

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

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : Gersindo Minang Plantation POM – PT Gersindo Minang Plantation, Subsidiary of Wilmar International Limited.
 Plantation Name : PT Gersindo Minang Plantation - Gersindo Estate
 PT Permata Hijau Pasaman - PHP-1 Estate, PHP-2 Estate
 Location : Tanjung Pangkal Village, Sub-District of Pasaman, Pasaman Barat District, Province of Sumatera Barat, Indonesia
 Certificate Code : **MUTU-RSPO/038**
 Date of Certificate Issue : 21 April 2014 Date of License Issue : 21 April 2018
 Date of Certificate Expiry : 20 April 2019 Date of License Expiry : 20 April 2019

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved By
ASA-4	08 – 13 January 2018	M Rinaldi (Lead Auditor), Rizliani Aprianita Hasibuan, Dwi Haryati, Steve Muallim dan Satria Adi Putra	Ardiansyah	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	15 April 2018

TABLE OF CONTENT

FIGURE

Figure 1. Location Map of PT GMP- PHP	1
Figure 2. Operational Map of PT. GMP- PHP	2

Abbreviations Used	3
--------------------	---

1.0 SCOPE of the CERTIFICATION ASSESSMENT

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

2.0 ASSESSMENT PROCESS

2.1 Assessment Team	12
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	12
2.3 Stakeholder Consultation and Stakeholders Contacted	15
2.4 Determining Next Assessment	16

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification	17
3.2 Summary of Assessment Report of Supply Chain Requirement	42
3.3 Conformity Checklist of Certificate and Logo Use	55
3.4 Summary of RSPO Partial Certification	56
3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	60
3.6 Summary of Arising Issues from Public, Management and Auditor Responses	84

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Signing of Assessment Findings	89
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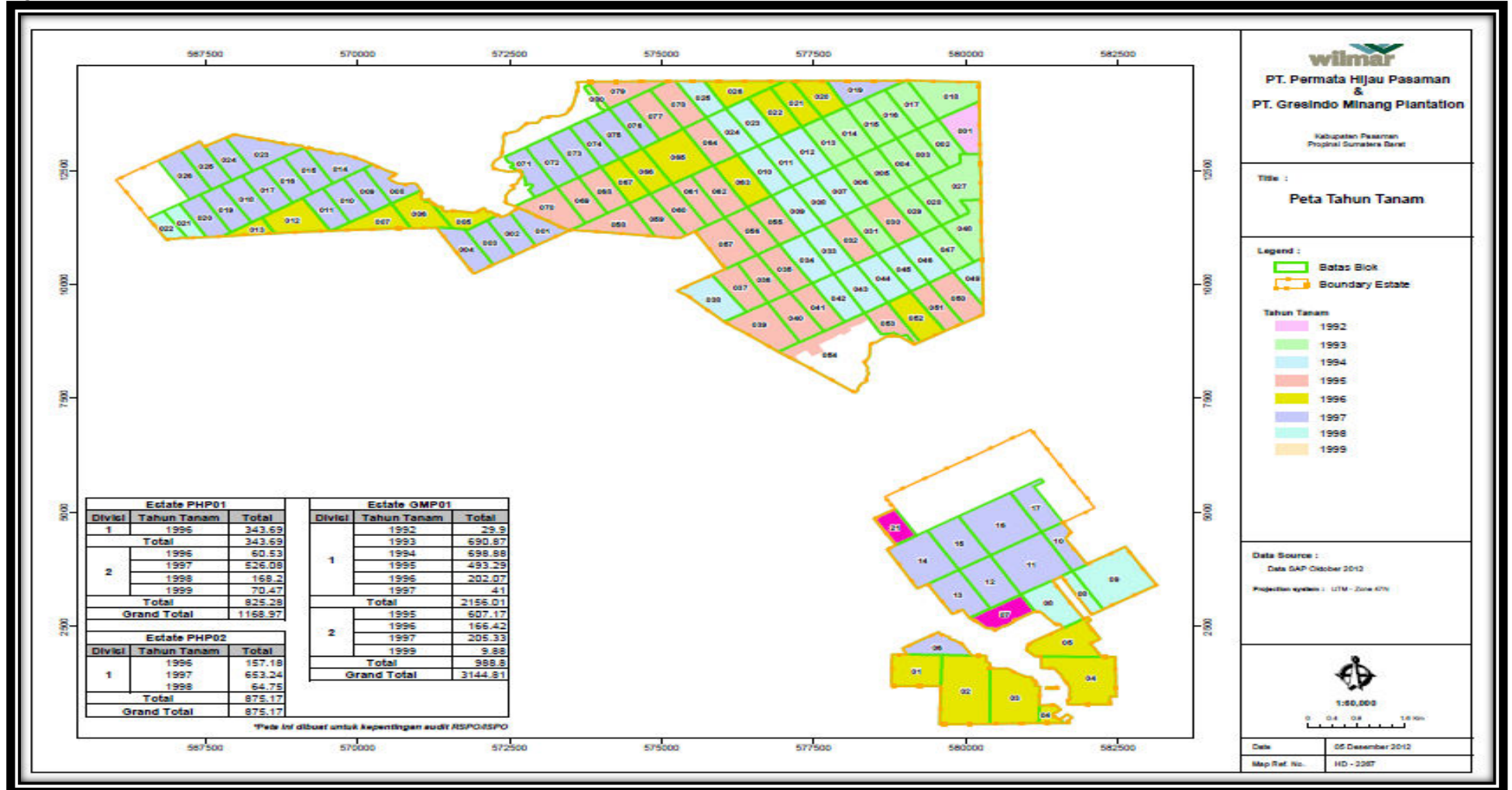
APPENDICES

1. List of Stakeholders Contacted in the RSPO Certification Process	90
2. Assessment Program	92

Figure 1. Location Map of PT. GMP - PHP



Figure 2. Operational Map of PT. GMP- PHP



Abbreviations Used		
AIDS	:	Acquired Immune Deficiency Syndrome
B3	:	<i>Bahan Beracun dan Berbahaya</i> (Hazardous Material)
BHL	:	<i>Buruh Harian Lepas</i> (Daily Paid Worker)
BOD	:	Biological Oxygen Demand
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
CD	:	Community Development
CH	:	Certificate Holder
CPO	:	Crude Palm Oil
CSR	:	Coorporate Social Responsibility
EFB	:	Empty Fruit Bunch
EHS	:	Enviroment health and Safety
EIA	:	Environmental Impact Assessment
FA	:	Final Assessment
FFB	:	Fresh Fruit Bunch
GAPKI	:	<i>Gabungan Pengusaha Kelapa Sawit Indonesia</i> (Indonesian Palm Oil Association)
GEM	:	Group Estate Manager
GHG	:	Green House Gases
GIS	:	Geographic Information System
GMP	:	Gersindo Minang Plantation
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIV	:	Human Immunodeficiency Virus
HRR	:	<i>Human Resource Regional</i>
IPM	:	Integrated Pest Management
ILO	:	International Labour Organization
ISCC	:	International Sustainability & Carbon Certification
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Business Permit)
IUP-B	:	<i>Izin Usaha Perkebunan Budidaya</i> (Plantation Business Permit for Cultivation)
IUP-P	:	<i>Izin Usaha Perkebunan Pengolahan</i> (Plantation Business Permit for Processing)
K3 / OHS	:	<i>Keselamatan dan Kesehatan Kerja</i> (Occupational Health & Safety)
KSU BTS	:	<i>Koperasi Serba Usaha Bina Tani Sejahtera</i> (Bina Tani Sejahtera Cooperative)
KUD	:	<i>Koperasi Unit Desa</i> (Village Unit Cooperative)
LB3	:	<i>Limbah Berbahaya dan Beracun</i> (Hazardous Waste)
LUC	:	Land Use Change
MB	:	Mass Balance
MOU	:	Memorandum Of Understanding
MSDS	:	Material Safety Data Sheet
OFI	:	Opportunity For Improvement
PHP	:	<i>Permata Hijau Pasaman</i>
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
QAMS	:	Quantitative Agro Management System
RKL/RPL	:	<i>Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan</i> (Environmental Management Plan / Environmental Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare Threatened Endangered

S-4 / ASA-4	:	Surveillance-4 / Annual Surveillance Assessment
SCCS	:	Supply Chain Certification System
SDC	:	System Development Control
SH	:	Smallholder
SIA	:	Social Impact Assessment
SOP	:	Standart Operational and Procedure
UKL/UPL	:	<i>Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan</i> (Environmental Management Efforts / Environmental Monitoring Efforts)
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

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 revised on 14 June 2017 (Module D / E for CPO Mill) 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT GERSINDO MINANG PLANTATION dan PT PERMATA HIJAU PASAMAN – Subsidiary of Wilmar International Limited	
1.2.2	Contact person	Perpetua George	
1.2.3	Organisation address and site address	<u>Official Liaison Office:</u> Multivison Tower Lt. 15 Jl. Kuningan Mulya Blok B9, Kuningan, Jakarta 12980 – Indonesia. <u>Site Location:</u> Village of Jorong Tanjung Pangkal, Sub-District of Pasaman, Pasaman Barat District, Province of Sumatera Barat, Indonesia	
1.2.4	Telephone	(62-21) 461 6555	
1.2.5	Fax	(62-21) 461 6687	
1.2.6	E-mail	perpetua.george@wilmar.com.sg	
1.2.7	Web page address	www.wilmar.co.id	
1.2.8	Management Representative who completed the application for certification	Perpetua George (Sustainability Coordinator)	
1.2.9	Registered as RSPO member	2-0017-05-000-00 16 August 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Mill: PT GMP Mill (Gersindo Minang Plantation) • Supply Bases: GMP Estate (PT Gersindo Minang Plantation) PHP-1 dan PHP-2 (PT Permata Hijau Pasaman)	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Gersindo Minang Plantation	Village of Jorong Tanjung Pangkal, Sub-District of Pasaman, Pasaman Barat District, Province of Sumatera Barat,	N 0° 07' 31.4" E 99° 43' 10.07"

		Indonesia		
1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	GMP Estate (PT Gersindo Minang Plantation)	Village of Jorong Tanjung Pangkal, Sub-District of Pasaman, Pasaman Barat District, Province of Sumatera Barat, Indonesia	N 0° 06' 47.8"	E 99° 43' 04.98"
	PHP-I Estate (PT. Permata Hijau Pasaman-I)	Village of Kanagarian Sasak, Sub-District of Sasak Ranah Pasisia, Pasaman Barat District, Province of Sumatera Barat, Indonesia	N 0° 00' 39.04"	E 99° 44' 15.57"
	PHP-II Estate (PT. Permata Hijau Pasaman-II)	Village of Jorong Maligi, Sub-District of Sasak, Pasaman Barat District, Province of Sumatera Barat, Indonesia	N 0° 06' 47.7"	E 99° 37' 48.09"
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		5,861.40	Ha
	• Community			Ha
1.5.2	Area Statement	PT GMP (Ha)	PT PHP 1 (Ha)	PT PHP 2 (Ha)
	• Total area	3,600.00	1,247.00	1,014.40
	• Mature area	1,942.99	1,190.84	883.31
	• Immature area	1191.58	-	-
	• Replanting	6.26	-	-
	• Mill	13.00	-	-
	• Emplishment, Road and Bridge	143.34	56.16	28.69
	• Not Plantable	27.76	-	21.59
	• Nursery	8.19	-	-
	• Ocupied Land	212.24	-	80.81
	• HCV	54.64	-	-
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		PT GMP (Ha)	PT PHP 1 (Ha)	PT PHP 2 (Ha)
	Land Preparation	6.26	-	-
	1993	343.57		
	1994	172.20		
	1995	759.08		
	1996	323.43	417.31	165.38
				906.12

	1997	216.43	539.81	674.31	1,430.55		
	1998	0	168.08	43.62	211.70		
	1999	6.15	65.64		71.79		
	2014	122.13			122.13		
	2015	508.19			508.19		
	2016	334.22			334.22		
	2017	349.17	-	-	349.17		
	TOTAL	3,140.83	1,190.84	883.31	5,214.98		
1.6.2	New Planting area after January 2010			Ha			
1.6.3	Planting Cycle			2 nd Cycle			
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	GMP POM	60	247,238.81	44,857.95	18.14	12,367.61	5.00
	<i>*Production data source from January – December 2017</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/year)	%
	PT GMP	3,600.00	3,140.83	46,852.94	14.92	46,852.94	100
	PT PHP 1	1,247.00	1,190.84	24,917.20	20.92	24,562.63	98.58
	PT PHP 2	1,014.40	883.31	21,681.87	24.55	21,427.94	98.83
	TOTAL	5,861.40	5,214.98	93,452.01	17.92	92,843.51	99.35
	<i>*Production data source from January – December 2017</i>						
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)		
	KSU Bina Tani Sejahtera (Non Certified RSPO)	Smallholder of PT GMP	500 SH	902	58,850.88		
	Lingkungan Aua II Cooperative (Non Certified RSPO)	Smallholder of PT GMP	539 SH	1,036.90			
	Plasma Sasak (Non Certified RSPO)	Smallholder of PT PHP	1,015 SH	460.02			
	Plasma Kapar (Non Certified RSPO)	Smallholder of PT PHP	716 SH	1,132.11			
	Plasma Maligi (Non Certified RSPO)	Smallholder of PT PHP	1,050 SH	751.75			
	Plasma Sikilang (Non Certified RSPO)	Smallholder of PT PHP	658 SH	169.37	95,544.42		
	PT Siak Prima Sakti and Ramp AMP (Non Certified RSPO)	Independent supplier	-	-			

TOTAL		154,395.30						
<i>*Production data source from January – December 2017</i>								
1.7.4	Product categories	FFB, CPO, PK						
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product	Previous Certificate Claim 21 April 2017 to 20 April 2018 (tonnes/year)	Actual certified product 21 April 2017 to 12 January 2018 (tonnes/year)					
	• FFB Production	97,500	65,417.79					
	• CPO Production	17,550	11,944.13					
	• Palm Kernel (PK) Production	5,119	2,904.42					
1.8.2	Product selling							
	Tonnage of selling product	Actual selling product period 21 April 2017 to 12 January 2018						
	• CSPO sold as RSPO certified product	425.46						
	• CSPK sold as RSPO certified product	2,870.13						
	• CSPO sold under other scheme	10,575.00						
	• CSPK sold under other scheme	-						
	• CSPO sold as conventional	-						
	• CSPK sold as conventional	-						
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	PT GMP	3,600.00	3,106.56	42,200.00	13.58			
	PT PHP 1	1,247.00	1,190.84	26,300.00	22.08			
	PT PHP 2	1,014.40	883.31	22,800.00	25.81			
	TOTAL	5,861.40	5,180.71	91,300.00	17.62			
<i>*Projected FFB data source from 21 April 2018 to 20 April 2019</i>								
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO	Palm Kernel	Supply Chain Module		
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	GMP POM	60	91,300	17,648	19.33	4,793	5.25	MB
<i>*Projected FFB data source from 21 April 2018 to 20 April 2019</i>								
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISPO			MUTU-ISPO/018 issued on 16 January 2014 until 15 January 2019 by Mutuagung Lestari				
	ISCC			EU-ISCC-Cert-ID218-20170029				
	Proper			Blue Flag (Year 2016-2017)				
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 Plan					
	Sapi (1 + 2)	2008	Sapi 1 & 2, Kiabau	2008	Sandakan, Sabah, Malaysia	Certified
	Sabahmas	2008	Sabahmas	2008	Lahad Datu, Sabah, Malaysia	Certified
	Reka Halus	2008	Reka Halus	2008	Sandakan, Sabah, Malaysia	Certified
	Saremas 1	2008	Saremas 1, Saremas 2 (Div D), Suai	2008	Miri Serawak, Malaysia	Certified
	Saremas 2	2008	Saremas 2 (exclude Div D), Kaminsky, Segarmas	2008	Miri Serawak, Malaysia	Certified
	Terusan (1 + 2)	2009	Terusan 1 & 2, Rumidi	2009	Sandakan, Sabah, Malaysia	Certified
	Ribubonus	2009	Ribubonus	2009	Sandakan, Sabah, Malaysia	Certified
	PT Perkebunan Milano	2009	Sei Daun, Batang Saponggol, Marbau	2009	North Sumatra	Certified
	PT Mustika Sembuluh 1	2009	Mustika Sembuluh 1, Mustika Sembuluh 2, Kerry Sawit Indonesia 1, Sarana Titian Permata 1, Sarana Titian Permata 2, , KUD Bitu Maju Bersama	2010	Central Kalimantan	Certified
	PT Mustika Sembuluh 2	2015	Mustika Sembuluh 1, Mustika Sembuluh 3, Bumi Sawit Kencana 1	2015	Central Kalimantan	Certified
	PT Kencana Sawit Indonesia	2010	Kencana Sawit Indonesia, Koperasi Swamata	2010	West Sumatra.	Certified
	PT. Kerry Sawit Indonesia 1	2010	Kerry Sawit Indonesia 2, Kerry Sawit Indonesia 3	2011	Central Kalimantan	Certified
			KUD Sejahtera Bersama, KUD Kosudra	2017	Central Kalimantan	Final Audit
	PT. Kerry Sawit Indonesia 2	2015	Kerry Sawit Indonesia 1, Kerry Sawit Indonesia 2, Mustika Sembuluh 2	2015	Central Kalimantan	Certified
			KUD Tabiku Makmur, KUD Karya Bersama	2017	Central Kalimantan	Final Audit
	PT. Tania Selatan	2010	Burnai Barat, Burnai Timur	2010	South Sumatra	Certified
			KUD Bumi Jaya, KUD PUMA, KUD Tunggal Mulya, KUD Sinar Sawit Bahagia, KUD Dwi Tunggal, KUD Tani Mandiri, KUD Maju Jaya	2016	South Sumatra	Certified
	Sri Kamusan	2010	Hibumas 1, Hibumas 2, Sri Kamusan, Jebawang, Sekar Imej, Sapi Sugut	2010	Sandakan, Sabah	Certified

PT. AMP Plantation	2011	AMP I, AMP II, AMP III, AMP IV, Primatama Mulia Jaya, Karya Agung Megah Utama, Perkebunan Anak Negeri Pasaman, Koperasi Tompek Tapian Kandis, Koperasi AWM, Koperasi BST, Koperasi MSJ	2011	West Sumatra	Certified
		KUD Dastra II, KUD Dastra 1	2019	West Sumatra	-
PT. ANI (Sambas)	2012	ANI Sambas	2012	West Kalimantan	Certified
		KUD Cempaka Biru, KUD Sentama Lestari (Plasma binaan ANI 1 Sambas)	2017	West Kalimantan	Certified
PT. Buluh Cawang Plantation	2012	Bumi Arjo, Dabuk Rejo, Sukamulya, Bambu Kuning	2012	South Sumatra	Certified
PT. Bumi Sawit Kencana	2012	Bumi Sawit Kencana 1, Bumi Sawit Kencana 2, Karunia Kencana Permaisejati 1	2013	Central Kalimantan	Certified
PT. Sarana Titian Permata 1	2012	Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2012	Central Kalimantan	Certified
PT. Sarana Titian Permata 2	2018	Sarana Titian Permata 2, Sarana Titian Permata 3	2018	Central Kalimantan	-
PT. Gersindo Minang Plantation	2013	Gersindo Minang Plantation, Permata Hijau Plantation-1, Permata Hijau Plantation-2	2013	West Sumatra	Certified
		KUD Sasak, KUD Kapar, Mutiara Bosa Sikilang, Permata Sawit Maligi	2019	West Sumatra	-
		PHP-1 (block 22)	2018	West Sumatra	-
PT. Daya Labuhan Indah	2013	Wonosari, Sei Deras, Cabang Dua	2013	North Sumatra	Certified
PT. Milano (Cabang Dua Estate)	2013	(Supply base DLI-2)	2013	North Sumatra	Certified
PT. Agro Palindo Sakti	2014	PT Agro Palindo Sakti Estate	2014	South Sumatra	Certified
PT. Mentaya Sawit Mas	2015	Mentaya Sawit Mas 1, Mentaya Sawit Mas 2, Bumi Sawit Kencana 2	2015	Central Kalimantan	Certified
PT. Sinarsiak Dianpermai	2018	PT Sinarsiak Dianpermai Estate	2018	Riau	Stage 1
BBPOP (Benso Plantation)	2015	Benso, Benso Smallholder	2015	Ghana	Certified
PT. Murini Sam Sam	2015	Murini Sam Sam Estate	2015	Riau	Certified
PT. Bumi Pratama Khatulistiwa	2017	Bumi Pratama Khatulistiwa Estate Buluh Cawang Estate	2017	West Kalimantan	Certified

PT Karunia Kencana Permaisejati	2017	PT. Karunia Kencana Permaisejati 1, PT. Karunia Kencana Permaisejati 2, PT. Karunia Kencana Permaisejati 3	2017	Central Kalimantan	Certified
PT Rimba Harapan Sakti	2015	PT. Rimba Harapan Sakti 1, PT. Rimba Harapan Sakti 2, PT. Kerry Sawit Indonesia 3	2015	Central Kalimantan	Certified
PT Agronusa Investama Pahauman	2018	PT ANI Pahauman Estate PT Pratama Procentindo	2018	West Kalimantan	-
PT. Agro Palindo Sakti 2	2018	Agro Palindo Sakti, Putra Indotropical, Daya Landak Plantation, Indoresin Putra Mandiri	2018	West Kalimantan	-
PT. Agroindo Indah Perkasa 2	2017	PT Agroindo Indah Perkasa Estate	2017	Bangko – Jambi	NPP Audit
PT. Musi Banyuasin Indah	2018	Sei Selabu, Sei Jarum, KUD Karya Gatra, KUD Karya Makmur Sriwijaya, KUD Panca Karya Jaya, KUD Sumber Makmur, KUD Tri Tunggal Karya	2018	South Sumatera	Final Audit
1.10.2 Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
<p>Based on Time Bond Plan (update January 2018), its known that PT GMP-PHP Plasma will be follow of RSPO certificate in 2019 not three years after mill had a certificate. Its cause among other:</p> <ul style="list-style-type: none"> - Statement Letter from Cooperative which state that will not doing a RSPO certification such as Letter from Kapa Cooperative with No. 27/KUD-KP/IX-2016, dated September 22, 2016. - Based on self assessment (partial certification), the plasma (PT PHP) has not land use right . - Theres a internal conflict in Plasma Cooperative such as land dispute on Sikilang Cooperative and Lingkung AUR II Cooperative. <p>For PHP-1 Block 22 does not include in the scope because still in the process of making land use rights. This in accordance with Non-Conformity No 2017.01.</p>					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-4	<p>1. M. Rinaldi (Lead Auditor). Indonesian citizen, Diploma of Oil Palm Plantation. He has experience 4 years working as Assistant Agronomy since 2007. He has attended training RSPO Lead Auditor, training of Auditor ISPO, training of Lead Auditor ISO 9001-2008, training of ISO 14000, training of HCV identification, training of OHS system management, training of potential and conflict resolution. Experienced in auditing in relevant scheme (ISPO) since 2014 with the aspects of land legality, environmental, social, occupational health and safety, Best Management Practices, Conservation and worker welfare. During the assessment he assigned to verify legal, land dispute and social aspect.</p> <p>2. Rizliani Aprianita Hasibuan (Auditor). Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as RSPO Lead Auditor Training, lead Auditor ISO 9001;2008, ISO 14001;2004, ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During the assessment she assigned to verified transparency and social aspect.</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 : RSPO Lead Auditor Training, 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. Aspects to be audited: best management practices, Occupational Health and Safety (K3), Social Worker. During the assessment she assigned to verified occupational health & safety and social workers.</p> <p>4. Steve Mualim (Auditor). Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as Environmental management consultant (2012) and Sustainable palm oil assurance auditor since 2013. Has been attended several trainings e.g : ISCC in house training, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, and ISO 9001:2008. Has been conducted several audits for RSPO / ISPO scheme since 2013 for best management practices, conservation, and environmental management. Fluent in bahasa and chinese mandarin. At this time of audit, verified aspects of environmental management and HCV.</p> <p>5. Satria Adi Putra (Auditor Trainee). Indonesian citizen, Diploma III majoring in Palm Oil Plantation. Have experience of work more than six years since 2009 as the operational staff of private oil palm plantations in Indonesia. Training have been followed including Occupational Health and Safety Expert (General AK3), Orang Utan and Wildlife Management, ISPO Auditor Training, RSPO Awareness, IHT Potential Mapping and Conflict Resolution in Production Forests, OHSAS 18001, Lead Auditor Training for ISO 9001, ISO 14001, ISO 17021, ISO 17065, ISO 19011 and ISO 22000. During this audit, he verify Best Management Practices and Long term-plan</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-4	<p>Number of auditors : 4 auditor and 1 auditor trainee Number of days for S-4 at site : 6 days Number of working days for S-4 at site : 30 Working days</p>
2.2.2	Assessment Process
ASA-4	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by PT GERSINDO MINANG PLANTATION and PT PERMATA HIJAU PASAMAN to 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 revised on 14 June 2017 (Module D / E for CPO Mill).

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results **ASA-4** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**Recertification**).

Improvement of findings from main assesment findings were observed by auditors at this **ASA-4** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-4**

The assessment programs please find Appendix 2.

2.2.3 Locations of Assessment

ASA-4	<p>PT. GMP – POM</p> <ul style="list-style-type: none"> • WTP. Observation of water treatment activities and the use of chemicals. Interview related to wages, implementation OHS and complaint mechanism. • Workshop. Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism. • Hydrant no. 4. Observation emergency response procedure. • Hazardous Waste Storage. Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism. • Chemical Warehouse. Observation and interviews related to chemical containers management, OHS implementation, medical check up and complaint mechanism. • Housing. Observation of the availability of infrastructure such as employee housing facilities and domestic waste management. • Fuel Storage. Observation emergency response procedure. • Weighbridge Station & Logistic Clerk. Observation of supply chain procedure. • Water intake. Observation for POM water intake condition • Control well block 048A. Observation for waste water monitoring and management • Land application block 48. Observation for waste water management and nutrient cycle strategy • Methane capture plant. Observation for waste reduction and emmission mitigation • Security Post. Observations and interviews with security personnel related to the adoption of SOP for acceptance of fruit, K3 and manpower. • Grading Station. Observation and interview with grading work related to the implementation of SOP, K3 and employment. • Sterilizer Station. Observation of application and interview with sterilizer operators related to SOP, K3 and employment. • Engine Room. Observations and interviews with engine room operators on employment, occupational safety and health and defined work procedures. • Kernel Stations. Observations and interviews with kernel station operators regarding employment, occupational safety and health and defined work procedures. • Boiler Station. Observations and interviews with boiler operators regarding labor, occupational safety and health and defined work procedures. <p>PT. GMP – Estate</p> <ul style="list-style-type: none"> • Block 17A. Observation on the dispute area with Koperasi Bina Tani Sejahtera • Batang Pasaman Riparian Block 53. Observation for high erossion management • Block 43. Observation for replanting activities based on BMP • Block 62. Observation for HCV areas management
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PT. PHP 1

- **Clinic.** Observation and interviews related to hazardous waste management, employee health care, wages and employment.
- **Daycare.** Observation and interviews related to employee welfare facilities, wages, employment and domestic waste management.
- **Housing Division II.** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Fertilizer warehouse.** Observation and interviews related to hazardous management, waste management and implementation OHS.
- **Workshop.** Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism.
- **Fuel Storage.** Observation emergency response procedure.
- **Fire extinguisher equipment..** Observation for emergency responses and facilities of emergency responses.
- **Chemical Warehouse.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.
- **Rinse house for spray team.** Observation and interviews related to washing of working tools, PPE spray teams and used pesticide containers handling.
- **Hazardous Waste Storage.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
- **Genset room.** Observation and interviews related to work procedures, OHS implementation, employment and complaint mechanism.
- **Block 9.** Observation legal boundary conditions No. 26-28
- **Block 1.** Observation legal boundary conditions No. 35-36
- **Landfill Block 3, Phase 1.** Observation related to domestic waste management
- **EFB Application Block 3, Phase 1.** Observation related to waste management and nutrient cycle strategy
- **Spray Circle & Path, Block 06, Phase II.** Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment.
- **Subsiden Pole, Block 16.** Field observations related to the implementation of soil management in peat areas.
- **Water Stick Level and Bund Off, Block 11.** Field observations related to the implementation of water management in peat areas.
- **Selective Weeding and Fertilization, Block 4, Phase I.** Interview of fertilizer labor, work tool, fertilizer used, dose-based dosing, medical examination, extra fooding, PPE, labor aspect and environment.
- **Application of Organic Fertilization/EFB, Block 2C.** Observation related to the organic fertilization aspects of the composting result from the empty bunch.
- **Harvesting, Block 3.** Observation and interviews with foremen and harvest workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.

PT. PHP 2

- **Daycare.** Observation and interviews related to employee welfare facilities, wages, employment and domestic waste management.
- **G4 housing.** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Fertilizer warehouse.** There was no fertilizer stock.
- **Workshop.** Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism.
- **Fuel Storage.** Observation emergency response procedure.
- **Chemical Warehouse.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.
- **Rinse house for spray team.** Observation and interviews related to washing of working tools, PPE spray teams and used pesticide containers handling.
- **Hazardous Waste Storage.** Observation and interviews related to hazardous waste management, OHS

implementation, employment and complaint mechanism.

- **Genset room.** Observation and interviews related to work procedures, OHS implementation, employment and complaint mechanism.
- **Block 21.** Observation legal boundary conditions No. 22-23
- **Block 22.** Observation on the area in the process of land rights
- **Block 08.** Observation legal boundary conditions No. 05-06
- **Batang Alin Riparian Block 23, Phase 2.** Observation related to water source management
- **Batang Alin Riparian Block 5, Phase 2.** Observation related to water source management
- **Landfill Block 8 Phase 2.** Observation related to domestic waste management
- **EFB Application Block 2, Phase 2.** Observation related to waste management and nutrient cycle strategy
- **Census and Disease Census, Block 06A, Phase I.** Interviews on census mechanism, medical examination, PPE, and labor aspect.
- **Spray Circle & Path, Block 04, Phase I.** Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment.
- **Transportation of FFB, Block 04, Phase I.** Interviews with harvest administrator and loader related working procedures, payroll/salary, PPE, facilities and infrastructure.
- **Planting of Beneficial Plant (*Turnera subulata*), Block 07.** Observation related to the implementation of beneficial plant for the biological control of pests.
- **Subsiden Pole No. 1, Block 24.** Field observations related to the implementation of soil management in peat areas.
- **Water Stick Level and Bund Off, Block 24.** Field observations related to the implementation of water management in peat areas.
- **Harvesting, Block 06A, Phase I.** Observation and interviews with foremen and harvest workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.
- **Loss Fruit Working Area , Block 10.** Observations and interviews with foreman and brutol workers related to work procedures, health insurance and labor protection, payroll and use of PPE.

Stakeholder

- Public consultation with government of Pasaman Barat Regency (Regional Environmental Agency; Regional of Labor Agency; National Land Agency and Regional Plantation Agency)
- Public consultation with surrounding community (local contractor, Maligi and Sikilang Village)
- Public consultation with Internal Stakeholders (Gender committee, Labor Union)

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-4	<p>The public consultation with stakeholders to PT. Gersindo Minang Plantation and PT. Permata Hijau Pasaman done through:</p> <ol style="list-style-type: none"> (1) Conduct a public announcement on the CB website (www.mutucertification.com) on December 28, 2017. (2) Conducting visits and direct interviews with stakeholders (Regional Environmental Agency; Regional of Labor Agency; National Land Agency and Regional Plantation Agency, Pasaman Barat Regency, Province of Sumatra Barat) on January 09, 2018. (3) Conduct consultations via email questionnaire to NGOs (Walhi, Sawit Watch, World Wildlife Fund, Forest Peoples Programme, Aliansi Masyarakat Adat Nusantara) on January 04, 2017 (4) Conducting visits and direct interviews with stakeholders (Jorong Maligi on January 09, 2017, Jorong Sikilang January 09, 2017) (5) Conducting Interviews with the Cooperative Employees PT. GMP, local contractor, Gender Committee, Labor Unior PT. GMP-PHP on January 09, 2017. <p>Some verbal feedback from stakeholders both positively and negatively received by the audit team to be clarified as a material consideration in the assessment of ASA – 4.</p>
2.3.2	Stakeholder contacted

	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (RC) will be determined one year after this ASA-4

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of GMP POM – PT Gersindo Minang Plantation (Wilmar International Limited) operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were two (2) nonconformities were assigned against Major Compliance Indicators; one (1) nonconformity were assigned against Minor Compliance Indicator; and ten (10) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences. Those corrective actions taken that consist of two (2) Major non-conformities and one (1) Minor non-conformity had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that GMP POM – PT Gersindo Minang Plantation (Wilmar International Limited) 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 revised on 14 June 2017 (Module D / E for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
<p>1.1.1 & 1.1.2 The Company has procedure and has appointed person in charge in the requests for information from stakeholders. The Company responded to information requests with maximum time of 1 month since mail received, with the types of information provided includes information of HGU, EIA document, SIA Report, OHS Program, HCV Report and Management Plan, etc. Requested information recorded in the book of information request and has been addressed in accordance with the prescribed time limit. Some information related to mandatory reporting has been submitted regularly to the relevant agencies in accordance with the results of interviews with government agencies and the receipts.</p> <p>Verification of stakeholders is done by conducting direct interviews with stakeholders such as related institutions (Manpower Office, Agriculture Agency, Environment Agency and National Land Agency of Pasaman Barat Regency), surrounding villages (Jorong Maligi), local contractors, Workers Union, Gender Committee and employees. From the results of the interviews it is found that the stakeholders can access information / data from the company in accordance with their respective interests.</p>	
	Status:Comply
1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	
<p>1.2.1 The company has been providing information that can be accessed publicly in accordance with relevant stakeholders that contained in the SOP request information for stakeholder such as HGU, EIA document, SIA Report, OHS Program, HCV</p>	

Report and Management Plan, etc. Based on the procedure, there are some person in charge who are done in stages, among others administration staff, Public Relations Manager, GEM (Group Estate Manager).

Status: Comply

1.3

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

1.3.1

Company has a policy of standard bussiness of conduct that explains fair business practices, prohibition of corruption, bribery, fraud in the use of funds and resources as well as the disclosure of information in accordance with prevailing regulations. The policy contained in the Company Policy no. 044/DIR-KP/XII/2015 dated 15 December 2015. The policy is available in Bahasa. The policy is communicated to workers in accordance with the results of interviews with them. Based on interview with contractor of FFB transport, it is known that company has been disseminated the policy of standard bussiness of conduct.

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, 2.1.3 & 2.1.4

The company showed list of regulations which used as reference for oil palm cultivation and processing activity. Every regulation were kept under the respective units. The company has classified the regulations into four aspect, listed as follows:

- Regulation related to Environmental
- Regulation related to OHS
- Regulation related to plantation
- Regulation related to employment

The Company has a mechanism to evaluate the compliance of legislation related to the management of palm oil plantations through SOP Legal Aspect identification and Evaluation and Legislation (PRO-BNM-005) dated 01 October 2011. The Procedure was explained that evaluation of the fulfillment regulation is done every 6 months. Updates made by EHS Unit Staff (for OHS and Environmental), Personal General Affair (Employment), Public Relations (Social and Plantation). The last regulatory compliance evaluation was conducted on December 21, 2017.

The SOP also explained the methodology for tracking appropriate legal changes sourced from:

- Books of laws or regulations
- Industry association, such as Worker Union, GAPKI
- Non-governmental organization
- General information media
- Seminars and conferences
- Related agencies

The Management of PT GMP – PT PHP has presented several evidence of compliance with applicable laws and regulations, including the following documents; HGU, Deed of Establishment of the company, Location Permit for the plantation business, Environmental License, Plantation Business Permit, Employment Regulations, and Ratification on International Convention.

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

Based on interviews with BPN, it is known there is a new land use title submission covering ± 20 Ha. The submission is a follow up to **Non-Conformity No. 2017.01** related to the planting outside land use title with the planting year 1998. The area has also been included in the Timebound Plan with the deadline until 2018 and is still constrained in the management of land rights. So for the scope of S-4 activities, there is no change to land ownership and management documents with an area of

5,861.40 Ha.

Document of land ownership and exploitation is written in document:

Land Use Title

PT GMP:

- Decree of Minister of Agrarian No. 78/HGU/BPN/97 dated July 15, 1997 on the granting of land titles in Pasaman Subdistrict, Pasaman District, West Sumatra Province, total area of 3,600 ha.
- Land use title Certificate No. 1 Year 1997, dated September 18, 1997 on land covering 3,600 ha. Valid until 18 September 2027.

PT PHP-1:

- Decree of BPN Head Number: 135/HGU/BPN RI/2014 dated September 30, 2014 regarding Provision of land use title on behalf of PT Permata Hijau Pasaman of a land in Pasaman Barat district, Sumatra Barat province. Land given of land use title with area of 1,247 Ha.

PT PHP-2:

- Decree of BPN Head Number: 76/HGU/BPN RI/2004 dated October 6, 2004 regarding provision of land use title on behalf of PT Permata Hijau Pasaman of a land in west Pasaman Barat district, Sumatra Barat province. Land given of land use title with area of 1,014.40 Ha.

Plantation Business Permit

PT Gersindo Minang Plantation

PT. GMP has 2 documents of Business Permit which is:

- IUP-B in the form of Registration of Plantation Permit Number: 207/Menhutbun-VII/2000, dated March 10, 2000 issued by the Ministry of Forestry and Plantation of the Republic of Indonesia.
- IUP-P in the form of Decree of Regent of Pasaman Barat Number: 188.45/539/BUP-PASBAR/2012 regarding Granting a permit of Oil Palm Plantation Processing to PT Gersindo Minang Plantation at Pasaman Barat district, June 29, 2012 with 13 Ha and Permit for factory capacity of 60 tons FFB/hr.

PT Permata Hijau Pasaman

IUP issued by the Capital Investment Coordinating Agency based on the Decision of the Head of the BKPM No. 425/T/PERTANIAN/2005 regarding Plantation Business License dated June 1, 2005 with a production capacity of 45,176 tons of FFB and an area of 2,615.25 Ha.

2.2.2

There are no changes to the boundary poles map of the company listed in eg:

- PHP-1 Estate: Map of poles Distribution Scale 1: 35,000. Data source: GIS Database and Land plot Map no. 05-03.17.2014. Identified as much as 46 boundary poles mapped BPN I till BPN XXXXVI (46).
- PHP-2 Estate: Map of poles Distribution Scale 1: 40,000 explaining there are 29 poles.

Based on field visits on the boundary pole eg in PHP 1 on poles no. 26-28 & 34-36 and in PHP 2 on poles 05-06 & 21-22, it is known that the poles are well maintained and the coordinates are in accordance with the coordinate list.

For Non-Conformity No. 2017.01, the Company has shown evidence of improvements such as:

Verification April 17, 2017:

The certificate holder has submitted evidence for points 2 & 3 in the form of:

- Data on FFB Receipts for each Supplier dated 12 & 15 April 2017 which has separated Block 22 of PHP-2 as non-certified FFB.
- Letter of Fruits delivery dated 12th, 15th and 16th April 2017 of Block 22 of PHP-2 which has included the code of NS (Non-Sustainable)
- Mass Balance Report until April 16, 2017 which has indicated FFB from Block 22 of PHP-2 entered as input material for Non-Certified.

Verification January 09, 2018:

The Company shows the Map of land use title Boundary poles Scale of 1: 10,000 issued by the National Land Agency of Pasaman district dated March 30, 2005, it is known that the code number BTS 02 pole are located at 2 points. In addition, the company shows the Minutes of number change of Boundary poles on February 7, 2017 which explains the addition of code number for BTS 02 which has the same encoding. For BTS 02 poles in Block 06 are marked BTS02S and for those in Block 24/25 are marked BTS02U.

The Company also shows the Land Measurement Application Letter for land use title purposes of PT PHP by letter no. 001/PHP-BM/Ext-V/2017 dated May 3, 2017 which explains the submission of the land rights of an area of ± 20 Ha. There is also evidence of Document of Receipt of the letter to BPN of Sumatera Barat and Pasaman Barat on May 04, 2017.

Based on the explanation above , **the Non-conformity is stated Fulfilled**

2.2.3

Based on interviews with Maligi and Sikilang villages, there are no land disputes within the land use title area of company, but based on information from KUD Sikilang there are land issues in plasma area of Sikilang area of ± 23 Ha which is occupied by Maligi community. **The area is not included within the scope of the audit but is further discussed in indicator 6.3 regarding complaint submission.**

In addition, based on interviews with the National Land Agency, there is a case of overlap between land use title of PT GMP core plantation with plasma land rights. Overlapping case is a case that occurred at the time of the release of Land Title of KUD Likung Aur II in 2008.

The issue has been resolved by changing the location of the overlapping areas to other smallholders group areas, the company shows the Minutes of October 23, 2009 related to the joint measurement of overlapping areas in each farmer group and Letter from the Board of KUD Lingkungan AUR II N0.240/Pls-I/KUD/LA-II/2009 dated November 30, 2009 which explains displacement the overlapping areas to group that has excess areas.

In 2016, KUD Lingkungan Aur II split into 2 factions and became KSU Bina Tani Sejahtera. The overlapping of land submitted by BPN is a report conducted by KSU Bina Tani Sejahtera. To solve the problem the company has conducted several meetings, among others:

- Minutes of Meeting on 22 December 2016 which was attended by the Team for Facilitating Land Dispute Resolution (the Government), PT GMP, KUD Lingkungan Aur II and KSU Bina Tani Sejahtera with the number of participants 26 people with the conclusion will be a measurement involving the parties and prohibition to manage the area.
- Minutes of Meeting on 12 August 2017 attended by mediation team (Pasaman Barat Police and Head of Pasaman Barat Government), PT GMP, public figure and KSU Bina Tani Sejahtera with the result of the meeting among others: approved the result of physical checking by BPN, dispute that occur in the field must be stopped like a road portal should be opened and the factory can receive back FFB from KSU Bina Tani Sejahtera.

Based on a field visit to Block 17A GMP Estate, the area of the dispute is not managed and on the tree belong to the disputed area has been marked.

For now, the land dispute is still awaiting the results of the decision of the BPN. This will be re-observed in the next assessment.

OFI**2.2.4**

There is a land dispute which is issued by Alman Gampo Alam to PT. PHP-1 and RSPO, the latest verification result was a meeting attended by RSPO, Independent Expert (Dr. Helmi), Wilmar, Local Government (Pasaman Barat District) and complainer (Mr. Alman Gampo Alam, SH and colleagues) on December 8, 2016 in Pasaman Barat district. (At the time of the audit) The conclusions of the outcome of the meeting can not yet be decided by the RSPO and are still in the process of completion.

For S-4 activities, there is a recent update on the case which is a Minutes of Meeting of Participatory Mapping Preparation and Negotiation Between PT PHP- PHP 1 Estate with Indigenous Peoples Nagari Kapa, Luhak Nan Dio sub district, Pasaman

Barat district conducted on December 22, 2017 by PT PHP (M. Syafei), Indigenous Peoples Nagari Kapa (Alman Gampo Alam) and Mediator / independent team (Ahmad Zazali, SH, Musri Nauli, SH, Dina Yulisma Ss.) With discussions related to the participatory mapping exercise. The meeting is a follow-up based on recommendation result from RSPO as per letter dated 01 February 2017.

Company has the opportunity to resolve disputes that occur in accordance with the time agreed by the company and the parties who submit complain. **OFI criteria 6.3**

2.2.5

There is no change to the SOP of participatory mapping listed in the SOP of Land Acquisition no. SOP-PERMIT LAND & OPS-006. Based on the explanation in indicators 2.2.3 & 2.2.4, it is known that the map of all land disputes has been done by participatory mapping

2.2.6

The policy of keeping the peace is still the same as the previous assessment contained in the Procedure for Acceptance of Complaints and Dispute Resolution, No. Dock: PRO-BNM-007, Rev. 01, the date of August 1, 2015.

Based on the explanation in the indicator 2.2.3 & 2.2.4, it is known that the settlement of land disputes is done by deliberation involving various parties and without violence and intimidation. This is also stated in the agreed Memorandum of Understanding for example between the PT GMP-PHP and the Nagari Kapa community.

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

The procedures related FPIC are unchanged from the previous assessment listed in the Procedure of Acceptance and Dispute Settlement, No. Dock: PRO-BNM-007, Rev. 01 dated August 1, 2015 and the Land Dispute Settlement Procedure (No. Doc: PRO-BNM-013, rev. 02, dated 23 August 2016

Based on interviews with BPN, it is known there is a new land use title submission covering ± 20 Ha. The submission is a follow up to **Non-Conformity No. 2017.01** related to the planting outside land use title with the planting year 1998. This indicates that there is no new land compensation process taking place in the operational area of the certificate holder.

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; 3.1.2

The Company already had a long-term plan for the period of 2017-2022 for PT PHP I and PHP II, which contains the data on the management plan such as area statement, mature area, immature area, land clearing, cultivated land, reserve area, road, drainage, housing and marginal land management. The Company has presented the Crop & Cost Presentation to date document of December 2017 of PHP 1 Estate which reviews the evaluation of achievement compared to the specified budget. Beside that, the company has an internal team of operational auditors that acts as supervisory monitoring of plant operation activities.

Based on Wilmar Group Plantation Sumatra 1 Region West Sumatra 5 Years Replanting Program, it is known that the company has projected replanting program in the estate of PHP I and PHP II by arranging replanting plan for PT PHP II in 2024 with 242.78 Ha.

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

The Company has SOPs relating to estate and mill operations as well as documenting them in their respective offices and mill. The SOP is documented in a language that is easy to understand (Indonesian language).

Based on field visits and interviews in Block 6, Phase 2 PHP 1 Estate it is known that the labor has understood procedures

related to spraying activities such as not spraying near water bodies and not spraying against the wind.

4.1.2; 4.1.3

The Company has an internal control system of companies that aims to monitor the operational implementation in accordance with the SOPs that are owned, among others, by the internal audit of RSPO every year, the internal audit of the operation of the estate and mill. Aspects of the examination include aspects of implementation procedures / SOPs and administration as well as the activities of internal prison of the estate such as field visits to the estate and factories conducted by the head of the company (General Manager, Manager and Staff).

The Company has demonstrated supervision related to the implementation of SOP as stated in the internal audit report of PT GMP and PT PHP operations in 2017. The procedures for corrective action on nonconformities include identification of issue/news, management response/action plan, person in charge determination, deadline determination, and follow-up of nonconformity settlement.

4.1.4

The Company has a procedure related to the Purchase of Fresh Fruit Bunches (No. 001 / TBS-SOP / VIII / 2015 dated August 10, 2015) endorsed by General Estate Manager. The Company has recorded results on the number and origin of FFB from contractors received daily and recorded in the FFB Receipt Form. The example of the recording contains, among others, police number, driver name, fruit arrival time, net weight and other description. In addition, the company has also separated the data on the origin of the fruit.

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; 4.2.2

The company has a SOP Fertilization No: SOP-EST-001 valid date December 18, 2015 is an activity to provide nutrients for plants, in this case is fertilizing with chemicals. The Company (PHP I Estate and PHP II Estate) has shown recording of fertilizer realization program. The recording of fertilization of PHP I Estate, among others, fertilization in Block 5A , PHP I Estate using NPK Super fertilizer (1250 kg) on 02 November 2017.

Based on field observation in Block 4 Phase 1 of PHP I Estate, it is known that the workers understand related fertilization procedures such as not doing fertilization close to water bodies and fertilizing in accordance with recommended dosage. The Company has demonstrated Fertilizer/Ton FFB such as in PHP I Estate, it is known that fertilizer/ton FFB in 2017 is 0.07.

4.2.3

The Company has presented records relating to the soil and leaf sampling procedures contained in the Document No. PRO-EST-008 Revision 00 with the effective date of 01 October 2013. The company (PHP II) has also demonstrated the recording of soil sampling with No. 20 / LAND / XI / 2015 / PHP2 with the date of receipt of sample in the laboratory that is 27 November 2015 as many as 53 samples. In addition, the company (PHP I and PHP II Estate) has shown evidence of leaf sampling and analysis implementation visually in accordance with SOP, among others, showing leaf test results with No: 53 / MATERIALS / V / 2017 / PHP with the date of receipt sample is 19 May 2017 as many as 53 samples.

4.2.4

The company carries out nutrient cycles in the form of empty bunches applications, use of fiber, shells, methane capture and POME applications. The realization of such utilization are:

- Used of fiber in December 2017 for boiler fuels is 3.041 ton
- Used of shells in December 2017 for boiler fuel is 1,240 tons
- Application EFB fertilization in December 2017 in Block 03 of PHP I Estate as much as 2,777.92 ton

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1; 4.3.2

The Company already has a document of Soils Of PT PHP-II issued by Param Agricultureal Soil Survey (M) Sdn.Bhd in May 2008 which contains reference maps, identification and management related to soil. The document contains information such as geological references, morphology, topography, soil type and its management and drainage plan.

The company had a topography map reference on PHP I and PHP II , its show that the topography was flat with a slope between 0 - 4°. Based on field observation in the PHP I, PHP II and GMP, its showed that the estate area is dominated by flat topography, so it does not require special soil management.

4.3.3

The Company has a Road Maintenance Plan and Realization Program for 2017. The data are as follows:

- The road maintenance program for Block 1 of PHP II Estate in 2017 is 2,500 meters long, the realization is done in February along 300 Meters, July as long as 100 meters and November as long as 200 meters.
- The main road maintenance program for Block 1 of PHP II Estate in 2017 is 1,800 meters long, realized in September during 400 Meters, October along 1,100 meters and November along 400 meters.

The evaluation related to the realization of work on the program / plan, listed in the document Estate Report Package PHP II. Evaluation related to the realization of road maintenance work under budget is the transfer of road maintenance work from Block 1 to Block 16 and Block 17, where the road condition is relatively more damaged compared to Block 1.

Based on field observation to Block 06-07 Phase 1 of PHP II Estate, it is known that the company has conducted mechanical road maintenance activities using road graders, generally the road conditions are in good condition and can be traversed by FFB transport trucks.

4.3.4; 4.3.6

The Company has SOP-EST-008 Revision 3 dated December 16, 2013. The SOPs are established as guidance for appropriate and appropriate peat land management and monitoring systems for plantation companies. The Company need to ensure that the revision of Peat Soil Procedure has been distributed to all estate. **OFI**

The Company has demonstrated the recording of land subsidence by installing subsidized patents in PT PHP area. Monitoring is done every 6 months, the data is listed in the Subsidiary Pole form 2017. Based on the result of field visit in Block 24 of PHP I Estate, it is known that the company has installed a subsidence pole as a means of monitoring the decrease on the land surface.

The company has records related to water level monitoring in peat areas, it is known that the water level in December 2017 is in a condition above than 0 cm (flood). Justification related to the situation is the existence of high rainfall in December 2017 that is equal to 346 mm with 15 rainy days in 1 month.

Based on field observation on January 9, 2018 to Block 24 of PHP II, the field condition has not been flood. This can be seen from the level of water level at 50 cm.

Beside that, the certificate holder has a record of peatland management for PT PHP as an effort to reduce the decline in the rate of land in peatland such as:

- Conducting selective weeding to keep soil moisture on peatland
- Monitoring of the decline of peat soil (subsidence) and ground water level
- Implementation of replanting without burning

4.3.5

The Company has shown flood hazard maps for PHP II estate, while the flood risk areas are block 3, block 4, Block 6, Block 7, Block 9, Block 10, Block 11, Block 21, Block 24, Block 25 and Block 26. Based on interviews with the management, it is known that the risk of flooding in potential areas will occur when rainfall is high. In addition, based on field visits to Block 4 of PHP II estate, it is known that the company has been managing the flood potential area by creating a canal for the water flow. In addition, the PHP I Estate has also shown a map of the direction of water flow as a strategy in water management, one of which is used to build bunds (dams).

Status: Comply

4.4

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

4.4.1

Water sources identification and management plan are listed on 2017 water management document. These document describe the water source identification, POM and estates water usage monitoring & efficiency, and catchment area protections.

Field visits on block 53 at GMP estates and block 5 PHP estate for examples, found that companies managed Batang Pasaman and Batang alin riparian by marked the buffer zone (throughout 50 m bothsides on riparian), perform revegetation with bamboos, and signboard placement. There is no indications chemical activities (spraying) on both riparian areas.

Company also conducted regularly water quality testing every semester for Batang alin and Batang Pasaman river. Based on workers interview on estate housing shown that drinking water for them originated from refill water and GMP POM also provides clean water access for all workers.

4.4.2

Company has identified and shown the maps for catchment areas (including riparian) on 1:35000 scale. HCV identification document shown there is some river flow on GMP & PHP estate such as Batang alin river (PHP-2) and Batang Pasaman (GMP estates).

Company provided procedures for these catchment areas protection/conservations listed on SOP-EHS-018 (GMP) and SOP-EHS-017 (PHP). Field visit during audit, for examples on Batang Alin riparian block 5 acquired information that company shown proper ways for maintain and protect the catchment area for example manual weeding and marking the chemical boundary border.

4.4.3

Mill effluent produced by GMP POM processed at waste water treatment plant (WWTP) based on procedure SOP-MILL-014, until it complying to standards before it discharged to GMP estates as land applications based on decree of Pasaman Barat regent No.: 188.45/1084/BUP-PASBAR-2014 valid until 2019.

Waste water quality testing document review shown for Oct 17 - Dec 17 all of waste water testing parameters are compliant to the standards quality, and all of waste water management and monitoring has been reported to related institutions for regular basis per 3 month. Field visit on WWTP during audit found there is no leakage indications and these area are managed well.

4.4.4

Water usage monitoring was done periodically and recorded, for example on December 2017 FFB processed 19,012 mt, process water usage 9,505 m³, and water usage efficacy was 0,50 m³/tonne FFB processed.

Observations on GMP POM water treatment plant found monitoring for raw and process water usage was done by officer periodically, and flowmeters at inlet/outlet serves normally.

Procedure for Mill water usage and monitoring are provided and has been listed on procedure SOP-MILL-027. Standards of water usage for FFB process recorded on 2017 budget projected 0.81 m³/tonne FFB processed.

Status: Comply

4.5

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

4.5.1; 4.5.2

The Company already has Pest and Disease monitoring related procedures. The procedure consists of detection and census activities. Based on the Work Program of the PHP I and PHP II Estate, it is known that the mechanism of detection activity is done at 3-month intervals, but if there is a pest or disease attack then carried out census activity for 1 month. The detection activities include observation of caterpillar pests, nettle caterpillar, termites, rats, horn beetles and mushrooms (*Ganoderma boninense*). The company's defined economic threshold for nettle caterpillars is 5%, ganoderma is 2%, termites is 1%, mouse is 5% and hornbeetle is 5%.

The Company has attempted biological control to suppress pest populations, such as planting a beneficial plant, maintenance to suppress the nettle caterpillar, making of an owl nest and owl monitoring to suppress rat pest populations, as well as the installation of pheromone traps in blocks with sufficient horn beetle populations high.

Based on document detection results during 2017 in GMP, PHP I and PHP II, no pest population above the economic threshold has been determined, so there is no use of chemicals for pest control in 2017. The use of pesticides is only for weed control.

The company has demonstrated records related to integrated pest training for PHP I Estate and PHP II estate, while the training was conducted on 22 August 2017 and was attended by 13 people consisting of foremen, staff and workers.

Based on interviews with detection and pest census officers in Block 6A Kebun PHP II, it is known that the labor has followed the training activities. In addition, labor can also explain the related pest and disease census procedures such as determining the sample point, counting the number of pest attacks and identifying the type of nettle caterpillar.

Status: Comply

4.6

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

4.6.1; 4.6.2

The Company (PHP I and PHP II Estate) has shown records relating to the list of pesticide species, species targets and justification of use. The recording is contained in the FRM-EHS-021 Form on the List of Used Pesticides containing the types of pesticides, target species to be targeted, the determination of LD50 and the identification of the related pesticide class referring to WHO.

The Company already has a record/realization of the active ingredients used and the targeted area, amount of active ingredients applied per Ha and amount of applications listed in the Record of Pesticide Use Documents on the Applied Area. For example is the application of Becano Pesticide (Indaziflam active ingredients) in December 2017 as much as 63.65 Ha, the amount of pesticide is 5.10 Liter, the amount of active ingredient/ha is 2.05 Liter and the dose used is 0.08 Liter / Ha.

Based on field visits and interviews with spraying labor in Block 6 of PHP I estate, it is known that the labor has been spraying in accordance with the procedures held such as not spraying near water bodies, having knowledge about the types of pesticides used, understanding the doses used and in identifying the intended target weeds. Based on this, it can be concluded that the company can demonstrate safety related procedures and implementation in the use of chemicals.

The Company (PHP I and PHP II Estate) has demonstrated the pesticide application program listed in the 2018-Mature Area Work Program, while the pesticide application plan includes:

- Conducted Circle Spraying activities using chemicals Glisat and Winson with intervals every 4 months.
- Conducted Path Spraying activity using chemicals Glisat and Winson with intervals every 4 months.
- Conducted Selective / Spot Spraying activity using Starlon chemicals at intervals once every 1 year.

4.6.3

The Company has presented the Estate Report Package document which contains the realization of the implementation of the detection and census activities of pests. The realization of detection activity in December 2017 in Kebun PHP II is on block 8, 9, 14, 15, 16,17, 18, 21, 22, 25 and 26.

Based on document review of the results of detection during 2017 in PHP I and PHP II Estate, no pest population above the economic threshold has been determined, so there is no use of chemicals for pest control in 2017. The use of pesticides is only for weed control.

Based on the results of field visits to blocks 7 and 8 of PHP II Estate, it is known that the company has planted beneficial plants (*Turnera subulata*) as an effort to add live media to nettle caterpillar predator .

4.6.4

The Company (PHP I and PHP II Estate) has shown records relating to the list of pesticide species, species targets and justification of use for 2017. Based on the results of document review and interviews with spray labor in PHP I and PHP II estate, it is known that the company has not used the pesticides included in the 1A and 1B lists of WHO or listed in the Stockholm or Rotterdam Conventions.

The last use of pesticides included in the WHO list is in 2012 is Petrokum (active ingredients Brodifakum) of 17 kg.

4.6.5, 4.6.7

The Company has a mechanism to handle agrochemical, presented in procedure No PRO-EST-006 revised 00. This procedure aims to ensure the use of pesticides (herbicides, insecticides, fungicides, rodenticides) in the field is prudent such as the use of appropriate pesticides of the type, precise dosage, on target, timely applications and appropriately application prosedur so its not harm for humans and the environment.

To maintain pesticides applicators knowledge on pesticides handlings and applications, several trainings have been conducted, for example:

- Spraying and Safety Training at dated November 22, 2017 in block 8 PHP II followed by 10 spraying workers and 1 supervisor spraying. The material presented is the application of chemicals in a safe way, aspects of safety and ergonomic spraying.
- Spray calibration training on December 8, 2017 in front of PHP II office followed by 14 spraying workers and trainer by assistant about spray calibration by measuring speed and spray volume.
- Calibration training of mixing tanks dated February 14, 2017 behind the PHP II warehouse followed by supervisor and trainer by assistant on calibrating the mixing tank by ensuring dosage of material into the spraying tank and dosage use in accordance with recommendations.
- Spraying training on August, 22 2017 about correct spraying technique, compulsory PPE usage, and knapsack lifting technique containing spray solution to spraying workers PHP-1 as much as 13 people (supervisor and worker).
- Socialization of OHS Spraying and Ergonomic Spraying, dated August 22, 2017, in block 4 of PHP-1 about OHS aspect in spraying and spraying ergonomics to 13 spraying workers.
- Calibration of mixing tanks on March 21, 2017 to PHP-1 mixing officers. Training on calibration location in mixing area, filling mixing tank place as much as 5 jerry cans (per 100 liters) then repeating to 1000 liters every 100lt
- Spray calibration dated August 22, 2017 to 12 spray workers PHP-1.
- Socialization of OHS, spraying and Errgonomi Spraying on August 22, 2017 at PT PHP-1 to 13 spray workers.

When conducting ASA-4, there was field observation of spraying activity in PHP 1 and PHP 2 Estate, it is known that the workers understood, could explain, and demonstrated the technical work in accordance with the procedures, for example the use of a complete PPE, safe herbicide mixing, pay attention to wind direction during spraying, spraying targets, prohibited areas for spraying (such as riparian and conservation areas), laundry and storage areas of PPE and spray equipment.

Based on the results of the visit to warehouse storage and storage of APD in PHP 1 Estate and PHP 2 Estate, it is known that the company has provided facilities and infrastructure related to the storage of PPE. In addition the company has also provided rinse facilities for spray labor such as room rinse, soap and clean water. Workers have also explained that the used PPE is not allowed to take home but must be placed in the storage warehouse. Based on this it can be concluded that the company has provided means of rinse and storage of PPE.

There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse. The worker also using personal protective equipment in accordance with specified hazard identification and material safety data sheet such as mask, gloves, safety shoes, apron and goggles.

4.6.6

Procedure of waste management and pesticides storage has presented in document SOP 17/EHS/0409 about agrochemical storage and SOP-EHS-006 about toxic and hazardous material and waste management which covers ex pesticide containers collection, recording. Ex pesticides containers are allowed to be used for the same purposes.

Based on field observation on central agrochemicals storage, it was found a complete series of MSDS, in accordance to the current stock. Specific pesticides mixing site has also available. Water which had used for sprayer washing and pesticides mixing process was properly reused. The storage has also equipped with pesticide flows records, proper risk symbols, PPE, first aid and fire extinguisher.

All of ex pesticides/agrochemicals containers were kept on temporary hazardous and toxic storage. Furthermore, based on observation to hazardous waste storage, it was found that time of storage and storage management were suits with the permit and regulations. The hazardous wastes were delivered to the permitter collector, namely PT Shali Riau Lestari. Furthermore, based on field observation to GMP POM and PHP-2 housing complex, it could be concluded that there were no ex pesticides or hazardous material containers used for household purposes.

4.6.8

Based on document review, interviews and field observations it is known that the company does not apply pesticides by air.

4.6.9

The Company provides information on the handling of pesticides. This is based on document verification and field observation in chemical storage warehouses, among others:

- MSDS is available at the chemical warehouse.
- Chemical handling procedures placed in the chemical storage warehouse.
- Training, for example training of warehouse staff related to chemical handling in warehouse on 11 April 2017 by 2

warehouse staff. Attached news events, attendance and photo of implementation.

Based on the results of visits to pesticide storage warehouse and storage warehouse PPE known that the company has provided MSDS in accordance with the products used. In addition, based on field visits to Block 6 Phase 2 it is known that the company has provided information on pesticide handling at spraying sites such as MSDS.

Based on interviews with spraying labor in Block 6 Phase 2 (9 spraying workers and 1 foreman spraying) it is known that the labor has participated in pesticide training and handling activities such as not spraying against wind direction, use of PPE and first aid in case of chemical poisoning .

4.6.10

Company possess procedure for Toxic and Hazardous waste including ex agrochemicals management listed on SOP-EHS-006. These procedure stated that all ex chemicals containers were kept on temporary hazardous storage at mill/estates. Training for workers and staff regarding hazardous & toxic material handling have been conducted on July 2017 for PHP-1 and September 2017 fo PHP-2 estates.

Based on interview with sprayer team found that workers recognized how to properly disposed waste materials and workers have been trained by company about waste and hazardous materials handling. Field visit during audit on toxic & hazardous waste storage on PHP-2 estate found company showed proper ways for ex agrochemical disposal. Monitoring evidence for agrochemical usage and ex agrochemicals container stored in storage are available and verified by auditors.

4.6.11

The company have a medical examination for pesticide operator. PHP-1 Estate has a list of the latest pesticide operator as many as 12 workers, while in PHP-2 has 10 workers. All workers spray has examined health through inspection types of *cholinesterase* and *spirometri*, to ascertain the condition of workers in good health. Previous semester examination was conducted in April and October 2017 for all units. Examination results stating that all workers spray are in a healthy condition (normal result). Based on interview with pesticide operator in PHP-1 and PHP-2 Estate that the results of medical examinations are known to workers.

4.6.12

The company has a policy number 007/Mem-GEM/Int/I/2-17 dated January, 9th 2017 that prohibits pregnant and lactating personnel working with chemical material. Based on interview with spraying personnel, it is known that there was neither pregnant nor lactating female personnel who work with pesticide. Moreover, company conducts pregnancy test and examination every month. Audit team also got information that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or lactating.

Status: Comply

4.7

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

4.7.1

The Policy on Occupational Safety and Health still same with the previous assessment. The company has a policy of occupational safety and health available in Indonesian language. The policy has been legalized and updated on 22nd May 2015 by Company Head that explains company's commitment on the implementation of occupational health and safety within company's operation. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases. It has been disseminated on the activities of the safety briefing before doing the work. Management have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the management review to assess effectiveness.

Interviews were conducted to harvester in block 11 PHP-1, EFB application worker in PHP-2, pesticide operator in block 4 phase-2 PHP-2, workers in GMP POM (3 grading workers and 1 sterilizer worker). Based on the results of interviews can be concluded that workers understand the OHS policy and it's recognized that every morning meeting is always affirmed about the importance of safety and the use of PPE in work.

4.7.2

The company has had document of risk analysis for OHS program. Company is conducting risk identification for its entire operation activity, which is recorded in document of aspect identification and environment impact evaluation as well as risk analysis and occupational health and safety analysis. The document is composed to conduct identification and analysis of

dangers potential that is probably happened at workplace. Based on OHS report, there is no work accidents in GMP POM, 26 work accident in PHP-1 estate, and 7 work accidents in PHP-2 Estate.

Based on field visits in GMP and PHP estate areas there is a FFB shelter using a bin system. This has several possible work risks but has not been identified in the document "Aspect Identification, Environmental Impact Assessment, Hazard and OHS Risk Analysis". **OFI no.3**

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, such as sprayer were using apron, face shield, mask, glove, and boots as PPE.

Field observations in mill and estate, it is known that the company has given safe work practices training and risk identification. They also know about the occupational risk for each activity and how to prevent it. Based on interviews with spraying workers PHP-1 estate, harvest worker PHP-2 estate, and workers at the sterilizer station said that the company replaced the PPE if it was broken.

4.7.4

The Company has appointed the person in charge for the structure of OHS organisation (guiding committee of occupational safety & health board) which has been approved by the Labor Agency and in accordance with the regulations. The organization routinely conducts monthly meetings on OHS issues in the workplace. The minutes of the meeting were recorded and stored well. Based on interviews to workers who are members structure of OHS organisation (guiding committee of occupational safety & health board) it is known that monthly meetings are always routinely conducted to discuss about OHS such as consistency of PPE usage, work accident report, medical check up, safe working practices etc.

Based on interview with Labor Agency in Pasaman Barat, it is known that company has submitted the guiding committee for occupational health and safety report that covers the entire occupational health and safety activity within company's operation activity every 3 months.

4.7.5

The company provides procedures for accidents and emergencies in the Emergency Action Procedures No Document: PRO-EHS-005 dated October 1, 2011 on emergency situations aimed at ensuring that there is an emergency situation in the estate or POM with expected outputs in a controlled situation and minimizing safety and health risks (OHS Management System). Simulation was performed to know the preparedness of emergency response equipment in the POM. The simulation was performed on hydrants located in GMP POM and the result of the simulation was concluded that the hydrant tool is ready for use. GMP POM and PT PHP has already licensed first aid officers and there was first aid internal training conducted on December, 21 2017 in PT GMP and PT PHP which was attended by 36 participants. Unit certification also has a first aid kit in each unit and based on observations, it's concluded that the contents in the first aid box are sufficient. There is also a checklist of observations of the contents of first aid boxes routinely performed every month by first aid officers. Based on field observations such as harvesting activities on estate of PHP-2 and spray activities on estate PHP-1, It is known that the foreman has been equipped with a first aid kit.

4.7.6

Company has registers the workers in manpower social insurance and health insurance. As for daily worker (BHL), the medical treatment/health insurance and accident insurance is covered by the company. Company has shown the evidence of manpower social insurance monthly payment receipt for November - December 2017.

Based on interview with worker, they have been registered to the manpower social insurance and their family as well. In addition, workers who have work accidents have been treated until they can work again and there is evidence of pay claims from work accident insurance. For example, recap reports on the cost of work accident claims in PHP-1 estate in July 2017 where there were 4 work accidents with lost time.

4.7.7

Work accident is documented on the work accident recapitulation report and provided the lost time accident matrix in it. The matrix describe the number of work accident, working days lost, working time lost, and the number of lost cost. The matrix is attached on the guiding committee of occupational health and safety report.

	Status: Comply	
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4.8

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

4.8.1 & 4.8.2

The Company has identified training for all employees, setting up training programs in 2018, such as :

- Training of ISPO, RSPO-SCCS & ISCC requirements to workers
- Training of risk at work

- SOP training of the production process in the each station to the workers
- Training of emergency response
- First Aid Training
- Training of safety to workers
- Hazardous waste handling training
- Harvesting Technique and OHS training
- Calibration of fertilizer dosage
- Spraying Technique and OHS training
- Calibration of spraying tools & tank mixing
- Etc

Interview results with workers such as warehouse officers, harvesters, spray teams are known that they have received training related to their duties and responsibilities. The results of interviews with contractors are known that the workers have received training / socialization such as socialize the use of PPE in the workplace.

The company keeps records of employee training. The company shows several training recordings such as:

- Minute of meeting of the training of fertilizer / technique manuring on 21 February 2017 was attended by 12 participants. Available attendance and photo of implementation.
- Training of harvesting on 2 October 2017 which was attended by 8 participants. There are minutes of meeting, photos of implementation and attendance.
- Hazardous waste handling training on 23 September 2017 was attended by 18 participants. There are minutes of meeting, photo of implementation and attendance.
- Training of warehouse officers related to chemical handling in warehouse on 11 April 2017 by 2 warehouse staff. There are minutes of meeting, attendance and photo of implementation

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
GMP estates and GMP mill shown addendum document for EIA 2014, covered activities for 6000 ha estates, 60 tonne/hour POM capacity, methane capture plant operations. These document have environmental permit based on decree Pasaman Barat regent No: 188.45/1080/BUP-PASBAR/2014 on December 8th 2014. PHP estates also provides UKL/UPL documents approved by decree of Pasaman Barat regent No. 008/06/PLH/2004 on February 18th 2004 covered 3800 ha estate activities. These documents explained the impact that probably caused by the company's operations such as land acquisition, construction of roads, infrastructure development, processing mills development, land preparation, crop management, oil palm planting, development, etc. EIA documents also describes environmental management and monitoring plan that should be done by the company.

5.1.2
Since 2014, GMP estates conduct land preparation for replanting activities. Regarding to this, on January 2018 GMP estates established environmental management and monitoring plan listed on monitoring/management plan for replanting documents. Furthermore, action plan for replanting activities management for examples related to surface water management, soil fertility, sedimentation, and OHS. Implementation and reporting for this replanting management activities will be observed on next audit. **OFI**

5.1.3
Company are consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring for regular basis. These report described realization of monitoring and management of the environment in accordance with environmental parameters in the RKL/RPL. Public consultation with Environmental agency

of Pasaman Barat indicate that the company has made environmental management and there is no issue of pollution caused by the company's operational activities.

Review for environmental monitoring / management plans have been developed and listed on evaluation chapter on every semester RKL/RPL report, for examples evaluation for PHP estate, UKL/UPL semester 2 2017 report shown that company has properly managed and reduced all impact caused by plantation activities.

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

GMP and PHP estates shown HCV assessment for the entire area of operations which done by the RSPO Approve Assessor on 2012. The process of HCV identification conducted by using HCV identification guides in Indonesia on June 2008. These identifications indicates there is HCV 1.4, 3, 4.1, and 4.2 presence on GMP/PHP-2 estates covered for 54.63 ha areas for GMP estates and 1.90 ha for PHP-2 estates. All of indicates HCV areas was mapped by 1:35000 scale and this HCV identifications covered all estates/mill operational areas including surrounding landscape and RTE species. Field observation on block 05 PHP-2 (batang alin riparian) estates found that HCV areas are located on community land (outside PHP operating rights), therefore auditors enhance companies to monitored and managed actual HCV areas based on actual operating rights.

OFI

5.2.2; 5.2.3

HCV identification results also explain there is an RTE species according IUCN-Redlist namely *Manis javanica*, *Symphalangus syndactylus*, *Hylobates agilis*, *Buceros rhinoceros*. . GMP-PHP has established HCV management plan 2018 that includes appropriate management and monitoring to maintain HCV attributes and RTE species.

Field visit on HCV areas Block 62 (GMP) and block 23 (PHP-2) shown that company provides HCV areas information signboards and protected species, signboard for hunting ban and marking riparian area that will be rehabilitated for species corridor. Company also conducted a periodically monitoring every month for HCV areas, species monitoring, and wild hunting by HCV officer.

Field visit on Batang alin riparian block 5 PHP-2 estates shown the condition of catchment areas has been covered by natural vegetation. Interview with spraying team found that them recognized HCV area as a protected area and the they also recognized no chemical applications on conservation areas. Workers also have deep understanding related to protected species, a ban on hunting of protected species.

Related to RTE species, company had RTE species protections procedures SOP-EHS-20 on 2016 stated that all workers including contractors are not allowed to hunt, to raise, and killed all RTE species . Evidence for workforce educations related to RTE species are available and verified by auditors team, for examples on July 2017 for GMP estates and October 2017 for PHP-3 estates. Housing visit on PHP-1 and PHP-2 estates found there is no RTE / wild species reared by workers.

To provide protection against such RTE species, management unit has made the hunting ban signboard, patrolling, rehabilitation of riparian as habitat and report to relevant agencies (Nature Conservation Agency). GMP-PHP also conduct regular inspection for HCV/RTE species protection, last inspection was done on December 2017 indicates there is no wild hunting and no wild animal traps presence on HCV areas.

5.2.4

Company have established HCV management plan, and implemented it well. Regularly patrols record shown company has been monitored illegal fishing, hunting, and other illegal activities. All of records for monthly patrols on each estate are available and verified by auditors. For example patrols summary results for December 2017 on PHP-2 found *Halcyon smymensis*, and *varanus salvator*, meanwhile wild species trap is not presence. The result of monitoring also reported to government institution every six month listed on UKL/UPL report. As the results of monitoring output, company has plan feed back into the management plan 2018 for examples enhance socialization for all workers related to RTE species every semester.

5.2.5

HCV identifications 2012 document review shown there is no indications of HCV 5 or HCV 6 presence. Meanwhile, based on field observation on block 05 PHP-2 (batang alin riparian) estates found that HCV 4 areas are located on outside PHP operating rights, therefore auditors enhance companies to monitored and managed actual HCV areas based on actual operating rights.

	Status: Comply	
5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.		
<p>5.3.1 Registry for waste (included toxic and hazardous waste) products produced from mill and estates are identified and listed on 2017 identification and evaluation of pollution source document for example mill waste water are managed at waste water treatment plant before it distributed as land applications, hazardous waste were kept at temporary hazardous waste storage, empty fruit bunch are reduce and reuse as nutrient cycles on estates.</p> <p>5.3.2; 5.3.3 All chemicals and their containers including hazardous waste are disposed responsibly based on procedure SOP EHS-006 and company also established waste and pollution identification and management 2017. Inventory for all chemicals usage and it containers are available on chemicals storehouse/ temporary hazardous storage. All ex chemicals containers were kept on temporary hazardous storage at GMP POM, GMP estate, PHP-1 estate, and PHP-2 estate. Document review shown that company has sent all toxic and hazardous waste to PT Shali Riau Lestari (licensed collector by decree of national environmental minister No. 879/Menlhk/Setjen/PLB.3/11/2016) on september 2017 (manifest are available and checked by auditors). Observation during audits at temporary hazardous&toxic waste storage shown that all of hazardous waste are compliant with the periods in permit (< 180 days). All settlements waste are not disposed off using open fire, and company has established procedures related doemstic waste management listed on SOP-EHS-04. Field observation on block 8 PHP-2 estates and block 3 PHP-1 estates for example found that companies managed settlements/housing domestic waste by provide landfill on each division and sort the organic/an-organic waste. Observations also found these landfill are located far away (> 1 km) from housing and situated on flood free areas.</p>		
	Status: Comply	
5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.		
<p>5.4.1 GMP-PHP has assess and estimated the direct energy use such as fuel usage by transport contractors for 2017 periods. Company shown commitment to reducing fossil fuel by renewable energy usage. Shell and fiber usage have been monitored per month and realization of fossil fuel usage during December 2017 are 2725 litre. During Jan-Dec 2017, fiber and shell usage for boiler resulting average energy efficiency for diesel fuel are 0,26 litre/tonne CPO, for electricity (including methane capture plant) are 29,33 kWh/tonne CPO. Furthermore, GMP POM also has a Methane Capture plant with 500KW total capacity, as a part of waste and renewable energy optimalization.</p>		
	Status: Comply	
5.5 Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.		
<p>5.5.1 and 5.5.2 Policy without burning is contained in Wilmar's Environmental Policy approved on September 2010 which states the zero burning policy in all plantation development activities and listed in the SOP Land Clearing Without Burning with number: pro-est-002 dated 15 October 2012.</p> <p>Verification result of document basic information and interview with management, related agency (such as National Land agency, Plantation Agency) and surrounding communities, there is no development of new area. In addition, there has been no replanting activity in the sampling unit (PHP 1 & 2). Interviews with surrounding communities and related agency (such as National Land agency, Plantation Agency), known that, there was no issues of landfires.</p>		
	Status: Comply	
5.6 Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.		
5.6.1; 5.6.2		

To reduce pollution and emission, the company has identified the emissions source and the management steps which are described in FRM-GRN-033. In addition, company also identified GHG sources included mitigation plan for reducing it. All waste including emissions and pollutions sources from Mill and estate are identified and recorded on waste and pollution identification 2017 document. Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. Waste water has been monitored every months and monitoring periods Oct-Dec 2017 sighted that all of waste water testing parameters is compliant to the standards quality, for example BOD on Dec'17 are 137.6 mg/l (< 5000 mg/l).

5.6.3

GMP POM conduct GHG calculation and its monitoring using RSPO palm GHG calculator v 3.0.1 . Summary of GHG emission for GMP POM are listed as follows :

1.	RSPO PalmGHG	Ver 3.0.1
2.	Report	Apply November 2005 cut off for LUC
3.	Site	PT Gersindo Minang Plantation
4.	Certificate validity	21 April 2014 – 20 April 2019
5.	Certificate Registration no	MUTU-RSPO/038
6.	CB	Mutu Certification International
7.	Audit date	8-12 January 2018
8.	Data set	Dec 2016 – Nov 2017 (most recent 12 month data)

Summary of Net GHG Emissions

Emissions per Product	tCO2e/t Product
CPO	8.56
PK	8.56

Production	ton/year
FFB processed	248456.08
CPO produced	45042.97

Land Use	Ha
OP planted area	5168.51
OP planted on peat	2267.09
Conservation	54.64

Extraction	%
OER	18.13
KER	5.02

Summary of Field Emissions and Sinks

Description	Own Crop			Group		3 rd party		Total	
	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e	tCO2e	tCO2e	tCO2e
Emissions									
Land Conversion	50819.12	9.88	0.55						
*CO2 Emissions from	3164.5	0.62	0.03						

Fertilizer									
**N2O Emissions	21032.5	4.1	0.23						
Fuel Consumption	1722.04	0.33	0.02						
Peat Oxidation	122859.55	23.95	1.33						
Sinks									
Crop Sequestration	-48169.79	-9.36	-0.52						
Conservation Sequestration	0	0	0						
Total	151427.92	29.51	1.64						

Summary Oil Mill Emissions and Credits

Remarks	tCO2e	tCO2e/t FFB
Emissions sources		
POME	5076.63	0.02
Fuel consumption	204.73	0
Grid electricity	0	0
Export of grid electricity	0	0
Sales of PKS	-19852.51	-0.08
Sales of EFB	0	0
Total	-14571.15	-0.06

Palm Oil Mill Effluent (POME) Treatment

Divert to compost (%)	0
Divert to anaerobic digestion (%)	100

POME Divert to Anaerobic Digestion

Divert to anaerobic pond (%)	94
Divert to methane capture (flaring) (%)	3
Divert to methane capture (electricity generation) (%)	3

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, 6.1.3 & 6.1.5

Social impact assessment (SIA) of the PT GMP and PT PHP have been conducted by consultant in 2012. This assessment conducted by involving affected parties, such as: workers, business partner and local communities, including customary people and smallholders (such as KSU Mutiara Bosa Sikilang, KUD Kapa, KUD Rantau Pasaman, etc). Methodology used during this assessment is through Primary and Secondary Data collecting. For Primary Data collecting, the assessment using Focus Group Discussion, workshop and participatory mapping by interview with participants. Evidence that SIA assessment

has been performed by involving affected parties is contained in annex of SIA document containing a list of attendance, photos of implementation and a list of resource persons.

In addition, the SIA assessment has also been socialized to villagers and stakeholders. Recorded evidence is available:

- Evidence of Socialization Invitation (February 20, 2013).
- Minutes of dissemination of HCV Identification Result, Traditional Activity, Social Impact Program and Procedures / SOPs Related to Company Activity, February 22, 2013 at Jambak Simpang Empat attended by parties from around plantation area.
- List of Attendance
- Photos of the implementation.

The Company has a social management plan for PT GMP and PT PHP 2016 - 2018 which contains management plans related to external and internal impacts. The plan also contains the implementation schedule and the PIC.

The Company showed the social management plan for PT GMP and PT PHP 2016 - 2018. However, it has not been able to demonstrate a social impact monitoring plan to avoid or mitigate negative impacts and increase the positive impacts based on the results of the Social Impact analysis through consultation process with the affected parties, which documented and scheduled, including their implementation responsibilities. **It became Non-conformity no. 2018.1**

6.1.4

The Company (PT GMP and PT PHP) showed the Social Management Plan 2016-2018 and the SIA's Implementation Report 2017. Based on document verification results, known that the social management plan was set on January 4, 2016. However, there was not enough evidence that the social management plan and monitoring has been reviewed by involving the affected parties. **It became nonconformity no. 2018.2.**

6.1.3	Status: Nonconformity no. 2018.1 with Major Category	Open
6.1.4	Status: Nonconformity no. 2018.2 with Minor Category	

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

PT. GMP & PT. PHP have SOP Communication, Consultation and Coordination with Stakeholders No.PRO-BNM-008, dated October 1, 2011 to be used as guidelines for communications which aims: SOP as a technical guide for the implementation of communication, consultation and coordination between companies and stakeholders. So that it can be ensured that every decision step, action, implementation activities related to stakeholders can be accountable, effective, efficient, consistent and systematic so as to facilitate operational activities of the company.

The Company has appointed the officers who are responsible for consulting and communicating with the public. The company has of Stakeholder List and their detail address. The officers who are responsible for consulting and communicating with the public can be shown by the Letter no. No.003/AGM-GMP/SK-XII/2016 and No.004/AGM-PHP/Int-XII/2016.

The results of interviews with community leaders such as Jorong Maligi, it is known that they know the mechanism of communication and consultation with the community. There is also a record of socialization, for example socialization of human rights policy, code of ethics, and company's SOP to Jorong Maligi community, Jorong Padang Jaya on 14 March 2017 signed by Head of Jorong.

	Status: Comply	
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6.3
There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.

6.3.1.

The mechanism, open to all affected parties, resolve disputes in an effective, timely and appropriate manner was described within Procedure No. PRO-HRD-005 (revision 001, valid date 01 October 2011 which has been endorsed by GEM SOP aims to accommodate complaints and complaints from employees.

As well as in the Procedure for Admission and Dispute Resolution of the Dispute, No.Document: PRO-BNM-007 Revision 01 effective date 1 December 2015. The procedure includes ensuring anonymity of complainants and whistleblowers.

Based on field visits and interviews at employees housing of PHP-2, there were complaints from employee residents delivered verbally but not documented in the recording of complaints. This becomes an opportunity for improvement in subsequent audit activities (OFI).

6.3.2

Based on documents verifications, stakeholder consultations and verify through RSPO website there is a complaint from Datuk Gampo Alam (Pucuk Adat Nagari Kapa (indigenous leader of Nagari Kapa) as well as Head of Kerapatan Adat Nagari Kapa (KAN – a village/nagari-level customary institution in Minangkabau which maintains and preserves the Minangkabau customs and culture), the complaints about:

- Complainant seeks clarity of the extent of PT. PHP 1’s nucleus estate in Nagari Kapa.
- Complainant rejects PT. PHP 1’s application to the National Land Agency for a Hak Guna Usaha (HGU) certificate over the customary (ulayat) land of Nagari Kapa.

Based on documents verifications its known there is several meeting between Datuk Gampo Alam, Wilmar and RSPO about this complaints. The last meeting held on December, 22 2017. This complaints already addressed on RSPO Complaints Panel.

The meeting is a follow-up based on recommendation result from RSPO as per letter dated February, 01 2017.

Companies have the opportunity to resolve disputes that occur in accordance with the time agreed by the company and the parties who submit complaint. **OFI criterion 6.3**

Based on interviews with Plasma Sikilang, it is explained that there are disputed area at plasma areas. This has been informed to the company. The company has shown evidence of meeting with Sikilang plasma related to the dispute area of Sikilang plasma on February 18, 2017 which explains that customary head of Sikilang is advised to record the acreage under disputed with the community in Plasma Sikilang area and make a complaint letter to Police and company will accompany the report. This shows that the company has been active in responding to complaints from KUD Sikilang, but it will be observed back in the next assessment.**OFI criteria 6.3**

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 & 6.4.2

There is no changes in the procedures to identify the legality and compensation listed in the SOP of the Land Management / Land Acquisition Manual No.SOP 29/ BM/(0)0409 Effective date 13 April 2009 on stages of land acquisition.

6.4.3

Based on interviews with BPN, it is known there is a new land use title submission covering ± 20 Ha. The submission is a follow up to **Non-Conformity No. 2017.01** related to the planting outside land use title with the planting year 1998. This indicates that there is no new land compensation process taking place in the operational area of the certificate holder.

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

Company has internal memorandum no. 001/WIP-HRR/Int-XI/2016 about minimum wage of West Sumatera Province. It is said that minimum wage of all workers is based on Governor Decision about Minimum Wage of West Sumatera Province 2017. It is also regulates the basic wage for bulking system, operator, driver, and FFB loader by considering the type, nature, and weight of the job. Company could present the payment receipt of minimum wage as indicated in personnel salary list. Company can show employee salary list of PT GMP and PT PHP in accordance with the decision of the Governor of West Sumatra on Province of Minimum Wage 2017. Examples of salary documents in December 2017.

PT PHP with employee code number PF / 2PHP / 0811/1235 with 15 working days with total basic salary paid of Rp 1,169,580.- or Rp 77,972 per day

6.5.2

Work agreement (contract) between worker and company describes about type of work and salary, duty and responsibility, work hour, health and medical, work termination, and others. Contract is written in Indonesian Language and workers are understood the substance of the contract. On the chapter which describes salary system, stated that basic wage for permanent daily worker is above daily minimum wage.

Company also has collective labour agreement (PKB) between company and labour union for period year 2016 – 2018 which is endorsed by Manpower and Transmigration Agency in Pasaman Barat Regency. The collective labour agreement is regulated about company and worker responsibilities, recruitment process, promotion and demotion, work time management, payment system, social insurance, contract termination, and so on.

Based on the documentation salary daily contract workers of loss fruits at PHP-1 estate period of December 2017, it is informed that the workers get basic salary Rp 935,664 with the number of Working Days : 17 days , but there are 5 days not paid in full.

Based on Supervisor Activity Book of December 2017, it is known that this is caused by not achieving the work target of loss fruits for example on December, 02 2017 workers get 200 kg of loss fruits with target of 330 kg.

This indicates that the basis for paying Daily salaries is not in accordance with the agreed Work Agreement Letter where the wage of daily contracts workers is paid based on absenteeism. **Non-conformity No.2018.03.**

6.5.3

Company provides the facilities for worker welfare such as housing, policlinic, worship venue, religious facilities, sport yard, and access to electricity. Based on field observation in PHP 1 and PHP 2 housing, it is known that the facilities and infrastructure are in good condition. Company provide electricity subsidies for all workers every month. Beside education facilities, company also provide school bus to children transportation.

Housing has living room facilities, 2 bedrooms, bathroom and kitchen. Clean water comes from drilled wells while drinking water comes from wells or gallons purchased from stores or nearby markets. In the residential complex of GMP POM and estate there is a complex of shops selling daily necessities.

Based on field observations on the PHP-2 employee housing, there were complaints from housing residents regarding the provision of clean water. Auditors see firsthand that the water looks oily and according to interviews, when the dry season the color of the water becomes feculent and water rather smelly. Based on this narrative, the Company has the opportunity to improve the provision of clean water for workers.

Auditors to make Opportunity For Improvement (OFI) to be verified in next assessment.

6.5.4

Based on interviews with workers at GMP POM housing, PHP estate and union representatives, it is known that employees have easy access to basic daily needs.

To get food sources, employees can buy into the market contained in Simpang Empat or through vegetable suppliers who often sell to every housing. In addition to the payday, there is a market spill that many sell daily needs at an affordable price. Based on interviews with residents of housing is known that there are stalls that sell materials groceries located near the housing.

Based on field observation and interview, it is known that worker buy the staple food to the market in Simpang Empat, it can be accessed within ± 30 minutes by using vehicle. Company also provide stall that sell staple food and drinking water. It can be concluded that the access to the nearest market is available.

6.5.2	Status: Non conformity No.2018.03 with Major Category
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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

Policy regarding freedom of association contained in the Internal memorandum no 026/WIP-HRD/Int-VIII/2009 dated August, 12th 2009 regarding worker regulation and Collective Labor Agreement period 2016 – 2018 in Article 7 recognition of union, article 8 facilities and exemptions for union, Article 9 General Obligations

PT GMP POM PHP-1 and PHP-2 Estate has it's own Labor Union. They already have decree related organization structure and letter of registration to Manpower Agency in 2016 for PT GMP and 2017 for PT PHP. During stakeholder consultation with Manpower Agency of Pasaman Barat District, both organization has been registered and approved officially. Based on interviews with the Head of Labor Unions of GMP POM and PHP Estate noted that the CH has facilitated the establishment, regular meeting, and the member to understand the functioning of the union. The CH shows example records of regular meetings and responses between the union and the Certificate Holder.

6.6.2

Labor union conducts meeting periodically or where there is an issue with company or the member of union. There are meeting documentation, such as minutes of meeting on September 23rd 2017 about discussion of the contents of Collective Labor Agreement and the obligations of employees. These documentation is available for member and placed at each unit.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

The Certificate Holder has policy regarding minimum age for worker regulated on Policy about Children Labor, signed by Group Plantation Head and Group CSR Head on September 2010. It is stated that company won't employ children who are included in the definition of the provisions of ILO conventions, even though there are laws or regulations that would enable state and local and against all forms of child exploitation.

Based on field observation in GMP POM, PHP 1 and PHP 2 estate, there are no worker under 18 years old. Based on public consultation with Manpower Agency of Pasaman Barat District, there is no issue regarding child labor in company.

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

Policy regarding equal opportunity and treatment for work contained in the document which signed by Group Plantation Head and Group CSR Head on September 2010. The policy assured equal opportunities for all workers, and embrace diversity, regardless of ethnicity, disability, gender, origin, race, and religion, and ensure that all workers are protected from discrimination in all stages of the employment relationship. Based on public consultation with Manpower Agency of Pasaman Barat Regency, there is no discrimination issue.

6.8.2

Based on interview with female worker in GMP POM dan PHP 1 and 2 Estate, there is no discrimination issue in company. Based on field observation and interview with worker in estate and POM, it is known that there is no discrimination toward personnel based on origin, ethnicity, race, gender and religion and there is no complaint about discrimination. Based on public consultation with Manpower Agency of Pasaman Barat Regency, there is no discrimination issue.

6.8.3

Company has the procedure for recruitment No. PRO-HRD-001 dated October 1st 2011. Recruitment should be adjusted to the needs of worker and there is no discrimination against disabilities and HIV/AIDS. Company also has the procedure for employee performance evaluation No. PRO-HRD-03 dated October 1st 2011. The evaluation is held 4 times in a year. There is a sample for employee performance evaluation such as evaluation of probation period for Account clerk.

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

Company has the Policy to prevent sexual harassment and abuse on Policy related to Sexual harassment of Wilmar dated 10 September 2010 and Internal Memorandum No. 026/WIP-HRD/Int-VIII/2009 signed by HRD Head on August, 12th 2009. This policy has been socialized to the worker, as example on April 19th 2016 in PT. GMP and October 14th 2016 in PHP II estate. There is minutes of meeting and list of attendance.

As a form of implementation of the policy, the company established a gender committee to address women's issues. the gender committee has several programs in the form of socialization programs of understanding of workers or women related to complaints reporting and socialization of women's rights such as menstruation leave and maternity leave and socialization

of HIV & AIDS. The results of interviews with female workers are known, that they know the policy and representatives of the gender committee in the company. Examples of the socialization of the gender committee on December 28, 2017 were attended by 47 participants. Based on interview with gender committee and female workers, known that there were no case of sexual harassment or abuse in the workplace during period 2017. Interviews also show that workers know and understand policies related to reproductive rights. Female workers are also given H1 and H2 leave. In addition, Wilmar's policies are also socialized with display at office of estate and mill.

6.9.3

Complaint mechanism of workers was contained in Procedure no. PRO-HRD-005 (revised 001, valid date 01 October 2011 which has been endorsed by GEM. The SOP aims to accommodate complaints and grievants from employees. In the procedure described that if requested, the company guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower).

The results of interviews workers for example WTP officer, spraying teams, warehouse officers, nannies etc are known to be aware of the grievance mechanism. Related complaints of sexual harassment (women's issues) can be submitted to the gender committee.

Status: Comply

6.10

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

6.10.1; 6.10.2

The company has a procedure of FFB appointment (SOP-BNM-001) dated October 01,2011 with purpose to be a guidelines in determining the appropriate action in the pricing of FFB plasma so as to provide reasonable protection and price recovery FFB production of plasma farmer. Procedure of FFB determining shall be conducted by referring to the decision of Food, Crop, Horticulture and Plantation Agency on 13 and 28 November 2017. Pricing is based on the result of meeting among stakeholder including representatives of company, cooperative boards and offices. Based on logbook document, its known that there are no complaint related to FFB pricing. Beside that, based on interview with a cooperatives, its known that the payment of FFB price has been in accordance with the pricing issued by the agency.

The pricing of FFB for third parties (non-plasma) is done once a week. Pricing is based on the average selling price of CPO and PK (exports) and locally, the average yield of CPO and PK on FFB received from a third party and the justification of the price determined by the company. Associated with the realization of payments made on a monthly basis based on the amount of tonnage sent to the mill.

The company has a payment FFB document in according with the FFB pricing issued by Food, Crop, Horticulture and Plantation Agency. As a proof of payment such as available invoice No.BGARO1117-27010 (9017046040) dated November 16, 2017 which contain the sale of FFB plasma amounting to 149,676,286 rupiah.

6.10.3; 6.10.4

The company has shown an agreement between plasma cooperatives and company. Both parties have understood contractual agreement that the fair, legal and transparent. The cooperation contract is poured in the cooperative MOU Lingkungan Aur II No. 33/GMP/SW/X-94, dated October 14, 1994. While the agreement contain among other the cooperative must sell FFB to the company and company must buy the FFB, the FFB price is guided by market price and government regulation, the FFB price is set jointly between plasma cooperatives, company and governments.

Based on interview with Maligi and Sikilang Cooperatives, its known that an agreement between company and cooperatives was known, agreed and signed.

Beside that , based on the results of interviews with KUD Plasma Maligi and KUD Plasma Sikilang known that the payment of FFB to the plasma has been appropriate and timely. There are no issues related to late payment.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1 & 6.11.2

The Company has a program to improve the quality of life and the environment contained in the CSR Program. CSR programs are based on the needs of the surrounding community by first submitting proposals to the company. The Company reviews the program and realization of CSR implementation by involving the surrounding community. For example:

- There are recording of socialization of CSR implementation and evaluation of SIA in 2017 attended by 29 participants.
- Minutes of meeting CSR implementation in 2017 and evaluation, implementation of SIA 2017 on 15 December 2017 attended by 20 participants.

The CSR improvement program covers several aspects of education, culture, economy, culture etc. such as:

- Aid to build mosque
- Funding of environmental activities
- Hanging bridge maintenance assistance
- Assistance of farmers contact fund of Pasaman Barat
- capital assistance in the manufacture of salted eggs
- Assistance in English competition
- Etc.

It has also shown evidence of implementation of each activity above.

The Company cooperates with local contractors and suppliers. For example: agreement letter no. 0371 / SPK / PHP I / XI / 2017 dated November 1, 2017 for FFB transport works. In addition, the company is also partnering with the surrounding farmers through a program of cooperation on oil palm plantation development that has been done since 1994.

The company has provided training to smallholders, such as:

- On 30 December 2015, socialization of fertilizer technique, harvesting technique and spraying technique in the meeting room of GMP estate, the participants include KUD Lingkung Aur and KSU BTS.
- On October 10, 2015 a discussion was conducted on the too high sorting of FFB Plasma Kapar at GMP POM and grading in the loading ramp in the GMP POM meeting venue, the participants include KUD Kapar etc.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1, 6.12.1, 6.12.3

The procedures related to human resources management shows that every worker has a work agreement that describe specific job description. Based on employee list, field observation and interview with workers, Labor Unions, and Manpower Agency known that there is no migrant workers, forced labor. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker.

Based on employee data and interview with workers, most of the workers came from local communities (transmigration) and some from outside the region such as Nias. They have long been local people as well as doing the recruitment process in the company and is in accordance with applicable employee acceptance procedures.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

There is no change in human rights policy in PT GMP-PHP. The Company has compiled a "Human Right Policy" endorsed by Group Plantation Head and Group CSR Head. Examples of socialization:

- Socialization of the Code of Ethics and Human Rights Policy to contractor on January 26, 2017 which was attended by 8 participants.
- Socialization to contractors (SCCS, RSPO-ISPO, policy and vision on 2 February 2017 attended by 28 participants.

Interviews with workers such as harvesters, warehouse workers, mechanics, factory workers, and contractors known that they know about Corporate Policy such as Human Rights Policy. The human rights policy was also presented at the morning briefing and displayed at the estate and factory offices.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings

<p>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.</p>	
<p>7.1.1; 7.1.2; 7.1.3 The certificate holder has no expansion area for planting. Planting year in both companies are: 1992 – 1997 (GMP), 1996-1999 (PHP-1) dan 1996 - 1998 (PHP-2). An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders are still applicable and documented. Please refer to Criteria 5.1 and 6.1</p>	
	<p>Status: Comply</p>
<p>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.</p>	
<p>7.2.1; 7.2.2 The company has a map of marginal land distribution such as mineral soil map, peat soil map and topographic map. Besides the map has available scale and agenda adequate. Marginal land maps made by PARAMAAGRICULTURAL SOIL SURVEY (M) SDN. BHD. Detail map of soil type in PHP I Estate is mineral soil (28.6%) and peat soil (72.4%). Beside that in PHP II Estate of soil type in PHP I Estate is mineral soil (78.1%) and peat soil (21.9%). Based on marginal map (made by PARAMAAGRICULTURAL SOIL SURVEY (M) SDN. BHD in PHP I / PHP II. Its know that, the maps are sufficient to establish land suitability for long term palm oil planting by managing land management such as terracing, plant a legume cover crop and organic fertilizer application (EFB application). Beside that, the company has already determination of areas not suitable for long term oil palm cultivation such as HCV Area. The company has set the HCV area of 54.64 Ha in GMP Plantation. Based on the result of document review, field observation and interview with the management, it is known that the company does not do new planting activities in the area of Kebun PHP I and Kebun PHP II. The last planting was done in 1999.</p>	
	<p>Status: Comply</p>
<p>7.3 New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</p>	
<p>7.3.1, 7.3.2; 7.3.3; 7.3.4; 7.3.5 The Certificate Holder (GMP-PHP) has performed the HCV identification on 2012 by RSPO Approved HCV Assessor. According to the planting year, PT. GMP and PT. PHP has year of planting in period 1992 upto 1999, it means there is no new planting since November 2005 are available on this certification scope area. Prior to audit ASA-4, Management unit has shown confirmation from RSPO on January 26th 2017 related status of the Certificate Holder liability referred to indicator 7.3.1. Explanation from RSPO Secretariat that PT. GMP and PT. PHP has submit Disclosure of Liability on 2nd September 2014 with status of Zero Liability.</p>	
	<p>Status: Comply</p>
<p>7.4 Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</p>	
<p>There is no cultivation or new plantation expansion in PT. GMP and PT. PHP. The cultivated year of palm oil in both company, such as: 1992 – 1997 (GMP), 1996 - 1999 (PHP 1 Estate), and 1996 - 1998 (PHP 2 Estate). For the planting year 2014-2017 is a replanting area.</p>	
	<p>Status: Comply</p>
<p>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.</p>	
<p>7.5.1 There is no planting or new land development in PT. GMP and PT. PHP. Years of palm oil planting in both companies include: 1992 1997 (GMP), 1996-1999 (PHP-1) and 1996-1998 (PHP2). For the planting year 2014-2017 is a replanting area.</p>	

	Status: Comply	
<p>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.</p>		
<p>7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5, 7.6.6 There is no planting or new land development in PT. GMP and PT. PHP. Years of palm oil planting in both companies include: 1992-1997 (GMP), 1996-1999 (PHP-1) and 1996-1998 (PHP2). For the planting year 2014-2017 is a replanting area.</p>		
	Status: Comply	
<p>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.</p>		
<p>7.7.1; 7.7.2 The youngest palm age is 1998-1999, after that no more expansion area for new planting development. Policy without burning is contained in Wilmar's Environmental Policy approved on September 2010 which states the zero burning policy in all plantation development activities and listed in the SOP Land Clearing Without Burning with number: pro-est-002 dated 15 October 2012.</p> <p>Verification result of document basic information and interview with management, related agency (such as National Land agency, Plantation Agency) and surrounding communities, there is no development of new area. In addition, there has been no replanting activity in the sampling unit (PHP 1 & 2). Interviews with surrounding communities and related agency (such as National Land agency, Plantation Agency), known that, there was no issues of landfires.</p>		
	Status: Comply	
<p>7.8 New plantation developments are designed to minimise net greenhouse gas emissions.</p>		
<p>7.8.1; 7.8.2 There is no new development since January 2015 for entire areas on PT GMP-PHP. Existing GHG calculation has been described on criteria 5.6</p>		
	Status: Comply	
<p>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</p>		
<p>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.</p>		
<p>The Company has conducted an internal audit of RSPO at PT GMP and PT PHP on December 12-14, 2017. Based on the internal audit results, it is found that there are 9 non-compliances such as on K3 aspect (periodic inspection), medical waste collection letter, B3 waste and so on. Completion of findings of non-compliance has been made in the date range 16-30 December 2017.</p> <p>OHS Aspect</p> <ul style="list-style-type: none"> - Company does not use Paraquat since 2011. <p>Environmental Aspect</p> <ul style="list-style-type: none"> - Plan to reduce or minimize the significant pollutants and GHG emissions were implemented by the certificate holder by Methane Capture installation (500KW) at GMP POM 		
	Status: Comply	

3.2. Summary of Assessment Report of Supply Chain Requirement

3.2.1 General chain of custody requirements for the supply chain

Clause	Requirement
5.1	Applicability of the general chain of custody requirements for the supply chain
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>Question: Does the organization take legal ownership and physically handles RSPO Certified Sustainable oil palm products at their premises or through the outsourcers?</p> <p>The whole process of FFB processing is done by mill and there are no activities done by the contractors. all buying and selling activities carried out by the mill and transportation activities become the responsibility of the buyer.</p> <p>Status: Comply</p>
5.1.2	<p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>Question: Is the organization buying from RSPO licensed traders who pass the certification number of the product manufacturer and the applicable supply chain model?</p> <p>The whole process of FFB processing is done by mill and there are no activities done by the contractors. all buying and selling activities carried out by the mill and transportation activities become the responsibility of the buyer.</p> <p>Status: Comply</p>
5.1.3	<p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>Question: Is the site level or its parent company a member of RSPO and registered on RSPO IT platform?</p> <p>RSPO IT Platform member registration number: RSPO_PO1000002133 with contact person is Sugiarto</p> <p>Status: Comply</p>
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>Question: Is the site level or its parent had a processing aids?</p> <p>There is no processing aids in the operational GMP POM</p> <p>Status: Comply</p>
5.2	Supply chain model
5.2.1	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.</p> <p>Question: Has the organization applied the Supply Chain Model correctly?</p> <p>GMP POM until audit ASA-4 is still implemented a model of supply chain Mass Balance. FFB supply source for GMP POM is still received from uncertified sources. The volume of products sold by using Mass Balance claim.</p> <p>GMP POM has determined supplier FFB RSPO certified and non-certified RSPO, are: RSPO Certified</p>

- PT GMP
- PT PHP1
- PT PHP 2

RSPO Non Certified

- Smallholders scheme of PT GMP
- Smallholders scheme of PT PHP1
- Smallholders scheme of PT PHP2
- PT Siak Prima Sakti
- Block 22 PHP 2 Estate

Status: Comply

5.2.2

The site can use one (1) or a combination of supply chain models as audited and certified by the CB.

Question: Has the organization applied a combination of Supply Chain Model correctly?

GMP POM until audit ASA-4 is still implemented a model of supply chain Mass Balance. FFB supply source for GMP POM is still received from uncertified sources. The volume of products sold by using Mass Balance claim.

GMP POM has determined supplier FFB RSPO certified and non-certified RSPO, are:

RSPO Certified

- PT GMP
- PT PHP1
- PT PHP 2

RSPO Non Certified

- Smallholders scheme of PT GMP
- Smallholders scheme of PT PHP1
- Smallholders scheme of PT PHP2
- PT Siak Prima Sakti
- Block 22 PHP 2 Estate

Status: Comply

5.3

Documented procedures

5.3.1

The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.

Questions : Documented procedures established and covering all provisions following:

- o Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.
- o Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).
- o Identification of the role 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 organization's procedures for the implementation of this standard.

1. SOP Mass Balance (**SOP – MILL- O23) Rev 4 dated 02 January 2018**) Procedures include: Data Input of FFB (Certified & Non Certified); Data Input of FFB process become CPO (Certified & Non-Certified); Data Input of CPO Dispatch (Technical dispatch, Seals mounting, Delivery of certified products need to be approved by Head of Administrator and Mill Head); Logistics of quantity data input of sustainable and non-sustainable product delivery; Every three months the condition of the stock balance should not be negative; Transactions of certified products, logistic parts inputting data in the eTrace system after all commodities are shipped by POM and accepted by consumers. Data input is done after all the transaction details are correct.

2.	Responsible person in the whole process of supply chain described in Procedure of traceability for CPO and PK (SOP – MILL- O11) Rev 2 dated 21 February 2016) Security (registrar of all FFB expeditions and dispatch of CSPO / CPO), Weigh operators (weighing in all received FFB and shipping products), Logistics (calculation results of CSPO / CPO production, dispatch, reports of the products delivery and traceability report), Head of Administrator (acceptance control of FFB and CSPO / CPO, FFB acceptance report, dispatch, product delivery reports and traceability reports), Mill Head.
	Status: Comply
5.3.2	
The site shall have a written procedure to conduct annual internal audit	
Question :	
Documented annual internal audit procedures established and covering all provisions :	
<ul style="list-style-type: none"> i) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii) Effectively implements and maintains the standard requirements within its organization. 	
<p>The Company shows the Internal Audit procedure (PRO-GEN-003 dated 01 October 2011) which describes the internal audit conducted once in every 12 months, the internal audit results are discussed in Management Review Meetings every year, any non-conformances are made corrective action and completion time, all internal audit activities recorded in documents of Internal Audit Check Sheet, Non-Conformance Report, Audit Report and Non-Conformance List. There is Opportunity to add audited standards in SOP related to Internal Audit. OFI</p>	
<p>Company can show the result of internal audit conducted on 12-14 December 2017 In the Audit Check Sheet document, it is known that the company has performed an internal audit using SCCS standard with the result of non-conformance.</p>	
	Status: Comply
5.4	Purchasing and goods in
5.4.1	
The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier	
Question :	
All RSPO product information is provided by suppliers in accordance with :	
<ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment / delivery date; ○ The date on which the documents were issued; ○ A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); ○ The quantity of the products delivered; ○ Any related transport documentation; ○ Supply Chain certificate number of the seller; ○ A unique identification number ○ Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation). ○ The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance. ○ A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (www.rspo.org) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements. ○ The validity of license for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements/announcements. 	
GMP POM does not purchase RSPO certified oil palm products. GMP POM is the producer of RSPO certified oil palm products	

	Status: Comply
5.4.2	
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents	
Question :	
Has the organization established mechanism in place for handling non-conforming oil palm products and/or documents?	
GMP POM does not purchase RSPO certified oil palm products. GMP POM is the producer of RSPO certified oil palm products.	
The Company has SOP of Palm oil Purchase (No. 001/ TBS-SOP/VIII/2015 dated August 10, 2015) which describe the accepted FFB criteria including FFB weight > 3 Kg, ripe fruit according to company standard (10% of loose fruit from external surface), the loose fruit shall be clean, the stalk of FFB shall not exceed 3 cm.	
	Status: Comply
5.5	Outsourcing activities
5.5.1	
In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.	
Question : Are the outsourcers RSPO certified?	
GMP POM doesn't outsource refining and crushing activity. The whole CPO and kernel produced are sold to other party.	
	Status: Comply
5.5.2	
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:	
<ul style="list-style-type: none"> a. The site has legal ownership of all input material to be included in outsourced processes; b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance 	
Question : Has the site established outsourcing procedures, agreement and keeps legal ownership of the products during the outsourcing	
GMP POM doesn't outsource refining and crushing activity. The whole CPO and kernel produced are sold to other party.	
	Status: Comply
5.5.3	
The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	
Question : Has the site maintained names and contact details of all outsourcers?	
GMP POM doesn't outsource refining and crushing activity. The whole CPO and kernel produced are sold to other party.	
	Status: Comply
5.5.4	
The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products	
Question : Has MUTU informed about any new outsourcers?	
GMP POM doesn't outsource refining and crushing activity. The whole CPO and kernel produced are sold to other party.	

	Status: Comply
5.6	Sales and goods out
<p>5.6.1 The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer</p> <p>Question :</p> <p>All RSPO product information is provided by the organisation in accordance with :</p> <ul style="list-style-type: none"> • The name and address of the seller; • The loading or shipment / delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply chain certificate number of the seller; • A unique identification number. • Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products • For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance. • 	
<p>The RSPO product sales document is recorded in the document of Sale and Purchase Contract, Sales Order, Delivery Order up to weigh ticket. Information in the documents such as in contract No. 2731101400 among others the name of buyer, quantity and quality, type of supply chain model.</p>	
	Status: Comply
5.7	Registration of transactions
<p>5.7.1 Supply chain actors who:</p> <ul style="list-style-type: none"> • are mills, traders, crushers and refineries; and • take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable 	
<p>Question :</p> <p>Has the organization registered their transactions in the RSPO IT platform? (mills, traders, crushers and refineries only)</p>	
<p>RSPO IT Platform member registration number: RSPO_PO1000002133 with contact person is Sugiarto.</p>	
<p>All transaction of RSPO certified oil palm products has been registered in RSPO IT Platform (see indicator SCCS 5.7.2).</p>	
	Status: Comply
<p>5.7.2 The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p> <ul style="list-style-type: none"> • Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. • Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. • Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. 	

- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

Question :

Did the organization correctly perform the applicable actions on RSPO IT Platform?

The GMP POM has been take action at RSPO IT Platform with the data:

- **Certified CPO sold to each buyer period of 21 April 2017 to 12 January 2018**

Date	Buyer	Volume
05 June 2017	PT Wilmar Nabati Indonesia	425.46
12 January 2018	Removed Stock- Sold as ISCC	10,575
Total		11,000.46

- **Certified Palm Kernel sold to each buyer period of 21 April 2017 to 12 January 2018**

Date	Buyer	Volume
04 August 2017	PT Usaha Inti Padang	465.02
04 August 2017	PT Usaha Inti Padang	54.03
04 August 2017	PT Usaha Inti Padang	29.87
20 September 17	PT Usaha Inti Padang	472.66
20 September 17	PT Usaha Inti Padang	445.14
27 October 2017	PT Usaha Inti Padang	312.82
22 November 17	PT Usaha Inti Padang	383.96
14 December 2017	PT Usaha Inti Padang	373.79
12 January 2017	PT Usaha Inti Padang	332.84
Total		2,870.13

All transactions have been shown in shipping announcement, for example Shipping Announcement no. TR-cff57283-540b dated 05 June 2017 related to the sale of CPO of 425.46 tons to PT Wilmar Nabati Indonesia.

Status: Comply

5.8

Training

5.8.1

The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff

Question :

Has the organization established RSPO training plan?

Company can show evidence of training related to Supply Chain for responsible personnel for supply chain activities, including:

- RSPO Certification System Training for P & C & SCCS (June 2017) on 06 September 2017 to responsible staff for SCCS including palm trace officer on 13 September 2017.
- Socialization of SCCS on 06 November 2017 to responsible personnel in GMP POM to 14 workers (logistic clerk, weighbridge operator , personnel and general affairs)

Status: Comply

5.8.2

Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed

Question :

Has the organization Delivered Effective RSPO training?

Based on interviews with Logistic Clerk and weight Bridge Operator, it is known that the personnel have been aware of the duties and responsibilities related to the implementation of supply chain and can distinguish the origin of TBS that is certified

and not certified.	
	Status: Comply
5.9	Record keeping
5.9.1	
The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements	
Question :	
All records are accurate, complete, up-to-date and accessible?	
Based on SOP of Mass Balance (No. SOP-MIL-023 rev 04 dated 02 January 2018) which explains that all documents related to RSPO-SCCS must be kept at least 2 years with document type of data of FFB acceptance, production data and shipment of CPO and PK, and RSPO IT Platform data	
	Status: Comply
5.9.2	
Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock	
Question :	
All records are kept for minimum two years and comply with legal and regulatory requirements?	
Based on SOP of Mass Balance (No. SOP-MIL-023 rev 04 dated 02 January 2018) which explains that all documents related to RSPO-SCCS must be kept at least 2 years with document type of data of FFB acceptance, production data and shipment of CPO and PK, and RSPO IT Platform data	
	Status: Comply
5.9.3	
The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	
Question :	
For all palm oil / palm kernel oil volumes purchased (input) and claimed (output) records kept over a period of twelve (12) months.?	
<p>The Company can show the Production Budget document on 2018 which describes the production of certified FFB, certified CPO & PK production. For estimated year 2018, among others:</p> <p>FFB: 91,300 ton</p> <p>CPO: 17,653 ton (OER: 19.33%)</p> <p>PK: 4,793 ton (KER: 5.25%)</p> <p>The company also shown Daily CPO & PK Production Record that inform the balance on three monthly basis of FFB receipts of RSPO certified FFB, Production and Delivery CPO and PK.</p>	

	RSPO CPO (Kg)					RSPO PK (Kg)				
	Production		Sold		BALANCE	Production		Sold		BALANCE
	Today	Yr Todate	Today	Yr Todate		Today	Yr Todate	Today	Yr Todate	
JANUARY TOTAL	1,377,447	1,377,447	426,614	426,614	950,833	381,077	381,077	396,120	396,120	36,021
FEBRUARY TOTAL	1,471,076	2,848,523			2,421,909	420,394	801,471	390,150	786,270	66,265
MARCH TOTAL	1,588,757	4,437,280			4,010,666	375,009	1,176,480	341,954	1,128,224	99,320
END OF Q1	4,437,280	4,437,280			4,010,666	1,176,480	1,176,480	1,128,224	1,128,224	99,320
APRIL TOTAL	1,440,989	5,878,269			5,451,655	-	1,176,480	-	1,128,224	99,320
MAY TOTAL	1,323,280	7,201,549			6,774,935	179,737	1,356,217	150,000	1,278,224	129,057
JUNE TOTAL	1,143,030	8,344,580			7,917,966	312,156	1,668,373	369,986	1,648,210	71,227
END OF Q2	3,907,300	8,344,580			7,917,966	491,893	1,668,373	519,986	1,648,210	71,227
JULY TOTAL	1,711,187	10,055,766			9,629,152	472,049	2,140,422	473,920	2,122,130	69,356
AUGUST TOTAL	1,436,585	11,492,351			11,065,737	378,535	2,518,956	402,680	2,524,810	45,210
SEPTEMBER TOTAL	1,378,507	12,870,858			12,444,244	365,891	2,884,847	391,770	2,916,580	19,331
END OF Q3	4,526,279	12,870,858			12,444,244	1,216,474	2,884,847	1,268,370	2,916,580	19,331
OCTOBER TOTAL	1,421,097	14,291,955			13,865,341	380,732	3,265,580	376,320	3,292,900	23,744
NOVEMBER TOTAL	1,361,729	15,653,685			15,227,071	368,857	3,634,437	365,320	3,658,220	27,280
DECEMBER TOTAL	1,230,222	16,883,907			16,457,293	330,476	3,964,913	303,540	3,961,760	54,216
END OF Q4	4,013,048	16,883,907			16,457,293	1,080,066	3,964,913	1,045,180	3,961,760	54,217
	Status: Comply									
5.10	Conversion factors									
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries									
	Question : Conversion rates applied accurately?									
	GMP POM only performs FFB processing up to CPO and PK. Based on SOP of Mass Balance, it is explained that the conversion factors of CPO and PK are based on actual rendemen.									
	Status: Comply									
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.									
	Question : Conversion rates periodically updated?									
	GMP POM only performs FFB processing up to CPO and PK. Based on SOP of Mass Balance, it is explained that the conversion factors of CPO and PK are based on actual rendemen.									
	Status: Comply									
5.11	Claims									
5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.									
	Question : Any communication to any stakeholder group / customers issued in accordance with RSPO Rules on Market Communications and Claims?									
	Based on Shipping Announcement and transaction report documents, all CSPO and CSPK submitted are in accordance with the applied supply chain model that is Mass Balance.									
	Status: Comply									
5.12	Complaints									
5.12.1										

The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
Question : Documented procedures for stakeholders complaints established?	
The Company has a Procedure for Receiving Complaints and Settlement of Disputes no. Document: PRO-BNM-007 Revision 01 of the effective date of December 1, 2015. In the procedure explained that for the resolution of conflicts that arise.	
Up to ASA-4 audit, there is no complain on the certified product sold.	
	Status: Comply
5.13	Management review
5.13.1	
The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	
Question : Management reviews performed annually at planned intervals?	
The Company has SOP of Management Review No. PRO-GEN-006 dated 01 October 2011 which explains that management review activity is done at least once a year.	
	Status: Comply
5.13.2	
The input to management review shall include information on:	
<ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 	
Question : Has all input required above has been included in the management review?	
The Company shows Management Review Minutes conducted on December 21, 2017 with a total of 17 workers discussing the results of internal and external audits, discussion of operational quality, follow-up from previous review management to discussion of changes that could improve the quality management system.	
	Status: Comply
5.13.3	
The output from the management review shall include any decisions and actions related to:	
<ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. 	
Question : Has all output required above has been included in the management review?	
The Company shows Management Review Minutes conducted on December 21, 2017 with a total of 17 workers discussing the results of internal and external audits, discussion of operational quality, follow-up from previous review management to discussion of changes that could improve the quality management system.	
	Status: Comply

3.2.2 (Module E) CPO Mills - Mass Balance Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements						
E.1	Definition						
E.1.1	<p>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.</p> <p>GMP POM until audit ASA-4 is still implemented a model of supply chain Mass Balance. FFB supply source for GMP POM is still received from uncertified sources. The volume of products sold by using Mass Balance claim.</p> <p>GMP POM has determined supplier FFB RSPO certified and non-certified RSPO, are:</p> <p>RSPO Certified</p> <ul style="list-style-type: none"> - PT GMP - PT PHP1 - PT PHP 2 <p>RSPO Non Certified</p> <ul style="list-style-type: none"> - Smallholders scheme of PT GMP - Smallholders scheme of PT PHP1 - Smallholders scheme of PT PHP2 - PT Siak Prima Sakti - Block 22 PHP 2 Estate 						
	Status: Comply						
E.2	Explanation						
E.2.1	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>Estimates of CPO and PK produced by GMP POM obtained from the budget data of 12 months (January 2018 – December 2018) after the audit activities and have been described in this ASA-4 report, consist of:</p> <p>FFB: 91,300 ton CPO: 17,653 ton (OER: 19.33%) PK: 4,793 ton (KER: 5.25%)</p>						
	Status: Comply						
E.2.2	<p>The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).</p> <ul style="list-style-type: none"> • RSPO IT Platform member registration number: RSPO_PO1000002133 • Certified CPO sold to each buyer period of 21 April 2017 to 12 January 2018 <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Date</th> <th style="width: 40%;">Buyer</th> <th style="width: 40%;">Volume</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Date	Buyer	Volume			
Date	Buyer	Volume					

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• Certified Palm Kernel sold to each buyer period of 21 April 2017 to 12 January 2018

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22 November 17	PT Usaha Inti Padang	383.96
14 December 2017	PT Usaha Inti Padang	373.79
12 January 2017	PT Usaha Inti Padang	332.84
Total		2,870.13

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.**

1. SOP Mass Balance (**SOP – MILL- O23) Rev 4 dated 02 January 2018**) Procedures include: Data Input of FFB (Certified & Non Certified); Data Input of FFB process become CPO (Certified & Non-Certified); Data Input of CPO Dispatch (Technical dispatch, Seals mounting, Delivery of certified products need to be approved by Head of Administrator and Mill Head); Logistics of quantity data input of sustainable and non-sustainable product delivery; Every three months the condition of the stock balance should not be negative; Transactions of certified products, logistic parts inputting data in the eTrace system after all commodities are shipped by POM and accepted by consumers. Data input is done after all the transaction details are correct.
2. Responsible person in the whole process of supply chain described in Procedure of traceability for CPO and PK (**SOP – MILL- O11) Rev 2 dated 21 February 2016**) Security (registrar of all FFB expeditions and dispatch of CSPO / CPO), Weigh operators (weighing in all received FFB and shipping products), Logistics (calculation results of CSPO / CPO production, dispatch, reports of the products delivery and traceability report), Head of Administrator (acceptance control of FFB and CSPO / CPO, FFB acceptance report, dispatch, product delivery reports and traceability reports), Mill Head.

The Company shows the Organizational Structure of Mass Balance responsible for carrying out administrative records related to Supply Chain with officers such as Weighbridge Operator, Logistic Clerk, etc.

Based on interviews with Logistic Clerk and Weighbridge Operator, it is known that the personnel have been aware of the duties and responsibilities related to the implementation of supply chain and can distinguish the origin of FFB that is certified and which is not.

The Company has the opportunity to reassure the Supply Chain (SOP Mass Balance) procedures, for example in relation to

the discussion of RSPO Rules on Market Communications & Claims, the General Chain of Custody Requirements for the Supply Chain. **OFI**

Status: Comply

E.3.2

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

The mass Balance procedure (SOP-MIL-023 rev.4), to ensure the verification and documentation of certified and noncertified FFB, CPO, PK volume with Mass Balance scheme. Logistic and Mill Manager are responsible to monitor stock balance and the dispatch of CPO/PL.

In the FFB Admissions procedure (PRO - mill 001) Rev. 3 dated February 16, 2016) At 5.1 points explained that the reception of FFB certified, the weighbridge clerk ensure the validity of the certificate matches the FFB recipient supplier list of PT Gersindo. The source of FFB certified are from PT. GMP, PT. PHP unit 1 and PT PHP Unit 2. Based on List FFB Supplier on 01 April 2017, the company has decided that the block 22 at PHP unit 2 is classified as uncertified product.

Based on interview with weighbridge operator and logistic clerk, it is known that the personnel can explain the source of uncertified and certified FFB.

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.

The company has Daily CPO & PK Production Record that informed the certified and uncertified FFB received each day.

Certified and non-certified FFB received period of 21 April 2017 to 12 January 2018

Period	FFB Receive (Ton)		
	Certified	Non-Certified	Total
21-30 April 2017	2,999.71	5,382.96	8,382.67
May 2017	7,977.54	15,524.96	23,502.50
June 2017	6,079.94	5,692.61	11,772.55
July 2017	9,055.47	14,239.48	23,294.95
August 2017	8,066.88	14,766.04	22,832.92
September 2017	7,542.56	13,054.73	20,597.29
October 2017	7,321.41	13,023.95	20,345.36
November 2017	7,383.93	12,772.59	20,156.52
December 2017	6,587.25	11,579.90	18,167.15
1-10 January 2018	2,403.10	3,398.30	5,801.40
Total	65,417.79	109,435.52	174,853.31

Status: Comply

E.4.2

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

In the previous certified (ASA-2) period 21 April 2016 till 20 April 2017, production of FFB, CSPO and CSPK does not exceed the RSPO certificate issued.

- Received FFB: 92,130.53 Ton → Total estimate in certificate is 106.500 Ton
- CPO: 11,185.35 Ton → Total estimate in certificate is 19,649 ton
- PK: 2,790.80 Ton → Total estimate in certificate is 5,325 Ton

For this period (ASA-4) from 21 April 2017 till 10 January 2018, GMP POM production of FFB, CSPO and CSPK does not exceed the RSPO certificate issued.

- Received FFB: 65,417.79 Ton → Total estimate in certificate is 97,500 Ton
- CPO: 11,944.13 Ton → Total estimate in certificate is 17,550 Ton
- PK: 2,904.42 Ton → Total estimate in certificate is 5,119 Ton

Status: Comply

E.5 Record keeping

E.5.1

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.
- 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.
- The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (i.e. product can be sold before it is in stock.)

The company has Daily CPO & PK Production Record that inform the balance on three monthly basis of FFB receipts of RSPO certified FFB, Production and Delivery CPO and PK.

	RSPO CPO (Kg)					RSPO PK (Kg)				
	Production		Sold		BALANCE	Production		Sold		BALANCE
	Today	Yr Todate	Today	Yr Todate		Today	Yr Todate	Today	Yr Todate	
JANUARY TOTAL	1,377,447	1,377,447	426,614	426,614	950,833	381,077	381,077	396,120	396,120	36,021
FEBRUARY TOTAL	1,471,076	2,848,523			2,421,909	420,394	801,471	390,150	786,270	66,265
MARCH TOTAL	1,588,757	4,437,280			4,010,666	375,009	1,176,480	341,954	1,128,224	99,320
END OF Q1	4,437,280	4,437,280			4,010,666	1,176,480	1,176,480	1,128,224	1,128,224	99,320
APRIL TOTAL	1,440,989	5,878,269			5,451,655	-	1,176,480	-	1,128,224	99,320
MAY TOTAL	1,323,280	7,201,549			6,774,935	179,737	1,356,217	150,000	1,278,224	129,057
JUNE TOTAL	1,143,030	8,344,580			7,917,966	312,156	1,668,373	369,986	1,648,210	71,227
END OF Q2	3,907,300	8,344,580			7,917,966	491,893	1,668,373	519,986	1,648,210	71,227
JULY TOTAL	1,711,187	10,055,766			9,629,152	472,049	2,140,422	473,920	2,122,130	69,356
AUGUST TOTAL	1,436,585	11,492,351			11,065,737	378,535	2,518,956	402,680	2,524,810	45,210
SEPTEMBER TOTAL	1,378,507	12,870,858			12,444,244	365,891	2,884,847	391,770	2,916,580	19,331
END OF Q3	4,526,279	12,870,858			12,444,244	1,216,474	2,884,847	1,268,370	2,916,580	19,331
OCTOBER TOTAL	1,421,097	14,291,955			13,865,341	380,732	3,265,580	376,320	3,292,900	23,744
NOVEMBER TOTAL	1,361,729	15,653,685			15,227,071	368,857	3,634,437	365,320	3,658,220	27,280
DECEMBER TOTAL	1,230,222	16,883,907			16,457,293	330,476	3,964,913	303,540	3,961,760	54,216
END OF Q4	4,013,048	16,883,907			16,457,293	1,080,066	3,964,913	1,045,180	3,961,760	54,217

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-4	PT GMP & PT PHP didn't use RSPO Logo	
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-4	PT GMP & PT PHP didn't use RSPO Logo	
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-4	PT GMP & PT PHP didn't use RSPO Logo	
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-4	PT GMP & PT PHP didn't use RSPO Logo	
	Status: Comply	

3.4. Summary of RSPO Partial Certification.

Summary Partial Certification

Compliance of the uncertified management units of Wilmar International Ltd 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.

Wilmar International Ltd Time Bound Plan (TBP) is explained in point 1.10. Wilmar International Ltd has informed the TBP progress, MUTU has considered that Wilmar International Ltd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Wilmar International Ltd on September 2016.

MUTU has verified partial certification for un-certified unit's subsidiary of Wilmar International Ltd based on their Time Bound Plan. There are seven (7) uncertified mills and sixteen (16) uncertified estates of Wilmar International Ltd. 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 are 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 are 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
2.1.1	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</p> <p>There is internal audit produced for</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman - PT Bumipratama Khatulistiwa - PT Agro Palindo Sakti 2 - PT Musi Banyuasin Indah - PT Sinarsiak Dianpermai - PT Agroindo Indah Perkasa 2 <p>And positive assurance is produced for these units.</p>
2.1.2	<p>No replacement after dates defined in Nis 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>WILMAR International Ltd has submitted liability disclosure to RSPO on 31 July 2014 and LUCA template on 3-8 March 2015</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, LUCA document was verified by RSPO on 1 Sept 2015. The 2nd LUCA verification document was on 2nd Nov 2015 with result of PASS WITH CLARIFICATION. - PT Bhumi Pratama Khatulistiwa, Submitted liability disclosure to RSPO on 8 Dec 2015 and LUCA template on August 2015. The

		<p>final RSPO endorsement from RSPO compensation on 29 September 2016 is 0 ha therefore there is no compensation plan required</p> <ul style="list-style-type: none"> - PT Agro Palindo Sakti 2, LUCA doc was verified by RSPO on 1 Sept 2015. The 2nd LUCA review was on Dec 2016 with result of PASS - PT Musi Banyuasin Indah, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Sinarsiak Dianpermai, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Agroindo Indah Perkasa 2, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 <p>Auditor verification Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>No new planting/land clearing after 1st January 2010.</p> <p>Auditor verification</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, The first planting year was in 1999. The latest land clearing was in 2009 based on: LUCA analysis 2009 where the area was already bare land area. LUCA has been submitted to RSPO as part of company disclosure requirement. - There is no new planting after 1st January 2010 for, PT Bumipratama Khatulistiwa, PT Agro Palindo Sakti 2, PT Musi Banyuasin Indah, PT Sinarsiak Dianpermai, PT Agroindo Indah Perkasa 2
2.1.4	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.	<p>There is no land conflicts.</p> <p>Auditor verification There is no information from public source and RSPO website on any land conflict for uncertified unit of the group subsidiaries.</p> <p>Based on the company record there is documentation on land compensation recapitulation updated on 1 October 2007, participatory mapping, agreement letter on compensation between company and land owner, land owner identity and procedure on compensation technical guidance SOP 001/WIP-KB/(0)/0610 dated June 2010.</p>

<p>2.1.5</p>	<p>Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.</p>	<p>There is no labor disputes.</p> <p>Auditor verification There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>The company has mechanism to handle employee complaint and grievance that is stated in SOP 005/WIP-KB/(0)/0610 for communication and consultation with community and SOP 004/WIP-KB/(0)/ 0610 on complaint and grivance mechanism and solving any dispute out off court.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p>
<p>2.1.6</p>	<p>Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>	<p>Yes, there is process for land legality.</p> <p>Auditor verification PT Agronusa Investama Pahauman</p> <ul style="list-style-type: none"> - The continues changing on PIPIB map. In accordance to PIPIB 10 there is no area of the company (based on location permit) that is in the moratorium area. When PIPIB 11 released, some area of the company is in the updated peat moratorium map. <p>PT Agro Palindo Sakti 2</p> <ul style="list-style-type: none"> - There is an obstacle on processing HGU is before continuing the HGU process, the company has to complete the requirement for 20% area allocation for smallholder. Based on BupatiSanggau Decree No. 137 year 2011 dated 25 March 2011 for 623 ha of smallholder scheme for 2 koperasi of Batu Ceramin and and Maju Bersama. Later, koperasi Maju Bersama split into Koperasi Maju Bersama and Koperasi Harapan Baru. And Koperasi Harapan Baru wants to take about 136 ha within company proposed HGU area. The company needs to resolve this issue first before be able to continue HGU process. <p>PT Musi Banyuasin Indah</p> <ul style="list-style-type: none"> - Overlay the map of land use with attachments Ministerial Decree No. SK.822/Menhut-II/2013 PT MBI entered in production forest area. - Planting outside HGU Kebun Sei Selabu (block 010, 024 and 027). <p>Explanation management unit following the legal department still perform continuous coordination with the government while waiting for a change of</p>

		<p>government decisions regarding the status of the area.</p> <p>PT Sinarsiak Dianpermai</p> <ul style="list-style-type: none"> - HGU 1,002 Ha on process - Status of Other Use Areas based on Appendix SK 878 / Menhut-II / 2014 dated September 29, 2014 and letter no. S.160 / BPKH.XIX-3/2016 dated March 31, 2016 <p>Explanation management unit as follows:</p> <ul style="list-style-type: none"> - Disagreement between the ministry of forestry by the Riau provincial government on the status of land PT SSDP (between the status of forest and APL), which led to the process of making the concession inhibited. - There are some estate areas around the Mill that does not have permission locations. The process of acquiring a location permit was hampered due to the reasons in point 1 as well. - The legal department is still doing continuous coordination with the government while waiting for a change of government decisions. <p>PT Agroindo Indah Perkasa 2</p> <ul style="list-style-type: none"> - There is HGU on propose.
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3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

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

NCR No.	: 2017. 01	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 27 January 2017	Time Limit	: ASA - 4
NC Grade	: Minor	Date of Closing	: January 09, 2018
Standard Ref. & Requirement	<p>2.2.2 Evidence that legal boundaries are shown with a clear boundary and maintained</p> <p>Specific guidance 2.2.2: Growers should be suspended operations in the area were planted outside the limits specified legally. Specific plans should be available to address these issues for farmers (smallholders) related</p>		
<p>Non-Conformance Description & Evidence observed:</p> <p>PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block.</p> <p>Based on field observation:</p> <ol style="list-style-type: none"> 1. There are 2 HGU boundary markers with the same code that BTS 02. The location of the boundary markers are in Block 006 (bordering Plasma Maligi) and Block 024-025 (bordering northern community plantation). 2. There are areas managed by the company that is located outside the boundaries of the concession and doesn't have a valid legality. The location is in the West of boundary marker BTS 23 (Block 22) of ± 20.8 ha. Meanwhile, FFB production from that area is categorized into RSPO FFB certified that sent to GMP POM. <p>However, the company has not been able to show proof:</p> <ol style="list-style-type: none"> 1. The determination of HGU boundary marker which have the same numbering. 2. Operational activity outside legal area is terminated. 3. Specific plan about mechanism that explain the origin of FFB is from the areas categorized as RSPO uncertified sources. 			
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Numbering of same boundary poles has been referred to HGU map of PHP-2. 2. Formerly, Block 22 is included certified area so that FFB from its area calculated as certified source. 			
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Based on "Peta Ukur" that issued by BPN Pasaman on 30 March 2005, there is two poles number with similar code [BTS 02], the numbering of its poles technically will be differentiated. Poles No. BTS 02 Block 006 (boundary with Maligi Smallholder) will be BTS 02 S and BTS 02 Block 024-025 (border with community land in North) will be BTS 02 U. 2. Releasing of Block 22 from Area Statement as per 1 April 2017 3. FFB from Block 22 claimed as non certified product as per 1 April 2017 within List of FFB Suppliers and in the Mass Balance Report GMP POM 			
<p>Preventive Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Field officers take care of the stake to keep it maintained 2. The legal team in cooperation with the operational team synchronizes the statement area with the HGU certificate. If there is an area outside the HGU, appropriate action will be taken. 			

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

6 March 2017

This issue will be verified in the next assessment (ASA-4)

Verification April 17, 2017:

The certificate holder has submitted evidence for points 2 & 3 in the form of:

- Data on FFB Receipts for each Supplier dated 12 & 15 April 2017 which has separated Block 22 of PHP-2 as non-certified FFB.
- Letter of Fruits delivery dated 12th, 15th and 16th April 2017 of Block 22 of PHP-2 which has included the code of NS (Non-Sustainable)
- Mass Balance Report until April 16, 2017 which has indicated FFB from Block 22 of PHP-2 entered as input material for Non-Certified.

Verification January 09, 2018:

The Company shows the Map of land use title Boundary poles Scale of 1: 10,000 issued by the National Land Agency of Pasaman district dated March 30, 2005, it is known that the code number BTS 02 pole are located at 2 points. In addition, the company shows the Minutes of number change of Boundary poles on February 7, 2017 which explains the addition of code number for BTS 02 which has the same encoding. For BTS 02 poles in Block 06 are marked BTS02S and for those in Block 24/25 are marked BTS02U.

The Company also shows the Land Measurement Application Letter for land use title purposes of PT PHP by letter no. 001/PHP-BM/Ext-V/2017 dated May 3, 2017 which explains the submission of the land rights of an area of ± 20 Ha. There is also evidence of Document of Receipt of the letter to BPN of Sumatera Barat and Pasaman Barat on May 04, 2017.

Based on the explanation above, **the Non-conformity is stated Fulfilled**

Verified by : **Yudwi Wisnu Rahmanto & Muhammad Rinaldi**

NCR No.	: 2017. 02	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 27 Januari 2017	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	: 11 April 2017
Standard Ref. & Requirement	<p>2.2.3 If there is a dispute or has occurred, then it should be provided proof of takeover and legally adequate compensation or compensation through a settlement process of conflict resolution that has been received through Free, Prior and Informed Consent (FPIC) by all the parties concerned.</p> <p>Guidance: When operational overlap with other rights owners, the company should resolve the issue with the authorities, consistent with the criteria 6.3 and 6.4</p>		
<p>Non-Conformance Description & Evidence observed: PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block.</p> <p>Based on map and area statement information, it is known that the identified cultivated area are 80.81 hectares. Based on field observation, it is known that there is no management activities that carried out by the company in that area and based on information from management and community representatives Sikilang, the area within the management of</p>			

<p>Plasma Sikilang</p> <p>Until now, the company has not been able to show proof of delivery of the management area to smallholder through FPIC and participatory.</p>
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <p>Land transfer from part of HGU PT. PHP-2 to Sikilang Smallholder has been given for long time, due to fulfill the lack of allocated area for smallholder.</p>
<p>Corrective Action <i>(filled by organization audited):</i></p> <p>Land transfer since 1993 and there is no record available in that time. Up to this moment, these area is managed by Sikilang smallholder and acknowledge by the company</p>
<p>Preventive Action <i>(filled by organization audited):</i></p> <p>If there is any similar cases in futher, the FPIC process will be recorded.</p>
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Auditor response against evidence sent on 27 March 2017:</p> <p>Evidences of “Surat Keterangan Penyerahan Lahan kepada KSU Mutiara Bosa Sikilang” dated 23 March 2017 and Map with scale 1:15,000 (Map Ref: HD6626_rev3) for an area 80.81 Ha. However, there is still lack of FPIC and participatory involvement against the evidence. This NC still NOT COMPLY.</p> <p>Auditor response against evidence sent on 11 April 2017:</p> <p>CH sent the additional evidence and auditor team concludes accepted and the status is CLOSED WITH OBSERVATION.</p>
<p>Verified by : Yudwi Wisnu Rahmanto</p>

NCR No.	: 2017. 03	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 27 January 2017	Time Limit	: ASA-4
NC Grade	: MAJOR	Date of Closing	: 11 April 2017
Standard Ref. & Requirement	: 2.3.1 The maps at a suitable scale, showing the broad legal rights, customary rights, or the right to use the parties recognized (Criterion 2.2, 7.5 and 7.6) must be made through a mapping process involving all parties affected (including surrounding communities where possible and relevant authorities).		
<p>Non-Conformance Description & Evidence observed:</p> <p>PT. GMP has valid area statement, which identified the occupational area of 212.24 hectares. The area consists of two different locations namely: Block 54 (172 ha) and adjoining Blocks 71, 75, 79, 80 covering an area of 40.24 hectares.</p> <p>The results of the field observations it is known that the area within the concession company’s management and the current status tilled by society.</p> <p>PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block. Based on map and area statement information, it is known that the identified occupational area are 80.81 hectares. Based on field observation, it is known that there is no management activities that carried out by the company in that area and based on information from management and community representatives Sikilang, the area within the management of Plasma Sikilang.</p> <p>Until ASA 3, PT. GMP and PT. PHP unit 2 (PHP-2) has not been able to show:</p> <ol style="list-style-type: none"> 1. Mapping process of the entire user identification or occupational areas with an adequate scale. 2. Evidence of participatory mapping process with the involvement of affected parties and / or the designated representative of their choice. 			

<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Mapping process has ever been done with relevant parties (cultivator, company and local statutory body) until the final verdict at High Court of Sumatera Barat. But all the document records have not provided during the audit. 2. Since 2003, the company has recognized that occupied land within the HGU has been given to KSU Mutiara Bosa Sikilang (smallholder scheme) to managed, and there is no participatory mapping in that time. 	
<p>Corrective Action <i>(filled by organization audited):</i></p> <p>Making Minutes of Meeting, record and participatory mapping for an area 80.81 Ha through FPIC process.</p>	
<p>Preventive Action <i>(filled by organization audited):</i></p> <p>Records of the participatory mapping process should be made if further happens with similar cases.</p>	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Auditor response against evidence sent on 27 March 2017:</p> <p>CH has sent the evidences for the history of the land occupation within the HGU area in Block 54 of PT. GMP, as well as participatory mechanism. This evidence is accepted.</p> <p>For the PT. PHP, evidence of "Surat Keterangan Penyerahan Lahan kepada KSU Mutiara Bosa Sikilang" dated 23 March 2017 and Map with scale 1:15,000 (Map Ref: HD6626_rev3) for an area 80.81 Ha. However, there is still lack of FPIC and participatory involvement against the evidence. This NC still NOT COMPLY.</p> <p>Auditor response against evidence sent on 11 April 2017:</p> <p>CH sent the additional evidence for case on PT. PHP-2 as follows:</p> <ul style="list-style-type: none"> - Minutes between PT. PHP and Smallholder KSU Mutiara Bosa Sikilang (dated 30 March 2017) regarding land transfer for area 80.81 Ha, as well as the statement of both with participatory ways. - Map of the Land Transfer to KSU Mutiara Bosa Sikilang smallholder Scale 1:15,000 that approved and signed by both parties. - Records of the Land Transfer Statement, dated 30 March 2017. <p>Auditor team concludes this evidence is accepted and the status is CLOSED WITH OBSERVATION.</p>	
<p>Verified by</p>	<p>: Yudwi Wisnu Rahmanto</p>

<p>NCR No.</p>	<p>: 2017. 04</p>	<p>Issued by</p>	<p>: Moh. Arif Yusni</p>
<p>Date Issued</p>	<p>: 27 January 2017</p>	<p>Time Limit</p>	<p>: 26 March 2017</p>
<p>NC Grade</p>	<p>: MAJOR</p>	<p>Date of Closing</p>	<p>: 18 April 2017</p>
<p>Standard Ref. & Requirement</p>	<p>4.1.4 (MAJOR) Mills must record the source of FFB originating from a third party (collector, agent, cooperative, association partners and corporate partners / outgrower)</p> <p>6.10.3 (Minor) Must provided evidence that all parties understand the contractual agreements and the contracts are fair, legal and transparent</p>		
<p>Non-Conformance Description & Evidence observed:</p> <p>PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block. Based on field observation, it is known that there are managed area which is located outside the boundaries of the concession and have not a valid legality. The location is in the West of BTS 23 (Block 22) of ± 20.8 ha. Meanwhile, FFB production from that area is categorized into RSPO FFB certified that sent to GMP POM.</p> <p>But the company has not been able to show the proof of land management of ± 20.8 Ha (non-HGU) as FFB third-party supplier to GMP POM.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i></p>			

Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified source.
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement. 2. Determining that FFB's from this area is non certified product.
<p>Preventive Action <i>(filled by organization audited):</i></p> <p>Making an identification code (stamp) as Non- Sustainable source on Delivery Notes from Block 22</p>
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Auditor response against evidence sent on 27 March 2017:</p> <p>CH has sent the evidences as follows:</p> <ul style="list-style-type: none"> - Minutes of Area Statement Revision No: / DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha. - Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM. <p>According to these evidence, there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action and unclearly statement within the cut-of date for the implementation. This NC still OPEN status.</p> <p>Auditor response against evidence sent on 17 April 2017:</p> <p>CH has sent the additional evidence as follows:</p> <ul style="list-style-type: none"> • Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product. • FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document. • Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input. <p>These evidence are sufficient and accepted. Status: CLOSED WITH OBSERVATION.</p>
<p>Verified by : Yudwi Wisnu Rahmanto</p>

NCR No. :	2017. 05	Issued by :	Arif Faisal Simatupang
Date Issued :	27 January 2017	Time Limit :	26 March 2017
NC Grade :	MAJOR	Date of Closing :	26 March 2017
Standard Ref. & Requirement :	4.3.4 Peat soil subsidence should be minimized and monitored. Management of water system and cover crop program documented is available		
Non-Conformance Description & Evidence observed:			
Based on document review of soil types map and field observations, it is known that there are peat areas in PHP II covering of 189.81 ha, or 18.71% of the total area managed. But the company has not been able to provide the evidence that water level and soil subsidence in that area has been monitored, according to RSPO on Best Management Practices Manual for Existing Oil Palm Cultivation on Peat.			
Root Cause Analysis <i>(filled by organization audited):</i>			
Management and monitoring for peatland area have not yet been made, because visually there is no sign of peat, such as crops performance.			
Corrective Action <i>(filled by organization audited):</i>			
Making identification to build bund-off and soil subsidence stick based on soil analysis and topography map.			
Preventive Action <i>(filled by organization audited):</i>			

Records and monitoring of surface water level and subsidences level periodically, in accordance with applicable procedures.	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 26 March 2017 CH sent the evidences: <ul style="list-style-type: none"> - Minutes of soil sampling survey. - Records on construction of subsidences stick at PHP-2 dated 3 February 2017 at Block 23 and Block 26. - Subsidence level monitoring form (FRM-EST-57) All the corrective action made was accepted and stated as CLOSED WITH OBSERVATION.	
Verified by	: Moh Arif Yusni

NCR No.	: 2017. 06	Issued by	: I Wayan Sudi Antara
Date Issued	: 27 January 2017	Time Limit	: ASA 4
NC Grade	: Minor	Date of Closing	: 10 April 2017
Standard Ref. & Requirement	4.4.1 Must be provided an implemented water management plan implemented Specific Guidance: Water management plan will take into account the efficiency of water use and the ability to renew water sources.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Company (GMP-POM) already have license to use water from the local government (Decree of West Sumatra Governor Number: 611-393-2016, dated 11 April 2016) amounted to 35.501 m ³ / month. Based on data from the year 2016, the average of water used for oil palm cultivation are 35.930 m ³ / month. Related to this, the company has not been able show: 1. Evaluation of the use of water exceeds the permit. 2. Efficient water use planning according to the permit.			
Root Cause Analysis <i>(filled by organization audited):</i> Evaluation of water usage was already made annually based on budget and actual, but never been yet compared with permitted volume from the license that issued by local government.			
Corrective Action <i>(filled by organization audited):</i> Make an evaluation of water usage for Mill processing and domestic used as well as compared with the applicable permitted volume.			
Preventive Action <i>(filled by organization audited):</i> Making a Water Usage Management program in accordance with mill processing and domestic used necessity.			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 10 April 2017 CH provide the evidence of evaluation on water usage management that referred to applicable permitted volume. The evaluation will made in monthly period. Also, water management program of GMP POM is available and approved by responsible person, dated 24 February 2017. The corrective evidence is sufficient and stated as CLOSED WITH OBSERVATION.			
Verified by	: Asystasya Aishah Silalahi		

NCR No.	: 2017. 07	Issued by	: I Wayan Sudi Antara
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Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 26 March 2017
Standard Ref. & Requirement	<p>4.4.2 Protection of water bodies and wetlands, including maintaining and preserving riparian and buffer zones other water bodies on or before replanting, must be shown.</p> <p>Audit Checklist: - Is there a map identifying the flow of water and wetlands</p>		
<p>Non-Conformance Description & Evidence observed (filled by auditor): PT. GMP has HCV Identification Map covering of 54.63 ha in the form of secondary swamp forest. Based on field observations in Block 053-054, it is known that riparian area of Sungai Batang Pasaman has been planted by palm oil (replanting, 2015) and is not designated as a protected area, it is because the river is located outside the concession area.</p> <p>However, PT. GMP has not been able to show the Identification Watershed and Wetlands map (in accordance with Presidential Decree No. 32 of 1990) on Protected Areas, where Sungai Batang Pasaman is categorized as Protected Areas.</p>			
<p>Root Cause Analysis (filled by organization audited): CH has had watershed and wetland map 2015, this map has been informed to relevant government agency. However, during this audit, riparian of Batang Pasaman river which located adjacent the HGU of PT. GMP has change due to natural movement (high stream in rainy season) and erosion on riverbank was sighted. Local government has visited on this area and determined as protected area.</p>			
<p>Corrective Action (filled by organization audited): Re-making a map of identification on watershed and wetlands that referred to national regulation (Kepres No. 32 Tahun 1990).</p>			
<p>Preventive Action (filled by organization audited): Ensuring the map of identification on watershed and wetlands that referred to national regulation (Kepres No. 32 Tahun 1990) are available and well documented.</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor): Auditor response against evidence sent on 26 March 2017 The corrective evidence that provided was sufficient and accepted. Status of this NC is CLOSED WITH OBSERVATION.</p>			
Verified by	: Moh Arif Yusni		

NCR No.	: 2017. 08	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 26 March 2017
Standard Ref. & Requirement	<p>4.7.2 Risk assessment should be available and there are documented records implementation</p> <p>Audit Checklist: Are the plans and procedures have been documented and implemented to address the problem identification?</p>		
<p>Non-Conformance Description & Evidence observed: PT. GMP-PHP has a hazard identification and risk control. However, based on field observation found that there are</p>			

employees that did not use PPE in accordance with risk identification. For example:

- FFB loader worker in PHP -2 (Block 25) did not use helmets.
- Worker in kernel station GMP POM did not use ear plugs and masks.
- Technician welding who perform welding in kernel station GMP POM did not use protective clothing.

However, the company has not been able to show the evaluation and monitoring of the sources of hazards and control which have been set.

Root Cause Analysis *(filled by organization audited):*

Some employees/workers have yet aware for the PPE usage. PPE analysis and evaluation conducted by EHS officer, while each station head are responsible to monitor of PPE usage.

Corrective Action *(filled by organization audited):*

1. Create the monitoring checklist of PPE usage for the workers.
2. Company made a statement letter regarding compliances of OHS implementation, acknowledge by workers union and impose the sanction of wrong-doing implementation.
3. Socialization against the statement letter to all workers.

Preventive Action *(filled by organization audited):*

Periodically monitoring (once a week) and giving sanction if any wrong-doing implementation of PPE usage during activities.

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

Auditor response against evidence sent on 14 March 2017

Corrective evidences provided by the CH:

- Monitoring of PPE usage for GMP POM and PHP-2 Estate
- Socialization of PPE usage for Mill workers (dated 6 February 2017) and PHP-2 Estate workers (dated 2 February 2017).
- Compliances statement on PPE usage to the workers

Auditor response against evidence sent on 26 March 2017

Additional evidences provided by the CH and it was sufficient and accepted to **CLOSED WITH OBSERVATION** on this matter.

Verified by : **Asystasya Aishah Silalahi**

NCR No.	: 2017. 09	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 18 April 2017
Standard Ref. & Requirement	<p>6.2.1 Communication and consultation procedures should be documented.</p> <p>Guidance: Communication and consultation mechanisms should be arranged in conjunction with local communities and the parties affected or interested. Such a mechanism should take into account existing local mechanisms and language that can be understood all parties.</p> <p>The existence / formation of a forum with various stakeholders should be considered. The communication process should take into account the differences in access to information between women and men; village leaders and daily workers; The new community groups and community groups long; and between different ethnic groups.</p>		
Non-Conformance Description & Evidence observed:			

PT. GMP & PT. PHP has SOP Communication, Consultation and Coordination with Stakeholders No.PRO-BNM-008, dated October 1, 2011 to be used as guidelines for communications

Based on Auditor consultation with relevant stakeholders during the assessment ASA-3, obtained information that some of these stakeholders do not know the mechanism of communication and consultation applied by the company.

On this basis, the company has not shown the evaluation evidence of effectiveness of communication and consultation mechanisms on local communities and the affected or interest parties.

Root Cause Analysis *(filled by organization audited):*

Mechanism of Communication and Consultation is applicable for all stakeholders (internal and external). Evaluation have not been made because so far there is no complaint entering to the company.

Corrective Action *(filled by organization audited):*

1. Creating program of socialization related all relevant procedures and policies for year 2017
2. Evidences of socialization with affected parties (particularly surrounding communities) will documented properly
3. Spread the questionnaire and direct visit interview to the affected stakeholders as part of the evaluation

Preventive Action *(filled by organization audited):*

Explaining the mechanism of communication and consultation to the affected stakeholders as part of evaluation.

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

Auditor response against evidence sent on 26 March 2017

Corrective evidences sent by the CH, as follows:

1. Minutes of Socialization of several procedures (communication and consultation; information services; complaint; human rights and code of conduct policies). The documented records is on 11 March 2017 and 18 February 2017.
2. Flowcharts of Communication and Consultation Procedure, Complaint and Information Services.
3. Questionnaire for local communities

According to these corrective action made, there is still lack of supporting evidence. This NC still OPEN

Auditor response against evidence sent on 11 April 2017

Additional evidence has sent by the CH, but there is still lack of information.

Auditor response against evidence sent on 18 April 2017

Additional evidence with the supporting data has provided by the CH. The process for the implementation of communication and consultation has been following the applicable timeline. Effectiveness of the implementation will be verified in the next assessment (ASA-4). This NC stated **CLOSED WITH OBSERVATION**.

Verified by : Moh. Arif Yusni / Yudwi Wisnu Rahmanto

NCR No.	: 2017. 10	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 26 March 2017
Standard Ref. & Requirement	<p>6.3.1 The mechanism is open to all affected parties, should resolve disputes in a way that is correct, timely and effective, and ensure the anonymity of the reporting and the revealer of the case (whistleblower), if requested, as long as the report is supported with sufficient initial evidence</p> <p>Guidance: If a resolution can be reached, then the complaint can be brought before the RSPO Grievance</p>		

	<p>System (RSPO Complaints System).</p> <p>Dispute settlement mechanisms should be established through AGREEMENTS open and agreed by the relevant parties affected</p> <p>Audit Checklist: If there is no solution, if there is a complaint process that will be brought to the RSPO grievance system</p>
<p>Non-Conformance Description & Evidence observed: PT. GMP - PT. PHP has a complaints mechanism set in Complaints and Dispute Resolution Procedure No. Documents: PRO-BNM-007 Revision 01, dated December 1, 2015. However, in the procedure is found that: There is no regulation if the resolution can't be reached, then the complaint can be brought before the RSPO Grievance System (RSPO Complaints System).</p>	
<p>Root Cause Analysis (filled by organization audited): PIC was inaccurate to check that RSPO Complaint system has been explained within the NDPE Policy WILMAR</p>	
<p>Corrective Action (filled by organization audited): Provide the NDPE Policy WILMAR</p>	
<p>Preventive Action (filled by organization audited): Socialization to all PIC and affected stakeholders against the procedure of complaint resolution</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor): Auditor response against evidence sent on 14 March 2017 The CH has provide the corrective evidence, but there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action. This NC still OPEN Auditor response against evidence sent on 26 March 2017 Clarification has made by the CH, and the explanation was accepted. Status of NC is CLOSED WITH OBSERVATION</p>	
<p>Verified by : Yudwi Wisnu Rahmanto</p>	

NCR No.	: 2017. 11	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 27 March 2017
Standard Ref. & Requirement	: 6.5.1 Must be available documentation of wages and conditions of employment in accordance with the provisions of the labor force.		
<p>Non-Conformance Description & Evidence observed: Wage system in PT. GMP-PHP is set in Internal Memorandum No: 001 / WIP-HRR / INT-XI / 2016 concerning Minimum Wage West Sumatra Province Year 2017 amounting to Rp. 77.972 / day for daily employees and wages for employees with labor system determined specifically considering the type, nature, and the weight of the job.</p> <p>In interviews with the loose fruit picker in PHP-2, discovered that the average output produced per day is 200-300 kg / person or equivalent to Rp. 33.000 to 49.500 / person. Meanwhile, based on pay slip review for the period December 2016 loose fruit picker, it is known that the average wages of workers is Rp. 69.120 / day.</p> <p>According to the employment agreement for loose fruit activities is in the category of contract labor system, where wage provisions should refer to the memorandum that has been set.</p> <p>Related to this, the company has not been able to provide evidence that the wage determination of contract employee</p>			

in accordance with the provisions assigned by the management and government.	
Root Cause Analysis <i>(filled by organization audited)</i> : Wages rate for loose fruit handpicker (“borongan”) are not equal with provincial minimum wage per day	
Corrective Action <i>(filled by organization audited)</i> : Re-evaluation and re-calibrating for the wages rate basis with referred to applicable minimum wages.	
Preventive Action <i>(filled by organization audited)</i> : Monitoring and Ensuring the wages rate per day is appropriate with applicable minimum wages.	
Assessor Evaluation and Conclusion <i>(filled by auditor)</i> : Auditor response against evidence sent on 27 March 2017 CH sent the corrective evidence for the explanation regarding adjustment of the loose fruit handpicker price/rates dated 24 March 2017. This evidence is sufficient and accepted. The NC status is CLOSED WITH OBSERVATION .	
Verified by	: Yudwi Wisnu Rahmanto

NCR No.	: 2017. 12	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 18 April 2017
Standard Ref. & Requirement	: 6.13.1 (MAJOR) Policies to respect Human Rights should be documented and communicated to all levels of employees and operations 1.3.1 (Minor) Provided a written policy should contain a commitment to a code of integrity and ethical conduct in all operations and transactions as well as process documentation, information about the policy and operation rate of employment ksluruh		
Non-Conformance Description & Evidence observed: PT. GMP-PHP has a policy related to Human Rights Policy and commitment to the company's code of conduct (December 15, 2013). However, based on interviews with stakeholders and document review, it is known that the policies have not been socialized to all affected parties.			
Root Cause Analysis <i>(filled by organization audited)</i> : Affected stakeholders are workers and contractors in all level.			
Corrective Action <i>(filled by organization audited)</i> : 1. Create the socialization program to all affected parties, including contractors for year 2017 2. Records of all socialization must be properly documented.			
Preventive Action <i>(filled by organization audited)</i> : Monitoring on implementation of human rights and ethical conduct based on timeline program			
Assessor Evaluation and Conclusion <i>(filled by auditor)</i> : Auditor response against evidence sent on 26 March 2017 Corrective evidences sent by the CH, as follows: 1. Minutes of Socialization of several procedures (communication and consultation; information services; complaint; human rights and code of conduct policies). The documented records is on 11 March 2017 and 18 February 2017. 2. Flowcharts of Communication and Consultation Procedure, Complaint and Information Services. 3. Questionnaire for local communities According to these corrective action made, there is still lack of supporting evidence. This NC still OPEN Auditor response against evidence sent on 11 April 2017 Additional evidence has sent by the CH, but there is still lack of information.			

Auditor response against evidence sent on 18 April 2017

Additional evidence with the supporting data has provided by the CH. The process for the implementation of communication and consultation has been following the applicable timeline. Effectiveness of the implementation will be verified in the next assessment (ASA-4). This NC stated **CLOSED WITH OBSERVATION**.

Verified by : Moh Arif Yusni / Yudwi Wisnu Rahmanto

NCR No.	: 2017. 13	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 17 April 2017
Standard Ref. & Requirement	<p>SCCS Modul E for CPO Mills: Mass Balance E.1.1 CPO factory certification is required to verify the volume of FFB Certified and is not coming into the plant and the sales volume of RSPO-certified producer. Factories may receive FFB submissions from farmers who are not certified, apart from bersertifikasinya own land. With that scenario, the factory can claim only palm oil products produced from the processing of FFB certified as MB.</p>		
<p>Non-Conformance Description & Evidence observed: In the FFB Admissions procedure (PRO - mill OO1) Rev. 3 dated February 16, 2016) At 5.1 points explained that the reception of FFB certified, the weighbridge clerk ensure the validity of the certificate matches the FFB recipient supplier list of PT Gersindo. The source of FFB certified are from PT. GMP, PT. PHP unit 1 and PT PHP Unit 2.</p> <p>Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 22.</p> <p>Regarding to that matter, the company has not been able to show identification evidence in detail of the certified and non-certified sources, for example in PT PHP Unit 2 Block 22 covering of ± 20.8 Ha</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified source.</p>			
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement. 2. Revising on FFB Receiving Procedure 3. Determining that FFB's from this area is non certified product. 			
<p>Preventive Action <i>(filled by organization audited):</i> Making an identification code (stamp) as Non- Sustainable source on Delivery Notes from Block 22</p>			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 27 March 2017: CH has sent the evidences as follows:</p> <ul style="list-style-type: none"> - Minutes of Area Statement Revision No: / DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha. - Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM. <p>According to these evidence, there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action and unclearly statement within the cut-of date for the implementation. This NC still OPEN status.</p>			

Auditor response against evidence sent on 11 April 2017:

Corrective action sent by the CH following are:

- Revision on FFB Receiving Procedure (No. Doc: PRO-MIL-001, Rev. 4, dated 1 April 2017). This procedure already explain the mechanism of FFB receiving from Non-Sustainable sources.
- Statement Letter from Unit Head of PHP-2 Estate (No 066/DM-PHP/III/2017 dated 31 March 2017) regarding segregation and marking of FFB's non-sustainable on FFB's delivery notes as well as cut-off date for the implementation started on 1 April 2017.
- Updating the List of FFB suppliers for GMP POM and informed that Block 22 is non-certified sources.
- Example of Mass balance report for CPO and PK year 2016 that informed the FFBs from Block 22 is Non Certified sources within the FFB receiving material input.

However, there is still lack of evidences to strengthen the statements, i.e.: sample of FFB delivery notes and daily production for FFB receiving started 1 April 2017. This NC are still OPEN.

Auditor response against evidence sent on 17 April 2017:

CH has sent the additional evidence as follows:

- Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product.
- FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document.
- Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input.

These evidence are sufficient and accepted. Status: **CLOSED WITH OBSERVATION.**

Verified by : **Yudwi Wisnu Rahmanto**

NCR No.	: 2017. 14	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 17 April 2017
Standard Ref. & Requirement	: SCCS Modul E for CPO Mills: Mass Balance E.3.2 Facility must have documented procedures reception and processing of FFB certified and non-certified.		
<p>Non-Conformance Description & Evidence observed: In the FFB Admissions procedure (PRO - mill OO1) Rev. 3 dated February 16, 2016) At 5.1 points explained that the reception of FFB certified, the weighbridge clerk ensure the validity of the certificate matches the FFB recipient supplier list of PT Gersindo. The source of FFB certified are from PT. GMP, PT. PHP unit 1 and PT PHP Unit 2.</p> <p>Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 22.</p> <p>Related to this, the company could not show the mechanism / procedure of the reception and processing certified and non-certified FFB from PT PHP Unit 2</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified</p>			

source.
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement. 2. Revising on FFB Receiving Procedure 3. Determining that FFB's from this area is non certified product.
<p>Preventive Action <i>(filled by organization audited):</i></p> <p>Making an identification code (stamp) as Non- Sustainable source on Delivery Notes from Block 22</p>
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Auditor response against evidence sent on 27 March 2017:</p> <p>CH has sent the evidences as follows:</p> <ul style="list-style-type: none"> - Minutes of Area Statement Revision No: / DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha. - Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM. <p>According to these evidence, there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action and unclearly statement within the cut-of date for the implementation. This NC still OPEN status.</p> <p>Auditor response against evidence sent on 11 April 2017:</p> <p>Corrective action sent by the CH following are:</p> <ul style="list-style-type: none"> - Revision on FFB Receiving Procedure (No. Doc: PRO-MIL-001, Rev. 4, dated 1 April 2017). This procedure already explain the mechanism of FFB receiving from Non-Sustainable sources. - Statement Letter from Unit Head of PHP-2 Estate (No 066/DM-PHP/III/2017 dated 31 March 2017) regarding segregation and marking of FFB's non-sustainable on FFB's delivery notes as well as cut-off date for the implementation started on 1 April 2017. - Updating the List of FFB suppliers for GMP POM and informed that Block 22 is non-certified sources. - Example of Mass balance report for CPO and PK year 2016 that informed the FFBs from Block 22 is Non Certified sources within the FFB receiving material input. <p>However, there is still lack of evidences to strengthen the statements, i.e.: sample of FFB delivery notes and daily production for FFB receiving started 1 April 2017. This NC are still OPEN.</p> <p>Auditor response against evidence sent on 17 April 2017:</p> <p>CH has sent the additional evidence as follows:</p> <ul style="list-style-type: none"> • Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product. • FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document. • Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input. <p>These evidence are sufficient and accepted. Status: CLOSED WITH OBSERVATION.</p>
<p>Verified by : Yudwi Wisnu Rahmanto</p>

NCR No.	: 2017. 15	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 17 April 2017

Standard Ref. & Requirement	<p>: SCCS Modul E for CPO Mills: Mass Balance</p> <p>E.4.1</p> <p>Facility must have documented procedures FFB reception and processing of certified and non-certified.</p>
<p>Non-Conformance Description & Evidence observed:</p> <p>Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 2017</p> <p>However, the company could not show the documentation volume of certified and non certified FFB received, including from that area.</p>	
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <p>Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified source.</p>	
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement. 2. Revising on FFB Receiving Procedure 3. Determining that FFB's from this area is non certified product. 	
<p>Preventive Action <i>(filled by organization audited):</i></p> <p>Making an identification code (stamp) as Non- Sustainable source on Delivery Notes from Block 22</p>	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Auditor response against evidence sent on 27 March 2017:</p> <p>CH has sent the evidences as follows:</p> <ul style="list-style-type: none"> - Minutes of Area Statement Revision No: / DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha. - Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM. <p>According to these evidence, there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action and unclearly statement within the cut-of date for the implementation. This NC still OPEN status.</p> <p>Auditor response against evidence sent on 11 April 2017:</p> <p>Corrective action sent by the CH following are:</p> <ul style="list-style-type: none"> - Revision on FFB Receiving Procedure (No. Doc: PRO-MIL-001, Rev. 4, dated 1 April 2017). This procedure already explain the mechanism of FFB receiving from Non-Sustainable sources. - Statement Letter from Unit Head of PHP-2 Estate (No 066/DM-PHP/III/2017 dated 31 March 2017) regarding segregation and marking of FFB's non-sustainable on FFB's delivery notes as well as cut-off date for the implementation started on 1 April 2017. - Updating the List of FFB suppliers for GMP POM and informed that Block 22 is non-certified sources. - Example of Mass balance report for CPO and PK year 2016 that informed the FFBs from Block 22 is Non Certified sources within the FFB receiving material input. <p>However, there is still lack of evidences to strengthen the statements, i.e.: sample of FFB delivery notes and daily production for FFB receiving started 1 April 2017. This NC are still OPEN.</p> <p>Auditor response against evidence sent on 17 April 2017:</p> <p>CH has sent the additional evidence as follows:</p> <ul style="list-style-type: none"> • Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product. 	

- FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document.
- Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input.

These evidence are sufficient and accepted. Status: **CLOSED WITH OBSERVATION.**

Verified by : **Yudwi Wisnu Rahmanto**

NCR No.	: 2017. 16	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 17 April 2017
Standard Ref. & Requirement	<p>SCCS Modul E for CPO Mills: Mass Balance E.5.1 a. Facilities should record and balance all FFB acceptance and shipment of RSPO-certified CPO, PKO, and the core RSPO certified palm with three-monthly basis b. All volumes of palm oil and palm kernel oil are shipped deducted from the accounting system materials in accordance with the conversion rate specified by the RSPO. c. Facilities can only send sales Mass Balance of the stock is positive. Stock positives can include product orders for delivery within the three-month period. However, the facility is allowed to sell a lower (such as a product can be sold prior to the stock).</p>		
<p>Non-Conformance Description & Evidence observed: Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 2017</p> <p>Related to the matter above, the company has not been able to separate clearly the separation of certified source derived from nucleus estate (certified and non-certified / non-HGU) Mass Balance sheet.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified source.</p>			
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement. 2. Revising on FFB Receiving Procedure 3. Determining that FFB's from this area is non certified product. 4. Segregating FFBs from Block 22 which calculated as non-sustainable in the mass balance report started from 21 April 2016. 			
<p>Preventive Action <i>(filled by organization audited):</i> Continuing records of Mass Balance report that has been revised.</p>			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 27 March 2017: CH has sent the evidences as follows:</p> <ul style="list-style-type: none"> - Minutes of Area Statement Revision No: / DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha. - Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM. 			

According to these evidence, there is still lack of information on Mass Balance Report. This NC still OPEN status.

Auditor response against evidence sent on 11 April 2017:

Corrective action sent by the CH following are:

- Revision on FFB Receiving Procedure (No. Doc: PRO-MIL-001, Rev. 4, dated 1 April 2017). This procedure already explain the mechanism of FFB receiving from Non-Sustainable sources.
- Statement Letter from Unit Head of PHP-2 Estate (No 066/DM-PHP/III/2017 dated 31 March 2017) regarding segregation and marking of FFB's non-sustainable on FFB's delivery notes as well as cut-off date for the implementation started on 1 April 2017.
- Updating the List of FFB suppliers for GMP POM and informed that Block 22 is non-certified sources.
- Example of Mass balance report for CPO and PK year 2016 that informed the FFBs from Block 22 is Non Certified sources within the FFB receiving material input.

However, there is still lack of evidences to strengthen the statements, i.e.: sample of FFB delivery notes and daily production for FFB receiving started 1 April 2017. This NC are still OPEN.

Auditor response against evidence sent on 17 April 2017:

CH has sent the additional evidence as follows:

- Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product.
- FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document.
- Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input.

These evidence are sufficient and accepted. Status: **CLOSED WITH OBSERVATION.**

Verified by	:	Yudwi Wisnu Rahmanto
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3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-4 Assessment

NCR No.	: 2018.01	Issued by	: Rizliani Aprianita Hsb
Date Issued	: January 13, 2018	Time Limit	: March 14, 2018
NC Grade	: MAJOR	Date of Closing	: March 12, 2018
Standard Ref. & Requirement	6.1.3 There shall be a social impacts management and monitoring plan to avoid or mitigate negative impacts and promote positif impacts based on the result of social impact analyzes trough consultation with affected parties, documented and scheduled including their implementation responsibilities.		
Non-Conformance Description & Evidence observed (filled by auditor): The company shows a social management plan for PT GMP and PT PHP in 2016 – 2018. However,has not been able to demonstrate a social impact monitoring plan to avoid or mitigate negative impacts and promote positive impacts based on the result of social impact analyzes trough consultation with affected parties, documented and scheduled including their implementation responsibilities.			
Root Cause Analysis (filled by organization audited): The absence of a Social Monitoring Plan for PT.GMP and PHP, so that the existing Social Impact Management benchmarks can not be evaluated in accordance with the existing impacts, whether negative or positive impacts.			
Correction (filled by organization audited): <ul style="list-style-type: none"> - Establish Social Monitoring Schedule for PT.GMP and PHP, by guiding the Social Management Plan (RKS) that has been created by involving the affected parties - Establish the PIC and make the responsibility of the PIC in conducting social monitoring 			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> - Community Development Officer in cooperation with the head of unit, HRD, EHS to carry out Social Monitoring in accordance with predetermined schedule - Documenting social monitoring activities undertaken - Include review activities of social monitoring realization and preparation of future social monitoring plan 2019 into Social monitoring schedule 2018. 			
Assessor Evaluation and Conclusion (filled by auditor): verification on 9 March 2018 The Company shows some improvement evidence, among others: <ul style="list-style-type: none"> - Minutes of meeting and Notes on socialization of the Social Impact Management and Monitoring Plan at PT GMP dated March 6, 2018 involving several <i>Ninik Mamak</i>, Jorong Chief and Youth Chief, such as <i>Jorong Chief</i> and <i>Ninik Mamak</i> Panjung Pangka, <i>Jorong</i> and <i>Ninik mamak</i> Labuah Luruih. In the minutes of the event mentioned that the stakeholders still agree on the activities contained in the SIA document. The Minutes also explained about the activities that have been implemented from the Social and external monitoring and Management plan which was attended by 17 participants. - Record of socialization the Social Impact Management and Monitoring Plan at PT PHP dated March 6, 2018 involving <i>Wali Nagari Persiapan Padang harapan</i> and Jorong Head of Psg Hutan. In the minutes of the event mentioned that the stakeholders still agree on the activities contained in the SIA document. The minutes also describe the activities that have been implemented from the Social and external monitoring and management plan which was attended by 			

18 participants.

- The 2017 - 2018 Social Impact Management and Monitoring Plan for PT GMP that describes the impacts to external and internal company (employees) including the PIC responsible for its implementation.
- The 2017 - 2018 Social Impact Management and Monitoring Plan for PT PHP that describes the impacts to external and internal company (employees) including the PIC responsible for its implementation.
- Schedule of Implementation of Social Management Activities of PT GMP and PT PHP in 2018

However, there is no evidence that the preparation of the 2018 Social Management and Monitoring Plan has involved the Company's Internal / Company employees (Source of managed/monitored impacts including Internal Company). Based on the above explanation, the nonconformity is not fulfilled.

verification on 12 March 2018

- The Company shows the minutes of socialization of Social Management and Monitoring Plan to employees and staff of PT PHP on January 26, 2018 accompanied by photo of the implementation of the activity along with attendance attendance. In the minutes, described some of the activities that have been implemented and plans for management and monitoring of social impacts in PT PHP.
- The Company showed the minutes of socialization of Social Monitoring and Management Plan to employees and staff of PT GMP dated January 24, 2018 accompanied by photo of the implementation of the activity along with attendance attendance. In the minutes, it is known that there is no response or new issues related to the social impacts of internal stakeholders (employees). In the minutes, a number of activities have been completed and the social impact management and monitoring plan of PT GMP.

Based on the above explanation, the nonconformity is fulfilled

Verified by	:	Rizliani Aprianita Hsb
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NCR No.	: 2018.02	Issued by	: Rizliani Aprianita Hsb
Date Issued	: January 13, 2018	Time Limit	: Re-Certification
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	6.1.4 The documented social impact management and monitoring plan is reviewed for at least 2 years. If necessary, the plan should be improved. There should be evidence that the review process involves the participation of all affected parties		
Non-Conformance Description & Evidence observed (filled by auditor): Deskripsi Ketidaksesuaian & Bukti yang diamati (dilengkapi oleh auditor) The company (PT GMP dan PT PHP) showed Social Management Plan in 2016-2018. Based on document, its known that social management , sign on January 14, 2016. But, social management not enough evidence that the social impact management and monitoring plan has been through a review involving the participation of affected parties.			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none"> - No review of the Social Management Plan and Social Monitoring Plan of PT.GMP and PT.PHP that conduct at least every two years by involving the participation of the affected parties 			
Correction (filled by organization audited): <ul style="list-style-type: none"> - Include a review of the Social Management Plan in the Social Management Schedule - Reviewing the Social Management Plan and Social Monitoring Plan for PT.GMP and PHP involving affected parties 			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> - Undertake a review of the Social Monitoring and Management Plan at PT. GMP and PHP by involving affected parties, in accordance with a predetermined schedule, carried out by CDO and unit leaders 			
Assessor Evaluation and Conclusion (filled by auditor): verification on 9 March 2018 The Company shows some improvement evidence, among others: <ul style="list-style-type: none"> - Minutes of meeting and Notes on socialization of the Social Impact Management and Monitoring Plan at PT GMP dated March 6, 2018 involving several <i>Ninik Mamak</i>, Jorong Chief and Youth Chief, such as <i>Jorong Chief</i> and <i>Ninik Mamak Panjung Pangka</i>, <i>Jorong</i> and <i>Ninik mamak Labuah Luruuh</i>. In the minutes of the event mentioned that the stakeholders still agree on the activities contained in the SIA document. The Minutes also explained about the activities that have been implemented from the Social and external monitoring and Management plan which was attended by 17 participants. - Minutes of socialization event of Social Impact Management and Monitoring Plan at PT PHP dated March 6, 2018 involving <i>Wali Nagari Persiapan Padang harapan</i> and Jorong Head of Psg Hutan. In the minutes of the event mentioned that the stakeholders still agree on the activities contained in the SIA document. The minutes also describe the activities that have been implemented from the Social and external monitoring and management plan which was attended by 18 participants. - The 2017 - 2018 Social Impact Management and Monitoring Plan for PT GMP that describes the impacts to external and internal company (employees) including the PIC responsible for its implementation. - The 2017 - 2018 Social Impact Management and Monitoring Plan for PT PHP that describes the impacts to external and internal company (employees) including the PIC responsible for its implementation. - Schedule of Implementation of Social Management Activities of PT GMP and PT PHP in 2018 			

However, there is no evidence that the preparation of the 2018 Social Management and Monitoring Plan has involved the Company's Internal / Company employees (Source of managed/monitored impacts including Internal Company). Based on the above explanation, the nonconformity is not fulfilled.

verification on 12 March 2018

- The Company shows the minutes of socialization of Social Management and Monitoring Plan to employees and staff of PT PHP on January 26, 2018 accompanied by photo of the implementation of the activity along with attendance. In the minutes, described some of the activities that have been implemented and plans for management and monitoring of social impacts in PT PHP.
- The Company showed the minutes of socialization of Social Monitoring and Management Plan to employees and staff of PT GMP dated January 24, 2018 accompanied by photo of the implementation of the activity along with attendance. In the minutes, it is known that there is no response or new issues related to the social impacts of internal stakeholders (employees). In the minutes, a number of activities have been completed and the social impact management and monitoring plan of PT GMP.

Based on the above explanation, the nonconformity is fulfilled

Verified by : **Rizliani Aprianita Hsb**

NCR No.	: 2018.03	Issued by	: Dwi Haryati
Date Issued	: January, 13 2018	Time Limit	: March, 14 2018
NC Grade	: MAJOR	Date of Closing	: March 12, 2018
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 :			
<p>Based on the documentation salary of daily contract workers PHP-1 estate period of December 2017, it is written that the workers get basic salary Rp 935,664 with the number of Working Days: 17 days, but there are 5 days not paid in full.</p> <p>Based on Supervisor Activity Book of December 2017, it is known that this is caused by not achieving the work target of loss fruits for example on 02 December 2017 workers get 200 kg loose fruits with target of 330 kg.</p> <p>This indicates that the basis for paying daily salaries is not in accordance with the Work Agreement Letter where the wage of daily contract workers is paid based on absenteeism.</p>			
Root Cause Analysis :			
There was a mistake in looking at the wage details document that actually matches the work agreement of daily contract worker.			
Corrective Action :			
Unit Leader and Fied Conductor monitor the wage payment of daily employees with the agreed work letter.			
Correction :			
Adjust the wages paid with the Work Agreement of Daily Contract Workers.			
Assessor Evaluation and Conclusion :			
Auditor verification March 5, 2018			
The Company has sent evidence of corrective action such as :			
<ul style="list-style-type: none"> - Calculation the wages of workers loose fruits picker in December 2017 paid in January 2018. - Official report on January, 11 2018 on evaluation salary payments of daily contract worker of loose fruits picker not yet in accordance with the adjustment of the price of loose fruits picker which was appointed on April 17, 2017 signed by General Manager of Sumatera Region. 			
Based on the evidence of improvement shown, the auditor responded:			
<ul style="list-style-type: none"> - Root cause analysis and corrective actions have not been shown. - The calculation of the underpayment in December 2017 on behalf of loose fruit picker PHP-1 amounting to Rp 88,960 paid in January 2018 has not been fully elaborated. Please be supported with supporting evidence in the form of details of shortage calculations from employees of loose fruits picker. - Based on the Official report on January, 11 2018 it was explained that the worker of loose fruits picker was paid based on the work. This is still not in accordance with the Employment Agreement between worker and company. 			

Auditor verification March 9, 2018

The Company has sent evidence of corrective action such as :

- Attendance list in December 2017 and January 2018 of loose fruits picker.
- Details calculation of payments for loose fruits picker payroll deducted in December 2017 and paid in January 2018.

Based on the evidence of improvement shown, the auditor responded:

- Re-identification of root cause analysis has not been shown (auditor's response note dated March 6, 2018).
- Proof of improvement adjusted to the root of the problem has not been shown.
- Corrective action has not been shown (in accordance with the auditor's response dated March 6, 2018) explaining supporting documents to ensure that daily contract worker has worked within hours even if the target is not reached.
- Based on the Official report on January, 11 2018, it was explained that the loose fruits picker are paid on the basis of the work. This is still not in accordance with the Employment Agreement between worker and company.

Non-compliance No.2018.03 has not been fulfilled (Open).

Verification of auditors March 12, 2018

The company shows work agreements the worker of loose fruits picker it explains that the daily salary is set based on:

- If get 330 kg of loose fruits will get a daily minimum wage.
- If the target is not reached but has worked for 7 hours then the wages earned according to the daily minimum wage
- If the target is not reached and works under 7 hours then the wage is paid based on the work of Rp. 236 / Kg.

Based on the above explanation, Indicator 6.5.2 is stated fulfilled with Observation in the next assessment.

Verified by	:	Dwi Haryati & Muhammad Rinaldi
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3.5.3 Opportunity for Improvement

No	Std. Ref.	Penjelasan
1	2.2.3	Opportunity to ensure land dispute process in PT GMP with Bina Tani Sejahtera Cooperative
2	4.3.4	The Company need to ensure that the revision of Peat Soil Procedure has been distributed to all estate
3	4.7.2	Identifying risk analysis related bin system in FFB transport activities.
4	5.1.2	Environment impact management for replanting activities according to the governance plan that has been prepared
5	5.2.1	Monitoring and management of HCV in the area of actual operating rights owned by the company
6	6.3	Company has the opportunity to resolve disputes that occur in accordance with the time agreed by the company and the parties who submit complain
7	6.3.1	Documentation of complaints submitted by verbal in accordance with the procedure.
8	6.5.3	Companies have the opportunity to improve the provision of clean water for workers.
9	SCCS 5.3.2	Opportunity to add audit standart in the prosedure related to internal audit
10	E.3.1	Opportunity to reensure prosedure related Supply Chain (SOP Mass Balance)

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1	-	The company's commitment to apply the principles of sustainable palm oil management
2	-	Teamwork, PIC competence, and good document presentation during the assessment process
3	-	Has been certified ISPO, RSPO, and SCCS
4	-	Consistent in the application of waste management and mitigation of Green House Gas using Methane Capture

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Public Figure Jorong Maligi</p> <ul style="list-style-type: none"> • There is a joint deliberation for the determination of the CSR program and the discussion of other issues • There is a CSR implementation in the form of road improvements, renovation of places of worship • Most of the workers come from the village community. • There are no land disputes • There is no environmental pollution • No fires occurred • There no wild animals in the company and village areas 	<ul style="list-style-type: none"> • This is in accordance with criteria Criteria 6.11 • This is in accordance with criteria Criteria 6.11 • Based on interviews with BPN there are land disputes and have been described in indicator 2.2.3
<p>KSU Plasma Sikilang and Community Leaders of Sikilang</p> <ul style="list-style-type: none"> • There is an area of ± 80 Ha in the land use title area of the company which are given to the smallholders • The smallholders area of 256 hectares but there is a dispute area of ± 23 Ha with the people of Maligi. This has been submitted to the company but there is no action from the company. • There is a letter related to the demand for road maintenance, but there is no implementation of the road improvements • There are no FFB payment issues • There is no land dispute in company area 	<ul style="list-style-type: none"> • This has been in accordance with corrective actions for non-conformance No.2017.02. • The company has shown evidence of meeting with Sikilang plasma related to the dispute area of Sikilang plasma on February 18, 2017 which explains that customary head of Sikilang is advised to record the acreage under disputed with the community in Plasma Sikilang area and make a complaint letter to Police and company will accompany the report. This shows that the company has been active in responding to complaints from KUD Sikilang, but it will be observed back in the next assessment. OFI criteria 6.3 • The company has shown evidence of road improvements according to the letter sent. This is in accordance with Criteria 6.11 • Based on interviews with BPN there is a land dispute and have been described in indicator 2.2.3 • Payment of FFB purchases is in accordance with criteria 6.10
<p>KUD Plasma Maligi</p> <ul style="list-style-type: none"> • Plasma management is entirely done by KUD • The agreement limit is valid for 25 years • Price of FFB according to the price of Plantation Agency • Fines and Grading Criteria are known • The financial calculation is approved in advance by the KUD before payment is made, Payment is made on time • The related socialization following the RSPO certification does not yet exist, but may have been submitted by the previous chairman of the KUD • KUD already has land use title certificate for its operational area 	<ul style="list-style-type: none"> • The company explained that the relationship between the company and KUD is only about buying and selling of FFB • Payment of FFB purchases is in accordance with criteria 6.10 • The Company has shown evidence of RSPO socialization and there is a statement that explains the absence of the RSPO program. • Based on self-assessment / partial certification, it is known that KUD Maligi does not have land use title
<p>Environmental Agency</p> <ul style="list-style-type: none"> • The company has land applications permit which are still valid. • Hazardous waste permit is still valid. • The Company regularly reports mandatory reporting such as hazardous waste report and report of Environmental Management Plan – Environmental Monitoring Plan. 	<ul style="list-style-type: none"> • It has verified by auditor team, the company has reporting mandatory report such as RKL/RPL report every semester. • According to field observation, there are no environment pollution from estate and mill operational.

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> • Company always consult with environmental agency related environmental management. • There is issues related to environmental management. Based on interviews with <i>Bidang Pengawasan dan Pengendalian</i> of Environmental Agency, known that there was reporting of domestic waste was thrown away in the river. Environmental Agency has been verified by field observation that there was no domestic waste thrown away in the river. And to ensure that there was no pollution related to domestic waste from company, environmental agency has done the testing the quality of river water and the results have not come out. • There are no issues regarding landfires. 	<ul style="list-style-type: none"> • According to results of testing the quality of river water around the company that contained in the RKL/RPL, there was no parameters that exceed the threshold.
<p>National Land Agency</p> <ul style="list-style-type: none"> • There is no new location permit. • No information plantings outside the concession. • Company has not yet report the Land use report to National Land Agency. • There is no information related wastelands in PT GMP & PT PHP. • There are no overlapping areas of forests and mining. 	<ul style="list-style-type: none"> • The company has had Land Use Permit as required. • Has been verified by the auditor, Land use report contained in the LKUP report and has been delivered to the national Land Agency on July 31 2017. • Has been checked by auditor, the HGU area is an ex-ulatory land that has been compensated and handed over to the state and and has been granted a forest area release permit (HPK) from the Minister of Forestry of the Republic of Indonesia dated July 4, 1996.
<p>Plantation Agency</p> <ul style="list-style-type: none"> • The company already has the documents of land rights in the form of concession and permits for business activities • The company has reported its business activities to the palntation agency routinely. • There are no negative issues such as fires. • The company does not have new location permits. • There is no environmental issues related to company's operational. • The company has adequate facilities and infrastructure of fire and functioning properly. • The Company has given assistance through its CSR program and partnered with local communities. 	<ul style="list-style-type: none"> • The company has had all plantation permit and has been complied all obligation reports. It refer to indicator 1.1.1. • According to field observation, there are no environment pollution from estate and mill operational. • Based on hydrant simulation dan landfires simulation in PHP-1 Estate, known that company has adequate facilities and infrastructure of fire and functioning properly. • Company has realized the assistance to local communities based on needs of society that explained in the criteria 6.11
<p>Labor Agency</p> <ul style="list-style-type: none"> • All of labor monitoring has conducted by labor agency of Sumatra Barat Province. So, we don't have information related this issues. • There are no issues related to industrial relations during last year. • The 2018 wage provisions have been issued on 31 October 2017. • All the workers have been included in BPJS employment dan health. 	<ul style="list-style-type: none"> • All obligation report by company has been verified by auditor team as written on indicator 1.1.1. • Auditor has verified related to employment and has been described in the criteria 6.5

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Gender Committee of PT GMP The Gender Committee is established as a forum for dealing with women's issues such as prevention of sexual harassment or reproductive health of working women. Until the assessment took place there were no incidents of sexual harassment.</p>	<ul style="list-style-type: none"> This is in accordance with criteria Criteria 6.9.1; 6.9.2
<p>Gender Committee of PT PHP -2</p> <ul style="list-style-type: none"> The Gender Committee was established in 2012. Regular work program every year for example: Socialization of sexual harassment, family violence, workplace comfort, etc. Socialized through the morning briefing and stored on document control. 	<ul style="list-style-type: none"> This is in accordance with criteria Criteria 6.9.1; 6.9.2
<p>Gender Committee PT PHP-1</p> <ul style="list-style-type: none"> The work program has not been written, but it has been implemented such as the socialization of sexual harassment and its mechanism. Mechanism in writing and documented in a separate book. There is protection of the complainant. No reports of sexual harassment and family violence. Socialization of work program implemented to employees housing. 	<ul style="list-style-type: none"> This is in accordance with criteria Criteria 6.9.1; 6.9.2
<p>Work Unit of PT GMP Workers Union (SPSI)</p> <ul style="list-style-type: none"> The company gives freedom of association to all workers to form associations or become union members. Membership is marked by a membership card and payable monthly of Rp 5000, - deducted from salary. If there is a recording of the meeting both internally and externally between the company and the Workers Union it will be stored in the central document of each unit. Any change of board then there is an internal company approval and reporting to the the relevant government departments. The number of SPSI members of PT GMP currently number around 817. The company has applied the minimum wage in accordance with the decree of the Governor of West Sumatra. Currently applicable is the Provincial Minimum Wage. Minimum wage adjustment starts to be applied for payroll of January 2018 paid in February 2018. Payroll is usually made on the 5th of the following month. Currently contract and daily workers are already being appointed as permanent workers and the progress already started in December 2017. Currently, Coleective Labour Agreements is still valid for the period of 2016-2018. The Company has registered the membership of BPJS for workers either Employment and Healthy. Health services are also provided by the company in the form of first aid rooms that act only as first aid checks before being referred to the hospital. Companies provide opportunities to work for local communities openly. There are no crucial employment and industrial issues. All is still 	<ul style="list-style-type: none"> Freedom of association has been facilitated by the company and made its policy. The company has presented documents on union formation and meetings both the Company and internal SPSI. The number of SPSI members has been verified. The company has implemented the minimum wage for example the calculation of daily employee wage since January 1, 2018 is set at Rp 2,119,075, - per month or Rp 84,763, - per day The Company has provided proof of payment of BPJS employment for all employees paid through Bank Mandiri and BPJS Health for all employees through Bank Mandiri for the period of December 2017. The company has provided employment opportunities and no discriminatory treatment in employment and industrial relations.

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>in a talkable stage.</p> <p><u>Aspiration:</u> As a worker representative, SPSI hopes that in the future there will be the same concrete rights of workers in a group Company. Especially those who have obtained the same certificate, for example, early retirement.</p>	
<p>Work Unit of PT PHP Workers Union (SPSI)</p> <ul style="list-style-type: none"> Regular meetings between internal board executed every 6 months such as discussions related to the drafting of new Collective Labour Ageements, employee welfare, employee's rights and obligations. There is no secretariat for SPSI, discussion room using the office. Documentation is in the document control of each unit. Salaries and overtime are paid according to the rules. The copy employment agreement is kept by the worker. The Company has registered the membership of BPJS for workers either employment and healthy. Medical checks have been carried out by the company. 	<ul style="list-style-type: none"> The company has presented documents on union formation and meetings both the Company and internal SPSI. The company has provided employment opportunities and no discriminatory treatment in employment and industrial relations. The Company has provided proof payment of BPJS employment and Health for all employees. Health examination results have been verified by the auditor.
<p>Employees Cooperative of PHP-1</p> <ul style="list-style-type: none"> The annual member meeting in period 2016 PT PHP was implemented on December 23, 2017. Next meeting for period of 2017 planning in April 2018. Number of members are 25 person. Actually of current active business is saving and loan cooperative. 	<ul style="list-style-type: none"> This is in accordance with Criteria 6.5.4
<p>Employees Cooperative of PHP-2</p> <ul style="list-style-type: none"> The annual member meeting in period 2016 PT PHP was implemented on March, 2017. Actually of current active business is saving and loan cooperative. 	<ul style="list-style-type: none"> This is in accordance with Criteria 6.5.4
<p>Local Contractor – FFB Supplier PT Siak Prima Sakti (SPS)</p> <ul style="list-style-type: none"> PT SPS is buying FFB from the community by pricing according to market prices. The price for FFB to GMP POM as determined by the POM. Contract with company is every year with Long-term contract. Pricing of the POM is determined by the group head office. There are 6 suppliers under the cooperation of PT SPS. The process of receiving suppliers from the surrounding villages will be assessed by survey related to the permit of the legality, here must be own land, can not be from illegal FFB. The point is there is a clear clearness before set to become a supplier. 	<ul style="list-style-type: none"> This is in accordance with Criteria 6.10

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Local Contractor – Civil Contractor from Tanjung Pangkal village. CV Andini</p> <ul style="list-style-type: none"> • 10 years working with the company from the road maintenance contract. • Currently still in cooperation in the civil field, workshop development, fertilizer warehouse and material warehouse and landfill, housing repair of G10 employee in barracks in PT GMP, rooftop servicing etc. • Contract work with plantation office. • Payment is timely in accordance with the work agreement. • The work agreements already included aspects of OHS and employment. • The company provides employment opportunities for local contractors. 	<ul style="list-style-type: none"> • This is in accordance with Criteria 6.10

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>PT Gersindo Minang Plantation & PT Permata Hijau Pasaman Management Representative</p> <div style="text-align: center;">  <p>Indra Arman 12 March 2018</p> </div> </div> <div style="width: 45%;"> <p>Mutuagung Lestari Lead Auditor</p> <div style="text-align: center;">  <p>Muhammad Rinaldi 12 March 2018</p> </div> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Environmental Agency	Pasaman Barat District. Sumatra Barat Province	-	Interview	January 09, 2017	✓	
2	Labour Agency	Pasaman Barat District. Sumatra Barat Province	-	Interview	January 09, 2017	✓	
3	Plantation Agency	Pasaman Barat District. Sumatra Barat Province	-	Interview	January 09, 2017	✓	
4	National Land Agency , West Pasaman	Pasaman Barat District. Sumatra Barat Province	-	Interview	January 09, 2017	✓	
5	Community Leader Jorong Maligi	Pasaman Barat District. Sumatra Barat Province		Interview	January 09, 2017	✓	
6	Community Leader Sikilang	Pasaman Barat District. Sumatra Barat Province		Interview	January 09, 2017	✓	
7	Cooperative employee of PT. GMP-PHP	Pasaman Barat District. Sumatra Barat Province		Interview	January 09, 2017	✓	
8	Local contractor PT. GMP-PHP	Pasaman Barat District. Sumatra Barat Province		Interview	January 09, 2017	✓	
9	Gender Committee PT. GMP-PHP	Pasaman Barat District. Sumatra Barat Province		Interview	January 09, 2017	✓	
10	Labor Union PT. GMP PHP	Pasaman Barat District. Sumatra Barat Province		Interview	January 09, 2017	✓	
11	AMAN	Indonesia		Email	January 04, 2017		✓
12	Sawit Watch	Indonesia		Email	January 04, 2017		✓
13	WALHI	Indonesia		Email	January 04, 2017		✓
14	WWF	Indonesia		Email	January 04, 2017		✓
15	Forest People Programme	Indonesia		Email	January 04, 2017		✓
16	PHP II - 11 peoples - Spraying Labor. - 2 ppeople –Loading Labor - 8 peoples - Fertilizer Labor - 2 people – Loss Fruit Coleccting Labor. - 2 peoples - Harvesting Labor.	Pasaman Barat District. Sumatra Barat Province		Interview	04-09 January 2018	✓	
17	PHP I - 4 people - Harvesting Labor. - 9 peoples - Spraying Labors. - 4 people – Manuring Labor - 1 people - bunch counter.	Pasaman Barat District. Sumatra Barat Province		Interview	04-09 January 2018	✓	
18	GMP Oil Mill - 1 people – Security Labor - 1 people – engine station labor. - 2 peoples - grading station labor. - 2 peoples - clarification	Pasaman Barat District. Sumatra Barat Province		Interview	04-09 January 2018	✓	

	station labor. - 1 peoples – sterilizer operator. - 1 people – crane operator						
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Appendix 2. Assessment Program

DATE		08 to 13 January 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 08 January 2018			
06.00 – 08.00	06.00 – 08.00	JAKARTA → PADANG	Team Auditor
09.00 – 14.00	09.00 – 14.00	PADANG → PT Gersindo Minang Plantation & PT Permata Hijau Pasaman	
15.00– 16.00	15.00– 16.00	Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	Team Auditor
16.00– 17.00	16.00– 17.00	<ul style="list-style-type: none"> Review of previous (Initial assessment) findings Verification of Basic Information Mill and Estate Confirmation of Time Bound Plan and Partial Certification 	Team Auditor
Tuesday, 09 January 2018			
08.00 – 12.00	08.00 – 12.00	Stakeholders consultation to related agencies in Pasaman Barat Regency Stakeholder consultation to affected communities surrounding the plantations. Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier	RAH/SAP MRD/SMM DHT
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of field visit and completing checklist 	Team Auditor
Wednesday, 10 January 2018			
08.00 – 12.00	08.00 – 12.00	Field observation to PT PHP 1: <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), Fragile Soil Management, OHS implementation and Worker Welfare (payments, complaint mechanism) Legal operational High Conservation Value Area, Empty Fruit Bunch Application Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Land Fire facilities, Storage, ect. 	SAP/DHT MRD/SMM RAH
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of field visit and completing checklist 	All Team
Thursday, 11 January 2018			
08.00 – 12.00	08.00 – 12.00	Field observation to GMP POM : <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge,) FFB Sorting, Processing Activity, Despatch CPO 	MRD SAP/DHT

DATE		08 to 13 January 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond, Land Application) 	SMM/RAH
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of field visit and completing checklist 	All Team
Friday, 12 January 2018			
08.00 – 11.30	08.00 – 11.30	Field observation to PT PHP 2: <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, Integrated Pest Management (IPM), Fragile Soil Management, OHS implementation and Worker Welfare (payments, complaint mechanism) Legal operational High Conservation Value Area, Empty Fruit Bunch Application Worker facilities (housing, health clinic, clean water, etc) and Hazardous Waste Material (B3) management, Land Fire facilities, Storage, ect. 	All Team
11.30 – 14.00	11.30 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of field visit and completing checklist 	All Team
Saturday, 13 January 2018			
07.00 – 10.00	07.00 – 10.00	<ul style="list-style-type: none"> Closing Meeting 	All Team
10.00 – 15.00	10.00 – 15.00	<ul style="list-style-type: none"> PT Gersindo Minang Plantation & PT Permata Hijau Pasaman → PADANG 	
16.40 -	16.40 -	<ul style="list-style-type: none"> PADANG → JAKARTA 	