

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance

Name of Management : **Mustika Factory – PT Sajang Heulang subsidiary of Sime Darby Organisation**
 Organisation : **Plantation Berhad**
 Plantation Name : **PT Sajang Heulang- Mustika Estate, KKPA-2, KKPA-3 and KKPA-5**
 Location : **Kuranji Village, Kuranji Sub-district, Tanah Bumbu District, Province of Kalimantan Selatan, Indonesia**
 Certificate Code : **MUTU-RSPO/027**
 Date of Certificate Issue : 03 July 2018 Date of License Issue : 03 August 2019
 Date of Certificate Expiry : 02 July 2023 Date of License Expiry : 02 July 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.1	08 to 12 April 2019	Trismadi Nurbayuto, Brigitta Prita, Satria Adi Putra, Haikal Ramadhan Kharismansyah	Octo H.P.N Nainggolan	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.1	15 July 2019

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Figure 1. Location Map of PT Sajang Heulang



Figure 2. Operational Map of PT Sajang Heulang

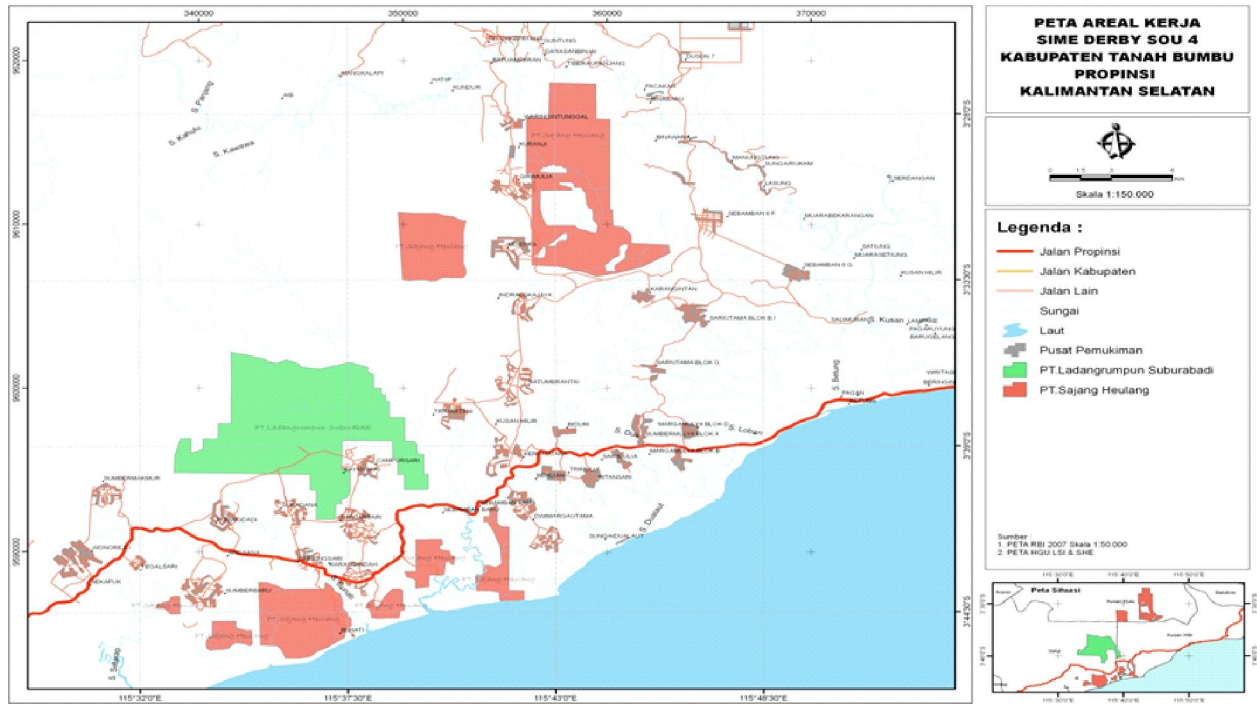
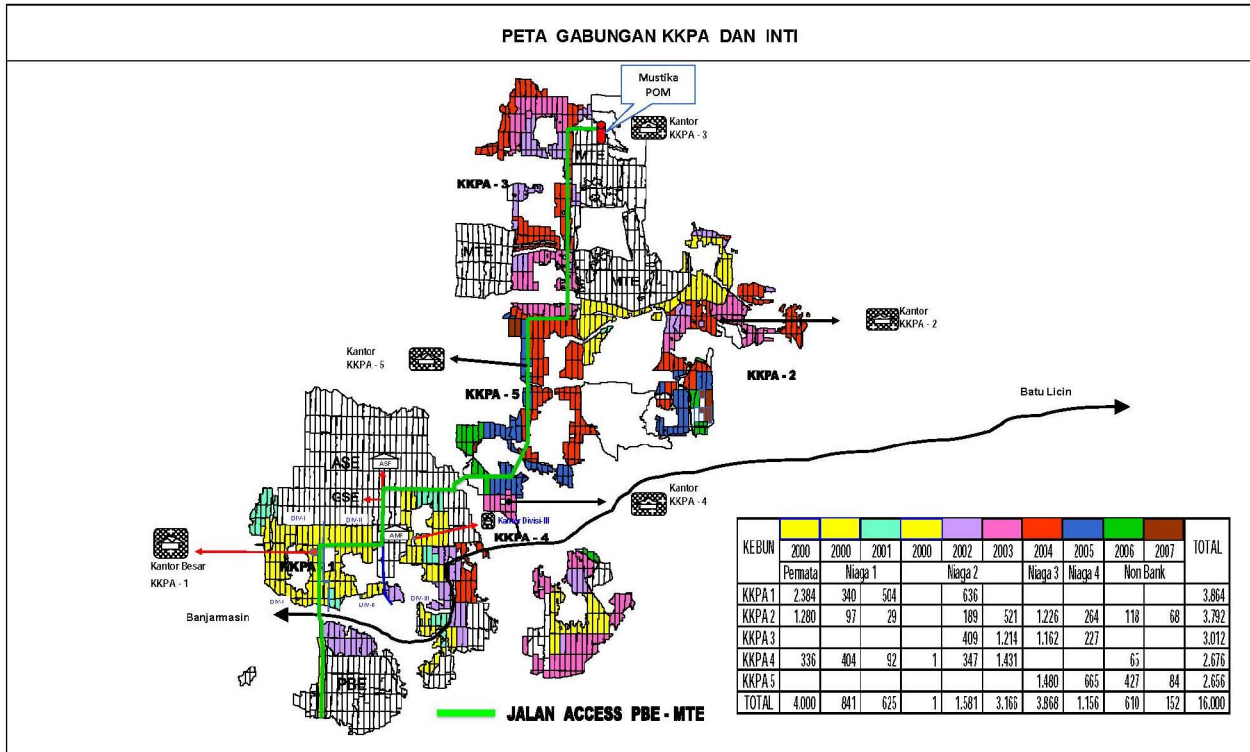


Figure 3. Operational Map of Mustika Estate, KKPA-2, KKPA-3, KKPA-5



Abbreviations Used

AMDAL	: Analisis Mengenai Dampak Lingkungan (Social and Environmental Impact Assessment)
ASA	: Annual Surveillance Assessment
BOB	: Barn Owl Box
BOD	: Biological Oxygen Demand
BPJS	: Badan Penyelenggara Jaminan Sosial (Social Insurance Agency)
BPN	: Badan Pertanahan Nasional (National Land Agency)
BSS	: Block Spraying System
CB	: Certification Body
CSR	: Corporate Social Responsibility
CD	: Community Development
CEO	: Chief Executive Officer
CH	: Certificate Holder
COD	: Chemical Oxygen Demand
CPO	: Crude Palm Oil
EFB	: Empty Fruit Bunch
EHS	: Environment Health and Safety
EIA	: Environmental Impact Assessment
EWS	: Early warning system
FFB	: Fresh Fruit Bunches
FPIC	: Free Prior and Informed Consent
GHG	: Green House Gases
GM	: General Manager
HCV	: High Conservation Value
HGU	: Hak Guna Usaha. (Land Use Title)
HIRAC	: Hazard Identification Risk Assessment and Risk Control
HPO	: Head Plantation Operation
HPUI	: Head Plantation Upstream Indonesia
IPM	: Integrated Pest Management
IUP	: Izin Usaha Perkebunan. (Plantation Operation Licence)
KASIE	: Kepala Administrasi (Head of Administration)
KER	: Kernel Extraction Rate
KEMENAKERTRANS	: Kementerian Tenaga Kerja & Transmigrasi (Manpower & Transmigration Ministry)
KKPA	: Kredit Kepada Koperasi Primer untuk Anggotanya (Associated smallholder)
KUD	: Koperasi Unit Desa (Village Unit Cooperatives)
LB3	: Limbah Berbahaya, Beracun, Berbahaya (Hazardous Waste)
LSU	: Leaf sampling unit
LUCA	: Land Use Change Analysis

MRC	:	Minamas Research Centre
MSDS	:	Material Safety Data Sheet
MTE	:	Mustika Estate
MTF	:	Mustika Factory
NGO	:	Non-Government Organizations
OER	:	Oil Extarction Rate
OFI	:	Opportunity of Improvement
OHS	:	Occupational Health and safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (Occupational Safety and Health Committee)
PIC	:	Person in Charge
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm oil mill effluent
POSYANDU	:	<i>Pos Pelayanan Terpadu</i>
PPE	:	Personal Protection Equipment
PSD	:	Plantation Services Departement
RACP	:	Remediation and Compensation Plan
RKL	:	<i>Rencana kelola lingkungan</i> (Environment Management Plan)
RKS	:	<i>Rencana kelola sosial</i> (Social Management Plan)
RPL	:	<i>Rencana pemantauan lingkungan</i> (Environment Monitoring Plan)
RPS	:	<i>Rencana pemantauan sosial</i> (Social Monitoring Plan)
RTE	:	Rare, Threatened or Endangered
SCCS	:	Supply Chain Certification System
SCCSStd	:	Supply Chain Certification System Standard
SEIA	:	Social Environment Impact Assessment
SHE	:	Sajang Heulang
SGM	:	Senior General Manager
SIA	:	Social Impact Assessment
SOP	:	Standart Operational and Procedure
SPB	:	Fruit Delivery Letter
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016 • RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill). • RSPO Certification System for Principles and Criteria, 14 June 2017. 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Sajang Heulang - Sime Darby Plantation Plantation Berhad.	
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 Floor, JL. MH Thamrin Kav. 28-30, Jakarta 10350, Indonesia.	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	alagendran.maniam@simedarbyplantation.com	
1.2.7	Web page address	www.simedarby.com	
1.2.8	Management Representative who completed the application for certification	Alagendran A.L Maniam (Head of Sustainability Minamas Plantation)	
1.2.9	Registered as RSPO member	1-0008-04-000-00 07 September 2004.	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and its supply base: <ul style="list-style-type: none"> • Mustika factory supplied by four (04) estates: Mustika Estate, KKPA-02, KKPA-03 & KKPA-05. 	
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
	Mustika Factory	Kuranji Village, Sub District of Kuranji, District of Tanah Bumbu, Province of Kalimantan Selatan, Indonesia	S 03° 29' 19" E 115° 44' 19"

1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Mustika Estate	Kuranji Village, Sub District of Kuranji, District of Tanah Bumbu, Province of Kalimantan Selatan, Indonesia.	S 03° 29' 20"	E 115° 42' 58"
	KKPA-2 (2,208 SH)	Sari Utama Village, Harapan Jaya Village, Sub District of Sungai Loban; Angley Village, Berangan Village, Sub District of Kusan Hulu; Ringkit Village, Sub District of Kuranji; District of Tanah Bumbu, province of Kalimantan Selatan, Indonesia	S 03° 33' 51"	E 115° 47' 29"
	KKPA-3 (2,160 SH)	Kuranji Village, Giri Mulya Village, Tiberau Panjang Village, Tapus Village, Waringin Tunggal Village, Sub District of Kuranji, District of Tanah Bumbu, province of Kalimantan Selatan, Indonesia.	S 03° 28' 22"	E 115° 41' 07"
KKPA-5 (1,601 SH)	Indraloka Jaya Village, Trimartani Village, Kertabuana Village, Batu Martani Village; Sub District of Kuranji; District of Tanah Bumbu, Province of Kalimantan Selatan, Indonesia	S 03° 35' 02"	E 115° 41' 17"	
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		7,794 Ha	
	• Community		9,761.83 Ha	
*Total land use title (HGU) of PT. SHE is 7,794 Ha which is 5,078.93 Ha is under Mustika Estate, the remaining area is owned and managed by Pantai Bonati Estate (under scope of Angsana Factory).				
1.5.2	Area Statement			
		PT SHE (Ha)	KKPA (Ha)	Total (Ha)
	Total area	5,078.93	9,761.83	14,840.76 Ha
	Mature area	3,368.95	9,460.00	12,828.95 Ha
	Immature area	279.79	0	279.79 Ha
	Mill	39.47	0	39.47 Ha
	Emplacements/Workers Quarter	58.24	21.00	79.24 Ha
	Infrastructure Road and Bridges	132.10	280.83	412.93 Ha
	HCV	299.70	0	299.70 Ha
	Occupation	221.93	0	221.93 Ha
	Other Area (rivers & Hill)	678.75	0	678.75 Ha
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			

Planting Year	Hectarage (Ha)						
	Mustika Estate	KKPA 2	KKPA 3	KKPA 5	Total		
1995	241.73	-	-	-	241.73		
1996	1,158.63	-	-	-	1,158.63		
1997	319.98	-	-	-	319.98		
1998	286.91	-	-	-	286.91		
1999	185.21	-	-	-	185.21		
2000	-	1,377	-	-	1,377		
2001	9.81	29	-	-	38.81		
2002	-	189	409	-	598		
2003	-	521	1,214	-	1,735		
2004	-	1,226	1,162	1,480	3,868		
2005	688.86	264	227	665	1,844.86		
2006	280.09	118	-	427	825.09		
2007	111.75	68	-	84	263.75		
2016	85.98	-	-	-	85.98		
2018	279.79	-	-	-	279.79		
TOTAL	3,648.74	3,792	3,012	2,656	13,108.74		
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 (%)
	Mustika	60	222,258.10	46,352.50	20.95	9,367.13	4.21
	*Production data source from 1 April 2018 until 31 March 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)	%
	Mustika	5,078.93	3,648.74	66,035.71	18.10	66,035.71	100
	KKPA-2 (2,208 SH)	3,937.00	3,792.00	78,574.67	20.72	78,574.67	100
	KKPA-3 (2,160 SH)	3,012.00	3,012.00	60,351.78	20.04	60,351.78	100
	KKPA-5 (1,601 SH)	2,812.83	2,656.00	16,477.66	6.20	16,477.66	100
	TOTAL	14,840.76	13,108.74	221,439.82	16.25	221,439.82	100
	*Production data source from 1 April 2018 until 31 March 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)
	Angsana Estate (Certified)	PT Ladangrumpun Suburabadi – Angsana Factory RSPO 1-0008-04-000-00	-	2,292.67	54,91
	Gunung Sari Estate (Certified)	PT Ladangrumpun Suburabadi – Angsana Factory RSPO 1-0008-04-000-00	-	1,984.35	13,63
	Pantai Bonati Estate (Certified)	PT Ladangrumpun Suburabadi – Angsana Factory RSPO 1-0008-04-000-00	-	907.43	12,84
	KKPA 1 (Certified)	PT Ladangrumpun Suburabadi – Angsana Factory RSPO 1-0008-04-000-00	2,424 SH	3,357.64	109,21
	KKPA 4 (Certified)	PT Ladangrumpun Suburabadi – Angsana Factory RSPO 1-0008-04-000-00	1,372 SH	2,659.86	627,69
	TOTAL				818.28
<i>*Source Production Data on 1 April 2018 until 31 March 2019.</i>					
1.7.4	Product categories		FFB, CPO, PK		
1.8	Tonnage of Product				
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim (tonnes/year)	Actual certified product Last year (tonnes/year)	
	• FFB Production		223,549*	222,258.10	
	• CPO Production		53,860*	46,352.50	
	• Palm Kernel (PK) Production		10,532*	9,367.13	
	<i>*Ext Volume on 23 April 2019</i>				
1.8.2	Product selling				
	Tonnage of selling product		Period of actual selling product for last year		
	• CSPO sold as RSPO certified product		19,402.29 MT		
	• CSPK sold as RSPO certified product		4,052.50 MT		
	• CSPO sold under other scheme		-		
	• CSPK sold under other scheme		-		
	• CSPO sold as conventional		25,378.71 MT		
	• CSPK sold as conventional		5,098.50 MT		
1.8.3	Estimate of Certified FFB Claim				
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)
	Mustika	5,078.93	3,648.74	69,350	19.00
	KKPA-2 (2,208 SH)	3,937.00	3,792.00	82,500	21.76
	KKPA-3 (2,160 SH)	3,012.00	3,012.00	63,370	21.04
	KKPA-5 (1,601 SH)	2,812.83	2,656.00	17,300	6.51

TOTAL		14,840.76	13,108.74	232,520	17.08		
*Projected FFB production fo 03 July 2019 to 02 July 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 (%)	
Mustika	60	232,520	51,154	22.00	10,463	4.50	IP
*Projected CSPO and CSPK production for 03 July 2019 to 02 July 2020.							
1.9	Other Certifications						
	ISO 9001:2008		-				
	ISO 14001: 2004		-				
	OHSAS 18001:2007		-				
	ISCC		-				
	Others		MUTU-ISPO/103 validity period 4 August 2017 till 3 August 2022.				
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status	
	Mill	Time bound					
INDONESIA							
1	Sekunvir. PT. Indotruba Tengah	2010	Sekunvir	2010	Seruyan and West Kotawaringin District – Central Kalimantan	Certified	
			Seruyan	2010		Certified	
2	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District – Riau	Certified	
			Manggala 2	2010		Certified	
			Manggala 3	2010		Certified	
3	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District –West Kalimantan	Certified	
			West (HGU on process)	2019		-	
			East	2010		Certified	
			East (HGU on process)	2019		-	
			East Plasma	2010		Certified	
			West Plasma	2010		Certified	
			Sei Mawang	2019		-	
4	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	Siak District – Riau	Certified	
			Pinang Sebatang	2011		Certified	
			Aneka Persada	2011		Certified	
5	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District – South Sumatera	Certified	
			Sungai Pinang (HGU on process)	2020		-	
			Bukit Pinang	2012		Certified	

			Bukit Pinang (HGU on process)	2020		-
6	Pematang. PT. Teguh Sempurna	2011	Pematang	2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
			Kawan Batu	2011		Certified
			Hatan Tiring	2011		Certified
			Batang Garing	2011		Certified
7	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District – Riau	Certified
8	Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011	Indra Giri Hilir District – Riau	Certified
			Nusa Perkasa	2011		Certified
			Nusa Lestari	2011		Certified
9	Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indra Giri Hilir District – Riau	Certified
			Rotan Semelur	2011		Certified
10	Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District – South Kalimantan	Certified
			Gunung Sari	2011		Certified
			Pantai Bonati	2011		Certified
			KKPA-1 PT.SHE	2013		Certified
			KKPA-4 PT.SHE	2013		Certified
11	Mustika. PT Sajang Heulang	2013	Mustika	2013	Tanah Bumbu District – South Kalimantan	Certified
			KKPA-2 PT.SHE	2013		Certified
			KKPA-3 PT.SHE	2013		Certified
			KKPA-5 PT.SHE	2013		Certified
			SAP 1	2020		-
12	Gunung Aru. PT Bersama Sejahtera Sakti	2011	Gunung Aru	2011	Kotabaru District – South Kalimantan	Certified
			Gunung Kemasan	2011		Certified
			Laut Timur	2011		Certified
			Pantai Timur	2011		Certified
			KKPA BSS	2020		-
13	Bebunga. PT. Langgeng Muaramakmur	2011	Bebunga	2011	Kotabaru District – South Kalimantan	Certified
			Bakau	2011		Certified
			Sungai Cengal	2011		Certified
14	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
15	Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	Kotabaru District – South Kalimantan	Certified
			Pondok Labu	2012		Certified
			Rampa	2012		Certified
			Sesulung	2012		Certified
16	Rantau.	2012	Rantau	2012	Kotabaru District – South	Certified

	PT Laguna Mandiri		Matalok	2012	Kalimantan	Certified
			KKPA Sungai Cengal (1,382 SH)	2014		Certified
			Selabak (PT SAA)	2012		Certified
			Randi (PT SAA)	2012		Certified
			Sangkoh (PT SAA)	2012		Certified
			Lanting (PT LMR)	2012		Certified
17	Betung. PT Laguna Mandiri	2014	Betung	2012	Kotabaru District – South Kalimantan	Certified
			Sekayu	2012		Certified
18	Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012	Morowali District – Sulawesi Tengah	Certified
			Plasma TGK	2020		-
19	Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	2012	Muaro Jambi District - Jambi	Certified
			Ladang Panjang (HGU on process)	2020		-
			Plasma BGR	2020		-
20	Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	Rantau Panjang	2012	Musi Banyuasin District – South Sumatera	Certified
			Rantau Panjang (HGU on process)	2020		-
			Bumi Ayu	2012		Certified
			Karang Ringin	2012		Certified
			Napal	2012		Certified
			Napal (HGU on process)	2020		-
			Mangun Jaya	2012		Certified
			Mangun Jaya (HGU on process)	2020		-
			Sungai Jernih	2020		-
			GPI KKPA	2020		-
21	Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and East Aceh District – Aceh	Certified
			Batang Ara (PT PSK)	2013		Certified
			Blang Simpo-01	2013		Certified
			Blang Simpo-02	2013		Certified
22	MAS. PT Mitra Austral Sejahtera	2020	MAS 1	2019	Sanggau District – West Kalimantan	-
			MAS 1	2019		-
			MAS 1	2019		-
			Plasma MAS	2020		-
23	Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014	Ketapang District – West Kalimantan	Certified
			Awatan	2014		Certified
			Karya Palma	2019		-
			KKPA SNP	2020		-
			Pelanjau (PT BAL)	2019		IC
			Sungai Putih (PT BAL)	2019		-

			Baturus (PT BAL)	2019		-
			KKPA BAL	2020		-
MALAYSIA						
1	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
2	Chersonese SOU 2	2011	Chersonese	2011	Kuala Kurau, Perak	Certified
			Holyrood	2011		Certified
			Kalumpong	2011		Certified
			Tali Ayer	2011		Certified
3	Elphil SOU 3	2011	Kinta Kellas	2011	Sg Siput, Perak	Certified
			Elphil	2011		Certified
			Kamuning	2011		Certified
4	Flemington SOU 4	2011	Flemington	2011	Teluk Intan, Perak	Certified
			Bagan Datoh	2011		Certified
			Sabak Bernam	2011		Certified
			Sg Samak	2011		Certified
5	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
6	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
7	Tennamaram SOU 6	2011	Tennamaram	2011	Bestari Jaya, Selangor	Certified
			Sungei Buloh	2011		Certified
			Bkt Talang	2011		Certified
8	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
9	East	2010	East	2010	Carey Island, Selangor	Certified

	SOU 8		Dusun Durian	2010		Certified
			Sepang	2010		Certified
10	West - SOU 9	2010	West	2010	Carey Island, Selangor	Certified
11	Bukit Putri - SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
12	Kerdau SOU 11	2011	Kerdau	2011	Temerloh, Pahang	Certified
			Jentar	2011		Certified
			Mentakab	2011		Certified
			Sg Mai	2011		Certified
			Chenor	2011		Certified
13	Jabor - SOU 12	2011	Jabor	2011	Kuantan, Pahang	Certified
14	Labu SOU 13	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
			New Labu	2011		Certified
			Bradwall	2011		Certified
15	Tanah Merah SOU 14	2010	Tanah Merah	2010	Port Dickson, Negeri Sembilan	Certified
			Sua Betong	2010		Certified
			Bukit Pelandok	2010		Certified
16	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
17	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 Sebaling	2011		Certified
			Sg Senarut	2011		Certified
18	Kempas SOU 17	2010	Kempas	2010	Jasin, Melaka	Certified
			Kemuning	2010		Certified
			Tangkah	2010		Certified
19	Diamond Jubilee SOU 18	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
			Diamond Jubilee	2011		Certified
			Serkam	2011		Certified
20	Pagoh SOU 19	2014	Pagoh	2014	Muar, Johor	Certified
			Lanadron	2014		Certified
			Pengkalan Bukit	2014		Certified

			Welch	2014		Certified
21	Chaah SOU 20	2010	North Labis	2010	Chaah, Johor	Certified
			Cha'ah	2010		Certified
			Sg Simpang Kiri	2010		Certified
22	Gunung Mas SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
			Kempas Klebang	2010		Certified
			Bukit Paloh	2010		Certified
			Yong Peng	2010		Certified
23	Bukit Benut SOU 22	2011	Bukit Benut	2011	Kluang, Johor	Certified
			CEP Niyor	2011		Certified
			Lambak / Elaeis	2011		Certified
24	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
25	Hadapan SOU 24	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
			Kulai	2011		Certified
			Layang	2011		Certified
			Seri Pulai	2011		Certified
26	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
27	Melalap SOU 27	2011	Melalap	2011	Tenom, Sabah	Certified
			Sapong	2011		Certified
28	Binuang SOU 28	2009	Tingkayu	2009	Kunak, Sabah	Certified
			Sungang	2009		Certified
			Jelata Bumi	2009		Certified
			Binuang	2009		Certified
29	Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
			Giram	2009		Certified
30	Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
			Merotai	2009		Certified
			Table	2009		Certified
			Tiger	2009		Certified
31	Lavang	2011	Belian	2011	Bintulu, Serawak	Certified

	SOU 31		Kelida	2011		Certified
			Lavang	2011		Certified
			Lavang (SE)	2011		Certified
			Rasan	2011		Certified
			Chartquest	2011		Certified
			Dulang	2011		Certified
			Peroh	2011		Certified
			Pekaka	2011		Certified
			Ruai	2011		Certified
32	Rajawali SOU 32	2011	Rajawali	2011	Bintulu, Serawak	Certified
			Samudera	2011		Certified
			Semarak	2011		Certified
			Bayu	2011		Certified
33	Derawan SOU 33	2011	Takau	2011	Bintulu, Serawak	Certified
			Damai	2011		Certified
			Derawan	2011		Certified
			Sahua	2011		Certified
LIBERIA						
1	Grand Cape Mount	2018	Matambo	2018	Grand Cape Mount, Liberia	IC
			Grand Cape Mount	2018		IC
			Zodua	2018		IC
			Bomi	2018	Bomi, Liberia	IC
			Lofa	2018		IC
P & G (New Britain Palm Oil)						
1	Poliamba	2012	Kara	2012	Kevieng, 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
2	Tetere	2011	Tetere	2011	Gudaicanal, Slomon 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
3	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
4	Gusap	2010	Dumpu	2010	Madang, P&G	Certified
			Surinam	2010		Certified
			Jephcott	2010		Certified
			Gusap	2010		Certified
			Paddock	2010		Certified
			Ngaru	2010		Certified
			Madang VOP (smallholders)	2010		Certified
			Morobe VOP (smallholders)	2010		Certified
5	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
			East Sagarai	2013		Certified
			West Sagarai	2013		Certified
6	Mosa Kumbango Kapiura Namumdo Waraston	2008	Bebere	2008	West New Britain	Certified
			Kumbango	2008		Certified
			Togulo	2008		Certified
			Dami	2008		Certified
			Waisisi	2008		Certified
			Kautu	2008		Certified
			Karassu	2008		Certified
			Morua	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
	<p>Sime Darby has achieved 34 management units in Malaysia, 25 mmanagement units in Indonesia, 10 management units in P&G that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 10 in P&G. In the year of 2016 & 2017 there are three 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. The mills are:</p> <ol style="list-style-type: none"> 1. Angsana Mini Mill, PT Sajang Heulang: Mill stop operate since 2016 and the supply bases is transfer to Angsana POM, PT Ladangrumpun Subur Abadi. 2. Selabak Mill, PT Swadaya Andhika: Mill stop operate since.2017 and the supply bases is transfer to Rantau POM, PT Laguna Mandiri 3. Pekaka, SOU 34: Mill stop operate since 2017 and the supply bases is transfer to Lavang, SOU 31 			
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard			
	Mustika POM does not receive FFB from third parties (outgrower) but receive FFB from Associated Smallholders (KKPA) that's certified since 2013.			

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-1.1	<ol style="list-style-type: none"> Trismadi Nurbayuto (Lead Auditor). Indonesian Citizen. Diploma of Forest Management from Forestry Faculty; Associate Degree of Economic from Economic and Management. He has experienced as field assistant on oil palm plantation year of 2008. Therefore he has experienced as HCV and SEIA Assessor on 2010-2013. He has been followed HCV identification and management training; ISO training (9001;14001; 22000); ISPO Lead Auditor's training; Safety Expert; RSPO Lead Auditor's; OHS Auditors by Government Regulation No 50 year of 2012; and RSPO Next. He has been conducted audit on ISPO and RSPO scheme since year of 2013 as an Auditor on several aspect as environment, OHS, Legality, Best Management Practices, Social, Worker Welfare, Conflict Resolutions, Long term Business Plan and Supply Chain on Palm Oil Mill. During this assesment verified Legal, Social, and Partial Certification aspect.. Brigitta Pritta (Auditor). Citizen of Indonesia. Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism. She had attended Training ISPO by Commission ISPO on June 2013, Training ISO 9001:2008 Quality Management System on January 2014, In House Training 17021 and 17065 management system and Product Quality, Training High Conservation Value by IPB on September 2015, In House Training HCV on August 2016, In House Training Roundtable Sustainable Palm Oil on January 2014; In House Training ISO 14000:2004 Environmental Management System. She has been audit experience ISPO & RSPO since April 2013 in the environmental, conservation, waste management and worker welfare aspects. During this assessment verified environment, HCV, GHG & SCCS aspect. Satria Adi Putra (Auditor). Indonesian citizen, Diploma III majoring in Palm Oil Plantation. Have experience of work more than six years since 2009 as the operational staff of private oil palm plantations in Indonesia. Training have been followed including Occupational Health and Safety Expert, Orang Utan and Wildlife Management, ISPO Auditor Training, RSPO Awareness, IHT Potential Mapping and Conflict Resolution in Production Forests, OHSAS 18001, SA 8000, RSPO Lead Training, Lead Auditor Training for ISO 9001, ISO 14001, ISO 17021, ISO 17065, ISO 19011, ISO 22000,. During this audit, he support to verify Best Management Practices and Long Term Business Plan. Haikal Ramadhan Kharismansyah (Auditor). Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001 : 2015, Auditor ISPO, RSPO awareness, ISO 22000 awareness. Did some audit ISPO scheme with aspects Best management practices. During this assesment verified OHS and Worker Welfare.
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 : 4 auditor Number of days for ASA-1.1 at site: 5 days Number of working days for ASA-1.1 at site : 20 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. Sajang Heulang to the requirements of <i>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 June 2017 (Module D for CPO Mill).</i></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) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results Recertification delivered by the MUTU auditor to the management</p>

unit and the results are the subject will be verified at the next assessment phase (ASA-1.2).

Improvement of findings from surveillance assesment findings were observed by auditors at this ASA-1.1. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.1.

The assessment program please find Appendix 2.

<p>2.2.3</p>	<p>Locations of Assessment</p>
<p>ASA-1.1</p>	<p>Mustika POM</p> <ol style="list-style-type: none"> 1. Waste Water Treatment Plant. Observation of waste management. 2. Chemical storage. Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health related to OHS and medical examination, wages and complaint mechanism. 3. Hazardous waste warehouse. Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse, wages and complaint mechanism. 4. Workshop. Observations and interviews related to wages and overtime, waste management activities, OHS implementations and health inspections 5. Central Warehouse. Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse, wages and complaint mechanism, PPE Stock, and the others 6. EFB Station. Observation related management of leachate. 7. Sortation and Grading. Interviews and observations regarding FFB criteria, sampling methods, PPE, and workers' understanding of wages. (3 people). 8. Sterilizer Station. Interviews and observations regarding workers' understanding of work procedures, PPE, and training that has been obtained. (1 person). 9. Boiler Station. Interviews and observations regarding Operator license, remuneration, and work accident history (1 person). 10. Engine Room. Interviews and observations regarding SIO, working hours, and understanding of emergency response (1 person) 11. Hydrant simulation. Observation regarding team preparedness and emergency response equipment (2 people). 12. Kernel Station. Interviews and observations regarding PPE, Medical Check-up and records of workplace accidents and understanding of emergency response conditions. (1 person). 13. Security Post. Observation and interview related OHS, worker hours, and others. 14. Weighbridge. Observation and interview related management of SCCS and others. <p>KKPA 5</p> <ol style="list-style-type: none"> 1. Road Maintenance, Block V58, Division I. Observation related road maintenance, labor aspect, safe working practice and use of PPE. 2. Fertilizer, Block M48, Division III. Interviews of fertilizer mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment. 3. Spray Circle & Path, Block V58, Division I. Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment. 4. Barn On Box (BOB), Block N50, Division III. Observation related Integrated Pest Management. 5. EFB Application, Block V56, Division I. Observation related to waste management and nutrient cycle strategy 6. Beneficial Plant, Block S50. Observation related implementation of Integreated Pest Management. 7. Water spring, Block N4, Division 3. Observation and interview with HCV officer, there are signboard of chemical application ban, and also yellow paint on the oil palm. 8. Karuh River, Block O38, Division3. Observation and interview with HCV officer, there are signboard of chemical application ban, and also yellow paint on the oil palm. 9. Housing Complex (Division 2 & Division 3). Observation on domestic waste management, interview with resident regarding several issues. 10. Generator room, Housing Complex. Observation on emergencies facilities, first aid, PPE's and hazardous waste management. It was sighted that secondary containment on crack conditions.

11. **Water reservoir, near of housing complex.** Based on interview with residence, its only use for rest room.
12. **Pejukungan River, Block R50, Division 2.** Observation and interview with HCV officer, there are signboard of chemical application ban, and also yellow paint on the oil palm.
13. **Landfill, Block S53, Division I.** Observation on domestic waste management, there are no waste burning activity.
14. **Sparepart, Fertilizer store.** Observation related to OHS and hazardous material handling.
15. **Chemical store.** Observation related to OHS and hazardous material handling.
16. **Mixing Area, PPE's and Work tools place (Block Spraying System House).** Observation related to OHS and hazardous material handling.
17. **First aid room.** Observation and interview with paramedic related to disease trend, work accident hystori, medic waste management, and others.

KKPA 3

1. **Harvesting, Block C9-11, Division III.** Observation and interviews with transporter, foremen and harvest workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.
2. **Spray Circle & Path, Block 5-6, Division III.** Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment.
3. **Fertilizer, Block H14/15, Division II.** Interviews of fertilizer mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment.
4. **EFB Application Block N13, Division III.** Observation related to waste management and nutrient cycle strategy.
5. **Erosion Pole, Block C14.** Observation related erosion monitoring.

MTE

1. **Effluent POM.** Observation and interview with effluent operator related to safety, wages and employee complaints procedure. Based on field observations there are 13 effluent ponds. There was no indication of effluent leakage. Flow meter on good condition, the volume of effluent application has monitored by operator.
2. **Water Intake, Block I31.** Based on observation sighted that there is water reservoir originating from Bekarangan River.
3. **Well monitoring on Non Land Application area, Block I31.** Based on field observations sighted that the wells were fenced and locked. There were also well coordinate signboard in accordance to permit they had.
4. **Well monitoring on Land Application area, Block I31.** Based on field observations sighted that the wells were fenced and locked. There were also well coordinate signboard in accordance to permit they had.
5. **Well monitoring on Housing area, Block H24.** Based on field observations sighted that the wells were fenced and locked. There were also well coordinate signboard in accordance to permit they had.
6. **Flatbed number 09, Block J32.** Observation and interview with LA officers, there are no indication of overflow waste water. There are also flatbed dredging activity.
7. **HGU poles Number 15, Block K33, Division 4.** Based on field observation indicated the existence of upkeep and harvesting activities at outsides HGU oil palm.
8. **HGU poles number 14, auxiliary poles number 77 & 78.** Observastion related to Boundary markers, it was adjasent with Bekarangan Village.
9. **HGU poles Number 24, Block D28 Division 3.** Observastion related to Boundary markers, it was adjasent with Karang Mulya Village.
10. **HGU poles Number 27, Block D28 Division 3.** Observastion related to Boundary markers, it was adjasent with Karang Mulya Village.
11. **Landfill, Block H32, Division 4.** Observation related to domestic waste management.
12. **Kuranji River, Block F33/G33, Division 4.** Observation and interview with HCV officer, there are signboard of chemical application ban, and also yellow paint on the oil palm. There are also several long tail monkeys (*Macaca fascularis*).
13. **Housing of AFdeling IV.** Observation & interview related management of housing area.
14. **Policlinic.** Observation & interview related management of medical waste and others.
15. **Daycare.** Observation & interview related activities in daycare.
16. **Kindergarten.** Observation & interview related activities in kindergarten.

	Public consultation to surrounding communities (Batu Meranti Villages, Giri Mulya Villages, Kuranji Villages); Local contractor of FFB & CPO on Tuesday, April 9 th 2019.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1.1	<p>Summary of stakeholder consultation process Consultation of stakeholders for PT Sajang Heulang was held by:</p> <ul style="list-style-type: none"> • Public Notification on the MUTU website (www.mutucertification.com) at March, 25th 2019. • Stakeholder consultations with NGO have been conducted by sending questionnaires via email to several NGO (Non Government Organization) on April 1st, 2019. • Public consultation meeting with internal stakeholders (worker union, committee gender and local communities) by interviews at April 9th, 2019. • Stakeholder consultations with local community have been conducted on February April 9th, 2019. • Stakeholder consultations with government have been conducted by phone call to several governments in Indragiri Hilir District on April 9th, 2019. <p>Numbers of input from stakeholders were clarified by PT Sajang Heulang.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-1.2) will be determined eight month until one year after this ASA-1.1 .

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of **Mustika Factory – PT Sajang Heulang, Sime Darby Plantation Berhad** operation consisting of one (1) mill and supplied by one (1) oil palm estates and three (3) associated smallholders.

During the assessment, there were seven (7) Nonconformities P & C were assigned against Major Compliance Indicators, such as: one (1) minor raised to Major nonconformity and six (6) non conformities were assigned against Major Compliance Indicator; two (2) nonconformities were assigned against Minor Compliance Indicators; four (4) Nonconformities against Supply Chain Indicators and six (6) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. Those corrective actions taken that consist of seven (7) Major non-conformities; four (4) SCCS nonconformities; one (1) minor nonconformity had been Closed shall be verified during next assessment.

MUTUAGUNG LESTARI found that **Mustika Factory – PT Sajang Heulang, Sime Darby Plantation Berhad** complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 Revised June 2017 (Module D for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
<p>1.1.1 Recorded on the stakeholder list of PT Sajang Heulang for the 2019 period. The list of stakeholders included is as follows:</p> <ul style="list-style-type: none"> • National Government (8 stakeholder) • Provincial Government (10 stakeholder) • Provincial NGO (9 stakeholder) • District Government (12 stakeholder) • Sub District and Village Government (24 stakeholder) • Community and group leaders (9 stakeholder) • Contractor (17 stakeholder) <p>Renewal is carried out every once a year if significant stakeholder additions are found. One of the identification of additional stakeholders can be through a letter that goes to the company. Stakeholder verification is characterized by communication between the company and related parties such as responses to incoming letters and responses to requests for information.</p>	

The procedure that describes the process of sharing information is contained in the SOP for Information Requests for PT SHE on February 1, 2016. The procedures include explaining about:

- Type of information that is publicly accessible (29 items)
- Duration of response to information requests
- How to get information

Interviews with representatives of the Department of Environment and the Manpower Agency of Tanah Bumbu Regency and representatives of the Batu Meranti Village, Kuranji Village, and Giri Mulya Village found that the company had socialized the types of information that could be accessed and how to obtain the information

In accordance with the Information Request Revision 02 SOP which was ratified on February 1, 2016 Types of Documents that can be given to stakeholders (stakeholders) such as CSR Data, Agronomic Data, permits, environmental documents, and company policies.

1.1.2

The procedure for responding to requests for information from stakeholders is explained in the Information Request SOP. In the procedure explained if it does not require approval from the Head of Department, the response period is 7 days. Whereas if need approval from the Head Department, the time period to respond is 30 days.

Records of information requests are stored in each of the units Estate / Mill marked by the existence of registers of incoming mail and outgoing mail and registers responses to incoming mail and information requests. Based on the register document the response to the incoming letter and request for information is known that the response to the request for information has been made in time, for example:

- Letter dated March 21, 2019 from the Village Head Giri Mulya to Mustika Estate regarding the request for heavy equipment assistance in connection with the convening of the Village level competition. The letter has been responded to on March 22, 2019 by the Estate Manager Mustika Estate with the answers being sent according to the requested schedule
- Letter dated 28 March 2019 from the Principal of Giri Mulya 1 Elementary School about the request for transportation assistance for the 02SN race on April 1 - April 2, 2019. The letter was responded to on March 28, 2019 by the Estate Manager with answers to providing transportation assistance in the form of a school bus

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 list of document that can be accessed publicly and documents that can be accessed publicly which is written on SOP of Information Request revision 2 dated 1st February 2016. The public documents, such as OHS, Social and Gender Policy, Working Progress on OHS Program, EIA analysis, HCV documents, licensing includes land use title and decree of land use title, operational licenses of plantation activities, OHS program, identification risk, and land use data, report of position and the amount of labor, document of deduction of the smallholders payment, and so on. The information was not listed above, categorized as confidential or limited information by the company, for example; business strategic and financial system. Based on interview with cooperative member from Batu Meranti Village, Kuranji Village and Giri Mulya Village sighted that they were aware about the debt of plasma payment. The detail financial report has been informed by board of cooperative.

Based on interviews with Agriculture Agency and Manpower & Transmigration Agency of Tanah Bumbu District, known that the stakeholders understand how to obtain information from the company. The company maintains records of request for information and responses under “*Buku surat masuk dan surat keluar*” on each unit management. Based on document verification, there are information requests, proposals, and invitation to attend meeting held by stakeholders. The company was respond these requested and the documentation of aid was showed.

Status : Comply

1.3

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

1.3.1

Company has code of conduct No. 440/HRM-COC/07 ratified on 27th April 2007. That document which is available in Bahasa, This code of conduct explains that company has a commitment to building a mutually beneficial long-term relationship with stakeholders, such as optimally enhancing shareholder value, treating employees equally in all aspects. Does not engage in political activity and is not affiliated to the political party nor does it make any contribution concerning political activity and is not allowed to provide, offer or accept anything of value which may be categorized as a bribe to or from customers, angry providers & services or government officials and others so Influence the desired decision. The CH has socialized this policy to all workers and contractor on 14 February 2019. Based on interview with workers, labor union, representatives of gender committees and local contractors, they know about code of integrity and ethical behavior.

Status : Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

There is compliance with all applicable local, national and ratified international laws and regulations.

2.1.1

The certificate holder shown several compliances towards legal requirements, for example:

Land Use Legalities

1. PT Sajang Heulang

- Land Use Right Certificate (HGU) No. 26, 04/12/2000 covering an area of 150 Ha.
- Land Use Right Certificate (HGU) No. 27, 04/12/2000 covering an area of 56 Ha.
- Land Use Right Certificate (HGU) No. 28, 04/12/2000 covering an area of 200 Ha.
- Land Use Right Certificate (HGU) No. 34, 14/05/2002 covering an area of 5,260 Ha (Mustika)
- Land Use Right Certificate (HGU) No. 35, 14/05/2002 covering an area of 2,128 Ha.

Total area with Land Use Rights is 7,794 Ha.

2. KKPA 2, 3 & 5

All of KKPA (associated smallholder) area entirely owned by community and handed over to be managed by PT.SHE based on agreement with the Cooperative of Tuwuh Sari as representatives of the community on January 5, 2000. Total area under KKPA area 16,000 hectares, spread over 27 Village 4 Districts, with the number of farmers of 8,100 members. Only 3 (three) KKPA's is under this scope of certificate: KKPA-2 (3,937 Ha – 2,208 smallholding); KKPA-3 (3,012 Ha – 2,160 smallholding) and KKPA-5 (2,812.83 Ha – 1,601 smallholding).

KKPA was established according to recommendation of the Government of Kotabaru District number 590/1849 / Tibum dated March 18, 2000 and Recommendation of Tanah Bumbu District number 525/1023 / BUN / 2005 dated December 22, 2005. Evidences of KKPA land ownership are still retained by creditor bank due to loan agreement with Bank.

Environment

- Has Environmental Document licensed by relevant agency (SEIA)
- Has Scheduled Waste Storage licensed by the relevant agency

Based on document verification and interview with Environment Board of Tanah Bumbu Regency, obtained information that SEIA addendum is still on process. The CH to be consider to follow up SEIA legality to the related agency. (OFI).

Manpower and OHS

- Implementing minimum wages of Tanah Bumbu District.
- Reporting OHS Committee (P2K3) to Manpower Agency.

However based on Evidence Observed :

- Results of interviews and document review regarding OHS licenses, sterilizer operators said that they had never attended a pressure vessel operator training

- Letter from Mill Manager Mustika to the Department of Manpower and Transmigration of *Kalimantan Selatan* Province regarding the issuance of OHS License and Workbook certificates for 4 pressure vessel operators and 1 storage tank operator – even though the five operators have never attended OHS training
- Letter of Statement No.566 / 211 / Was-NKT / 2019 from the Head of the Department of Manpower and Transmigration of the Provincial Government of *Kalimantan Selatan* regarding the letter of application for the company dated 02 March 2019 regarding the application for OHS certification for Storage Tank Operators and Pressure Vessels to the Indonesian Ministry of Manpower Cq Director of PNK3.
- List of security work named Supardi overtime in March 2019 informs that from 1 - 31 March the relevant person is always entering full without being off and getting overtime
- IOM Number 027 / MTF-Int / VI / 2018 from Mill Manager Mustika regarding the division of security work shifts divided into three shifts including the following:
Monday (7:00 AM - 3:00 PM): Mahyuni and Anang
Saturday: (7:00 AM to 3:00 PM): Mahyuni and Anang
Sunday: (7:00 AM - 3:00) PM: Mahyuni and Anang
- IOM states that the off time is arranged alternately by security members, but the company has not indicated the off schedule in question
- Law No. 13 of 2003 concerning Manpower in article 77 paragraph 2 which states that working days in 1 week are 6 days for 7 working hours / day and 5 days for 8 working hours / day.
- Law No. 13 of 2003 concerning Manpower in Article 79 paragraph 2 which states that workers who work 6 days in 1 week are required to get a day off.

It can be conclude there is not enough evidence that the company has fulfilled all compliance with relevant laws and regulations. Nonconformity No.2019.01.

The company is considering to follow up the management of the legality of the AMDAL Addendum (OFI 2.1.1).

2.1.2; 2.1.3 & 2.1.4.

The document is available for all levels of management and can be given at any time to all levels of management by PSD staff in the form of hardcopy or softcopy. The company shows an evaluation of the compliance of laws and regulations dated February 1st, 2019, which informs questions, descriptions, compliance status, evidence of compliance and information. List of regulations 152. In addition, the internal compliance audit is carried out in conjunction with the internal audit of ISPO and RSPO. The company has a legal requirements mechanism with document No. 701 / TQEM-ESH / 10 which explains that the PIC responsible for identifying and evaluating regulations is PSQM. In addition, it also includes updates to carry out frequency updates in accordance with the development of law in Indonesia every year.

2.1.1 Status: Nonconformance No.2019.01 with Major category

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.

Scope of certification of Mustika POM includes: Mustika Estate, KKPA-2, KKPA-3 and KKPA-5 (Cooperative of Tuwuh Sari). Legal rights to land such as;

- No. HGU Certificate 26, December 4, 2000, Area of 150 Ha (Pantai Bonati Estate)
- No. HGU Certificate 27, December 4, 2000, Area 56 Ha (Pantai Bonati Estate)
- No. HGU Certificate 28, December 4, 2000, Area 200 Ha (Pantai Bonati Estate)
- No. HGU Certificate 34, May 14, 2002, Area of 5,260 Ha (Mustika Estate)
- No. HGU Certificate 35, May 14, 2002, Area of 2,128 Ha (Pantai Bonati Estate)

The total area with Land Use Rights is 7,794 Ha.

All of KKPA (associated smallholder) area entirely owned by community and handed over to be managed by PT. SHE based on agreement with the Cooperative of Tuwuh Sari as representatives of the community on January 5, 2000. Total area under KKPA area 16,000 hectares, spread over 27 Village 4 Districts, with the number of farmers of 8,100 members. Only 3 (three) KKPA's is under this scope of certificate: KKPA-2 (3,937 Ha – 2,208 smallholding); KKPA-3 (3,012 Ha – 2,160 smallholding) and KKPA-5 (2,812.83 Ha – 1,601 smallholding). 9761.83

KKPA was established according to recommendation of the Government of Kotabaru District number 590/1849 / Tibum dated March 18, 2000 and Recommendation of Tanah Bumbu District number 525/1023 / BUN / 2005 dated December 22, 2005. Evidences of KKPA land ownership are still retained by creditor bank due to loan agreement with Bank.

Evidence observed :

- Based on field observations in Block K33 Division 4 (Pole No.15), it is known that there are still plantations of several oil palm outside the Land Use right area, where the plants are still physically treated and harvested.
- There is a statement from the Estate Manager & temporary person in charge of GM Estate Sebampan dated June 10th, 2015 stating that it will no longer manage 142 oil palm areas covering an area of 1,044 ha (located in Block L26, L27 & K33) by not doing maintenance and harvesting.

Based on the explanation above, the company has not been able to show the implementation of the statement. It was raised as **non-conformance No.2019.02 with Major category**.

2.2.2.

The company show a map of boundary pole with a scale of 1: 5000. There are also book of land use rights (*Buku Tugu*) issued by the South Borneo Land National Agency in 2004. There are 50 big pole and 254 small pole. Meanwhile for Smallholders (KKPA) there were no boundary pole issued by Land National Agency, the smallholders area boundary was marked by road because the land belongs to the community itself. There is monitoring of land use right pole date on 14-18 January 2019 informed number of pole, existence, condition, cleanliness, color & writing, Example: Pole number 38; 39; 40; 41; 42; 43; 44; 45; 46; 47; 48; 49 & 50 located in Division 1.

Based on field visit its known:

- **HGU poles Number 15, Block K33 and Division 4.** Based on field observation indicated the existence of upkeep and harvesting activities at outsides HGU oil palm.
- **HGU poles number 14, auxiliary poles number 77 & 78.** Observation related to Boundary markers, it was borders with Bekarangan Village.
- **HGU poles Number 24, Block D28 Division 3.** Observation related to Boundary markers, it was borders with Karang Mulya Village.
- **HGU poles Number 27, Block D28 Division 3.** Observation related to Boundary markers, it was borders with Karang Mulya Village.

2.2.3 & 2.2.4 & 2.2.5.

The company show that the *HGU* area has been released from other rights and interests. This is indicated by records of compensation with villagers, for example:

- Report on compensation payments to residents of Karang Mulya Village, Kusan Hulu Sub-District, Kotabaru District, covering an area of 111.75 hectares on 3-4 and February 29th, 2000 for 131 land to compensate landowners.

Based on interview with previous landowner in Giri Mulya Village (2 person) and Kuranji Village (2 person) are known:

- Land is provided without coercion and without paramilitary use.
- The price agreement is determined by the decision of the joint village council meeting.
- There has been evidence of compensation for land along with the location of the land being compensated for.
- There are no conflicts and land disputes.
- Land is used as *HGU*. Companies are included in *KKPA-3*.

Interviews with representatives of the Batu Meranti Village, Giri Mulya Village and Kuranji Village revealed that there had never been cases of land conflicts, land compensation had been made by the company in agreement with the landowners of the village community. So far, there have also been no land claims from the village community.

KKPA 2, 3 & 5

All *KKPA* land is owned by the community so there is no land conflict with PT. SHE.

2.2.1	Status : Nonconformance No.2019.02 with Major category
<p>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.</p>	
<p>2.3.1; 2.3.2; 2.3.3; 2.3.4. In terms of resolving disputes related to land, the company uses the conflict resolution SOP "Occupational Land Acquisition Number 343 / PSD-OKUP / 11 on February 23rd, 2012" in which there is a flow chart handling conflict resolution.</p> <p>Based on interviews with representatives of the Kuranji Village community, Batu Meranti Village, & Giri Mulya Village, it was found that there were no customary / communal rights that were above the <i>HGU</i> of PT. SHE and <i>KKPA</i>. The company has a Land use rights certificate in terms of land use, while <i>KKPA</i> land originates from transmigration land (there is no authorization of traditional rights in the <i>KKPA</i> area).</p>	
Status : Comply	
PRINCIPLE #3 Commitment to long-term economic and financial viability	
<p>3.1 There is an implemented management plan that aims to achieve long term economic and financial viability.</p>	
<p>3.1.1 The company has presented the Budget and Projection Production document 2017-2022 which contains a long-term plan for <i>KKPA5</i> Estate and <i>Mustika</i> Estate which includes management plan data such as the statement area (mature area, immature area, replanting, reserve area, road, drainage, housing, CPO/PK price, revenue and others). Beside that, the company has shown a review of 2018 <i>Mustika</i> Estate and <i>KKPA5</i> Estate documents that review evaluation of achievements compared to the specified budget. The discussion includes a review of plant maintenance activities, harvesting, production and others.</p> <p>The company has determined the PIC responsible for the evaluation, namely Plantation Operation Sebampan. In addition, the company also has a Plantation Sustainable Quality and Management (PSQM) department which is responsible for ensuring optimum field performance and overseeing performance in accordance with applicable procedures. Periodically the PSQM staff conducts field monitoring and inspection and then the results of the inspection are subject to evaluation by management. Every latest information is always communicated to employees in the form of socialization or delivered in the morning briefing before work.</p> <p>The company has updated information including conducting management review meetings, training and outreach related to operational activities. The realization of the information update included a spray training at <i>KKPA-5</i> on November 17, 2018 at Division 2 of <i>KKPA5</i> Estate which was attended by 31 people consisting of safety officers, supervisors, spray teams and spray unit operators. The discussion included the dissemination of Law No.13 of 2003 concerning employment and the obligation to use PPE.</p> <p>3.1.2 The company has a long-term plan which includes explaining the replanting program for the next 5 years. Based on the document, it is known that the replanting plan is only available for the <i>Mustika</i> Estate. Whereas for <i>KKPA</i> there has been no replanting plan for the next 5 years because the planting year is still young.</p> <p>The company has shown the <i>Mustika</i> Estate and <i>KKPA</i> Soil Mapping 2013-2018 period. The data aims to determine soil fertility status by knowing nutrient content in soil layers, management history, potential and further management. In addition, it can be a basis for supporting the formulation of recommendations for fertilizing oil palm plants, especially to measure trends or changes in fertilization programs. The scope of the survey is at PT Sajang Heulang, with information captured including soil type, topography, hydrology and rainfall, soil type, fertility level, humidity, soil acidity, rock content and soil texture.</p> <p>In general, the identified soil types include Typic Hapludults, Lithic Hapludalfs, Plinthic Haplodox, Plinthic Eutradox and</p>	

humic Endoaquepts. Based on these data it can be concluded that there is no peat soil in the PT Sajang Heulang area.

Status: Comply

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

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

The company has demonstrated procedures related to plantation and factory operations. The procedures related to agronomy are regulated in the SOP Reference Manual for Agronomy of Oil Palm Planting, (No Policy: 110 / EST-ARM / 13, no. Copy 30.11.09, distribution date 16 September 2013). Whereas the procedure related to the mill is regulated in SOP No.110 / POD-FAC / 07, CHAPTER I concerning the Basics of Oil Palm Processing such as fruit acceptance, boiling (sterilization), striping, digesting, pressing, purification (clarification), separation of seeds and coir, kernel stations, oil and palm kernel stockpiling, laboratory management, steam boilers, power plant machinery, types of generating machines, security and safety. The company has also shown SOPs for product identification and product search capabilities (No. RSPO / 65 / SCPP / SHE) Rev. 1 dated January 14, 2013 which regulates the mechanism for receiving fruit with the complete Letter of Introduction to Fruit from each estate which contains information on the origin of fruit and quantity of fruit. The company has conducted internal audit activities to ensure the contractor has carried out operational activities in accordance with the procedures owned by the company.

For example, the conformity monitoring procedure includes checking the PPE of the heavy equipment operator in a periodic replanting activity by the assistant. In addition, there is an internal audit conducted by PSQM Department on March 5-11, 2019 which ensures that all buyers have been identified including traceability of address, quantity and others.

Based on field visits and interviews with spray workers in Blok V58, Division 1 of KKPA5 Estate, it is known that workers understand the procedures related to spraying activities such as not spraying near water bodies and not spraying against the wind.

4.1.2; 4.1.3

The company has a master list of SOPs that are listed in the SOP Document List for KKPA5 and Mustika Estate which includes a list of SOP names, SOP positions and information. Monitoring related to the renewal of the SOP is included in the revised document if the SOP is irrelevant or there is a renewal.

The company has updated information including conducting management review meetings, training and outreach related to operational activities. The realization of renewal of information includes the Integrated Pest Management Training on December 24, 2018 at the Angsana Estate Sports Arena which was attended by 22 people consisting of staff (5 people) and HPT officers (17 people) from Mustika Estate and KKPA5.

The company has an internal supervision system to monitor field implementation in accordance with the company's SOP, among others, an audit conducted at KKPA-3 Housing Complex which is documented in the Visit Summary Performance Monitoring Unit (Mustika Estate and KKPA) conducted on 19 until 20 February 2019. Audit carried out to verify related accounting data, company inventory data, goods stock, upkeep & manuring fields, labor absenteeism, fruit quality, workplace accidents and labor PPE storage.

The auditor's findings that are defective include poor drainage. The response from the auditee regarding this matter was carried out cleaning around the trench with planned work in March 2019, June 2019 and July 2019 along 900 meters and making a permanent ditch for 1800 meters. The mechanism for fulfilling nonconformities includes the search for the root of the problem, the auditee/action taken response, determining the timeline and meeting the findings and evidence of improvement. The company has personnel assigned to internal supervision to monitor the consistency of the application of procedures in the field, among others (Plantation Sustainable Quality and Management), Plantation Advisory, Mill Advisory and RSPO Internal Audit. The company has also routinely carried out inspections of plantation and factory operations.

4.1.4.

The company has shown an SOP for product identification and product traceability (RSPO / 65 / SCPP / SHE) No. Rev. Policy. 1 dated January 14th, 2013. Smallholders managers have a mechanism for receiving fruit with a complete Letter of Introduction to Fruit from each garden which contains information on the origin of fruit and quantity of fruit while the FFB process refers to the SOP of the Plant (MTF / SOP.PBR).

The company does not have FFB suppliers from third parties. However, the company has a FFB transport contractor from KKPA to the Mustika Factory. The Company shows Letter Agreement Number MTE / SPK-LKL / XI / 2018/032-AGKT TBS on the work date 1 January 2019 - 31 March 2019, for the work of transporting FFB from the location of PT SHE - Mustika Estate to Mustika Mill. Payments are paid every 1 month for the value of the work carried out accompanied by an official inspection report signed by both parties. Payments are made through unit BRI Giro of IDR 31,828,656, - (GGK Number 458 402) dated March 21st, 2019.

Status: Comply

4.2

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

4.2.1; 4.2.2

In addition, the company has shown the Fertilization SOP for Part 8 Version 3 dated September 1, 2013 which contains methods for fertilizing organic and inorganic immature plants and producing plants. The method regulates, among others, determining the type of fertilizer, guidance on compound fertilizer dosage, application time of fertilization, standardization of fertilizer application time, fertilization frequency and its application system.

The company (KKPA5 and Mustika Estate) has shown footage of the fertilization realization program. The recording of fertilization in Mustika Estate includes Kieserit fertilization in January-March 2019 with 396019 kg with a total fertilization program up to March 2018 as many as 396019 kg (100% realization of the program).

The company has shown a document on Fertilizer Use Analysis and Effectiveness Evaluation (FFB) for 2018/2019 for PT SHE and KKPA5. Based on the document, it is known that fertilizer use per ton of FFB for the period 2018-2019 is 0.04 fertilizers / ton FFB.

Based on field observations in Block M58 Division III of KKPA 5, it is known that workers understand related fertilization procedures such as not fertilizing close to water bodies and fertilizing according to the recommended dosage

4.2.3

The company has shown the procedure for taking leaf samples listed in the SOP of Leaf sampling of the SOP SHE unit on January 2, 2014 which was approved by each unit manager of PT Sanjang Heulang which regulates leaf sampling for fertilizer recommendations. Besides that, in the sustainable plantation management guidelines No. 724 / TQEM-SPMS / 09 dated August 27, 2010 it was stated that land checking is carried out at a maximum every five (5) years to find out the nutrients contained in the soil.

The company has shown documents related to monitoring the results of soil, leaf and visual tests that are used as supporting data for fertilizer recommendations for the coming year. The documents include the company has also shown footage of land sampling with No. 105-LHU / UN8.2.1 / PL / 2017 on April 18 2017 as many as 24 samples. The purpose of this observation is to identify nutrient deficiency conditions such as N, Mg, K, B, and CuSO4 deficiencies.

In addition, the company has shown the Leaf Sampling and Visual Analysis documents listed in the leaf test report with the No Test Report P77 / 2018 dated August 9, 2018 at KKPA 5 and PT SHE. The indicators that were observed were the levels of N, P, K, Mg, Ca, B and Ash.

Based on the results of document studies and interviews with LSU / SSU workers it is known that leaf sampling, soil and visual monitoring activities are intended to be the basis for determining future recommendations and are based on fertilizer requirements for each block.

4.2.4

The company has shown EFB realization recapitulation documents for Mustika Estate, KKPA 2, KKPA 3 and KKPA 5. The examples of nutrient recycling recordings for KKPA 5 include the application of 13425.53 tons of EFB at KKPA5 (March 2018-March 2019 period).

Based on the results of a field visit to Block V56, Division 1, KKPA 5, it is known that the company has applied EFB which aims to increase nutrients in the soil, improve soil structure and reduce runoff.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

The company has shown the Mustika Estate and KKPA Soil Mapping 2013-2018 period. The data aims to determine soil fertility status by knowing nutrient content in soil layers, management history, potential and further management. In addition, it can be a basis for supporting the formulation of recommendations for fertilizing oil palm plants, especially to measure trends or changes in fertilization programs. The scope of the survey is at PT Sajang Heulang, with information captured including soil type, topography, hydrology and rainfall, soil type, fertility level, humidity, soil acidity, rock content and soil texture.

Based on these data it is known that PT Sajang Heulang does not have marginal land such as peatlands, high slopes and soil types so that no special management is needed such as making drainage or contour terraces.

4.3.2; 4.3.4; 4.3.5; 4.3.6

The company has shown documents related to planting in slopes (terraces) listed in Part 4 of the Oil Palm Planting SOP concerning Planting Planning Version 3 dated September 1, 2013. But based on Mustika Estate and KKPA3 Estate and document review (Soil Fertility Survey Period 2013-2018) It is known that the estate area is dominated by flat topography (topography is at 0-24%), so no special treatment is needed in its management.

Based on observations and field visits to Block C4, Mustika Estate Division 3 on replanting activities, it is known that the company has carried out land management in accordance with the procedures it has, among others, LCC planting which aims to reduce runoff. In addition, based on a field visit to Block C14, KKPA3, it was found that the company had installed erosion stakes which aimed to monitor the rate of erosion in areas that had slope potential and runoff. Based on the results of auditor verification in the area, it is known that there was no decrease in land surface so that it was in accordance with the results of monitoring made by the company.

4.3.3

The company has documented Performance Road & Bridges 2019 as well as MMCM (Road Maintenance) documents, the document contains programs and realization of road maintenance for KKPA5 and Mustika Estate. The footage contains a road maintenance program for the 2007 planting year in KKPA 5, has a 168 meter improvement program with realization up to March 2019 along 124 meters (under 26.19%).

Based on the field visit to Block V58, KKPA5 Gardens, it is known that the company has carried out manual road maintenance and in general the road conditions can be traversed by FFB transport trucks.

Status: Comply

4.4

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

4.4.1

Water management plan for 2018/2019 (KKPA, Mustika estate, and POM) is documented in the Environmental Management and Monitoring Plan document, i.e mill effluent management prior to application to Mustika Estate, vegetation conservation in the riparian, the prohibition of chemical applications on the riparian, testing the quality of POME, water availability, water needs calculation, water resources, water quality testing and water usage monitoring for POM. Result of all testing parameters for surface water and clean water testing has been reported to environment agency for every semester for example: Bekarangan water quality (before mill TSS: 2 mg/l and after mill TSS: 4 mg/l). Therefore average of water usage on April 2018 till March 2019 are 1.14 m³/ton FFB.

Based on field observation to the several water sources as: Bekarangan River, Block I32; Kuranji River, Block F33 (Mustika Estate) and also water spings, Block N04, Karuh River, Block O38, and Pejungkungan River, Block R50 (KKPA-5 Etate);

its known that officers has understand the policy of water sources border management and that there are already marking limits on the chemical applications.

The company considers re-marking the river border / other water body buffer areas before replanting activities **(OFI)**.

4.4.2

River flow map of PT SHE and KKPA (scale 1:70000) shown there are some water bodies that are located and across the company's operation area. Based on field observation to the several water sources as: Bekarangan River, Block I32; Kuranji River, Block F33 (Mustika Estate) and also water spings, Block N04, Karuh River, Block O38, and Pejungkungan River, Block R50 (KKPA-5 Etate). The company has marked the riparian border and there is a sign board of HCV areas identity, protected species and restrictions of undermine the HCV area. The management unit has also been planting woody plants and maintaining ground cover vegetation such as *Nephrolepsis sp.* Field visit during audit also found that replanting activities on Mustika estates are not yet conducted on areas with riparian / river stream.

4.4.3

Effluent produced by the mill is managed on Waste Water Treatment Plant (WWTP) before it is applied to Mustika estate. This POME application was conducted based on decree of Head of Environmental Agency Tanah Bumbu Regent No No. 660.4/125/BLHD/2016 valid until 29 December 2019. Examination of documents showed that the effluent quality monitoring is conducted regularly every month by Accredited Laboratory and reported to Environment agency of Tanah Bumbu Regency. Results of testing for July to December 2018 showed that all the test parameters are met the quality standards, for examples BOD on July are 100 mg/l and on November 2018 are 400 mg/l. Field visit on Mustika POM and land application block J32/33 mustika estate shown there is no leakage indications and these areas are managed well.

4.4.4

The factory has documented boiler, process and domestic water usage on a regular basis every day and recap every month. The results of field visits indicate that there are 3 flow-meter and all in functional state. Based on monthly report document review, it is known that the water use budget for 2018/2019 is 1.50 M³ / Ton FFB, while the realization of water usage is 1.14 m³ / Ton FFB. The management unit has used water with efficient.

Status: Comply

4.5

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

4.5.1; 4.5.2

The company has shown Plant Protection SOP Part 15 Version 3 dated September 1, 2013, in the procedure regulating pest control activities that are adjusted to the age / phase of the plant (nursery, area of TBM and TM). The company has plans for handling HDI in the Mustika Estate and KKPA 5, namely the plan for planting *Turnera subulata* (Beneficial Plant) as well as planned BOB installation.

The company has shown records of pest and disease control for KKPA3, KKPA5 and Mustika Estate. Based on these data, it is known that control techniques by means of detection and census. Chemical control is carried out if there is a census result that is above the economic threshold. Beside that, the company provides census documents based on the results of the rat census and nettle caterpillar in March 2019 in Division 1 of Mustika Estate. The rat attack percentage was 1.80% and there was no attack of nettle caterpillars. Based on the results of the census it can be concluded that pests and diseases in the Division 1 Mustika Estate are still below the critical threshold.

The company has conducted Integrated Pest Management Training on December 24, 2018 at the Angsana Estate Sports Center which was attended by 22 people consisting of staff (5 people) and IPM officers (17 people) from Mustika Estate and KKPA5.

Based on the results of field visits to Blok N50 Division 3 of KKPA5 Estate, it is known that the company has installed BOB (Barn on Box) with active conditions. In addition, based on a field visit to Block N13, Division III, KKPA 3, it is known that the company has conducted Beneficial Plant planting activities such as *Turnera subulata* and *Casia cobanensis*.

The company has sought biological control to suppress disease pest populations, such as planting and beneficial plant care to suppress nettle caterpillar, BOB installation and owl monitoring to suppress rat pest populations.

Status: Comply

4.6**Pesticides are used in ways that do not endanger health or the environment****4.6.1**

The company has demonstrated its policy of using Paraquat as contained in the memorandum from Head Plantations Operation (number: POD-UM-127 / X / 2008, November 4, 2008) regarding Substitute Recommendations for the Application of Paraquat-Gramoxone Active Materials in the Minamas Environment. The company also has a recommendation to ban ratgone / brodifacoum from Plantation Advisory from 16-18 July 2013. Beside that, the company has shown Plant Protection SOP Part 15 Version 3 dated September 1, 2013, in the procedure governing pest control activities that are adjusted to the age/phase of the plant (nursery, immature area and mature area). In addition, the procedure also regulates recommendations for the use of pesticides that are tailored to the target species.

The company has shown the budget for applying Pesticides to Mustika Estate, KKPA2, KKPA3 and KKPA5, based on the document it is known that weed control is carried out in 3 rotations. Rotation management is carried out based on the type of active ingredient that is applied, namely glyphosate and trichlopir. This is done so that spraying activities are more effective and avoid weed resistance.

Based on the results of interviews with spray workers in Blocks N5-6, Division III, KKPA 3 and in Block V58, Division I, KKPA 5 it is known that workers have understood related target weeds, application limits for spray around water bodies and workers have also participated in pesticide training. Workers also explained that the company had a policy regarding selective spraying and its implementation in the field.

4.6.2

The company has demonstrated the pesticide application program listed in the Division of 2018-2019 monitoring of Work Plan and Rehabilitation stated in the Minamas Management Committee Meeting document. The realization of the application program includes the following circle and path maintenance activities at KKPA-5 in February 2019 having a program covering 341 Ha with realization of 339 Ha (under realization of 0.05%).

The company has shown a list of pesticides used in the Mustika Estate and KKPA3 Estate. The document contains, among others, the types of trademarks of pesticides, active ingredients of pesticides, content of active ingredients, determination of LD50, forms of pesticides, determination of target weeds/group and dosage formulations.

4.6.3

The company has shown plans for handling IPM in Mustika Estate and KKPA 5, namely the plan for planting *Turnera subulata* (Beneficial Plant) as well as planned BOB installation.

The company has shown a record of pesticide usage for the period 2016-2019 for the Mustika Estate. Based on these data it is known that there is a decrease in the use of kumatetrail in PT SHE. In addition, in general there is also a decrease in pesticides with the active ingredient glyphosate and the active ingredient isopropyl amine glyphosate.

Based on the results of field visits to Blok N50 Division 3 KKPA5 Estate, it is known that the company has installed BOB (Barn on Box) with active conditions. In addition, based on a field visit to Block N13, Division III, KKPA 3, it is known that the company has conducted Beneficial Plant planting activities such as *Turnera subulata* and *Casia cobanensis*.

4.6.4

The company has set a policy not to use Paraquat as stated in the memorandum from Head Plantations Operation (number: POD-UM-127 / X / 2008, November 4, 2008) regarding Substitute Recommendations for the Application of Paraquat-Gramoxone Active Materials in the Minamas Environment. In addition, there is also a recommendation to ban ratgone / brodifacoum from Plantation Advisory on 16-18 July 2013.

The company has made efforts in reducing pesticide use 1A and 1B, this is done by making BOB (Barn on Box) in all PT SHE operational areas. The planned installation of BOB in KKPA5 includes the following plans for the installation of BOB as many as 7 units in Division 1, as many as 7 units in Division 2 and plans to install BOB as many as 7 in Division 3.

Based on the results of visits to the chemical warehouse and documents on the inventory of Mustika Estate, KKPA2,

KKPA3 and KKPA5, it is known that there are no class 1A and 1B pesticides.

The last acceptance stock of Pesticides with Ib class (Coumatetralyl) is that in September 2016 as many as 230 Kg and the material has been used up in March 2018.

4.6.5

The company has a pesticide handling procedure listed in the SOP Block Spraying System dated January 2, 2014 and a K3 Procedure (No. 711 / TQEMS-P2K3 / 07), and HIRAC. In these procedures explain the handling of pesticides starting from the use of PPE to risk analysis.

The company has shown footage related to spray training, for example the realization includes spray training at KKPA-5 on November 17, 2018 in Division 2, KKPA5 Estate which was attended by 31 people consisting of safety officers, supervisors, spray teams and spray unit operators. The discussion included the dissemination of Law No.13 of 2003 concerning employment and the obligation to use PPE.

Based on interviews with spray officers at Mustika Estate, KKPA3 and KKPA5, information was obtained that spray officers were a special team that had received training related to security in the use of pesticides, application techniques, and personal protective equipment that must be used. In addition, workers can also explain the safety of using pesticides such as the obligation to use PPE, the obligation to store PPE at the BSS house, not allowing pregnant and lactating women to work containing chemicals and standard storage of spray equipment. The company has also provided soap used for washing hands after the application of chemicals (spray).

4.6.6; 4.6.7

The company already has a Pesticide Storage SOP (SOP SHE) Rev 01 on January 2, 2014 which aims to keep the environment clean, healthy and not contaminated by pesticides, making it easier to recognize the types of materials so they can be used quickly and appropriately, avoiding misuse of packaging materials pesticides so that they are precise in their use and to achieve maximum efficiency in using pesticides.

In addition, this procedure also explains that packets that have just been entered in the warehouse are recorded in a card showing the type, amount and date of purchase (FIFO), pesticides should be stored in a safe place, separate from fertilizers, food ingredients and water sources. Storage areas should be kept well ventilated, not directly exposed to sunlight and rainwater. In addition, each type of pesticide must be placed separately according to its type.

Based on observed evidence it is known that:

- KKPA Herbi & Insect Usage 5 document which states that in the period January - March 2019 there are 15,99 kg (63 pcs) of 20 WG and 392.25 liters (19 pcs) of Kenly use.
- Herbi & Insect Usage Mustika Estate document which states that in the period January - March 2019 there are 387 liters (19 pcs) of Basta and 175 liters (8 pcs) of Kenlon, 1039 liters (52 pcs) of Pamungkas, 20 WG of Kenly 27 kg (108 pcs) and Capture 50 EC as much as 795 liters
- The Hazardous Waste Management Balance Sheet of PT Sajang Heulang - Mustika Estate, which states that the total hazardous waste receipts for the period of January - March 2019 for packaging types ex Kenlon pesticides are 13 pcs, 16 pcs of Audit, 2 pcs Prima Up , 12 pcs of Metafuron and 5 pcs of Sipermetrin.
- Observation to the BSS KKPA 2 Warehouse is known that there are still ex-pesticide packaging found in the BSS Warehouse and have not been handed over to authorized temporary hazardous waste warehouse.

Related to this, the company has not been able to show that all pesticide containers must be managed appropriately in accordance with the procedures they have. **This is become non conformity No.2019.02.**

4.6.8

Based on the results of field visits on spray activities and interviews with spray workers it is known that the company does not carry out air spraying application activities.

4.6.9

Information about handling pesticides has been delivered through routine socialization and training. The smallholders scheme adopted by the company is full managed so that workers who contact pesticides are also employees of the company. Periodic training has been explained in indicator 4.8.1 while the realization of the training shown by the company

includes:

- BSS Training on September 20, 2018 was attended by 30 people located in block H24 and H25 MTE. Training describes the safety of spray workers, spray equipment, application techniques, theories and methods of spraying and how to handle pesticides
- BSS Training on 25 October 2018 was attended by 25 people at the KKPA5 office. Training describes the safety of spray workers, spray equipment, application techniques, theories and methods of spraying and how to handle pesticides

Based on interviews with MTE and KKPA5 BSS team, it was found that training was provided using bahasa. OHS aspects and how to handle pesticides have been routinely given in training. At least delivered in the morning briefing.

4.6.10

Field visit on Mustika and KKPA 5 estate shown that agrochemicals containers are disposed based on MSDS i.e cleanly washed on pesticides optimalization storehouse (BSS) and regularly submitted to licensed third party collector. All evidence for ex agrochemical disposal for examples Manifest MI017578 dated 6 March 2018 (ex chemical containers and fertilizer bag). However there are several non conformities and explained at indicator 4.6.6.

4.6.11

Based on the list of PT SHE employees it is known that for KKPA5 there were 11 spraying workers, while for MTE there were 34 worker identified in the BSS team.

There are results of MTE and KKPA5 health examinations for the October - December 2018 period for the PT SHE spray team. In evaluating the results of the health examination it was stated that for 6 MTE spray team members indicated a decline in health and recommended not to work with chemicals. The evaluation results were followed up by Acting Sr. Manager MTE by giving a letter of transfer to the 6 employees by transferring work to a maintenance department not related to chemicals. For example:

- IOM MTE-Int / 001 / I / 2019 regarding the mutation of employee named Ngatmi (Spraying Operator) because based on the results of the MCU, the doctor's advice is not working with chemicals. The operator was transferred to non-material chemical maintenance personnel
- IOM MTE-Int / 001 / I / 2019 regarding the mutation of employee named Tuminah (Spraying Operator) because based on the results of the MCU, the doctor's advice is not working with chemicals. The operator was transferred to non-material chemical maintenance personnel

Based on document verification and field visits to blocks H32 and H33 at the time the spray activity was known to the six names were not listed in the spraying activity book.

4.6.12

The company's commitment to protect maternity and breastfeed workers from exposure to pesticides is included in a memorandum from the RSPO-ISPO chairman PT SHE Number MTE-Int / 26 / VIII / 18 dated 11 August 2018 which is intended for all staff in all PT SHE management units. The memorandum states that maternity and breastfeed women are not permitted to work on jobs that are directly related to chemicals

A list of PT SHE employees has provided information on gender, name and field of work so information can be obtained that the number of female workers handling pesticides per month in January 2019 is 34 for MTE and 11 for KKPA5.

Based on the results of interviews with spray workers in Blok H32 and MTE H33 it is known that the mechanism for identifying maternity and breastfeed mothers is based on reports to supervisors and monitoring of H1 leave (menstruation).

4.6.6	Status: Nonconformance No. 2019.03 with Major Category
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4.7
An occupational health and safety plan is documented, effectively communicated and implemented.

4.7.1

The company has demonstrated the OSH Policy which was approved by the CEO of Minamas Plantation on August 27, 2010 which explains that Plantation Upstream Indonesia is committed to improving Safety and Health including staff /

employees, Contractors and Visitors / Guests through effective Occupational Health and Safety Management. In addition, in the regulation of the PT SHE period 2017 - 2019 article 23 also mentions a discussion on Work Equipment and Occupational Health

Based on interviews with spraying workers in the block C014 and the MTF process operators also sortation officers it was found that workers knew and understood the company's OHS policies. The direction and outreach related to OHS policy was carried out by placing banners in the Estate office and division and conducting socialization directly at the morning briefing.

Some of the training and socialization records related to the OHS plan that have been implemented are as follows:• Safety Town Hall, Division IV MTE on March 18, 2019, attended by 86 people starting from the level of supervision and labor. The material presented includes the objectives of Occupational Health and Safety, occupational safety and health in the work area and housing, as well as socialization of child protection• First aid training on 27 February 2019 at GOR-KKPA 2 was attended by 59 people. Participants are representatives of KKPA 5 workers

The OHS plan has been made publicly available, including installation of symbols, policy banners, and socialization of OSH in both the estate office and mill. In addition, the company has also conducted periodic inspection activities for workers as a form of realization of the OHS plan including physical examination, spirometry, audiometry and cholinestrase which has been implemented in mid October - December 2018.

The action plan if the OSH implementation target is not achieved is discussed at the P2K3 (OHS Committee) monthly meeting. For example, the discussion covers the evaluation of workplace accidents and work accident monitoring for each unit. Evaluation of work accidents is a reference to zero accident

However, based on observed evidence such as:

- Analysis of Unit MTE and KKPA-5 Employee Medical Check Up results from October to December 2018 informs some manuring employees of creatinine to increase by more than 25%, no physical complaints of low back pain, bleeding / haemorrhage, pain during small bowel movements, physical examination. Kidney enlargement and signs of kidney failure. This employee must be observed or monitored for the next 3 months if there are any signs above.
- Based on interviews with company doctors are known that observations and monitoring were not carried out; checks wait if there are complaints or reports from sick employees

It can be concluded that the Company has not been able to show consistency in the implementation of a predetermined occupational health and safety plan, for example observations and monitoring of MTE and KKPA-5 fertilizer workers whose creatinine levels are more than 25% (according to the analysis of medical check-up results by doctors and observed and monitored 3 month after the last inspection). Non-compliance No.2019.04

4.7.2

Based on verification of

- Work accident evaluation period July - December 2018, dated January 3, 2019 by Acting Sr. Manager MTE states that evaluation results are used as a reference and work program towards zero accident at MTE
- Monitoring of work accidents in MTE for the period July - December 2018. There was a broken right thigh work accident due to being hit by a BOB pole, Mr. Heriyanto on August 13, 2018 and resulting in a loss of 15 working days. The 2019 HIRAC Evaluation and Document Results have not discussed and explained the BOB installation risk analysis
- Monitoring work accidents in MTE for the period July - December 2018. In December 2018 there was a work accident, Nusrizal was stung by a scorpion / Wasp. In the evaluation for improvement, the next period states the use of safety shoes and gloves. In the HIRAC document the type of work in question has not been explained; There is no discussion about the use of safety shoes and gloves
- HIRAC MTF has not discussed the risk analysis at the sortation and grading stations

Thus it can be concluded that HIRAC owned by the company has not accommodated the results of evaluation of the incidence of workplace accidents. In addition, it also does not cover all activities carried out. Nonconformity No.2019.05

4.7.3

PT SHE has been able to show a history of OHS training that has been received by workers. For example training for boiler operators, tractor operators, and wheel loader operators. Evidence of participation in the training is the issuance of SIO for example SIO No Reg P.13.2362-OPDK3 / PAA / VI 2018, Budi Santosa as wheel Loader Operator and SIO on behalf of Sarmanto with SIO No. 13.203.OPDK3-PTP / III / 2013 dated 28 March 2013 for Diesel operators.

However, based on:

- Based on interviews and document review regarding OHS licenses, sterilizer operators said that they had never attended a pressure vessel operator training
- Letter from Factory Manager Mustika to the Department of Manpower and Transmigration of *Kalimantan Selatan* Province regarding the issuance of OHS License certificates and Workbooks for 4 pressure vessel operators and 1 storage tank operator - Even though the five operators have never attended OHS training at all
- Letter of Statement No.566 / 211 / Was-NKT / 2019 from the Head of the Department of Manpower and Transmigration of the Provincial Government of Kalimantan Selatan regarding the letter of application for the company dated 02 March 2019 regarding the application for OHS certification for Storage Tank Operators and Pressure Vessels to the Indonesian Ministry of Manpower Cq PNK Director
- There is no information about when and who is implementing OHS training for PT SHE pressure vessel operators

Thus it can be concluded that the pressure vessel operator and storage tank owned by the company have not been equipped with competency evidence as stipulated in Minister of Manpower Regulation No. 37 of 2016. Nonconformity has been accommodated in the indicator 2.1.1

All PT SHE workers in each work unit have been given PPE in accordance with the HIRAC document. For example masks, face shields, aprons, and boots for pesticide applicators. Whereas workers with high noise risk such as sterilizer operators, boiler operators, and engine room operators have been provided ear protectors. There is also a record of the replacement of PPE damaged due to work being used, such as the minutes of the change in operator sterilizer shoes which were damaged by fire in December 2018.

However, based on the results of a field visit at mill, it is known that PPE has been given by the company to each worker but not all of them have been used such as

- Boiler Station: Operators do not use leather gloves and safety goggles.
- Kernel: Do not use safety glasses and masks.
- Sterilizer: Do not use a mask and ear plug.
- Paint worker: not use a helmet.
- Monitoring the use of PPE for MTF employees from January to March states that all employees are orderly in using PPE.

SIME cards have been shown from each level of supervision (Foreman, Assistants, Senior Assistants, to Managers) to ensure the application of OHS especially compliance in the use of PPE can run consistently. In addition there are examples of warning letters to workers who are not orderly in using PPE for example number 017 / MTF-ST / IV2019 to EBP Operators on April 10, 2019 due to those who are concerned about acts of discipline in using PPE. In this case the PPE provided by the company is not used. The warning letter is valid from 10 April 2019 to 10 October 2019. There is also a budget for the provision of PPE for MTF which has been increased to 3x compared to the previous year because it was prepared for PPE stock

The company considers re-evaluating the PPE inspection period & considers re-evaluating the period of socialization regarding PPE SOP (OFI).

4.7.4

OHS executives in each management unit of PT SHE are P2K3 teams with management arrangements as follows:

- Advisor / Protector: M. Romdhon
- Chairman: Andreas Bubun
- Secretary (OHS Expert): Ali Syafi, i (General AK3 SKP No with KEP.P.6890 / NAKER-BINWASK3 / X / 2016)
- Members (Company): 8 people
- Members (Employees): 10 people

- Medical Staff: dr. Nur Hasanah, Roni S, Henry K, Mardiono

The management was ratified in accordance with the Decree of the Head of the Kalimantan Selatan Province Manpower and Transmigration Agency Number 566/131 / Disnakertrans concerning Ratification of the Occupational Safety and Health Committee in PT Sajang Heulang SOU 5 (MTE, KKPA2, KKPA3, KKPA5, and MTF) dates March 19, 2018

The company has conducted a monthly routine meeting that discussed OHS, including conducting a P2K3 monthly meeting on October 12, 2018, which was held at the Mustika Estate Office. The discussion of the meeting included discussions on harvest work accident evaluation which experienced an increasing trend. The meeting was attended by 8 people consisting of company representatives and employee representatives

Interviews with 10 MTE spraying workers and 4 MTF processing operators were known as OHS implementers is P2K3 secretaries. One of the routine applications of OHS is carried out by companies in the form of SIME cards. SIME cards include information about PPE compliance, potential hazards, suggestions for improvements related to OHS, and sanctions.

4.7.5

The company has an emergency response SOP document number SOP SHE number revision 01 is valid on January 2, 2014. SOPs cover emergencies such as fire, blasting, and natural disasters. The company considers evaluating the first aid box monitoring period (OFI).

The company has shown identification documents, investigations and follow-up of workplace accidents such as accidents in the name of Teguh Wiyonor of Mustika factory workers in October 2018 in AMF (Angsana Mill Factory) with accidents in the form of burns and lost workdays of 51 days. The accident happened because he cut the pipe without turning off the gas so that an explosion occurred. First aid was carried out and continued treatment at the company's clinic. Subsequently a reference was made to the provincial hospital in South Kalimantan. The corrective action taken by the company is to provide OHS signs and attach the SOP for repairing the equipment in the area that is being repaired. The personnel conducting the investigation were the secretary of P2K3 (OHS Expert).

The company has also shown a work accident investigation addressed to *BPJS Ketenagakerjaan* and also reported to HO Minamas. Attached is the management of the *BPJS Ketenagakerjaan* of the worker in question and the salary slip of the last 3 months which shows that the wages of the worker remain fully paid without being subject to deductions

Emergency response SOP are written in bahasa. There are also emergency response signs such as evacuation routes that are available at plantation offices, KKPA, and factory as well as the Fire Danger Index and other emergency response warnings. Workers at factory also understand the emergency response mechanism. Based on the results of field visits, first aid officers who were appointed both at the plantation and factory activities were the foreman level.

Records of first aid training shown by the company include:

- First aid training on 27 February 2019 at GOR-KKPA 2 was attended by 59 people. Participants are representatives of KKPA 1 workers to KKPA 5.
- First aid training on March 6, 2019 at the MTF Workshop was attended by 54 people. Participants are MTF workers

Based on field observation both in estate and factory it is known that first aid equipment is available in a total of 21 items. First aid factory is located in the process office, lab office, and large office. Whereas for P3K gardens each foreman carries a first aid kit.

4.7.6

The company can show proof of the participation of *BPJS Ketenagakerjaan* and *BPJS Kesehatan* for employees including the following:

- KKPA-5:
 - Print Out E-Payment of *BPJS TK* on 06 March 2019 with Transaction Number 000004241083; Daily Worker: 120 people. March 2019 with payment code 190302624337
- MTF:

- *BPJS Kesehatan*: Bank Voucher No: BV / 006 / MTF / 3 // 19 dated March 5, 2019 with the code bilyet giro GGK454859 (82 Orang SKU and 25 PKWT)
- *BPJS Ketenagakerjaan*: Bank Voucher No: BV / 006 / MTF / 3 // 19 dated March 5, 2019 with code bilyet giro GGK454860

4.7.7

The company shows a "Zero Accident" document that informs about work accident recordings along with the calculation of LTA for each management unit. Records from July to December 2018 inform the following:

- MTE: 22 work accident cases; LTA: 50; Work Hour (WH): 456,142; FR: 48; SR: 110
- KKPA 5: 31 Work accident cases; LTA: 33; WH: 674,247; FR: 46; SR: 49
- MTF: 2 cases of work accidents; LTA: 55; WH: 175,645; FR: 11; SR: 313

More detailed evaluation of workplace accidents is explained in 4.7.2.

4.7.1 Status: Nonconformance No.2019.04 with Major Category

4.7.2 Status : Nonconformance No.2019.05 with Major Category

4.7.6 Status : Nonconformance No.2019.06 with Minor Category

4.8

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

4.8.1 & 4.8.2

The company shows PT Sajang Heulang's Human Resources Training and Development Program 2019. Information that can be seen in the program includes:

Training Program	Participants	Facilitator	Implementation Plan
Harvesting	Employee, Foreman	EM, Sr Asisten	Jan, Jun, Dec
Upkeep	Employee, Foreman	EM, Sr Asisten	Feb, May, Aug, Nov
Manuring	Employee, Foreman	EM, Sr Asisten	Mar, Jun, Sep, Dec
Spraying	Employee, Foreman	EM, Sr Asisten	Feb, May, Aug, Dec
FFB Sortation	Employee, Foreman	Mill Manager, Asisten	Jun, Dec
Firefighters	Employee, Foreman	EM	Feb, Aug
RSPO/ISPO	Safety Officer, Foreman, Security, contractor	PSQM, EM dan Sr Ast	Jun, Dec
OHS	Foreman, Employee, Contractor	PSQM, EM dan Sr Ast	Mar, Sept
Management of Hazardous and Toxic Materials and waste	Safety Officer, Employee, Foreman	PSQM, EM dan Sr Ast	Apr, Aug, Dec
First Aid	Employee, Foreman, Assistant	Company Doctor	Sept
Electrical OHS	Employee, Foreman, Assistant	PSQM, Mill Manager dan Sr Ast	Jul
HCV	Safety officer, Foreman, Employee	PSQM, EM	Mar, Sept
Boiler	Employee, Foreman	Mill Manager, Asisten	Jun, Dec
WTP	Employee, Foreman	Mill Manager, Asisten	May, Nov
FFB Process	Employee, Foreman	Mill Manager, Asisten	Apr, Aug, Dec
Environmental Pollution	Employee, Foreman	Mill Manager,	Jan, June

Prevention		Asisten	
Code of Conduct	Employee, Foreman	Mill Manager dan EM	Apr, Oct
Gender Committee	Female workers, Staff, and Safety officer	EM, MM, Sr Ast	June, Dec

Worker training records are stored in the Historical Training document and are available at each plantation management unit and factory. Examples of training recordings shown include:

- I Nengah Wirawan (Boiler Operator): Firefighters on April 12, 2019, First Aid March 6 2019, Gender Policy April 2, 2019, RSPO / ISPO Refreshment: March 20, 2019.
- Halimah (Upkeep Workers): OHS Compliance dated February 14, 2019, First Aid Kit 4 April 2019, HCV 09 February 2019, gender policy March 22 2019, Code of Conduct March 22, 2019.

The company also provides and plans training for contractor workers. The training plan was listed in the PT SHE training program. The realization of the training included the OHS training on February 14, 2019 which was attended by the contractors as follows:

- CV Adi Karya Abadi : 5 persons
- Waringin Tunggal : 1 persons
- CV Andhika Putra Bersujud : 4 persons
- CV Dwi Yanti Indriani : 3 persons

Further training on commitments in the RSPO and ISPO will be held in June or December 2019.

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

There is no changes about the document of Environmental Impact Assessment (EIA). PT Sajang Heulang and KKPA has a document of Environmental Impact Assessment (EIA) that approved by the EIA Commission Chairman of forestry and Agriculture Ministry on 26 December 2000. The scope of the EIA covers area of 40,000 ha reserve areas, and 26,000 Ha planting area, and two units palm oil mill, with each capacity of 60 ton FFB/ hour.

5.1.2

During the audit activities, there are several fact were found:

RKL/RPL realization report for semester 2 of 2018, there are environment monitoring and management as follows:

- Noise and air quality monitoring.
- River water quality monitoring.
- Effluent and solid waste management
- Flora and fauna monitoring
- Public unrest monitoring

However, there are still a number of thing that are not in accordance to the report:

- There is no evaluation of the noise testing result that exceeds the quality standards at sterilizer station, clarification station, clarification station, Boiler station and generator rooms.
- Qualitative and quantitative data have not been explained regarding the opportunities for work and business.
- Qualitative and quantitative data have not been explained regarding people perceptions.
- The specific management that has been carried out on the Bekarangan River and Sebamban River has not been explained.

- e. In the conclusions chapter, there are still some irrelevant points, such as: the results of the analysis of river water quality in March 2017 and also air/noise quality in February 2017.

Based on above explanation, it was raised as nonconformity No 2019.07.

5.1.3.

Environment management and monitoring plan review is carried out simultaneously with the evaluation of the report of RKL/RPL implementation every semester. The company has conducted replanting since 2016 and 2018, and the SEIA of Replanting activity done by Aksenta on 2016. In addition that, the CH also is conducting addendum on AMDAL, RKL&RPL which included of Replanting Impact and Management Plan.

5.1.2 Status: Nonconformance No.2019.07 with Minor Category

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

Certificate Holder has identified HCV area and protected animals within operational area, carried out by competent assessor in January 2010 for Mustika Estate and October 2012 for KKPA Estate. Adequate methodology was applied refers to the HCV Toolkit RSPO. Available evidence of social data collection and consultation with stakeholders. Identification of HCV report has been reviewed by experts HCV / Independent Consultant. Assessment report has been explained about the species found, the general condition of the area, methods and HCV found. The CH has declared HCV area consist of HCV 1.1; 1.4; 4.1 and 4.3 an area of 299.70 Ha. While the results of the HCV assessment in KKPA-1 to KKPA-5 shows not identified RTE and protected species, while HCV identified consisting of HCV 4.1 and HCV 6 covering an area of 43.50 Ha. HCV assessments have been conducted with the communities surrounding were held on January 6, 2010 and October 8 to 11, 2012. The whole area of HCV identified in this scope has been mapped and described in the report HCV.

5.2.2

Based on HCV identification, interviews with workers and related agency during audit, and field visit found there is no species in PT SHE and KKPA operational areas categorized on RTE status. However, the Companies has HCV management plan 2018 program which inform types of activities, activities timeline, PIC, location of activities and target activities. For examples: regular species monitoring every semester by HCV Officer, HCV socialization to workers / communities every year by Estate Manager, regular patrols for HCV areas and fires activities every month by HCV Officer. Based on field observation to the several water sources as: Bekarangan River, Block I32; Kuranji River, Block F33 (Mustika Estate) and also water springs, Block N04, Karuh River, Block O38, and Pejungkungan River, Block R50 (KKPA-5 Estate). The company has marked the riparian border and there is a sign board of HCV areas identity, protected species and restrictions of undermine the HCV area. PT SHE including KKPA also conduct regular inspection for HCV/RTE species protection, last inspection was done on December 2018 indicates there is no RTE species, no wild hunting and no fire activities. Consideration to evaluate the period of HCV management and monitoring (OFI).

5.2.3.

Company has established policy regarding species protection listed on policy No724/TQEM-SPMS/09. Evidence for workforce education related to species protection are available for examples HCV Socialization for Spraying team on Mustika estate workers on April 2018. Based on interview with mustika spraying team and KKPA-2, KKPA-3 & KKPA-5 housing residents acquired information that companies has conducting socialization on HCV area and protected fauna within estates operational areas which also informed by signboard. Moreover, field visit on Mustika estate, KKPA-2, KKPA-3 and KKPA-5 estates housing found there is no RTE species reared by workers.

5.2.4

Company have established HCV management plan, and implemented it well for examples marking riparian as no chemical activities areas, conduct vegetation enrichment on riparian, HCV signboard installation, and regular species monitoring. Regular monitoring for examples on December 2018 record shown company has been monitored illegal fishing, hunting, and other illegal activities. All of records for semester patrols on each estate are available and verified by auditors. As the results of 2018 monitoring output, company has plan feed back into the management plan 2019 for examples enhance

socialization for all workers related to riparian protections.

5.2.5

Document review and filed visit during audit shown sampling unit (KKPA 5 and Mustika esate) has no HCV attributes that affected and related to local communities. Meanwhile for other KKPA, The management unit has an agreement with the community to protect HCV that found in the KKPA 1, 2, 3, 4,5 i.e water source and river used by the public when the dry season.

Status: Comply

5.3

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

5.3.1

PT Sajang Heulang and KKPA Mustika has identified the type of waste and waste sources and the management control of each type of waste. Sources of waste in the operations area consists of a mill processing station, workshop, offices, warehouse, home generators, housing, block manuring system, block spraying system, operational activities of the estate and polyclinics.

5.3.2.

Inventory for all chemicals usage and it containers are available on chemicals storehouse / temporary hazardous storage. All ex chemicals containers were kept on temporary hazardous storage at Mustika estate and Mustika POM, the company has a permit for both hazardous and toxic waste storage issued by decree of Head Environment agency Tanah bumbu regent, number 660.4/09/IPS-LB3/2018 and number 660.4/10/IPS-LB3/2018 respectively.

Based on document review and interview with management, shown all ex pesticide containers on estates are managed by washing in block spraying system store. Document review shown that company has sent all toxic and hazardous waste to PT Nazar (licensed collector by decree of national environmental minister) on 28 February 2019 and 6 March 2019 (manifest are available and checked by auditors). Observation during audits at temporary hazardous & toxic waste storage shown that all of hazardous waste are compliant with the periods in permit.

5.3.3

All settlements waste are not disposed using open fire, certificate holder are provides landfill for domestic waste management. Field observation on block H32 mustika estates and block S53 KKPA 5 for example, found that companies managed settlements/housing domestic waste by provide landfill on each division and sort the organic/an-organic waste. Observations also found these landfill are located far away (> 1 km) from housing and situated on flood free areas.

During previous assessment, there are non conformity 2018.07 about Company are not able to shown proper implementation to avoid or reduce pollution for examples during audit found that oil catchment for chemical store on Mustika POM in full filled condition, therefore occur overflow on surrounding areas. It has been verified on the ASA-1.1 as follows:

Verification on 10 April 2019

Based on field observation to the schedule waste in MTF, it was found that oil catchment had been improved, in addition that the oil catchment conditions monitoring has been conducted every month by store keeper under supervision of Head of Administration of MTF.

Evidence observed on ASA-1.1:

The CH has shown documents including:

- Waste management and hazardous waste management procedure Revision 01 dated January 2nd, 2014. Point 5.2.5 stating that the chemical containers will be collected to the schedule waste.
- Herbicide and Insecticide usage record on KKPA-5 Estate which states that on the period of January to March 2019. There are 15.99 Kg (63 pcs) of Kenlly 20 WG usage and 392.25 liter (19 pcs) of Ken Up usage.

- Herbicide and insecticide usage record on Mustika Estate which states that on the period of January to March 2019. There are 387 litre (10 pcs) of Basta usage; 175 litre (8 pcs) of Kenlon usage, 1,039 litre (52 pcs) of Pamungkas usage; 27 kg (108 pcs) of Kenly 20 WG usage and 795 liter of Capture 50 EC usage.
- The hazardous balance sheet of MTE which states that the total hazardous waste receipts for period of January to March 2019 for Kenlon containers are 13 Pcs, Audit container are 16 pcs, prima up containers are 2 pcs, metafuron containers are 12 pcs and Cypermethrin containers are 5 pcs.
- Field observation to the BSS of KKPA-2 Estate sighted that there are chemical containers and have not been handed over to the licensed schedule waste.

Based on above explanation, this indicator is stated as minor raised to Major Nonconformity.

5.3.3 Status: Nonconformance No 2018.02 With Minor raised to Major category

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

5.4.1

Mustika POM shown commitment to reducing fossil fuel by renewable energy usage such as shell and fibre as boiler fuel for substitute diesel fuel by generator. Shell and fibre usage have been monitored per month and realization of fossil fuel usage, during period of April 2018 to March 2019 average of diesel usage are 27,082.17 liter/month; average of fibre usage: 2,400.37 MT; average of shell usage: 1,086.75 MT. Resulting average energy efficiency for electricity grid generated by renewable energy (boiler) are 21.44kW/mt CPO, and for diesel fuel (used by generator) are 6.98 litre/mt CPO.

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

The company has a Sustainable Plantation Management Guidelines dated 27 August 2010 no policy 724 / TQEM-SPMS / 09 point 5.7.2 explained about Zero Burning Techniques. As explained, the environmental policy of the company supports the technique of clearing land without burning for replanting activities. Non-burnt replanting is easy and the non-burnt replanting technique is done on old and uneconomical oil palm plants and other staple plants, where plants are uprooted and cut into pieces and left to rot. This is done because decay of plant material can provide nutrients for plants. In terms of the environment, techniques without burning (including domestic waste materials) have contributed to minimizing air pollution.

The company has also indicated work agreement No.010 / Replanting / SHE / VI / 2018 dated June 29, 2018 between PT SHE and PT Vidya Agung Mandiri, which includes job specifications, among others, through collapsing, stacking and chopping / chopping.

Based on the results of the field visit to Block C4, Mustika Estate found that the company had carried out replanting activities, besides that there was no indication that replanting activities were carried out by burning. In addition, based on the results of document verification and interviews with workers, it is known that there is no use of fire in pest eradication activities in the replanting area.

Status: Comply

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

5.6.1 & 5.6.2

To reduce pollution and emissions, the company has identified the source of pollution and greenhouse gases and the measures to manage them. The efforts made by the management unit to reduce the pollution and GHG emissions through the activities including engine maintenance, effluent management and waste utilization, conduct fertilization according to

the dose, conduct pesticide application according to the procedure, etc. Field visits in the mill showed that the shell and the fibre has been used as a boiler fuel, thereby it's reducing the use of diesel fuel for generators.

Monitoring for emission and pollutants (air emission, air ambient, odor, and noise) from estate and mill was done periodically every 6 month, covered on RKL/RPL implementation report and reported to environmental agency periodically. 2nd Semester 2018 testing result indicates all parameters related to emission are still comply with standard quality. Monitoring of fertiliser, pesticide and chemical use was conducted through record of fertiliser, pesticide and chemical use quantity. The monitoring was conducted to evaluate the management of which has been done by each management unit. Field observations on the WWTP in Mustika Factory showed that there is no indication of leakage in the WWTP and the effluent has been used to estate.

5.6.3

Mustika POM conduct GHG calculation and its monitoring using RSPO palm GHG calculator V3.0.1 for its supply base Mustika Estate and KKPA Estates. Summary of GHG emmision for Mustika POM for 2018 periods are listed as follows :

Emmision per t product	tCO2e/tProduct
CPO	2.14
PK	2.14

Production	t/yr
FFB processed	197,640.57
CPO produced	40,623
PK produced	8,409

Extraction	%
OER	20.55
KER	4.25

Land use	Ha
Planted area	15,805.08
Planted on peat	-
Conservation Area	372.53

Summary of Mill Emmisions and Credits

Descripton	tCO2e	tCO2e/t FFB
Emmissions Sources		
POME	37,343.35	0.19
Fuel Consumptions	1,258.84	0.01
Grid Electricity Utilitazion	0	0
Credits	0	0
Exports of excess electricity to Housing & Grid	0	0
Sale of PKS	0	0
Sale of EFB	0	0
Total	38,602.19	0.20

Summary of field emission and Sinks

Descripton	Own crop	3 rd party
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Emissions Sources	tCO2e	tCO2e/Ha	tCO2e/tFFB	tCO2e	tCO2e/tFFB
Land conversions	151,979.57	16.16	0.84	0	0
CO2 emmissions from fertilizer	8,147.30	0.79	0.04	0	0
NO2 emissions	6,672.15	0.66	0.03	0	0
Fuel comsumption	1,392.89	0.13	0.01	0	0
Peat oxidation	0	0	0	0	0
Sinks	-	-	-		
Crop sequestration	-99,051.49	-9.36	-0.49	0	0
Sequestration in Conservation area	-2,908.23	-0.21	-0.01	0	0
Total	66,232.19	8.16	0.42	0	0

Palm oil Mill Effluent (POME) Treatment

Divert to compost	0.00 %
Divert to anaerobic digestion	100.00 %

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	100.00 %
Divert to methane capture (flaring)	0.00 %
Divert to methane capture (electricity generation)	0.00 %

The company has been calculate the GHG emissions using the lates RSPO PalmGHG calculator (v3.0.1), all the data inputted are accurate. The calculation are including LUC emissions. Net GHG emissions produce by the mill is: 0.19 tCO2e/tFFB. The calculation first option is applied.

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 social impact assessment of the community is explained in the EIA document for 2000 and SIA document for 2010. The SIA was developed in consultation with stakeholders. Records of stakeholder consultation meetings are documented in the EIA and SIA documents. The stakeholders involved in the social impact study included Sebanban Baru Village Head, Banjarsari, Purwodadi, Bayansari, Persiapan Makmur, Waringin Tunggal, Giri Mulya, Kuranji, Karang Mulya, Bekarangan, KUD Tuwuh Sari, Angsana, Karang Indah and Bonati.

In social documents (EIA & SIA) it has been explained that the company has identified potential impacts, then made a social impact management and monitoring program (RKL/RPL and RKS/RPS). The implementation of RKL / RPL and RKS/RPS includes: providing work and opportunities to the surrounding community, providing education, sports, community assistance, and road repairs, as well as implementing plasma development programs. The results of interviews with the community of Batu Meranti Village, Giri Mulya Village and Kuranji Village, every month there was a meeting between the community, especially the village head and the company.

6.1.3.

The company shows the program for handling negative impacts in accordance with the SEIA report for the period 2015-2019 for example:

- Growing palm oil → increasing unrest in the community due to the presence of dangerous wildlife in the estate or village. The actions taken did not direct the overthrow of community estates, conduct briefings to replanting contractors and so forth.
- Activities that can cause impacts on river pollution, decrease in water quality etc, disturb the community. The actions taken include socialization to the public regarding the impact of replanting and how to manage it.

The person in charge of the CSR program is the Head of Administration.

6.1.4.

The company can show a document reviewing the SIA document for the period 2018-2020 which is carried out by involving the participation of all affected parties. Based on interviews with representatives of the surrounding village communities, it was known that they had been involved in a social impact study meeting on replanting activities.

The company shows that the meeting on March 29th, 2019 is located at the KKPA-3 Head Office, matters discussed regarding the delivery of production results that have an impact on farmers income, work programs that have been realized & future programs; and ask for support from all the surrounding communities to participate in the success of the work program. Participants were as many as 12 such as Giri Mulya, Waringin and so on.

6.1.5.

All KKPA (KKPA-2, KKPA-3 and KKPA-5) have been involved in the SIA assessment process.

Status: Comply

6.2

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

6.2.1; 6.2.2; & 6.2.3.

The company has communication procedures for estates and smallholders (KKPA) which are presented in the procedure as follows:

- Communication Procedures (704 / TQEM-ESH / 10, date of ratification of April 2nd, 2012 by SM KKPA1 and EM KKPA 2, 3, 4, and 5), aimed at providing practical instructions for handling communication in the areas of Safety, Occupational Health and Environmental Protection (K3LL) and RSPO, both internally and with external parties with a maximum response of 14 days.
- Communication Procedures and Consultation with the community (RSPO / 6.2 / KKM, Document number: 006 / SHE-KKM / IV / 12, as of April 1st, 2012 for Estate & Mill) which describes the flow of communication and consultation with the community. The initial PIC is a Unit Manager with a maximum response limit of 10 days.

The company shows the letter requesting transportation equipment assistance with the letter number B / 522.451 / 31 / Disdikbud-SD.123 / III / 2019 dated March 28th, 2019 from the Education & Culture Office of the Mustika Elementary School, which was responded to March 30th, 2019 by lending the vehicle. Based on public consultations with the surrounding village community, it is known that the company has understood and has access to the PIC appointed by the company and until now the communication relationship has been going well.

The company shows a list of stakeholders of the period 2019 which informs the name & address; official name and telephone / fax / email consist of Government bodies (18); NGOs (9); District Government Bodies (12); District and Village Levels (36); Figure of the Angsana Village community group (9) and local contractor (5).

Status: Comply

6.3

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

6.3.1; 6.3.2

The mechanism, open to all affected parties and resolve disputes management in an effective, timely and appropriate

manner, ensuring anonymity of complainants and whistleblowers (where requested) are presented in their procedures “SOP/34/PR/(1)/0614 tentang Tata Cara Penerimaan Keluhan dan Penyelesaian Perselisihan Khususnya Sengketa di Luar Pengadilan” and “SOP Keluhan Karyawan (SOP SHE revision 01 in 02 Januari 2014)”. Based on the procedure all complaint submitted to assistant division and written in the register book, the SOP has been explain related on the secrecy of whistleblower. In the procedure was not explained explicitly about the way in submitted the complaint through the RSPO Complaints System, however based on interview with labor union it was mentioned that the complaint submission through RSPO was understood.

Complaints from external and internal recorded in the register book of complaints. Based on the Complaint Book in two estate sampling (Mustika Estate and KKPA-5), it is known that during 2018 to April 2019 there are only complaints related to housing facilities, such as the repair of housing facilities of employees and have been followed up by the company. Based on Result of stakeholder consultation with Village Government, Community Leader, Village Representative, there is no indication of complaint related to plantation and factory operation by the PT Sajang Heulang. Based on interview with the labor union mentioned that currently there is no employment issues, the employer obligation has been carry out in accordance with applicable regulation.

The company is consistently to implement their procedures for dealing with complaints and grievances. The originating complaint from the stakeholder consultation was originating from and the complaint also submitted.

Status: Comply

6.4

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

6.4.1; 6.4.2; & 6.4.3.

Related to compensation is explained in the Occupational Land Acquisition procedure (No. Policy: 343 / PSD-OKUP / 11) stipulated on February 23rd, 2012. Based on interview with Batu Meranti Village, Giri Mulya Village, Kuranji Village is known to have no customary land.

Interviews with representatives of the Batu Meranti Village, Giri Mulya Village and Kuranji Village revealed that there had never been cases of land conflicts, land compensation had been made by the company in agreement with the landowners of the village community. So far, there have also been no land claims from the village community.

Based on the Land Compensation Payment Report, is located in Kuranji Village, Kuranji District, Tanah Bumbu Regency, covering an area of 56 ha on August 29th, 2007. For example:

- A. Zulkifli is located in Kuranji Village, Kusan Hulu District with an area of 200,000 m². There is a land map with a size of 100 meters north; east of 200 meters, south 100 meters, and west 200 meters.

Based on interview with previous landowner in Giri Mulya Village (2 person) and Kuranji Village (2 person) are known:

- Land is provided without coercion and without paramilitary use.
- The price agreement is determined by the decision of the joint village council meeting.
- There has been evidence of compensation for land along with the location of the land being compensated for.
- There are no conflicts and land disputes.
- Land is used as *HGU*. Companies are included in *KKPA-3*.

KKPA 2, 3 & 5

All *KKPA* land is owned by the community so there is no land conflict with PT. SHE.

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

Wage of *PT Sajang Heulang* workers refers to several provisions such as *Kalimantan Selatan* Governor's Decree Number 188.44 / 0570 / KUM / 2018 concerning the Determination of the Minimum Wage of *Kalimantan Selatan* Province in 2019; Decree of the Governor of *Kalimantan Selatan* Number 188.44 / 6598 / KUM / 2018 concerning Regency / City Minimum Wages in 2019; and Inter Office Mail Number 005 / RSP-14.3 / I / 2019 dated January 3, 2019 regarding Daily SKU Wages & Monthly SKU Salary Structures for *PT LSI* and *PT SHE*.

Salaries and working conditions are also contained in Company Regulations for the period 2017-2019. The *PP* has explained about recruitment, work agreement, temporary work agreement, performance assessment, level of workers, promotion, mutation, demotion, work time / working day, working hours, work with a contract system, overtime work, leave and permission, wages and assistance, facilities, work equipment, *BPJS Ketenagakerjaan*, *BPJS Kesehatan*, settlement of complaints, etc.

The salary of *PT SHE* employees has been paid on time and in accordance with the provisions. For example, Sumardi (Security MTF) for March 2019 Basic Salary: Rp. 2,660,000 plus overtime pay amounting to Rp. 3,278,678 (for overtime hours of 202.5 hours) Total wages received were Rp. 5,938,678.

However, based on observed evidence such as:

- The list of *PT SHE* Stakeholders for the period of January 2019 states that there are 17 contractors including replanting work, FFB Transport, CPO Transport, and EFB Transportation
- Work Agreement No.10 / Replanting / SHE / VI / 2008 dated June 29, 2018 between *PT Vidya Agung Mandiri* and *PT Sajang Heulang* for replanting work in Article 10 concerning Competency and Quality Assurance, including declaring to pay workers in accordance with applicable laws and regulations
- Letter from Permata Bunda Division 4 MTE Kindergarten Head regarding the addition of auxiliary teachers due to the comparison of composition between teachers and the number of students who are not balanced. In the letter the Kindergarten Chief suggested that the compensation for the auxiliary teacher is IDR 800,000.00 per month (according to the request)
- IOM from Acting Sr. Manager MTE number 055 / MTE-Ext / X / 2018 concerning the appointment of assistant teachers with compensation of Rp. 800,000 / month
- Attendance of the attendance of kindergarten teachers every month, namely October: 15 *HK*, November: 25 *HK*, January: 21 *HK*, and February: 19 *HK*
- Based on the results of interviews with auxiliary teachers, it was explained that he was the Regional Honor Teacher of the Tanah Bumbu District Education Office with an honorarium of Rp 700,000 / month, Proof of payment every month to the auxiliary teacher of Rp 800,000.00
- *UMK* of Tanah Bumbu Regency 2019 is Rp. 2,660,000 per month or Rp. 106,400 if paid on a daily basis

Thus it can be concluded :

1. The company has not been able to show a mechanism to ensure that all contractors that have a cooperative relationship with the company have paid their workers in accordance with applicable labor regulations.
2. Not yet able to show enough evidence that the work relationship (work requirements) between the company and the honor of auxiliary teacher of Permata Kindergarten refers to the applicable provisions of labor legislation.
3. The wages received by auxiliary teachers are not in accordance with the MSEs that have been determined by the authorities

This is a non-conformity No.2019.08

6.5.2

Company Regulations

The company has Company Regulations that have been approved by the Social Service Office of Transmigration and SMEs in Tanah Bumbu Regency with Decree No. KEP.565 / 26 / PP / Dinsosnakertrans & um / 2017 which is valid from 20 June 2017 - 20 June 2019. The *PP* has explained about recruitment, work agreement, temporary work agreement, performance assessment, level of workers, promotion, mutation, demotion, work time / working day, working hours, work with a contract system, overtime work, leave and permission, wages and assistance, facilities, work equipment, *BPJS Ketenagakerjaan*, *BPJS Kesehatan*, settlement of complaints, etc.

For contract workers such as *BHL* and *PKWT* work regulations are contained in work agreements in accordance with their respective work, including:

- **Specific Time Work Agreement (PKWT)**

Number 007 / MTF-PKWT / I / 2019 dated January 2, 2019 between the Factory Manager Mustika and Reski Amriani. The letter contains a clause on employee rights and obligations, Agreement Period (January 2, 2019 to December 31, 2019), and performance assessment

- **Daily Workers (BHL)**

SPK No. 007 / KKPA-3 / PKBHL / II / 2018 maintenance worker on 1 February 2018 to 30 April 2019. The work agreement explains the validity period of the work agreement, the rights and obligations of both parties, work days and times, and explains regarding wages

Based on verification of employment documents such as salary slips, BHL absences, PKWT contracts, BHL contracts, payments and overtime calculations, it is known that all labor procedures have been carried out properly by the company, including:

- Providing wages to workers is above the minimum wage set
- BHL received by the company does not work more than 21 days in 3 consecutive months
- PKWT and BHL contracts are in accordance with the rules of invitation such as loading name, type of work, work time, wages etc.
- Payment and calculation of overtime for workers is in accordance with Kepmenakertrans No. 100 of 2004

In addition, based on the interviews with estate workers, factories worker and labour unions, it is known that the company has carried out its obligations such as payment of wages, provision of work tools, PPE, and for the past year there have been no complaints about wages and unfair conditions.

6.5.3

Facilities and infrastructure for the welfare of employees facilitated by the company include housing, sports facilities, religious facilities, first aid posts, schools, electricity and water sources, and canteens. Interviews with representatives of factory workers and estate, labour union representatives, and gender committee representatives are known to provide welfare facilities and infrastructure such as housing, houses of worship and sports facilities in a good and well-maintained manner. Field visits to the Mustika Estate and Mustika Factory housing also showed results similar to the information at the interview. Thus it can be concluded that the company already has facilities and infrastructure for the welfare of the workers.

6.5.4

The company has made efforts to assist workers in obtaining food sources, among others by giving permits for workers and residents to sell materials for their daily needs. In addition, there are also traders who sell daily necessities that almost every day enter the residential area.

Based on interviews with workers representative and labour unions are known that access to daily needs is quite easy because of the existence of routine markets, housing stalls, and outside basic merchants who are permitted to enter the company's area.

6.5.1	Status: Nonconformance No.2019.08 with Major Category.
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6.6
The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

6.6.1 & 6.6.2

In the 2017 – 2019 PT SHE Company Regulations, among others, stated that they gave freedom and provided support to workers for association and assembly. In addition, the Guidelines for Sustainable Plantation Management (No Policy 724 / TQEM-SPMS / 09) on Social Policy point 5 states that the company is expected to respect the rights of all employees to form and join trade union communities according to their choices and negotiate together.

PT Sajang Heulang has supported the formation of trade unions in companies, this is evidenced by the existence of trade union organizations in the garden and PKS. The following is evidence of the formation of trade unions in companies:

Mustika Estate

Sign of registration for Sehati Workers' Union (Mustika Estate) to the Department of Manpower, Transmigration, Cooperatives and SMEs in Tanah Bumbu No. 565/310 / HI / Naker on May 30, 2017 with the following structure:

- Chairman: Fajar Nurkhafid
- Deputy: I Gusti Putu Wandiyasa
- Secretary: Slamet Haryawan
- Treasurer: Sartini
- With a total of 306 members

Mustika Factory

All Indonesia Workers Union (SBSI) registration certificate (Mustika Factory) to the Department of Manpower, Transmigration, Cooperatives and SMEs in Tanah Bumbu No. 565/714 / Binawas-LI / Naker on September 26, 2016 with the following structure:

- Chairman: Amri
- Deputy I: Khairuddin
- Deputy II: A. Sauban
- Deputy III: Ramadhan
- Deputy IV: Setiyono
- Secretary: Irwanto
- Treasurer: Purwono
- Members of 64 workers

The company documents every meeting between trade unions and management, including:

- Meeting of KKPA5 trade union members on 11 January 2019 to disseminate workers' wages in 2019 which was attended by 32 members.
- The meeting of MTE and MTF trade union members on March 15, 2019 for K3 socialization and order for PPE was due to the increasing trend of workplace accidents, especially for harvest workers.
- The meeting between representatives of the PUK PT SHE workers union and representatives of the Indonesian SBSI in December 2018 took place at the Pondok Gede hajj dormitory. The form of company support is by giving permission to workers.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

Policies regarding the minimum age of workers are listed in the Guidelines for Sustainable Plantation Management (No Policy 724 / TQEM-SPMS / 09). In the section on Social policy point 6 states that Plantation Upstream Indonesia does not utilize underage labor (children). Besides that, in the PT SHE company regulations period 2017 - 2019 in the recruitment section on administrative requirements workers also state that they must have an Identity Card with a minimum age of 18 years.

As a result of field visits and interviews with plantation workers and factories, it was found that information about the age limit of workers, the prohibition of employing children, and the rules regarding working hours were conveyed. There was a warning about the age limit for workers, which is 18 years as seen in the emplacement and factory area.

From the document list of PT SHE employees can see that all workers are > 18 years old. Every new worker and contractor worker must attach an identity card as an identity and assist in monitoring the absence of children employed.

Status: Comply

6.8

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

6.8.1; 6.8.2; & 6.8.3

Policies on opportunities and equal treatment to obtain employment opportunities are contained in the SOP of Sustainable Plantation Management Guidelines issued by Minamas Plantation Indonesia (No. Policy: 724 / TQEM-SPMS / 09) page 13. Policies include, among others, opportunities and equal treatment in employment opportunities as stated in point 1 stating that: All Staff / Employees must be treated fairly and fairly in matters relating to recruitment, progress, conditions and work descriptions, regardless of race, degree, ethnicity, gender, skin color, imperfection (defect), sexual orientation, organizational membership, political views, religion and age.

Based on the list of PT Sajang Heulang employees and the results of interviews with plantation workers and factories as well as labour union representatives it is known that each worker has received equal treatment and employment opportunities. The composition of the workers is a combination of the surrounding (local) village communities and immigrants such as the Javanese, Bataknese, Flores, Lombok, and Bugis.

Interviews with 4 spray workers in block C04 division III MTE, 5 people in the H33 Division IV MTE block, 4 statistic workers MTF process, 2 union representatives and 1 gender committee representative found that the company treated employees fairly without differentiating status , ethnic religion, and until now there are no issues related to acts of discrimination.

Status: Comply

6.9

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

6.9.1 & 6.9.2

The company is committed to being a company that is responsible for protecting female workers from acts of sexual harassment. This commitment is manifested in a gender policy that was endorsed by Head Plantation Upstream Indonesia in April 2011.

Based on interviews with workers, labour unions and gender committees, the policy has been socialized during the morning briefing. In addition, the company policy is contained in pamphlets on display at the office of the estate and factory. Based on the results of the interview, until the audit took place, there were no reports or complaints regarding sexual harassment or violence.

Examples of socialization carried out by the company regarding gender committee policies include OHS socialization, Human Rights Policy, Code of Conduct, HCV Management and gender committee to Division IV Mustika Estate employees on March 18, 2019 which was attended by 86 people. Whereas in KKPA 5 the same activity was held on February 27, 2019 and was attended by 59 workers

The company has formed a gender committee for workers with the following arrangement:

- Chairperson: Kartini
- Secretary: Agus
- Mustika Estate Coordinator: Husniatun Rahmah
- Members: Norsahda, Ilin, Sutini, Hariyati and Rifdah
- Coordinator of Mustika Factory: Veronica
- Members: Nuraini, Henny S. and Yoni Siska
- KKPA-2 Coordinator: Faizah
- Members: Saripah, Nita Mega Wulan, Setyaningsih, Sri Wahyuni and Nurma
- KKPA-3 Coordinator: Kartini
- Members: Lamiah, Siti Hidayati, Suhartati and Dewi Maslinda
- KKPA-5 Coordinator: Masnah
- Members: Nurul Lalu Lisakhasanah and Laila Surya Nurwahida

Based on interviews with gender committees it is known that gender committee socialization is always carried out, the mechanism for submitting complaints / reporting related to sexual harassment / violence, and socialization regarding workers' rights, especially women. The socialization is usually carried out in conjunction with gender committee meetings with workers, during the morning briefing and at the posyandu for women workers and housewives.

The company has prepared a Child Care Center (TPA) in each house for workers who have children. In addition there is a policy not to employ pregnant and lactating mothers on work related to chemicals. Every woman who is pregnant and breastfeeding will be transferred to parts that do not come into contact with chemicals such as cottage maintenance and manual maintenance. Pregnant women have the right to take H-2 leave as part of special breaks. The company has never prohibited mothers from giving exclusive breastfeeding to children.

6.9.3

The company has an Employee Complaint SOP (SOP SHE Number revision 01 dated January 2, 2014) that explains the mechanism for handling complaints, and in the SOP it has been explained that the confidentiality of the reporter will be guaranteed. Based on the results of interviews with gender committees it is known that female workers have fully understood the mechanism of grievance that has been provided by the company. In addition, the company also guarantees the confidentiality of the whistleblower's identity listed in Human Rights Policy.

Complaints can be submitted to assistants directly or through their respective supervision and if female workers want to submit complaints they can also be through a gender committee. Based on the results of interviews with trade unions and gender committees, it is known that the company has a special complaints mechanism through a gender committee. If there are complaints / complaints related to women's issues, it is conveyed through the committee of the gender committee.

Based on the results of interviews with labour unions and gender committees, it was found that there were no complaints related to women's issues such as harassment or sexual violence that occurred in the company environment.

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; & 6.10.4.

The company shows the FFB pricing in March 2019 under the number 525/585 / PS-3 / III / 2019 by the South Kalimantan Provincial Plantation and Livestock Service Office on March 15th, 2019.

Letter of agreement Smallholders & PT SHE.

Letter of agreement between Tuwuh Sari Village Cooperative Unit and PT Sajang Heulang on January 5th, 2000, Tuwuh Sari *KUD* is located in Satui District, Kotabaru Regency, and South Kalimantan Province with a total area of ± 4000 ha. Forms of work include the construction of estates, Maintenance, Harvesting of FFB, Marketing of FFB, and Training in administration, management and technical of palm oil plantations. The period of the agreement until FFB does not produce any more.

The Company shows Letter of agreement Number MTE / SPK-LKL / XI / 2018/032-AGKT TBS on the work date January 1st, 2019 – March 31st, 2019, for the work of transporting FFB from the location of PT SHE - Mustika Estate to Mustika POM. Payments are paid every 1 month for the value of the work carried out accompanied by an official inspection report signed by both parties. Payments are made through Angsana unit BRI Giro (GGK Number 458 402) dated March 21st, 2019.

Based on the plasma plantation management report for March 2019 *KKPA-3*, it was explained that FFB payments had been adjusted to the Determination of the Plantation and Livestock Service Office of the Province of South Kalimantan for the period of March 2019, with FFB adjusted to plant age, for example the price of IDR 1,285.21 per kilogram (2002 planting year). Interview with the Local FFB Transport Contractor (Interloka Village) and Transport Transport CPO (Giri Mulya Village) *KUD Bumi Berlian*, Payment has been agreed and paid in a timely manner.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1 & 6.11.2.

The company shows a recapitulation showing the realization of CD / CSR for the period July 2018 - December 2018 with details:

December 2018 (Village Development, Social Activities, Health and Education Activities).

- Christmas celebration
- Assistance for the costs of a Posyandu officer for residents of Kuranji Subdistrict
- Teacher assistance for Mustika Elementary School
- Assistance for Teachers
- Kindergarten of Tunas Mulya Teacher's assistance is located in Karang Mulya Village
- Assistance for AL Barkah Kindergarten / TPA teacher in Giri Mulya Village
- Assistance for Roudhatul Jannah Kindergarten / TPA teacher assistance in Waringin Tunggal Village
- Aid for Christian Education Teachers
- Funds for building warehouses located in the village of Hatif
- Assistance to heavy equipment located in Giri Mulya Village

The company shows the CSR Program in 2019 with details:

- Transportation of FFB, Stone, and Infrastructure Development located in Kusan Hulu Village, Kuranji District.
- Village development funds are located in Kusan Hulu Village, Kuranji District.
- Elementary, Middle School, High School and Vocational Assistance is located in Kusan Hulu Village, Kuranji District.
- Car assistance for picking up school children located in Kuranji Village, Kuranji District.
- Maintenance of Village Roads & Infrastructure.
- Donations of 2 Qurban Animals for Kertabuwana and Trimartani Villages.
- Bulk circumcision.
- Treatment services.
- Assistance for Village, District and Religious Activities Funds.
- Assistance for road compactor heavy equipment is located in Giri Mulya Village.

The company has implemented a full managed plasma development program (KKPA).

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1; 6.12.2; dan 6.12.3

The company has a Social Policy signed by Head Plantation Upstream Indonesia December 2011. In this policy, among others, stated that they were not allowed to use forced labor or underage labor (child worker). Based on the interview with the labour unions, the list of MTE, MTF and KPA-5 employees as well as information from the *Tanah Bumbu* District Manpower Agency has never had information or issues regarding forced labor.

Workers in PT SHE work voluntarily without coercion, marked by a written work agreement between the two parties that informs about rights, obligations, wages and sanctions. In addition, the employee recruitment system is also regulated regarding the administrative requirements of job applicants. There are no foreign workers in the operational area of PT Sajang Heulang.

Based on field observation and interviews with company workers and contractor workers revealed the types of work done by workers in accordance with work agreements / work contracts made and agreed upon at the outset. Based on the list of MTE, MTF and KKPA 5 employees, it is known that the composition of workers is local residents and migrants.

In accordance with the updated list, company employees do not employ migrant / foreign workers. The composition of workers is residents around and outside the region who are bound by work agreements and agreed upon by both parties. Interviews with the Head of Industrial Relations at Tanah Bumbu Regency revealed that workers registered at PT SHE were *PKWT and SKU* and there were no migrant / foreign workers.

	Status: Comply	
6.13		
Growers and millers respect human rights		
6.13.1		
<p>The company has the Human Rights Policy, signed by SOU 5, July 2017. PT Sajang Heulang is committed to protecting the human rights of all staff and employees as well as female workers including: The right to life, right to have a family and continue the descent, the right to develop themselves, the right to justice, the right to personal liberty, the right to safe, the right on welfare, the right to participate in government, women's rights, children's rights. There was also shown documentation of Human Rights Policy Socialization for several levels of workers including contractor in each division on year of 2018. Based on consultation with internal stakeholder (labor union and Gender Committee) and the external stakeholder from several village surround, there was no information related to Human Right abuse cause by the plantation and mill operation.</p>		
	Status: Comply	
PRINCIPLE #7 Responsible development of new plantings		
7.1		
A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.		
7.1.1.		
<p>There is no new planting in Mustika POM scope, some areas are replanting. Related to the Social Impact Assessment (SIA) has been explained on the indicator. 6.1.1.</p>		
7.1.2; 7.1.3		
<p>There is no new planting in Mustika POM scope, some areas are replanting. Related to the RKL-RPL & RKS-RPS and review SIA document has been explained on the indicator. 6.1.2; 6.1.3.</p>		
	Status: Comply	
7.2		
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.		
7.2.1; 7.2.2		
<p>Based on the results of field visits to PT SHE and KKPA it was found that oil palm cultivation was carried out between 1995 and 2016. As for 2016 and 2018 it was a replanting activity. Based on these data it is known that there is no new land development in PT SHE and KKPA.</p>		
	Status: Comply	
7.3		
New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.		
7.3.1 & 7.3.2		
<p>The document review showed that the company has performed land clearing after November 1, 2005 without a prior and adequate HCV assessment. Sime Darby Plantation Berhad, as the parent of PT SHE has conducted disclosure of liability in accordance with the letter from the Head of PSQM Department on July 15, 2015 which explained that PT SHE is performed land clearing in the period of November 2005 to November 2007 and land clearing in the period of December 2007 to December 2009.</p> <p>The CH has been re-submitted the RaCP to the RSPO (King Su Li & Panglima Emir Bustami) on 8 April 2019. There are also email between CH and RSPO (Aminah Ang) that there will be meeting on 17 April 2019. Consideration to follow up the Remediation and Compensation Plan Progress (OFI).</p>		

7.3.3; 7.3.4 & 7.3.5.	
Based on LUCA document review and interview with management shown that initial land preparation and land clearing for Mustika estate and KKPA Mustika was done since year end of 2009. Since previous assessment that Mustika estate and KKPA Mustika did not expand or develop new operational areas.	
	Status: Comply
7.4	
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.	
7.4.1; 7.4.2	
Based on the results of field visits to PT SHE and KKPA and verification of land type documents it was found that oil palm cultivation was carried out between 1995 and 2016. In addition, it was found that there was no peat soil. The 2016 and 2018 are replanting activities. Based on these data it is known that there is no new land development in PT SHE and KKPA.	
	Status: Comply
7.5	
No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	
7.5.1.	
There is no new planting in the scope of Mustika POM, some areas are replanting. Associated with legal rights, customary rights, or the right to use local communities are explained in criteria 6.4.	
	Status: Comply
7.6	
Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	
7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5 & 7.6.6.	
There is no new planting in the scope of Mustika POM, some areas are replanting. Associated with legal rights, customary rights, or the right to use local communities are explained in criteria 6.4.	
	Status: Comply
7.7	
Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.	
7.7.1; 7.7.2	
Based on the results of field visits to PT SHE and KKPA and verification of land type documents it was found that oil palm cultivation was carried out between 1995 and 2016. In addition, it was found that there was no peat soil. The 2016 and 2018 are replanting activities. Based on these data it is known that there is no new land development in PT SHE and KKPA.	
	Status: Comply
7.8	
New plantation developments are designed to minimise net greenhouse gas emissions.	
7.8.1 & 7.8.2	
PT Sajang Heulang and KKPA Mustika has not conduct any expansion and development of plantation area after Jan 1 st 2015. Existing GHG emission calculations result are able to seen on Indicator 5.6.3.	
	Status: Comply
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity	

8.1

Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.

8.1.1

RSPO Internal Audit

The company has presented the RSPO Principles and Criteria Internal Audit document carried out on March 5-11, 2019, based on these results it is known that there are 13 findings and improvements have been made to all non-conformities on March 22, 2019.

Best Management Practice

The company has shown the OER Improvement Initiative document. The document contains continuous improvements to OER by using a segregation station system with a total raw oil recovery of 0.72 tons / hour (estimated contribution of segregation station is an increase of 1% over OER CPO).

Environment Aspect

- Regularly monitoring level of smell, noise, water, effluent qualities.
- Regularly HCV monitoring
- Regularly flora & fauna monitoring

Status: Comply

3.2. Summary of Assessment Report of Supply Chain Requirement

3.2.1 General Chain of custody requirements for the supply chain

Clause	Requirement
5.1	Applicability of the general chain of custody requirements for the supply chain
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p>
	<p>Question: Does the organization take legal ownership and physically handles RSPO Certified Sustainable oil palm products at their premises or through the outsourcers?</p>
	<p>The company shows the registration and reporting requirements for the right supply chain through the organization that manages of RSPO supply chain with the following details:</p> <ul style="list-style-type: none"> • Sub License ID: CB 10270 • Member Name: Sime Darby Plantation - Mustika POM - PT SHE. • Member ID: RSPO_PO1000000829 • RSPO Membership Number: 1-0008-04-000-00 (Sime Darby Plantation Berhad). <p>Mustika POM and its supply base are Mustika Estate, KKPA 2, KKPA 3 & KKPA 5. All CPO & PK certified products are from estate. Mustika POM didn't buy CPO from other sources.</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>Question: Is the organization buying from RSPO licensed traders who pass the certification number of the product manufacturer and the applicable supply chain model?</p>
	<p>The Company do not buy certified products from RSPO licensed traders, every CPO & PK product is produced from the estate & smallholders full managed and sold to buyers.</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>Question: Is the site level or its parent company a member of RSPO and registered on RSPO IT platform?</p>
	<p>The company shows the registration and reporting requirements for the right supply chain through the organization that manages of RSPO supply chain with the following details:</p> <ul style="list-style-type: none"> • Sub License ID: CB 10270 • Member Name: Sime Darby Plantation - Mustika POM - PT SHE. • Member ID: RSPO_PO1000000829 • RSPO Membership Number: 1-0008-04-000-00 (Sime Darby Plantation Berhad).
	Status: Comply
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p>
	<p>Question: Is the site level or its parent had a processing aids?</p>

Mustika POM didn't have any processing aids at site.	
	Status: Comply
5.2	Supply chain model
5.2.1	
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.	
Question: Has the organization applied the Supply Chain Model correctly?	
Mustika POM is certified palm oil which implement Identity Preserved using Module D-CPO Mill for its supply chain, because this Mill is received FFB's from certified sources only.	
	Status: Comply
5.2.2	
The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	
Question: Has the organization applied a combination of Supply Chain Model correctly?	
Mustika POM just use 1 module of supply chain such as Module D – Identity Preserved.	
	Status: Comply
5.3	Documented procedures
5.3.1	
The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.	
Questions : Documented procedures established and covering all provisions following:	
<ul style="list-style-type: none"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. • Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). • Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard. 	
The company shows the RSPO SCCS manual (RSPO Supply Chain certification standard) with document number SCCS Standard / RSPO / PSQM / 03 revision 02 dated May 11 th , 2018. This procedure explains the CPO Mills module, including:	
<ol style="list-style-type: none"> 1. Procedure documented. 2. Purchases and Goods In. 3. Changes in processing. 4. Third party activities (Outsourcing). 5. Sales and items out. 6. Register transactions. 7. Training 8. Record keeping. 9. Conversion factor. 10. Claims. 11. Complaints. 12. Management review. 	
Based on document review and interviews with the Weighbridge administration show that:	
<ul style="list-style-type: none"> • FFB Letter for the period 1 April 2018 - 31 March 2019 in Mustika Estate unit, is not given the RSPO Certified mark. For example in SPB Division I Serial number SPB 19-10-4552 date of delivery March 30th, 2019. • Memorandum Number 013 / PSQM-UM / I / 2015 by the Head of Sumatra / Sulawesi PSQM September 3rd, 2015 concerning the RSPO supply chain system (Supply Chain Certification System) point (3) explained that each FFB 	

processed by the Mill must be identified that the FFB is certified or not RSPO certified. Identification of FFB is carried out by labeling the FFB Letter (SPB) and FFB weighing ticket

Based on the explanation above, the Company has not been able to show that all FFB Letter (SPB) have been labeled RSPO Certified in accordance with Memorandon Number 013 / PSQM-UM / 1 / 2015. It was become **Non-conformance No.2019.09**.

Status: Non-conformance No.2019.09 with Major COC

5.3.2

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

Question :

Documented annual internal audit procedures established and covering all provisions :

- i) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.
- ii) Effectively implements and maintains the standard requirements within its organization.

The company shows the RSPO SCCS manual (RSPO Supply Chain certification standard) with document number SCCS Std / RSPO / PSQM / 03 revision 02 dated May 11th, 2018. In points 4.2.2 & 4.2.3 it is explained that:

4.2.2

- Units must carry out internal audits at least once a year to ensure the organization complies with the RSPO SCCS and Document Market Communication & Claim requirements and the effectiveness of implementation and maintenance of standard requirements in the organization.

4.2.3.

- Internal audits are carried out at least 2 months before an external audit is carried out. Findings of non-conformances in the internal audit must be included in the issue to be corrected. The results of the internal audit and all corrective actions must be included in the management review carried out once a year. Organizations must be able to maintain records and reports from internal audits.

The company shows that the SCCS internal audit dated March 5-11 2019 conducted by PSQM staff found (1) SCCS 5.6.1 non-conformity that could not be shown identification documents of all buyers (name, address, quantity, certified / non certified) and fulfilled on March 22nd, 2019 by showing identification data documents for all buyers.

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 :

- The name and address of the buyer;
- The name and address of the seller;
- The loading or shipment / delivery date;
- The date on which the documents were issued;
- A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);
- The quantity of the products delivered;
- Any related transport documentation;
- Supply Chain certificate number of the seller;
- A unique identification number
- Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).
- The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping

Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.

- A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (www.rspo.org) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.
- The validity of license for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements/announcements.

Mustika Palm Oil Mill is an FFB processing mill to produce CPO and PK. The sources of material input are FFB's only from the certified area. This Mill did not purchased CPO and/or PK from others.

Ticket weighs for 2019 period with details bellow:

Customer: PT Golden Hope Nusantara

Transporter: CV Dwi Yanti.

Product: CPO Standard

Remarks: RSPO Identified

Despatch Ticket: 059435

Net weight: 7,990 kg.

- Member name: PT Golden Hope Nusantara
- Member ID: RSPO_PO1000000829
- Category: Refinery

Status: Comply

5.4.2

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

Question :

Has the organization established mechanism in place for handling non-conforming oil palm products and/or documents?

In the RSPO SCCS manual (RSPO Supply Chain certification standard) with document number SCCS Std / RSPO / PSQM / 03 revision 02 dated May 11th, 2018. In point 5.2 regarding incoming and outgoing goods it is explained that the unit must verify and document tonnage & FFB certified sources received and the unit must immediately inform CB if there is a possibility of overproduction of FFB Certified.

Status: Comply

5.5

Outsourcing activities

5.5.1

In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.

Question: Are the outsourcers RSPO certified?

In the RSPO SCCS manual (RSPO Supply Chain certification standards) with document number SCCS Std / RSPO / PSQM / 03 revision 02 dated 11 May 2018. In point 4.5 third party activities (outsourcing)

Facility only sell their certified product (CPO and PK) to the buyer directly and not seeking outsourcing activities. Mustika POM only using contractor for transporting the CPO and Palm Kernel. Currently Mustika POM have procedure to ensure the certified material (CSPO and CSPK) not being mixed with non-certified product.

Status: Comply

5.5.2

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

- a. The site has legal ownership of all input material to be included in outsourced processes;
- b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.
- c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- d. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance

Question : Has the site established outsourcing procedures, agreement and keeps legal ownership of the products during the outsourcing

The company didn't use outsourcing. All product FFB is comes form own estate and PT SHE who has been certified product.

Status: Comply

5.5.3

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

Question: Has the site maintained names and contact details of all outsourcers?

The company does not accept CPO & PK from outside parties, but the company only uses transportation services for CPO & PK.

The company shows the names of transportation services for CPO & PK such as:

CPO		
Contractor names	Address	Transport destination
CV Dewi Yanti Indriani Jaya	Pengadaian road, number 22, Banjarmasin, Tanah Bumbu District and South Borneo Province.	PT GHN Kotabaru
PT Andhika Putra Bersujud	Mustika village, Kuranji Sub-District, Tanah Bumbu District, South Borneo Province.	PT GHN Kotabaru
PT HO Sarana Lestari	Batu Licin, Tanah Bumbu District, South Borneo Province.	PT GHN Kotabaru
Koperasi Serba Usaha Bumi Berlian	Kuranji Village, Kuranji Sub-District, Tanah Bumbu District, South Borneo Province.	PT GHN Kotabaru
CV Surya Megah Abadi	Mekar Jaya Village, Angsana Sub District, Tanah Bumbu District.	PT GHN Kotabaru
PK		
PT HO Sarana Lestari	Batu Licin, Tanah Bumbu District, South Borneo Province.	KCP Rantau

Status: Comply

5.5.4

The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products

Question: Has MUTU informed about any new outsourcers?

Yes, this will be observed in the next surveillance.

Status: Comply

5.6 Sales and goods out

5.6.1

The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer

Question :

All RSPO product information is provided by the organisation in accordance with :

- The name and address of the seller;
- The loading or shipment / delivery date;
- The date on which the documents were issued;
- A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);
- The quantity of the products delivered;
- Any related transport documentation;
- Supply chain certificate number of the seller;
- A unique identification number.
- Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products
- For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.

The company showed the buyer list of CPO & PK for the period 1 April 2018 - 31 March 2019 with detail bellows:

CPO

Buyer	Address
PT Golden Hope Nusantara	Sei Taib Village, Pulau Laut Utara Sub District, Kotabaru District, Kalimantan Selatan Province
	Sei Taib Village, Pulau Laut Utara Sub-District, Kotabaru District, Kalimantan Selatan Province
PT Nagamas Palmoil Lestari	Dumai, Riau Province.

PK

Buyer	Address
PT Laguna Mandiri	Bepara Village, Pamukan Utara Sub-district, Kalimantan Selatan Province.
PT Sinar Mas Agro Resources & Technology Tbk	Tarjun Village, Kleupang Hilir Subdistrict, Kalimantan Selatan Province
PT Gawi Makmur Kalimantan	Satui, Tanah Bumbu District, Kalimantan Selatan Province
PT Wilmar Nabati Indonesia	Gresik, East Java
PT Global Interinti Industry	Surabaya, East Java

Status: Comply

5.7

Registration of transactions

5.7.1

Supply chain actors who:

- are mills, traders, crushers and refineries; and
- take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable

Question :

Has the organization registered their transactions in the RSPO IT platform? (mills, traders, crushers and refineries only)

The company shows the registration and reporting requirements for the right supply chain through the organization that manages of RSPO supply chain with the following details:

Mustika Palm Oil Mill is an FFB processing mill to produce CPO and PK. This Mill did not purchased CPO and/or PK from others.

Status: Comply

5.7.2

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

- Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.
- Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.
- Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

Question :

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

Mustika POM shows CPO & PK sales data for a period of 1 year from April 1st, 2018 to March 31st, 2019, with the following results:

Transaction ID	Transaction on Date	Buyer Reference Number	Volume Product CSPO	Volume Product CSPK	Supply Chain Model
TR-38e3b3090b5a	15 February 2019		0	196.67	IP
TR-765f1d6b-21b9	15 February 2019		0	497.84	IP
TR-94672125-7622	4 December 2019		0	34.08	IP
TR-38a6e3e2-e0e1	30 October 2018	P/GHN/1018/CPO02719	1,496.28	0	IP
TR-3ae648dc-571f	30 October 2018	P/GHN/0918/CPO02672	1,290.71	0	IP
TR-10365226cc7a	19 Nov 18		0	128.08	IP
TR-9cba78388aee	3 Sep 18		0	301.47	IP
TR-f557694a3682	15 Aug 2018	P/GHN/0718/CPO02467	2,968.28	0	IP
TR-feafdddc89ad	15 Aug 2018	P/GHN/0618/CPO02399	1,487.46	0	IP
TR-38e737e587ea	15 Aug 2018	P/GHN/0618/CPO02386	1,987.51	0	IP
TR-dd858f85dbd2	15 Aug 2018	P/GHN/0518/CPO02357	1,996.01	0	IP
TRce669e776b89	13 Aug 2018		0	592.13	IP
TR-99103e636acc	3 July 2018		0	502.64	IP
TR-9bc255e2a8b9	04 June 2018		0	657.2	IP
TR-e3a1ca0dc4cc	24 May 2018	P/GHN/0318/CPO02219	1,496.84	0	IP

TR-008ae9982e7e	16 May 2018	P/GHN/0418/CPO02293	2,191.06	0	IP
TRba2d47be-8af0	3 May 2018		0	498.22	IP
TR-db5e0e037d53	5 Apr 18	P/GHN/0218/CPO02177	999.79	0	IP
TR-a46d87f62638	5 Apr 18	P/GHN/0118/CPO02130	1,093.19	0	IP
TR-40930ce44aee	5 Apr 18	P/GHN/1217/CPO02072	897.75	0	IP
TR-9f3843a7dcc8	5 Apr 18	P/GHN/1217/CPO02055	1,497.41	0	IP
TR0a2610fc-81b4	2 Apr 18		0	293.19	IP
TR-9ccc9af80662	2 Apr 18		0	350.98	IP
Total			19,402.29	4,052.50	

The results of the document review show that:

- Available Previous Certificate product claims period from July 3, 2018 until July 2, 2019, known CSPO: 44,781 Tones and CSPK: 9,151 Tones.
- Available sales of CSPO & CSPK for the period April 1, 2018 – March 31, 2019; with sales of CSPO: 19,402.29 tones and CSPK: 4,052.50 tones.
- Sublicense ID Number CB74271 start date 3/10/2018 - 2/07/2019 known remaining stock CSPO: 41,994.01 MT and CSPK: 6,471.33 MT.
- CSPO Difference: 25,378.71 Tonnes and CSPK: 5,098.5 tonnes (which should be announced)

The company has not been able to show a reduction in CSPO & CSPK stock on palmtrace according to actual sales data, its become **Non-conformance No.2019.10**.

Status: Non-conformance No.2019.10.

5.8 Training

5.8.1

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

Question :

Has the organization established RSPO training plan?

The company shows a training program for 2019 SCCS which will be held in March 2018 every 1 year.

Status: Comply

5.8.2

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

Question :

Has the organization Delivered Effective RSPO training?

The company showed SCCS training which was attended by 11 participants consisting of PSQM, MTF Staff, MTF workers held on March 28th, 2019.

Status: Comply

5.9 Record keeping

5.9.1

The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements

Question :

All records are accurate, complete, up-to-date and accessible?

In the RSPO SCCS manual (RSPO Supply Chain certification standard) with document number SCCS Std / RSPO / PSQM / 03 revision 02 dated May 11th, 2018. In point 4.9 Record keeping explained that:

- The thirsty organization maintains accurate, complete, up-to-date, well-accessed reports and records covering all aspects of the RSPO SCCS requirements.
- Time of keeping all records and reports for a minimum of 10 years for financial documents and transactions and a minimum of 2 years for data other than financial documents.
- The organization must be able to provide an estimate of the number of CPO / CPKO (in separate categories) of RSPO-certified palm oil products and always maintain by updating records of purchases (inputs) and claims (output) for 12 months.

Status: Comply

5.9.2

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

Question :

All records are kept for minimum two years and comply with legal and regulatory requirements?

In the RSPO SCCS manual (RSPO Supply Chain certification standard) with document number SCCSStd / RSPO / PSQM / 03 revision 02 dated May 11th, 2018. In point 4.9 Record keeping explained that:

- The thirsty organization maintains accurate, complete, up-to-date, well-accessed reports and records covering all aspects of the RSPO SCCS requirements.
- Time of keeping all records and reports for a minimum of 10 years for financial documents and transactions and a minimum of 2 years for data other than financial documents.
- The organization must be able to provide an estimate of the number of CPO / CPKO (in separate categories) of RSPO-certified palm oil products and always maintain by updating records of purchases (inputs) and claims (output) for 12 months.

Status: Comply

5.9.3

The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.

Question :

For all palm oil / palm kernel oil volumes purchased (input) and claimed (output) records kept over a period of twelve (12) months?

In the RSPO SCCS manual (RSPO Supply Chain certification standard) with SCCSStd / RSPO / PSQM / 03 revision number 02 dated May 11th, 2018. In point 4.9 Record keeping is explained that: the organization must be able to provide an estimate of the number of CPO/CPKO (in separate categories) RSPO palm oil products and always maintain and update records of purchases (inputs) and claims (output) for 12 months.

FFB, CPO & PK Production Period 1 April 2018 - 31 March 2019, among others:

Products	Volume (MT)
FFB	222,258.10
CPO	46,352.50
PK	9,367.13

Status: Comply

5.10

Conversion factors

5.10.1	
Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries	
Question : Conversion rates applied accurately?	
In the RSPO SCCS manual (RSPO Supply Chain certification standard) with SCCSStd / RSPO / PSQM / 03 revision number 02 dated May 11 th , 2018. Points 4.10 Conversion factor.	
During assesment conducted Mustika POM only received and processed of FFB's as material input form estate under scope of certification. This mill did not purchase FFB, CPO and/or PK from others. Therefore, this mill did not using conversion factors.	
	Status: Comply
5.10.2	
Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	
Question : Conversion rates periodically updated?	
In the RSPO SCCS manual (RSPO Supply Chain certification standard) with SCCSStd / RSPO / PSQM / 03 revision number 02 dated May 11 th , 2018.	
During assesment conducted Mustika POM only received and processed of FFB's as material input form estate under scope of certification. This mill did not purchase FFB, CPO and/or PK from others. Therefore, this mill did not using conversion factors.	
	Status: Comply
5.11	Claims
5.11.1	
The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	
Question : Any communication to any stakeholder group / customers issued in accordance with RSPO Rules on Market Communications and Claims?	
All certified product claims, the CH never using RSPO symbol or logos. A unique identification number, certificate number and supply chain model are available on relevant documents. Also, the CH using RSPO Palm Trace for communication, transaction, confirmation status and shipping announcement.	
In the RSPO SCCS Manual (RSPO Supply Chain Certification Standard) SCCSStd/RSPO/PSQM/03 revision 02 date on, 11 May 2018 described if the claim has been referred to RSPO Rules on Market Communications and Claims.	
	Status: Comply
5.12	Complaints
5.12.1	
The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
Question : Documented procedures for stakeholders complaints established?	

In the RSPO SCCS manual (RSPO Supply Chain certification standard) with SCCSStd / RSPO / PSQM / 03 revised document number 02 dated May 11th, 2018. Points 4.12 Complaint explained that:

- Stakeholders can complain by making a letter in writing or in the form of an e-mail addressed to management representative or verbally meet MR.
- Stakeholder complaints must be followed up by MR both verbally, in writing or by email no later than 1 month after the complaint is received.
- Complaints related to rights in the form of salaries, allowances, incentives, product complaints, payments must be followed up no later than 14 days after the complaint was received.
- Discussion of the complaint problem as stated in 4.11.3 must be resolved by holding a meeting: Manager, Head of Section, and Management Representative.
- All complaints submitted and the answers given must be properly recorded and documented.

Status: Comply

5.13

Management review

5.13.1

The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken

Question :

Management reviews performed annually at planned intervals?

In the RSPO SCCS manual (RSPO Supply Chain certification standard) with document number SCCSStd / RSPO / PSQM / 03 revision 02 dated May 11th, 2018. At point 4.13.1 the organization needs to establish a management review plan implemented:

- After internal audit.
- Before the external audit check.
- At least once in 12 months (1 year).

4.13.2 Inputs to management reviews must include information:

- Results of internal audit of RSPO SCCS requirements.
- Achievement of production
- Feedback from customers
- Status of preventive and corrective actions.
- Follow up on management review
- Changes that can have an effect on the management system.
- Recommendations for improvement.

4.13.3 Outputs for management review must include decisions and actions related to:

- Increased effectiveness of management systems and processes.
- Resource Requirements

4.13.4. The implementation of review management is the responsibility of the Mill Manager & its implementation is led by the Management Representative of Mill.

Status: Comply

5.13.2

The input to management review shall include information on:

- Results of internal audits covering RSPO Supply Chain Certification Standard.
- Customer feedback.
- Status of preventive and corrective actions.
- Follow-up actions from management reviews.
- Changes that could affect the management system.
- Recommendations for improvement.

Question :

Has all input required above has been included in the management review?

The company shows that the SCCS internal audit dated March 5-11 2019 conducted by PSQM staff found (1) SCCS 5.6.1 non-conformity that could not be shown identification documents of all buyers (name, address, quantity, certified / non certified) and fulfilled on March 22nd, 2019 by showing identification data documents for all buyers.

Status: Comply

5.13.3

The output from the management review shall include any decisions and actions related to:

- Improvement of the effectiveness of the management system and its processes.
- Resource needs.

Question :

Has all output required above has been included in the management review?

The company shows that the SCCS internal audit dated March 5-11 2019 conducted by PSQM staff found (1) SCCS 5.6.1 non-conformity that could not be shown identification documents of all buyers (name, address, quantity, certified / non certified) and fulfilled on March 22nd, 2019 by showing identification data documents for all buyers.

There is management review on February 2019 that informs the point management review, finding, action plan, PIC and time schedule. For example: SCCS internal training is carried out to MTF Weighing administration and socialization of understanding to all harvesters.

Status: Comply

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

Clause	Requirement																			
D1	Definition																			
<p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). 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. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p> <p>Mustika factory shows FFB receipts from Plantation (Mustika Estate, KKPA 2, KKPA 3 & KKPA 5). The FFB volume entered on April 1st, 2018 - March 31st, 2019 details as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Months (April 2018 – March 2019)</th> <th colspan="4">FFB (tones)</th> </tr> <tr> <th>Mustika Estate</th> <th>KKPA 2</th> <th>KKPA 3</th> <th>KKPA 5</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>66,035.71</td> <td>78,574.67</td> <td>60,351.78</td> <td>16,477.66</td> </tr> <tr> <td>Grand Total</td> <td colspan="4">221,439.82</td> </tr> </tbody> </table> <p>Mill also receives FFB from certified FFB at the Angsana Estate, Gunung Sari Estate, Pantai Bonati, KKPA 1 & KKPA 4 units which are the supply base of PT Ladangrumpun Suburabadi (RSPO membership 1-0008-04-000-00); with a total of 818,280 tones.</p>		Months (April 2018 – March 2019)	FFB (tones)				Mustika Estate	KKPA 2	KKPA 3	KKPA 5	Total	66,035.71	78,574.67	60,351.78	16,477.66	Grand Total	221,439.82			
Months (April 2018 – March 2019)	FFB (tones)																			
	Mustika Estate	KKPA 2	KKPA 3	KKPA 5																
Total	66,035.71	78,574.67	60,351.78	16,477.66																
Grand Total	221,439.82																			
	Status: Comply																			
D.2	Explanation																			
<p>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 CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>The company shows estimates of certified CPO & PK products with the following details, and any extension volume on 23 April 2019:</p> <table border="1"> <thead> <tr> <th>Products</th> <th>Estimation of certified products period of last year</th> <th>Actual certified products for last year</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>53,860*</td> <td>46,352.50</td> </tr> <tr> <td>PK</td> <td>10,532*</td> <td>9,367.13</td> </tr> </tbody> </table>		Products	Estimation of certified products period of last year	Actual certified products for last year	CPO	53,860*	46,352.50	PK	10,532*	9,367.13										
Products	Estimation of certified products period of last year	Actual certified products for last year																		
CPO	53,860*	46,352.50																		
PK	10,532*	9,367.13																		
	Status:																			
<p>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 or book and claim).</p> <p>The company shows the registration and reporting requirements for the right supply chain through the organization that manages of RSPO supply chain with the following details:</p> <ul style="list-style-type: none"> • Sub License ID: CB 10270 • Member Name: Sime Darby Plantation - Mustika POM - PT SHE. • Member ID: RSPO_PO1000000829 • RSPO Membership Number: 1-0008-04-000-00 (Sime Darby Plantation Berhad). 																				

Transaction ID	Transaction on Date	Buyer Reference Number	Volume Product CSPO	Volume Product CSPK	Supply Chain Model
TR-38e3b3090b5a	15 February 2019		0	196.67	IP
TR-765f1d6b-21b9	15 February 2019		0	497.84	IP
TR-94672125-7622	4 December 2019		0	34.08	IP
TR-38a6e3e2-e0e1	30 October 2018	P/GHN/1018/CPO02719	1,496.28	0	IP
TR-3ae648dc-571f	30 October 2018	P/GHN/0918/CPO02672	1,290.71	0	IP
TR-10365226cc7a	19 Nov 18		0	128.08	IP
TR-9cba78388aee	3 Sep 18		0	301.47	IP
TR-f557694a3682	15 Aug 2018	P/GHN/0718/CPO02467	2,968.28	0	IP
TR-feafdddc89ad	15 Aug 2018	P/GHN/0618/CPO02399	1,487.46	0	IP
TR-38e737e587ea	15 Aug 2018	P/GHN/0618/CPO02386	1,987.51	0	IP
TR-dd858f85dbd2	15 Aug 2018	P/GHN/0518/CPO02357	1,996.01	0	IP
TRce669e776b89	13 Aug 2018		0	592.13	IP
TR-99103e636acc	3 July 2018		0	502.64	IP
TR-9bc255e2a8b9	04 June 2018		0	657.2	IP
TR-e3a1ca0dc4cc	24 May 2018	P/GHN/0318/CPO02219	1,496.84	0	IP
TR-008ae9982e7e	16 May 2018	P/GHN/0418/CPO02293	2,191.06	0	IP
TRba2d47be-8af0	3 May 2018		0	498.22	IP
TR-db5e0e037d53	5 Apr 18	P/GHN/0218/CPO02177	999.79	0	IP
TR-a46d87f62638	5 Apr 18	P/GHN/0118/CPO02130	1,093.19	0	IP
TR-40930ce44aee	5 Apr 18	P/GHN/1217/CPO02072	897.75	0	IP
TR-9f3843a7dcc8	5 Apr 18	P/GHN/1217/CPO02055	1,497.41	0	IP
TR0a2610fc-81b4	2 Apr 18		0	293.19	IP
TR-9ccc9af80662	2 Apr 18		0	350.98	IP
Total			19,402.29	4052.50	

Based on that, CSPO sold as RSPO Certified product is 19,402.29 MT and CSPK sold as RSPO certified product is 4,052.50 MT. CSPO sold as conventional is 25,378.71 MT and CSPK sold as conventional is 5,098.5 MT.

Status: Comply

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 include at minimum the following:

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

The company shows the RSPO SCCS manual (RSPO Supply Chain certification standard) with document number SCCSStd / RSPO / PSQM / 03 revision 02 dated May 11th, 2018. This procedure explains the CPO Mills module, including:

1. Procedure documented.
2. Purchases and Goods In.
3. Changes in processing.
4. Third party activities (Outsourcing).
5. Sales and items out.
6. Register transactions.
7. Training
8. Record keeping.
9. Conversion factor.
10. Claims.
11. Complaints.
12. Management review.

Status: Comply

D.3.2

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

The company shows the RSPO SCCS manual (RSPO Supply Chain certification standard) with document number SCCSStd / RSPO / PSQM / 03 revision 02 dated May 11th, 2018. This procedure explains the CPO Mills module, including: Points 5.2

- The unit must verify and document tonnage and FFB certified sources received.
- The unit must immediately inform CB if there is a possibility of overproduction of FFB Certified.

5.4 Processing Points.

- The unit must be able to ensure through clear procedures and maintained records that RSPO certified palm products are separate from the process of production, transportation and storage of non-certified palm oil.

Status: Comply

D.4 Purchasing and goods in

D.4.1

The site shall verify and document the volumes of certified and non-certified FFBs received.

Mustika factory shows FFB receipts from Plantation (Mustika Estate, KKPA 2, KKPA 3 & KKPA 5). The FFB volume entered on April 1st, 2018 - March 31st, 2019 details as follows:

Months (April 2018 – March 2019)	FFB (tones)			
	Mustika Estate	KKPA 2	KKPA 3	KKPA 5
Total	66,035.71	78,574.67	60,351.78	16,477.66
Grand Total	221,439.82			

Mill also receives FFB from certified FFB at the Angsana Estate, Gunung Sari Estate, Pantai Bonati, KKPA 1 & KKPA 4 units which are the supply base of PT Ladangrumpun Suburabadi (RSPO membership 1-0008-04-000-00); with a total of 818,280 tones.

Evidence observed :

- Land use right map with a scale of 1: 5000
- Location Map of Division IV Mustika Estate
- The Palm oil Census Map is located in Division 4 K33 Block
- Field observations in Division 4 K33 (HGU Pole No.15), it is known that there are still plantations of palm oil and maintenance of palm oil in areas outside the HGU.
- A statement from the Manager of Sajang Heulang dated June 23rd, 2015, which will be re-checked for coordinates No.57, 58, 59 and 15 which indicate the existence of planting outside the HGU.

Description of Non-compliance:

Based on the explanation above, the company has not been able to show evidence of traceability of FFB certified and non-certified areas for oil palm in the Block K 33 area (Pole No. 15), Pole No.57; Pole No. 58 and Pole 59. Its become **Non-conformance No.2019.11.**

Status: Non-conformance No.2019.11

D.4.2

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

Based on review documents it is known that certified CPO & PK production is as follows:

Products	Previous Certificate Claim products period of last year	Actual certified products for period last year
CPO	44,781	46,352.50
PK	9,151	9,367.13

Based on the explanation above, it is known that there is excess production for CPO & PK, but the company has not been able to show evidence that this has been informed to the Certification Body (CB). Its become **Non-conformance No.2019.12.**

Status: Non-conformance No.2019.12.

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 three-monthly basis.

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

Months	FFB (tones)				Total (Tones)
	Mustika Estate	KKPA 2	KKPA 3	KKPA 5	
April 2018-June 2018	19,218.540	20,205.270	18,038.640	719.640	58,182.09
July-September 2018	18,791.320	26,902.320	17,900.700	2,048.610	65,642.95
October-Dec 2018	15,854.220	16,841,800	13,548.440	2,749.830	48,994.29
Jan-March 2019	12,171.630	14,625.280	10,864.000	10,959.580	48,620.49

Production of FFB for period April – June 2018 is 58,182.09 tones, July – September 2018 is 65,642.95 tones, October – December 2018 is 48,996.29 tones and January – March 2019 is 48,620.40 tones.

CPO & PK Produces such as:

Bulan	CPO (tones)	PK (tones)
April 2018-June 2018	10,919.046	2,481.67
July-September 2018	13,426.489	2,760.72
October-December 2018	10,756.203	2,075.55
Jan-March 2019	11,250.758	2,049.20
Total	46,352.496	9,367.13

Production of CPO for April 2018- June 2018 is 10,919.046 tones.
 Production of PK for April 2018 – June 2018 is 2,481.67 tones.
 Production of CPO for July-September 2018 is 13,426.489 tones.
 Production of PK for July-September 2018 is 2,760.72 tones.
 Production of CPO for October-December 2018 is 10,756.203 tones.
 Production of PK for October – December 2018 is 2,075.55 tones.
 Production of CPO for Jan – March 2019 is 11,250.758 tones.
 Production of PK for Jan – March 2019 is 2,049.20 tones.

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 segregated from non-certified material including during transport and storage

Mill just receives FFB from certified supply base such as; own estate, KKPA, Angsana Estate, Gunung Sari Estate, Pantai Bonati, KKPA 1 & KKPA 4 units which are the supply base of PT Ladangrumpun Suburabadi (RSPO membership 1-0008-04-000-00); with a total of 818,280 tones.

Based on document verification and field visit in Mustika 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.

Status: Comply

3.3. Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-1.1	PT Sajang Heulang do not use RSPO trademark and CB Logo. Sime Darby Plantation Berhad Trademark License Number RSPO-1106024.	√
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-1.1	PT Sajang Heulang do not use RSPO trademark and CB Logo. Sime Darby Plantation Berhad Trademark License Number RSPO-1106024.	√
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-1.1	PT Sajang Heulang do not use RSPO trademark and CB Logo. Sime Darby Plantation Berhad Trademark License Number RSPO-1106024.	√
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-1.1	PT Sajang Heulang do not use RSPO trademark and CB Logo. Sime Darby Plantation Berhad Trademark License Number RSPO-1106024.	√
	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.</p>
i.	<p>No replacement after dates defined in NIs Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>Company Group/Holding Statement: HCV assessment has been conducted for uncertified units i.e. PT Mitra Austral Sejahtera (by Aksenta in March 2009) and Sime Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).</p> <p>Auditor Verification: Sime Darby Plantation Bhd sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2nd revision on 24 June 2016. The companies ensuring reporting of disclosure of liability progress to RSPO and according to the CB's correspondence with RSPO Remediation and Compensation.</p>
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	<p>Company Group/Holding Statement: Sime Darby (Liberia) Plantation Inc. Status: Box G - Close for Monitoring</p>

	<p>procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.</p>	<p>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.	<p>Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.</p>	<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.	<p>Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>	<p>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

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	: Sofyan Hadi Lubis
Date Issued	: 09 May 2018	Time Limit	: ASA 1.1
NC Grade	: Minor	Date of Closing	: 12 April 2019
Standard Ref. & Requirement	: 1.1.1. A list of related criteria 1.2 information should be available to relevant stakeholders.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on the result of document review and interview with the management it is known that PT Sajang Heulang has not been able to show evidence of HGU reporting to the Related Institution. It is not in accordance with the Regulation of the Minister of Agrarian Affairs and Spatial Planning / Head of National Land Agency Number 7 of 2017 concerning Arrangement and Procedure for the Right to Use of Business, Article 40 stating "That Rightsholders are obliged to: (point g)" submit report regarding the use and utilization of the Right to Business to the Head of the local Land Office, written at the end of each year".			
Root Cause Analysis <i>(filled by organization audited):</i> Not yet socialized PerMen Agraria No.7 year 2017 which states the obligation to submit reports on the use & utilization of HGU to the head of the local land office.			
Correction <i>(filled by organization audited):</i> A report will be made on the use and utilization of HGUs to the head of the land office by Dept.PSD and will be reported to BPN Kab.Tanah Bumbu once every 1 year			
Corrective Action <i>(filled by organization audited):</i> Regularly updated regulations by Dept.PSD			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> The company has shown the report of using and utilization of land use rights to Head of Land Agency of Tanah Bumbu District on January 10 th , 2019.			
Verified by	: Brigitta Prita		

NCR No.	: 2018.02	Issued by	: Moh Arif Yusni
Date Issued	: 09 May 2018	Time Limit	: Before Certificate Issued
NC Grade	: Major	Date of Closing	: 05 July 2018
Standard Ref. & Requirement	: 2.1.1 There should be evidence of compliance with relevant laws and regulations		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			

PT Sajang Heulang has not been able to show evidence of compliance with relevant laws and regulations, including:

1. The result of document verification and interview with the worker know that there is not enough evidence that all employees of Working Covenant of Certain Time have obtained copy of Work Agreement having same legal force, this is because the company keeps the original work agreement 2 (two) duplicates while the employee only given work agreement fotocopy only for example employees contract worker with No contract MTE / SPK-PKWT / X / 2017/137; MTE / SPK-PKWT / X / 2017/138. This is not in accordance with Law no. 13 of 2003 on Employment under article 54, paragraph 3, which states that companies and workers obtain employment agreements with the same legal force.
2. Based on the study of guard list document of security guard in May 2018 the company establishes working day for security guard at Mustika Estate and KKPA 3 is 7 days a week and workers do not get day off. This is not in accordance with:
 - UU no. 13 of 2003 on Employment in article 77 paragraph 2 stating that working days in 1 week is 6 days for 7 hours / day and 5 days for 8 hours work / day.
 - UU no. 13 of 2003 on Employment in article 79 paragraph 2 stating that for workers who work 6 days in 1 week must get a day off for 1 day.

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

1. Not yet submitted duty stamped work agreement to the employee concerned because the file is lost / damaged by concerned. Then the file is stored either in the big office by Head Section of Administration
2. The existence of agreement between the company and the security guard verbally about the work time of the security guard more than 40 hours / week and given compensation for the excess of working hours, but not in writing

Correction *(filled by organization audited):*

1. Provide SPK PKWT with original seal to the employees of PKWT concerned and proven by the Official Report of Document Delivery
2. To re-socialize to the security guard over the hours of work within a week by making an agreement between the two parties in writing

Corrective Action *(filled by organization audited):*

1. Will Provide SPK PKWT original sealed to all employees of PKWT and evidenced by Minutes of Handover Document
2. Conduct periodic evaluations of the over-hours compensation benefits proven by mutual consent

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

Verify June 10, 2018

Company can show evidence of improvement in form :

- Documentation and official report on the handover of SPK PKWT employees with employees for all certification units including Mustika Factory, Mustika Estate, KKPA-2, KKPA-3 and KKPA-5.
- News of the Agreement statement between the Company and the Security Guard at KKPA 2 and KKPA 3 on 07 June 2018 signed by both parties stating that security willing to receive premium over hours on the day is given 1 (one) work day payment, related to this based on Kepmenakertrans No. 102 of 2004 concerning Overtime and Overtime Wages, stated that:
 - a. In Article 11 on the calculation of overtime wages, section (b) stating: "If overtime work is done on weekly rest days and / or official holidays for work time of 6 (six) working days 40 (forty) hours a week then: The calculation of overtime pay for the first 7 (seven) hours is paid 2 (two) hour wages, and the eighth hour is paid 3 (three) hour wages and the ninth and tenth overtime hours are paid 4 (four)
 - b. In article 12 it is mentioned that For companies that have performed the basis of calculating the overtime wage which is better than this Ministerial Decree, the calculation of overtime wage is still valid.
 - c. In Article 13 In the event of any difference in the calculation of the amount of overtime pay, the authorized determination of the overtime wage shall be the district / municipal labor inspector.

In relation to the evidence of improvements submitted, the discrepancy in this indicator is not fulfilled because the evidence can not be presented related to the conformity of Article 13 of Kepmenakertrans No 102 Year 2004 which states that In the case of calculation difference about the amount of overtime wage, the authorized determination of the amount of overtime wage is the regency / municipal labor inspector.

Verification July 05 2018

The company can show proof of improvement in the form of:

- Proof of Handover of Agreement Documents between the Estate and Employee units (security guard) regarding the excess working hours premium on Sunday shown to the District Manpower Office. Tanah Bumbu on July 2, 2018
- The minutes of the agreement between the Estate and Employee units (security guard) regarding the excess working hours premium on Sunday have been given the approval of the Labor Agency Stamp Office of the Regency of Bumbu.

In relation to the proof of improvement that has been sent, the auditor team stated that the discrepancies in this indicator are stated to have been fulfilled and will be further verified at the time of the next assessment.

Verified by : Moh Arif Yusni

NCR No.	: 2018.03	Issued by	: Moh Arif Yusni
Date Issued	: 09 May 2018	Time Limit	: Before Certificate Issued
NC Grade	: Major	Date of Closing	: June 10, 2018
Standard Ref. & Requirement	: 4.7.3 Records of Safety and Health (OHS) program training (see 4.8) and Personal Protective Equipment (PPE) in accordance with hazard identification and risk analysis should be available to all workers.		
<p>Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on the results of a sample field visit in the Estate and Mill. It is known that there is not enough evidence yet that the company has provided PPE foot protector in accordance with the identified risk identification to all workers. This is evidenced, for example the workforce Leaf Sampling Unit at Mustika Estate, labor at clarification station, boiler, compound and sterilizer at Mustika Factory where the results of interviews and field visits known PPE provided by the company in a condition that has been damaged so they use their own PPE. Otherwise there is no evidence that the damaged PPE is due to personal use or due to official work. Related to that, PT Sajang Heulang can show Non-Capital Purchase Requests No POM / MTF / 17/12/0021 dated December 04, 2017 but until the audit activities implemented it has not been realized.</p> <p>Related to this, the auditor team considered that the company has not been able to show evidence of monitoring mechanism to ensure that PPE is in ready condition and in accordance with the identified risk identification.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Not yet realized the PPE according to the PP, and there is no monitoring of daily PPE usage done by the Division 2. Use of PPE that is used outside the Working hours / work area causing Safety shoes broken before the time of distribution Safety shoes new company given to all employees 			
<p>Correction <i>(filled by organization audited):</i></p>			

It has been handed over PPE to employees and conducted monitoring of daily use of PPE conducted by the division	
Corrective Action <i>(filled by organization audited):</i> Monitoring the use of PPE daily and referring to budget budget per year	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verify June 10, 2018 Company can show evidence of improvement in form <ul style="list-style-type: none"> - Official report on PPE Handover for employees at Mustika Factory, Mustika Estate, KKPA-2, KKPA-3 and KKPA-5. - News event / evidence monitoring the use of PPE in Mustika Estate and Mustika factory - Evidence of Socialization related to damaged PPE replacement mechanism. In relation to the proof of improvement submitted, the discrepancies in this indicator are stated to have been fulfilled and will be further verified on the next appraisal.	
Verified by	: Moh Arif Yusni

NCR No.	: 2018.04	Issued by	: Moh Arif Yusni
Date Issued	: 09 May 2018	Time Limit	: ASA 1.1
NC Grade	: Minor	Date of Closing	: 10 April 2019
Standard Ref. & Requirement	: 4.7.5 There should be emergency and occupational accident procedures available in the Indonesian language as well as available workers who have received First Aid Training in Accidents in the work area.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The Company has provided emergency response and first aid facilities at workplace accidents, but based on the results of field visits it is found that: <ol style="list-style-type: none"> 1. Result of field visit at TPS LB3 Mustika Estate, it is known that shower eye wash not in ready condition 2. The result of field visit at LB3 TPS Mustika POM, it is known that there is no alarm signal. This is not in accordance with the Decree of Head of BLHD No. 660.4 / 133 / BLHD / 2013 Article 3 stating that general and occupational safety and health equipment (standards) shall be owned by the party responsible for activities including alarms, fire extinguishers, shower eye wash and emergency response facilities. 3. The result of field visit to Housing Division 3 Mustika Estate is known that there is a storage of fuel (solar) but there is no symbol / warning about K3 such as prohibition of burning, smoking and other bans. In addition there is no container as an anticipation to prevent the spillage of chemicals (Oil). Related to this matter the company has not been able to show evidence of implementation of emergency preparedness has been implemented in all operational activities.			
Root Cause Analysis <i>(filled by organization audited):</i> <ol style="list-style-type: none"> 1. The absence of preventive maintenance shower eye wash 2. Not yet installed alarm alarms in warehouse B3 Wastes due to Alarm in factory area has been available, for emergency response action in case of fire can be quickly overcome by employee. 3. The absence of socialization regarding the handling and prevention of fuel hazards 			
Correction <i>(filled by organization audited):</i> <ol style="list-style-type: none"> 1. Improved shower eye wash until ready to use 2. Install alarm alarms in LB3 MTF TPS that serves as an emergency response condition 			

3. Conducting socialization to the contractor and installation of K3 safety in the workplace

Corrective Action (filled by organization audited):

1. Monitoring preventive maintenance of TPS LB3 emergency response equipment per month.
2. Conduct periodic socialization regarding the handling of B3 in the work environment.

Verification on April 10,2019

- Based on the field observation to Mustika Estate Temporary Hazardous Waste shelter were known that OHS facilities and infrastructure were in good condition and ready to use.
- Based on field observation to Temporary Hazardous Shelter Mustika POM are known OHS facilities and infrastructure in good condition and ready to use.
- The results of a field visit to the Mustika housing complex where fuel is stored are equipped with a OHS symbol and there is a reservoir for fuel spills.

Based on root cause analysis, corrections, and corrective actions, nonconformities are stated to have been fulfilled.

Verified by : Haikal Ramadhan Kharismansyah

NCR No.	: 2018.05	Issued by	: Steve Mualim
Date Issued	: 9 May 2018	Time Limit	: ASA 1.1
NC Grade	: Minor	Date of Closing	: 9 April 2019
Standard Ref. & Requirement	: 5.1.3 There is an environmental monitoring plan document and its implementation report and an improvement plan for the monitoring results if discrepancies are found. This plan is reviewed at least 2 years.		
Non-Conformance Description & Evidence observed (filled by auditor): Based on the review of RKL / RPL implementation report for July-December 2017 period, it is known that the company has conducted erosion monitoring in second division of MTE. However, there is no evidence that the company has conducted erosion monitoring at other sampling points according to the RKL / RPL matrix which requires erosion monitoring at other sampling points in division 1 (1 point sampling) and KKPA Estate (3 point sampling) monitored every 6 months. .			
Root Cause Analysis (filled by organization audited): Inconsistency of erosion monitoring in MTE Division 1 and 3 sampling points in KKPA-3			
Correction (filled by organization audited): Monitoring erosion throughout the sampling point. With intensity every 6 months according to RKL-RPL matrix and reported RKL-RPL document.			
Corrective Action (filled by organization audited): Monitoring the contents of the RKL-RPL report every semester on the conformity of the RKL-RPL matrix			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification on 9 April 2019 The company was shown several evidence:			

- Soil erosion monitoring document on KKPA-3 Estate year of 2019, there are three sample point at Block C14 (Waringin Tunggal Cooperative with coordinate N -3.463973; E 115.70); Block J14 (Giri Mulya Cooperative with coordinate N -3.513011; E 115.6698897) and Block K12 (Giri Mulya Cooperative with coordinate -3.522007; E 115.700783). According to monitoring result sighted that there are no soil erosion (0 mm).
 - Based on field observation to the Block C14 sighted that there was soil erosion pole installed, on the pole shows the number 0 mm.
- Based on above explanation, this nonconformity has been closed.

Verified by : **Trismadi Nurbayuto dan Satria Adi Putra**

NCR No.	: 2018.06	Issued by	: Steve Mualim
Date Issued	: 9 May 2018	Time Limit	: Before Certificate Issued
NC Grade	: Major	Date of Closing	: June 30, 2018
Standard Ref. & Requirement	: 5.3.2 All chemicals and their containers must be disposed of responsibly		
<p>Non-Conformance Description & Evidence observed (filled by auditor): During field observation during the audit, there was a discrepancy in B3 waste management where the results of interviews with company staff and the study of hazardous waste balance document at temporary collection of hazardous and toxic materials of Mustika Estate showed that the plastic inside of the fertilizer bag had not been managed.</p> <p>It is not in accordance with the SOP of hazardous waste management and not hazardous revision 00 dated April 1, 2012 which explains that all former agrochemical packaging in the estate must be managed according to the prevailing regulations (stored in Temporary collection of hazardous and toxic materials).</p>			
<p>Root Cause Analysis (filled by organization audited): Unidentified plastic parts inside the fertilizer sacks include hazardous waste type Team Auditor's Response:</p> <ul style="list-style-type: none"> - - Please explain why Unidentified plastic inside of the sack of fertilizer including type of hazardous waste 			
<p>Correction (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Revised the identification of hazardous waste by including plastic in the fertilizer sack including hazardous waste type 2. To socialize the management of plastic in the sack of fertilizer 			
<p>Corrective Action (filled by organization audited): To manage the plastic in the fertilizer sack to the temporary collection of hazardous and toxic materials according to the prescribed procedure</p>			
<p>Assessor Evaluation and Conclusion (filled by auditor): Verify June 10, 2018 Company can show evidence of improvement in form</p> <ul style="list-style-type: none"> - Revised identification of hazardous waste by inserting plastic in the fertilizer sack including hazardous waste type - Memorandum of Estate Manager About Management of plastic in a fertilizer sack that explains that the 			

plastic in the fertilizer sack is stacked and then delivered to the warehouse

- Socialization to the fertilizer employee explaining that plastic inner fertilizer that has been bundled stored in the fertilizer, then do the delivery once every three months to temporary collection of hazardous and toxic materials waste at MTE.

In relation to the evidence of improvements submitted then the discrepancy in this indicator is not fulfilled due to:

- Evidence of the management of the fertilizer sack in accordance with memo from the estate manager and socialization that is presented to the employees
- Clarify the auditor's questions at the root of the problem and corrective action

Verification June 30, 2018

The company can show proof of improvement in the form of:

- Clarification of the root of the problem and lack of improvement
- Documentation / records of management of plastic parts in fertilizers in accordance with the memorandum of the estate manager such as monitoring hazardous waste which explains the management of plastic parts in fertilizers, the balance of hazardous waste which explains the management of the management of plastic parts in fertilizers.

Regarding the proof of repairs that are sent, the non conformity in this indicator are stated to have been fulfilled and will be further verified in the next assessment.

Verified by : **Moh Arif Yusni**

NCR No.	: 2018.07	Issued by	: Steve Mualim
Date Issued	: 9 May 2018	Time Limit	: ASA 1.1
NC Grade	: Minor raise to Major	Date of Closing	: 20 May 2019
Standard Ref. & Requirement	: 5.3.3 Disposal plans and waste management to avoid or reduce pollution should be documented and implemented.		
Non-Conformance Description & Evidence observed (filled by auditor): As long as audit activities are in progress the company has not managed waste according to prevailing regulations to avoid and or reduce pollution, e.g. Oil catchment behind the chemical warehouse of Mustika POM in full condition causing spills around it which can cause pollution			
Root Cause Analysis (filled by organization audited): Oil catchment in an open condition that causes rain water into the tub and fill the tub, preventive maintenance of the oil tank oil conducted for 3 months			
Correction (filled by organization audited): Preventive maintenance oil catchment and draining of water mixed with oil in the tub			
Corrective Action (filled by organization audited): Performed cleaning of Oil catchment flow periodically for 1 month, and has made the appointment of PIC preventive maintenance is Section Head of Mustika POM.			

Assessor Evaluation and Conclusion:

Verification on 10 April 2019

Based on field observation to the schedule waste in MTF, it was found that oil catchment had been improved, in addition that the oil catchment conditions monitoring has been conducted every month by store keeper under supervision of Head of Administration of MTF.

Evidence observed:

The CH has shown documents including:

- Waste management and hazardous waste management procedure Revision 01 dated January 2nd, 2014. Point 5.2.5 stating that the chemical containers will be collected to the schedule waste.
- Herbicide and Insecticide usage record on KKPA-5 Estate which states that on the period of January to March 2019. There are 15.99 Kg (63 pcs) of Kenlly 20 WG usage and 392.25 liter (19 pcs) of Ken Up usage.
- Herbicide and insecticide usage record on Mustika Estate which states that on the period of January to March 2019. There are 387 liter (10 pcs) of Basta usage; 175 liter (8 pcs) of Kenlon usage, 1,039 liter (52 pcs) of Pamungkas usage; 27 kg (108 pcs) of Kenlly 20 WG usage and 795 liter of Capture 50 EC usage.
- The hazardous balance sheet of MTE which states that the total hazardous waste receipts for period of January to March 2019 for Kenlon containers are 13 Pcs, Audit container are 16 pcs, prima up containers are 2 pcs, metafuron containers are 12 pcs and Cypermethrin containers are 5 pcs.
- Field observation to the BSS of KKPA-2 Estate sighted that there are chemical containers and have no been handed over to the licensed schedule waste.

Based on above explanation, this indicator is stated as minor raised to Major NCR.

Verification on 8 May 2019

The CH has shown documents including:

- Appeal letter form KKPA-2 Estate Manager about Waste Management number KKPA2-Eks/078/IV/2019/s dated 11 April 2019 to all workers. It was explained that: domestic waste disposal on the trash bag and prohibited from burning. It will be disposal to the landfill twice per week on Tuesday and Saturday. If it still occurs again after this letter, then strict sanctions and warning letter.
- Minute of socialization to the 11 workers about prohibition on domestic waste burning dated 15 April 2019.
- Documentation of trash burned residue cleaning around of KKPA-2 housing complex.
- Minute of hazardous waste handover from KKPA-5 Estate to the temporary hazardous waste store in MTE dated 15 April 2019, it consist nine chemical containers (Ken Up) and 49 lubricant used container.

Verification on 16 May 2019

The CH has shown documents including:

- Documentation of landfill in MTE, all domestic waste were in the landfill.
- Documentation of domestic waste trash in KKPA-2 to the landfill, and also signboard about prohibition of waste burning and domestic waste collect schedule.
- KKPA-2 Estate Manager memorandum number KKPA2-int/79/IV/19/S dated 12 April 2019, it was explained that all spraying foreman is obligate to order the chemical in accordance to daily need.
- Waste source identification and management revised that used masks, used gloves, and used spraying tools send to the schedule waste.

Verification on 20 May 2019

The CH has shown documents including:

- Herbi and Insect usage per hectare and per ton FFB production monitoring period of 2018/2019 which details of pesticide used from January to April 2019 in KKPA-2 & KKPA-5 Estates.

- Used Chemical containers management in KKPA-2 & KKPA-5 Estates which inform the details of container usage and balance sheet of chemical container waste on schedule waste store.
- Minute of hazardous waste handover from KKPA-2 Estate to Mustika Estate dated 12 April 2019, such as: Ken-Up containers (8 pcs), Kenly containers (3 pcs), and Kenlon containers (3 pcs).
- Minute of hazardous waste handover from KKPA-2 Estate to Mustika Estate dated 14 May 2019, such as: used oil (265 liters), used batteries (4 pcs), used oil filters (7 pcs), Kenlon containers (12 pcs), kenly containers (22 pcs), Ken Up containers (44 pcs), and inner fertilizer sacks (52 Kg).
- Minute of hazardous waste handover from KKPA-2 Estate to Mustika Estate dated 15 May 2019, such as: Trendy containers (5 pcs), Kenlon containers (15 pcs), Ken Up containers (53 pcs).
- Minute of hazardous waste handover from KKPA-5 Estate to Mustika Estate dated 26 February 2019, such as Ken up and Kenly containers.

Auditor Conclusions:

Based on above explanation, it was closed. The effectiveness of corrective action will be verified on the next assessment.

Verified by : Trismadi N

NCR No.	: 2018.08	Issued by	: Sofyan Hadi Lubis
Date Issued	: 09 May 2018	Time Limit	: Before Certificate Issed
NC Grade	: Major	Date of Closing	: June 30, 2018
Standard Ref. & Requirement	: 6.7.1 Documentary evidence of minimum age of worker should be available		
<p>Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> In the document Sustainable Plantation Management Manual (No Policy 724 / TQEM-SPMS / 09) In point 6 it is explained that Plantation Upstream Indonesia does not utilize underage labor (children).</p> <p>Based on the results of the field visit at Mustika Estate Division I on the activities of empty blank application conducted by third party (contractor) found the contractor workers who are assisted by other parties who have not met the minimum age requirement and have no working ties with the contractor. The results of interviews with contractor workers acknowledge that the other party assisting is underage and not a company employee or contractor.</p> <p>The company has not been able to demonstrate the implemented mechanism to ensure that all workers of the contractor have met the minimum age requirements.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Lack of supervision oversight in terms of age limit of contractor's workforce</p> <p>Auditor's Response Please explain the current supervisory supervisory / supervisory methods / mechanisms so that such inconsistencies arise?</p>			
<p>Correction <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Conducting socialization to all contractor & supervisory workers regarding the age limits allowed to work in the company's environment according to EM MTE Memorandum No.MTE-Int / 09 / V / 18 <p>Auditor's Response</p>			

In the root of the problem it is mentioned that the incompatibility of this indicator is due to the lack of supervision, please indicate that the corrective remedy submitted is adjusted or added according to the root of the identified problem.

Corrective Action *(filled by organization audited):*

1. Conduct socialization periodically and take firm action if there is a violation of rules that have been determined company
2. Workers must show identity

Auditor's Response

In the root of the problem it is mentioned that the incompatibility of this indicator is due to the lack of supervision, please the precautions submitted are adjusted or added according to the root of the identified problem.

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

Verify June 03, 2018

Company can show evidence of improvement in the form:

- Memorandum of Estate Manager Mustika no. MTE-Int / 202 / V / 18 dated May 7, 2018 Subject to Prohibition of employment for any person who has no contractual ties with the company explaining that if there are workers who work without contracts to the company including children to be terminated and repatriated
- Sosialization ban children or members who no contract ties on May 7, 2018
- Statement letter from contractor dated May 7, 2018 which explains that they will not hire underage / family workers who have no working relationship with the company.

Associated with evidence of improvement submitted by the team of auditors to assess that the discrepancy in this indicator is not fulfilled due to:

- Proof of improvement submitted only to Mustika Estate has not explained the entire audit scope of Mustika Factory, Mustika Estate, KKPA-2, KKPA-3 and KKPA-5. (Although the audit is done by the sample method but the discrepancy applies to the entire scope of the audit)
- Need to clarify the auditor's response to the root of the problem, corrective action and preventive action

Verify June 10, 2018

Company can show evidence of improvement in form

- Memorandum of Estate Manager KKPA 2, 3, 5 and MTF Subject to the commitment of child protection and outside workers stating that the prohibition of employing underage employment in the form of banning employees SKU and PKWT brings families to work in the field.
- Notation of socialization of child prohibition or members with no contractual ties at KKPA 2, 3, 5 and MTF
- Statement letter from contractor dated at KKP 3 explaining that they will not employ underage / family workers who have no working relationship with the company.
- Associated with evidence of improvement submitted by the auditor team to assess that the discrepancy in this indicator is not fulfilled due to the need to clarify the auditor's response to the root of the problem, corrective action and precautions.

Verification June 30, 2018

The company can show proof of improvement in the form of clarification on the root of the problem and corrective action.

Regarding the improvement evidence that is sent, the non conformity in this indicator are stated to have been fulfilled

and will be further verified in the next assessment.

Verified by : Moh Arif Yusni

NCR No.	: 2018.09	Issued by	: Moh Arif Yusni
Date Issued	: 09 May 2018	Time Limit	: Sebelum Terbit Sertifikat
NC Grade	: Major	Date of Closing	: June 30, 2018.
Standard Ref. & Requirement	: 8.1 Oil palm growers and millers regularly monitor and review their activities and develop and implement action plans that allow for sustained real improvements in key operations.		
Non-Conformance Description & Evidence observed (filled by auditor): Based on a summary of the results of the non-conformities identified during the first cycle of the RSPO assessment (Stage 2 - ASA 4), the auditor team considered that there was a continuous improvement commitment that had not yet been fully implemented related to the recurrence of nonconformities that occurred in the second cycle re-certification activity this. As :			
<ul style="list-style-type: none"> • Recurrent non-conformity with the same indicator is shown in indicator 4.7.3; 4.7.5; 5.3.3 • Evaluation and follow-up on the internal audit results of the RSPO against the repetition of non-conformities arising. 			
Root Cause Analysis (filled by organization audited): The lack of consistency of PIC assignment in the implementation of Environmental Safety			
Team auditor's response: <ul style="list-style-type: none"> - Why there is a recurring inconsistency of the same indicator that is in indicator 4.7.3; 4.7.5; 5.3.3 - Has the internal audit of RSPO / - Has been identified the critical issues or points developed in the implementation of certification - Have conducted Evaluation and follow-up on the results of internal audit of RSPO against the repetition of non-conformities that emerged. 			
Correction (filled by organization audited): Issued confirmation of environmental safety officer (Safety Officer & Head of Administration / PSQM) and evaluates ESH internal audit findings			
Team auditor's response: <ul style="list-style-type: none"> - Why there is a recurring inconsistency of the same indicator that is in indicator 4.7.3; 4.7.5; 5.3.3 - Has the internal audit of RSPO / - Has been identified the critical issues or points developed in the implementation of certification - Have conducted Evaluation and follow-up on the results of internal audit of RSPO against the repetition of non-conformities that emerged. 			
Corrective Action (filled by organization audited): <ol style="list-style-type: none"> 1. The environmental monitoring and evaluation officer shall monitor every 3 months and report to RSPO Chairman PT.SHE-Mustika 2. Conduct evaluation of internal audit findings conducted by PSQM to RSPO team PT.SHE-Mustika 			
Assessor Evaluation and Conclusion (filled by auditor):			

Verify June 10, 2018

Company can show evidence of improvement in form :

- Appointment of officers responsible for monitoring the OSH environment in each Estate in PT Sajang Heulang.

Associated with evidence of improvement submitted by the auditor team to assess the non-compliance of this indicator is not fulfilled due to:

- No explanation has been made for the full compliance of the RSPO Principles & Criteria and the officers responsible for each aspect (PIC)
- Need to complete / clarify the questions that arise at the root of the problem and corrective action actions.

Verification June 30, 2018

The company can show proof of improvement in the form of:

- Clarification of the root of the problem and improvement
- Inter Office Mail from RSPO Coordinator PT SHE dated June 20, 2018 No 0275 / RSPO-Int / VI / 2018 relating to the mechanism of preventing nonconformities that bear on RSPO principles and criteria
- Evaluation of Non Compliance of RSPO Recertification at PT SHE
- RSPO internal audit document results and compliance status at PT SHE

Regarding the proof of repairs that are sent, the non conformity in this indicator are stated to have been fulfilled and will be further verified in the next assessment.

Verified by : **Moh Arif Yusni**

NCR No.	2018.10	Issued by	Moh Arif Yusni
Date Issued	08 May 2018	Time Limit	Before Certificate Issued
NC Grade	Major	Date of Closing	July 02, 2018
Standard Ref. & Requirement	General chain of custody requirements for the supply chain 5.2.2 The site can use one (1) or a combination of supply chain models as audited and certified by the CB.		
Non-Conformance Description & Evidence observed (filled by auditor): Mustika POM has RSPO SCCS Manual (RSPO Supply Chain Certification Standard) document No SCCS-Std / RSPO / PSQM / 02 dated 02 January 2018 Inside the manual has explained the Processing changes (point 4.4). but procedures for processing changes from IP to MB are not yet set in the Manual.			
Root Cause Analysis (filled by organization audited): The absence of a thorough evaluation of the SCCS manual, so that there is still grammar that has not been included in the procedure for processing changes, namely the Title Procedure for Changing Processing of IP to MB in the RSPO SCCS manual.			
Correction (filled by organization audited): 1. A thorough evaluation of the contents of the RSPO SCCS manual and has been understood together 2. It has been revised the title of the procedure for processing changes by adding the IP processing changes to MB			

Corrective Action *(filled by organization audited):*

Periodically review the SOPs that are owned regarding the grammar listed.

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

Verification July 02 2018

Mustika Mill has revised the RSPO SCCS Procedure (Document No. SCCS-Std / RSPO / PSQM / 03 Rev 02) on May 11 2018 in the procedure explained the Change of Processing Mechanism for MB to IP and IP to MB explaining that:

- The person in charge of changing the processing of raw materials from MB to IP is Management Representative (MR).
- Management Representative determines changes in raw materials processed based on consideration of stock and sales needs.
- RSPO-certified FFB processing (IP) is carried out every day (morning) and for RSPO and non-RSPO certified FFB processing (MB) is carried out every day (Last hour processing) with an estimated non RSPO entry FFB of 300 tons / day. If there is a change in the processing schedule, it will be stated in the work instructions.

Regarding the proof of repairs that are sent, the non conformity in this indicator are stated to have been fulfilled and will be further verified in the next assessment.

Verified by : Moh Arif Yusni

NCR No.	: 2018.11	Issued by	: Moh Arif Yusni
Date Issued	: 08 May 2018	Time Limit	: 07 July 2018
NC Grade	: Major	Date of Closing	: July 02, 2018.
Standard Ref. & Requirement	<p>General chain of custody requirements for the supply chain 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.</p> <p>Module D – CPO Mills: Identity Preserved 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 include at minimum the following:</p> <ul style="list-style-type: none"> a. Complete and up to date procedures covering the implementation of all the elements in these requirements; b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard. 		

	<p>(Module E) CPO Mills - Mass Balance Requirements</p> <p>E.3.1</p> <p>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <ol style="list-style-type: none"> a. Complete and up to date procedures covering the implementation of all the elements in these requirements; b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.
<p>Non-Conformance Description & Evidence observed (filled by auditor):</p> <p>Mustika POM has the RSPO SCCS Manual (RSPO Supply Chain Certification Standard) document No. SCCS-Std / RSPO / PSQM / 02 dated 02 January 2018, the procedures have described mechanisms related to SCCS Module (D) Identity Preserved and Module (E) Mass Balance Requirements and responsible officers within. Field verification results, field visits and interviews note that:</p> <ul style="list-style-type: none"> - The procedures not yet explained about processing changes from IP to MB - The organisations have not been demonstrated / simulated related to the implementation of processing change from Module IP to MB or vice versa - Evidence of all relevant officers in the application of SCCS has understood the mechanism of SCCS procedures. 	
<p>Root Cause Analysis (filled by organization audited):</p> <p>The training has not been maximized in April 2018 for some of the officers interviewed by the Auditor due to the absence of an evaluation of the understanding of SCCS for these participants.</p>	
<p>Correction (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Re-conducted SCCS training for SCCS MTF personnel regarding procedures for changing IP processing to MB, MB to IP, recording procedures between IP, MB, or non-certified CPO / PK when there was a change in the SCCS scheme by simulating together on June 8 2018 (Minutes attached) 2. Evaluation has been carried out on participants who attended through the Case Check Test on the written post test questions (Attached) 3. Documentation / method for documenting the recording of RSPO / Non RSPO FFB, RSPO IP / MB certified CPO & PK, or non-certified 	
<p>Corrective Action (filled by organization audited):</p> <p>Conduct SCCS training and interviews to SCCS personnel on a regular basis with regard to SCCS understanding</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>Verification July 02, 2018</p> <p>Mustika Mill has revised the RSPO SCCS Procedure (Document No. SCCS-Std / RSPO / PSQM / 03 Rev 02) dated May 11, 2018 in section 5.4., the procedure has explained the Processing Change Mechanism of MB to IP and IP to MB, explaining that:</p> <ul style="list-style-type: none"> • Responsible for changes in raw material processing from MB to IP or vice versa is Management Representative (MR). If any change of the scheme will be made the official report. • MR establishes changes in raw materials processed based on stock considerations and sales needs. • FFB process with certified IP conducted done on a daily basis (morning) and for FFB treatment with RSPO and non RSPO certification (MB) done on daily (Final hours though) with an estimated non-RSPO FFB received of 300 ton / day. If there is a change of processing schedule will be poured on the work instructions. • Before processing transfer from MB to IP, do flushing (pipe flushing) using CPO from RSPO certified FFB processing with volume of 125% of the pipe volume to be rinsed. The CSPO used for flushing is CSPO IP 	

- Flushing conducted to remove stains or previous products inside the pipe especially if the previous process is non CSPO (Non RSPO).
- CSPO Flushing results claimed as CSPO MB Products. MR made a report on downgrading CSPO IP to CSPO MB of 0.456 m3 (0.394 ton CPO or 2.07 ton FFB), then informed Marketing Jakarta for a conversion process on E-trace.
- Flushing is not required when going to move processing from IP to MB.
- Flushing is not necessary when the transfer processing of the IP to MB
- The process supervisor will instruct the clarification operator to process the pipe flushing at the processing transfer from MB to IP.
- There is 4 (four) storage tank di MustikaPOM, with the capacity of each units are 1500 Tonnes. Storage tank 2 and 3 is used for CSPO IP Scheme and storage tank 1 and 4 are used for CSPO Scheme MB
- There is 8 (Eight) Bulk Silo in Mustika POM, with the capacity of each units are 500 Tonnes. Bulk Silo 1,2,3 and 4 is used for CSPK IP Scheme and Bulk Silo 5, 6, 7 and 8 are used for CSPK Scheme MB

Mustika POM can show records of training activities on June 8, 2018 with a total of 14 participants, based on the minutes of the training activity on the standard recording and product simulation, stated that "All participants have understood the recording procedure for RSPO / Non RSPO FFB, RSPO IP certified CPO & PK / MB, or non certified. This simulation has been carried out together by giving several examples of cases related to the SCCS ". In addition, proof of improvement can also be presented regarding:

- Recap / results of SCCS training evaluation at ASF conducted on June 8, 2018
- SCCS post test questions in Angsana factori which are held on June 8, 2018
- Production daily report format which explains about FFB production, FFB process (FFB certified and not certified) and production CPO (Product IP, MB Product or non certified)

Regarding the proof of repairs that are sent, the non-conformity in this indicator are stated to have been fulfilled and will be further verified in the next assessment.

Verified by : **Moh Arif Yusni**

NCR No.	2018.12	Issued by	Moh Arif Yusni
Date Issued	08 May 2018	Time Limit	Before Certificate Issued
NC Grade	Major	Date of Closing	July 02, 2018
Standard Ref. & Requirement	General chain of custody requirements for the supply chain 5.4.2 The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents		
Non-Conformance Description & Evidence observed (filled by auditor): Mustika POM has the RSPO SCCS Manual (RSPO Supply Chain Certification Standard) document No. SCCS-Std / RSPO / PSQM / 02 dated 02 January 2018 In the procedure it describes the Scope, RSPO Supply Chain Certification System, CPO Mills Module: Identity Preserved, CPO Mill Module: Mass Balance. However, in the manual it has not explained the mechanism or procedure to handle if there is any discrepancy in product identification (MB / IP) either physically or documents			
Root Cause Analysis (filled by organization audited): There were not a comprehensive evaluation of the SCCS manual, so that there are still procedures that have not been			

regulated in the RSPO SCCS manual, which is a procedure when there is a product identification error (MB / IP) either physically or document.

Correction *(filled by organization audited):*

1. A thorough evaluation of the contents of the RSPO SCCS manual and has been understood together
2. Revisions have been made in section 5.4. Processing, which has been added to the mechanism if there is a product identification error either physically or document.

Corrective Action *(filled by organization audited):*

Periodically reviewing the SCCS manuals that have been implemented on SCCS in the field.

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

Verification July 02 2018

Mustika Mill has revised the RSPO SCCS Procedure (Document No. SCCS-Std / RSPO / PSQM / 03 Rev 02) dated May 11, 2018 in section 5.4. Processing that confirms that the unit must be able to ensure through clear procedures and records maintained that RSPO certified palm oil products during the production, transportation and storage processes remain separate from non certified palm oil products. If an error occurs in the identification of an MB or IP product either physically or document, then the unit must make a Minutes of Identification of the product and report to marketing Jakarta to do the removal with the number of errors that occurred after being identified

Regarding the proof of repairs that are sent, the non conformise in this indicator are stated to have been fulfilled and will be further verified in the next assessment.

Verified by : Moh Arif Yusni

NCR No.	: 2018.13	Issued by	: Moh Arif Yusni
Date Issued	: 08 May 2018	Time Limit	: 07 July 2018
NC Grade	: Major	Date of Closing	: July 02, 2018
Standard Ref. & Requirement	<p>Module D – CPO Mills: Identity Preserved 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>		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
<p>Mustika POM has the RSPO SCCS Manual (RSPO Supply Chain Certification Standard) document No. SCCS-Std / RSPO / PSQM / 02 dated January 02, 2018, one of which governs record keeping explaining that the unit should record all incoming RSPO Certified FFBS and all CPO and PK RSPO Certified which are sent in real time.</p> <p>However, based on the results of field interviews and simulations it is known that there is insufficient evidence that responsible officers can understand and demonstrate documentation including records of IPO, MB or Non certified CPO when there are SCCS scheme changes. It has high potential to have errors in the process of claiming CPO products produced</p>			

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

The training has not been maximized in April 2018 for some of the officers interviewed by the Auditor due to the absence of an evaluation of the understanding of SCCS for these participants.

Correction *(filled by organization audited):*

1. Re-conducted SCCS training for SCCS MTF personnel regarding procedures for changing IP processing to MB, MB to IP, recording procedures between IP, MB, or non-certified CPO / PK when there was a change in the SCCS scheme by simulating together on June 8 2018 (Minutes attached).
2. Evaluation has been carried out on participants who attended through the Case Check Test on the written post test questions (Attached).
3. Documentation / method for documenting the recording of RSPO / Non RSPO FFB, RSPO IP / MB certified CPO & PK, or non-certified.

Corrective Action *(filled by organization audited):*

Conduct SCCS training and interview SCCS personnel on a regular basis related to understanding SCCS

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

Verification July 02, 2018.

Mustika POM can show records of training activities on June 8, 2018 with a total of 14 participants, based on the minutes of the training activity on the standard recording and product simulation, stated that "All participants have understood the recording procedure for RSPO / Non RSPO FFB, RSPO IP certified CPO & PK / MB, or non certified. This simulation has been carried out together by giving several examples of cases related to the SCCS ". In addition, proof of improvement can also be presented regarding:

- Recap / results of SCCS training evaluation at ASF conducted on June 8, 2018
- SCCS post test questions in Angsana factori which are held on June 8, 2018
- Production daily report format which explains about FFB production, FFB process (FFB certified and not certified) and production CPO (Product IP, MB Product or non certified)

Regarding the proof of repairs that are sent, the discrepancies in this indicator are stated to have been fulfilled and will be further verified in the next assessment.

Verified by : **Moh Arif Yusni**

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

NCR No.	: 2019.01	Issued by	: Brigitta Prita
Date Issued	: 12 April 2019	Time Limit	: 11 July 2019
NC Grade	: Major	Date of Closing	: 15 May 2019
Standard Ref. & Requirement	: 2.1.1. Evidence of compliance with relevant legal requirements shall be available.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none"> - Results of interviews and document review regarding OHS licenses, sterilizer operators said that they had never attended a pressure vessel operator training - Letter from Mill Manager Mustika to the Department of Manpower and Transmigration of <i>Kalimantan Selatan</i> Province regarding the issuance of OHS License and Workbook certificates for 4 pressure vessel operators and 1 storage tank operator – even though the five operators have never attended OHS training - Letter of Statement No.566 / 211 / Was-NKT / 2019 from the Head of the Department of Manpower and Transmigration of the Provincial Government of <i>Kalimantan Selatan</i> regarding the letter of application for the company dated 02 March 2019 regarding the application for OHS certification for Storage Tank Operators and Pressure Vessels to the Indonesian Ministry of Manpower Cq Director of PNK3. - List of security work named Supardi overtime in March 2019 informs that from 1 - 31 March the relevant person is always entering full without being off and getting overtime - IOM Number 027 / MTF-Int / VI / 2018 from Mill Manager Mustika regarding the division of security work shifts divided into three shifts including the following: Monday (7:00 AM - 3:00 PM): Mahyuni and Anang Saturday: (7:00 AM to 3:00 PM): Mahyuni and Anang Sunday: (7:00 AM - 3:00) PM: Mahyuni and Anang - IOM states that the off time is arranged alternately by security members, but the company has not indicated the off schedule in question - Law No. 13 of 2003 concerning Manpower in article 77 paragraph 2 which states that working days in 1 week are 6 days for 7 working hours / day and 5 days for 8 working hours / day. - Law No. 13 of 2003 concerning Manpower in Article 79 paragraph 2 which states that workers who work 6 days in 1 week are required to get a day off. 			
Nonconformance Description :			
There is not enough evidence that the company has fulfilled all compliance with relevant laws and regulations.			
Root Cause Analysis (filled by organization audited):			
1. Late socialization by the sustainability team regarding regulatory updates so that in accordance with the agreement the worker applies full employment without a holiday schedule			
Correction (filled by organization audited):			
1. issued a new MTF Manager regulation related to work schedules and MTF security holidays			
2. Conduct OHS training for Pressure Vessel operators and Hoarding tanks as mandated by the Indonesian Minister of Manpower Number 37 Year 2016 in collaboration with PT. Mandiri Competency Certification that will be held jointly on April 22 - May 3, 2019 at the Mustika factory unit			
Adjust the work schedule of the MTF Security by publishing IOM No. 046 / MTF-INT / IV / 2019 which is scheduled to have 1 holiday every week for the security guard with a specified rotation.			
Corrective Action (filled by organization audited):			
1. Implementation of routine socialization regarding company obligations by the Sustainability team every 6 months following the latest rules set by the central and regional governments			

2. Monitoring the list of the latest regulations that need to be fulfilled by each business unit of estate / mill.

Monitoring the security guard roster schedule

Assessor Evaluation and Conclusion (filled by auditor):

Verification on May 7, 2019

The company shows proof of improvement in the form of:

1. Invoice for PT Competency Certification - Mandiri for payment for the implementation of coaching of Pressure Vessel Inspectors and Testers and Hoarding Tanks on 11 March 2019
2. IOM Number 046 / MTF-INT / IV / 2019 dated April 15, 2019 concerning Mustika Factory Security Guard Working Hours. Shift I at 07.00-15.00; Shift II 15.00 - 23.00; Shift III 23.00 - 07.00. Every security guard gets off day (work holiday) for 1 day every week in accordance with the existing schedule
3. The Mustika Factory Security Schedule that has explained the day off of each security guard
4. Finger print security guard period April 20 to May 05 2019

Evidence of improvement is acceptable but needs additional information on the root cause analysis, and corrective actions. Nonconformities have not been fulfilled.

Verification on May 15, 2019

The company has shown additional proof of improvement in the form of an evaluation of compliance with regulations. In addition, the root cause analysis and corrective actions have also been completed. Thus, nonconformities are stated to be fulfilled.

Verified by : Haikal R Kharismansyah

NCR No.	: 2019.02	Issued by	: Brigitta Prita
Date Issued	: 12 April 2019	Time Limit	: 11 July 2019
NC Grade	: Major	Date of Closing	: 9 July 2019
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.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none"> • Based on field observations in Block K33 Division 4 (Pole No.15), it is known that there are still plantations of several oil palm outside the Land Use right area, where the plants are still physically treated and harvested. • There is a statement from the Estate Manager & temporary person in charge of GM Estate Sebamban dated June 10th, 2015 stating that it will no longer manage 142 oil palm areas covering an area of 1,044 ha (located in Block L26, L27 & K33) by not doing maintenance and harvesting. 			
Non-Conformance Description (filled by auditor):			
Based on the explanation above, the company has not been able to show the implementation of the statement.			
Root Cause Analysis (filled by organization audited):			
<ol style="list-style-type: none"> 1. There has not been any socialization to harvesters regarding the land use title boundary area and the prohibition on harvesting activities in the area. 			

2. There is no limit that indicates the area outside the land use title.
3. Lack of information obtained by new MTE staff regarding areas outside the land use title.

Correction (filled by organization audited):

1. A statement from the Estate Manager & Acting GM Estate Sebampan dated June 10th, 2015 stating that it will no longer manage 142 oil palm areas covering an area of 1,044 ha (located in block L26, L27 & K33) by not carrying out maintenance and harvesting. Since April 15, there is no treatment and harvest have been carried out.
2. Issued Internal Memo Mustika Estate no. 76 / MTE-Int / V / 2019 related to the prohibition of any activity in areas outside the MTE land use title precisely in Blocks L 26, L27 and K33.

Corrective Action (filled by organization audited):

1. Conduct socialization to MTE Division 4 harvesters regarding the boundaries of the land use title area in Blocks L26, L27, and K33 which are marked with cross-paint in the palm oil boundary area.
2. Thinning out has been done with the glyphosate of the palm oil in Block K33.
3. Make a paint mark on the palm oil in the Land use title area in Blocks L26, L27, & K33.
4. Communicating with the PSD to conduct a review of the national land agency (BPN) regarding the land use title Mustika Estate.

Assessor Evaluation and Conclusion (filled by auditor):

Verification, May 19th 2019.

The company shows the minutes of thinning out the oil palm plantations which are located outside the land use title on April 12th, 2019 as many as 11 oil palm (Evidence of photo documentation). Please explain about:

1. Follow-up re-measurement for the coordinates of point No.57, 58, 59 and 15 which indicate the existence of planting outside the land use title. Has there been a measurement of the area?
2. Can you show evidence of socialization to harvesters, foremen and assistants regarding understanding the location of harvesting of FFB entering *HGU* and non-*HGU*?

Verification, May 29th 2019.

The company shows some evidence of improvement as follows:

1. Memorandum from the MTE Manager No 76 / MTE-Int / V / 19 dated May 2nd, 2019 regarding: the ban on 98 work activities outside the Land use title area in block L26 (*HGU* No. 58), Block L27 (*HGU* No. 59) as much as 42 palm oil, and block K33 (*HGU* No. 13) for 2 palm oil.
2. Reports on repainting palm oil dated April 12th, 2019 excluding Division IV, MTE, consisting of L26 Blocks (98 palm oil), L27 (42 palm oil), & K33 (2 palm oil).
3. Minutes of Dissemination on May 20th, 2019 to 1 assistant division, 7 supervision and 40 cutter & pickers. Regarding the prohibition of harvesting activities and other work outside the Land use title area.
4. Communication between PSQM and PSD is related to the management of land use title to National Land Agency on May 10th, 2019.

Verification, June 20th 2019.

Based on email evidence dated June 18th, 2019, it is known that coordinate point measurements will be carried out by Time Research and PSD.

Verification, July 9th, 2019.

There is a letter of application for the geographical coordinates list No. 34 of PT SHE to the Head of the Land Office of the Province of South Kalimantan with the number 228 / SHE / UM / PSD / VI / 2019 dated June 21st, 2019. However, there has been no response related to this letter. Based on the explanation above, this will be made an observation during the next surveillance assessment.

Verified by	: Brigitta Prita & Trismadi N
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NCR No.	: 2019.03	Issued by	: Satria Adi Putra
Date Issued	: 12 April 2019	Time Limit	: 11 July 2019
NC Grade	: Major	Date of Closing	: 20 May 2019
Standard Ref. & Requirement	4.6.6 Pestisida disimpan dengan praktik terbaik yang diakui. Semua wadah pestisida harus dikelola secara tepat sesuai peraturan yang berlaku dan atau petunjuk pada kemasan (Lihat Kriteria 5.3).		
Evidence observed (filled by auditor): Based on observed evidence it is known that: <ul style="list-style-type: none"> - KKPA Herbi & Insect Usage 5 document which states that in the period January - March 2019 there are 15,99 kg (63 pcs) of 20 WG and 392.25 liters (19 pcs) of Kenly use. - Herbi & Insect Usage Mustika Estate document which states that in the period January - March 2019 there are 387 liters (19 pcs) of Basta and 175 liters (8 pcs) of Kenlon, 1039 liters (52 pcs) of Pamungkas, 20 WG of Kenly 27 kg (108 pcs) and Capture 50 EC as much as 795 liters - The Hazardous Waste Management Balance Sheet of PT Sajang Heulang - Mustika Estate, which states that the total hazardous waste receipts for the period of January - March 2019 for packaging types ex Kenlon pesticides are 13 pcs, 16 pcs of Audit, 2 pcs Prima Up , 12 pcs of Metafuron and 5 pcs of Sipermetrin. - Observation to the BSS KKPA 2 Warehouse is known that there are still ex-pesticide packaging found in the BSS Warehouse and have not been handed over to authorized temporary hazardous waste warehouse. 			
Non-Conformance Description (filled by auditor): The company has not been able to show that all pesticide containers must be managed appropriately in accordance with the procedures they have.			
Root Cause Analysis (filled by organization audited): Hazardous waste shipments that are carried out regularly every 3 months from the estate unit to hazardous storage are not monitored properly so that there are still undelivered hazardous wastes as a whole			
Correction (filled by organization audited): Carry out hazardous waste shipments every 2 months and monitor hazardous waste packaging at each unit estate / mill at the end of each month based on the stock used / out of the warehouse			
Corrective Action (filled by organization audited): Issue Memo no. 095 / KKPA-2 / V / 2019/2 related to the sending of Hazardous waste to licensed Hazardous Waste in Mustika Estate and Mustika Factory and reporting of Hazardous Waste stock of each unit to the head of P2K3 PT .HE every once a month			
Assessor Evaluation and Conclusion (filled by auditor): Verification on May 15, 2019 The company has shown proof of repairs in the form of Memorandum (No.095 / KKPA-2 / V / 2019 / s) dated April 16, 2019 concerning the Delivery of Hazardous Waste to Licensed Hazardous Temporary Storage Places. The memo contains: <ul style="list-style-type: none"> - For Estate that do not have an Hazardous Storage licensed to routinely send hazardous waste (at least every 2 months) to Mustika Estate or Mustika Factory 			

- Monitoring every hazardous waste produced in accordance with the amount of chemical usage coming out of the warehouse by the unit at the end of the month.
- Ensure that all used chemical containers that leave the warehouse must be sent to Authorized Hazardous Storage.
- Before sending, Hazardous waste treatment must be in accordance with Hazardous Waste SOP, including packing all hazardous waste according to waste characteristics, no leakage during shipment, chopping / punching used pesticide packaging and each delivery report must be made.
- Regarding the proof of improvement provided, the auditor team still needs additional evidence, including:
- Hazardous waste Monitoring Document and Hazardous waste handover report in accordance with the memo that has been made.
- Implementation of Hazardous Waste shipments in April and May 2019, to ensure that there is no difference between the hazardous waste data generated compared to the recording data at hazardous waste and/or reuse in the field (to shunt).

Based on this, the non-conformity No. 2019.03 declared not yet fulfilled (Open).

Verification on May 20, 2019

The company has shown proof of improvement including:

- Document of Monitoring Herbi and Insect Usage per Hectare & per Ton FFB production 2018/2019 which details the use of pesticides per type of material with the period January-April 2019 (KKPA2).
- Documents on the management of pesticide packaging at KKPA, which details the number of pesticides and packaging of pesticides used, including the waste balance at Hazardous Waste.
- Report on Hazardous waste handover on 12 April 2019 which included hazardous waste handover documents from KKPA2 to Mustika Estate, while handover of pesticide packaging included Ken-Up jerry cans (8 pieces), Kenlly packaging (3 pieces) and Kenlon (3 pieces) .
- Proof of hazardous handover date on 14 May 2019 which details hazardous waste handover documents from KKPA2 to Mustika Estate, while hazardous waste handover includes Used Oil (265 liters), used batteries (4 pieces), oil filters (7 pieces), packaging ex Kenlon (12 pieces), ex Kenlly packaging (22 pieces), ex Ken Up packaging (44 pieces) and inner fertilizer sacks (52 kg).
- Documents in the form of photos in the form of handover of ex-pesticide packaging (KKPA2).
- Proof of the handover of ex-pesticide packaging on 15 May 2019 from KKPA3 Estate to hazardous waste (MTE) with details including ex Trendy packages (5 pieces), ex Kenlon packages (15 pieces) and ex Ken Up packaging (53 pieces).
- Documentation in the form of photo handover of ex-pesticide packaging to hazardous waste storage (from KKPA3).
- Document of Monitoring Herbi and Insect Usage per Hectare & per Ton FFB production 2019 which includes details on the use of pesticides per type of material with the period January-April 2019 (KKPA5).
- Documents on the management of pesticide packaging at KKPA5, which details the number of pesticides and packaging of pesticides used, including the waste balance at hazardous waste.
- After documentation the specifications of the pesticide packaging ytyang used in 2019 contain the amount of packaging produced (KKPA5).
- Document of handover of from KKPA5 to Hazardous Waste Storage at Mustika Estate.
- Proof of the transportation of Hazardous Waste from KKPA5 to Mustika Estate with the types of ex-packaging of Ken Up and Kenlly.
- Hazardous Waste Balance Sheet at KKPA5.

<p>- Documentation in the form of photos and minutes of transportation for Hazardous waste (February 26, 2019).</p>	
<p>Based on evidence of improvements that have been given, then non-conformity No. 2019.03 is stated to have been fulfilled and observations will be made during the next audit visit.</p>	
Verified by	Satria Adi Putra

NCR No.	2019.04	Issued by	Haikal Ramadhan Kharismansyah
Date Issued	12 April 2019	Time Limit	11 July 2019
NC Grade	Major	Date of Closing	15 May 2019
Standard Ref. & Requirement	<p>4.7.1. A health and safety policy shall be in place. A health and safety plan shall be documented and implemented, and its effectiveness monitored.</p>		
<p>Evidence observed (filled by auditor):</p> <ul style="list-style-type: none"> - Analysis of Unit MTE and KKPA-5 Employee Medical Check Up results from October to December 2018 informs some manuring employees of creatinine to increase by more than 25%, no physical complaints of low back pain, bleeding / haemorrhage, pain during small bowel movements, physical examination. kidney enlargement and signs of kidney failure. This employee must be observed or monitored for the next 3 months if there are any signs above. - Based on interviews with company doctors are known that observations and monitoring were not carried out; checks wait if there are complaints or reports from sick employees 			
<p>Non-Conformance Description (dilengkapi oleh auditor):</p> <p>The Company has not been able to show consistency in the implementation of a predetermined occupational health and safety plan, for example observations and monitoring of MTE and KKPA-5 fertilizer workers whose creatinine levels are more than 25% (according to the analysis of medical checkup results by doctors and observed and monitored 3 month after the last inspection).</p>			
<p>Root Cause Analysis (filled by organization audited):</p> <ol style="list-style-type: none"> 1. There has no been routine evaluation by company doctors and units related to the results of observations and health monitoring. 2. The existence of miscommunication between the unit and the company doctor so that the follow-up of observation and monitoring results did not go well. 			
<p>Correction (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Every unit of estate / mill together with the company doctor follows up on the observation and monitoring of each employee in accordance with the recommendations of the final check and the follow-up progress can be sent to the Chairperson of PT SHE OHS Committee 2. A health check has been carried out for MTE and KKPA-5 employees with the results attached to letter No. Pol-Ase / 005 / IV / 2019 / s and No. Pol-Ase / 006 / IV / 2019 / s 			
<p>Corrective Action (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Perform routine monitoring every time the results of observation of medical check-ups with a follow-up period within 2 months after the observation 			

2. The unit sends information related to monitoring observations to the company's doctors within a period of 2 months after the medical check up

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

Verification on May 07, 2019

The company shows proof of improvement in the form of advanced MCU results for KKPA5 and MTE workers who are indicated to have kidney problems because the creatinine value is more than 25%. The results of follow-up observations on the health examination stated that no workers were identified as having kidney problems.

Evidence of improvement has been received, but additional information is still needed on the root problem analysis and corrective action. Nonconformities have not been fulfilled

Verification on May 15, 2019

Information has been added to the root problem analysis section and corrective actions. Nonconformities are stated to be fulfilled.

Verified by : Haikal R Kharismansyah

NCR No.	: 2019.05	Issued by	: Haikal Ramadhan Kharismansyah
Date Issued	: 12 April 2019	Time Limit	: 11 July 2019
NC Grade	: Major	Date of Closing	: 07 May 2019
Standard Ref. & Requirement	: 4.7.2 A documented risk assessment shall be available and its implementation shall be recorded.		

Evidence observed *(filled by auditor):*

- Work accident evaluation period July - December 2018, dated January 3, 2019 by Acting Sr. Manager MTE states that evaluation results are used as a reference and work program towards zero accident at MTE.
- Monitoring of work accidents in MTE for the period July - December 2018. There was a broken right thigh work accident due to being hit by a BOB pole, Mr. Heriyanto on August 13, 2018 and resulting in a loss of 15 working days. The 2019 HIRAC Evaluation and Document Results have not discussed and explained the BOB installation risk analysis.
- Monitoring work accidents in MTE for the period July - December 2018. In December 2018 there was a work accident, Nusrizal was stung by a scorpion / Wasp. In the evaluation for improvement, the next period states the use of safety shoes and gloves. In the HIRAC document the type of work in question has not been explained; There is no discussion about the use of safety shoes and gloves.
- HIRAC MTF has not discussed the risk analysis at the sortation and grading stations.

Non-Conformance Description *(dilengkapi oleh auditor):*

HIRAC owned by the company has not accommodated the results of evaluation of the incidence of workplace accidents. In addition, it also does not cover all activities carried out.

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

There has not been a routine evaluation regarding the HIRAC document concerning the implementation of work and accident history

Correction *(filled by organization audited):*

1. Add HIRAC for grading / sorting activities in the Mustika factory area.

2. Add HIRAC for BOB work in the Estate environment.	
Add risk of being stung by insects and scorpions during harvest work.	
Corrective Action <i>(filled by organization audited):</i>	
Evaluate HIRAC documents once a year by anticipating accidents based on accident history and potential hazards that have not been identified.	
Assessor Evaluation and Conclusion <i>(filled by auditor)</i>	
Verification on May 07, 2019	
The company shows proof of improvement in the form of adding HIRAC to grading work, installing BOB, and increasing the risk of being stung by insects and scorpions at harvest work. Based on the root cause analysis, correction, and corrective actions and proof of improvement sent the non-conformity is stated to be fulfilled.	
Verified by	: Haikal R Kharismansyah

NCR No.	: 2019.06	Issued by	: Haikal Ramadhan Kharismansyah
Date Issued	: 12 April 2019	Time Limit	: ASA 1.2
NC Grade	: Minor	Date of Closing	: 27 May 2019
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 <i>(filled by auditor):</i>			
<ul style="list-style-type: none"> - Based on interviews and document review regarding OHS licenses, sterilizer operators said that they had never attended a pressure vessel operator training - Letter from Factory Manager Mustika to the Department of Manpower and Transmigration of Kalimantan Selatan Province regarding the issuance of OHS License certificates and Workbooks for 4 pressure vessel operators and 1 storage tank operator - Even though the five operators have never attended OHS training at all - Letter of Statement No.566 / 211 / Was-NKT / 2019 from the Head of the Department of Manpower and Transmigration of the Provincial Government of Kalimantan Selatan regarding the letter of application for the company dated 02 March 2019 regarding the application for OHS certification for Storage Tank Operators and Pressure Vessels to the Indonesian Ministry of Manpower Cq PNK Director - There is no information about when and who is implementing OHS training for PT SHE pressure vessel operators 			
Non-Conformance Description <i>(dilengkapi oleh auditor):</i>			
The pressure vessel operator and storage tank owned by the company have not been equipped with competency evidence as stipulated in Minister of Manpower Regulation No. 37 of 2016.			
Root Cause Analysis <i>(filled by organization audited):</i>			
No contractor has been monitored to ensure that all contractor workers are protected by BPJS Employment insurance in accordance with the work agreement			
Correction <i>(filled by organization audited):</i>			
Monitor all contractors carried out by all units of estate / mill related to compliance with BPJS participation following the applicable rules			

Corrective Action (filled by organization audited):

- Issue Memo no. 096 / KKPA-2 / V / 2019 / s by the Chairperson of P2K3 to ensure all units carry out monitoring of contractor participation in *BPJS Ketenagakerjaan* in their respective unit areas
Submitting the results of *BPJS* contractor monitoring to the OHS Committee Chairperson every 6 months.

Assessor Evaluation and Conclusion (filled by auditor):

Verification on May 15, 2019

The company shows proof of improvement in the form of Memorandum Number 096 / KKPA-2 / V / 2019 / s regarding monitoring *BPJS* for contractors and monthly wage payments. Other proofs of improvement have not been shown as supporting data in accordance with the root problem analysis and correction. Nonconformities have not been fulfilled.

Verification on May 27, 2019

There is no additional evidence of improvement. Evidence of improvement sent are still the same as May 15, 2019 namely Memorandum Number 096 / KKPA-2 / V / 2019 / s regarding monitoring *BPJS* for contractors and monthly wage payments. Please be shown an example of proof of payment / membership of *BPJS* for contractor employees who have been realized as well as a list of contractors and contractor workers on the sample payment month which will be shown as proof of improvement.

Based on root cause analysis, corrections, and corrective actions Nonconformities are stated to have not been fulfilled.

Verified by : Haikal R Kharismansyah

NCR No.	: 2019.07	Issued by	: Trismadi N
Date Issued	: 12 April 2019	Time Limit	: ASA 1.2
NC Grade	: Minor	Date of Closing	: 20 June 2019
Standard Ref. & Requirement	5.1.2. Environment management plan document to prevent negative impacts, its implementation report and revision (if the identification of impact requires changes in current company's practices) shall be available. The company's management shall appoint the responsible person(s) for the implementation of the document.		

Evidence observed (filled by auditor):

During the audit activities, there are several fact were found:

RKL/RPL realization report for semester 2 of 2018, there are environment monitoring and management as follows:

- Noise and air quality monitoring.
- River water quality monitoring.
- Effluent and solid waste management
- Flora and fauna monitoring
- Public unrest monitoring

Non-Conformance Description (filled by auditor):

However, there are still a number of thing that are not in accordance to the report:

- There is no evaluation of the noise testing result that exceeds the quality standards at sterilizer station, clarification station, clarification station, Boiler station and generator rooms.
- Qualitative and quantitative data have not been explained regarding the opportunities for work and business.

- c. Qualitative and quantitative data have not been explained regarding people perceptions.
- d. The specific management that has been carried out on the Bekarangan River and Sebamban River has not been explained.
- e. In the conclusions chapter, there are still some irrelevant points, such as: the results of the analysis of river water quality in March 2017 and also air/noise quality in February 2017.

Root Cause Analysis:

There has not been any socialization regarding the new requirement of EIA addendum document.

Correction:

1. Evaluation of High Noise level testing result on Mustika Factory.
2. Community perception survey with interview and questionnaires methods.

Water quality testing at Bekarangan River and Sebamban River every year.

Corrective Action:

The latest addendum of EIA requirements along with submissions of evaluation and testing that should be carried out in accordance to specified periods.

Assessor Evaluation and Conclusion:

Verification on 20 June 2019

The CH showing evidences, such as:

1. Evaluation of high noise testing result that exceeds the regulation limit at the sterilizer station, clarification station, nut & kernel station, boiler station and engine room station, included: PPE usage (ear plug or ear muff), understanding the work instructions and also carry out the periodic testing.
2. Water quality monitoring result at Downstream of Bekarangan River at Block G-H37 and Upstream of Bekarangan River at Block G-H 24 Mustika Estate. And also riparian zone management for example: signboard installation, trees planting and maintenance at Block G24-25, prohibition of chemical usage marking, and prohibiting the trash disposal to the river.
3. Recapitulation of socio economic surveys including work opportunities and public perceptions to the company.
4. CSR realization report dated 28 February 2019, 12 March 2019, and 30 March 2019. On the religious aspect and education aspect.
5. New Worker list period of 2017 to 2019 sighted that there are 22 workers from the surrounding villages.
6. Revision of Realization of *RKL-RPL* (semester II of 2018) in accordance with additional above data's.
7. Minute of socialization of addendum EIA document by PSQM staff to the 15 management, staff and workers dated 29 May 2019.

Auditor Conclusions:

Based on above explanation, it was closed. The effectiveness of corrective action will be verified on the next assessment.

Verified by : Trismadi N

NCR No.	: 2019.08	Issued by	: Haikal Ramadhan Kharismansyah
Date Issued	: 12 April 2019	Time Limit	: 11 July 2019

NC Grade	: Major	Date of Closing	: 13 June 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 (filled by auditor):			
<ul style="list-style-type: none"> - The list of PT SHE Stakeholders for the period of January 2019 states that there are 17 contractors including replanting work, FFB Transport, CPO Transport, and EFB Transportation - Work Agreement No.10 / Replanting / SHE / VI / 2008 dated June 29, 2018 between PT Vidya Agung Mandiri and PT Sajang Heulang for replanting work in Article 10 concerning Competency and Quality Assurance, including declaring to pay workers in accordance with applicable laws and regulations - Letter from Permata Bunda Division 4 MTE Kindergarten Head regarding the addition of auxiliary teachers due to the comparison of composition between teachers and the number of students who are not balanced. In the letter the Kindergarten Chief suggested that the compensation for the auxiliary teacher is IDR 800,000.00 per month (according to the request) - IOM from Acting Sr. Manager MTE number 055 / MTE-Ext / X / 2018 concerning the appointment of assistant teachers with compensation of Rp. 800,000 / month - Attendance of the attendance of kindergarten teachers every month, namely October: 15 HK, November: 25 HK, January: 21 HK, and February: 19 HK - Based on the results of interviews with auxiliary teachers, it was explained that he was the Regional Honor Teacher of the Tanah Bumbu District Education Office with an honorarium of Rp 700,000 / month, Proof of payment every month to the auxiliary teacher of Rp 800,000.00 - UMK of Tanah Bumbu Regency 2019 is Rp. 2,660,000 per month or Rp. 106,400 if paid on a daily basis 			
Non-Conformance Description (dilengkapi oleh auditor):			
<ol style="list-style-type: none"> 1. The company has not been able to show a mechanism to ensure that all contractors that have a cooperative relationship with the company have paid their workers in accordance with applicable labor regulations. 2. Not yet able to show enough evidence that the work relationship (work requirements) between the company and the honor of auxiliary teacher of Permata Kindergarten refers to the applicable provisions of labor legislation. 3. The wages received by auxiliary teachers are not in accordance with the MSEs that have been determined by the authorities 			
Root Cause Analysis (filled by organization audited):			
Lack of supervision of minimum wages received by all workers in the company environment.			
Correction (filled by organization audited):			
<ol style="list-style-type: none"> 1. Monitoring all contractor workers carried out by all units of estate / mill related to minimum wages following the applicable rules that are carried out every 2 months by each Head of Estate / Mill with SPK holders. To appoint an auxiliary teacher (Rusida Ilyani) become a worker based on a Specific Time Work Agreement (PKWT). 			
Corrective Action (filled by organization audited):			
<ol style="list-style-type: none"> 1. Issue Memo no. 096 / KKPA-2 / V / 2019 / s by the Chairperson of OHS Committee to ensure all units carry out monitoring of minimum wages received by workers in their respective unit areas. Submitting the results of minimum wage monitoring to the OHS Committee Chairperson every 6 months. 			
Assessor Evaluation and Conclusion (filled by auditor):			

Verification on May 15, 2019

1. Memorandum Number 096 / KKPA-2 / V / 2019 / s concerning monitoring of contractor payments for *BPJS* and monthly wages
2. Working Agreement Number: MTE / SPK-PKWT / V / 2019/037 dated 30 April 2019 between the Manager of Mustika Estate and Rusida Ilyani with the position of kindergarten teacher. Wages and rights of workers have referred to regulation

However, it has not shown supporting evidence for other improvements as written in the root problem analysis and correction. Nonconformities have not been fulfilled.

Verification on May 27th, 2019

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

1. Monitoring the wages of KKPA-3-month contractors (January and March)
2. Monitoring the wages of KKPA-5 contractors per - two months (January and March)
3. Monitoring the wages of MTE contractors every three months
4. Monitoring the wages of MTF contractors for the April 2019 period

However, it has not shown:

1. List of contractors for KKPA-5, KKPA-3, KKPA-2, MTE, and MTF along with a list of contractors for the April 2019 period
2. Proof of payment of wages for KKPA-3 contracting workers; KKPA-5 and MTE for April 2019 period

Thus the nonconformity is stated to have not been fulfilled

Verification on June 13, 2019i.

The company shows proof of improvement in the form of:

1. List of contractors for *KKPA-5*, *KKPA-3*, *KKPA-2*, MTE, and MTF along with a list of contractors for the April 2019 period
2. Evidence of payment of wages for *KKPA-3* contracting workers; *KKPA-5* and MTE for April 2019 period.

Based on the root cause analysis, correction, and corrective actions and evidence of improvement that are sent nonconformity declared fulfilled. The consistency of the plan and proof of improvement will be verified again in the next assessment.

Verified by	:	Haikal R Kharismansyah
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NCR No.	: 2019.09	Issued by	: Brigitta Prita
Date Issued	: 12 April 2019	Time Limit	: 11 July 2019
NC Grade	: Major COC	Date of Closing	: 29 May 2019
Standard Ref. & Requirement	: COC 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.		

Evidence observed (filled by auditor):

Based on document review and interviews with the Weighbridge administration show that:

- FFB Letter for the period 1 April 2018 - 31 March 2019 in Mustika Estate unit, is not given the RSPO Certified mark. For example in *SPB* Division I Serial number SPB 19-10-4552 date of delivery March 30th, 2019.
- Memorandum Number 013 / PSQM-UM / I / 2015 by the Head of Sumatra / Sulawesi PSQM September 3rd, 2015 concerning the RSPO supply chain system (Supply Chain Certification System) point (3) explained that each FFB processed by the Mill must be identified that the FFB is certified or not RSPO certified. Identification of FFB is carried out by labeling the FFB Letter (*SPB*) and FFB weighing ticket.

Non-Conformance Description (filled by auditor):

Based on the explanation above, the Company has not been able to show that all FFB Letter (*SPB*) have been labeled RSPO Certified in accordance with Memorandum Number 013 / PSQM-UM / I / 2015. Its become **Non-conformance No.2019.09**.

Root Cause Analysis (filled by organization audited):

Lack of supervision related to the implementation of RSPO stamp on *SPB* (Fruit Delivery Letter) in accordance with the RSPO Memo supply chain system issued by the 2015 Sumatra / Sulawesi PSQM Head.

Correction (filled by organization audited):

1. Conduct routine supervision every day by the weighbridge administration regarding the implementation of the RSPO stamp on *SPB* (Fruit Delivery Letter) in accordance with the 2015 Sumatra / Sulawesi PSQM Memo Head and sanctions for prohibiting entry of FFB trucks with no RSPO Cap on fruit delivery letter.
2. Issue MTE Memo Manager No. 067 / MTE-Int / IV / 2019 related to SOP Issuance of *SPB* where each unit is required to carry out RSPO certified stamps.

Corrective Action (filled by organization audited):

Impose sanctions on estate units that do not implemented in the form of banning entry into the Mill unit in accordance with the MTF Memo Manager no. 075 / MTF-INT / IV / 2019.

Assessor Evaluation and Conclusion (filled by auditor):

Verification, May 29th, 2019.

The company shows a memorandum dated April 11th, 2019 with number 067 / MTE-Int / IV / 2019 regarding the procedure for issuing *SPB* from the temporary person in charge of Senior Manager Mustika Estate. The memo explains:

1. Division informs 2 days before taking *SPB*.
2. The large office informs you of making a request for *SPB* Goods according to the division request.
3. The central office stamped RSPO Certified.
4. The employee division can take the *SPB* form to head of administration.
5. The division is prohibited from using *SPB* which has no RSPO Certified stamp.

There is also a memo from Mustika POM Manager Number 075 / MTF-INT / IV / 2019 dated April 15th, 2019, the Memo explains that all employees, transport drivers, contractors entering the mill area must bring the *SPB* with an RSPO stamp. For drivers who have not met these requirements, it is prohibited to weigh FFB. The company also shows *SPB* No. 19-10-4552 delivery date March 30th, 2019 which has been equipped with RSPO stamps. It is known that there are 136 fruit bunch from Block C005 and 226 fruit bunch from Block C004 (Division I) with 868 Kg of loose fruit.

Auditor Conclusion:

Based on evidence of improvements, the non-conformance has been fulfilled.

Verified by :	Brigitta Prita & Trismadi N
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NCR No. :	2019.10	Issued by :	Brigitta Prita
Date Issued :	12 April 2019	Time Limit :	11 July 2019
NC Grade :	Major COC	Date of Closing :	19 May 2019

Standard Ref. & Requirement :	<p>General Chain of Custody 5.7.2. The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p> <ul style="list-style-type: none"> • Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. • Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. • Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. • Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. 		
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<p>Evidence observed (filled by auditor): The results of the document review show that:</p> <ul style="list-style-type: none"> • Available Previous Certificate product claims period from July 3, 2018 until July 2, 2019, known CSPO: 44,781 Tones and CSPK: 9,151 Tones. • Available sales of CSPO & CSPK for the period April 1, 2018 – March 31, 2019; with sales of CSPO: 19,402.29 tones and CSPK: 4,052.50 tones. • Sublicense ID Number CB74271 start date 3/10/2018 - 2/07/2019 known remaining stock CSPO: 41,994.01 MT and CSPK: 6,471.33 MT. • CSPO Difference: 25,378.71 Tonnes and CSPK: 5,098.5 tonnes (which should be removed) <p>Non-Conformance Description (filled by auditor): The company has not been able to show a reduction in CSPO & CSPK stock on palmtrace according to actual sales data, its become Non-conformance No.2019.10.</p>
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<p>Root Cause Analysis (filled by organization audited): The update process on palmtrace is late due to the process that must be passed by GTM and PSQM in determining the product sales status (RSPO / Conventional).</p>
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<p>Correction (filled by organization audited): Koreksi (dilengkapi oleh organisasi yang diaudit):</p> <ol style="list-style-type: none"> 1. Perform palmtrace updates following the latest CSPO and CSPK product sales 2. Stock after credit allocation (CSPO) and remove (CSPK)
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3. Coordinate between departments of GTM and PSQM so that the update process can be carried out quickly on the platform

Product	Program	Certified Volume*	Volume Sold/Removed*	Volume Allocated as Credits*	Remaining Volume
CSPK	IP	10,532	7,756.9	0	2,775.1
CSPO	IP	53,860	2,786.99	25,379	25,694.01
FFB_estates	IP	59,025	0	0	59,025
FFB_scheme_or_associ...	IP	144,524	0	0	144,524

Corrective Action (filled by organization audited):

Updated sales of the latest CSPO products and CSPK on Palmtrace following the current status.

Assessor Evaluation and Conclusion (filled by auditor):

Verification, May 7th, 2019.

The company shows a CPO & PK sales stock monitoring coordination mechanism between the PSQM Department and GTM Department of Jakarta regarding monitoring stock sales in Mill every 6 months from April 1st, 2019 by Head Sustainability Minamas Group Indonesia. The company has not been able to show evidence, that stock CSPO & CSPK on palmtrace is in accordance with the current status (No removed or further information about the above). So this is stated to have not been fulfilled.

Verification, May 19th, 2019.

The company shows evidence of CSPO & CSPK volume reduction with details:

Product	Program	Certified Volume*	Volume Sold/Removed*	Volume Allocated as Credits*	Remaining Volume*
CSPK	IP	10,532	7,756.9	0	2,775.1
CSPO	IP	53,860	2,786.99	25,379	25,694.01
FFB_estates	IP	59,025	0	0	59,025
FFB_scheme_or_associ...	IP	144,524	0	0	144,524

Stock Transactions

Stock Transaction ID	Date	Product	Supply Chain Model	Transaction Type	Volume
ST-TR-be295a16-7ed3	09-05-2019	CSPO	IP	Credit Allocation	25,379
ST-TR-e8fa1b95-aaef	09-05-2019	CSPK	IP	Remove From Certified Stock	5,098

*Volume in MT

Based on the data above, the company has made a CSPO reduction as a credit allocation of 23,379 tons and CSPK 5,098.5 tons. So this discrepancy is stated to have been fulfilled.

Verified by : **Brigitta Prita**

NCR No. : **2019.11** **Issued by** : **Brigitta Prita**

Date Issued	: 12 April 2019	Time Limit	: 11 July 2019
NC Grade	: Major SCCS	Date of Closing	: 9 July 2019
Standard Ref. & Requirement	SCCS – Module D.4.1. The site shall verify and document the tonnage and sources of certified FFBs received.		
Evidence observed (filled by auditor): <ul style="list-style-type: none"> • Land use right map with a scale of 1: 5000 • Location Map of Division IV Mustika Estate • The Palm oil Census Map is located in Division 4 K33 Block • Field observations in Division 4 K33 (<i>HGU</i> Pole No.15), it is known that there are still plantations of palm oil and maintenance of palm oil in areas outside the <i>HGU</i>. • A statement from the Manager of Sajang Heulang dated June 23rd, 2015, which will be re-checked for coordinates No.57, 58, 59 and 15 which indicate the existence of planting outside the <i>HGU</i>. 			
Non-Conformance Description (filled by auditor): Based on the explanation above, the company has not been able to show evidence of traceability of FFB certified and non-certified areas for oil palm in the Block K 33 area (Pole No. 15), Pole No.57; Pole No. 58 and Pole 59. Its become Non-conformance No.2019.11.			
Root Cause Analysis (filled by organization audited): <ol style="list-style-type: none"> 1. There has not been any socialization to harvesters regarding the land use title boundary area and the prohibition on harvesting activities in the area. 2. There is no limit that indicates the area outside the land use title. 3. Lack of information obtained by new MTE staff regarding areas outside the land use title. 			
Correction (filled by organization audited): <ol style="list-style-type: none"> 3. A statement from the Estate Manager & Acting GM Estate Sebampan dated June 10th, 2015 stating that it will no longer manage 142 oil palm areas covering an area of 1,044 ha (located in block L26, L27 & K33) by not carrying out maintenance and harvesting. Since April 15, there is no treatment and harvest have been carried out. 2. Issued Internal Memo Mustika Estate no. 76 / MTE-Int / V / 2019 related to the prohibition of any activity in areas outside the MTE land use title precisely in Blocks L 26, L27 and K33. 			
Corrective Action (filled by organization audited): <ol style="list-style-type: none"> 1. Conduct socialization to MTE Division 4 harvesters regarding the boundaries of the land use title area in Blocks L26, L27, and K33 which are marked with cross-paint in the palm oil boundary area. 5. Thinning out has been done with the glyphosate of the palm oil in Block K33. 6. Make a paint mark on the palm oil in the Land use title area in Blocks L26, L27, & K33. 7. Communicating with the PSD to conduct a review of the national land agency (BPN) regarding the land use title Mustika Estate. 			
Assessor Evaluation and Conclusion (filled by auditor): Verification, May 19th 2019. The company shows the minutes of thinning out the oil palm plantations which are located outside the land use title on			

April 12th, 2019 as many as 11 oil palm (Evidence of photo documentation). Please explain about:

1. Follow-up re-measurement for the coordinates of point No.57, 58, 59 and 15 which indicate the existence of planting outside the land use title. Has there been a measurement of the area?
3. Can you show evidence of socialization to harvesters, foremen and assistants regarding understanding the location of harvesting of FFB entering *HGU* and non-*HGU*?

Verification, May 29th 2019.

The company shows some evidence of improvement as follows:

1. Memorandum from the MTE Manager No 76 / MTE-Int / V / 19 dated May 2nd, 2019 regarding: the ban on 98 work activities outside the Land use title area in block L26 (*HGU* No. 58), Block L27 (*HGU* No. 59) as much as 42 palm oil, and block K33 (*HGU* No. 13) for 2 palm oil.
5. Reports on repainting palm oil dated April 12th, 2019 excluding Division IV, MTE, consisting of L26 Blocks (98 palm oil), L27 (42 palm oil), & K33 (2 palm oil).
6. Minutes of Dissemination on May 20th, 2019 to 1 assistant division, 7 supervision and 40 cutter & pickers. Regarding the prohibition of harvesting activities and other work outside the Land use title area.
7. Communication between PSQM and PSD is related to the management of land use title to National Land Agency on May 10th, 2019.

Verification, June 20th 2019.

Based on email evidence dated June 18th, 2019, it is known that coordinate point measurements will be carried out by Time Research and PSD.

Verification, July 9th, 2019.

There is a letter of application for the geographical coordinates list No. 34 of PT SHE to the Head of the Land Office of the Province of South Kalimantan with the number 228 / SHE / UM / PSD / VI / 2019 dated June 21st, 2019. However, there has been no response related to this letter. Based on the explanation above, this will be made an observation during the next surveillance assessment.

Verified by Diverifikasi oleh	:	Brigitta Prita & Trismadi
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NCR No.	: 2019.12	Issued by	: Brigitta Prita
Date Issued	: 12 April 2019	Time Limit	: 11 July 2019
NC Grade	: Major SCCS - IP	Date of Closing	: 29 May 2019
Standard Ref. & Requirement	: SCCS – Module D.4.2. The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.		
Evidence observed (filled by auditor):			
Based on review documents it is known that certified CPO & PK production is as follows:			
Products	Previous Certificate Claim products period of 3 July 2018 until 2 July 2019	Actual certified products for period 1 April 2018 – 31 March 2019	
CPO	44,781	46,352.50	

PK	9,151	9,367.13	
<p>Non-Conformance Description <i>(filled by auditor):</i> Based on the explanation above, it is known that there is excess production for CPO & PK, but the company has not been able to show evidence that this has been informed to the Certification Body (CB). Its become Non-conformance No.2019.12.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Lack of understanding of units related to the calculation of quota of certified products, which are understood according to the period of the certificate but when the audit calculation starts from the last schedule of the audit. 2. No monitoring of CSPO and CSPK production results with quota of RSPO products based on issued certificates 			
<p>Correction <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Monitor the production of CSPO and CSPK by each unit at the end of the month 2. Requesting additional quota for certified products by cooperating with a certification body. 			
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Conduct SCCS training with RSPO product quota material held on May 22nd, 2019 2. The sustainability team conducts training related to SCCS according to the attached matrix of the related PIC especially if there is over production when compared to the certificate quota and informs CB if this happens 3. The addition of certified product quotas is carried out with the quota approval approved by the CB as follows: <ol style="list-style-type: none"> a. CPO: 53,860 MT b. PK: 10,532 MT 			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Verification, May 7th, 2019. The company shows a certificate of request for the addition of CPO & PK tonnage to CB with number 007 / AM / IV / 2019 dated April 18th, 2019 annual CPO Production 53,860 MT and PK prouction 10,532 MT. Mustika Mill volume quota addition approval is available by the certification body until the expiration of the certificate license (July 3rd, 2018 - July 2nd, 2019) for CPO 53,860 MT and PK 10,532 MT.</p> <p>Verification, May 29th, 2019. The company shows some evidence of improvement as follows:</p> <ol style="list-style-type: none"> 1. Training program matrix for SCCS will be conducted in March, May and November 2019. 2. Minutes of meeting of SCCS socialization by PSQM to Mill Manager consist of 4 staff & 6 workers on Mustika Mill. <p>Based on evidence of improvement, this non-conformance has been fulfilled.</p>			
Verified by		:	Brigitta Prita

3.5.3 Opportunity for Improvement

No	Ref. Std.	Description Deskripsi
1	2.1.1	The company is considering to follow up the management of the legality of the AMDAL Addendum.
2	4.4.1	The company considers re-marking the river border / other water body buffer areas before replanting activities. (Observation)
3	4.7.3	<ul style="list-style-type: none"> • The company considers re-evaluating the PPE inspection period. • The company considers re-evaluating the period of socialization regarding PPE SOP
4	4.7.5	The company considers evaluating the first aid box monitoring period
5	5.2.2	The company considers evaluating HCV monitoring and management periods.
6	7.3.1	The company considers to follow up the progress of Remediation and Compensation Plan.

1.5.4 Noteworthy Positive Components

No	Descriptions
1	Mustika POM has implemented a segregation station system so that it can contribute to the addition of the Oil Extract Ratio.
2	The company has built a plasma plantation for residents around the plantation under the Full Partnership (KKPA) pattern.
3	Human Resources (HR) who are competent in their respective fields.
4	Received the <i>PROPER BIRU</i> award in 2017-2018.

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Department of Manpower and Transmigration district of Tanah Bumbu Head of Section for Environmental Identification and Assessment of Tanah Bumbu Regency</p> <ul style="list-style-type: none"> • WLTk (Mandatory Labour Report) was reported to the provincial level, but the district also received copies • The composition of employees at PT SHE is <i>BHL, PKWT, and SKU</i> • The minimum wage used is IDR 2,670,000 (UMK) while the UMP is IDR 2,660,000 • Has involved the surrounding community in providing employment opportunities • OHS supervisors are at the provincial level <p>During 2018 and until March 2019 there have been no issues regarding the problems of industrial relations between companies and employees</p>	<ul style="list-style-type: none"> • WLTk (Mandatory Labour Report) reporting has been carried out in compliance with the time frame • Based on the list of PT SHE's latest employees the composition of employees is PKWT and SKU • The minimum wage used by the company has, according to regulations • Based on data from PT SHE employees, it is known that the composition of workers comes from surrounding communities and migrants. The company has involved the surrounding community in terms of employment <p>The results of interviews with representatives of trade unions and workers and factories were found to have no industrial relations problems</p>
<p>Environmental Agency of Tanah Bumbu Regency Head of Section for Environmental Identification and Assessment of Tanah Bumbu Regency</p> <ul style="list-style-type: none"> • In late 2018 there was once information about the disposal of waste into the river. But the DLH has not yet followed up on this because the information provided is not equipped with clear evidence • Facilities and infrastructure Fire owned by the company has been sufficient • Reporting of mandatory reporting has been carried out according to schedule (For example RKL-RPL, Liquid Waste Reporting, and Fire Reporting) • Land Application during the rainy season has the potential to overflow 	<ul style="list-style-type: none"> • Based on field observation to the Effluent Ponds sighted there are no indication of Waste Water disposal to the river. • Fire facilities and infrastructure owned are in good condition and ready for use • Based on document verification, all report were submitted to the agency. • Based on field observation sighted that the embankment of effluent ponds is higher than ground level
<p>Tuesday, April 9th 2019 Batu Meranti Village. Head of Cooperative Service Place (TPK)</p> <p>The interview results are known:</p> <ul style="list-style-type: none"> • So far, there have never been environmental pollution issues. • The company provides CSR assistance such as feast of sacrifice (<i>Hewan Qurban</i>), road repairs and others. • So far, there have been no land conflicts and disputes. • There is no overlapping of land with mining areas and community land. • There are no community areas that are made HCV. • Every request for information and assistance has been responded by the Company. • The farmer members are ± 620 farmers with an area of 865 	<p>The company has been implemented environmental activities regarding document of EIA.</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>ha.</p> <ul style="list-style-type: none"> • There has never been socialization regarding conservation / HCV areas. • There has never been a consultation or discussion on social impacts in the estate (related to SIA documents). • <i>Musrenbang</i> activities are conducted routinely by inviting the company. 	<p>The company has showed the socialization related HCV areas to Batu Meranti Villages.</p>
<p>Giri Mulya Village (2 people).</p> <p>The interview results revealed that:</p> <ul style="list-style-type: none"> • Land is given without coercion and without the use of paramilitaries, • The price agreement is determined by the decision of the village meeting. • There has been evidence of compensation for land and the location of the land being compensated for. There are no conflicts and land disputes. • Land is used as Land use rights. Companies are included in <i>KKPA-3</i>. • An area of 0.75 ha was compensated. 	<p>There is no issues related land conflict and every land dispute has been compensated by the company.</p>
<p>Kuranji Village (2 people).</p> <p>The interview results revealed that:</p> <ul style="list-style-type: none"> • Land is given without coercion and without the use of paramilitaries, • The price agreement is determined by the decision of the joint village meeting. • There has been evidence of compensation for land and the location of the land being compensated. There are no conflicts and land disputes. • Land is used as Land Use Rights. Companies enter into <i>Mustika Estate</i>. • An area 2 ha area was compensated. 	<p>There is no issues related land conflict and every land dispute has been compensated by the company.</p>
<p>Local contractor for FFB (Interloka Village).</p> <p>The interview results are known:</p> <ul style="list-style-type: none"> • Local contractors transport FFB from <i>KKPA 5</i> to <i>Mustika Mill</i>. • A copy of the work contract held by each Party. • Loaders workers consist of 3 people and 3 drivers do not have Employment & Health <i>BPJS</i>. • Payment has been paid on time every month. • Contractors that provide PPE such as helmets, shoes • There has been a socialization of hazardous waste and OHS • Cooperation relationships are well established. 	<p>It has been non-conformance in indicator 4.7.6 (Minor).</p> <p>The company has been provided training for local contractor (Stakeholders who worked in the company).</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Local contractor for CPO (Transporter from Giri Mulya Village). Cooperative of Bumi Berlian.</p> <p>The interview results are known:</p> <ul style="list-style-type: none"> • Contract for transportation services for CPO transport for 1 year. • There are 5 CLA available with the company with each unit of 10-15 units of vehicle. • Tank capacity of 8-9 tons. • PPE is provided by cooperatives such as shoes and helmets. • There has been a socialization of OHS. • Workers do not yet have Employment <i>BPJS</i> but for Health insurance is managed by each worker. • CPO is transported from Mustika Mill to Bonati Port to Buyer and to PT Golden Hope Nusantara Bulking. • Payments are made once every month and are paid regularly. • If there are complaints, transporters contact the company by telephone for example about road repairs and so on. • Cooperation relationships are well established. 	<p>It has been non-conformance in indicator 4.7.6 (Minor).</p> <p>The company has implemented criteria 6.10 related payment for contractor.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <p>PT Sajang Heulang Head of Sustainability Minamas Plantation</p>  <p><u>Alagendran Maniam</u> Tuesday, 9 July 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Trimadi Nurbayuto</u> Tuesday, 9 July 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	Department of Manpower and Transmigration district of Tanah Bumbu	Tanah Bumbu regency		Interview	09 April 2019	√	-
2	Environmental Agency of Tanah Bumbu Regency	Tanah Bumbu regency		Interview	09 April 2019	√	-
3	Plantation Agency of Tanah Bumbu Regency	Tanah Bumbu regency		Interview	09 April 2019	-	√
4	National Land Agency of Tanah Bumbu Regency	Tanah Bumbu regency		Interview	09 April 2019	-	√
5	AMAN	rumahaman@cbn.net.id ;		Questionnaire	01 April 2019	-	√
6	IARI	info@internationalanimalrescue.org		Questionnaire	01 April 2019	-	√
7	Sawit Watch	info@sawitwatch.or.id		Questionnaire	01 April 2019	-	√
8	WALHI	info@WALHI.or.id		Questionnaire	01 April 2019	-	√
9	Internal stakeholders: KKPA 5 - 10 peoples - Spraying Labor and 1 supervisor - 18 peoples - Fertilizer Labor KKPA 3 - 1 people - Harvesting Labor. - 9 peoples - Spraying Labors. - 3 peoples – EFB Labor - 5 peoples – Manual Weeding Labor - 3 peoples – Nursery Labo Mustika POM - 1 people – Security Labor - 1 people – Engine Station Labor. - 6 peoples - Grading Station Labor. - 2 peoples - Clarification Station Labor. - 2 peoples – Sterilizer	Tanah Bumbu regency	-	Interview	09 April 2019 11 April 2019 11 April 2019	√	-

	Operator. 1 people – Crane Operator						
10.	Batu Meranti Village	Batu Meranti, Tanah Bumbu District, South Borneo Province	-	Interview	9 April 2019	√	-
11.	Land owners. 2 person from Giri Mulya Villages. 2 person from Kuranji Villages.	Giri Mulya & Kuranji Villages, Tanah Bumbu District, South Borneo Province,	-	Interview	9 April 2019	√	-

Appendix 2. Assessment Program

DATE	8 – 13 April 2019	
PLANNED TIM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 8 April 2019		
07.20 – 10.00 10.00 – 13.00	Travelling from Jakarta to Banjarmasin (QG – 480) Travelling from Banjarmasin to PT SHE	TNB/SAP/BRP/HRK All Auditor Team
16.00 – 17.00	Opening Meeting: <ul style="list-style-type: none"> • Auditee Speech (Introduction of PIC, Profile of Mill and Estates 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 Team All Auditor Team
Tuesday, 9 April 2019		
08.00 – 17.00	• Public consultation to Government Agency.	HRK
08.00 – 12.00	• Public consultation to surrounding communities, Cooperation/smallholders, previous land owners	BRP
08.00 – 12.00	Field Observation at KKPA-5 Estate:	
	• Activities of Harvesting & Transportation, Fertilize, Pesticides Application, canal Maintenance and Biological Control Monitoring	SAP
	• Landfill, Fire Control Facilities (simulation), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage and workshop	TNB
	• Housing, School, Worship Place, Clinic, generator room and Reservoir	TNB
	• Land Use, Legal Boundaries, HCV/ conservation area, Landfill	TNB
12.00 – 14.00	Break	All Auditor Team
14.00 – 17.00	Document Verification: <ul style="list-style-type: none"> - Basic Information (clarification) - Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) - SCCS - Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare. - Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & Fire Control Facilities, Waste Management) - Environmental/Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area, Peat Area (Water management, etc), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage. 	All Auditor Team
Wednesday, 10 April 2019		

DATE	8 – 13 April 2019	
PLANNED TIM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 - 12.00	Document Verification: <ul style="list-style-type: none"> - Basic Information (clarification) - Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) - SCCS - Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare. - Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & Fire Control Facilities, Waste Management) - Environmental/Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area, Peat Area (Water management, etc), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage. 	All Auditor Team
12.00 -14.00	Break.	All Auditor Team
14.00 – 17.00	Field Observation to Mustika POM: <ul style="list-style-type: none"> • Security post, WB, laboratory, SCCS • Loading ramp, processing station, engine room, boiler, workshop, Hydrant simulation • Drainage, solid waste, Hazardous storage, Hazardous Waste Storage, WTP • Effluent Pond & Land Application 	BRP HRK SAP TNB
Thursday, 11 April 2019		
08.00-12.00	Field Observation at Mustika Estate:	All Auditor Team
	• Activities of Harvesting & Transportation, Fertilize, Pesticides Application, canal Maintenance, Biological Control Monitoring	SAP/ HRK
	• Landfill, Fire Control Facilities (simulation), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, workshop	BRP
	• Housing, School, Worship Place, Clinic, generator room, Reservoir	BRP
	• Land Use, Legal Boundaries, HCV/ conservation area, Landfill	TNB
12.00 -14.00	Break.	All Auditor Team
14.00 -17.00	Document Verification: <ul style="list-style-type: none"> - Basic Information (clarification) - Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) - SCCS - Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare. - Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & Fire Control Facilities, Waste Management) 	All Auditor Team

DATE	8 – 13 April 2019	
PLANNED TIM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	- Environmental/Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area, Peat Area (Water management, etc), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage.	
Friday, 12 April 2019		
08.00 – 12.00	Document Verification: <ul style="list-style-type: none"> - Basic Information (clarification) - Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) - SCCS - Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare. - Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & Fire Control Facilities, Waste Management) - Environmental/Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area, Peat Area (Water management, etc), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage. 	All Auditor Team
12.00 – 14.00	Break.	All Auditor Team
14.00 – 15.00	Interim meeting	All Auditor Team
15.00 – 17.00	Closing Meeting.	All Auditor Team
Saturday, 13 April 2019		
07.00 – 12.00	Travelling from PT SHE to Banjarmasin.	All Auditor Team
15.15 – 15.55	Travelling from Banjarmasin to Jakarta (GA 537)	All Auditor Team