

Roundtable on Sustainable Palm Oil Certification R S P O

[√] Surveillance

Name of Management : Gunung Aru Palm Oil Mill, PT Bersama Sejahtera Sakti subsidiary of Organisation Sime Darby Plantation Bhd

Plantation Name : PT Bersama Sejahtera Sakti : Gunung Aru Estate, Gunung Kemas Estate, Laut Timur Estate and Pantai Timur Estate.

Location : Betung Village, Sub District of Pulau Laut Timur, District of Kotabaru, Province of South Kalimantan, Indonesia

Certificate Code : **MUTU-RSPO/005**

Date of Certificate Issue : 05 July 2016 Date of License Issue : 20 January 2018

Date of Certificate Expiry : 04 July 2021 Date of License Expiry : 04 July 2019

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed By	Approved By
ASA – 1.2	27 August 2018 – 01 September 2018	Andi Pratama Pasaribu (Lead Auditor), Trismadi Nurbayuto, I Wayan Sudi Antara, Satria Adi Putra	Octo H.P.N. Nainggolan	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.2	27 December 2018

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Figure 1. Location Map of PT Bersama Sejahtera Sakti

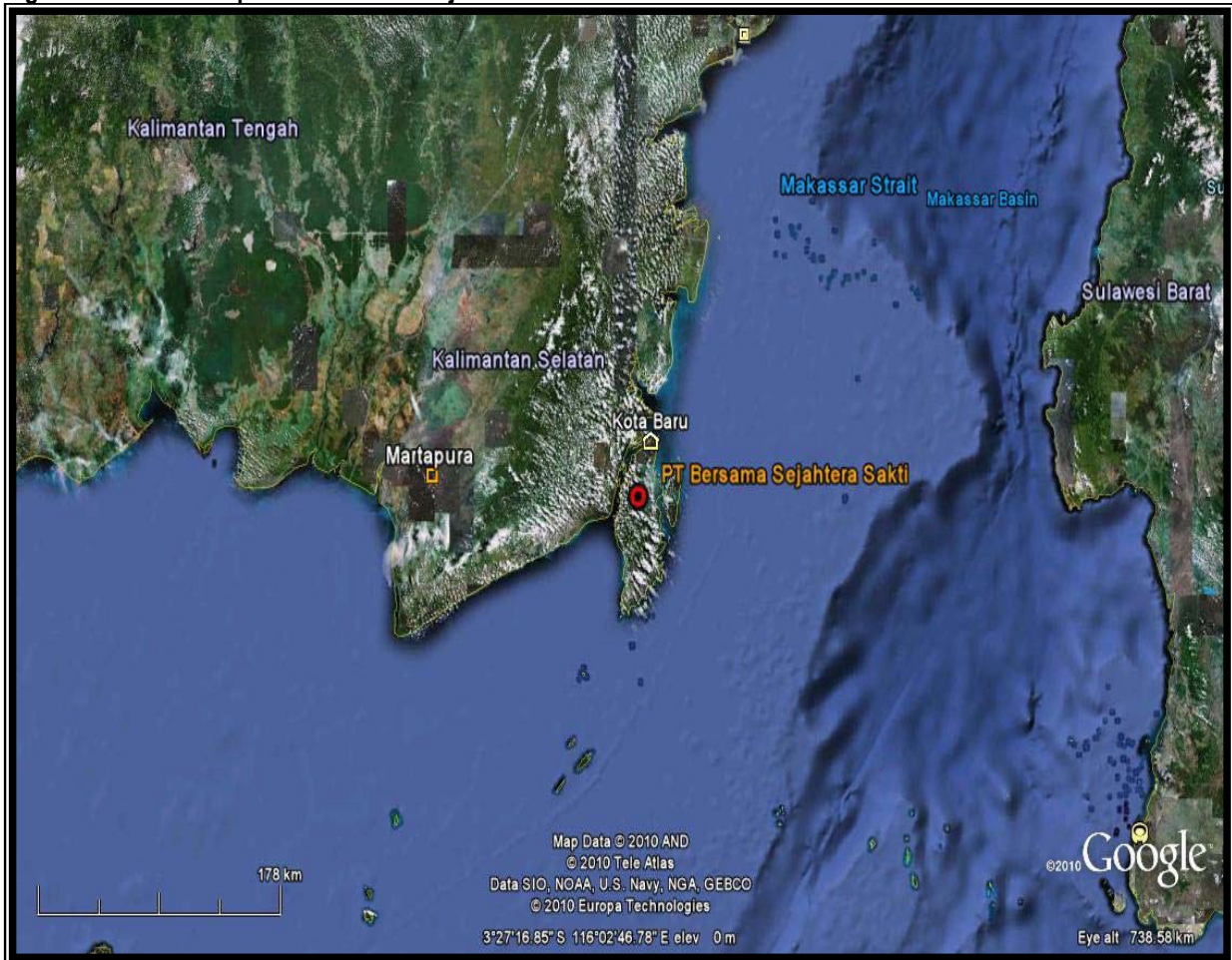
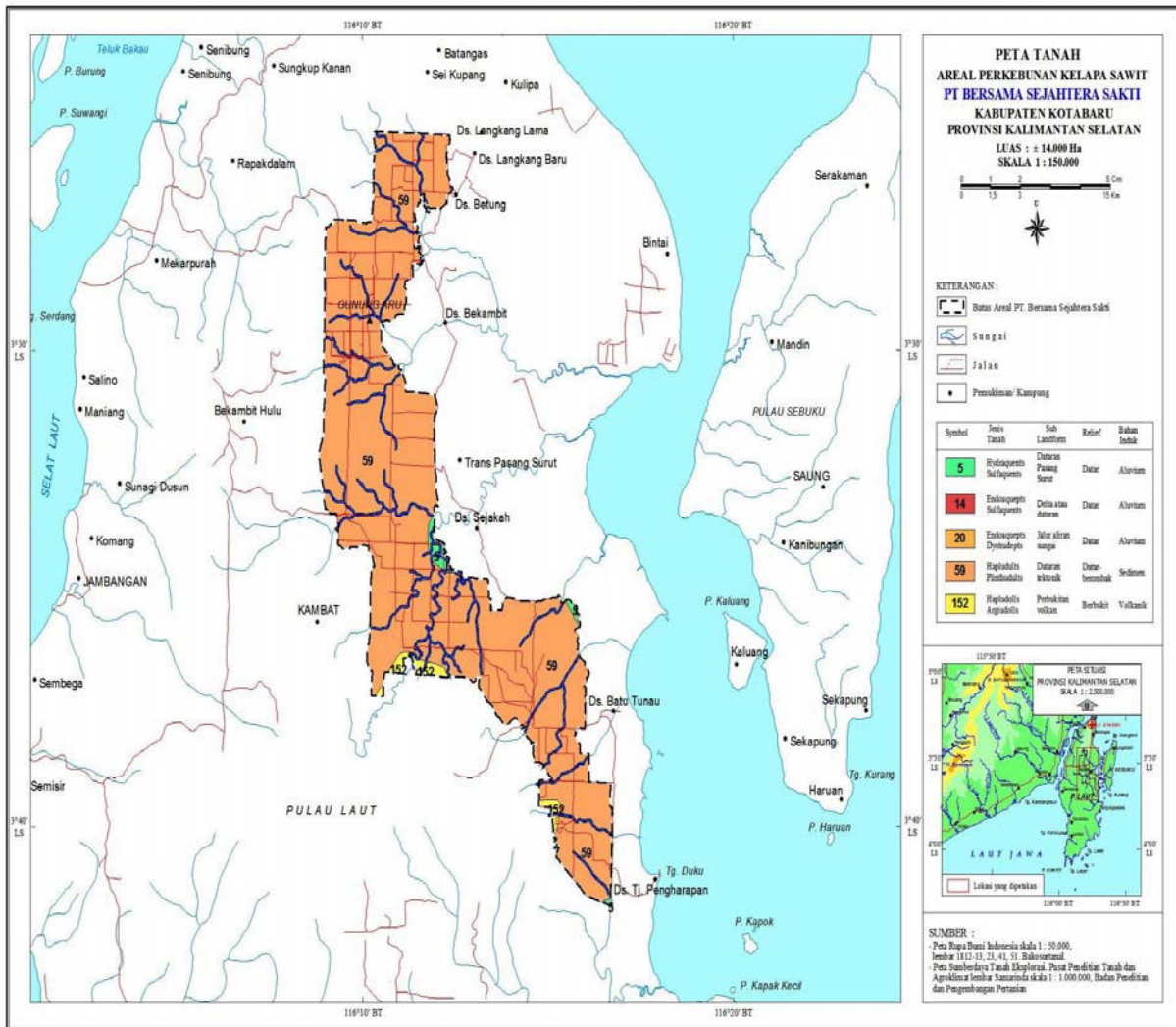


Figure 2. Operational Map of PT Bersama Sejahtera Sakti



Abbreviations Used

AMDAL	:	Analisis Mengenai Dampak Lingkungan (<i>Social and Environmental Impact Assessment</i>)
APAR	:	Alat Pemadam Api Ringan (Fire Extinguisher)
APD (PPE)	:	Alat Perlindungan Diri (<i>Personal Protective Equipment</i>)
B3	:	Bahan Beracun and Berbahaya (<i>Hazardous Material Waste</i>)
BLHD	:	Badan Lingkungan Hidup Daerah (<i>District Environment Body</i>)
BOB	:	Barn On Box
BOD	:	Biological Oxygen Demand
BKSDA	:	Balai Konservasi Sumber Daya Alam
BPN	:	Badan Pertanahan Nasional (<i>National Land Agency</i>)
BPJS	:	Badan Penyelenggara Jaminan Sosial
BSS	:	PT. Bersama Sejahtera Sakti
CD	:	Community Development
CPCL	:	<i>Calon Petani Calon Lahan</i>
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assesment
FFB	:	Fresh Fruit Bunch
GAE	:	Gunung Aru Estate
GAF	:	Gunung Aru Factory
GKE	:	Gunung Kemasan Estate
GHG	:	Green House Gas
HACCP	:	Hazard Analysis Critical Control Point
HCV	:	High Conservation Value (Nilai Konservasi Tinggi)
HGU	:	Hak Guna Usaha. (<i>Land Use Permit</i>)
HIRAC	:	Hazard Identification Risk Assesment & Control
ISO	:	International Prganization for Standardization
ISCC	:	International Sustainability & Carbon Certificate
IUP	:	Izin Usaha Perkebunan. (<i>Plantation Operation License</i>)
IPAL(WWTP)	:	Instalasi Penyaluran Air Limbah (<i>Wastewater Treatment Plant</i>)
JAMSOSTEK	:	Jaminan Sosial Tenaga Kerja (<i>Social Assurance of Labor</i>)
K3(OHS)	:	Keselamatan dan Kesehatan Kerja. (<i>Occupational Health and safety</i>)
KLH	:	Kementrian Lingkungan Hidup (<i>Environment Ministry</i>)
KUD	:	<i>Koperasi Unit Desa</i> (Cooperative Village Unit)
LC	:	Land Clearing
LCC	:	Legume Cover Crop
LUCA	:	Land Use Change Analysis
LTE	:	Laut Timur Estate
LSU	:	Leaf Sampling Unit
MMCM	:	Minamas Management Committee Meeting
MSDS	:	Material Safety Data Sheet
OHS	:	Occupational Health & Safety
OER	:	Oil Extraction Rate
PHT	:	Pengendalian Hama Terpadu (<i>Integrated Pest Management</i>)
PK	:	Palm Kernel
PKO	:	Palm Kernel Oil
PKS(POM)	:	Pabrik Kelapa Sawit (<i>Palm Oil Mill</i>)
PP	:	Peraturan Pemerintah (<i>Government Regulation</i>)
PPE	:	Personal Protective Equipment

PTE	:	Pantai Timur Estate
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluents
PPLH	:	<i>Pusat Penelitian Lingkungan Hidup</i>
RKL/RPL	:	Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan (<i>Environmental Management Plan/ Environment Monitoring Plan</i>)
RKS/RPS	:	Rencana Kelola Sosial/ Rencana Pemantauan Sosial (<i>Social Management Plan/ Social Monitoring Plan</i>)
PSD	:	Plantation Services Department
PSQM	:	Plantation Sustainability and Quality Management
SOP	:	Standard Operating Procedure
SOU	:	Strategic Operating Unit
SP	:	Serikat Pekerja (<i>Worker Union</i>)
SPK	:	Surat Perjanjian Kerja (<i>Minutes of Agreement</i>)
TBS (FFB)	:	Tandan Buah Segar (<i>Fresh Fruit Bunches</i>)
WLTK	:	Wajib Laporkan Tenaga Kerja (Labor compulsory report)
UKL/UPL	:	Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan (<i>Environmental Management Efforts/ Environmental Monitoring Efforts</i>)

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used <ul style="list-style-type: none"> • Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governor 30th September 2016. • RSPO Supply Chain Certification Standard for Organization seeking for holding certification adopted by the RSPO Board of Governor on 21 November 2014, Revised 14 June 2017 (Modul E for CPO Mill) • RSPO Certification System for Principles and Criteria, 14 June 2017 		
1.2	Organisation Information		
1.2.1	Organization name listed in the certificate	PT Bersama Sejahtera Sakti subsidiary of SIME DARBY PLANTATION BHD	
1.2.2	Contact person	Men Kon Tang	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> • Company RSPO Registered: Level 3A, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7, Ara Damansara, 47301 Petaling Jaya, Selangor, Malaysia • Site: The Plaza Office Tower Lantai 36 Jl MH Thamrin Kav. 28-30 Jakarta 10350 	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	mohamad.pirabaharan@sime-darbyplantation.com	
1.2.7	Web page address	www.sime-darbyplantation.com	
1.2.8	Management Representative who completed the application for certification	Mohamad Pirabaharan (Head of PSQM Minamas Plantation)	
1.2.9	Registered as RSPO member	1-0008-04-000-00 – 07 September 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	PT. Bersama Sejahtera Sakti One (1) unit Palm Oil Mill – Gunung Aru POM and four (4) units supply bases – Gunung Aru Estate, Gunung Kemas Estate, Laut Timur Estate, Pantai Timur 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
	Gunung Aru	Betung Village, Sub District of Pulau Laut Timur, District of Kotabaru, South Kalimantan Province, Indonesia.	S 03° 29' 41"
			E 116° 10' 00"

1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Gunung Aru Estate	Betung Village, Sub District of Pulau Laut Timur, District of Kotabaru, South Kalimantan Province, Indonesia.	S 03° 30' 15"	E 116° 09' 47"
	Gunung Kemasan Estate	Betung Village, Sub District of Pulau Laut Timur, District of Kotabaru, South Kalimantan Province, Indonesia.	S 03° 31' 48"	E 116° 11' 00"
	Laut Timur Estate	Betung Village, Sub District of Pulau Laut Timur, District of Kotabaru, South Kalimantan Province, Indonesia.	S 03° 35' 49"	E 116° 12' 18"
Pantai Timur Estate	Betung Village, Sub District of Pulau Laut Timur, District of Kotabaru, South Kalimantan Province, Indonesia.	S 03° 36' 24"	E 116° 13' 26"	
1.5	Description of Area Statement			
1.5.1	Tenure			
	<ul style="list-style-type: none">State		<ul style="list-style-type: none">12,740,54 Ha based on HGU Certificate No.22/HGU/BPN/92, No.9/HGU/BPN/2002, No.01-540.2-43-2003 and No.62/HGU/BPN/2004HGB 5.06 HaHGU on process ± 1,035.71 Ha (Has explained on criterion 2.2.1)	
	<ul style="list-style-type: none">Community		- Ha	
1.5.2	Area Statement			
	Total area		13,498.45	Ha
	Mature		9,247.29	Ha
	Immature		3,135.02	Ha
	POM		37.55	Ha
	Emplacement (housing, buildings)		130.55	Ha
	Road & Bridges		461.39	Ha
	Canals		23.90	Ha
	Conservation:			
	<ul style="list-style-type: none">Others (Nikel mine area, Buffer Zone, Bukit, Lembah, Sungai)		135.27	Ha
	<ul style="list-style-type: none">Conservation Area (riparian of GKE)		91.46	Ha
	Without Encumbrances (Reserves)		140.14	Ha
	With Encumbrances (Occupied)		71.68	Ha
	Nursery		24.20	Ha
	Note: There are variance data between ASA-1.1 and ASA-1.2, such as:			
	<ul style="list-style-type: none">Mill area increased, due to the embankment in reservoirs that were not replanted.The emplacement has moved to Central Housing Complex, ex-emplacement was planted on Block P5/A014.The Nikel Field Area at Block A022 & A026 is planted.Total HCV area are 571.12 Ha; most of the river border has already been planted. Conservation area: 91.46 Ha; River: 135.27 Ha; Riparian Zone (Planted area): 344.39 Ha.			

• There are permanent enclave 277.80 Ha (outside of certification scope)							
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Gunung Aru	Gunung Kemasan	Laut Timur	Pantai Timur	Total	
	1991	-	54.58	-	-	54.58	
	1992	-	120.48	-	-	120.48	
	1993	-	170.64	-	-	170.64	
	1994	-	83.96	80.89	-	164.85	
	1995	-	-	122.33	370.55	492.88	
	1996	-	188.98	962.72	925.15	2,076.84	
	1997	-	49.61		249.91	299.52	
	1998	-	45.43	210.32	-	255.75	
	1999	-	81.91	-	-	81.91	
	2000	-	214.91	-	106.17	321.08	
	2003	-	-	56.53	121.21	177.74	
	2005	-	54.11	54.62	104.76	213.48	
	2006	-	-	-	452.56	452.56	
	2007	-	-	-	426.68	426.68	
	2010	270.56	-	-	-	270.56	
	2012	324.41	-	-	-	324.41	
	2013	424.65	247.10	-	-	671.75	
	2014	400.86	489.22	-	-	890.08	
	2015	787.65	639.33	354.53	-	1,781.50	
	2016	423.06	547.67	450.51	-	1,448.24	
	2017	193.04	319.58	456.65	50.47	1,019.64	
	2018	132.22	-	254.41	280.51	667.14	
		TOTAL	2,956.44	3,334.40	3,003.50	3,089.49	12,382.31
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 nd Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Gunung Aru Factory	40	124,431	25,545	20.52	5,734	4.61
	* Production data source from 12 months before assessment (August 2017 – July 2018)						

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)	%	
	Gunung Aru	3,233.98	2,956.44	23,755	15.99	23,755	100	
	Gunung Kemas	3,726.02	3,334.40	22,086	10.50	22,086	100	
	Laut Timur	3,200.48	3,003.50	50,902	30.35	50,902	100	
	Pantai Timur	3,337.97	3,087.97	27,687	17.30	47,687	100	
	TOTAL	13,498.45	12,382.31	124,431	18.00	124,431	100	
	<i>*Production data source from August 2017 – July 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)			
	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	
	TOTAL					-		
	<i>*Production data source from August 2017 – July 2018</i>							
1.7.4	Product categories			FFB, CPO, PK				
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product	Previous Certificate Claim 21 October 2017 to 20 October 2018 (tonnes/year)			Actual certified product 1 August 2017 to 31 July 2018 (tonnes/year)			
		IP	MB	IP	MB			
	• FFB Production	129,014			124,554.16			
	• CPO Production	36,097	1,816.60	25,545	-			
	• Palm Kernel (PK) Production	9,012	565.77	5,734	-			
1.8.2	Product selling							
	Tonnage of selling product			Actual selling product period 1 August 2017 to 31 July 2018				
	• CSPO			16,951.40				
	• CSPK			2,577.60				
	• CPO under other scheme trading (e.g ISCC, RFS)			-				
	• CPO under conventional trading (if any)			8,490.84				
	• PK under other scheme			-				
	• PK under conventional trading (if any)			3,120.58				
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)		
	Gunung Aru	3,233.98	2,956.44	24,595		16.55		

	Gunung Kemas	3,726.02	3,334.40	22,749	10.82				
	Laut Timur	3,200.48	3,003.50	52,429	28.46				
	Pantai Timur	3,337.97	3,087.97	28,518	10.34				
	TOTAL	13,498.45	12,382.31	128,291	15.99				
	<i>*Projected FFB production for 12 months of certificate (05 July 2018 to 04 July 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 (%)	
	Gunung Aru Factory	40	128,291	26,299	20.50	6,158	4.80	MB	
	<i>*Projected CSPO and CSPK production for 12 months of certificate (05 July 2018 to 04 July 2019)</i>								
1.9	Other Certifications								
	ISO 9001:2008		-						
	ISO 14001: 2004		-						
	OHSAS 18001:2007		-						
	ISCC		-						
	Others		PT. Bersama Sejahtera Sakti has obtained ISPO Certificate (Certificate Number SGS-ID-ISPO-0008) valid from 6 December 2016 until 5 December 2021.						
1.10	Time Bound Plan								
1.10.1	Time Bound Plan for Other Management Units								
	Management Unit		Supply Base	Time Bound Plan	Location	Status			
	Mill	Time Bound Plan							
	INDONESIA								
	Sekunyir. PT. Indotruba Tengah	2010	Sekunyir	2010	Seruyan and West Kotawaringin District – Central Kalimantan	Certified			
			Seruyan	2010		Certified			
	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District – Riau	Certified			
			Manggala 2	2010		Certified			
			Manggala 3	2010		Certified			
	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District – West Kalimantan	Certified			
			East	2010		7,223 Ha	Certified		
			East	2019		1,652 Ha	-		
			Sei Mawang	2019		-			
			East Plasma	2010		Certified			
			West Plasma	2010		Certified			
	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	Pekanbaru, Siak District – Riau	Certified			
			Pinang Sebatang	2011		Certified			
			Aneka Persada	2011		Certified			

Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District – South Sumatera	Certified
		Bukit Pinang	2012		Certified
Pematang. PT. Teguh Sempurna	2011	Pematang	2011	Seruyan and East Kotawaringin Distr ict – Central Kalimantan	Certified
		Kawan Batu	2011		Certified
		Hatan Tiring	2011		Certified
		Batang Garing	2011		Certified
Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District – Riau	Certified
Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011	Indra Giri Hilir District – Riau	Certified
		Nusa Perkasa	2011		Certified
		Nusa Lestari	2011		Certified
Mandah. PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indra Giri Hilir District – Riau	Certified
		Rotan Semelur	2011		Certified
Angsana Mini. PT Sajang Heulang	2011	KKPA-1 PT.SHE	2013	Tanah Bumbu District – South Kalimantan	Certified
		Pantai Bonati	2011		Certified
Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District – South Kalimantan	Certified
		Gunung Sari	2011		Certified
		KKPA-4 PT.SHE	2013		Certified
Mustika. PT Sajang Heulang	2013	Mustika		Tanah Bumbu District – South Kalimantan	Certified
		KKPA-2 PT.SHE	2013		Certified
		KKPA-3 PT.SHE	2013		Certified
		KKPA-5 PT.SHE	2013		Certified
		SAP 1	2020		ST-2
Gunung Aru. PT Bersama Sejahtera Sakti	2011	Gunung Aru	2011	Kotabaru District – South Kalimantan	Certified
		Gunung Kemas	2011		Certified
		Laut Timur	2011		Certified
		Pantai Timur	2011		Certified
		KKPA BSS	2020		-
Bebunga. PT. Langgeng Muaramakmur	2011	Sungai Cengal	2011	Kotabaru District – South Kalimantan	Certified
		Bebunga	2011		Certified
		KKPA Sungai Cengal	2014		Certified
Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011	Seruyan and East Kotawaringin Distr ict – Central Kalimantan	Certified
		Sapiri	2011		Certified
		Barasdanum	2011		Certified
		Kuala Kuayan	2011		Certified
Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	Kotabaru District – South Kalimantan	Certified
		Pondok Labu	2012		Certified
		Rampa	2012		Certified
		Sesulung	2012		Certified
Selabak.	2012	Selabak	2012	Kotabaru District –	Certified

PT Swadaya Andhika		Randi	2012	South Kalimantan	Certified
		Sangkoh	2012		Certified
		Lanting	2012		Certified
Rantau. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District – South Kalimantan	Certified
		Matalok	2012		Certified
Betung. PT Laguna Mandiri	2014	Betung	2012	Kotabaru District – South Kalimantan	Certified
		Sekayu	2012		Certified
Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012	Morowali District – Sulawesi Tengah	Certified
		Plasma TGK	2015		Certified
Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	2012	Muaro Jambi District – Jambi	Certified
		Plasma BGR	2020		-
Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	Rantau Panjang	2012	Musi Banyuasin District – South Sumatera	Certified
		Bumi Ayu	2012		Certified
		Karang Ringin	2012		Certified
		Napal	2012		Certified
		Mangun Jaya	2012		Certified
		Sungai Jernih Estate and GPI KKPA	2017		-
Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam	Certified
		Batang Ara (PT PSK)	2013		Certified
		Blang Simpo-01	2013		Certified
		Blang Simpo-02	2013		Certified
MAS. PT Mitra Austral Sejahtera	2020	MAS 1	2018	Sanggau District – West Kalimantan	-
		MAS 1	2018		-
		MAS 1	2018		-
		Plasma MAS	2020		-
Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014	Ketapang District – West Kalimantan	Certified
		Awatan	2014		Certified
		Karya Palma	2018		-
		KKPA SNP	2020		-
		Pelanjau (PT BAL)	2018		-
		Sungai Putih (PT BAL)	2018		-
		Baturus (PT BAL)	2018		-
		KKPA BAL	2020		-
MALAYSIA					
Sg Dingin SOU 1	2010	Bukit Hijau	2010	Kerangan, Kedah	Certified
		Padang Buluh	2010		Certified
		Bukit Selangor	2010		Certified
		Sg Dingin	2010		Certified
		Jentayu	2010		Certified
		Anak Kuli	2010		Certified
		Somme	2010		Certified
Chersonese SOU 2	2011	Chersonese	2011	Kuala Kurau, Perak	Certified
		Holyrood	2011		Certified

		Kalumpang	2011		Certified
		Tali Ayer	2011		Certified
Elphil SOU 3	2011	Kinta Kellas	2011	Sg Siput, Perak	Certified
		Elphil	2011		Certified
		Kamuning	2011		Certified
Flemington SOU 4	2011	Flemington	2011	Teluk Intan, Perak	Certified
		Bagan Datoh	2011		Certified
		Sabak Bernam	2011		Certified
		Sg Samak	2011		Certified
Seri Intan SOU 5	2011	Seri Intan (Main Division)	2011	Teluk Intan, Perak	Certified
		Sabrang	2011		Certified
		Sg Wangi	2011		Certified
		Sogomana (Main Division)	2011		Certified
Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011	Teluk Intan, Perak	Certified
		Sogomana (Cashwood & Sg Beruas Division)	2011		Certified
		Bikam	2011		Certified
		Clumy	2011		Certified
Tennamaram SOU 6	2011	Tennamaram	2011	Bestari Jaya, Selangor	Certified
		Sungei Buloh	2011		Certified
		Bkt Talang	2011		Certified
Bkt Kerayong SOU 7	2011	Bkt Kerayong	2011	Kapar, Selangor	Certified
		Bkt Cherakah	2011		Certified
		Bkt Rajah	2011		Certified
		Bkt Lagong	2011		Certified
		Elmina	2011		Certified
East SOU 8	2010	East	2010	Carey Island, Selangor	Certified
		Dusun Durian	2010		Certified
		Sepang	2010		Certified
West – SOU 9	2010	West	2010	Carey Island, Selangor	Certified
Bukit Putri – SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
Kerdau SOU 11	2011	Kerdau	2011	Temerloh, Pahang	Certified
		Jentar	2011		Certified
		Mentakab	2011		Certified
		Sg Mai	2011		Certified
		Chenor	2011		Certified
Jabor – SOU 12	2011	Jabor	2011	Kuantan, Pahang	Certified
Labu SOU 13	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
		New Labu	2011		Certified
		Bradwall	2011		Certified
Tanah Merah SOU 14	2010	Tanah Merah	2010	Port Dickson, Negeri Sembilan	Certified
		Sua Betong	2010		Certified
		Bukit Pelandok	2010		Certified

	Sua Betong SOU 15	2014	Salak	2014	Port Dickson, Negeri Sembilan	Certified
			Sengkang	2014		Certified
			Siliau	2014		Certified
			PD Lukut	2014		Certified
			Sungai Baru	2014		Certified
			Tampin Linggi	2014		Certified
	Kok Foh SOU 16	2011	Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
			Kok Foh	2011		Certified
			Muar River	2011		Certified
			St. Helier	2011		Certified
			Pertang	2011		Certified
			Sg Gemas	2011		Certified
			Sg Sebalang	2011		Certified
			Sg Senarut	2011		Certified
	Kempas SOU 17	2010	Kempas	2010	Jasin, Melaka	Certified
			Kemuning	2010		Certified
			Tangkah	2010		Certified
	Diamond Jubilee SOU 18	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
			Diamond Jubilee	2011		Certified
			Serkam	2011		Certified
	Pagoh SOU 19	2014	Pagoh	2014	Muar, Johor	Certified
			Lanadron	2014		Certified
			Pengkalan Bukit	2014		Certified
			Welch	2014		Certified
	Chaah SOU 20	2010	North Labis	2010	Chaah, Johor	Certified
			Cha'ah	2010		Certified
			Sg Simpang Kiri	2010		Certified
	Gunung Mas SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
			Kempas Klebang	2010		Certified
			Bukit Paloh	2010		Certified
			Yong Peng	2010		Certified
	Bukit Benut SOU 22	2011	Bukit Benut	2011	Kluang, Johor	Certified
			CEP Niyor	2011		Certified
			Lambak / Elaeis	2011		Certified
	Ulu Remis SOU 23	2011	Pekan	2011	Layang-layang, Johor	Certified
			Sembrong	2011		Certified
			Tun Dr. Ismail	2011		Certified
			Ulu Remis	2011		Certified
			Bukit Badak	2011		Certified
			Cenas	2011		Certified
	Hadapan SOU 24	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
			Kulai	2011		Certified
			Layang	2011		Certified
			Seri Pulai	2011		Certified
	Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
			Tunku	2008		Certified

		Tigowis	2008		Certified
		Sentosa	2008		Certified
		Saguliud	2008		Certified
Melalap SOU 27	2011	Melalap	2011	Tenom, Sabah	Certified
		Sapong	2011		Certified
Binuang SOU 28	2009	Tingayu	2009	Kunak, Sabah	Certified
		Sungang	2009		Certified
		Jelata Bumi	2009		Certified
		Binuang	2009		Certified
Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
		Giram	2009		Certified
Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
		Merotai	2009		Certified
		Table	2009		Certified
		Tiger	2009		Certified
Lavang SOU 31	2011	Belian	2011	Bintulu, Serawak	Certified
		Kelida	2011		Certified
		Lavang	2011		Certified
		Lavang (SE)	2011		Certified
		Rasan	2011		Certified
Rajawali SOU 32	2011	Rajawali	2011	Bintulu, Serawak	Certified
		Samudera	2011		Certified
		Semarak	2011		Certified
		Bayu	2011		Certified
Derawan SOU 33	2011	Takau	2011	Bintulu, Serawak	Certified
		Damai	2011		Certified
		Derawan	2011		Certified
		Sahua	2011		Certified
Pekaka SOU 34	2011	Chartquest	2011	Bintulu, Serawak	Certified
		Dulang	2011		Certified
		Peroh	2011		Certified
		Pekaka	2011		Certified
		Ruai	2011		Certified
<p>Sime Darby has achieved 34 management units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia.</p> <p>A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and Sime Darby Plantation Bhd targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p> <p>There was change of the Time Bound Plan under Sime Darby on 15 April 2016 cause the Sime Darby Plantation Bhd postpone the others certification process. Change of the Time Bound Plan explanation: PT Mitra Austral Sejahtera. There are social issue still unresolved from the Serikat Petani Kelapa Sawit (SPKS) Sanggau, however the improvement are in progress. Sime Darby has informed the Time Bound Plan progress, MUTU has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>					

1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard
	<p>Until the assessment of ASA – 1.2 conducted, the smallholders of Maju Bersama Plasma has audited by PSQM.</p> <ul style="list-style-type: none"> • Bupati Decree Letter No. 188.45/265/KUM year of 2008 about <i>Calon Peserta Program Revitalisasi Perkebunan Pengembangan Komoditi Kelapa Sawit</i>. • Agreement between PT BSS with Bersama Sejahtera Makmur Cooperation dated 6 October 2008. • Statement letter on 9 November 2012 No. No.04/KUD-BSM/XI/2012 regarding to land handover for smallholder program by head of KUD Bersama Sejahtera Makmur to PT.Bersama Sejahtera Sakti for area 3,643 Ha. • Location permit proposal from KUD Bersama Sejahtera Makmur to Kotabaru District Head on 8 November 2012. <p>But until ASA-1.2 not yet certified, because the smallholder still in progress to obtain land permit.</p>

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-1.2	<ol style="list-style-type: none"> Andi Pratama Pasaribu (Lead Auditor). Indonesian citizen. Bachelor degree, majoring social economy. He has several of work experiences (more than 5 years) as the operational staff since 2008. He has been followed the Training of Lead Auditor Indonesian Sustainable Palm Oil (ISPO) which was held by ISPO Commission in 2013 and Training of Lead Auditor Roundtable on Sustainable Palm Oil (RSPO) by Proforest and Daemeter in 2016. He has been attended several kinds of training, such as High Conservation Value (HCV) Training, Lead Auditor ISO 9001:2008, Lead Auditor ISO 14001:2005, auditor OHSAS etc. He has some experiences of ISPO and RSPO audit in Indonesian and Malaysia palm oil in best management practices, land legality, environmental, social and worker welfare aspect. During this audit, he verify OHS, Social and Worker Welfare. Trismadi Nurbayuto (Auditor). Indonesian Citizen. Diploma of Forest Management from Forestry Faculty; Associate Degree of Economic from Economic and Management. He has experienced as field assistant on oil palm plantation year of 2008. Therefore he has experienced as HCV and SEIA Assessor on 2010-2013. He has been followed HCV identification and management training; ISO training (9001;14001; 22000); ISPO Lead Auditor's training; Safety Expert; RSPO Lead Auditor's; OHS Auditors by Government Regulation No 50 year of 2012; and RSPO Next. He has been conducted audit on ISPO and RSPO scheme since year of 2013 as an Auditor on several aspect as environment, OHS, Legality, Best Management Practices, Social, Worker Welfare, Conflict Resolutions, Long term Business Plan and Supply Chain on Palm Oil Mill. During this audit, he verify aspect Legal, Partial Certification, Environment, GHG, HCV and SCCS. I Wayan Sudi Antara (Technical Expert). Bachelor of Agricultural Engineering, Bogor Agricultural University. Experienced in the preparation of AMDAL since 1990 (certified competence of Chairman of AMDAL Compilation Team), involved as an auditor of Performance Management of Sustainable Production Forest in both scheme of Lembaga Ekolabel Indonesia / LEI since 1997 and Ministry of Forestry scheme since 2002 (certified Auditor from LEI), has worked in forestry consultancy, has experience in assessment of ISPO in several Companies as auditor (has passed ISPO Training). Satria Adi Putra (Auditor). Indonesian citizen, Diploma III majoring in Palm Oil Plantation. Have experience of work more than six years since 2009 as the operational staff of private oil palm plantations in Indonesia. Training have been followed including Occupational Health and Safety Expert (General AK3), Orang Utan and Wildlife Management, ISPO Auditor Training, RSPO Auditor Training, IHT Potential Mapping and Conflict Resolution in Production Forests, OHSAS 18001, Lead Auditor Training for ISO 9001, ISO 14001, ISO 17021, ISO 17065, ISO 19011 and ISO 22000. During this audit, he verify Best Management Practices, Transparencies and Longterm Business Plan.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1.2	<p>Number of auditors : 3 auditors</p> <p>Number of days for ASA-1.2 at site : 5 days</p> <p>Number of working days for ASA-2 at site : 15 Working days</p>
2.2.2	Assessment Process
ASA-1.2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Bersama Sejahtera Sakti to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production of Sustainable Palm Oil 2013 for Indonesia July 2016, approve RSPO Governors September 30,2016- and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill)</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results ASA-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-3.</p>

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

The assessment program please find Appendix 2

2.2.3 Locations of Assessment

ASA-1.2

Gunung Aru Mill

- **WTP.** Observation of water treatment activities and the use of chemicals. Interview related to wages, implementation OHS and complaint mechanism.
- **Hazardous Waste Storage.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
- **Wastewater Treatment Plant and Land Application.** Observation for waste water management and nutrient cycle strategy
- **Security Post.** Tracing the origin of the fruit and its recording system.
- **Security Gate and Weight Bridges.** Observation and interview with security officer and weightbridge operator regarding to FFB receiving and RSPO supply chain procedure.
- **Loading Ramp.** Right line will used for Non Certified products and left line for certified products. Actually they didn't received non certified product.
- **Storage Tank.** There are two storage tank No 1 for IP product and No 2 will used for MB products, when they received non certified FFB's.
- **Grading Station.** Observation and interview with grading work related to the implementation of SOP, K3 and employment.
- **Sterilizer Station.** Observation of application and interview with sterilizer operators related to SOP, K3 and employment.
- **Engine Room.** Observations and interviews with engine room operators on employment, occupational safety and health and defined work procedures.
- **Kernel Stations.** Observations and interviews with kernel station operators regarding employment, occupational safety and health and defined work procedures.
- **Boiler Station.** Observations and interviews with boiler operators regarding labor, occupational safety and health and defined work procedures.

Gunung Aru Estate

- **Racking, Block M14, Division 2.** Observations and interviews with fertilizer applicator regarding to safety working procedure of fertilizer application, PPE usage, reproduction right, salary, complaint mechanism etc.
- **Harvesting, Block N10 Division 2.** Observations and interviews with harvesters regarding wages, harvesting procedures and OSH implementation.
- **Chemical weeding, Block O5, Division 2.** Observations and interviews with pesticide applicator regarding to safety working procedure of pesticide application, PPE usage, reproduction right, salary, complaint mechanism etc.
- **Barn Owl Box, Block N6, Division 2.** Observation of rat control by using biological predator.
- **Fertilizer Warehouse.** According to the field observation, there were MSDS and hazardous materials symbols as well.
- **Chemical Storage.** According to the field observation, there were MSDS and hazardous materials symbols as well.
- **Lubricant store.** According to the field observation, there were MSDS and hazardous materials symbols as well.
- **Workshop.** Observation on OHS implementation and interviewing welder operators and observe first aid kits.
- **Housing Complex No 3.** Field observation to see the facility of employee
- **Generator Station.** Observation on OHS implementation and interviewing operator related employment aspect.
- **Clinic Central.** Interview with company doctor related to working accident and also observe medical waste/hazardous waste management.
- **Fire drill simulation.** Observation on Emergencies Preparedness Response.

- **Block Spraying System House (BSS House).** Observation on shower place, PPE's place, spraying tools place, and clean clothing places.
- **Boundary Pole No. BSS 16, BSS 17, BSS 18, BSS 19. Division 3.** Observation of availability and maintenance of boundary area. During the audit known that there is no planted outside the HGU area.
- **Auxiliary boundary pole No. 72, 73, 74, 75, Division 3.** Observation of availability and maintenance of boundary area. During the audit known that there is no planted outside the HGU area.

Laut Timur Estate

- **Conservation Area Gunung Kacil Blok CC33-34.** (S: 3° 36' 39,8" and E: 116° 14' 27,5") Observation related conservation management.
- **Legal Pole BSS 12.** Observation related legal boundary condition.
- **Legal Pole BSS 22.** Observation related legal boundary condition.
- **Sejakah Riparian Zone.** Observation related conservation management.
- **Hazardous Waste Storage.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
- **Hazardous storage.** Observation and interviews related to chemical containers management, OHS implementation, medical check up and complaint mechanism.
- **Census and Disease Census, Division 3.** Interviews on census mechanism, medical examination, PPE, and labor aspect.
- **Harvesting and Manuring, Block B29 and B29, Division 2.** Observation and interviews with foremen, harvest workers and manuring operator related to work procedures, health insurance and labor protection, safe working practices and use of PPE.
- **EFB Application Block C01, Division 1.** Observation related to waste management and nutrient cycle strategy
- **Daily Maintenance – Manual Weeding, Block C021, Division 2.** Observation related work procedures, health insurance and labor protection, safe working practices and use of PPE.
- **Spray Circle & Path, Block J21/22, Division 2.** Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra feeding, PPE, labor aspect and environment.

Pantai Timur Estate

- **Replanting area, Block D06.** Observation of replanting procedure, implementation of zero burning and conservation commitment.
- **Chemical weeding, Block D010.** Observations and interviews with pesticide applicator regarding to safety working procedure of pesticide application, PPE usage, reproduction right, salary, complaint mechanism etc.
- **Empty Bunch Application, Block D01.** Observation of EFB usage as organic fertilizer to enriching soil fertilize.
- **Nursery.** Observation and interview with assistant and supervisor regarding to planting material preparation.
- **Boundary Pole No. BSS 25, BSS 26.** Observation of availability and maintenance of boundary area. During the audit known that there is no planted outside the HGU area.
- **Chemical Storage.** According to the field observation, there were MSDS and hazardous materials symbols as well.
- **Block Spraying System House (BSS House).** Observation on shower place, PPE's place, spraying tools place, and clean clothing places.
- **Boundary Pole No. BSS 25 & BSS 26. Division 2.** Observation of availability and maintenance of boundary area. During the audit known that there is no planted outside the HGU area.
- **Landfill in Bock CC 34.** Observation on domestic waste, there are signboard informed about land fill open date.
- **HCV 1.1 Bukit Kacil.** Observation of HCV area (HCV marking, sign board etc).

Gunung Kemas Estate

- **Legal Pole BSS 4.** Block T & U borders the community oil palm plantation (S: 3 ° 32 '18 "and E: 116 ° 09' 04") equal to data (S: 3 ° 32 '18.4 "and E: 116 ° 09 '04,3 ") good condition in the form of concrete with red paint.
- **Legal Pole BSS 5.** Borders with the Sejakah Riparian River (S: 3 ° 32 '57 "and E: 116 ° 09' 12") equal to data (S: 3 ° 32 '54,5 "and E: 116 ° 09 '11.7 ") good condition in the form of concrete with red paint.

- **The border of Sejakah Riparian.** Block V11-12 (S: 3 ° 33 '23 "and E: 116 ° 10' 58"): There is a BZ limit of faded yellow in each palm tree to the fifth tree, there is a king prawn king plank
- **The area has not been cultivated / low land.** Block V15-16 (S: 3 ° 33 '23 "and E: 116 ° 10' 58"):
- **Landfill/ Block W19.** is adjacent to lowland areas with closure of old bushes and no landfill
- **Temporary Collection Point of Hazardous waste.** Observation related of OHS and Environment.
- **Hazardous Waste Point (Warehouse).** Observation related OHS (MSDS is incomplete) and Environment Aspects
- **Fire Fight Warehouse.** Observation related emergency response and provision of emergency response tools Landfill and housing
- **Census and Disease Census, Block B036, Division 3.** Interviews on census mechanism, medical examination, PPE, and labor aspect.
- **Harvesting, Block B052, Division 2.** Observation and interviews with foremen and harvest workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.
- **EFB Application Block B010, Division 1.** Observation related to waste management and nutrient cycle strategy
- **Spray Circle & Path, Block B006, Division 1.** Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra feeding, PPE, labor aspect and environment.
- **Replanting, Block B038, Division 3.** Observation for replanting activities based on BMP.
- **Road Maintenance, Block B022, Division 2.** Observation related road maintenance based on BMP.
- **Barn On Box (BOB), Block B007, Division 1.** Observation related Integrated Pest Management to reduce a rat attack and reduce a rodentiside.

Stakeholder

- Public consultation with government of Kotabaru Regency (Regional Environmental Agency; Regional of Labor Agency; National Land Agency and Regional Plantation Agency)
- Public consultation with surrounding community (local contractor and Tanjung Harapan Village)
- Public consultation with Internal Stakeholders (Gender committee, Labor Union).

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-2	Summary of stakeholder consultation process Consultation of stakeholders for PT Bersama Sejahtera Sakti was held by: Public Notification at website MUTU (www.mutucertification.com) before assessment (10 August 2018). Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples. Numbers of input from stakeholders were clarified by PT Bersama Sejahtera Sakti as apart of this report
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit ASA-1.2 will be determined one year after this ASA-1.3 (August 2019).

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Gunung Aru POM – PT Bersama Sejahtera Sakti subsidiary of Sime Darby Plantation Bhd operation consisting of *one (1)* mill and *four (4)* oil palm estates.

During the assessment, there were seven(7) Nonconformities were assigned against Major Compliance Indicators; four (4) nonconformities were assigned against Minor Compliance Indicators; and there was three (3) nonconformance against supply chain requirement for CPO mill and six (6) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditor(s) in form of documentation evidences e.g. *document record and photographic documentation*. Those corrective actions taken that consist of seven (7) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Gunung Aru POM – PT Bersama Sejahtera Sakti – SIME DARBY Plantation complied with 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 Governor 30th September 2016.

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is *Continued*.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>The company always identifies stakeholders and creates stakeholder list documents including: government agencies, contractors, NGOs, village heads, community organizations, labor organizations and suppliers. A list of stakeholders updated every year and / or changes in information such as name, contact number and address. The latest update is available July 2018.</p> <p>The company has SOP No. 034 / BSS-SOP which regulates the procedure for requesting information for the 2nd Revision of 2015, the SOP explains the mechanism for requesting information by stakeholders, management responses, response times, types of public documents and flowcharts. The SOP has also explained documents that can be accessed by stakeholders (covering 29 documents).</p>	
1.1.2	<p>The company has a SOP that explains the PIC that is responsible and time-bound to respond to requests for information (no more than 30 days). Based on the results of interviews with stakeholders, said the company had responded to all information requests both written requests and unwritten requests.</p> <p>The Company has made mandatory reporting to relevant agencies, for example: Manpower Reports, Environmental Management and Monitoring Reports, Reports on managing hazardous and toxic waste materials, Reporting on the Occupational Safety & Health Committee, etc.</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

The company has a list of information that can be accessed by the relevant public, documents that are publicly available are written in document control procedures, no. 301 / BSS - DOC-01/11 policies, such as AMDAL documents, RKL / RPL documents, HCV, statement of areas, policies, OHS, etc. All public documents are placed in the PSD office while operational related documents are placed in each unit, both estate and factory.

The company has socialized the SOP to all stakeholders through formal and informal ways. The PIC responsible for socialization is the PSD officer and the administration head in each unit. PSD officers are also responsible for updating information / documents. in the Document Control Procedure, No. Policy: 301 / BSS - DOC-01/11 Confidential documents are explained.

Status: Comply

1.3

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

1.3.1

The company has a business ethics policy No. 440 / HRM-COC / 07 signed by GM, SGM, HPO and GHPI on May 24, 2007. The company developed business ethics by considering the expectations of stakeholders and the application of a code of ethics including monitoring, reporting and sanctions for violations of the code of ethics. Commitment to interaction with stakeholders is the company's top priority and becomes part of the company's business ethics and creates added value, stakeholders and expectations that are explained in detail. In addition, the company also has a work code of ethics that regulates the basic behavior of individuals and their attitudes and skills within and outside the company.

From the results of interviews with workers, it is known that they know and understand about company policies to respect human rights and commitment to ethical behavior in all work operations. In addition, from the results of interviews with CPO transport contractors it was known that the policy had been socialized when the contract was made.

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

Certificate holder has shown the last updated regulation related to plantation business on 2018. There are 152 regulation that has been synchronized such as statue, government act, presidential decree, Indonesian National Standard, local regulation and governor decree.

One of regulation that has been reviewed and implemented by the company is South Kalimantan Governor Decree's dated 24 November 2017 regarding to minimum wages year 2018 in South Kalimantan Province. Based on pay slip document that randomly checked by auditor, it implementation of the regulation has been satisfied. See criteria 6.5.

The mill also had 24 machinery that still in validity of inspection period such as sterilizer, boiler, hoisting crane, generator, compressor etc.

The company has a list of the latest national laws and regulations and ratified international regulations and fulfillment of its obligations. A list of these regulations is available at each plantation and factory. Some examples of regulatory compliance that have been carried out are AMDAL documents and permits to store hazardous waste.

Based on document review, the company already has: AMDAL documents, hazardous waste warehouse permits, land application permits as well as reports on RKL / RPL implementation, hazardous and toxic waste management reports,

POME management reports, as proof that the company has complied with relevant regulations.

The company has had the personal in charge that has been passed the official training related to OHS regulation. They had 10 welder, 3 boilerman, 19 heavy equipment operator, 2 OHS officer, 22 first aider etc.

2.1.2, 2.1.3 and 2.1.4

There is a system to explain the person who responsible for managing the regulatory compliance that sustainability department. Certificate holder has procedure No.724/TQEM-SPMS/09. The procedure describe that PIC to handling regulation update is PSQM unit. Type of regulation that updated such as local regulation, national regulation and international regulation. Regulation update one times per year based on the result audit internal / external finding and document monitoring.

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

The company showing legal permits of land ownership from Government as below:

1. HGU Certificate No. 01, dated 3 January 1995. Cover area: **8,222.54 Ha**. Valid until 31 December 2022.
2. HGU Certificate No. 36, dated 14 May 2002. Cover area: **3,318 Ha**. Valid until 24 September 2037.
3. HGU Certificate No. 42, dated 25 June 2004. Cover area: **100 Ha**. Valid until 20 April 2039.
4. HGU Certificate No. 62, dated 31 December 2004. Cover area: **1,100 Ha**. Valid until 10 December 2039.
5. Decree of Regent Kotabaru No: 188.45/389/KUM, dated 15 October 2009. Approval on Re-enrollment of Plantation Permits (IUP) PT. Bersama Sejahtera Sakti with cover area 12,740.54 Ha and Mill capacity 60 MT FFB/Hour.

Total land use rights (HGU) area is **12,740.54 Ha**. Whereas, in the Area Statement Minamas Management Committee Meeting (MMCM) document period May 2016 total managed area is **13,776.25 Ha**. There were discrepancy area 1,035.71 Ha that have not legally of land use rights, in details as follow:

- **529 Ha** (enclave area within the HGU No. 1 size 8,222.54 Ha) until Re-Certification in 2016, there is no progress and the land use right status is un-legally yet.
- **277.80 Ha** (unmanaged area of PT. Inhutani II, but still calculated within the company area statement document as well as not presented/pictured on HGU No. 1 Map).
- **228.91 Ha**: no supporting evidence on this area (location, status, map, etc.).

After the previous assessment (Re – Certification), there were explanation from PSD Manager to the Head of PSQM (letter No. 025/PSD-PSQM/Bjb/VI/2016) dated on 28 June 2016 that explain PT BSS area as follow:

The discrepancy of hectar statement

A. Sum of area

1. Areal Statement = 13,776.25 Ha
2. Land Use Title/HGU = 12,740.54 Ha
- Discrepancy = 1,035.71 Ha

B. Explanation of Discrepancy (1,035.71 Ha)

1. Land Build Title/ HGB Salino Port **5.06 Ha**
2. Land Use Title/HGU revision 8,222.54 Ha for enclave area that proposed to be legal area **528.71 Ha**
3. Planted area of GKE outside the Land Use Title/HGU **235.74 Ha**
4. The rest of area that claimed by Inhutani II **266.20 Ha**

C. Land Use Title/HGU on progress:

1. Areal 528.71 Ha :
 - a) Dated on 10/1/2014, proposed to measurement

- b) Dated on 19/10/2014, proposed to measurement enclave area.
- c) Dated on 22/06/2015, proposed to measurement enclave area with National Land Agency of South Kalimantan.
- 2. Areal 235.74 Ha :
 - a) Dated on 10/1/2014, proposed to measurement for HGU area
 - b) Dated on 29/4/2015, proposed to measurement

The certification unit also sighted several progress of HGU proposed (enclave area 528.71 Ha and additional area 236 Ha) by letter No. 084 – 087/BSS/UM/PSD/II/2018 dated 12 February 2018 to the National Land Agency of Kalimantan Selatan Province. Field measurement has been conducted on 23 April 2018 by four officer from National Land Agency of Kalimantan Selatan Province and one officer from National Land Agency of Kotabaru District. Based on interview with PSD Region of Kalimantan Selatan and Sulawesi sighted that until now the cadastral maps didn't issued by National Land Agency. **(HGU progress will be verified on the next surveillance).**

2.2.2

The certification unit has procedure to monitor boundary stones every semester, record of monitoring was available on each estates. For example: dated 28 July 2018 monitoring record on Gunung Aru Estate, there are 32 boundary stones and 133 auxiliary stones. Based on field observation to the several location sighted that all boundary stones on good conditions, such as: GAE: No. 16, 17, 18; GKE: No. 3 & 4; PTE: No. 25 & 26 and LTE: No. 12 & 22.

2.2.3; 2.2.4; 2.2.5; 2.2.6

Based on field observation, interview with previous land owner at Tanjung Pengharapan village and Bekambit village sighted that there are no land dispute between company and villagers. Therefore based on interview also obtained information that the certificate holders have fair compensation through FPIC with the previous land owners/occupation area.

Status: Comply

2.3

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

2.3.1

The certification unit has land dispute resolution procedure No. 054/BSS-SOP dated 8 May 2015. Based on interview with PSD Region of Kalimantan Selatan & Sulawesi and also villagers from Tanjung Pengharapan Village and Bekambit Village, there are no land dispute during last year. Therefore regarding to land conflict with PT Inhutani II (1,100 Ha) has been finished by legal recourse. There are lawyer letter (Yudha Dewi Setiawan Sihombing Law Firm) No. 068/YDSS-2.05/VIII-18 dated 23 August 2018. It was explain that PT BSS is holder of legal right (HGU) No. 36, while the PT Inhutani II committed acts against the law.

2.3.2

The certification unit was shown correction for NCR No. 2017.4 such as:

Root cause analysis

The others parties try to submit claims to the company with various reasons, and the PSD staff didn't show evidence to the auditor during previous assessment. It cause the problem solving involves many related parties.

Correction

There are lawyer letter (Yudha Dewi Setiawan Sihombing Law Firm) No. 068/YDSS-2.05/VIII-18 dated 23 August 2018. It was explain that PT BSS is holder of legal right (HGU) No. 36, while the PT Inhutani II committed acts against the law.

Corrective Action

The company will maintain HGU owned by regularly maintaining of boundary stones.

Based on above document, NCR No. 2017.4 has been closed out.

2.3.3

All methods of communication are done using the Bahasa. If necessary to giving additional information, the company will contact the representative of the community through head of villages.

2.3.4

Based on interview with village representative from Tanjung Pengharapan and Bekambit village known that in every negotiation process with the company, villagers representing himself accompanied by village heads and district government officials.

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 a 2018-2023 Management Plan document which includes projections for FFB production, projections for CPO production, production costs, Oil Extract Rate (OER) extraction projections, kernel extraction and cost projections for each factory activity such as Fruit Handling, Sterilization, Threshing, Pressing, Clarification, Depericarping, kernel recovery station, boiler station, power generation, production storage and despatch, laboratory, water treatment plant, effluent treatment, workshop and maintenance, and EFB disposal.

As for the Estate, the company has shown long-term plans for 2018-2023 for Gunung Aru Estate, Pantai Timur Estate, Laut Timur Estate and Gunung Kemas Estate. The document contains, among others, projections of the statement area for the Mature Palm Oil Area, Immature and Replanting and the projection of the new planting. In addition, there are also projection documents for other areas such as projections of housing positions, roads, security trenches, protected areas, HCV areas, use / supply of seeds, road and bridge construction, estimated transportation costs, estimated plant maintenance costs, estimated plant costs produce and projection of harvesting costs.

The company has a Minamas Management Committee Meeting document in July 2018 for the Gunung Aru Estate, Pantai Timur Estate, Laut Timur Estate and Gunung Kemas Estate which are proof of evaluation documents carried out monthly and annually for PT Bersama Sejahtera Sakti.

3.1.2

The company has shown Budget and Long Range Replanting Documents (2009-2027 period). The replanting program includes the Gunung Kemas Estate area, Pantai Timur Estate and the Laut Timur Estate.

The company has an annual review record related to the replanting program stated in the Minamas Management Committee Meeting report in July 2018 which includes evaluation of the comparison between the replanting budget and realization, actual chopped up and actual realization of oil palm cultivation.

In addition, based on the Semi-Detail Land Survey Report and Land Suitability document for oil palm plantations, PT Bersama Sejahtera Sakti period 2017-2022. It is known that companies do not have peat soil types. The type of soil contained in PT Bersama Sejahtera Sakti includes soil types of Inceptisol, Oxisol and Ultisol.

Status: Comply

PRINCIPLE #4 Use of appropriate best practices by growers and millers
4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

The Company also has SOP Reference Manual of Agronomy of Oil Palm Plantation. Policy 110 / EST-ARM / 13 on the technical culture of oil palm cultivation is released based on the Head Plantation Upstream Indonesia memorandum on September 01, 2013. The SOP includes plant material, nursery techniques, replanting, tillage, field maintenance,

fertilization, canopy management, water management of coastal areas and plantations on peatlands, ablation, standard of maturity, harvesting, cultivation of loss fruit, legume cover crop, weed control and rainfall recordings.

The company has also shown procedures for mills such as No. Policy 120 / POD-FAC / 07 describes power generation systems such as boilers, power plant engines, types of generating machines, synchronization, operation and maintenance of electrical panels, supply networks, electric motors and control circuits, speed reducers (speed reduction), grounding and lightning protection as well as work safety and security.

SOP is available on audit site and written in a language that is easily understandable for workers and relevant with company situation.

Based on the results of field observations in the Division 2 Blok J21 / 22 Laut Timur Estate on spray activities it is known that the labor has understood the related spray working standards and procedures, such as not spraying on buffer zone areas, not spraying close to water bodies, not spraying against with wind direction and knowing related target weeds.

4.1.2, 4.1.3

The company has a master list of SOPs listed in the SOP Document List for Gunung Aru Estate, Gunung Kemasan Estate, Pantai Timur Estate and Laut Timur Estate which contains, among other things, a list of SOP names, SOP positions and information.

Based on a study of the SOPs in the operational activities of the plantations and factories, it is known that the SOP is documented in a language that is suitable and easy to understand (Indonesian).

The company has an internal supervision system to monitor field implementation in accordance with the company's SOP, including internal audit by internal auditors covering aspects of estate and factory operations (harvesting, spraying, fertilizing, etc.), administrative, OSH and Environmental aspects. The audit is carried out by the Group Corporate Audit Department (GCAD), the internal audit results include the action steps, determining the target time for repairs, proving evidence, determining the status of findings and information.

The company has shown the Inspection Conclusion Paper Worksheet (LK3P) document which contains procedures for corrective actions for non-conformities such as determining root cause, corrective action, date action, risk assessment and recommendation.

4.1.4

Referring to the supply chain module used in the module D (Identity Preserved), the Gunung Aru Mill only receives FFB from their own estate that has been certified. Gunung Aru Estate (E408), Gunung Kemasan Estate (E409), Laut Timur Estate (E410) and Pantai Timur Estate (E411).

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

The company already has a Reference SOP for the Oil Palm Planting Manual No. Policy; 110 / EST-ARM / 13 consisting of 18 chapters / sections on technical culture of oil palm cultivation released based on Head Plantation Upstream Indonesia's memorandum on September 1, 2013, there are guidelines for managing soil fertility.

The company has shown the EFB Application document for the 2017-2018 Program which is a monitoring document and implementation of procedures related to empty extension applications. EFB applications carried out up to June 2018 for PT BSS include the EFB program for the period June-December 2018 in Division 1, Pantai Timur Estate covering an area of 21.20 Ha (848 tons), with an area of 18.42 Ha (736.82 Tons).

Based on the results of interviews and field visits to Block C01, Division 1 of the Laut Timur Estate, it was found that the company had carried out EFB application activities at a dose of 40 tons / ha. Employment of EFB is done by arranging

EFB in the area (one layer) and it is not permitted to arrange it by stacking it to avoid EFB becoming a nest for pests of *Oryctes rhinoceros*. Based on field observations with fertilizing labors in Block B28 / 29 Division 3 Laut Timur Estate, it is known that the company currently does not carry out fertilization activities due to inadequate rainfall for fertilizing activities. Workers can explain related fertilization mechanisms such as fertilization in the designated area (on the circle path and between staples) and do not apply fertilizer to the buffer zone. Based on this, it is known that the realization of work is in accordance with the procedures owned by the company.

4.2.2

The company has shown MMCM documents for Gunung Aru Estate, Gunung Kemas Estate, Laut Timur Estate and Pantai Timur Estate. The recordings included fertilizer types, application fields, application hectares, application blocks, number of plants per block and total fertilizer application and the rest of fertilizer completion.

Based on the fertilization document it is known that the results of the realization of fertilization in the Laut Timur Estate, it is known that the realization of CCM25 NPK fertilizer is 2.43% and fertilization (HGFB, NK-Blend, CCM NPK 4) under 100% of the budget. The company has demonstrated the justification that this is due to low rainfall so that fertilization is not possible. Fertilization can still be done until December 2018 in accordance with the recommendations available. The company has also shown documents on the use of fertilizers / tons of FFB for PT BSS. Beside that, the company has also shown documents on the use of fertilizers / tons of FFB for PT BSS.

4.2.3

The company has LSU leaf sampling procedures and leaf analysis with No. Ext. Serv Kal 01-01/1 made in November 2005 which regulates the preparation of sampling units, determining the sampling patterns for each LSU, preparing tools and materials for sampling needs, organizing sampling arrangements and training for the sampling team. Beside that, the company has also shown detailed land survey procedures listed in Procedure No. Ext. Serv. Kal II-02/01 which contains, among other things, a soil sampling mechanism. In the sustainable plantation management guidelines No. 724 / TQEM-SPMS / 09 dated August 27, 2010, it is stated that land checks are carried out at a maximum every five (5) years to find out the nutrients contained in the soil.

The company has shown recordings related to soil sampling, leaves and visual supervision listed in the Plant Network Analysis Test Report. The results of leaf sampling for Gunung Aru Estate, Gunung Kemas Estate, Laut Timur Estate and Pantai Timur Estate were tested for parameters including pH, C-Organic, total N, total P, available P, K, Mg, Na, Ca and borate.

4.2.4

The company has shown EFB monitoring documents and efficiency of fuel use for the period July 2017-July 2018 which informs about recycling of nutrients.

In addition, based on the results of field visits to Block C01, Division 1, Laut Timur Estate it is known that the company has utilized the oil palm residues (chipping yield) for biomass recycling programs and improved nutrient content in the soil by the mechanism of the CECT area. (Close Ended Close Terrace) so that it can reduce the rate of growth of pest *Oryctes rhinoceros*.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

The company has a semi-detailed soil survey and land suitability document for oil palm plantation which includes the land slope map for Gunung Aru Estate, Laut Timur Estate, Pantai Timur Estate and Gunung Kemas Estate. The map is available on a 1: 40,000 scale and 1:50,000 scale. The limitation factors are topography and soil fertility. Based on semi detail was not identified peat area.

4.3.2

The company has shown a Memorandum from the GM Business Planning & Administration, dated 01 July 2014 No 03 /

BPA.SP-HPUI / VII / 2014 concerning ARM Chapter 4-Land Preparation which explains that the land in the estate area with a slope angle of > 40% (21, 80) so that it is not planted and left to maintain biodiversity, but road access between land planted and those not planted must be made and maintained.

Based on the Spring Detail Land Survey and Land Suitability Report for Palm Oil Plants in PT Bersama Sejahtera Sakti 2017-2022, it is known that the company has carried out topographic mapping activities. Based on the map, PT Bersama Sejahtera Sakti consists of a flat topography (level) of 14.10%, undulating (undulating) of 21.01%, corrugated (rolling) of 57.35%, hilly (hilly) of 6.40%, somewhat steep (somewhat steep) of 0.76%, and steep (0.38%).

Based on a field visit to the Laut Timur Estate Division 2 Blok J21 / 22, it is known that the company has implemented related planting in slope areas such as terrace making, planting cover crops (LCC) and EFB applications. In addition, based on the results of field visits to the CC28 Block and CC29 Division 3 Laut Timur Estate, it is known that the company has also conducted erosion monitoring which aims to monitor the rate of erosion in slope areas.

4.3.3

The company has shown the road maintenance program listed in the Road Maintenance to date document in June 2018 which contains, among others, road maintenance for each division in each estate.

Based on the field visit at Gunung Kemas Estate Division 2 Field B022, it is known that the company carries out road maintenance activities manually and mechanically using a grader.

4.3.4, 4.3.5

Based on a semi-detailed land survey document study and land suitability for Palm Oil Plantations, PT Bersama Sejahtera Sakti for the period 2017-2022. It is known that the land units contained in PT BSS include orders of Inceptisol, Oxisol and Ultisol, where in the entire PT BSS area there is no peatland.

4.3.6

The company has shown the SOP for Determination of Erosion Bench with Document No. 056 / BSS-SOP regarding procedures for erosion stakes, erosion post installation and determination of erosion stakes.

Besides that, the company has also shown Land Preparation Memorandum No 03 / BPA.SP-HPUI / VII / 2014 Regarding ARM Chapter 4, dated July 1, 2014 regarding the explanation that the land in the estate area with a slope angle of > 40% (21.80) do not planted and left to maintain biodiversity but access roads between land planted and those not planted must be made and maintained.

Based on the results of field visits in block C01 Division 1 Laut Timur Estate, it is known that the company has carried out planting activities of legume cover crops (LCC) in terraces which are useful as a way of managing soil from the risk of erosion. In addition, the company has shown footage of the application of EFB which aims to increase nutrients in the soil and reduce erosion rates for Gunung Kemas Estate and Laut Timur Estate.

Status: Comply

4.4

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

4.4.1

The company has a water source identification document and its management is contained in environmental documents, HCV and land application permits. Water sources include the Betung river, Bekambit Atas river, Bekambit Bawah river, Sejakah Atas river, Sejakah Bawah river, Api-Api river and Batak river. Companies that have carried out management include: water quality testing (including wastewater / POME) in the semester, monitoring of water use and river border management. Reporting on the management and monitoring of water sources and their evaluation is reported to environmental agencies every semester.

The company can not show the water management plan especially related to replanting activity.

- From the 115 Ha land application area according to the permit, there was only 53 Ha (46%) that used for land application activity.
- Based on interview with land application officer, known there are sedimentation in flat bed that cause increasing

leakage risk.

- Based on water quality testing on 2018, Total Solid Suspension (TSS) in Sejah River was over the threshold. This caused raised as **Nonconformity No. 2018.01 (Minor)**.

4.4.2

The company has an HCV assessment and river border management procedures. The results of field verification in Bekambit River Block W19 Division II GKE, the management efforts carried out include the installation of HCV warning boards, marking of spraying limits in the form of circular yellow paint on the oil palm and planting of woody trees on the river border.

The company has HCV identification results, river border and protection procedures with a width of 50 m. However, there were found replanting activities in LTE (Results of field visits in the replanting area of AA14 LTE Block, river border area 20 meters left and right Sungai Sejah still left as HCV area) which left 2 palm trees (± 20 m), this was not in accordance with procedures and recommendations for HCV identification results. This caused raised as **Nonconformity No. 2018.02 (MAJOR)**.

4.4.3

The company has Land Application Permit No. 503/01 / IPAL-BPPTPM / 2016 dated 31 August 2016 based on the Decree of the New City Regent. Application permits include blocks of N2 (10 Ha), N3 (9 Ha), N4 (7 Ha), N5 (20 Ha), N6 (5 Ha), O3 (6 Ha), O4 (15 Ha), O5 (12 Ha), O6 (11 Ha), O7 (7 Ha), P7 (10 Ha), and P8 (3 Ha). Factory effluent quality has been tested periodically, and has been reported to relevant agencies. Effluent quality test results still met the quality threshold in accordance with regulations.

According the Land Application Permit that granted since 31 August 2016, the company has been conducted environmental surveillance every six month refer to Decree of Environmental Ministry No. 29 year 2003. According to the testing report in 2018, all parameter such as pH, Chemical Oxygen Demand (COD) and Biological Oxygen Demand (BOD) was below the threshold. However, Total Suspended Solid (TSS) in Sejah River was over the threshold. **See NCR 4.4.1.**

Based on an interview with the Environment Agency and the Bekambit Asri village community, there was a pollution of the Bekambit river due to replanting activities, local NGOs also reported this problem to the district government agency. Quality testing of the water of Bekambit River has been carried out by the Banjarmasin Center for Health Disease Engineering and Empowerment (BBTKLPP) Laboratory. The results of the test of river water quality indicate that there is no pollution (still met the threshold). The company is required to make several water filters in the Lok Buaya River and the Yellow Reed Water Gate. In addition the company must provide health services to deal with skin diseases every month. The statement from the village head of Bekambit about the pollution problem has been overcome.

4.4.4

Based on interviews with factory management, the use of water for processing FFB was budgeted at 1.42 m³ / MT TBS. Based on water use monitoring data for the period July 2017 to June 2018. Total consumption of 249441 m³ with a ratio of water use for processing FFB 1.21 m³ / MT TBS.

<p>4.4.1 4.4.2</p>	<p>Status: Non conformance No. 2018.01 with Minor category Nonconformance No. 2018.02 with Major category.</p>	
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4.5

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

4.5.1, 4.5.2

The company has shown an integrated plan for handling pests and diseases listed in the MMCM document. Plans for handling IPM at PT BSS include the Beneficial Plant planting plan for the period 2018-2019, the planned installation of the BOB for the period 2018-2019 in the TBM and TM areas and the making of CECT during replanting activities.

The company carries out biological pest control by utilizing beneficial plants (*Turnera subulata* and *Casia cobanensis*),

while for the control of rat pests *Tyto alba* is used as a natural enemy predator. In addition, the company has also made CECT which is used as a medium for placing piles of chipping from oil palm, so that they can be submerged in water so that they are not a breeding ground for rat pests and *Oryctes rhinoceros*.

The company has reviewed the planning of pest control when replanting, as planned for BOB construction. The BOB development program includes 35 BOB maintenance periods for July-December 2018 and 68 new BOB installations for the 2018/2019 period at the Laut Timur Estate.

The company has also applied the water irrigation and CECT principles which are useful for the placement of clumps with the aim of chopping the oil palm plants so that they cannot be submerged in water so they do not become breeding grounds for rat pests and *Oryctes rhinoceros*.

The program for making CECT in the Laut Timur Estate is 201,866 meters while for CECT construction on the Pantai Timur Estate is 155,812 meters.

The company has shown training documents as an effort to deliver the latest information, including training on nettle caterpillar pest control on July 20, 2018 to 16 BSS teams. In addition, an Integrated Pest Control training was conducted on May 16, 2018 to 13 labors.

Based on the results of interviews with labor on pest and disease census in Block B 28/29 Division 3 Laut Timur Estate, it is known that the potential pests for the immature area are the pests of *Oryctes rhinoceros* and *Rattus sp*, while in the mature area potential pests are nettle caterpillar.

Status: Comply

4.6

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

4.6.1, 4.6.2

The company has SOP Block Spraying No. 3 / SOP-BSS / BSS-GKE / 10 April 1, 2010 concerning spraying activities. The stages of spraying include having a healthy body, prohibiting children and pregnant women from working spray, using PPE, determining areas that can be sprayed and unable to spray, how to spray and keep working tools.

In addition, the company also has Inter Office Mail No. MRC / VP I - Sr. Mgr UPD / 0452 / XII / 2015 dated December 1, 2015 concerning Recommendations for pests, diseases and weeds which explained, among others:

- How to control pests, diseases and weeds without causing economic damage and losses
- How to apply such as active ingredients, dosage and dilution along with work steps
- Target control of weed types and locations
- Herbicides used, annual rotation, information and methods of control

The company has shown a list of types of pesticides, target species, active ingredients, LD50 and justification of use such as Audit 486 SL with active ingredient Isopropil Amina Glifosat (LD50 is 1,350 Mg/Kg) for control narrow leaf.

The company has shown a pesticide application program listed in monitoring herbicide and pesticide use in August 2017 to July 2018 at Gunung Kemas Estate and Laut Timur Estate. The use of pesticides on Gunung Kemas Estate includes the use of 29.85 liters of stane, 1,306.02 liters of Ken Up, 1,100 kg of Sime Abor and 188.05 kg of metaprima.

Based on interviews and document studies, it is known that companies carry out weed control using different types of herbicides and that a rotation system for the application of pesticides with weed / pest objectives becomes non-resistance.

4.6.3

The company has an integrated pest control (IPM) plan for Gunung Kemas Estate and Laut Timur Estate, including the planting program of *Casia cobanensis* for the period 2018-2019, planned planting of *subulata Turnera* for the period 2018-2019 and installation of BOB for the immature area in Gunung Kemas Estate and the Laut Timur Estate.

The Pest and Disease Control Program carried out by the company is monitored and evaluated every month and control strategies are used such as manual, biological or chemical controls. The company does not apply prophylactic pesticides,

this is proven by the mechanism of pest and disease control based on the results of detection and census.

Based on the results of field visits to Blok B007 Division 1 Gunung Kemas Estate, it is known that the company has installed BOB and BOB in an active state. In addition, the company has also demonstrated the realization of the planting of useful plants (beneficial plant-*Turnera subulata*) in the Block CC28 Division 3 Laut Timur Estate.

4.6.4

The company has shown a policy to minimize and eliminate the use of paraquat pesticides listed in Memorandum No: POD-UM-0110 / X2008 dated October 16, 2008 regarding recommendations for substituting the active application of Paraquat-Gramoxone in the Minamas Plantation environment. The memo contains, among others, "following the need for safer herbicides, ammonium glufosinat is recommended to be a substitute for paraquat".

In addition, the company has also shown a policy of reducing the use of class IA and IB pesticides with No. 01 / BSS-Pest / VIII / 2017 dated August 22, 2017 which contains, among other things, requires all business units in PT BSS to always evaluate and control the use of IA and IB class pesticides seriously and sustainably, so that finally the area of Pulau Laut can be zero use of class IA and IB pesticides.

However, based on the results of field visits to the Gunung Aru Estate chemical warehouse and material stock documents, it is known that there is still procurement of Sime Ebor Bait on February 27, 2018 totaling 1,100 kg with the last stock at the audit visit (August 29, 2018) at 24.81 kg.

Related to this, the company has not been able to show evidence regarding the program / plan for reduction and justification regarding the minimization of the use of group 1A and 1B pesticides in the PT BSS environment. **This becomes a non-conformity. 2018.03.**

4.6.5

The company has shown Inter Office Mail No: MRC / VP I-SR.Mgr UPD / 0452 / XII / 2015 On December 1, 2015 issued by Minamas Research Center regarding recommendations for controlling pests, diseases and weeds that explain how to control pests, diseases and weeds without causing economic damage and loss. In addition to controlling pests and diseases explained about the type of pest, how to control, the active ingredients used, the way of application (active ingredients, dosage, dilution procedures) and work steps. Whereas weed control explains the age of plants, control targets, herbicides used, percentage of active ingredients, rotations, information and control procedures.

Based on field visits to disc spray and pest / disease control spray on Gunung Kemas Estate, it is known that PPE (Mask) used by workers is still not in accordance with the MSDS. There are still MSDS who are still using foreign languages (English) so that they cannot be understood by the officers handling the chemicals, including MSDS Rock Phosphate, Cieserit and NPK Compound in the fertilizer warehouse and MSDS Racum at the Gunung Aru Estate chemical warehouse. Based on the field visit to Blok B036, Division 3, Gunung Kemas Estate is known that during pest spray activities, the labors draws water from Siltpit / Water Bodies. This is not in accordance with the circular GKE-Division / 0161 / VIII / 2017 / s which states that "water for spraying pests uses water from reservoirs that are shunted using trucks or vehicles". **This becomes a non-conformity. 2018.04.**

4.6.6

The company has shown Warehouse Management SOP with No. 6 / SOP-PG / BSS-GKE / 10 dated April 1, 2010 which included storage of toxic and dangerous items such as agrochemicals and fuel stored in a place separate from other goods (so as not to contaminate other goods) and not disrupting human health and does not pollute the environment.

The company has also shown the SOP for Hazardous Waste and Non Hazardous Waste Management which contains procedures for managing used pesticide waste. The company only manages pesticide packaging waste by storing the waste temporarily before being given to licensed collectors.

Based on field observations at Gunung Kemas Estate and Laut Timur Estate, it was found that all used pesticide containers were washed / rinsed in the available washing places, then recorded by warehouse staff and then sent to temporary hazardous waste warehouse in each estate. Used pesticide packaging is stored and collected at temporary

hazardous waste warehouse that are licensed, documented (log book) has been done well. In addition, based on visits to housing, it is known that there are no ex-pesticide containers removed or used for other purposes. The packaging waste is properly stored and recorded.

4.6.7

The company has SOP Block Spraying No. 3 / SOP-BSS / BSS-GKE / 10 April 1, 2010 concerning spraying activities. The stages of spraying include having a healthy body, prohibiting children and pregnant women from working spray, using PPE, determining areas that can be sprayed and cannot be sprayed, how to spray and keep working tools.

The company has shown a training document as an effort to deliver the latest information and the delivery of the risks and impacts of the application of pesticides, including training on circle spray with bayer products (becano) on August 15 2018 to employees of the Laut Timur Estate to 24 workers.

4.6.8

Based on interviews with management and labor, it is known that the company does not apply pesticides by air.

4.6.9

Certificate holder has conducted regular training to managed workers competency regarding safety handling procedure of pesticide. For example, safety handling of pesticide training on 15 August 2018 (in cooperated with pesticide supplier from Bayer) attended by 12 pesticide workers from PTE and on 14 August 2018 in GAE/GKE attended by 17 pesticide workers. All training delivered in Bahasa.

Based on interview with 17 pesticide applicator in block O5 Division 2 GAE and 17 pesticide applicator PTE known that all pesticide applicator has been socialized regarding to safety working procedure of pesticide application. Including PPE usage, application in buffer zone area, MSDS, reproduction right and medical examination.

4.6.10

Based on field visits and interviews, information was obtained that used pesticide containers were stored in temporary waste storage and then periodically submitted to collectors of hazardous and toxic waste materials that had permits (PT Restu Ibu Kotabaru). The company has a record of the use of used pesticide containers as a place to distribute pesticides before being applied to the field. Based on interviews with chemical officers (pesticides), it was shown that they understood the steps to dispose of used pesticide containers in accordance with procedures.

4.6.11

Certificate holder also conducted annual medical examination for high-risk workers in estate in mill. Those annual checkup covering audiometry test, spirometry and cholinesterase. Based on last medical examination on 16 - 18 October 2017 found that result as follows:

- GAF (48 person)
47 person notify as fit to work, 1 person suspect loss hearing and has been transferred to the low risk station.
- GAE (82 person)
70 person notify as fit to work, 12 person abnormal and has been transferred to the low risk station (nonchemical handling).
- GKE (48 person)
42 person notify as fit to work, 6 person abnormal and has been transferred to the low risk station (nonchemical handling).
- LTE (57 person)
52 person notify as fit to work, 5 person abnormal and has been transferred to the low risk station (nonchemical handling).
- PTE (41 person)
All person notify as fit to work.

4.6.12

Certificate holder has a policy that pregnant and lactating employees not allowed to work related with chemical material. Based on interview with pesticide applicator in GAE, GKE, PTE and LTE known that they has been attended safety handling of pesticide training. Including pesticide risk for pregnant or breast feeding worker. Women workers usually notice their field supervisor if any pregnant or breast feeding worker to substitute to the non-chemical works.

4.6.4	Status:	
4.6.5	Non conformance NC.2018.03 with minor category	
	Non conformance NC.2018.04 with major category	

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

4.7.1
CH commitment to prevent workplace accident and unhealthy workplace to all employs, guest and contractor, explained in the document of OHS policy that was approved by Head Plantation Upstream Indonesia, December 2011. Mentioned that Plantation Upstream Indonesia commit to provide safely and health workplace by implementing effectively management to prevent workplace accident and unhealthy to all employs, guest and contractor. The policy written bilingual in Bahasa, it has been displayed in each units of estates and mill.

Through the OHS Committee, certificate holder has set the OHS plan in each unit. For example, monthly monitoring of fire extinguisher and hydrant system, review of HIRAC, annual medical examination for high-risk worker, monthly socialization of company policy etc. They also conducted OHS monthly meeting.

4.7.2
Certificate holder has had a documented HIRAC for estates and mill. Those document always reviewed and evaluated through the OHS Committee meeting. Based on interview with personnel in charge of OHS, HIRAC will be reviewed and updated if needed. Every newest HIRAC will be followed with the training.

4.7.3
The company has had the OHS training for all level of employee. For example:

- Safety handling of pesticide training on 15 August 2018 (in cooperated with pesticide supplier from Bayer) attended by 12 pesticide workers from PTE and on 14 August 2018 in GAE/GKE attended by 17 pesticide workers.
- First aider refreshment training on 22 December 2017 in sports hall GAE attended by 46 participant from each unit.

According to the interview with related stakeholders (workers, labor union and contractors) known that the company committed to the OHS implementation in estates and mill. Safe working procedure always brief before start working and all company's workers equipped with appropriate PPE's. Auditor has been verify the record of PPE's granted to all workers. For example, safety boot receipt of GKE workers on 11 June 2018.

4.7.4
According to the local regulation, each company shall had OHS committee and the personnel in charge of OHS implementation are OHS expert that registered in Labor Ministry of Indonesia. Based on document verification, certificate holder had registered OHS Committee in each units.

The OHS Committee conduct monthly meeting with all members and related participants. All meeting records are well documented. For example, OHS Meeting on 9 July 2018 in GAE meeting room that attended by 18 participants.

4.7.5
Certificate holder has had emergency response procedure that approved by management since 1 September 2018 which covering procedure of spillage of pesticide/herbicide, EFB vehicle procedure, FFB vehicle incidents, firefighting, earthquake etc.

Based on field visit in pesticide application activity in GAE and harvesting in GKE known that first aid box still not comply with the national regulation. Moreover, certificate holder cannot shown and demonstrate the system for monitoring the completeness of first aid box contents. Based on that fact, it raised as **noncompliance No. 2018.05 with minor category**.

4.7.6

Certificate holder provides medical care for employees conduct in collaboration with insurance agency (BPJS TK and KES), including contract worker. It was covering work accident and death insurance. Based on observation over the monthly membership cost and number of membership, its known that the entire workers of PT BSS has been registered in employment insurance (*BPJS Ketenagakerjaan*) and healthy insurance (*BPJS Kesehatan*). Company has periodically pay the membership cost every month based on the applicable regulation, For examples: proof of health insurance payments for GKE workers on July 2017 has been paid on August, 1 2018.

Based on field visit and document verification known that certificate holder has a contract with the third party for operational activity. However, the system has not been demonstrated to ensure that all contractor workers have been included in health insurance / insurance and work accident programs. **Noncompliance No. 2018.06 category minor**.

4.7.7

According to the safety performance report, there was working accidents during the last 12 months. Certificate holder cannot shows the Lost Time Accident (LTA) in details. All medical for accident victim has been covered by *BPJS Ketenagakerjaan*.

<p>4.7.5 4.7.6</p>	<p>Status: Noncompliance No. 2018.05 category minor Noncompliance No. 2018.06 category minor</p>	
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4.8

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

4.8.1 and 4.8.2

The company has had the training plan for all level of employee. For example:

- Safety handling of pesticide training on 15 August 2018 (in cooperated with pesticide supplier from Bayer) attended by 12 pesticide workers from PTE and on 14 August 2018 in GAE/GKE attended by 17 pesticide workers.
- First aider refreshment training on 22 December 2017 in sports hall GAE attended by 46 participant from each unit.

According to the document verification, 10 heavy equipment operator from PT. Central Pratama Property (replanting contractor) is a licensing heavy equipment operator. The company also conducted safety induction for all operator before they start to working on the field.

Based on interview with random worker, all training presented in Bahasa. All the document of training kept by PSQM Staff.

	<p>Status: Comply</p>	
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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

The company has 3 environmental documents including:

- 1) Analysis of environmental and social impacts (AMDAL) document with a plantation area of 14,000 ha and factory capacity of 60 tFFB / hour. The scope of AMDAL studies includes: Construction of physical facilities and supporting facilities; Construction of oil palm plantations; Palm Oil Processing Process (Factory)
- 2) Social Impact Assessment (SIA) document in January 2010. with the village coverage within and / or bordering the company, covering 8 villages, Laut Timur Estate Subdistrict. The villages include: Langkang Baru Village, Langkang Lama, Betung, Bekambit Asri, Bekambit, Sejakah, Tanjung Pengharapan and Batu Tunau

- 3) Review of the Summary of the Effect of Replanting Activities on Environmental and Social Aspects in 2012. Replant plans will be carried out from the period of 2011/2012 covering an area of 324.99 Ha; 2012/2013 covering an area of 426.38 Ha and 2013/2014 covering an area of 403.39 Ha.

5.1.2

The company has environmental management documents contained in environmental documents, as well as its implementation reports in the RKL / RPL implementation document per semester. In the report on the implementation of the RKL / RPL Semester 1 2018, companies carrying out environmental management include: (1) Management of Air Quality and Noise; (2) Management of Soil and Water Conservation; (3) Management of the quality of liquid waste/POME and factory solid waste; (4) Management of Land Fire Potential; (5) Management of Flora and Fauna; and (6) Community Unrest Management.

5.1.3

The company has environmental monitoring documents contained in environmental documents, as well as implementation reports in the RKL / RPL implementation document per semester. The company conducts environmental monitoring with reference to the matrix contained in the AMDAL document. In the RKL // RPL implementation document every semester, an evaluation of parameters that do not match the environmental threshold value is carried out.

The company has not shown evidence that it has carried out all environmental monitoring parameters in accordance with the monitoring matrix contained in the AMDAL document such as the structure of the type of plankton and Benthos composition. This caused raised as **Nonconformity No. 2018.07 (Minor), because repeated findings of nonconformities increase to Major.**

5.1.3	Status: Non Conformance No. 2018.07 with Major category	
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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 company has a November 2010 HCV identification document with the scope of the plantation area carried out by a team that has competence in the field of ecology (flora and fauna), social and mapping. The total HCV area is 571.12 Ha covering the river border and hilly area, most of the river border has already been planted (it has been released from planted area of 135.27 Ha). Total HCV area are 571.12 Ha; most of the river border has already been planted. Conservation area: 78.16 Ha; River: 135.27 Ha; Riparian Zone (Planted area): 357.69 Ha.

According to the HCV document, the following species were identified in the company area:

- 1) Flora: 34 types of unprotected flora,
- 2) Fauna: Identified 23 species of birds and 13 species including those included in the IUCN Redlist Data Book; 2 species protected by law No. 7 of 1999 and Appendix II CITES, namely elang alap-alap nipon (*Accipiter guleris*) and raja udang meninting (*Alcedo meninting*).
- 3) 4 species of mammals were identified, 3 species included in the IUCN Data Book Redlist namely: coconut squirrels (*Callosciurus notatus*), ground squirrels (*Tupaia tana*), kubung (*Cynophalus variegatai*); and 1 species protected by Law No. 7/1999 that is the kubung (*Cynophalus variegatai*)
- 4) Identified 1 primate species protected by Law No. 7/1999 namely long-tailed monkeys (*Macaca fascicularis*)
- 5) One species of 1 reptile identified is lizard (*Varanus salvator*).

5.2.2

The company has managed the management of the HCV area and monitored it periodically. Based on field verification at the river border, similar to Block V11 / V12 GKE and the border of Bekambit River Block P4 & W19, the company has installed HCV warning boards and prohibited hunting of protected animals (king prawns shrimp); the provision of boundary signs of spraying activities and the planting of woody trees on the river border.

5.2.3

The company has a policy to protect RTE species and has conducted socialization activities for the protection of RTE

types, including:

- 1) Sejahkah village community on November 14, 2015;
- 2) Tanjung Pengharapan villagers on March 16, 2016;
- 3) Company employees on July 10, 2017.
- 4) Installation of a ban on hunting of king prawns (shrimp) species on GAE: (Block A013; 014; 037; 039); GKE: (Block B047; B041); LTE: (Block C005; 007; 041); and PTE: (block D019; 020; 022; 045; 039)

According to interviews with harvesters and local communities in the villages of Batu Tunau, Tanjung Pengharapan and Bekambit, it is known that they know protected animals, through socialization and signboards available on plantations. According to interviews with local residents and field observations to HCV areas there were no animal hunting activities carried out by employees and local residents.

5.2.4

The company has an HCV Monitoring-Management Plan, in the form of boundary marking activities, restoration, erosion observation, flora and fauna, installation of banning boards, river basin generally already planted with palm oil. The company has a 3-month buffer zone observation checklist including fauna observation (king of manting shrimp, cuff, fish species, flora (PTE). Available monitoring results of tree planting in HCV area in 2018 include: GAE: mahogany 1.423; sungkai 345; turi 21 turi ; sengan 75; angkana 120; trembesi 1; guava 21; waru 64 total 2,081.

5.2.5

According to field observation in Gunung Aru Estate, on block D3, E3, and F3 at HCV1.1 Kemas Hill. The observations of the auditor team indicated an overlap with smallholders. However there are no evidence of negotiated agreement that optimally safeguard their HCVs and the local community's rights. It was raised as **nonconformity No. 2017.8**.

The company has a land inventory record in Bukit Kemas that has SKT 28 people with an area of 1-2 ha per person that has been planted with bananas, oil palm, mango, cloves, sahang, durian, cempedak, sengan in 2016. The company has a record of the inventory of land owned by the community in Bukit Kemas. But the company has not been able to show evidence that a negotiated agreement has been reached to protect HCVs and the rights of local communities optimally. **Nonconformity No. 2017.8 unfulfilled Nonconformity to be Major**

5.2.5	Status: Non conformance No. 2018.08 with Major category	
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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

The company has a list of waste products and waste sources in 2018, such as used oil, batteries used, filters used, etc. originating from workshops; medical waste from clinical activities. Ex-agrochemical containers, used oil etc. are sourced from plantation activities and domestic waste. Based on that, the company has set the procedures in order to manage the waste product from all plantation activity.

5.3.2

The company has a chemical warehouse to store all chemicals, that storage are in good condition, all requirements are available such as: waste shelves, placement by category, symbols, labels, ventilation, with emergency response systems such as MSDS, Light Fire Extinguishers, First Aid Boxes, PPE and eye showers in each estate and factory. To store hazardous and toxic waste materials including containers of used chemicals, the company already has 2 temporary and hazardous waste storage places (factories and 1 estate), with storage permit No. 503/01 / P.LIMB-BPPTPM / 2017 in GKE and No. 188.45 / 301 / KUM / 2015 at GAF. The place is equipped with a note/logbook of in and out of hazardous and toxic materials, work instructions and safety instruction, trapping of liquid waste and emergency response systems such as MSDS, Light Fire Extinguishers, First Aid Boxes, PPE and eye showers.

In accordance with the SOP, handling hazardous and toxic materials, hazardous and toxic waste is disposed of by authorized third parties "PT Restu Ibu Kotabaru" (permission from the Minister of Environment and Forestry number S.96 / VPLB3 / PPLB3 / PLB.3 / 2/2017 and transportation permit waste from the Ministry of Transportation number SK.1086 / A / J.309 / DJPD / 2017 / 630021128BB. Documents recording the handling of hazardous waste are available: LB3

hazardous waste notebooks, monthly balance of hazardous waste and reported every 3 months, manifest of hazardous waste delivery to authorized third parties, hazardous waste balance reported to authorized government agencies in the region and at the centre.

5.3.3

The company has a waste management plan contained in the following documents:

1. SOP for hazardous and toxic waste management 398 / BSS / LB3-SOP / 44/12.
2. SOP for medical waste management Number 131 / OPR January 2, 2012. Medical waste is disposed of at the local hospital.
3. SOP of hazardous and non-hazardous waste RA.012 dated April 1, 2010.
4. Waste management plan in the document "Reduction of Greenhouse Gas (GHG) Plans for PT. BSS.

The company has the implementation of waste management including:

1. Licensed hazardous and toxic material waste storage area and hazardous and toxic material waste management agreement with PT. Restu Ibu
2. Available Memorandum of Understanding between District Hospital. Kotabaru with PT. BSS Gunung Aru about the provision of medical waste disposal services No. 800 / / RSUD-KTB / MoU / XI / 2017
3. Available BA Verification of application for domestic wastewater discharge permit to PT BSS factory environmental media in Pulau Laut District. Kota Baru On May 3, 2018 with a follow-up report to complete the technical design of the construction of domestic waste ponds

The company has not been able to show evidence of managing waste to avoid and reduce pollution.

1. The company (GKE & LTE) has a garbage dump block located in a low-lying area that has the potential of pollution when inundated
2. Garbage dump is not done by landfill
3. Management of used paint cans in factory for hand washing facilities that are not in accordance with hazardous and toxic material waste management procedures

It was raised as Nonconformance No. 2018.08 (Minor), because repeated findings of nonconformities increase to Major.

5.3.3	Status: Non conformance No 2018.08 with Major category	
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5.4

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

5.4.1

The company has a plan to increase the efficiency of fossil fuels as stated in the identification and reduction of greenhouse gas (GHG) documents and SOPs on waste management. Some plans that have been implemented are the use and monitoring of renewable energy such as the use of fiber and shells for boiler fuel. Based on monitoring data, the company has calculated the efficiency of the use of renewable energy in terms of energy products / tons of CPO by 61% -72%.

Status: Comply	
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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

The Company has a Land Preparation SOP which contains technical guidelines for clearing land without fires for plantation development as a guide for non-burning land, so that in land clearing activities shall be guided by the contents of the decision letter of Directorate General of Estate Crops. KB 110 / SK / DJ BUN / 05.95 dated May 30, 1995. Beside that, the company has a Fire Prevention and Handling Manual with No. M-077 / HPUI / VIII / 2014 from Head Plantation Upstream Indonesia dated 07 August 2017 which contained that the company implemented Zero Burning Policy in all Minamas plantation activities.

Based on field visits and interviews with workers in Blok J21 / 22 Division 2 Laut Timur Estate, it was found that the company did not open land by burning but it was done using the technique of chipping when replanting activities were carried out. This can be proven from the results of the chipping placed in the CECT area (Close Ended Close Terrace).

Status: Comply

5.6

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

5.6.1

The company has identified pollution and emissions activities including GHG. Pollution / emissions come from activities such as land clearing, fertilization and use of chemicals (spray activities), use of solar in transportation, lighting and processing of FFB, and management of POME.

5.6.2

The company has the implementation of GHG emission management including: establishing a policy of zero burning in land clearing, fertilizer and chemical use in accordance with recommendations, EFB and POME applications on land, routine emission testing, use of fibers and shells as boiler fuel, planting trees in the area riparian.

5.6.3

The company has a record of the results of periodic monitoring of emissions from production equipment and machinery contained in the RKL / RPL implementation report. This GHG Emission accurate data has been put and calculated using RSPO PalmGHG Calculator Version 3.0.1 and 'Exclude LUC Emission' calculation option is not applied. The result of calculation summary as follows:

• Summary of Net GHG Emissions

Emissions per product	tCO ₂ e/tProduct	Extraction	%
CPO	3.42	OER	19.09
PK	3.99	KER	4.22

Land Use	Ha
OP planted area	11742.569
OP Planted on peat	
Conservation (forested)	510.11
Conservation (non-forested)	

• Summary of Field Emissions and Sinks

Emissions	Own Crop		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/FFB
Land conversion	106071.09	9.03	0.95
*CO ₂ emissions from fertilizer	82183	7	0.74
**N ₂ O emissions	5209	0.44	0.05
Fuel consumption	4273.07	0.36	0.04
Peat Oxidation	0	0	0
Sinks			
Crop sequestration	-86251.24	-7.35	-0.77
Conservation Sequestration	-2706.24	-0.23	-0.02
Total	108778.68	9.26	0.98

• Summary of Mill Emissions and Credits

Emissions	tCO ₂ e	tCO ₂ e/tFFB
POME	23320.44	0.21
Fuel consumption	108.68	0
Grid Electricity Utilization	0	0
Credits		
Export of Grid Electricity	0	0
Sales of Mill	0	0
Sales of EFB	0	0
Total	23429.12	0.21

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

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

6.1.1

The company has an assessment document on social and environmental impacts including:

- 1) Analysis of environmental and social impacts (AMDAL) document with a plantation area of 14,000 ha and factory capacity of 60 tFFB / hour.
- 2) Social Impact Assessment (SIA) document in January 2010. with the village coverage within and / or bordering the company, covering 8 village Pulau Laut Timur subdistrict. The villages include: Langkang Baru Village, Langkang Lama, Betung, Bekambit Asri, Bekambit, Sejakah, Tanjung Pengharapan and Batu Tunau
- 3) Review of the Effect of Replanting Activities on Environmental and Social Aspects in 2012. Replanting plans will be carried out from the period of 2011/2012 covering an area of 324.99 Ha; 2012/2013 covering an area of 426.38 Ha and 2013/2014 covering an area of 403.39 Ha.

The results of the identification of social facts and impacts of the existence of the company include: 1. Socio-Economic Welfare of Villagers Still Low; 2. Livelihoods of Villagers: dry land farming and fishermen; 3. Absorption of Local Workers; 4. Local Economic Transactions; 5. Social Contribution by the Company: Education (elementary / junior high school scholarships, internship study places), Health (clinical services and free examination visits to the village); Religion (contribution to repairing places of worship); Village Road Maintenance; 6. Citizens' Claims / Claims: Flood (overflow of river water); Land; 7. Regional Economic Development; 8. Accessibility and Transportation; 9. Development of Education, Health and Social Environment.

6.1.2

In social and environmental impacts documents, the involvement of the parties affected in the assessment is that the surrounding community consists of 8 village and legal representatives with a total of 23 participants including: Langkang Baru, Langkang Lama, Betung, Bekambit Asri, Bekambit, Sejakah, Tanjung Pengharapan and Batu Tunau.

6.1.3

In social and environmental impacts documents presents plans for mitigating negative impacts, increasing positive impacts, and impact monitoring plan activities. Development of negative impact mitigation, documentation, schedules including responsibilities for implementation has been consulted with the affected parties. Corporate Social Responsibility (CSR) programs every year are one method to increase positive impacts and reduce negative impacts. For example: the realization of the 2017/2018 CD / CSR program has been evaluated.

6.1.4

The company shows that the RKS-RPS has been reviewed every 2 years which has been reviewed by management (since the RSPO Generic P & C 2013 was approved).

The following evidence has been shown:

- 1) Negative impact management program based on SEIA report (Pollito 2010) period 2017 - 2019.
- 2) A social monitoring questionnaire conducted in June 2016 with 40 respondents from the surrounding population.
- 3) Document on the results of monitoring social impacts based on the results of the summary of the questionnaire in July 2016.

The company shows that the RKS / RPS Program in the form of the 2018/2019 CSR Program includes:

- 1) Clean water piping
- 2) Giving rice for the elderly
- 3) Granting village funds
- 4) Giving sacrificial animals
- 5) Construction of houses of worship
- 6) Assistance for education, sports and arts, health and infrastructure

6.1.5

The company has a development program for smallholder scheme plantation development since 2007. Social Impact Assessment for smallholders was carried out in 2011 and separated document with SIA PT. BSS. Based on the progress report until July 2017, the total Land Cleared is 1,001.86 Ha, with a planting area of 554.32 Ha.

Status: Comply

6.2

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

6.2.1

PT. BSS is able to provide the SOP of communication (No. 28/BSS/SOP/SMK3LH) dated May 5th 2015. The procedure of the internal and external communication are described on the document. Another regulated things are the restriction for the sensitive information such as company secret. Those document explain of the list of publicly available document, recording of information request, responses and duration of responses.

Based on public consultation with representatives villager near the area, known that the company has been provided communication and consultation channel through the personnel in charge that has been appointed and introduced to the villager representatives.

6.2.2 and 6.2.3

In a structural estates organization, the responsible person who handles communication and consultation with stakeholder is Administration Head. However, in the actual condition all staff is responsible to receive and giving communication to the stakeholder, particularly the communities. Unless for the statutory bodies, responsible person is Plantation Services Department officer.

There is no change for the stakeholders list for GAE, GKE and GAF. Stakeholders list is available in place and well maintained by the officer. Person who responsible to updating the stakeholder list is Plantation Services Department officer.

Status: Comply

6.3

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

6.3.1, 6.3.2

The company has procedure of complaint resolution in "SOP Penanganan Keluhan Karyawan (052/BSS-SOP) dated 27 December 2013 and SOP Komunikasi (No. 28/BSS/SOP/SMK3LH) dated 05 Mei 2015". The procedure describes that all complaint must be responded within 2 weeks. Responsible person to handle of any complaint is Estate Manager.

Based on the results of interviews with the Village Head and village representatives of known that the company has a mechanism to gathering all complaints and suggestions from the community by providing a advice box in village office. The suggestion box can be filled by all citizens who write down the name or not. The contents of the advice box are monitored by the safety officer on a monthly basis.

Status: Comply

6.4

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

6.4.1; 6.4.2

There is no change of the procedure. A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation explained in "Standar Operating Prosedur (SOP) Pembebasan Lahan Okupasi (No. Policy: 343/PSD-OKUP/11) dated on 23 February 2012".

6.4.3

The process and outcome of any negotiated agreements and compensation claims namely Berita Acara Ganti Rugi Lahan is kept by Plantation Service Department Officer. The latest compensation claim record is in 2013 of an area 221 Ha. All the relevant evidence is provided and well maintained. During Re-Certification, this case is already resolved in participatory ways.

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

Certificate holder determines minimum wages based on the government regulation every year. The minimum wages in 2018 as regulated in South Kalimantan Governor Decree's dated 24 November 2017 regarding to minimum wages year 2018 in South Kalimantan Province. Minimum wage set by the government is **IDR 2,588,928.65/month**.

According to the interview with labor agency of Kotabaru District and random worker during the field visit (harvester, chemical applicator, mill operator, security etc), PT. Bersama Sejahtera Sakti has been paid their worker in line with the minimum wages that set by the local government.

6.5.2

Certificate holder has "peraturan perusahaan" that describes the rights and obligations of employees and employers, wage payment mechanisms, worker conditions, working hours, working days, holidays and leave and termination of employment. It has been valid for the period 2016 – 2018. Each labor has had the agreement / contract with the company, for example: Agreement No. 001/GAF/SPK/VII/2017 dated on 18 July 2017 where the agreement has clarified the positions, wages, rights and obligations of employees.

Based on document review known the company have paid overtime in accordance with that specified in the "peraturan perusahaan". The results of interviews with workers in GAF known that workers have earned wages and overtime has paid in accordance with the applicable regulation.

6.5.3, 6.5.4

Certificate holder has provide a list of facilities and infrastructure for workers consisting of housing, lighting, water, daycare, cooperatives, the employee halls, worship place, school buses, clinics and educational facilities. The results of interviews with workers and their family at the housing complex, it is known that they are enough satisfied with the infrastructure and facilities that have been provided by the company.

According to field visits and interview with workers and their family in each housing complex concluded that they have no difficulty to access their basic needs. It all can be accessed in surrounding village near the housing complex. Moreover, the company has provide a place to use by local food traders during the payment day with competitive prices.

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

Certificate holder committed to be a responsible company on giving of freedom for association to its employees, the commitment has been written in the company's policy stated that the employees are given freedom unite, gather and expres their opinion as long as complying the company regulation and the employees are allowed to form labour union. Has been established the independent union labor in each unit estates and mill, structure and document of endorsement can show to auditor. All employees are freedom to be the member of union labor and the policy was written in Bahasa.

6.6.2

Worker Unions meetings both internally and with management do if there are labor issues that have been raised by the company with the Workers. The company shown minute of meeting, for example minute of meeting on 6 July 2018 concern about environment aspect, OHS, worker facility and cooperation.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

Certificate holder has implemented the underage workers exploitation. It is written on the documents follow:

- Social policy which describe that the Plantation Upstream Indonesia is not allowed to recruit the forced workers nor underage workers. The policy was legalized by the Head of Plantation Upstream Indonesia on December 2011
- SOP of employees recruitment on July 10th 2009 of the general policy clause shows that the recruited employees must be at least 18 years old and should not be more than 40 years old.

Based on document review of employee data, the company has implemented the policy and there were no underage workers found (workers under 18 years old). The results of interviews with the spraying and manuring workers known that they understand about the minimum age requirement employment is 18 years. Workers also understand their company's policy on the prohibition of bring the children to work.

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

The company has had a social policy that was approved by the Head Plantation Upstream Indonesia in December 2011. Several things are designated as the company's commitment, one of which is the fair treatment of all staff in matters relating to recruitment, promotions, restriction and working conditions without regard to personal issues such as race, degrees, ethnicity, gender, skin color, physical, organizational membership, political views, religion or age.

The policy has been socialized to employees in every muster morning and has been displayed in each office of mill and estates. Based on interviews with employees in the field known that workers understand the company policy regarding equal opportunity to get a job without distinction of race, religion and gender.

6.8.2 & 6.8.3

The results of interviews with the head of gender committee known that there is no gender discrimination in the workplace. PT BSS provide protection to female workers, for example: women who are menstruating given 2 days leave, and for pregnant women are transferred to light work (office garden care).

The company has had SOP of recruitment as referendum for workers recruiting, document no. 431/HRM-RCT/07 dated 24 May 2007. Scope of the SOP is permanent workers recruitment for staff and non-staff in head office, branch office and operational staff both of estates and mill. Recruitment stages start of in document filling, document checking, manpower planning verification (verified by RTD manager), searching for the qualified workers and conducting selection process, medical check up, contract signing and handover with the associated department. Before assigned as permanent worker, the candidates receive a probability period for 3 months.

Based on interviews with employees in the field known that workers understand the company policy regarding equal opportunity to get a job without distinction of race, religion and gender. PT BSS has provide the assessment documents, promotions and the employee appointments.

Status: Comply

6.9

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

6.9.1

Certificate holder has commitment to be the company which protect their women workers from the sexual harassment actions. The commitment is implemented in form of the gender. The gender policy was legalized by the Head of Plantation Upstream Indonesia on April 2011, written in language understood by workers (Bahasa). Company has had the form of gender committee structure in each unit (GAE, GKE and GAF).

Based on interview with pesticide operator in GKE, GAE PTE and LTE, known that the workers has had sufficient understanding on sexual harassment policy and gender committee. The employee has known the PIC if there is a special grievance. Based on reviews of "complaint documents" known that there is no complaints entered.

6.9.2

Based on document of "Peraturan Perusahaan" the policy related to women worker's rights to leave for menstrual period (H1) and partum (H2). The policy on spraying prohibition for pregnant women and breastfeeding to work in chemicals activity written in Block Spraying System SOP (document no. 3/SOP-BSS/BSS-EST/10 dated 1 April 2010). In the point of 5.2 mentioned that children, pregnant women and breastfeeding is prohibited to work on the jobs that associated with chemical.

Based on interviews with fertilizer workers and spraying workers known that workers have been known the gender committee. Workers have understood where to complain if they experience violence against women. The company has provide the protection of women's rights has been granted, for example menstrual rights.

6.9.3

Certificate holder has SOP of employee's complaint handling No. 052/BSS-SOP on December 27th 2013. It describes the complaints of permanent workers and staff recorded on the book of register, the flowchart and diagram of the complaint is also presented. In the document also has been mentioned the respect anonymity and protects complainants.

According to the interviews with gender committee, fertilizer workers and spraying workers known that there is no sexual harassment and/or abuse in the work place.

Status: Comply

6.10
Growers and mills deal fairly and transparently with smallholders and other local businesses.
6.10.1, 6.10.2

At present, PT BSS neither purchase nor process FFB from other smallholders or other sources. The entire processed FFB in Gunung Aru Mill came from own estate in PT BSS.

6.10.3, 6.10.4

Company has work agreement with third party to perform FFB's transportation work. For instance, work agreement No. GAE/SPK-LKL/V/2018/056-Angkut TBS dated on 28 May 2018. The contract is written in Bahasa and Both parties have understood with work agreement.

The company has been show several evidence regarding to contractor payments as follows:

1. Minutes of inspection & payment (BAPP) for SPK No. (GAE/SPK-LKL/V/2018/056-Angkut TBS) dated 24 August 2018.
2. Bank Voucher for period of July 2018 FFB's transport by UD Farizi Group.
3. Receipt of payment signed by contractor on behalf of it contractor upon receipt of payment dated 24 August 2018.

Based on interviews with the contractor, the payment has been paid on time in accordance with the agreement.

Status: Comply

6.11
Growers and millers contribute to local sustainable development wherever appropriate.
6.11.1

Based on interview with villagers of Bekambit and Tanjung Pengharapan, the main necessity from villagers is road access from village to the government road. The company has assisted by providing heavy-duty equipment to maintain the roads.

6.11.2

The company has had particular attention of smallholder schemes development since 2007. Based on daily report of smallholder development progress upto May 2016, total Land Cleared is 1,001.86 Ha, Planted: 554.32 Ha. Name of Smallholder organization is Koperasi Maju Bersama Plasma. Currently, the smallholders is under development progress.

Status: Comply

6.12
No forms of forced or trafficked labour are used.
6.12.1.

All employees of PT BSS are legal employees received under the company's own admission. Companies can show the proof of recruitment in the form of identity and employee Cooperative Agreement Letter. There is no migrant workers on the PT BSS operations.

6.12.2.

There is no contract substitution at the time of recruitment, all workers accepted have had the agreement before work begins. Based on document review of employee list, Labor compulsory report (WLTK) and interview with workers in the field known that the type of work described in the contract of employment is the same as the currently job.

There are no contracts substitution or force labours in PT Bersama Sejahtera Sakti, all worker have the agreements where the work agreements are made before work begins. All worker explained that they have been known that the work

performed is in accordance with the mentioned in the worker agreements. In addition, workers also explain that any time may to resign without any threatened or penalty to be paid to the company.

6.12.3.

The certificate holder does not employ migrant workers and outside the region (inter-city inter-regional), all workers are come from the area around the plantation. Based on documents review of employees list which inform the regional origin and addresses of employees known that there are no migrant workers at PT BSS.

Based on the results of interview with Labour Agency known that the company has regularly reported the the amount and status of employees through Labor compulsory report (WLTK) and there are no migrant workers.

	Status: Comply	
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6.13
Growers and millers respect human rights
6.13.1

The company has a policy on human rights issued by SOU Chair 06 Gunung Aru PT Bersama Sejahtera Sakti Minamas Plantation dated 01 May 2015 which contains the company's commitment to protect the Human Rights of all Staff / Employees including the right to live, to get married and to continue progeny, right of self-liberty, right to security, right to welfare, the right to participate in government, women's rights and children's rights.

According to the interviews with employees at Gunung Aru and Gunung Kemas Estate, it is known that in addition to the official socialization, socialization related to human rights has also been submitted through morning briefing.

	Status: Comply	
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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 up to 7.1.3

No new plantings, operations, or expanding by the company.

	Status: Comply	
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7.2

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

7.2.1, 7.2.2

The company has land suitability maps for Gunung Aru Estate, Gunung Kemas Estate, Laut Timur Estate and Pantai Timur Estate which are listed in the Semi Detail Land Survey and Land Suitability Report for Palm Oil Plants in PT Bersama Sejahtera Sakti 2017-2022.

Based on the Report of Land Survey Detail and Land Suitability for Oil Palm Plantation at PT Bersama Sejahtera Sakti 2017-2022 it is known that the company has conducted topographic mapping of the land. Based on the map, PT Bersama Sejahtera Sakti consists of flat topography (14.10%), undulating (21.01%), rolling (57.35%), hilly (6.40%), somewhat steep (0.76%), and steep (0.38%). The map has a scale of 1: 40,000.

Based on the results of a field visit to Blok C021 Division 2 Laut Timur Estate, it is known that the company has a management strategy in areas with slopes such as planting cover crops (LCC), application of organic materials (EFB) and making CECT (Closed Ended Closed Terrace).

	Status: Comply	
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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 up to 7.3.5 <p>The company able to shows the date of the land after November 2005 to December 2009 is 1092.73 ha. While, based on the HCV identify conducted on November 2010, the company has disclosure of liability and LUCA for planted area period 2007 to 2010 on Pantai Timur Estate. Total LUCA analysis is 131 ha, meanwhile liability final for Pantai Timur Estate is 29 ha. The company has reporting all LUCA to RSPO Secretariat at Augustus 28, 2015 to submit for RSPO remediation and compensation liabilities for land clearance without prior HCV assessment. Based on identification of HCV in 2010, is not identified the rights of local communities (HCV5). Identified HCV attributes include: HCV1.1, HCV1.4, HCV2.3, and HCV 4.1.</p>		
	Status: Comply	
7.4 Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
7.4.1, 7.4.2 <p>The company has shown documents on the Semi-Detail Land Survey and Land Suitability Report for Palm Oil Plants in PT Bersama Sejahtera Sakti 2017-2022 that the company has conducted land topography mapping and identification of land types.</p> <p>The document states that PT BSS has a flat topography (level) of 14.10%, undulating of 21.01%, rolling of 57.35%, hilly of 6.40%, somewhat steep of 0.76% , and steep by 0.38%. Besides that, it was explained that the type of soil contained in PT Bersama Sejahtera Sakti included soil types of Inceptisol, Oxisol and Ultisol. So, it can be concluded that there is no peat land in the management area of PT Bersama Sejahtera Sakti .</p> <p>Based on the results of a field visit to Blok C021 Division 2 Laut Timur Estate, it is known that the company has a management strategy in areas with slopes such as planting cover crops (LCC), application of organic materials (EFB) and making CECT (Closed Ended Closed Terrace).</p>		
	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 <p>The company has had 4 certificates of land use rights (HGU) that issued in 1995 (8,222.54 Ha), year 2002 (3,318 Ha) and year 2004 (1,200 Ha). Planting year for nucleus (own) estates is between 1988 up to 2009, all plantings is in legal area. Land compensation has been paid prior to land title certificate issued.</p> <p>There is no new plantings are established since 2009.</p>		
	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 <p>Identification of SEIA is based on Location Permit year 1988 (14,000 Ha). When SEIA is undertaken, scope of identification is based on Location Permit and in that time the land use right is yet issued. However, within SEIA report is already covered for other land uses over the plantation area and no customary rights were exists.</p>		

There is no new plantings are established since 2009.

Status: Comply

7.7

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

7.7.1, 7.7.2

The Company has a Land Preparation SOP which contains technical guidelines for clearing land without fires for plantation development as a guide for non-burning land, so that land clearing activities should be guided by the contents of the decision letter of Directorate General of Plantation. KB 110 / SK / DJ BUN / 05.95 dated May 30, 1995.

Based on field visits and interviews with workers in Blok J21 / 22 Division 2 Laut Timur Estate, it was found that the company did not open land by burning but it was done using the technique of chipping when replanting activities were carried out. This can be proven from the results of the chipping placed in the CECT area (Close Ended Close Terrace).

Status: Comply

7.8

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

7.8.1 and 7.8.2

The calculation of the carbon stock shall be conducted after the development of the new estate on August 1st 2014. According to the observation on the PT BSS area statement, there is no new estate development after August 1st 2014. However, the company has made efforts to minimize GHG emissions, such as: use of chemicals (fertilizers and pesticides) according to the recommendations, use of fuels in accordance with the budget, management of mill effluent on WWTP ponds, land application, transport maintenance routinely, etc.

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.

There are RSPO internal audit report dated 31 July – 2 August 2017 with six Major Nonconformity, however all of nonconformity has been fulfilled by the certification units.

BMP and Environment Aspects

- 1) The company has built a reservoirs for irrigation which is used to ensure the availability of water in the soil during the dry season, so that plants can grow well.
- 2) The use of Closed End Conservation Trenches method to minimize horn beetle pest attacks and facilitate the transplanting process of seeds to the field.

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>Organization that conduct physically handled of RSPO product is Certificate Holder of Gunung Aru POM and transporter.</p>
	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>Gunung Aru Mill only processed their own FFB from own manage plantation that have been certified.</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>Gunung Aru Factory has been registered in RSPO IT Platform member registration number as the data below:</p> <p>Member name : Sime Darby Plantation – Gunung Aru POM, PT BSS Account UID : RSPO_AC1000000328 Member ID : RSPO_PO1000000319 Sub License ID : CB28134</p>
	Status: Comply
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>There is no processing aids in Gunung Aru POM.</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>Yes, Facility has applied the Supply Chain Module correctly Gunung Aru POM is implementing two model of supply chain (Identity Preserved and mass balance) cause mill to receive FFB from non RSPO certified and non-certified.</p>
	Status: Comply
5.2.2	<p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p>

From the past certificate license on ASA-1.1 period (21 October 2017 to 20 October 2018) Gunung Aru POM have implemented IP Supply Chain model.

The additional verification taken place at **Gunung Aru POM** on 16-17 May 2018 for implementation supply chain models of IP and MB in same time license period. However until ASA-1.2 conducted the Gunung Aru Mill not yet received Non Certified RSPO FFB.

	Status: Comply
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5.3	Documented procedures
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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.

Gunung Aru POM have an update procedures of RSPO SCCS Certification Standard number SCCS-Std/RSPO/PSQM/02 dated 1 April 2018.

The company has had SOP of product traceability and identification in Minamas Plantation POM number RSPO/65/SCCS/BSS 2nd revision dated May 8th 2015. The document is referring the document of RSPO supply chain certification standard of the final document on November 21st 2014. It was legalized by the Manager of GAF.

According to point 5, the people in charge of the supply chain system are:

- Factory Manager: the mill manager is responsible for maintaining and storing all documents, records and notes of the raw material usage; verification of the product status to the vendee; holding proper SCCS training.
- Assistant of PSQM: checking the FFB quality and the raw materials as well as monitoring the product delivery and load/unload.
- Foreman/assistant of Lab: analyzing and testing the quality; maintaining and distributing the result of product and raw material analysis and test.
- Assistant/Senior assistant/Manager of Bulking: Ensuring the transport of CPO and PK product from POM to bulking.
- Production clerk: recording the administration of the receipt certified FFB and the non-certified one.

	Status: Comply
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5.3.2

The site shall have a written procedure to conduct annual internal audit

Facility can show the internal audit procedure (SCCS-IA/RSPO/PSQM/04) dated 1 March 2018 that covering the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents including assessment of it effectively. Internal audit will be conducted two month before external audit visit every year. The last Internal Audit conducted on 13 March 2018.

	Status: Comply
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5.4	Purchasing and goods in
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5.4.1

The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier.

Question :

All RSPO product information is provided by suppliers in accordance with :

- The name and address of the buyer;
- The name and address of the seller;
- The loading or shipment / delivery date;
- The date on which the documents were issued;
- A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);

- The quantity of the products delivered;
- Any related transport documentation;
- Supply Chain certificate number of the seller;
- A unique identification number
- Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).
- The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.
- A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (www.rspo.org) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.
- The validity of license for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements/announcements.

All the FFB received by Gunung Aru POM currently are from the own estate plantations that have been RSPO certified (GAE, GKE, PTE, LTE).

However Gunung Aru is seeking to implement two supply chain model in the rest of license periode ahead which are IP-MB. In that situation Gunung Aru POM is planning will received and processing the Non-RSPO Certified FFB.

Gunung Aru POM not purchased any RSPO oil palm product (CSPO and CSPK) from other sources.

Status: Comply

5.4.2

The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents

CH did not purchased RSPO certified oil palm products, but produced RSPO certified oil palm products.

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.

After processed the FFB, facility only sell their certified product (CPO and PK) to the buyer directly and not seeking outsourcing activities.

Gunung Aru only using contractor for transporting the CPO and Palm Kernel.

Currently Gunung Aru POM have procedure to ensure the certified material (CSPO and CSPK) not being mixed with non-certified product.

Status: Comply

5.5.2

Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:

- The site has legal ownership of all input material to be included in outsourced processes;
- 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.
- The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that

independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance

The certification unit showing the draft Addendum IV No. 010/jasa pengangkutan/BSS-Ahmad Syauckani/II/2015 dated 29 March 2018 about CPO transport form Gunung Aru Factory to the Stagen Jetty valid to 30 September 2018. However the certification unit has no been able to show the CPO transport agreement signed by both of parties. **It was raised as Nonconformance No. 2018.09.**

5.5.2 **Status:**
Nonconformance No. 2018.09 with Major Category

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.

Facility showed record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.

DAFTAR KONTRAKTOR ANGKUTAN CPO & IKS

No	NAMA KONTRAKTOR	NPWP	ALAMAT	JENIS JASA
1	Kontraktor A. Syauckani	14.244.525.3-732.000	Desa Berangas RT 01 Kec Pulau Laut Timur Kotabaru	Jasa Angkut CPO
2	Kontraktor Iwan Rifindi	15.496.800.2-734.000	Jln. Berangas RT.04 Teluk Gosong Kec. Pulau Laut Timur Kotabaru	Jasa Angkut CPO
3	Kontraktor Rakhmadi	16.064.782.2-734.000	Desa Langkang Baru RT 06/02 Kec Pulau Laut Timur Kotabaru	Jasa Angkut CPO
4	Kontraktor H. Masri HD	14.856.912.2-734.000	Jl. Log. Pon RT.006 Selaru Kec Pulau Laut Tengah Kotabaru	Jasa Angkut CPO
5	Kontraktor Dedy Setiawan	73.274.862.9-734.000	Desa Langkang Baru RT 06 Kec Pulau Laut Timur Kotabaru	Jasa Angkut CPO
6	Kontraktor A. Dwi Atmoko	14.856.957.7-734.000	Jl. Hasan Basri RT 08 No 08 Desa Semayap Kec Pulau Laut Tengah Kotabaru	Jasa Angkut CPO
7	Kontraktor Manaf / Mariana	14.856.707.6-734.000	Jl. Hasan Basri RT 21 RW 05 Desa Semayap Kec Pulau Laut Tengah Kotabaru	Jasa Angkut CPO
8	Kontraktor Yeni Rahmawati	55.207.651.5-734.000	Jln Mega Indah TR 07/03 Desa Semayap Kotabaru	Jasa Angkut CPO
9	Kontraktor Syahrani	15.072.150.4-734.000	Desa Bekambit RT.003/005 Kec Pulau Laut Timur Kotabaru	Jasa Angkut CPO
10	PT. Cindra Kasih	02.590.647.0-734.000	Jl. Suryagandamana No. 20 Kotabaru	Jasa Angkut IKS

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

Based on document verification and interview with PSQM Assistant, until ASA-1.2 there are no new outsources (transporters). The contractor is still ten companies see clause 5.5.3.

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

Yes.

Whole transaction of CSPO and CSPK has been recorded in RSPO IT Platform, including Shipping Announcements / Announcements and Confirmations.

Daftar Buyer CSPO dan CSPK

No	Nama Buyer	Alamat	PIC	No Certificate RSPO (jika ada)	keterangan
1	KCP Rantau	Desa Bepara, kec Pamukan Utara , Kotabaru, Kalsel, 72167	Juliaman Damanik	SQUAL40137	CSPK
2	PT GHN	Kotabaru, Kalimantan Selatan	Khamdi		CSPO

Sumber dari DO/sales kontrak/data etraze Marketing.

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

Yes. PT Bersama Sejahtera Sakti, subsidiary of Sime darby plantation Bhd has registered in RSPO membership 1-0008-04-000-00 since 8 September 2004

Gunung Aru Factory has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

Member name : Sime Darby Plantation – Gunung Aru POM, PT BSS
 Account UID : RSPO_AC1000000328
 Member ID : RSPO_PO1000000319
 Sub License ID : CB28134
 Core Product: Palm Oil & Palm Kernel
 Member Category: Oil Mill

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.

Not all RSPO Certified Products sales transactions for the period of January to July 2018 are registered on the RSPO Palm Trace.

Based on the RSPO Supply Chain Certification Revision Standard June 14th, 2017 and socialization from the RSPO. It was explained that since January 2018 all RSPO Certified products sales as conventional is should be registered in the RSPO Palm Trace. Therefore based on record keeping data period of January to July 2018 there are RSPO Certified product sales as follows:

Product	Production (Ton)	Sales (Ton)	Claim RSPO (Ton)	RSPO Product sold as Conventional (Ton)
CPO	14,745.12	14,438.85	7,805.55	6,633.30
PK	3,198.79	3,194.28	1,722.57	1,471.71

However RSPO certified products sales as conventional is not registered on the RSPO Palm Trace with CPO: 6,633.30 MT and PK: 1,417.71 MT. **it was raised as nonconformance No. 2018.10.**

5.7.2 Status: nonconformance No. 2018.10. with major category

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

Training Supply Chain Certification System RSPO IP – MB.

Thursday, 19 April 2018

Gunung Aru POM Meeting Room

18 Participants: Mill Manager (1), Mill Staff (4), IT Staff (1), PSQM Staff (1), Administration Staff (1), Supervisor (10).

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

- Gunung Aru POM showed the RSPO Supply Chian procedure socialization that have been updated for implementing the IP-MB model simultaneously to all workers that involved to supply chain:
 - Socialization conducted on 25 May 2018 yang by Mill Manager (Dony Alamsyah) to eight (8) participants (Head of Mill Administration, PSQM Staff, Security, Supervisor) and supported with attendance list, awaremess, material and the phothographic evidences.
 - Socialization conducted on 30 May 2018 yang by Mill Manager (Dony Alamsyah) to eight (19) participants (Mill Assistant, SPO Officer, Security, Supervisor) and supported with attendance list, awaremess, material and the phothographic evidences.
- To show the understanding of RSPO Supply Chain system and IP-MB model, Certification Unit showed the the written test evidences of 22 participants involved in the implementation. The examination were modified to suit the roles of each personnel which are incharge in thir responsibilities, yaitu:
 - Alwan Chaniago → Laboratory Assistant
 - Amat Suriansyah →
 - Ari Hamzah → Mill Assistant
 - Asli Alatas → Security Head

- e) Baderi → Mill Supervisor
- f) Dede Anwar → Clarification Operator
- g) Eddy handoyo → Security member
- h) Fuad Hariadi → Security member
- i) Haris Prastowo →
- j) Hermanto Akong → Mill Asisten
- k) Julianoor → Operator
- l) Juanis → Loading Ramp Opeartor
- m) M. Nuryani → Production Administration
- n) M. Alkahar → Loading Ramp Operator
- o) Misran → Sample Boy
- p) Sadiansyah → Loading Ramp Operator
- q) Sajuri → Clarification Station Operator
- r) Serli Handayani → Safety Officer
- s) Suriansyah → PSQM Supervisor
- t) Sutaji → Head of Administration
- u) Wartono → Process Supervisor
- v) Zainal Abdin → Process Supervise

Available the recapitulation of the written examination result conducted with the conclusion all the participant have a good level of understanding, the result test are:

- Definition → 22 participants have a good result (B)
- Supply Chain model → 21 participants have a good result (B) and 1 participant have a average result (C)
- Physical/document Separation Procedure → 22 participants have a good result (B)
- Shifting Model Procedure from IP to MB → 22 participants have a good result (B)
- Shifting Model Procedure from MB to IP → 19 participants have a good result (B) dan 3 participant have a average result (C)

Production Data Recording procedure of SCCS, FFB, CSPO dan CSPK → 18 participants have a good result (B) dan 4 participant have a average result (C)

	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	
Gunung Aru POM has provide an update of monthly summary of RSPO FFB certified and non-certified from its supply bases. Furthermore, Gunung Aru POM has record and balance of all RSPO product (CSPO and CSPK) produced, as well as its dispatch.	
	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	
Facility showed the procedure regarding to retention time for all records and reports of supply chain. The 2016 documents can be showed during the audit conducted.	
	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.	
The input and output certified material (CSPO and CSPK) from Gunung Aru POM have been well recorded and kept in the office.	
	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 Facility did not using 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 Facility did not using 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 Facility did not using logo during communication with stakeholder / customer.	
	Status: Comply
5.12	Complaints
5.12.1 The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
Facility has had documented procedures for stakeholders complaints in chapter 4.11 (Complaint).	
	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 management review of internal audit result has been conducted on 25 April 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. 	

<ul style="list-style-type: none"> • Changes that could affect the management system. • Recommendations for improvement. 	
<p>The management review was included information on:</p> <ul style="list-style-type: none"> • Result of internal audit: There are 5 non conformities, all of nonconformities has been closed out on 2 May 2018. • Customer feedback: there are no feedback from customer related to quality of RSPO products. • Status of preventive and corrective actions: There are 5 non conformities, all of nonconformities has been closed out on 2 May 2018. • Follow up from previous management review: there is no MR of SCCS on the last year. • Recommendations for improvements: there is no changing of system. 	
	Status: Comply
<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 was included information on:</p> <ul style="list-style-type: none"> • Result of internal audit: There are 5 non conformities, all of nonconformities has been closed out on 2 May 2018. • Customer feedback: there are no feedback from customer related to quality of RSPO products. • Status of preventive and corrective actions: There are 5 non conformities, all of nonconformities has been closed out on 2 May 2018. • Follow up from previous management review: there is no MR of SCCS on the last year. • Recommendations for improvements: there is no changing of system. 	
	Status: Comply

3.2.2. Module E – CPO Mills: Mass Balance Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements									
E.1	Definition									
E.1.1										
Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.										
Based on observation on FFB receiving in security and weighbridge station known that GAF only receive FFB from certified plantation namely GAE, GKE, LTE and PTE which is scope of this ASA process. It also supported with result of interview with key personal on implementation of SCCS requirement such as GAF's head administration, weighbridge operator and SOU officer.										
According to the document of FFB receipt, for example FFB receipt document on 23 August 2017 namely FFB transport document, weighbridge tickets and daily FFB receiving recapitulation, explained that there is no FFB from other source.										
However Gunung Aru POM planned will received the non-certified FFB from other sources (scheme smallholders).										
	Status: Comply									
E.2	Explanation									
E.2.1										
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.										
The certification unit has not been able to shown RSPO Certified MB projection products for period of 21 October 2018 to 20 October 2019. It was raised as non conformance No. 2018.11.										
<table><tr><td></td><td>ASA-1.1</td><td>ASA-1.2</td></tr><tr><td>CPO</td><td>37,914</td><td>26,299</td></tr><tr><td>PK</td><td>9,578</td><td>6,158</td></tr></table>			ASA-1.1	ASA-1.2	CPO	37,914	26,299	PK	9,578	6,158
	ASA-1.1	ASA-1.2								
CPO	37,914	26,299								
PK	9,578	6,158								
E.2.1	Status: Non conformance No. 2018.11.									
E.2.2										
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).										
Gunung Aru Factory has been registered in RSPO IT Platform member registration number as the data below:										
Member name : Simeдарby Plantation – Gunung Aru POM, PT BSS Account UID : RSPO_AC1000000328 Member ID : RSPO_PO1000000319 Sub License ID : CB28134										
	Status: Comply									

E.3	Documented procedures
E.3.1	<p>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:</p> <ol style="list-style-type: none"> Complete and up to date procedures covering the implementation of all the elements in these requirements; The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.
	<p>Gunung Aru POM have an update procedures of RSPO SCCS Certification Standard number SCCS-Std/RSPO/PSQM/02 dated 1 April 2018.</p> <p>The company has had SOP of product traceability and identification in Minamas Plantation POM number RSPO/65/SCCS/BSS 2nd revision dated May 8th 2015. The document is referring the document of RSPO supply chain certification standard of the final document on November 21st 2014. It was legalized by the Manager of GAF</p> <p>According to point 5, the people in charge of the supply chain system are:</p> <ul style="list-style-type: none"> - Factory Manager: the mill manager is responsible for maintaining and storing all documents, records and notes of the raw material usage; verification of the product status to the vendee; holding proper SCCS training. - Assistant of PSQM: checking the FFB quality and the raw materials as well as monitoring the product delivery and load/unload. - Foreman/assistant of Lab: analyzing and testing the quality; maintaining and distributing the result of product and raw material analysis and test. - Assistant/Senior Assistant/Manager of Bulking: Ensuring the transport of CPO and PK product from POM to bulking. - Production clerk: recording the administration of the receipt certified FFB and the non-certified one.
	Status: Comply
E.3.2	<p>The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>
	<p>Gunung Aru POM have an update procedures of RSPO SCCS Certification Standard number SCCS-Std/RSPO/PSQM/02 dated 1 April 2018.</p> <p>The company has had SOP of product traceability and identification in Minamas Plantation POM number RSPO/65/SCCS/BSS 2nd revision dated May 8th 2015. The document is referring the document of RSPO supply chain certification standard of the final document on November 21st 2014. It was legalized by the Manager of GAF.</p> <p>According to point 5, the people in charge of the supply chain system are:</p> <ul style="list-style-type: none"> - Factory Manager: the mill manager is responsible for maintaining and storing all documents, records and notes of the raw material usage; verification of the product status to the vendee; holding proper SCCS training. - Assistant of PSQM: checking the FFB quality and the raw materials as well as monitoring the product delivery and load/unload. - Foreman/assistant of Lab: analyzing and testing the quality; maintaining and distributing the result of product and raw material analysis and test. - Assistant/Senior Assistant/Manager of Bulking: Ensuring the transport of CPO and PK product from POM to bulking. - Production clerk: recording the administration of the receipt certified FFB and the non-certified one. <p>From the procedure RSPO SCCS Certification Standard number SCCS-Std/RSPO/PSQM/02 dated 1 April 2018 it is informed in clause 4.4 Process Switching (<i>Perubahan Pengolahan</i>) from RSPO Supply Chain model IP to MB and MB to IP.</p> <ul style="list-style-type: none"> • The responsible person to manage and control the RSPO model process switching is the Mill Manager as the

Management Representative.

- The RSPO certified FFBs product process in five days (Monday to Friday) and the non RSPO certified product will be process on Saturday with the estimation volume 100 MT a week of non certified product.
- There are two loading ramps provide by the mill. The number 1 loading ramp (beside the CPO storage tank) is dedicated for RSPO certified FFB and the number 2 loading ramp dedicated for non RSPO certified FFBs.
- Before the process switching from MB to IP the mill will implementing flushing of the pipelines using the RSPO certified FFBs product with 125% of the pipeline volume that have been measured.
- Gunung Aru mill have measure the volume of the pipelines from clarification station to the CPO storage is 2 M³ (or 1.72 MT CPO). The estimation of the CPO volume conversion is equal with 9 MT of RSPO certified FFB (with estimation 19% Oil Extraction Rate). To ensure the volume of the flushing it would be monitored from the CPO storage tank flowmeter
- The CPO flushing activity objective is for 100 % segregated material to be reached.
- The processing supervisor will inform to the clarification operator to flushing the pipelines when there is a RSPO supply chain model switch from MB to IP
- There are 3 (three) CPO tanks available in the Gunung Aru POM. CPO tank number 1 dedicated for CSPO IP product, CPO tank number 2 dedicated for CSPO MB product and CPO tank number 3 is standby if there is one of the tanks will need to wash/clear.
- When the mill processing RSPO non-certified FFBs (Saturday) the CPO will transferred to CPO tank number 2, the clarification operator will closed the number 1 valve and open valve number 2.
- When the mill processing RSPO IP FFBs (Monday to Friday) the CPO will transferred to CPO tank number 1, the clarification operator will closed the number 2 valve and open valve number 1

During the audit conducted auditor have interviewed the responsible personnel in charge for (clarification operator, storage tank operator, mill assistant and mill manager). From the interview all the personnel's can demonstrate and explain how if the process switch from IP to MB and vice versa.

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.

Gunung Aru Factory applied the Identity Preserved supply chain model. The mill only receives and processed the FFB from own certified units/estates within the RSPO certificate scope. However, the Mill have a record of monthly summary of sustainable FFB, CPO and Kernel in three monthly bases, based on certificate anniversary period.

Period	FFB Receiving (Ton)			CPO (Ton)	PK (Ton)
	FFB Certified	FFB Non Certified	Total	Certified	Certified
August 2017	11,249.25	-	11,249.25	2,234.39	536.82
September 2017	10,813.74	-	10,813.74	2,260.09	556.31
October 2017	11,355.57	-	11,355.57	2,346.19	556.24
November 2017	9,541.44	-	9,541.44	1,988.94	477.38
December 2017	8,734.49	-	8,734.49	1,862.55	408.45
January 2018	9,012.07	-	9,012.07	1,973.73	410.88
February 2018	7,951.30	-	7,951.30	1,711.38	335.14

March 2018	8,648.19	-	8,648.19	1,824.36	374.53
April 2018	10,271.44	-	10,271.44	2,088.42	425.72
May 2018	12,316.49	-	12,316.49	2,487.98	509.41
June 2018	11,504.30	-	11,504.30	2,225.05	507.60
July 2018	13,032.38	-	13,032.38	2,434.20	635.52
Total	124,430.66	-	124,430.66	25,545.28	5,733.99

Status: Comply

E.4.2

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

According to the ASA-1.1 certificate (MUTU-RSPO/005 period 21 October 2017 – 20 October 2018), Gunung Aru Factory has been approved to certified as follow:

	ASA-1.1	Actual
CPO	37,914	26,299
PK	9,578	6,158

Based on the data above, it can be summed that Gunung Aru Factory has no production MB product during last year period.

Status: Comply

E.5 Record keeping

E.5.1

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.
- All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
- The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)

During the certification period, Gunung Aru Factory has deliveries CPO and PK certified that record and balances in three monthly based data as follows:

CPO Sales Information

Month	Volume Sales (Ton)	Buyer Name	Claim RSPO (IP)	Non RSPO
August 2017	2,310.39	PT. Golden Hope Nusantara	-	
September 2017	2,157.39	PT. Golden Hope Nusantara	3,258.97	
October 2017	2,623.47	PT. Golden Hope Nusantara	-	
November 2017	2,050.76	PT. Golden Hope Nusantara	-	

December 2017	1,861.38	PT. Golden Hope Nusantara	-	
January 2018	2,079.62	PT. Golden Hope Nusantara	2,052.53	
February 2018	1,395.78	PT. Golden Hope Nusantara	-	
March 2018	1,911.51	PT. Golden Hope Nusantara	-	
April 2018	2,053.61	PT. Golden Hope Nusantara	5,341.66	
May 2018	2,634.29	PT. Golden Hope Nusantara	6298.24	
June 2018	2,376.24	PT. Golden Hope Nusantara	-	
July 2018	1,987.80	PT. Golden Hope Nusantara	-	
Total	25,442.24		16,951.40	

PK Sales Information

Month	Volume Sales (Ton)	Buyer Name	Claim RSPO (IP)	Non RSPO
August 2017	455.49	PT Laguna Mandiri - KCP	502.57	
September 2017	435.18	PT Laguna Mandiri - KCP	40.83	
October 2017	743.97	PT Laguna Mandiri - KCP	-	
November 2017	400.31	PT Laguna Mandiri - KCP	-	
December 2017	468.95	PT Laguna Mandiri - KCP	-	
January 2018	334.34	PT Laguna Mandiri - KCP	311.63	
February 2018	362.14	PT Laguna Mandiri - KCP	297.25	
March 2018	436.67	PT Laguna Mandiri - KCP	197.19	
April 2018	297.70	PT Laguna Mandiri - KCP	437.99	
May 2018	489.79	PT Laguna Mandiri - KCP	298.52	
June 2018	708.34	PT Laguna Mandiri - KCP	491.62	
July 2018	565.30	PT Laguna Mandiri - KCP	-	
Total	5,698.18		2,577.60	

Documentation of FFB received, CPO & PK deliveries based on three monthly bases has been recorded by production clerk and approved by head clerk.

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 1.2	PT Bersama Sejahtera Sakti/ Gunung Aru POM is Subsidiary of Sime darby Sdn Bhd do not use RSPO trademark and CB Logo. PT Bersama Sejahtera Sakti/ Gunung Aru POM has trademark License Number RSPO-1106058 Can bee seen at: https://www.rspo.org/trademark/current-licensees	√
	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 1.2	PT BSS does not use Logo	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA 1.2	PT BSS does not use Logo	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate Trademark.	X or√
ASA 1.2	PT BSS does not use Logo	√
	Status: Comply	

3.4 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Sime Darby Plantation Bhd 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

Sime Darby Plantation Bhd Time Bound Plan is explained in table section 1.10. Sime Darby has achieved 34 managements units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Bhd has informed the Time Bound Plan progress through representative's office in Indonesia. MUTU has considered that Sime Darby Plantation Bhd is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Bhd Indonesian representative on June 16th, 2016 by the Head of PSQM.

MUTU has verified partial certification for un-certified unit's subsidiary of Sime Darby Plantation Bhd based on their Time Bound Plan. 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 significant land conflicts in PT Mitra Austral Sejahtera, there is still an issue that remain unresolved social i.e. from Serikat Petani Kelapa Sawit (SPKS), but improvements are ongoing.
- PT Budidaya Agro Lestari waiting for land title process.
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Company Group/Holding Statement: Companies are already doing internal audits. There are internal audit reports for each company.</p> <p>Auditor Verification: Internal Audit report available for uncertified management unit for example PT Sandika Natapalma – Karya Palma Estate on 10 February 2017.</p>
2.2.2	No replacement after dates defined in Nis Criterion 7.3 of: <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>Company Group/Holding Statement: HCV assessment has been conducted for uncertified units i.e. PT Mitra Austral Sejahtera (by Aksenta in March 2009) and Sime Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).</p> <p>Auditor Verification: Sime Darby Plantation Bhd sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2nd revision on 24 June 2016. The companies ensuring reporting of disclosure of liability progress to RSPO and according to the CB's correspondence with RSPO Remediation and Compensation.</p>

2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress. *Note: RSPO NPP Announcements for SDP can be found at http://www.rspo.org/certification/new-planting-procedures/public-consultations/ page/14</p> <p>Auditor Verification:</p> <ul style="list-style-type: none"> Karya Palma Estate (PT Sandika Natapalma) and Baturus Estate (PT Budidaya Agro Lestari) any new planting after January 1st 2010 and due to not conduct NPP. RSPO NPP process has been completed in 2011 for a new mill in Liberia.
2.2.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company Group/Holding Statement: Sime Darby (Liberia) Plantation Inc. Status: Box G – Close for Monitoring Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/46 PT Mitra Austral Sejahtera (Sime Darby Sdn Bhd) Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/29</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are land conflict in : <ul style="list-style-type: none"> PT Mitra Austral Sejahtera, this issue are remain being resolved with RSPO dispute settlement facilities PT Bina Sains Cemerlang, this issue was raise on 22 April 2017 and still being process to resolve.</p>
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Company Group/Holding Statement: No stakeholder comments or complaints received.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are no labour dispute in company unit.</p>
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Company Group/Holding Statement: None noted. No stakeholder comments or complaints received.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for PT Budidaya Agro Lestari waiting for land title process.</p>

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-1 Assessment

NCR No.	: 2017.1	Issued by	: Trismadi N
Date Issued	: 24 August 2017	Time Limit	: 23 October 2017
NC Grade	: Major	Date of Closing	: 19 October 2017
Standard Ref. & Requirement	: 2.1.1. Proof of compliance with relevant laws and regulations must be available.		
Non-Conformance Description & Evidence observed (filled by auditor): Not all laws and regulations are followed by the certification unit. Pursuant to result of document Recommendation Technical Extension of Waste Water Utilization to Land for Land Application no. 660/245 / BLHD / 2016 dated 25 August 2016. In Appendix I Point F mentioned several monitoring locations, for example: groundwater quality in O-4 Block application land, P-7 Block application land, N-7 Control land and community block N-8. However, not all of the sites are monitored as in P-7 block application land and N-7 control land.			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">- Lack of understanding of regulations in permitting utilization of groundwater for land applications in oil palm plantations in accordance with technical recommendations No. 660/245 / BLHD / 2016.- No analysis was carried out for P-7 block application and block N-7 control land where at that time the two blocks were in the process of replanting (no application), which should be monitored for groundwater quality.<ol style="list-style-type: none">1. Appointment of a competent and responsible PIC to oversee and monitor the delivery of samples and monitors resulting from analysis of wastewater samples. Previously the PIC that was handling was the Laboratory Assistant. The lack of understanding by the previous Assistant that monitoring wells that still have permits are still being monitored even if no application is carried out.2. Providing socialization to PIC regarding licensing for using wastewater to understand sample points taken, sampling time. (attached)3. Make a monitoring program / schedule for sending waste water samples and LHU (Test Result reports) according to the permits and analyze the results of the quality of the wastewater. (attached)			
Correction (filled by organization audited): <ul style="list-style-type: none">- Monitoring of the quality of P-7 block monitoring wells and N-7 block control wells according to FM letter Aru No. 040 / GAF-PODB / VIII / 2017. And the LHU results (attached).			
Corrective Action (filled by organization audited): <ul style="list-style-type: none">- Making monitoring for sending samples of surface water monitoring in accordance with the Technical Recommendation for Extension of Utilization of Wastewater to Land for Land Application No. 660/245 / BLHD / 2016 (Pool WWTP outlets No. 5, O-4 block application land, P-7 block application land, Control block N-7, block N-8 community well, bekambit river upstream P-1 block) (attached)- Determination of PIC (Person In Charge) for monitoring surface water quality so that monitoring of water quality is in accordance with applicable regulations.			
Assessor Evaluation and Conclusion (filled by auditor): Verification 01 October 2017			

The company has shown proof of improvement such as:

- Monitoring of Waste Water Samples, Monitoring Wells & Rivers 2017/2018. Delivery is done on the sample:
 - a. Pool No. 1 inlet on 19 July 2017, 3 August and 02 September 2017
 - b. Pool Outlet No. 5 on July 19, 2017, August 3 and September 2, 2017
 - c. Sumur Pantau Block O4 on August 3 d 2017)
 - d. Sumur Pantau Blok P7 on August 26, 2017
 - e. Sumur Pantau Blok N7 on August 26, 2017
 - f. Block N8 Community Well on August 26 20'7
 - g. Air Sungai Bekambit Hulu P1 on June 6, 2017
 - h. Waters of Bekambit River Downstream Q9 on August 26, 2017
- Samples of Wastewater Analysis on August 3, 2017 with samples include Pool 1 Inlet, Pool 5 Outlet, Waste Water N4 Block, Monitor Well 4, Block P4 (Upper) River and Blok Q7 River Water
- Samples of Wastewater Analysis on August 26, 2017 with samples include Wells Monitor Block P7, Control Wells Block N7, Lok N8 Oil Well and Block Q9 Lower River Water.

Auditor comments:

Basically the proof of the submitted remittance has been received, please evaluate the root of the problem and show proof of the root cause of the problem and the precautions that have been prepared.

Verification October 19, 2017

- Water Analysis Sample results on Sept. 12, 2017 with samples include Well Monitor Block P7, Control Block Block N7, Lok N8 Oil Well and Block Q9 Lower River Water.
- Sample Results of Wastewater Analysis on July 27, 2017 with samples covering O3 a wastewater application, Pool Outlet 5, Pool Inlet 1.
- Sample results of wastewater analysis on August 8, 2017 with samples include monitoring well water, post-mill river water, river water before the plant, application waste water, outlet wastewater and inlet wastewater.
- Sample Results Analysis of Wastewater on 12 September 2017 with samples including pool water inlet No. 1, pool outlet water waste number 5.
- Sura number 069 / GAF-INT / X / 2017 on October 5, 2017 regarding the appointment of Alwan Chaniago and Sutaji as a PIC monitoring the delivery of waste water samples, monitoring wells and river water.
- List of attendees and photos of socialization permits to use wastewater to PIC
- Documents on the dissemination of permits for the utilization of waste water for the application of oil palm plantations by Mr. Sutaji on October 7, 2017. In the document there is a schedule for monitoring the delivery of wastewater samples, monitoring wells and rivers in 2017/2018.

Based on the above, the auditor concluded that NCR.2017.01 was declared fulfilled

Verified by : **Nurbayuto and Benli**

NCR No.	: 2017.2	Issued by	: Benli Manurung
Date Issued	: 24 August 2017	Time Limit	: ASA-2
NC Grade	: Minor	Date of Closing	: 13 October 2017
Standard Ref. & Requirement	: 2.1.2 A documentation system that includes written information on legal requirements must be maintained.		

The documentation system which includes written information on legal requirements has not been maintained.

To ensure compliance with applicable regulations the company evaluates the compliance of regulations annually. However, based on the evaluation of the evaluation documents of PT BSS regulation in 2017 it is known that not all regulations have been updated and evaluated, for example:

1. 1. PP 45 of 2015 on the Implementation of Pension Program.
2. 2. Government Regulation No. 78 of 2015 on Wages.
3. 3. Permenaker No. 1 year 2017

Root Cause Analysis (filled by organization audited):

The updated rules for the addition of the 3 rules have not been updated due to lack of information regarding the renewal of the regulation

Corrective Action (filled by organization audited):

Renewal of regulatory evaluation has been carried out which was updated on August 28, 2017 with details:

1. PP 45 of 2015 concerning the Implementation of Pension Programs (Found on page 40, No.131)
2. PP No. 78 of 2015 concerning Wages (Found on Page 40, No.132)
3. Permenaker No. 1 of 2017 (listed on page 43, No.143)

Preventive Action (filled by organization audited):

always coordinate with parties related to the latest regulations including the Manpower Office, plantation service, PSD, HRM, PSQM.

Assessor Evaluation and Conclusion (filled by auditor):

Verification 13 October 2017

The company has shown the results of evaluating compliance with PT BSS 2017 regulations, where all the latest regulations have been evaluated and adjusted to the conditions of the company. For example: PP No. 45 of 2015, PP No. 78 of 2015, Permenaker No. 38 of 2016, and Permenaker No. 1 of 2017.

Based on the above, the auditor concludes that NCR.2017.02 has been fulfilled

Verified by : **Trismadi N**

NCR No.	: 2017.3	Issued by	: Andi Pratama Pasaribu
Date Issued	: 24 August 2017	Time Limit	: 23 October 2017
NC Grade	: Major	Date of Closing	: 27 October 2017
Standard Ref. & Requirement	: 2.2.1 Documents that indicate ownership or leasing must be available, history of the tenure of ownership / ownership of land and legal land concession rights.		
Non-Conformance Description & Evidence observed :			
The company showing legal permits of land ownership which total land use rights (HGU) area is 12,740.54 Ha . Whereas, in the Area Statement Minamas Management Committee Meeting (MMCM) document period May 2016, total managed area is 13,776.25 Ha . There were discrepancy area 1,035.71 Ha that have not legally of land use rights, in details as follow:			
<ul style="list-style-type: none">• 529 Ha (enclave area within the HGU No. 1 size 8,222.54 Ha) until Re-Certification in 2016, there is no progress and the land use right status is un-legally yet.• 277.80 Ha (unmanaged area of PT. Inhutani II, but still calculated within the company area statement document as well as not presented/pictured on HGU No. 1 Map).			

- **228.91 Ha:** no supporting evidence on this area (location, status, map, etc.).

After the previous assessment (Re – Certification), there were explanation from PSD Manager to the Head of PSQM (letter No. 025/PSD-PSQM/Bjb/VI/2016) dated on 28 June 2016 that explain PT BSS area as follow:

The discrepancy of hectar statement

A. Sum of area

1. Areal Statement = 13,776.25 Ha
2. Land Use Tittle/HGU = 12,740.54 Ha
- Discrepancy = 1,035.71 Ha

B. Explanation of Discrepancy (1.035,71 Ha)

1. Land Build Title/ HGB Salino Port 5.06 Ha
2. Land Use Tittle/HGU revision 8,222.54 Ha for enclave area that proposed to be legal area **528.71 Ha**
3. Planted area of GKE outside the Land Use Tittle/HGU **235.74 Ha**
4. The rest of area that claimed by Inhutani II 266.20 Ha

C. Land Use Tittle/HGU on progress:

1. Areal 528.71 Ha :
 - a) Dated on 10/1/2014, proposed to measurement
 - b) Dated on 19/10/2014, proposed to measurement enclave area.
 - c) Dated on 22/06/2015, proposed to measurement enclave area with National Land Agency of South Kalimantan.
2. Areal 235.74 Ha :
 - a) Dated on 10/1/2014, proposed to measurement for HGU area
 - b) Dated on 29/4/2015, proposed to measurement

However, until the surveillance 1.1, the company can't show the positive progress regarding land legality of area 528.71 Ha and areal 235.74 Ha.

Root Cause Analysis (filled by organization audited):

Communication with related parties, in this case the Regional Office of the South Kalimantan BPN, continues to run both verbally and in writing. However, the area listed in PT BSS HGU No. 1 in 1995 which is an area of 8,222.54 Ha is out of sync with the situation map / picture which is an inseparable attachment of the No. 1 HGU. If based on the map / image of the situation in the No. 1 HGU in 1995, there is a difference of 528 Ha compared to the area in the HGU. The 236 Ha HGU application is constrained by the authority of the Provincial BPN.

Correction (filled by organization audited):

Company through Dept. PSD conducts oral and written communication with the South Kalimantan BPN in terms of requests for HGU measurements.

Corrective Action (filled by organization audited):

- The company has submitted a Measurement Application Letter related to 236 Ha of HGU through letter number 331 / BSS / UM / PSD / VIII / 2017 dated 21 August 2017 as a follow-up to letter no 622 / BSS / UM / PSD / XII / 2016 dated 20 December 2016 (attached) received by BPN on August 24, 2017.
- The Company has submitted a Measurement Application Letter regarding HGU covering 515.46 Ha through letter number 310 / BSS / UM / PSD / VIII / 2017 dated August 21, 2017 as a follow-up to letter No. 330 / BSS / UM / PSD / VII / 2016 dated July 21, 2016 (attached) received by BPN on August 24, 2017.

Until now (October 25, 2017) the company is still waiting for a response from the Regional Office of the South Kalimantan BPN.

Assessor Evaluation and Conclusion (filled by auditor):

Verification October 26, 2017

The company has shown proof of improvement in the form of:

1. The company has submitted a Measurement Application Letter related to 236 Ha of HGU through letter number 331 / BSS / UM / PSD / VIII / 2017 dated 21 August 2017 as a follow-up to letter no 622 / BSS / UM / PSD / XII / 2016 dated 20 December 2016 (attached) received by BPN on August 24, 2017.
2. The Company has submitted a Measurement Application Letter regarding HGU covering 515.46 Ha through letter number 310 / BSS / UM / PSD / VIII / 2017 dated August 21, 2017 as a follow-up to letter No. 330 / BSS / UM / PSD / VII / 2016 July 21, 2016 (attached) received by BPN on August 24, 2017.
3. Both documents have been stamped with receipt from the local BPN.

Conclusion Auditor, October 26, 2017:

Based on the evidence of improvements that have been shown, this discrepancy is declared Close with Observation.

Referring to the RSPO Statement related to HGU in Indonesia, it is explained that for units that have obtained certificates

For grower members that are currently RSPO certified but yet to obtain the HGU, 1.1 **their certification will continue** but are given not later than 3 (three) years from the date of this notice, to process and obtain HGU. Failure to do so will result in the suspension of the RSPO certificate.

For further information, please refer to the following article:

<http://mailchi.mp/rspo/rspo-statement-on-hak-guna-usaha-hgu-indonesia-805109?e=6f79fbed03>

Verified by : **Andi Pratama Pasaribu**

NCR No.	: 2017.4	Issued by	: Andi Pratama Pasaribu
Date Issued	: 24 August 2017	Time Limit	: 23 October 2017
NC Grade	: Major	Date of Closing	: 4 December 2017
Standard Ref. & Requirement	2.3.1 Maps, with an appropriate scale, which indicate the extent of legal rights, customary rights, or use rights of recognized parties (Criteria 2.2, 7.5 and 7.6) must be made through a mapping process involving all affected parties (including communities around if possible, and relevant authorities).		
Non-Conformance Description & Evidence observed : Based on the results of interviews with local community representatives and related government agencies, since the implementation of the previous audit (Re-Certification), there were several cases of land disputes between companies and others as follows: <ol style="list-style-type: none">The case of land dispute with an area of 1100 Ha located in the Village Tanjung Pengharapan. Proof of mediation process has been shown, among others:<ol style="list-style-type: none">Mediation dated November 10, 2016 was held in the Working Room Assistant for the Economy, Development and Welfare of Kotabaru Regency attended by Muspika elements, Head of Tanjung Pengharapan Village, representatives of companies and Indonesian NGO Marginal Care. Meeting results: no agreement was reached.Mediation dated February 10, 2017 held at the Meeting Room of Pulau Laut Sub-District Head of Muspika, Head of Tanjung Pengharapan Village, company representatives and Indonesian NGO Marginal Care. Meeting results: no agreement was reached.Land dispute with PT. Inhutani II which culminates in sealing land (status quo). Until the audit is completed, a participatory map of the dispute has not been shown.			
Root Cause Analysis <i>(filled by organization audited):</i>			

The existence of several parties outside the company who tried to submit a claim to the company with a variety of reasons, and the company has not been able to show documented progress to the auditor at the time the audit took place, this happened because the problem solving involved many parties outside the company unit, so that the PSD unit and department unable to show proof or document the process.

Auditors' comments November 23, 2017:

Please reevaluate the root causes, corrective actions and corrective actions with the non-conformities listed above.

Correction (*filled by organization audited*):

The company has taken a mediation path facilitated by local government elements, but has not yet reached an agreement, and the company will still open opportunities for its settlement, the PSD as the department in charge of this documents every case and conducts potential mapping and monitoring progress.

Corrective Action (*filled by organization audited*):

All dispute settlement processes must be documented, and monitored and mapped by the PSD department.

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

Verification on October 26, 2017

The company has shown proof of improvement in the form of land registration letter No. 26 to 29 in 2017.

The root of the problem, proof of improvement and preventive measures indicated are not relevant nonconformities that arise. Please review this.

Conclusion of auditors October 26, 2017:

Based on this, this nonconformities is stated to have not been fulfilled.

Verification November 23, 2017

The company has sent proof of repairs in the form of Minutes of Treatments for Evidence on March 23, 2017 issued by the South Kalimantan Regional Police Criminal Investigation Directorate signed by investigators and recipients of safekeeping and witnesses on 14 items confiscated according to the decision of the Kotabaru District Court dated 9 March 2017 and Confiscation Order dated March 20, 2017.

However, the evidence for this improvement has not been specific to cover existing nonconformities.

Conclusion of the Auditor November 23, 2017

Based on evidence of improvements that have been shown, this nonconformities is stated to have not been fulfilled. Please make adjustments between nonconformities with the proof of improvement indicated.

Verification December 4, 2017

There has been shown proof of improvement in the form of a map of the HGU area which is indicated to be over lapping with forest areas based on the results of an investigation by the South Kalimantan Regional Police Directorate of Criminal Investigation in 2017.

Conclusion of the Auditor December 4, 2017

Based on the evidence of the improvement that has been shown, this nonconformities is stated as Closed With Observation. The court's decision on the status of the disputed land will be further verified during the next surveillance.

Verified by : **Andi Pratama Pasaribu**

NCR No.	: 2017.5	Issued by	: Andi Pratama Pasaribu
Date Issued	: 24 August 2017	Time Limit	: 23 October 2017
NC Grade	: Minor	Date of Closing	: 30 August 2018

Standard Ref. & Requirement	2.3.2 A copy of the agreements that have been negotiated is complete with the Free, Prior and Informed Decision process (see Criteria 2.2, 7.5 and 7.6) including: a. Minutes of consultation b. Proof of rights release statement c. Proof of compensation
Non-Conformance Description & Evidence observed : Based on the results of interviews with local community representatives and related government agencies, since the implementation of the previous audit (Re-Certification), there were several cases of land disputes between companies and others as follows: 1. The case of land dispute with an area of 1100 Ha located in the Village Tanjung Pengharapan. Proof of mediation process has been shown, among others: a. Mediation dated November 10, 2016 was held in the Working Room Assistant for the Economy, Development and Welfare of Kotabaru Regency attended by Muspika elements, Head of Tanjung Pengharapan Village, representatives of companies and Indonesian NGO Marginal Care. Meeting results: no agreement was reached. b. Mediation dated February 10, 2017 held at the Meeting Room of Pulau Laut Sub-District Head of Muspika, Head of Tanjung Pengharapan Village, company representatives and Indonesian NGO Marginal Care. Meeting results: no agreement was reached. 2. Land dispute with PT. Inhutani II which culminates in sealing land (status quo).	
Root Cause Analysis (filled by organization audited): The existence of several parties outside the company who tried to submit a claim to the company with a variety of reasons, and the company has not been able to show documented progress to the auditor at the time the audit took place, this happened because the problem solving involved many parties outside the company unit, so that the PSD unit and department unable to show proof or document the process.	
Correction (filled by organization audited): The legal process of the trial has been carried out in the Jakarta District Court with the result of granting the claim of PT. BSS (Results attached).	
Corrective Action (filled by organization audited): Will maintain the legality of the legal HGU owned by PT. BSS by maintaining the HGU boundary periodically.	
Assessor Evaluation and Conclusion (filled by auditor): Verification Augustus 30, 2018 The company shows Letter No. 068 / YDSS-2.05 / VIII-18 dated August 23, 2018 from Yudha Dewi Setiawan Sihombing Law Firm to PT BSS concerning Trial Report. It was explained that the lawsuit against law No. 282 / Pdt.G / 2017 / PN.Jkt-Sel dated 2 August 2018 submitted by PT BSS (Plaintiff) to PT Inhutani II (Persero) (Defendant). The Panel of Judges gave the following decision: 1. To grant the claim of the plaintiff in part. 2. Declares that the plaintiff is the holder of legal rights to HGU Number 36. 3. Declares the defendant has committed an unlawful act 4. Declares the defendant must pay immaterial losses to the plaintiff. 5. Sentencing the defendant to pay the court fees. 6. Refuse the claim of the plaintiff other than and the rest. Auditor Conclusion: Based on the evidence of improvement shown, this nonconformities has been fulfilled.	
Verified by	: Trismadi Nurbayuto

NCR No.	: 2017.6	Issued by	: Satria Adi Putra
Date Issued	: 24 August 2017	Time Limit	: 23 October 2017
NC Grade	: Major	Date of Closing	: 23 October 2017
Standard Ref. & Requirement	4.6.5 Proof of pesticide application should be available by trained personnel and in accordance with the instructions on use on product labels and storage instructions. Sufficient safety equipment should be provided and used. Product warnings should be observed, understood and correctly applied by the worker.		
Non-Conformance Description : There is no evidence that the pesticide application complies with the instructions for use.			
<ol style="list-style-type: none"> Based on the results of the field visit in Block B1, Division 2, Gunung Kemas Estate on chemical treatments, it is known that the workforce carries spray material (kenlon) in a pure state. This is not in accordance with the Pesticide Mixing Workflow which mentions "pure pesticides have been poured into 10 liters of conductor mixed with 10 liters of clean water". Based on the results of field visit to Block U15, Division 2, Gunung Kemas Estate at Pest Spray (<i>Oryctes rhinoceros</i>), it is known that the laborers take water at Siltpit for spraying activities. This is not in accordance with SOP Water filling for spray and spraying which mentions "filling the spray tank as per the next day's spraying requirement by taking water from the reservoir / from the MCC using a water machine. 			
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none"> The Supervisor / Block Spraying System / BSS Overseer is negligent and inconsistent in carrying out SOP No.3 / SOP-BSS / 10 dated April 1, 2017 Article V paragraph 5.9 so that pure agrochemical material is found without being mixed in the field of BKE division 2 GKE. The pest spray team is not included in the system / BSS spaying block team, so it is not supplied with water with tanks Pest spray is carried out in a spot according to the level of attack in the field, so that it is not supplied. 			
Correction (filled by organization audited): <ul style="list-style-type: none"> Reminding and affirming the Senior Assistant, Assistant, Overseer I and BSS Overseer that mixing agrochemical / pesticide materials should be carried out, GKE Memo Manager No. GKE-division / 0160 / VIII / 2017 / s dated 28 August 2017. Warehouse officers must ensure that water availability and agrochemical mixing are carried out before being taken to the field Ensure that the pest spray team must use water carried in a truck or vehicle, GKE No. Memo Manager. GKE-divisi / 0161 / VIII / 2017 dated August 28, 2017 			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> Agrochemicals / pesticides that have been brought to the field have been mixed when taking in the Central Warehouse (Agrochemical mixing photos attached). Provision of water for spray has been regulated using water from the reservoir and shunted using a truck or vehicle 			
Assessor Evaluation and Conclusion (filled by auditor): Verification, October 03, 2017 and October 20, 2017 The company has shown proof of improvement in the form of: <ol style="list-style-type: none"> Confirmation letter for mixing agrochemical (No. GKE Division / 0160 / VIII / 2017 / s) Letter of affirmation of water supply for pest spray (GKE-Division No. / 0161 / VIII / 2017 / s) Photos of agrochemical mixing / liquefaction and photos of filling spray water from the tank Justifications and attachments related to indicator 4.6.5 Monitoring the use of agrochemicals that contain the date of application, type of application material, amount of mixtures carried / used and initial personnel related to spraying activities. The monitoring data explained that every chemical carried on the field was diluted with a ratio of 1: 1. 			

Verification, October 23, 2017

- Letter of responsibility for BSS (Block Spraying System) No. GKE-Divisi / 0173 / X / 2017 On August 25, 2017 which states that the company appoints the person in charge of the Block Spraying System (a / n Suwaryo) according to the BSS organizational structure including mixing poisons and providing water for the Spraying System block team.
- Workflow of spraying activities with the principle of mixing materials using a ratio of 1: 1.

Based on evidence of improvement and determination of root causes, corrections and corrective actions, the non-conformity No. 2017.06 declared fulfilled.

Verified by : **Satria Adi Putra and Benli**

NCR No.	: 2017.7	Issued by	: Trismadi N
Date Issued	: 24 August 2017	Time Limit	: ASA-2
NC Grade	: Minor	Date of Closing	: 28 August 2018
Standard Ref. & Requirement	5.1.3. An environmental monitoring plan document and a report on its implementation are available as well as an improvement plan for the results of the monitoring if discrepancies are found.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Not all reports on the realization of the environmental monitoring plan have been fully implemented. Based on the results of the review of the report on the implementation of RKL-RPL for Semester II 2016 and Semester I 2017, it is known that not all parameters have been monitored in accordance with the direction of the RKL / RPL matrix. For example: Monitoring the impact on erosion using the USLE method.			
Root Cause Analysis <i>(filled by organization audited):</i> Monitoring the impact on erosion has been carried out regularly, but the calculation of erosion rates has not used the USLE method approach. This is due to the limited knowledge of officers in the field regarding the calculation of erosion rates using the USLE method approach.			
Correction <i>(filled by organization audited):</i> Monitoring of the impact on erosion rates has been carried out with the USLE method approach by the SSC Dept. of Research, and PT. BSS has attached the results of erosion rate monitoring in the first semester of PT. BSS's RKL-RPL report 2018.			
Corrective Action <i>(filled by organization audited):</i> 1. Conduct training by the Department of Research to officers in the field on how to calculate erosion rates using the USLE method based on periodic erosion stakes observed			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification August 28, 2018 Based on the results of the verification report on the realization of the first semester of RKL / RPL in 2018 and interviews with research staff, the calculation of erosion uses the erosion stakes method in accordance with applicable regulations. The results of the calculation of the level of erosion in each estate are as follows: <ul style="list-style-type: none">a. LTE: based on the calculation of the erosion rate in the Block BB block 29 to 113 lines is 26.4 tons / ha / year; Block BB 28 to 111 lines is 39.6 tons / ha / year with ultisol soil types.b. GAE: based on the calculation of erosion rate in Block D03 block line 16 is 0 tons / ha / year; Block F03 line 74 is 0 tons / ha / year with ultisol soil types.c. PTE: based on the calculation of the erosion rate in the 16th row Block D35 block is 0 tons / ha / year; Block FF40 line 74 is 0 tons / ha / year with ultisol soil types.d. GKE: based on the calculation of erosion rate in Block U1 block 42 line is 0 tons / ha / year; 25th block T2 is 0 tons / ha / year with ultisol soil types.			

Auditor Conclusion:

Based on evidence of improvements that have been shown, this nonconformities has been fulfilled.

Verified by : Trismadi N

NCR No.	: 2017.8	Issued by	: Trismadi N
Date Issued	: 24 August 2017	Time Limit	: 30 November 2018
NC Grade	: Minor raised to Major	Date of Closing	: 22 September 2018
Standard Ref. & Requirement	5.2.5. If the HCV area overlaps with the identified local community rights area, there must be evidence that an agreement has been negotiated to optimally protect the HCV and the rights of the local community.		
Non-Conformance Description & Evidence observed (filled by auditor): Negotiated agreements have not been available to protect HCVs and the rights of local communities optimally. Based on the results of field visits to HCV1.1 Bukit Kemas in the Block D3, E3, F3 Division 3 Gunung Aru Estate; the results of the auditor team's observation indicated that there was overlap with the community's oil palm fields. However, negotiations to protect HCVs and the rights of local communities cannot be demonstrated optimally.			
Root Cause Analysis (filled by organization audited): The cultivation of HCV areas inside the PT. BSS HGU is carried out by the community			
Correction (filled by organization audited): A meeting and data collection of the tenant community in the HCV area was held			
Corrective Action (filled by organization audited): - Keep protecting HCV Bukit Kemas area by conducting regular monitoring - Conduct regular socialization of HCV management to the community.			
Assessor Evaluation and Conclusion (filled by auditor): Verification, August 24, 2018. The company has a record of inventory of land owned by the community in Bukit Kemas. But the company has not been able to show evidence that negotiations have been reached to protect the HCV and the rights of local communities optimally. Based on the ha, the non-conformity No. 2017.8 declared not yet fulfilled (Minor raised to Major). Verification, September 22, 2018 The company has shown evidence of the Bukit Kemas area HCV discussion meeting and there is an agreement to further manage the area signed by the company, the farming community and the Betung Village Chief. There is documentation that shows the meeting witnessed by the sub-district head of P. Laut Timur, Danramil P Laut Timur, P. Laut Timur police and BKSDA Kotabaru. With this evidence, the non-conformity No. 2017.8 declared fulfilled / closed with Observation.			
Verified by	: Trismadi N		

NCR No.	: 2017.9	Issued by	: Trismadi N
Date Issued	: 24 August 2017	Time Limit	: ASA-2

NC Grade	:	Minor	Date of Closing	:	28 August 2018
Standard Ref. & Requirement	:	5.3.3. A documented and implemented waste management plan must be available to avoid and reduce pollution.			
Non-Conformance Description & Evidence observed (filled by auditor): Not all waste management plans have been implemented to avoid and reduce pollution.					
Based on the results of the field visit, several facts were found: <ul style="list-style-type: none">a. There are used fertilizer packages around the Gunung Aru Estate (CHC) employee housing.b. Observation around the housing and LC contractor workshop at CHC Gunung Kemas Estate, there are several used oil packagesc. The results of field observations to TPSA in block W19, Division 3 Gunung Kemas Estate and Blok M9 Gunung Aru Estate, it is known that garbage disposal is still open (open dumping), this is not in accordance with the procedures that are owned.d. The results of field observations to the EFB station on Mount Aru Factory, it was found that there was runoff of runny water from empty bare piles that hit the environmental body.					
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">a. Lack of understanding of employees related to reuse of fertilizer sacks.b. Lack of understanding of LC contractors related to the management of hazardous waste.c. There is no monitoring of Final Waste Collection conditions in each Estate.d. Inconsistent empty-length evacuations that cause EFB so that they cannot be accommodated entirely in EFB hoppers.					
Correction (filled by organization audited): <ul style="list-style-type: none">a. Withdrawing used sacks of fertilizer at the employee's house and monitoring the use of reused used fertilizer sacksb. The company has called the replanting contractor and said that the contract must be stored in the hazardous waste GKE warehouse that has a storage permitc. The company sends a letter to the contractor replanting so that hazardous waste is stored in the hazardous waste GKE warehouse according to letter No: GKE-Division / 0162 / VIII / 2017 / s dated 28 August 2017d. Final disposal waste in block W19 actually has a drainage hole, but because PTSA in block W19 is used by GKE and LTE so that it is full and only pushed on top of ite. Final disposal in block W19 will be repaired again by making holes and closing according to the SOP owned by PT BSS.f. Keep the EFB every day for <90 tons & maximize the evacuation of EFB in the hopper to avoid potential EFB spilling onto the floor.g. Coordination with the estate for EFB distribution.I. Make empty bare distribution / application programs to all gardens.					
Corrective Action (filled by organization audited):					
EFB <ul style="list-style-type: none">a. h. Routinely carry out empty-bed evacuations.b. i. Making pumps for disposal if there is empty runny leach water					
Hazardous Waste <ul style="list-style-type: none">a. The GKE has called the replanting contractor, and the contractor is willing to keep hazardous waste in the hazardous warehouse in the GKE at the age of the letter of the GKE manager Number: GKE-Division / 0162 / VIII / 2017 / s dated 28 August 2017b. Each handover of hazardous waste is provided with proof of handover					

- c. Dissemination of management of used fertilizer bags to all employees
- d. Regular checks are carried out by the safety officer

Final Disposal

- a. Improvement of final disposal in block W19 by making holes and re-closing the full hole and providing new money for the future
- b. Revamping time from September 2017 to August 2018 (when ASA-2) is ready according to SOP).

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification, October 01, 2017
EFB

The company has shown related documentation photos:

- a. The pump is empty of leachate runoff
- b. Documentation in the form of business photos minimizes empty bunk restrooms
- c. Make monitoring of pump operating hours when there is empty runny leach water.

There are already monitors for the number of EFB produced and the number of EFB applied to the estate in daily production reports

				08.00	:	-	:	20.00	:	9.390
G. JANJANG KOSONG				09.00	:	-	:	21.00	:	-
1 Restan Kemarin	:	21.113	:	10.00	:	-	:	22.00	:	-
2 Produksi	:	99.630	:	11.00	:	-	:	23.00	:	-
3 Aplikasi	:	86.710	:	12.00	:	24.510	:	00.00	:	-
3 Restan Hari ini	:	34.033	:	13.00	:	98.730	:	01.00	:	-
				14.00	:	67.050	:	02.00	:	-
H. CANGKANG				15.00	:	53.590	:	03.00	:	-
1 Restan Kemarin	:	19.208	:	16.00	:	31.670	:	04.00	:	-
2 Produksi	:	18299	:	17.00	:	40.460	:	05.00	:	-
3 Dikirim ke pembeli	:	-	:	18.00	:	31.180	:	06.00	:	-
4 Dibakar / Untuk bahan bakar Boiler	:	18.299	:							
5 Restan Hari ini	:	19.208	:							
				TOTAL		:	:	427.080	:	

In addition, the auditor team stated that 5.3.3 indicators remained NC because the company had not yet identified the root of the problem, corrections, and corrective actions. These mismatches include:

- a. There are used fertilizer packages around the Gunung Aru Estate (CHC) employee housing.
- b. Observation around the housing and LC contractor workshop at CHC Gunung Kemas Estate, there are several used oil packages
- c. The results of field observations to TPSA in block W19, Division 3 Gunung Kemas Estate and Blok M9 Gunung Aru Estate, it is known that garbage disposal is still open (open dumping), this is not in accordance with the procedures that are owned.

Verification, October 19, 2017
Management of Hazardous Waste

The company shows a letter from the GKE manager to PT Central Pratama Property regarding LB3 management so that it is stored in licensed LB3 polling stations in the GKE according to letter Number: GKE-Division / 0162 / VIII / 2017 / s dated August 28, 2017

EFB

The company shows:

- a. Empty extension data in hopper as of September 05 2017 is 91 tons
- b. Minutes of GKM MOU Gunung Aru 6th coordination meeting on January 26, 2017 discussing: JJK and GAF transportation mechanism with allocation
 - GAE 32%
 - 32% GKE
 - LTE 26%
 - 10% PTE

EFB transportation simulation in GAE

Production FFB per Day (Ton)	Production EFB at GAF	GAE	GKE	LTE	PTE
	22 %	32 %	32 %	26 %	10 %
500	110 %	35,2	35,2	26,8	11, 0
Ritase	16	5	5	4	2

Verification, August 28, 2018

The company shows some evidence of improvement:

- Documentation of cleaning fertilizer sacks from employee housing to storage racks, as well as monitoring the use of fertilizer sacks for loose leaves, for example, on October 30, 2017 recorded utilization of 16 Pcs and returned on the same day. In addition, the results of field observations when ASA-1.2 in the Division 3 warehouse have a rack with odd and even codes to ensure usage according to the date of the day.
- GAE Manager Decree No. GAE-intr / special / 1 / 2018 / s dated January 1, 2018 concerning: SK Appointment of TPAS-GAE officer a.n. Indra to monitor the disposal and condition of the TPAS location every month.
- Minutes of handover of B3 waste from PT CPP to LB3 GKE TPS dated 20 November 2017 consisting of 10 Pcs of used oil packaging.

Based on the evidence of improvement shown, this nonconformities is stated to be fulfilled.

Verified by : **Trismadi Nurbayuto**

3.5.2. Identification of Findings, Corrective Actions and Observations at ASA-1.2

NCR No.	: 2018.01	Issued by	: Trismadi N
Date Issued	: 31 August 2018	Time Limit	: ASA – 1.3
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	4.4.1 A water management plan must be available that is implemented		
Non-Conformance Description & Evidence observed (filled by auditor): The company can not show the water management plan especially related to replanting activity.			
Evidence Observed <ul style="list-style-type: none"> From the 115 Ha land application area according to the permit, there was only 53 Ha (46%) that used for land application activity. Based on interview with land application officer, known there are sedimentation in flat bed that cause increasing leakage risk. Based on water quality testing on 2018, Total Solid Suspension (TSS) in Sejakah River was over the threshold. 			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			
Verified by	:		

NCR No.	: 2018.02	Issued by	: Trismadi N
Date Issued	: 31 August 2018	Time Limit	: 29 November 2018
NC Grade	: Major	Date of Closing	: 15 September 2018
Standard Ref. & Requirement	4.4.2 Protection of water bodies and wetlands, including maintaining and maintaining river boundaries and other buffer areas at the time of or before replanting, must be demonstrated		
Non-Conformance Description & Evidence observed (filled by auditor): The company has identified a river border with a width of 50 m and its protection procedures. However, it was found that there were replanting activities on the Laut Timur Estate that left 2 palm oil staples, this was not in accordance with the procedures and results of HCV identification.			

Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none"> The river border area borders the collection road There is an understanding for supervisors that Collection road is the boundary of the buffer zone 	
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Planting forest plants Conduct refresher training regarding HCV management Install the HCV / Buffer zone signboard and the yellow paint mark Re-socialization of HCV management has been carried out, the minimum buffer zone. 	
Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Monitoring local tree planting in HCV areas Monitoring the condition of HCV signboard every 3 months Socialize the HCV area for contractors replanting regularly 	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> <p>Verifikasi 7 September 2018</p> <p>The company has provided evidence of planting bungur, sungkai and laban (September 1-4, 2018) in an open area of 188 trees and evidence of socialization of river borders to employees.</p> <p>However, the company has not shown delineation data on the river border area including</p> <ol style="list-style-type: none"> Total river border area (according to HCV identification) The border area of the river that has been replanted Area (length x width) of the border of the river that has been replanted (bungur, sungkai and laban on September 1-4, 2018) <p>Verifikasi 15 September 2018</p> <p>The company has provided proof of record</p> <ol style="list-style-type: none"> The results of monitoring timber plantations covering an area of 0.526 ha in the HCV LTE area (Laut Timur Estate) and its progress Records of the delineation area of the river border in the Laut Timur Estate and changes in HCV area from 23.30 Ha to 23.48 Ha equipped with maps <p>The company has shown footage of planting wood plants and their progress in the border of the LTE (HCV) river. With the proof NC 2018.02 it was declared closed by observation.</p>	
Verified by	: Trismadi N

NCR No.	: 2018.03	Issued by	: Satria Adi Putra
Date Issued	: 31 August 2018	Time Limit	: ASA 1.3
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	4.6.4 Documentation evidence that chemical substances categorized as Type 1A or 1B World Health Organization (WHO) or materials included in the list of Stockholm and Rotterdam Conventions, and paraquat, are not used, except in special situations has been identified in national best practice guidelines. The use of these pesticides must be minimized and eliminated as part of the pesticide use plan except in specific conditions that have been identified in national best practice guidelines.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			

Based on the results of field visits to the Gunung Aru Estate chemical warehouse and material stock document studies, it is known that there is still procurement of Sime Ebor Bait on February 27, 2018 totaling 1,100 kg with the last stock at the time of the audit visit (August 29, 2018) at 24.81 kg.

Related to this, the company has not been able to show evidence regarding the program / plan for reduction and justification regarding the minimization of the use of group 1A and 1B pesticides in the PT BSS environment.

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

Correction *(filled by organization audited):*

Corrective Action *(filled by organization audited):*

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

Verified by : _____

NCR No.	2018.04	Issued by	Satria Adi Putra
Date Issued	31 Agustus 2018	Time Limit	29 November 2018
NC Grade	Major	Date of Closing	8 September 2018
Standard Ref. & Requirement	4.6.5 Proof of application of pesticides must be available by trained personnel and in accordance with the instructions for use on product labels and storage instructions. Adequate work safety equipment must be provided and used. Product warnings must be observed, understood and applied correctly by workers (see Criterion 4.7).		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> There is no evidence that the application of adequate work safety equipment must be provided and used. Warnings about products must be observed, understood and applied correctly by workers. Based on field visits to circle spray and pest / disease control spray on Gunung Kemas Estate, it is known that PPE (Mask) used by workers is still not in accordance with the MSDS. There are still MSDS who are still using foreign languages (English) so that they cannot be understood by the officers handling the chemicals, including MSDS Rock Phosphate, Cieserit and NPK Compound in the fertilizer warehouse and MSDS Racumin at Gunung Aru Estate chemical warehouse. Based on the field visit to Blok B036, Division 3, Gunung Kemas Estate is known that during pest spray activities, the workforce draws water from Siltpit / Water Bodies. This is not in accordance with the circular GKE-Division / 0161 / VIII / 2017 / s which states that "water for pest spray uses water from reservoirs that are shunted using trucks or vehicles"			
Root Cause Analysis <i>(filled by organization audited):</i> <ol style="list-style-type: none"> 1. Water shunters from the pest & disease spray team did not work at the time of the visit 2. The ineffectiveness of spraying SOPs on the pest & disease spray team 3. The supervision of pest & disease spray supervision has not been maximized 			
Correction <i>(filled by organization audited):</i>			

- - Re-socialize SOPs Spray to spray team Pests & diseases
- - Reaffirmation of the Memorandum of water supply to spray pests & diseases from the GKE Estate Manager
- - Appointment of water shed officers for the pest & disease spray team
- - Conduct training for spray teams Pests & diseases

Corrective Action (filled by organization audited):

- - Provide a warning letter to the supervisor (foreman) of pest & disease spray team, foreman 1, and assistant division
- - Reappoint the spray team coordinator at the Estate Unit
- - Conduct training to the team to spray pests & diseases regularly
- - Provision of water supply using jerry cans (not ex-agrochemical)

Assessor Evaluation and Conclusion (filled by auditor):

Verification September 6, 2018

The company has shown corrective actions including:

- Letter No. GKE / 010 / IX / 2018/5 September 1, 2018 concerning Confirmation of Water Supply for Pest Spray by reference to the Minamas Plantation Agronomy Reference No Policy: 110 / EST-ARM / 13 and No.3 / SPO-BSS / 10 dated April 10, 2010 which states that pest spray water uses clean water from reservoirs that are shunted using trucks / vehicles.
- First warning letter to Assistant Division, Overseer I, Spray Overseer for oversight and control oversight when pest spray takes water from siltpit / waterbodies that do not comply with SOP.
- Appointment of the coordinator of the Block Spraying System Team to Mr. Purnomo as Acting Sr. Assistant to the Gunung Kemas Estate Packaging in accordance with Letter No. GKE / 010 / IX / 2018/6 September 1, 2018.
- Appointment of HPT special shunters for Division I, II and III Gunung Kemas Estate.
- Minutes of Training for the Pests and Diseases Spraying Team on 1 September 2018 to the Division Assistant, Overseer I, Spray Overseer and GKE Spray Team (Divisions 1, 2 and 3), with one standard stipulating that water supply for spray needs in the field using derigen diluted from the traction reservoir to the field at the supply point.
- List of spray training attendance on September 1, 2018 to 22 operators operating weed spray and disease pests.
- Documentation in the form of morning briefing photos with pest spray employees.

Verification September 8, 2018

The company has shown evidence of improvements including:

- Memorandum Area Controller PLT No.010 / AC.EM / IX / 2018, dated September 7, 2018 concerning the Spray Policy for HPT Area Replanting to All Marine Island Estate Managers & Assistant Areas and BSS SOPs Pests & Diseases approved on September 7, 2018.
- SOP for Occupational Health and Safety Improvement Program published on September 1, 2018
- Appointment of coordinator of the Laut Timur Estate Block Spraying System Team to Mr. Ali S on September 7, 2018.
- Appointment of coordinator of the Pantai Timur Estate Block Spraying System Team to Mr. Agus Agus Ripana Pelawi on September 7, 2018.
- Appointment of the Gunung Aru Estate Block Spraying System Team coordinator to Mr. Andi on September 7, 2018.
- Minutes of MSDS socialization for head of warehouse, spray foreman and spray team on September 7, 2018.
- Photo of supply and purchase of jerry cans for water supply in spraying pests & diseases.
- Proof of handover of Mask PPE (Respirator P1) that is in accordance with the MSDS.

Based on the above, non-conformity No. 2018.04 declared fulfilled.

Verified by : **Satria Adi Putra**

NCR No.	: 2018.05	Issued by	: Andi Pratama Pasaribu
Date Issued	: 31 August 2018	Time Limit	: ASA 1.3
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	4.7.5 Emergency and work accident procedures must be available in Indonesian as well as available workers who have received first aid training in the work area		
Non-Conformance Description & Evidence observed (filled by auditor): Completeness of the contents of the first aid kit along with the monitoring system. Based on the results of field visits in the application of pesticides and harvests in GAE and GKE it is known that the contents of the first aid kit are not in accordance with national regulations related to the availability of first aid kits in the workplace. In addition, the system cannot be demonstrated and demonstrated to monitor the completeness of the first aid kit contents.			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			
Verified by	:		

NCR No.	: 2018.06	Issued by	: Andi Pratama Pasaribu
Date Issued	: 31 August 2018	Time Limit	: ASA 1.3
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	4.7.6 All workers must be provided with health services and protected by work accident insurance		
Non-Conformance Description & Evidence observed (filled by auditor): Based on the results of the field visit and document review, it is known that the company has a cooperation contract with the contractor (third party), but the system cannot be shown to ensure all contractor workers have been included in the guarantee / health insurance and work accident programs.			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			

Assessor Evaluation and Conclusion <i>(filled by auditor):</i>	
Verified by	:

NCR No.	:	2018.07	Issued by	:	Trismadi N
Date Issued	:	31 August 2018	Time Limit	:	29 November 2018
NC Grade	:	Major	Date of Closing	:	13 September 2018
Standard Ref. & Requirement	:	5.1.3 An environmental monitoring plan document and a report on its implementation are available as well as an improvement plan for the results of the monitoring if discrepancies are found. This plan is reviewed at least once every two years.			
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The company has not been able to show evidence that it has carried out environmental monitoring in accordance with the monitoring matrix contained in the AMDAL document such as the structure of the type composition of plankton and Benthos.					
Root Cause Analysis <i>(filled by organization audited):</i> - There are limited tools to monitor plankton and benthos					
Correction <i>(filled by organization audited):</i> - Have applied for testing of aquatic biota with Lambung Mangkurat University - Has enclosed the Approval Letter of Water Biota Testing Cost submitted by Lambung Mangkurat University - Has monitored plankton and benthos					
Corrective Action <i>(filled by organization audited):</i> - Working closely with external laboratories that can monitor plankton and benthos regularly					
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification September 13, 2018 The company shows some proof of improvement as follows: <ol style="list-style-type: none"> 1. Memorandum of Region KSS Agronomist on 10 September 2018 to PPLH University of Lambung Mangkurat regarding the application for Analysis of Changes in Aquatic Biological Habitat (Plankton, Benthos, Nekton) as many as 8 sample points. 2. Letter of Head of PPLH, Lambung Mangkurat University No. 297 / UN8.2.1 / DN / 2018 dated 10 September 2018 to the leader of PT Bersama Sejahtera Sakti; regarding offering sampling services and lab analysis of aquatic biota. 3. Letter from the KSS Agronomist Region dated 12 September 2018 to the CEO of the SSC Region, regarding the approval of the cost of sampling services for analysis of aquatic biota as many as 8 samples by the PPLH University of Lambung Mangkurat. The letter was approved by the CEO of the SSC Region. 4. Letter of Assignment from PPLH Lambung Mangkurat University No. 299 / UN8.2.1 / PL / 2018 dated September 13, 2018 to carry out samples of aquatic biota at PT BSS by two people on September 18-20, 2018. 					
Auditor Conclusion: Based on evidence of improvements that have been shown, then this mismatch has been fulfilled by observation. If the test results are out, please send them to us.					
Verified by	:	Trismadi N			

NCR No.	: 2018.08	Issued by	: Trismadi N															
Date Issued	: 31 August 2018	Time Limit	: 29 November 2018															
NC Grade	: Major	Date of Closing	: 13 September 2018															
Standard Ref. & Requirement	: 5.3.3 A documented and implemented waste management plan must be available to avoid and reduce pollution																	
Non-Conformance Description & Evidence observed: <p>The company has not been able to show evidence of managing domestic waste to avoid and reduce pollution.</p> <ul style="list-style-type: none"> - Companies (GKE & LTE) have TPSA located in low-lying areas that have the potential for pollution when inundated - Waste collection point is not carried out by landfill - Management of used paint cans in mill that are not in accordance with hazardous waste management procedures 																		
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none"> 1. The monitoring of waste collection point management has not been consistent 2. There has not been any socialization of the management of hazardous waste paint cans in mill 																		
Correction (filled by organization audited): <ol style="list-style-type: none"> 1. Carry out old waste collection point stockpiles and not be reused as waste collection point locations 2. Installing a ban on disposing of garbage in the old waste collection point area 3. Making new waste collection point in each estate with a location that has no potential for pollution when inundated 4. Demonstrate Decree of Appointment of waste collection point officers in each estate location 5. Provide a monitoring form for checking waste collection point conditions 6. Re-socializing hazardous waste management to employees (Minutes Attached) 																		
Corrective Action (filled by organization audited): <ol style="list-style-type: none"> 1. Monitor the condition of waste collection point regularly 2. Periodically maintain waste collection point 3. Install signboards for the location of the new waste collection waste 4. Conduct socialization of hazardous waste identification and management periodically 																		
Assessor Evaluation and Conclusion (filled by auditor): Verification September 12, 2018 <ol style="list-style-type: none"> 1. The company shows some proof of improvement as follows: 2. Minutes and documentation of closure of waste collection point in Field B050, Division III, Gunung Kemas Estate; and the creation of a new waste collection point in Field B026, Division II, Gunung Kemas Estate. 3. Records of socialization of the cleanliness of huts from garbage and the period of transportation in Gunung Kemas Estate on September 1, 2018 to 54 employees. 4. Minutes of meeting on September 7, 2018 regarding household / domestic waste management in employee huts with garbage transport schedules: <table border="1" data-bbox="211 1638 1396 1827"> <thead> <tr> <th>Sunday</th><th>Tuesday</th><th>Friday</th></tr> </thead> <tbody> <tr> <td>I</td><td>Division I</td><td>Division II</td></tr> <tr> <td>II</td><td>Division III</td><td>Division I</td></tr> <tr> <td>III</td><td>Division II</td><td>Division III</td></tr> <tr> <td>IV</td><td>Division I</td><td>Division II</td></tr> </tbody> </table>				Sunday	Tuesday	Friday	I	Division I	Division II	II	Division III	Division I	III	Division II	Division III	IV	Division I	Division II
Sunday	Tuesday	Friday																
I	Division I	Division II																
II	Division III	Division I																
III	Division II	Division III																
IV	Division I	Division II																
<ol style="list-style-type: none"> 5. Records of monitoring waste disposal in the GKE every Tuesday and Friday from January to September 2018. 6. Decree of the GKE Manager regarding the appointment of the responsible person to monitor the GKE temporary waste 																		

collection point a.n. Sugianor, dated January 1, 2018.

7. Documentation of waste collection poin/landfill in LTE, Block C013 consists of organic, an organic and water trap; and the waste disposal monitoring form and waste collection point conditions. Where is the waste disposal schedule for each division: Division 1 (Friday), Division II (Wednesday & Thursday), and Division III (Monday & Thursday).
8. Decree of the LTE Manager regarding the appointment of the responsibility to monitor GKE temporary waste collection point LTE a.n. Wasito Mulyatin, dated September 10, 2018.
9. Minutes & handover documentation of used paint cans from mill to temporary hazardous waste point of 0.0042 tons dated September 3, 2018.
10. Logbook entry of used paint cans dated September 3 2018 as much as 0.0042 tons from PKS.
11. Records of socialization related to hazardous waste management to 47 mill employees dated September 1, 2017.

Auditor Conclusion:

Based on evidence of improvements that have been shown, this non conformity has been fulfilled.

Verified by : **Trismadi N**

NCR No.	: 2018.09	Issued by	: Trismadi N
Date Issued	: 31 Agustus 2018	Time Limit	: 29 November 2018
NC Grade	: Major	Date of Closing	: 18 September 2018
Standard Ref. & Requirement	General Chain of Custody Requirements 5.5.2 Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: a. The site has legal ownership of all input material to be included in outsourced processes; b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance		
Non-Conformance Description & Evidence observed (filled by auditor): The certification unit showing the draft Addendum IV No. 010/jasa pengangkutan/BSS-Ahmad Syaukani/II/2015 dated 29 March 2018 about CPO transport form Gunung Aru Factory to the Stagen Jetty valid to 30 September 2018. However the certification unit has no been able to show the CPO transport agreement signed by both of parties.			
Root Cause Analysis (filled by organization audited): 1. CPO & PK transport contract was made in Jakarta Head Office and signed by director.			
Correction (filled by organization audited): 1. Agreement between CPO&PK transport with the company has been signed.			

Corrective Action *(filled by organization audited):*

Head of administration will be coordination with Legal Department regarding to period of agreement at least before 3 month of expiring date.

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification on 18 September 2018

The company was shown addendum VI of transport contract, such as:

1. No. 004/Jasa Pengangkutan/BSS-Dedy Setiawan/II/2015 dated 29 March to 30 September 2018 – CPO transport from GAF to the Stagen port.
2. No. 005/Jasa Pengangkutan/BSS-Yeni Rahmawati/II/2015 dated 29 March to 30 September 2018 – CPO transport from GAF to the Stagen port.
3. No. 006/Jasa Pengangkutan/BSS-Ahmad/II/2015 dated 29 March to 30 September 2018 – CPO transport from GAF to the Stagen port.
4. No. 007/Jasa Pengangkutan/BSS-Iwan/II/2015 dated 29 March to 30 September 2018 – CPO transport from GAF to the Stagen port.
5. No. 008/Jasa Pengangkutan/BSS-Syahrani/II/2015 dated 29 March to 30 September 2018 – CPO transport from GAF to the Stagen port.
6. No. 009/Jasa Pengangkutan/BSS-Mariana/II/2015 dated 29 March to 30 September 2018 – CPO transport from GAF to the Stagen port.
7. No. 010/Jasa Pengangkutan/BSS-Ahmad Syaukani/II/2015 dated 29 March to 30 September 2018 – CPO transport from GAF to the Stagen port.
8. No. 011/Jasa Pengangkutan/BSS-H. Masri D/II/2015 dated 29 March to 30 September 2018 – CPO transport from GAF to the Stagen port.
9. No. 012/Jasa Pengangkutan/BSS-Rakhmadi/II/2015 dated 29 March to 30 September 2018 – CPO transport from GAF to the Stagen port.

Based on above evidences, this nonconformance has been closed.

Verified by : Trismadi N

NCR No.	:	2018.10	Issued by	:	Trismadi N
Date Issued	:	31 Agustus 2018	Time Limit	:	29 November 2018
NC Grade	:	Major	Date of Closing	:	28 November 2018
Standard Ref. & Requirement	:	General Chain of Custody 5.7.2. The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> • Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. • Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. 			

	<ul style="list-style-type: none"> 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. 															
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Not all RSPO Certified Products sales transactions for the period of January to July 2018 are registered on the RSPO Palm Trace. Based on the RSPO Supply Chain Certification Revision Standard June 14 th , 2017 and socialization from the RSPO. It was explained that since January 2018 all RSPO Certified products sales as conventional is should be registered in the RSPO Palm Trace. Therefore based on record keeping data period of January to July 2018 there are RSPO Certified product sales as follows:																
<table border="1"> <thead> <tr> <th>Product</th> <th>Production (Ton)</th> <th>Sales (Ton)</th> <th>Claim RSPO (Ton)</th> <th>RSPO Product sold as Conventional (Ton)</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>14,745.12</td> <td>14,438.85</td> <td>7,805.55</td> <td>6,633.30</td> </tr> <tr> <td>PK</td> <td>3,198.79</td> <td>3,194.28</td> <td>1,722.57</td> <td>1,471.71</td> </tr> </tbody> </table>		Product	Production (Ton)	Sales (Ton)	Claim RSPO (Ton)	RSPO Product sold as Conventional (Ton)	CPO	14,745.12	14,438.85	7,805.55	6,633.30	PK	3,198.79	3,194.28	1,722.57	1,471.71
Product	Production (Ton)	Sales (Ton)	Claim RSPO (Ton)	RSPO Product sold as Conventional (Ton)												
CPO	14,745.12	14,438.85	7,805.55	6,633.30												
PK	3,198.79	3,194.28	1,722.57	1,471.71												
However RSPO certified products sales as conventional is not registered on the RSPO Palm Trace with CPO: 6,633.30 MT and PK: 1,471.71 MT.																
Root Cause Analysis <i>(filled by organization audited):</i> There is no monitoring of the amount of stock RSPO claimed and conventional due to the limited number of PIC.																
Correction <i>(filled by organization audited):</i> CSPO has been removed amount 6,633.3 ton and CSPK amount 2,020.34 ton.																
Corrective action <i>(filled by organization audited):</i> <ul style="list-style-type: none"> Head of administration will be coordination with PSQM staff every quarter month. The PSQM staff will be monitor palmtrace trading by Jakarta Marketing Department. 																
Verification on 28 November 2018 The company was shown removing of CSPO and CSPK on Palm trace amount 6,633.3 MT CSPO and 2,020.34 MT CSPK.																
Based on above evidences, this nonconformance has been closed.																
Verified by	: Trismadi N															

NCR No.	: 2018.11	Issued by	: Trismadi N
Date Issued	: 31 Agustus 2018	Time Limit	: 29 November 2018
NC Grade	: Major	Date of Closing	: 13 September 2018
Standard Requirement	Ref. & : E.2.1. The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.		

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

The certification unit has not been able to shown RSPO Certified MB projection products for period of 21 October 2018 to 20 October 2019.

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

Projection FFB from smallholders is not received by the mill management.

Correction *(filled by organization audited):*

Create the FFB, CPO and RSPO IP or MB projection from own estate and other sources.

Corrective Action *(filled by organization audited):*

PSQM with Head administration and PSD will be coordination with smallholders regarding to FFB.

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification on 13 September 2018

The certification unit was shown CPO & PK projection (MB) period of October 2018 to October 2019, CPO: 8,766 MT and PK: 1,717 MT.

Based on above evidences, this nonconformance has been closed.

Verified by : Trismadi N

3.5.3. Opportunity for Improvement

No	Ref. Std.	Description
1	1.1.1	The company considers adding the names of previous land owners to the stakeholders list.
2	1.1.2	Companies can complete a list of mandatory documents / reports periodically to stakeholders along with proof of submission
3	1.2.1	Companies can complete a list of legal, environmental, social, employment documents and other documents required by the RSPO standard
4	4.4.3	Evaluation of methods for measuring wastewater discharge into LA to ensure data validity
5	5.2.3	Repair and addition of boundary signs and ban boards in HCV areas in strategic areas
6	General CoC Clause 5.3.1.	The certification unit considers re-socializing the SCCS double module procedure (IP & MB) to all key personnel. Based on the results of the visit, it is known that at this time GAF has not received non-RSPO certificate, besides the results of interviews with key personnel (process assistants) to explain procedures for the IP or MB processing period, but they still do not understand the latest procedures.

3.5.4. Noteworthy Positive Components

No	Description
1	The company's commitment to implement the principles of sustainable palm oil management
2	Personal enthusiasm to demonstrate the requirements of the RSPO standard
3	The company's commitment in building estate community
4	Obtained the Proper Biru Award for the 2016-2017 Period
5	Obtain a zero accident award in 2017
6	Has received an ISPO certificate
7	Construction of reservoirs for irrigation.
8	Use of the Closed End Conservation Terrace method to minimize hornet beetle attacks and facilitate the process of transplanting seedlings into the field.

3.6 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
Board of Gender Committee (All Units) <ul style="list-style-type: none"> We have program such as: religious activity, Child health care. All women workers has socialized about reproductive rights. There are no complaints related to violations of women's rights or violence against women in the workplace PT BSS has granted the rights of women such as the right to maternity leave and menstruation leave. There are extra fooding for day care from the company. There are no pegnancy and breast feeding workers with chemical application. 	<p>PT BSS has committed to guarantee the rights of women, for example, the company has granted maternity leave and menstruation. Based on interviews with workers known that there are never happened of violence against women in workplace (see C6.8 and C6.9)</p>
Board of Worker Unions (All units) <ul style="list-style-type: none"> There is no negative issues such as discrimination, the use of labor under 18 years, sexual abuse issues and others. Providing wages and overtime in compliance with applicable regulations. All employees have been included in the program BPJS employment and health. The Company has conducted periodic health checks to workers with high risk. The Company has also provided PPE's which is provided for free. If there is a problem the union always communicates with the company. Minimum wages year of 2018 is Rp 2,588,925/month or Rp 103,557/days. Monthly meeting has been conducted on each estates and mill. 	<ul style="list-style-type: none"> Has been described in criterion 6.5. Has been described in indicator 6.5.1 The company has paid labour social insurance and labour health insurance for all workers as written in indicator 4.7.6. Has been described in indicator 4.6.11. Has been described in indicator 4.7.3 Based on document verification known that if there are things that will submitted to company, the union held a meeting with the company (see C6.6)
Local Contractors (FFB and CPO Transports) <ul style="list-style-type: none"> Company had socialized policies such as corporate codes and the use of labor over 18 years. Contractor's workers has given PPE by the contractors and company. The entire execution of the work and payment in accordance with the applicable agreement. There is no complaint from contractor. 	<ul style="list-style-type: none"> Has been described in criterion 6.5. Has been described in indicator 4.7.3 The company has paid labour social insurance and labour health insurance for all workers as

Public Issues (Institution/ NGO/Community)	Auditor Verification
	written in indicator 4.7.6.
Replanting Contractor (PT Central Pratama Property) <ul style="list-style-type: none"> • Company had socialized policies such as corporate codes and the use of labor over 18 years. • Contractor's workers has given PPE by the contractor. • All heavy equipment operators have has an Operator Licensing. • The company were provided adequate housing facilities for contractor workers. • All contractor workers has registered on Social Insurance. 	<ul style="list-style-type: none"> • Has been described in criterion 6.5. • Has been described in indicator 4.7.3 • The company has paid labour social insurance and labour health insurance for all workers as written in indicator 4.7.6.
Environmental Agency <ul style="list-style-type: none"> • The company has land applications permit which are still valid and already check by environment agency. • Hazardous waste permit is still valid. • The Company regularly reports mandatory reporting such as hazardous waste report and report of Environmental Management Plan – Environmental Monitoring Plan. • Company always consult with environmental agency related environmental management. • There are no issues regarding landfires. • The company already had a report RKL/RPL Semester 1 2018 • The company encourages the management of domestic waste permits 	<ul style="list-style-type: none"> • It has verified by auditor team, the company has reporting maandatory report such as RKL/RPL report every semester. • According to field observation, there are no environment pollution from estate and mill operational. • According to results of testing the quality of river water around the company that contained in the RKL/RPL, there was no parameters that exceed the threshold.
Plantation Agency <ul style="list-style-type: none"> • The company already has the documents of land rights in the form of concession and permits for business activities • The company has reported its business activities to the plantation agency routinely. • There are no negative issues such as fires. • The company does not have new location permits. • There is no environmental issues related to company's operational. • The company has adequate facilities and infrastructure of fire and functioning properly. • The Company has given assistance through its CSR program and partnered with local communities. 	<ul style="list-style-type: none"> • The company has had all plantation permit and has been complied all obligation reports. It refer to indicator 1.1.1. • According to field observation, there are no environment pollution from estate and mill operational. • Company has realized the assistance to local communities based on needs of society that explained in the criteria 6.11
Labor Agency <ul style="list-style-type: none"> • All of labor monitoring has conducted by labor agency of South Kalimantan Province. So, we don't have information related this issues. • There are no issues related to industrial relations during last year. 	<ul style="list-style-type: none"> • All obligation report by company has been verified by auditor team as written on indicator 1.1.1. • Auditor has verified related to employment and has been described in the criteria 6.5

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> • Payment of wages is in accordance with the District Minimum Wage (Rp 2,558,928). • All the workers have been included in BPJS employment dan health. • The company has periodically reported labor to the labor agency. • The labor agency supports companies to increase the employment status of employees from Daily Workers to a Specific Time Work Agreement. 	
National Land Agency <ul style="list-style-type: none"> • There is no new location permit. • There is an issue related to the company's HGU area with Perhutani • Company has not yet report the Land use report to National Land Agency. • There is no information related wastelands in PT GMP & PT PHP. • There are no overlapping areas of forests and mining. 	<ul style="list-style-type: none"> • The company has had Land Use Permit as required. • Has been verified by the auditor, Land use report contained in the LKUP report.

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	<p>Formal Sign-off of Assessment Findings</p> <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>Signed on behalf of</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT. Bersama Sejahtera Sakti Head of PSQM Plantation Minamas Indonesia</p>  <p><u>Mohamad Pirabaharan</u> 28 November 2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Andi Pratama Pasaribu</u> 28 November 2018</p> </div> </div>

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

No	Institution / NGO / Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Tanjung Harapan Village	District of Kotabaru	-	Interview	28 August 2018	v	-
2	Bekambit Village	District of Kotabaru	-	Interview	28 August 2018	v	-
3	Sawit watch	Jakarta	info@sawitwatch.or.id	Correspondence by email	August 24th 2018	-	v
4	Walhi	Jakarta	info@walhi.or.id	Correspondence by email	August 24th 2018	-	v
5	WWF	Jakarta	www.wwf.or.id	Correspondence by email	August 24th 2018	-	v
6	Field Supervisor of PT Central Pratama Property (Replanting contractor)	Medan, Sumatera Utara	-	Interview	28 August 2018	v	
7	Worker Union: - 5 person from each unit Gender Committee: - 5 person from each unit	Kotabaru, Kalimantan Selatan	-	Interview	28 August 2017	v	-
8	Local Contractor (FFB & CPO transports)	Sejakah Village, Kalimantan Selatan	-	Interview	28 August 2018	v	
9	Plantation Agency Kotabaru	Kotabaru, Kalimantan Selatan	-	Interview	28 August 2018	v	-
10	Environment Agency Kotabaru	Kotabaru, Kalimantan Selatan	-	Interview	28 August 2018	v	-
11	Labor Agency	Kotabaru, Kalimantan Selatan	-	Interview	28 August 2018	v	-
12	National Land Agency	Kotabaru, Kalimantan Selatan	-	Interview	28 August 2018	v	-
13	Internal Stakeholder <u>Gunung Aru Factory</u> Security → 2 Person Engine Room → 1 Person Sterilizer Operator → 1 person Clarification Operator → 2 persons Boiler Operator → 2 Persons Kernel Operator → 1 person Water Treatment Operator → 1 Person <u>Laut Timur Estate</u> Spraying Team → 11 Persons	Kotabaru, Kalimantan Selatan	-	Interview	27 August 2018 – 01 September 2018	v	-

Manual Weeding → 6 Persons EFB Applicator → 2 Persons Manuring Team → 2 Persons Pest and Disease Cencus → 2 persons Harvesting team → 7 persons <u>Gunung Kemasan Estate</u> Harvesting Team → 2 Person, 1 person harvesting foreman, and 1 person harvesting clerk Spraying Team → 6 Persons Pest Spraying Team → 3 Person						
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Appendix 2. Assessment Program

DATE		27 August - 1 September 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 27 August 2018			
05.45 – 08.35	05.45 – 08.35	Jakarta → Banjarmasin (Garuda GA 530)	• ALL Team
12.20 – 13.05	12.20 – 13.05	Banjarmasin → Kotabaru (Wings Air IW 1392)	• ALL Team
13.30 – 15.00	13.30 – 15.00	Kotabaru → PT.BSS (Gunung Aru)	• ALL Team
15.30 – 16.00	15.30 – 16.00	Opening Meeting	• ALL Team
16.00 – 17.00	16.00 – 17.00	Review of Previous Visit Non-conformance and verification of basic information	• ALL Team
Tuesday, 28 August 2018			
08.00 – 12.00	08.00 – 12.00	• Stakeholders consultation to Related Government Institution (Kotabaru District Government and local NGO)	• SAP/APP
08.00 – 12.00	08.00 – 12.00	• Stakeholders consultation to Nearest village, community leader.	• IWS
		• Stakeholders consultation to local contractor, Workers Union, Gender Committee.	• TNB
12.00 – 14.00	12.00 – 14.00	BREAK	ALL Team
14.00 – 17.00	14.00 – 17.00	• Clarification of Public Consultation	• ALL Team
		• Document Review and Verification of Previous Non-Conformance Record	• ALL Team
Wednesday, 29 August 2018			
08.00 – 12.00	08.00 – 12.00	Field Observation Gunung Aru Estate <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, EFB application, best agricultural practices Worker Welfare (payments, complaint mechanism) Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Land Fire facilities, Storage, ect. Legal operational and Conservation Area 	• APP
		Field Observation Gunung Kemas Estate <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, EFB application, best agricultural practices Worker Welfare (payments, complaint mechanism) Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Land Fire facilities, Storage, ect. Legal operational and Conservation Area 	• APP • TNB • TNB
12.00 – 14.00	12.00 – 14.00	BREAK	ALL Team
14.00 – 17.00	14.00 – 17.00	Field observation to Gunung Aru POM <ul style="list-style-type: none"> Security Post, FFB receiving, CPO & PK Sending/SCCS Aspect). FFB grading, FFB processing, OHS Aspect, Worker Welfare (payments, complaint mechanism). 	• TNB • SAP/APP

DATE		27 August - 1 September 2018	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> Water Treatment Plant, Schedule Waste, Workshop, Chemical Storage, WWTP, Leachate Water management. <p>Document Review and Verification of Previous Non-Conformance Record</p>	<ul style="list-style-type: none"> TNB / IWS ALL TEAM
Thursday, 30 August 2018			
08.00 – 12.00	08.00 – 12.00	<p>Field Observation Pantai Timur Estate</p> <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, EFB application, best agricultural practices Worker Welfare (payments, complaint mechanism) Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Land Fire facilities, Storage, ect. Legal operational and Conservation Area <p>Field Observation Laut Timur Estate</p> <ul style="list-style-type: none"> Manuring, Spraying, Harvesting, EFB application, best agricultural practices Worker Welfare (payments, complaint mechanism) Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Land Fire facilities, Storage, ect. Legal operational and Conservation Area 	<ul style="list-style-type: none"> APP APP TNB TNB SAP SAP TNB / IWS TNB / IWS
12.00 – 14.00	12.00 – 14.00	BREAK	ALL Team
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Field observation clarification Document Review, Verification of Previous Non-Conformance Record and partial certification verification. 	ALL Team
Friday, 31 August 2018			
08.00 – 12.00	08.00 – 12.00	Document review continuation and partial certification verification.	ALL Team
12.00 – 14.00	12.00 – 14.00	BREAK	ALL Team
14.00 - 15.00 15.00 – 17.00	14.00 - 15.00 15.00 – 17.00	<ul style="list-style-type: none"> Closing meeting preparation Closing meeting 	<ul style="list-style-type: none"> All team All Team
Saturday, 1 September 2018			
05.30 – 07.00 07.45 – 08.25 10.50 – 11.30	05.30 – 07.00 07.45 – 08.25 10.50 – 11.30	<ul style="list-style-type: none"> PT BSS → Kotabaru Kotabaru → Banjarmasin (Wings Air IW 1393) Banjarmasin → Jakarta (Citilink QG 481) 	<ul style="list-style-type: none"> ALL Team ALL Team ALL Team