holder.

Related to the empowerment of local communities, the certificate holder has a collaborative scheme of smallholders with the Kundur Jaya Farmers Group in Umpang Village (MoU No. 06/LGL/PLSM/MMS-KTKJ/I/2017) dated 18 January 2017 with the term of agreement of one cycle of oil palm, for an area of 121 ha. The program is currently in the preparatory and clearing phase of the land, partly has been planted.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1; 6.12.2; 6.12.3

In the Human Rights Policy mentioned "No coercion or labor trafficking" who described if all employees and contractors are given clear terms of agreement, covering the period of notification applied to termination and will not be required to submit passports, identity cards, insurance cards or money". Based on document review, field observations, and interviews with workers, Bipartite Cooperation Institution, and Umpang Village showed that there were no migrant labor, trafficking practices and forced labor. All of the workers are working in accordance with labor agreements.

In the Human Rights Policy mentioned "No coercion or labor trafficking" who described if all employees and contractors are given clear terms of agreement, covering the period of notification applied to termination and will not be required to submit passports, identity cards, insurance cards or money". Based on document review, field observations, and interviews with workers, Bipartite Cooperation Institution, and Umpang Village showed that there were no migrant labor, trafficking practices and forced labor. There is no coercion to workers related to hours of work, overtime or output. for instance, The harvesters works daily based in 7 working hours. CH provides output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the harvest premium payment. Based on payment list, the harvesters have earned more than the minimum wage.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

The certificate holder has had a Human Rights Policy that was ratified in April 2016. In the policy explained that the certificate holder is complying with the principles of tribute and protection on human rights internationally known, applicable local laws regulations. The policy covers non-employment of children, forced labor, labor trafficking, harassment, violence, freedom of association, protection of reproductive rights, wages and conditions, employee selection, and fair treatment.

Based on field observation, interview with workers in Mill and Estate, Gender Committee, Bipartite Cooperation Institution, and Labor Agency, it is known that the Human Rights Policy has been socialized to the worker. There is no human rights violations committed by certificated holder against the workers.

	Status: Comply	
PRINCIPLE #7 Responsible development of new plantings		
7.1 A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.		
7.1.1; 7.1.2 & 7.1.3 Company has environment document in form of EIA of the beginning of PT MMS for estate and mill establishment for 10,000 Ha and mill with capacity of 45 Ton of FFB/hour. Company has record of implementation of EIA result, it is written on the report of environmental management and monitoring plan implementation which is reported to the associated agency in each semester.		
	Status: Comply	
7.2 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.		
7.2.1 & 7.2.2 Company is able to show the record of soil survey and land suitability. The soil survey was conducted by Bogor Soil Survey Team cooperating with company on 1999 in area of Rungun-Lalang-Rangda-Natai Raya for 14,730 Ha. The available informations are type of soil, physiography, region form (slope), main substance, soil fertility, and land class suitability. There is no new area development beyond the determined land use title area.		
	Status: Comply	
7.3 New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.		
7.3.1 and 7.3.2 PT MMS conduct land clearing after 1 November 2005 without a prior HCV assessment, so CH need to follow Remediation and Compensation Procedures. PT SSS, as the parent of PT MMS has submitted disclosure and LUC analysis document to RSPO secretariat on 20 September 2014. Email from RSPO compensation on 16 February 2016 that the company will have to complete the compensation process. On 6 April 2016 PT MMS has got Approval for LUCA Review. But, CH has not shown approval of compensation plan from the Compensation Panel for the liability. Nonconformity No. 2017.03 with major category		
7.3.3; 7.3.4 and 7.3.5 Based on the results of interviews with management is known that the initial activity of land clearing was done in 2005. The results of document review, field visits and interviews found that CH did not expand or conduct new planting since the last assessment (2015).		
7.3.1	Status: Nonconformity No. 2017.03 with major category	
7.4 Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
7.4.1 & 7.4.2 CH has a semi-detailed soil map of Scale 1: 50,000. The map consists of Land Map Unit (SPT), Soil Classification, soil group, Topography (percent and degree), Soil Texture, Depth (solum And effective), drainage, land suitability classes, limiting factors and hectarage. There is no fragile soil in the operational area of PT MMS. According to the map, there are 8 types of soils such as <i>Lithic Hapludults</i> , <i>Lithic Dystrudepts</i> , <i>Typic Hapludults</i> , <i>Typic Dystrudepts</i> , <i>Aquic Dystrudepts</i> , <i>Histic Humaquepts</i> , <i>Typic Endoaqupts</i> and <i>Typic Haplosaprists</i> , . Based on document review of land suitability in 2014, there is a map of land slope of PT MMS consist of flat-wavy 0-8%, wavy > 8 - 15%, mildly hilly> 15-25% and hilly> 25 - 40%. The land management action for particular slope especially by		

maintaining terrace construction and frond stacking surrounding plant circle, weeding surrounding plant circle and inter row and by letting wild plant growing to prevent erosion such as <i>Nephrolepis bisserata</i> and cover crop. Based on field observation at Umpang Estate planting, Block U10 afdeling L planting <i>vertiver</i> grass on the road cliff and natural vegetation.		
	Status: Comply	
7.5 No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.		
7.5.1 Since ST-2 until ASA-1 there is no new planting conducted by company. The results of the interview note that the company's compensation process has been completed in 2013. All documents of compensation are kept by the legal section.		
	Status: Comply	
7.6 Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.		
7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5; 7.6.6 Since ST-2 until ASA-1 there is no new planting conducted by company. The results of the interview note that the company's compensation process has been completed in 2013. All documents of compensation are kept by the legal section.		
	Status: Comply	
7.7 Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.		
7.7.1 & 7.7.2 Since ST-2 until ASA-1 there is no new planting conducted by company. Company has had the procedure to prevent and handle the fire (SOP of Land Fire Handling with SOP Number – EHS.GN – 013 Revision 01 dated April 10th 2012) which is considered as the reference for handling land fire, ensuring fire handling conducted effectively and efficiently (as fast as possible) in order to keep the existence of plam oil estate.		
	Status: Comply	
7.8 New plantation developments are designed to minimise net greenhouse gas emissions.		
7.8.1 & 7.8.2 Since ST-2 until ASA-1 there is no new planting conducted by company. The company already has a Sustainability Policy stating that for existing plantations and new planting will identify and protect HCV and HCS. Based on the evidence NC No. 20-2015 is closed.		
	Status: Comply	
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity		
8.1 Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.		
8.1.1 The company has implemented commitment to reduce environment impacts on the regular action plan. For example: Improvement for agronomy aspect The certificate holder has a policy to reduce usage of paraquat since 2012, and based on document review there is no use of paraquat since 2016.		

Improvement for environment aspect

The company has implemented commitment to reduce environment impacts on the regular action plan. For example:

- Effluent management and monitoring. WWTP pond management, effluent quality test and report it to Kotawaringin Barat District Environment Agency.
- Air quality management and monitoring. Road maintenance, air quality test and report it to Kotawaringin Barat District Environment Agency.
- Ground water management and monitoring. Testing ground water quality and report it to Kotawaringin Barat District Environment Agency. Hazardous waste management. Storing hazardous waste at the permitted hazardous waste, managing and monitoring hazardous waste (conducted by Government Agency).

Status: Comply

3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements																								
E.1	Definition																								
E.1.1																									
Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.																									
Suayap Mill is used RSPO supply chain of Mass Balance module because mill will received FFB from the estate which has not been certified with RSPO.																									
	Status: Comply																								
E.2	Explanation																								
E.2.1																									
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.																									
Estimates of CPO and PK produced by Suayap Mill obtained from the data of 12 months before the audit activities and have been described in this ASA-1 report.																									
	Status: Comply																								
E.2.2																									
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).																									
<ul style="list-style-type: none">RSPO IT Platform member registration number: RSPO_PO1000003276Certified CPO sold to each buyer period of 27 October 2016 – 24 August 2017																									
<table><tr><th>Date</th><th>Buyer</th><th>Volume (Kg)</th></tr><tr><td>05-12-2016</td><td>PT Hasil Abadi Perdana</td><td>2,000,000</td></tr><tr><td>04-01-2017</td><td>PT Batara Elok Semesta Terpadu</td><td>1,000,000</td></tr><tr><td>25-01-2017</td><td>PT Batara Elok Semesta Terpadu</td><td>5,000,000</td></tr><tr><td>8-03-2017</td><td>PT Hasil Abadi Perdana</td><td>2,000,000</td></tr><tr><td>08-04-2017</td><td>PT Hasil Abadi Perdana</td><td>3,000,000</td></tr><tr><td>08-04-2017</td><td>PT Hasil Abadi Perdana</td><td>3,000,000</td></tr><tr><td colspan="2">Total</td><td>16,000,000</td></tr></table>		Date	Buyer	Volume (Kg)	05-12-2016	PT Hasil Abadi Perdana	2,000,000	04-01-2017	PT Batara Elok Semesta Terpadu	1,000,000	25-01-2017	PT Batara Elok Semesta Terpadu	5,000,000	8-03-2017	PT Hasil Abadi Perdana	2,000,000	08-04-2017	PT Hasil Abadi Perdana	3,000,000	08-04-2017	PT Hasil Abadi Perdana	3,000,000	Total		16,000,000
Date	Buyer	Volume (Kg)																							
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08-04-2017	PT Hasil Abadi Perdana	3,000,000																							
Total		16,000,000																							
<ul style="list-style-type: none">Certified Palm Kernel sold to each buyer period of 27 October 2016 – 24 August 2017																									
<table><tr><th>Date</th><th>Buyer</th><th>Volume</th></tr><tr><td>-</td><td>-</td><td>-</td></tr><tr><td colspan="2">Total</td><td>-</td></tr></table>		Date	Buyer	Volume	-	-	-	Total		-															
Date	Buyer	Volume																							
-	-	-																							
Total		-																							
	Status: Comply																								
E.3	Documented procedures																								
E.3.1																									
The site shall have written procedures and/or work instructions to ensure the implementation of all the elements																									

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

- a. Complete and up to date procedures covering the implementation of all the elements in these requirements;
- b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.

Suayap Mill has SOP for the implementation of supply chain which describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. The procedure also explains the related officers and the responsibility in the implementation of the requirements.

The results of interviews with security and the weighbridge operator showed that workers have already known the duties and responsibilities of each in the implementation of SCCS.

Status: Comply

E.3.2

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

Suayap Mill has had SOP for the implementation of supply chain which describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. To find the source of FFB comes from the estate that has been certified with RSPO, the mill has computerized system. The result of field visit at weighbridge is known that consignment note (SPB) and weighbridge ticket from RSPO certified estate will be stamped Certified Sustainable Palm Oil.

Status: Comply

E.4 Purchasing and goods in

E.4.1

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

- Certified and non-certified FFB received period of 27 Oktober 2016 to 24 August 2017

Month	FFB (Kg)		
	RSPO Certified	Non Certified	Total
27 – 31 Oct 16	5,090,420	-	5,090,420
November 16	22,554,450	-	22,554,450
December 16	21,181,750	-	21,181,750
Jan 17	18,395,840	-	18,395,840
Feb 17	17,247,920	-	17,247,920
Mar 17	17,973,490	-	17,973,490
Apr 17	20,026,380	-	20,026,380
May 17	23,313,370	-	23,313,370
June 17	21,996,750	-	21,996,750
July 17	22,147,030	-	22,147,030
1 – 24 August 17	17,156,050	-	17,156,050
Total	207,083,450	-	207,083,450

Status: Comply

E.4.2

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

Suayap Mill has had SOP for the implementation of supply chain. This procedure states that in case the projection is exceeding the claim of certified product, then company should perform: informs related RSPO certification body and RSPO IT System/ e-trace.

The results of interviews with representatives of the management unit indicates that the management unit has been understood about the procedures for providing information if there is excess production of RSPO-certified products.

Document review showed that the production of RSPO certified products do not exceed the estimated production in the RSPO certificate attachment of ST-2.

Status: Comply

E.5 Record keeping

E.5.1

- a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.
- 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 site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)

Suayap Mill has record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified product (CPO and PK) on a three-monthly basis as describe on table below

Period	CPO Production (Kg)			CPO Despatch (Kg)			
	Cert	Non	Total	RSPO	ISCC	Non	Total
Stock Oct 16	4,877,092	-	4,877,092	-	-		
Nov 16	5,503,320	-		-	-	5,750,000	5,750,000
Dec 16	5,083,255	-		2,000,000	-	2,007,230	4,007,230
Jan 17	4,509,412	-		6,000,000	-	2,500,000	8,500,000
Feb 17	4,086,312	-		-	-	-	-
Mar 17	4,382,548	-		5,000,000	-	7,000,000	12,000,000
Apr 17	4,640,530	-		6,000,000	-	7,000,000	12,000,000
May 17	5,532,131	-		2,000,000	-	2,007,000	4,007,000
June 17	5,369,876	-		8,400,000	-	-	8,400,000
Jull 17	5,267,742			3,000,000	-	1,349,820	4,349,820
Total		-			-		

Period	PK Production (Kg)			PK Despatch (Kg)			
	Cert	Non	Total	RSPO	ISCC	Non	Total
Stock Oct 16	336,022	-	336,022	-	-	-	-
Nov 16	938,822	-	938,822	-	-	1,014,720	1,014,720
Dec 16	866,634	-	866,634	-	-	915,750	915,750
Jan 17	819,983	-	819,983	-	-	787,170	787,170
Feb 17	810,970	-	810,970	-	-	877,150	877,150
Mar 17	839,075	-	839,075	-	-	815,850	815,850
Apr 17	816,596	-	816,596	-	-	934,650	934,650
May 17	1,003,726	-	1,003,726	-	-	998,170	998,170
June 17	1,010,699	-	1,010,699	-	-	959,710	959,710
July 17	970,524	-	970,524			1,038,180	1,038,180
Total	8,413,051	-	8,413,051	-	-	8,341,350	8,341,350

Based on the data, there is no delivery of certified product of PK.

	Status: Comply
E.5.2 In cases where a mill outsources activities to an independent (not owned by the same organization) 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.	
Suayap Mill does not perform activities of palm kernel crushing to the independent palm kernel crushers.	
	Status: Comply

3.3 Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-1	The company does not use RSPO logo.	√
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-1	The company does not use RSPO logo.	√
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-1	The company does not use RSPO logo.	√
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-1	The company does not use RSPO logo.	√

3.4 Summary of RSPO Partial Certification

Compliance of the uncertified management units of PT Sawit Sumbermas Sarana, Tbk against the rules for partial certification was determined through Self Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

Sawit Sumbermas Sarana, Tbk Time Bound Plan is explaining in table 1.10. Ivomas Tunggal run six (6) mills and twenty one (21) estates in Indonesia and has achieved RSPO certified for three (3) mills and supply base in Indonesia. Sawit Sumbermas Sarana, Tbk has informed the Time Bound Plan progress, MUTU has considered that Ivomas Tunggal is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Sawit Sumbermas Sarana, Tbk on 1 June 2017.

MUTU has verified partial certification for un-certified unit's subsidiary of PT Sawit Sumbermas Sarana, Tbk on their Time Bound Plan. There are three (3) uncertified management unit of Sawit Sumbermas Sarana, Tbk. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared above
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is produced for these units.</p> <p>Auditor verification There is internal audit produced for</p> <ul style="list-style-type: none"> - PT Sawit Multi Utama (3-8 April 2017) - PT Tanjung Sawit Abadi (3-8 April 2017) - PT Menteng Kencana Mas (1-5 Maret 2016) - PT Mirza Pratama Putra (25-27 Juli 2016) <p>And positive assurance is produced for these units.</p>
2.2.2	<p>No replacement after dates defined in this Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>PT Sawit Sumbernas Sarana, Tbk has submitted liability disclosure to RSPO on 20th September 2014 for its subsidiaries. While, for PT Menteng Kencana Mas and PT Mirza Pratama Putra as new acquisition companies in 2016, Disclosure of their liability has been submitted to RSPO on 12 September 2017</p> <p>Auditor verification Auditor has verified the supporting evidence of above the company statement. The above</p>

		statement in accordance with the supporting evidence provided.
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	Auditor verification <ul style="list-style-type: none"> - PT Sawit Multi Utama: YoP 2010 (8018.10 Ha). This company has not submitting of RSPO NPP. LUCC Analysis will be conducted in mid of this year (2017). RaCP on progress. - PT Tanjung Sawit Abadi: YoP 2010 (5197.07 Ha). This company has not submitting of RSPO NPP. LUCC Analysis will be conducted in mid of this year (2017). RaCP on progress. - PT Menteng Kencana Mas: YoP 2010 (1990.70 Ha); YoP 2011 (2210.55 Ha); YoP 2012 (2039.47 Ha); YoP 2013 (1017.12 Ha). This company is new acquisition by PT. SSMS in 2016. First time land clearance, this company is not RSPO member then did not submit of NPP. HCV, SIA, LUCC Analysis and RaCP process has been sent to RSPO. - PT Mirza Pratama Putra: new acquisition company in 2016. Land clearance started since 2016 without HCV, SIA, and NPP. RaCP process has been sent to RSPO.
2.2.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	Auditor verification <ul style="list-style-type: none"> - PT Sawit Multi Utama: based on website information from internet browser, there is no land conflict issue regarding this company. - PT Tanjung Sawit Abadi: based on website information from internet browser, there is no land conflict issue regarding this company. - PT Menteng Kencana Mas: no issues were detected. - PT Mirza Pratama Putra: no issues were detected.
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	Auditor verification <ul style="list-style-type: none"> - PT Sawit Multi Utama: based on website information from internet browser, there is no labour dispute issue regarding this company. - PT Tanjung Sawit Abadi: based on website information from internet browser, there is no labour dispute issue regarding this company. - PT Menteng Kencana Mas: no issues were detected. - PT Mirza Pratama Putra: no issues were detected.
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	Auditor verification <ul style="list-style-type: none"> - PT Sawit Multi Utama: based on website information from internet browser, in 2012 has an issue related land clearance activities beyond the permit/land title. In 2015, there is

		<p>a report (Nomor.1/PID.SUS/2015/PT.PLK) from National Supreme Court (Mahkaman Agung) related legal non-compliance.</p> <ul style="list-style-type: none"> - PT Tanjung Sawit Abadi: based on website information from internet browser, in 2013 has an issue related licensing conflict with land status. - PT Menteng Kencana Mas: no issues were detected. - PT Mirza Pratama Putra: no issues were detected.
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3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

3.5.1 Identification of Findings, Corrective Actions and Observations at ST-2

NCR No.	: 1-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Major	Date of Closing Tanggal Terpenuhi	: 16 March 2016
Standard Ref. & Requirement	2.1.1 Evidence of compliance with relevant legal requirements shall be available		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Not all legal requirements are complied by the company, During the document review found that the generator permits has expired			
Root Cause Analysis <i>(filled by organization audited):</i> -			
Correction <i>(filled by organization audited):</i> The company carries out certification, renewal certification and checkup for all the tools that expired and not been licensed with used the appointed PJK3 to the entire all equipment/tool at mill.			
Corrective Action <i>(filled by organization audited):</i> The company will create/develop of database regarding certification of equipment/tool, develop of programme and monitoring of equipment/tool certification for all units based on database was developed.			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> All generator permits has been renewed. It was sight minutes of re verification by external consultant PJK3 PT expo Jaya Mandiri on February 21, 2016; i.e. - Motor Diesel Genset CAT 00000PG4C00302 - Motor Diesel Genset CAT - Motor Diesel Genzet DLV 00000LMPN03940 the license certificate has been renew e.g. Keputusan Kepala Dinas tenaga Kerja dan Transmigrasi Kabupaten Kotawaringin Barat No. 309 DTT.HIP.K3.III2016 Valid from March 15, 2016 for 1 year. No. 310 DTT.HIP.K3.III2016 Valid from March 15, 2016 for 1 year; No. 311 DTT.HIP.K3.III2016 Valid from March 15, 2016 for 1 year. The is a list of mill equipment available and monitoring of equipments in Natai Baru mill and Suayap mill including information about machine number, license number, license status and license validity Checked for other mill equipment No. 304 DTT.HIP.K3.III2016 for wheel loader , March 15, 2016 valid until 2 years ahead.			
Verified by	: TUV Rheinland		

NCR No.	: 2-2015	Issued by	: TUV Rheinland
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Date Issued	:	-	Time Limit	:	-
NC Grade Grade	:	Minor	Date of Closing	:	28 August 2017
Standard Ref. & Requirement	:	2.2.2 Legal boundaries not always clearly demarcated and visibility maintained			
Non-Conformance Description & Evidence observed (filled by auditor): Legal boundaries not always clearly demarcated and visibility maintained					
Root Cause Analysis (filled by organization audited): -					
Correction (filled by organization audited): Conduct regular maintenance for all legal boundary to make clearly demarcated and visible. HGU boundary stone map has been established indicated all existing HGU boundary stone.					
Corrective Action (filled by organization audited): Regular monitoring for implementation of HGU boundary maintenance, monitoring program will be conducted together with internal audit program.					
Assessor Evaluation and Conclusion (filled by auditor): 28 August 2017 The management unit has conducted monitoring of boundary stone and maintenance done twice a year. Results of field visits in boundary stone MMS 45, MMS 50, MMS 102 and MMS 103 note that the boundary stone are in good condition and maintained.					
Verified by	:	Ardiansyah			

NCR No.	:	3-2015	Issued by	:	TUV Rheinland
Date Issued	:	-	Time Limit	:	-
NC Grade	:	Minor	Date of Closing	:	28 August 2017
Standard Ref. & Requirement	:	4.4.1 An implemented water management plan shall be in place			
Non-Conformance Description & Evidence observed (filled by auditor): No evidence of water management plans					
Root Cause Analysis (filled by organization audited): -					
Correction (filled by organization audited): Create of water management plan					
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> Implementation and monitor of water management plan 					

- To ensure all activities was complied with RSPO P&C standard

Assessor Evaluation and Conclusion (filled by auditor):
28 August 2017

Management unit has had water management plan for estate and mill consist of:

- Identify water sources
- Planting trees around the water source
- Monitoring the use of water for production
- Monitoring water quality
- Socialization to all employees related to water utilization

Management unit has shows record of implementation of water management plan in each management unit.

Verified by : **Radytio Puspanjana**

NCR No.	: 4-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Major	Date of Closing	: 16 Juni 2016
Standard Ref. & Requirement	: 4.5.1 Implementation of Integrated Pest Management (IPM) plans shall be monitored.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Implementation of IPM not always monitored, during the document review Laporan bulanan HPT at Suayap Estate on June 2015 shows that rat attacked for most of block at afdeling Alfa are more than 5%. Intervention activities started on July 2015 – Oct 2015 using prorodent. However based on the last intervention activities shows that the bait eaten more than 20% and no bait placement and census conducted for control this conditions. (SYE).			
Root Cause Analysis <i>(filled by organization audited):</i> -			
Correction <i>(filled by organization audited):</i> Refresh training for all IPM field conductors			
Corrective Action <i>(filled by organization audited):</i> Ensuring all operators has good understanding about their job; though regular refresh training for standard operation procedure			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 16 June 2016 From monitoring result on February 2016 pest attack level was below 5% and company conduct pest control and the evidence of pest controlled were observed. There is training records for IPM refresh training for all IPM filed conducted such as list of participant, and photograp.s.			
Verified by	: TUV Rheinland		

NCR No.	: 5-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Major	Date of Closing	: 24 March 2016
Standard Ref. & Requirement	4.6.1 Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available		
Non-Conformance Description & Evidence observed (filled by auditor): The company cannot ensure the justification of all pesticides used can be demonstrated. During assessment at R&D, SOP for justification on pesticides used is not available.			
Root Cause Analysis (filled by organization audited): -			
Correction (filled by organization audited): Revision of the procedure of making experiment and research (SOP-RnD.GN-001, revision 1, dated February 1, 2016) for pesticides selection flow (determination of the type of pesticide used, trial, use and evaluation), include develop if their evaluation monitoring format			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> Ensuring all kind of new pesticides to be used has compliance with procedure (SOP-RnD.GN-001) before pesticide recommendation issue Develop database of kind pesticide has used 			
Assessor Evaluation and Conclusion (filled by auditor): 17 Feb 2017 The company have been revised the procedure of making experiment and research (SOP-RND.GN-001, revision 1, dated February 1, 2016) where in the procedure already explain the flow of experiment and research until selection of pesticides. Based on the result of interview with head of R&D division that the company has not been used new pesticide so that procedure has not been implemented. R&D division has issued list of pesticide that can be used year 2016 (since 11 January 2016) are Virus Sn, Cordyceps, Decis 25EC, Matador 25EC, Betathrin 100 EC, Opera 100EC, Capture 100EC, Dipel SC, Dipel WP, Thuricide HP, Orthene 75SP, Starthene 75WG, Manthene 75SP, Manuver 400SL, Fol-tus 400SL, Regent 50SC, Garnet 50SC, Penalty 50SC, Marshall 200EC, Marshal 5GR, Prorodent PL, Sime Ebor Baits 0.05BB, Racumin 0.0375BB, Bentox 50WP, Antracol 70WP, Explore 250EC, Roundup 486SL, Supremo 480SL, Kleenup 480SL, Posat 480SL, Jurassic 480SL, Starane 480EC, Dejavu 288EC, Basta 150SL, Inteam 150SL, Garlon 670EC, Starlon 665EC, Ally 20WP, Trendy 20WP, Gramoxone 276SL (limited pesticide so that shall compliance to Minister of Agriculture decree No.949/Kpts/TP.270/12/98 & principle of RSPO and ISPO if used) and Supretox 276SL (limited pesticide so that shall compliance to Minister of Agriculture decree No.949/Kpts/TP.270/12/98 & principle of RSPO and ISPO if used)			
Verified by	: TUV Rheinland		

NCR No.	: 6-2015	Issued by	: TUV Rheinland
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Date Issued	:	-	Time Limit	:	-
			Batas Waktu		
NC Grade	:	Major	Date of Closing	:	24 March 2016
Standard Ref. & Requirement	:	4.6.11 Specific annual medical surveillance for pesticide operators and documented action to treat related health conditions shall be demonstrated			
Non-Conformance Description & Evidence observed (filled by auditor): Specific annual medicals check up was not ensure conducted annually by the company. During the assessment to the polibun central, show there were no systems to monitor the mechanism to ensure the workers get the specific annual medical check up.					
Root Cause Analysis (filled by organization audited): -					
Correction (filled by organization audited): <ul style="list-style-type: none"> Employee medical checkup procedure will be revised and addition the form of employee medical checkup status Carry out medical check up to employee Implementation the medical checkup monitoring with use the monitoring form 					
Corrective Action (filled by organization audited): Make the medical checkup programmed during one year					
Assessor Evaluation and Conclusion (filled by auditor): 17 Feb 2016 The company has submitted evidence of improvements such as: <ul style="list-style-type: none"> Employee medical checkup procedure (SOP-Poli.GN-001revision 1, dated February 12, 2016). In the procedure already explain the schedule of medical regularly conducted once a year for non-chemist employees and every six month for chemist employee. List monitoring of employee medical checkup Schedule of employee medical checkup year 2016 for specific parameter are March & September 2016 (cholinesterase) and December 2016 (audiometry & spirometry) Schedule of employee medical checkup year 2016 for general parameter are 2-7 March 2016 (Suayap estate), 9-14 March 2016 (Umpang estate), and 8-13 March 2016 (Suayap POM). The results of medical check-up for specific parameter (spirometry and audiometry) to employees amount of 25 persons in Suayap POM (letter no.014/SK/SSS-CP/III/2016) dated on 1-4 February 2016. Statement letter about the results of medical check-up for cholinesterase (specific parameter) on 4 March 2016 to maintenance workers (spraying and fertilizing) at Suayap estate amount of 91 persons are all normal (100%). Statement letter about the results of medical check-up for cholinesterase (specific parameter) on 25 February 2016 to maintenance workers (spraying and fertilizing) at Umpang estate amount of 129 persons are all normal (100%). 					
Verified by	:	TUV Rheinland			

NCR No.	:	7-2015	Issued by	:	TUV Rheinland
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Date Issued	:	-	Time Limit	:	-
NC Grade	:	Major	Date of Closing	:	24 March 2016
Standard Ref. & Requirement	:	4.6.12 No work with pesticides shall be undertaken by pregnant or breastfeeding women			
Non-Conformance Description & Evidence observed (filled by auditor): The company cannot ensure no workers with pesticides for confirmed pregnant and breast feeding women. The mechanism not effective to ensure that no pregnant and breast feeding workers on pesticides.					
Root Cause Analysis (filled by organization audited): -					
Correction (filled by organization audited): <ul style="list-style-type: none"> • revision of employee health examination procedure and adding mechanism regarding exam or monitoring of pregnant and breast-feed women • Create of manual filling information on pregnancy monitoring form for non-clinic (F-POLI.GN-022) as a guide for mandor/foreman/supervisor 					
Corrective Action (filled by organization audited): Carry out monitoring/inspection regularly regarding implementation of employee health examination procedure					
Assessor Evaluation and Conclusion (filled by auditor): 17 Feb 2016 The company has submitted evidence of improvements such as: <ul style="list-style-type: none"> • Employee medical checkup procedure (SOP-Poli.GN-001), revision 1, dated February 12, 2016. In the procedure already explain that the pregnant women conducted regularly monitoring conducted every month by foreman and medical personnel and if founded the employee on pregnant and breast-feed will be issued a letter of recommendation to work in the non-chemist activities • Monitoring form for pregnant and breast-feed where the results of monitoring that there is 1 (one) worker pregnant in Suayap estate per February 2016 and 2 (two) workers breast-feed in Suayap and Umpang estate. 					
Verified by	:	TUV Rheinland			

NCR No.	:	8-2015	Issued by	:	TUV Rheinland
Date Issued	:	-	Time Limit	:	-
NC Grade	:	Major	Date of Closing	:	24 March 2016
Standard Ref. & Requirement	:	4.7.2 All operations where health and safety is an issues shall be risk assessed and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to workers.			
Non-Conformance Description & Evidence observed (filled by auditor): Not All operations have conducted the risk assessments. The company has working instruction for working safety on harvesting activities. However the working instruction not clearly describes the position of harvester, e.g. harvester					

position on palm harvesting near the drainage	
Root Cause Analysis (filled by organization audited):	
-	
Correction (filled by organization audited):	
<ul style="list-style-type: none"> Revised the work instruction about health and safety harvesting involved working unit Socialization of new working instruction to employee in all units Inspection of harvesting activities regularly 	
Corrective Action (filled by organization audited):	
Ensure all activities has carried out risk assessment and their procedure available	
Assessor Evaluation and Conclusion (filled by auditor):	
17 Feb 2016	
The company has submitted evidence of improvements such as:	
<ul style="list-style-type: none"> Revised work instruction about health and safety on harvesting (WI-KBN.GN-006, revision 00, dated February 15, 2016). In the work instruction already explained about harvesting system from harvesting preparation until safety harvesting process. Minutes of socialization of harvesting work instruction. 	
<p>The results of verification on field (block D16) are work instruction of harvesting (WI-KBN.GN-006) was available in Umpang estate office where on section 6.2.21 to 6.2.26 has explained that the spacing/range harvesting between harvester with oil palm tree is 2-2.5 m on mature (above 3 year) areas. If harvester position on palm harvesting near the drainage that harvester stand up on "tapak kuda" or safety location/position for stand up if "tapak kuda" not available. Based on interview that harvester has understood about mechanism it.</p>	
Verified by	: TUV Rheinland

NCR No.	: 9-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Minor	Date of Closing	: 28 August 2017
Standard Ref. & Requirement	4.7.6 All workers shall be provided with medical care and covered by accident insurance		
Non-Conformance Description & Evidence observed (filled by auditor):			
<p>The company cannot ensure that all workers and they families were provided with medical care, and covered by accident insurance. BPJS Kesehatan does not fully cover for all employees and their families (max 5 people), based on registration of BPJS Kesehatan at Umpang Estate, the company only covered max 2 people (worker and his wife)</p>			
Root Cause Analysis (filled by organization audited):			
-			
Correction (filled by organization audited):			
Identify of employee has registered or registered			

Corrective Action *(filled by organization audited):*

To ensure all employees has registered on BPJS Kesehatan.

Assessor Evaluation and Conclusion *(filled by auditor):*

28 August 2017

Managament unit has show payment record of BPJS for health which cover worker and family (wife and children)
Unit manajemen telah menunjukkan bukti pembayaran BPJS Kesehatan untuk pekerja, istri dan anak.

Verified by : **Dwi Haryati**

NCR No.	:	10-2015	Issued by	:	TUV Rheinland
Date Issued	:	-	Time Limit	:	-
NC Grade	:	Minor	Date of Closing	:	28 August 2017
Standard Ref. & Requirement	:	4.8.2 Records of training for each employee shall be maintained			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Not all of training records for each employee are maintained. During the assessment to the T&D found that not all training records of spraying workers for limited pesticides handling are available.					
Root Cause Analysis <i>(filled by organization audited):</i> -					
Correction <i>(filled by organization audited):</i> Conducting training to all spraying employees regarding handling of limited pesticides					
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none">• Up-grade of spraying employee status by gradually• Create of personil certification training matrix					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 28 August 2017 Certificate holder shows the limited pesticide user training report, 50 worker of Suayap Estate and 55 worker of Umpang Estate, including spraying worker, foreman, and warehouse workers. Interview with Training & Development Manager and document review of Training Program 2017 and 2018, there is no limited pesticides user training program in the future. This is related to policy that no longer use limited pesticides.					
Verified by	:	Arif Faisal S			

NCR No.	11-2015	Issued by	TUV Rheinland
Date Issued	-	Time Limit	-
NC Grade	Minor	Date of Closing	28 August 2017
Standard Ref. & Requirement	5.2.4		

Non-Conformance Description & Evidence observed (filled by auditor):

There are no documented ongoing monitoring of the status of HCV and RTE species that are affected by plantation or mill operations.

HCV management plan has been established. However, the implementation of the management plan is not yet started properly such as monitoring RTE species, periodic monitoring on biodiversity, permanent boundaries of such HCV areas etc.

During main assessment mentioned that the company goes to contract agreement with Mulawarman University in order to monitoring of HCV including RTE species (as per agreement # 155/LGL/QHSE/SSMS.G-Unmul/XI/2015 dated on 13 November 2015). The monitoring protocol would be established for twice a year and it will started in upcoming February 2016.

Root Cause Analysis (filled by organization audited):

-

Correction (filled by organization audited):

Finalization of biodiversity monitoring report because monitoring of the status of HCV and RTE species has conducted

Corrective Action (filled by organization audited):

- Create of annual biodiversity monitoring plan
- Conduct monitoring accordance with plan

Assessor Evaluation and Conclusion (filled by auditor):

28 August 2017

The management unit has regularly monitored HCV & RTE and can show the monitoring record. Based on monitoring in June 2017 it was found that the entire HCV area was in preserved condition and there was no disturbance. The results of monitoring of RTE species in June 2017 showed there were 41 species in the operational area.

Verified by : Radytio Puspanjana

NCR No.	:	12-2015	Issued by	:	TUV Rheinland
Date Issued	:	-	Time Limit	:	-
NC Grade	:	Major	Date of Closing	:	8 August 2016
Standard Ref. & Requirement	:	5.6.2 Significant pollutants and GHG emissions shall be identified and plans to reduce or minimise them implemented			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Plans to reduce or minimise significant pollutants and greenhouse gas (GHG) emissions have not been developed. Plans to reduce or minimise significant pollutants and greenhouse gas (GHG) emissions have not been developed.					
Root Cause Analysis <i>(filled by organization audited):</i> -					

Correction *(filled by organization audited):*

Develop the program to reduce GHG emission for estate and mill

Corrective Action *(filled by organization audited):*

To ensure all requirement has included in internal audit and was implemented

Assessor Evaluation and Conclusion *(filled by auditor):*

17 Feb 2016

The company has submitted evidence of improvements such as objective target program about environmental and health and safety. In the objective target program stated the objective, target, activity program, person in charge and due date to reduce the significant pollution and emission GHG.

Plan/program to reduce or minimize significant pollutant and GHG emission in :

- POM : planting conservation trees around POM and optimize of renewable energy (fiber & shell)
- Estate : applied of land application, optimize of diesel motor (genzet), optimize of IPM program, planting conservation trees and revision of off electric schedule

Verified by : TUV Rheinland

NCR No.	: 13-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Minor	Date of Closing	: 7 August 2016
Standard Ref. & Requirement	5.6.3 A monitoring system shall be in place with regular reporting on progress for these significant pollutants and emissions from estate and mill operations using appropriate tools		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Monitoring system and reporting has not been fully in place for these significant pollutants and emissions. The company has not been able to appropriately fill in the Palm GHG calculated which is the RSPO endorsed tools to assess, monitor, and report GHG emissions. This is due to an error as point out by the staff responsible for the GHG calculation. Correspondence has been undertaken with the RSPO to settle this issue but RSPO has not yet provide solution that can solve the issue.			
Root Cause Analysis <i>(filled by organization audited):</i> -			
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none">• The company download Palm GHG software version 2.1.1 and their manual• The company fill in data to Palm GHG calculate• Create of reduction of GHG emission on estate and mill			
Corrective Action <i>(filled by organization audited):</i> Implementation and monitoring reduction of GHG emission			

Assessor Evaluation and Conclusion *(filled by auditor):*

Verified by : TUV Rheinland

NCR No.	: 14-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Major	Date of Closing	: 8 August 2016
Standard Ref. & Requirement	6.3.1 Plans for avoidance or mitigation of negative impacts and promotion of the positive ones and monitoring of impacts identified shall be developed in consultation with the effected parties, documented and timetabled, including responsibilities for implementation.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Lack of evidence that plans for avoidance or mitigation of negative impacts and promotion of the positive ones is developed in consultation with the affected parties. PT MMS has established CSR programs 2016 under PT SSS. The programs are as a part of plans for avoidance or mitigation of negative impacts and promotion of the positive ones. But the CSR programs are not clear developed in consultation with the affected parties and documented.			
Root Cause Analysis <i>(filled by organization audited):</i> -			
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> • Creating baseline of CSR Program based on consultation with the affected parties • Record of consultation process documented 			
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none"> • Implementation, monitoring and evaluation of CSR program • Revision and evaluation of CSR program will be consultation with the affected parties 			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 17 Feb 2017 The company has been able to develop some improvement efforts related to the mechanism of the development of public participation into the formulation of social sustainable programs. Efforts this company started in the 2016 to develop mechanism as follows: Stage 1: Baseline study conducted and done by collecting data of the village, such as village profile and planning of the village development (musyawarah perencanaan dan pembangunan desa), planning of the village medium term development (rencana pembangunan jangka menengah). The method used in the gathering or collection of secondary data is the desktop study. Secondary data analyzed to obtain a preliminary overview of affected communities. Stage 2: Secondary data as the result of baseline study became the basis for carrying of identification study for community needs. Identification of community needs conducted by participation and consultation method with			

affected communities.

Step 3: The identification result of community needs and then accelerated by data analysis done in the first stage.

Step 4: The result of acceleration between stage 1, stage 2, and stage 3 convert into matrix of corporate social responsibilities program. Corporate social responsibility program are communicated and consult with affected communities. Communication and consultation is conducted to obtain community feedback from affected communities upon corporate social responsibility programs to be implemented in the affected communities.

Stages in the development of corporate social responsibility programs will begin to be implemented in November 2016. In more detail the implementation of these stages can be seen in the explanation Mill Natai Baru Mill Suayap, Estate Natai Baru and Estate Suayap.

Mill Suayap and Suayap Estate

At this time, the company still doing baseline study in the Umpang Village. Village that directly affected by company activities (Mill Suayap and Estate Suayap) is Umpang Village. Company still implement of CSR programs in the Umpang Village, and also still doing process of reviewing data of village profile for for baseline study, identification of community needs, planning of the village development (musyawarah (musyawarah perencanaan dan pembangunan desa), planning of the village medium term development (rencana pembangunan jangka menengah). Before conducted baseline study, the company has did social activities in Umpang Village. The evidences submitted by the company concerning the efforts to improve corporate social responsibility program of PT. Pt. Mitra Mendawai Sejati (Mill Suayap and Estate Suayap) are as follows:

1. Timeframe of baseline study in the Natai Baru village of PT.Mitra Mendawai Sejati, dated January 31, 2016
2. Minutes of Meeting Focus Group Discussion about CSR PT. Mitra Mendawai Sejahtera (MMS), dated 22 April 2016
3. Minutes of Meeting Focus Group Discussion about CSR PT. Mitra Mendawai Sejahtera (MMS) in Umpang Village, dated 22 April 2016
4. Attendance list of CSR Program Socialization in Umpang Village, dated 21 April 2016
5. Matrix of Accelerated of CSR program with planning of the village medium term development, year 2016

Verified by : TUV Rheinland

NCR No.	:	15-2015	Issued by	:	TUV Rheinland
Date Issued	:	-	Time Limit	:	-
NC Grade	:	Minor	Date of Closing	:	28 Agustus 2017
Standard Ref. & Requirement	:	6.1.4 The plans shall be reviewed as a minimum once every two years and updated as necessary in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review included the participation of affected parties			
Non-Conformance Description & Evidence observed (filled by auditor): No available evidence that the plans for avoidance or mitigation of negative impacts and promotion of the positive ones have been reviewed a minimum once every two years and the review has included the participation of affected parties.					

No available evidence that CSR programs report has reviewed periodically and included the participation of affected parties	
Root Cause Analysis <i>(filled by organization audited):</i> -	
Correction <i>(filled by organization audited):</i> Reviewing the plan for avoidance or mitigation of negative impact and promotion of the positive impact and involving affected parties	
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none"> To create base line of CSR program and it reviewed by periodically To ensure next time shall review of social management and monitoring plan every two year (minimum) and involve affected parties 	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 28 August 2017 The Certificate Holder has the last evaluation of the SIA in the document of Evaluation of Internal and External Stakeholder Activities in 2016, in which internal (employee) and external (surrounding community) stakeholders are within the scope of the SIA document. The document shows the evaluation of previous CSR program, and is used as a reference to arrange the next year CSR program.	
Verified by	: Arif Faisal S

NCR No.	: 16-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Major	Date of Closing	: 8 August 2016
Standard Ref. & Requirement	6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc) shall be available in the languages understood by the workers or explained carefully to them by a management official.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The company regulation is not fully met related working hours. PP (Article 15) has stated that working hours are 40 hours/week and overtime will be applied in accordance with relevant regulation however based on interview with workers, there was a worker (Soimah – GA worker) at Suayap Mill has worked more than 40 hours/week but she has not been paid her over-time. Based on information from Head of Administration (KTU) stated that the company previously applied premi for GA worker but it has been removed.			
Root Cause Analysis <i>(filled by organization audited):</i> -			
Correction <i>(filled by organization audited):</i> Issued Internal Memo regarding overtime mechanism and communicated to all workers.			

Corrective Action <i>(filled by organization audited):</i> Control and monitor the implementation of Internal memo regularly or during internal audit.	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> It was observed during verification audit all overtime has been paid according to the regulation such as payment slip for woker e.g. boiler operator, genset operator Suayap mill for June, and July 2016 . However the total hours per week was over than 13 hours a week or 3 hours a day, this is still not complies with Kepmenaker no. 102 year 2014. This is will be verify during next surveillance audit.	
Verified by	: TUV Rheinland

NCR No.	: 17-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Major	Date of Closing	: 8 August 2016
Standard Ref. & Requirement	6.6.1 A published statement in local languages recognising freedom of association shall be available		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The company regulation (Peraturan Perusahaan) which describes the right to freedom of association and collective bargaining is expired. Peraturan Perusahaan (the company regulation) period 2013-2015 has been established and approved by Head of Dinas Tenaga Kerja dan Transmigrasi Kab. Kotawaringi Barat dated on 15 December 2013 valid until 14 December 2015. So that Peraturan Perusahaan has expired. The company and workers have established LKS Bipartite (Bipartite Cooperation Institution) and it has been registered to relevant authority however number of workers representative is not comparable with number of management representative (workers representative = 4 people and Management representative= 8 people). Besides that LKS Bipartite has not been represented by all estates and mills.			
Root Cause Analysis <i>(filled by organization audited):</i> -			
Correction <i>(filled by organization audited):</i> Follow up to Department of Manpower and Transmigration related with renewal of company regulation period 206 - 2018			
Corrective Action <i>(filled by organization audited):</i> Socialization of LKS Bipartite to employee			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 8 August 2017 The renewal license of LKS Bipartite and Company Regulation in both company has been done. Socialization related LKS Bipartite and company regulation also has been done in PT. Kalimantan Sawit Abadi dan PT. Mitra Mendawai			

Sejati. For more detail explanation can be seen below.

Mill Suayap and Suayap Estate

LKS Bipartite of PT. Mitra Mendawai Sejati was ratified by Department of Manpower and Transmigration, District Kotawaringin Barat, Central Kalimantan Province, Number : KEP-137/DTT/HIPK-HI/II/2016. The ratification is dated since February 15, 2016 and valid until February 15, 2018. LKS Bipartite of PT. Mitra Mendawai Sejati . The LKS Bipartite of PT. MMS has composition consist of 6 members employee representatives and of 6 members management representatives. Regarding the composition of LKS Bipartite PT. MMS can be seen in the following table :

NO	Name	Position	Remark
1	Hendri Cahyono	Chairman	Management Representative
2	Saifuddin	Vice Chairman	Employee Representative
3	Sulistio Purnomo	Secretary	Management Representative
4	Hardi Wijaya	Vice Secretary	Employee Representative
5	Agung Wahyu Wijaya	Member M	Management Representative
6	Ahmad Solechan	Member	Employee Representative
7	Marado Julianto Sihotang	Member	Management Representative
8	Machriadi Agus	Member	Employee Representative
9	Maras Y. Kunum	Member	Management Representative
10	Dhenny Tunggal Prayugo	Member	Employee Representative
11	Achmad S	Member	Management Representative
12	Bambang Suprayitno	Member	Employee Representative

Company regulations of PT. Mitra Mendawai Sejati (MMS) has been ratified with the Number: KEP-138/DTT/HIPK-HI/II/2016 by the Department of Manpower and Transmigration, District Kotawaringin Barat, Central Kalimantan Province. The ratification is dated since February 15, 2016 and valid until February 15, 2018. This company regulation consist of 12 chapter and 59 articles. Socialization has been carried out on March 14, 2016 in the meeting room of Natai Baru Estate, and the substance of socialization as follows:

1. Socialization of LKS Bipartite endorsed by Head of Department Manpower and Transmigration, District Kotawaringin Barat.
2. Tasks of Board LKS Bipartite Mitra Mendawai Sejati (MMS)
 - a. Conducting periodic meeting and/or at any time if necessary
 - b. Communicate the policy aspiration of employer, worker, labors and or union/labor to prevent industrial problems in the company.
 - c. Delivering advice, consideration and opinion to employee, workers/laborers and or union/labor bundle in the establishment of company policy.
 - d. Supporting and the encouraging discipline, serenity and excitement of working and tranquility effort.
 - e. Increase the participation of workers and develop and promote the company.

Verified by : TUV Rheinland

NCR No.	: 18-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Major	Date of Closing	: 4 May 2016
Standard Ref. &	: 7.3.1		

Requirement	There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more HCVs since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced
Non-Conformance Description & Evidence observed (filled by auditor): <p>There is no evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. There are planting conducted after November 2005 without prior and adequate HCV Assessment. The guidance of the 2013 P&C standard stated that such case warrants exclusion from the RSPO certification programme until an adequate HCV compensation plan has been developed and accepted by the RSPO. Interview and review of the correspondence as well as report on HCV, LUCA, as well as compensation program showed that the company (MMS and KSA) had submitted the self liability assessment as well as Land Use Change Analysis reports. Despite considerable efforts from the company, the compensation plan has not yet been approved by RSPO. This is due to the long process of approval with back and forth process. The audit team nevertheless, saw the eagerness and high effort of the company to finish the compensation process as soon as possible through its conservation program at one of the conservation area near the company area (Tanjung Keluang).</p>	
Root Cause Analysis (filled by organization audited): <p>-</p>	
Correction (filled by organization audited): <ul style="list-style-type: none"> Intensive coordination with the RSPO to completion immediately review LUCA PT MMS, PT KSA and PT SSS Coordination something that needs to be clarified by the consultants LUCA (Aksenta) Preparation of the compensation plan based on the results LUCA that have been pass 	
Corrective Action (filled by organization audited): <p>Communication to RSPO secretariat relate of compensation and remediation process by intent.</p>	
Assessor Evaluation and Conclusion (filled by auditor): <p>4 May 2016 During verification on February 17, 2016 (document) & 24 March 2016 (field) LUC analysis and compensation plan has not approved/passed/endorsed by compensation panel (RSPO secretariat) or still inprocess so that this is indicator raised was non-conformity. The company has submitted LUC analysis document on behalf PT SSS to RSPO secretariat on 20 September 2014. Email from RSPO compensation on 16 February 2016 that the company will have to complete the compensation process by getting compensation plan endorsed during the three months. The next, there is action that need to be taken i.e submit the clarifications requested for the LUCCA reviews (refer to email dated on 10 Feb 2016). The company has submitted clarification requested for the LUCCA reviews to RSPO secretariat or RSPO compensation on 14 February 2016 and submit clarification evidence to RSPO secretariat & reviewer on 18 April 2016 appropriate the result of clarification from reviewer.</p> <p>Based on email on 4 May 2016 that LUC analysis document on behalf PT SSS has passed and next step is the company to submit the compensation concept/plan. Refer condition it that the company has efforts to fulfil requirements from RSPO but the company have not power push-in process.</p>	
Verified by	: TUV Rheinland

NCR No.	: 19-2015	Issued by	: TUV Rheinland
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Date Issued	:	-	Time Limit	:	-
NC Grade	:	Major	Date of Closing	:	8 August 2016
Standard Ref. & Requirement	:	7.8.1 The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development shall be identified and estimated			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development has not been identified and estimated. This related to effort of minimizing GHG emission on the proposed development area as applicable. The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development has not been identified and estimated.					
Root Cause Analysis <i>(filled by organization audited):</i> -					
Correction <i>(filled by organization audited):</i> Finalization of GHG Calculator and the determination of emission reduction program					
Corrective Action <i>(filled by organization audited):</i> Ensure GHG calculation complied each end year and monitoring of emission reduction on a regular basis					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 8 August 2016 The company has submitted evidence of improvements such as objective target program about environmental and health and safety. In the objective target program stated the objective, target, activity program, person in charge and due date to reduce the significant pollution and emission GHG.					
Verified by	:	TUV Rheinland			

NCR No.	:	20-2015	Issued by	:	TUV Rheinland
Date Issued	:	-	Time Limit	:	-
NC Grade	:	Minor	Date of Closing	:	28 Agustus 2017
Standard Ref. & Requirement	:	7.8.2 There shall be a plan to minimise net GHG emissions which takes into account avoidance of land areas with high carbon stocks and/or sequestration options			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> There is not yet any plan to minimize net GHG emissions which takes into account voidance of land areas with HCS and or sequestration options. This related to effort of minimizing GHG emission on the proposed development area as applicable. Interview with the PIC for green house gasses issue revealed that there is ot yet any plan to minimize net GHG emissions which takes into account avoidance of land areas with HCS and or sequestration options.					

Root Cause Analysis <i>(filled by organization audited):</i>	
-	
Correction <i>(filled by organization audited):</i>	
Finalization fill in data to GHG calculator and create of reduction of GHG emission program include on avoidance of land areas with HCS and or sequestration options	
Corrective Action <i>(filled by organization audited):</i>	
<ul style="list-style-type: none"> • Implementation and monitoring reduction of GHG emission • To ensure fill in data by completely and conducting by periodically 	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>	
28 August 2017	
The company already has a Sustainability Policy stating that for existing plantations and new planting will identify and protect HCV and HCS.	
Verified by	: Radytio Puspanjana

NCR No.	: 21-2015	Issued by	: TUV Rheinland
Date Issued	: -	Time Limit	: -
NC Grade	: Major	Date of Closing	: 8 August 2016
Standard Ref. & Requirement	: 8.1.1 The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill and shall include a range of indicators covered by these Principle and Criteria		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
The action plan for continual improvement has not been developed. Throughout the audit, the audit team observed the followings: <ol style="list-style-type: none"> The Company does not have policies, procedures and programs to reduce the use of paraquat. Environmental impacts have all been below the limit Waste reduction is implemented although needs to be consistent with the implementation as the system is already in place (See 5.3.2) Innovation program includes efficient usage of fertilizer through application of filter in the fertilizer applicant. Interview with the PIC on GHG issue revealed that the action plan on continual improvement for GHG emission reduction has not yet been developed. 			
Root Cause Analysis <i>(filled by organization audited):</i>			
-			
Correction <i>(filled by organization audited):</i>			
<ol style="list-style-type: none"> Company defines policy to reduce paraquate and established program for paraquate consumption. Company establish program to manage environmental impact to ensure that all parameter level comply to the requirement. 			

c. Finalization of GHG Calculator and the determination of emission reduction program

Corrective Action *(filled by organization audited):*

Ensure GHG calculation complied each end year, implementation of emission reduction program and monitoring of emission reduction on a regular basis

Assessor Evaluation and Conclusion *(filled by auditor):*

Policy and program to reduce paraquate consumption has been established for year 2016. Implementation will be verified during next surveillance audit.

The company has submitted evidence of improvements such as objective target program about environmental and health and safety. In the objective target program stated the objective, target, activity program, person in charge and due date to reduce the significant pollution and emission GHG

Verified by : TUV Rheinland

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-1

NCR No.	: 2017.01	Issued by	: Dwi Haryati
Date Issued	: 29 August 2017	Time Limit	: ASA-2
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	4.7.5 A procedure for emergency and work accident shall be available in Indonesian Language; and the workers, who have attended First Aids training, are available in the working areas.		
Non-Conformance Description & Evidence observed (filled by auditor): Based on field visits is known the CH has provided First aid box in working areas (Estate and Mill), but items in First aid box has not accordance with recommendations of doctors.			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			
Verified by	:		

NCR No.	: 2017.02	Issued by	: Radytio Puspanjana
Date Issued	: 29 August 2017	Time Limit	: ASA-2
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	5.3.3 A documented waste management plan to avoid or reduce pollution and its implementation shall be available		
Non-Conformance Description & Evidence observed (filled by auditor): Document review and interview it is known that there was hazardous waste usage i.e used light, this is not in accordance with the procedure owned.			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			

Corrective Action <i>(filled by organization audited):</i>	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>	
Verified by	:

NCR No.	:	2017.03	Issued by	:	Ardiansyah
Date Issued	:	29 August 2017	Time Limit	:	28 October 2017
NC Grade	:	Major	Date of Closing	:	27 September 2017
Standard Ref. & Requirement	:	7.3.1 There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> PT MMS conduct land clearing after 1 November 2005 without a prior HCV assessment, so CH need to follow Remediation and Compensation Procedures. PT SSS, as the parent of PT MMS has submitted disclosure and LUC analysis document to RSPO secretariat on 20 September 2014. Email from RSPO compensation on 16 February 2016 that the company will have to complete the compensation process. On 6 April 2016 PT MMS has got Approval for LUCA Review. But, CH has not shown approval of compensation plan from the Compensation Panel for the liability.					
Root Cause Analysis <i>(filled by organization audited):</i> LUCA review by RSPO takes a long time, RSPO (Dillon Sarim) has just clarified that LUCA of PT MMS has passed reviewer review on 5 February 2016 and for compensation plan is still in the final endorsement process of Compensation panel, while LUCA of PT MMS has been submitted on 20 September 2014					
Correction <i>(filled by organization audited):</i> Shows the record of communication with RSPO Compensation Panel for LUCA process, RaCP concept Note and RaCP Plans of PT MMS.					
Corrective Action <i>(filled by organization audited):</i> Communicate with RSPO Compensation Panel to speed up the process of RaCP Concept Note and RaCP Plans of PT MMS					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 27 September 2017 The RSPO has sent an email to CB on 27 September 2017 stating that "For PT MMS, this unit has not completed its RaCP. However, similar treatment to other certified units, the RACP will be completed before the next surveillance audit." Based on the evidence NC No. 2017.03 is closed and will be re-observed during the next visit.					

Verified by	:	Ardiansyah

3.5.3 Opportunity for Improvement

No	Ref. Std.	Description
1	2.2.2	Complete the identity of boundary stone
2	4.7.3	Ensure and monitor the PPE that providing to workers is implemented
3	4.7.6	Showing detail data of BPJS for employment especially for daily workers
4	5.2.3	Management unit encourage to has a rules related to violation of RTE species.
5	5.3.3	Management unit encourage to has mechanism of hazardous waste sent from site. Management unit encourage to distribution all mechanism related to latest hazardous waste management in each unit.

3.5.4 Noteworthy Positive Components

No	Description
1	Implement management system of ISO 9001, 14001 and 18001
2	Has had "PROPER BIRU" of 2016

3.6 Summary of Arising Issues from Public and Auditor Verification

Issue from Public	Auditor Response
Environmental Agency of Kotawaringin Barat District (EIA Section) <ul style="list-style-type: none"> PT MMS has had EIA document i.e AMDAL and no change or revision of AMDAL document No issue of environmental pollution caused by certification unit operation 	<p>There were no negative issues from agency. The management unit has demonstrated evidence of compliance with the RSPO P & C such as Criterion 2.1 and 5.1</p>
Land Office of Kotawaringin Barat District No staff that can be interviewed	<p>No information from stakeholder</p>
Department of Agriculture, Horticulture and Plantation of Kotawaringin Barat District (Plantation section) <ul style="list-style-type: none"> No negative issue from stakeholder Communication with agency is good Plantation Agency are involved in the certification preparation activities together with the INOBU Foundation The Company has reported the plantation business activities report (LKUP) in an orderly manner to the provincial agency. There is no new business license process The company has a Plasma / partnership in collaboration with the surrounding communities and the company has provided regular reports to the relevant agencies. The CSR report is sent to the regent and relevant agency No issue of land conflict FFB price is set by provincial plantation agency ever month 	<p>There were no negative issues from agency. The management unit has demonstrated evidence of compliance with the RSPO P & C such as Criterion 1.1; 2.1; 2.2; 6.1; 6.10 and 6.11.</p>
Labor and Transmigration of Kotawaringin Barat District (Labor Inspection) <ul style="list-style-type: none"> No negative issue of labor The Company has periodically submitted mandatory reports such as mandatory report of labor, P2K3 and work accident reports. Machine license and operator license in certification unit (mill and estate) has been owned by the company. There is no industrial problem with workers No issue of underage worker Workers has been paid in accordance with minimum wage of district of 2017 Overtime is paid for workers who work over than/ out of working time and the value is accordance with collective labor agreement. Workers have been registered in BPJS program (labor and health) The company already has emergency fire fighting equipment and is sufficient. There is no worker union, but there are bipartite forum with the members consist of workers representative and company representative. Daily workers/ BHL has been reported to relevant agency. 	<p>There were no negative issues from agency. The management unit has demonstrated evidence of compliance with the RSPO P & C such as Criterion 1.1; 2.1; 4.7; 6.5; 6.6 and 6.7.</p>
Officials of Umpang Village - There is no any constraints related to transparency, communication, request and response of information to the company. Communication and consultation	<p>Already verified, aspects of transparency, communication, information requests and</p>

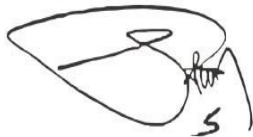
Issue from Public	Auditor Response
<p>between the two parties is harmoniously established between the Village's and the company through Estate / Mill Manager or CSR Staff.</p> <ul style="list-style-type: none"> - There are no constraints related to legality, land disputes, or environmental issues. - No discrimination issues, nor industrial relations issues. 70% of villagers work in the company. - The company also contributes to the development of the Village through CSR program, both charity and empowerment. CSR programs are arranged in a participatory manner, consulted in accordance with the needs of the Village. 	<p>responses have been comply.</p> <p>There are no constraints related to land legality or disputes, or environmental pollution that affects outside parties.</p> <p>Review of employee list documents, employees consisting of men and women, diverse ethnicity, and regional origin.</p> <p>The company has contributed to community development through CSR programs that are charity and empowering.</p>
<p>Contractor of FFB Transport, CV Garnis</p> <ul style="list-style-type: none"> - The making of agreement is done in a participatory way. The Contractor understands the provisions in agreement such as volume, price, duration, payment method, aspect of OHS and environment. Dispute settlement methods available. - Payment has been made on time in accordance with the provisions in the agreement. No problems related to cooperation with the company, because the company is open to consulting related work issues. 	<p>Review of agreements and payment documents, payment methods have been made on time. There is no violation of agreement made by the company to the contractor.</p>
<p>Gender Committee</p> <ul style="list-style-type: none"> - The company has socialized corporate policies related to human rights, non violence, and protection of women's reproductive rights. - No cases related to human rights, violence, or harassment. Every female employee has been granted menstrual leave rights, before and after childbirth. There have been mechanisms to monitor pregnant and lactating female workers not working in chemicals. 	<p>The Company has granted reproductive rights to women, such as menstrual leave, before and after childbirth, and ensures that no pregnant and lactating female workers work in chemicals.</p>
<p>Bipartite Cooperation Institution</p> <ul style="list-style-type: none"> - Bipartite Cooperation Institution regularly hold meetings. - Employees have not initiative to form worker unions, because there has been no significant industrial relations constraint. - So far there are no significant obstacles related to industrial relations. 	<p>There is no industrial relations issues. Results of interviews with workers at the Mill and Estates, it is known that workers have not initiative to establish a worker union because there is no industrial relations constraint. The communication and complaint handling mechanisms have been well facilitated.</p>

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**4.1 Formal Sign-off of Assessment Findings**

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

Signed on behalf of:

PT Mitra Mendawai Sejati
Management Representative



Rudy Hendrarto
27 September 2017

Mutuagung Lestari
Lead Auditor



Ardiansyah
27 September 2017

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Environmental Agency	Kotawaringin Barat District	-	Interview	22 August 2017	√	
2	Plantation Agency	Kotawaringin Barat District	-	Interview	22 August 2017	√	
3	National Land Agency	Kotawaringin Barat District	-	Interview	22 August 2017		√
4	Labor and Transmigration Agency	Kotawaringin Barat District	-	Interview	22 August 2017	√	
5	Official of Umpang Village	Kotawaringin Barat District	-	Interview	26 August 2017	√	
6	CV Garnis (FFB Transport/ Local Contractor)	Kotawaringin Barat District	-	Interview	26 August 2017	√	
7	Gender Committee	Kotawaringin Barat District	-	Interview	26 August 2017	√	
8	Bipartite Cooperation Institution	Kotawaringin Barat District	-	Interview	26 August 2017	√	
9	Suayap Mill <ul style="list-style-type: none"> • 2 weighbridge operator • 3 grading workers • 1 engine room operator • 1 boiler operator • 1 welder • 1 hoisting crane operator • 2 WWTP operator • 1 head of warehouse 	Kotawaringin Barat District	-	Interview	25 August 2017	√	
10	Suayap Estate <ul style="list-style-type: none"> • 4 harvesters • 5 pesticide operators • 5 manuring workers • 2 clerk production • 1 LA operator • 1 LA foreman • 4 firefighters • 2 housewives • 1 daycare officer 	Kotawaringin Barat District	-	Interview	26 August 2017	√	
11	Umpang Estate <ul style="list-style-type: none"> • 4 harvesters • 2 pesticide operators • 2 manuring workers • 2 clerk production • 4 firefighters • 1 daycare officer 	Kotawaringin Barat District	-	Interview	28 August 2017	√	
12	Sawit Watch	Jakarta	info@sawitwatch.or.id	Questioner by email	17 July 2017		√

Appendix 2. Assessment Program

DATE	25 – 30 August 2017	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Friday, 25 August 2017		
08.00 – 09.00	Opening Meeting	ARD / AFS / RPJ / DHT
09.00 – 11.30	Review of Previous Visit Non-conformance (Stage-2) and document review	ARD / AFS / RPJ / DHT
13.30 – 17.00	Field Observation at Suayap Mill <ul style="list-style-type: none"> POM (security, weighbridge, loading ramp, process, engine room, workshop, boiler) WTP, WWTP, Hazardous Waste Warehouse/TPS limbah B3, drainage, collecting place of solid waste (EFB, fiber, shell), methane capture (if any), composting (if any) SCCS 	ARD / AFS / RPJ / DHT
Saturday, 26 August 2017		
08.00 – 12.00	Field Observation at Suayap Estate <ul style="list-style-type: none"> Legal Boundary and land conflict Harvesting, Manuring, Sparying, IPM, application of waste (if any EFB or composting), Land application (if any) and replanting/new area (if any) Housing, workshop, health facility and firefighters equipment Chemical warehouse, Hazardous waste warehouse, Cleaning and storage of PPE for spraying team, Landfill and HCV 	ARD AFS DHT RPJ
12.00 – 14.00	Break	ARD / AFS / RPJ / DHT
14.00 – 17.00	Document review, Time bound plan and partial certification	ARD / AFS / RPJ / DHT
Sunday, 27 August 2017		
08.00 – 17.00	Reporting	ARD / AFS / RPJ / DHT
Monday, 28 August 2017		
08.00 – 12.00	Field Observation at Umpang Estate <p>Legal Boundary and land conflict</p> <p>Harvesting, Manuring, Sparying, IPM, application of waste (if any EFB or composting), Land application (if any) and replanting/new area (if any)</p> <p>Housing, workshop, health facility and firefighters equipment</p> <p>Chemical warehouse, Hazardous waste warehouse, Cleaning and storage of PPE for spraying team, Landfill and HCV</p>	ARD AFS DHT RPJ
12.00 – 14.00	Break	ARD / AFS / RPJ / DHT
14.00 – 17.00	RSPO Document Review and clarification of field visit	ARD / AFS / RPJ / DHT
Tuesday, 29 August 2017		
08.00 – 11.30	Field Observation at Estate or Mill (if necessary) and RSPO Document Review	ARD / AFS / RPJ / DHT
14.00 – 15.00	Interim Meeting/ preparation for closing meeting	ARD / AFS / RPJ / DHT
15.00 – 17.00	Closing Meeting	ARD / AFS / RPJ / DHT
17.00 – 20.00	PT MMS → Pangkalan Bun	ARD / AFS / RPJ / DHT
Wednesday, 30 August 2017		
08.00 - ...	Pangkalan Bun → Jakarta	ARD / AFS / RPJ / DHT