

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance 1.1

Name of Management Organisation : **Blang Simpo Palm Oil Mill – PT Perkasa Subur Sakti Subsidiary of Sime Darby Plantation Bhd.**
 Plantation Name : **PT Padang Palma Permai: Blang Simpo-01 Estate, Blang Simpo-02 Estate and Tamiang Estate**
 Location : **PT Perkebunan Sri Kuala: Batang Ara Estate**
 Location : **Village of Tualang Pateng, Sub District of Peureulak Timur, District of Aceh Timur, Province of Aceh, Indonesia**
 Certificate Code : **MUTU-RSPO/026**
 Date of Certificate Issue : 03 May 2018 Date of License Issue : 03 June 2019
 Date of Certificate Expiry : 02 May 2023 Date of License Expiry : 02 May 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.1	11 to 16 February 2019	Trismadi Nurbayuto (Lead Auditor), Mohamad Amarullah, Brigitta Prita, Haikal Ramadhan Kharismansyah	Ardiansyah	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.1	20 May 2019

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Figure 1. Location Map of Blang Simpo Estate and Blang Simpo POM

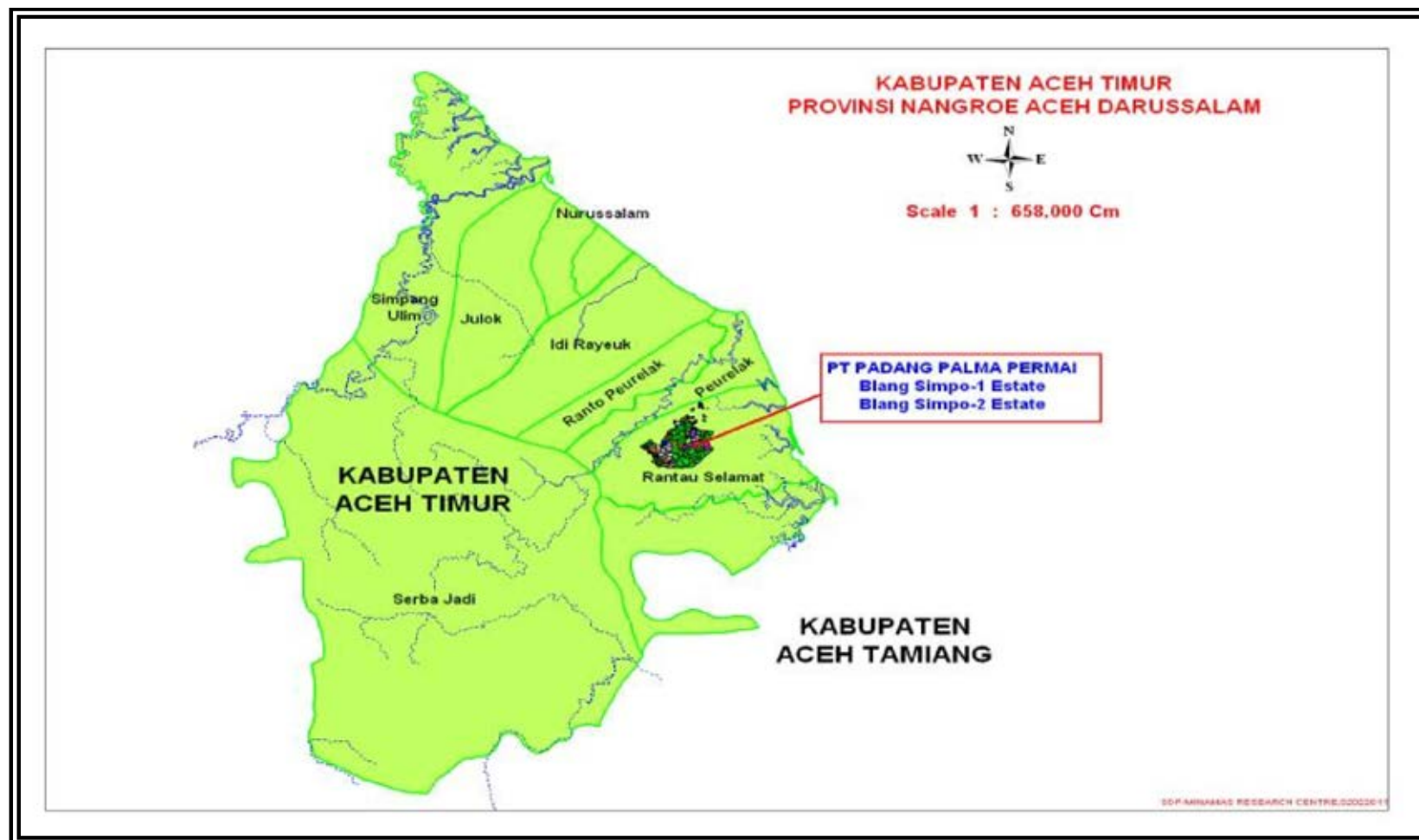


Figure 2. Location Map of Batang Ara Estate and Tamiang Estate

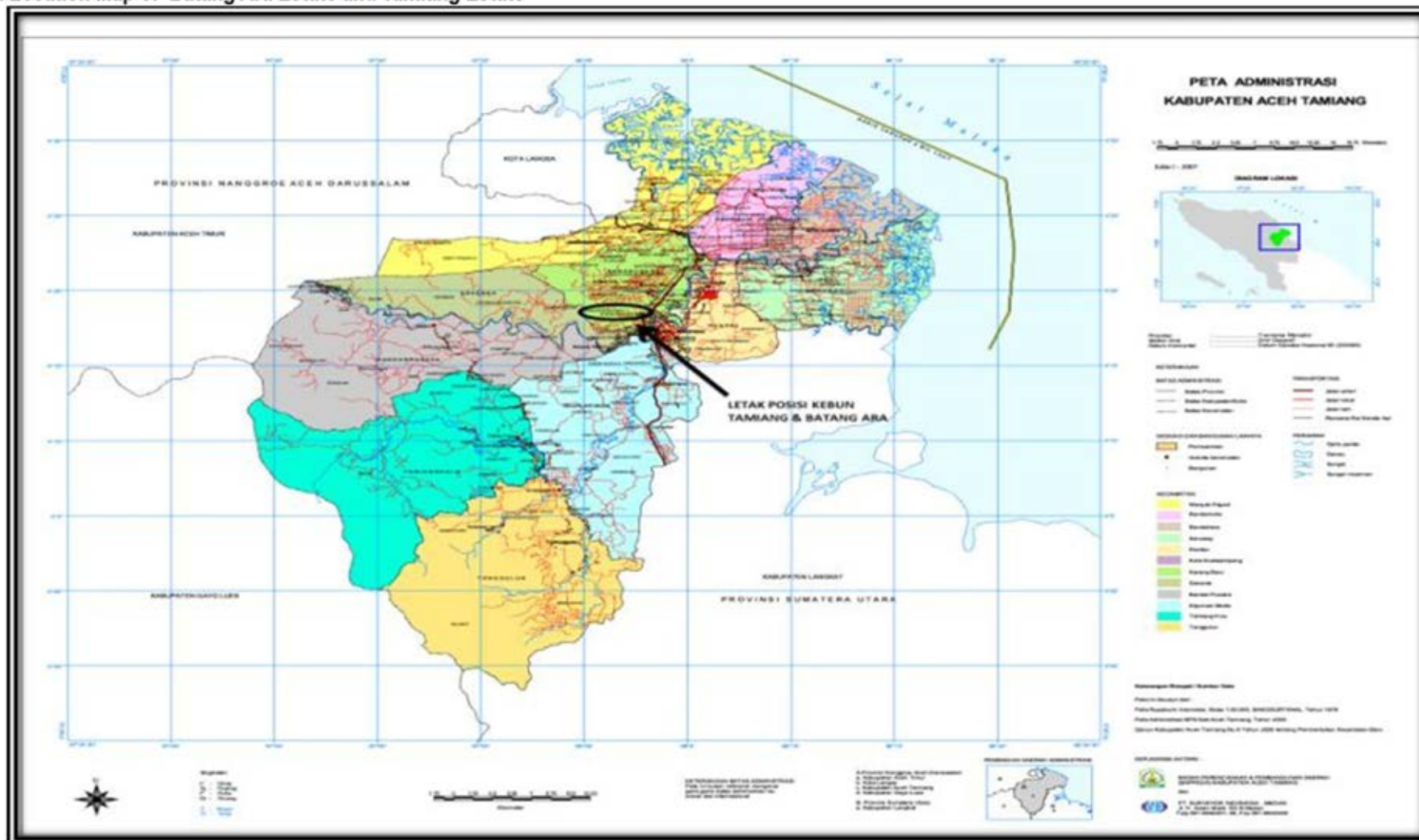
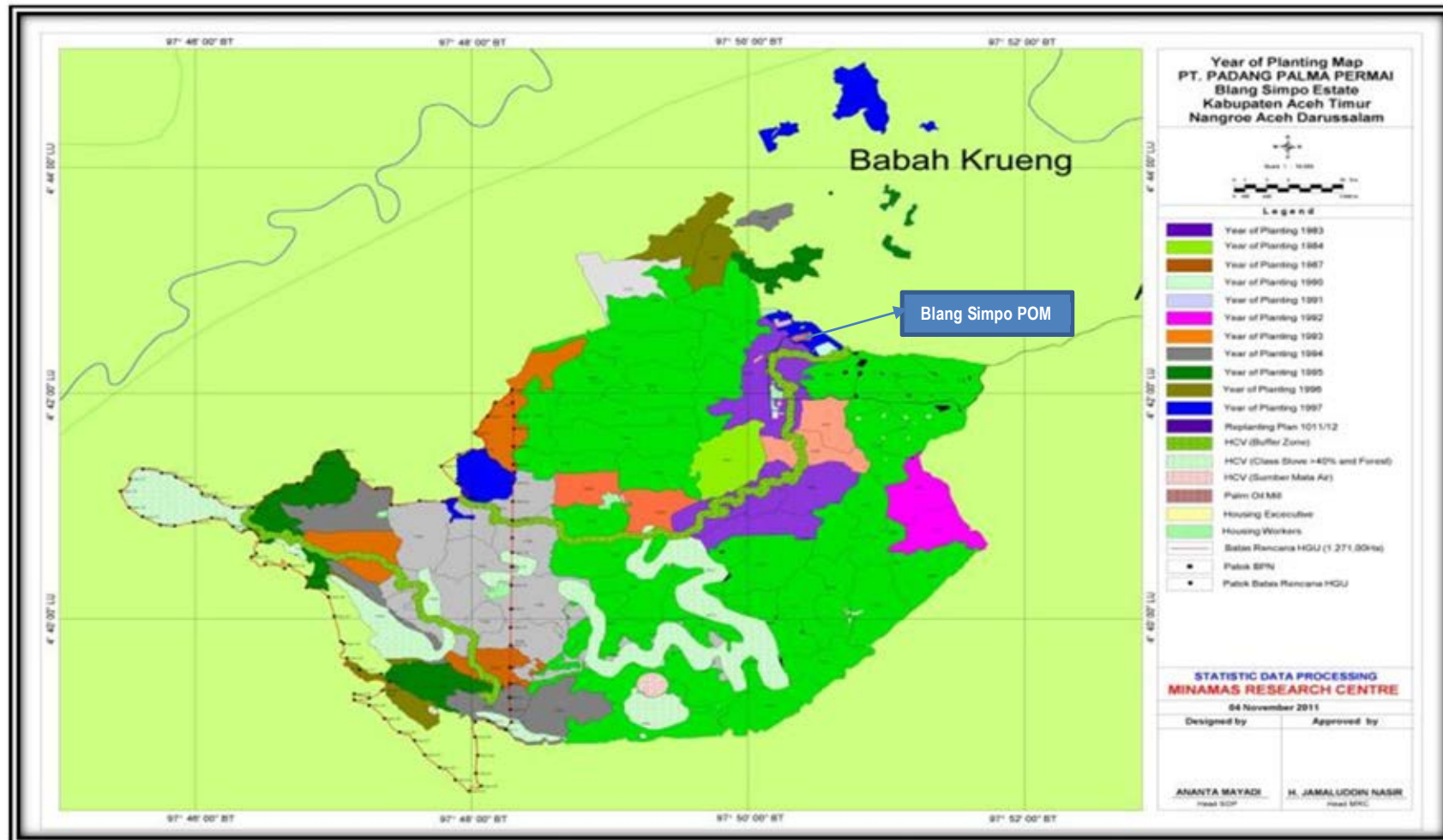


Figure 3. Operational Map of Blang Simpo Factory dan Blang Simpo Estate



Abbreviations Used

APD / PPE	:	Personal Protection Equipment (Alat Pelindungan Diri)
ASA	:	Annual Surveillance Assessment
ASEAN	:	Association of South East Asian Nations
ARM	:	Agriculture Reference Manual
BAE	:	Batang Ara Estate
BOD	:	Biological Oxygen Demand
BHS	:	Block Harvesting System
BMS	:	Block Manuring System
BSE	:	Blang Simpo Estate
BSF	:	Blang Simpo Factory
BSS	:	Block Spraying System
B3	:	Hazardous and Toxic Materials (<i>Bahan Berbahaya dan Beracun</i>)
CPO	:	Crude Palm Oil
EFB	:	Empty Fruit Bunch
EWS	:	Early Warning System
HCV	:	High Conservation Value (<i>Nilai Konservasi Tinggi</i>)
GCAD	:	Group Corporate Audit Department
HGU	:	Land Use Right/Title (<i>Hak Guna Usaha</i>)
IPM	:	Integrated Pest Management
ILOK	:	Location Permit (<i>Izin Lokasi</i>)
IUP	:	Plantation Operation Licence (<i>Izin Usaha Perkebunan</i>)
KER	:	Kernel Extarction Rate
LB3	:	Hazardous Waste (<i>Limbah Bahan Beracun dan Berbahaya</i>)
LC	:	Land Clearing
LCC	:	Legium Cover Crop
LRRP	:	Long Range Replanting Program
LSU	:	Leaf Sampling Unit
MMCM	:	Monthly Management Committee Meeting
MRC	:	Minamas Research Centre
OHS	:	Occupational Health and safety
OER	:	Oil Extarction Rate
PK	:	Palm Kernel
PKB	:	Perjanjian Kerja Bersama (Collective Labour Agreement)
PMU	:	Performance Management Unit
POM	:	Pabrik Kelapa Sawit / Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PPP	:	Padang Palma Permai
PSK	:	Perusahaan Srikuala
PSS	:	Perkasa Subur Sakti
PSD	:	Plantation Services Departement
PSQM	:	Plantation Sustainability and Quality Management
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (OHS Committee)
RSPO	:	Roundtable on Sustainable Palm Oil
RC	:	Recertification audit
SOP	:	Standard Operating Procedure
SCCS	:	Supply Chain Certification Systems
SSU	:	Soil Sampling Unit
TBS / FFB	:	<i>Tandan Buah Segar</i> (Fresh Fruit Bunches)

TME	:	Tamiang Estate
UKL/UPL	:	<i>Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan.</i> (Environmental Management Efforts/ Environmental Monitoring Efforts)
WLTK	:	Wajib Lapor Tenaga Kerja (Compulsory Company Manpower Report)

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 (P&C) 2013 by INA-NITF July 2016, endorsed by the RSPO Board of Governors on September 30th 2016 • RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill) • RSPO Certification System for Principles and Criteria, 14 June 2017 	
1.2 Organisation Information			
1.2.1	Organization name listed in the certificate	PT Perkasa Subur Sakti, subsidiary of Sime Darby Plantations Bhd.	
1.2.2	Contact person	Alagendran A.L Maniam	
1.2.3	Organisation address and site address	RSPO registered company: No 2, Plantation Tower, PJU 1A/7Street Petaling Jaya, Malaysia 47301 Liaison Office: The Plaza Office Tower, 36 th Floor Jl. MH Thamrin Kav. 28-30, Jakarta 10350	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	alagendran.maniam@sime-darbyplantation.com	
1.2.7	Web page address	www.sime-darbyplantation.com	
1.2.8	Management Representative who completed the application for certification	Alagendran A.L Maniam (Head of PSQM Minamas Plantation)	
1.2.9	Registered as RSPO member	07 September 2004 (1-0008-04-000-00)	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Blang Simpo Mill, Blang Simpo-01 Estate, Blang Simpo-02 Estate, Tamiang Estate, Batang Ara 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
	Blang Simpo	Village of Tualang Pateng, Subdistrict of Peureulak Timur, Regency of Aceh Timur, Province of Aceh, Indonesia	N 04° 42' 30"
			E 97° 50' 26"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate

		Latitude	Longitude
Blang Simpo 01 Estate (PT Padang Palma Permai)	Seuneubok Lapang Village, Peureulak Timur Sub District, Aceh Timur District, Aceh Province, Indonesia	N 04° 41' 49"	E 97° 50' 14"
Blang Simpo 02 Estate (PT Padang Palma Permai)	Seuneubok Lapang Village, Peureulak Timur Sub District, Aceh Timur District, Aceh Province, Indonesia	N 04° 41' 06"	E 97° 49' 03"
Tamiang Estate (PT Padang Palma Permai)	Kebun Tanah Terban Village, Karang Baru Sub District, Aceh Tamiang District, Aceh Province, Indonesia	N 04° 18' 24"	E 98° 01' 37"
Batang Ara Estate (PT Perkebunan Sri Kuala)	Alur Selas Village, Karang Baru Sub District, Aceh Tamiang District, Aceh Province, Indonesia	N 04° 17' 24"	E 98° 00' 48"

1.5 Description of Area Statement

1.5.1	Tenure	
	• State	8,777.22 Ha
	• Community	Ha

1.5.2 Area Statement

	BSE-1	BSE-2	TME	BAE	Total	
• Total area	3,460.06	2,677.83	1,451.99	1,187.34	8,777.22	Ha
• Mature area	1,656.36	1,645.08	818.79	228.2	4,348.43	Ha
• Immature area	555.53	742.86	486.01	130.78	1,915.18	Ha
• Mill	5.92	-	5.30	-	11.22	Ha
• Emplacement	16.91	17.81	17.82	5.01	57.55	Ha
• Infrastructure (road & bridges)	60.29	70.38	24.47	78.46	233.60	Ha
• Unplanted, Swamp	-	69.93	-	-	69.93	Ha
• Occupation	1,017.39	75.75	-	11.56	1,104.70	Ha
• HCV	134.66	56.02	17.05	727.22	934.95	Ha
• Nursery	13.00	-	1.55	-	14.55	Ha
• Enclave	-	-	81.00	6.11	87.11	Ha

1.6 Planting Year and Cycles
1.6.1 Age profile of planting year

Planting Year	Hectarage (Ha)				
	BSE-01	BSE-02	TME	BAE	Total
1990	410.39	103.96	0	0	514.35
1991	65.61	538.8	0	0	604.41
1993	0	189.11	0	0	189.11
1994	119.05	161.80	0	0	280.85
1995	52.47	0	0	0	52.47

	1997	86.88	56.65	0	0	143.53	
	2011	0	0	127.21	0	127.21	
	2012	145.23	0	0	0	145.23	
	2013	209.63	154.35	313.56	0	677.54	
	2014	221.42	240.38	148.03	0	609.83	
	2015	345.68	200.03	229.99	228.20	1,003.90	
	Total Mature	1,656.36	1,645.08	818.79	228.20	4,348.43	
	2016	181.59	258.43	117.61	130.78	688.41	
	2017	164.93	264.70	180.29	0	609.92	
	2018	208.83	219.73	188.11	0	616.67	
	Total Immature	555.35	742.86	486.01	130.78	1,915.00	
	Total	2,211.71	2,387.94	1,304.80	358.98	6,263.43	
1.6.2	New Planting area after January 2010		-			Ha	
1.6.3	Planting Cycle		2 nd Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Blang Simpo	30	55,564	12,358	22.24	2,318	4.17
*Production data source from February 2018 to January 2019							
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/ year)	%
	Blang Simpo Estate 1	3,460.06	2,211.71	17,426	10.78	17,426	100
	Blang Simpo Estate 2	2,677.83	2,387.94	18,584	11.31	18,584	100
	Tamiang Estate	1,451.99	1,304.80	15,165	19.23	15,165	100
	Batang Ara Estate	1,187.34	358.98	4,389	18.54	4,389	100
	TOTAL	8,777.22	6,263.43	55,564	12.90	55,564	100
*Production data source from February 2018 to January 2019							
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)		Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill	
						FFB (tonnes/year)	
	-		-	-	-	-	
	TOTAL					-	
*Source Production Data on February 2018 to January 2019							

1.7.4	Product categories			FFB, CPO, PK				
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT)			
	• FFB Production		67,594*		55,564			
	• CPO Production		14,600*		13,345			
	• Palm Kernel (PK) Production		2,800*		2,695			
	*There is an extension volume on February 2019 because the increase of production							
1.8.2	Product selling							
	Tonnage of selling product		Last Year Period of Actual Selling Product (MT)					
	• CSPO sold as RSPO certified product		-					
	• CSPK sold as RSPO certified product		453.36					
	• CSPO sold under other scheme		-					
	• CSPK sold under other scheme		-					
	• CSPO sold as conventional		12,790.27					
	• CSPK sold as conventional		2,237.55					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Blang Simpo Estate 1	3,460.06	2,211.71	19,641	11.86			
	Blang Simpo Estate 2	2,677.83	2,387.94	20,466	12.44			
	Tamiang Estate	1,451.99	1,304.80	17,320	21.15			
	Batang Ara Estate	1,187.34	358.98	4,654	20.39			
	TOTAL	8,777.22	6,263.43	61,704	14.19			
	*Projected FFB production for 12 months of certificate (03 May 2019 to 02 May 2020).							
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 (%)	
	Blang Simpo	30	61,704	14,192	23.00	3,085	5.00	
	*Projected CSPO and CSPK production for 12 months of certificate (03 May 2019 to 02 May 2020).							
1.9	Other Certifications							
	Others			ISPO 2018 by MUTU				
1.10	Time Bound Plan							

1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Supply Base	Time Bound Plan	HGU on Process		Location	Status
	Mill	Time Bound Plan			Ha	Time Bound Plan		
	INDONESIA							
	Sekunyir. PT. Indotruba Tengah	2010	Sekunyir	2010	-	-	Seruyan and West Kotawaringin District – Central Kalimantan	Certified
			Seruyan	2010				Certified
	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010			Rokan Hilir District – Riau	Certified
			Manggala 2	2010				Certified
			Manggala 3	2010				Certified
	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	1,652	2019	Sanggau Dis trict –West Kalimantan	Certified
			East	2010				Certified
			Sei Mawang	2019				-
			East Plasma	2010				Certified
			West Plasma	2010				Certified
	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	421.31	2020	Pekanbaru, Siak District – Riau	Certified
			Pinang Sebatang	2011				Certified
			Aneka Persada	2011				Certified
	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	308.25	2020	Musi Rawas Distri ct – South Sumatera	Certified
			Bukit Pinang	2012				Certified
	Pemantang. PT. Teguh Sempurna	2011	Pemantang	2011			Seruyan and East Kotawaringin District – Central Kalimantan	Certified
			Kawan Batu	2011				Certified
			Hatan Tiring	2011				Certified
			Batang Garing	2011				Certified
	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011			Rokan Hilir District – Riau	Certified
	Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011			Indra Giri Hilir District – Riau	Certified
			Nusa Perkasa	2011				Certified
			Nusa Lestari	2011				Certified
	Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011			Indra Giri Hilir District – Riau	Certified
			Rotan Semelur	2011				Certified
	Angsana Mini*) PT Sajang Heulang	2011	KKPA-1 PT.SHE	2013			Tanah Bumbu Distri ct – South Kalimantan	Certified
			Pantai Bonati	2011				Certified

Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011			Tanah Bumbu Distri ct – South Kalimantan	Certified
		Gunung Sari	2011				Certified
		KKPA-4 PT.SHE	2013				Certified
Mustika. PT Sajang Heulang	2013	Mustika	2013			Tanah Bumbu Distri ct – South Kalimantan	Certified
		KKPA-2 PT.SHE	2013				Certified
		KKPA-3 PT.SHE	2013				Certified
		KKPA-5 PT.SHE	2013				Certified
		SAP 1	2020				ST-1
Gunung Aru. PT Bersama Sejahtea Sakti	2011	Gunung Aru	2011	765	2020	Kotabaru Dis trict – South Kalimantan	Certified
		Gunung Kemasan	2011				Certified
		Laut Timur	2011				Certified
		Pantai Timur	2011				Certified
		KKPA BSS	2020				-
Bebunga. PT. Langgeng Muaramakmur	2011	Sungai Cengal	2011	1,162	2020	Kotabaru Dis trict – South Kalimantan	Certified
		Bebunga	2011				Certified
		KKPA Sungai Cengal	2014				Certified
Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011			Seruyan and East Kotawaringin District – Central Kalimantan	Certified
		Sapiri	2011				Certified
		Barasdanum	2011				Certified
		Kuala Kuayan	2011				Certified
Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	1,120	2020	Kotabaru Dis trict – South Kalimantan	Certified
		Pondok Labu	2012				Certified
		Rampa	2012				Certified
		Sesulung	2012				Certified
Selabak *) PT Swadaya Andhika	2012	Selabak	2012	63	2020	Kotabaru Dis trict – South Kalimantan	Certified
		Randi	2012				Certified
		Sangkoh	2012				Certified
		Lanting	2012				Certified
Rantau. PT Laguna Mandiri	2012	Rantau	2012			Kotabaru Dis trict – South Kalimantan	Certified
		Matalok	2012				Certified
Betung. PT Laguna Mandiri	2014	Betung	2012			Kotabaru Dis trict – South Kalimantan	Certified
		Sekayu	2012				Certified
Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012			Morowali Dis trict – Sulawesi Tengah	Certified
		Plasma TGK					-
Ladang Panjang. PT Bahari	2012	Ladang Panjang	2012	1,639	2020	Muaro Jambi District - Jambi	Certified
		Plasma BGR	2020				-

Gembira Ria							
Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	Rantau Panjang	2012	4,133	2020	Musi Banyuasin District – South Sumatera	Certified
		Bumi Ayu	2012				Certified
		Karang Ringin	2012				Certified
		Napal	2012				Certified
		Mangun Jaya	2012				Certified
		Sungai Jernih Estate and GPI KKPA	2018				- (Not yet)
Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013			Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam	Certified
		Batang Ara (PT PSK)	2013				Certified
		Blang Simpo-01	2013				Certified
		Blang Simpo-02	2013				Certified
MAS. PT Mitra Austral Sejahtera	2020	MAS 1	2019			Sanggau District – West Kalimantan	-
		MAS 1	2019				-
		MAS 1	2019				-
		Plasma MAS	2020				-
Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014			Ketapang District – West Kalimantan	Certified
		Awatan	2014				Certified
		Karya Palma	2019				Audited ST-1
		KKPA SNP	2020				-
		Pelanjau (PT BAL)	2019				Audited ST-2 (May 2018)
		Sungai Putih (PT BAL)	2019				Audited ST-2 (May 2018)
		Baturus (PT BAL)	2019				-
		KKPA BAL	2020				-
MALAYSIA							
Sg Dingin SOU 1	2010	Bukit Hijau	2010			Kerangan, Kedah	Certified
		Padang Buluh	2010				Certified
		Bukit Selangor	2010				Certified
		Sg Dingin	2010				Certified
		Jentayu	2010				Certified
		Anak Kuli	2010				Certified
		Somme	2010				Certified
Chersonese SOU 2	2011	Chersonese	2011			Kuala Kurau, Perak	Certified
		Holyrood	2011				Certified
		Kalumpang	2011				Certified
		Tali Ayer	2011				Certified
Elphil SOU 3	2011	Kinta Kellas	2011			Sg Siput, Perak	Certified
		Elphil	2011				Certified
		Kamuning	2011				Certified
Flemington	2011	Flemington	2011			Teluk Intan, Perak	Certified

SOU 4		Bagan Datoh	2011				Certified
		Sabak Bernam	2011				Certified
		Sg Samak	2011				Certified
Seri Intan SOU 5	2011	Seri Intan (Main Division)	2011			Teluk Intan, Perak	Certified
		Sabrang	2011				Certified
		Sg Wangi	2011				Certified
		Sogomana (Main Division)	2011				Certified
Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011			Teluk Intan, Perak	Certified
		Sogomana (Cashwood & Sg Beruas Division)	2011				Certified
		Bikam	2011				Certified
		Clumy	2011				Certified
Tennamaram SOU 6	2011	Tennamaram	2011			Bestari Jaya, Selangor	Certified
		Sungei Buloh	2011				Certified
		Bkt Talang	2011				Certified
Bkt Kerayong SOU 7	2011	Bkt Kerayong	2011			Kapar, Selangor	Certified
		Bkt Cherakah	2011				Certified
		Bkt Rajah	2011				Certified
		Bkt Lagong	2011				Certified
		Elmina	2011				Certified
East SOU 8	2010	East	2010			Carey Island, Selangor	Certified
		Dusun Durian	2010				Certified
		Sepang	2010				Certified
West - SOU 9	2010	West	2010			Carey Island, Selangor	Certified
Bukit Putri - SOU 10	2011	Bukit Putri	2011			Raub, Pahang	Certified
Kerdau SOU 11	2011	Kerdau	2011			Temerloh, Pahang	Certified
		Jentar	2011				Certified
		Mentakab	2011				Certified
		Sg Mai	2011				Certified
		Chenor	2011				Certified
Jabor - SOU 12	2011	Jabor	2011			Kuantan, Pahang	Certified
Labu SOU 13	2011	Labu	2011			Nilai, Negeri Sembilan	Certified
		New Labu	2011				Certified
		Bradwall	2011				Certified
Tanah Merah SOU 14	2010	Tanah Merah	2010			Port Dickson, Negeri Sembilan	Certified
		Sua Betong	2010				Certified
		Bukit Pelandok	2010				Certified
Sua Betong SOU 15	2014	Salak	2014			Port Dickson, Negeri Sembilan	Certified
		Sengkang	2014				Certified
		Siliau	2014				Certified
		PD Lukut	2014				Certified
		Sungai Baru	2014				Certified
		Tampin Linggi	2014				Certified

Kok Foh SOU 16	2011	Bukit Pilah	2011			Bahau, Negeri Sembilan	Certified
		Kok Foh	2011				Certified
		Muar River	2011				Certified
		St. Helier	2011				Certified
		Pertang	2011				Certified
		Sg Gemas	2011				Certified
		Sg Sebalang	2011				Certified
		Sg Senarut	2011				Certified
Kempas SOU 17	2010	Kempas	2010			Jasin, Melaka	Certified
		Kemuning	2010				Certified
		Tangkah	2010				Certified
Diamond Jubilee SOU 18	2011	Bukit Asahan	2011			Jasin, Melaka	Certified
		Diamond Jubilee	2011				Certified
		Serkam	2011				Certified
Pagoh SOU 19	2014	Pagoh	2014			Muar, Johor	Certified
		Lanadron	2014				Certified
		Pengkalan Bukit	2014				Certified
		Welch	2014				Certified
Chaah SOU 20	2010	North Labis	2010			Chaah, Johor	Certified
		Cha'ah	2010				Certified
		Sg Simpang Kiri	2010				Certified
Gunung Mas SOU 21	2010	Gunung Mas	2010			Kluang, Johor	Certified
		Kempas Klebang	2010				Certified
		Bukit Paloh	2010				Certified
		Yong Peng	2010				Certified
Bukit Benut SOU 22	2011	Bukit Benut	2011			Kluang, Johor	Certified
		CEP Niyor	2011				Certified
		Lambak / Elaeis	2011				Certified
Ulu Remis SOU 23	2011	Pekan	2011			Layang-layang, Johor	Certified
		Sembrong	2011				Certified
		Tun Dr. Ismail	2011				Certified
		Ulu Remis	2011				Certified
		Bukit Badak	2011				Certified
		Cenas	2011				Certified
Hadapan SOU 24	2011	CEP Rengam	2011			Layang-layang, Johor	Certified
		Kulai	2011				Certified
		Layang	2011				Certified
		Seri Pulai	2011				Certified
Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008			Sandakan, Sabah	Certified
		Tunku	2008				Certified
		Tigowis	2008				Certified
		Sentosa	2008				Certified
		Saguliud	2008				Certified
Melalap SOU 27	2011	Melalap	2011			Tenom, Sabah	Certified
		Sapong	2011				Certified
Binuang	2009	Tingkeyu	2009			Kunak, Sabah	Certified

SOU 28		Sungang	2009				Certified
		Jelata Bumi	2009				Certified
		Binuang	2009				Certified
Giram SOU 29	2009	Mostyn	2009			Kunak, Sabah	Certified
		Giram	2009				Certified
Merotai SOU 30	2009	Imam	2009			Tawau, Sabah	Certified
		Merotai	2009				Certified
		Table	2009				Certified
		Tiger	2009				Certified
Lavang SOU 31	2011	Belian	2011			Bintulu, Serawak	Certified
		Kelida	2011				Certified
		Lavang	2011				Certified
		Lavang (SE)	2011				Certified
		Rasan	2011				Certified
Rajawali SOU 32	2011	Rajawali	2011			Bintulu, Serawak	Certified
		Samudera	2011				Certified
		Semarak	2011				Certified
		Bayu	2011				Certified
Derawan SOU 33	2011	Takau	2011			Bintulu, Serawak	Certified
		Damai	2011				Certified
		Derawan	2011				Certified
		Sahua	2011				Certified
Pekaka SOU 34	2011	Chartquest	2011			Bintulu, Serawak	Certified
		Dulang	2011				Certified
		Peroh	2011				Certified
		Pekaka	2011				Certified
		Ruai	2011				Certified
LIBERIA							
Grand Cape Mount	2017	Matambo (2,500 Ha)	2017			Grand Cape Mount, Liberia	NPP May 2011
		Grand Cape Mount (2,372 Ha)	2017				NPP May 2011
		Zodua (264)	2017				NPP May 2011
		Bomi (3,128 Ha)	2017			Bomi, Liberia	NPP May 2011
		Lofa (2,254 Ha)	2017				NPP May 2011
P & G (New Britain Palm Oil)							
Poliamba	2012	Kara	2012			Keviang, New Ireland Province, P&G	Certified
		West Coast	2012				Certified
		Nalik	2012				Certified
		Noatsi	2012				Certified
		Madak	2012				Certified
		North (Smallholders)	2012				Certified

		South (Smallholders)	2012			Certified
		West (Smallholders)	2012			Certified
Tetere	2011	Tetere	2011		Gudaicanal, Solomon Island	Certified
		Ngalimbiu	2011			Certified
		Mbalisuna	2011			Certified
		West Zone (Smallholders)	2011			Certified
		Central Zone (Smallholders)	2011			Certified
		MBA East (Smallholders)	2011			Certified
		MBA West (Smallholders)	2011			Certified
Sangara, Sambiripa & Mamba	2013	Sangara	2013		Higaturu, Popondetta, Oro, P&G	Certified
		Sumberipa	2013			Certified
		Ambogo	2013			Certified
		Embi	2013			Certified
		Mamba	2013			Certified
		Sorovi (smallholders)	2013			Certified
		Igora (smallholders)	2013			Certified
		Saiho (smallholders)	2013			Certified
		Aeka (smallholders)	2013			Certified
		Ilimo (smallholders)	2013			Certified
Gusap	2010	Dumpu	2010		Madang, P&G	Certified
		Surinam	2010			Certified
		Jephcott	2010			Certified
		Gusap	2010			Certified
		Paddox	2010			Certified
		Ngaru	2010			Certified
		Madang VOP (smallholders)	2010			Certified
		Morobe VOP (smallholders)	2010			Certified
Hagita	2013	Giligili	2013		Milne Bay, P&G	Certified
		Hagita	2013			Certified
		Waigani	2013			Certified
		Sagarai	2013			Certified
		Padipadi	2013			Certified
		Mariawatte	2013			Certified
		East Gurney	2013			Certified
		West Gurney	2013			Certified

<ul style="list-style-type: none">• Mosa• Kumbango• Kapiura• Namumdo• Waraston	2008	East Sagarai	2013			West New Britain	Certified
		West Sagarai	2013				Certified
		Bebere	2008				Certified
		Kumbango	2008				Certified
		Togulo	2008				Certified
		Dami	2008				Certified
		Waisisi	2008				Certified
		Kautu	2008				Certified
		Karaus	2008				Certified
		Moroa	2008				Certified
		Bilomi	2008				Certified
		Loata	2008				Certified
		Haella	2008				Certified
		Garu	2008				Certified
		Daliavu	2008				Certified
		Sapuri	2008				Certified
		Malilimi	2008				Certified
		Rigula	2008				Certified
		Nomundo	2008				Certified
		Navarai / Karato ME	2008				Certified
		Volupai . Lotomgam / Natupi / Goruru	2008				Certified
		Lolokoru	2008				Certified
		Silovoti	2008				Certified
		LSS Hoskin (1,877 Smallholders)	2008				Certified
		VOP East (1,815 Smallholders)	2008				Certified
		VOP Central (1,958 Smallholders)	2008				Certified
		VOP West (1,277 Smallholders)Kaulong / Akamie / Pusiki / Repamira / Sakapei / KDC ME (21 large smallholders)	2008				Certified
		LSS Kapiura (847 Smallholders)	2008				Certified
		VOP Kapiura (551 Smallholders)	2008				Certified
		Sime Darby has achieved 34 management units in Malaysia, 24 mmanagement units in Indonesia, 10 management units in Liberia that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 10 in Liberia. In the year of 2017 there are two Mill that are no longer operating, and for the supplying base (Estate) is diverted to a mill that is still operating and has been certified RSPO.					
A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and Sime Darby Plantation Bhd targets to undergo RSPO Certification by end 2017. RSPO							

	<p>NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p> <p>There was change of the Time Bound Plan under Sime Darby on 12 April 2019 cause the Sime Darby postpone the others certification process. Change of the Time Bound Plan explanation: PT Mitra Austral Sejahtera. There are social issue still unresolved from the Serikat Petani Kelapa Sawit (SPKS) Sanggau, however the improvement are in progress. Sime Darby has informed the Time Bound Plan progress, MUTU has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>
1.10.2	<p>Progress of Associated Smallholders and Out growers for Certifiable Standard.</p> <p>The Certificate Holder did not have associated with Independent Smallholder & Growers, while associate smallholders (Blang Simpo Plasma) is still on process..</p>

2.0	ASSESSMENT PROCESS
2.1 Assessment Team	
ASA-1.1	<p>1. 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; SCC; SA 8000 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, and Partial Certification</p> <p>2. Mohamad Amarullah. 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.</p> <p>3. Brigitta Pritta. 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, SA 8000 and SCC. 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 and SCCS aspect.</p> <p>4. Haikal Ramadhan Kharismansyah. 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 and SA 8000. Did some audit ISPO scheme with aspects Best management practices. During this assesment suport to verify Transparancies, Long Term Business Plan & BMP aspect.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1.1	<p>Number of auditors : 3 auditor</p> <p>Number of days for ASA-1.1 at site : 6 days</p> <p>Number of working days for ASA-1.1 at site : 18 Working days</p>
2.2.2	Assessment Process
ASA-1.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Perkasa Subur Sakti. 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 D for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-1.1 delivered by the MUTU auditor to the management unit</p>

and the results are the subject will be verified at the next assessment phase (**ASA-1.2**).
Improvement of findings from main assesment findings were observed by auditors at this **ASA-1.1** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-1.2**.

The assessment program please find Appendix 2

2.2.3 Locations of Assessment

ASA-1.1

Number of units in this certification activity is 4 (four) estates, which supply the raw material (FFB) to Blang Simpo POM. In conducting the assessment, the team of auditors used the $0.8\sqrt{y}$ formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are 1 (one) palm oil mill (Blang Simpo POM) and 4 (four) estates (Blang Simpo 1 Estate, Blang Simpo 2 Estate, Tamiang Estate and Batang Ara Estate)

Blang Simpo POM

- **Security Pos.** Observation and interview with the security related to FFB receiving mechanism, the implementation of OHS, worker welfare and Code of Integrity.
- **Weighbridge Station.** Observation and interview with worker related to FFB received mechanism and documented system.
- **Factory Laboratory.** Observation and interview with worker related to CPO and PK quality control, implementation of OHS and worker welfare.
- **Station of FFB Sortation.** Observation and interview with 2 **FFB Grader** about their understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Station of Loading Ramp.** Observation and interview with 1 **Operator** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Station of Sterilizer.** Observation and interview with 1 **Operator** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Station of Clarification.** Observation and interview with 1 **Operator** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Station of Press.** Observation and interview with 1 **Operator** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Station of Kernel.** Observation and interview with 1 **Operator** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Station of Boiler.** Observation and interview with 1 **Operator with License (SIO) Class 1** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Station of Engine Room.** Observation and interview with 1 **Operator** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Workshop.** Observation and interview with 1 **Welder** (certified) about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **General Store.** Observation and interview with 1 **Store Keeper** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Hazardous Store.** Observation and interview with 1 **Store Keeper** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Chemical Store.** Observation and interview with 1 **Store Keeper** about his understanding towards technical, manpower rights, safety, health and environment aspects, as well as facilities provided by PT PSS.
- **Water Treatment Plant.** Observation of flowmeter condition.
- **EFB Stacking Area.** Observation of stacking condition.
- **Hydrant Simulation.** Observation on devices readiness and emergency team.

Blang Simpo Estate 1

- **Chemical store.** Field observation and interview related management of chemical.
- **Lubricants store.** Field observation and interview related management of lubricants.

- **Fertilizer store.** Field observation and interview related management of fertilizer.
- **Material store.** Field observation related management of material.
- **Fire extinguisher.** Field observation related firefighters.
- **Fuel tank.** Field observation related management of fuel.
- **Division 2 Block B9 BSE-1.** Observation to **BPN Pole No. PPP 97** which situated in adjacent with PT Patria Kamoe (private company of rubber, oil palm and cocoa plantation) and Village of Gajah Mentah. Coordinate: N 4° 42' 05" and E 97° 50' 22" (Compass).
- **Division 1 Block A5 and Block A6 BSE-1.** Observation to **HCV** area management on riparian of Alur Titi Kuning, situated in adjacent with BSE-2.
- **Block B003, BSE-1.** Circle and Path Spraying. Observation and Interview related handling on pesticide, safety work, OHS, and PPE (**3 male worker**)
- **Nursery, BSE-1.** Observation related implementation of nursery procedure, seed selection, and stock opname
- **Block C09 & C07; BSE-1.** Land Application. Observation related to the condition of the flat bed and the flow of POME (**2 male worker**)
- **Block C08, BSE-1.** Replanting. Observation related implementation of Zero Burning.

Blang Simpo Estate 2

- **Hazardous waste storage.** Field observation related management of schedule waste.
- **Block Spraying System.** Field observation and interview related management of chemical and fertilizer.
- **Daycare Division 3.** Field observation and interview related management of infrastructure in daycare.
- **Housing Division 1.** Field observation and interview related infrastructure in housing area, management of domestic waste, emergency area, education, medical and others.
- **Landfill Block F03 Division 3.** Observation related management of domestic waste.
- **Division 2 Block E3 BSE-2.** Observation to **HCV** area management on steep to very steep area.
- **Division 2 Block E11 BSE-2.** Observation to **BPN Pole No. PPP 35** which situated in adjacent with PPP Smallholder. Coordinate: N 4° 39' 39" and E 97° 50' 22" (Compass).
- **Division 3 Block F10 BSE-2.** Observation to **BPN Pole No. PPP 18** which situated in adjacent with Village of Cek Embon and Cooperative of Rimba Jaya. Current situation was secondary forest. Coordinate: N 4° 40' 59" and E 97° 46' 24" (Compass).
- **Block E07, BSE-2.** Manuring. Observation and interview related manuring procedure, application dose, handling on fertilizer, and training (**4 male worker**)
- **Block C07, BSE-2.** Harvesting. Observation and interviews with workers regarding harvest procedures, wages, and company policies (**1 male worker**)

Tamiang Estate

- **Pole No PB 11 in TME, on Division 1, at Field A019.** Adjacent with rubber plantation of Menanggini Village. That poles on damage conditions.
- **Pole No PPP 11 in TME, on Division 1, at Field A013.** Adjacent with Menanggini Village. That poles are well maintained and demarcated.
- **Pole No PB 22 in TME, on Division 1, at Field A001.** Adjacent with Tanah Tinjau Village Village. That poles on good conditions, however the number was lost.
- **Buffer zone of Alur Sali River, in TME, at Field A013.** Observe about riparian zone management, there are prohibition of chemical application ban, there are un replanting with distance 50 meter from river side.
- **Pole No 12 in BAE, on Field D001 (HCV Area).** Adjacent with Secondary Forest at Menanggini Village. That poles are well maintained and demarcated.
- **Pole No 14 in BAE, on Field D009 (HCV Area).** Adjacent with Secondary Forest at Lubuk Siduk Village. That poles are well maintained and demarcated.
- **Pole No 18 in BAE, on Field D010 (HCV Area).** Adjacent with Secondary Forest at Batang Ara Village. That poles are well maintained and demarcated.

- **HCV Signboard in Field D001.** Observe about HCV management, such as: RTE species hunting ban.
- **Housing Complex Division 2 BAE.** Observation and interview with 6 occupants towards housing facilities provided by estate management such as building quality, emergency devices (fire extinguisher), assembly point, sports field, household waste management, prayer building, sanitation, etc.
- **Fertilizer Store.** Observation to store facilities which associate with safety and environment implementation such as hazardous symbols, first aid kit, fire extinguisher, MSDS, HIRADC, building spec, cleanliness, etc.
- **Chemical (Lubricant and Pesticide) Store.** Observation to store facilities which associate with safety and environment implementation such as hazardous symbols, first aid kit, fire extinguisher, MSDS, HIRADC, building spec, cleanliness, second containment tub, PPE, etc.
- **Hazardous Waste Store.** Observation to store facilities which associate with safety and environment implementation such as hazardous symbols, first aid kit, fire extinguisher, MSDS, HIRADC, building spec, cleanliness, second containment tub, PPE, etc.
- **Block A019 Division I.** Manuring. Observation and interview related manuring procedure, application dose, handling on fertilizer, and training (**2 female worker**)
- **Block A018 Division I.** Circle and Path Spraying. Observation and Interview related handling on pesticide, safety work, OHS, and PPE (**2 female worker**)
- **Block A01 Division II.** Harvesting. Observation and interviews with workers regarding harvest procedures, wages, and company policies (**2 male worker**)
- **Block B007 Division II.** Nest Box and Beneficial Plant. Observation related implementation of IPM
- **Block A013 and B006 Division II.** Planting Year 2018. Observation on replanting area, EFB application, LCC and zero burning policies
- **Housing Division 1 TME.** Field observation and interview related infrastructure in housing area, management of domestic waste, emergency area, education, medical and others.
- **Daycare.** Field observation and interview related management of infrastructure in daycare.
- **First aid Post.** Field observation and interview with doctor related management of medical waste; activities in first aid post and others.
- **Chemical store.** Field observation and interview related management of chemical.
- **Fertilizer store.** Field observation and interview related management of fertilizer.
- **Lubricants store.** Field observation and interview related management of lubricants.
- **Tire former Store.** Field observation and interview related management of tire former.
- **Hazardous waste storage.** Field observation related management of schedule waste.
- **Workshop.** Field observation and interview related activities in workshop area.
- **Fuel tank.** Field observation related management of fuel.
- **Block Spraying System & Block Manuring System TME.** Field observation and interview related management of chemical and fertilizer.
- **Landfill Block A01 Division 2 TME.** Observation related management of domestic waste.

Batang Ara Estate

- **Block C004.** Manual Mature Upkeep. Observation and Interview related racking, handling on woody growth, PPE and worker facilities (**4 male worker**)
- **Block C005.** Harvesting Scot. Observation and interview related harvesting scot procedure (**2 male worker**)
- **Block C006.** Circle and Path Spraying. Observation and Interview related handling on pesticide, safety work, OHS, and PPE (**2 female worker and 1 male worker**)

Public Consultation

- **Related Agencies**
- Interview with several agencies in Aceh Tamiang & Aceh Timur District: consist of Labour and Transmigration Agency; Agriculture, Plantation and Animal Husbandry Agency; and Environment Agency.
- Interview with several agencies in Aceh Timur District: consist of National Land Agency and Environment Agency.

	<ul style="list-style-type: none"> • Alur Baung Village, Tanah Terban Village, Batang Ara Village, Cek Mbon Village, and Tualang Pateng Village. Interview the head of village and community representation related to social interaction between company and community surround, and another social issues. • Local Contractor. • Labour Union. • Gender Committee.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1.1	<p>Consultation of stakeholders for PT Padang Palma Permai, PT Perkebunan Sri Kuala and PT Perkasa Subur Sakti was held by:</p> <ul style="list-style-type: none"> • Public Announcement on Mutucertification website www.mutucertification.com on 28 January 2019. • Public consultation meeting with government of Aceh Tamiang District conducted by visits and interview on 12 February 2019. • Public consultation meeting with government of Aceh Timur District conducted by visits and interview on 12 February 2019. • Public consultation meeting with local stakeholder conducted by visiting and interview on 12 & 13 February 2019. • Public consultation meeting with internal stakeholder on 12 & 14 February 2019. • Consultation with NGO (WWF, WALHI, Sawit Watch, JKMA Aceh, FFI Aceh) via email on 6 February 2019. <p>Numbers of input from stakeholders were clarified by PT Padang Palma Permai, PT Perkebunan Sri Kuala and PT Perkasa Subur Sakti.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	Next audit (ASA-1.2) will be conducted eight to twelve month after the mill certified.

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Blang Simpo POM – PT Perkasa Subur Sakti, subsidiary of Sime Darby Plantation Bhd. Operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there were eight (8) Nonconformities were assigned against Major Compliance Indicators five (5) nonconformities were assigned against Minor Compliance Indicators and three (3) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (document record/photographic/etc). Those corrective actions taken that consist of eight (8) Major non-conformities had been closed and five (5) opportunities for improvement shall be verified during next assessment.

MUTUAGUNG LESTARI found that Blang Simpo POM – PT Perkasa Subur Sakti, subsidiary of Sime Darby Plantation Bhd. complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013, Endorsed by BOG on September 2016 and RSPO Supply Chain Certification Standard for Organization seeking or holding certification. Adopted by the RSPO Board of Governors on 21st November 2014, revised on June 2017 (General COC & Module D for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is issued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.
1.1.1. & 1.1.2.	<p>The company has a procedure of communication and consultation with community No. KKM/07/PPP-PSK-PPP/VI/16 revision 2 dated 1 April 2016. There is no change of this SOP since then. The procedure rules the time limit of the unit manager in responding to communication letter addressed to the unit which 10 days in maximum. It also rules the protection of anonymity of the whistle blower. Every request for information from the public is recorded in the stakeholder's logbook. Type of information that is publicly accessible is listed e.g. 1) Land Use Title (HGU), 2) Plantation Business Permit/Trade Business Permit, 3) Permits, 4) HVCV, 5) SIA, 6) Waste/Application, 7) EIA, 8) Environmental Management and Monitoring Plan, 9) OHS, 10) Employees Data, 11) FFB Production Data, 12) Hazardous Waste Data, 13) Specification of Mill Machines, 14) Vehicle Specification, 15) Tax and 16) Insurance.</p> <p>The company shows logbook of request of information for the 2018 - 2019 period, but during the audit logbook related assistance letter such as: Fund assistance of the Maulid of the Prophet's SAW with the number letter Ist / SMT / II / 2018 dated February 20th, 2018 from Seumatang Village, Keude Alue Nireh, Peureulak Timur District was responded by the Company by providing funds of IDR 350,000.</p> <p>Based on interview with representative from Village of Tana Terban, Batang Ara, Cek Embon, Tualang Pateng and Batang Alur, as well as representative of Manpower Agency, Plantation Agency and Environment Agency in Aceh Timur and Aceh Tamiang Regency, it was known that those stakeholders had understood towards information and communication</p>

mechanism of PT PSS, PT PPP and PT Sri Kuala. Furthermore, the CH has considered transparent and cooperative in providing information and/or data requested.

Status: Comply

1.2

Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

1.2.1.

The company has procedure of giving information to stakeholder no. PI/01/V/PPP-PSK-PSS/12 revision dated May 1st, 2015. This procedure rules the mechanism of information requesting and time limit for company to respond the information request. Type of information that is publicly accessible is listed e.g. 1) Land Use Title (HGU), 2) Plantation Business Permit/Trade Business Permit, 3) Permits, 4) HVCV, 5) SIA, 6) Waste/Application, 7) EIA, 8) Environmental Management and Monitoring Plan, 9) OHS, 10) Employees Data, 11) FFB Production Data, 12) Hazardous Waste Data, 13) Specification of Mill Machines, 14) Vehicle Specification, 15) Tax and 16) Insurance. Based on interview with stakeholders (Environmental Agency, Labor Agency, Plantation Agency of Aceh Tamiang & East Aceh District) they have been know related the type of public documents.

Status: Comply

1.3

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

1.3.1.

The company has a written policy on company commitment to integrity code and ethical act on all aspects of company operation and transaction. The policy is stated in Business Ethic Policy No. 440/HRM-COC/07 authorized by General Manager, Senior General Manager, Head Plantation Office (HPO) dated 24 May 2007. The policy rules obedience on regulation, professionalism, working motivation, helping each other, colleague appreciations, discipline, politeness, no intimidation, individual right appreciations and reference to OHS in working area. The stakeholders list to whom the policy intended to be stated within the policy.

The company shows a document the code of conduct socialization policy that was held on September 25th, 2018 for workers at the TME & contractor local. Blang Simpo Factory workers on August 15th, 2018. Based on interview with contractor local and workers in TME; BSE & BAE, they have been known related integrity code and ethical act on all aspects of company operation and transaction.

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

List of regulations which used as reference for company operational activities is presented in document of “*Evaluasi Pemenuhan Peraturan Tahun 2019*” or evaluation of regulations compliance for period 2019, dated 05 January 2019. The list has consist of 139 regulations which covers legal, social, safety, manpower, environment, conservation and best management practices aspects. Master of regulation document are monitored, updated, saved and distributed by Plantation Support Department (PSD) and supported by Plantation Sustainability Quality and Management (PSQM) Department. For example, evidence of regulation pursuance is presented as follows:

- In term of Manpower, estate management has implementing minimum wages for period 2018 as in accordance with Governor Decree. For minimum wages in 2019 as refers to Governor Decree No. 98 for Aceh Timur and No. 132 for Aceh Tamiang, Human Resources Management from Head Quarter in Jakarta has prepare to release Memorandum for those new wage adjustment as shows in email dated 07 February 2019. Minimum wages for Aceh Timur and Aceh Tamiang Regency in 2019 were IDR 2,916,810.- and IDR 2,950,090.-, respectively. Adjustment will be carried out on March 2019. Furthermore, estate management has deliver compulsory report ontime. For example, WLTK or “*Wajib*”

Lapor Tenaga Kerja" report for BSF and BSE-1; BSE-2; and TME and BAE has delivered to Manpower Agency on 18 January 2019; 31 December 2018; and 28 March 2018, respectively.

- In term of safety, the CH has deliver Quarter report of OSH Committee (P2K3) Manpower Agency of Aceh Province, permit of operators were available and still valid, OSH Committee Secretary was Licensed by the Department of Manpower, and unit management has provide PPE for all workers.

Land Use Legalities

The Certificate Holder has shown the evidence of compliance with Laws No. 5 of 1960 about Main Agrarian Regulations, for example has have land use legalities, consist of:

- Land Use Right Certificate (Sertifikat HGU), Number: 131 (Renewal), based on the Decree of the Head of BPN No. 14/ HGU / BPN / 2000 dated 24-3-2000 (Tamiang Estate, PT Padang Palma Permai)
- Land Use Right Certificate, Number: 02 (Renewal), based on the Decree of the Head of BPN No. 13 / HGU / BPN / 93 dated May 31, 1993 (Batang Ara Estate, PT Perkebunan Sri Kuala)
- Land Use Right Certificate, Number: 132 (Renewal), based on the Decree of the Head of BPN No. 86 / HGU / BPN / 1999 and HGU / BPN / 99 / A / 13 of September 30, 1999 (Batang Ara Estate, PT Perkebunan Sri Kuala)
- Land Use Right Certificate, No. 02, by the Minister of Home Affairs, No. 61 / HGU / DA / 1987 dated December 3, 1987 (Blang Simpo Estate, PT Padang Palma Permai)
- Land Use Right Certificate, Number: 149, based on the Decree of the Head of BPN RI, No. 72 / HGU / BPN RI / 2011 dated August 26, 2011 (Blang Simpo Estate, PT Padang Palma Permai)
- Land Use Right Certificate, Number 243, based on Decree of the Head of BPN RI, No. 95/HGU/KE-ATR/BPN/2018 dated 19 October 2018.

2.1.2 and 2.1.4

Regulation on legal requirement compliance and its documentation management is presented in document No. PH/03/PPP-PSK-PSS/V/12 dated 01 May 2012, which mentioned that PSD and PSQM Department has responsibility to conduct monitoring, identification, update and evaluate regulations pursuance minimum once a year through internal audit. Those responsibility shall be coordinate together with other team such as legal team, OSH team, etc. PIC on this matter for period 2017 to 2020 has shows through Decree Appointment of Estate Manager No. 151/BSF/II/2017 dated 02 January 2018. According to "*Evaluasi Pemenuhan Peraturan Tahun 2019*" dated 05 January 2019, it was known that there were 8 (eight) regulations has been updated into the list. For example: Governor of Aceh Province Decree No. 98 and No. 132 in 2018 about minimum wages for period 2019 in Aceh Timur and Aceh Tamiang Regency, respectively; Instruction of President No. 08 in 2018 about postponement and evaluation of permit/license and productivity improvement of oil palm plantation; and Regulation of Minister of Environment and Forestry No. 95 in 2018 about business license towards intergrated hazardous materials management through electronic system.

Annual update and evaluation of regulations pursuance was distributed by PSQM to the Estate and Factory Management Units located in Area Controller of Aceh. Document of evaluation were available to all levels of management. This is confirmed founded during field observation to the Office.

2.1.3

Audit of regulation compliance/pursuance has conducted annually by the Department of PSQM and PSD, as mentioned in Indicator 2.1.1 and 2.1.2. based on list review, it was known that 2 point of requiremment were not yet implemented and 4 points were not applicable in CH management.

Status: Comply

2.2

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

2.2.1

PT PPP (Tamiang Estate) was previously a rubber plantations managed by the Netherlands. And then acquired by a local businessman (Mr Ramli) and converted to oil palm in 1995. After that, acquired by Salim Group, Guthrie and Minamas, Respectively. Therefore PT PSK (Batang Ara Estate) and PT PPP (Blang Simpo Estate) were previously owned by the local businessman (Mr Ramli).

The CH has managed area of 8,777.22 Ha, it consist of 6 HGU certificate. 1 certificate HGU valid until 2022; 1 certificate HGU valid until 2024; 1 certificate HGU valid until 2027; 1 certificate HGU valid until 2034, 1 certificate HGU valid until 2037 and 1 certificate HGU valid until 2053.

2.2.2

The CH was shown monthly monitoring record of boundary stones on each estates, there were identified poles on good condition, damage and lost; for example:

1. BSE-2: there are 45 boundary stones on good conditions.
2. TME: it shall be 51 pcs poles, however there only 12 pcs poles identified.
3. BAE: it shall be 62 pcs poles, however there only 52 pcs poles identified.

Based on field observation to the several location, there are facts:

1. Pole No PPP 97 in BSE-1, on Division 2, at Block B9. Adjacent with PT Patria Tamoe (rubber plantation, oil palm plantation, and cacao). That poles are well maintained and demarcated.
2. Pole No PPP 35 in BSE-2, on Division 2, at Block E11. Adjacent with Blang Simpo Plasma (Pentagon Cooperative). That poles are well maintained and demarcated.
3. Pole No PPP 18 in BSE-2, on Division 3, at Block F10. Adjacent with smallholders (Rimba Jaya Cooperative). That poles are well maintained and demarcated.
4. Pole No PB 11 in TME, on Division 1, at Field A019. Adjacent with rubber plantation of Menanggini Village. That poles on damage conditions.
5. Pole No PPP 11 in TME, on Division 1, at Field A013. Adjacent with Menanggini Village. That poles are well maintained and demarcated.
6. Pole No PB 22 in TME, on Division 1, at Field A001. Adjacent with Tanah Tinjau Village Village. That poles on good conditions, however the number was lost.
7. Pole No 12 in BAE, on Field D001 (HCV Area). Adjacent with Secondary Forest at Menanggini Village. That poles are well maintained and demarcated.
8. Pole No 14 in BAE, on Field D009 (HCV Area). Adjacent with Secondary Forest at Lubuk Siduk Village. That poles are well maintained and demarcated.
9. Pole No 18 in BAE, on Field D010 (HCV Area). Adjacent with Secondary Forest at Batang Ara Village. That poles are well maintained and demarcated.

The CH has been able to show that all boundaries clearly and maintained. **It was raised as Nonconformity No 2019.01.**

2.2.3, 2.2.4 & 2.2.5

CH has the procedure of Land Dispute Resolution effective since 23 Feb 2012. Based on document verification (Map & Area Statements) and consulting in the surrounding villages (Batang Alur Village, Kebun Tanah Terban Village, Batang Ara Village, Cek Mbon Village, and Tualang Pateng Village), during year of 2018 indicated no land dispute between the CH and another party. Stakeholder consultation with local people and local government was known that there is no significant issues of land conflict among the CH and another party.

Based on document review know that PT PSS, PSK and PPP is take over company from local people become owned by Sime Darby Plantation. Interview with communities and local government know that the land owner has been compensate by company (previous owner).

2.2.6

CH as a subsidiary of Sime Darby Plantation Bhd had policy Sime Darby Responsible Agriculture Charter, 2016. These Policy related to Prohibition of Contractually Army using, The main point was explained in these policy, consist of point that the company will not using of Contractually Army in conflict resolution and will not tolerance of anarchism in conflict resolution process. Based on field visit observation during the audit process, consultation with local communities there is no indication of violence or intimidation in operation of CH.

2.2.2	Status: NCR No 2019.01 with minor Category	
2.3 Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.		
2.3.1; 2.3.2; 2.3.3 and 2.3.4 PT PPP (Tamiang Estate) was previously a rubber plantations managed by the Netherlands. And then acquired by a local businessman (Mr Ramli) and converted to oil palm in 1995. After that, acquired by Salim Group, Guthrie and Minamas, Respectively. Therefore PT PSK (Batang Ara Estate) and PT PPP (Blang Simpo Estate) were previously owned by the local businessman (Mr Ramli). Based on document verification of High Conservation Value Identification and Social Impact Assessment in CH operation area and also consultation with local communities known there is no customary right in CH operation area. Since RC period till ASA-1.1, there is no land acquisition process.		
	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 Certificate Holder long term business plan for the period 2018 - 2023 made by the Minamas Plantation Head of PSQM has been informed about use of seeds, production, replanting plans, production costs, and income plans. For example, in 2023 Blang Simpo POM targets a CPO production of 26,556 Mt with revenue of 236,578 (in thousand Idr). While Batang Ara Estate targets production of 9,879 tons of FFB. Evaluation regarding the achievement of a business plan can be seen from the making of monthly estate and mill reports. The report is used as a reference for the preparation of the annual budget. There is no peat management plan because there is no identification of peat soil in the Certificate Holder management area 3.1.2 CH shows the Long Range Replanting Program document which is a plan to implement replanting for the coming year. The replanting for the Batang Ara and Tamiang estate was completed in 2018. The LRRP that is still running is as follows: <ul style="list-style-type: none"> • BSE - 2: year 2020: 380.48 ha; year 2021: 262,29; in 2023: 407.56 ha; year 2017/2018: program 201.33 realization 219.73 ha • Tamiang Estate: 2010 - 2018 plan 1,317.40 ha with realization of 1,317.40 ha. The last replanting was carried out in December 2018 covering an area of 54,59 ha • BSE-1: year 2019: 145.04 ha; year 2020: 330.97 ha; in 2023: 258.40 ha. Realization of replanting period 2017/2108: 198.57 ha 		
	Status: Comply	
PRINCIPLE #4 Use of appropriate best practices by growers and millers		
4.1 Operating procedures are appropriately documented and consistently implemented and monitored.		
4.1.1 PT Perkasa Subur Sakti; Padang Palma Permai; and PT Sri Kuala is a subsidiary of Minamas Plantation. The procedure used refers to the Agronomy References Manual and Minamas Plantation POM Operational Procedure. Based on field visits to block B003 BSE-1 and block A018 Division I TME when circle and path spraying activities are known, workers have understood how to work in accordance with established procedures. For example, before being taken to the field, pesticides have been mixed first at the BSS house, the obligation to use PPE, the obligation to wash and store PPE after work, and the application of pesticides in accordance with the target targets and doses determined.		

Field visits to Blang Simpo POM for example at sorting stations and boilers, workers have been able to explain their daily work and understanding of OHS. SOP are relevant and cover all estate and Palm Oil Mill operations.

4.1.2

Daily internal supervision is carried out by the level of supervision starting from the foreman, assistant division, senior assistant to the Estate Manager. Monthly supervision is carried out by the PSQM team as outlined in the work quality assessment report (BHS, BMS, BSS). Annual supervision is carried out by the internal audit team (GCAD) and Plantation Advisory / Mill Advisory.

Any nonconformity found will be responded to by the company by making root cause analysis, corrective and preventive actions. staff for nonconformities found by GCAD responses to maximum nonconformities is given within 14 working days. While for repairs and improvement progress is given 3-6 months according to the action plan.

The form of supervision carried out on contractor workers is by presenting auxiliary foremen on every work carried out by the contractor. For example, spot harvesting works. In each activity one supervisor was present who was a representative of the company. Besides that, it can also be seen from the minutes of work inspection process. After the work is finished the contractor and the estate supervisor will inspect the work together

4.1.3

There is a Performance Management Unit Visit Summary assessment period January 16-18, 2019 carried out by the Minamas Plantation quality control team which among others provides quality assessment for replanting aspects, mature upkeep. Manuring and Best Practices. The results of the assessment and follow-up, for example in block C005 Batang Ara Estate, found rotten fruit in the oil palm; loose fruit and the beneficial plant ratio <5m / ha. The corrective action by the unit is to immediately carry out cleaning and inventory of potentially high losses blocks. The timeline improvement target for block C005 is 7 days. As for the entire block, the next PMU visit.

Example of the PMU report

- **Tamiang Estate**

Field	Remarks	Progress Categories
B006	Current Issue : Coverage LCC < 50%; EFB application 40%	In progress
Estate	Manuring achievement 100%	Excellent

4.1.4

Until ASA-1.1, Blang Simpo Factory did not received FFB from outsider. The FFBs was process on Blang Simpo Factory was supply from PT Padang Palma Permai (Tamiang Estate, Blang Simpo-1 Estate, Blang Simpo-2 Estate) and PT Perkebunan Sri Kuala (Batang Ara Estate).

Status: Comply

4.2

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

4.2.1

Certificate Holder shows the procedures for managing soil fertility in the Minamas Plantation Agricultural Reference Manual document in the fertilization section (CHAPTER 8) which explains, among others:

- Manuring for Immature : Fertilizer, Application time, dosage
- Manuring for mature : Manuring recommendation, EFB Application

Based on the field visit and interviews with the BMS team in block E07 BSE-2 and Blok A019 Division I TME, it was found that workers knew about the dosage and type of fertilizer used. For example for Urea using a dose of 1.75 kg / oil palm. While MOP is 2.5 kg / oil palm. The dosage received is in accordance with fertilizer recommendations issued by the MRC. In order for the dosage application to be in accordance with the recommendations, a calibrated measuring bowl is used

The implementation of the SOP was monitored and verified by the foreman, Assistant Division, to the level of the senior Assistant Manager Estate. In addition there is also a PSQM team whose job is to monitor and analyze the quality of work

4.2.2

Information about fertilizer records is contained in the MMCM document (Monthly Management Committee Meeting). In the MMCM period of December 2018 it is known that fertilization achievements are as follows:

Batang Ara (Semester II)

Fertilizer	Program	Realization	Fertilizer/Ton TBS
HGFB	2.03	2.03	0.0009
RP	45.21	45.21	0.021
MOP	39.56	39.56	0.018
Ammonium Chloride	39.56	39.56	0.018

FFB production period II : 2,096 ton

BSE-2 (Semester II)

Fertilizer	Realization	fertilizer/Ton TBS
MOP	100.83	0.011
Kieserite	16.21	0.001
CCM 45	4.93	0.0005

FFB production : 9,117 ton

Based on the PMU report for the 2018 period which is part of the internal audit regarding quality. It is known that fertilization achievement for all estates has reached 100% in the excellent category. field visits to block A019 Division I TME and block E07 BSE - 2, it is known that workers have been able to explain how to apply fertilizers in accordance with the established procedures, for example the right dose, on target, and on time and must use PPE. Workers also said the used fertilizer sacks must be collected to be returned to the warehouse. The MOP dose used at the time of assessment is 2.75 Kg / staple. While the dosage of Urea is 1.75 kg / staple. Application dosage refers to fertilization recommendations made by the MRC team

4.2.3

Soil Sampling Unit to find out nutrients in the soil is carried out every 5 years listed in the Sustainable Plantation Management SOP (724 / TQEM-SPMS / 09 dated 27 August 2010). For the Leaf Sampling Unit done every year listed in the No EXT Serv Procedure. Kal. I-01/01 November 2005

LSU

Letter from MRC no MRC / Asst.Agr / Mgr.Lab / VIII / 2018 dated August 6, 2018 concerning LSU PT PPP; PSS; and PT PSK. The elements examined include dry weight percent ASH, N, P, K, Mg, Ca, and ppm dry weight of Fe, Cu, Zn, B. The test results are equipped with color. Red for deficiency, Yellow for low, green for optimum, gray for height, and blue for excess

SSU

Found in semi-detailed soil survey and PT PPP and PSK land suitability class 2016 - 2021 made by MRC. The parameters tested were for example nutrient retention (H₂O pH, C-Organic, soil CEC); Nutrients available (N, P, K, Mg); Rooting media (Texture, Soil Drainage, Effective Depth, Maturity, and Thickness); Water availability (Rainfall, Dry Moon <100 mm); Erosion hazard level; and ease of management

4.2.4

The nutrition recycling strategy implemented by the certificate holder is using EFB, POME, and replanting waste. The recording of the CH nutrient cycle application includes the following:

EFB Application

BSE – 1 : Program 2,012.20 ton Realization 2,689 ton

POME

Month	Application (m ³)
January	1,791
February	1,730
March	2,100
April	2,177
May	2,866
June	2,208
July	2,898
August	2,600
September	2,369
October	2,534
November	2,344
December	1,825
Total	27,422

Based on field visits to Block B006 Division II TME and block C08 BSE-1, it was found that EFB applications were prioritized on immature (eg planting year 2018). The dosage used was 250-300 Kg / oil palm or if doses were converted to tons the application dosage was 40 ton / ha. POME applications are in blocks C09 and C07 BSE-1. Field observations to the block are known to be POME flowed in a flatbed. There is no runoff to the soil body resulting from the application of POME

Status: Comply

4.3
Practices minimize and control erosion and degradation of soils.
4.3.1

The study of soil types, land suitability, and supporting maps are contained in the Soil Survey Details Report of PT Padang Palma Permai and PT Perkebunan Sri Kuala for the period 2016-2021 issued by the research team of Minamas Plantation. The scale used on the map is 1: 50,000. Based on the detailed land survey document, it is known that the soil types found in PT PPP and PT PSK are from Inceptisol and Ultisol with land slopes between 0 - > 30°.

4.3.2

The management strategy for planting on slopes is described at ARM Minamas Plantation part 4 on Planting Oil Palm. In the Minamas Plantation ARM, it is stated that a land with a slope of 6 – 25° can be planted by making a terrace first. While areas with slopes > 25° should not be planted and left to maintain biodiversity.

As part of land and water conservation, certificate holders apply planting with making, LCC planting, U-shape frond stacking and selective weed spray. Based on field visits to block A013 Division II TME and Block C08 BSE - 1, it was found that the sloping area had been made and the LCC was planted. Whereas the slope area > 25° is not replanted as seen in Batang Ara Estate.

4.3.3

A road maintenance program is included in the MMCM (Monthly Management Committee Meeting) made by the Estate Manager. For example:

- **Tamiang Estate**

Field	Block Area	Target (m)	Actual (m)	Volume (m ³)	Information
13A008	82.49	3,950	3,950	1,245	Done
13A015	82.47	4,158	4,158	1,311	Done
Total	164.96	8,109	8,109	2,556	Done

BSE-1 : Upkeep road – Realization : 295.020 m Program : 732.010 m

Based on field observation during the audit activities take place like block C002 BSE-1; Block C004 BAE; Block E07 BSE-2; and Block B07 TME is known that road conditions are in good and can be easily traversed both by operational vehicles and FFB transport vehicles.

4.3.4; 4.35 & 4.3.6

Based on the semi-detailed land survey for the 2016 - 2021 period made by the Minamas Plantation MRC team, it is known that there is no peat land in the operational area of PT Padang Palma Permai (BSE-1; BSE 2; TME) and PT PSK (Batang Ara). The types of soil identified based on these documents are Inceptisol, and Ultisol.

Critical land management strategies and other land issues are contained in the SOP on land preparation (Chapter 4) and fertilization (Chapter 8) contained in Minamas Agricultural References. Furthermore, in the Detail Land Survey document of PT PPP and PT PSK, which was published by the research department in 2016, it was identified regarding the class of land located in the company's area, namely S2 - S3 (Suitable). There were 69.26 ha in PT PPP with the N1e land suitability class (Topography and texture slope - all locations were expected to be used as conservation land). Whereas at the slope $BAE > 20^\circ$ the replanting is not carried out and the whole area is made into a conservation area.

Status: Comply

4.4

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

4.4.1 & 4.4.2.

There is riparian buffer zone protection policy (No. Policy 724 / TQEM-SPMS / 09, Rev 00, August 27th, 2010). Protection of riparian borders is carried out at 100 meters for large rivers, 50 meters for small rivers; and leave the area when replanting. The plan and implementation of water management have been included in the 2018 semester I *RKL / RPL* report, HCV management documents and water use for processing in the Mill and domestic residential & office areas.

Based on observations in the riparian area of the Alur Sali river; Tamiang Estate Block A013 its known there is prohibition for use chemicals (spraying activities) and there are riparian border boundaries covering 50 meters left and right of the river. There is no replanting area in riparian zone. Unit management has been known related prohibition for planting in riparian area.

4.4.3.

The company shows the liquid waste disposal permit (IPLC) to Land application for PT PSS in accordance with the East Aceh District Head's decision Number 503/01/2019 dated February 11th, 2019 valid for 5 years and can be extended. Block Land Application are C007 & C009 BSE 1 with total area is 60 Ha. The company has conducted liquid waste testing by Sucofindo Laboratory (LP 398 IDN) every months. Based on testing results the parameter pH & BOD didn't exceed the threshold (Decree of the Environment Minister Number 29 year 2003). Based on field visit in Block C007 BSE 1 there is no liquid waste run off.

4.4.4.

The company shows permission to collect and utilize surface water from public waters according to the decision of the Governor of Aceh No.616 / BP2T / 2979/2016 valid until December 2019. The company shows document of water using for period January – December 2018 with efficiency of process water is 0.975 m³/ton FFB and Domestic water is 1.185 m³/ton FFB. The company has paid surface water fees for the period January - December 2018 to the Aceh Financial Management Agency on February 14th, 2019.

Status: Comply

4.5

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

4.5.1

IPM is listed in an annual work plan which is then detailed into a monthly work plan and daily work plan. The IPM plan emphasizes the Early Warning System that prioritizes detection and census activities. Based on the crop protection summary issued by the MRC team, potential pests whose presence is always monitored include Palm Leaf Eating Caterpillar, Rat, and Oryctes. The native species used as biological control methods are owls and beneficial plants such as antigonon and turnera

In principle, the application of IPM is expected to reduce the use of pesticides. One ingredient whose use is reduced is brodifacoum. As the information contained in the recapitulation of pesticide use in PT PPP and PT PSK is known to have

no use of brodifacoum (Rodenticide) in the 2018 period. The use of rodenticides can be suppressed along with the increasing occupancy of BOB.

However based on :

- Report on the Control of Plant Pest and Disease Batang Ara Estate in December 2018 states that there is use of 181.60 liters of Cypermethrin for the control of Oryctes in the field C001 - C006 for planting years 2015 and 2016. - **Control with pesticides without census.**
- Report on the Control of Plant Pest and Disease Tamiang Estate in December 2018 states that there are 336 liters of Cypermethrin to control Oryctes in 28 planting blocks with a planting year range from 1983 to 2016 - **Control with pesticides without census.**
- Report on the Control of Plant Pest and Disease Blang Simpo – 2 Estate in December 2018 stated that there was a nettle caterpillarr attack with an average of 6.06 larvae / frond - **Above the control threshold but no control of pesticides had been carried out.**
- Report on the Control of Plant Pest and Disease Blang Simpo – 1 Estate in November and December 2018 each month November: **Field A011 average attack 0.96 larvae / frond. Field A001: 3.07 larvae / frond.** Whereas in December: **field B007: 13.13 larvae / frond; field B011: 3.87 larvae / frond** - Control using Cypermethrin.
- The justification of the assistant BSE-1 dated February 15, 2019 regarding the use of pesticides, explained that: even though the nettle caterpillar attack is below the control threshold, spraying is still carried out. Because it is an endemic area and according to the recommendations of the MRC. **But information about history and identification of endemic blocks; and recommendations from MRC have not been demonstrated.**
- If referring to an email from MRC on February 15, 2019, it was explained that controlling the nettle caterpillar in a system pocket among them stated in one field there were several census points, so that control with pesticides was carried out for the scope of **one field.**
- ARM Minamas Plantation on plant protection states that the control threshold for Oryctes is 5% per ha and for 5 larvae / frond

can be concluded:

1. Pest Control carried out by Certificate Holders has not referred to the IPM principle as explained in ARM Minamas Plantation.
2. There is no clear and detailed justification regarding the decision to use pesticides for pest control.

This became as Nonconformity **No.2019.02**

Based on field observation to block B006 Division II TME and Block Co8 BSE-1 known in the replanting area prophylactic control is carried out without census Which should be done only until the age of 24 months. Furthermore, for Palm Leaf Eating Caterpillar attack can be seen from leaves that are shaped like sticks

Explanation of the control of oryctes with preventions in more detail in 4.6.1

4.5.2

Certificate Holder has routinely held training on IPM which includes explaining the principles of observation and methods of observation. The training that has been conducted for the 2017/2018 period includes:

- IPM census training on May 5, 2018 in Division II TME was attended by 9 participants.
- IPM census training on December 17, 2018 at BSE-1 and BSE-2 Estate was attended by 15 participants

Speakers are research staff assisted by division assistants and senior assistants.

Based on interviews with the P & D officer of the TME and BAE as one of the pest observers, it is known that the concerned person has been able to explain the concept of IPM, potential pests and observation methods.

4.5.1	Status: NCR No 2019.02 with Major Category	
4.6		
Pesticides are used in ways that do not endanger health or the environment		
4.6.1		
The company's policy on the use of chemicals is found in ARM sections 15 and 16 concerning plant protection. The selective use of products is found in the SOP for protection of plants such as Cypermethrin to control Oryctes while Glyphosate is		

used to control broadleaf weeds and narrow leaf weeds.

Steps that are included to avoid the development of resistance include:

1. Using census and monitoring methods to determine the type of control to be carried out. The use of pesticides is the last alternative if from the results of the study it turns out that evidence is obtained
2. Pesticides that are applied right on target, right dosage, and on time
3. Integrating control methods physically, chemically, biologically and mechanically (IPM)

Based on interviews with circle and path spraying worker in the block A019 Division 1 TME it is known that spraying is in accordance with the procedure. For example, using active ingredients glyphosate combined with methyl metsulfuron. Mixing pesticides is carried out at the BSS house. So that the pesticides brought to the field are not pure ingredients and are ready to use

Based on the results of verification to the pestisida.id site owned by the director general of agricultural facilities and infrastructures, the entire pesticide period of the distribution permit is known and has been registered in accordance with Indonesian regulations.

4.6.2

The pesticide application program is contained in the annual work plan which is then detailed into a monthly work plan and daily work plan. Records of documented use of pesticides in monitoring the use and toxicity of pesticides, for example BSE-1 during the 2018 period using Triclopyr amounting to 2,554 liters with an application area of 1,830 ha. the number of active ingredients used is 1,225.92 liters so that the active ingredient for each hectare is 0.66 liters. BAE during the same period used 1,673 liters of Cypermethrin with an application area of 358.98 ha with an active ingredient per hectare of 0.23 liters.

4.6.3

The IPM plan shown by Certificate Holder is by combining various control methods such as EWS and the use of natural enemies. When the ASA 1.1 assessment was carried out there was a prophylactic use of pesticides to control pest Oryctes in immature area.

Based on :

- The monitoring data for pesticide use for the period of 2018 contained Cypermethrin with the volume of each BSE-1: 368 liters; BSE-2: 0.64 liters; and BAE: 1,727 liters.
- The updated Warehouse Stock data for Cypermethrin shows there is material use in February 2019

Estate	1 February 2019 (Liter)	15 February 2019 (Liter)
TME	927	806.5
BSE-1	1,362.40	1,352.40
BSE-2	610	450

- Interviews with TME & BAE P & D Officer revealed that Oryctes control for Immature area using Cypermethrin routinely every 14 days interval until plants were 24 months after planting (preventive use) while for plants over 24 months the control threshold if there was a 5% / ha infestation
- ARM Minamas Plantation, part 15 of the plant protection section explains the control of Oryctes for immature area :
 - Light infestation: Pherotrap
 - Heavy infestation: Spray with Cypermethrin every two weeks. In situations of severe attacks it is necessary to carry out chemical treatment until the plants are 24 months old
 - Control with Entomopathogens
 - CECT (The Construction of Close-Ended Conservation in Trenches) system on land preparation
- Sign Board for Oryctes control in TME and BSE :
 - Cypermethrin spray every 2 weeks
 - Use Pheromone
 - Application of Metharizium
 - One-layer in EFB application

Can be concluded :

1. The use of preventive pesticides to control Oryctes carried out by Certificate Holders is not yet equipped with identification of specific situations.
2. It has not been able to show plans and realization of Oryctes control in an integrated manner in accordance with the principle of IPM so that it can lead to minimal use of pesticides

It become Nonconformity No.2019.03.

4.6.4

Certificate Holders have a complete list of Pesticides that fall into the category of the World Health Organization Class 1A or 1B, or listed in the Stockholm or Rotterdam Conventions. The list is listed in appendix 2 SOP Guidelines for Management of Sustainable Plantation No. Policy 724 / TQEM-SPMS / 09 was published August 27, 2010.

There is a document on Sime Darby Responsible Agriculture Charter (September 2016) which states that it will implement an integrated pest management program by not using paraquat or chemicals belonging to WHO 1A group. WHO Group 1B will be phased out according to the Rotterdam and Stockholm conventions

During the period of the year 2018 the company did not use WHO class 1A and 1B pesticides and paracuat. Based on field visits to the central warehouse where pesticides are stored it is known that the physical stock is in accordance with those recorded on the warehouse card.

4.6.5

One of the procedures for handling pesticides is in the SOP on Management of hazardous (No 394 / IT-LB3-23 / 11 dated 27 September 2011 which explains the classification of chemicals, responsible person, responsible for providing MSDS through suppliers, methods of storing chemicals, handling materials chemical during use, actions against leaks and spills, first aid to training programs

Pesticide applicators are special people who have received regular training and direction and are part of the Block Spraying System team. Based on the results of interviews with the BSS team, workers have been able to demonstrate an understanding of the hazards and risks to the chemicals used. Workers are able to explain the spray limit, how to mix ingredients, dosage applications and target pests or weeds. Records of training implementation include:

- TME : September 29, 2018 attended by 9 participant from foreman and BSS team member
- BAE : January 16, 2019 attended by 7 participant from foreman and BSS team member
- BSE – 1 : November 30, 2018 attended by 15 participant from foreman and BSS team member

Based on the risk analysis of PPE that must be used by the BSS team including carbon masks, boots, face shields, rubber gloves, and helmets. Based on the results of field visits to block B003 BSE-1 it is known that the PPE used is appropriate but specifically for boots is not yet available for all spray workers. Nonconformities have been included in the indicator 4.7.3

4.6.6

Certificate Holder shows SOP for Pesticides and Management No. 10x / PTK-PST / 2004 which includes:

- Classification of Pesticides
- Storage of Pesticides
- Use of Pesticides
- Pesticide poisoning and symptoms
- First aid in poisoning

At the point of storing pesticides, the storage area must be well ventilated and storage is based on the type and class of pesticide and is not mixed with food ingredients or other ingredients. Pesticides must be stored in original containers and apply the principle of FIFO (First in first out).

At temporary hazardous waste shelter there are packaging marks that have not been used and managed according to the procedure. The results of field visits to the BSE-1; BSE-2; BAE and TME emplacement are known to have no use of used pesticide packaging for other purposes.

4.6.7

Certificate Holder has an OHS Guide to Oil Palm Estate (No.722 / PSQM-PSS / 10 dated December 13, 2010) which explains the work instructions for the application of pesticides that regulate PPE that must be used, warning signs, training on spray activities, emergency response, spray labor facilities (BSS houses) for storage of tools, PPE and mixing sites for storage of used jerry cans.

Based on interviews with spray workers (BSS TME Team; BSE; and BAE) it is known that workers have been given training. Routinely at least always reminded of the activities of the morning circle. Workers can explain how safe spray activities are, including PPE which must be used, mixing pesticides in a special place (BSS house) then after spraying activities PPE and spray equipment must be cleaned and stored in the BSS house. There is a special vehicle to transport spray teams to the field equipped with clean water tanks and food storage lockers so that there is no contact between the food carried by workers and pesticides.

4.6.8

Based on information obtained from spray workers, foremen and estate managers the application of airborne pesticides has never been done. The results of field visits to workshops and pesticide storage warehouses did not find any facilities and infrastructure to apply airborne pesticides

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 has conducted in BSE-1 of PT PPP on 04 December 2018, safety pesticide training has conducted in BSE-2 of PT PPP on 18 December 2018, training of chemicals MSDS for 19 workers in TME of PT PPP and BAE of PT Sri Kuala on 04 April 2018, and training for contract workers (applicators) in BSE-2 on 14 December 2018. The CH is currently on going to have smallholders. Based on interview with pesticide applicators in Division 1 Block A18 TME of PT PPP, Division 1 Block B03 BSE-1 of PT PPP, Block C06 BAE pf PT Sri Kuala, as well as Store Keeper in Block Spraying System (BSS) in TME of PT PPP (used together with BAE of PT Sri Kuala), BSE-2 of PT PPP where located within Estate 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 cholinesterse 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.

The company has procedure regarding handling of hazardous waste (SOP No. 020/PPP-PSS-ESH/11, 01 April 2011 and PLB/24/PPP-PSK-PSS/IV/12, May 2012). Hazardous waste management is stored in a hazardous waste store which have a permit and then handed over to licensed transporters. Based on interviews with Management Representatives and hazardous waste officers, it is known that hazardous waste management has been socialized to workers. The officers has understand about hazardous waste management.

4.6.11.

Estate management shows list and number of pesticide applicators. Total pesticide applicators in all estate was 87 workers with 31 of it is female. Moreover from IPM team, there was 19 workers with only 1 female. Estate management shows latest medical record testing which conducted by company Centar Clinic in BSE-2 with summary as follows:

- Cholinesterase and Spirometry record dated 17 January 2019 for BSE-2, dated 28 January for BSE-1 of PT PPP indicates that workers tested were fit to works which may expose to chemicals.
- Cholinesterase and Spirometry record dated 15 January 2019 for TME of PT PPP and BAE of PT Sri Kuala indicates that workers tested were fit to works which may expose to chemicals.

Based on interview with pesticide applicators in Block B003 BSE-1, Block A018 TME and Block C006 BAE, it was known that there is no such allergic response due to pesticide application activities.

Record of medical history has also kepted by doctor company and saved on Estate Clinic. The testing has also including for fertilizer applicators and BSS workers. However, as informed by Estate management and Local Contractor (for example)

namely Idawati, it was known that starting from 2019 there is use of Contract Workers for pesticide application works in BSE Estates. Hence, all estate management is encourage to prepare a specific medical check up required (Cholinesterase and Spirometry) to those applicators. **OFI**.

4.6.12

Policy on prohibition for pregnant and breastfeeding women to works related to pesticide is presented in Memorandum No. IST/SOU18/II/2017 dated 01 February 2017, which also covers mechanism of H1 (haid period) and H2 (pregnant) Leave. According to the list of pesticide applicator data, it was known that there were totalling 31 female applicators in PT PPP and PT Sri Kuala. Furthermore, based on interview with female pesticide and/or fertilizer applicators in Division 1 Block A18/A19 TME and Division 1 Block B03 BSE-1 of PT PPP and in Block C06 BAE of PT P Sri Kuala, it was known that H1 and H2 Leave is given by estate management as recommended by company Clinic. 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, Mutation Work Letter No. 011/BSE/POLI/V/2018 dated 08 May 2018 and No. 009/BSE/POLI/III/2018 dated 19 March 2018, issued by Polyclinic Coordinator on for applicator identified pregnant in BSE-2 of PT PPP, to be replaced on manual upkeep activities.

4.6.3

Status: NCR No 2019.03 with Major Category

4.7

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

4.7.1

There is no change of safety policy, which presented in Head Plantation Upstream Indonesia dated December 2011. The CH is committed to provide a safe working environment for all employees and visitor, as well as strive to facilitate a proper protection for workers and company assest which aims to avoid accident and damage incidence. The policy is available in Bahasa. Socialization has been conducted to all employees include contractor through safety town hall which already conducted on 15 August 2018. The CH (factory and estate units) shows occupational safety and health (OSH) program for period 2018/2019, issued by the Secretary and Head of OSH Committee (P2K3).

Based on field observation to BSF, BSE-1, BSE-2, TME and BAE, 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 regulations.

4.7.2

Procedure of Hazard Identification Risk Assessment and Control (HIRAC) is presented in procedure No. 7301/PSQM-ESH/11 dated 07 July 2011. Estates (PT PPP and PT Sri Kuala) and Factory (PT PSS) management is able to shows HIRAC document which issued by the respective OSH Committee Secretary and Manager on 02 January 2019 and 31 December 2018, respectively. According to document review, it was known that the assessment and analysis has covers all relevant mill and estate operational activities. Based on observation and interview with workers in BSF, BSE-1, BSE-2, PME and BAE, 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 storeof BSS 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 record dated 14 January 2019, it was informed that number of accident caused manday lost in BSF of PT PSS and BSE-1/2 of PT PPP are nill, while in TME of PT PPP and BAE of PT Sri Kuala were 25 and 10 case, respectively. 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:

- Audiometry and Spirometry record dated 28 January 2019 for BSF of PT PSS indicates that workers tested were fit to works. For operator works in area more than 85 dB, mill management has provide earplug or earmuff. This matters confirmed during field observation on 13 February 2019.
- Cholinesterase and Spirometry record dated 17 January 2019 for BSE-2, dated 28 January for BSE-1 of PT PPP indicates that workers tested were fit to works which may expose to chemicals.
- Cholinesterase and Spirometry record dated 15 January 2019 for TME of PT PPP and BAE of PT Sri Kuala indicates that workers tested were fit to works which may expose to chemicals.

4.7.3

The CH shows several licenses of operators, as required by regulations, as well as its monitoring of license validity for example: SIO of Boiler Class 1 Operator No. 560/67/XII/2018 and SIO of Hoisting Crane Operator in BSF of PT PSS No. 560/70/XII/2018. Both license valid until 20 December 2020; SIO of OSH Electrical Technician in BSE-1 Reg. No. 1537/TK3-LIST/V/2017-PO dated 05 May 2017, SIO Excavator Operator in BSE-2 of PT PPP No. 76285/OPK3-LT/PAA/IX/2016 dated 23 September 2016 and Welder Certificate for BSE Workshop No. S.295/JL/PNK3/XI/12 dated 06 November 2012; SIO of OSH Electrical Technician in TME of PT PPP and BAE of PT Sri Kuala Reg. No. 15356/TK3-LIST/V/2017-PO dated 05 May 2017, SIO Excavator Operator No. 76280/OPK3-LT/PAA/IX/2016 dated 23 September 2016 and Welder Certificate Class III Workshop No. Bk.S.55/JL/BISWASK3-PNK3/II/2017 dated 27 January 2017.

Socialization of safety has conducted in all unit, as follows:

- Socialization of OSH in BSF of PT PSS has conducted in 28 December 2018, attended by 78 participants. Furthermore, training on safety town hall, PPE socialization, emergency and fire drill were also available.
- Socialization of OSH in BSE-1 and BSE-2 of PT PPP has conducted in 07 February 2019, attended by 37 participants; Safety pesticide application and MSDS training has conducted in BSE-1 of PT PPP on 04 December 2018, attended by 7 workers; and training of integrated pest management in BSE-2 of PT PPP has conducted in 20 December 2018, attended by 5 workers.
- Training of chemicals MSDS for 19 workers in TME of PT PPP and BAE of PT Sri Kuala on 04 April 2018.
- Contractor has required to follows several training during 2018 such as safety town hall and safe working practices on April 2018.
- Socialization of zero burning in housing area for occupants has conducted in BSF on 25 January 2019.

All unit management is able to shows PPE delivery record. However, based on field observation and/or interview with respective workers, it was noted several fact as follows:

- Processing Operators in BSF stated that PPE safety shoes has only provided once a year and will buy themselves when broken or unproper to be used. This is inline with PPE delivery record in 2018 which informed that safety shoes only given once a year.
- One field Upkeep Foreman in TME did not use glasses and wear a short sleeve during pesticide mixing activity. Furthermore, there is one Traction Operator did not wear safety shoes.
- Four Pesticide Applicators in BSE-1 and one Harvester in BSE-2 stated that the PPE boot has only provided once a year and currently they are wearing boots bought by themselves. Boot replacement from estate management has not realize yet. Record of PPE boots delivery for replacement of those interviewed workers is not available.
- Three Manual Upkeep Workers in BAE stated that the PPE boot has only provided once a year and currently they are wearing boots bought by themselves. Boot replacement from estate management has not realize yet. Record of PPE boots delivery for period 2018, informed that boots has only given once a year.
- CH management shows evidence of immediate correction regarding the above points such as Warning Letter, Official Letter of Uncomplete-PPE Delivery. However, this type correction has also conducted on the previous assessment, but seems ineffective since the same matters recurring in this surveillance 1 audit.

Based on explanation above, it could be concluded that the CH is not be able to shows that corrective action identified on the previous assessment has effectively overcome root of cause which consist of workers understanding towards PPE replacement, effectiveness of PPE-completeness monitoring and PPE inspection. Hence raised **NCR No. 2019.04 with Major category**. This is a recurring NCR. Auditor has recommend to conduct **Major Verification** which aims to ensure that corrective action taken has effectively overcome the root of cause.

4.7.4

Company occupational safety and health monitoring and implementation is carried out by OSH Committee (P2K3), as follows:

- Endorsement of P2K3 by Manpower and Citizen (Inhabitant) Mobility Agency for BSF of PT PSS through Head of Agency Decree of Aceh Province in 2019 dated 04 January 2019. The Secretary of P2K3 was an OSH Expert as shows through Minister of Manpower Decree No. KEP.14086/M/DJPPK/VI/2015 dated 19 June 2015, valid for 3 years. Training Extension of OSH expert shows in Letter of Safety Training Organizer (PT Arpindo Pratama) No. 66/AP/K3/II/2019 dated 07 February 2019.
- Endorsement of P2K3 by Manpower and Citizen (Inhabitant) Mobility Agency for BSE-1 of PT PPP through Head of Agency Decree No. 130 in 2018 dated 17 April 2018. Secretary of P2K3 was an OSH Expert as shows through Minister of Manpower Decree No. KEP.P.1251/NAKER-BINWASK3/IV/2017 dated 04 April 2017.
- Endorsement of P2K3 by Manpower and Citizen (Inhabitant) Mobility Agency for BSE-2 of PT PPP through Head of Agency Decree No. 129 in 2018 dated 17 April 2018.
- Endorsement of P2K3 by Manpower and Citizen (Inhabitant) Mobility Agency for TME of PT PPP through Head of Agency Decree No. 560/004/2015 dated 15 June 2015. Secretary of P2K3 was an OSH Expert as shows through Minister of Manpower Decree No. KEP.P.1259/NAKER-BINWASK3/IV/2017 dated 04 April 2017.
- Endorsement of P2K3 by Manpower and Citizen (Inhabitant) Mobility Agency for BAE of PT Sri Kuala through Head of Agency Decree 560/KEP/47/P2K3/2019 dated 12 february 2019. Secretary of P2K3 was an OSH Expert as shows through Minister of Manpower Decree No. KEP.P.1258/NAKER-BINWASK3/IV/2017 dated 04 April 2017.

All of OSH Expert License were still valid and/or ongoing for extension, but they are noted under PT Anugerah Sumber Makmur which was subsidiary company of PT Minamas Plantations for Sumatera Region.

Records of OSH monthly meeting was available. For example, last P2K3 meeting for BSF of PT PSS has conducted in 07 January 2019, attended by 6 committee members. There is 3 main issues beeing discussed, e.g. cleanliness of working area, PPE use discipline and maintenance. Meanwhile, last P2K3 meeting for BSE-1 of PT PPP has conducted in 04 January 2018, attended by 11 committee members. There is 3 main issues beeing discussed, e.g. HIRADC, chemical environment management and cleanliness in housing area. Furthermore, last P2K3 meeting for BSE-2 of PT PPP has conducted in 27 December 2018, attended by 16 committee members. There is 3 main issues beeing discussed, e.g. HIRADC, chemical environment management and cleanliness in housing area. Moreover, last P2K3 meeting for TME of PT PPP and BAE of PT Sri Kuala has conducted together in 26 December 2018, attended by 24 committee members. There is totaling 8 main issues beeing discussed, e.g. HIRAC monitoring, PPE use discipline, supervision on portable first aid kit, safe placement of working devices, monitoring of firt aid kit items, control on prohibition to bring children on working area, zero burning on domestic/household wastes on housing areas and field, P2K3 recommendation and implementation evaluation. Based on interview with OSH committee representatives from PT PSS (BSF), PT PPP (BSE-1, BSE-2, TME) and PT PSK (BAE), it was known that P2K3 meeting has conducted regularly. Minutes of meeting were available.

4.7.5

Procedure of emergency is presented in several documents, such as document No. PDKK/08/V/PPP-PSK-PSS/12 dated 01 May 2012 about work accident recording, No. PKKKS/18/PPP-PSK-PSS/V/12 dated 01 May 2012 about work accident handling of life condition, No. PKKKMDT/19/V/PPP-PSK-PSS/12 dated 01 May 2012 about work accident handling of suddenly death condition, No. PPK/13/V/PPP-PSK-PSS/12 about fire management (preventive, fire handling, administration, reporting, monitoring), No. GB/15/V/PPP-PSK-PSS/12 about earth quake management, No. PPL/14/V/PPP-PSK-PSS/12 about preventive and management towards explosive incidence, No. PRPKTD/12/V/PPP-PSK-PSS/12 about preventive and response towards emergency situation and No. LTD/11/V/PPP-PSK-PSS/12 about emergency training. All procedures above are provided in Bahasa Indonesia.

The CH has monitor and evaluate any accident on the unit. Evaluation of accident matrix is presented in OSH Committee meeting and quarter P2K3 report. Furthermore, complement/supportive documents such as evaluation, investigation, evaluation, reporting, safety assessment, HIRAC evaluation, medical letter from paramedic (doctor) for leave were available. Any leave or manday lost cause by work accident were still paid by CH management. This is confirmed during interview with Labour Union. Record on accident has reported to the Manpower Agency.

The company has Hiperkes Certified Paramedic and Certified First Aider as shows in Certificate No. 18.066/PM-VII/14 dated 01 September 2014 for TME of PT PPP and BAE of PT Sri Kuala, No. 703/P3K/VIII/13 date 01 August 2013 and No. 18.057/PM-VII/14 dated 01 September 2014 for BSE of PT PPP and BSF of PT PSS. The CH has conducting first aid training. For example, socialization of first aid in BSF of PT PSS has conducted in 28 December 2018, attended by 78 participants. Furthermore, training on safety town hall, PPE socialization, emergency and fire drill were also available. Meanwhile, socialization of first aid in BSE-1 and BSE-2 of PT PPP has conducted in 07 February 2019, attended by 37 participants. Furthermore, training of chemicals MSDS (included first aid) for 19 workers in TME of PT PPP and BAE of PT Sri Kuala on 04 April 2018.

CH management shows additional evidence of correction, as follows:

- Official Letter dated 14 November 2018 about reparation of eye wash, water tank and body shower in Chemical Store. Picture of progress is available.
- Official Letter dated December 2018 about First Aid Item (P3K) monitoring in BSF of PT PSS, PT PPP and PT Sri Kuala. This is confirmed during field observation on ASA-1.1 audit.

Based on root of cause and corrective action review, as well as correction evidence given, it could be concluded that NCR No. 2018.05 is considered **closed**.

4.7.6

Based on document review and interview with workers in BSF, BSE-1, BSE-2, TME and BAE it was known that all workers were covered by BPJS Manpower (BPJS-TK) and Health (BPJS-Kes). For example, recapitulation of payment for period January 2019 via Bank Mandiri is presented in the following Table:

BPJS – Manpower

Unit	Number of Employee	Payment Date	Total Payment
BSF	78	17 Jan 2019	23,771,534
BSE-1	357	07 Feb 2019	66,507,466
BSE-2	293	06 Feb 2019	54,493,570
TME	232	07 Feb 2019	47,271,575
BAE	103	07 Feb 2019	20,806,225

(Note: PKWTT = permanent worker; PKWT = temporary worker)

Furthermore, BPJS health for BSF and BSE-1 has paid on 04 January 2019, for BSE-2 on 06 January 2019 and for TME and BAE on 07 February 2019. According to document review, it was known that there is no LTA cases in BSF, BSE-1 and BSE-2. Meanwhile, LTA case in TME and BAE is recorded less than 3 days. All accident were fully handled by estate management, thus there is no claim of payment to BPJS.

Furthermore, based on review on BPJS-TK E-Payment of CV Bina Mandiri dated 06 November 2018 and CV Usaha Mandiri dated 21 January 2019, it was known that contractor workers has also covered by BPJS. However, CH management is not be able to shows that workers from non-corporate contractor has also been covered by BPJS. For example as results of interview as follows:

- Workers from Idawati for upkeep works through manual and chemical (pesticide) in BSE-2 of PT PPP
- Workers from Zamzami in Castration in BSE .
- Workers from Dian Armansyah for FFB transportation from BAE of PT Sri Kuala and TME of PT PPP to BSF of PT PSS.

Based on work agreement review, it was stated that contractor worker shall be registered on work accident insurance scheme. Thus, raised **NCR No. 2019.05 with minor category**.

4.7.7

The CH shows recapitulation of lost time accident in BSF, BSE-1, BSE-2, TME and BAE, included frequency rate and severity rate. For example, according record dated 14 January 2019, it was informed that number of accident caused manday lost in BSF of PT PSS and BSE-1/2 of PT PPP are nill, while in TME of PT PPP and BAE of PT Sri Kuala were 25 and 10 case, respectively. Frequency rate in TME and BAE were 15 and 17, respectively, while severity rate in both estate were 26 and 21, respectively. Evaluation towards accident, was carried out by OSH Committee Secretary through monthly

meeting, describes in detail on quarter P2K3 report.

4.7.3	Status: NCR No. 2019.04 with Major category (Recurring NCR)	
4.7.6	Status: NCR No. 2019.05 with minor category	

4.8

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

4.8.1

The CH is able to shows list of employees in BSF, BSE-1, BSE-2, TME and BAE, for example as per December 2018 and January 2019. 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, Assistant and Administration Officer (KTU). For example, training program for BSE-2 of PT PPP for period 2018 was consist of 19 program, included training for contractor worker. All trainings has fully completed in the third weeks of December 2018, with subject safety management and health socialization. Evidence of training record such as attendance list, picture and official letter were available, for example as follows:

- Training of integrated pest management in BSE-2 of PT PPP has conducted in 20 December 2018, attended by 5 workers.
- Safety pesticide application and MSDS training has conducted in BSE-1 of PT PPP on 04 December 2018, attended by 7 workers.
- Training of chemicals MSDS for 19 workers in TME of PT PPP and BAE of PT Sri Kuala on 04 April 2018.
- Safety pesticide training has conducted in BSE-2 of PT PPP on 18 December 2018, attended by 24 workers.
- Safety town hall and company socialization to BSF of PT PSS workers has conducted on 15 August 2018.
- Fertilizer application training for 16 applicators in BAE of PT Sri Kuala has conducted in 17 October 2018.
- Socialization of zero burning in housing area for occupants has conducted in BSF on 25 January 2019.

4.8.2

Record of training based on personnal competency were available. For example, Welders in BSF of PT PSS (certified) has follows training on safety town hall, PPE socialization, emergency and fire drill. Furthermore, Pesticide Applicators in BSE-1 and BSE-2 of PT PPP has follows training on safety town hall and safe pesticide application. Moreover, Contractor has required to follows several training during 2018 such as safety town hall and safe working practices on April 2018.

Result towards training effectivity is confirmed through interview with the respectiev worker s on the mill and estates during field observation, it could be concluded that all workers were familiars with technical aspect matters, which included safety aspect.

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.

PT PPP.

The Environmental Evaluation Document (**DELH**) covering an area of 6,232.23 ha is located in Tualang Pateng Village, East Peureulak District, East Aceh Regency according to the Decree of the Head of the East Aceh Regency Environmental Agency Number 660/37 / DELH / 2018 dated 25 October 2018.

The recommendation for Environmental Management document (**DPLH**) for plantation rejuvenation activities covering 1,451.99 ha by the Head of the Environment Agency of Aceh Tamiang Regency located in the Kampung Terban Kebun Karang District of Aceh Tamiang, Aceh Province with number 660/18/2019 on January 3rd, 2019.

PT PSS has the Environmental Document (DPLH) approved by Minister of Environment No. B-5054 / Dep.I / LH / 7/2010, July 6/2010. Recommendations by DPLH in accordance No. 062 / DPLH / 660/2011, January 24/2011. With process

capacity 30 ton/FFB per hours.

PT PSK has the Environmental Document (DPLH) approved by local government No. 660/1346, September 24/2014). The total area of 1,128.9 hectares. Type of impact is public perception, surface water quality, ground water quality, etc. Environmental document has explained replanting activity, such public unrest and IPM Management.

The EIA has cover all area and activities for PT PPP, PT PSS and PT PSK.

5.1.2 & 5.1.3.

The company has implemented environmental management & monitoring period January – December 2018 (Semester I) in accordance with *Matrix of RKL & RPL*, for example: manage water mill effluent at the WWTP Pond; stored hazardous waste on storage approved; giving PPE earplug and earmuff to workers in the high noise location, throw trash on land fill area local recruitment as employees, etc. There are evaluation for every aspects and accordance with regulation.

Status: Comply

5.2

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

5.2.1.

The Company through cooperation with POLITO has identified High Conservation Value (HCV) Assessment, Jan 2011 with a total area of 295.27 hectares. List of flora and fauna have been described in the document HCV. The company shows monitoring of wildlife for period 2018 there is no protected wildlife by IUCN Redlist. For Tamiang Estate there are 20 wildlife in the category vulnerable and CITES APP II such as: *Egretta* sp; *Aviceda leuphotes*; *Elanus caeruleus*; *Spilornis cheela*; *Treron* sp; *Centropus chinensis*; *Tyto alba*; *Caprimulgus macrurus*; *Collocalia esculenta*; *Halcyon smyrnensis*; *Eurystomus orientalis*; *Anthroceros albistris*; *Celeus brachyurus*; *Dinopium javanense*; and others. Blang Simpo Estate there are 24 species of Aves with category Vulnerable and CITES APP II; 4 species of Mammals with category Vulnerable such as *Macaca fascicularis*; *Macaca nemestrina*; *Presbytis bengalensis* and *Prionailurus bengalensis*. 2 species of Reptile such as *Crocodylus* sp & *Varanus salvator*.

Evidence observed :

Based on the document review there are differences in the extent of HCV for area statement for 2019 period; company calculation data (estates) and HCV identification data by Politto 2010 with details as follows:

Location	Area based (ha)			
	HCV Identification Document 2010	Area Statement for 2019	Company Calculation 2019	Difference (HCV Area)
Tamiang Estate	6.88	17.05	17.05	-
Batang Ara Estate	78.93	727.22	727.83	0.61
Blang Simpo Estate 1	209.46	142.55	134.66	7.89
Blang Simpo Estate 2		56.02	56.02	-
Total	295.27	942.84	935.56	8.5

The HCV area determined by unit management was approved by Plantation Managing Director in 2016, HCV area for Batang Ara Estate of **443 ha** (planted in the year 1994 - 1996 converted to HCV area) and based on mapping survey data conducted by Minamas Research Center known HCV area **227 ha** (slope of 25°) so that the area of HCV for Batang Ara Estate is **670 ha**.

Description of Non-compliance:

The company has not been able to show the total management of the HCV area in accordance with the HCV identification documents owned by the company and if there is an additional area of HCV, justification has not been shown regarding the

area. This is a **non-conformance with the category Major No.2019.06.**

5.2.2.

The company shows the implementation document for HCV management for the 2018 period includes:

- ✓ Monitoring HCV warning boards in Batang Ara Estate, there is 22 warning boards in good condition located in Buffer zone area (Blocks D001; D002; D003; D008; & D009); prohibition board for hunting wildlife that are protected and electrocuted fish and etc.
- ✓ Demarcation of spray in the area of BSE HCV 1 & 2 by providing marks in the principal within 50 meters with yellow paint marks.

Based on observations in the riparian area of the Alur Sali river; Tamiang Estate Block A013 its known there is prohibition for use chemicals (spraying activities) and there are riparian border boundaries covering 50 meters left and right of the river.

The company shows management and monitoring of HCV PT Perkebunan Sri Kuala; PT Padang Palma Permai & Perkasa Subur Sakti 2019 period includes:

HCV 1.1; 1, 2; 1.3 & 1.4

- ✓ Marking boundaries in the riparian area
- ✓ Installation of signposts for banning hunting in the riparian area.
- ✓ Enrichment of woody plants with species that can reduce the rate of erosion.
- ✓ Restrictions on the use of pesticides along the riparian area.
- ✓ Implementation of perpendicular palm clumps.

5.2.4.

The company has shown data on HCV management and monitoring of PT Perkebunan Sri Kuala; PT Padang Palma Permai and PT Perkasa Subur Sakti for the 2018-2019 period with the results of the monitoring. The company has not been able to show follow up or review improvements to the HCV management plan. This is a nonconformance with **Minor category No.2019.07.**

5.2.3

Based on document review, there is socialization regarding HCV on December 20th, 2018 in BSE and for TME & BAE was held in January 9th, 2019. Interview with workers in TME, BAE, & BSE they have been known related ban on hunting wildlife. There is warning board related the types of protected wildlife in plantation and housing area.

5.2.5.

Based on HCV identification report document, field observations and the results of consultations with relevant agencies and surrounding communities revealed that no community arable land was used as a conservation area so there was no need for a negotiated agreement to protect HCV areas and local community rights. Based on interviews with the community of Alur Baung village, so far there has never been a community area used by HCV by the company.

5.2.1

Status: NCR No 2019.06 with Major category

5.2.3

Status: NCR No 2019.07 with minor category

5.3

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

5.3.1.

The company has identified the sources of waste and the management for period 2018. 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 company shows efforts for air pollution control for the period 2018-2019 with the following details:

Location	Efforts for air pollution	Note
Boiler	Installation of dust collector / dust cyclone in an effort to reduce airborne dust.	Check and monitor the dust collector so that it can operate properly.
Surrounding environment	Planting / reforestation in the factory to reduce air pollution (CO2)	Green plants around the factory are well cared for
Office and operational station in the Factory	Provision of a smoking area	Smoking in designated areas
Housing	Provision of bins in every housing	Scheduled domestic waste are carried out to be disposed of in the landfill.
Waste	Management of both hazardous and liquid & solid waste according to procedures	Hazardous is temporarily stored in schedule waste storage, solid waste from the results of a well-managed process & treatment of waste ponds.

5.3.2.
Hazardous waste storage.

The company shows the hazardous waste storage permit to the **PT PSS Factory** in accordance with the decision of the Regent of East Aceh No.04 of 2018 valid for 5 years from July 26th, 2018. Reporting every 6 months to the Minister of Environment and Forestry; Aceh Governor and East Aceh Regent. Hazardous waste types that are permitted: used oil, used hazardous waste packaging, used TL Lamps, rags, used filters, used batteries & used toner.

The company shows the hazardous waste storage permit to **PT PPP** in accordance with the decision of the East Aceh Regent number 538.3 / 937/2014 located in Blang Simpo Estate 2. The types of waste permitted include: used oil / lubricating oil; used batteries; used TL lamps; used filters; agrochemical / chemical ingredients; tonner scars & poisonous cotton cloth. Hazardous waste storage measuring 3 x 4 m is located at coordinates N 04°68 '527 "and E: 097°81'764". Valid from December 30th, 2014 for 5 years.

The company shows the hazardous waste storage permit to **PT Perkebunan Sri Kuala** in accordance with the decision of the Regent of Aceh Tamiang number 188 of 2016. The types of waste that are permitted include used oil; used batteries; used filter lights; used packaging / jerry cans chemical; Used toner; and used rags. The hazardous waste storage measuring 6.5 m x 5 m is located at N 04°17'24 " / E 098°0:45:". This permit is valid from February 12th, 2016 to 5 years.

The company shows the hazardous waste storage permit to **PT PPP (Plantations)** in accordance with the decision of Aceh Regent Tamiang Number 01 / B3 Year 2017. The types of waste that are permitted: Used lubricating oil / oil; used batteries; used filters; used packaging / jerry cans chemicals; used TL lamps; used toner; used rags; medical waste (used media equipment; expired drugs & wasted medicines). A storage area measuring 6.5 m X 5 m with coordinates of N 04°18'17.90 " & E 098°01'37.16". This permit is valid from May 2nd 2017 to 5 years.

The company has a cooperation agreement letter with No.PSP-ABS / SPK-LB3 / V / 2018 dated April 24th, 2018 valid until April 24th, 2019 with PT Amindy Barokah North Sumatra. The collection place is located at PT PSS - BSF & PT PPP - BSE 2 and PT PSK - Batang Ara Estate / BAE.

Hazardous waste manifest

PT PSS shows the manifest document it's sent on August 6th, 2018 with BK.8332.MO vehicles with the following details:

- ✓ Used rags (Festron No. KLH-6860000002000U) of 2 kg.
- ✓ Used battery (Festronic No.KLH-6860000001998U) of 50 kg.
- ✓ Used Tonner (Festronic No.KLH-6860000001994U) of 3.7 kg.
- ✓ Contaminated packaging (Festronic No.KLH-6860000001992U) of 16.3 kg.
- ✓ Used lubricant (Festronic No.KLH-6860000001990U) of 185 liters.

Blang Simpo 2 Estate

- ✓ Contaminated packaging with AVT 0006719 (Festronic KLH6860000001978U) of 519 kg.
- ✓ Used battery AVT 0006721 (Festronic KLH6860000001982U) of 110 kg.
- ✓ Used lubricant AVT 0006718 (Festronic KLH6860000001976U) of 550 liters.
- ✓ Used filter AVT 0006722 (Festronic KLH6860000001984U) is 219 kg.
- ✓ Used tonner AVT 0006720 (Festronic KLH6860000001980U) of 6 kg.
- ✓ Used rags AVT 0006723 (Festronic KLH6860000001986U) of 1 kg.
- ✓ Medical waste of AVT 0006725 (Festronic KLH6860000001989U) is 15 kg.

Manifest **PT Perkebunan Sri Kuala** which was sent on August 8th, 2018 with vehicle No. BK.8798 MN with details:

- ✓ Used battery Number AVT 0006715 of 2 kg.
- ✓ Used filter Number AVT 0006716 of 6 kg.
- ✓ Used rags Number AVT 0006717 of 1 kg.
- ✓ Packaging contaminated with AVT 0006714 of 513 kg.

Manifest PT Padang Palma Permai was sent on August 6th, 2018 with vehicle No. BK.8798 MN with details:

- ✓ Contaminated lubricant Number AVT 0006423 of 255 liters.
- ✓ Used Rags Number AVT 0006710 of 2 kg.
- ✓ Used Tonner Number AVT 0006709 of 14 kg.
- ✓ The used battery Number AVT 0006707 of 50 kg.
- ✓ Medical waste Number AVT 0006712 of 2 kg.
- ✓ TL lamps Number AVT 0006711 of 5 kg.
- ✓ Used filter Number AVT 0006708 of 95 kg.
- ✓ Used oil Number AVT 0006705 of 600 liters.
- ✓ Contaminated packaging Number AVT 0006706 of 512 kg.

Vehicle No. BK.8332.MO has obtained a special goods transportation license Number SK 3625 / SJ.309 / DJPD / 2017 / 120070432BB-0013 from the Ministry of Transportation & Vehicle No. BK.8798 MN has obtained a license to operate special freight transportation Number SK.3625 / A.J.309 / DJPD / 2017 / 120070432BB-0008 from the Ministry of Transportation.

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 is collected in sacks and transported every 2 times a week to land fill.

Clinic waste.

Clinic waste has been sent to PT Amindya Barokah North Sumatra on August 6th, 2018 by vehicle Number BK.8332.MO with

details: Medical waste AVT 0006725 (Festronics KLH686000001989U) of 15 kg.

Hazardous waste.

Hazardous waste produced is transported by licensed transportation explained in the indicator 5.3.2.

Verification NCR No 2018.06 on 14 February 2019

Point 1:

1. The company shows record of socialization of the domestic waste burning ban in the Housing area Tamiang Estate to the 24 workers dated 21 December 2018. In the Batang Ara Estate Housing area dated 22 December 2018 to 46 workers. While BSF housing area has been installed signboard about domestic waste burning ban.
2. There are domestic waste transport schedules in Tamiang Estate on Tuesday and Friday, while in Batang Ara Estate on Wednesday and Saturday.
3. Based in field observation and interviews with BSF workers at Housing Complex, sighted that there were prohibition of domestic waste burning signboard.

Point 2:

1. The company has shown evidence of the former lamp withdrawal dated 22 September 2018, placed in Temporary Hazardous Waste Store. It has been listed on the Hazardous Waste balance sheet of 0.0002 ton.

Point 3:

The company shows mechanism of fertilizer bag management from August 2018, such as:

1. All Fertilizer bags are watered.
2. All Bags are brushed with soap to remove any residual fertilizer content.
3. All bags is watered again to remove the remanants of soap/foam.
4. Dried in the sun.
5. All of these stages are carried out at the BSS house to reduced the pollutions.

Dissemination of management of ex-fertilizer bags is available on 10 December 2018 to the 15 workers, store officer and foreman. Based on field observation to the BMS area revealed that the fertilizer bags had been washed in accordance to the above mechanism. Therefore based on above explanation, **NCR No 2018.06 has been closed out.**

Observed evidence:

Based on field visit at around the hazardous waste storage Batang Ara Estate, it is known that there are packages for tar or asphalt which are not managed in accordance with the Procedure for handling chemical and Non-chemical waste no. PLB / 23 / PPP-PSK-PSS / V / 12 document published on May 1st, 2012.

Description of Non-compliance:

The plan and management of waste is not in accordance with the Procedure for handling chemical and Non-chemical Waste No. PLB / 23 / PPP-PSK-PSS / V / 12 documents. This is a nonconformance with the **Minor category No. 2019.08.**

5.3.3	Status: NCR No. 2019.08 with minor category	
5.4		
Efficiency of fossil fuel use and the use of renewable energy is optimised.		
5.4.1.		
Based on the use of fossil fuels and renewable energy in the 2018 period, it is known that the efficiency of diesel fuel consumption is 0.019 liters / ton FFB; shells of 0.04 tons / ton FFB and fiber use efficiency of 0.139 tons / ton FFB. The efficiency of electricity usage is 19.759 kWh / ton FFB and the efficiency of solar use is 1,532 liters / 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 holders have Land Preparation SOP that regulate oil palm planting activities from the stage of land clearing to harvesting (Reference to the Agronomic Planting Manual for Palm Oil "No. Policy 110 / EST-ARM / 13) procedures such as explaining land clearing is done mechanically.

In addition there is a Sustainable Plantation Management Guidance No. 724 / TQEM-SPMS / 09 date approved by the CEO on August 27, 2010. In Chapter V of Planning, point 5.7.2 Technique Without Burning "Zero Burning" which explains the company's environmental policies that support the technique of land clearing without burning for replanting activities.

Based on field visits to block B006 Division II TME and block C08 BSE - 2 it is known that replanting activities have applied the zero burning principle in accordance with the procedure. The oil palm collision is carried out by excavators. Then chopped with the chipping system.

Status: Comply

5.6

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

5.6.1

The company has a document identifying the sources of waste and pollution produced from the activities of oil palm plantations and Factory. Identification documents of waste and pollution sources generated from plantation and factory operations, are as follows:

No	Emission sources	Emission type
1	Land Preparation	CO ₂
2	Fertilizer using	CH ₄
3	Pesticide using	CH ₄
4	Generator activities	CO ₂
5	Boiler Activities	CO ₂
6	Transportation	CO ₂
7	Wastewater treatment activities	CO ₂

5.6.2.

The company shows efforts for air pollution control for the period 2018-2019 with the following details:

Location	Efforts for air pollution	Note
Boiler	Installation of dust collector / dust cyclone in an effort to reduce airborne dust.	Check and monitor the dust collector so that it can operate properly.
Surrounding environment	Planting / reforestation in the factory to reduce air pollution (CO ₂)	Green plants around the factory are well cared for
Office and operational station in the Factory	Provision of a smoking area	Smoking in designated areas
Housing	Provision of bins in every housing	Scheduled domestic waste are carried out to be disposed of in the landfill.
Waste	Management of both hazardous and liquid & solid waste according to procedures	Hazardous is temporarily stored in schedule waste storage, solid waste from the results of a well-managed

process & treatment of waste ponds.

5.6.3.

The company has shown the GHG calculation document for the 2018 period using palm GHG Version 3.0.1 with the following details:

Summary of Net GHG Emissions

Emissions per Product	tCO ₂ e/tProduct
CPO	2.86
PK	2.86

Production	t/yr
FFB processed	55234.64
CPO Produced	12219.574

Extraction	%
OER	22.12
KER	4.16

Land use	ha
OP Planted area	6224.54
OP planted on peat	0
Conservation (forested)	0
Conservation (Non-forested)	942.84
Total	7167.38

Summary of field emissions and sinks

Description	Own			Group			3 rd Party		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/tFFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/tFFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/tFFB
Land conversion	48556.18	7.8	0.88	-	-	-	-	-	-
CO ₂ emission from fertilizer	31289.81	5.03	0.57	-	-	-	-	-	-
N ₂ O emission	3794.63	0.61	0.07	-	-	-	-	-	-
Fuel consumption	488.28	0.08	0.01	-	-	-	-	-	-
Peat Oxidation	0	0	0	-	-	-	-	-	-
Crop sequestration	-	-	-	-	-	-	-	-	-
Sequestration in conservation area	46024.82	-7.39	-0.83	-	-	-	-	-	-
Total	32011.17	5.14	0.58	-	-	-	-	-	-

Summary of Mill Emissions and Credits

	tCO ₂ e	tCO ₂ e/tFFB
Emissions		

POME	9274.19	0.17
Fuel consumption	258.52	0
Grid electricity	0	0
Utilization		
Credits	0	0
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	9532.71	0.17

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	%

The company showed the results of noise testing in the Blang Simpo Factory which was held on July 24th, 2018 by the Environmental Agency Environmental Laboratory with the details:

Parameter	Unit	Analysis results		
		In front the office	Process room	Factory guest house
Noise	dBa	56.2	91.8	54.2
Quality Standard: Decree of the Minister of Environment No.48 of 1996.				

Based on that, the test results of noise is not exceed the threshold decree of the minister of environment Number 48 of 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; 6.1.2

The company has conducted social impact assessment conducted by Consultant in 2010. The assessment covered PT PPP and PT PSK. It was summarized in Social Impact Assessment Document. In 2012, the company conducted replanting social impact assessment for PT PPP (Tamiang Estate, Blang Simpo 1 Estate and Blang Simpo 2 Estate) by Aksenta Consultant. The evidence of affected party's involvement in social impact assessment is shown in form of record of public consultation which is attendance list of focus group discussion during data gathering of the assessment. The social impact also embedded in environmental report (refer to criteria 5.1) and its management and monitoring plan (UKL and UPL documents).

Based on SIA document verification and interview with communities from Alur Baung Sub Village, Dua Lama Sub Village, Tanah Terban Village, and Batang Ara Village sighted that all social impact has been identified

6.1.3

The CH has implemented a social management plan, for example: CSR realization on 2018, local contractor usage on the estate operational, and also regularly noise monitoring on the workers housing complex.

6.1.4

The CH has implemented social monitoring plan on 2018, such as: CSR realization, local contractor and suppliers usage on the estate operational, scholarship for the surrounding communities, job vacancies information, road maintenance program, regularly noise monitoring on the mill, etc. The CH was shown review of the Social Impact Mitigation Program period of 2018 – 2020 which was made in a participatory manner (questionnaire method) involving the community from Gelumpang Payong Village, Cek Mbon Village, Seunebok Lapang Village, Tualang Pateng Village, Kruet Lintang Village, and Alue Nireh Village (Aceh Timur) and Kebun Batang Ara Village, Pantai Tinjau Village and Bundar Village. There are several activities that shall be managed, including: Interaction with migrants, employment opportunities, increasing accessibility, establishing & managing HCVs, Estates and POM operations, replanting, employee intensive activities, potential fires and territorial. However, the CH has not been able to show evidences that all stakeholders are involved in the review activities, such as: mill and estates worker, worker unions, and contractor workers. **It was raised as nonconformity No 2019.09.**

6.1.5

PT PPP has MoU with Pentagon Cooperative in accordance to Notary Public Act No 24 about agreement to develop smallholders in Cek Mbon Village, Peurelak Sub Regency, Aceh Timur Regency with area 720 Hectare and 311 members. However, the CH has been able to shown evidence that smallholders were involved on the SIA process. **It was raised as nonconformity No 2019.10.**

6.1.4

Status: Nonconformances No 2019.09 with minor category

6.1.5

Nonconformances No 2019.10 with minor category

6.2

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

6.2.1 and 6.2.3

The CH shows list of Stakeholder which updated on January 2019 which consist of 17 Head of Villages, 3 Head of Sub-Regency (*Camat*), 2 Head of Regency (*Bupati*), Deputy of *Bupati*, 22 representative of Government Institutions, 8 Educational Institutions, 5 Financial and/or Insurance Companies, 5 NGO's, 4 Elders, 6 Buyers, 6 Contractors and 5 Vendor/Suppliers. Procedure of communication and consultation with stakeholder and surrounding communities is presented in document No. RSPO/6.2/KKM dated 05 April 2011 and No. KKM/07/PPP-PSK-PPP/VI/16 (Rev. 02) dated 01 April 2016. Communication could be conducted directly to employees superior and/or other media such as email, telephone, official letter, suggestion box, etc. Point No. 5.11 of procedure has mentioned that whistle blower identity is guarantee to be save. The CH has appointed PIC on public relation and communication for period 2017 to 2020, as shows in several Appointment Letter as follows:

- BSF: Decree No. 027/POM/BSF/II/2017 dated 02 January 2017.
- BSE-1: Decree No. 058/BSE-1/II/2017 dated 05 January 2017.
- BSE-2: Decree No. 021/BSE-1/II/2017 dated 02 January 2017.
- TME and BAE: Decree No. 142/TAN/PPP/V/2017 dated 05 May 2017.

Communication record with stakeholder was recorded on "Surat Masuk" (or Letter-in), while the response has recorded on document of "Surat Keluar" (or Letter-out). For example, according to the list in BSE-1 of PT PPP, it was known that there was six (6) coming-in 6 Letter during 2018, and all has been responded less than one month. Based on interview with representative from Village of Tana Terban, Batang Ara, Cek Embon, Tualang Pateng and Batang Alur, as well as representative of Manpower Agency, Plantation Agency and Environment Agency in Aceh Timur and Aceh Tamiang Regency, it was known that those stakeholders had understood towards information and communication mechanism of PT PSS, PT PPP and PT Sri Kuala. Furthermore, the CH has considered transparent and cooperative in providing information and/or data requested.

6.2.2

The CH has appointed PIC on public relation and communication for period 2017 to 2020, as informed in Indicator 6.2.1. The respective PIC shall make coordination with PSD, PSQM-ESH Department and Manager on follow up and/or any progress carried out. Based on interview with representative from Village of Tana Terban, Batang Ara, Cek Embon, Tualang Pateng and Batang Alur, it was known that the community has familiar with company representative which also a local from Aceh Tamiang Regency.

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

The company has mechanism to deal with complaint and grievance. The mechanism are in form of SOP SOP/PKM/05 Revision 02 dated 1 April 2016 regulated Community Complaint; SOP KK/06/V/PPP-PSK-PSS/12 regulated Employee Grievance and SOP KKM/07 revision 02 dated 1 April 2016 regulated community communication/consultation. The mechanism also put alternative option to RSPO complaint mechanism if the issue is not resolved in the company level. Administration Head was appointed as PIC responsible for handling complaint and grievance case. Based on interview with Worker Union Representative, communities from surrounding villages (Batang Alur Village, Kebun Tanah Terban Village, Batang Ara Village, Cek Mbon Village, and Tualang Pateng Village), known that the mechanism to deliver complaint and grievance has been socialized.

6.3.2

The company implement book of complaint and grievance to record the complainant. However, there is no complaint/grievance both from internal (from employee) and external record during the previous RC assessment to the ASA-1.1 conducted. Based on interview with communities from surrounding villages (Batang Alur Village, Kebun Tanah Terban Village, Batang Ara Village, Cek Mbon Village, and Tualang Pateng Village), they prefer to verbally communicate their complaint or grievance to the company representative. And during this time, their complaint is well accommodated by the company and takes not too long for the feedback. Refer to Worker Union Representative, most complaint or grievance is delivered orally from worker to the company via the foreman or assistant or worker union. The company usually responds adequately for the coming complaint/grievance. There are sample of grievance resolution process, as follows:

Based on interview result with the board of Worker Union at BSE-1, there are complaints related to the water reservoir developing. Currently the water for rest room is only supplied by the river, while during dry season on 2018, the company provided clean water facilities using truck. However it still doesn't meet the needs of clean water.

While based on clarification with BSE-1 management, there are two unit reservoirs are planned. However, there is only one reservoir that has been realized for the operational reasons. And then for one other reservoir will be budgeted on 2019. It has been verified by auditor team. The BSE-1 to be consider to continuing water reservoir development as water reserve on dry seasons. (OFI).

6.3.1	Status: Comply
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6.4

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

6.4.1; 6.4.2 & 6.4.3

CH has Procedure of Land Occupation Compensation was revised based on from related parties. These procedure explained that in the processes of compensation or restitution of land, the company guided by the Social Policy document Minamas Plantation outlined in Sustainable Plantation Management Guideline which stated that Plantation Upstream Indonesia ensure that any negotiations relating to compensation for the loss of the rights of a person authorized under the Act has been made with a documented system that enables local communities and other stakeholders to express their opinion through their own representative institutions. In land acquisition procedures Occupational explained that the land acquisition occupational Negotiations with land owners (based on legal documents) carried by the Manager of Plantation Services-Region and Manager Estate and witnessed by officials village or related parties.

The Procedure of Land Occupation Compensation as guidance for land compensation process. The documents requirement in land compensation shall signed by land owner, management unit representative, Head of sub District, Notary and Head of Village. These documents shall included of photograph, Map, Letter of land release by the owner, Official Report was signed by related parties consist of land owner and management unit representative, witnessed by Head of Village and Sub District. The process of payment for land or land compensation shall completed with receive and photograph as documentation evidence.

Since RC period till ASA-1.1, there is no land acquisition process.

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

Labour Agreement (PKB) of CH has refers to PKB Period 2015-2017 dated 18 June 2015 which formulated by BKS-PPS and PP.FSP.PP-SPSI. Process of PKB extension was still ongoing. Policy on wages/salary, overtime, insurance (BPJS), premium and bonus has included on the PKB. For minimum wages in 2019, the CH has refers to Governor Decree No. 98 for Aceh Timur and No. 132 for Aceh Tamiang. Human Resources Management from Head Quarter in Jakarta has prepare to release Memorandum for those new wage adjustment as shows in email dated 07 February 2019. Minimum wages for Aceh Timur and Aceh Tamiang Regency in 2019 were IDR 2,916,810.- and IDR 2,950,090.-, respectively. Adjustment will be carried out on March 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.

Based on document review and interviews with workers in PT PSS, PT PPP and PT Sri Kuala, it could 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 overtime premiums if passed the target.

However, based on interview and review on Security payment, it was noted as follows:

- Upkeep worker of Idawati team informed that the wages were ranged between IDR 60,000 to 100,000 per day. However, work agreement mentioned that contractor shall in accordance with applicable manpower regulations.
- According to salary payment for security review dated 29 January 2019, it was known that premium intensive hour (or overtime) was IDR 7,250/hour.

Those fact noted above is not in accordance with Decree of Aceh Governor about minimum wages for period 2018 informed that minimum wages for Aceh Province was IDR 2,700,000/month, or IDR 108,000/day or IDR 15,606.94/hour. Thus, raised **NCR No. 2019.11 with Major category** with description as follows:

- The CH has no mechanism to ensure that all contractor workers are paid in accordance with applicable regulation.
- The CH is not be able to demonstrate that premium (overtime) payment for Security is in accordance with applicable regulation.

6.5.2.

Labour Agreement (PKB) of CH has refers to PKB Period 2015-2017 dated 18 June 2015 which formulated by "Badan Kerja Sama Perusahaan Perkebunan Sumatera" (BKS-PPS) and "Pengurus Pusat Federasi Serikat Pekerja Pertanian Dan Perkebunan Serikat Pekerja Seluruh Indonesia" (PP.FSP.PP-SPSI). Process of PKB extension was still ongoing. The PKB has covers regulation reference, company policy, work relationship, leave and permission, salary payment, welfare and insurance, business trip allowance, disciplinary, mutation, work termination, grievance and complaint and others. Based on document review, it was known that there were third party or outsource used by CH. For permanent worker, employees

right such as BPJS manpower and health insurance payment has fulfilled by the CH. Evidence of payment shows on salary payroll and BPJS record. Furthermore, based on interview with workers from BSF, BSE-1, BSE-2, TME and BAE, it was known that all workers has work and paid in accordance with their work agreement.

Based on interview with workers on the estate and mill, it was known that PKB or collective labour agreement is familiar to the workers. The workers is able to mention overtime calculation, premium, holiday, leave, PPE, minimum wages, etc

However, based on interview with Personal-Contractor and work agreement review, it was noted as follows:

- Personal-Contractor Zamzami stated that his team has conducting harvesting in mature area.
- Based on Work Agreement with Personal-Contractor Reni Indah Sari review which presented in document No. 067/BSE-2/SPK-LKL/IX/2018/B.PANEN&KUTIP LF dated 17 September 2018, it was known there is harvesting contract agreement in BSE-2 Division 3 Block F001, F003, F004 and F011.

According to the points above, it was known that the CH has implementing harvesting with contract system. This is not comply with Act. No. 13 in 2003 Article 65 Clause 2 and Minister of Manpower Regulation No. 19 in 2012 Article 3 Clause 2(d). Raised **NCR No. 2019.12 with Major category**. This is a recurring NCR. Auditor has recommend to conduct Major Verification which aims to ensure that corrective action taken has effectively overcome the root of cause.

6.5.3

The CH has provide a proper facilities to their employees which related of housing, healthcare, education, sport and religion activities, etc. Based on interview with housing accoupants in sampled estates, it was known that electricity were derived from national electric company (PLN). Water quality from artesis wells was considered good and safe to be consume. Other facilities such as house, water sanitation, clinic, mosque, cooperative, school, bus, etc. were given for free. Those facilities has considered satisfactory by the workers.

6.5.4

Based on fied observation to BSF and its supply base, it was known that Estates in Aceh Tamiang Regency were located inside the Regency Capital of Kuala Simpang while Estates and Mill which located in Aceh Timur Regency were situated close to the nearest town (Idi or Langsa) with approximately takes less than 2 hours. Several traditional minimarket in between estates and nearest town has also available.

6.5.1 Major

Status: NCR No. 2019.11 with Major category

6.5.2 Major

Status: NCR No. 2019.12 with Major category (Recurring NCR)

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

In the social policy signed by Head Plantation Upstream Indonesia No Policy 724/TQEM-SPMS/09 on points 5 described that Plantation Upstream Indonesia is respected the rights of every staff / employees to form and join the workers union of their choice and to negotiate collectively. This document formatted in Indonesian Language, so it is easy to understand for all workers. The result of the policy is formation of Labor Unions in every unit in PT Perkebunan Sri Kuala, PT Padang Palma Permai and PT Perkasa Subur Sakti which is recorded in Labour and Transmigration Agency and still active until now. The policy is available in bahasa. Based on interview with board of workers union on Aceh Timur region and Aceh Tamiang region sighted that there are no intervention by the management for the election of workers representative in bipartite.

6.6.2

The labor union conducted meeting periodically or where there is an issue with company or the member of union. There are meeting documentation, such as: Minutes of meeting on 10th April 2017, attended by 6 participants. Discussion of meetings regarding cases of FFB theft and termination of employment.

The documentation of minutes meeting are available in office unit and available for member if they were asking. Based on interview with estate and mill workers, it could be concluded that company has facilitate labor union according to worker aspiration.

	Status: Comply	
6.7		
Children are not employed or exploited.		
6.7.1		
<p>Company policy towards child labour is presented in document No. 88/PHIJSK-PKKAD/PKB/VI/2015 Point 6 which mentioned that Plantation Upstream Indonesia shall not use worker under age (child labour). This matter has also stated on Labour Agreement (PKB) as manifestation between employer and employee. Based on list of BSF, BSE-1, BSE-2, TME and BAE workers review for period December 2018 and January 2019, as well as observation with workers in sampled unit, it was known that there is no workers under 18 years old. Youngest worker has born in 1998. This is in accordance with information given by Head of Labour Union from PT PSS, PT PPP and PT Sri Kuala, as well as representative of Manpower Agency in Aceh Timur and Aceh Tamiang Regency. Hence, the CH is comply with ILO Convention 138 and Act No. 13 in 2003.</p>		
	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		
<p>CH policy of social and anti discrimination is presented in document No. 724/TQEM-SPMS/09 Point 1 which mentioned that there was equality for employees towards professionalism, recruitment and guarantee of non discriminative which based on race, skin colour, gender, sex orientation, religion, politic view, ethnic and social background. Based on list of employees as per December 2018 and January 2019 review and interview with workers in BSF, BSE-1, BSE-2, TME and BAE, it was known that composition of workers were various in term of gender, religion, education background and ethnics, though dominated by locals. Everybody has the same opportunity to work with the company as long as meet the requirement. Based on interview with representatives from Village of Tana Terban, Batang Ara, Cek Embon, Tualang Pateng and Batang Alur, as well as representative of Manpower Agency in Aceh Timur and Aceh Tamiang Regency, 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. Letter of Promotion of local workers were available.</p>		
6.8.3		
<p>Record of employees before and after promotion were available. Based on interview with workers from PT PSS, PT PPP, PT Sri Kuala; representatives from Village of Tana Terban, Batang Ara, Cek Embon, Tualang Pateng and Batang Alur, as well as representative of Manpower Agency in Aceh Timur and Aceh Tamiang Regency, it was known that all worker has a same opportunity in career, as long as meet company requirement. Policy on this matter is presented in document No. 724/TQEM-SPMS/09 dated 27 August 2010. There is several workers under temporary agreement (PKWT) in BSF which already work for two years with one agreement extension, for example as shows in document No. 004/PKWT/BSF/II/2018 dated 02 January 2018 and No. 011/PKWT/BSF/II/2019 dated 01 January 2019. Hence, BSF management is encourage to implementing temporary worker (PKWT) period, in accordance with applicable regulation. OFI.</p>		
	Status: Comply	
6.9		
There is no harassment or abuse in the work place, and reproductive rights are protected.		
6.9.1		
<p>Company policy towards sexual violence, harassment, abuse and reproductive right is presented in Head Plantation Upstream Indonesia in December 2011 and Memorandum No. TME/002/VII/2010/M dated 06 June 2010. To facilitate this matter, the employee has a Gender Committee, when the Manager has included on the structure organization. Apart from gender aspect, the committee has also covers reproductive rights, social, religious, sport, health, daycare and education aspect. Socialization on gender policy has delivered to BSF and it's estates supply base during safety town hall in 06 to 11 April 2018 and 15 August 2018. Minutes of committee meeting has also available on site. Based on interview with Gender Committee representatives from BSE-2 and TME of PT PPP and from BAE of PT Sri Kuala, it was known that there is no</p>		

issues and case related to sexual violence, harassment, abuse and reproductive right matters.

6.9.2

CH policy towards reproduction rights is presented in Internal Memorandum No. TME/002/VII/2010/M dated 06 June 2010 and Head Plantation Upstream Indonesia Policy dated December 2011. The policy has covers 2 days H1 (haid period) and total 3 months H2 (pregnant) Leave, prohibition for pregnant and breastfeeding workers to works associated with chemicals (pesticide and fertilizer). Based on interview with Gender Committee representatives from BSE-2 and TME of PT PPP and from BAE of PT Sri Kuala, it was known that there is no issues and/or case related to sexual violence, harassment, abuse and reproductive right matters. Furthermore, based on interview with female pesticide and/or fertilizer applicators in Division 1 Block A18/A19 TME and Division 1 Block B03 BSE-1 of PT PPP and in Block C06 BAE of PT P Sri Kuala, it was known that H1 and H2 Leave is given by estate management as recommended by company Clinic.

6.9.3

Procedure of communication, consultation, grievance and complaint is presented in document No. RSPO/6.2/KKM dated 05 April 2011 and No. KKM/07/PPP-PSK-PPP/VI/16 (Rev. 02) dated 01 April 2016. Communication could be conducted directly to employees super ordinate and/or other media such as email, telephone, official letter, suggestion box, etc. Point No. 5.11 of procedure has mentioned that whistle blower identity is guarantee to be save. The CH has appointed PIC on public relation and communication for period 2017 to 2020. For example, Appointment Letters for BSF (PT PSS), BSE-1 (PT PPP) and BAE (PT Sri Kuala) is presented in Manager Decree No. 027/POM/BSF/I/2017 dated 02 January 2017, Decree No. 058/BSE-1/I/2017 dated 05 January 2017, and Decree No. 142/TAN/PPP/V/2017 dated 05 May 2017, respectively. Any complaints are recorded in the logbook of employees grievances. Based on interview with representatives from Labour Union (SPSI) 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 month.

Status: Comply

6.10

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

6.10.1; 6.10.2; 6.10.3 and 6.10.4

PT PPP has MoU with Pentagon Cooperative in accordance to Notary Public Act No 24 year of 2016 about agreement to develop smallholders in Cek Mbon Village, Peurelak Sub Regency, Aceh Timur Regency with area 720 Hectare and 311 members. Based on document verification, there are planted area 217.5 Ha till dated 13 February 2019. Based on the interview with Cek Mbon communities, the development of smallholder plantation is still on progress. Until this assessment sighted that Blang Simpo mill doesn't received FFB's from outside crop.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

The CH has contribution for local development, there are several CSR program and realization is in accordance to communities need. There are CSR realization record on the several aspect as: Religious aspect, infrastructure aspect, youth development aspect, education aspect, sport development aspect, etc. The CH also has agreement with several local contractor from surrounding villages, for example: CV Usaha Mandiri (CPO & PK transport), Mr Zamzami (harvesting contractor), and Dian Armansyah (FFB transporters).

6.11.2

PT PPP has MoU with Pentagon Cooperative in accordance to Notary Public Act No 24 year of 2016 about agreement to develop smallholders in Cek Mbon Village, Peurelak Sub Regency, Aceh Timur Regency with area 720 Hectare and 311 members. Based on document verification, there are planted area 217.5 Ha till dated 13 February 2019. Based on the interview with Cek Mbon communities, the development of smallholder plantation is still on progress. Until this assessment sighted that Blang Simpo mill doesn't received FFB's from outside crop.

Status: Comply

6.12
No forms of forced or trafficked labour are used.
6.12.1 and 6.12.2

Company policy towards human right is presented in Human Right Policy document No. 724/TQEM-SPMS/09 dated 01 April 2010 point 1 to 6. The policy has mentioned that the company 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 confirmed during interview with Manpower Agency in Aceh Timur and Aceh Tamiang Regency. Based on list of employee for period 2019 review, it could be concluded that there were no illegal and foreign workers. Most of the workers were Indonesians with majority locals from surrounding estate areas. Furthermore, based on interview with workers in BSF, BSE-1, BSR-2, TME and BAE, 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.

6.12.3

Policy on migrant worker and/or expatriate recruitment is presented in procedure No. 371/ADM-PTA/08 dated 13 March 2008. However, based on list of employees in BSF, BSE-1, BSE-2, TME and BAE for January 2019, it was known that there were no migrant worker and/or expatriate in CH operational areas. Mostly the workers were locals.

	Status: Comply	
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6.13
Growers and millers respect human rights
6.13.1

Company policy towards Human Rights is presenting in Memorandum of SOU-18 Blang Simpo Chairman No. IST/INT/II/2017 dated 02 February 2017. The policy has in line with the Act No. 39 in 1999. Human rights in CH perspective has covers employees prosperity, freedom in religion implementation, non-discriminative treatment towards gender, ethnic and social background, opportunity of self improvement, transparency of information, etc. Socialization or refreshment of human right policy has conducted to all workers through annual Safety Town Hall who delivered by Estate Manager, Assistant and PSQM Staff. Latest refreshment on human right policy has carried out in TME, BAE, BSE and BSF on 06 to 11 April 2018. Furthermore, the policy has also delivered through signboard installation on the office and housing areas. According to interview with government agencies of Aceh Tamiang and Aceh Timur Regency, community representatives, as well as workers in factory and estates (included labor union and gender committee), it was known that there are no negative issues related to human rights in CH operational areas.

	Status: Comply	
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PRINCIPLE #7 Responsible development of new plantings
7.1
A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.
7.1.1; 7.1.2; 7.1.3; 7.1.4; & 7.1.5.

Until surveillance 1.1, there has been no land preparation since 2010. The last land preparation was in 1997. The activities carried out by the company are replanting areas from July 2011 to 2018 for Tamiang Estate; Blang Simpo Estate for 2012 - 2022; & Batang Ara Replanting 2014-2016.

	Status: Comply	
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7.2
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.

Until the ASA-1.1, PT Padang Palma Permai (Tamiang Estate, Blang Simpo-1 Estate, Blang Simpo-2 Estate) and PT Perkebunan Sri Kuala (Batang Ara Estate) does not extend of new plantation area. There are only a replanting activities that have been conducted since 2011.

	Status: Comply	
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7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	
7.3.1; 7.3.2; 7.3.3; 7.3.4 & 7.3.5.	<p>To ensure that there are no new plantations in the primary forest or HCV area, Sime Darby Plantations has reported the Liability Disclosure and Land Use Change Analysis (LUCA). On December 2nd, 2014 Sime Darby Plantations showed the progress of submission of land use change analysis results in accordance with the RSPO remediation and compensation procedure. Based on the report, information was obtained that PT Padang Palma Permai (Tamiang Estate, Blang Simpo-1 Estate, Blang Simpo-2 Estate) and PT Perkebunan Sri Kuala (Batang Ara Estate) had not opened a New Plant after 2005.</p> <p>The activities carried out by the company are replanting areas from July 2011 to 2018 for Tamiang Estate; Blang Simpo Estate for 2012 - 2022 & Batang Ara Estate Replanting 2014-2016.</p>	
	Status: Comply	
7.4	Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.	
	<p>Until the ASA-1.1, PT Padang Palma Permai (Tamiang Estate, Blang Simpo-1 Estate, Blang Simpo-2 Estate) and PT Perkebunan Sri Kuala (Batang Ara Estate) does not extend of new plantation area. There are only a replanting activities that have been conducted since 2011.</p>	
	Status: Comply	
7.5	No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	
	<p>Until the ASA-1.1, PT Padang Palma Permai (Tamiang Estate, Blang Simpo-1 Estate, Blang Simpo-2 Estate) and PT Perkebunan Sri Kuala (Batang Ara Estate) does not extend of new plantation area. There are only a replanting activities that have been conducted since 2011.</p>	
	Status: Comply	
7.6	Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	
	<p>Until the ASA-1.1, PT Padang Palma Permai (Tamiang Estate, Blang Simpo-1 Estate, Blang Simpo-2 Estate) and PT Perkebunan Sri Kuala (Batang Ara Estate) does not extend of new plantation area. There are only a replanting activities that have been conducted since 2011</p>	
	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.	
	<p>Until the ASA-1.1, PT Padang Palma Permai (Tamiang Estate, Blang Simpo-1 Estate, Blang Simpo-2 Estate) and PT Perkebunan Sri Kuala (Batang Ara Estate) does not extend of new plantation area. There are only a replanting activities that have been conducted since 2011.</p>	
	Status: Comply	
7.8	New plantation developments are designed to minimise net greenhouse gas emissions.	
	<p>Until the ASA-1.1, PT Padang Palma Permai (Tamiang Estate, Blang Simpo-1 Estate, Blang Simpo-2 Estate) and PT Perkebunan Sri Kuala (Batang Ara Estate) does not extend of new plantation area. There are only a replanting activities that have been conducted since 2011.</p>	

	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.		
Indicator 8.1.1		
RSPO Internal Audit		
The CH through PSQM-ESH Department has conducting internal audit which carried out on 29 January to 07 February 2019. The result indicates there were 8 non conformity which 7 and 1 notes were associate with RSPO P&C and SCCS, respectively. All findins were reported fully closed on 13 February 2019.		
Manpower Aspect		
The CH has awarded by Manpower and Citizens Mobility Agency of Aceh Province through certificate No. 462/WAS/2019 dated 11 February 2019 and Decree of Head Agency No. 560/1959/2018, for “ <i>Penerapan Norma Kerja Perempuan di Perusahaan</i> ” category or Good Gender-Norm Implementation for women workers.		
Social Aspect		
The company identified the social impact of its operation through participatory way and updating its social impact mitigation plan and program regularly. Good relationship with the community supported by the evidence sourced from community representative of the surrounding Villages.		
	Status: Comply	

3.2. Summary of Assessment Report of Supply Chain Requirement

3.2.1 General chain of custody requirements for the supply chain

Clause	Requirement
5.1	Applicability of the general chain of custody requirements for the supply chain
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>Organization that conduct physically handled of RSPO product is Certificate Holder of Blang Simpo POM and transporter.</p>
	Status: Comply
5.1.2	<p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>Blang Simpo POM only processed their own FFB from own manage plantation that have been certified.</p>
	Status: Comply
5.1.3	<p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>Blang Simpo POM has been registered in RSPO IT Platform member registration number as the data below:</p> <p>Member name : Sime Darby Plantation – Blang Simpo, PT PSS Member ID : RSPO_PO1000000706 Sub License ID : CB74165</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 Blang Simpo Factory.</p>
	Status: Comply
5.2	Supply chain model
5.2.1	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.</p> <p>The CH is only implementing Identity Preserved.</p>
	Status: Comply
5.2.2	<p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p> <p>CH has only apply Identity Preserved supply chain (Module D)</p>

	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. Blang Simpo POM have an update procedures of RSPO SCCS Certification Standard number SCCS-Std/RSPO/PSQM/02 dated 1 April 2018. The document is referring the document of RSPO supply chain certification standard of the final document on 14 June 2017. According to point 5, the people in charge of the supply chain system are: <ul style="list-style-type: none"> - Factory Manager: the mill manager is responsible for maintaining and storing all documents, records and notes of the raw material usage; verification of the product status to the vendee; holding proper SCCS training. - Assistant of PSQM: checking the FFB quality and the raw materials as well as monitoring the product delivery and load/unload. - Foreman/assistant of Lab: analyzing and testing the quality; maintaining and distributing the result of product and raw material analysis and test. - Assistant/Senior assistant/Manager of Bulking: Ensuring the transport of CPO and PK product from POM to bulking. - Production clerk: recording the administration of the receipt certified FFB and the non-certified one. 	
	Status: Comply
5.3.2 The site shall have a written procedure to conduct annual internal audit Facility can show the internal audit procedure (SCCS-IA/RSPO/PSQM/04) dated 1 March 2018 that covering the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents including assessment of it effectively. Internal audit will be conducted two month before external audit visit every year. The last Internal Audit conducted on 31 January 2019.	
	Status: Comply
5.4	Purchasing and goods in
5.4.1 The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier. Question : All RSPO product information is provided by suppliers in accordance with : <ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment / delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply Chain certificate number of the seller; • A unique identification number • Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation). • The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance. 	

<ul style="list-style-type: none"> A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (www.rspo.org) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements. The validity of license for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements/announcements. 	
CH did not purchased RSPO certified oil palm products, but produced RSPO certified oil palm products.	
	Status: Comply
5.4.2	
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents	
CH did not purchased RSPO certified oil palm products, but produced RSPO certified oil palm products.	
	Status: Comply
5.5	Outsourcing activities
5.5.1	
In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.	
CH used one independent third party for transport RSPO certified products i.e CV Bina Mandiri. Based on document verification and interview with transporter sighted that they has been comply with the RSPO SCCS requirements.	
	Status: Comply
5.5.2	
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:	
<ul style="list-style-type: none"> a. The site has legal ownership of all input material to be included in outsourced processes; b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance 	
CH and transporter of CPO and PK have an agreement No POM/BSF/SPK-LKL/VII/2018/TRANS-CV BM /049 dated 10 October 2019, stating that certification parties can check to the direct transporter to verify data provided by PT Perkasa Subur Sakti. Based on document verification and interview with transporter sighted that they has been comply with the RSPO SCCS requirements.	
	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.	
CH has record of name and contact detail of all contractor used for physical handling of RSPO certified oil palm product consist of CV Bina Mandiri.	
	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	
Interview and document review show that there is no new contractor since the last assessment for physical handling of RSPO certified	

oil palm products					
	Status: Comply				
5.6	Sales and goods out				
5.6.1					
The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer					
RSPO certified products from Blang Simpo POM were sold to PT Multimas Asahan Nabati, PT Musim Mas, PT Permata Hijau Palm Oleo, PT Berlian Eka Sakti Tangguh and PT SMART where located in Sumatera Utara. Supporting document consist of sales contract, delivery order and weighbridge ticket which inform name of buyer, address, commodity, quality, quantity, delivery period, supply chain model and date of document issued.					
	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					
PT Perkasa Subur Sakti, subsidiary of Sime darby plantation Bhd has registered in RSPO membership 1-0008-04-000-00 since 8 September 2004.					
Member name : Sime darby Plantation – Blang Simpo, PT PSS					
Member ID : RSPO_PO1000000706					
Sub License ID : CB74165					
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.					
Shipping Announcement & Confirm period of February 2018 to January 2019:					
Transaction ID	Buyer	Product	Volume	Program	Shipping/BL Date
TR-7c58c705-14ea	PT SMART Tbk (Belawan KCP)/RSPO_PO1000006555	CSPK	169.92	IP	30-11-2018
TR-8f152639-dff0	PT Multimas Nabati Asahan/RSP0_PO1000000150	CSPK	203.64	IP	02-03-2018
TR-bbe18b68-0a5f	PT SMART Tbk (Belawan KCP)/RSPO_PO1000006555	CSPK	79.8	IP	08-02-2018
Total			453.36		

Remove/Credit Allocations:

Stock Transaction ID	Date	Product	Supply Chain Model	Transaction Type	Volume (MT)
ST-TR-067fbe62-e932	05-12-2018	CSPO	IP	Credit Allocation	11,758

The CH was shown several transaction records on the Palm Trace period of February 2018 to January 2019 as follows:

Products	Shipping Announcement (MT)	Remove (MT)	Credit Allocations (MT)
CSPO	-	1,032.27	11,758
CSPK	453,36	1,954.11	-

While based on record keeping sighted that CSPK sold as conventional period of February 2018 to January 2019 is 2,237.55 MT. There are variance 283.44 MT of CSPO should be removed on the Palm Trace. However, the CH has not been able to shown that all CSPO and CSPK transaction was registered on the RSPO Palm Trace. **It was raised as nonconformity No 2019.13.**

5.7.2. Status: NCR No 2019.13 with Major Category
5.8 Training
5.8.1

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

SCCS Training was conducted on 1st February 2019 which was attended by 9 people consisting of factory manager, assistant of PSQM, senior assistant, weigh clerk, laboratory, production clerk, administration head and check roll. Interview with head of administration and production clerk showing that they have had SCCS training and they can explain how to conduct traceability.

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

SCCS Training was conducted on 1st February 2019 which was attended by 9 people consisting of factory manager, assistant of PSQM, senior assistant, weighbridge clerk, laboratory, production clerk, administration head and check roll. Interview with head of administration and production clerk showing that they have had SCCS training and they can explain how to conduct traceability.

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

Blang Simpo POM has provide an update record such as of monthly summary of RSPO FFB received, with recapitulation presented as follows:

Month	FFB (mt)		
	RSPO Certified	Non Certified	Total
February 2018	3,461	-	3,461
March 2018	4,201	-	4,201
April 2018	4,355	-	4,355
May 2018	5,732	-	5,732
June 2018	4,415	-	4,415
July 2018	5,796	-	5,796
August 2018	5,200	-	5,200

September 2018	4,999	-	4,999
October 2018	5,067	-	5,067
November 2018	4,688	-	4,688
December 2018	3,650	-	3,650
January 2019	3,999	-	3,999
Total	55,564	-	55,564

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

Based on SCCS internal audit procedure known that retention time of record is 5 years. Document review show that mill can demonstrate record since ASA-2 RSPO.

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 Blang Simpo POM have been well recorded and kept in the office. While the estimation of CPO and PK for next certificate period are:

Certified Products	Estimation Tonnage of Certified Products (3 May 2019 – 2 May 2020)
FFB	61,704
CSPO	14,192
CSPK	3,085

Status: Comply

5.10 Conversion factors

5.10.1

Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries

The Facility did not using conversion rate.

Status: Comply

5.10.2

Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.

The Facility did not using conversion rate.

Status: Comply

5.11 Claims

5.11.1

The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.

The Facility did not using logo during communication with stakeholder / customer.

	Status: Comply
5.12	Complaints
5.12.1 The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints. Facility has had documented procedures for stakeholders complaints in chapter 4.11 (Complaint).	
	Status: Comply
5.13	Management review
5.13.1 The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken The management review of internal audit result has been conducted on 2 February 2019.	
	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. The management review was included information on: <ul style="list-style-type: none"> • Result of internal audit: There are 3 non conformities, all of nonconformities has been closed out on 2 February 2019. • Customer feedback: there are no feedback from customer related to quality of RSPO products. • Status of preventive and corrective actions: There are 3 non conformities, all of nonconformities has been closed out on 2 May 2018. • Follow up from previous management review: there is no MR of SCCS year of 2017. • Recommendations for improvements: there is no changing of system. 	
	Status: Comply
5.13.3 The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. The management review was included information on: <ul style="list-style-type: none"> • Result of internal audit: There are 3 non conformities, all of nonconformities has been closed out on 2 February 2019. • Customer feedback: there are no feedback from customer related to quality of RSPO products. • Status of preventive and corrective actions: There are 3 non conformities, all of nonconformities has been closed out on 2 May 2018. • Follow up from previous management review: there is no MR of SCCS year of 2017. • Recommendations for improvements: there is no changing of system. 	
	Status: Comply

3.2.2. (Module D) CPO Mills – Identity Preserved Requirements

Clause	Requirement				
D1	Definition				
D.1.1					
A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Module E is applicable.					
Blang Simpo POM showed receipt of FFB from the Plantation (Blang Simpo 1 Estate, Blang Simpo 2 Estate, Tamiang Estate (PT PPP), Batang Ara Estate (PT PSK)). The FFB volume entered is period of 1 February 2018 to 31 January 2019, such as: BSE-1: 17,426 MT; BSE-2: 18,584 MT; TME: 15,165 MT; and BAE: 4,389 MT.					
	Status: Comply				
D.2	Explanation				
D.2.1					
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report					
The certificate holder shows estimates of certified CPO & PK products with the following details:					
Certified Products	Estimation Tonnage of Certified Products (3 May 2019 – 2 May 2020)				
FFB	61,704				
CSPO	14,192				
CSPK	3,085				
	Status: Comply				
D.2.2					
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).					
PT Perkasa Subur Sakti, subsidiary of Sime darby plantation Bhd has registered in RSPO membership 1-0008-04-000-00 since 8 September 2004.					
Member name : Sime darby Plantation – Blang Simpo, PT PSS Member ID : RSPO_PO1000000706 Sub License ID : CB74165					
Shipping Announcement & Confirm period of February 2018 to January 2019:					
Transaction ID	Buyer	Product	Volume	Program	Shipping/BL Date
TR-7c58c705-14ea	PT SMART Tbk (Belawan KCP)/RSPO_PO1000006555	CSPK	169.92	IP	30-11-2018
TR-8f152639-dff0	PT Multimas Nabati Asahan/RSP0_PO1000000150	CSPK	203.64	IP	02-03-2018

TR-bbe18b68-0a5f	PT SMART Tbk (Belawan KCP)/RSPO_PO1000006555	CSPK	79.8	IP	08-02-2018
Total			453.36		

Credit Allocations:

Stock Transaction ID	Date	Product	Supply Model	Chain	Transaction Type	Volume (MT)	Buyer
ST-TR-067f6e62-e932	05-12-2018	CSPO	IP		Credit Allocation	11,758	Nestle SA

The CH was shown several transaction records on the Palm Trace period of February 2018 to January 2019 as follows:

Products	Shipping Announcement (MT)	Remove (MT)	Credit Allocations (MT)
CSPO	-	1,032.27	11,758
CSPK	453,36	1,954.11	-

While based on record keeping sighted that CSPK sold as conventional period of February 2018 to January 2019 is 2,237.55 MT. There are variance 283.44 MT of CSPO should be removed on the Palm Trace. However, the CH has not been able to shown that all CSPO and CSPK transaction was registered on the RSPO Palm Trace. **It was raised as nonconformity No 2019.13**

Status: Nonconformity No 2019.13.

D.3 Documented procedures

D.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

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

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

The company has had SOP of product traceability and identification in Minamas Plantation POM number RSPO/65/SCCS/BSS 2nd revision dated May 8th 2015. The document is referring the document of RSPO supply chain certification standard of the final document on 14 June 2017.

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

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

Status: Comply

D.3.2

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

The CH has procedure for receiving certified FFB's number 110/POD-FAC/07 about Good Manufacture Practices, on the chapter I there are explain about FFB's grading and FFB processing. The CH has provide an update record such as of monthly summary of RSPO FFB received, with recapitulation presented as follows:

Month	FFB (mt)		
	RSPO Certified	Non Certified	Total
February 2018	3,461	-	3,461
March 2018	4,201	-	4,201
April 2018	4,355	-	4,355
May 2018	5,732	-	5,732
June 2018	4,415	-	4,415
July 2018	5,796	-	5,796
August 2018	5,200	-	5,200
September 2018	4,999	-	4,999
October 2018	5,067	-	5,067
November 2018	4,688	-	4,688
December 2018	3,650	-	3,650
January 2019	3,999	-	3,999
Total	55,564	-	55,564

Status: Comply

D.4 Purchasing and goods in

D.4.1

The site shall verify and document the tonnage and sources of certified FFBs received.

The Blang Simpo POM only received and process the FFB from Certified Product consist of from two own estates (Blang Simpo 1 Estate, Blang Simpo 2 Estate, Tamiang Estate) and also Batang Ara Estate (PT PSK). This matter has been listed in Weigh bridge ticket and FFB Letter such as:

TME (E442)

Ticket number: 130821 date on 13 February 2019, FFB net weight is 6,810 kg. Has been mark with RSPO Certified.

BAE (E446)

Ticket number: 130820 date on 13 February 2019, Lose Fruit net weight is 700 kg. Has been mark with RSPO Certified.

Status: Comply

D.4.2

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

The CH was inform a projected overproduction of certified tonnage to the CB's by letter number 001/AM/II/2019 dated 11 February 2019 and it has approved on 13 February 2019, as follows:

Products	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT)
FFB	67,594*	55,564
CPO	14,600*	13,345
PK	2,800*	2,695

**There is an extension volume on February 2019 because the increase of production*

Status: Comply
D.5 Record keeping
D.5.1

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

Blang Simpo POM have an update procedures of RSPO SCCS Certification Standard number SCCS-Std/RSPO/PSQM/02 dated 1 April 2018. The document is referring the document of RSPO supply chain certification standard of the final document on 14 June 2017.

Blang Simpo POM has showed a monitoring report for RSPO Certified product (FFB, CPO & PK) with details bellow:

FFB Production:

Month	FFB (mt)		
	RSPO Certified	Non Certified	Total
February 2018	3,461	-	3,461
March 2018	4,201	-	4,201
April 2018	4,355	-	4,355
May 2018	5,732	-	5,732
June 2018	4,415	-	4,415
July 2018	5,796	-	5,796
August 2018	5,200	-	5,200
September 2018	4,999	-	4,999
October 2018	5,067	-	5,067
November 2018	4,688	-	4,688
December 2018	3,650	-	3,650
January 2019	3,999	-	3,999
Total	55,564	-	55,564

CPO Production

Month	CPO (mt)		
	RSPO Certified	Non Certified	Total
Opening stock	987	-	987
February 2018	738	-	738
March 2018	900	-	900
April 2018	934	-	934
May 2018	1,204	-	1,204
June 2018	893	-	893
July 2018	1,276	-	1,276
August 2018	1,153	-	1,153
September 2018	1,200	-	1,200
October 2018	1,199	-	1,199
November 2018	1,098	-	1,098
December 2018	849	-	849
January 2019	912	-	912
Total	13,345	-	13,345

PK Production

Month	PK (mt)		
	RSPO Certified	Non Certified	Total
Opening stock	377		377
February 2018	142	-	142

March 2018	173	-	173
April 2018	180	-	180
May 2018	239	-	239
June 2018	181	-	181
July 2018	237	-	237
August 2018	221	-	221
September 2018	216	-	216
October 2018	212	-	212
November 2018	198	-	198
December 2018	155	-	155
January 2019	165	-	165
Total	2,695	-	2,695

The CH also has record of deliveries of RSPO Certified products on real time basis, as follows:

CSPO Selling

Month	Volume Total (Ton)	Claim RSPO Selling		Conventional/Credit Allocation Selling	
		Buyer	Volume (Ton)	Buyer	Volume (Ton)
February 2018	598.00	-	-	BEST	598.00
March 2018	927.66	-	-	BEST	927.66
April 2018	1,539	-	-	BEST	1,000.48
		-	-	Musim Mas	538.97
May 2018	755.07	-	-	Musim Mas	755.07
June 2018	1,438.36	-	-	Musim Mas	963.59
		-	-	SMART	474.77
July 2018	1,023.44	-	-	SMART	1,023.44
August 2018	1,043.49	-	-	PHPO	1,043.49
September 2018	1,615.28	-	-	Musim Mas	1,615.28
October 2018	1,044.76	-	-	Musim Mas	1,044.76
November 2018	1,195.91	-	-	Musim Mas	1,195.91
December 2018	935.34	-	-	Musim Mas	935.34
January 2019	673.51	-	-	PHPO	673.51
Total	12,790.27	0	0	0	12,790.27

CSPK Selling

Month	Volume Total (Ton)	Claim RSPO Selling		Conventional/Credit Allocation Selling	
		Buyer	Volume (Ton)	Buyer	Volume (Ton)
February 2018	194.63	PT.SMART, Tbk	79.80	Musim Mas	114.83
March 2018	297.30	PT.Multimas	203.64	Multimas Nabati Asahan	93.66
April 2018	165.13	-	-	Musim Mas	165.13
May 2018	246.18	-	-	Musim Mas	246.18
June 2018	305.96	-	-	Musim Mas	305.96
July 2018	291.19	-	-	Musim Mas	291.19
August 2018	139.92	-	-	PT.SMART	139.92
September 2018	282.88	-	-	Musim Mas	282.88
October 2018	228.77	-	-	Musim Mas	228.77

November 2018	170.00	PT.SMART, Tbk	169.92	Multimas Nabati Asahan	0.08
December 2018	286.11	-	-	Musim Mas	286.11
January 2019	82.84	-	-	Musim Mas	82.84
Total	2,690.91	0	453.36	0	2,237.55
	Status: Comply				
D.6	Processing				
D.6.1					
The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm product including during transport and storage to strive for 100% separation.					
<p>The entire accepted and processed product in Blang Simpo POM comes from RSPO certified own estate. During the audit, Blang Simpo POM doesn't accept and process uncertified FFB's. Based on the available document within the system, it reveals that the document consists of fruit delivery note, weighing ticket, Sales Contract and SIME Weigh program application, which explain the source of FFB (Division, harvesting block, cultivation year, number of bunches) to product such as CPO and PK that 100 % is a certified product (RSPO Certified). The entire document that related to product acceptance and processing and transportation process have been marked with stamp 'RSPO Certified' with RSPO CERTIFIED-Identity Preserved.</p>					
<p>Based on document verification and field visit in Blang Simpo POM to verify the process from FFB received in mill, CPO and PK produced, the Certificate Holder can demonstrate the process was related IP (Module D). The administration of weight bridge has been know related FFB certified comes from BSE-1, BSE-2, TME (PT PPP) and BAE (PT PSK).</p>					
	Status: Comply				

3.3. Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and Trademark from Certification Body which submitted by Client	X or√
ASA-1.1	The Blang Simpo Factory (PT Perkasa Subur Sakti) and four estates supply bases, consist of PT Padang Palma Permai (Tamiang Estate, Blang Simpo-1 Estate, Blang Simpo-2 Estate) and PT Perkebunan Sri Kuala (Batang Ara Estate).has had approval/permit the use of the certificate with the number MUTU-RSPO/026. Sime Darby Plantation Bhd. has RSPO Trademark License with number RSPO-1106024. During ASA-1.1, auditor team has no found of RSPO Trademark Uses and CB's logo.	√
	Status: Comply	
2.	Implementation of certificate and Trademark used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-1.1	The Blang Simpo Factory and four estates supply bases, does not use the Trademark both in the on-product and off-product.	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA-1.1	The Blang Simpo Factory and four estates supply bases, does not use the Trademark both in the on-product and off-product.	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate logo.	X or√
ASA-1.1	The Blang Simpo Factory and four estates supply bases, does not use the Trademark both in the on-product and off-product.	√
	Status: Comply	

3.4. Summary of RSPO Partial Certification

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

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

MUTU has verified partial certification for un-certified unit's subsidiary of Sime Darby Plantation Bhd based on their Time Bound Plan. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Company Group/Holding Statement: Companies are already doing internal audits. There are internal audit reports for each company.</p> <p>Auditor Verification: Internal Audit report available for uncertified management unit for example PT Sandika Natapalma – Karya Palma Estate on 10 February 2017.</p>
i.	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>Company Group/Holding Statement: HCV assessment has been conducted for uncertified units i.e. PT Mitra Austral Sejahtera (by Aksenta in March 2009) and Sime Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).</p> <p>Auditor Verification: Sime Darby Plantation Bhd sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2nd revision on 24 June 2016. The companies ensuring reporting of disclosure of liability progress to</p>

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

iv.	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Company Group/Holding Statement: None noted. No stakeholder comments or complaints received.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for company under SDP waiting for land title process, ie:</p> <ul style="list-style-type: none"> • PT Sime Indo Agro 1,652 Ha • PT Aneka Inti Persada 421.31 Ha • PT Bina Sains Cemerlang 308.25 Ha • PT Bersama Sejahtera Sakti 765 Ha • PT Langgeng Muaramakmur 1,162 Ha • PT Paripurna Swakarsa 1,120 Ha • PT Swadaya Andika 63 Ha • PT Bahari Gembira Ria 1,639 Ha • PT Guthrie Pecconina Indonesia 4,133 Ha • PT Perkasa Subur Sakti 1,286 Ha
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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 Re- Certification Assessment

NCR No.	:	2018.01	Issued by	:	Yuniar Mitikauji
Date Issued	:	27 April 2018	Time Limit	:	26 April 2019
NC Grade	:	Major	Date of Closing	:	16 August 2018
Standard Ref. & Requirement	:	2.1.1 Evidence of compliance with relevant legal requirements shall be available			
Non-Conformance Description & Evidence observed:					
<p>The Company has shown some evidence of legal compliance, but there is some evidence of legal compliance that has not been implemented as follows:</p> <ul style="list-style-type: none">• The result of field visit at Hazardous Waste Temporary Warehouse from Blang Simpo POM is known that condition of the roof in building is leaking in rain condition. It is not in accordance with Government Regulation No.101 in 2014.• Based on the results of the document review on hazardous waste management report of PT Perkebunan Sri Kuala, PT Padang Palma Permai and PT Perkasa Subur Sakti it is known that the last hazardous waste transport was conducted on 10th March 2016. Until the RSPO recertification activity is carried out, there is no transportation of hazardous waste by a licensed third party. This is not in accordance with the storing period given in the hazardous waste license of each unit.• The Company has not been able to show evidence of Utilization of Land Use Tittle Report to the Head of National Land Agency it is not accordance with Regulation of Agrarian and Spatial Ministry No. 07 in 2017 on concerning of the Rules and Procedures for the Land Use Tittle.					
Root Cause Analysis					
<ol style="list-style-type: none">1. There is a lack of monitoring from the PIC on the management of permitted hazardous waste storage (TPS LB3)2. There is not yet price dealing on work agreement with the licensed third party in handling hazardous waste, therefore the hazardous waste is not handed over to the licensed third party of hazardous waste management for the last two years.3. The company has reported the realization of land use over the company HGU to Farm and Plantation Agency in Aceh Aceh Timur and Aceh Tamiang District for the last year HGU use. However, there is not yet response related to the report (refer to Plantation Regulation No. 39 year 2014 and Regulation of Agriculture Ministry No. 98 year 2013 on plantation business permit.					
Correction					
<ol style="list-style-type: none">1. Blang Simpo Mill has repaired the hazardous waste storage building on 2 May 2018, in accordance with Government Regulation (PP) No. 101 year 2014 on hazardous waste storing activity2. The company has an agreement with licensed hazardous waste body (CV Amindy Barokah) to hand over hazardous waste. Hazardous waste handling was conducted on 6 August 2018 (the manifest of the hand over is attached)3. The company has reported HGU use to the National Land Agency on 26 April 2018.					
Corrective Action					
<ol style="list-style-type: none">1. The company has assigned the supervisor for monitoring hazardous waste storage					

2. The company develops checklist (monitoring checklist) and monitors the hazardous waste storage building in accordance with PP No. 101 year 2014 on hazardous waste management aimed to maintain the storage condition and all the hazardous waste is well kept refer to the applied regulation.
3. Conducting hazardous waste monitoring stock every month and conducting hazardous waste handling to the licensed third party yearly refer to hazardous waste storing period.
4. The company has monitored land use realization over its HGU yearly to Regional Head of Land Agency

Assessor Evaluation and Conclusion

Verification on 9 July 2018

1. The company has showed evidence of repairing hazardous waste storage facility of Blang Simpo POM in accordance with PP No. 101 year 2014 on hazardous waste management dated 2 May 2018 in form of note of activity and documentation over the activity. The note of activity is made by Assistant Coordinator, Processing Assistant, PSQM and known by Mill Manager → comply.
2. No further corrective evidence is provided yet.
3. The company has showed document receipt of handling over land title utilization report of PT PPP on 26 April 2018 to Land Agency of Aceh Timur and Aceh Tamiang District. There an attachment of the report available with cover letter of the submission no. 22/BSE-2/IV/2018. The company also showed document receipt of handling over land title utilization report of PT Perusahaan Perkebunan Industri Niaga Srikuala (PT Sri Kuala) dated 26 April 2018 addressed to Land Agency of Aceh Timur and Aceh Tamiang District. Attached the report itself and cover letter of the submission no. 129/TAN/P3/2018 → comply

Conclusion:

1. **Point 1 is complied.**
2. **No supporting closing evidence is provided yet**
3. **Point 3 is complied.**

Based on the above explanation then NCR 2018.01 is still open

Verification on 24 July 2018

1. The company has added supporting closing evidence for NCR 2017.01 in form of the development of monitoring form on facility condition of the hazardous waste storage.
2. The company has provided evidence of working agreement with licensed third party on hazardous waste (CV Amindy Barokah) that valid till 29 April 2018. However, there is no evidence yet over the handling over of the hazardous waste being kept in the storage to the licensed third party since 10 March 2016, therefore NCR 2018.01 is still open.

Verification on 7 August 2018

The management unit has sent hazardous waste to the licensed third party (CV Amindy Barokah) on 6 August 2018 for example the hazardous chemical contaminated fabric, ex tonner, ex battery, medical waste, TL lamp, ex filter, ex lubricant and hazardous chemical contaminated container. The management unit must re-ensure the root cause why the hazardous waste is not handed over to the licensed third party for the last 2 years. Based on this verification result the NCR 2018.01 is still open.

Verification on 16 August 2018

The company has completed the root cause on the reason there was no hazardous waste handling over to the licensed third party for the last two years. Based on the additional closing evidence given, **NCR 2018.01 is fulfilled.** The implementation of the correction on hazardous waste management will referring to the applied regulation will be reviewed again on the next audit.

Verified by	: Yuniar Mitikauji
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NCR No.	: 2018.02	Issued by	: Ardiansyah
Date Issued	: 27 April 2018	Time Limit	: 26 April 2019
NC Grade	: Major	Date of Closing	: 17 July 2018
Standard Ref. & Requirement	: 2.2.1 Documents showing legal ownership or lease, history of land tenure ownership/control, and the actual legal use of the land shall be available		
Non-Conformance Description & Evidence observed: The area that managed by CH is 8,814.41 Ha therefore, there is 1,245.84 Ha which not yet has land title. Based on this, CH has not been able to demonstrate land title for the entire scope of certification.			
Root Cause Analysis: Some of the CH areas have not received the land title			
Correction (filled by organization audited): HGU area of PT PPP, PT PSK and PT PSS is 7,574.12 Ha with detail hectare statement as below: 1. HGU area in BSE 1 is 3,561.24 Ha 2. HGU area in BSE 2 is 1,431.99 Ha 3. HGU area in TME is 1,451.99 Ha 4. HGU area in BAE 1 is 1,128.90 Ha Total HGU Area is 7,574.12 Ha The area statement is attached.			
Corrective Action Determining border of definitive HGU and HGU on process precisely.			
Assessor Evaluation and Conclusion 17 July 2018 CH has show area statement that explain the utilization of HGU for each estate based on the righteous land – NCR is fulfilled.			
Verified by	: Ardiansyah		

NCR No.	: 2018.03	Issued by	: Leonada
Date Issued	: 26 April 2018	Time Limit	: 26 April 2019
NC Grade	: Major	Date of Closing	: 20 August 2018
Standard Ref. & Requirement	: 4.7.2 A documented risk assessment shall be available and its implementation shall be recorded		

Non-Conformance Description & Evidence observed :

In the existing HIRARC document, it is known that not all risky activities have yet to be contained in the HIRARC document such as manual maintenance activities. Based on the field visit to Blang Simpo Factory, it is known that there are some unsafe conditions and there is no hazard identification for the condition such as:

- Stairways and floors that are porous in the area of pressing stations and boiler stations
- The retaining wall behind the factory's solar tank has been cracked.

Root Cause Analysis

1. Mill has been established for 21 years and no re-construction in place yet
2. There is a land slide therefore the supporting building frame is cracked.

Corrective Action (filled by organization audited):

1. Evaluating the HIRAC of Blang Simpo Mill and socialize to all Mill Worker
2. Renovating the facility such as rusted ladder and floor

The company has repaired and/or install stake on area of fuel (solar) tank located.

Preventive Action :

Maintaining the condition of the plant in a state of safety in accordance with the HIRAC document

Assessor Evaluation and Conclusion:
Verification on 12 July 2018

The company shows evidence of improvement of the HIRAC document in the pressing and boiler area (NCR point a). However, the company has not filled the root cause, corrective and preventive action and other supporting closing evidence to support the root cause, corrective and preventive actions taken to close this finding.

Based on the verification result, NCR 2018.03 has not been fulfilled (still open).

Verification on 24 July 2018

The company has analyzed the relevant root causes and sufficient evidence of improvement in the form of evaluations in the HIRAC document pressing stations and boiler stations related to safety issues for the condition of porous stairs and floors. However, the risk assessment in the HIRAC document for safety issues related to the retaining wall on the back side of the solar tank has not been shown. Therefore NCR 2018.03 has not been fulfilled yet.

Verification on 20 August 2018

The company shows the revised HIRAC document in which the document has identified the risk of danger to the surrounding environment in the solar tank area. Based on this, the discrepancies are sufficient and can be closed. The effectiveness of corrective and preventive actions will be seen in the next audit

Verified by : **Leonada**

NCR No.	:	2018.04	Issued by	:	Leonada
Date Issued	:	26 April 2018	Time Limit	:	26 April 2019

NC Grade	:	Major	Date of Closing	:	12 July 2018
Standard Ref. & Requirement	:	4.7.3 Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.			
Non-Conformance Description & Evidence observed : The certificate holder already has a HIRARC document and has implemented it. In addition there is documentation of PPE to workers in 2017 and 2018. However, based on the results of field visits there is inconsistency between HIRARC with its implementation that is: <ul style="list-style-type: none"> Workers at the pressing station do not wear ear plug, which in the station is in a noisy condition. (HIRARC requires safety shoes, helmets, gloves and ear plugs) Grading workers have not wear gloves and masks (HIRARC requires shoes, helmets, gloves and masks) The manual maintenance workers (maintenance harvesting path) and the transport of fruit using PPE shoes in self-purchasing BAE (based on the PPE revenue register document dated September 2, 2017 and March 15, 2017, the interviewee is not on the list) 					
Root Cause Analysis (filled by organization audited): Inconsistent operator in using PPE provided.					
Corrective Action : The company has provided PPE to all employees (data is attached)					
Preventive Action : Monitoring employee PPE usage during Safety Briefing.					
Assessor Evaluation and Conclusion: Verification on 12 July 2018 he company shows proof of improvement in the form of proof of handover of PPE to workers on the area of pressing, grading and manual upkeeping workers. In the document, workers in the area have all been given PPE to reduce the risk of harm. Nonconformity 2018.05 is fulfilled. Root cause and corrective actions and preventive measures are acceptable. The effectiveness of corrective and preventive actions will be seen in next audit.					
Verified by	:	Leonada			

NCR No.	:	2018.05	Issued by	:	Leonada
Date Issued	:	26 April 2018	Time Limit	:	ASA 1
NC Grade	:	Minor	Date of Closing	:	15 February 2019
Standard Ref. & Requirement	:	4.7.5 A procedure for emergency and work accident shall be available in Indonesian Language; and the workers, who have attended First Aids training, are available in the working areas.			

Non-Conformance Description & Evidence observed :

The certificate holder has a mechanism of checking the contents of the first aid box periodically, where the results are poured in the first aid checklist document. From the data all the items of the first aid box of 21 items are in the First Aid Box. However, during the field visit to Blang Simpo Factory, there are some non-conformities as follows:

- The first aid box in the engine room area is incomplete according to the contents of the First Aid Box (only 5 items)
- One item in the first aid box of the workshop area has been expired.
- In addition there are emergency facilities (eye shower and body shower) in the chemicals warehouse Blang Simpo Factory can not be proven to work properly.

Based on the above, monitoring of the completeness of the contents of first aid box that has been done but has not been effective yet and the emergency response facility has not been functioning properly.

Root Cause Analysis :

Lack of supervision of OHS facilities in the BSF Unit.

Corrective Action :

1. Appoint an officer as the person in charge of OHS facilities in the BSF unit.
2. Monitoring the contents of first aid boxes every week.
3. Repairing emergency response facilities that have been damaged / not functioning.

Preventive Action :

The company monitors OHS facilities (contents of first aid box) and emergency response facilities in the BSF unit acknowledged by the management unit every month.

Assessor Evaluation and Conclusion:
Auditor verification on 24 July 2018

The company has sent NCR closing evidence in the form of:

1. Decree on the appointment of the person in charge for OHS facilities in the BSF unit on behalf of Basri for the 2018-2019 period
2. The template of first aid box monitoring every week by the designated first aid officers examined by the PSQM Assistant, BSF General Assistant and AK3 Coordinator

However, the company has not shown evidence of improvement for emergency response facilities that are not functioning. Therefore, non-conformance 2018.05 has not been fulfilled.

Verification on 15 February 2019

CH management shows additional evidence of correction, as follows:

- Official Letter dated 14 November 2018 about reparation of eye wash, water tank and body shower in Chemical Store. Picture of progress is available.
- Official Letter dated December 2018 about First Aid Item (P3K) monitoring in BSF of PT PSS, PT PPP and PT Sri Kuala. This is confirmed during field observation on ASA-1.1 audit.

Based on root of cause and corrective action review, as well as correction evidence given, it could be concluded that NCR No. 2018.05 is considered **closed**.

Verified by : **Leonada & Mohamad Amarullah**

NCR No.	: 2018.06	Issued by	: Yuniar Mitikauji
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Date Issued	: 27 April 2018	Time Limit	: ASA-1
NC Grade	: Minor	Date of Closing	: 14 February 2019
Standard Ref. & Requirement	5.3.3 A documented waste management plan to avoid or reduce pollution and its implementation shall be available		
Non-Conformance Description & Evidence observed: The management unit has not yet demonstrated the implementation of waste management to avoid pollution in accordance with the plan, such as: <ul style="list-style-type: none">It was discovered that there was domestic waste burning activity in the housing complex of Blang Simpo POM, Batang Ara Estate and Tamiang EstateUsed lamp are not placed in its designated place. It is located the panel room of WWTP areaUnwashed fertilizer sacks are stored at fertilizer warehouse of Batang Ara Estate, Tamiang Estate and Blang Simpo Estate.			
Root Cause Analysis: <ul style="list-style-type: none">There are no socialization of domestic waste burning.Inconsistency of hazardous waste management.There are no socialization procedure of ex-fertilizer bag storing.			
Correction: <ul style="list-style-type: none">There has been conducted a socialization of domestic waste burning ban.Re-socialization of hazardous waste management has been carried out.The procedure for storing ex-fertilizer bag has been carried out.			
Corrective Action: <ul style="list-style-type: none">Periodically socialization of environment and OHS will be conducted by PSQM staff & Safety Officer.Regularly ESH assessment will be conducted by PSQM staff & Safety Officer.			
Assessor Evaluation and Conclusion: Verification on 14 February 2019 Point 1: <ol style="list-style-type: none">The company shows record of socialization of the domestic waste burning ban in the Housing area Tamiang Estate to the 24 workers dated 21 December 2018. In the Batang Ara Estate Housing area dated 22 December 2018 to 46 workers. While BSF housing area has been installed signboard about domestic waste burning ban.There are domestic waste transport schedules in Tamiang Estate on Tuesday and Friday, while in Batang Ara Estate on Wednesday and Saturday.Based in field observation and interviews with BSF workers at Housing Complex, sighted that there were prohibition of domestic waste burning signboard. Point 2: <ol style="list-style-type: none">The company has shown evidence of the former lamp withdrawal dated 22 September 2018, placed in Temporary Hazardous Waste Store. It has been listed on the Hazardous Waste balance sheet of 0.0002 ton. Point 3: The company shows mechanism of fertilizer bag management from August 2018, such as: <ol style="list-style-type: none">All Fertilizer bags are watered.			

2. All Bags are brushed with soap to remove any residual fertilizer content.
3. All bags is watered again to remove the remanants of soap/foam.
4. Dried in the sun.
5. All of these stages are carried out at the BSS house to reduced the pollutions.

Dissemination of management of ex-fertilizer bags is available on 10 December 2018 to the 15 workers, store officer and foreman. Based on field observation to the BMS area revealed that the fertilizer bags had been washed in accordance to the above mechanism. Therefore based on above explanation, this NCR has been closed out.

Verified by : **Yuniar Mitikauji & Brigitta Prita**

NCR No.	: 2018.07	Issued by	: Yuniar Mitikauji
Date Issued	: 27 April 2018	Time Limit	: 26 June 2019
NC Grade	: Major	Date of Closing	: 20 August 2018
Standard Ref. & Requirement	: 6.5.2 Collective Labor Agreement/Company Regulation, in accordance with the manpower regulations, shall be available in understandable language; and explained by the management or Labor Union to the workers.		
Non-Conformance Description & Evidence observed:			
Based on the result of document review, it is found that in estate and factory's worker's roaster information is seen that workers do not get the day off in seven consecutive working days. This is not accordance with Collective Labour Agreement period of 2015-2017 and Act No. 13 in 2003.			
Root Cause Analysis:			
The absence of a work holiday schedule for security.			
Correction:			
Make a work schedule for security in the estate and in the factory			
Corrective Action:			
Evaluating the security schedule (Roaster) on its working hour every month by ensuring that the working hour of all security is in accordance with the PKB BKSPPS 2015-2017 period and the Act. No. 13 of 2003			
Assessor Evaluation and Conclusion			
Verification on 12 July 2018			
The company has shown evidence of improvement in the form of Manager's Internal Office Memo of Blang Simpo Mill dated 22 May 2018 and a security work schedule for Blang Simpo Mill, Blang Simpo Estate and Tamiang and Batang Ara Estate. However, there 16is no evidence of the mechanism for monthly evaluation of the security work schedule as planned in the preventive action. Nonconformity is declared open.			
Verification on 20 August 2018			
The company provided additional closing evidence in the form of SOP of Security at PT Perkasa Subur Sakti, PT Padang Palma Permai and PT Perkebunan Sri Kuala No. 051 / PSS / VII / 18 dated July 1, 2018. In the SOP, it is			

stated that security scheduling mechanism on the length of working hours and the right to leave in 1 working week. Based on the verification result, non-conformance 2018.07 was stated closed.

Verified by : Yuniar Mitikauji

NCR No.	: 2018.08	Issued by	: Ardiansyah
Date Issued	: 27 April 2018	Time Limit	: 26 June 2019
NC Grade	: Major	Date of Closing	: 16 August 2018
Standard Ref. & Requirement	: SCCS 5.3.2 The site shall have a written procedure to conduct annual internal audit to determine whether the organization: a. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents b. Effectively implements and maintains the standard requirements within its organization		
Non-Conformance Description & Evidence observed: CH internal audit procedures have included RSPO Supply Chain Certification Standard, but have not included RSPO Market Communications and Claims Documents.			
Root Cause Analysis: The lack of understanding of the RSPO SCCS is related to Market Communications and Claim Documents.			
Correction: Complete documents related to RSPO Market Communications and Claims Documents.			
Corrective Action: Conducting Internal Audit related to SCCS in accordance with the applicable procedures in RSPO			
Assessor Evaluation and Conclusion: Verification on 24 July 2018 The company has provided proof of improvement in the form of internal audit procedures but the procedure does not yet cover RSPO Market Communications and Claims Documents and CH not yet complete the corrective action, so that Non-conformity is open. Verification on 7 August 2018 The company has provided closing evidence in the form of internal audit procedures. However, the procedure does not yet cover RSPO Market Communications and Claims Document, therefore, NCR 2018.08 Verification on 16 August 2018 The company has demonstrated an internal audit procedure (SCCS - IA / RSPO / PSQM / 04) which explains that internal audits are carried out based on audit criteria which include the IMS Manual, operating procedures and description of activities, work directions, RSPO standards and GMP. In addition, the company also shows the results of internal audits conducted in April 2018, where one of the results is the fulfillment of the SCC standard. Based on the additional evidence sent, the non-conformance is stated closed.			
Verified by	: Ardiansyah		

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-1.1

NCR No.	: 2019.01	Issued by	: Trismadi N
Date Issued	: 16 February 2019	Time Limit	: ASA-1.2
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 2.2.2. Legal boundaries are demonstrated clearly and maintained.		
Evidence observed (filled by auditor): The CH was shown monthly monitoring record of boundary stones on each estates, there were identified poles on good condition, damage and lost; for example: <ol style="list-style-type: none"> 1. BSE-2: there are 45 boundary stones on good conditions. 2. TME: it shall be 51 pcs poles, however there only 12 pcs poles identified. 3. BAE: it shall be 62 pcs poles, however there only 52 pcs poles identified. Based on field observation to the several location, there are facts: <ol style="list-style-type: none"> 1. Pole No PPP 97 in BSE-1, on Division 2, at Block B9. Adjacent with PT Patria Tamoe (rubber plantation, oil palm plantation, and cacao). That poles are well maintained and demarcated. 2. Pole No PPP 35 in BSE-2, on Division 2, at Block E11. Adjacent with Blang Simpo Plasma (Pentagon Cooperative). That poles are well maintained and demarcated. 3. Pole No PPP 18 in BSE-2, on Division 3, at Block F10. Adjacent with smallholders (Rimba Jaya Cooperative). That poles are well maintained and demarcated. 4. Pole No PB 11 in TME, on Division 1, at Field A019. Adjacent with rubber plantation of Menanggini Village. That poles on damage conditions. 5. Pole No PPP 11 in TME, on Division 1, at Field A013. Adjacent with Menanggini Village. That poles are well maintained and demarcated. 6. Pole No PB 22 in TME, on Division 1, at Field A001. Adjacent with Tanah Tinjau Village Village. That poles on good conditions, however the number was lost. 7. Pole No 12 in BAE, on Field D001 (HCV Area). Adjacent with Secondary Forest at Menanggini Village. That poles are well maintained and demarcated. 8. Pole No 14 in BAE, on Field D009 (HCV Area). Adjacent with Secondary Forest at Lubuk Siduk Village. That poles are well maintained and demarcated. 9. Pole No 18 in BAE, on Field D010 (HCV Area). Adjacent with Secondary Forest at Batang Ara Village. That poles are well maintained and demarcated. 			
Non-Conformance Description (filled by auditor): The CH has been able to show that all boundaries clearly and maintained.			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			

Verified by :			
NCR No.	: 2019.02	Issued by	: Trismadi Nurbayuto
Date Issued	: 16 February 2019	Time Limit	: 17 May 2019
NC Grade	: Major	Date of Closing	: 18 April 2019
Standard Ref. & Requirement	4.5.1 Monitoring of Integrated Pest Management (IPM) plan implementation shall be available.		
Evidence observed (filled by auditor): <ul style="list-style-type: none"> - Report on the Control of Plant Pest and Disease Batang Ara Estate in December 2018 states that there is use of 181.60 liters of Cypermethrin for the control of Oryctes in the field C001 - C006 for planting years 2015 and 2016. - Control with pesticides without census. - Report on the Control of Plant Pest and Disease Tamiang Estate in December 2018 states that there are 336 liters of Cypermethrin to control Oryctes in 28 planting blocks with a planting year range from 1983 to 2016 - Control with pesticides without census. - Report on the Control of Plant Pest and Disease Blang Simpo – 2 Estate in December 2018 stated that there was a nettle caterpillar attack with an average of 6.06 larvae / frond - Above the control threshold but no control of pesticides had been carried out. - Report on the Control of Plant Pest and Disease Blang Simpo – 1 Estate in November and December 2018 each month November: Field A011 average attack 0.96 larvae / frond. Field A001: 3.07 larvae / frond. Whereas in December: field B007: 13.13 larvae / frond; field B011: 3.87 larvae / frond - Control using Cypermethrin. - The justification of the assistant BSE-1 dated February 15, 2019 regarding the use of pesticides, explained that: even though the nettle caterpillar attack is below the control threshold, spraying is still carried out. Because it is an endemic area and according to the recommendations of the MRC. But information about history and identification of endemic blocks; and recommendations from MRC have not been demonstrated. - If referring to an email from MRC on February 15, 2019, it was explained that controlling the nettle caterpillar in a system pocket among them stated in one field there were several census points, so that control with pesticides was carried out for the scope of one field. - ARM Minamas Plantation on plant protection states that the control threshold for Oryctes is 5% per ha and for 5 larvae / frond 			
Non-Conformance Description: <ol style="list-style-type: none"> 1. Pest Control carried out by Certificate Holders has not referred to the IPM principle as explained in ARM Minamas Plantation. 2. There is no clear and detailed justification regarding the decision to use pesticides for pest control. 			
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none"> 1. Evidence of Oryctes Control has not been submitted entirely so pest control as if it used only by pesticides 2. Existence of the nettle caterpillar block endemic story so despite of nettle caterpillar infestation is under threshold control pesticide control still applied 3. Misunderstanding of IPM Officer related census reporting. Oryctes control by pesticide still applied for > 24 month palm tree because feared of oryctes infestation spread to Mature Palm Oil 4. Inconsistency of Pest and Disease report so not all of pest and disease census result documented well 			
Correction (filled by organization audited):			

1. Collect data from integrated horn beetle control activities (a combination of chemical, biological, physical and mechanical controls)
2. Published an integrated pest control policy for horn beetle and palm leaf eating caterpillar by Aceh Utara Agronomist
3. Issued the Decree on the Appointment of Integrated Pest Management Officers

Carry out reports on pest observation and pest control regularly every month (crop protection summary)

Corrective Action (filled by organization audited):

1. Management unit will continue to monitor integrated pest control
2. Periodically evaluate the results of integrated pest control monitoring

Regular training for integrated pest control officers by the Dept. of MRC or Division Assistant every 1 year.

Assessor Evaluation and Conclusion (filled by auditor):

Verification on March, 26 2019

Certificate Holder has shown proof of improvement in the form of:

1. CECT (Closed-ended conservation trenches) monitoring of BSE-1; BSE-2; and TME to prevent the outbreak of Oryctes during the land preparation period
2. PT Padang Palma Permai - PT Sri Kuala's integrated Pest Control Policy issued by the Agronomist RUA. - Cypermetrin prophylactic use up to 24 months old plants
3. Head of MRC memo on July 14, 2018 concerning Prevention of Oryctes Infestation on Immature Pllant with Cypermetrin and Karbosulfan 50 gr - Cypermetrin prophylactic use up to 24 months old plants
4. Monitoring the use of cypermetrin and sidametrin in 2018
5. Integrated pest control flow for nettle caterpillar and bagworm by MRC
6. IPM officer decree for BSE-1, BSE-2, and TME - Description of duties stated that monitoring of pest management and control

However, it has not been able to show

1. Justification of prophylactic use of pesticides to control Oryctes in plants that are > 24 months old
2. Justification of the use of pesticides to control fire caterpillars in fields / blocks whose census results show that they are still below the control threshold

In addition, additional information is needed in the root problem analysis, correction, and corrective actions. Nonconformities have not been fulfilled

Verification on April, 18 2019

Certificate Holder shows proof of improvement in the form of:

1. Justification of prophylactic use to control Oryctes in plants that are > 24 months old due to anticipation of border blocks that are directly adjacent to the Immature block which still have to do routine spraying
2. Justification of the use of pesticides to control nettle caterpillars in fields / blocks whose census results show are still below the control threshold because the block block is a block directly adjacent to the block of attack

Based on root analysis of problems, corrections, and corrective actions, discrepancies are stated to be fulfilled. Consistency in the implementation of the HDI will be OBSERVED again in the next assessment.

Verified by : **Trismadi Nurbayuto**

NCR No.	: 2019.03	Issued by	: Trismadi Nurbayuto
Date Issued	: 16 February 2019	Time Limit	: 17 May 2019

NC Grade	: Major	Date of Closing	: 24 April 2019												
Standard Ref. & Requirement	4.6.3 Any use of pesticides shall be minimized as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in Indonesia Best Practice guidelines.														
Evidence observed (filled by auditor): Based on : <ul style="list-style-type: none"> - The monitoring data for pesticide use for the period of 2018 contained Cypermethrin with the volume of each BSE-1: 368 liters; BSE-2: 0.64 liters; and BAE: 1,727 liters. - The updated Warehouse Stock data for Cypermethrin shows there is material use in February 2019 <table border="1"> <thead> <tr> <th>Estate</th> <th>1 February 2019 (Liter)</th> <th>15 February 2019 (Liter)</th> </tr> </thead> <tbody> <tr> <td>TME</td> <td>927</td> <td>806.5</td> </tr> <tr> <td>BSE-1</td> <td>1,362.40</td> <td>1,352.40</td> </tr> <tr> <td>BSE-2</td> <td>610</td> <td>450</td> </tr> </tbody> </table> <ul style="list-style-type: none"> - Interviews with TME & BAE P & D Officer revealed that Oryctes control for Immature area using Cypermethrin routinely every 14 days interval until plants were 24 months after planting (preventive use) while for plants over 24 months the control threshold if there was a 5% / ha infestation - ARM Minamas Plantation, part 15 of the plant protection section explains the control of Oryctes for immature area : <ul style="list-style-type: none"> • Light infestation: Pherotrap • Heavy infestation: Spray with Cypermethrin every two weeks. In situations of severe attacks it is necessary to carry out chemical treatment until the plants are 24 months old • Control with Entomopathogens • CECT (The Construction of Close-Ended Conservation in Trenches) system on land preparation - Sign Board for Oryctes control in TME and BSE : <ul style="list-style-type: none"> • Cypermethrin spray every 2 weeks • Use Pheromone • Application of Metharizium • One-layer in EFB application 				Estate	1 February 2019 (Liter)	15 February 2019 (Liter)	TME	927	806.5	BSE-1	1,362.40	1,352.40	BSE-2	610	450
Estate	1 February 2019 (Liter)	15 February 2019 (Liter)													
TME	927	806.5													
BSE-1	1,362.40	1,352.40													
BSE-2	610	450													
Non-Conformance Description : <ol style="list-style-type: none"> 1. The use of preventive pesticides to control Oryctes carried out by Certificate Holders is not yet equipped with identification of specific situations. 2. It has not been able to show plans and realization of Oryctes control in an integrated manner in accordance with the principle of IPM so that it can lead to minimal use of pesticides 															
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none"> 1. The absence of IPM officers so that the justification and history of IPM observation and control cannot be demonstrated. 2. Evidence of horn beetle control has not been fully demonstrated so that seen only are controlled by using pesticides 															
Correction (filled by organization audited): <ol style="list-style-type: none"> 1. Collect data from integrated horn beetle control activities. 2. Issued an integrated pest control policy for horn & caterpillar beetles by the Agronomist of Riau Aceh Utara. 3. Issued the Decree on the Appointment of Integrated Pest Management Officers. 															
Corrective Action : <ol style="list-style-type: none"> 1. Management unit will continue to monitor integrated pest control 2. Periodically evaluate the results of integrated pest control monitoring 															
Assessor Evaluation and Conclusion :															

Verification on March 26th, 2019.

Certificate Holder has shown proof of improvement in the form of:

1. CECT (Closed-ended conservation trenches) monitoring of BSE-1; BSE-2; and TME to prevent the outbreak of Oryctes during the land preparation period
2. PT Padang Palma Permai - PT Sri Kuala's integrated Pest Control Policy issued by the Agronomist RUA. - Cypermetrin prophylactic use up to 24 months old plants
3. Head of MRC memo on July 14, 2018 concerning Prevention of Oryctes Infestation on Immature Pllant with Cypermetrin and Karbosulfan 50 gr - Cypermetrin prophylactic use up to 24 months old plants
4. Monitoring the use of cypermetrin and sidametrin in 2018
5. Integrated pest control flow for nettle caterpillar and bagworm by MRC
6. IPM officer decree for BSE-1, BSE-2, and TME - Description of duties stated that monitoring of pest management and control

However, it has not been able to show:

1. Monitoring any blocks whose status still needs to spray Cypermetrin every 2 weeks; border blocks, and blocks that use pesticides to control Oryctes must be based on the value of the control threshold
2. Map of the distribution of Oryctes attacks and their status

In addition, additional information is needed in the root problem analysis, correction, and corrective actions. Nonconformities have not been fulfilled

Verified on April 18th, 2019.

The certificate holder has shown the Oryctes attack map and its status but has not been able to show detailed information regarding Monitoring which blocks the status still needs to spray Cypermetrin every 2 weeks; border blocks, and blocks that use pesticides to control Oryctes must be based on the value of the control threshold.

Nonconformities have not been fulfilled.

Verification on April 24, 2019.

It has been shown evidence of improvement in the form of monitoring blocks whose status still needs to do pereventif spray every 2 weeks, border blocks, and blocks that use pesticides to control Oryctes must be based on the control threshold value

Based on root cause analysis, correction, and corrective action, nonconformities are stated to be fulfilled.

Verified by : **Trismadi Nurbayuto**

NCR No.	:	2019.04	Issued by	:	Mohamad Amarullah
Date Issued	:	16 February 2019	Time Limit	:	17 May 2019
NC Grade	:	Major	Date of Closing	:	06 March 2019
Standard Ref. & Requirement	:	4.7.3. Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.			
Evidence observed: All unit management is able to shows PPE delivery record. Horever, based on field observation and/or interview with respective workers, it was noted several fact as follows:					

- Processing Operators in BSF stated that PPE safety shoes has only provided once a year and will buy themselves when broken or unproper to be used. This is inline with PPE delivery record in 2018 which informed that safety shoes only given once a year.
- One field Upkeep Foreman in TME did not use glasses and wear a short sleeve during pesticide mixing activity. Furthermore, there is one Traction Operator did not wear safety shoes.
- Four Pesticide Applicators in BSE-1 and one Harvester in BSE-2 stated that the PPE boot has only provided once a year and currently they are wearing boots bought by themselves. Boot replacement from estate management has not realize yet. Record of PPE boots delivery for replacement of those interviewed workers is not available.
- Three Manual Upkeep Workers in BAE stated that the PPE boot has only provided once a year and currently they are wearing boots bought by themselves. Boot replacement from estate management has not realize yet. Record of PPE boots delivery for period 2018, informed that boots has only given once a year.
- CH management shows evidence of immediate correction regarding the above points such as Warning Letter, Official Letter of Uncomplete-PPE Delivery. However, this type correction has also conducted on the previous assessment, but seems ineffective since the same matters recurring in this surveillance 1 audit.

Non-Conformance Description:

Based on explanation above, it could be concluded that the CH is not be able to shows that corrective action identified on the previous assessment has effectively overcome root of cause which consist of workers understanding towards PPE replacement, effectiveness of PPE-completeness monitoring and PPE inspection

Root Cause Analysis:

- Socialization on PPE delivery and replacement mechanism to all employee is considered not effective yet.
- OSH Expert have not carried out socialization on HIRAC of pesticide mixing to the respective officer.
- Safety officer and Foreman are never conducting monitoring of PPE completeness before working. Thus, there are several workers did not wear or brings a complete PPE.

Correction):

- To conduct socialization on PPE delivery and replacement to all workers, according to the risk of work.
- To conduct socialization on pesticide mixing HIRAC, especially to the respective officer(s).
- Estate and Mill Manager had made a memorandum regarding extra 10 % of PPE stock in the warehouse, which will be used for broken/unproper PPE replacement.

Corrective Action (filled by organization audited):

- To conduct daily monitoring on PPE completeness of workers by Foreman at before and during working hour. The same monitoring has conducted by weekly basis by Safety Officer which appointed by estate/mill Manager. Workers who do not carry a complete PPE are not allowed to work before completing their PPE, which already given by the company.
- To conduct socialization towards HIRAC periodically through safety briefing and safety town hall.
- Providing extra 10 % of PPE stock on the Store.
- Quarter assessment of environment safety and health, conducted by PSQM Staff.

Assessor Evaluation and Conclusion (filled by auditor):
Auditor Verification 24 February 2019

Unit management shows document of Operating Expenditure (OPEX) GPA E4 which informed budget under IDR 50 million could directly issued (approved) by Senior Manager or Estate/Mill Manager. Furthermore, there are several correction evidence as follows:

BSF

- Socialization/refreshment of PPE, safety in BSF on 22 February 2019, attended by 30 workers, included Senior Assistant, Assistant, Supervision, Foreman and workers. Subject of training was broken/unproper PPE replacement mechanism.
- Memorandum of BSF Manager to Admin Head No. 029/BSF/II/2019 dated 21 February 2019 about provision of PPE extra for about 10 %.
- Decree of Safety Officer appointment for BSF No. SK/Safety Officer/BSF/II/19/028 dated 15 January 2019, for worker namely Ahmad Nurwahid Siregar.

BSE-1

- Socialization/refreshment of PPE, safety in BSE-1 on 20 February 2019, attended by 58 workers. Subject of training was broken/unproper PPE replacement mechanism.
- Memorandum of BSF Manager to Admin Head No. BSE1.I/2019/019 dated 21 February 2019 about provision of PPE extra for about 10 %.

BSE-2

- Socialization/refreshment of PPE, safety in BSE-2 on 22 and 26 February 2019, attended by 155 workers. Subject of training was broken/unproper PPE replacement mechanism.
- Memorandum of BSE-2 Manager to Admin Head No. 018/PT PPP/BSE2/II/2019 dated 22 February 2019 about provision of PPE extra for about 10 %.
- Decree of Safety Officer appointment for BSE-2 No. 015/Bse2/Kantor Besar/II/2019 dated 01 February 2019, for worker namely Muslem (NIK 48232).

TME dan BAE

- Socialization and training of PPE replacement mechanism and safe pesticide mixing technique to 45 workers from TME and BAE on 22 February 2019.
- Memorandum of TME/BAE Manager to Admin Head dated 21 February 2019 about provision of PPE extra on the Store for about 10 %.
- Decree of Safety Officer appointment for BAE and TME No. 035/TAN/P3/II/2019 dated 03 January 2019, for worker namely Indri Kasandi.

Furthermore, unit management has also able to shows PPE Monitoring Form, ESH Assessmenet Checklist from Estate and Mill. Realization and effectivity of Forms filling, as well as its implementation will be observed during Major verification.

Conclusion:

Unit management has not describe a comprehensive root of cause. Please answer several questions asked. Realization and effectivity of Forms filling, as well as its implementation will be observed during Major verification. Thus, NCR No. 2019.11 is still remain **open**.

Auditor Verification 27 February 2019

The company shows additional correction evidence, as follows:

BSE-1

- Decree of Safety Officer appointment for BSE-1 No. BSE1.I/2019/018 dated 01 January 2019, for worker namely Azmil (NIK 47645).
- Memorandum of Area Controller Aceh to all Mill and Estate Manager No. Memo/AC-ACEH/007/II/2019/M dated 22 February 2019 about provision of PPE extra for about 10 % in all units.

Conclusion:

Unit management has not describe a comprehensive root of cause and corrective action. Please answer several questions asked. Realization and effectivity of Forms filling, as well as its implementation will be observed during Major verification. Thus, NCR No. 2019.11 is still remain **open**.

Major Verification 04-06 March 2019

As evidence of PPE Extra 10%, unit management shown purchase order and its receipt from several suppliers. PO's were approved by managing Director and Procurement Director from Head Office in Jakarta, with recapitulation as follows:

Unit	Number of PO	Number of Supplier/Vendor	Purchasing Realization (IDR)
BSF	2	2	3,820,000
BSE-1	1	1	29,726,000
BSE-2	12	7	71,767,500
TME	1	1	2,492,000

BAE	1	1	1,390,500
Total			109,196,000
<p>Based on review towards document of receipt in the Store and data of PPE stock as per 01 march 2019, as well as observation to PPE Store in BSF, BSE-1, BSE-2, TME and BAE on 05-06 March 2019, it was known that number of extra PPE 10% were in accordance with PPE listed on PO.</p> <p>All unit management are able to shows daily PPE monitoring which prepared by Foreman and Safety Officer. Form were checked by Safety Officer, Foreman, Assistant Divisi and Estate/Mill Manager.</p> <p>Based on interview with 1 Foreman and 3 Harvesters in Division 3 Block F05 BSE-2; 1 Foreman and 3 orang Pesticida Applicators in Division 2 Block B06 BSE-1; Boiler Operator, Hoisting Crane Operator and WTP Operator in BSF; 1 Foreman and 3 Pesticide Applicators in Division 2 Block C001 BAE; as well as 1 Foreman and 3 Harvesters in Division 1 Block 019 TME, it could be concluded that all workers has understood the mechanism of PPE delivery and replacement. There is also evident of PPE replacement, for example, replacement a pair of safety boot for Hoisting Crane Operator dated 05 March 2019.</p> <p>Based on root of cause and corrective action review, as well as correction evidence given, it could be concluded that NCR No. 2019.04 is considered closed. Consistency on this matters will be observed on the next audit.</p>			
Verified by		: Mohamad Amarullah	

NCR No.	: 2019.05	Issued by	: Mohamad Amarullah
Date Issued	: 16 February 2019	Time Limit	: ASA-1.2
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 4.7.6. All workers shall be provided with medical care, and covered by accident insurance (see criterion 6.5.3)		
Evidence observed: Based on review on BPJS-TK E-Payment of CV Bina Mandiri dated 06 November 2018 and CV Usaha Mandiri dated 21 January 2019, it was known that contractor workers has also covered by BPJS. However, CH management is not be able to shows that workers from non-corporate contractor has also been covered by BPJS. For example as results of interview as follows: <ul style="list-style-type: none">Workers from Idawati for upkeep works through manual and chemical (pesticide) in BSE-2 of PT PPPWorkers from Zamzami in Castration in BSE .Workers from Dian Armansyah for FFB transportation from BAE of PT Sri Kuala and TME of PT PPP to BSF of PT PSS.			
Non-Conformance Description: Based on work agreement review, it was stated that contractor worker shall be registered on work accident insurance scheme.			
Root Cause Analysis <ul style="list-style-type: none">There is no mechnism of contractor rules.Thers is no monitoring about contractor workers right fulfillment towards BPJS.			
Correction: <ul style="list-style-type: none">To make procedure on contractor rules which covers compliance towards minimum wages payment of covers of BPJS manpower of contractor workers.To provide calculation of conversion on contractor workers, based on IDR/kg or IDR/ha.			

<ul style="list-style-type: none"> To demonstrate premium payment for security in IDR/hour. To make agreement with security about update of premium payment which comply with applicable regulation. 	
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> To conduct regular evaluation and monitoring on fulfillment if contractor workers rights towards minimum wages and BPJS. To conduct annual monitoring and evaluation on premium payment for security. 	
Assessor Evaluation and Conclusion (filled by auditor):	
Verified by	: Mohamad Amarullah

NCR No.	: 2019.06	Issued by	: Brigitta Prita
Date Issued	: 16 February 2019	Time Limit	: 17 May 2019
NC Grade	: Major	Date of Closing	: 18 April 2019
Standard Ref. & Requirement	: 5.2.1. Record(s) on the results of High Conservation Value (HCV assessment) that includes both the planted area and the relevant wider landscape-level considerations (such as wildlife corridors) shall be available.		

Evidence observed (filled by auditor):

Based on the document review there are differences in the extent of HCV for area statement for 2019 period; company calculation data (estates) and HCV identification data by Politto 2010 with details as follows:

Location	Area based (ha)			
	HCV Identification Document 2010	Area Statement for 2019	Company Calculation 2019	Difference (HCV Area)
Tamias Estate	6.88	17.05	17.05	-
Batang Ara Estate	78.93	727.22	727.83	0.61
Blang Simpo Estate 1	209.46	142.55	134.66	7.89
Blang Simpo Estate 2		56.02	56.02	-
Total	295.27	942.84	935.56	8.5

The HCV area determined by unit management was approved by Plantation Managing Director in 2016, HCV area for Batang Ara Estate of **443 ha** (planted in the year 1994 - 1996 converted to HCV area) and based on mapping survey data conducted by Minamas Research Center known HCV area **227 ha** (slope of 25°) so that the area of HCV for Batang Ara Estate is **670 ha**.

Non-Conformance Description (filled by auditor):

The company has not been able to show the total management of the HCV area in accordance with the HCV identification documents owned by the company and if there is an additional area of HCV, justification has not been shown regarding the area.

Root Cause Analysis (filled by organization audited):

There was an error in giving HCV management program data to HCV area.

Correction (filled by organization audited):

Adjustment of HCV area data on management programs with HCV area in the Area Statement.

Corrective Action *(filled by organization audited):*

Verify the HCV management data program by the unit Manager.

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

Verified, April 18th 2019.

The company shows area statement for 2019 period with details:

Decription	BSE 1	BSE 2	TME	BAE	Total
HCV area	134.66	56.02	17.05	727.22	934.95

Details of HCV for BAE (Batang Ara Estate) covering 727.22 ha.

- Blocks 15, 16, 17 & 31 Division II covering an area of 105.5 ha in the form of slope areas above 40%.
- Blocks 18,19,20,22,32,33,34, & 35 Division III covering an area of 228.04 ha in the form of areas with slopes above 40%; & Block 31 is a riparian area.
- Blocks 21, 26, 24, & 31 Division III covering an area of 89.04 ha in the form of a slope area above 40% and Block 31 is a riparian area.
- Blocks 25, 23, 30, 36, 37,38,39,40 Division III covering 231.42 ha in the form of slopes above 40% of secondary forest.
- Blocks 27, 28 & 29 Div III covering an area of 73.22 ha in the form of riparian area and there are slopes above 40%.

Details of HCV for BSE 1 (Blang Simpo Estate) covering an area of 134.66 ha.

- Blocks 17, 18, & 19 covering an area of 0.03 ha in the form of riparian area.
- Blocks 9,10,13,21 & 23 covering an area of 24.75 ha in the form of riparian area.
- Blocks 15, 60.61 & 67 covering an area of 11.8 ha in the form of potential riparian area.
- Blocks 65,66,70, 14 & 15 covering an area of 19.41 ha in the form of a riparian area.
- Block 11 covering an area of 1.88 ha in the form of a riparian area..
- Block 57 & 64 covering an area of 0.05 ha in the form of riparian.
- Blocks 59, 141 & 144 covering an area 1.78 ha in the form of riparian area.
- Block 68,125 covering an area of 18.91 ha in the form of areas with slopes above 40%.
- Blok 126,127 covering an area of 27.79 ha in the form of areas with slopes above 40%.
- Block 139 & 140 covering an area of 28.26 ha in the form of areas with slopes above 40%.

Details of HCV for TME (Tamiang Estate) covering an area of 17.05 ha.

- Block 31.43.41 Division 1 covering an area of 5.45 ha in the form of riparian area.
- Blocks 34,25,19 & 21 Division I covering an area of 11.6 ha in the form of riparian area, lake / reservoir border areas.

Verification, April 24th 2019.

Details of HCV for BSE 2 are 56.02 ha.

- Block E10 covering an area of 8.49 ha in the form of riparian area dominated by woody species.
- Blok E011 covers an area of 3.99 ha in the form of an area with slopes above 40%.
- Block F007 covering an area of 20.87 ha in the form of areas with slopes above 40%, riparian and springs.
- Block F008 covering an area of 22.67 ha in the form of an area with slopes above 40% and riparian.

Based on the explanation above, this non-conformance is stated to have been fulfilled and will be observed during the next surveillance.

Verified by : **Brigitta Prita**

NCR No.	: 2019.07	Issued by	: Brigitta Prita
Date Issued	: 16 February 2019	Time Limit	: ASA 1.2
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	5.2.4. Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.		
Evidence observed (filled by auditor): The company has shown data on HCV management and monitoring of PT Perkebunan Sri Kuala; PT Padang Palma Permai and PT Perkasa Subur Sakti for the 2018-2019 period with the results of the monitoring.			
Non-Conformance Description (filled by auditor): The company has not been able to show follow up or review improvements to the HCV management plan.			
Root Cause Analysis (filled by organization audited): There is no evaluation of the HCV management plan.			
Correction (filled by organization audited): Monitoring was conducting again and evaluating the improvement of the HCV management plan.			
Corrective Action (filled by organization audited): Monitor regularly by HCV officers every month.			
Assessor Evaluation and Conclusion (filled by auditor): Verified, April 18th 2019. Evidence sent is management and monitoring data carried out by the company in March 2019. Please be able to show evidence of review of the management and monitoring plan in detail, as stated in the PIC, actions to be taken in the future and time of activity. So this is stated to have not been fulfilled (OPEN) .			
Verified by	:	Brigitta Prita	

NCR No.	: 2019.08	Issued by	: Brigitta Prita
Date Issued	: 16 February 2019	Time Limit	: ASA 1.2
NC Grade	: Minor	Date of Closing	: 24 April 2019
Standard Ref. & Requirement	5.3.3 A documented waste management plan to avoid or reduce pollution and its implementation shall be available.		
Evidence observed (filled by auditor): Based on field visit at around the hazardous waste storage Batang Ara Estate, it is known that there are packages for tar or asphalt which are not managed in accordance with the Procedure for handling chemical and Non-chemical waste no. PLB / 23 / PPP-PSK-PSS / V / 12 document published on May 1 st , 2012.			



Packaging for asphalt drum located around the hazardous storage.

Non-Conformance Description *(filled by auditor):*

The plan and management of waste is not in accordance with the Procedure for handling chemical and Non-chemical Waste No. PLB / 23 / PPP-PSK-PSS / V / 12 documents.

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

The drum packaging for the asphalt is still in the BAE warehouse stock status, besides that there is no identification of the stock drum contents which are still asphalt-filled conditions.

Correction *(filled by organization audited):*

- Identify the asphalt contents in the drum.
- Transfer the drum containing asphalt into central warehouse of BAE.
- Transfer the empty drum into secondhand warehouse of BAE (Monitoring the daily progress attached).

Corrective Action *(filled by organization audited):*

- Verify in advance in accordance with the demand for goods.

Assessor Evaluation and Conclusion *(filled by auditor):*
Verification, April 24th 2019.

The company shows the daily progress of moving drum packs for tar / asphalt last period in March 2019 with details, 296 packages that have been flattened, are collected and stored in the warehouse because their status is still in Stock condition; 139 packaging that has not been moved and will be placed in the Warehouse and 36 packs of drum packed and stored in the central warehouse (evidence of photo documentation). Based on the explanation above, this is stated to have been fulfilled and will be verified during the next surveillance.

Verified by : **Brigitta Prita**

NCR No.	: 2019.09	Issued by	: Trismadi N
Date Issued	: 16 February 2019	Time Limit	: ASA-1.2
NC Grade	: Minor	Date of Closing	:
Standard Ref. &	: 6.1.4.	The documented plan for management and monitoring of social impacts, shall be	

Requirement	reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties.
Evidence observed (filled by auditor): The CH was shown review of the Social Impact Mitigation Program period of 2018 – 2020 which was made in a participatory manner (questionnaire method) involving the community from Gelumpang Payong Village, Cek Mbon Village, Seunebok Lapang Village, Tualang Pateng Village, Kruet Lintang Village, and Alue Nireh Village (Aceh Timur) and Kebun Batang Ara Village, Pantai Tinjau Village and Bundar Village. There are several activities that shall be managed, including: Interaction with migrants, employment opportunities, increasing accessibility, establishing & managing HCVs, Estates and POM operations, replanting, employee intensive activities, potential fires and territorial.	
Non-Conformance Description (filled by auditor): The CH has not been able to show evidences that all stakeholders are involved in the review activities, such as: mill and estates worker, worker unions, and contractor workers.	
Root Cause Analysis (filled by organization audited):	
Correction (filled by organization audited):	
Corrective Action (filled by organization audited):	
Assessor Evaluation and Conclusion (filled by auditor):	
Verified by	:

NCR No.	:	2019.10	Issued by	:	Trismadi N
Date Issued	:	16 February 2019	Time Limit	:	ASA-1.2
NC Grade	:	Minor	Date of Closing	:	15 April 2019
Standard Ref. & Requirement	:	6.1.5. Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).			
Evidence observed (filled by auditor): PT PPP has MoU with Pentagon Cooperative in accordance to Notary Public Act No 24 about agreement to develop smallholders in Cek Mbon Village, Peurelak Sub Regency, Aceh Timur Regency with area 720 Hectare and 311 members.					
Non-Conformance Description (filled by auditor): The CH has been able to shown evidence that smallholders were involved on the SIA process.					
Root Cause Analysis (filled by organization audited): The SIA for smallholders document was placed on Head Office Jakarta, there is no distributed to the site.					
Correction (filled by organization audited): The SIA for smallholders has been placed on the Main Office of BSE-2 and Main Office TME.					
Corrective Action (filled by organization audited):					

- Continuous improvement coordination with the head office for all document which should be placed on the site.
- Improve the documentation system by either at the mill or estate through security, head administration and PSQM.

Assessor Evaluation and Conclusion (filled by auditor):
Verification on 15 April 2019

The company was shown SIA document for smallholders on PT PPP (December 2016), the summary of report are:

1. Positive Impacts potentials: job opportunities, increased assets of the Pentagon Cooperative and the local communities.
2. Negative impact potentials: reduced of arable land, however it can compensated by the others positive impacts, included of increasing land status as property rights certificate and also form of Cooperative.
3. Social Risk: The regional election in February 2017 is a priority change in plasma development policy by the Aceh Timur Government.
4. Social Issues: The Social condition of the village are still fragile, the village boundary has not been approved and the regional election effects.
5. Social Management Plan Recommendations: Formulation of the main strategies for the social management that should be focus on the implementing social mission achievements; compile an integrated Social Management Plan by involving stakeholders in a participatory manner, applying documentation systems and procedures, as well as comprehensive communication according to the RSPO standard to the estate management level. Formulated external activities aim to bring local communities closer to the organization; establish communication and facilitate all land tenants to get the problem solutions. The priority of CSR activities is focused on facilitating the management of Cooperative and the welfare of the local community as integrated activities. Facilitation of the worker union formed and worker cooperative; training for Pentagon Cooperative admin; socialization of procedures and company standards to all smallholders and contractors.

Auditor conclusions:

Based on above explanations, this NCR was closed.

Verified by : **Trismadi N**

NCR No.	: 2019.11	Issued by	: Mohamad Amarullah
Date Issued	: 16 February 2019	Time Limit	: 17 May 2019
NC Grade	: Major	Date of Closing	: 5 May 2019
Standard Ref. & Requirement	: 6.5.1. Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.		

Evidence observed:

Based on document review, it could be concluded that salary payment has in accordance with Government 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. Those fact noted above is not in accordance with Decree of Aceh Governor about minimum wages for period 2018 informed that minimum wages for Aceh Province was IDR 2,700,000/month, or IDR 108,000/day or IDR 15,606.94/hour.

Non-Conformance Description:

- The CH has no mechanism to ensure that all contractor workers are paid in accordance with applicable regulation.
- The CH is not be able to demonstrate that premium (overtime) payment for Security is in accordance with applicable regulation.

Root Cause Analysis:

- The company has no mechanism to ensure that contractor workers shall be paid in accordance with applicable regulation on minimum wages.
- There is no evaluation of contractor workers wages.
- There is no evaluation of premium payment for security workers.

Correction:

- To make a procedure of contractor rules which presented in document No. 001/SOP-PKK/PPP.PSS.PSK/II/2019 which mentioned that all contractor shall paid their workers with applicable regulation.
- To demonstrate conversion payment based on IDR/kg or IDR/hour.
- To demonstrate conversion on security premium payment (IDR/hour)
- New agreement between Head of Security with Estate Manager and Head of Labour Union (PUK FS.PPP SPSI TME)BAE) about new premium payment.

Corrective Action:

- To conduct monitoring on contractor workers payment.
- To updated premium payment for security worker as refers to the applicable minimum wages regulation.

Assessor Evaluation and Conclusion:
Auditor Verification 18 April 2019

The company shows several evidence of correction as follows:

- Procedure No. –1/SOP-PKK/PPP.PSS.PSK/II/2019 dated 28 February 2019 about contractor rules which covers fulfillment of contractor workers towards minimum wages and coverage by BPJS manpower.
- Socialization of the above procedure has been conducted to all contractors on 01 March 2019 for TME/BAE and 14 March 2019 for Blang Simpo Estate.
- Form Monitoring contractor which informed number of BPJS of contractor workers and licenses.
- Schedule of Security officer which informed that there were 1 dayoff every week and overtime 1 hour every day.
- Monitoring of contractor workers activity which informed that they hase works for 4 hours every day from 10:00 to 14:00; as well as conversion of payment for contractor workers in BSE-2 which varies from IDR 16,250 to IDR 19,750 per hour. This is not in accordance with minimum wages of Aceh Timur Regency for period 2019 which required minimum payment should be not less that IDR 16,861 pper hour.
- Conversion of overtime payment (or premium) for BSE-2 which varies from IDR 22,808 to IDR 26,644 per hour. This is not in accordance with minimum wages of Aceh Timur Regency for period 2019 which required minimum overtime payment should be not less than IDR 25,290.26 on the first hour of overtime.

Auditor Conclusion:

- Based on conversion calculation for contractor workers and Security Officer in BSE-2 for period 2019, it was known that the minimum wages and overtime (premium) payment are not in accordance with applicable regulation in Aceh Timur Regency for period 2019.
- Correction evidence for TME and BAE are not available.

Based on explanation above, NCR No. 2019.11 is still remain **open**.

Audit Verification 05 May 2019

The company shows several additional correction evidence, as follows:

Minimum Wage Payment of Contractor Workers

- Monitoring form of contractor workers productivity for periode March and April 2019, for example with BSE-2 Contractor namely CV Kahju Indah has informed that minimum payment of contractor workers were not less than IDR 17,000/hour. This figure is higher than applicable regulation in Aceh Timur Regency. The Form is approved by Division Assistant, KTU and Estate Manager.
- Monitoring form of contractor workers productivity dated 25 March 2019, for example with 5 FFB Trasnporter Contractors for TME and BAE has informed that minimum payment of contractor workers were not less than IDR 118,080/day . This figure is higher than applicable regulation in Aceh Tamiang Regency. The Form is approved by Division Assistant, KTU and Estate Manager.
- Payment evidence (payroll slip) of contractor workers of TME, for example i.e. UP Dian Armansyah, CV Tamindo Jaya, CV kahju Indah and CV Penjo Jaya, has shows that all salary were above minimum wages of Aceh Tamiang Regency.

Overtime Payment for Security Worker (Satpam)

- Memorandum of Area Controller Aceh for all Estate and Mill Managers No. Surat/AC-ACEH/005/IV/2019/M dated 27 April 2019 about Mandays and Overtime Arrangement of Security Workers (Satpam) which mentioned that starting from 01 May 2019, total mandays per week was 5 days (40 hours/week or 8 hours/day) and there was 2 daysoff every week. Overtime will be implemented if the Satpam works on the dayoff, in accordance with applicable regulations.
- Simulation of Satpam Workdays for period May 2019, for example Satpam with worker number (NIK) No. 48245 and 48430 which informed that overtime were paid doubled since the first hour on dayoff.

Based on root of cause and corrective action review, as well as correction evidence given, it could be concluded that NCR No. 2019.11 is considered **closed**.

Verified by : **Mohamad Amarullah**

NCR No.	: 2019.12	Issued by	: Mohamad Amarullah
Date Issued	: 16 February 2019	Time Limit	: 17 May 2019
NC Grade	: Major	Date of Closing	: 6 March 2019
Standard Ref. & Requirement	: 6.5.2. Collective Labor Agreement/Company Regulation, in accordance with the manpower regulations, shall be available in understandable language; and explained by the management or Labor Union to the workers.		
Evidence observed: Based on interview with Personal-Contractor and work agreement review, it was noted as follows: <ul style="list-style-type: none">• Personal-Contractor Zamzami stated that his team has conducting harvesting in mature area.• Based on Work Agreement with Personal-Contractor Reni Indah Sari review which presented in document No. 067/BSE-2/SPK-LKL/IX/2018/B.PANEN&KUTIP LF dated 17 September 2018, it was known there is harvesting contract agreement in BSE-2 Division 3 Block F001, F003, F004 and F011.			
Non-Conformance Description: According to the points above, it was known that the CH has implementing harvesting with contract system. This is not comply with Act. No. 13 in 2003 Article 65 Clause 2 and Minister of Manpower Regulation No. 19 in 2012 Article 3 Clause 2(d).			
Root Cause Analysis: There is a request from elders and leaders from surrounding communities (Villages) about to hire Village members for harvesting activities in the company as an outsource workers. However, compay management cannot receive the workers permanently, due to labor ration has been exceeded, as arranged by company policy.			

Correction:

- To conduct coordination with Manpower Agency, Vendors, Head of PUK, Head of Labor Union (PC SPSI) about outsource on harvesting activities.
- To attach Memorandum of Aceh Area Controller regarding legal entity for harvesting Contractors.

Corrective Action:

- Continuously make a good coordination with Manpower Agency about manpower matters.
- Monitoring the completeness of contractor documents in accordance with Manpower Agency requirement.

Assessor Evaluation and Conclusion:
Auditor Verification 27 February 2019

The company shows several evidence as follows

- Memorandum Area Controller Aceh No. Memo/AC-ACEH/008/II/2019/M dated 25 February 2019 about legal entity of harvesting vendor/contractor. Vendor without legal entity can not cooperate with the company.
- Letter of Head of Kebun Tanah Terban Village (*Datok Penghulu*) dated 19 February 2019 for TME/BAE Manager about additional work for harvester. The letter has responded through meeting dated 21 February 2019 which mentioned that outsource for harvesting activities is allowed. Minutes of meeting was approved by Manpower Agency of Aceh Tamiang Regency representatives (Agency Head, Industrial Division Head); Head of Labour Union of Aceh Tamiang Regency (PC SPSI Aceh Tamiang), Head of Labour Union of PT PPP and PT Sri Kuala; and *Datok Penghulu*. Minutes of meeting mentioned that harvesting vendor must have a legal entity. Area of working is maximum for 30 % of total area with time of agreement is available for 2 months, or as needed by estate management.
- Letter of Head of Gampong/Village of Seuneubok Lapang (Keuchik) dated 23 February 2019 for BSE-1 and BSE-2 Manager about additional work for harvester. The letter has responded through meeting dated 23 February 2019 which mentioned that outsource for harvesting activities is allowed. Minutes of meeting was approved by Manpower Agency of Aceh Timur Regency and Aceh Province representatives (Monitoring Division and Industrial Division Head); Head of Labour Union, KTUBSE-1, Kasie BSE-2; and Contractor representatives (Zamzami). Minutes of meeting mentioned that harvesting vendor must have a legal entity. Area of working is maximum for 30 % of total area with time of agreement is available for 2 months, or as needed by estate management.

Auditor Conclusion:

Root of cause analysis, corrective action and correction evidence are accepted. Minutes of meeting mentioned that cooperation with harvesting vendor could be conducted with contractors that have legal entity. Contract with contractor without legal entity will be terminated. Implementation on this matter will be verified during major verification and crosschecked with Manpower Agencies of Aceh Timur and Aceh Tamiang Regency and Aceh Province. Thus, NCR No. 2019.12 is still remain **open**.

Major Verification 05-06 March 2019

The company has mechanism/procedure about agreement with contractor which presented in document No. 001/SOP-PKK/PPP/PSS.PSK/II/2019 dated 28 February 2019. The procedure mentioned that harvesting contractor is compulsory to provide a proper PPE, implementing minimum wages in accordance with applicable regulation, and covers their workers with BPJS. Contractor that not able to fulfill those requirement will be terminated.

In order to fulfill agreement results, unit management is able to show Letter of contract termination from Aceh Area Controller to all harvesting contractors without legal entity, for example as follows:

- Termination Letter for six harvesting contractors in BSE-2 No. BSE-2/EM/II/2019/020 dated 25 February 2019. Contract will be continue when contractor has a legal entity.
- Termination Letter for four harvesting contractors in BSE-1 No. BSE-1/2019/020 dated 25 February 2019. Contract will be continue when contractor has a legal entity.

Public Consultation with Manpower Agency of Aceh Province dated 05-06 March 2019

Interviewee: Coordinator Region 2 (Aceh Timur) Manpower Monitoring of Aceh Province; Division Head of Industrial Relationship and Social Insurance of Aceh Tamiang Regency; and Section Head of Wages and Social Insurance.

All interviewee stated that existence of the company was significantly give positive contribution to surrounding communities,

especially on absorbing local employment in Aceh Timur and Aceh Tamiang Regency. Manpower agencies has been involved towards outsourcing harvester matters which conducted through consultation with summary as follows:

- Both Manpower Agency has agreed to allows outsourcing harvester in PT PPP and PT Sri Kuala to local contractors, with requirement that they must have a legal entity.
- The company will assist process of legal entity forming based on contractor willingness and initiative itself.
- The contractor workers shall be covered by manpower rights such as been paid as in accordance with applicable regulation towards minimum wages and BPJS of manpower. Furthermore, the company is compulsory to monitor compliance of contractor about this matters.

Based on root of cause and corrective action review, as well as correction evidence given, it could be concluded that NCR No. 2019.12 is considered **closed**.

Verified by : **Mohamad Amarullah**

NCR No.	: 2019.13	Issued by	: Trismadi N
Date Issued	: 16 February 2019	Time Limit	: 17 May 2019
NC Grade	: Major	Date of Closing	: 4 April 2019
Standard Ref. & Requirement	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. 		

Evidence observed (filled by auditor):

The CH was shown several transaction records on the Palm Trace period of February 2018 to January 2019 as follows:

Products	Shipping Announcement (MT)	Remove (MT)	Credit Allocations (MT)
CSPO	-	1,032.27	11,758
CSPK	453.36	1,954.11	-

While based on record keeping sighted that CSPK sold as conventional period of February 2018 to January 2019 is 2,237.55 MT. There are variance 283.44 MT of CSPO should be removed on the Palm Trace.

Non-Conformance Description (filled by auditor):

The CH has not been able to shown that all CSPO and CSPK transaction was registered on the RSPO Palm Trace.

Root Cause Analysis (filled by organization audited):

Not properly monitored, all CSPK transactions have been registered on the palm trace by the Marketing Department.

Correction (filled by organization audited):

Remove stock of CSPK into the palm trace as 283.44 MT.

Corrective Action (filled by organization audited):

CSPO and CSPK sales monitoring at least every six months by the PSQM Department. PSQM and Marketing Department will be coordinating to register the transaction on the palm trace.

Assessor Evaluation and Conclusion (filled by organization audited):
Verification on 22 February 2019

CH was shown removing stock of CSPK on February 18, 2019 as many as 283.44 MT.

Verification on 4 April 2019

CH shows the monitoring mechanism for the CSPO and CSPK sales stocks between the PSQM Department and the Global Trade Marketing (GTM) Department signed by Head of PSQM on 1 April 2019. It was included:

- PSQM Department will be monitor the CSPO & CSPK sales every six month.
- The GTM Department in Jakarta will removed the CSPO & CSPK sales as conventional, it less of production. It will be informed to the PSQM Department.

Auditor conclusions:

Based on above explanations, this NCR was closed.

Verified by

: Trismadi Nurbayuto

3.5.3 Opportunity for Improvement

No	Ref. Std.	Description
1	4.6.11	Record of medical history has also kept by doctor company and saved on Estate Clinic. The testing has also including for fertilizer applicators and BSS workers. However, as informed by Estate management and Local Contractor (for example) namely Idawati, it was known that starting from 2019 there is use of Contract Workers for pesticide application works in BSE Estates. Hence, all estate management is encourage to prepare a specific medical check up required (Cholinesterase and Spirometry) to those applicators.
2	6.3.2.	The BSE-1 to be consider to continuing water reservoir development as water reserve on dry seasons.
3	6.8.3.	There is several workers under temporary agreement (PKWT) in BSF which already work for two years with one agreement extension, for example as shows in document No. 004/PKWT/BSF/I/2018 dated 02 Janury 2018 and No. 011/PKWT/BSF/I/2019 daetd 01 January 2019. Hence, BSF management is encourage to implementing temporary worker (PKWT) period, in accordance with applicable regulation.
4	RSPO Certification System point 4.5.3.	Sime Darby Plantations to be consider to updated the Time Bound Plan and also to justified the changes.

1.5.4 Noteworthy Positive Components

No	Descriptions
1	The Company is committed to the implementation of sustainable palm oil management - maintaining a one cycle of RSPO certification
2	The realization of the first plasma plantation development in Aceh Province
3	Zero Accident award for Blang Simpo Factory in year of 2018
4	OHS norm for women workers award in PT PPP year of 2018

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
Local Contractor of TME (FFB transport) & BAE (Road maintenance) <ul style="list-style-type: none"> - Agreement period with company is every three month period. - Payment are conducted 15 days after invoice. - Driver was paid IDR 400,000/trip. - All contractor worker is un registered on the work accident insurance (BPJS Ketenagakerjaan) - Contract price in accordance to agreement of both of parties. 	<ul style="list-style-type: none"> - It has been verified on criteria 6.11. - Regarding to contractor workers insurance has been verified on indicator 4.7.6.
Head of Kebun Tanah Terban Village (TME) & Batang Ara Village (BAE) <ul style="list-style-type: none"> - There are no fire issues. - There are no environment pollution issues. - There are no land dispute issues. - There are no smallholders program from both of villages. - The company has been realized CSR program, such as: road maintenance, religious aspect, social and education. - There is no protected wildlife into the company area. - Understand the mechanism of communication with the company and know the PIC to be contacted 	<ul style="list-style-type: none"> - It has been verified on criteria 2.3; 5.1; 6.10; and 6.11
Gender Committee Secretary and Head (TME& BAE) <ul style="list-style-type: none"> - There are no sexual harassment issues. - Menstruation leave (H-1 leave) has been implemented for all woman workers, it was control of pesticide applicator woman pregnancy. - Maternity leave (H-2 leave) has been implemented for all woman workers. - There are gender equality on the field, for example: there are woman foreman. 	<ul style="list-style-type: none"> - It has been verified on criteria 6.9.
Head of Worker Union (SPSI) <ul style="list-style-type: none"> - Minimum wage year of 2018 in Tamiang Estate and Batang Ara Estate using Aceh Province standard (IDR 2,700,000/month). While year of 2019 will be using Aceh Timur Regency standard (Rp 2,950,000/month). - All permanent workers has been registered on worker insurance and health insurance. - There are no industrial relations dispute during last year. - There are no complaint from workers regarding rice quality (allowance) - Collective Labour Agreement is still using period of 2016 to 2018, extension of CLA on progress. - Overtime for security TME & BAE were under standard. - There are several complain from workers about housing complex condition. 	<ul style="list-style-type: none"> - Regarding insurance for permanent workers has been verified on indicator 4.7.6 - Regarding minimum wage has been verified on indicator 6.5.1, while the overtime for security has been issued as nonconformity. - Regarding CLA has been verified on indicator 6.5.2. - Regarding complaint, has been verified on criteria 6.3. - Regarding complaint of housing complex condition, the company only have budget for maintenance. There is no budget for new building.
Head of Sub-Village Dua Lama, Cek Mbon Village; Chief of Youth organization, and Public Figure from Tualang Pateng Village.	



Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> - There are no fire issues. - There are no environment pollution issues. - There are no land dispute issues. - The company has been realized CSR program, such as: road maintenance, religious aspect, social and education. - Understand the mechanism of communication with the company and know the PIC to be contacted - PT PPP has been developed associate smallholders, agreement with Pentagon Cooperative in Cek Mbon Village, with area 720 Ha and 313 members. - Regarding land dispute issues on internet, we can explain the history as follow: The area for plasma was based on the appointment of Aceh Timur Regent in 2012. In 2015 there are land claim by outsider of Cek Mbon Village. Then through mediation of local government, they were asked to show legal evidence of the land. However it could not be proven. 	<ul style="list-style-type: none"> - Regarding environment pollution issues has verified on criteria 5.1. - Regarding land dispute issues has been verified on criteria 2.3 & 6.4. <p>Regarding land claim issues on internet, an auditor was verified several data. Such as:</p> <ul style="list-style-type: none"> - Aceh Timur Regent Decree Letter No 525/570/2013 dated 21 August 2013 about: <i>"Penetapan Calon Koperasi Mitra Program Revitalisasi untuk kebun plasma dengan avails perusahaan perkebunan PT Padang Palma Permai Kabupaten Aceh Timur Tahun 2013 with area 720 Ha and 294 members"</i>. - Aceh Timur Regent Decree Letter No 538.3/764/2013 dated 25 November 2013 about: <i>"Penetapan Perusahaan Perkebunan PT Padang Palma Permai sebagai Perusahaan Pelaksana Pembangunan Kebun Masyarakat dalam Kabupaten Aceh Timur Tahun 2013 with area 720 Ha."</i> - Aceh Timur Regent Decree Letter No 525/1085/2015 dated 19 October 2015. <i>Jumlah Petani Plasma 313 KK.</i> - Aceh Timur Regent Decree Letter No 538.3/252/2016 dated 16 March 2016 about: <i>"Penetapan Lahan Pembangunan Kebun Masyarakat oleh Perusahaan Perkebunan PT Padang Palma Permai"</i>. - Aceh Timur Decree Letter No 594/862/2016 dated 20 October 2016 about Land Clearing Permit to PT Padang Palma Permai for smallholders area (720 ha) in Gampong Cek Mbon, Kecamatan Peureulak.
<p>Village head of Alur Baung Sub-Village of Suka Damai (Aceh Tamiang District)</p> <p>Based on interview with the Head of Alur Baung Village, it is known that the village community look forward for road maintenance, especially cooperation between the company and the local government for the manufacture of asphalt roads in the Village area that are passed by the Company and towards the city center.</p> <p>Every request for information has been responded by the company.</p>	<p>The company has collaborated with the local government to carry out road maintenance (asphalt manufacturing) and will be implemented in 2020.</p>
<p>Harvesting Contractor in BSE-2</p> <ul style="list-style-type: none"> - Harvesting contract were evaluated every three month. - The payment period in accordance to work agreement. 	<ul style="list-style-type: none"> - It has been verified on criteria 6.11. - Regarding to contractor workers insurance has been verified on indicator 4.7.6.

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> - All contractor workers are unregistered on Work Accident Insurance (BPJS TK). While their health insurance were registered by government (social insurance). - All PPE's was provided by contractors. 	
Chief of workers union of BSE-1 <ul style="list-style-type: none"> - All permanent workers has been registered on worker insurance and health insurance. - There are no industrial relations dispute during last year. - There are complaint regarding water reservoir as water reserve on dry seasons, and then the company has been response on last year. There are two water reservoir was developed, and it has finished one only. 	<ul style="list-style-type: none"> - Regarding complaint, has been verified on criteria 6.3.
Chief of Gender Committee BSE-2 <ul style="list-style-type: none"> - There are no sexual harassment issues. - Menstruation leave (H-1 leave) has been implemented for all woman workers, it was control of pesticide applicator woman pregnancy. - Maternity leave (H-2 leave) has been implemented for all woman workers. - There are gender equality on the field, for example: there are woman foreman. 	<ul style="list-style-type: none"> - It has been verified on criteria 6.9.
Chief of workers union of Blang Simpo POM <ul style="list-style-type: none"> - All permanent workers has been registered on worker insurance and health insurance. - There are no industrial relations dispute during last year. 	<ul style="list-style-type: none"> - Regarding complaint, has been verified on criteria 6.3.
Plantation and Veterinary Agency of Aceh Timur Regency Tuesday, 11 February 2019 Interviewee: Division Head of Agribusiness, License and Plantation Product Processing Interview Notes: <ul style="list-style-type: none"> • Both PT PPP and PT PSS has Plantation/Factory Class II. However, the Decree were still ongoing. Assessment on this matter has conducted in August to September 2018. • Both company has involved local communities in designing annual CSR program. Several program which had carried out are development of mosque, roads and transaction with locals' communities. • Both company has deliver several periodic compulsory reports ontime, such as Semester LKUP, Quarter Land Use and quarter production report. • Progress of Smallholder (Plasma) has reached 80 % with positive and conducive process. • Complaints towards pest outbreaks during replanting and its effect's to surrounding communities' plantation were almost nothing. 	All comments given indicates positive response of company operational activities towards local, national and ratified international laws and regulations aspect, as mentioned in Criteria 2.1; 2.2; 2.3; 4.3 and 5.5.

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> The employee were dominated by locals (Aceh), followed by other ethnics such as Batak, Jawa, Melayu, etc. There is no overlapping area with forest and/or customary area and no conflict related to land dispute with local rights. There is no issues or reports from Local and National NGO related to fire incidence in PT PPP and PT PSS. Company facilities on fire management has considered satisfactory. The Agency has asking the progress of realization towards enclave area on Cek Embon Village for about 500 ha. 	
<p>Industrial, Manpower and Transmigration Agency of Aceh Timur Regency Tuesday, 11 February 2019 Interviewee: Section Head and Staff of Industrial Relationship</p> <p>Interview Notes:</p> <ul style="list-style-type: none"> PT PPP and PT PSS has Occupational Health and Safety Committee (P2K3) which authorized by Manpower Agency. Both company is considered cooperative and satisfactory to fulfill administrative obligation report, such as Semester WLTk and P2K3. BPJS of Manpower and Health has applied for all internal worker (permanent and contract). There is no issues on foreign worker, child labor abuse, employee dispute, discrimination and other negative issues related to manpower aspects. Minimum wages per month for Aceh Timur District for period 2018 was reported in accordance with regulation, which was about IDR 2,700,000.-/month. For 2019, minimum wages was IDR 2,918,080.-. There was Labor Union in BSE-1 of PT PPP and BSF of PT PSS. However, Union or Bipartite in BSE-2 is not clear. Collective Labor Agreement (PKB) is reported still valid. The company has license of processing machineries such as Boiler, generator set, electrical installation, etc. Companies has consider cooperative in terms of providing information which requested by the Agency. 	<p>All comments given indicates positive response of company operational activities towards environment management aspect, as mentioned in Criteria 4.7; 6.1; 6.2; 6.5; 6.6; 6.7 6.8 6.9 6.12 and 6.13.</p> <p>Labor Union of BSE-2 is combined with BSE-1, since both were under PT PPP.</p>
<p>Environment Agency of Aceh Timur Regency Tuesday, 11 February 2019 Interviewee: Division Head of Environment Monitoring and Management</p> <p>Interview Notes:</p> <ul style="list-style-type: none"> DPLH (Adendum) for PT PPP has been released. PT PPP and PT PSS has considered cooperative in term of obligation report delivery ontime, such as quarterly liquid waste report, semester environment management and monitoring plan report (UKL/UPL and RKL/RPL), land application report and quarterly hazardous waste report. 	<p>All comments given indicates positive response of company operational activities towards environment management aspect, as mentioned in Criteria 4.4; 4.6; 5.1; 5.2 and 5.3.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> Permit of hazardous waste warehouse and land application are reported still valid. Progress of online reporting towards hazardous waste management has still on progress (register stage). Both company has a good relationship and satisfactory communication with the Agency. There is no change of FFB process capacity, which is 30 ton FFB/hour. There in no negative issues towards environmental aspect, due to estate operational activities. 	
National Land Agency of Aceh Timur & Aceh Tamiang Regency Tuesday, 11 February 2019 Interviewee: - Interview Notes: no interview.	No information from Land Agency.
Environment Agency District of Aceh Tamiang. The company has routinely sent mandatory reports such as; <i>UKL / UPL</i> in semester 1 of 2018; hazardous waste for PT Sri Kuala and others. So far there has never been a report regarding environmental pollution. The company has <i>DPLH</i> documents for PT PPP units covering 1,451.99 ha for replanting activities in accordance with the Aceh Regent's decision number 660/18/2019. Every request for information has been responded by the company.	The company has implemented indicator 1.1.2 related to the provision of information. The company has implemented the indicator 5.1.1.
Labor Agency District of Aceh Tamiang Based on interviews with the Agency, it is known that the company has sent mandatory reports such as; <i>WLTk; P2K3</i> ; Work accident report & minutes of labor union meetings. The determination of wages refers to the Aceh Tamiang District for 2019 in the amount of IDR 2,950,090, - effective from January 1 st , 2019. So far, there have never been cases related to workers that reached the industrial relations court. Every problem has been resolved internally by the company. Every request for information has been responded by the company.	The company has implemented indicator 1.1.2 related to the provision of information. The company has implemented indicators 6.5.1.
Plantation Agency District of Aceh Tamiang. The company has assessed plantation business for the 2019 period with predicate of "Good". There are no changes related to <i>IUP & ILOK</i> . The company has routinely sent mandatory reports such as; report on plantation business activities; <i>UKL / UPL</i> every semester & report on land fire prevention. So far, there has never been a disruption of plantation business (disputes and land conflicts). The company also helps productive	The company already has land legality documents in accordance with criteria 2.2.

Public Issues (Institution/ NGO/Community)	Auditor Responses
businesses such as providing seeds and knowledge related to oil palm plantations & secondary crops.	

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Perkasa Subur Sakti Management Representative</p>  <p><u>Alagendran Maniam</u> May 5th, 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Trismadi Nurbayuto</u> May 5th, 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	Environmental Agency	Aceh Tamiang District & Aceh Timur District, Province of Aceh	-	Interview	12 February 2019	✓	
2	Labour and Transmigration Agency	Aceh Tamiang District & Aceh Timur District, Province of Aceh	-	Interview	12 February 2019	✓	
3	Agriculture, Plantation and Animals Husbandry Agency	Aceh Tamiang District & Aceh Timur District, Province of Aceh	-	Interview	12 February 2019	✓	
4	Environmental Agency	Aceh Tamiang District & Aceh Timur District, Province of Aceh	-	Interview	12 February 2019	✓	
5	Alur Baung Village	Aceh Tamiang District, Province of Aceh	-	Interview	12 February 2019	✓	
6	Bundar Village	Aceh Tamiang District, Province of Aceh	-	Interview	12 February 2019	✓	
7	Batang Ara Village	Aceh Tamiang District, Province of Aceh	-	Interview	12 February 2019	✓	
9	Tualang Village	Aceh Timur District, Province of Aceh	-	Interview	13 February 2019	✓	
10	Cek Mbon Village	Aceh Timur District, Province of Aceh	-	Interview	13 February 2019	✓	
11	Internal Stakeholder: <ul style="list-style-type: none"> • 3 security, • 1 weightbridge operator, • 1 laboratory personel, • 2 grading personel, • 1 loading ramp operator, • 1 warehouse personel, • 2 workshop personel from Blang Simpo POM • 5 Spraying workers in BAE, TME, and BSE-1 • 3 Harvester in TME & BSE-2 	PT Padang Palma Permai PT Perkebunan Sri Kuala PT Perkasa Subur Sakti	-	Interview	12 to 15 February	✓	
12	WWF Indonesia	Jakarta, Indonesia	Wwf.indonesia@wwf.or.id	Quesioner	6 February 2019		✓
13	Walhi Aceh	Aceh, Indonesia	wahiatjeh@gmail.com	Quesioner	6 February 2019		✓
14	FFI Aceh	Aceh, Indonesia	Ffi.aceh@ffi.or.id	Quesioner	6 February 2019		✓
15	Jaringan Komunitas Masyarakat Adat Aceh	Aceh, Indonesia	Jkma.aceh@gmail.com	Quesioner	6 February 2019		✓
16	Sawit Watch	Jakarta, Indonesia	info@sawitwatch.or.id	Quesioner	6 February 2019		✓

Appendix 2. Assessment Program

DATE	11 to 16 February 2019	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 11 February 2019		
05.35 – 08.00 09.30 – 13.30 14.00 – 15.00	Travelling from Jakarta to Kuala Namu Airport GA 180 Travelling from Kuala Namu Airport to PT Padang Palma Permai Opening Meeting: <ul style="list-style-type: none"> Auditee Speech (introduction of PIC, Profile of Mill and Estate Management Unit) Auditor Team Speech (introduction, audit objective, audit scope, audit plan discussion, determine of audit sample, determine of field visit audit, transparency and confidentiality clarification). 	ALL AUDITOR ALL AUDITOR
15.00 – 17.00	Review of Previous Visit Non-conformance (Re-Certification), Partial & Time Bound Plan verification Document verification: Basic information	ALL AUDITOR
Tuesday, 12 February 2019		
08.00 – 12.00	Public consultation to Government Agency Aceh Timur Public consultation to Government Agency Aceh Tamiang Public consultation to surrounding communities Tamiang Estate Public consultation to stakeholder for Blang Simpo 2 Estate (worker union, gender committee & contractor)	MAH BRP TNB TNB
	Field Observation at Tamiang Estate: <ul style="list-style-type: none"> Activities of Harvesting & Transportation, Fertilize, Pesticides Application and Biological Control Monitoring 	HRK & TNB
12.00 – 14.00	Break	ALL AUDITOR
14.00 – 17.00	Field Observation to Tamiang Estate: <ul style="list-style-type: none"> Waste management, Fire Control Facilities (simulation), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, workshop, Housing, School, Worship Place, Clinic, generator room, Reservoir Land Use, Legal Boundaries, HCV/ conservation area Review of Previous Visit Non-conformance (Re-Certification)	BRP TNB HRK/MAH
Wednesday, 13 February 2019		
08.00 – 12.00	Field Observation at Blang Simpo 1 & Blang Simpo 2 Estate: <ul style="list-style-type: none"> Activities of Harvesting & Transportation, Fertilize, Pesticides Application, Biological Control Monitoring Waste management, Fire Control Facilities (simulation), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, workshop, Housing, School, Worship Place, Clinic, generator room, Reservoir Land Use, Legal Boundaries, HCV/ conservation area Public consultation to surrounding communities for PT PPP	HRK & TNB BRP MAH TNB TNB

12.00 – 14.00	Public consultation to stakeholder for Blang Simpo 2 Estate (worker union, gender committee & contractor)	ALL AUDITOR
14.00 – 17.00	Break Field Observation to Blang Simpo POM: <ul style="list-style-type: none"> • Security post, WB, loading ramp, laboratorium, SCCS • Processing station, engine room, boiler, workshop, Hydrant simulation • Housing, health clinic, clean water, Drainage, solid waste, Hazardous storage, Hazardous Waste Storage, WTP, WWTP 	TNB HRK/MAH BRP
Thursday, 14 February 2019		
08.00 – 12.00	Field Observation at Batang Ara Estate: <ul style="list-style-type: none"> • Activities of Harvesting & Transportation, Fertilize, Pesticides Application, Biological Control Monitoring • Waste management, Fire Control Facilities (simulation), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, workshop, Housing, School, Worship Place, Clinic, generator room, Reservoir • Land Use, Legal Boundaries, HCV/ conservation area 	HRK & TNB BRP MAH
12.00 – 14.00	Break	
14.00 – 17.00	Review of Previous Visit Non-conformance (Re-Certification), Partial & Time Bound Plan verification	ALL AUDITOR
Friday, 15 February 2019		
08.00 – 12.00	Document verification on Tamiang Estate and Batang Ara Estate Document verification on Blang Simpo POM and Blang Simpo 1&2 Estate Break	ALL AUDITOR
12.00 – 14.00	Continue document verification	ALL AUDITOR
14.00 – 17.00		ALL AUDITOR
Saturday, 16 February 2019		
08.00 – 10.00	Closing meeting	ALL AUDITOR
10.00 – 15.00	Travelling from PT Perkasa Subur Sakti to Kuala Namu Airport	ALL AUDITOR
18.35 – 21.00	Travelling from Medan to Jakarta GA 193	ALL AUDITOR