

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

[✓] Surveillance

Name of Management : Rimba Harapan Sakti Palm Oil Mill, PT Rimba Harapan Sakti, subsidiary of Organisation Wilmar International Ltd.

Plantation Name : Rimba Harapan Sakti-1 Estate & Rimba Harapan Sakti-2 Estate

Location : Village of Pematang Limau, Sub District of Seruyan Hilir, District of Seruyan, Province of Kalimantan Tengah, Indonesia

Certificate Code : MUTU-RSPO/083

Date of Certificate Issue : 08 December 2015 Date of License Issue : 08 December 2018

Date of Certificate Expiry : 07 December 2020 Date of License Expiry : 07 December 2019

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	17 to 21 September 2018	Leonada (Lead Auditor), Asystasya Aishah Silalahi, Hasiholan Sihombing, Radytio Puspanjana	Octo H.P.N Nainggolan	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	28 December 2018

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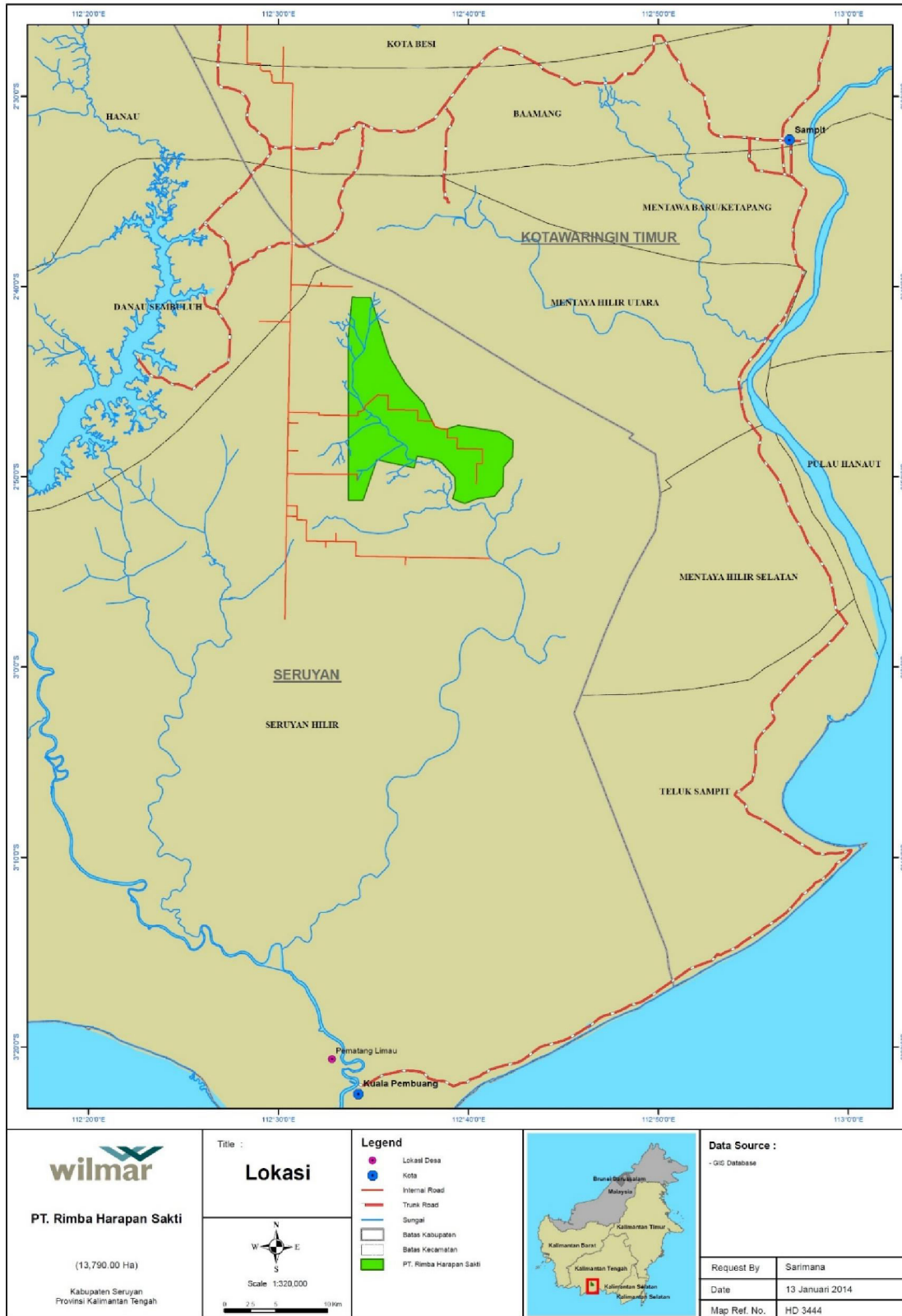
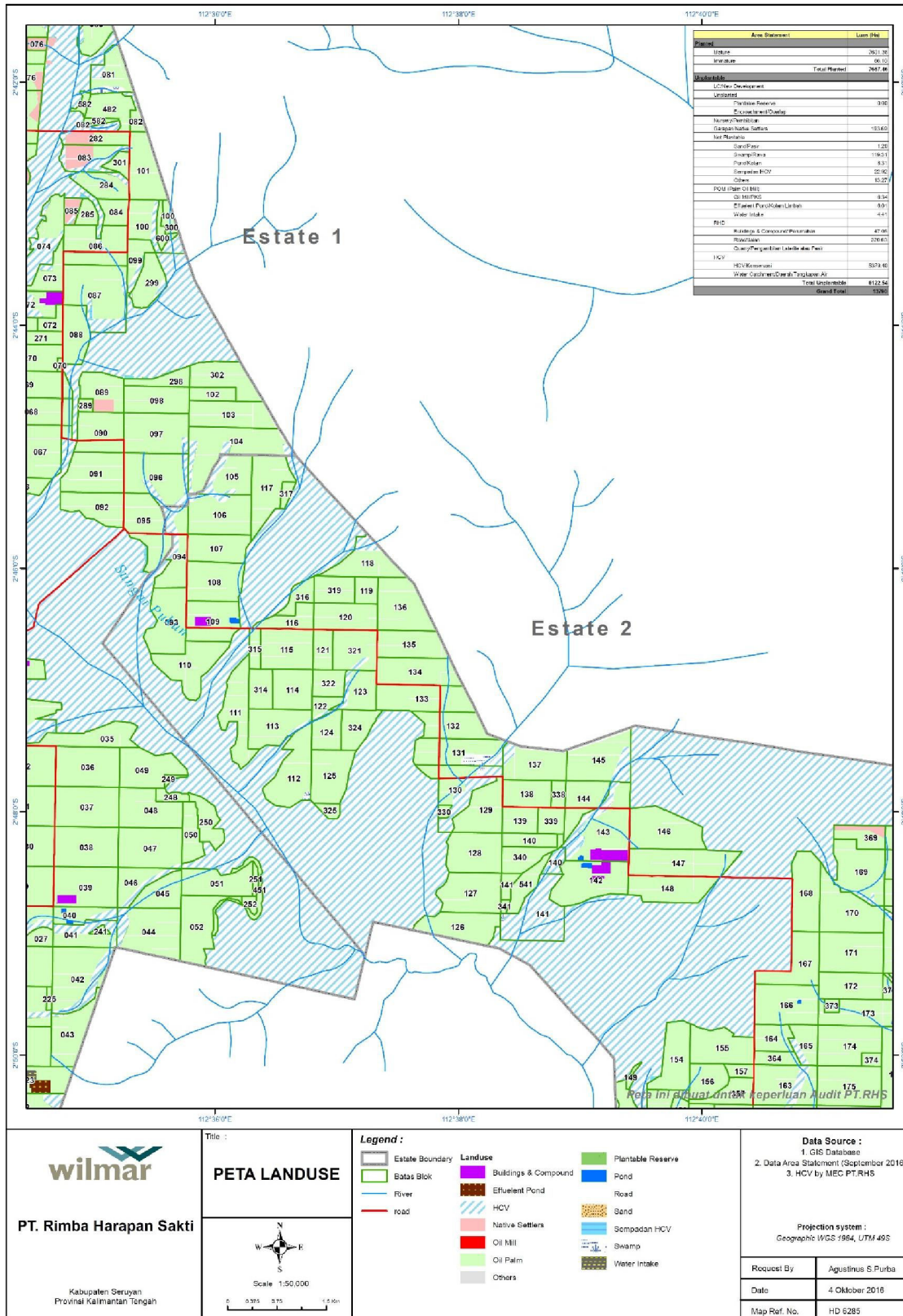


Figure 2. Operational Map of PT Rimba Harapan Sakti, Village of Pematang Limau, Seruyan District



Abbreviations Used

ASA	:	Annual Surveillance Assessment
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial / Social Security Agency</i>
BKSDA	:	<i>Badan Konservasi Sumber Daya Alam (natural resource conservation agency)</i>
CH	:	Certificate Holder
CKP	:	Central Kalimantan Project
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EHS	:	Environment Health and Safety
EIA	:	Environmental Impact Assessment
EMU	:	Ecological Management Unit
FFA	:	Free Fatty Acid
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Informed and Consent
FGD	:	Focus Group Discussion
GHG	:	Green House Gas
GIS	:	Geographic Information System
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha/ Land Use Title</i>
IPM	:	Integrated Pest Management
IUCN	:	International Union for Conservation of Nature and Natural Resources
KAN	:	<i>Komite Akreditasi Nasional (National Accredited committee)</i>
KER	:	Kernel Extraction Rate
KUD	:	<i>Koperasi Unit Desa (Village Cooperative)</i>
kWh	:	Kilo Watt per hour
LUCA	:	Land Use Change Analysis
MSDS	:	Material Safety Data Sheet
NGO	:	Non-Government Organization
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja/OHS Committee</i>
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PR	:	Public Relation
RHS	:	Rimba Harapan Sakti
RSPO	:	Roundtable Sustainable Palm Oil
RTE	:	Rare, Threatened or Endangered
SCCS	:	Supply Chain Certification System
SOP	:	Standart Operating Procedure
RKL	:	<i>Upaya Pengelolaan Lingkungan (Environmental Management Plan)</i>
RPL	:	<i>Upaya Pemantauan Lingkungan (Environmental Monitoring Plan)</i>
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 P&C 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO BoG 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) • RSPO Certification System for Principles and Criteria, 14 June 2017
1.2	Organisation Information	
1.2.1	Organisation name listed in the certificate	PT Rimba Harapan Sakti subsidiary of WILMAR International Limited.
1.2.2	Contact person	Jules Parapat
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> • <u>RSPO registered company:</u> 56 Neil Road Singapore. Singapore 088 030. • <u>Liaison Office:</u> Multivison Tower Lt. 15 Jl. Kuningan Mulya Blok B9, Kuningan, Jakarta 12980 – Indonesia. • <u>Site Address:</u> Village of Pematang Limau, Sub District of Seruyan Hilir, Seruyan Regency, Province of Kalimantan Tengah, Indonesia.
1.2.4	Telephone	(62-21) 2938 0777
1.2.5	Fax	(62-21) 2938 0115
1.2.6	E-mail	jules.parapat@id.wilmar-intl.com
1.2.7	Web page address	www.wilmar-international.com
1.2.8	Management Representative who completed the application for certification	Jules Parapat (Sustainability Manager)
1.2.9	Registered as RSPO member	2-0017-05-000-00, 16 th August 2005
1.3	Type of Assessment	
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: <ul style="list-style-type: none"> • Rimba Harapan Sakti Mill, Rimba Harapan Sakti-1 Estate, Rimba Harapan Sakti-2 Estate.
1.3.2	Type of certificate	Single
1.4	Locations of Mill and Plantation	
1.4.1	Location of Mill	

	Name of Mill	Location	Coordinate	
			Latitude	Longitude
	Rimba Harapan Sakti	Pematang Limau Village, Sub District of Seruyan Hilir, Seruyan District, Province of Kalimantan Tengah, Indonesia	S 02° 50' 09"	E 112° 34' 22"
1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Rimba Harapan Sakti-1	Pematang Limau Village, Sub District of Seruyan Hilir, Seruyan District, Province of Kalimantan Tengah, Indonesia	S 02° 46' 39"	E 112° 34' 14"
	Rimba Harapan Sakti-2	Pematang Limau Village, Sub District of Seruyan Hilir, Seruyan District, Province of Kalimantan Tengah, Indonesia	S 02° 48' 23"	E 112° 39' 21"
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		13,789.75 Ha	
	• Community		- Ha	
1.5.2	Area Statement			
	• Total area		13,789.75 Ha	
	• Mature area		7,665.52 Ha	
	• Immature area		24.09 Ha	
	• Mill		17.36 Ha	
	• Road, Emplacement, Drainage		369.27 Ha	
	• Enclave (Permanent Occupied)		169.10 Ha	
	• Not Plantable Area		165.01 Ha	
	• HCV*		5,379.40 Ha	
<i>* In the ASA-03, was a decrease in the HCV because this area becomes HCV encroachment, as explained indicator 5.2.4</i>				
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		RHS-1 Estate	RHS-2 Estate	Total
	2009	2,608.19	693.06	3,301.25
	2010	639.24	2,559.62	3,198.86
	2011	173.11	247.79	420.90
	2012	438.03	132.53	570.56
	2013	129.80	44.15	173.95
	2016	24.09	-	24.09
	TOTAL	4,012.46	3,677.15	7,689.61
1.6.2	New Planting area after January 2010		4,388.36 Ha	
1.6.3	Planting Cycle		1 st Cycle	

1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Rimba Harapan Sakti	45	222,295.69	47,830.40	21.52	10,172.61	4.58
	<i>* Production data source from September 2017 – August 2018</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)	%
	Rimba Harapan Sakti-1	7,043.40	4,012.46	85,217.20	21.24	85,217.20	100
	Rimba Harapan Sakti-2	6,746.35	3,677.15	71,886.24	19.55	71,886.24	100
	TOTAL	13,789.75	7,689.61	157,103.44	20.43	157,103.44	100
	<i>* Production data source from September 2017 – August 2018</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)		
	STP-1 (RSPO Certified)	PT Sarana Titian Permata (outgrower)	-	5,312.52	9,556.60		
	STP-2 (RSPO Certified)	PT Sarana Titian Permata (outgrower)	-	6,304.25	10,011.24		
	STP-3 (RSPO Certified)	PT Sarana Titian Permata (outgrower)	-	5,251.46	326.34		
	KSY-2 (RSPO Certified)	PT Kerry Sawit Indonesia (outgrower)	-	4,788.81	6,155.23		
	KSY-3 (RSPO Certified)	PT Kerry Sawit Indonesia (outgrower)	-	2,514.83	25,599.04		
	Koperasi Makmur Sejahtera - PT RHS Plasma (RSPO Non-Certified)	PT RHS associated smallholder	355	364.54	7,917.66		
	KUD Sejahtera Bersama - PT KSY Plasma (RSPO Non-Certified)	PT KSY associated smallholder	-	856.67	348.76		
	Koperasi Danau Sembuluh Sejahtera - PT KSY Plasma (RSPO Non-Certified)	PT KSY associated smallholder	-	1,031.38	5,196.37		
	TOTAL					65,111.24	
	<i>*Production data source from September 2017 – August 2018.</i>						
	<i>**PT Sarana Titian Permata (STP) certified until June 2018.</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT)	
	FFB Processed			231,115		208,751.89	

	CPO Production		55,467.73		44,923.41			
	Palm Kernel (PK) Production		11,894.38		9,560.84			
1.8.2	Product selling							
	Tonnage of selling product	Last year period of actual selling product (ton)						
	• CSPO sold as RSPO certified product	42,564.19						
	• CSPK sold as RSPO certified product	9,066.19						
	• CSPO sold under other scheme	-						
	• 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)			
	Rimba Harapan Sakti-1	7,043.40	4,012.46	95,500	23.68			
	Rimba Harapan Sakti-2	6,746.35	3,677.15	80,500	21.76			
	TOTAL	13,789.75	7,689.61	176,000	22.78			
	<i>*Projected FFB production for 08 December 2018 to 07 December 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 (%)	
	Rimba Harapan Sakti	45	176,000	38,720	22.00	8,800	5.00	MB
	<i>*Projected CSPO and CSPK production for 08 December 2018 to 07 December 2019</i>							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others							
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Sapi (1 + 2)	2008	<ul style="list-style-type: none"> Sapi 1 & 2 Kiabau 	2008	Sandakan, Sabah, Malaysia	Certified		
	Sabahmas	2008	<ul style="list-style-type: none"> Sabahmas 	2008	Lahad Datu, Sabah, Malaysia	Certified		
	Reka Halus	2008	<ul style="list-style-type: none"> Reka Halus 	2008	Sandakan, Sabah, Malaysia	Certified		

Saremas 1	2008	<ul style="list-style-type: none"> Saremas 1 Saremas 2 (Div D) Suai 	2008	Miri Serawak, Malaysia	Certified
Saremas 2	2008	<ul style="list-style-type: none"> Saremas 2 (exclude Div D) Kaminsky Segarmas 	2008	Miri Serawak, Malaysia	Certified
Terusan (1 + 2)	2009	<ul style="list-style-type: none"> Terusan 1 & 2 Rumidi 	2009	Sandakan, Sabah, Malaysia	Certified
Ribubonus	2009	<ul style="list-style-type: none"> Ribubonus 	2009	Sandakan, Sabah, Malaysia	Certified
PT Perkebunan Milano	2009	<ul style="list-style-type: none"> Sei Daun Batang Saponggol Marbau 	2009	North Sumatra	Certified
PT Mustika Sembuluh 1	2009	<ul style="list-style-type: none"> Mustika Sembuluh 1 Mustika Sembuluh 2 Kerry Sawit Indonesia 2 Sarana Titian Permata 1 Sarana Titian Permata 2 Sarana Titian Permata 3 KUD Bisa Maju Bersama 	2010	Central Kalimantan	Certified
PT Mustika Sembuluh 2	2015	<ul style="list-style-type: none"> Mustika Sembuluh 3 Bumi Sawit Kencana 1 	2015	Central Kalimantan	Certified
PT Kencana Sawit Indonesia	2010	<ul style="list-style-type: none"> Kencana Sawit Indonesia Koperasi Swamata 	2010	West Sumatra.	Certified
PT. Kerry Sawit Indonesia 1	2010	<ul style="list-style-type: none"> Kerry Sawit Indonesia 2 Kerry Sawit Indonesia 3 	2010	Central Kalimantan	Certified
PT. Kerry Sawit Indonesia 2	2015	<ul style="list-style-type: none"> Kerry Sawit Indonesia 1 Kerry Sawit Indonesia 2 Mustika Sembuluh 2 	2015	Central Kalimantan	Certified
		<ul style="list-style-type: none"> KUD Tabiku Makmur KUD Karya Bersama 	2017	Central Kalimantan	Final Audit
PT. Tania Selatan	2010	<ul style="list-style-type: none"> Burnai Barat Burnai Timur 	2010	South Sumatra	Certified
		<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	2011	West Sumatra	Certified

		Agung Megah Utama, Perkebunan Anak Negeri Pasaman, Koperasi Tompek Tapian Kandis, Koperasi AWM, Koperasi BST, Koperasi MSJ			
		KUD Dastra II, KUD Dastra 1	2019	West Sumatra	-
PT. ANI (Sambas)	2012	ANI Estate	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	2012	Central Kalimantan	Certified
PT. Sarana Titian Permata	2012	Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2012	Central Kalimantan	Certified
PT. Sarana Titian Permata 2	2020	Sarana Titian Permata 1, Sarana Titian Permata 2	2020	Central Kalimantan	Main Assessment
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)	2020	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	2014	Mentaya Sawit Mas 1, Mentaya Sawit Mas 2, Bumi Sawit Kencana 2	2014	Central Kalimantan	Certified
PT. Sinarsiak Dianpermai	2020	PT Sinarsiak Dianpermai Estate	2020	Riau	Stage 1 (September 2014)
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	2017	West Kalimantan	Certified
		Buluh Cawang Estate	2020		Not Certified
PT Karunia Kencana Permaisejati	2017	PT. Karunia Kencana Permaisejati 1, PT. Karunia Kencana Permaisejati 2, PT. Karunia	2017	Central Kalimantan	Certified

		Kencana Permaisejati 3			
PT Rimba Harapan Sakti	2015	PT. Rimba Harapan Sakti 1, PT. Rimba Harapan Sakti 2, , Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2015	Central Kalimantan	Certified
PT Agronusa Investama Pahauman	2020	PT ANI Pahauman estate PT Pratama Procentindo	2020	West Kalimantan	-
PT. Agro Palindo Sakti 2	2020	PT. Agro Palindo Sakti estate, PT. Indo resin Putra Mandiri, PT. Daya Landak Plantation, PT. Putra Indotropical	2020	West Kalimantan	-
PT. Agroindo Indah Perkasa 2	2023	PT Agroindo Indah Perkasa Estate	2023	Bangko – Jambi	NPP Audit in 2010
PT. Musi Banyuasin Indah	2020	PT MBI Sei Jarum estate PT MBI Sei Selabu estate	2020	South Sumatera	Final Audit
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	<p>The company currently has associated smallholders since 2017, based on the following agreements:</p> <ul style="list-style-type: none"> - Agreement of 377.24 Ha dated 7 November 2017 with Makmur Sejahtera cooperation sub district of Seruyan Hilir, district of Seruyan - Agreement of 224 Ha dated 7 November 2017 with Makmur Sejahtera cooperation sub district of Seruyan Hilir, district of Seruyan <p>The members of smallholders are 355 members according to decree of Seruyan district head No. 188.45/428/2015. The area of 377.24 currently are hand over areas from PT. Kerry Sawit Indonesia (subsidiary of Wilmar), which the FFB have been sent to RHS POM since July 2018 in the name of Makmur Sejahtera cooperation.</p> <p>The legally process of smallholders areas, currently in location permit process:</p> <ul style="list-style-type: none"> - Approval of principle and location map from Head of Seruyan District No. 500/340/EK/II/2018 dated 13 February 2018 for ±377 Ha. - Approval of principle and location map from Head of Seruyan District No. 500/1787/EK/XI/2016 dated 30 November 2016 for ±224,06 Ha - Letter of application for technical consideration from Makmur Sekahtera cooperation No. 02/KSU-MS/PL/II/2017 dated 20 January 2017 to land agency of Seruyan district. - Letter of application for location permit from Makmur Sekahtera cooperation No. 02/KSU-MS/PL/II/2017 dated 20 January 2017 to Head of Seruyan District. <p>This progress of associated smallholders certification will observe within 3 years after the FFB sent to RHS POM.</p>				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-3	<ol style="list-style-type: none"> 1. Leonada (Lead Auditor). Bachelor of agriculture for plant breeding and seed technology programme study, department of agronomy, faculty of agriculture in Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and sustainability in private company of Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: training of indonesian sustainable palm oil (ISPO) lead auditor, training of RSPO lead auditor, RSPO SCCS training, SA 8000, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, lead auditor ISO 9001; 2008, ISO 14001; 2005, training of management development program agronomy, training of analysis base solution for operation, training of integrated pest management (IPM), use of limited pesticides training, training management of waste pesticides and fertilizers, training mediation and conflict resolution, RSPO social and worker welfare training, general safety specialist training, health and safety management system (SMK3) auditor. In this audit He conducted an assessment on Legal, land dispute and SCCS. 2. Asystasya Aishah Silalahi (Auditor). Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, and several in house training related to environmental, BMP, SA 8000, etc. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she verify transparency, Social, and Worker Welfare aspects. 3. Hasiholan Sihombing (Auditor). Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO, RSPO P&C Lead Auditor Course by Checkmark, SA 8000 Awareness, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), OHS General Expert, OHSAS 18001:2007, and ISO 17021 & 17065. He has experienced in various audit activities related to the certification system of sustainable palm oil plantation since 2016. During this audit, he assigned to verify best management practices and OHS aspects. 4. Radytio Puspanjana (Auditor Trainee). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMTI, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospacial Information System, IHT High Conservation Value, IHT Environmental Impact Assesment, IHTGreen House Gas and RSPO Awareness In House Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. At the time of audit, has supporting verify aspect of HCV and environmental aspect
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-3	<p>Number of auditors : 3 auditor and 1 auditor trainee Number of days for ASA-3 at site : 5 days Number of working days for ASA-3 at site : 15 Working days</p>
2.2.2	Assessment Process
ASA-3	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Rimba Harapan Sakti to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 30th September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on June 2017 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or</p>

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-3** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**ASA-4**). Improvement of findings from main assesment findings were observed by auditors at this **ASA-3** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-3**.

The assessment program please find Appendix 2

2.2.3 Locations of Assessment

ASA-3 Number of unit in this certification activity is 1 (one) Mill and 2 (two) Own Estates. The auditors team determined that the sampling locations are one palm oil mill (Rimba Harapan Sakti POM) and two estates (RHS 1 and RHS 2 Estate). Detail of field visit locations described below:

Rimba Harapan Sakti POM

1. **Weighbridge Station.** Observations and interviews related to SCCS, they are understanding the work procedures and unions.
2. **Land application in Block J4 STP 2 Estate.** Observation about land application condition. The location is in accordance with the permit owned.
3. **Waste water treatment plant.** Observation about WWTP condition and interview with WWTP operator about his job description, WWTP management, and there is leakage to soil surface.
4. **Chemical store.** Observation about store condition and interview with the worker about chemical store management, OHS implementation, and worker welfare.
5. **Workshop.** Observation about workshop condition.
6. **Solar tank.** Observation about solar tank condition, emergency facilities near solar tank, and there is no solar spillage to soil surface
7. **Security Post (2 security).** Observation and interview with security related personnel understanding over the applicable SOP, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
8. **Loading Ramp (3 workers).** Observation and interview with sortation personel related to personel understanding over sortation procedure, the implementation of sortation, fruit criteria, fruit separation with ripeness and rawness criteria.
9. **Sterilizer Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
10. **Press Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
11. **Boiler Station (1 workers).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
12. **Engine Room Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
13. **Kernel Station (1 worker).** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
14. **Hydrant No. 01.** Simulate the facility of emergency.
15. **WTP. (1 Operator).** Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.
16. **Hazardous waste temporary warehouse. (1 Operator).** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste

temporary warehouse.

17. **Solid Waste.** (1 Operator). Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill

Rimba Harapan Sakti 1 Estate

1. **HGU Pole No. 14 (block 100).** Observation the conditions and position of legal boundary
2. **HGU Pole No. 15 (block 600).** Observation the conditions and position of legal boundary
3. **HCV area Pukun riparian (block 034).** Observation the implementation of management in HCV area
4. **Enclave area (block 289).** Observation enclave location and conditions
5. **HCV area occupied (block 471).** Observation HCV area that occupied conditions
6. **HCV area occupied (block 600).** Observation HCV area that occupied conditions
7. **Crèche facility.** Observation on crèche condition and interview with worker about worker welfare, facilities provided by company, and company's policies.
8. **Generator room.** Observation and interview with worker about worker welfare, generator operational, and OHS implementation.
9. **PPE storage and rumah bilas.** Observation and interview with worker about activities in PPE storage, waste management.
10. **Water treatment.** Observation about water treatment condition and emergency response facilities.
11. **Housing complex division 2.** Observation about waste management, drainage, and other facilities such as worship place, sport venues, and others.
12. **Reservoir Block 072 Division 2.** Observation about buffer zone and reservoir management.
13. **Landfill block 087 Division 2.** Observation about domestic waste management.
14. **Block 092 Division 2 (10 Pesticide Applicator).** Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
15. **Block 028 Division 1 (10 Fertilizer Applicator).** Observation on safe working practices and interview with the fertilizer workers related type of fertilizer use according to the procedure and also worker welfare.
16. **Block 098 Division 2 (3 harvester).** Observation of procedure application related fruit ripeness, safe working practices and interview about worker welfare.
17. **Block 098 Division 2 (Loading FFB process).** Interview with foreman of FFB about loading FFB prosedure, administration, FFB sortation in platform, safety and health and worker welfare.
18. **Block 037 Division 1 (Barn Owl Nest Observation).** To check nest condition.
19. **Block 037 Division 1 (EFB Application).** Field observations on application of empty fruit bunch
20. **Agrochemical material warehouse (1 Clerk).** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
21. **Hazardous waste temporary warehouse Liquid & solid (1 Clerk).** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
22. **Fertilizer Warehouse (1 Clerk).** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
23. **Body shower of spraying team and mixing area (1 Clerk).** Observation the conditions body shower room and PPE handling.
24. **Fire Fighting Equipment Storage & fire tower monitoring (4 person fire Tim).** Simulation the function of fire extinguishers and team readiness.
25. **Fuel storage (1 operator).** Observation about solar tank condition, emergency facilities near solar tank, and there is no solar spillage to soil surface.
26. **Clinic (2 paramedic).** Observation First aid rooms reasonably clean condition, medical waste recording, labor medical check up and work accident.
27. **Generator room (1 operator).** Observation and interview with clerk related to generator system, engine capacity, and possible occurrence of spills to environment, PPE dan Health safety and labor management.
28. **Workshop (4 mechanic).** Observations and interviews with workers related to the management and implementation of health safety, and social worker.

Rimba Harapan Sakti 2 Estate

1. **HGU Pole No. 56 & 57 (block 187).** Observation the conditions and position of legal boundary
2. **HGU Pole No. 58 (block 188).** Observation the conditions and position of legal boundary
3. **HCV area Kerangas (block 369).** Observation the implementation of management in HCV area
4. **Enclave area (block 369).** Observation enclave location and conditions
5. **Crèche facility.** Observation on crèche condition and interview with worker about worker welfare, facilities provided by company, and company's policies.
6. **Generator room.** Observation and interview with worker about worker welfare, generator operational, and OHS implementation.
7. **PPE storage and rumah bilas.** Observation and interview with worker about activities in PPE storage, waste management, and OHS implementation.
8. **Water treatment.** Observation about water treatment condition and emergency response facilities.
9. **Housing complex division 1.** Observation about waste management, drainage, and other facilities such as worship place, sport venues, and others.
10. **Reservoir Block E054 Division 1.** Observation about buffer zone and reservoir management.
11. **Landfill block 110 Division 1.** Observation about domestic waste management
12. **Block 129 Division 1 (7 Pesticide Applicator).** Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
13. **Block 145 Division 1 (8 Fertilizer Applicator).** Observation on safe working practices and interview with the fertilizer workers related type of fertilizer use according to the procedure and also worker welfare.
14. **Block 115 Division 1 (3 harvester).** Observation of procedure application related fruit ripeness, safe working practices and interview about worker welfare.
15. **Block 115 Division 1 (Loading FFB process).** Interview with foreman of FFB about loading FFB prosedure, administration, FFB sortation in platform, safety and health and worker welfare.
16. **Block 145 Division 1 (Barn Owl Nest Observation).** To check nest condition.
17. **Block 146 Division 1 (EFB Application).** Field observations on application of empty fruit bunch and interview with the workers related to the procedure, safe working practices and also worker welfare.
18. **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
19. **Agrochemical material, lubricant, fuel, and spearpart warehouse (3 Clerk).** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
20. **Clinic.** (2 paramedic). Observation First aid rooms reasonably clean condition, medical waste recording, labor medical check up and work accident.
21. **Workshop** (4 mechanic). Observations and interviews with workers related to the management and implementation of health safety, and social worker.
22. **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
23. **Kindergarten and Daycare.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, day-cares, school, employment and interview related complaint mechanism.

Surrounding communities

1. **Pematang Limau Village.** Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities.

2.3 Stakeholder Consultation and Stakeholders Contacted

2.3.1 Summary of stakeholder consultation process.

- ASA-3** Consultation of stakeholders for PT Rimba Harapan Sakti was held by:
- Public Notification at web [www.mutucertification.com](http://mutucertification.com/wp-content/uploads/2018/09/Notification-RSPO-Surveillance-3-PT-Rimba-Harapan-Sakti-RHS-POM-English.pdf) on September 3rd 2018 (<http://mutucertification.com/wp-content/uploads/2018/09/Notification-RSPO-Surveillance-3-PT-Rimba-Harapan-Sakti-RHS-POM-English.pdf>)
 - Consultation meeting and interview with locals of the nearby village and ex land owner (Pematang Limau Village) on September 18th 2018.
 - Consultation meeting and interview with Internal Stakeholder (Bipartite Cooperation, gender committee and local

	<p>contractor) on September 18th 2018.</p> <ul style="list-style-type: none"> - Public consultation meeting with government of Seruyan Regency conducted by visits and interview on September 18th 2018. - Consultation with NGO (Sawit Watch, WWF, Walhi and AMAN) on September 12th 2018.
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-4) will be determined one year after this ASA-3 (September – 2019).

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Rimba Harapan Sakti POM – PT Rimba Harapan Sakti, Wilmar International Ltd operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there was one (1) nonconformity were assigned against Minor Compliance Indicator that raised to Major indicator.

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

MUTUAGUNG LESTARI found that Rimba Harapan Sakti POM – PT Rimba Harapan Sakti, Wilmar International Ltd complied with the requirements of National Interpretation of Principles and Criteria RSPO 2013 for Indonesia Juli 2016, approved RSPO Governors 30 September 2016 and Supply Chain Requirement for CPO Mill, June 2017.

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
<p>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>		
<p>1.1.1 Certificate holder has the latest list of stakeholder for period of July – December 2018, consist of statutory bodies, local communities, worker organization, and local NGO. Based on interview with management, the list of stakeholders will updated if there is a revision. Based on interview with statutory bodies in Seruyan Regency, they've already know the mechanism and person in charge for communication with stakeholder.</p> <p>Mechanism for consultation is listed in Transparency Procedure (SOP47/PR/6/0516) dated May, 1st 2016. The procedure explain that all the information request will be responded by CH in 14 days after the incoming letter. Stakeholders also can access the CH's documents, such as CH's policies, licensing, reporting, and so on. The list of document can be seen in Transparency Procedure. Based on interview with statutory bodies in Seruyan Regency, it is known that they don't have difficulties to communicate with the company for information request.</p> <p>1.1.2 Mechanism for consultation is listed in Transparency Procedure (SOP47/PR/6/0516). This document explains communication and consultation and information request procedures from the stakeholders. All the information request will be responded by CH in 14 days after the incoming letter. The person in charge for communication and consultation is Community Development Officer. The information request from stakeholders is about assistance proposal and mandatory reporting information and has been documented by CH. For example: The letter dated March, 9th 2018 from BKSDA about contribution for Indogreen Exhibitiron and it has been responded by PT RHS on March, 14th 2018 and transferred the donation to BKSDA on March, 27th 2018.</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.	
1.2.1	
<p>CH has list of document that can be accessed publicly that listed in Transparency Procedure. The procedure sets public documents and documents with limited accessed. The public documents, such as legal document, environmental documents (environmental policy, environmental management and monitoring report, etc), social document, OHS policy and program, and continuous improvement documents. These documents are available in estate and mill office.</p> <p>CH also has monitoring and management report, such as OHS implementation report, report of environmental management and monitoring plan, land use report, and plantation activities report. These documents also can be accessed by public through the mechanism which has determined by the company.</p>	
	Status: Comply
1.3	
Growers and millers commit to ethical conduct in all business operations and transactions.	
1.3.1	
<p>CH has code of conduct document for all operational activities that listed on Document No 003/DIR-KP/IV/2016. Code of conduct explain Code of Conduct Principles, Conflict of Interest, Bribery and Illegal or Unethical Practices, Entertainment and Gifts, Misuse of Position, Insider Trading, Confidentiality, Restriction on Solicitation, Media Relations, Trade Union, Political and Social Activities, Installation of Illegal Computer Software, Anti Money Laundering, Trade Compliance & Export Controls and Sanctions, and Commitment to Human Rights.</p> <p>This policy has been socialized to the workers in each unit, such as in RHS 1 Estate on August, 21st 2018 attended by 26 participants and to local contractor on 5th and 8th May 2018. This policy is available in Indonesian Language. Based on interview with worker in estate and mill, it is known that they understand about the code of conduct. And also, contractor knew and understand about ethical conduct in CH.</p>	
	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	
<p>The CH has list of regulations of 2018 that includes local regulations and national regulation updated every six months. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. Some examples of regulations compliance that have been done such as plantation bussines permit and land use right. The other compliances of regulations are regarding to environment aspects are EIA management and monitoring in routinely, hazardous waste storage license approved by local government. Compliances of workers and OHS regulations are provided the minimum wage, company hygiene & occupational health, transporting and forklift operator etc.</p> <p>2.1.2, 2.1.3 & 2.1.4</p> <p>Procedure of legal requirement which presented in document SOP 08/CKP/(3)/0416 dated 1 April 2016 mentioned that Legal Officer has responsibility to arranged and monitored legal related laws and/or regulation. Internal audit of regulations compliance are conducted in every six months such as 1 May 2018. The procedure mentioned that in order to monitor and update of laws and/or regulations, the Legal officer required to actively check and make coordination with Government Agencies or Institutions.</p>	
	Status: Comply
2.2	
The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.	

2.2.1

CH has had the land rights in the form of Land Use Title by decree of Head of Indonesia National Land Agency No.26/HGU/BPN RI/2011 dated 13 June 2011 for an area of 13,789.745 hectares. Area of PT RHS's are forest area that has been released through decree of forestry ministry No: SK.100/Menhut-II/2005, on 21 April 2005 for an area of 16,702.26 Ha. The compensation process of other rights in the HGU has been conducted since 2009 to 2016.

2.2.2

Management unit has had list and map of boundary pole from National Land Agency. Management unit have conducted monitoring and maintenance of boundary pole every six month. The monitoring results for January – June 2018 are available 138 boundaries poles, the documents also informs the coordinates of each poles. The CH also has a guidance for monitoring and maintaining the boundary poles in procedure No.: 001/SOP/GIS/2014 valid since 1 July 2014. Based on field observation in Poles No. 14 and 15 (RHS 1) and Poles No. 46, 47 and 48 (RHS 2) found that the poles are available and maintained well, the boundary poles are found in the correct locations according to the legal map.

2.2.3, 2.2.4 & 2.2.5

CH has established the mechanism for conflict resolution and land dispute in the procedure No. 30/BM/(0)/0409. There is no significant land dispute/conflict, however there is an area of 169.10 Ha squatter dispute which is divided into areas that has been previously compensated and reclaimed (by other parties) as much as 64.8 Ha and areas that have not been compensated (the land owner not willing to compensate) as much as 103.46 Ha. To the reclaimed area, the company has made a settlement by meeting between the affected parties (the parties who is receiving compensation and the complainant) the meeting involving local government. The conflict in area of 64.8 Ha has been closed out by compensation show in compensation records that accepted by involved parties and according to interview with Pematang Limau Villager. Meanwhile, for 103.46 Ha that the land owner not willing to compensate, the company made partisipatory map and agreement not to disturb and respect each other. Based on field observation in RHS 2 estate block 369 (areas that are not willing to compensate), currently the area is controlled and managed by the community (land owner).

2.2.6

Sighted the company policy issued on 5 Dec 2013 which explained that WILMAR Group are committed to prevent any violence, do not use paramilitaries and do not intimidate in maintaining security and orderliness within the its operational area. Based on interview with communities and field observations, it is known there is no indication of contractually army used in plantation area of PT. RHS.

Status: Comply

2.3

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

2.3.1, 2.3.2, 2.3.3 & 2.3.4

CH has SOP No. SOP 30/BM/(0)/0409 issued on 1 July 2010 on FPIC. Procedures explaining the land compensation process through FPIC begin from identification of landowners, Input data (soil mapping), Negotiating compensation (according to the agreement and witnessed by a competent witness), payment of compensation, documentation. In addition, there is SOP No. 43/PR/(2)/0510 on recognition and company commitment to customary rights and community legal rights, issued on 17 May 2010.

The results of the public consultation and assessment of HCV and SIA is known that there are no indigenous rights or customary rights, the entire area is forest area which has been released trough decree of Indonesian Forestry Ministry. The individual rights within the area has been compensated in accordance with FPIC principles. Compensation process for all cultivated area has been done since 2009 to 2016, sighted the recapitulation of compensation as much as 148 persils (8664.480 Ha). Document and agreement shows that compensation process are done directed to the land owner and/or represented group. All document are known by local government namely Head of Pematang Limau village and based on interview with Pematang Limau villager and previous land owner it's known that the company did not planted in the area of HGU that had not been compensated.

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

The Company has documents on the long-term plan contained in the Financial Projection period 2015 - 2020 which contains:

- Financials (FFB production, total FFB processed, OER, KER, CPO production, PK production, own FFB sales to related-co, FFB price (Rp/mt), CPO price (Rp/mt), PK price (Rp/mt), CPO revenue, PK revenue, Gross operating profit, Profit after and before taxation, total operating cash surplus (deficit), Taxation, servicing of finance and cumulative cash after servicing of finance).
- Area Statement (mature, immature, total plantable area, unplanted group, total area, FFB production).
- Crop and Estate Cost (seperti biaya Maintenance, harvesting, dan total biaya).
- Plantation Development Cost.
- Capital Expenditure Estate and Mill (Processing cost, direct labour, factory overheads and, indirect labour, general and admin).
- Sustainability Implementation Costs (Environment, Social, Health and Safety also Other Related Compliance Expenses).
- Plan for management of scheme smallholders.

Annual planning also evaluated at the end of year and compared with realization. It annual planning can be adjusted based on field condition, financial condition or another reason.

3.1.2

Replanting program has not been planned up to five (5) years due to the oldest planting year is 2009. Based on the procedures, the indicator of replanting is yield/ha (<14 tons of FFB / ha), plant age (> 25 years), and plant height (> 13 meters).

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

There is no change on procedure by the certified unit since the last assessment until this assessment (ASA-3) covered in "Agricultural Manual and Standard Operating Procedure For Oil Palm". The document contains about the procedure for pre-development survey, assessment and planting, nurseries, land clearing and preparation, legume cover crop, oil palm planting, upkeep and maintenance of oil palm, harvesting of Fresh Fruit Bunches, plant protection, pest, and disease management, oil palm to oil palm replanting, EFB mulching, quantitative agro management system (QAMS) and oil palm thinning technique.

Meanwhile, with regard to the processing in the mill, the company has had the document of processing job execution procedures (SOP of mills). The SOP consists of: Volume I (FFB Grading, Laboratory Sampling and testing procedures, general and security, weighbridge, loading ramp, sterilization station, threshing station, pressing station, clarification station, kernel recovery station and boiler house). Volume II consists of power plant, water treatment plant, waste management, land application and solid waste, EFB utilization, workshops, electricity system, quality, storage and delivery of CPO and kernel, laboratory, procedure for producing CPO with low FFA.

Interviews were conducted to harvester, pesticides applicator, and manuring worker in RHS 1 Estate and RHS 2 Estate. Based on the results of interviews can be concluded that the workers understand the duties and responsibilities of their work in accordance with the applicable SOP.

The entire procedure both of plantation and mill has been included of safe working instruction, other than those described

in the HIRAC document.

4.1.2 and 4.1.3

To ensure consistency of procedures implementation, company has a monitoring inspection mechanism that was carried out regularly through the internal audit activities. Internal audit conducted twice a year or if needed which the scope of the inspection includes estate and mill operational activities. There are several types of audits which are conducted routinely by the company. For example: (1) QAMS Audit (Quantitative Agronomy Management System). Carried out routinely once every two weeks by the Department of Ecological Management Unit (EMU) to monitor the activities of best management practice. Some of the findings among others relating to the rotten loose fruits in the path and circle of plant; (2) SDC Audit (System Development Control) which is aimed to audit the administration of the estate. Conducted every 6 month. All non-compliance records of internal audit has corrected and verified by the company.

Each unit has documented the operations of the estate and mill production such as daily reports, supervisor workbooks, etc. The field visit at the mill shows that the unit has been documenting the daily activities in a daily production report that documented by using computerized systems.

4.1.4

PT Rimba Harapan Sakti Mill received FFB from other wilmar group estate (PT Sarana Titian Permata & PT Kerry Sawit Indonesia) and scheme smallholder of PT Kerry Sawit Indonesia. PT RHS not receiving FFB from independent outgrower. The procedure of receiving FFB from smallholder is describe in agreement of both parties.

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

CH has had a procedure to manage and maintain soil fertility (SOP No. SA 05 / EMU / (1) / 0811), on that's procedure described to maintain soil fertility the company conducted manuring activities accordance with recommendation from research, POME applications, and maintain cover plant meanwhile there is procedure for soil sampling ((SA 12/EMU/2/0916 rev 02) as a guidance for soil sampling analysis.

Interviews were conducted on 10 fertilizer workers in block 028 RHS 1 and 8 fertilizer workers in block 145 RHS 2 Estate. From the interview result it is known that the workers can explain the procedure of fertilization well, that is in accordance with the dose determined based on the recommendation, sprinkled it in around and using calibrated containers. Field visits and interviews on workers related to EFB application are conducted in block 037 RHS 1 and block 146 RHS 2 Estate. EFB application has done well and in accordance with recommended dosage (40 tonnes/ha).

4.2.2

RHS 1 and RHS 2 Estate shown the plan and the realization of fertilization for period until August 2018. Based on document review and interview with the staff, the realization of fertilization in RHS 1 and RHS 2 Estate reach 100% completed according to the program.

4.2.3

To find out the soil fertility, CH conducting of soil and leaf analysis periodically that conducted by Ecological Management Unit (EMU) as follows:

- **Soil Analysis Activities** - Laboratory analysis about the condition and soil nutrient content in the soil samples to determine the fertilizer recommendation in maintaining and improving the balance of nutrients in the soil. Parameters measured among others: Texture, acidity (pH), content of C, N, P, K, Mg, Ca, Na, BS, CEC, Al and H. Soil analysis activity conducted with a 15 years period in accordance with the Agronomy SOP of soil sample taking for the soil fertility status (SA 09 / EMU / 0/0115).
- **Leaf Analysis Activities** - The results of leaf analysis annually published the recommendations of fertilizer dosage to produce the optimal palm fruit. The principle of fertilization is the provision of treatment on the soil to produce the nutrients required by the palm oil with optimum results. Indicator Major elements namely N, P, K, Mg and Ca and

Indicator Minor elements namely B, Cu, Zn and F.

- **Visual Analysis Activities** - Visual observations performed every year at the time of leaf analysis activities. Visual observation is a consideration in determining the fertilizer recommendations, deficiency of nutrients and analyze the potential of disease which is likely to become endemic of a particular disease.

Result of soil and leaf analysis results published recommendation on fertilizer doses to produce an optimal production of palm fruit. Principles of fertilization are giving treatment on the ground to produce the nutrients required by palm and generating optimal results.

4.2.4

CH has a strategy of recycling nutrients, such as the use of the frond (pruning), application of effluent and EFB Mulching. CH shown a recording of the realization of EFB applications in 2018 on RHS 1 and RHS 2 Estate. Overall, the certificate holder has made efforts to maintain and improve soil fertility. Visually, there is no symptom of nutrient deficiency at the blocks that have been visited. Until the ASA-3 assessment, CH had not carried out replanting activities, so there was no use of the palm residue after replanting.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1; 4.3.2; 4.3.4; and 4.3.5

CH has conducted semi-detailed soil survey based on a survey of Param Agriculture June 2007, which describes the distribution maps of slope and type of soil in the operational area. Semi detailed soil survey indicated there are areas were classified as marginal land with soil type Sandy and the limitation factor are drainage. Moreover there is no peat area in PT RHS. This is confirmed during field observation to RHS 1 and RHS 2 Estate. Hence, water management and peat subsidence monitoring activity and drainability study for replanting activity are not applicable.

Based on the identification result in the slope map of SRTM3 in 2012 known that the company area is located in the area with a slope of 0-12% with a flat classification, so that the company does not perform specific management strategy in areas with a certain slope.

4.3.3

CH shows a road maintenance program for the 2018 period. Both RHS 1 and RHS 2 Estate have classified roads based on their conditions (good, medium and heavy). From these data the company made priority programs in road improvement. For example, RHS 1 Estate has 14,710 meter road repair program in 2018. Until the audit is carried out, the realization of road improvements has reached 37,542 meters.

Based on field observations throughout the audit activities, it was concluded that the road conditions on the RHS 1 and RHS 2 Estate were in good condition and could be passed.

4.3.6

Semi detailed soil survey indicated there are areas were classified as marginal land with soil type sandy and the limitation factor are drainage. From field observation in RHS 2 Estate block 037 and RHS 1 Estate block 115, certificate holder implemented several strategy such as EFB mulching application with a dose of 40 ton/ha/year, furthermore selective weeding and soft weed management such as *Neprolephis bisserata* to maintain soil mousturiser and minimising the evaporation.

Status: Comply

4.4

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

4.4.1, 4.4.2

The identification of the water bodies and wetlands is contained in the company's HCV report document, in addition there is a map of identification of water flow and wetlands scale of 1: 70000 issued by GIS Dept, based on the map there is a stream of Pukun river and its tributary that cross the operational area of PT RHS . The river border management guidelines have been prepared in SOP no.: 20 / HCV / 1/2015 effective January 2015 approved by Plantation Head.

According to environment monitoring program analysis, it was informed that the company activity has not affect is already the standard required (PP No. 82/2001 Class 2). Domestic housing well and consumption water from reverse osmosis testing analysis shows that all parameters are less that the detection limit indicated by Minister of Health Regulation (Permenkes) Number. 416 1990, respectively.

During the field observation to riparian of Pukun river block 034 RHS 1 Estate it is seen that the riparian area is maintained, there is no indication of spraying to the river bank. Marking has been done and there are signboard ban to disrupt the riparian, sighted that the company has set the sampling point and there is planting of local plant species.

4.4.3

RHS POM wastewater is treated in a series of ponds with a total is 14 pond namely: cooling pond (1 pond), mixing pond (2 ponds), anaerobic ponds (10 ponds) and bacterial pond (1 pond between pond number 8 and 9). Wastewater quality test are done in monthly basis as required by national regulation (KepmenLH No 29 Tahun 2003). Sighted the report of wastewater quality test, for e.g. period of January – June 2017 done by KAN accredited lab (accreditation no.: LP-195-IDN), the result shows that the entire parameters tested are below of specified threshold (BOD < 5000 and pH 6-9).

Base on field visit in RHS POM, no indication over flow effluent in WWTP, flow meter was well functioned and there is no issues from stakeholders related to land application. Permit of effluent utilities was accordance Regent Decree Number 188.45/512/2015 dated December 16, 2015, valid for five years.

4.4.4

The mill has been monitored the water usage for FFB processing, during the field observation to the WTP shows that the company has installed flow meter as a tool to measure water utilization, all tools are functioning and recording done every day. Sighted the report of water usage monitoring on document “*laporan data pemakaian air 2018*”, informs: month, actual FFB processed, budget of water, actual of water usage and water usage on m3/ton. Based on the report there is water consumption that exceeds the budget in some period of months, it has been evaluated and justified by the mill that its due to the there is additional supplying of FFB from other estates (other plantation under wilmar).

The company has a water utilization permit in accordance with the integrated licensing office Province Kalimantan Tengah Number. 570/03/DPUPR-IPAP/I/DPMPTSP-2018 date January 8, 2018.

Status: Comply

4.5

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

4.5.1

Procedure of Observation and Control of Disease set in the Agriculture Manual & Standard Operating Procedure For Palm Oil Plant, Chapter 8 Plant protection- Pest and Disease Management. In the procedure explained about the types of pests and diseases, the detection period (1 or 2 months), threshold control of pests and diseases, methods for sampling at the time of detection or the census, as well as the control recommendations. In this procedure was explained that the pest detection activities are conducted every one or two months

Also available Procedures of Detection and census of Pests and Diseases for Palm Oil which aimed to ensure the pest and disease control program can be performed regularly and sustainable. In the procedure explained the description of activities, namely Detection of Pests and Diseases; Census of Pests And Diseases, planting the beneficial plants, reporting and documentation. IPM programs are conducted by the company, among others Pest Detection Program carried out periodically every two months and in case of attack symptom is held every month and Beneficial plant maintenance activities performed every month.

CH has a good commitment to improve the use of pest natural predator as part of integrated pest control. One of natural predator development is the reproduction and the construction of barn owl box as a mechanism to control rat. The company monitoring barn owl box occupation at least once a month. The monitored parameter are the existing of barn owl in the boxes, left food, and sign of reproduction such as egg or owl. Currently, there are total 95 barn owl boxes in RHS 1 Estate and 105 barn owl boxes in RHS 2 Estate. Auditor has made an observation to the owl nest box in RHS 1

Estate (block 037 division 1) and RHS 2 Estate (block 145 division 1) where the condition of the nest box was in good condition and inhabited. Based on field observation on harvesting, spraying and manuring activities, it was concluded that there were no significant pest attacks.

4.5.2

CH has records of the training implementation for staff who are involved in the implementation of integrated pest management, for example, Integrated Pest Management training on 20 Augusts 2018 with the number of participants are 22 employees consisting of census operators, supervisors, and field assistants. Based on interview with the worker revealed that the worker understand the method of plant pest and diseases census or detection.

Status: Comply

4.6

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

4.6.1

CH has a procedure in using pesticides contained in Agronomy guidance and SOP of oil palm plantation on 2015 ratified by Group Head of Plantation. In the SOP showed the rotation of circle spraying and harvesting path, weed controls spot/selective weeding as other special grass and weeds by using pesticides in accordance with the target in the field for example grass controls by selective using *glyphosate*. In the SOP also not allowed using pesticide with active ingredient of *paraquat*.

Based on field visits and interviews with 10 pesticide applicator in block 092 RHS 1 Estate and 7 pesticide applicator in block 129 RHS 2 Estate, it was concluded that workers knew about the function of the chemical used and selective when doing the spraying activity, as for example for *glyphosate* material used to spray the circle and harvesting path only while the weeds in inter row not sprayed. CH used *Isopropil amina glyphosate*, *Metil metsulfuron*, and *triclophyr*, which have received permission from the government.

4.6.2

The company has documented records of pesticide toxicity in the document of Monthly Pesticide Toxicity Data. The document is recorded product name, active ingredients, LD50, percentage of active ingredients, total application, total active ingredients, FFB production and pesticide unit/kg FFB. This document is constantly recorded and updated by Estate Sustainability Officer each month.

4.6.3

The company has program to reduce the pesticide usage that covered at SOP Agronomy (No.SA11/EMU/0/1014) by replacing pesticides with biological controls such as using natural predators to control rat and planting the beneficial plant. Based on document review and field observation, several IPM program with biological approach that has been implemented such as rat control by *Tyto alba*, and leaf eater caterpillar by planting beneficial plant such as *Turnera subulata* and *Casia cobanensis*. Moreover, the company has also conducted early detection routinely listed in the monthly report of early warning system. There is no prophylactic use, it is shown that any pest control using pesticide is based on census result.

4.6.4

Based on Willmar Policy that released on 5 December 2013 stated that:

“Pesticides that are categorized as World Health Organisation Class 1A or 1B, or that listed by the Stockhom or Rotterdam Conventions, are prohibited except in emergency situation. Paraquat usage is prohibited.”

Based on document verification and field visit to pesticide storage, RHS 1 and RHS 2 Estate no longer use paraquat since 2013 and in the last 3 years do not use pesticide with WHO 1A or 1B class

4.6.5; 4.6.7 and 4.6.9

The results of field observation in warehouse and interview with 10 sprayers of RHS 1 Estate in block 092 and 7 sprayers of RHS 2 Estate in block 129, it is known that the employees have been given regular training in safe work practices. This was showed by the workers that can demonstrate the correct way to work in accordance with the procedures including how to use and handling the risks in accordance with material safety sheets. 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 sprayer also using personal protective equipment in accordance with specified hazard identification and material safety data sheet such as respirator mask, gloves, safety shoes, apron and googles. In addition, employees are also informed about the steps of secure work in each roll call in the morning before work. Meanwhile, the spraying workers interviewed also claimed that after spraying they will be washing up and drying up the PPE and spraying tools (sprayer tank, jerry-can, etc), and taking shower/changing clothes in special place near pesticide store of the division office. Therefore based on field observation to pesticide mixing area in RHS 1 and RHS 2 Estate, that known there are storage for keeping all PPE's and spraying tools after use. The company held training on pesticide handling to associated smallholder conducted on 16 December 2017 which was attended by 30 participants.

4.6.6 and 4.6.10

The company has the SOP of storage of pesticides (SOP 17/EHS/(0)/0409, dated April 2009). In that procedure explaining about the mechanism of the pesticide storage in special warehouses including the mixing place of pesticides to be used in the field in the isolated special place so that does not potentially exposure to chemicals outside the warehouse. As for the storage of old pesticide containers are stored in the Hazardous Waste Temporary Warehouse then sent to the licensed collector. Based on the results of field visits in pesticide warehouses and hazardous waste temporary warehouse known the pesticide warehouse is managed properly, provided oil trap, enough air ducts and isolated so that there is no potential of pesticide to exposure outside the warehouse. Pesticide waste like old pesticide containers are classified as hazardous waste is also stored in the hazardous waste temporary warehouse which is monitored well and then collected to the licensed collectors. Furthermore, based on field observation to housing complex of RHS 1 and RHS 2 Estate, it could be concluded that there were no use of ex pesticide and hazardous materials containers for domestic purposes such as waste containers and flower pot.

4.6.8

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

4.6.11

CH has list of pesticide operator based on latest data of August 2018 as many as 29 workers for RHS 1 Estate and 31 workers for RHS 2 Estate. Medical examination (cholinesterase) has been conducted on 15 May 2018 to all pesticides workers in RHS 1 and RHS 2 Estate. The result of medical examination is informed to the workers and all pesticide operators are in a healthy condition (normal result). And also, based on interview with the workers, it is known that they are never get experience of occupational injury which caused by chemical such as irritation.

4.6.12

Same with ASA-2 activity, at point 2.4.2 in Standard Procedure for Safety of Spraying and Fogging (PSKK 2/CKP/(2)/1111, November 2011, revision 02) it is stated that no pregnant/breastfeeding women conduct mixing and spraying of agrochemicals or other activities related to the handling of agrochemicals.

Certificate holder has a policy that prohibits pregnant and breastfeeding personnel working with chemical material. Based on interview with female spraying personnel, it is known that there was neither pregnant nor lactating female personnel who work with pesticide. Moreover, CH conducts pregnancy test and examination every 3 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

Policy related to OHS still the same as previous assessment, namely OHS policy issued by Country Head dated May 22, 2015. Based on interview with workers known that they have been known about the OHS policy, for example workers are required use PPE while working and safe working practices. They also said that Field Officer perform morning briefing every day before starting work and ensure the completeness of the PPE of all workers. 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 estate workers (harvesters, manuring workers, and pesticides applicators) and mill workers (boiler operator, engine room operator, etc). 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

CH shown the document of hazard identification, risk assessment and risk control which issued on January 2018. It will be reviewed if any occupational accident happen. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on site observation at workshop and agrochemical warehouse in RHS 1 and RHS 2 Estate, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the company has been reduce the potential risk by routine socialization about OHS, providing PPE, and OHS signboard are available in workplace.

4.7.3

Based on documents verification and interviews, it is known that all operators at RHS POM, RHS 1 Estate, and RHS 2 Estate already have lisense such as boiler operators, lift carrier operators, welders and electrical technician. Based on field visits and interviews with workers, the company has provided PPE to workers. PPE for type of glove, ear plug, helmet, apron and safety shoes can be replaced immediately if damaged. This is evidenced by shown the recording of PPE distribution documents to the workers and the workers recognition from interviews also confirmed it.

4.7.4

CH already has persons that responsible for the OHS program within the organizational structure of Committee of Occupational Health and Safety (P2K3) established in each management unit. The organization routinely conducts monthly meetings on OHS issues in the workplace. The documentation of the meeting were recorded and stored well. Based on interviews to workers who are members of the P2K3 organization it is known that monthly meetings are always routinely conducted to discuss about OHS such as consistency of PPE usage, work accident report, fire simulation, checking of emergency response equipment, OHS sign board, cleanliness of work area, etc.

4.7.5

Certificate holder has made efforts to prevent emergencies and accidents. CH has procedures related to the handling of emergencies and accident investigation, the procedure is still the same as the previous assessment. CH has emergency facilities and infrastructure such as fire extinguisher, first aid kit, hydrant, water tank, and other supporting equipment.

RHS POM, RHS 1 Estate and RHS 2 Estate has already licensed first aid officers and there was first aid internal training conducted on 4 September 2018 in RHS 2 Estate which was attended by 39 participants. Based on field visits and interviews, it was found that all the supervisor in each of activities were equipped with first aid kit and had been trained on the use of first aid boxes and the supervisor explained the usefulness of each first aid kit.

4.7.6

Based on the Collective Labour Agreement (CLA) that workers have the right to receive medical care and be protected by the accident insurance. The management unit show proof of payment of Health and Employment Workers Social Security Agency (BPJS). Payments are made every month by percentage according to the regulation.

Based on interviews with RHS POM, RHS 1 Estate, and RHS 2 Estate employees, concluded that all employees were aware of the medical service procedures in the event of an accident or illness. All employees interviewed also claimed to have a health BPJS card, if they went to a company clinic there was no fee at all. Based on interview with contractor representative, it is known that the accident insurance for contractor's workers is covered by the head of contractor itself.

4.7.7

The company is still consistent in monitoring the recording of occupational accidents by calculating the lost time accident

(LTA). Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. This document informs the time period, the number of working days, the number of non effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of SR and FR is reviewed regularly and monitoring will be evaluated at the monthly meeting of Committee of Occupational Health and Safety.

Status: Comply

4.8

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

4.8.1

CH has training program for workers for period of 2018 for operational training. The aspect in the training program are such as environment, labor best management practice aspect, and others. Some of training program, namely:

- Socialization of Minimum Wage in January 2018
- RSPO/SCCS training in May 2018
- First aider certification in September 2018
- Socialization company's policy in January and July 2018
- And others

Based on interview with worker in estate and mill, they have received some training related to their work, such as work procedure training, emergency response, and first aid training. The training has been documented into minutes of meeting, list of attendees, and photo activity.

4.8.2

Company has showed the documentation of training or socialization whether it is internal or external training in form of minutes of meeting, list of attendees, and photo activity. For example:

- Socialization of 2018 minimum wage in RHS POM on 8th January 2018 attended by 20 participants.
- Socialization of company's policy in RHS 1 Estate on 24th August 2018.
- Socialization of complaint mechanism in RHS 2 Estate on 1st August 2018 attended by 92 participants.

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.

Up to ASA-3 activities there is no change in the environmental documents of PT RHS with the scope of the study in accordance with the land rights owned and the Mill capacity. PT RHS has a document of Environmental Impact Assessment (EIA) with covered area of 13,800 Ha and mill Capacity 45 ton FFB/hours. Structure and content of those EIA documents have met the requirement and regulations and have been approved by the authorities. Those EIA documents provided evidence of public consultation processes with the interested parties to identify impacts and formulating necessary mitigation measures.

5.1.2 & 5.1.3

The Company has consistently doing the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring. This report is made every six months and reported to the Environment Bodies of Seruyan District, the Environment Bodies of Kalimantan Tengah Province and Ministry of Environment and Forestry of the Republic of Indonesia. In the report described realization of monitoring and management of the environment in accordance with environmental parameters in the Environmental Management Plan – Environmental Monitoring Plan and ordered by regulations, among others Micro Climate Management., Gas and dust management, Noise management, Management of soil physical and chemical properties, Management of river water quality, Groundwater quality management, Management of river water discharge, management of aquatic biota, Community attitude and perception

management, Management of community unrest, Quality management and public health. The results of a public consultation with the Environment Bodies of Seruyan District indicate that the company has made environmental management and there is no issue of pollution caused by the company's operational activities.

Implementation of environmental management and monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of semester 1 of 2018 known there isn't negative impact caused by CH, such as the result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government. Interview with environmental agency of Seruyan district show that CH has been submit the RKL-RPL implementation report every six month and there isn't negative impact caused by CH.

Status: Comply

5.2

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

5.2.1

The HCV assessment was conducted in 2009 by Malaysian Environmental Consultants Sdn Bhd, a total HCV area identified is 4,960.57 ha. The assessment team is RSPO approved assessor (Dr. Kishokumar jeyaraj, Dr. Sarinder Kaur, Dr. Lim Meng Tsai). In the report attachment sighted the evidence of stakeholder involvement such as local government, oil palm plantation company bordering to PT RHS, representatives of surrounding villages and NGOs in the form of attendance list, FGD and interview documentation. The community involved is Tanjung Rangas village (currently is village of Pematang Limau).

The Company shows the report of the change of HCV area (after re-delineation) on 28 December 2013 approved by government. The total area of HCV before re-delineation is **5,395.58 Ha**, there is a reduction HCV area since re-delineation area 28 December 2013, so that HCV areas year 2018 be **5,379.40 ha**.

HCV assessment has included biodiversity assessment using standardized scientific methods. The report has been completed with an identification map with scale 1: 70000, issued by GIS Dept.

5.2.2, 5.2.3

Available SOP Regarding Orang-utans protection and action against Orang-utans found in HGU in SOP 60 / EHS / 0/0111 and SOP Wildlife protection with SOP 18 / HCV / 1/0615 document valid on June 1, 2015 authorized by General Manager.

The Company regularly monitors HCV and/or RTE species, as described in the report of Rapid Survey HCV PT RHS for 2017 there are 12 species of fauna (eg. Orangutans, Sun-bears, Gibbons, Pangolins) and 8 types of flora (eg : Keruing/Apiton, *Eusideroxylon zwageri*, *Shorea leprosula* and *Shorea palembanica*) in the RTE category. Rapid survey results have been reported to BKSD in accordance with the requirements of Government Regulation No 7/1999. Base on consultation and communication with local government and BLH carried out in associate with the implementation of PerBup of Seruyan Regent No. 65 of 2015 on guidelines of value areas for biodiversity conservation in oil palm plantations.

HCV management and monitoring plans are prepared per 2 years period, sighted the plans for 2016-2018, among others: HCV and RTE socialization to communities and employees, installation of warning-sign, restoration activity, monthly monitoring, survey of flora and fauna, monitoring of Orang Utan population (the transect of monitoring has been installed) and HCV patrol in daily and monthly basis.

The realization report of monitoring and management for the period of 2017 is contained in the document "*laporan realisasi pelaksanaan pengelolaan dan pemantauan kawasan HCV dan riparian tahun 2017*".

In addition, there is evidence of management activities during 2018, among others: report of monitoring and survey of wildlife posters and HCV signborad per month, set-up the monitoring transect of flora and fauna, restoration of riparian area by planting woody plants (eg, planting of *Syzygium leucoxylon* in blocks 120 RHS 2 on 1 - 6 Feb 2018), monitoring of orangutan populations conducted quarterly (no encounters), and socialization of HCV, RTE species and sanctions if there were violations to the surrounded villages (in Pematang Limau village April 14 2018 and socialization to PT RHS

employees during morning muster).

Based on field visit to housing complex in RHS 1 and RHS 2, no found any employees who capture, harm and collect the fauna which categorized RTE species. The employee has been well understand to the sanction regarding to this matter.

5.2.4, 5.2.5

Based on field observations to HCV areas in RHS1 (eg HCV in block 076, block 092 and riparian of Pukun river) there is a potential for disruption to the presence of HCV (the permanent and un-permanent community buildings and HCV areas which cultivated by the communities). It has been identified by the company in June 2017, there were as many as 18 locations (78.83 Ha) disruption to the area HCV describes in the HCV disturbances maps issued by the company (scale 1: 70000, No. HD7330, dated 15 Sept 2017). HCV protective measures and to reduce the threat had been carried out by socialization and communication to the communities and involving the relevant agencies. However, the company has not been able to show any follow-up plan for improvement and further management plan based on the result of identification and communication with various parties. **It has been raised as NCR No 2017.1**

There were no HCV set-aside within the plantation area.

Auditor Verification ASA-3

Based on previous data on ASA 2, it was found that there were 7 person who had cleared land in the HCV area of the company. January 1, 2018, in the HCV encroachment road map report prepared by the HCV sustainability team, it was found that those who carried out land clearing increased to 48 person with a disturbed HCV area of 179.34 Ha (active claim area of 28.07 Ha, clearing area 130.85 Ha, threatened (there are buildings) 48.49 Ha). This is because the company has not made compensation to the land cultivator.

Furthermore, there are 20 minutes of mutual agreement between the community and CH. For example, block B34 Namely Ramanja August 15, 2018. However, the agreement doesn't explained how to maintain the existing HCV area including those that have been opened and planted by palm oil cultivators.

The company demonstrated the mediation minutes of the HCV land issue of PT RHS Pematang Limau Village, Seruyan Hilir Subdistrict September 12, 2018 concerning the status of the HCV settlement area located at the Pematang Limau Village Office. Based on the meeting concluded:

- Land that has not been compensation and used as HCV to be returned to the community.
- If it isn't returned to the community, compensation must be made (*GRTT*) which is decided no later than 14 days after this mediation is made.
- If there is no response within 14 days, the company must release the HCV signboar / HCV attribute on the land belonging to the community.

Based on interviews with the community of Pematang Limau Village, it is known that the land that is used as HCV area by CH is the community's cultivated land that has not been compensated, so that the community is free to plant oil palm or cultivate other crops. Base on field visit in the HCV area in block 471 and block 600 of the RHS 1 estate, it was found that there was a disturbance in the HCV area by land clearing and planting oil palm by the community.

Base on description be concluded CH hasn't been able to demonstrate the effectiveness of follow-up and significant steps for managing and maintaining HCV areas from threats and disturbances. The NCR 2017.01ASA 2 hasn't been Comply.

Minor 5.2.4 raised to Major	Status: NCR No 2017.1 Minor raised to Major	Closed
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5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.

5.3.1; 5.3.2 and 5.3.3.

Consistently up with the activities of previous assessment, CH has identified the sources of waste and pollution which explains the source / activity and types of waste / pollution generated (Hazardous Waste / Non Hazardous or GHG emissions).

Seruyan Regent's Decree No. 188.45/355/2014 concerning Hazardous Waste Storage Permit to PT Rimba Harapan Sakti, dated on 03 November 2014 and a validity period of 5 years (up to 25 September 2019). In the permit stated that the storage is located in the coordinates, among others:

- Solid hazardous waste RHS Estate 1: S 02° 46' 73,0" E 112° 34' 23,2"
- Liquid hazardous waste RHS Estate 1 : S 02° 46' 71,7" E 112° 34' 28,2"
- Infeksius hazardous waste RHS Estate 1 : S 02° 46' 66,8" E 112° 34' 27,0"
- Solid hazardous waste RHS Estate 2: S 02° 48' 20,4" E 112° 39' 16,7"
- Liquid hazardous waste RHS Estate 2 : S 02° 48' 19,8" E 112° 39' 20,3"
- Solid and Liquid hazardous waste RHS POM : S 02° 50' 11,1" E 112° 34' 22,3"

The duration of storage of hazardous waste that is allowed is 180 days, considering that hazardous waste is produced less than 50 kg per day.

All waste including chemicals and their containers have been disposed in accordance mechanisms set in SOP Hazardous Waste Management (SOP 22/EHS/(4)/0816). Chemicals containers used in the mills primarily for water treatment and boiler chemicals and stored in hazardous waste warehouse specially equipped with standard equipment such as: shelf and pallet, organized by category, first aid equipment, symbols and label, the rooms were enclosed and protected.

Base on field visit at Hazardous Waste Temporary Warehouse of RHS-1 and RHS-2 Estate, waste can be concluded that the technical storage has been implemented in accordance with the procedures held (SOP 51/EHS/(0)/0909, September 2009, revisi 0), ie pesticide containers after use must be washed first with rinsing at least 3 times and packaged perforated before being stored in Warehouse Temporary Hazardous Waste. Water cleaning rinsing should be accommodated and can be used again in the field.

Waste of pesticide packaging after being stored in the hazardous waste temporary warehouse in accordance with the time of the permitted storage shall then be submitted to the transporter and collector of hazardous waste licensed (PT Maju Asri Jaya Utama, Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. SK.571/Menlhk/Setjen/PLB.3/7/2016) for further management.

For the year 2017 to 2018 the delivery of waste of pesticide packaging has been done on September 19 2017, and June 26, 2018 with evidence of minute's letter of delivery and transportation waste and manifest documents.

Of processing activities at the Mill, the waste generated in the form of empty bunch, effluent (POME), fiber and shells. For each such waste forms of management include: EFB applied directly to the land, and POME generated from the production process RHS Mill managed at WWTP before it is applied to the land, for example in Block J4 STP 2 Estate (STP is One Group) in accordance with the Decree of the Seruyan Regent No. 188.45/512/2015 on Permit for the Use of Wastewater mills In the Land of Oil Palm Plantations PT RHS. As for the waste in the form of fiber and shells are used to fuel the boilers as the company's efforts in the efficiency of fossil fuel use and optimizing use of renewable energy.

Domestic waste generated from housing, office, workshop and warehouse in the form of organic and inorganic garbage dumped into waste landfill is located away from employee housing and water resources. Based on field visit block 087 Division 2 RHS 1 Estate known that waste landfills system.

Status: Comply

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

5.4.1

CH has consistently implemented efficiency of fossil fuel efforts through renewable energy usage by using shell and fiber. It efforts has documented and monitored well. For example, in monitored renewable energy usage and efficiency analysis document recorded as follows:

- Daily monitoring of the use of solid waste for boiler fuel.
- Daily monitoring on fossil fuels use in each unit.

Total FFBs processed up to August 2017 were 161.869 tonnes. The average usage of diesel is 117.439 liter, the use of diesel is 0.64 liters / FFB processed, the use of the shell is 0.04 ton / FFB processed, the use of fiber is 0.09 Tons / FFB processed. The efficiency of electricity usage of generator is 0.23 liter / kwh and turbine is 0.22 liter / kwh.

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.

5.5.1, 5.5.2

It is clearly stated in the Wilmar Policy on zero burning policy which is updated on 16 Jan 2016. It also has explained in the company's environmental policy to support the non-burning land clearing technique for replanting activities.

Base on document verification and field visit CH has been implementing the policy, there is no found burning activities both during the land clearing process as well as to the current operational activities. Confirmed during the interview with communities in the Pematang Limau village mentioned that the land clearing are conducted by mechanical. The company has installed fire warning boards at strategic locations such as in HCV areas, planted areas and in employee housing.

During ASA-3, auditor verify hot spot by website land fires alert information satellite LAPAN wasn't found the hot spots.

Status: Comply

5.6

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

5.6.1

CH has made inventory on activities that generate pollution and waste, and conducts periodic monitoring on air quality on regular basis (every 6 months). Measurement carried out by the accredited Environmental Laboratory namely PT Unilab Perdana (KAN No. LP-195-IDN). Pollution monitoring including ambient air quality test, generators emission quality, boiler emissions, odor and noise. The latest test results available for the first half of 2018 showed parameter of ambient air quality and emissions met the national requirement.

According to the noise level test report, known that the noise level in the mill station not exceed than 85 dBA i.e. Engine room, Boiler station, Kernel Station. To reduce the noise exposure, the mill has provide PPE (earplug and ear-muff) and routinely monitored the PPE use by workers. Training and socialization related to the noise risk are given during roll-call activity. During the field visit to mill, sighted that boiler operators using PPE kinds of helmets, ear muff, gloves, mask, and safety shoes.

5.6.2 and 5.6.3

In addition to pollution, CH has also conducted an inventory on greenhouse gas (GHG) emissions from the mill and estate activities. All relevant documentation for inventory has been collected such as use of fertilizers, fossil fuel use, the use of alternative fuels (fiber and shell), documentation of land use change, map of soil types, tree planting data.

Based on document verification, CH has calculated emissions with RSPO Palm GHG Calculator Version 3.0.1 by inputting data correctly. Available proof of delivery of GHG RSPO performances as follows: RHS POM, dated September 20, 2018. The summary period January to December 2017, shown below:

Emissions per product	tCO ₂ e/tProduct	Extraction	%	Production	ton/year
CPO	0.84	OER	22.02	FFB Processed	335809.67
PK	0.84	KER	4.34	CPO Produced	47176.715

Land Use	ha
OP planted area	33580.67
OP Planted on peat	829.5632

Conservation area	12207.07								
Summary of Field Emissions and Sinks									
	Own Crop			Group		3rd Party		Total	
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha
Emissions									
Land conversion	39317.31	5.5	0.31	32131.68	6.78	-	-	-	-
*CO ₂ emissions from fertilizer	7302.71	1.02	0.06	4733.18	1.04	-	-	-	-
**N ₂ O emissions	7060.25	0.97	0.06	4962.6	1.04	-	-	-	-
Fuel consumption	2083.69	0.29	0.02	1235.13	0.27	-	-	-	-
Peat Oxidation	0	0	0	9681.41	1.75	-	-	-	-
Sinks	-	-	-	-	-	-	-	-	-
Crop sequestration	66913.68	-9.36	-0.53	43505.52	-9.36	-	-	-	-
Conservation Sequestration	0	0	0	0	0	-	-	-	-
Total	11149.72	-1.58	-0.09	9238.48	1.6	-	-	-	-
Summary of Mill Emissions and Credits									
	tCO ₂ e		tCO ₂ e/tFFB						
Emissions									
POME	49057.33		0.23						
Fuel consumption	551.26		0						
Grid Electricity Utilisation	0		0						
Credits									
Export of Grid Electricity	0		0						
Sales of PKS	0		0						
Sales of EFB	0		0						
Total	49608.59		0.23						
Palm oil Mill Effluent (POME) Treatment									
Divert to compost	0								
Divert to anaerobic digestion	100								
POME Diverted to Anaerobic Digestion:									
Divert to anaerobic pond	100								
Divert to methane capture (flaring)	0 %								
Divert to methane capture (electricity generation)	0 %								
Based on the field visit on WWTP at RHS POM, is known that the company had been reforesting the WWTP area around the pond.									
Status: Comply									
PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills									

<p>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.</p>	
<p>6.1.1 and 6.1.2 Social impact assessment was conducted in January 2014 by CV AFI ERFOLG involving local communities. SIA documents have identified the positive and negative impacts of the company's operational activities, such as: providing employment and business opportunities to local communities, increasing incomes, decreased availability of forest product, change of mindset and lifestyle.</p> <p>CH showed the documentation of Social Impact Assessment, for example FGD in Pematang Limau on Januari, 21st 2014 attended by 49 participants and attendance list for PT RHS worker and contractor on January, 24th 2014.</p>	
<p>6.1.3, 6.1.4, and 6.1.5 CH has mad social management plan for 5 years (2014 – 2019). Management plan has informed the management period and PIC. Management and monitoring period is conducted every 3, 6 months, 1 and 3 years. Management plan has been implemented, for example informed the job vacancy to surrounding village and do partnership with villagers through smallholder scheme.</p> <p>The management plan will be reviewed every two year by interview with head of surrounding village. The last review is for period 2016 – 2018. The review involved the participation of rural communities and PT RHS employees, namely conducting FGDs and distributing questionnaires to the community of Pematang Limau Village. The next review will be conducted in 2019. Social impact assessment has include smallholder.</p> <p>Based on interview with representative of Pematang Village, it is known that CH has involved villagers in their management social impact. Issue from community leader has been summarized in management plan and has been implemented, such as about local employment.</p>	
	<p>Status: Comply</p>
<p>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.</p>	
<p>6.2.1 CH has Communication and Consultation Procedure (SOP35/PR/1/0614) which explain the communication mechanism to stakeholder in order to implement the corporate transparency. The procedure is available in Bahasa Indonesia and English.</p> <p>Based on interview with Statutory Bodies in Seruyan Regency and representative of Pematang Limau Village, it is known that they understand how to communicate and consult with PT Rimba Harapan Sakti.</p>	
<p>6.2.2, 6.2.3 The appointment of consultation and communication officers with the community is listed in SOP 44 / PR / 6/1116. Officers are appointed to be in a number of aspect, including licensing and government relations, public relations and social affairs, land acquisition / plasma, and community development.</p> <p>List of stakeholder is made by PR department. The latest list of stakeholder is available for period of July – December 2018, consist of statutory bodies, local communities, worker organization, and local NGO. The information request from stakeholders is about assistance proposal and mandatory reporting information. All communication from stakeholder is documented by Bina Mitra Department, such as in letter dated March, 9th 2018 from BKSDA about contribution for Indogreen Exhibitiron and it has been responded by PT RHS on March, 14th 2018 and transferred the donation to BKSDA on March, 27th 2018.</p>	
	<p>Status: Comply</p>

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

CH has a mechanism of complaint and grievance handling in Handling of Stakeholder Complain Procedure (SOP 95/CKP/(1)/0718) and Complaint and Worker Grievance Procedure (SOP 42/HRD/(10/1117). Complain from worker can be submitted to worker’s supervisor or Bipartite cooperative and complaint from external stakeholders can be submitted to public relation department. CH will protect the identity of complainant as written in Whistleblowing Policy (No. KP: 042/DIR-KP/VII/2015). Based on interview with worker in RHS POM and estate, it is known that workers understand how to deliver their complaint if any. Based on interview with representative of Pematang Limau Village, it is known that they understand the mechanism to deliver their complaint if any.

6.3.2

There were no external complaints submitted during the period of 2018. Internal complaint from internal is documented in “Berita Acara Keluh Kesah & Pengaduan Karyawan”. For example, complaint on March, 13th 2018 about electricity in worker housing complex. This complain has responded by company on March, 16th 2018 by calling the electrician from Central Workshop Regional Office to repair the generator engine in RHS 1 Estate.

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

PT RHS has the Standard Operating Procedure of Land Acquisition (SOP 29/BM /(0)0409). This procedure is the company’ technical guide to ensure that the decisions and actions in the process of land acquisition is done properly and correctly according to the provisions and the applicable legislation. In the procedure has also informed the stage of the process involving the Village Head, “Demang”, Head of District and National Land Agency. Based on interviews with communities in Pematang Village Limau stated that SOP has been socialized. There are no grievance and complaints related to the land compensation process that has been done by the company.

6.4.3

No customary rights in the company’s HGU, the entire area is forest area which has been released trough decree of Indonesian Forestry Ministry. The individual rights within the area has been compesated in accordance with FPIC principles. Compesation process for all cultivated area has been done since 2009 to 2016, sighted the recapitulation of compensation as much as 148 persils (8,664.480 Ha).

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

CH has copy of Kalimantan Tengah Governor Decree No 40/2017 about sectoral minimum wage of Seruyan Regency. The minimum wage for Seruyan Regency is Rp 2,675,500/month. Company issued Inter Office memo No 006/GM/IOM-SEC/XII-2017 dated December, 13th 2017 which explain that minimum wage for Seruyan Regency is Rp 2,675,500/month and Rp 107,020/day.

CH showed wage documentation for each unit. Based on document verification, the basic wage is in accordance with applicable regulation. For example: employee code RA/RHS1/0111/1363, payslip for August 2018. The basic wage and overtime payment is paid in accordance with applicable regulation. As for harvesters, the wage is paid in accordance with tonnage/day and it is above applicable minimum wage.

Based on interview with the harvester and committee of Bipartite, there were no complaint about working hours and wages payment too. Based on interview with worker in Mill and Estate, there is no complaint about wages. It is in accordance

with Governor Decree applicable.

6.5.2

CH showed appointment letter from probation period worker to permanent worker, for example letter No 301/RHS1/SK-PHT/H/IV/2018. The letter describes about salary, leaves policy, code of conduct, duty and responsibility, work hour, health and medical insurance. Appointment letter is written in Indonesian Language and workers are understood the substance of the letter.

CH has Company Regulation of PT Rimba Harapan Sakti period of 2018 – 2020. The company regulation is ratified by Manpower and Transmigration Agency of Seruyan Regency through decree no 560/240/DISNAKERTRANS/III/2018 on March, 15th 2018. This document 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 interview with the worker, it is known that they understand about worker’s rights and obligation as written in company regulation. It has been socialized to the worker by management representative.

6.5.3 & 6.5.4

Based on field observation in housing complex in RHS 1 Estate Division 2 and RHS 2 Estate Division 1, it is known that CH has been providing housing facilities, lighting and water, places of worship, school buses, clinics and educational facilities (kindergarten, elementary). Based on interview with the residents, it is known that there is no complaint related to housing facilities. The facilities provided by the CH is adequate. And also it is known that one house is occupied by one family and the condition of housing is still in good shape. Adequate food supply can be accessed by the worker from monthly market whenever payday and from worker cooperative. Moreover, there are some kiosk in housing complex. Personnel can get the staple food with reasonable price.

Status: Comply

6.6

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

6.6.1

The policy related to form and join worker union is listed Human Rights Policy which states that the company gives the right to associate to all workers. The policy is written in Bahasa Indonesia. Based on interview with representative of Bipartite cooperative, it is informed that company is giving freedom for worker to express their opinion. And also, CH did not give any intervention related to worker union activity. The Bipartite has registered to Labor and Transmigration Agency of Seruyan Regency.

6.6.2

The Bipartite conducted internal meeting periodically or where there is an issue with company. There are meeting documentation, such as minutes of meeting on June, 11th 2018 about work leave procedure attended by 8 participants and July, 4th 2018 about improved traffic awareness attended by 16 participants. The documentation is available in office unit and available for member if they were asking.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

CH has child protection policy signed by Chief Sustainability Officer of Wilmar International in November 2017. Based on the policy, the minimum age for new worker recruitment is 18 years old. Based on document review and field observation, there are no workers under 18 years old. Based on public consultation with Labor and Transmigration Agency of Seruyan Regency and field observation in estate and POM, there is no issue regarding child labor. Based on interview with worker in estate and POM, they know the minimum age to work in the company. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children.

Status: Comply

6.8

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

6.8.1 & 6.8.2

CH has policy related to nondiscrimination and equal opportunity (September 2010) which explained that Wilmar did not discriminate against gender, race or ethnicity, disability, sexual orientation, age, or belief. This policy also explains the recruitment process starting from job vacancy announcements, recruitment and selection, training, career development, and service conditions, and personnel records. Based on field observation and interview with spraying and manuring female worker, it is known that there is no issue or complain from worker regarding discrimination. Also, information from board of bipartite stated that there is no issue related discrimination. The workers that has been interviewed is came from various social origin, race, and religion.

6.8.3

CH kept the personal file of each worker in estate office. Based on interview with management, the recruitment is conducted through the company requirement. The new recruitment is conducted in accordance with the procedure. It is based on skill, capabilities, and health condition for all workers. Worker promotion, mutation or demotion is done through the employee performance assessment. Company showed documentation of employee promotion, such as appointment decree from probation period worker to permanent worker, No 301/RHS1/SK-PHT/H/IV/2018. The decree describes the wages received, leave, company policies related to the code of conduct, and social insurance.

Status: Comply

6.9

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

6.9.1, 6.9.2, 6.9.3

Policies to maintain morality are included in the Sexual Harassment Policy, Violence and Reproductive Rights signed by the Plantation Head Group and CSR Head Group in June, 2014. The policy states that Wilmar will take appropriate steps to prevent incidents of sexual harassment, acts violence, and violation of reproductive rights and will be responsive and fair to reports of sexual harassment by maintaining their confidentiality. Based on interview with female worker in RHS 1 and RHS 2 Estate, it is known that they understand the policy. It is also known that they understand the mechanism of complaint submission. Also, interview with committee of Gender Committee, it is known that there is no issue or complaint related to sexual harassment on the workplace.

CH has formed gender committee for handling the harassment issue around female workers. Complaint can be submitted to board of bipartite cooperation, gender committee, or their foreman. Based on interview with the board of gender committee, the company provides the female worker with menstrual leave, pregnant and nursing leave for about 3 months. Pregnant and nursing female worker is prohibited to work related to chemical. And also, CH give special breast feeding time for female worker, but prohibit the worker from working with chemical material.

Status: Comply

6.10

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

6.10.1 & 6.10.2

Company able to show "FFB Price Document" from Plantation Agency of Kalimantan Tengah Province in 13 July 2018 (period I). Price fixing is based on CPO and Kernel prices and also adjusted for age of the plant. Based on formulas for Planters (independent smallholder/ scheme smallholder). FFB price is 7,099.93 IDR per Kg, palm kernel price is 4,105.72 IDR per Kg by K index 83, 71%. The document FFB price has been known by scheme smallholder KUD farmers as described in the contract.

6.10.3 & 6.10.4

The company has an agreement contract with KUD or plasma, for example as follows:

- KUD Makmur Sejahtera part I, for ± 377.24 ha, created November 7, 2017 valid for 25 years.
- KUD Makmur Sejahtera part II for ± 224 ha, created November 7, 2017 valid for 25 years.

Each contract document, signed by both parties as evidence that a work agreement has been agreed. Contract agreement documents are kept by both parties, which will be used as legal references.

CH shown shipping / FFB sales data to RHS POM first times July 2018, is 208.207 MT price of 306,933,747 IDR. Based on interviews with management, *KUD* FFB payments every 3 months, FFB selling first time to RHS POM done July 2018, and will be paid in October 2018, evidence FFB payments *KUD* shownable in October 2018.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

The CH prepared the CSR program based on inputs received from community around.

CSR program and documentation of its implementation sighted during the audit. The activities implemented until August 2018, such as:

- Incentive for Qur'an Teacher of Pematang Limau Village Kindergarten
- Funds for building houses for fire victims in Pematang Limau Village in December 2017
- Funds for the commemoration of the Prophet Muhammad SAW's birthday in December 2017
- And others

The company also held meetings with the Pematang Limau village government on May 5th 2018 to optimize and remain the target of community development. One of the discussions from the meeting was a house renovation program in Pematang Limau Village.

6.11.2

The company has contributed to increasing the productivity of smallholder farmers, for example providing training for board of smallholder cooperative, such as training on December, 16th 2017 attended by 30 participants from CKP smallholders.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1; 6.12.2; 6.12.3

Based on document review, field observation, and interviews with worker and stakeholders, it is known that there is no migrant labor, including forced labor and illegal labor. The recruitment is done according to the company's procedure. All workers have work agreement that explain about the obligation and rights of the worker, and other provision. They work based on the contract and work order. Based on field observation and interviews with the workers in Estate and Mill, it is known that there is no discrimination among them. They came from local and nonlocal worker. Based on field observation in estate, auditors did not sighted any harvester accompanied by their wife or children. Based on interview bipartite cooperation member, there is no issue related to force labor.

Based on interview with the harvester and committee of worker union, there were no complaint about working hours. The payment is based on tonnage. If they did not get the tonnage after working hours is out, they will be paid by daily payment.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

CH has policy on human rights issued in June 2014. The policy explains that the company will adhere to the principles related to respecting and protecting human rights. It has been socialized to the workers and contractor, for example on June, 2nd 2018 to worker in Division 1A RHS 2 Estate. As for socialization to contractor, it is written in work agreement with Company. Based on interview with worker in estate and mill, they know and understand about workers' rights. And also, from consultation with internal stakeholder (worker union), it is known that there is no complaint related to human

rights violation. If there was a complaint, the complaint can still be resolved by amicable way between employees.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings

7.1

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

7.1.1, 7.1.2, 7.1.3

The results of document review, field visits and interviews found that company did not expand or conduct new planting since the last assessment (ASA-2).

Status: Comply

7.2

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

7.2.1 and 7.2.2

The results of document review, field visits and interviews found that company did not expand or conduct new planting since the last assessment (ASA-2).

Status: Comply

7.3

New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.

7.3.1, 7.3.2, 7.3.3

The Company has conducted HCV assessment in 2007 prior to planting, land preparation process conducted from 2008 to 2009. HCV assessment conducted by Malaysian Environmental Consultant Sdn. Bhd. There is a HCV map with a scale of 1: 65000 issued on 19 Sept 2017 No Map: HD6023.

WILMAR has reported Disclosure of Liability for PT. RHS to RSPO on July 31, 2014, where there is a raw liability of 935 Ha with zero liability status. Submission of Land Use Change analysis according to RSPO format has been sent by email to RSPO secretariat on April 8, 2015. Based on communication with RSPO through rspocompensation@rspo.org dated March 2, 2017 stating that against PT RHS is declared as zero non-compliant land clearance. There is a new planting in 2016 of 24.59 Ha which is still within the scope of certification.

7.3.4, 7.3.5

HCV management and monitoring plans are prepared per 2 years period, sighted the plans for 2016-2018. The realization report of monitoring and management for the period of 2017 is contained in the document "*laporan realisasi pelaksanaan pengelolaan dan pemantauan kawasan HCV dan riparian tahun 2017*". In addition, there is evidence of management activities during 2018 as has been explained indicator 5.2.2.

Status: Comply

7.4

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

7.4.1 and 7.4.2

The results of document review, field visits and interviews found that company did not expand or conduct new planting since the last assessment (ASA-2).

Status: Comply

7.5

No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to

express their views through their own representative institutions.	
7.5.1	Based on documents review, interview and field visits, it is known that CH did not expand the operational area and there is no more land clearing activity since the last assessment (2017).
	Status: Comply
7.6	
Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	
7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5; 7.6.6	Based on documents review, interview and field visits, it is known that CH did not expand the operational area and there is no more land clearing activity since the last assessment (2017).
	Status: Comply
7.7	
Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.	
7.7.1 and 7.7.2	The results of document review, field visits and interviews found that company did not expand or conduct new planting since the last assessment (ASA-2).
	It's clearly stated in the Wilmar Policy on zero burning policy which is updated on 16 Jan 2016. It also has explained in the company's environmental policy to support the non-burning land clearing technique for replanting activities.
	Status: Comply
7.8	
New plantation developments are designed to minimise net greenhouse gas emissions.	
7.8.1; 7.8.2	Since ASA-1 until ASA-2 there were planting of oil palm for an area of 24.59 Ha in PT RHS. Planting areas are carried out in 2016-2017 are still included in the land use title that owned by PT RHS.
	Within the scope of the ASA-2 audit, No areas with high carbon opened to plantations and CH has identified the source of greenhouse gases emission. PT RHS has been calculate the GHG using RSPO PalmGHG Calculator version 3.0.0 (refers to criteria 5.6).
	Status: Comply
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity	
8.1	
Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.	
8.1.1	Aspects of Best Management Practices:
	The Company has implemented a commitment to continuous improvement, including:
	<ul style="list-style-type: none"> • Control of rat pests using owl predators (<i>Tyto alba</i>). • Biological leaf caterpillar pests control by planting and maintaining (conservation) beneficial plants, such as <i>Antigonon leptopus</i>, <i>Cassia cobanensis</i>, and <i>Turnera subulata</i>. • Since 2013, certification holder is no longer using Paraquat

Environmental Aspect

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

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>The organization take legal ownership and physically handles RSPO certified sustainable oil palm products. The organization sold their certified products to PT. Wilmar Nabati Indonesia – Sampit, which has been certified for RSPO Supply chain certification standard (Certificate number: INTERTEK-RSPO-0072296, 19 February 2018). CPO and PK transporter are under contract with PT. Wilmar Nabati Indonesia – Sampit. The CPO and PK transporter contractor are:</p> <ul style="list-style-type: none"> - PT. MDP - CV MLB - CV Molada - CV. Dhivelado Tunggal Jaya
	Status: Comply
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>CH does not buy from any RSPO licensed traders</p>
	Status: Comply
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>The parent company are member of RSPO (Wilmar International Ltd):</p> <ul style="list-style-type: none"> - Number of RSPO membership: 2-0017-05-000-00 - RSPO IT Platform for RHS Mill: RSPO_PO1000003486
	Status: Comply
5.1.4	<p>Processing aids do not need to be included within an organization’s scope of certification.</p> <p>Parent company or site has no processing aids</p>
	Status: Comply
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>The organization has applied mass balance supply chain model correctly and there is no declassification.</p>
	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.	
The organization has applied mass balance supply chain model only	
	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.	
The Certificate Holder has the procedure of Mass Balance (SOP/RHS POM-log-006, dated 28 April 2016). The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including training records. The procedures also identified role of implementation responsibility persons that trained. Responsible person in the whole process of supply chain RHS POM: 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.	
Based on interviews with mill clerk note that the clerk understand the separation between FFB certified and non certified. He also record the FFB received from all supply bases.	
	Status: Comply
5.3.2	
The site shall have a written procedure to conduct annual internal audit	
The Procedure to conduct annual internal audit are describe at procedure of internal audit (SOP 63/CKP/(5)/0718 dated 7 July 2018 and also described at job description of management representative (Mill Manager) document number: ID/RHSPOM-MR-001 dated 28 April 2016. Internal audit of SCCS conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. The last internal audit are conduct at 7 May 2018.	
	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	
The certificate holder has not purchased CSPO or CSPK.	
	Status: Comply
5.4.2	
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents	
CH has implemented SCCS in Mass balance model, where there is no contaminations of RSPO certified materials during receiving, processing, storage and dispatch. Non conforming product describe in differences of projection and actual of quantity and quality product.	
	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.	

CH are not outsourced activities to independent third parties, either subcontractors for storage, transport or other outsourced activities.	
	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. 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 	
CH are not outsourced activities to independent third parties. CPO and PK transporter are under contract with buyer (PT. Wilmar Nabati Indonesia – Sampit) which has been certified for RSPO Supply chain certification standard (Certificate number: INTERTEK-RSPO-0072296, 19 February 2018).	
	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.	
There is no contractors used for the processing or physical handling of RSPO certified oil palm products.	
	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	
There is no contractors used for the processing or physical handling of RSPO certified oil palm products.	
	Status: Comply
5.6	Sales and goods out
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	
The site has product information provided in such as document of weighbridge ticket, delivery order and other invoices. The informations are:	
<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; - A description of the product RSPO certified Mass Balance model - The date on which the documents were issued; - The quantity of the products delivered; - Any related transport documentation; - etc. 	
	Status: Comply
5.7	Registration of transactions

5.7.1

Supply chain actors who:

- 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

CH as mill has registered all transactions in RSPO IT platform.

Status: Comply

5.7.2

The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:

- 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.

Transactions are registered in RSPO IT platform as for periods Period of 8 December 2017 to 7 December 2018

• Certified CPO sold to each buyer

Date	Buyer	Volume (Ton)
16-Jan-18	Wilmar Nabati Indonesia	4180.88
14-Feb-18	Wilmar Nabati Indonesia	5085.91
13-Mar-18	Wilmar Nabati Indonesia	4436.09
13-Apr-18	Wilmar Nabati Indonesia	5280.33
19-May-18	Wilmar Nabati Indonesia	3468.41
8-Jun-18	Wilmar Nabati Indonesia	4938.8
12-Jul-18	Wilmar Nabati Indonesia	2839.74
27-Aug-18	Wilmar Nabati Indonesia	4046.74
14-Sep-18	Wilmar Nabati Indonesia	1739.84
Total		36016.74

• Certified Palm Kernel sold to each buyer

Date	Buyer	Volume (Ton)
16-Jan-18	Wilmar Nabati Indonesia	862.6
14-Feb-18	Wilmar Nabati Indonesia	1137.79
13-Mar-18	Wilmar Nabati Indonesia	956.28
13-Apr-18	Wilmar Nabati Indonesia	1209.61
19-May-18	Wilmar Nabati Indonesia	764.15
8-Jun-18	Wilmar Nabati Indonesia	752.51
12-Jul-18	Wilmar Nabati Indonesia	1003.38
27-Aug-18	Wilmar Nabati Indonesia	653.04
14-Sep-18	Wilmar Nabati Indonesia	294.19
Total		7633.55

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

CH has established and conducted RSPO Supply Chain Standards requirements training annually.

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

Certificate holder has provided training at 28 May 2018 and Based on interview at weighbridge station is known that the weighbridge operator and SCCS person in charge have understand the RSPO supply chain procedures.

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

CH has maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements. Those are describe in this ASA report on section of Module E CPO Mills - Mass Balance Requirements.

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

The retention times for all records and reports are keep in minimum 2 years. Based on documents verification, there is available at mill the record of supply chain for last 2 years. This matter according to procedure of record keeping (RHS-POM-IK-ADM-4601B-PR) dated 24 August 2018.

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.

Record of all certified palm oil / palm kernel oil volumes purchased (input) and claimed (output) for period of 8 December 2017 to 7 December 2018:

Month	FFB Received		CPO		PK	
	Certified	Total FFB	Certified Production	Sold (certified klaim)	Certified Production	Sold (certified klaim)
Remaining of last period	-	-	4,430.37	-	1,386.32	-
08 -31 Desember 2017	14,971.39	16,065.43	3,323.72	-	714.67	-
Januari 2018	22,893.85	24,688.88	5,003.13	4,180.88	1,034.94	862.6
Februari 2018	21,227.78	22,644.54	4,822.88	5,085.91	1,018.34	1,137.79
Maret 2018	24,158.61	26,153.74	5,127.97	4,436.09	1,199.59	956.28
April 2018	20,282.00	20,998.65	4,170.50	5,280.33	931.77	1,209.61
Mei 2018	21,385.73	22,959.28	4,395.47	3,468.41	665.43	764.15
Juni 2018	18,156.04	18,997.79	3,688.55	4,938.8	909.60	752.51
Juli 2018	14,804.78	19,941.86	3,110.03	2,839.74	674.09	1,003.38
Agustus 2018	4,144.10	5,494.27	934.52	4,046.74	188.89	653.04

01-14 September 2018	1,866.65	2,241.61	353.62	1,739.84	65.80	294.19
Total	163,890.93	180,186.05	39,360.79	36,016.74	8,789.49	7,633.55
	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					
	The site doesn't applied a conversion rate.					
	Status: Comply					
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.					
	The site doesn't applied a conversion rate.					
	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.					
	The site make claims regarding the sell of RSPO certified oil palm products only.					
	Status: Comply					
5.12	Complaints					
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.					
	Procedures for stakeholders complaints established in form of procedure of grievances and complaints (SOP 42 / HRD / 0/0609), The responsible person is their direct supervisor, Human resource department, Field Officer (estate and mill). The complaints are collected and resolved then recorded and maintain on document (FRM 01/SOP 95/CKP/(1)/0718.					
	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					
	The certificate holder has management review conduct annualy at 30 August 2018.					
	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. 					

<ul style="list-style-type: none"> • Recommendations for improvement. 	
<p>The Management review are include result of internal audit, preventive and corrective actions, follow up actions and recommendations for improvement.</p>	
	<p>Status: Comply</p>
<p>5.13.3</p> <p>The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. 	
<p>The Management review are include the decision and actions related to Improvement of the effectiveness of the management system and its processes and Resource needs.</p>	
	<p>Status: Comply</p>

3.2.2 (Module E) CPO Mills - Mass Balance Requirements

Clause	Requirement																														
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 sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply 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>The site is applied supply chain model Mass Balance due to it still received FFB from uncertified sources. FFB's suppliers to RHS POM are:</p> <p>- RSPO Certified FFB</p> <table border="1"> <thead> <tr> <th>Company</th> <th>Estates</th> <th>RSPO certificate number</th> <th>Validity</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td rowspan="2">PT. Rimba Harapan Sejati</td> <td>RHS-1</td> <td rowspan="2">MUTU-RSPO/083</td> <td rowspan="2">8/12/2015 – 7/12/2020</td> <td>Certified</td> </tr> <tr> <td>RHS-2</td> <td>Certified</td> </tr> <tr> <td rowspan="3">PT. Sarana Titian Permata</td> <td>STP-1</td> <td rowspan="3">MUTU-RSPO/022</td> <td rowspan="3">30/11/2012 – 29/11/2017</td> <td>Certified</td> </tr> <tr> <td>STP-2</td> <td>Certified</td> </tr> <tr> <td>STP-3</td> <td>Certified</td> </tr> <tr> <td rowspan="3">PT. Kerry Sawit Indonesia</td> <td>KSY-1</td> <td rowspan="3">824 502 14013</td> <td rowspan="3">18/06/2016 – 17/06/2021</td> <td>Certified</td> </tr> <tr> <td>KSY-2</td> <td>Certified</td> </tr> <tr> <td>KSY-3</td> <td>Certified</td> </tr> </tbody> </table> <p>- Non Certified FFB: RHS POM received non certified FFB From scheme smallholders of PT Kerry Sawit Indonesia</p>	Company	Estates	RSPO certificate number	Validity	Status	PT. Rimba Harapan Sejati	RHS-1	MUTU-RSPO/083	8/12/2015 – 7/12/2020	Certified	RHS-2	Certified	PT. Sarana Titian Permata	STP-1	MUTU-RSPO/022	30/11/2012 – 29/11/2017	Certified	STP-2	Certified	STP-3	Certified	PT. Kerry Sawit Indonesia	KSY-1	824 502 14013	18/06/2016 – 17/06/2021	Certified	KSY-2	Certified	KSY-3	Certified
Company	Estates	RSPO certificate number	Validity	Status																											
PT. Rimba Harapan Sejati	RHS-1	MUTU-RSPO/083	8/12/2015 – 7/12/2020	Certified																											
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PT. Sarana Titian Permata	STP-1	MUTU-RSPO/022	30/11/2012 – 29/11/2017	Certified																											
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PT. Kerry Sawit Indonesia	KSY-1	824 502 14013	18/06/2016 – 17/06/2021	Certified																											
	KSY-2			Certified																											
	KSY-3			Certified																											
	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. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p> <p>Estimate product certified CPO and PK for period 8 December 2018 – 7 December 2019 describe at this ASA 3 report (basic info 1.8.3). Actual tonnage product certified for period 8 December 2017 – 7 December 2018:</p> <table border="1"> <thead> <tr> <th rowspan="2">Products</th> <th colspan="3">Period of 8 December 2017 – 7 December 2018 (tonnes/year)</th> <th rowspan="2">Actual *(period 8 December 2017 – 14 September 2018)</th> </tr> <tr> <th>Estimate</th> <th>Extension</th> <th>New estimate</th> </tr> </thead> <tbody> <tr> <td>CSPO</td> <td>36,096</td> <td>19,371.73</td> <td>55,467.73</td> <td>34,930.42</td> </tr> <tr> <td>CSPK</td> <td>6,618</td> <td>5,276.38</td> <td>11,894.38</td> <td>7,403.17</td> </tr> </tbody> </table> <p>The extension approved on 3 July 2018 due to an additional production from certified product.</p>	Products	Period of 8 December 2017 – 7 December 2018 (tonnes/year)			Actual *(period 8 December 2017 – 14 September 2018)	Estimate	Extension	New estimate	CSPO	36,096	19,371.73	55,467.73	34,930.42	CSPK	6,618	5,276.38	11,894.38	7,403.17												
Products	Period of 8 December 2017 – 7 December 2018 (tonnes/year)			Actual *(period 8 December 2017 – 14 September 2018)																											
	Estimate	Extension	New estimate																												
CSPO	36,096	19,371.73	55,467.73	34,930.42																											
CSPK	6,618	5,276.38	11,894.38	7,403.17																											
	Status: Comply																														
E.2.2	<p>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the</p>																														

RSPO supply chain managing organization (RSPO IT platform).

- RSPO IT Platform member registration number: RSPO_PO1000003486

- **Certified CPO sold to each buyer**

Date	Buyer	Volume (Ton)
16-Jan-18	Wilmar Nabati Indonesia	4180.88
14-Feb-18	Wilmar Nabati Indonesia	5085.91
13-Mar-18	Wilmar Nabati Indonesia	4436.09
13-Apr-18	Wilmar Nabati Indonesia	5280.33
19-May-18	Wilmar Nabati Indonesia	3468.41
8-Jun-18	Wilmar Nabati Indonesia	4938.8
12-Jul-18	Wilmar Nabati Indonesia	2839.74
27-Aug-18	Wilmar Nabati Indonesia	4046.74
14-Sep-18	Wilmar Nabati Indonesia	1739.84
Total		36016.74

- **Certified Palm Kernel sold to each buyer**

Date	Buyer	Volume (Ton)
16-Jan-18	Wilmar Nabati Indonesia	862.6
14-Feb-18	Wilmar Nabati Indonesia	1137.79
13-Mar-18	Wilmar Nabati Indonesia	956.28
13-Apr-18	Wilmar Nabati Indonesia	1209.61
19-May-18	Wilmar Nabati Indonesia	764.15
8-Jun-18	Wilmar Nabati Indonesia	752.51
12-Jul-18	Wilmar Nabati Indonesia	1003.38
27-Aug-18	Wilmar Nabati Indonesia	653.04
14-Sep-18	Wilmar Nabati Indonesia	294.19
Total		7633.55

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:

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

Certificate holder has procedures/work instructions to ensure the implementation of supply chain requirements. The procedure describe in SOP Mass Balance (SOP/RHS POM-log-006, dated 28 April 2016). 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 e-trace system after all commodities are shipped by POM and accepted by consumers. Data input is done after all the transaction details are correct.

Responsible person in the whole process of supply chain RHS POM: 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. Based on interviews with mill clerk note that the clerk understand the separation between FFB certified and non certified. He

also record the FFB received from supply base.

Status: Comply

E.3.2

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

Documented procedures regarding FFB receiving from its sources is refer to SOP Mass Balance (D SOP/RHS POM-log-006, dated 28 April 2016). Due to RHS POM applied Mass Balance supply chain model, then the FFB processing are still mixed between Certified and Non-Certified FFB's. Based on interviews with mill clerk note that the clerk understand the separation between FFB certified and non certified. He also record the FFB received from all supply bases.

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 site has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of 8 December 2017 to 14 September 2018:

Month	FFB (ton)		
	RSPO Certified	Non Certified	Total
8 -31 Desember 2017	14,971.39	1,094.04	16,065.43
Januari 2018	22,893.85	1,795.03	24,688.88
Februari 2018	21,227.78	1,416.76	22,644.54
Maret 2018	24,158.61	1,995.13	26,153.74
April 2018	20,282.00	716.65	20,998.65
Mei 2018	21,385.73	1,573.55	22,959.28
Juni 2018	18,156.04	841.75	18,997.79
Juli 2018	14,804.78	5,137.08	19,941.86
Agustus 2018	4,144.10	1,350.17	5,494.27
1-14 September 2018	1,866.65	374.96	2,241.61
Total	163,890.93	16,295.12	180,186.05

Status: Comply

E.4.2

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

There is no projected overproduction of certified tonnage, the Tonnage of product certified:

Products	Period of 8 December 2016 to 7 December 2017 (tonnes/year)		Period of 8 December 2017 to 7 December 2018 (tonnes/year)	
	Estimate	Actual	Estimate	Actual
	*(period 8 December 2017 – 14 September 2018)			
CSP0	55,344.11	45,933.22	55,467.73	34,930.42
CSPK	10.839.7	8,988.09	11,894.38	7,403.17

Status: Comply

E.5 Record keeping

E.5.1

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

- b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.**
- c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (i.e. product can be sold before it is in stock.)**

The Certificate holder has record and balance all received of RSPO FFB and deliveries of RSPO certified CPO and PK. The Volume of certified CPO and PK are delivered from accounting system according to conversion by percentage of FFB certified. The sales of RSPO product claim are sold from a positive stocks

Month	FFB Received		CPO		PK	
	Certified	Total FFB	Certified Production	Sold (certified klaim)	Certified Production	Sold (certified klaim)
Remaining of last period	-	-	4,430.37	-	1,386.32	-
08 -31 Desember 2017	14,971.39	16,065.43	3,323.72	-	714.67	-
Januari 2018	22,893.85	24,688.88	5,003.13	4,180.88	1,034.94	862.6
Februari 2018	21,227.78	22,644.54	4,822.88	5,085.91	1,018.34	1,137.79
Maret 2018	24,158.61	26,153.74	5,127.97	4,436.09	1,199.59	956.28
April 2018	20,282.00	20,998.65	4,170.50	5,280.33	931.77	1,209.61
Mei 2018	21,385.73	22,959.28	4,395.47	3,468.41	665.43	764.15
Juni 2018	18,156.04	18,997.79	3,688.55	4,938.8	909.60	752.51
Juli 2018	14,804.78	19,941.86	3,110.03	2,839.74	674.09	1,003.38
Agustus 2018	4,144.10	5,494.27	934.52	4,046.74	188.89	653.04
01-14 September 2018	1,866.65	2,241.61	353.62	1,739.84	65.80	294.19
Total	163,890.93	180,186.05	39,360.79	36,016.74	8,789.49	7,633.55

Status: Comply

3.3. Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√
ASA-3	PT Rimba Harapan Sakti do not use RSPO trademark and CB Logo.	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-3	PT Rimba Harapan Sakti do not use RSPO trademark and CB Logo.	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA-3	PT Rimba Harapan Sakti do not use RSPO trademark and CB Logo.	√
	Status:	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate logo.	X or√
ASA-3	PT Rimba Harapan Sakti do not use RSPO trademark and CB Logo.	√
	Status: Comply	

3.4. Summary of RSPO 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 July 2018.

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 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 final RSPO endorsement from RSPO

		<p>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 at ASA-2

NCR No.	: 2017.01	Issued by	: Sandra Purba
Date Issued	: 26 September 2018	Time Limit	: 20 December 2018
NC Grade	: Minor raised to Major	Date of Closing	: 12 December 2018
Standard Ref. & Requirement	5.2.4 Where a management plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported • Outcomes of monitoring shall be fed back into the management plan 		
Non-Conformance Description & Evidence observed (filled by auditor):			
<p>Based on field observations to HCV areas in RHS1 (e.g. HCV in block 076, block 092 and riparian of Pukun river) there is a potential for disruption to the presence of HCV (the permanent and un-permanent community buildings and HCV areas which cultivated by the communities). It has been identified by the company in June 2017, there were as many as 18 locations (78.83 Ha) disruption to the area HCV describes in the HCV disturbances maps (scale 1: 70000, No. HD7330, dated 15 Sept 2017). HCV protective measures and to reduce the threat had been carried out by socialization and communication to the communities and involving the relevant agencies.</p> <p>However, the company has not been able to show any follow-up plan for improvement and further management plan based on the result of identification and communication with various parties.</p>			
Root Cause Analysis (filled by organization audited):			
<p>The steps that have been taken by the company in handling the potential disruption to the existence of HCV have not been stated in the HCV PT. HSS area management and monitoring plan</p>			
Correction (filled by organization audited):			
<p>Reviewing the management and monitoring plan of the HCV PT. RHS area by including actions taken in the field as well as future plans that will be carried out by PT. RHS in handling potential disturbances in the HCV area.</p>			
Corrective Action (filled by organization audited):			
<p>Keep reviewing plans for management and monitoring of HCV areas every 2 years, but if there are changes in the field that require changes in HCV management and monitoring plans with a period of less than 2 years, a review can be carried out without waiting for that period.</p>			
Assessor Evaluation and Conclusion (filled by auditor):			
<p>Verification ASA-3</p> <p>Based on previous data on ASA 2, it was found that there were 7 person who had cleared land in the HCV area of the company. January 1, 2018, in the HCV encroachment road map report prepared by the HCV sustainability team, it was found that those who carried out land clearing increased to 48 person with a disturbed HCV area of 179.34 Ha (active claim area of 28.07 Ha, clearing area 130.85 Ha, threatened (there are buildings) 48.49 Ha). This is because the company has not made compensation to the land cultivator.</p> <p>Furthermore, there are 20 minutes of mutual agreement between the community and CH. For example, block B34</p>			

Namely Ramanja August 15, 2018. However, the agreement doesn't explained how to maintain the existing HCV area including those that have been opened and planted by palm oil cultivators.

The company demonstrated the mediation minutes of the HCV land issue of PT RHS Pematang Limau Village, Seruyan Hilir Subdistrict September 12, 2018 concerning the status of the HCV settlement area located at the Pematang Limau Village Office. Based on the meeting concluded:

- Land that has not been compensation and used as HCV to be returned to the community.
- If it isn't returned to the community, compensation must be made (*GRTT*) which is decided no later than 14 days after this mediation is made.
- If there is no response within 14 days, the company must release the HCV signboar / HCV attribute on the land belonging to the community.

Based on interviews with the community of Pematang Limau Village, it is known that the land that is used as HCV area by CH is the community's cultivated land that has not been compensated, so that the community is free to plant oil palm or cultivate other crops. Base on field visit in the HCV area in block 471 and block 600 of the RHS 1 estate, it was found that there was a disturbance in the HCV area by land clearing and planting oil palm by the community.

Base on description be concluded CH hasn't been able to demonstrate the effectiveness of follow-up and significant steps for managing and maintaining HCV areas from threats and disturbances. The NCR 2017.01ASA 2 hasn't Comply.

Verification 12 December 2018.

CH has documents review and management adaptive HCV area 2018, compiled by the HCV assistant manager and approved by GEM PT. RHS 1 November 2018. The document explains that for adaptive management plans and HCV monitoring, HCV land issues namely:

1. HCV area has been occupied by community and company employee, in form off buildings and plantation.
2. Claim HCV area from community groups.

The document explained management plan and monitoring of HCV PT RHS 2019. In 2013 HCV area has been occupied 235,76 Ha, since 2017 - 2018 181,70 Ha, while the remaining 54.06 ha has be shrubs as abandonment. The document plan for management and monitoring HCV shall be reviewed at least on two yearly. The document plan for management and monitoring HCV 2019 include HCV encroachment area 181,70 Ha consist of:

1. HCV Management

General objectives of HCV management	Specific objectives of HCV management	Management Objectives	Management Strategic	
			Area	Guidance
Protected wildlife ecosystems and habitats are maintained and can be maintained throughout the HCV area.	Protect HCV areas and land use change outcome community claimed and encroachment.	Dialogue and communication with occupant and mutual agreement.	HCV encroachment is ± 181.70 Ha.	<ul style="list-style-type: none"> • Periodically communication and foster with occupant. • Further identification to determine the socio-economy of the community. • Efforts to prevent occupation by community empowerment programs. • Implementation SOPs and HCV policy towards occupant. • Communication periodically

			HCV occupation area by smallholder Tani Pukun Lestari.	<ul style="list-style-type: none"> and foster with smallholder. • Further identification by legal policyl. • Compensation mechanisms be considered to replace community rights has been identified.
		Protect HCV area that is still left and hasn't been occupation.	Un-disturbed HCV.	<ul style="list-style-type: none"> • Governments be declare HCV areas. • HCV monitoring by security and local community participation. • Implementation SOPs and HCV policy towards occupant.

2. HCV Monitoring

Area	Operational Monitoring	Management Strategic	Threat Monitoring
Status of HCV area	HCV monitoring periodically to ensure that there is no operational waste impacted community.	<ul style="list-style-type: none"> • An annual survey of HCV encroachment monitoring fully by assessment. • An annual survey of HCV encroachment utilized drone for monitoring specially. 	<ul style="list-style-type: none"> • Monitoring new encroachment HCV (identification and extensive). • Interview with occupant
HCV1: population of <i>orangutans</i> and <i>bekantan</i> .	<ul style="list-style-type: none"> • Special reports from daily employees for RTE species. • Employee reports are followed up with verification and surveys. • HCV Signboard monitoring every month. 	<ul style="list-style-type: none"> • Surveys of routine orangutan nest transects are conducted every 3 months. • Routine Pukun riparian surveys every 1 month for bekantan monitor. • Rapid assessment surveys for RTE species especially <i>taxaactionpteryggi</i>, <i>aves</i> and <i>amphibian</i>. • Utilized camera trap periodically. 	<ul style="list-style-type: none"> • Monitoring Periodically for collect or kill RTE species activity • Monitoring Periodically HCV 1 area.
HCV2: lanscape ecosystem.	<ul style="list-style-type: none"> • Utilized drone for monitoring specially every years. • HCV Signboard monitoring every month. 	<ul style="list-style-type: none"> • Monitoring Utilized drone for if any deforestation or fragementation. 	<ul style="list-style-type: none"> • HCV corridor monitoring
HCV3: ecosystem.	HCV Signboard monitoring every month.	Survey natural vegetation structure every years.	<ul style="list-style-type: none"> • Monitoring Periodically for illegal logging activity. • Monitoring RTE species Periodically for location, distribution and status.
HCV4: vegetation	HCV marking monitoring	• Pemantauan erosi tanah	Riparian monitoring

of riparian area.	in riparian	dengan metode dan sampel yang direncanakan. <ul style="list-style-type: none"> • Monitoring soil erosion • Monitoring implementation restoration HCV area. 	Periodically and prohibition chemical application.
HCV5; Community needs area for basic necessities community such as fishing.	Riparian monitoring periodically to ensure that there is no operational waste impacted community.	<ul style="list-style-type: none"> • Interview with the Pondok Haur community or fishermen about patterns of extraction and resource dependence. • Survey the types of fish that are available for identification. 	Monitoring riparian to ensure there are no threats.
Based on the proof of improvement submitted, Non Conformity Number 2017.01 is stated fulfilled and will be verified again on the next surveillance. (Closed with Observation).			
Verified by		: Radytio & Leonada	

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

NCR No. :		Issued by :	
Date Issued :		Time Limit :	
NC Grade :		Date of Closing :	
Standard Ref. & Requirement :			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
There is no nonconformity in ASA 3.			
Root Cause Analysis <i>(filled by organization audited):</i>			
Correction <i>(filled by organization audited):</i>			
Corrective Action <i>(filled by organization audited):</i>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verified by :			

3.5.3 Opportunity for Improvement

No	Ref. Std.	Description Deskripsi
1		There is no opportunity for improvement

4.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1	-	Cleanliness of employee housing area
2	-	The use of camera trap technology in monitoring wildlife
3	-	Use of technology in water purification systems in every estate
4	-	Use of barcode system technology in recording FFB
5	-	Apply mounding in sandy soil areas







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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Bipartite cooperative of PT Rimba Harapan Sakti</p> <ul style="list-style-type: none"> - Certificate holder gives freedom to all worker to deliver their aspiration or complaint through Bipartite Cooperative. - Minimum wage for daily permanent worker is in accordance with Minimum Wage for Seruyan Regency year of 2018. - Bipartite cooperative held meeting once a month and has documented the meeting. Bipartite also submit bipartite report every 6 month to Manpower Agency of Seruyan Regency. - There is no intern area worker in PT RHS. - Complaint from worker can be solved within Bipartite. - There is no complain from worker about children worker, discrimination, and force labor. Minimum age for worker in PT RHS is 18 years old. - Payment for overtime is in accordance with applicable regulation. 	<p>Auditor has verified the compliance the worker welfare aspect on criteria 6.5, 6.6, 6.7, 6.8, and 6.12.</p>
<p>Gender committee of PT Rimba Harapan Sakti</p> <ul style="list-style-type: none"> - Activities of gender committee is religious activity, socialization of complaint mechanism, <i>posyandu</i>. - Company gives maternity leaves and menstrual leaves for women worker. Maternity leaves is about 1.5 months before and after giving birth. Menstrual leaves is given to worker after checked by company's doctor. - Women spraying worker is prohibited to spraying in breastfeeding time. They will be transferred to manual upkeep. - Certificate holder gives special time to breastfeeding for women worker. - There is no complaint about sexual harassment and discrimination among workers. 	<p>Auditor has verified the compliance the worker welfare aspect on criteria 6.8, and 6.9.</p>
<p>Pematang Limau Village including of previous land owners</p> <ul style="list-style-type: none"> • The transparency and communication are maintained well • There is no issue of environmental pollution in RHS area • The company has provided some assistance to the village such as donations for religious events, donations for independence day events, etc. • The boundaries are clear by using trech. • There is no land dispute in operation area • the company did not planted in the area within the company's HGU that had not been compensated. • There is agreement not to disturb and respect each other in are that not been compensated (the land owner not willing to compensate) 	<p>This matter has been verified at criterion 2.2, 2,3, 5.2 and 6.1</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> Some HCV areas are in villagers land that have not been compensated by the company. So the villagers felt that they have the right to managed and planted the land. The villagers also not accepted of those HCV areas existed in theirs land. 	
<p>Worker Cooperative of Rimba Harapan Sakti-1 (Harapan Sakti Cooperative).</p> <ul style="list-style-type: none"> The company supports the establishment of worker cooperatives in accordance with existing policies. Fields of business undertaken by the cooperative is a department store (groceries). Harapan Sakti Cooperatives have been registered in the Cooperative Agency since 2015 and the worker cooperative is still active until now. Have 43 members until Agustus 2018. 	<p>Auditor has verified the compliance the worker welfare aspect on criteria 6.5</p>
<p>Civil Contractor, PT Indopalma Agro Persada and CV Awaraya Pratama</p> <ul style="list-style-type: none"> The contractor is selected to be a civil contractor through a tender process in accordance with company procedures. Contractors are required by companies to comply with OHS and PPE procurement by contractors. Payments to contractors are made on time in accordance with the contract. Communication between the contractor and the company is well established. The employment agreement contains articles such as payment methods, occupation, OHS aspects and employment such as the provision of PPE and registration on accident insurance of contractor workers by the contractor. There are no complaints from contractors. 	<p>Auditor has verified the compliance the worker welfare aspect on criteria 6.10</p>
<p>Forestry and Plantation Agency of Seruyan District.</p> <ul style="list-style-type: none"> The relationship between the company and the Forestry and Plantation Agency of East Kotawaringin is good enough and often coordinated. There is no issue about land conflicts or tenurial conflicts The implementation of regular reporting is running smoothly and on time. For example; Plantation Business Activity Report (LKUP). The assessment results of the plantation business showed the estate received a title / third class estate. CSR to the public has been carried out and conducted by coordination with agency and community around the company There were no fires and environmental pollution issues. Company has a Plantation Business License (IUP). Report on plantation business activities (LPUP) are routinely 	<p>CH has demonstrated compliance with the RSPO criteria 2.1, 2.2, 2.3, and 6.4.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>reported.</p> <ul style="list-style-type: none"> FFB Pricing period June 2018 for Seruyan district. 	
<p>Environmental Agencies</p> <ul style="list-style-type: none"> The company has a good relationship with Regional Environmental Agency of Seruyan rency The management unit provides effluent compulsory report regularly (quarterly) The Company has obtained permission of Hazardous Waste Temporary Warehouse and land applications The management unit provides Environmental Management Plan - Environmental Monitoring Plan reports regularly There is no pollution issues related to the company's operations from the community. Company has done air quality testing every semester and the result reported to Environment agency. Company has done noise, vibration, and fragrance testing. The result reported to Environment agency every semester. Company has reported manifest of hazardous waste to environment district and province every 3 months. The company EIA implementation report, such as routine report of Environmental Management Plan / Environmental Monitoring Plan in each semester. <p>To date there is no issues and statement from other parties about negative impact on environment.</p>	<p>There is no negative issues from the government district. CH has demonstrated compliance with the RSPO criteria 2.1, 4.4, 4.6, 5.1, 5.2, 5.3, and 5.5</p>
<p>Labor and Transmigration Agency of Seruyan Regency</p> <ul style="list-style-type: none"> The relationship between the company with Labor and Transmigration Agency has been established very well. The Company has implemented Management System of Occupational Health and Safety in mills and estates. The company has had a good working procedure, involving the employees in the employment guarantee program (employment Social Insurance Agency). There has never been a report related to a dispute between the company and its employees. The Company has a system of reporting to the Labor and Transmigration Agency properly and timely. For example, reports of Guiding Committee of Occupational Safety & Health and Compulsory Labor Report. The Company has implemented the Estate Sectoral Minimum Wage in accordance with applicable regulations. For periode 2018. The Department also routinely conducted an examination on the work machines in RHS POM. PT RHS does not have worker unions, but the company has a Bipartite Cooperation Institution which are quite active There is no issue of labor or discriminatory treatment of 	<p>Auditor has verified the compliance the worker welfare and OHS aspect on criteria 2.1, 4.7, 6.5, 6.6, 6.7, 6.8, and 6.12</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>workers (ethnic, racial, gender).</p> <ul style="list-style-type: none"> • Provisions of working hours have already implemented overtime salary • There is no migrant workers in PT RHS. • The Company utilize local workers. 	

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> <table border="0" style="width: 100%;"><tr><td style="text-align: center; width: 50%;"><p>PT Rimba Harapan Sakti Assistant General Manager</p><p>Edianto Wednesday, 12 December 2018</p></td><td style="text-align: center; width: 50%;"><p>Mutuagung Lestari Lead Auditor</p><p>Leonada Wednesday, 12 December 2018</p></td></tr></table>	<p>PT Rimba Harapan Sakti Assistant General Manager</p>  <p>Edianto Wednesday, 12 December 2018</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p>Leonada Wednesday, 12 December 2018</p>
<p>PT Rimba Harapan Sakti Assistant General Manager</p>  <p>Edianto Wednesday, 12 December 2018</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p>Leonada Wednesday, 12 December 2018</p>		

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	Seruyan Regency	-	Visits and Interviews	September 18 th 2018	√	-
2	Plantation And Forestry Agency	Seruyan Regency	-	Visits and Interviews	September 18 th 2018	√	-
3	Labour and Transmigration Agency S	Seruyan Regency	-	Visits and Interviews	September 18 th 2018	√	-
4	National Land Agency	Seruyan Regency	-	-	-	-	√
5	Gender Committee	PT RHS	-	Interviews	September 18 th 2018	√	-
6	Bipartite Cooperation	PT RHS	-	Interviews	September 18 th 2018	√	-
7	Worker Cooperative	PT RHS	-	Interviews	September 18 th 2018	√	-
8	Local Contractor: PT Indopalma Agro Persada & CV Awaraya Pratama	PT RHS	-	Visits and Interviews	September 18 th 2018	√	-
9	Pematang Limau village (Local Communities, ex land owner)	Pematang Limau Village	-	Visits and Interviews	September 18 th 2018	√	-
10	RHS 1 POM - Security: 2 Security - Loading ramp: 3 workers - Sterillizer station: 1 worker - Press station: 1 worker - Boiler station: 1 worker - Engine room: 1 worker - Kernel station: 1 worker - WWTP: 1 worker	PT RHS	-	Visits and Interviews	September 18 th 2018	√	-
11	RSH 1 Estate - Spraying: 10 workers - Manuring: 10 workers - Harvesting: 3 harvesters - Crèche facility: 1 worker - Workshop: 4 mechanic	PT RHS	-	Visits and Interviews	September 19 th 2018	√	-
12	RSH 2 Estate - Spraying: 7 workers - Manuring: 8 workers - Harvesting: 3 harvesters - Crèche facility: 1 worker - Workshop: 4 mechanic	PT RHS	-	Visits and Interviews	September 20 th 2018	√	-
13	Sawit watch		info@sawitwatch.or.id	Email	September 12 th 2018	-	√
14	WWF		wwf-indonesia@wwf.or.id	Email	September 12 th 2018	-	√
16	Walhi		informasi@walhi.or.id	Email	September 12 th 2018	-	√
17	AMAN		rumahaman@cbn.net.id	Email	September 12 th 2018	-	√

Appendix 2. Assessment Program

DATE	17 to 21 September 2018	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 17 September 2018		
08.00 – 10.00	Jakarta – Sampit	All Auditor
10.00 – 12.00	Sampit – SITE	
12.00 – 14.00	Break	
14.00 – 15.00	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) 	
15.00 – 17.00	Documents Review <ul style="list-style-type: none"> • Review of previous (Initial assessment) findings • Verification of Basic Information Mill and Estate • Confirmation of Time Bound Plan • Review of Partial Certification 	
Tuesday, 18 September 2018		
08.00 – 12.00	<ul style="list-style-type: none"> • Stakeholders consultation to related agencies in Seruyan Regency • Stakeholder consultation to affected communities surrounding the plantations, indigenous peoples, local communities, smallholders and previous land owners. • Interview with Gender Committee, Worker's Union, , Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier 	RDP LEO AAS/HSS
12.00 – 14.00	Break	
14.00 – 17.00	Field observation to RHS POM : <ul style="list-style-type: none"> • Supply Chain verification (FFB Receiving, Weighbridge), • Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO) • Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond & land application 	LEO HSS RDPI/AAS
Wednesday, 19 September 2018		

DATE	17 to 21 September 2018	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	Field Observation to RHS 1 Estate Aspect to be verified : - Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV; - Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect - Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Observation of Workers Facilities (Housing, School, Worship Place). Break <ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of field visit and completing checklist 	LEO HSS
12.00 – 14.00		RDP
14.00 – 17.00		AAS
Thursday, 20 September 2018		
08.00 – 12.00	Field Observation to RHS 2 Estate Aspect to be verified : - Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV; - Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health & Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect - Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Observation of Workers Facilities (Housing, School, Worship Place). Break <ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of field visit and completing checklist 	LEO HSS
12.00 – 14.00		RDP
14.00 – 17.00		AAS
Friday, 21 September 2018		
07.00 – 08.00	Closing meeting	All Auditor
08.00 – 11.00	PT RHS - Sampit	
12.30 - ...	Sampit – Jakarta	