

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance

Name of Management : Mentaya Sawit Mas Palm Oil Mill – PT Mentaya Sawit Mas Subsidiary of Organisation Wilmar International, Ltd.
 Plantation Name : PT Mentaya Sawit Mas: Mentaya Sawit Mas I Estate and Mentaya Sawit Mas II Estate
 Location : Tangar Village, Sub-District of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia
 Certificate Code : **MUTU-RSPO/058**
 Date of Certificate Issue : 24 April 2015 Date of License Issue : 24 April 2019
 Date of Certificate Expiry : 23 April 2020 Date of License Expiry : 23 April 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-4	21 to 24 January 2019	Trismadi Nurbayuto, Mohamad Amarullah, Brigitta Pritta, Haikal Ramadhan Kharismansyah	Tony Arifiarachman	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	22 February 2019

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 on March 12th, 2014 with registration number **RSPO-ACC-055**

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Figure 1. Location Map of PT Mentaya Sawit Mas

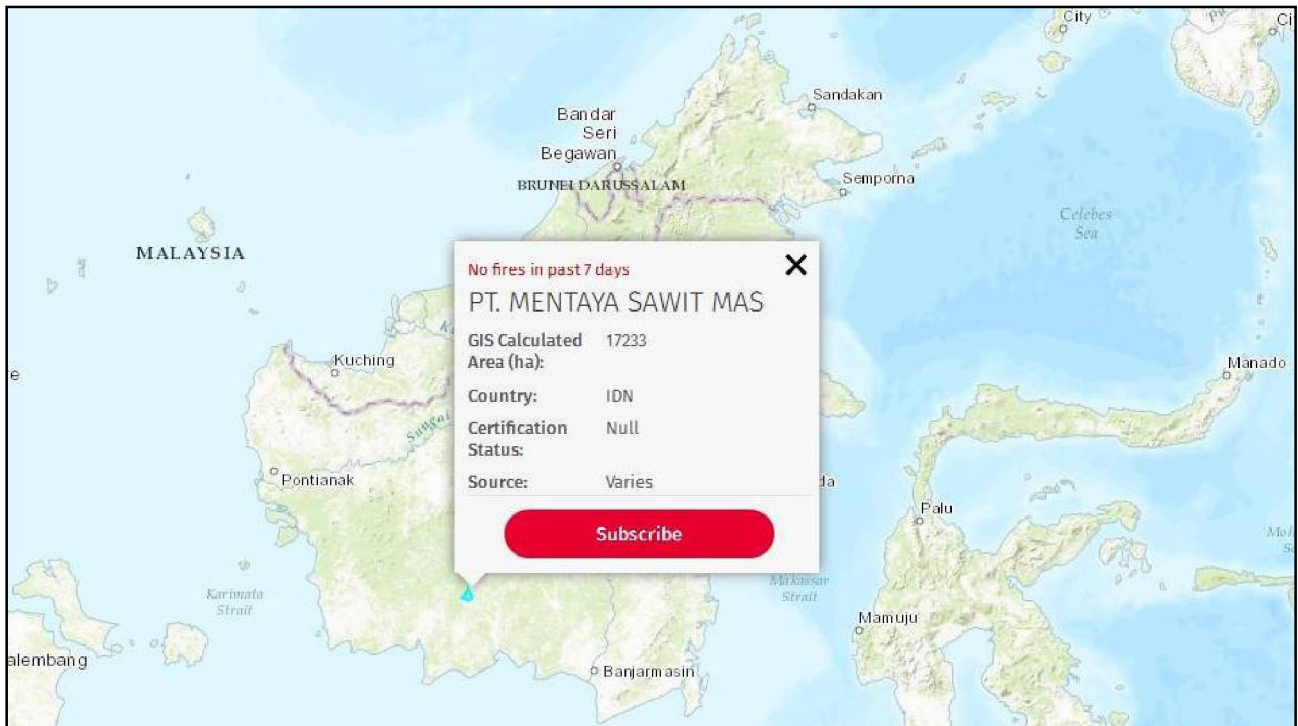
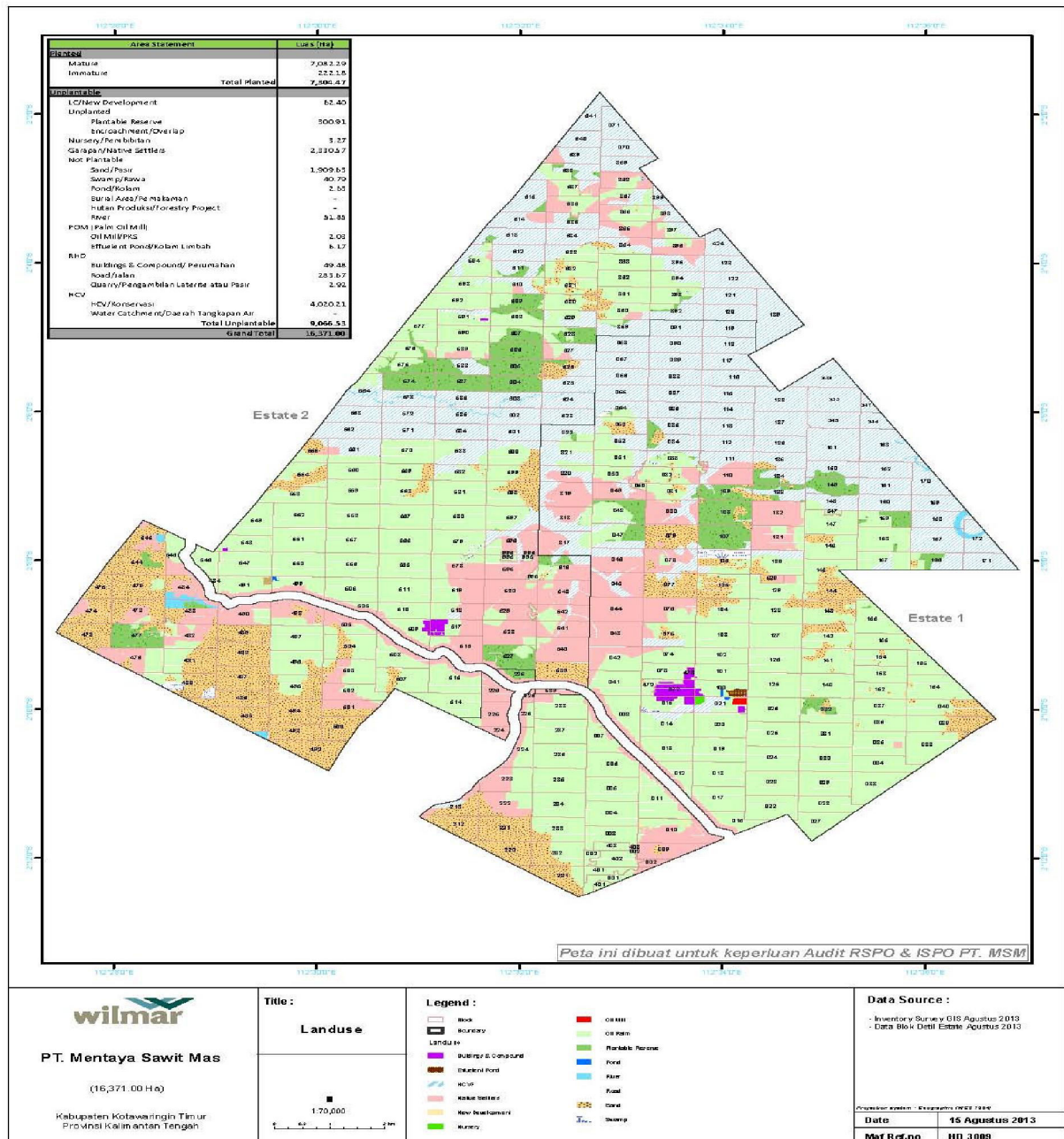


Figure 2. Operational Map of PT Mentaya Sawit Mas



Abbreviations Used

AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i> (Environmental Impact Assessment Analysis)
APD	:	<i>Alat Pelindung Diri</i> (Personal Protective Equipment)
BPN	:	<i>Badan Pertanahan Nasional</i> (National land Agency)
BPJS; Kes	:	<i>Badan Penyelenggara Jaminan Sosial Kesehatan</i> (Agency for the Provision of Social Security Health)
BPJS-TK	:	<i>Badan Penyelenggara Jaminan Sosial Tenaga Kerja</i> (Agency for the Provision of Social Security of Labor)
B3	:	<i>Bahan Berbahaya dan Beracun</i> (Hazardous Material)
CSR	:	Coorporate Social Responsibility
CH	:	Certificate Holder
CKP	:	Central Kalimantan Project
CPO	:	Crude Palm Oil
CV	:	<i>Commanditaire Vennootschap</i> (company register status in Indonesia)
EFB	:	Empty Fruit Bunch
EMU	:	Ecological Management Unit
EWS	:	Early Warning System
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Informed and Consent
GIS	:	Geographic Information System
GRTT	:	<i>Ganti Rugi Tanam Tumbuh</i> (Compensation of Land Covers)
HCV	:	High Conservation value
HGU	:	<i>Hak Guna Usaha</i> (Land Title or Land Use Right)
IPM	:	Integrated Pest Management
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Business Permit)
ISCC	:	International Sustainability and Carbon Certification
KER	:	Kernel Extraction Rate
LB3	:	<i>Limbah Bahan Berbahaya dan Beracun</i> (Hazardous Waste)
KOTIM	:	<i>Kotawaringin Timur</i>
Ltd.	:	Limited (company register status in Singapore)
LKS - Bipartit	:	<i>Lembaga Kerja Sama Bipartit</i>
MSDS	:	Material Safety Data Sheet
MSM	:	Mentaya Sawit Mas
NGO	:	Non Government Organization
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
PIC	:	Person in Charge
PK	:	Palm Kernel
PR	:	Public Relation
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PT	:	<i>Perseroan Terbatas</i> (company register status in Indonesia)
PT KKPS	:	PT Karunia Kencana Permai Sejati
PT MAS	:	PT Bakung Mas
P2K3	:	<i>Panitia Pembina Kesehatan dan Keselamatan Kerja</i> (Committee of Health and Safety)
RSPO	:	Roundtable on Sustainable Palm Oil
Sdn. Bhd.	:	<i>Sendirian Berhad</i> (company register status in Malaysia)
SEIA	:	Social Environmental Impact Assessment

SIA	:	Social Impact Assessment
SOP	:	Standard Operation Procedure
WHO	:	World Health Organization
WWF	:	World Wildlife Fund
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on September 30th 2016). • RSPO Supply Chain Certification Standard For organization seeking or holding certification, Adopted by the RSPO Board of Governors on 21 November 2014, Revised on June 14th 2017. • RSPO Certification System for Principles and Criteria, 14 June 2017. 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Mentaya Sawit Mas – Wilmar International, Ltd.	
1.2.2	Contact person	Jules Parapat	
1.2.3	Organisation address and site address	Head Office: 56 Neil Road Singapore Singapore 088 030 Multivison Tower Lt. 15 Jl. Kuningan Mulya Blok B9, Kuningan, Jakarta, 12980, Indonesia	
1.2.4	Telephone	(62-21) 2938 0777	
1.2.5	Fax	(62-21) 2938 0115	
1.2.6	E-mail	jules.parapat@id.wilmar-intl.com	
1.2.7	Web page address	www.wilmar.co.id	
1.2.8	Management Representative who completed the application for certification	Jules Parapat (Sustainability Manager)	
1.2.9	Registered as RSPO member	2-0017-05-000-00 16 August 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Mentaya Sawit Mas POM; Mentaya Sawit Mas I Estate and Mentaya Sawit Mas II 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
	Mentaya Sawit Mas	Tangar Village, Menyata Hulu Sub-District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 02° 09' 52" E 112° 34' 09"

1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Mentaya Sawit Mas I Estate (MSM I)	Kawan Batu Village, Menyata Hulu Sub-District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 02° 09' 32"	E 112° 33' 41"
	Mentaya Sawit Mas II Estate (MSM II)	Kawan Batu Village, Menyata Hulu Sub-District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 02° 08' 58"	E 112° 31' 14"
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		16,371.00 ha	
	• Community		- ha	
1.5.2	Area Statement			
	• Total area		16,371.00 ha	
	• Mature area		7,395.31 ha	
	• Immature area		425.17 ha	
	• Mill		12.50 ha	
	• Housing, road and drainage system		285.09 ha	
	• Land clearing		- ha	
	• Not plantable (ex gold mining)		2,222.11 ha	
	• Occupation		2,150.68 ha	
	• Unplanted area		- ha	
	• HCV*		3,880.14 ha	
*In 2019 there is minutes of meeting related the change statement area for MSM 1 (No.MD 01-21/1218) and MSM 2 (No.MD22 / 01/01/2019) with HCV total area is 3,880.14 ha (own estate) and smallholders (outside of land use title) is 25.92 ha.				
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (ha)		
		MSM 1 Estate	MSM 2 Estate	Total
	2007	2,921.07	2,131.14	5,052.21
	2008	780.43	488.07	1,268.50
	2009	205.91	449.83	655.74
	2010	16.78	89.1	105.88
	2013	102.69	0	102.69
	2014	116.24	0	116.24
	2015	52.77	41.28	94.05
	Total Mature Area	4,195.89	3,199.42	7,395.31
	2016	50.91	0	50.91
	2017	112.62	21.83	134.45
	2018	171	68.81	239.81

	Total Immature Area	334.53		90.64		425.17	
	TOTAL	4,530.42		3,290.06		7,820.48	
1.6.2	New Planting area after January 2010			- ha			
1.6.3	Planting Cycle			1 st Cycle (every 25 years)			
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 (%)
	Mentaya Sawit Mas POM	45	204,881.24	44,328	21.66	9,532	4.66
	*Production data source from January to December 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/ye ar)	Supplied to Mill	
						FFB (tonnes/year)	%
	MSM I Estate	8,289.32	4,530.42	111,049.81	24.51	111,049.81	100
	MSM II Estate	8,081.68	3,290.06	66,969.93	20.36	66,969.93	100
	TOTAL	16,371.00	7,820.48	178,019.74	22.76	178,019.74	100
	*Production data source from January to December 2018						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Bumi Sawit Kencana 2 Estate (RSPO Certified)	PT Bumi Sawit Kencana, subsidiary of Wilmar Int'l, Ltd.	-	4,263.86	209.92		
	Karunia Kencana Permaisejati 1 Estate (RSPO Certified)	PT Karunia Kencana Primasejati, subsidiary of Wilmar Int'l, Ltd.	-	4,948.41	4,690.41		
	Karunia Kencana Permaisejati 2 Estate (RSPO Certified)	PT Karunia Kencana Primasejati, subsidiary of Wilmar Int'l, Ltd.	-	4,031.94	17,875.25		
	Karunia Kencana Permaisejati 3 Estate (RSPO Certified)	PT Karunia Kencana Primasejati, subsidiary of Wilmar Int'l, Ltd.	-	3,832.72	3,768.13		
	Karya Makmur Pahirangan Cooperative (RSPO Non Certified)	Karya Makmur Pahirangan Cooperative	212	50.70	317.79		
	TOTAL					26,861.50	
	*Production data source from January to December 2018						
1.7.4	Product categories			FFB, CPO and PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT)	
	• FFB Production			219,746		204,563	

	<ul style="list-style-type: none">CPO ProductionPalm Kernel (PK) Production			48,028	44,261	9,516		
1.8.2	Product selling							
	Tonnage of selling product			Actual selling product for for last year (MT)				
	<ul style="list-style-type: none">CSPO sold as RSPO certified product			44,135.44				
	<ul style="list-style-type: none">CSPK sold as RSPO certified product			9,516				
	<ul style="list-style-type: none">CSPO sold under other scheme							
	<ul style="list-style-type: none">CSPK sold under other scheme			-				
	<ul style="list-style-type: none">CSPO sold as conventional			-				
	<ul style="list-style-type: none">CSPK sold as conventional			-				
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	MSM I Estate	8,289.32	4,530.42	116,602	25.74			
	MSM II Estate	8,081.68	3,290.06	70,318	21.37			
	TOTAL	16,371.00	7,820.48	186,921	23.90			
	*Projected FFB production from 24 April 2018 to 23 April 2019							
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 (%)	
	Mentaya Sawit Mas POM	45	186,921	41,123	22.00	9,346	5.00	MB
	*Projected FFB production from 24 April 2019 to 23 April 2020							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time Bound Plan						
	Sapi (1+2), Sdn. Bhd.	2008	Sapi 1 & 2, Kiabau	2008	Sandakan, Sabah, Malaysia	Certified		
	Sabahmas, Sdn. Bhd.	2008	Sabahmas	2008	Lahad Datu, Sabah, Malaysia	Certified		

Reka Halus, Sdn. Bhd.	2008	Reka Halus	2008	Sandakan, Sabah, Malaysia	Certified
Saremas 1, Sdn. Bhd.	2008	Saremas 1, Saremas 2 (Div D), Suai	2008	Miri Serawak, Malaysia	Certified
Saremas 2, Sdn. Bhd.	2008	Saremas 2 (exclude Div D), Kaminsky, Segarmas	2008	Miri Serawak, Malaysia	Certified
Terusan (1 + 2), Sdn. Bhd.	2009	Terusan 1 & 2, Rumidi	2009	Sandakan, Sabah, Malaysia	Certified
Ribubonus, Sdn. Bhd.	2009	Ribubonus	2009	Sandakan, Sabah, Malaysia	Certified
PT Perkebunan Milano	2009	Sei Daun, Batang Saponggol, Marbau	2009	North Sumatra	Certified
PT Mustika Sembuluh 1	2009	Mustika Sembuluh 1, Mustika Sembuluh 2, Kerry Sawit Indonesia 2, Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2009	Central Kalimantan	Certified
PT Mustika Sembuluh 2	2015	Mustika Sembuluh 3, Bumi Sawit Kencana 1	2015	Central Kalimantan	Certified
PT Kencana Sawit Indonesia	2010	Kencana Sawit Indonesia, Koperasi Swamata	2010	West Sumatra.	Certified
PT Kerry Sawit Indonesia 1	2010	Kerry Sawit Indonesia 2, Kerry Sawit Indonesia 3	2010	Central Kalimantan	Certified
PT Kerry Sawit Indonesia 2	2015	Kerry Sawit Indonesia 1, Kerry Sawit Indonesia 2, Mustika Sembuluh 2,	2015	Central Kalimantan	Certified
		KUD Karya Bersama, KUD Sejahtera Bersama, KUD Tabiku Makmur, KUD Kosudra	2020	Central Kalimantan	-
PT Tania Selatan	2010	Burnai Barat, Burnai Timur	2010	South Sumatra	Certified
Sri Kamusan	2010	Hibumas 1, Hibumas 2, Sri Kamusan, Jebawang, Sekar Imej, Sapi Sugut	2010	Sandakan, Sabah	Certified
PT AMP Plantation	2011	AMP I, AMP II, AMP III, AMP, Primatama Mulia Jaya, Karya Agung Megah Utama, Perkebunan Anak Negeri, Koperasi Tompek Tapisan Kandis, Koperasi AWM, Koperasi BST, Koperasi MSJ	2011	West Sumatra	Certified
		KUD Dastra I, KUD Dastra II	2019	West Sumatra	
PT ANI (Sambas)	2018	ANI Estate, KUD Cempaka Biru, KUD Sentama Lestari	2020	West Kalimantan	Re-Certification
PT ANI (Landak)	2020	Agronusa Investama 2, Pratama Procentindo	2020	West Kalimantan	

PT Buluh Cawang Plantation	2012	Bumi Arjo, Dabuk Rejo, Sukamulya, Bambu Kuning	2012	South Sumatra	Certified
PT Bumi Sawit Kencana	2012	Bumi Sawit Kencana 1, Bumi Sawit Kencana 2, Karunia Kencana Permaisejati 1	2012	Central Kalimantan	Certified
PT Sarana Titian Permata	2018	Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2023	Central Kalimantan	-
PT Sarana Titian Permata 2	2018	Sarana Titian Permata 1, Sarana Titian Permata 2	2023	Central Kalimantan	-
PT Gersindo Minang Plantation	2013	Gersindo Minang Plantation, Permata Hijau Plantation-1, Permata Hijau Plantation-2	2013	West Sumatra	Certified
		KUD Sasak, KUD Kapar, Mutiara Bosa Sikilang, Permata Sawit Maligi	2019	West Sumatra	
		PHP Block 22	2020		
PT Daya Labuhan Indah	2013	Wonosari, Sei Deras, Cabang Dua	2013	North Sumatra	Certified
PT Milano (Cabang Dua Estate)	2013	(Supply base DLI-2)	2013	North Sumatra	Certified
PT Agro Palindo Sakti	2014	PT Agro Palindo Sakti Estate	2014	South Sumatra	Certified
PT Mentaya Sawit Mas	2014	Mentaya Sawit Mas 1, Mentaya Sawit Mas 2	2014	Central Kalimantan	Certified
		KUD Karya Makmur Pahirangan	2023	Central Kalimantan	
PT Sinarsiak Dianpermai	2018	PT Sinarsiak Dianpermai Estate	2020	Riau	Stage 1
BBPOP (Benso Plantation)	2015	Benso, Benso Smallholder	2015	Ghana	Certified
PT Murini Sam Sam	2015	Murini Sam Sam Estate	2015	Riau	Certified
PT Bumi Pratama Khatulistiwa	2016	Bumi Pratama Khatulistiwa Estate	2016	West Kalimantan	Certified
		Buluh Cawang Plantation	2020	West Kalimantan	
PT Karunia Kencana Permaisejati	2017	PT. Karunia Kencana Permaisejati 1, PT. Karunia Kencana Permaisejati 2, PT. Karunia Kencana Permaisejati 3	2017	Central Kalimantan	Final Audit
PT Rimba Harapan Sakti	2015	PT. Rimba Harapan Sakti 1, PT. Rimba Harapan Sakti 2, Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2015	Central Kalimantan	Certified

			KUD Makmur Sejahtera	2023	Central Kalimantan	-
	PT Agronusa Investama Pahauman	2018	PT ANI Pahauman estate PT Pratama Procentindo	2018	West Kalimantan	-
	PT Agro Palindo Sakti 2	2018	PT. Agro Palindo Sakti estate, PT. Indo resin Putra Mandiri, PT. Daya Landak Plantation, PT. Putra Indotropical	2020	West Kalimantan	NPP Audit 2010
	PT Agrindo Indah Persada 2	2023	PT Agroindo Indah Persada 2	2023	Bangko – Jambi	NPP Audit
	PT Musi Banyuasin Indah	2018	PT MBI Sei Jarum Estate PT MBI Sei Selabu Estate KUD Karya Gatra KUD Karya Makmur Sriwijaya KUD Panca Karya Jaya KUD Sumber Makmur KUD Tri Tunggal Karya	2020	South Sumatera	Final Audit
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	KUD Karya Makmur Pahrangan doesn't have land legality, it cause the land is limited and also the Plasma MoU is still in progress.					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA - 4	<ol style="list-style-type: none"> Trismadi Nurbayuto (Lead 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 assesment verified Legal,Social, Partial Certification,and SCCS aspect. Mohamad Amarullah (Auditor). Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has been attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, HCV, etc. Has been conducted several ISPO audit scheme as an Auditor since 2014 in BMP, environment, conservation and OHS aspect. Fluent in Bahasa, Malay and English. During this assesment verified OHS & Worker Welfare aspect. Brigitta Pritta (Auditor). Citizen of Indonesia. Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism. She had attended Training ISPO by Commission ISPO on June 2013, Training ISO 9001:2008 Quality Management System on January 2014, In House Training 17021 and 17065 management system and Product Quality, Training High Conservation Value by IPB on September 2015, In House Training HCV on August 2016, In House Training Roundtable Sustainable Palm Oil on January 2014; In House Training ISO 14000:2004 Environmental Management System. She has been audit experience ISPO & RSPO since April 2013 in the environmental, conservation, waste management and worker welfare aspects.During this assment verified environment,HCV, & GHG aspect. Haikal Ramadhan Kharismansyah (Auditor). Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001 : 2015, Auditor ISPO, RSPO awareness, ISO 22000 awareness. Did some audit ISPO scheme with aspects Best management practices. During this assesment verified Transparancies, Long Term Business Plan & BMP.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA - 4	<p>Number of auditors : 4 Auditors</p> <p>Number of days for ASA-4 at site: 4 days</p> <p>Number of working days for ASA-4 at site: 16 Working days</p>
2.2.2	Assessment Process
ASA - 4	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Mentaya Sawit Mas. to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, Revised in June 14th 2017 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or 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.</p>

Some opportunities for improvement of the results **ASA-4** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**Recertification**).

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

The assessment program please find Appendix 2

2.2.3 Locations of Assessment

ASA - 4

MSM – 1 :

1. **Block O36 Division I. Harvesting.** Observation and interviews with workers regarding harvest procedures, wages, and company policies
2. **Block O22 Division I. Peat Management.** Observation on water level and peat subsidence
3. **Block O27 Division I. EFB Application.** Observation related EFB Application on the field
4. **Block O42 Division II. Circle and path Spraying.** Observation and Interview related handling on pesticide, safety work, OHS, and PPE
5. **Block Q24/25 Division II. Land Application and Monitoring wells.** Observation related to the condition of the flat bed and the flow of POME
6. **Divisi II. Planting Year 2018. Observation on sandy area treatment and zero burning policies**
7. **Division 2 Block R41.** Observation of **BPN Pole No. MSM 28**, located in adjacent with PT Maju Aneka Sawit (Musimas Group). Coordinat check was S 02° 08' 126" and E 112° 35' 140".
8. **Division 2 Block T26.** Observation of **BPN Pole No. MSM 36**, located in adjacent with PT Maju Aneka Sawit (Musimas Group). Coordinat check was S 02° 09' 835" and E 112° 36' 470".
9. **Division 1 Block Q11.** Observation of **BPN Pole No. MSM 47**, located in adjacent with PT Karunia Kencana Permai Sejati (Wilmar Group). Coordinat check was S 02° 08' 126" and E 112° 35' 140".
10. **Division 2 Block T42.** Observation to **HCV 3** area management, which also RaCP area.
11. **Housing Area.** Field observation and interview related infrastructure in housing area, management of domestic waste, emergency area, education, medical and others.
12. **Daycare.** Field observation and interview related management of infrastructure in daycare.
13. **Landfill Block 073 Divisi 2A.** Observation related management of domestic waste.
14. **Chemical store.** Field observation and interview related management of chemical.
15. **Fertilizer store.** Field observation and interview related management of fertilizer.
16. **Schedule waste store.** Field observation related management of schedule waste.
17. **Washing place for Chemical activities and used fertilizer sacks.** Field observation and interview related management of chemical and fertilizer.
18. **Working tools & PPE storage for Fertilizer and Chemical activities.** Field observation and interview related working tools and PPE
19. **Polyclinic.** Field observation and interview with doctor related management of medical waste; activities in polyclinic and others.
20. **Workshop.** Field observation and interview related activities in workshop area.
21. **Firefighters.** Field observation related firefighters.
22. **Generator room.** Observation related activities in generator room.

MSM-2

1. **Block 567. Division 2A. Circle Path Spraying and Observation to Barn Owl Box.** Observation and Interview related handling on pesticide, safety work, OHS, and PPE; Observation related implemantation of IPM.
2. **Block 565. Division 1 B. Peat Management.** Observation on water level and peat subsidence
3. **Blok 784. Division 1A. Planting year 2018.** Observation on sandy area treatment and zero burning policies
4. **Blok 504. Division 1B. Selective Weeding.** Observation and Interview related working procedure and OHS policies
5. **Division 1 Block J26.** Observation of **BPN Pole No. MSM 72**, located in adjacent with community area of Tangerang Village (shrubs and small portion planted by oil palm). Coordinat check was S 02° 09' 720" and E 112° 30' 761".
6. **Division 1A Block D31.** Observation of **BPN Pole No. MSM 86**, located in occupation area with community of

- Dusun* Empeng from Kapuk Village. Coordinat check was S 02° 09' 968" and E 112° 27' 420".
7. **Division 1 Block R46.** Observation of **BPN Pole No. MSM 92**, located in adjacent ex gold mining and occupation area with community of Kapuk Village. Coordinat check was S 02° 07' 460" and E 112° 28' 283".
 8. **Division 1 Block K44.** Observation to **HCV 4** area management, which also riparian stream of Ngabe River.
 9. **Smallholder (Plasma) Candidate area inside HGU.** Observation to **Block 366-N84** which planted in 2009.
 10. **Smallholder (Plasma) Candidate area outside HGU.** Observation to **Block 902-O84** which planted in 2009 and **Block 903-O82** which planted in 2010.
 11. **MSM 2 Office.** Interview with representatives from **Bipartite Committee** and **Gender Committee** from MSM POM, MSM 1 Estate and MSM 2 Estate, on their interpretation towards manpower, safety and gender matters in PT MSM.
 12. **Chemical store.** Field observation and interview related management of chemical.
 13. **Washing place for Chemical activities and used fertilizer sacks.** Field observation and interview related management of chemical and fertilizer.
 14. **Lubricants store.** Field observation related management of lubricants.
 15. **Fuel tank.** Field observation related management of fuel.
 16. **Polyclinic.** Field observation and interview with doctor related management of medical waste; activities in polyclinic and others.
 17. **Schedule waste store.** Field observation related management of schedule waste.
 18. **Housing area.** Field observation and interview related infrastructure in housing area, management of domestic waste, emergency area, education, medical and others.
 19. **Landfill.** Observation related management of domestic waste.
 20. **Water treatment for drink.** Observation and interview related management of water for drink.

MSM POM

1. **Sortation and Grading.** Observation and Interview related working procedure, criteria of FFB, and sampling method
2. **Boiler.** Observation and Interview related medical check Up, working procedure, PPE, and undersatanding of emergency response
3. **Engine room.** Observation and Interview related medical check Up, working procedure, PPE, and undersatanding of emergency response
4. **Kernel.** Observation and interview related working procedure, awareness of OHS, and PPE
5. **Sterilizer.** Observation and interview related medical check-up, PPE, labour union, and emplasment.
6. **Press.** Observation and Interview related medical check Up, working procedure, PPE, and undersatanding of emergency response
7. **Security Office.** Observation and Interview with 4 Security Officers, on their understanding towards manpower, safety, technical works and supply chain aspects.
8. **Weight Bridge Station.** Observation and interview with 3 Operators, on their understanding towards technical, supply chain management, maintenance and callibration of balance, manpower, safety, health and environment aspects.
9. **Workshop.** Observation and interview with 3 workers, on their understanding towards technical, manpower, license of Welders, safety, health and environment aspects.
10. **Hydrant Simulation.** Observation on rediness of fire fighter team and devices.
11. **IPAL.** Field observation and interview with operator related management of liquid waste.
12. **Biogas Plant.** Observation related management of biogas plant.
13. **Schedule waste store.** Field observation related management of schedule waste.
14. **Chemical store.** Field observation and interview related management of chemical.
15. **Lubricants store.** Field observation related management of lubricants.
16. **Water Treatment Plant.** Field observation related management of water for process and domestic.
17. **Water Intake (Riparian Mentaya) Blok P26 Divisi 2A.** Field observation related management of water for process and domestic.
18. **EFB area.** Field observation related management of EFB.

Stakeholders :

	<ol style="list-style-type: none"> Penda Durian Village. Interview with head of village, cooperative board and communities. Tanjung Bantur Village. Interview with former head of village, cooperative board and teacher. Pahirangan Village. Interview with previous land owners. Kapuk Village. Interview with previous land owners. Kawan Batu Village. Interview with previous land owners. FGD with land previous owners from Kawan Batu Village, Kapuk and Paharingan Village. Interview with CV Randu Mas owner. Manpower and Transmigration Agency, Controller Bureau of Kalimantan Tengah Province. Manpower and Transmigration Agency, Industrial Relationship of Kotawaringin Timur Regency
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA - 4	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Mentaya Sawit Mas was held by:</p> <ol style="list-style-type: none"> Public Notification website MUTU (www.mutucertification.com) on 07 January 2019. Consultation with NGO (Walhi, Sawit Watch, AMAN, and IARI) via email on 04 January 2019. Public consultation with government institutions of Kotawaringin Timur Regency (National Land Agency or BPN, Agriculture Agency, Manpower Agency, Environment Agency) 22 January 2019. Public consultation meeting with locals of the nearby Village (Penda Durian and Tanjung Bantur) and local contractor 22; 23 January 2019 Consultation meeting and interview with internal stakeholder such as labor union and gender committee on 23 January 2019. <p>Numbers of input from stakeholders were clarified by PT Mentaya Sawit Mas</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (RC) will be determined 8 – 12 month after this ASA – 4 .

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Mentaya Sawit Mas POM – PT Mentaya Sawit Mas, Wilmar Intl Ltd operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there are no Nonconformity assigned against Major and Minor Compliance Indicators, Supply Chain Requirement for CPO mill, and four (8) opportunities for improvement were identified.

MUTUAGUNG LESTARI found that Mentaya Sawit Mas POM – PT Mentaya Sawit Mas, Wilmar Intl Ltd complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, revised in June 14th 2017 (Module E for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1.	<p>Unit management shows the list of stakeholders for the period January - June 2019 with details: Central Kalimantan Provincial Government (12); East Kotawaringin Regency Government (18); Sub-district heads of East Kotawaringin District (1); Village Heads Around the company (5); Community leaders (3); Surrounding companies (5); Central Kalimantan Regional Police; East Kotawaringin District Police; East Kotawaringin Sector Police; TNI; Universities and NGOs (17); Contractor (9); Suppliers (213); Hospital (3); banking (4) and Insurance. The list stakeholders has been review every twice a year.</p> <p>Documents that can be accessed by the public are listed in the procedure for providing information to public (SOP47 / PR / 6/0516) with details:</p> <ul style="list-style-type: none"> • Certificate / land use rights. • Work health and safety plan • Planning and assessment of social and environmental impacts • HCV documentation • Plan for reduction and prevention of pollution • Complaints in detail • Negotiation procedure • Plan for continuous improvement • General summary of certification assessments for companies that have been certified • Human rights policy. <p>The PIC in charge of updating and providing a list of stakeholders is the Public Relation Officer. Based on interview with villagers & District Government Office in Kotawaringin Timur, they have been know related document that can be accessed and unit management has sent mandatory report with timely such as Schedule waste report; POME report; environment</p>	

management & monitoring plan report and others.

1.1.2.

Unit management shows the procedure for providing information to public (Transparency) with document number SOP47 / PR / 6/0516 revised 06 effective date May 1st, 2016 approved by the General Manager (GM). The unit management will respond the information no later than 14 days after the request is received & submit a copy of the response letter to the internal unit.

Unit management shows a record of information requests for the 2018 period but most of them contain letters for assistance from external stakeholders for example:

- Letter requesting assistance related Kapuk Village coordinate point which will be held on October 23rd, 2018 with the number 145/23 / KPK / I / 2018 / Pem dated October 18th, 2018. The company has responded by finding the coordinates of the Kapuk Village October 23rd, 2018.

Based on interview with stakeholders (Villagers & District Government Office in Kotawaringin Timur), every letter has been responded by unit management.

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.

Documents that can be accessed by the public are listed in the procedure for providing information to public (SOP47 / PR / 6/0516) with details:

- Certificate / land use rights.
- Work health and safety plan
- Planning and assessment of social and environmental impacts
- HCV documentation
- Plan for reduction and prevention of pollution
- Complaints in detail
- Negotiation procedure
- Plan for continuous improvement
- General summary of certification assessments for companies that have been certified
- Human rights policy.

Status : Comply

1.3

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

1.3.1.

Code of ethics policy with document number 003 / DIR-KP / IV / 2016 for example the principles of the code of ethics; conflict of interest; accurate report; bribery & illegal acts or unethical trade practices; entertainment and gifts; abuse of office; insider trading; confidentiality; limitation of application; media relations; and others.

The socialization of the code of ethics policy on July 16th, 2018, was located at MSM Mill attended by 30 workers and on 5 - 7 November 2018 to workers at MSM 1 & MSM 2.

Every local contractor has received a socialization regarding the policy of the code of ethics given at the time of signing the workers agreement stated in Article 1.3 which states that the unit management provider will carry out the work in accordance with the procedure and comply with all applicable codes of ethics in the company. Interviews with harvesters, pesticide and fertilizer applicators revealed that there had been a socialization of the code of ethics policy.

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

The CH shows list of laws/regulations which used as reference for oil palm plantation operations, presented in document of "Law Register" dated 01 November 2018, Form No. 02/SOP 08/CKP/(3)/0416 (Rev. 16). The register has informed revision history and title of law/regulation. The subject of register was divided into four aspects, e.g. plantation, occupational safety and health (OSH), environment and manpower. Each aspect consist of 52, 55, 82 and 53 items, respectively. The list has stratified the level of regulations, i.e. Law/Statute, Government Regulation, Decree of President, Ministry Regulation, Decree of Minister, Decree of Government Agencies, Decree of Department Director General, National Standardization Body and International Convention. Summary of pursuance has fitted up with number and title of laws/regulations, respective Institutions issues, requirements or substance key points, relative section/article on laws/regulations, pursuance evaluation by checklist on administration and field actual implementation evidences.

The CH management informed that the documents above will be updated on the coming 01 May 2019. Furthermore, unit management stated that the master document of Law Register was saved and controlled by Legal Officer, Binamitra Regional and General Manager of PT MSM. Several evidence of laws/regulations pursuance is describes in detail on the respective aspects in this report.

The CH shown Environment and Forestry Minister Decree Number SK. 6406/MenLHK-PKTL/KUH/PLA.2/11/2016 dated 24 November 2016 about Establishment of an integrated team in the framework of research for the release of production forest areas for oil palm plantation development on behalf PT Mentaya Sawit Mas covering 1,641 Hectare in Kotawaringin Timur District, Central Kalimantan Provice, Indonesia. Based on interview with the legal team, there are no field inspection from related ministry in accordance to that's letter. The CH to be consider o conduct follow up on Forest Release Status. (OFI)

Biogas Plant.

There is a decree from the Regent of East Kotawaringin with number 660/345 / DLH-Ek.SDA / V / 2017 regarding changes in environmental permits for plantation activities and palm oil processing plants at PT MSM on May 18th, 2017. Determine changes in environmental permits for oil palm plantation activities with capacity 90 tons of FFB / hour by adding environmental management to the activities of catching / utilizing Methane Capture Plant.

2.1.2 and 2.1.4

Law/regulation register monitoring, update and distribution was carried out by Legal Officer, Binamitra Regional and General Manager of PT MSM. According to the latest law register dated 01 November 2018, it was known that there were 28 new law(s)/reguation(s) that added and/or updated on the list, for example Minister of Manpower and Transmigration Regulation No. 05 year 2018 about occupational health and safety on working environment; Minister of Environment and Forestry Regulation No. P.3/MENLHK/SETJEN/KUM.1/2/2018 about nasional qualification and competency certification of water sampling officer; Decree of Kalimantan Tengah Governor No 51 year 2018 about minimum wages and sectoral minimum wages on Regencies/Cities in Kalimantan Tengah Province; and Minister of Agriculture Regulation No. 05/PERMENTAN/KB.401/I/2018 about zero burning management on land clearing/preparation.

The PIC has conducting law register socialization which had conducted in 03 December 2018, attended by 23 participants from MSM POM, MSM 1 Estate and MSM 2 Estate. For regulation pursuance purposes, unit management is able to shows permit monitoring table which informed type and number of permit, expiry date, and Department/PIC who responsible for permit renewal or extension. Implementation of new regulation is shows for example, Decree of Kalimantan Tengah Governor No 51 year 2018 about minimum wages and sectoral minimum wages on Regencies/Cities in Kalimantan Tengah Province has been adopted by CH management through Internal Office Memorandum of Senior Human Resources Region (Sr. HRR) Manager No. 592/HRD-RO/XII/2018 dated 13 December 2018 which mentioned that since 01 January 2019, minimum wages in Central Kalimantan Project (CKP) was about IDR 2,776,500/month or IDR 111,060/day. The Memo has approved by General Manager. Socialization to workers towards 2019 new minimum wages has been conducted by CH management. For example, socialization for MSM POM has conducted out by Personal General Affair (PGA) on 03 January 2019 and approved by Mill Manager. Furthermore, based on interview with estate and mill workers, it could be concluded that information towards new minimum wages were well known by employees.

2.1.3

Mechanism of identification, monitoring and evaluation of law/regulation pursuant for legal aspect was presented in procedure No. SOP 08/CKP/(2)/0111 January 2011. The procedure mentioned that Legal Officer of Kalimantan Tengah has appointed to ensure and monitor legal and land permit pursuant every semester and make a review in all units through internal audit. Result of audit will be further discussed with the respective units through Manager and General Manager to be followed up. Internal audit of laws/regulations pursuant is presented in the same document as mentioned in Indicator 2.1.1 and 2.1.2, or Form No. 02/SOP 08/CKP/(3)/0416 (Rev. 16) dated 01 November 2018, signed by Legal Officer, Binamitra Regional and General Manager of PT MSM. Internal audit were divided into four aspect, e.g.: plantation, occupational safety and health, environment and manpower. Information towards laws and/or regulation implementation pursuant were available on the law register.

2.1.1 Status : OFI
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

According to review on PT MSM hectare statement January 2018, as well as information from certificate holder (CH) unit management and external stakeholders, i.e. National Land Agency of Kotawaringin Timur, Plantation Agency of Kotawaringin Timur and Community Representative from Kawan Batu and Ba'ampah, it could be concluded that there were no additional or expansion on operational areas. Estate operational areas as per February 2018 is **16,370.815 ha**. The CH shows their legal ownership evidence through document of Land Title or Land Use Right (HGU) No. 33 as mentioned in Decree of National Land Agency No. 57/HGU/BPN/2005 dated May 27th 2007 and Letter of Measurement No. 27/KOTIM/2005 dated October 24th 2005 for area covers **16,370.815 ha**. land title valid until October 24th 2040.

2.2.2

Estate management of MSM 1 and MSM 2 shows land title (BPN) poles map (Ref. No. HD6606) with scale 1:45,000 and 1:72,000 dated January 19th 2019, which informed location of each poles. Estate management informed that monitoring of poles has carried out twice a year, as mentioned in procedure No. 001/SOP/GIS/2014 dated July 1st 2014. Monitoring documents were signed by Surveyor GIS MSM, Estate Managers and General Estate Manager. According to monitoring record October 2018, it was informed that from total 37 poles in MSM 1 Estate and 61 poles in MSM 2 Estate, it was identified 8 and 4 poles were broken or not found in MSM 1 and MSM 2 Estates, respectively. Based on field observation to Poles No. MSM 28 (Block 41), MSM 36 (T26), and MSM 47 (Block Q11) in MSM 1 Estate, all poles were satisfactory demarcated, visibly maintained and appropriate with coordinates. Furthermore, observation to poles No. MSM 72 (Block J26), MSM 92 (Block R46), and MSM 86 (Block D31), it could be concluded that all poles were satisfactory demarcated, visibly maintained and appropriate with coordinates. Overall, there were no planting outside the land title area.

2.2.3 and 2.2.4

Estate management has provide land use map (Ref. No. HD 7638) scale 1:60,000 and 1:45,000 dated January 19th 2019 which informed dispute areas. FPIC and participative approach has conducted by certificate holder to overcome this situation. Procedure of land conflict resolution is presented in document No. SOP 29/BM/(0) 0409 dated April 13th 2009 about land relief, which still the same with the previous audit assessment and No. SOP 30/BM/1/2017 dated March 10th 2017 about land conflict resolution. Based on information from estate management, community representative from Tanjung Bantur and Penda Durian Village, as well as from Government Agencies of Kotawaringin Timur, it was known that even though there were dispute areas, there is no conflict exist which could affected estate operational activities. Process of resolution has considered satisfactory to all parties. Update in 2018 towards compensation deal of "Ganti Rugi Tanam Tumbuh" (or GRTT) record informed that during 2018, there were 26 deal agreement towards dispute areas within MSM 1 and MSM 2 Estate, totaling about **285.69 ha**. Evidence such as Agreement letter of affected parties, receipt with legal stamp, as well as picture documentation of the above parties were available.

2.2.5

Procedure of participatory map out with the affected parties are presented in document No. SOP 30/BM/1/2017 dated March 10th 2017 about land conflict resolution and No. SOP 31/SUS/(2)/0316 dated March 1st 2016 Revision 2 about land clearing. Map of occupation areas (Land Problem) is presented in scale 1:85,000 and foreknown by the claimers. Since

2016, it was reported that totaling about 15 occupant from MSM 1 and 12 occupant from MSM 2 Estate. Dispute location map, hectarage and field checking documentation picture were available.

2.2.6

Based on information from estate management, community representative from Tanjung Bantur & Penda Durian Village, as well as from Government Agencies of Kotawaringin Timur, it was known that certificate holder never raised instigated nor violence or use intimidation and harassment by contracted security forces or paramilitary in their operations, as solution to overcome land conflicts within estate operational areas. Social approach were always prior to be conducted.

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

Procedure of FPIC process is presented in document No. SOP 46/PR/(0)/0709 issued in July 2009. Furthermore, procedure of partisipatory map out with the affected parties are presented in document No. SOP 30/BM/1/2017 dated March 10th 2017 about land conflict resolution and No. SOP 31/SUS/(2)/0316 dated March 1st 2016 Revision 2 about land clearing. Map of occupation areas (Land Problem) is presented in scale 1:10,000 and foreknown by the claimnant. For example, conflict resolution with Claimnant namely Abdul Parmansyah for dispute area in Block N027 MSM1 for 0.08 ha has settled up as shown in minutes of meeting with affected parties dated January 22nd 2018, signed with 6 affected participants, include representative from Village elders.

Estate management were able to shows map which informed Identification of dispute/occupation areas on January 2019. It was informed that totaling about 15 occupant from MSM 1 and 12 occupant from MSM 2 Estate. Based on field observation, it was found that signboard were installed on the dispute areas. Signboard has informed name of claimnant, hectares and instruction on prohibition to conduct operational areas, otherwise permitted by land owner. Therefore based on interview with previous land owners from Kawan Batu Village, Kapuk Village (developed from Kawan Batu Village), and Pahirangan Village sighted information that land dispute resolution through FPIC process.

2.3.2.

Estate management has conducting FPIC and partisipative approach to overcome land conflict situation. Copies of negotiation agreement is presented in minutes of meeting. For example, conflict resolution with Claimnant namely Abdul Parmansyah for dispute area in Block N027 MSM1 for 0.08 ha has settled up as shown in minutes of meeting with affected parties dated January 22nd 2018, signed with 6 affected participants, include representative from Village elders. Minutes has enclosed map of dispute areas, land ownership document and field visit checking documentation.

During 2018, there were **26** deal agreement towards dispute areas within MSM 1 and MSM 2 Estate, which totaling about **285.69 ha**. Evidence such as Agreement letter of affected parties, receipt with legal stamp, as well as picture documentation of the affected parties were available.

2.3.3 and 2.3.4

Based on document review as describes in Criterion 2.2 and 2.3, it was known that all document record were available in Bahasa. Claimnant was represented by chief of village, elders of communities/village and claimnant itself. This could be seen on document of agreement which signed by those parties

Status : Comply

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

3.1

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

3.1.1 & 3.1.2

Certificate Holders have a 5-Year Business Plan (2018 - 2023) for estate and mill, which includes the following points :

- Financials
- Area Statement, Crop & Estate Cost

- FFB Processed & Milling Cost
- Plantation Development Cost
- Capital Expenditure (Mill & Estate)
- Sustainability Implementation Cost

PT Mentaya Sawit Mas Long-Term Plan :

Parameter	UoM	2018	2019	2020	2021	2022	2023
Total Area	ha	16,371	16,371	16,371	16,371	16,371	16,371
CPO	Mt	41,478	43,052	44,227	44,768	45,402	45,825
Production							
Pk	mt	7,501	7,786	7,999	8,096	8,211	8,288
Production							
FFB Price	Rp000/mt	1,585	2,337	2,181	2,224	2,270	2,313
CPO Price	Rp000/mt	6,480	9,248	8,656	8,818	8,993	9,155
PK Price	Rp000/mt	4,847	6,473	6,059	6,173	6,295	6,409
Total	Rp.	305,129	448,522	431,271	444,732	459,974	472,644
revenue	Million						
Cash	Rp.	101,784	321,714	519,047	729,121	946,821	1,169,668
balance	Million						

Evaluation is carried out when making the annual budget. Budget Vs Realization from the previous year is a reference in the preparation of the next year's budget. Flood handling, water level, decrease in peat surface are listed in the Annual Work Plan while the drainability assessment has not been done because in the near future (the next five years) the company will not carry out replanting. The oldest planting year is 2007 (only 12 years old)

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

SOP include key processes such as harvesting, transportation, manuring, IPM, GAP, and supply chain requirements for POM (SCCS). List of Mill SOP is still the same as previous assesment. Whereas for SOP estate there is Agronomy and SOP Guidelines for Oil Palm Plantation year 2015 which approved by the Head of Group Plantation. The contents are the same as the 2011 version and have been translated into Indonesian.

Based on field visits to the 2018 planting block (sandy area Division II MSM 1 and Block 784 Division IA MSM-2) are known there have been legunme planting and EFB applications. However, legume growth is not good and most areas are overgrown with weeds. In addition, not all of the oil palm have been given additional EFB. Furthermore, in the 504 Division 1B MSM-2 block, it was found that the circle condition was evenly filled with rubbish and rotten loose fruit. The company has shown the program and implementation of racking so that it can be seen that racking has not yet reached the block.

The company has the opportunity to ensure the plant management program in the sandy area and the implementation of racking are in accordance with the plan set. **OFI**

4.1.2 & 4.1.3

Certificate Holder monitors the implementation of procedures through internal audit activities. This is regulated in the SOP Internal audit No. the SOP 65 / CKP / (0) / 0811 document dated 1 August 2011 was approved by the General manager. The SOP also regulates internal auditors who have been trained in accordance with their fields. Some audits carried out for example:

- RSPO internal audits are carried out every year
- Routine and incidental visits / inspections of leaders
- Plantation Advisory every 6 months

Personnel in charge of carrying out internal supervision include the level of supervision of PT MSM, internal audit team, and Plantation Advisory (PA). The audit is carried out routinely according to the implementation period and the PIC is implemented. Corrective actions and action plans are given between 1 month and 3 months depending on the findings and the urgency of improvement of the findings.

Records of results of measurements and monitoring carried out internally, for example, are indicated by:

FIAS report periode April – May 2018

- MSM - 2; Block 225

Circle & Path score 3; Road score 3; Prunning score 3; Frond Staking score 3; Foot Bridges Score: 3

- MSM - 2 Block 060

Circle & Path score: 3; Road score 2; Prunning score 3; Frond Staking score 3; Foot Bridges Score: 2

Information :

1 - Not done yet

2 - Not according to standard

3 - It is in accordance with the SOP

- **MSM – POM (Assesment date 4 July 2018)**

Statoin	Finding	Progress	Status
Digesting & Press	Many nuts and kernels are scattered	Cleaned up, Increase workers' awareness through socialization	Complete; consistency monitoring
Workshop	The scrap metal area is not neat and mixed with plastic waste	Cleaned, Dissemination about handling waste	Complete; consistency monitoring

RSPO Internal Audit

Implementation on November 19-23, 2018 and there are 26 nonconformity. All nonconformities have been fulfilled on December 20, 2018. Some non-conformities issued include:

Finding	Improvement Correction	Status
Not yet carrying out reports on the utilization of HGU	Reported to Natioanal Land Agency Kotawaringin TimurRegency Reporting is done before December every year	Close
LA license expires on October 31, 2018	take care of extension permits	On progress

Records of audit results are stored at each estate unit and mill.

4.1.4.

Based on document review on FFB acceptance in MSM Mill, it could be concluded that FFB were supplied from PT MSM Estate (RSPO Certified), PT Bumi Sawit Kencana and PT Karunia Kencana Permai Sejati (RSPO Certified) All company mentioned were member of Wilmar International, Ltd. However since 24 April 2018, the management unit was down grade several area in MSM 2, Division 2C as Non Certified Product, such as: Block 366, Block 367, Block 368, Block 369, and Block 397 with area 96.28 Ha and planted area 29.67 Ha. It according to Internal Memo from GEM to the all EM, DM, FO and FC. All FFB from blocks adjacent with smallholder candidate area, it should be downgrade as noncertified product

4.1.1 Status : OFI

4.2

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

4.2.1 & 4.2.2

Soil management procedures are contained in SOP No. SA 05 / EMU / (1) / 0811 concerning manuring applications which include manuring recommendations, fertilizer expenditure from warehouses and distribution, manuring applications in the field and post manuring applications.

Based on interviews with manuring workers in the block O27 Division 1 MSM-1 and block 504 division 1B MSM-2 known to workers has understand the techniques of good fertilization and safe working methods. Manuring application in the field is carried out in the right place and the right dosage according to the research recommendations and using calibrated sowing bowl.

Manuring records can be seen in the monthly report of each estate as follows :

Estate	Fertilizer	Realization (Ton)	Pupuk/ton FFB
MSM-1	NPK	1,455.059	0.013
	Kieserite	268.073	0.002
	Dolomite	385.416	0.003
	Urea	56.249	0.0005
	NPK 8.4-36	1,098.05	0.0098
	MOP	77.780	0.0007
	RP	137.30	0.0012
	Borate	2,114.85	0.019
	NPK S-13	1,107.25	0.016
	Kieserite	212.80	0.003
MSM-2	Dolomite	205.90	0.002
	Urea	19.50	0.0002
	MOP	17.70	0.0002
	NK 8.4	799.50	0.011
	RP	115.65	0.001
	Borate	1.90	0.000027
	NPK S-13	578.05	0.008

FFB Production MSM-1 : 111,031.89 Ton;
MSM-2 : 68,744.982 Ton

4.2.3

The SOP for Soil Sampling for Soil Fertility Status (No. SA Document 12 / EMU / 1/915 revision 31 August 2015 states that soil analysis is carried out every 15 years. Whereas the leaf sampling procedure was prepared by the Eco Management Unit - Wilmar South Kalimantan and in work instructions stated leaf sampling was carried out every year. Leaf Analysis of MSM 1 and MSM 2 is available and last conduct in 2018 for fertilizer recommendations in 2019. LSU data shows leaf analysis of each block, which consists of variable content of N, P, K, Mg, Ca, B, Cu, Zn, Fe.

Soil analysis was last carried out in 2017 and is listed in the 2017 Land Fertility Evaluation Evaluation Document for Plantations in Wilmar International Plantation Central Kalimantan Project carried out by EMU – R & D team. The parameters in the soil test included criteria for soil fertility, soil type, pH, C-organic elements, total N, P-total, K, Ca, Mg, Na, and CEC status as well as results of evaluation of soil fertility.

4.2.4

Certificate Holder performs nutrient recycling by using EFB and POME. EFB applications are prioritized in areas with low organic matter (sandy) and in 2018 planting area. EFB application is intended for increase moisture, increase nutrients, and prevent weed growth in the circle.

Based on the estate and POM monthly report it is known that the realization of FFB and POME applications during the 2018 period is as follows:

- **EFB :**

MSM – 1 : 4,965.86 ton

MSM -2 : bulan Desember 1,083.60 ton

- **POME** : December 2018 : 2,989 m³

Results of field visits to the block O27 Division 1 MSM-1, it is known that empty application dosage is 300 kg / oil palm Empty Fruit Bunch are placed on the interrow and between the oil palm. Whereas in block Q24 / Q25 Division II Land Application is carried out well and supervised by the foreman. The flatbed observed was in good condition and there were no signs of overflow / pollution. The application is carried out by leaving the last 3 flat beds (in one lane) in anticipation of overflow in the event of rain.

Status : Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

Certificate Holder has a land survey document in 2007 carried out by Param Agricultural Soil Surveys (M) Sdn.Bhd. The document is equipped with several maps, one of which is a map of the distribution of sandy and peat areas.

In addition there is a Sandy Area PT MSM Map created by the GIS team and EMU R & D with a scale of 1: 70,000. Referrals from the map are GIS Database, Data Inventory Survey period of December 2017, and survey data of Dr. Param. The survey by Dr. Param itself uses geographic references in the form of maps of East Kotawaringin / Seruyan Regency

4.3.2

According to soil survey report as mentioned in indicator 4.3.1 it was informed that slope condition in PT MSM were mainly ranged from 0 – 12 % which classified as flat to undulating

4.3.3

Road maintenance programs are always included in the annual budget. Supporting facilities in road maintenance include road graders, vibro compactors, and TLB. Realization of road maintenance for the 2018 period is as follows:

MSM-1

Work Type	Target (m)	Realization (m)
Boundary Road	20,800	5,171
Bridges Maintenance	13.00	1.00
Collection Road	29,800	171,361
Culvert Maintenance	31.00	2.00
External Road	5,000	4,648
Main Road	5,990	12,780
Road - Miscellaneous	3,129	3,129

MSM – 2

Work Type	Target (m)	Realization (m)
Collection Road	104	104
Main Road	4,000	4,000

During the audit activity, the rainfall is high so that at some point there are damaged road conditions. However, repairs have been made by hoarding holes with stones. Besides that, a water channel is made to the right and left of the road so that there is no flooded road

4.3.4

The SOP on management and monitoring of peat soils is contained in the SOP-EST-008 Revision 3 document dated December 16, 2013 concerning the management and monitoring of peat soils. The implementation of peat monitoring and management includes the following methods:

Monitoring of Water Level and Peat Subsidence

Piezometer / Monitor Well

Estate	Block	Dated	High (cm)	Dated	High (cm)
MSM-1	O22	5 Dec	28	19 Dec	30
	126	5 Dec	33	19 Dec	44
MSM-2	565	4 Dec	73	18 Dec	81

Water Level on Main and Secondary Trenches

Estate	Block	Dated	High (cm)	Dated	High (cm)
MSM-1	O22	5 Dec	40	19 Dec	50
	126	5 Dec	35	19 Dec	45
	101	5 Dec	35	19 Dec	55
	578	4 Dec	30	18 Dec	35
MSM-2	511	4 Dec	25	18 Dec	30
	558	4 Dec	10	18 Dec	10

Subsidence Pole
MSM-1

Block	No	Lowering (cm)
O22	1	9
O22	2	8.5
O22	3	4
101	4	0
125	5	1.5
126	6	2

MSM-2

578	1	0.1
565	2	1
565	3	0.5

Based on field observation to the Block O22 MSM-1 known that the water level was at 30cm while in bloc 565 Division 1 MSM – 2 water level was at 40 cm. The high level of water introduced is indeed the actual condition when assessing rainfall in high condition (there are 4 rainy days in one week). There have been weirs to regulate and maintain water levels. When the water level is high, weirs will be opened so that water can flow and lower the water level. The condition of subsidence stakes in both blocks is in good condition with a clear identity.

4.3.5

According to year of planting figure, it was known that oldest palm were planted in 2007. Replanting is expected to be carried out in 2032. Hence, drainability study would not be conducted in the near future.

4.3.6

The critical land identified in the operational area is in accordance with the 2007 land survey document by Param Agricultural Services and the Land Suitability Class Assessment in 2017 by EMU R & D is sandy soil and peat. Based on field visits to the block 380 MSM-1 in the sandy area it is known that one of the strategies for critical soil management carried out is by applying EFB at a dose of 40ton / ha. In addition, there are planting PJ and CM with a ratio of 1: 2.

Management of peat areas has been described in 4.3.4

Status : Comply

4.4
Practices maintain the quality and availability of surface and ground water.
4.4.1.

The company shows a water management plan with details:

- Water requirements for palm oil processing
- Calculation of water requirement
- Source of availability of drill well water
- The need for clean water for processing water treatment plans
- Periodic water quality testing
- Efforts to save water use
- And others.

In the report of water treatment for 2018 for example:

- Testing the quality of clean water and drinking water on November 27th, 2018 by the EMU Laboratory located on WTP 1; WTP 2; Drill Well 1; and Drill well 2.
- Water requirements for oil palm processing with a boiler capacity of 30 tons / hour as much as 112,33.25 m³ / month and other operations 3,002.82 m³ / month and the average water use for FFB processing production in Mill per month reaches 8,193.90 m³ / month.
- Basic needs for daily activities for workers or 620 liters / day.
- Water requirements for 350 liters / day office activities.
- Use of water for spraying operations 158,400 liters / year.
- Quality testing of river water biota and monitoring wells (in the RKL / RPL implementation report).
- Saving water by taking shorter showers, checking for & repairing leaks toilets, fixing dripping faucets, washing the vehicle as needed is prohibited from making a fish pond and not making wells.

4.4.2.

Based on field observation in Division 2 Block T42 (HCV 3), HCV area has been protected by unit management such as chemical limits; no hunting; no burn land and others. HCV area has been accordance with procedure riparian management area with document number SOP 20/HCV/2/0418 on April 27th, 2018.

4.4.3.

Based on environmental permit documents, IPAL layout and pond specifications are available to manage POME. There are 13 waste ponds with capacities: Cooling pond (3,420.4 m³), 2 mixing ponds (3,420.4 m³ each), 6 anaerobic ponds (8008.3 m³ each), and 4 aerobic ponds (each capacity 8,802.1 m³). Unit management shows that the permit to use palm oil industry wastewater located in Sebaby Village, Telawang District with number 008 / DPMPTSP-PT / LA / I / 2019 dated January 7th, 2019 is valid for 5 years with utilization area is 496.95 ha. Based on field observation in land application block Q24 & Q25 MSM 1 Estate, there is no run off and the location area is accordance with the permit.

4.4.4.

Unit management has a revised procedure No WIP / POM / SOP / 01 / 02-14 0 dated February 1st, 2014 explaining the management of water treatment water plans. Based on water usage records for the period July - December 2018 it is known that the efficiency of water use for the process is 1,088 m³ / ton FFB and the efficiency of water use for domestic is 0.198 m³ / ton FFB.

Status : Comply

4.5

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

4.5.1

The IPM program has been documented and is always proclaimed in the annual work plan. Based on Summary Detection of Pests and Diseases Potential pests identified are nettle caterpillars, bagworms, rat, and Oryctes. There is the use of barn owls as natural predators for rat and the planting of beneficial plants as host plants for predatory and parasitoid insects for Palm Leaf Eating Caterpillar.

With the application of IPM, it is expected that the use of pesticide to control pests can be minimized. Reduced chemicals such as rodenticides and parakuat. The use of acephate to control Palm Leaf Eating Caterpillar has gone through

consideration of the analysis of pest infestation levels that have exceeded the control threshold.

Biological control records that have been carried out by the company, for example, are indicated by:

- **Beneficial plant**

Both MSM-1 and MSM-2 have planted a beneficial plant with types turnera and antigonon. Turnera are planted on each side of the CR and MR. While antigonon is planted on every crossroad. In the monitoring document and beneficial plant cropping map, it is known that until December 2018 almost all CR and MR have been planted with turnera. While the progress of antigonon planting has been more than 60%.

- **Gupon (Nest Box)**

MSM - 1: Number of gupon 188. Good condition 180, Damaged 6, uprooted 2. Number of adults 47 and 2 eggs

MSM-2: number of gupon 160. Good condition 114, broken 21, collapsed 25. Number of adults 74 tillers 2 and 0 eggs

Based on the crop protection summary PT MSM made by the P n D assistant is known that during the 2018 period there was no pest control in the MSM-1. Whereas in MSM-2 there was an attack of bagworm and nettle caterpillar which in the evaluation results stated that the attack rate had exceeded the control threshold so that control was needed with pesticides.

4.5.2

Records of training of workers involved in integrated pest control processes include:

- December 6, 2018

MSM-1: Followed by 25 participants starting from FO, FC, and P & D officers

MSM-2: Followed by 18 participants starting from FO, FC, and P & D officers

Speakers are EMU staff - WIP CKP and in the minutes written during the training have discussed oil palm pests, census methods, and how to calculate and prepare pest observation reports. Based on interview with MSM – 1 and MSM – 2 P & D Officer known they have been able to show a good understanding related potential pest and handling on it.

Status : Comply

4.6

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

4.6.1 & 4.6.2

SOP of Agricultural Manual and Standard Operating Procedure for Palm Oil in the upkeep and maintenance oil palm section explains selectively spraying weeds. In addition there is also SOP No. SA 06 / EMU / (0) / 0811 about calibration of agrochemical sprayers. With the existence of these two procedures it is expected that the use of pesticides will be more efficient and on target.

The company has a list of the types of pesticides used along with the justification of the target. For example glyphosate and methyl metsulfuron are used to control broadleaf weeds. While Triclopyr is used for ferns and woody growth. Interviews with MSM-1 and MSM-2 spray teams revealed that workers had been able to explain well the suitability of pesticides used with target weeds,

Records of the use of pesticides indicated by the certificate holder are as follows:

MSM-2 (Januari – December 2018)

Active Ingredients	Usage	Number of a.i	Application (ha)	a.i/ha
Glyphosate	1,594.00 liter	765.12	5,134.34	0.149
Triclopyr	6.00 liter	4.02	133.43	0.030
Methyl Metsulfuron	194.55 Kg	93.38	13,393.28	0.006

MSM-1

Active Ingredients	Usage	Number of a.i	Application (ha)	a.i/ha
Glyphosate	1,633.59	784.12	9,024.46	0.08

Triclopyr	0.50 liter	0.24 l	56.08	0.004
Methyl	403.42 kg	80.68	38,284.10	0.002
Metsulfuron				
Acephate	3.91 liter	2.93	2,865.22	0.001
Chlorantraniliprole	0.25 liter	0.012	57.09	0.0002
2,4 Dimethyl Amine	7,224.78 liter	6,249.43	3,218.15	1.94

4.6.3

IPM programme listed in Annual Work Plan which is then detailed into a monthly work plan and daily work plan. The IPM program prioritizes routine monitoring of the presence of pests. Pesticides are the last alternative control if indeed the observations show a value above the control threshold.

Basically the application of IPM aims to minimize the use of pesticides in pest control. Based on records of the use of pesticides it is known that rodenticide types are the most significantly reduced because in the 2018 period there was no use. While the use of acephate to control fire caterpillars is always based on control threshold values and population monitoring progress (explained in more detail at 4.5.1)

4.6.4

Policies related to the use of pesticides especially Paraquat written in Wilmar Policy (No Deforestation, No Peat Dan No Exploitation) released on December 5, 2013, stated that: "The use of pesticides categorized by the World Health Organization (WHO), classes 1A or 1B as stated in the Stockholm or Rotterdam conventions will not be used except in certain circumstances or emergency conditions. The use of Paraquat is prohibited".

Based on data from PT MSM pesticide usage for the 2018 period there is no use of WHO group 1a and 1b pesticides. Field visits to chemical storage warehouses are known that pesticide stocks are always recorded on the warehouse card so there is no difference in stock.

4.6.5

The procedures for handling pesticides include:

- SOP for Management of Hazardous and Toxic material and Hazardous Waste number SOP 22 / EHS / (3) / 0711
- SOP Washing work tools and PPE Spray. Doc No. SOP 52 / EHS (0) / 0909
- SOP Pesticide storage, used pesticide packaging. Doc no. OP 17 / EHS (0) / 0409

Plans and realization of training in more detail are explained at 4.8.1 and 4.8.2. Records of training on the 2018 pesticide include:

23. MSM – 2 : December 12, 2018; followed by 78 participants starting from the level FC, all spraying team, and spraying team supervisor
24. MSM – 1 : December 13, 2018; followed by 19 participants starting from the level of FC, all spraying team, and spraying team supervisor

In the minutes of the training results it is known that the material provided includes the Occupational Health and Safety Procedures, Waste Handling, Emergency Response Procedures, Personal Protective Equipment, and how to store and manage pesticides. Pesticide applicators are special people who have received regular training and are part of the spray team. Each estate has one spray team.

Based on the results of interviews with spray workers in the O42 Division II MSM-1 block and block 567 Division 2A MSM-2 workers have been able to explain the dangers and risks associated with the chemicals used. For example, the obligation to use PPE, spray limits, how to handle poisoning, and the obligation to always clean the work tools and body of the applicator before returning to their homes. Pesticides are always applied in accordance with the label on the product for example for reference dosage applications and target pests. The MSDS for each product is available and stored by the spray foreman. The PPE used by the spray team includes boots, aprons, helmets, masks and glasses. Examination of PPE is performed every day during muster morning. Workers say that if there is damage to the PPE, it will be replaced

immediately after reporting to the supervisor.

Although the PPE provided and used is complete, there is still one worker from the MSM-2 who uses short arms when applying for pesticides. The company has the opportunity to ensure that every worker adheres to and implements the established health and safety policies. **OFI**

4.6.6

The company has a SOP for pesticide storage and used pesticide packaging no. SOP 17 / EHS / (0) / 0409 documents apply April 2009. The SOP explains the mechanism for storing pesticides in special warehouses, including a place for mixing pesticide materials that will be used in the field in special isolated places so that there is no potential for chemical exposure to occur outside the warehouse. Storage of used pesticide packaging is stored in a temporary hazardous waste shelter then sent to licensed collectors.

Based on the field visit to the LB3 MSM-1 TPS and MSM-2, the pesticide jerry cans were stored at the appropriate place. Based on observation to circle and path spraying worker known no pesticide jerry cans brought to the field. The mixing process is carried out in the warehouse to then be included in the mixing tank. There is no use of used pesticide packaging for other purposes. Management of used pesticide packaging carried out by the Certificate Holder has been in accordance with the procedures specified.

4.6.7

Work instructions for the application of pesticides include:

- SOP for Agronomy CHAPTER 6 concerning maintenance of oil palm
- Occupational Safety Procedures in Spraying and fogging
- Product label for each type of pesticide and MSDS (Material Safety Data Sheet) which informs about how to apply and handling each type of specific pesticide

Training on handling pesticides has informed about the risks and impacts of the application of pesticides. The material includes handling if there is poisoning and work obligations that are safe for both themselves and the environment. For example, the obligation to wear PPE and an understanding of areas that should not be sprayed such as riparian

Based on the field visit and interviews with the MSM-1 spray team and MSM-2 in block 567 divisions 2A and O42 Division 1 it was found that the mixing process of pesticides was carried out in the pesticide warehouse to be subsequently incorporated into the mixing tank.

Not allowed to bring pure material to the field. Pesticides brought to the field are ready to use. To avoid being scattered, pouring pesticides from the mixing tank to the knapsack was covered with a plastic bucket. Mixing tanks are equipped with clean water and laundry soap. There is a special place to store food of the worker to avoid contamination with pesticides

4.6.8

Based on interview with spraying team, Estate Manager, and Emu staff known up to ASA-4, there has never been an application of pesticides through the air. Field observation to pest control storage also no facilities and infrastructure were found for pest control through the air

4.6.9

Estate management has provide training of pesticide handling for pesticide applicators, store keeper and Upkeep Foreman, which aims to maintain workers knowledge and skills towards pesticide safe application and management. For example, Safety pesticide application training in MSM 1 Estate and MSM 2 Estate had been carried out in 10 December 2018 and 13 December 2018, respectively. The trainings were attended by the related workers. Since there is no presence of smallholders, trainings has only available for internal workers. Based on interview with pesticide applicators in Divisionon 2 Block O42 MSM 1 Estate and Divisionon 2A Block 576 MSM 2 Estate, as well as Pesticide Store Keeper in MSM 1 and MSM 2 Estatet Housing Complex area, it could be concluded that the workers were able to explain and demonstrate pesticide handling technique such as pesticide mixing, storage of used containers on the Hazardous Waste Store and can't be reused for domestical purposes, PPE to be used, emergency action of pesticide incidence and

cholinesterase testing which conducted once a year. Furthermore, Pesticide Store has already equipped with hazardous symbols, MSDS, PPE and other emergency facilities such as first aid kit box, fire retardant, etc.

4.6.10.

Based on visits at Schedule waste store and interviews with officers are known that hazardous waste is collected and sent to third parties that have hazardous waste transportation and processing permits. Available minutes of meeting for pesticide applicators (agrochemicals) on December 13th, 2018 located in MSM 2 and pesticide applicators (agrochemicals) on December 10th, 2018, is located in MSM 1.

4.6.11

Estate management shows list of pesticide applicators as per January 2019, i.e. 31 and 25 applicators in MSM 1 Estate and MSM 2 Estate, respectively. All applicators were female. Estate management shows latest medical record testing which conducted by company clinic in MSM 1 Estate and MSM 2 Estate every semester. Summary of cholinesterase medical record are based on Cholinesterase record dated May 2018 and December 2018 in MSM 1 Estate and MSM 2 Estate, it could be concluded that that all workers tested were indicated normal and fit to works which may expose to chemicals. Record of medical history has also kept by doctor company, saved on Estate Clinic. The testing has also including for fertilizer applicators, land application operators and PPE cleaned up workers. Based on interview with pesticide applicators in Divisionon 2 Block O42 MSM 1 Estate and Divisionon 2A Block 576 MSM 2 Estate, it was known that estate management has conducting cholinesterase and general medical check up twice a year. Information of testing analysis was informed to all workers.

4.6.12

Policy on prohibition for pregnant and breastfeeding women to works related to pesticide is presented in Internal Office and General Manager Memorandum No. 016/GM/III/2009 dated August 26th 2009 and procedure No. PSKK 2/CKP/(2)/1111 dated November 2011 about procedure of pesticide application through spraying and fogging method. This policy has well implemented by CH, as confirmed to Gender and Bipartite Committee.

According to the list of pesticide applicator data, it was known that there were 31 and 25 female pesticide applicators in MSM 1 and MSM 2 Estate, respectively. Based on interview with female pesticide applicators in Divisionon 2 Block O42 MSM 1 Estate and Divisionon 2A Block 576 MSM 2 Estate, it was known that detection of pregnancy was conducted by the company clinic every semester by rapid kit test for pregnancy detection and/or directly informed by the employees itself. Furthermore, applicators also stated that those who positively detected will not allowed to works with agro-chemicals and will be transferred into manual upkeep works. For example, there is Information Letter from company doctor dated 19 January 2019 which informed that applicator namely Ms. Kasma must be transferred to non chemical works due to pregnant. Estate management has response doctor recommendation through Decree of Estate Manager No. 001/HRD-MSM-2/SK-Mutasi/H/I/2019 dated 21 January 2019 about mutation appointment for the respective worker from chemist to manual weeding works.

4.6.5 Status : OFI

4.7

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

4.7.1

Company policy towards occupational safety and health (OSH) has issued by Country Head in Bahasa on May 22nd 2015. There is no revision of policy since then. Program of OSH in MSM POM, MSM 1 Estate and MSM 2 Estate are presented in document of Environment Safety and Health (ESH) PT MSM for POM and/or Estate dated January 2018 and January 2019, for period 2018 and 2019, respectively. The ESH program in MSM POM has consist of 20 safety items and 7 health items, while ESH program in MSM Estate has consist of 17 safety items, 1 health item, 4 environment items and 9 items for reporting. For monitoring the effectiveness of OSH program, the OSH Committee (P2K3) has evaluate it through quarter meeting. Furthermore, to verify OSH implementation, POM and Estates management has conducting daily inspection and safety briefing before works. Several evidence towards OSH program is presented in several documents, for example OSH monitoring report, socialization and trainings, operator and production unit (machinary) license monitoring records, HIRADC, minutes of OSH committee quarterly meetings, accident records and evaluations, general and special medical check up and evaluation records, OSH facilities records such as PPE delivery and monitoring, fire retardant, etc.

Based on field observation to MSM POM, MSM 1 Estate and MSM 2 Estate, it was found that safety policy has displayed on the Office and Stations. Furthermore, workers in Mill and Estates informed that CH management has deliver socialization towards safe working practices through training, safety briefing and safety meeting .during daily morning muster. Thus, according to document review and field observation, it could be concluded that OSH program and implementation in CH management unit has in line with Indonesian laws/regulations.

4.7.2

Hazard identification risk assessment determining control (HIRADC) for MSM POM and MSM Estate are presented in document Form No. FRM-SD-08-01 (last review in January 2019) and Form No. RM 01/SOP 11/EHS/(1)/0909 (last review is 02 November 2018), respectively. According to document review, it was known that the assessment and analysis has covers all relevant mill and estate operational activities. The HIRADC was prepared by OSH Committee Secretary in POM and Estate with license of General OSH Expert (AK3 Umum) Reg. No. 284/PK3/AJ/62/2012/P0 and No. 15885/PK3/AJ/62/2017/P1, respectively. Based on observation and interview with workers in MSM POM, MSM 1 Estate and MSM 2 Estate, it was known that the company has provide personal protective equipments (PPE) for workers, in accordance with risk analysis assessment. For example, PPE for chemicals applicators has refers to material safety data sheet (MSDS) of product. Furthermore, based on observation to chemical warehouse in MSM 1 and MSM 2 Estate where located within housing complex area, it was known that estate management has provide a proper place (building room) for pesticide mixing and storage. MSDS of products and emergency facilities such as first aid kit, fire retardant and hazardous symbols were available onsite.

Record of accident is presented in document of OSH Quarter Report. For example, according to dated 12 January 2019, it was informed that number of accident during 2018 in MSM POM, MSM 1 Estate and MSM2 Estate were 2, 36 and 5 accident, respectively. Total mandays lost were reach 163 days. Evaluation towards accident was carried out by OSH Committee Secretary through monthly meeting, describes in detail on quarter P2K3 report.

The CH management has conducting annual medical and special surveillance for workers. This is confirmed during interview with mill and estate workers. For example, summary of special medical surveillance is presented as follows:

- MSM POM → Audiometric testing is conducting twice a year which has conducting on May and December 2018 by MSM 1 Estate Clinic. The results indicates that 13 workers tested were indicates normal. For operator works in area more than 85 dB, mill management has provide earplug or earmuff as PPE. This matters confirmed during field observation on 22 January 2019.
- Cholinesterase record on May 2018 and December 2018 in MSM 1 Estate and MSM 2 Estate indicates that all workers tested were fit to works which may expose to chemicals.

4.7.3

The CH shows several licenses of operators, asrequired by regulations, as well as its monitoring of license validity for exampl as follows:

- MSM POM: there is totaling 33 operators with license and/or certificate. Five workers were still ongoing for extension and proposed for relative training.
- MSM 1 Estate: there are 6 licenses for tractor operators, 10 licenses for mini tractor operators, 11 licenses for dump truck operators, 2 licences for backhoe loder operators. 2 licences for excavator operators and 1 licence for grader operator. All license were still valid. According to list of license holder and list of employees December 2018 review, it could be concluded that all Lisences were holds by active operators.
- MSM 2 Estate: there are 2 licenses for dump operators, 7 licenses for hook lift operators, 5 licenses for tractor operators, 12 licences for mini tractor operators, 1 licences for excavator operator, 1 licence for grader operator, 1 license for backhoe loader operator, 1 licence for compactor operator and 2 license for generator set operators. All license were still valid. According to list of license holder and list of employees December 2018 review, it could be concluded that all Lisences were holds by active operators.

In order to maintain and upgrade workers understanding and/or skills towards safe working practices, CH management has providing several safety and helth trainings, for example safety pesticide application training in MSM 1 Estate and MSM 2 Estate has been carried out in 10 December 2018 and 13 December 2018, respectively. Furthermore, fire drill training has conducted in MSM POM on 28 December 2018, while training of lifting operators of Wilmar Group has

conducted in 03-05 July 2018 in Sampit Training Center. Based on observation and interview with Operators in Station of Weigh Bridge, FFB Grading, Boiler, Engine Room, Nut and Kernel, Sterilizer and Press in MSM POM, as well as Harvester, Pesticide Applicators and Fertilizer Applicators in MSM 1 and MSM 2 Estate, it could be concluded that all workers were able to explain and demonstrate technical work matters, in accordance with SOP, as well as safety aspects such as PPE usage, type of PPE and periodic medical check up. The workers stated that PPE such as safety helmet, safety shoes/boot, ear-plug/ear-muff, respirator, etc., were provided by CH Management and easily replaced if improper to be used or damaged due to working activities.

The CH shows evidence that PPE has been delivered to all workers, as well as its monitoring and replacement, as shown in several records such as PPE request which is presented in document No. FRM 01/SOP 06/CKP/(1)/1109 and official letter of PPE delivery which is presented in document No. FRM 03/SOP 03/EHS/(2)/1109 and No. FRM 04/SOP 03/EHS/(2)/1109. The letter document was signed by Store Head, Division Manager and the respective Worker. Furthermore, record of PPE monitoring is presented in document Form No. FRM 02/SOP 03/EHS/(4)/1117, signed by Document Controller, Officer and the respective Worker. For example, MSM 1 Estate shows PPE monitoring record of all Fertilizer Applicators dated 28 November 2018.

4.7.4

Company occupational safety and health monitoring and implementation is carried out by OSH Committee (or P2K3), which already endorsed by Manpower and Transmigration Agency of Kalimantan Tengah Province through Decree No. 566/33/PK/12/II/Nakertrans dated 10 January 2019 with Head of Agency Decree No. KEP.07/DISNAKERTRANS/II/2019 dated 10 January 2019 about P2K3 for MSM POM. Furthermore, endorsement of P2K3 for MSM Estate is presented through Decree No. 566/1685/PK/12/XII/Nakertrans dated 12 December 2019 and Head of Manpower Agency Decree No. KEP.506/DISNAKERTRANS/XII/2019 dated 12 December 2017 about P2K3 for MSM Estate. Those decrees were valid for three years.

Person in charge whose responsible for OSH program implementation are carried out by licensed OSH Expert with Reg. No. 15885/PK3/AJ/62/2017/P1 dated 20 December 2017 and Kep.WSKK/AK3/2016 dated 06 June 2016, for MSM POM and MSM Estate respectively. The license is valid for three years. This matter is further justified through Letter of Agency Head No. 560.563/15/Latas/II/2019 dated 23 January 2019. Furthermore, records of OSH monthly meeting were available, for example last P2K3 meeting for MSM POM and MSM Estate were conducted in 08 December 2018 and 22 December 2018, respectively. Subject of discussion were about house keeping on housing complex and mill, lost time accident statistics, safety inspection and top ten clinic (disease).

4.7.5

Procedure of emergency situation and emergency team is presented in document No. SOP 02/EHS/(0)/0409 dated April 2009 and Procedure of emergency dated 01 October 2017. As for implementation, based on observation to chemical store in MSM 1 Estate and MSM 2 Estate, as well as Workshop in MSM POM, it was found flowchart of emergency as mentioned in the procedure. Furthermore, MSDS of chemicals stored were available. Moreover, first aid kit and set of fire extinguisher were available and well maintained. List of emergency number has also available on information board. The CH has provided first aid kit, as follows:

- MSM POM: 10 pcs of permanent first aid for buildings.
- MSM 1 Estate: 24 pcs of portable first aid kit for Foreman and Field Officer, 20 pcs of permanent first aid for buildings and 48 pcs of first aid kit for vehicles.
- MSM 2 Estate: 20 pcs of portable first aid kit for Foreman and Field Officer, 15 pcs of permanent first aid for buildings and 41 pcs of first aid kit for vehicles.

The CH has team of paramedic which Hiperkes certified, i.e. Head Clinic, a doctor with license valid until 11 Mei 2022, a Nurse (Hiperkes) with license valid until 28 September 2021, a Midwife (Hiperkes) with license dated 13 November 2017. Training for first aider has been conducted in 14-17 November 2016.

Notification accident report is presented in document No. FRM-EHS-051-01 while investigation report is presented in document No. FRM-EHS-034A-02. CH management is able to show investigation of accident, as well as its reporting to BJPS Manpower, for example as follows:

- MSM POM: Date of accident 21 November 2018 in Storage Tank, due to unsafe action; mandays lost for 9 days; report to BPJS on 21 November 2018; the workers has sent to MSM 1 Estate Clinic and Murjani Hospital for further treatment and justification. The worker manday lost was still paid by the company.
- MSM Estate: Date of accident 11 June 2018 in Block 44 MSM 2 Estate, due to unsafe action; mandays lost for 3 days; report to BPJS on 11 June 2018; the workers has sent to MSM 2 Estate Clinic for treatment. The worker manday lost was still paid by the company.

CH management informed that those accident has also reported by Head Office to BPJS-Manpower via online.

4.7.6

Based on document review and interview with workers in MSM POM, MSM 1 Estate and MSM 2 Estate, it was known that all workers were covered by BPJS manpower and Health. Evidence of payment for both BPJS are available, through Payment Slip of BPJS-Manpower to all workers in MSM POM, MSM 1 Estate and MSM 2 Estate for period December 2018 dated 15 January 2019, with Code 190103471084, 190103472056 and 190103472892, respectively. Furthermore, evidence of Payment Slip of BPJS-Health for period December 2018 dated 10 December 2018 via Bank Mandiri are also available. Moreover, based on interview with owner of CV Randu Mas, it was informed that all contractor workers has also covered by BPJS. Contractor management is able to shows evidence of BPJS-Manpower payment for 75 workers dated 17 January 2019. The CH also shows evidence of BPJS-Manpower payment for 25 workers from CV Aulia Desi dated 09 January 2019.

4.7.7

The CH shows recapitulation of lost time accident in MSM POM, MSM 1 Estate and MSM 2 Estate, included first aid incidence, frequency rate, severity rate and incidence rate. For example recapitulation of mandaylost for period January to December 2018 in MSM POM, MSM 1 Estate and MSM 2 Estate were 12 days, 137 days and 14 day, respectively. Evaluation of accident matrix is presented in OSH Committee meeting and quarter P2K3 report.

Status : Comply

4.8

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

4.8.1

The CH is able to shows list of employees in MSM POM, MSM 1 Estate and MSM 2 Estate, for example as per December 2018. In order to maintain and/or enhance worker skill and knowledge, CH management has providing training program for period 2018 which issued by Estate/Mill Manager, Personal General Affairs and EHS Officer. Training program in MSM 1 and MSM 2 Estate were consist of 14 program while in MSM POM was consist of 11 program. All trainings has fully completed in the third weeks of December 2018. Based on list of employees, it was known that all workers has a permanent worker status, and there is no smallholder and contract workers. This is confirmed during interview with Bipartite Committee of PT MSM (Mill and Estate) and Manpower Agency of Kalimantan Tengah Province and Kotawaringin Timur Regency. Evidence of training record such as attendance list, picture and official letter were available. For example, safety pesticide application training in MSM 1 Estate and MSM 2 Estate has been carried out on 10 December 2018 and 13 December respectively. Furthermore, fire drill training has been conducted in MSM POM on 28 December 2018.

4.8.2

Record of training based on personnal competency were available. For example, worker from Maintenance Department of MSM POM has had follows several training in 2018 as required and programmed by OSH Committee such as training of work permit LOTO (Lock Out Tag Out), confined space, Hydrant and Fire Drill.

Status : Comply

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

5.1

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

5.1.1.

Unit management has an environmental document in the form of an “**ANDAL**” document for the construction of plantations and palm oil in the Mentaya Hulu Subdistrict, East Kotawaringin District, and Central Kalimantan in 2009 for

an area of 15,500 ha with a mill capacity of 90 tons FFB / hour. This document was prepared by the initiator of the Kalimantan Sustainable Environmental Development Foundation located in Palangkaraya in 2009. This "ANDAL" document has obtained a decision on environmental feasibility according to KOTIM Regent's decision number: 660/01 / BLH / IV / 2009 on April 27, 2009.

Unit management shows an Environmental Management Document ("DPLH") for an additional Palm Oil Plantation is 870.82 ha outside the PT MSM environmental permit and has become an land use title according to the decision of the Regent of East Kotawaringin with the numbers 660/344 / DLH-EK. SDA / V / 2017 is located in Mentaya Hulu Subdistrict, Kotawaringin Timur District on May 18th, 2017.

Biogas Plant.

There is a decree from the Regent of East Kotawaringin with number 660/345 / DLH-Ek.SDA / V / 2017 regarding changes in environmental permits for plantation activities and palm oil processing plants at PT MSM on May 18th, 2017. Determine changes in environmental permits for oil palm plantation activities with capacity 90 tons of FFB / hour by adding environmental management to the activities of catching / utilizing Methane Capture Plant.

5.1.2 & 5.1.3.

EIA documents have covered all operational activities and all aspects of PT MSM. The impact monitored is

1. Physical and chemical components include: temperature and humidity, gas and dust, noise, physical quality of chemical surface water, water discharge, physical and chemical properties of soil, and erosion.
2. Biological components include: flora and fauna, potential land fires, plankton and benthos, nekton, and hydrology.
3. The Social, Economic and Cultural Components include: community attitudes, perceptions, community unrest, social jealousy, work and business opportunities.
4. Health Components.

Management and monitoring plans for Biogas Plant include Air quality such as:

- The quality of gas and dust is located in the factory area and employee housing.
- Noise located in the factory area (Generator Room).

Based on document of *RKL/RPL* implementation for semester 1 2018, it have been accordance with matrix. There are evaluation of trends, critical and compliance with environmental monitoring efforts. Example: monitoring of biota water quality for phytoplankton in MSM 1 & 2 in the good quality. Available identification & evaluation and aspects of environmental impact for 2018 which describes activities / production; situation / operation (normal, abnormal and emergency); inputs (including water, energy, natural resources); Volume / month; results (including current or future events); impact; criteria (legal, scale, severity, possibility, & interested parties).

Status : Comply

5.2

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

5.2.1; 5.2.2; 5.2.3; 5.2.4 & 5.2.5.

Unit management HCV identification documents, namely the HCV Assessment Report of the Wilmar Central Kalimantan Project, February 2009. HCV identification was carried out by Malaysian Environmental Consultants, Sdn, Bhd. Based on the document it is known that the HCV area has been identified as **3,152.88 Ha**. MEC Team: Dr. Kisho Kumar (Leader - RSPO Approved HCV Assessor); Dr. Lim Meng Tsai (RSPO Approved HCV Assessor); Ooi Soochin (RSPO Approved HCV Assessor); Ange Srineni; Andi Kiky; Jeje Siahaan.

Unit management shows the HCV review report & MEC identification and HCV management recommendations in December 2017 (Wilmar Team). The leader of the assessment Syahrial Anhar has received HCV assessor training from an organization that has been registered with ALS in 2015 (Provision license ALS 170003SH) with total area HCV is **3,899.44 ha**. In 2019 there is minutes of meeting related the change statement area for MSM 1 (No.MD 01-21/1218) and MSM 2 (No.MD22 / 01/01/2019) with HCV total area is **3,880.14 ha** (own estate) and smallholders (outside of land use title) is 25.92 ha.

Unit management show a primate survey report on 2018, it is known there are orangutans nests located in Block SAP 015 (20 nests) and in Block SAP 002 (3 nests) and in December 2018 orangutans were found; *Hylobates moloch* and *Nasalis lavatory* located around lake Serai and Kawan Batu river.

HCV management plan for the 2019 period are informs the main target, key activities, output, PIC responsible, start & end date by month. Such as: making a rapid assessment; making weekly & monthly report for biodiversity; making evaluation and review against result of management review HCV every 2 years & recommendation; doing patrol; testing of surface water every six month; Monitoring the presence of protected wildlife using a camera trap and others. There is realization of management plan for period 2018 such as: HCV socialization for Kawan Batu villagers & workers; socialization of land and forest burning ban; Rapid survey in area HCV; Monitoring HCV area at least 2 or 1 time; installation of camera trap; survey of Orang Utan transect; Marking riparian boundaries; and others.

Handling of wildlife at the location of replanting area & immature crops (SOP 27 / EHS / 0/0409 document approved by the General Manager & Procedure for protecting wildlife with SOP 18 / HCV / 1/0615 document number valid June 1st, 2015 approved by General Manager. Based on interviews with workers (pesticide applicators, Harvester & fertilizer applicators), they have known about the prohibition of hunting wildlife. So far there has never been a conflict with wildlife and ban of hunting activities.

Unit management shows the results of the memorandum of agreement meeting of HCV area management on December 28th, 2017 which was attended and approved by the villagers of Kawan Batu. The results of the decisions is the villagers do not damage the area that is culturally and traditionally valuable and does not damage the areas as a source of providers of basic needs such as rivers to fish and keep source of water.

Status : Comply

5.3

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

5.3.1.

Unit management has identified the sources of waste and pollution which explains the source / activity and types of waste / pollution generated (Hazardous Waste / Non Hazardous or GHG emissions). There is result identification sources of waste: Liquid waste used for pesticide washing equipment, used batre, plastic fertilizer, lubrican oil, used fabrics, agrochemical packaging domestic waste. The management unit shows identification of pollution sources consisting of CO₂, HCFC, and CH₄.

5.3.2.

Unit management shows a cooperation agreement number C & A 1608.15 / 2018 / MSM-332 between PT Mentaya Sawit Mas and PT Sinar Bintang Albar regarding the transportation and management of Schedule waste on May 5th, 2018 to May 5th, 2019. Types of waste that can be transported such as waste medical, expired chemicals and lamps. PT Sinar Bintang Albar has received hazardous waste transportation recommendations from the Ministry of Environment and Forestry No. S.544 / VPLB3 / PPLB3 / PLB.3 / 6/2017 valid for 5 years. Minutes of medical waste delivery on January 3rd, 2019 to PT SBA with details:

- Lamps as much as 0.005 tons: KLH-154000000998U (DA 1268 AN).
- Medical waste as much as 0.0172 tons: KLH-15440000001013U (DA 9673 PH).

PT MSM has Schedule waste store with the numbers 660/534 / BLH-Ek-SDA / VIII / 2014 is valid from August 6th, 2014 to 5 years.

Agreement letter regarding Schedule waste management and transportation with number (008-TRP / MSM-SBA / PLB3 / Sept-18; K124 / MOU / A3.1 / PLKK / I / 2018 & C & A 1608.15 / 18 / MSM- 380) PT Pengelola Limbah Kutai Kartanegara; PT Sinar Bintang Albar and PT MSM. The period of agreement on September 20th, 2018 to March 19th, 2019.

Schedule waste management permit for processing activities on behalf of PT Kutai Kartanegara Waste Management from the Ministry of Environment and Forestry of Republic of Indonesia number SK 604 / Menlhk-Setjen / 2015. This permit is valid from December 7th, 2015 to 5 years.

Manifest schedule waste.

Unit management shows that schedule waste manifests on January 4th, 2019 with DA 9628 TN vehicles to PT Maju Asri Jaya

include:

1. Manifest Number of KLH-7100000006987U used oil as much as 1,408 tons.
2. Manifest Number KLH-7100000007154U paint cans used packaging as much as 0.1 tons.
3. Manifest Number KLH-7100000007153U used rags as much as 0.1 tons.
4. Manifest Number KLH-7100000006988U used filter as much as 0.1 tons.

Agrochemical Packaging; diesel fuel and oil filters.

The manifestation of schedule waste for agrochemicals (chemical packaging) on October 6th, 2018 with number KLH-710000000572U as much as 0.05 tons (1 drum) with DA 9628 TN vehicles to PT Maju Asri Jaya Utama. Diesel fuel and filters are 0.05 tons (manifest KLH 71000000005724U) on October 6th, 2018 with DA 9628 TN vehicles.

MSM Mill

Manifestation of schedule waste dated January 4th, 2019 with number of vehicles is DA 9628 TN to PT Maju Asri Jaya with details:

1. Manifest Number No. KLH-7100000006983U used oil as much as 0.352 tons.
2. Manifest Number KLH 7100000006975U used rags as much as 0.05 tons.
3. Manifest Number No. KLH-7100000006970U paints cans as much as 0.05 tons.
4. Manifest Number KLH-7100000006976U used filters as much as 0.05 tons.

Unit management shows the agreement letter for the transportation and management of solid and liquid waste between PT MSM and PT Maju Asri Jaya with the number of agreement is 001 / MSM / VIII / 2015 from August 1st, 2015 to August 1st, 2020.

Schedule waste management permit for processing activities on behalf of PT Wastec International in accordance with the decision of the Republic of Indonesia Minister of Environment and Forestry Number 546 / Menlhk-Setjen / 2015 valid for 5 years.

PT Maju Asri Jaya cooperates with PT Wastec International but until the audit is carried out the cooperation agreement is in the process of extending (Certificate of 003 / WI / SKLB3 / I / 2019 dated January 15th, 2019) **OFI**.

5.3.3.

Liquid waste

The liquid waste produced is entirely utilized in the application area in accordance with the permit for utilization of liquid waste.

Solid waste

Fiber, EFB and shells produced are partially used as fuel and some are applied to the field or estate.

Domestic waste.

Domestic waste in housing is collected and separated between organic and inorganic.

Clinic waste

Clinic waste is transported by schedule waste transporters licensed with details; Medical waste as much as 0.0172 tons: KLH-15440000001013U (DA 9673 PH).

Schedule waste.

Schedule waste which is transported by licensed transporters. It has been explained in indicators 5.3.2.

Unit management has an opportunity to conduct analysis and evaluation on household (domestic) waste management on landfill, especially during wet season (**OFI**).

5.3.2 Status : OFI

5.3.3 Status : OFI

5.4

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

5.4.1.

Unit management shows energy efficiency for the period January - December 2018 with details: the use of fuel for generators is 95,687 liters with 0.245 liters / kWh; the use of fuel for the turbine is 1,233,083 liters. The average efficiency of shells used is 0.0394 tons / ton FFB; fiber efficiency is 0.0177 tons / ton FFB and efficient use of diesel fuel is 0.000521 tons / ton FFB.

Status : Comply

5.5

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

5.5.1 & 5.5.2

Certificate Holder has an Agronomy Guide and SOP for Oil Palm Plantation. In the section on land clearing and land preparation stated "With full commitment to be obliged to maintain the environment in a sustainable manner, all land clearing must be carried out without burning method (zero burn or green stacking).

The zero burning policy applies to all subsidiaries under the Wilmar International Plantation group. Based on the field visit to block 784 MSM-2, which is a planting area in 2018, no traces of burning were found to conduct land preparation. The 2018 planting year area is not a new land expansion but is a sandy area that was previously categorized as an unplanted area.

Status : Comply

5.6

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

5.6.1.

Unit management shows identification of pollution sources consisting of CO₂, HCFC, and CH₄ from pesticide application activities; fertilizing; harvesting & frond pruning; EFB application and decanter cake; Receiving and Storage of Agrochemical; Transportation of agrochemical and fertilizer; Fuel transportation; Vehicle maintenance; and others.

5.6.2.

Steps taken by the company to reduce GHG emissions include:

a. Mill

1. Security / Weighbridge

- Setting the vehicle queue
- Perform routine patrol according to schedule

2. Office and housing

- Conduct socialization regarding procedure for Solid waste management, schedule waste and GHG emissions
- Planting green plants

3. Liquid Waste Installation

- Greening in the ponds of IPAL
- Manage waste using bacteria

4. Maintenance activities

- Conduct periodic maintenance for all production machinery and vehicles
- Monitoring boiler emission tests every 6 months

5. Boilers

- Perform periodic maintenance for the burnt kitchen and chimney
- Monitoring boiler emission tests every 6 months

c. Estate

- Use of pesticides and fertilizers according to the dosage.
- Operational maintenance of Mill
- Restoration of woody plants
- Use of a Biogas plant.

5.6.3.

Unit management shows greenhouse gas calculations using the Palm GHG Version 3.0.1 for 2018 period with details:
Summary Emission

Product	tCO ₂ e/t Product
CPO	2.51
PK	2.51

Extraction	%	Production	ton/year
OER	21.64	FFB Processed	204881.24
KER	4.66	CPO Produced	44328.046

Description	Unit	Value
Total Planted Area	Ha	23847.36
Total Planted Area on Peat	Ha	1779.8922
Conservation Area	Ha	1829.17
OER	%	21.64
KER	%	4.66

Mill emission and credit

Description	tCO ₂	tCO ₂ e/t FFB
Emissions Sources		
POME	77985.01	0.38
Fuel Consumption	516.62	0
Grid Electricity Utilisation	0	0
Credits		
Export of Excess Electricity to Housing & Grid	0	0
Sale Of PKS	-336.34	0
Sale Of EFB	0	0
Total	78165.29	0.38

Plantation/ field emission and sink

Description	Own			Group		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB
Emission Source						
Land Conversion	55648.06	7.12	0.31	6.63	0.26	0
CO ₂ Emissions from Fertiliser	8701.55	1.12	0.05	0.9	0.04	0
N ₂ O Emissions	14628.48	1.88	0.08	1.08	0.04	0
Fuel Consumption	2002.97	0.26	0.01	0.27	0.01	0
Peat Oxidation	47505.76	6.08	0.27	3.08	0.12	0
Sinks						
Crop Sequestration	-73192.16	-9.36	-0.41	-9.36	-0.37	0
Sequestration in Conservation Area	0	0	0	0	0	0
Total	55294.66	7.09	0.31	2.59	0.1	0

Emission Of PK

Emission Source	tCO ₂ e
PK from own mill	23936.99
PK from other sources	0
Fuel consumption	0
Total crusher emissions	0

Palm Oil Mill Effluent (POME) Treatment

Divert to compost	0 %
Divert to anaerobic digestion	100 %

POME Diverted to Anaerobic Digestion:

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

Unit management shows testing of noise air quality in Mill area on September 3rd, 2018 by Unilab Perdana Laboratorium accredited by KAN (LP 195 IDN) with details bellows:

Location	Results	Thresholds (Dba)
In the Office	579	140
In the Mill (Engine Room)	96	
Boiler area	98	
Kernel station	90	
Workshop	6	

Decree of Environment Ministry Number 48 year 1996.

Based on that, test results do not exceed the quality standards set by regulations (Decree of Environment Ministry Number 48 year 1996).

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 document of Social Impact Assessment Report for scope of Plantations & Palm Oil Mill. The assessment process carry out in 6 to 16 February 2012 by the Cooperation Agency-Pride Center Yogyakarta. The document describes the social impact management of plantation and mill, consist of: employment, health and safety, facilities and benefits of workers, consultancy and communication, stability of employment, business opportunities, revenues, income household, institutional, perception at the company, socio-cultural changes, health workers and the public, and tenure. The process of data collection is done through discussions with the parties, the employee and community. The results of these discussions are described in the form of Minutes of the results of the discussion. Evidence in the form of recordings Participant List Discussions at the time of collection of information. The parties that are involved, among others, employees and the communities surrounding villages (Ba'ampah, Kawan Batu, Penda Durian and Pahirangan) was attached to the report. In year of 2018 Review of Monitoring Plan Social impact PT Mentaya Sawit Mas (2019-2021) has been done. These document was contains descriptions among others; Sources of impact, parameters measured, Monitoring Objectives, Methods Data collection and analysis, monitoring locations, the Executive and the results of the review. Based on result of stakeholder consultation with external and internal stakeholder was known that the Social Impact Assessment (SIA) was covered of significant aspect consist of: labour welfare (facilities & salary) & gender aspect, social interaction between company and community surround (no significant conflict), work access and Community Development Program.

6.1.2

There was shown an evidence of record meeting with the parties during the discussion (consultation) in several village, consist of (Tanjung Bantur, Ba'ampah, Kawan Batu, Penda Durian and Pahirangan). The evidence of Stakeholder

Consultation with Employees of the Company and the External Stakeholder (community surround) consist of minutes of meeting, attendant list of participant & photograph.

6.1.3

It has been shown The Social Impact Management and Monitoring Plan for the Period (2019-2021) and also the documents of Community Development Program Plan of PT Mentaya Sawit Mas Year 2019 in several surrounding villages (Kawan Batu, Ba'ampah Village, Penda Durian, Pahirangan & Tanjun Bantur), conducted through discussions with related stakeholders (villagers and local government). The plan is prepared based on input from interested parties and the document is signed together (Representative of Company, Village Government and the Community Representative). All of the input by related party become material for arranged of the management plan of company.

6.1.4

The Certificate Holder has shown the Evaluation of Social Impact Management and Monitoring Plan for the Period (2019-2021). These document has been evaluate with participate by the related parties. For example, related aspects of health aspect will be implement by Community Development Department, Public Relation and Clinic; smallholders aspect will be implemented by Community Development Department; and for the aspect of education will be implement by Community Development Department & Estate. The evidence was consist of Attendant List of participant and the Photographs of Focus Group Discussion process. Based on stakeholder consultation with the Worker Union and Gender, Committee surrounding community, consist of Head of Village, Informal Leader, villager in Kawan Batu and Ba'ampah Village, was known there is no significant negative issues by the related parties.

6.1.5

The company has involving smallholder-plasma candidates on RKS-RPS process for period 2019. However, there is an opportunity for considering the candidates on SIA study process, before RSPO plasma certification activities been started.

OFI

6.1.5 Status : OFI

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 and 6.2.3

The CH shows list of stakeholder for period January to June 2019 which presented in Form No. .../BM-MSM/MSM/2019. The list has informed stakeholder category, subject, contact number, address and phone/fax number. Stakeholder was consist of 12 province government institutions, 18 regency government institutions, 1 sub-regency institution, 5 village heads, 3 community elders, 5 surrounding companies, 3 province police offices, 3 resort police offices, 2 sector police offices, 2 military (army) offices, 17 universities and NGO's, 9 contractors, 213 suppliers, 3 hospitals, 4 banks and 1 insurance. Procedure of communication and consultation with stakeholder is presented in document No. SOP35/PR/1/0614 (Rev. 2) dated May 5th 2015. Community Development Department (CD/CSR or Bina Mitra) has appointed as company representative for communication matters. Based on interview with representative of Tanjung Bantur and Penda Durian Village, as well as representative of Manpower and Transmigration Agency, Environment Agency and Agriculture Agency of Kotawaringin Timur, it was known that those stakeholders had understood towards information and communication mechanism of PT MSM. Furthermore, the CH has considered transparent and cooperative in providing information and/or data requested.

Communication record with stakeholder was recorded on soffile with Title "*List Surat Masuk Perusahaan*" (or Letter-in), while the response has recorded on document of "*Daftar Surat Keluar*" (or Letter-out). According to the list, it was known that there was coming-in 16 Letter during 2018. For example, Letter No. 188/PT.KMA/PIM/X/2018 dated 09 October 2018 from PT Karya makmur Abadi about permit to use PT MSM company road has responded through Public Relation Manager Letter No. 37/BM-MSM/XI/2018 dated 28 November 2018. Furthermore, Letter No. 145/23/KPK/XI/2018/Pem dated 18 October 2018 from Head of Kapuk Village about assistance on Kapuk Village coordinate boundaries checking. The company has assist the activity on 23 October 2018. Official letter and picture documentaation were available. Moreover, Letter No. 141/15/01/Pemdes/2018 dated 16 January 2018 from Head of Penda Durian Village about grant aid of Smallholder Group of Sungai Keruing in Penda Durian Village for "*Cetak Sawah*" (or Paddy Field) program. As response, PT MSM has put this partisipation into CSR and Community Development program, and has donate the

Smallholder for about IDR 14,500,000.- in 23 February 2018.

6.2.2

Community Development Department (CD/CSR or Bina Mitra) in Estate and Regional Office of Central Kalimantan Project (CKP) has appointed by Manager and General Manager as company representative for communication matters. Based on interview with representative of Tanjung Bantur and Penda Durian Village, it was known that the community has familiar with company representative (Bina Mitra) which also a local from Penda Durian Village.

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

Procedure of dispute resolution is presented in document No. SOP/34/PR/(1)/0614. Procedure mentioned that problem resolve has focused outside court system. There is also procedure of grievances or complaint which presented in document No. SOP 42/HRD/0/ 0609. Person in charge to handle disputes, grievances and complaints from external and internal were conducted by Bina Mitra Officer, Estate manager and Field Officer, as mentioned in document No. SOP.444/PR/6/1116 Revision 6 dated November 18th 2016. The later procedure mentioned that public relation for resolution has divided into five parts/aspects, e.g.: relationship with permit, legality and government institutions; relationship with social communities; relationship with Land release/indemnity compensation; relationship with security; and relationship with community development and company social responsibility.

Contact number of every PIC were available on the clinic and information board on the office. Grievances and complaint could be delivered through direct communication and/or by letter which put on "suggestion-box" or "Kotak Saran". MSM Management has ensure anonymity of complainants and whistleblowers. Based on monitoring of grievances record review, it was known that MCM management has respons and follow up every complaint and grievances immediately on the sama date, or less than one week. Most of grievances were delivered directly through verbal communication.

Based in interviews with representatives from Penda Durian and Tanjung Bantur Village, Gender Commitee, Bipartitie Committee, as well as Government Agencies of Kotawaringin Timur (Ariculture Agency, Manpower Agency and Environmant Agency), workers in MSM 1, MSM 2 and MSM Mill, it could be concluded that company management has considered cooperative to carried out problem resolution and mechanism has implemented in accordance with company procedure and government regulations. So far, there is no resolution engaging court system.

6.3.2

Process of conflict resolution is presented in several document, based on aspect as mentioned in Indicator 6.3.1. for example as follows:

- External: Grievances and complaint towards land dispute has continuously conducted by estate management. For example. During 2018, there were 26 deal agreement towards dispute areas within MSM 1 and MSM 2 Estate, totaling about **285.69 ha**. Evidence such as parcitipatory land dispute map, agreement letter of affected parties, compensation payment, receipt with legal stamp and picture documentation of the above parties were available. Detail of this matter is presented in Indicator 2.2.3.
- Internal: Compliant grievances were recorded in several documents, such as monitoring of worker grievances, official letter of employees grievances, grievances box monitoring (Form No. 03/SOP 04/EHS/(0)/0409 and logbook of employees grievances. For example, recapitulation of grievances during 2018 in PT MSM are summarized as follows:
 - There were 18 grievances recorded in Grievance Logbook for MSM 1 Estate during January to December 2018. All grievances were settled up less than 1 week. Picture documentation of response were available.
 - MSM 2 Estate: There were 6 grievances recorded in Grievance Logbook during January to December 2018. All grievances were settled up less than 1 week. Picture documentation of response were available.

MSM Mill: There were 17 grievances recorded during January to December 2018. All grievances were recorded in Grievance Logbook and Form No. FRM 01/SOP42/HRD/(0)/06.09. All grievances were settled up less than 1 week. Picture documentation of response were available.

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 and 6.4.2

Estate management and representative from Tanjung Bantur and Penda Durian Village mentioned that there is no customary of indigenous people or local community rights on the surrounding estate operational areas. Procedure of land compensation is presented in document No. SOP 29/BM/(0) 0409 dated April 13th 2009 about land relief, and No. SOP 30/BM/1/2017 dated March 10th 2017 about land conflict resolution. Procedure mentioned that Stakeholder were consist of Village representatives (Chief, Elders, *Damang*, occupants it self), Government representative (Sub-Regency Head or "*Camat*" and National Land Agency) and Company representative (Estate Manager and Field Officers). Both procedure has implemented satisfactory by estate management as describes in Indicator 2.2.3.

Based on information from estate management, community representative from Tanjung Bantur and Penda Durian Village, as well as from Government Agencies of Kotawaringin Timur, it was known that there is no land conflict which affected estate operational areas. Process of resolution has considered satisfactory to all parties. Payment of compensation calculation has conducting through negotiation between claimnant and estate representatvies. However, estate has refer Decree of Kotawaringin Timur Regent No. 316/2007 dated April 5th 2007 about basic calculation price plants and crop or "*Harga Dasar dan Tanam Tumbuh*" in Kotawaringin Timur Regency region as basis of payment calculation. Official letter of price negotiation is signed by Estate Field Conductor (Staff Land), Field Officer, Division Manager and Estate Manager. Progress of compensation payment of disputes areas during 2018 is presented in Indicator 2.2.3.

6.4.3

Official letter of price negotiation is signed by Estate Field Conductor (Staff Land), Field Officer, Division Manager and Estate Manager. Progress of compensation payment of disputes areas during 2018 is presented in Indicator 2.2.3. FPIC and participative approach has conducted by certificate holder to overcome this situation. Update in 2018 towards compensation deal of "*Ganti Rugi Tanam Tumbuh*" (or GRTT) record informed that during 2018, there were 26 deal agreement towards dispute areas within MSM 1 and MSM 2 Estate, totaling about 285.69 ha. Evidence such as Agreement letter of affected parties, receipt with legal stamp, as well as picture documentation of the above parties were available.

Status : Comply

6.5

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

6.5.1

Company regulations and reference towards minimum wages that will be applied in PT MSM for period 2019 are Decree of Kalimantan Tengah Governor No. 51 dated 21 November 2018 about minimum wages of plantation sector in Regency (UMSK) of Kalimantan Tengah Province for period 2019; Internal Office Memorandum of Senior Human Resources Region (Sr. HRR) Manager No. 592/HRD-RO/XII/2018 dated 13 December 2018; Company Regulation 2018-2020 Chapter; and Working Agreement Article 5 about salary and allowance. Minimum wages in Central Kalimantan Project (CKP) was about IDR 2,776,500/month or IDR 111,060/day. The new salary value has approved by General Manager and already socialized to workers by Personal General Affair (PGA) on 03 January 2019.

Based on document review, it could be concluded that salary payment has in accordance with Governement Regulations such as salary payment as mentioned in Minister of Manpower Regulation No. 7, 2013; overtime payment as mentioned in Decree of Minister of Manpower No. 102 year 2004. In addition, the certificate holder also explains the overtime work which briefly describes that the hourly wage calculation is 1/173 multiplied by the monthly wage and the calculation of overtime wages in accordance with government regulations, such as overtime work done on weekdays, for the first overtime paid equal to 1.5 multiplied wages 1 hour, the next paid wages equal to 2 multiplied wages 1 hour. Payment salary implementation checking were verified through payment slip (detail were describes on checklist). Based on the results of document review and interviews with workers in MSM POM, MSM 1 Estate and MSM 2 Estate, it coul be concluded that the CH has implementing payroll in accordance with applicable regulations, there is no breach of payment related to wages and force the work. Payment of harvested wages is adjusted to the results of work, the achievement of tonnage targets and the provision of overtarget premiums if passed the target.

6.5.2

The CH has Company Regulation (PP) 2018-2020 for Estate and Mill, which issued by Head of Manpower and Transmigration Agency of Kotawaringin Timur Regency on March 2018, stamped by *Materai* IDR 6,000. The PP is consist of regulation reference, company policy, work relationship, leave and permission, salary payment, welfare and insurance, business trip allowance, disciplinary, mutation, work termination, grivance and compalint and others. Based on document review, it was known that there were two third party or outsource in PT MSM. Worker right such as BPJS manpower and helath insurance payment has fulfilled by the CH. Evidence of payment shows on salary payroll and BPJS record. Furthermore, based on interview with workers from MSM POM, MSM 1 Estate, MSM 2 Estate, it was known that all workers has work and paid in accordance with their work agreement and Company Regulation period 2008-2020.

6.5.3

The CH has provide several proper facilities for its employees, such as housing, sport venue, emergency equipment, praying house, transportation, school, clinic, daycare, security, etc. list of facility were available. Based on interview with workers in Estates and Mill, as well as observation to housing complex in MSM 1 and MSM 2 Estate, it was known that those facilities provided has considered satisfactory by the workers.

6.5.4

For goods availability, the CH has provide cooperative where located within workers housing complex area. Furthermore, local stores distance were just nearby company area. Moreover during payment day, it was free for surrounding sellers for making a temporary market.

Status : Comply

6.6

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

6.6.1

The CH has support the forming of Labour Union which presented in Internal Memorandum of Head HRD of Wilmar International Plantation No. 026/WIP-HRD/Int-VIII/2009 dated 12 August 2009 Poin No. 1. However, there was no Labour Union but Bipartite Cooperative Institute (LKS-Bipartit) as presented in Decree of Manpower and Trasmigration Agency Head of Kotawaringin Timur Regency No. 560.565/783/KEP/HI-KESJA/XII/2017 dated 19 December 2017, valid for three years (19 December 2020). The LKS has consist of 11 and 27 representatives from employer and employee, respectively.

6.6.2

TH CH is able to shows MSM POM which conducted in 09 January 2019, attended by 13 committee members. Subject of meeting was restructurization of committee member. Furthermore, MSM Estate LKS-Bipartite committee meeting had conducted in 11 December 2018, attended by 15 members. There was six issues being discussed on the meeting, e.g. evaluation on the previous Bipartite meeting in November 2018, number of employees housing occupant, child abduction, holiday for village head election, BPJS and company policies socialization. Minutes of meeting signed by Secretary and Head of Bipartite.

Status : Comply

6.7

Children are not employed or exploited.

6.7.1

Company policy towards child labour is presented in Internal Memorandum No. 026/WIP-HRD/INT-VIII/2009 Point 2, which mentioned that minimum age for worker shall be more than 18 years old. This policy has in accordance with ILO Concvension 138, 1973 and Act No. 13, 2003. Based on list of MSM POM, MSM 1 Estate and MSM 2 Estate workers review for period December 2018, as well as observation with workers in sampled unit, it was known that there is no workers under 18 years old.

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 and 6.8.2

Company regulation on discrimination is presented in document Internal Memorandum No. 026/WIP-HRD/Int-VIII/2009 Point 3 which mentioned that there was equality for employees towards professionalism and guarantee of non discriminative which based on race, skin colour, gender, religion, politic view, ethnic and social background. Based on list of employees as per December 2018 review and interview with workers in MSM POM, MSM 1 Estate and MSM 2 Estate, it was known that composition of workers were various in term of gender, religion, education background and ethnics. Everybody has the same opportunity to work with the company as long as meet the requirement. Based on interview with representative from Tanjung Bantur and Penda Durian Village, as well as representative of Manpower and Transmigration Agency of Kotawaringin Timur Regency and Kalimantan Tengah Province, it was known that information on recruitment was transparent to the village community and delivered through Head of Village. There were never been issues or conflict associated with discrimination and those employees diversity parameter. Moreover, there is no migrant worker in PT MSM.

6.8.3

Equality of employees opportunity towards professionalism, non-discriminative on race, ethnic, skin colour, gender, religion and believe, politic view and social background is presented in internal Memorandum No. 026/WIP-HRD/Int-VIII/2009 Point 3. Recruitment has conducted through selective, fair process, without any discriminative matters. This is confirmed during interview with Manpower Agency of Kotawaringin Timur Regency, Kalimantan Tengah Province, Gender Committee and Bipartite Committee of PT MSM. The CH management is able to shows several promotion letter, for example Letter No. 107/HRD-RO/SK/B/I/2013 dated 01 January 2013 about promotion of Loading Ramp Operator from 2A to 2B level.

Status : Comply

6.9

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

6.9.1 and 6.9.2

Company policy towards sexual violence, harassment, abuse and reproductive right is presented in Internal Memorandum No. 026/WIP-HRD/Int-VIII/2009 and Wilmar International Limited policy dated June 2014. Socialization of this policy in PT MSM operational unit has conducted in 08 January 2018 and 04 December 2018. Based on interview with Gender Committee of MSM POM and Estates, it was known that there is no issues and/or case related to sexual violence, harassment, abuse and reproductive right matters.

6.9.3

Procedure of complaint and grievance delivery is presented in document No. 42/HRD/0/0609). Socialization on this matter has conducted in 08 January 2018 and 04 December 2018. Any complaints are recorded in document of Form No. 03/SOP 04/EHS/(0)/0409 and logbook of employees grievances. Based on interview with representatives from Bipartite Committee and Gender Committee, it was known that anonymous and whistle blower identity are highly respected and protected. Mechanism of complaints were well known by all workers. Furthermore, CH management is considered has response any complaint less than one week.

Status : Comply

6.10

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

6.10.1 and 6.10.2

Based on document review on FFB acceptance in MSM Mill, it could be concluded that FFB were supplied from PT MSM Estate (RSPO Certified), PT Bumi Sawit Kencana and Karunia Kencana Permai Sejati (RSPO Certified) and since 24 April 2018, the management unit was down grade several area in MSM 2, Division 2C as Non Certified Product, such as: Block 366, Block 367, Block 368, Block 369, and Block 397 with area 96.28 Ha and planted area 29.67 Ha. It according to Internal Memo from GEM to the all EM, DM, FO and FC. All FFB from blocks adjacent with smallholder candidate area, it should be downgrade as noncertified product

6.10.3

Certificate holder has work of agreement with local contractor. Based on interview with representative from CV Rindu Mas as local contractor for building and construction project for Wilmar Group, it was informed that contract work agreement

were fair, legal, transparent and agreed by both parties. Copy of legalized contract has equal in legal status. The company has an opportunity to develop an MoU with Cooperative, regarding scheme cooperation system on Plasma program. **(OFI)**

6.10.4

Certificate holder dot not have smallholders scheme. Transaction of contract payments were recorded on "Contractor Claim Form", prepared by estate management. Form has describes total contract sum, description of payment, tax and signed by contractor and PT MSM representative. Contract payment were paid by Head Office in Medan. Based on interview with representative from CV Rindu Mas as local contractor for building and construction project for Wilmar Group, it was informed that time of payment was in accordance with contract agreement and considered very satisfactory.

6.10.3 **Status : OFI**

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

It has been shown the document of Community Development Program Program of PT Mentaya Sawit Mas Year of 2019 in the surrounding villages (Kawan Batu, Ba'ampah Village, Penda Durian, Pahirangan & Tanjung Bantur) The document contains the program plan conducted through discussion with the stakeholders (Representatives of Companies & Village Governments or Village Representatives, Community Leaders & Villagers' Representatives). The plan is prepared based on input from interested parties and the document is signed both of parties.

Several examples of evidence of CD / CSR realization of PT Mentaya Sawit Mas have been shown, consist of:

- Fund Aid for the procurement of 126 Solar Power Units in Kawan Batu Village (Documentation of Minutes of meeting signed by company representatives and Village Heads and Receipts).
- Fund Aid for the construction of GOR & Terras TK Mandiri Podium in Pahirangan Village (Documentation of Minutes of meeting signed by company representatives and Village Heads and Receipts).
- Fund Aid for teacher wage at Pahirangan, Baampah, Penda Durian, Kawan Batu and Tanjung Bantur Villages.
- Fund aid for permit handling of Sungai Seruing Farmers group at Penda Durian Village for Rice Estate project.

Based on the results of stakeholder consultations with Village Governments, Community Leaders and representatives of community in Tanjung Bantur and Penda Durian village that known the participatory process has been conducted through the involvement of the stakeholders in the local village through discussions of the programming. The certificate holder has the opportunity to evaluate the Community Development and Corporate Social Responsibility program in accordance with the priority needs of the local community.

6.11.2

Until the ASA-3, the PT Mentaya Sawit Mas did not has smallholder scheme

Status : Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1

Company policy towards human right is presented in Human Right Policy of Wilmar International, Ltd. which issued by Group Plantation Head and Group CSR Head on June 2014. The policy has mentioned that Wilmar has support protection of human rights, included force labour, equal opportunity to all workers, OSH, anti human trafficking, etc. Every worker has work agreement which in accordance with actual position of workers, without any substitution. This is conformed during interview with Manpower Agency. Based on list of employees period 2018 review, it could be concluded that there were no outsource, illegal and foreign workers. Most of the workers were Indonesians with majority from surrounding estate areas. Furthermore, based on interview with workers in MSM POM, MSM 1 Estate and MSM 2 Estate, it was known that the company has fulfill workers rights such as salary as in accordance with minimum payment regulation, insurance (BPJS) for manpower and health, as well as premium payment as mentioned in work agreement.

6.12.2

Based on document review, it was known that there is no third party or outsource in PT MSM operational activities. All operation works in PT MSM was carried out by permanent worker. However, there is contarctor workers for building development works. For example, agreement with Contractor namely CV Randu Mas for food court development No. C&A

1608.15/2018/MSM1-338 dated 04 July 2018 has clearly describes kind of works which shall be conducted by contractor. Based on interview with owner of CV Randu Mas, it was informed that all workers has work in accordance with work agreement, without any contract substitution. Contractor management is able to shows evidence of manpower rights such as BPJS-Manpower payment for 75 workers dated 17 January 2019 and online WLTK report dated 21 January 2019.

6.12.3

Based on list of employees list record review and interview with Manpower and Transmigration Agency of Kotawaringin Timur Regency and Kalimantan Tengah Province, it could be concluded that there is no migrant worker within PT MSM operational areas. Mostly the workers was locals from surrounding company areas.

Status : Comply

6.13

Growers and millers respect human rights

6.13.1

Company policy towards human right is presented in Human Right Policy of Wiilmar International, Ltd. which issued by Group Plantation Head and Group CSR Head on June 2014. The policy has mentioned that Wilmar has support protection of human rights, included force labour, equal opportunity to all workers, OSH, anti human trafficking, etc. Socialization on this matter has conducted in 08 January 2018 and 04 December 2018 by Human Resource Department (HRD Unit) from Regional Office. Moreover, socialization has also delivered through in house training and muster morning

Based on interview with representative from Tanjung Bantur and Penda Durian Village, representative of Manpower and Transmigration Agency of Kotawaringin Timur Regency and Kalimantan Tengah Province, as well as Gender and Bipartite Committee of PT MSM, it was known that there is no violation of human rights in PT MSM operational areas.

Status : Comply

PRINCIPLE #7 Responsible development of new plantings

7.1

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

7.1.1; 7.1.2; 7.1.3; 7.1.4 & 7.1.5.

Until ASA-4 there was no new development or new land extend carried out by PT Mentaya Sawit Mas.

Status : Comply

7.2

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

7.2.1 & 7.2.2

Estate management informed that there were no plan of land or operational areas expansion. However, information on land feasibility and soil properties of the current area were explained in Indicator 4.3.1; strategy towards limitation on soil properties identified in the current area were explained in Indicator 4.3.2 and 4.3.6.

The 2018 planting year area is not a new land expansion but is a sandy area that was previously categorized as an unplanted area. However, it is preceded by a land suitability survey and special treatment such as making water catchments and EFB applications that can eventually be planted

Status : Comply

7.3

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

7.3.1; 7.3.2; 7.3.3; 7.3.4 & 7.3.5.

Unit management shows the Land use Change Analysis Review document 3rd by Aksenta on March 13th, 2017 for PT MSM covering an area of 16,371 ha (total area management unit); the total area of raw liability is 5,209.38 ha and the total conservation of liability area is 114.13 ha. The final liability has been recalculated by the reviewer. The separation of

clearing over land cover on potential 0.7 and 0 (Coefficient) has been done by the reviewer and the resulting is 114.13 ha. There are remediation of **peat covering areas 494.66 ha** and **riparian zone covering 38.4 ha**. This is an analysis report according to the final review result (PASS). The unit management has sent an email to RSPO Compensation on August 10th 2018 and there is responded by RSPO compensation, the concept note has been accepts but to remediation there still need requirements. Unit management must find third party towards Compensation Partners for matters associated with Annex 8 (Remediation) requirements.

Unit management is expected to conduct a cooperation with third party towards Compensation Partners for matters associated with Annex 8 (Remediation) requirements, thus the result could be delivered to RSPO Compensation as soon as possible **(OFI with Observation)**.

7.3.1 Status : OFI

7.4

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

7.4.1 & 7.4.2

Estate management informed that there were no plan of land or operational areas expansion. However, as mentioned in indicator 4.3.1, it was informed that there were no presence of fragile soils within current estate operational areas. Marginal soils were due to presence of shallow peat and very sandy soil texture in certain areas. Estate management informed that there were no plan of land or operational areas expansion. However, as mentioned in indicator 4.3.1, it was informed that there were no presence of fragile soils within current estate operational areas. Marginal soils were due to presence of shallow peat and very sandy soil texture in certain areas.

The 2018 planting year area is not a new land expansion but is a sandy area that was previously categorized as an unplanted area. However, it is preceded by a land suitability survey and special treatment such as making water catchments and EFB applications that can eventually be planted

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.

The company does not implement new planting activities. no new planting in 2005.

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 and 7.6.6

The certificate holder has no expansion area for new planting area. Progress of planting still ongoing for the area that has been compensated within the HGU of the company. However, evidence of the FPIC process and progress of land compensated records on the current operational areas is describes in Criteria 2.2; 2.3 and 6.4.

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

In accordance with the procedure and the zero burning policy the company does not open land by burning. The results of field visits to 2018 planting blocks such as block 784 MSM-2 IA Divisi are known to have applied the policy.

Status : Comply

7.8

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

7.8.1; 7.8.2 & 7.8.3.

Based on area statement there is no land clearing over January 2015.

7.12	
Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.	
Based on area statement 2019, there is no land clearing on November 15 th , 2018, the activities carried out by the company are replanting activities. For planting above 2005, it has been explained in the indicator 7.3.1.	
	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.	
Social Impact (Criteria 6.1)	
The Social Impact Studies have been conducted in 2012, the company has also conducted a review of planning. It has been shown Document of Review Plan for Social Impact monitoring PT Mentaya Sawit Mas year of 2018, These document was contains description of Sources of impact, parameters measured, Monitoring Objectives, Methods of Data collection and analysis, monitoring locations, the Personnel in Charge (PIC) and the results of the review.	
Traceability of FFB Sources	
The use of the Electronic Bunch Count Chip (EBCC) card system to record FFB data sent from estate to mill, has begun to set up the system (installation of devices in the field and office) since July 2017.	
Environment	
Has installation of methane capture as part of waste management and GHG mitigation.	
	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>FFB processing is fully conducted by MSM POM, and there were no outsource company involves in RSPO certified products handling, includes buying and selling. Transportation of FFB RSPO certified products from estate to mill was conducted by PT MSM, while transportation of CSPO and CSPK were carried out by bulking company, i.e. PT Sinar Alam Permai where located in Kumai Pangkalan Bun and PT Wilmar Nabati Indonesia where located in Sampit.</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>MSM POM do not buys RSPO products from another licensed traders.</p>
	Status: Comply
5.1.3	<p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>The facility has been register on the RSPO IT platform, as follows: Member name: PT Mentaya Sawit Mas Member ID: RSPO_P01000003150 Contact Person: Nur Hidayat Country: Indonesia</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 MSM 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>MSM has implementing mass balance supply chain model. Hence, volume of certified products has used mass balance claim. Bellows are FFB suppliers for MSM POM:</p> <ul style="list-style-type: none"> • PT Mentaya Sawit Mas (RSPO certified). • PT Bumi Sawit Kencana (RSPO certified). • PT Karunia Kencana Primasejati (RSPO certified). • MSM Plasma (RSPO non-certified). <p>MSM POM has show's records of FFB received and CPO and PK being produced which separated into RSPO certified and non-certified products. Only RSPO certified products could be sold as mass balance.</p>

	Status: Comply				
5.2.2					
The site can use one (1) or a combination of supply chain models as audited and certified by the CB.					
MSM POM has only apply mass balance supply chain model (Module E).					
	Status: Comply				
5.3	Documented procedures				
5.3.1					
The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.					
Procedure of mass balance system is presented in document No. SOP/MSMPOM-LOG-014 Revision 3, issued by Mill Manager on December 11 th 2017. This SOP has replacing the previous version (No. SOP-MILL-14 Revision 2, July 2014) and already refers to RSPO SCCS June 2017. This SOP has distributed to Administrative (KTU), Logistic and Mill Manager. The procedure has explained person in charge (PIC) who responsible on Mass Balance system, e.g. Security Officer, Weigh-Bridge Operator, Logistic Staff, Grading Staff, Administration (KTU) and Mill Manager.					
Training of SCCS has carried out in May 23, 2018 conducted by SCCS staff from Head Office Jakarta at Regional Office in PT Mustika Sembuluh attended by Mill Manager, Head of Administration, Document Control, and EHS. It was conducted for Central Kalimantan Project with others Wilmar Int'l Ltd					
Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from MSM 1 Estate, MSM 2 Estate, BSK 2 Estate, KKSP 1 Estate, KKSP 2 Estate; KKSP 3 Estate (Certified Product) and also MSM plasma (Uncertified Product). Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia (traders) were marked by "Product CPO/MB" or "Product PK/MB", RSPO Cert. No. MUTU-RSPO/058.					
	Status: Comply				
5.3.2					
The site shall have a written procedure to conduct annual internal audit					
Question:					
Documented annual internal audit procedures established and covering all provisions :					
i) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.					
ii) Effectively implements and maintains the standard requirements within its organization.					
Procedure of internal audit is presented in document No. 08/CKP/(2)/0111 January 2011 which mentioned that internal audit shall be conducted every semester. Every findings were discussed into management review meeting. Corrective action is taken if necessary. According to the latest RSPO internal audit assessment when conducted November 19 to 23 2018.					
	Status: Comply				
5.4	Purchasing and goods in				
5.4.1					
The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier					
MSM POM has received FFB RSPO certified from PT BSK and PT KKP which was in the same group of Wilmar International, Ltd. MSM POM do not bought RSPO certified products (CSPO and CSPK) from outsource or traders. Certified products of MSM POM were sold to PT Sinar Alam Permai where located in Kumai Pangkalan Bun and PT Wilmar Nabati Indonesia where located in Sampit; as follows:					
	No	Company	Address & PIC	RSPO Certificate Number	Validity Period
	1	PT Sinar Alam Permai – Kumai (CSPO buyer)	Rafi Indrachaya Email: rafi.indrachaya@wilmar.co.id	INTERTEK-RSPO-0072222	Valid : 18 February 2023

			Jl Pelabuhan CPO, Sel Kalap, Kel. Kumai Hulu, Kec. Kab. Kobar, Kalteng		
	2	PT Wilmar Nabati Indonesia – Sampit (CSPK & CSPO buyer)	Hasyim As'ari Email: hasim.asari@wilmar.co.id Jl. HM Arsyad Km 20, Desa Bapanggeng Raya RT 06/02, Kec. Mentaya Baru Ketapang, Kab. Kotawaringin Timur	INTERTEK-RSPO-0072296	Valid: 18 February 2023
Status: Comply					
5.4.2					
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents					
Question :					
Has the organization established mechanism in place for handling non-conforming oil palm products and/or documents?					
Mechanism of handling of RSPO certified and non-certified products is presented in document No. SOP/MSMPOM-LOG-014 Revision 3, issued by Mill Manager on December 11 th 2017. The procedure has explained identification and traceability of RSPO certified products, as well as person in charge (PIC) who responsible on Mass Balance system, e.g. Security Officer, Weigh-Bridge Operator, Logistic Staff, Grading Staff, Administration (KTU) and Mill Manager.					
Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from its supply based, e.g. MSM1 and MSM2 Estate, which already RSPO certified since April 24 th 2015. Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia (traders) were marked by “Product CPO/MB” or “Product PK/MB”, RSPO Cert. No. MUTU-RSPO/058.					
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.					
There is no outsources for storage, transport or other outsourced activities, and there is no refining or crushing activities conducted by MSM POM.					
Status: Comply					
5.5.2					
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:					
<div>a. The site has legal ownership of all input material to be included in outsourced processes;</div> <div>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.</div> <div>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</div> <div>d. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance</div>					
There is no outsources for storage, transport or other outsourced activities, and there is no refining or crushing activities conducted by MSM POM.					
Status: Comply					
5.5.3					

The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.				
There is no outsources for storage, transport or other outsourced activities, and there is no refining or crushing activities conducted by MSM POM.				
	Status: Comply			
5.5.4				
The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products				
There is no outsources for storage, transport or other outsourced activities, and there is no refining or crushing activities conducted by MSM POM.				
	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				
Question :				
All RSPO product information is provided by the organisation in accordance with :				
<ul style="list-style-type: none">• The name and address of the seller;• The loading or shipment / delivery date;• The date on which the documents were issued;• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);• The quantity of the products delivered;• Any related transport documentation;• Supply chain certificate number of the seller;• A unique identification number.• Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products• For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.				
RSPO certified products from MSM POM were sold to PT Sinar Alam Permai where located in Kumai Pangkalan Bun and PT Wilmar Nabati Indonesia where located in Sampit. Both were part of Wilmar International, Ltd. Supporting document such as contract agreement, delivery order, delivery ticket, volume of product delivered, etc. which informed RSPO mass balance supply chain products were available on site. Whole transaction of CSPO and CSPK has been recorded in RSPO IT Platform, including Shipping Announcements / Announcements and Confirmations.				
No	Company	Address & PIC	RSPO Certificate Number	Validity Period
1	PT Sinar Alam Permai – Kumai (CSPO buyer)	Rafi Indrachaya Email: rafi.indrachaya@wilmar.co.id Jl. Pelabuhan CPO, Sel Kalap, Kel. Kumai Hulu, Kec. Kobar, Kalteng	INTERTEK-RSPO-0072222	Valid : 18 February 2023
2	PT Wilmar Nabati Indonesia – Sampit (CSPK & CSPO buyer)	Hasyim As'ari Email: hasim.asari@wilmar.co.id Jl. HM Arsyad Km 20, Desa Bapanggeng Raya RT 06/02, Kec. Mentaya Baru Ketapang, Kab. Kotawaringin	INTERTEK-RSPO-0072296	Valid: 18 February 2023

		Timur						
	Status: Comply							
5.7	Registration of transactions							
5.7.1								
Supply chain actors who:								
<ul style="list-style-type: none">are mills, traders, crushers and refineries; andtake 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								
Question :								
Has the organization registered their transactions in the RSPO IT platform? (mills, traders, crushers and refineries only)								
RSPO IT Platform member registration number: RSPO_P01000003150.								
All transaction of RSPO certified oil palm products has been registered in RSPO IT Platform (see indicator SCCS 5.7.2).								
	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:								
<ul style="list-style-type: none">Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.								
Question:								
Did the organization correctly perform the applicable actions on RSPO IT Platform?								
MSM POM shows IT platform implementation, which presented as follows:								
Certified CPO sold to each buyer period issued on 1 January to 31 December 2018								
Transaction ID	Seller Ref.	Buyer	Product	Program	Volume*	Transaction Type	Status	Shipping/BL Date
TR-011dbab8-4574	Des '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	2,213.17	Shipping	Confirmed	31-12-2018
TR-fed6ed93-6a33	Nov '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	3,269.59	Shipping	Confirmed	30-11-2018
TR-b4a86710-4fce	Okt '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	3,623.08	Shipping	Confirmed	31-10-2018
TR-f043589c-93c0	Sept '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	7.65	Shipping	Confirmed	30-09-2018

TR-0662e48a-bd6a	Sept '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	3,448.68	Shipping	Confirmed	30-09-2018
TR-25dced0b-b409	August '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	146.07	Shipping	Confirmed	31-08-2018
TR-48da0ec3-4b1c	Jul '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	2,020.10	Shipping	Confirmed	31-07-2018
TR-a2f9b3b8-9ec5	August '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	4,092.97	Shipping	Confirmed	31-08-2018
TR-444c989d-8bd3	Jul '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	4,059.35	Shipping	Confirmed	31-07-2018
TR-c8d0c404-e005	Jun '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	3,701.15	Shipping	Confirmed	30-06-2018
TR-4373ef1c-cac2	May '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	858.71	Shipping	Confirmed	31-05-2018
TR-2fa00f10-0704	May '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	3,625.46	Shipping	Confirmed	31-05-2018
TR-6d26b9ea-a26c	Apr '18 (2) Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	4,563.92	Shipping	Confirmed	19-05-2018
TR-4dd03ac6-94e7	Apr '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	7	Shipping	Confirmed	30-04-2018
TR-b288c96a-e139	April '18 Deliveries-1 of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	736.24	Shipping	Confirmed	23-04-2018
TR-d8e8e401-1716	Mar '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	2,955.74	Shipping	Confirmed	31-03-2018
TR-44b64f14-ec8c	Mar '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	92.96	Shipping	Confirmed	31-03-2018

TR-66ba7444-15cf	Feb '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	1,797.09	Shipping	Confirmed	28-02-2018
TR-ae473753-fe71	Feb '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	705.57	Shipping	Confirmed	28-02-2018
TR-811b4c33-9175	Jan '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	2,210.94	Shipping	Confirmed	31-01-2018
Total					44,135.44			

According to palm trace data it was informed that there was about **44,135.44 MT of CSPO** were sold at the period January to December 2018. The company has able to shows transaction data within those period. Based on the Table above which derived from Palm Trace website, the volume of CSPO selling was balance.

Certified PK sold to each buyer period issued on 1 January to 31 December 2018

Transaction ID	Seller Ref.	Buyer	Product	Program	Volume*	Transaction Type	Status	Shipping/BL Date
TR-3a526d86-0ba6	Des '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	476.12	Shipping	Confirmed	31-12-2018
TR-dcabcc15-5767	Nov '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	590.36	Shipping	Confirmed	30-11-2018
TR-542d96e2-8266	Okt '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	850.87	Shipping	Confirmed	31-10-2018
TR-66c486c2-49b4	Sept '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	733.16	Shipping	Confirmed	30-09-2018
TR-4f8b76cd-48f3	August '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	1,037.13	Shipping	Confirmed	31-08-2018
TR-42d49c56-312f	Jul '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	1,208.12	Shipping	Confirmed	31-07-2018
TR-049870ae-1605	Jun '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	1,024.01	Shipping	Confirmed	30-06-2018

TR-0cff92ae-8c98	May '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	1,124.57	Shipping	Confirmed	31-05-2018
TR-e1852e2c-1b5c	Apr '18 (2) Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	779.99	Shipping	Confirmed	30-04-2018
TR-ee2b2523-6a6d	April '18 Deliveries-1 of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	201.62	Shipping	Confirmed	23-04-2018
TR-e975ecf3-8dfb	Mar '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	687.88	Shipping	Confirmed	31-03-2018
TR-a3510e51-47fb	Feb '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	430.07	Shipping	Confirmed	28-02-2018
TR-0e002238-57e8	Jan '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPK	Mass Balance	415.14	Shipping	Confirmed	31-01-2018
Total					9,559.04			

According to palm trace data it was informed that there was about **9,559.04 MT of CSPK** were sold at the period January to December 2018. The company has able to shows transaction data within those period. There are variance data between **CSPK production (9,516 MT)** and **CSPK sales (9,559.04 MT)**. it cause, there are balance of **CSPK from previous year amount 43.04 MT**.

Status: Comply

5.8 Training

5.8.1

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

CH management unit and operator of weigh-bridge mentioned that training and refreshment of supply chain management system were carried out annually.

Training of SCCS has carried out in May 23, 2018 conducted by SCCS staff from Head Office Jakarta at Regional Office in PT Mustika Sembuluh attended by Mill Manager, Head of Administration, Document Control, and EHS. It was conducted for Central Kalimantan Project with others Wilmar Int'l Ltd. Otherwise the training program on 2019 will be conducted on June 2019.

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

Training of SCCS has carried out in May 23, 2018 conducted by SCCS staff from Head Office Jakarta at Regional Office in PT Mustika Sembuluh attended by Mill Manager, Head of Administration, Document Control, and EHS. It was conducted for

Central Kalimantan Project with others Wilmar Int'l Ltd

Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from MSM 1 Estate, MSM 2 Estate, BSK 2 Estate, KKP 1 Estate, KKP 2 Estate; KKP 3 Estate (Certified Product) and also MSM plasma (Uncertified Product). Moreover, delivery letter of CSPO and CSPK from MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia (traders) were marked by "Product CPO/MB" or "Product PK/MB", RSPO Cert. No. **MUTU-RSPO/058**.

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

MSM POM management has provide an update of monthly summary of RSPO FFB certified and non-certified from its supply base and external sources, with recapitulation presented as follows:

Month	FFB (mt)		
	RSPO Certified	Non Certified	Total
Previous stock	-	-	-
January 2018	9,989.24	-	9,989.24
February 2018	10,356.08	-	10,356.08
March 2018	16,311.24	-	16,311.24
April 2018	21,610.73	2.83	21,613.56
May 2018	23,464.82	53.05	23,517.87
June 2018	22,332.61	141.99	22,474.60
July 2018	23,175.80	27.53	23,203.33
August 2018	18,811.49	37.43	18,848.92
September 2018	16,231.68	12.93	16,244.61
October 2018	15,631.96	11.40	15,643.36
November 2018	15,591.57	16.75	15,608.32
December 2018	11,056.24	13.87	11,070.11
Total	42,279.77	42.02	42,321.79

According to the Table above, it could be concluded that POM management has satisfactory records FFB production and separated it into RSPO Certified and Non-Certified.

Furthermore, MSM POM has record and balance of all CSPO and non-certified products produced, as well as its dispatch as follows:

Period	CPO Production (mt)		
	Cert	Non-Cert	Total
Previous stock	482.32		
January 2018	2,348.58	-	2,348.58
February 2018	2,408.12	-	2,408.12
March 2018	3,711.11	-	3,711.11
April 2018	4,641.40	0.65	4,642.05
May 2018	4,848.53	13.68	4,862.22
June 2018			

	4,674.86	38.97	4,713.84
July 2018	4,996.18	7.27	5,003.44
August 2018	3,862.43	7.88	3,870.31
September 2018	3,464.43	2.78	3,467.21
October 2018	3,480.77	2.62	3,483.38
November 2018	3,340.94	3.16	3,344.09
December 2018	2,470.49	3.20	2,473.69
Total	44,247.84	80.21	44,328.05

The CSPK produced last year period on below table:

Period	PK Production (mt)		
	Cert	Non-Cert	Total
Previous Stock	73.60		
January 2018	407.37	-	407.37
February 2018	442.94	-	442.94
March 2018	721.09	-	721.09
April 2018	1,050.04	0.13	1,050.17
May 2018	1,047.69	3.15	1,050.84
June 2018	1,081.71	9.29	1,091.01
July 2018	1,179.96	1.59	1,181.55
August 2018	938.14	1.98	940.12
September 2018	789.21	0.67	789.88
October 2018	764.92	0.61	765.53
November 2018	678.63	0.67	679.30
December 2018	422.26	0.68	422.94
Total Jan to Dec	9,523.96	18.78	9,542.74

Status: Comply

5.9.2

Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock

The facility has Procedure No SOP/MSMPOM-DC-001 Revision 04 dated 11 October 2018, point 7.0 about the retention time of RSPO SCCS document is two years. Based on document review, transaction data as mentioned in Indicator 5.9.1 from January to December 2018 were saved in MSM POM unit. Records of transaction from the past two years were also available and could be traced on the IT system and POM Document Store. For example: Weighbridge ticket No MDDT0064472 dated 31 October 2016 with DO No. 6252109846 by PT Marga Dinamik Perkasa (CPO transporters) with Volume: 7,090 Kg.	
	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 Mentaya Sawit Mas POM have been well recorded and kept in the office (see clause 5.9.1).	
	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.
Procedure of receiving complaint is presented in document No. SOP 42/HRD/0/ 0609. Person in charge to handle complaints from external and internal were conducted by Bina Mitra Officer, Estate manager and Field Officer, as mentioned in document No. SOP.444/PR/6/1116. However, based on complaint logbook review, it could be concluded that up to ASA-4, there is no complaint related to mass balance supply chain system implementation.	
	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
	Management review has conducted annually through internal audit, which the last has conducted in December 3 rd , 2018.
	Status: Comply
5.13.2	The input to management review shall include information on:
	<ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement.
	CH shows management review which appears as response of internal audit results. Such as: Customer feedback: there are complaint regarding to CSPK quality from buyer Wilmar Nabati Indonesia on Bagendang, the corrective action from this case are: before processing, first step filter at conveyor to separate the garbage. Therefore the preventive action and improvement recommendation by installing garbage trap on conveyor unit.
	Status: Comply
5.13.3	The output from the management review shall include any decisions and actions related to:
	<ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs.
	CH shows management review which appears as response of internal audit results. The preventive action and improvement recommendation by installing garbage trap on conveyor unit.
	Status: Comply

3.2.2 (Module E) CPO Mills - Mass Balance Requirements

Clause	Requirement									
E.1	Definition									
E.1.1	<p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>MSM Mill has implementing mass balance supply chain model even though FFB processed were mostly delivered from its own estate which considered as certified FFB. There is another FFB supplier which already RSPO certified, i.e. PT Bumi Sawit Kencana (PT BSK) with certificate Number 824.502.1603, issued in October 23rd 2013. Mill management mentioned that, even though not continuously happen, in certain situation the Mill has accept FFB from another uncertified sources, i.e. PT Karunia Kencana Permai Sejati (PT KKPS). Only crude palm oil (CPO) and palm kernel (PK) produced from PT MSM and PT BSK ha claimed as RSPO certified products (CSPO and CSPK). Certification Code of MSM Mill is MUTU-RSPO/058, issued in April 24th 2015.</p> <p>Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from its own Estate, i.e. MSM1 and MSM2 Estate, PT BSK, PT KKSP which also RSPO certified and MSM Plasma which not RSPO certified yet. Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia were marked by “Product CPO/MB” or “Product PK/MB”, RSPO Cert. No. MUTU-RSPO/058. Initial MB is stand for Mass Balance.</p>									
	Status: Comply									
E.2	Explanation									
E.2.1	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>Estimation of certified product from MSM Mill for 2019/2020 is presented in the certificate Appendix and this report. Information of certified products quota and actual certified products sold were also could be accessed online via palm-trace system.</p> <table><tr><td></td><td>ASA-3*</td><td>ASA-4</td></tr><tr><td>CSPO</td><td>48,028</td><td>41,123</td></tr><tr><td>CSPK</td><td>10,544</td><td>9,346</td></tr></table> <p>* Projection of CPO & PK after extension volume application to the CB's.</p>		ASA-3*	ASA-4	CSPO	48,028	41,123	CSPK	10,544	9,346
	ASA-3*	ASA-4								
CSPO	48,028	41,123								
CSPK	10,544	9,346								
	Status: Comply									
E.2.2	<p>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).</p> <ul style="list-style-type: none">RSPO IT Platform member registration number: RSPO_P01000003150Certified CPO sold to each buyer last year period <p>Certified CPO sold to each buyer period issued on 1 January to 31 December 2018</p> <table><tr><td>Transaction ID</td><td>Seller Ref.</td><td>Buyer</td><td>Product</td><td>Program</td><td>Volume*</td><td>Transaction Type</td><td>Status</td><td>Shipping/BL Date</td></tr></table>	Transaction ID	Seller Ref.	Buyer	Product	Program	Volume*	Transaction Type	Status	Shipping/BL Date
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TR-b4a86710-4fce	Okt '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	3,623.08	Shipping	Confirmed	31-10-2018
TR-f043589c-93c0	Sept '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	7.65	Shipping	Confirmed	30-09-2018
TR-0662e48a-bd6a	Sept '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	3,448.68	Shipping	Confirmed	30-09-2018
TR-25dced0b-b409	August '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	146.07	Shipping	Confirmed	31-08-2018
TR-48da0ec3-4b1c	Jul '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	2,020.10	Shipping	Confirmed	31-07-2018
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TR-444c989d-8bd3	Jul '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	4,059.35	Shipping	Confirmed	31-07-2018
TR-c8d0c404-e005	Jun '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	3,701.15	Shipping	Confirmed	30-06-2018
TR-4373ef1c-cac2	May '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	858.71	Shipping	Confirmed	31-05-2018
TR-2fa00f10-0704	May '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	3,625.46	Shipping	Confirmed	31-05-2018
TR-6d26b9ea-a26c	Apr '18 (2) Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	4,563.92	Shipping	Confirmed	19-05-2018
TR-4dd03ac6-94e7	Apr '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	7	Shipping	Confirmed	30-04-2018
TR-b288c96a-e139	April'18 Deliveries-1 of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	736.24	Shipping	Confirmed	23-04-2018
TR-d8e8e401-1716	Mar '18 Deliveries of MSM POM	PT. Sinar Alam Permai	CSPO	Mass Balance	2,955.74	Shipping	Confirmed	31-03-2018
TR-44b64f14-ec8c	Mar '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	92.96	Shipping	Confirmed	31-03-2018
TR-	Feb '18	PT. Sinar Alam	CSPO	Mass	1,797.09	Shipping	Confirmed	28-02-2018

66ba7444-15cf	Deliveries of MSM POM	Permai		Balance			d	
TR-ae473753-fe71	Feb '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	705.57	Shipping	Confirmed	28-02-2018
TR-811b4c33-9175	Jan '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSPO	Mass Balance	2,210.94	Shipping	Confirmed	31-01-2018
Total					44,135.44			

According to palm trace data it was informed that there was about **44,135.44 MT of CSPO** were sold at the period January to December 2018. The company has able to shows transaction data within those period. Based on the Table above which derived from Palm Trace website, the volume of CSPO selling was balance.

Certified PK sold to each buyer period issued on 1 January to 31 December 2018

Transaction ID	Seller Ref.	Buyer	Product	Program	Volume*	Transaction Type	Status	Shipping/BL Date
TR-3a526d86-0ba6	Des '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	476.12	Shipping	Confirmed	31-12-2018
TR-dcabcc15-5767	Nov '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	590.36	Shipping	Confirmed	30-11-2018
TR-542d96e2-8266	Okt '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	850.87	Shipping	Confirmed	31-10-2018
TR-66c486c2-49b4	Sept '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	733.16	Shipping	Confirmed	30-09-2018
TR-4f8b76cd-48f3	August '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	1,037.13	Shipping	Confirmed	31-08-2018
TR-42d49c56-312f	Jul '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	1,208.12	Shipping	Confirmed	31-07-2018
TR-049870ae-1605	Jun '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	1,024.01	Shipping	Confirmed	30-06-2018
TR-0cff92ae-8c98	May '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	1,124.57	Shipping	Confirmed	31-05-2018
TR-e1852e2c-1b5c	Apr '18 (2) Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	779.99	Shipping	Confirmed	30-04-2018
TR-ee2b2523-6a6d	April '18 Deliveries-1 of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	201.62	Shipping	Confirmed	23-04-2018
TR-e975ecf3-	Mar '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	687.88	Shipping	Confirmed	31-03-2018

8dfb				e				
TR-a3510e51-47fb	Feb '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	430.07	Shipping	Confirmed	28-02-2018
TR-0e002238-57e8	Jan '18 Deliveries of MSM POM	PT. Wilmar Nabati Indonesia Sampit	CSP K	Mass Balance	415.14	Shipping	Confirmed	31-01-2018
Total					9,559.04			

According to palm trace data it was informed that there was about **9,559.04 MT of CSPK** were sold at the period January to December 2018. The company has able to shows transaction data within those period. There are variance data between **CSPK production (9,523.96 MT)** and **CSPK sales (9,559.04 MT)**. it cause, there are balance of **CSPK from previous year amount 73.60 MT**.

Status: Comply

E.3 Documented procedures

E.3.1

The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:

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

Procedure (SOP) of mass balance system is presented in document No. SOP/MSMPOM-LOG-014 Revision 3, issued by Mill Manager on December 11th 2017. This SOP has replacing the previous version (No. SOP-MILL-14 Revision 2, July 2014) and already refers to RSPO SCCS June 2017. This SOP has distributed to Administrative (KTU), Logistic and Mill Manager. The procedure has explained person in charge (PIC) who responsible on Mass Balance system, e.g. Security Officer, Weigh-Bridge Operator, Logistic Staff, Grading Staff, Administration (KTU) and Mill Manager.

Training of SCCS has carried out in May 23, 2018 conducted by SCCS staff from Head Office Jakarta at Regional Office in PT Mustika Sembuluh attended by Mill Manager, Head of Administration, Document Control, and EHS. It was conducted for Central Kalimantan Project with others Wilmar Int'l Ltd

Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from MSM 1 Estate, MSM 2 Estate, BSK 2 Estate, KKSP 1 Estate, KKSP 2 Estate; KKSP 3 Estate (Certified Product) and also MSM plasma (Uncertified Product). Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia (traders) were marked by **"Product CPO/MB" or "Product PK/MB", RSPO Cert. No. MUTU-RSPO/058**.

Status: Comply

E.3.2

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

Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from MSM 1 Estate, MSM 2 Estate, BSK 2 Estate, KKSP 1 Estate, KKSP 2 Estate; KKSP 3 Estate (Certified Product) and also MSM plasma (Uncertified Product). Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia (traders) were marked by **"Product CPO/MB" or "Product PK/MB", RSPO Cert. No. MUTU-RSPO/058**

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.

MSM POM management has provide an update of monthly summary of RSPO FFB certified and non-certified from its supply base and external sources, with recapitulation presented as follows:

Month	FFB (mt)		
	RSPO Certified	Non Certified	Total
Previous stock	-	-	-
January 2018	9,989.24	-	9,989.24
February 2018	10,356.08	-	10,356.08
March 2018	16,311.24	-	16,311.24
April 2018	21,610.73	2.83	21,613.56
May 2018	23,464.82	53.05	23,517.87
June 2018	22,332.61	141.99	22,474.60
July 2018	23,175.80	27.53	23,203.33
August 2018	18,811.49	37.43	18,848.92
September 2018	16,231.68	12.93	16,244.61
October 2018	15,631.96	11.40	15,643.36
November 2018	15,591.57	16.75	15,608.32
December 2018	11,056.24	13.87	11,070.11
Total	42,279.77	42.02	42,321.79

According to the Table above, it could be concluded that POM management has satisfactory records FFB production and separated it into RSPO Certified and Non-Certified.

Status: Comply

E.4.2
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.

MSM Mill management estimate that actual production will passed the quota given. Hence, for additional quota purposes, PT MSM management has informed certification body (CB) through Letter of Mill Manager No. 03/MSM/POM/XI/2018 dated November 9th 2018 which delivered via email on November 11th 2018 and responded by CB representative on the same date. As per checked on the Palm-trace in January 15th 2018, it was informed that additional (extension) volume for CSPO and CSPK which approved by RSPO were about **11,528 mt** and **3,038 mt**, respectively.

Certified Products	Estimation Tonnage of Certified Products	Remaining Certified Products	Additional Volume (Extension)
CSPO	36,500 mt	14,604.27 mt	11,528 mt
CSPK	7,506 mt	3,195.79 mt	3,038 mt

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.)

Status:
E.5.2

In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.

CSPO and CSPK from MSM Mill has delivered to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia which both were owned by Wilmar International, Ltd. All products sent were marked by **Product CPO/MB** or **Product PK/MB**, **RSPO Cert. No. MUTU-RSPO/058**.

MSM Mill management unit has record delivery of RSPO certified and non-certifies products to both traders, with summary presented as follows:

Period	CPO Production (mt)			CPO Dispatch (mt)		
	Cert	Non-Cert	Total	Cert	Non-Certified	Total
January to March 2018	8,467.80		8,467.80	7,749.50	-	7,749.50
April to June 2018	14,164.80	53.31	14,218.10	13,530.88	-	13,530.88
July to September 2018	12,323.04	17.93	12,340.97	13,711.69	-	13,711.69
October to December 2018	9,292.20	17.93	9,301.17	9,089.00	-	9,089.00
Total	44,247.84	80.21	44,328.05	44,081.07		44,081.07

CSPK production three monthly basis on 2018

Period	PK Production (mt)			PK Dispatch (mt)		
	Cert	Non-Cert	Total	Cert	Non-Certified	Total
January to March 2018	1,571.40	-	1,571.40	1,525.70	-	1,525.70
April to June 2018	3,192.02	12.58	3,179.44	3,162.45	-	3,162.45
July to September 2018	2,907.31	4.25	2,911.55	2,950.26	-	2,950.26
October to December 2018	1,865.81	1.96	1,867.77	1,893.19	-	1,893.19
Total	9,523.96	18.78	9,542.74	9,531.60	-	9,531.60

Detail of certified product transaction is presented in Indicator E.2.2.

Status: Comply

3.3. Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and Trademark from Certification Body which submitted by Client	X or
ASA 4	<p>Mentaya Sawit Mas POM is Subsidiary of Subsidiary of Wilmar International, Ltd do not use RSPO trademark and CB Logo.</p> <p>PT Mentaya Sawit Mas/Mentaya Sawit Mas POM has trademark License Number RSPO-1106373</p> <p>Can been seen at: https://www.rspo.org/trademark/current-licensees </p>	√
	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 4	PT MSM does not use Logo	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA 4	PT MSM does not use Logo	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate Trademark.	X or√
ASA 4	PT MSM does not use Logo	√
	Status: Comply	

3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Wilmar International Ltd against the rules for partial certification was determined through Self Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

Wilmar International Ltd Time Bound Plan (TBP) is explained in point 1.10. Wilmar International Ltd has informed the TBP progress, MUTU has considered that Wilmar International Ltd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Wilmar International Ltd on July 2018.

MUTU has verified partial certification for un-certified unit's subsidiary of Wilmar International Ltd based on their Time Bound Plan. There are seven (7) uncertified mills and sixteen (16) uncertified estates of Wilmar International Ltd. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is produced for these units.</p> <p>Auditor verification</p> <p>There is internal audit produced for</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman - PT Bumipratama Khatulistiwa - PT Agro Palindo Sakti 2 - PT Musi Banyuasin Indah - PT Sinarsiak Dianpermai - PT Agroindo Indah Perkasa 2 <p>And positive assurance is produced for these units.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>WILMAR International Ltd has submitted liability disclosure to RSPO on 31 July 2014 and LUCA template on 3-8 March 2015</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, LUCA document was verified by RSPO on 1 Sept 2015. The 2nd LUCA verification document was on 2nd Nov 2015 with result of PASS WITH CLARIFICATION. - PT Bhumi Pratama Khatulistiwa, Submitted liability disclosure to RSPO on 8 Dec 2015 and LUCA template on August 2015. The final RSPO endorsement from RSPO

		<p>compensation on 29 September 2016 is 0 ha therefore there is no compensation plan required</p> <ul style="list-style-type: none"> - PT Agro Palindo Sakti 2, LUCA doc was verified by RSPO on 1 Sept 2015. The 2nd LUCA review was on Dec 2016 with result of PASS - PT Musi Banyuasin Indah, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Sinarsiak Dianpermai, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Agroindo Indah Perkasa 2, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 <p>Auditor verification Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>No new planting/land clearing after 1st January 2010.</p> <p>Auditor verification</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, The first planting year was in 1999. The latest land clearing was in 2009 based on: LUCA analysis 2009 where the area was already bare land area. LUCA has been submitted to RSPO as part of company disclosure requirement. - There is no new planting after 1st January 2010 for, PT Bumipratama Khatulistiwa, PT Agro Palindo Sakti 2, PT Musi Banyuasin Indah, PT Sinarsiak Dianpermai, PT Agroindo Indah Perkasa 2
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>There is no land conflicts.</p> <p>Auditor verification There is no information from public source and RSPO website on any land conflict for uncertified unit of the group subsidiaries.</p> <p>Based on the company record there is documentation on land compensation recapitulation updated on 1 October 2007, participatory mapping, agreement letter on compensation between company and land owner, land owner identity and procedure on compensation technical guidance SOP 001/WIP-KB/(0)/0610 dated June 2010.</p>

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

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

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

NCR No.	:	-	Issued by	:	-
Date Issued	:	-	Time Limit	:	-
NC Grade	:	-	Date of Closing	:	-
Standard Ref. & Requirement	:	-			
Non-Conformance Description & Evidence observed (filled by auditor):					
-					
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	:	-			

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA - 4

NCR No.	:	-	Issued by	:	-
Date Issued	:	-	Time Limit	:	-
NC Grade	:	-	Date of Closing	:	-
Standard Ref. & Requirement	:	-			
Non-Conformance Description & Evidence observed (filled by auditor):					
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	:	-			

3.5.3 Opportunity for Improvement

No	Ref. Std.	Description Deskripsi
1	2.1.1.	The CH shown Environment and Forestry Minister Decree Number SK. 6406/MenLHK-PKTL/KUH/PLA.2/11/2016 dated 24 November 2016 about Establishment of an integrated team in the framework of research for the release of production forest areas for oil palm plantation development on behalf PT Mentaya Sawit Mas covering 1,641 Hectare in Kotawaringin Timur District, Central Kalimantan Province, Indonesia. Based on interview with the legal team, there are no field inspection from related ministry in accordance to that's letter. The CH to be consider o conduct follow up on Forest Release Status.
2	4.1.1	Estate management has encourage to develop a proper agronomy input on very sandy area, particularly on area where planted in 2018. Furthermore, it was an opprtunity to ensure that racking activity shall be completed as scheduled/programmed.
3	4.6.5	The company has an opportunity to ensure all pesticide applicators has follows and implementing a safety and health aspect as required by company regulations.
4	5.3.2	Encouraging to follow up agreement extension process with PT Wastec International, a private licensed hazardous waste organizer company.
5	5.3.3.	The company has an opportunity to conduct analysis and evaluaition on household (domestic) waste management on landfill, espically during wet season.
6	6.1.5.	The company has involving smallholder-plasma candidates on RKS-RPS process for period 2019. However, there is an opportunity for considering the candidates on SIA study process, before RSPO plasma certification activities been started.
7	6.10.3.	The company has an opportunity to develop an MoU with Cooperative, regarding scheme cooperation system on Plasma program.
8	7.3.1	The company is expected to conduct a cooperation with third party towards Compensation Partners for matters associated with Annex 8 (Remediation) requirements, thus the result could be delivered to RSPO Compensation as soon as possible (Observation) .

1.5.4 Noteworthy Positive Components

No	Descriptions
1	Has a good commitement in implementing a sustainable principles on oil palm development.
2	Has a competent human resources in impelenting a sustainable principles on oil palm development.
3	The CH through MSM POM has develop a Methene Capture or Biogas Plant as a mitigation part of GHG emission.
4	Realization of "Cetak Sawah" or Paddy Field Progam in Penda Durian Village as agreement reached for HCV area where derived from community land area.

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Tanjung Bantur Village Head of Village, Head of Bantur Jaya Abadi Cooperative, and Teacher</p> <ul style="list-style-type: none"> - The company has good relation with the communities. - There are no environment pollution issues. - There are no fire case issues. - There are no land claims issues, it cause the majority of previous land owners from Kawan Batu Village. - There are no issues related to the complaints of surrounding communities regarding to estates and mill operations. - The company has given incentive honorarium for two teachers. - Aid for construction of a mosque and road. - There are community development program on February 2019 as Rice estate for 200 person from three farmer groups. The area of this project are 70 Ha. - Bantur Jaya Abadi Cooperative has been establish, however the area is still Production Forest Area. It can't be process to the next step for smallholders program. - The villagers was known PIC for Communication is Mr Hendri (CD/CSR staff). - The company has socialized about HCV area, there are no issues related to Orangutan and HCV degradation by company. - The company has informed regard of job opportunities, however the communities have restricted by road access/there are no road access from village to the company, they should use a boat. <p>Aspiration: The company can helping process of Forest Product Area Releasing for Smallholders program.</p>	<ul style="list-style-type: none"> - Regarding community development, it has been verified on criteria 6.11. - The company has conducted environment monitoring and management in accordance to regulations. Its according to criteria 2.1&5.1.
<p>Penda Durian Village Head of Village, Tressury of Cooperative,</p> <ul style="list-style-type: none"> - The company has good relation with the communities. - There are no environment pollution issues. - There are no fire case issues. - There are no land claims issues, it cause the majority of previous land owners from Kawan Batu Village. - There are no issues related to the complaints of surrounding communities regarding to estates and mill operations. - The company has given incentive honorarium for two teachers. - Aid for construction of a mosque and road. - There are community development program on February 2019 as Rice estate for 100 person from three farmer groups. The area of this project are 50 Ha as compensation of HCV area 230 Ha in the communities land. 	<ul style="list-style-type: none"> - Regarding community development, it has been verified on criteria 6.11. - The company has conducted environment monitoring and management in accordance to regulations. Its according to criteria 2.1&5.1.

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> - Harapan Sejahtera Cooperative has been establish, however the area is still Production Forest Area. It can't be process to the next step for smallholders program. - The villagers was known PIC for Communication is Mr Hendri (CD/CSR staff). - The company has socialized about HCV area, there are no issues related to Orangutan and HCV degradation by company. - The company has informed regard of job opportunities. <p>Aspiration: The job opportunities improvement.</p>	
<p>Previous Land owners from Pahirangan, Kawan Batu, and Kapuk Village.</p> <ul style="list-style-type: none"> - The company has conducted land acquisitions in accordance to FPIC process. - GRTT prices is according to the Kotawaringin Timur Regulations. - Land measuring and mapping were conducted with participation of adjacent land owners. <p>There are no intimidation/coercions by the company or para military during GRTT process.</p>	<p>The company has conducted land acquisition with FPIC process in accordance to criteria 2.3.</p>
<p>CV Rindu Mas (Local Contractor)</p> <ul style="list-style-type: none"> • PPE of Contractor workers such as boot, helmet, etc., were provided by Contractor as required by estate management which mentioned in the Letter of Agreement. • Renewal of agreement every six month. • We have 24 workers for infrastructure projects. • All workers has been registered on the BPJS TK program. Therefore our workers also get treatment at the estate polyclinic, when they were sick. • There are no complaint regarding payment system. 	<p>It has been verified on criteria 4.7 and 6.10.</p>
<p>Manpower and Transmigration Agency Date: 21 January 2019</p> <ol style="list-style-type: none"> 1. Controller Bureau of Kalimantan Tengah Province 2. Industrial Relationship of Kotawaringin Timur Regency <p>Notes:</p> <ul style="list-style-type: none"> • The CH has considered cooperative in delivering periodic manpower-related compulsory report such as Quarter OSH Committee (P2K3) report, Manpower Compulsory Report (WLTK). The latter report has delivered online to Province Manpower Agency in Palangkaraya. • The CH has also considered transparent and cooperative in providing information requested by the agency such as list of worker and wages. • The CH has providing a suit and proper personal protective equipment (PPE) to the workers as in accordance with 	<p>In general, it could be concluded that CH management has a good relationship with Agency in term of transparency of related information and has deliver several compulsory report on schedule. There is no negative issues related to manpower and safety aspects. Detail description towards the mentioned aspects are presented in Criteria 4.7 and 6.5.</p>


Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>hazardous identification and risk analysis control. However, the CH is required to improve workers awareness and disciplines.</p> <ul style="list-style-type: none"> • The CH has provide insurance (BPJS) to all workers, both <i>Ketenegakerjaan</i> (manpower) and <i>Kesehatan</i> (health) scheme. However, there was some obstacle such as availability of electronic identity card (e-KTP), <i>Penerima Bantuan Iuran</i> (PBI) and unpaid loan with the previous company. • The CH has involving the agency on first aid and safety training in 2017 and 2018. • License of machinaries has carried out in PJK3 Province, while license for Operators has carried out in Jakarta (Ministry of Manpower). • The CH has always implementing minimum wages for plantation sector of Regency (UMSK). In 2019, the UMSK was IDR 2,776,460.00. • There was no issues related to severe work accident, worker conflicts, discrimination, gender, child labor, forced labour, illegal worker, wages payment. The CH has reported has a policy of prohibition to brings children on working areas. • The company is considered has provide an adequate and good facilities for workers such as housing, worship building, sport fields, electricity, clean water, domestic waste management, school bus, school, etc. • The CH has a registered LKS Bipartite and has a Company Policy (PP) which still valid until 2020. 	
<p>Gender Committee Date: 23 January 2019 Head of Gender Committee from MSM POM, MSM 1 and MSM 2 Estate and members.</p> <p>Notes:</p> <ul style="list-style-type: none"> • Gender committee has established in 2012 as "<i>Komite Perempuan</i>" and become Gender Committee in 2017. Committee meeting has conducted quarterly. • Existence of gender committee has considered useful for women workers. During last four year there is no negative issues related to gender matters such as sexual harassment and discrimination. • The company has considered very supportive on committee program. Among the program are child immunization, gender socialization, religious activities, coordination with Bipartit Committee and Clinic on elephantiasis medicine, etc. the company has also supporting through funding. • Compulsory pregnant test has conducted every semester in company clinic or by request by the worker. Those who works with chemical will be transferred to non-chemical works when positive result has detected. 	<p>In general, it could be concluded that CH management has support existence of gender committee to facilitate women workers rights. There is no negative issues related to women abuse, sexual harassment and discrimination. Further detail on gender aspect is explained in Criteria 6.9.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> Leave of H1 and H2 were provided by the company, with man-days paid if recommended by paramedic. 	
<p>Bipartite Committee Date: 23 January 2019 Head of Gender Committee from MSM POM, MSM 1 and MSM 2 Estate and members.</p> <p>Notes:</p> <ul style="list-style-type: none"> The CH has no Labour union, But Bipartite Committee, which already registered to Manpower and Transmigration Agency. Company Regulation was still valid. There is no issues related to minimum wages payment, insurance, health plafond, child labour, illegal worker, emergency facilities, and other facilities provided by the company. All workers were permanent workers and already registered into BPJS Manpower and Health. The company has provide a proper PPE for all workers, in accordance with hazardous risk assessment analysis. The CH management has considered transparent and cooperative in providing information. Any grievances and complaint has immediately responded less than one week as mentioned in compamny procedure, and has settled up in condusive situation. The company has considered properly and satisfactory handled accident incidences in accordance with regulation. Worker right has fully implemented by the company. 	<p>The auditor has verified with positive impression. Furter detail is presented in Indicators 5.4.2, 5.2.1, 5.3.1, 5.3.2 and 2.1.4.</p>
<p>Agriculture Agency Section of Plantation Kotawaringin Timur district</p> <ul style="list-style-type: none"> Assessment of Plantation Business is carried out by the province Reports on Plantation Business Development have been regularly reported every quarter There is no information on land fires during the period of 2018; Monitoring and fire reports are routinely reported every semester Never received HCV utilization and monitoring reports (in accordance with Pergub No. 41 of 2014) Has carried out CSR for the surrounding community; CSR report unites with Plantation Business Development 	<ul style="list-style-type: none"> Plantation Business Assessment is carried out at the provincial level It has been reported regularly according to the period The report is put together with reports on plantation business development. HCV utilization and CSR report have been regularly reported every quarter in conjunction with reports on plantation business development
<p>Environment Agency Unit management has sent mandatory reports such as <i>RKL/RPL</i>; schedule waste; Liquid waste and others. Land application permits and schedule waste store are still valid. So far there has never been an issue regarding environmental pollution and every</p>	<p>Unit management has implemented criteria 1.1 and the implementation of environmental documents (criterion 5.2).</p> <p>Unit management already has a Biogas Plant</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>request for information has been responded by the unit management Unit Management has environmental documents related to the addition of biogas plants and additions to matrix of management & monitoring of environmental.</p>	<p>document and sent reports on environmental implementation timely.</p>
<p>Email from Pahirangan Local Community on February 7th, 2019</p> <ol style="list-style-type: none"> 1. The community strongly objected to the land that was made into the HCV area by PT. MSM. Because until now they are still managing the 800 hectare land in Pahirangan Village. In addition, they feel never give approval to the land for HCV, never surrender and receive compensation from PT MSM. 2. They also sent a Memorandum of Understanding dated on May 21st, 2014 between the Head of Pahirangan Village and the BOSF Program Manager Mawas Conservation Program, explained that: <ol style="list-style-type: none"> a. The parties agreed on the HCV Area within the company Land use permit and also entered the Pahirangan Village administration area. b. The parties agree that the BMP program objectives can be achieved if the protected areas are managed together. c. Matters related to the technical implementation issues and field operations will be organized and coordinated together. d. The memorandum of understanding signed by the parties is not an agreement or decision and determination of HCV areas, but the process is done in the implementation of the BMP program. 	<p>Since 2013 PT MSM has made efforts to deal with villages around PT. MSM including Pahirangan Village through the BMP program involving the Regional Government with the ultimate goal is the establishment of HCV by the Kotim Regent and joint management. The processes have been carried out and fully documented in the report (The attached is some footage of the activities of the process) this includes part of FPIC itself and also includes participatory mapping to lead to the proposed HCV area compensation program where implementation requires a process.</p> <p>The Auditor team verify the documents such as:</p> <ol style="list-style-type: none"> 1. Minutes of Activities of the Best Management Practices Program (BMP) for the Protection of Orangutans and Their Habitat in the PT Mentaya Sawit Mas Palm Oil Plantation Area on February 25th, 2014 signed by the Pahirangan Village Head, Environment Agency of Central Kalimantan Province, PT MSM, BOSF-MAWAS and Facilitators. The activity was attended by 35 people from Pahirangan Village. In the Minutes there was an agreement between the community and the company regarding identification, inventory and re-mapping & re-determination of HCV. 2. Report of participatory mapping activities HCV BMP Program conducted from February 2nd until March 2nd, 2015 at 5 Village (Baampah, Kawan Batu, Tanjung Bantur, Penda Durian & Pahirangan). The activity aims to: <ol style="list-style-type: none"> a. Know the area of HCV per village area. b. Knowing the HCV field conditions over an area claimed by several villages. c. As material to be consulted in villages in participatory mapping, related to HCV management on the basis of mutual agreement in the memorandum of understanding. 3. Draft Agreement between PT MSM and Pahirangan Village in 2017 in the framework of compensation and joint management of land, explained that there are land of the Advanced Farmers Group and the

Public Issues (Institution/ NGO/Community)	Auditor Responses
	<p>Makmur Bersama Farmers Group (Pahirangan Village) covering an area of 360.23 Ha which is included in the Land Use Permit and is HCV. To compensate the land will be built of \pm 67 hectares of rice fields in accordance with the proposals of both the farmer group.</p> <p>However, based on the results of the map overlay, it is known that from an area of 134 hectares, there are only 21.30 hectares of <i>APL</i> status. So that the agreement cannot be signed by both parties.</p> <p>The documents and processes that have been carried out by the company, Auditor team conclude that the indicator 5.2.5 still appropriate, but will be observed again in the next assessment.</p>
<p>Email from Pahirangan Local Community on February 7th, 2019</p> <p>There are examples of workers pay slips in March, April, and June 2018 on the MSM 2 Estate. Where wages are not in accordance with the district sectoral minimum wages of East Kotawaringin Regency in 2018.</p>	<p>Based on the explanation from the company that the wages of workers under the district sectoral minimum wages are it's because work productivity factors and present days that do not accordance. But now the company has committed to wages which are still below the <i>UMSK</i> in 2018, the wages will be paid less.</p> <p>The Auditor Team verifies the following documents:</p> <ol style="list-style-type: none"> Minutes of Progress Submission Shortage of salary under <i>UMSK</i> in 2018 dated March 4, 2019 was signed by KTU, Estate Manager and Group Estate Manager. Explained that: <ol style="list-style-type: none"> The company is committed to paying wages for workers who work in 2018. Deficiency payment of wages in January until June 2018 was held in October 2018. While the payment of wages shortage until July period in October 2018 paid in November 2018. Payment of wages from November 2018 to the present is carried out in accordance with the Regency / Internal Minimum Wage of the company memo that applies in accordance with the attendance and specified working time. For workers who have resigned from January to November 2018, the company is still in the process of verifying account numbers and valid addresses. Wages evidence of payment from January to June 2018, in October 2018 there were 553 workers.

Public Issues (Institution/ NGO/Community)	Auditor Responses
	<p>3. Evidence of underpaid payment in July to October 2018, in November 2018 there were 548 workers.</p> <p>4. In the list of wages there is a name according to the email of the complaint.</p> <p>Based on the evidence that has been shown, the audit team concluded that the company has implemented a wage in accordance with the applicable provisions in accordance with 6.5.1 Indicators. The consistency of the company will be checked again at the next assessment.</p>
<p>Email from Pahirangan Village Communities on 1 March 2019</p> <p>There is an overlay map that shows there are several areas of the company that are included in HPK and HP Areas.</p>	<p>The company has had HGU with number 57/HGU/BNP/2005 dated 27 May 2005. It's in accordance to Kalimantan Tengah Governor Decree number 8 of 2003 concerning the RTRW of Kalimantan Tengah Province, at that time the area of PT MSM was APL (clean & clear). However in 2012, the Minister of Forestry issued Decree Number 529 concerning the Appointment of Forest Area in Kalimantan Tengah Province. If referring to the Forestry Minister Decree, there are several area from APL change to HP & HPK. The company remains obedient to the regulations, they has submitted an application for Forest Area Release Permit and Forest Area Exchange since year of 2013. Where it is still in process, the company shows Environment and Forestry Minister Decree Number SK. 6406/MenLHK-PKTL/KUH/PLA.2/11/2016 dated 29 November 2016 concerning the establishment of an integrated team in the framework of researching request for the release of convertible production forest area of PT Mentaya Sawit Mas in Kotawaringin Timur Regency, Kalimantan Tengah Province.</p> <p>The auditor's team concluded that there was a positive progress in managing the permit for the release of forest areas by the company, which was also not an authority on the part of the company. Indicator 2.2.1 is still comply, however this progress will be verified again on the next assessment.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company 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 Mentaya Sawit Mas Group Estate Manager</p>  <p>Rikson Armagedon Purba Friday, 08 February 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p>Trismadi Nurbayuto Friday, 08 February 2019</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	National Land Agency	District of Kotawaringin Timur Province of Kalimantan Tengah	-	Interview	22 January 2019		√
2	Agriculture Agency	District of Kotawaringin Timur Province of Kalimantan Tengah	-	Interview	22 January 2019	√	
3	Manpower Agency	District of Kotawaringin Timur Province of Kalimantan Tengah	-	Interview	22 January 2019	√	
4	Environment Agency	District of Kotawaringin Timur Province of Kalimantan Tengah	-	Interview	22 January 2019	√	
5	WALHI	Indonesia	informasi@walhi.or.id	Questionnaire	04 January 2019		√
6	Sawit Watch	Indonesia	info@sawitwatch.or.id	Questionnaire	04 January 2019		√
7	AMAN	Indonesia	rumahaman@cbn.net.id	Questionnaire	04 January 2019		√
8	IARI	Indonesia	informasi@internationalanimalrescue.org	Questionnaire	04 January 2019		√
9	Tanjung Bantur Head Village, Head of Bantur Jaya Abadi Cooperative, public figure.	Tanjung Bantur Village, Subdistrict of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	-	Interview	23 January 2019	√	
10	Penda Durian Head Village, Head of Harapan Sejahtera Cooperative, public figure.	Penda Durian Village, Subdistrict of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	-	Interview	23 January 2019	√	
11	Previous land owners	Kawan Batu Village, Subdistrict of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	-	Interview	24 January 2019	√	
12	Previous land owners	Pahirangan Village, Subdistrict of Mentaya			24 January 2019	√	

		Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia					
13	Previous land owners	Kapuk Village, Subdistrict of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia					
14	Internal Stakeholder <ul style="list-style-type: none"> Labour Union Gender Committee 	Village of Kawan Batu, Subdistrict of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	-	Interview	23 January 2019	√	
15	Internal Stakeholder : <ul style="list-style-type: none"> MSM – 1 <ul style="list-style-type: none"> Spraying : 4 female worker Manuring : 3 female worker Harvester : 2 male worker Upkeep Worker : 5 male worker MSM – 2 <ul style="list-style-type: none"> Spraying : 5 female worker P & D : 1 officer Harvester : 1 male worker Upkeep : 3 female worker MSM – POM <ul style="list-style-type: none"> Sortation : 3 male worker Boiler : 1 male worker Engine Room : 1 male worker Kernel : 1 male worker Sterilizer : 1 male worker Security : 4 worker Weight Bridge : 3 operator Workshop : 3 worker 	Village of Kawan Batu, Subdistrict of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia.	-	Interview	22 January 2019 23 January 2019 22 January 2019	√ √ √	

Appendix 2. Assessment Program

DATE	21 – 25 January 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 21 January 2019		
07.45 – 09.10 09.30 – 12.00	Jakarta → Sampit (Nam Air IN – 172) Stakeholders consultation to Related Government in Kotawaringin Timur Regency <ul style="list-style-type: none"> • Environment Agency • Man Power, Transmigration and Social Welfare Agency • Forestry and Plantation Agency 	<ul style="list-style-type: none"> • All Team • BRP • MAH/TNB • HRK
12.00 – 13.00	BREAK	• All Team
13.00 – 17.00	Sampit → Mess PT Mentaya Sawit Mas	• All Team
Tuesday, 22 January 2019		
08.00 – 09.00 09.00 – 12.00	<ul style="list-style-type: none"> • Opening Meeting • Stakeholders consultation to Nearest village, community leader. Field Observation Mentaya Sawit Mas I 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 	<ul style="list-style-type: none"> • All Team • TNB • HRK • HRK • BRP • MAH
12.00 – 14.00	BREAK	All Team
14.00 – 16.30 14.00 – 16.30 16.30 – 17.00	Field observation to Mentaya Sawit Mas 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). • Water Treatment Plant, Schedule Waste, Workshop, Chemical Storage, WWTP, Leachate Water management. • Clarification of Field Visit result, Document Review and Verification of Previous Non-Conformance Record 	<ul style="list-style-type: none"> • TNB • MAH • BRP • All Team
Wednesday, 23 January 2019		
08.00 – 12.00	Field Observation Mentaya Sawit Mas II 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 	<ul style="list-style-type: none"> • HRK/MAH • HRK/MAH • BRP • TNB
12.00 – 14.00	BREAK	All Team
14.00 – 17.00	• Field observation clarification	<ul style="list-style-type: none"> • All Team • HRK

DATE	21 – 25 January 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> • Stakeholders consultation to local contractor of Mill and Estates, Workers Union, Gender Committee. • Document Review and Verification of Previous Non-Conformance Record 	
Thursday, 24 January 2019		
08.00 – 12.00	<ul style="list-style-type: none"> • Field observation clarification • Document Review and Verification of Previous Non-Conformance Record 	<ul style="list-style-type: none"> • All Team • All Team
12.00 – 14.00	BREAK	All Team
15.00 – 17.00 19.00 -	<ul style="list-style-type: none"> • Closing Meeting • PT MSM → SAMPIT 	<ul style="list-style-type: none"> • All Team
Friday, 25 January 2019		
09.45 – 11.10	<ul style="list-style-type: none"> • SAMPIT → JAKARTA (NAM AIR IN-171) 	<ul style="list-style-type: none"> • ALL Team • ALL Team