

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

### **[ ✓ ] Surveillance**

Name of Management Organisation : Bukit Ajong Factory, PT Sime Indo Agro subsidiary of Sime Darby Plantation Berhad  
 Plantation Name : West Estate; East Estate; Plasma East Estate and Plasma West Estate  
 Location : Village of Dosan, Sub District of Parindu, District of Sanggau, Kalimantan Barat Province, Indonesia  
 Certificate Code : **MUTU-RSPO/088**  
 Date of Certificate Issue : 18 July 2016      Date of License Issue : 25 August 2019  
 Date of Certificate Expiry : 17 July 2021      Date of License Expiry : 17 July 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA 1.3	22 to 26 April 2019	Arif Faisal Simatupang (Lead Auditor Witnessed), Andi Pratama Pasaribu (Lead Auditor Witnessing), Yudhi Yuniarto Tallutondok, Radytio Puspanjana, Yohanes Hardian	Octo H.P.N. Nainggolan	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA 1.3	13 August 2019

PT Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia  
 Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6 • Email: [agri@mutucertification.com](mailto:agri@mutucertification.com) • [www.mutucertification.com](http://www.mutucertification.com)  
 MUTU Certification • Accredited by Accreditation Services International  
 on March 12<sup>th</sup>, 2014 with registration number **ASI-ACC-055**

**TABLE OF CONTENT**
**FIGURE**

Figure 1. Location Map of PT Sime Indo Agro	1
Figure 2. Operational Map of PT Sime Indo Agro	2

Abbreviations Used	3
--------------------	---

**1.0 SCOPE of the CERTIFICATION ASSESSMENT**

1.1 Assessment Standard Used	4
1.2 Organisation Information	4
1.3 Type of Assessment	4
1.4 Location of Mill and Plantations	4
1.5 Description of Area Statement	5
1.6 Planting Year and Cycles	5
1.7 Description of Mill and Supply Base	5
1.8 Estimate Tonnage of Certified Product	6
1.9 Other Certifications	7
1.10 Time-Bound Plan	7

**2.0 ASSESSMENT PROCESS**

2.1 Assessment Team	17
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	17
2.3 Stakeholder Consultation and Stakeholders Contacted	19
2.4 Determining Next Assessment	20

**3.0 ASSESSMENT FINDINGS**

3.1 Summary of Assessment Report of the RSPO Certification	21
3.2 Summary of Assessment Report of Supply Chain Requirement	51
3.3 Conformity Checklist of Certificate and Logo Use	63
3.4 Summary of RSPO Partial Certification	64
3.5 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	66
3.6 Summary of Arising Issues from Public, Management and Auditor Responses	94

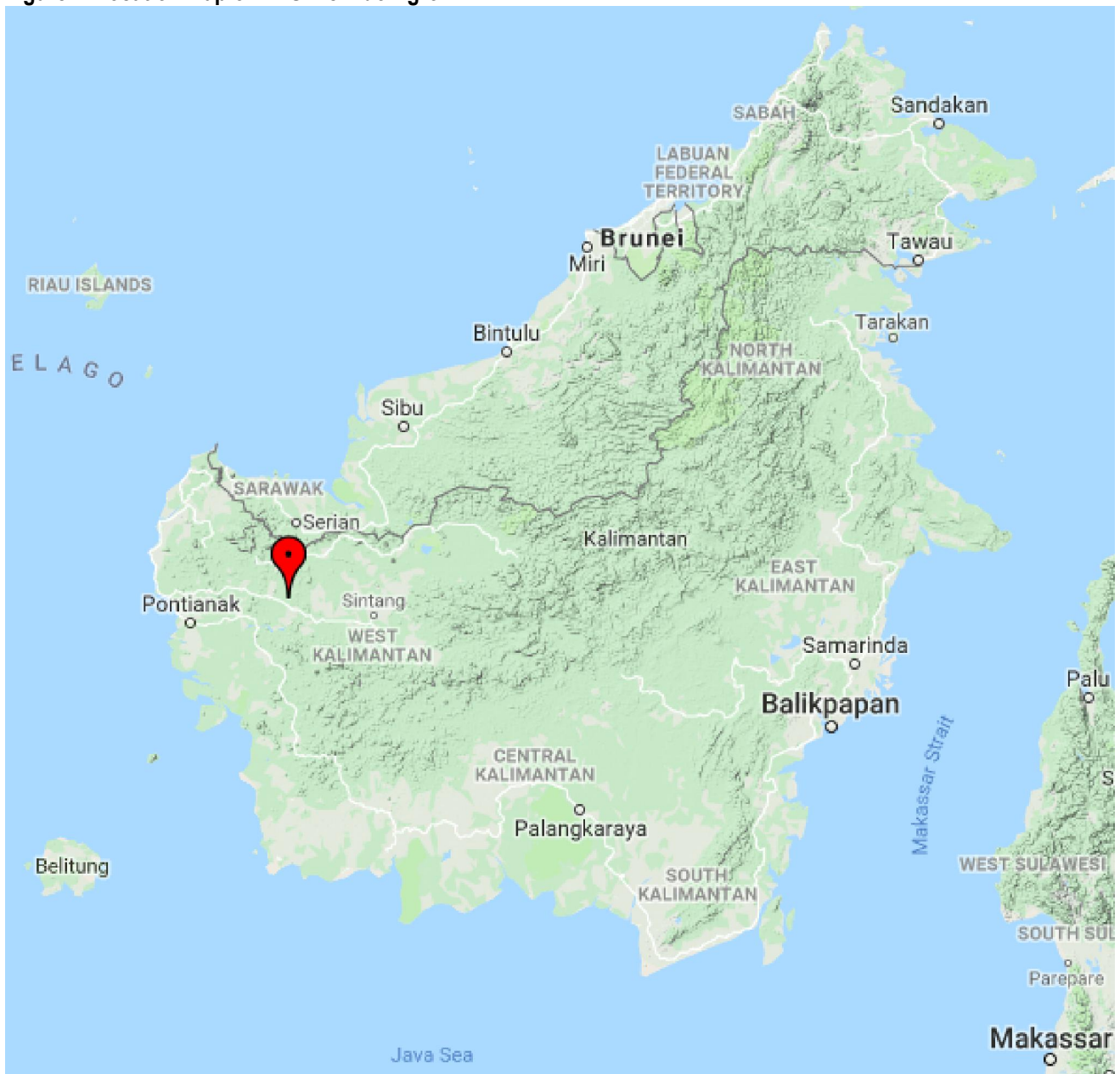
**4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**

4.1 Formal Signing of Assessment Findings	96
---	----

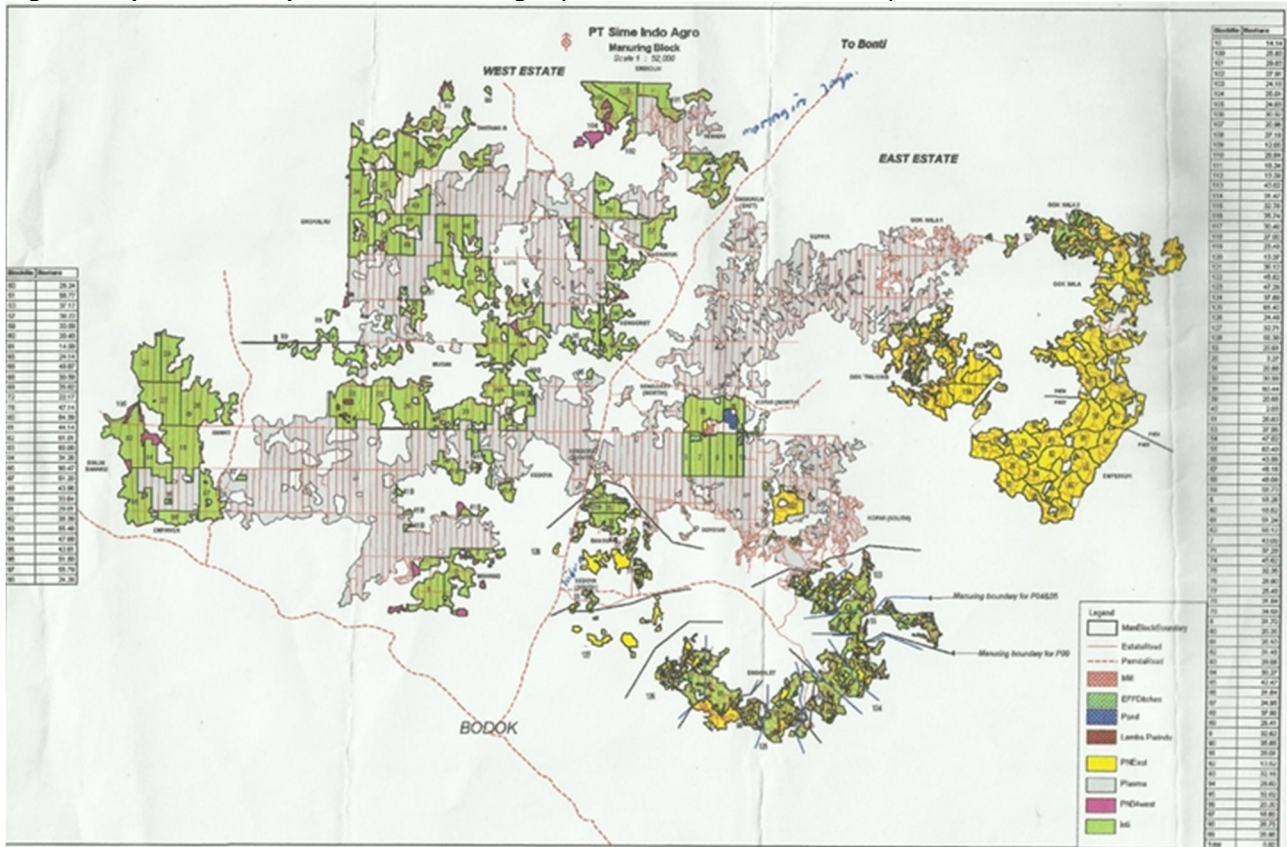
**APPENDICES**

1. List of Stakeholders Contacted in the RSPO Certification Process	97
2. Assessment Program	98

**Figure 1. Location Map of PT Sime Indo Agro**



**Figure 2. Operational Map of PT Sime Indo Agro (West Estate and East Estate)**



Abbreviations Used		
ASA	:	Annual Surveillance Assessment
AMAN	:	<i>Aliansi Masyarakat Adat Nusantara</i>
BAF	:	Bukit Ajong Factory
BOD	:	Biological Oxygen Demand
BMS	:	Block Manuring System
BSS	:	Block Spraying System
CH	:	Certificate Holder
CLA	:	Collective Labour Agreement
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
ESE	:	East Estate
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Informed and Concern
GCAD	:	Group Corporation Audit Department
GHPI	:	General head Plantation Indonesia
GHG	:	Greenhouse Gas
GM	:	General Manager
HCV	:	High Conservation Value
HBG	:	<i>Hak Guna Bangunan</i> (Building Use Permit)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Permit)
HPO	:	Head Plantation Operation
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
HRM	:	Human Resource Management
IPM	:	Integrated Pest Management
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Business Permit)
KUD	:	<i>Koperasi Unit Desa</i> / Village Cooperative Unit
MMCM	:	Monthly Management Committee Meeting
MRC	:	Minamas Research Centre
NGO	:	Non Government Organization
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
PIC	:	Person In Charge
PK	:	Palm Kernel
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protection Equipment
PSD	:	Plantation Services Department
PSQM	:	Plantation Sustainability and Quality Management
PT SIA	:	PT Sime Indo Agro
SGM	:	Senior General Manager
SIA	:	Social Impact Assessment
SOP	:	Standard Operating System
SOU	:	Strategic Operation Unit
WSE	:	West Estate
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"><li>• Indonesian National Interpretation of RSPO Principles and Criteria 2013 (Endorsed by the RSPO Board of Governors meeting on 30 th September 2016)</li><li>• 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)</li><li>• RSPO Certification System for Principles and Criteria, 14 June 2017</li></ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Sime Indo Agro subsidiary of Sime Darby Plantation Berhad	
1.2.2	Contact person	Alagendran 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, 36th Floor, Jl. M. H. Thamrin Kav. 28-30, Jakarta 10350	
1.2.4	Telephone	(+62-21)-29926000	
1.2.5	Fax	(+62-21)-29922686	
1.2.6	E-mail	<a href="mailto:alagendran.maniam@sime-darby.com">alagendran.maniam@sime-darby.com</a>	
1.2.7	Web page address	<a href="http://www.sime-darbyplantation.com">www.sime-darbyplantation.com</a>	
1.2.8	Management Representative who completed the application for certification	Alagendran Maniam (Head of Sustainability – Minamas Plantation)	
1.2.9	Registered as RSPO member	1-0008-04-000-00 – 7 September 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base : <ul style="list-style-type: none"><li>• Bukit Ajong Factory, East Estate, West Estate, Plasma East Estate and Plasma West Estate.</li></ul>	
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
			LatitudeLongitude
	Bukit Ajong Factory	Village of Dosan, Sub District of Parindu, District of Sanggau, Province of Kalimantan Barat, Indonesia	N 0° 16' 10" E 110° 28' 58"

1.4.2	Location of Certification Scope of Supply Base					
	Name of Supply Base	Location	Coordinate			
			Latitude	Longitude		
	West Estate	Village of Palem Jaya, Sub District of Parindu, District of Sanggau, Province of Kalimantan Barat, Indonesia	N 0° 16' 18"	E 110° 24' 21"		
	East Estate	Village of Hibun, Sub District of Parindu; District of Sanggau, Province of Kalimantan Barat, Indonesia	N 0° 15' 22"	E 110° 30' 09"		
	West Plasma (1154 smallholders)	Village of Palem Jaya, Sub District of Parindu, District of Sanggau, Province of Kalimantan Barat, Indonesia	N 0° 16' 15"	E 110° 24' 21"		
	East Plasma (978 smallholders)	Village of Hibun, Sub District of Parindu, District of Sanggau, Province of Kalimantan Barat, Indonesia	N 0° 15' 22"	E 110° 30' 09"		
1.5	Description of Area Statement					
1.5.1	Tenure					
	• State		7,227.82	Ha		
	• Community		4,271.00	Ha		
	• Total		11,498.82	Ha		
1.5.2	Area Statement					
	Description	Own Estate	Smallholders		Total	
	Total area	7,227.82	4,271.00		11,498.82	
	Mature area	3,172.10	4,271.00		7,443.10	
	Immature area	-	-		-	
	Mill/ Building/Road/Parit	196.15	-		196.15	
	Conservation Area (HCV) Total HCV Area is 1227.33 Ha. Different 1227.33 ha - 321.20 ha = 906.13 ha (Outside Land Use Title).	321.20	-		321.20	
	Boundaries, River, Hill, valley and Occupation area (Enclave and others).	3,538.37	-		3,538.37	
1.6	Planting Year and Cycles					
1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		West Estate	East Estate	West Plasma	East Plasma	Total
	1997	1,458.56	-	1,195.00	-	2,653.56
	1998	1,003.74	-	1,120.00	208	2,331.74
	1999	-	635.24	-	1,392.00	2,027.24
	2003	-	48.82	-	218	266.82
	2004	-	25.74	-	138	163.74
	TOTAL	2,462.30	709.80	2,315.00	1,956.00	7,443.10

1.6.2	New Planting area after January 2010					Ha	
1.6.3	Planting Cycle	1 <sup>st</sup> 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 (%)
	Bukit Ajong	40	183,059.56	38,716.98	21.15	9,592.29	5.24
*Production data source from 12 months before assessment (1 April 2018 - 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/h a/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	West Estate	4,562.34	2,462.30	24,967.32	10.14	24,967.32	100.00
	East Estate	2,665.48	709.80	7,829.66	11.03	7,829.66	100.00
	West Plasma (1154 smallholders)	2,315.00	2,315.00	61,345.96	26.50	61,345.96	100.00
	East Plasma (978 smallholders)	1,956.00	1,956.00	56,148.62	28.71	56,148.62	100.00
	TOTAL	11,498.82	7,443.10	150,291.56	20.19	150,291.57	100.00
*Production data source from 12 months before assessment (1 April 2018 - 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)		
	West Estate (Non Certified RSPO)	PT SIA	-	3,058.29	20,052.20		
	East Estate (Non Certified RSPO)	PT SIA	-	1,796.12	5,208.83		
	Sei Mawang Estate (Non Certified RSPO)	PT SIA	-	837.75	3,787.95		
	PT MAS (Non Certified RSPO)		-	7,282.04	3,378.86		
	Non – Desa (Non Certified RSPO)	Independent Suppliers	-	46	340.16		
TOTAL					32,768.00		
*Production data source from 12 months before assessment (1 April 2018 - 31 March 2019)							
1.7.4	Product categories			FFB, CPO, PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product			Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT)	
	FFB Processed			151,628		150,291.56	
	CPO Production			33,359		33,214.36	
	Palm Kernel (PK) Production			8,491		7,063.18	



1.8.2	Product selling							
	Type of selling product			Actual selling product for last year (MT)				
	CSPO sold as RSPO certified product			1,499.77				
	CSPK sold as RSPO certified product			0				
	CSPO sold under other scheme			0				
	CSPK sold under other scheme			0				
	CSPO sold as conventional			31,714.59				
	CSPK sold as conventional			7,063.18				
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)		Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	West Estate		4,562.34	2,462.30	25,966	10.55		
	East Estate		2,665.48	709.80	8,142	11.47		
	West Plasma (1154 smallholders)		2,315.00	2,315.00	63,800	27.56		
	East Plasma (978 smallholders)		1,956.00	1,956.00	58,395	29.85		
	TOTAL		11,498.82	7,443.10	156,303	21.00		
	*Projected FFB production for 12 months of certificate (18 July 2019 to 17 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 (%)	
	Bukit Ajong	40	156,303	34,386	22.00	7,815	5.00	MB
*Projected CSPO and CSPK production for 12 months of certificate (18 July 2019 to 17 July 2020)								
1.9	Other Certifications							
	NA							
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	Sekunzir. PT. Indotruba Tengah	2010	Sekunzir	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	2010	West	2010	Sanggau District –	Certified		

	PT. Sime Indo Agro		West (HGU on process)	2019	West Kalimantan	-
			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	2011	Gunung Aru	2011	Kotabaru District – South Kalimantan	Certified
			Gunung Kemas	2011		Certified

	Sakti		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. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District – South Kalimantan	Certified
			Matalok	2012		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	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
			Kalumpang	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 SOU 8	2010	East	2010	Carey Island, Selangor	Certified
			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 Sebalang	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	Tingayu	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 SOU 31	2011	Belian	2011	Bintulu, Serawak	Certified
			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
<b>LIBERIA</b>						
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
	<b>P &amp; G</b> <b>(New Britain Palm Oil)</b>					
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
			Paddox	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
			Karaisu	2008		Certified
			Moroa	2008		Certified
			Bilomi	2008		Certified
			Loata	2008		Certified
			Haella	2008		Certified
			Garu	2008		Certified
			Daliavu	2008		Certified
			Sapuri	2008		Certified
			Malilimi	2008		Certified
			Rigula	2008		Certified
			Nomundo	2008		Certified
			Navarai / Karato ME	2008		Certified
			Volupai . Lotomgam / Natupi / Goruru	2008		Certified
			Lolokoru	2008		Certified
			Silovoti	2008		Certified
			LSS Hoskin (1,877 Smallholders)	2008		Certified
			VOP East (1,815 Smallholders)	2008		Certified
			VOP Central (1,958 Smallholders)	2008		Certified
			VOP West (1,277 Smallholders)Kaulong / Akamie / Pusiki / Repamira / Sakapei /	2008		Certified

		KDC ME (21 large smallholders)		
		LSS Kapiura (847 Smallholders)	2008	Certified
		VOP Kapiura (551 Smallholders)	2008	Certified
	<p>Sime Darby has achieved 34 management units in Malaysia, 25 management units in Indonesia, 10 management units in P&amp;G that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 10 in P&amp;G. In the year of 2016 &amp; 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"> <li>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.</li> <li>2. Selabak Mill, PT Swadaya Andhika: Mill stop operate since 2017 and the supply bases is transfer to Rantau POM, PT Laguna Mandiri</li> <li>3. Pekaka, SOU 34: Mill stop operate since 2017 and the supply bases is transfer to Lavang, SOU 31</li> </ol> <p>There was change of the Time Bound Plan under Sime Darby on April 2019 cause the Sime Darby postpone the others certification process. Change of the Time Bound Plan explanation: PT Mitra Austral Sejahtera. There are social issue still unresolved from the <i>Serikat Petani Kelapa Sawit</i> (SPKS) Sanggau, however the improvement are in progress. Sime Darby has informed the Time Bound Plan progress, MUTU has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>			
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>			
	The scheme smallholder of Cooperative Himado has been certified.			

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA 1.3</b>	<p><b>1. Arif Faisal Simatupang (Lead Auditor Witnessed).</b> Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has successfully completed an RSPO endorsed P&amp;C Lead Auditor Training, RSPO SCCS endorsed Lead Auditor Training, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor Training, Management System Certification ISO 9001-2008 Lead Auditor Training, Environmental Management System ISO 14001 Lead Auditor Training, ISO 17021 and ISO 17065 Awareness Training, Management of High Conservation Value (HCV) Training, Social Accountability SA 8000 Training. He has four years of working experience as a Field Assistant on oil palm Plantation Company in Indonesia. Since 2014, he works as an auditor of RSPO and ISPO in the aspects of legal, social, best management practices of mill and estate, OHS, employment, and environmental. In this audit he is responsible for assessing the aspects of legal compliance, grievance mechanism, and SCCS.</p> <p><b>2. Andi Pratama Pasaribu (Lead Auditor Witnessing).</b> Indonesian citizen. Bachelor degree, majoring social economy. He has several of work experiences (more than 5 years) as the operational staff since 2008. He has been followed the Training of Lead Auditor Indonesian Sustainable Palm Oil (ISPO) which was held by ISPO Commission in 2013 and Training of Lead Auditor Roundtable on Sustainable Palm Oil (RSPO) by Proforest and Daemeter in 2016. He has been attended several kinds of training related to sustainability palm oil audit such as High Conservation Value (HCV) Training, Lead Auditor ISO 9001:2008, Lead Auditor ISO 14001:2005, auditor OHSAS, lead auditor RSPO supply chain by BMTRADA etc. He has some experiences of RSPO audit in Indonesian palm oil in aspect of best management practices, land legality, environmental, social and worker welfare aspect. During this audit he as lead auditor witnessing.</p> <p><b>3. Yudhi Yuniarto Tallutondok (Auditor).</b> Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation companies in Indonesia. Training have been followed including Auditor of Indonesian Sustainable Palm Oil (ISPO), Lead Auditor of Roundtable on Sustainable Palm Oil (RSPO) P&amp;C, Lead Auditor of ISO 9001:2015, ISO 14001:2015, ISO 22000:2009, ISO 19011:2011, Social Accountability 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness ISO 17021 and ISO 17065. Has participated in audit activities for the ISPO and RSPO scheme since 2017 for agronomy, OHS, labor, social and legality aspects. In this audit activity performs the assessment of worker welfare and social.</p> <p><b>4. Radityo Puspanjana (Auditor).</b> Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospacial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Awareness In House Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. At the time of audit, has verify aspect of HCV, GHG and Environment.</p> <p><b>5. Yohanes Hardian (Auditor).</b> Indonesian Citizen. Diploma of Forest Resource Conservation, Faculty of Forestry, Bogor Agricultural University, specialist in the environment aspect and wildlife. Has Worked as Staff Rehabilitation project at WWF Central Kalimantan region. Had attended training HCV, has been involved in several activity of HCV Identification of Oil Palm Plantation. Has worked as an environmental staff on Oil Palm Plantation. Have been trained as ISPO auditors and have attended training Auditor ISO 9001 and ISO 19011, Legal documents in-house training with the ISPO commission. Training SIA Remark Asia 2016, Training Lead Auditor RSPO by Proforest-Daemeter 2016. Experience audit RPO and ISPO since 2014. During this audit, he assigned to verify long term plan, best management practices estate and mill.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA 1.3</b>	<p>Number of auditors: 4 auditors</p> <p>Number of days for Surveillance-1.3 at site: 5 days</p>

Number of working days for Surveillance-1.3 at site: 20 Working days	
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA 1.3</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT. Sime Indo Agro to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 (Endorsed by the RSPO Board of Governors meeting on 30 th 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 on June 2017 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results <b>ASA 1.3</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>ASA-1.4</b>).</p> <p>The assessment program please find Appendix 2</p>
<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA 1.3</b>	<p><b><u>Bukit Ajong Factory</u></b></p> <ul style="list-style-type: none"> <li>• <b>Security Post and Weightbridge.</b> Observation and interview related FFB receiving, recording in accordance with SCCS requirements.</li> <li>• <b>Workshop.</b> Observation for OHS and hazardous material handling</li> <li>• <b>Shchedule Waste Storage.</b> Observation for OHS and hazardous waste material handling.</li> <li>• <b>Chemical store.</b> Observation for OHS and hazardous material handling</li> <li>• <b>Central Warehouse</b> Observation for OHS and material handling</li> <li>• <b>Hydrant simulation.</b> simulation related to the condition and feasibility of the tool when used and the preparedness of firefighters when an incident occurred.</li> <li>• <b>Sterilizer Station.</b> Observation and interviews with sterilizer operator related employment aspect, OHS aspect and working procedures specified.</li> <li>• <b>WTP.</b> Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.</li> <li>• <b>WWTP.</b> Field observations related to Ban to entry to WWTP, run off, testing of effluent.</li> <li>• <b>Empty bunch area.</b> Field observations related to empty bunch management.</li> <li>• <b>Mill drainage,</b> observation and interview related mill drainage and sediment trap.</li> </ul> <p><b><u>East Estate</u></b></p> <ul style="list-style-type: none"> <li>• <b>Fertilizer storage.</b> Observation and interview on OHS, waste management and employment aspect.</li> <li>• <b>Chemical storage.</b> Observation and interview on OHS, waste management and employment aspect.</li> <li>• <b>Mixing area and PPE storage.</b> Observation and interview related to OHS, waste management and employment aspect.</li> <li>• <b>Oil storage.</b> Observation and interview on OHS, waste management and employment aspect.</li> <li>• <b>Shchedule Waste Storage.</b> Observation for OHS and hazardous waste material handling.</li> <li>• <b>Security Post.</b> Observation and interview safety and worker welfare aspect.</li> <li>• <b>Fire Extinguisher Warehouse.</b> Observation of fire fighting equipment conditions.</li> <li>• <b>Generator room and fuel tank.</b> Observation on OHS aspect, waste management and emergency preparedness aspect (secondary containment wall, oil trap and fire extinguisher).</li> <li>• <b>Housing.</b> Observation on the feasibility of housing and others facility and interview to resident regarding to waste management and complain mechanism.</li> </ul>



**West Estate.**

- HGU poles Number. BPN 02 block A 706 & BPN 01 block B 801. Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- **HCV Area Block A 703.** Observation the implementation of management in HCV area (Sengoret riparian).
- **Pesticide mixing area and PPE storage:** observation related pesticide mixing area, PPE storage, safety aspect.
- **Scheduled waste storage.** Interview with officer, observation about Storage condition, safety aspect, scheduled waste monitoring and management and MSDS.
- **Housing Complex block A 705.** Observation and interview with residents about housing facilities, domestic waste management, and complaint mechanism.
- **Generator room.** Observation and interview with clerk related to generator system, engine capacity, and possible occurrence of spills to environment, PPE dan Health safety and labor management.
- **Workshop,** interview with officer, observation about warehouse condition, safety aspect, worker welfare, emergency preparedness and procedure.
- **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Pesticide Application, Block B 801.(4 operator & 1 foreman)** Observation and interview with spraying supervisor, herbicide applicator related to pesticide and fertilize knowledge according to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, first aid training, first aid kit and MSDS of materials.
- **Domestic Waste Landfill, Block A 705.** Observation about domestic management (landfill).
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.

**East Plasma**

- **FFB Harvesting and Transport on Group Farmer No. 7.** Observation related best management practices, OHS, training, and safety working
- **Spraying of Group Farmer No. 7.** Observation related best management practices, OHS, training, and safety working

**West Plasma**

- **FFB Harvesting on Group Farmer No. 2.** Observation related best management practices, OHS, training, and safety working
- **Spraying of Group Farmer No. 2.** Observation related best management practices, OHS, training, and safety working.

**Office of Plasma Cooperative of Himado**

- **Chemical store** Observation for OHS and hazardous material handling
- **Fertilizer store** Observation for OHS and material handling

**Consulted Stakeholder**

- Sub Distric Head of Parindu
- Village Officials of Hibun
- Previous land owner of Hibun Village
- Plasma Cooperative Head of Himado
- Gender Committee of PT PT SIA (WSE, ESE and BAF).
- Plasma West estate (KUD Himado).
- WALHI (via email - no respon)
- WWF (via email - no respon)
- AMAN (via email - no respon)

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA 1.3</b>	<p>Consultation of stakeholders for <i>PT Sime Indo Agro</i> was held by:</p> <ol style="list-style-type: none"> <li>1. Public Notification <a href="http://www.mutucertification.com">www.mutucertification.com</a> on 8 April 2019</li> <li>2. Consultation meeting and interview with government in Sub District of Parindu on 23 April 2019</li> <li>3. Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples on 24<sup>th</sup> April 2019</li> <li>4. Consultation with NGO (WWF, AMAN, and Walhi) by Email on 16 April 2019</li> </ol> <p>Numbers of input from stakeholders were clarified by PT Sime Indo Agro</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<b>Please find appendix 1</b>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit (ASA 1.4) will be determined eight (8) – twelve (12) months after license issuance date.

### 3.0 ASSESSMENT FINDINGS

#### 3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Bukit Ajong Factory – PT Sime Indo Agro subsidiary of Sime Darby Plantation Berhad operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were seven (7) Nonconformities were assigned against Major Compliance Indicators, one (1) nonconformity were assigned against Minor Compliance Indicators and six (6) opportunity 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 action(s) that had been reviewed and accepted by Auditors in form of documentation evidences e.g. document record/photographic/etc.

MUTUAGUNG LESTARI found that Bukit Ajong Factory – PT Sime Indo Agro subsidiary of Sime Darby Plantation Berhad complied with the requirements of RSPO Principles & Criteria and National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Republic of Indonesia - RSPO INA-NIWG, 30 September 2016. RSPO Supply Chain Certification Standard and System For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, Revised on June 2017 (Module E for CPO Mill)

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>	
<b>1.1</b>	<b>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.</b>
<b>1.1.1</b>	<p>The CH has been established the list of document that accessible by public as explained in the SOP of request of information no. RSPO/B.4.7/SIA revision 1 on 1 July 2015, personal to response and update the information is PSD Staff and/or Head of Administration. In the SOP also mentioned that the every request should be responded within two weeks. In addition, the CH also regularly submit the mandatory report to related institution, sighted the evidence of report submission,</p> <p>The company has not been able to show enough evidence regarding mandatory reports to government agencies, including:</p> <ul style="list-style-type: none"> <li>• Report on annual HGU land use in accordance with ATR Regulation No. 7 of 2017</li> <li>• Required Employment Report in accordance with Law No. 7 of 1981.</li> </ul> <p>This is an <b>nonconformmity NCR 2019.1 with minor category</b></p> <p>Based on interview to the related stakeholders (relevant agencies and surrounded communities) stated that the mechanism for requesting of information has been well understood. Socialization are conducted to the stakeholders through formal and informal way.</p>
<b>1.1.2</b>	<p>It is available in the SOP of request of information no. RSPO/B.4.7/SIA revision 1 on 1 July 2015stating the response to the incoming letter is two week. KUD Himado also has a SOP for information requests stating the response time period of the information request is 1 week. PIC for main estate is PSD officer (Plantation Service Department). While PIC for</p>

KUD Himado is a plasma assistant.

Responses to requests for information were carried out on time, for example letter number 005/754 / P3U / III / 2019 dated March 20, 2019 from the Plantation Office of West Kalimantan Province regarding the invitation to determine the K index and the price of oil palm FFB for the April 2019 period. CPO and kernel sales contract data for the period 1-15 March 2019 to support the K index determination on March 25, 2015

1.1.1 **Status: Nonconformity 2019.01 on Minor category.**

**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**  
PT SIA already has a list of publicly accessible documents as described in previous audit results covering operational area, public facilities, employee data, legal documents, company policy, HCV, EIA, OHS, etc. Meanwhile, the list of KUD Himado documents that can be accessed by the public and personal in charge to manage them (KUD secretary), described in the SOP of information request authorized Feb. 8, 2017, as many as 14 document types, 1 week maximum response submission.

**Status: Comply**

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

**1.3.1**  
PT SIA shows a business ethics policy approved by GM, SGM, HPO, and GHPI on May 24, 2007. The management unit develops business ethics by observing the stakeholders' expectations of the company and how to enforce the ethics including monitoring, reporting and sanctions for violations of the code of ethics. Commitment in interacting with stakeholders is a major concern of the company and a part of the company's business ethics, as well as the creation of added value.

In addition to business ethics the management unit also creates an ethics of work that regulates the basic attitude of individual and individual behaviors within and outside the company. Based on interviews with spray workers in the S908 block East Estate workers said the policy on business ethics and work ethics was delivered at the time of the morning circle by the Division Assistant. While the delivery to plasma farmers is carried out by plasma assistants such as information obtained when conducting interviews with Amang 2 farmer groups. Based on interviews with EFB and CPO transporters, it is known that business ethics policies have been conveyed such as policies for honest behavior in business and avoiding corruption.

**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 & 2.1.2**  
Certificate holder has showed the legal requirement procedure No 301/SNP-HKM-05/11 regarding to identification and inventarization of legal requirement system which is related to the best management practices, product and service in Minamas Plantation business activity.

Certificate holder showed the compliance evaluation of regulation by PSQM on April 2018 on the document described on the types of regulations, descriptions, fulfillment status (documents / reference program) and description. Total of regulation are 130 regulations. Mechanisms to ensure the implementation of the law was conducted routinely. For example, RSPO internal audit, mill or plantation advisory was and PSQM internal audit.

### **Land Use Legalities**

The CH has complied with regulations in the field of plantation and land legality, such as HGU (land use title) and HGB (land use title for building/mill), IUP (plantation business permit), described in more detail in Criterion 2.2.

### **Employment**

- The Company has implemented the West Kalimantan Governor Decree No. 582/DISNAKERTRANS/2018 dated November 12, 2018 concerning the Establishment of the West Kalimantan Province Minimum Wage in 2019 which stipulates the minimum wage amounting to IDR. 2,318,000 per month for work hours of seven hours a day and forty hours of work a week.
- The company has a Collective Labor Agreement (CLA) between PT Sime Indo Agro and Plantation Workers Union for the period of 2017 - 2019 which has been agreed and registered to Manpower and Transmigration Agency of Sanggau District based on the Decree by Head of Manpower and Transmigration Agency Sanggau Regency with number 27 Year 2017 dated 16 October 2017. The validity period of the CLA is 2 years from the date signed by both parties.

### **Best Management Practice**

- The Company has committed to reduce the use of pesticides belonging to WHO 1A and 1B groups and does not use paraquat
- MSDS is available for every pesticide used.

### **Environment**

- Licensed for temporary hazardous waste storage No:503/003/PMPP-D/LB3/2015 valid 5 years.
- Licensed Land Application No:503/001/PMPP-D/IPALT/2016 valid 5 years.
- Have a Environmental permit (AMDAL)
- Regularly submit the mandatory report to related institution, sighted the evidence of report submission, for e.g. EIA management and monitoring; Hazardous waste report; and Emission report.
- There are minutes of hazardous waste transportation April 12 2018 to PT Mitra Karya Surya Kencana document number 210 / MKSK / BAP-LB3 / IV / 2018 with the vehicle number KB 9611 SA. Describe on Government Regulation no. 101 Year 2014 for schedule waste is (>356 days), CH has Opportunity for Improved Transport hazardous waste after April 12, 2018. (OFI Number 1).

### **Occupational health and safety**

- OHS license for Boiler Man registration number 101237-OPK3-LT/PAA/XII/2017 valid until December 20<sup>th</sup> 2022.
- Hyperkes certificate for Company's Doctor dr. John Myanto A. Simanjuntak Number. 11.279/DH-I/02.

### **Non conformance Number 2019.02.**

- Based on P2K3 organizational structure has been ratified by Manpower Agency (SK 160 / INT.WASKER.2 / 2017) validity has expired and has been a change in structure P2K3 (secretary). However, CH hasn't shown P2K3 organization structure new approved by Manpower Agency.
- **East Estate.** Based on document license operator, known east estate has 10 lifting equipment operators that have the valid January 10 2019. Until the ASA-1.3 audit activity the company has not been able to show an OHS license valid.

#### **2.1.3**

The company has shown the document of regulation or legal requirement which is updated annually. Last updated was conducted on 22 Maret 2019 including of HIMADO Cooperation. The company also showed the law requirement procedure to identify and inventarized of all law requirements related to operational, product and services in whole Minamas Plantation Units.

#### **2.1.4**

Certificate holder has showed the Document Control Procedure No. 05/HIMADO/17 to identify the latest regulation/ law. Updating legal compliance will conducted annually. The person who take responsibility on that is unit manager and ESH manager.

**2.1.1 Status: Non conformance NC.2019.02 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 as state in certificate covered area of **11,498.82 ha** that already had land use right (HGU/SHM), consist of :

<b>Estate/Plasma</b>	<b>Area (ha)</b>
West Estate	4,562.34
East Estate	2,665.48
<b>Total Estate</b>	<b>7,227.82</b>
West Plasma	2,315.00
East Plasma	1,956.00
<b>Total Plasma</b>	<b>4,271.00</b>
<b>Grand Total</b>	<b>11,498.82</b>

Meanwhile there was 513.70 ha in West Estate and 1,731.39 ha in East Estate that have not been HGU yet, those were out of certification scope, already state in time bound plan.

**Land use right for West Estate and East Estate (7,227.82 ha)**

- Plantation Business Permit (IUP) No. 399/T/PERTANIAN/2001 dated 5 November 2001, covered area of 11,653 ha.
- Certificate of HGU (land use title for estate) No. 1 dated 24 December 1998 covered area of 4,562.34 ha
- Certificate of HGU (land use title for estate) No. 5 dated 26 June 2000 covered area of 2,597.51 ha
- Certificate of HGB (land use title for building) No. 1 dated 16 June 1998 with area 49,852 m<sup>2</sup>.
- Certificate of HGB (land use title for building) No. 2 dated 16 June 1998 with area 49,990 m<sup>2</sup>.
- Certificate of HGB (land use title for building) No. 3 dated 16 June 1998 with area 49,990 m<sup>2</sup>.
- Certificate of HGB (land use title for building) No. 4 dated 16 June 1998 with area 49,973 m<sup>2</sup>.
- Certificate of HGB (land use title for building) No. 5 dated 18 June 1998 with area 49,936 m<sup>2</sup>.
- Certificate of HGB (land use title for building) No. 6 dated 18 June 1998 with area 49,995 m<sup>2</sup>.
- Certificate of HGB (land use title for building) No. 7 dated 15 April 1998 with area 380,000 m<sup>2</sup>.

**Land use right for West Plasma and East Plasma (4,271.00 ha)**

Area of West Plasma and East Plasma (Cooperative of Himado) consist of 2,132 members, amount of 1,720 members already have had the SHM (official land use title for personal), meanwhile the rest of 412 members have had land use right issued from Village Head or Sub District Head. The land use title for those 412 members currently in progress to upgrade its status to SHM (official land use title for personal) that issued by the Land Agency. The CH has opportunity for improvement to monitor this progress, as a preventive effort to prevent land disputes. **OFI.**

**2.2.2**

The certificate holder has had the HGU Map of West Estate in scale 1:20,000 (map No. 17-14.04-2007 dated 27 November 2007) and also East Estate in scale 1:20,000 (map No. 09-14.04-2007 dated 22 May 2007) issued from Land Agency of Kalimantan Barat that shown the location of boundaries poles. Based on field observations to the several HGU Poles and land demarcation, known that HGU Poles had maintained well. For Plasma, the boundary has been demarcated by land title poles, drain, or path.

**2.2.3, 2.2.4, 2.2.5 & 2.2.6**

There was a land dispute between PT SIA and Rusdiwil covering an area of 1.15 ha in the replanting area of Block 401.



The invitation of negotiation had been held five times, but it was only attended by Rusdiwil twice. The disputed area map is available and photo documentation that has been carried out of field surveys and participatory mapping with those concerned. The CH also have shown the evidences such as fair compensation and negotiation process that have been accepted through FPIC with the previous land owners of those area, that was Rusdiwil. Meanwhile the final result of the meeting was that Rusdiwil still did not agree with the negotiations.

Based on interviews with Hibun Village Officials and Chair of the HIMADO Plasma Cooperative, as well as plasma farmers, it is known that the company always resolves the issue of land disputes in a participatory manner, involves mediators, and without violence and intimidation. Land conflicts with Rusdiwil are not significant conflicts.

The company has a policy of Conflict Resolution dated 7 January 2015, stated that conflict resolution by prioritizing deliberation, not using violence, mercenaries, thuggery in making efforts to resolve conflicts or in company operational activities and using legal channels if efforts to resolve conflicts in a deliberate manner are not achieved.

<b>Status: Comply</b>
-----------------------

### 2.3

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

#### 2.3.1, 2.3.2, 2.3.3, & 2.3.4

Operational areas used by CH are the community land that has been compensated on period of 1997 to 1999. The company has shown a record of land compensation for the area used as oil palm plantations in Indonesian language, including the maps, agreements, that known and sign by Village Head and Sub-District Head. The compensation activities have been conducted at the beginning of land clearing and documented well.

<b>Status: Comply</b>
-----------------------

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

### 3.1

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

#### 3.1.1

The management unit shows the Long Term Business Plan Document 2019 - 2023. The document describes the production of FFB, the percentage of OER, the cost of production, the estimated price, as well as the benefits for core and plasma scope (West Estate, East Estate, Sei Mawang Estate, West Plasma and East Plasma). This document is endorsed by SOU Chairman 15 PT Sime Indo Agro.

#### 3.1.2

Based on the data of planting year known that the planting year in both main estate and plasma plantation area is 1997 - 2004. The main estate has been able to show the replanting plan from 2015/2016 to 2024/2025. The company shows a report on the dissemination of the Plasma replanting program through the Palm Oil Replanting Fund Management Agency and BRI Sanggau Assistant Funds under the supervision of the Sanggau Regency Plantation Office. The meeting activity was held on April 23-24 2019. In the meeting credit loans were discussed for plasma replanting

<b>Status: Comply</b>
-----------------------

## **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

Estates and mill are using the PT Minamas SOPs. The estates are using the PT Minamas Agriculture SOPs while the mill is using the Mill Processing SOPs. SOPs related to all the estate operations such as nursery, land preparation, planting, field maintenance, harvesting, FFB collection and transport. Palm Oil Mill has a separate manual which includes SOPs for each processing stations. Based on interviews with KUD administrators and plasma managers, it is explained that the reference for the cultivation of smallholder plantation farmers follows the main estate SOP (Agriculture Reference Manual).

Field observation results and interviews with employees at Bukit Ajong Factory at grading station known that workers can explain their duties and responsibilities, employees can also explain the criteria of ripe fruit and provide good grading example. Employees are also known to have received socialization related to the Code of conduct and have understood the purpose and objectives.

Based on a field visit and interviews with the harvesters in the west estate and East Estate the harvesting process has complied with procedures that issued by the company. The harvesters can explain well on harvesting correct procedures. Particularly relevant to the criteria for ripeness. Harvesters and pickers also explained about payments mechanism and obligation to use personal protective equipment (PPE) according to the HIRAC. Besides that, all workers have attended socialization of company policies, list of animal protected by the laws and conservation area.

#### 4.1.2

The Company already has a mechanism of inspection and monitoring of operational activities through Internal Audit activities. Based on the management's explanation, internal audit is conducted every 6 months by Group Corporation Audit Department (GCAD). While the time period given to make improvement within 2 weeks. The audit field covers the whole eg administration. Internal audit activities for the Estate related to quality / harvest quality, conducted every month by the PSQM team. If there is a discrepancy then the repair deadline will be made in the next month

KUD Himado has shown the results of the 2018 members' meeting held on March 27, 2019. In the report on CHAPTER IV has been listed the inspection results of supervisors such as the analysis of financial statements and methods of supervision.

#### 4.1.3

Internally measured monitoring and measurement records are listed in the Working Papers of Conclusion Inspection. For example East Estate: Check Paper Worksheet Conclusion (LK3P) dated 11 December 2018 examples of results of examinations, for example Realization of outpatient care do not reach the program and the Cost / ha exceeds the budget. Root cause lacks labor, high rainfall, and low labor productivity. Corrective action Work in accordance with a predetermined program increasing output with a balanced combination of disciplines between local and non-local employees.

#### 4.1.4

Based on FFB received document known that Bukit Ajong Factory receives the FFB from third party including smallholdings and independent suppliers. FFB received has recorded and documented well. The recording of FFB from third party was conducted based on SCCS Manual Certification Standard No. SCCS-Std / RSPO / PSQM / 02 Rev.01 dated 2 January 2018.

<b>Status: Comply</b>
-----------------------

#### 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

Reference Manual of Agronomy Planting of Palm Oil explains several parts related to soil fertility management such as fertilization, use of organic fertilizer (EFB and POME) and planting of cover crops. In addition, the company also conducted soil and leaf analysis as one way to monitor soil fertility and as a basis for preparing manuring recommendations.

Based on field observation in the east estate (ESE) blok S 907 it is known that the company has implemented soil fertility management with the application of EFB to the circle. Verification of the SOP implementation is carried out by the level of supervision ranging from the foreman, assistant division, estate manager and assisted by the PSQM team.

##### 4.2.2

Information about manuring record can be seen from the monthly report Estate as follows:

Fertilizer	West Estate		East Estate	
	Program	Actual	Program	Actual
Kiserite	185,899	110,080	216,104	111,435
Sasco AC	293,376	-	290,084	258,632
MOP	260,722	198,715	314,861	314,861

The company has carried out fertilization activities in accordance with the SOP determined by the company. This can be seen from the recording of fertilization in several divisions of the East Estate and West estate. Each estate fertilizes based on the conditions set by the company. And employees have understood how to fertilize well and correctly, fertilizing equipment for employees has also fulfilled the requirements.

#### 4.2.3

The soil sampling procedure is contained in document No. 724 / TQEM-SPM / 09 dated August 27, 2010 states that soil sampling is carried out every 5 years. Leaf sampling was conducted once a year with no RSPO / 4.4 / TPCD document dated March 04, 2014.

The company shows the semi-detailed soil survey of PT Sime Indo Agri in 2017 - 2022 issued by MRC in February 2017. Leaf analysis was also carried out by MRC and was last implemented in August 2017. Parameters tested include P, K, Mg, Ca, N, B and Ash. As for soil analysis of parameters tested include soil profile analysis, physical soil chemical properties, soil fertility status, and soil suitability. The results of soil and leaf analysis as presented by the staff of PSQM and MRC serve as a reference in the preparation of manuring recommendation

Based on the statement from the MRC it is known that the smallholder and owned estate are side by side then the results of the analysis of soil and leaves carried out for the owned plantation have represented smallholder. Manuring recommendations made for owned estate will also be adopted by smallholder. The company shows the results of semi-detailed land surveys for the period 2017-2022 conducted by Minamas Research Center in February 2017. The implementation of leaf analysis and soil analysis for both of the owned plantation and smallholder are carried out together. In accordance with the procedure, the period of soil samples is five years, while the period of sampling of leaves is once a year.

Based on the description above, it can be concluded that both the owned plantation and smallholder have recorded soil and leaf analysis activities.. Whereas for leaf sample recordings recorded in the Plant Network Analysis Test Report document by the MRC (Minamas Research Center) conducted on August 28 in 2018. The document explains the levels of nutrient elements N, P, K, Mg, and B.

#### 4.2.4

The certificate holder known to have a nutrient recycling strategy such as the utilization of pruning, the application of POME, and the utilization of plant residues after replanting, other than that certificate holder utilize Empty bunch to help with minimal soil nutrient enrichment. An empty bunch application at march 2019 is 1645.94 ton in West Estate dan 2857.8 ton in East Estate. For application POME at march 2019 is 12,539 ton.

**Status: Comply**

#### 4.3

**Practices minimize and control erosion and degradation of soils.**

##### 4.3.1

The company shows a semi-detailed soil survey document which includes the condition of the soil and the slope class. The document has been completed with a map of the distribution of soil types and land slope maps. The scale used is 1: 65,000. Based on the document, it is known that the area of west plasma and west estate of the slopes that is identified is flat to undulating

**4.3.2**

The policy on land protection on a certain slope is found in SOP No. Policy 724 / TQEM-SPSMS / 09, no revision 00, dated 27/08/2010. Soil with a slope angle of > 40% (> 21.80°) in the designated reserved or non-cultivated reserve land, if there is already plantation in the area and is recommended for planting forest species. In the early stages to prevent soil erosion and runoff is by planting cover crops/ LCC and not planting Palm Oil.

Based on field observations in the ESE block blok S907 found some evidence of corporate strategy in managing areas with a certain slope eg the contour terrace, letting the nephrolepis grow, and the preparation of the frond with the U-shape method. Smallholders also apply the same thing as in the main estate.

**4.3.3**

Both main estate and smallholders already have road maintenance programs. For smallholders adjacent to the main estate, the road maintenance program follows the main estate program. As for the plasma plantations that are not directly adjacent to the main estate, the road maintenance program is incorporated into CSR.

Estate	Program	Actual To date April (KM)
West Estate	451,000 meter	52,000 meter
East Estate main road	3,997 meter	613.58 meter
Eats Estate collection	213.35 meter	458 meter

Based on the East Estate field visit to block S903 in harvesting activities, it is known that the road conditions can still be passed smoothly

**4.3.4 & 4.3.5**

Based on the soil Survey Semi Detail document implemented by MRC in 2017 obtained information of soil type found on West Estate, East Estate, and Sei Mawang Estate is Spodosol and Ultisol with land suitability class S1 up to S3. The HCV and AMDAL documents of PT Sime Indo Agro stated that the soil types contained in the PT Sime Indo Agro area are Litosol and Ultisol.

From the description can be concluded that there is no peat soil in the company's operational area so there is no need to do the management and monitoring on the peat area. There is no replanting in the peat area so that the assessment of the viability does not need to be implemented.

**4.3.6**

SOP No. Policy 724 / TQEM-SPSMS / 09, no revision 00, dated 27/08/2010 has explained about marginal land management. strategies for improving soil fertility aimed at improving soil organic matter, increasing basic saturation, improving cation exchange capacity, improving soil pH and improving infiltration and soil permeability eg by:

- Application of empty bunch, has been done in every estate
- Maintain and develop the Nephrolepis SP ferns

Based on field observation in the east estate (ESE) blok S 907 it is known that the company has implemented soil fertility management with the application of EFB to the circle. Used dose is 300Kg / staple with single layer application.

**Status: Comply**

**4.4**

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

**4.4.1**

CH has water management plans contained in:

1. The hydrological impact and water quality management plan covers the management of erosion and runoff, water management in low-lying areas and monitoring of surface water quality contained in environmental documents (AMDAL year 1997).
2. Management of wells, river and reservoirs contained in the HCV identification document, 2009. The Management Activities consist of a ban on chemical applications in established HCV areas, installation of HCV signboards, planting

and maintenance of tree species in the HCV area as well as socialization of HCV area management to employees and surrounding communities.

3. Wastewater treatment with WWTP and utilize it in licensed application areas.
4. Monitoring the use of water for palm oil processing.

CH has implemented water management plans for example;

1. Based on document verification and field visit at Sengoret River WSE block A 703, observation riparian shown no indication of chemical application in the area, does not conduct replanting activity in designated HCV areas, Planting Mahogany and bamboo.
2. Based on the document review, CH has consistently monitored the quality of surface water, wastewater, groundwater in locations specified in AMDAL documents and Land Application Permits. For example monitoring the water quality of the Sengoret River, Belida River and well water housing.
3. Based on the results of interviews with workers stating that the Company gives full access to the utilization of water from the water source of the Observer especially during the dry season.
4. The Company has conducted daily monitoring of water by using Flow meter and determining the target of water use.
5. Water quality parameter test in housing complex accordance to Healthy Minister Regulation No 416 year of 1990.

In addition, briefly also explained that the water used must meet the criteria set and if it does not meet the criteria then there must be special processing. The certificate holder has implemented the plan for example the protection of river border by not applying the chemicals at a distance of 50 meters from the side of the trench, monitoring the use of water every month for processing, monitoring water quality every 6 months and submitted to the Agency Environment by conducting surface water quality testing.

#### 4.4.2

Company provided procedures for these catchment areas protection/conservations listed on SOP No;15/PT SIA/2009 document. Field visit during audit, for examples on Sengoret river riparian block A703 acquired information that company shown proper ways for maintain and protect the catchment area for example manual weeding and marking the chemical boundary border and make a ditch boulderis with a distance 50 meter, other than that certificate holder making sign boards of spray boundary markers and restrictions on chemical applications around the rivers.

#### 4.4.3

CH have licence the utilization of POME to be applied to the land (Land Application) approved by the Office of Investment and Licensing Services Sanggau District with letter agreement number 503/001 / PMPP-D / IPALT / 2016. This permit is valid for 5 years from February 5, 2016 to February 5, 2021.

Certificate holder has conducted liquid waste quality tests every month (November 2018 – Februari 2019) by accredited laboratory (Accreditation No. LP-028-IDN). Based on the explanation, there are no testing parameters (Ph, BOD & COD) that exceed the quality standard stipulated by Minister of Environment Decree No.28 Year 2003.

Based on field visit results to the application land area in Block S901 known there was no leakage that flows outside the area. Based on public consultation with village representation, there was no issues regarding to river pollution especially in in to the river that across the village.

#### 4.4.4

CH has recorded its actual water use. The average water use per ton FFB for period of January – March 2019 still accordance with budget standard 1.26 m3/ton FFB, actual is 1.07 m3/ton FFB. Base on field visit at the WTP indicates the water usage meter (Flowmeter) is functioning, the water record used is performed by the WTP operator daily and recapitulated on the monthly report by Clerk Administration of Process.

<b>Status: Comply</b>
-----------------------

#### 4.5

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



**4.5.1: 4.5.2**

IPM documented in an annual work plan that is then detailed into a monthly work plan. Through the application of IPM the method used emphasizes the consistency of the census and monitoring of pest and plant disease. The use of pesticides is the last alternative if indeed the results of the census and pest monitoring show an attack level above the threshold

One form of biological control is by using beneficial plants such as turnera, antigonon, and cassia. Utilization of barn owls as a natural predator for rats has not been successfully implemented because of the habit of the surrounding community to consume barn owls and rats. This is reinforced by the results of interviews to the head of farmer group 2 Dusun Amang informs that consuming barn owl and rats is a common thing.

In the replanting area If the pest is found directly controlled by pesticides. This is done because the newly planted plants are more vulnerable to pest attack. If not quickly controlled replanting area could be a source of pest reproduction and newly planted plants experience mass death

Based on the pest monitoring of March 2019, it is known that pest attack rate is still below the threshold of control such as:

- Ganoderma and Termites did not find any attacks
- Census contained The Oryctes attack rate of 3% and still within the economic threshold
- Census showed no attack of leaf-eating caterpillars and no rats were found and based on the results of the census it was found that the attack rate was 0%

Based on field observation to Replanting Area, Block S911 at East Estate there were no ganoderma symptom while the symptom of Palm Leaf Eating caterpillar were also not seen. Detailed results regarding pest observation that have been carried out by the company in the form of pest observation documents. Base on results of interviews with census officers it is known that census officers have a good understanding of the implementation of pest census activities, and training has been carried out by the company.

<b>Status: Comply</b>
-----------------------

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

The Company has a procedure "Reference Manual Agronomy Planting of Oil Palm". In Section 15 (plant protection) and Section 16 (weed control) there is a justification for the use of chemicals in accordance with existing weeds / pests eg Micania control with Fluroxypir while controlling Asytasia with Glyphosate. Strategies to avoid resistance include with the application of pesticides that target targets, pesticide applications, timely applications, pesticides appropriate dose and rotation of the use of active ingredients pesticides

The results of interviews with research staff found that the company attempted to replace the pesticides used periodically to avoid the emergence of resistance. The company is also known to use pesticides that have been registered.

**4.6.2**

At the time of the audit activity, the certificate holder may show documents relating to the pesticide toxicity record (LD50) for each management unit. In the document documented product name used, active ingredient, LD50, percentage of active ingredient, total application, total active ingredient, production FFB and pesticide unit / kg, hectare application and pesticide unit / Hectares. The document also inform the rotation/number of application.

The results of interviews with research staff found that the company attempted to replace the pesticides used periodically to avoid the emergence of resistance. The company is also known to use pesticides that have been registered. For example the use of Glyphosate applications was 384.59 liters, , application area 726.04 ha, and the use of active ingredient per ha was 0.53/ ha, besides recording has included rotation, rotation is carried out every 4 months.

**4.6.3**



Under normal conditions the use of pesticides is always based on the results of the census and monitoring. However, in special conditions such as replanting prophylactic use is possible. For example to control *Oryctes*. In the area of replanting EFB application is done which is potential as a breeding ground *Oryctes*. So the application of cypermethrin does not wait for the emergence of pests. However, any type of control measures undertaken by the company are always based on recommendations and coordinate with the MRC. For example the use of Glyphosate applications was 55 liters, application area 107,50 ha, and the use of active ingredient per ha was 0,51/ ha,

#### 4.6.4

The Company has a book on the World Health Organization Pesticide Classification which describes the categories of pesticides 1A and 1B. There is a policy of Memo Estate Manager and HPO memo dated November 4, 2008, regarding the dismissal of the use of chemicals made from paraquat, bradifacoum and deltamethrin ingredients, which have been categorized as type 1A or 1B included in the Stockholm and Rotterdam convention lists.

At the time of Survailen - 3 assessment there was no use of WHO 1a and 1b pesticides. Based on the results of field visits to the chemical warehouse known pesticides used are pesticides with active ingredients triklopir, glyphosate, methyl metsufuron, and cypermethrin

#### 4.6.5

The Company has routinely provided training for workers handling pesticides either through formal training or delivered at the time of the morning briefing. Records of training that has been implemented by the company include:

- The company shows the minutes of maintenance training and the use of inter spray sprayers on February 15, 2019 on east Estate followed by 15 spray employees
- The company shows the minutes of maintenance training and the use of inter spray sprayers on October 25, 2018 on east Estate followed by 24 spray employees
- The company shows the Spray Equipment calibration training minutes, training calculates poison requirements based on the calibration results on March 25, 2018 on east Estate followed by 5 spray employees
- The company shows the minutes of maintenance and technical training on the use of sprayers on April 15, 2019 in Tunas Limo hamlet followed by 60 plasma farmers

Pesticide applicators in the main estate are special people who are members of the BSS team. The BSS team has been routinely trained on pesticide handling and safe application practices for both themselves and the environment. in smallholders, pesticide applicators are special people who have been accustomed to applying pesticides.

#### 4.6.6

The container of used pesticide packaging of both main estate and plasma has been returned to licensed hazardous temporary waste storage. Results of field visits were not found any container of used pesticide packaging used for other purposes such as pots or water reservoirs. However, plasma storage has not yet applied the best practices that have been established. For example:

- There is no dangerous and toxic hazard board, MSDS for all products, First Aid Kit, hand wash, face, eye, and body (body shower and eyewash).
- Not equipped with a special wash site intended to wash the former packaging, or earmarked in mixing the doses before being brought to the field.
- There is no washing room and mixing doses equipped with a washing drain that is accommodated in a special tub.

It is not yet compatible with SOP of Pesticide Storage of PT Sime Indo Agro with No document 18 / PTSIA / 2012. **Non-conformance NCR.No.2019.03**

#### 4.6.7

The application of pesticides in the field has been through proven methods to minimize the risks and negative impacts as safe guidance in selecting pesticides, storing pesticides, and using pesticides for example: the selected pesticide formula must be in accordance with the intruder's remains because a pesticide formula will only be effective against one particular type of pest.

At the time of the audit activity, the certificate holder may present documents related to the realization and program of employee training in 2019 which includes a program on the use and handling of pesticides while working. Based on interview with foreman and pesticide applicators of East Estate known that pesticide applicator have been given training of safe use of pesticide, pesticide applicator can explain the action when poisoning, pesticide applicator also explained that routine health checks are conducted every 6 months and pesticide applicators have been trained in the use of good and proper PPE so they have realized the importance of maintaining health in their work.

#### 4.6.8

Based on interviews with Minamas Research Center staff and information obtained from West Estate Manager known to have never done the application of pesticides by air. In the document of plan and realization of integrated pest control which is summarized in MMCM also not got information about controlling plant pest organism through

#### 4.6.9

The company shows training documents to employees and scheme smallholder related to the use and handling of pesticides as follows:

- Training on FFB Quality, RSPO, HCV and Handling of Pesticides carried out on April 5, 2019 at the House of Mr. Yanuli Nazara in Tunas Lino Village. The training was attended by 60 scheme smallholder farmers. During the audit activity, the company can show documentation, attendance lists and training material.
- Training on FFB Quality, RSPO, HCV and Handling of Pesticides conducted on April 13, 2019 at the Mr. Ayun House in Sepaya Village. The training was attended by 21 scheme smallholder farmers. During the audit activity, the company can show documentation, attendance lists and training material.

#### 4.6.10

Certificate holder showed Procedure management of hazardous waste & Non-hazardous Waste with document number Rev.1 dated August 27, 2013. Approved by SOU Chairman and estate manager. Based on field visit to the East & West estate, Pesticide packaging is reused for spraying activities while for unused packaging the back is perforated and stored in storage containers of pesticide packaging and collected in licensed warehouses in accordance with the permit by the Sunggau Regency Investment and Licensing Office with the number SPK 503/003 / PMPP-D / LB3 / 2015. This permit is valid for 5 years from 30 June 2015 to 2020.

Based on interview with officer hazardous waste and Estate Manager (Mill & Estate), they have been known related handling of agrochemical. Certificate holder has conducted hazardous waste handling training including pesticide wastes conducted in January 29, 2019 followed by chemical warehouse workers and spray officers.

#### 4.6.11

Certificate Holder regularly have a medical examination for pesticide operator. WSE has a list of the latest pesticide operator as many as 14 people, and ESE has 12 people. All workers spray has examined health through inspection types of cholinesterase, to ascertain the condition of workers in good health. This semester examination was conducted in May 2 2018 for all units. Examination results in WSE and ESE stating that all workers spray are in a healthy condition (normal result).

#### 4.6.12

The company has had the policy that doesn't allowed pregnant and a breastfeeding women's working on activities related to chemicals handling. To ensure no pregnant women working on chemical, they conducted monthly checking. If the employee was pregnant, she will be transferred in to nonchemical activity. It also implemented in smallholders scheme.

There is a prenatal procedure at the central clinic no. 001 / DR-SOP / IV / 2014, explained that periodically a physical examination is carried out for female employees and an inspection is absent H1. If you are positively pregnant, the employee will not be allowed to work in activities related to chemicals.

Interviews were conducted on spraying workers in Block B 801 West Estate, it is known that there is no pregnant or breast-feeding women workers entered the spraying team.

4.6.6	<b>Status: Nonconformity 2019.04 on Major category.</b>
-------	---

**4.7**
**An occupational health and safety plan is documented, effectively communicated and implemented.**
**4.7.1**

No changes since the ASA-1.2, the OHS policy has been approved by Head Plantation Upstream Indonesia on December 2011. The CH committed to provide and keep the safe and health workplace through implementing the effectively management.

Based on interview with employee in estates and mill concluded that management has been socialized the OHS policy. They also attended some OHS activity such as safety briefing every morning before they start to work, OHS monthly meeting, safety town hall training, firefighting simulation, OHS competency training etc.

KUD HIMADO also had OHS policy which is planned in OHS plan document. Based on office visit until audit ASA 1.3 auditor founded some OHS activity that has been conducted by the KUD committee. For example, best management practices training on December 19<sup>th</sup> 2018 regarding to safety work procedures of herbicide application.

**4.7.2**

Risk and hazard has been identified in all operational activities of PT SIA including KUD HIMADO, inform type of activity, hazard, effect, risk, risk control, residual risk and PIC. Accident monitoring done routinely and evaluated as well as its result became a feedback for next HIRARC preparation. According to the accident report, there is no accidents reported in estates and mill during July 2018 – March 2019. It also in KUD HIMADO area.

**4.7.3**

The CH has been provide the OHS training to employees of WSE and BAF, for example BMS and BSS training January 16 2019 in West Estate and PPE use and extinguisher trinning on March 22 2019 in BAF meeting room which is attended by all field and mill supervisor.

During the field visit to the smallholder plantation, the worker can described their safety work procedure. They also equipped with PPE.

**4.7.4**

OHS committee of PT. SIA has been registered on labor agency of Sanggau District since 21 June 2017. That committee has been established as personnel for implementation of OHS program, consist of chairman and vice chairman, secretary (certified as general OHS expert No. Reg 22797/PK3/AJ/31/2015/P0 on 19 June 2015), health and environment section (3 persons), external and internal communication (3 persons), equipment, documentation and archives (3 persons).

OHS meeting to discuss the safety and health issues including accident evaluation has been conducted regularly in monthly basis, the latest meeting performed March 27 2019. KUD HIMADO also appointed Astuti S.Kep as personnel in charge who take responsibility about OHS plan and implementation.

**4.7.5**

Has been established the SOP of emergency preparedness' no. 21/PT SIA/2010 and work accident No AI0900. The SOP explained the handling of minor, major and fatality accident, including the administration needed (reporting and insurance claim process). PT SIA has been monitored the accident occurred in monthly basis and recapitulate in yearly. For example, during January – March 2019 there is no major accident founded.

Based on field visit, certificate holder has been appointed mandour/field supervisor as first aider. In line to the interview with them known that all first aider brought first aid kit that contains 21 items according to the national regulation. They also involved in annual first aid kit training. The latest has been held 13 April 2019.

Based on interviews with Cooperative Unit (HIMADO) and smallholders it was stated that operational activities were carried out by smallholders. Based on interviews with representatives of smallholders (land owner) in the KUD office, information is obtained any accident, workers will report to Cooperative Unit (HIMADO) and smallholders and proccesed.

**4.7.6**

PT SIA has been covered its employees entirely in social insurance (health and accident), list and payment receipt can be provided as evidence that the insurance is still valid. The smallholder's workers such as clerk and foreman has been included. The latest payment of March 2019 has been paid on April 1 2019.

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

Based on interviews with ESE and WSE employees, concluded that all employees were aware of the medical service procedures in the event of an accident or illness. All employees interviewed also claimed to have a health BPJS card, if they went to a company clinic there was no fee at all. Every worker has received medical treatment, the company provides a clinic in unit management and also a central clinic located at WSE. The company provides referrals to hospitals that become partners when further treatment is needed. Every accident that gets medical treatment (due to an accident), claims and compensation according to the insurance policy.

Based on interview with local contractor of FFB supplier and smallholders, it is known that the workers covered by a social security agency of health and labor insurance.

#### 4.7.7.

The certificate holder is still consistent in monitoring the recording of occupational accidents by calculating the lost time accident (LTA) on January – March 2019. Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. This document informs the time period, the number of working days, the number of non-effective working days, hours of work in total, the number of accidents, the number of working days lost, the number of accidents a year, lost days a year. Calculation of SR and FR is reviewed regularly and monitoring will be evaluated at the monthly meeting of Committee of Occupational Health and Safety.

In the other hand, there is no fatal accident reported in HIMADO Cooperation during January – March 2019. Each land owner managed their own worker (if any) and will helped them if any injury during the work.

<b>Status: Comply</b>
-----------------------

#### 4.8

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

##### 4.8.1 and 4.8.2

The company has compiled a training program for company employees and KUD Himado employees for the 2019 period as follows:

- Save Harvest Training planned on May - December 2019.
- FFB Quality Training planned on June and October 2019.
- Save Manuring Training planned on May - December 2019.
- Save Spray Training planned on May, August and November 2019.
- Beneficial Plant Training planned on June and December 2019.
- Leaf Sampling Unit Training planned on July 2019.
- Chemical Handling Training planned on May, August and November 2019.
- Plant on Replanting Area Training planned on May and December 2019.

During the audit activity, the company showed evidence of employee training including KUD Himado farmers in 2018 as follows:

- Block Spraying System Training which was held on February 15, 2019 at Blok S902 East Estate. The training was attended by 15 pesticide applicator. During the audit activity, the company can show documentation, attendance lists and training material.
- Training on FFB Quality, RSPO, HCV and Handling of Pesticides carried out on April 5, 2019 at the House of Mr. Yanuli Nazara in Tunas Lino Hamlet. The training was attended by 60 scheme smallholder farmers. During the audit activity, the company can show documentation, attendance lists and training material.
- Training on FFB Quality, RSPO, HCV and Handling of Pesticides conducted on April 13, 2019 at the Mr. Ayun House

in Sepaya Hamlet. The training was attended by 21 scheme smallholder farmers. During the audit activity, the company can show documentation, attendance lists and training material

Based on field observations and interviews with mill, estate employees and scheme smallholder farmers known that each employee has been given regular training in accordance with their duties and responsibilities, this is evidenced by the explanation of the harvester can explain the criteria for fresh fruit bunches, cutting and arranging fronds, preparation of FFB at the fruit collecting point. While for mill employees in the engine room section can explain monitoring and checking tools and functions of generators and turbines, employees can also explain the time of use between turbines and generators.

The company has arranged a periodic workforce training program including contractor workers. training programs are arranged according to their respective fields and have been scheduled regularly, for example for contractor employees where the majority are FFB transport contractors so that the company focuses more on OSH related driving training conducted at the central workshop on January 21, 2019. The training is followed by drivers internal and contractor where sources come from internal company. During the audit activity, the company can show the training material, documentation and attendance list of the training.

<b>Status: Comply</b>
-----------------------

#### **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.**

Certificate holder has an environmental impact assessment (AMDAL) document that has been approved by the Head of Agribusiness Agency of the Ministry of Agriculture no. 016 / ANDAL / RKL-RPL / BA / VIII / 1997 dated August 19, 1997 regarding the ANDAL Agreement and Environmental monitoring plan / monitoring plan of PT Sime Indo Agro. The scope of the Amdal study includes a 14,000 ha palm oil plantation development plan (In accordance with the Location Permit issued by the Head of Land Office of Sanggau Regency No. 400-29 / IL-41-1996 dated October 24, 1996) located in Sub District Parindu, Sanggau District With the development plan of 2 units of Mill with a capacity of 60 Ton FFB / hour and 30 Ton / FFB / Hour. This document covers the West estate, East estate, Plasma West and Plasma East.

##### **5.1.2 & 5.1.3**

CH has conducted environmental management based on documents of Environmental Management Plan / Environmental Monitoring Plan (AMDAL 1997). The environmental management plan contained in the Environmental monitoring plan / monitoring plan implementation report of Semester I & II 2018, such as decreasing soil fertility, air quality and noise, water quality, flora and fauna, and community unrest.

Based on the document of Environmental Management Plan / Environmental Monitoring Plan Report of Semester 2 year 2018, monitoring procedures have been incorporated in the plan. Implementation of environmental management & monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of semester 2 year 2018 known there isn't negative impact caused by CH.

<b>Status: Comply</b>
-----------------------

##### **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 HCVs in 2010 conducted by HCV approve assessors from Aksenta institutions. HCV assessment using HCV Toolkit Indonesia 2008 method. HCV assessment has been in consultation with stakeholders conducted in August 2009. The area of potential HCV identified in PT SIA is an area of 2,531.13 ha consisting of riparian,



water action area, tembawang, Sloping areas and cemeteries. There is a difference in HCV area between the HCV report and the statement area because not all of the potential HCV contained in the HCV report can be managed by the company because it is located outside the company management area. Based on monitoring data of flora and fauna for the Year 2017. The types of protected fauna are: *Nyctibecus coucang* (Bringsi / Encici) (Vulnerable) and *Hystrix brachyura* (Vulnerable).

#### **5.2.2, 5.2.3 and 5.2.4**

##### **East estate**

CH has HCV management plan document period of 2018, the program consist of :

- Riparian area management (HCV boundaries marking and maintaining, marking of chemicals application borders, HCV socialization to surrounded community and workers, erosion monitoring and HCV area patrols).
- Management and monitoring of RTE species.
- To conduct species identified protection.
- Implementation of company procedure related to HCV management, such as prohibition policy on all employees to hunt, maintain animals protected by the law set forth in SOPs for Wildlife Handling and Protected Flora Preservation Includes including sanctions provided by the company to the offending employee.
- HCV monitoring (monitoring of HCV attribute, monitoring of HCV in three monthly basis and monitoring of HCV rehabilitation).

Programs to socialize the status of protected, rare, threatened or endangered (RTE) to all workers, including records of appropriate sanction disciplinary measures to any individual working for the company who is found to capture, harm, collect or kill these species was conducted periodically. The certificate holder shows evidence related to employee socialization and training, Socialization document of RTE species to nearest Village (Serosat village and Hibun village) April 28, 2019.

##### **West Estate**

CH has HCV management plan document period of 2018, the program consist of :

- HCV monitoring *Tawang Bahing*, Swamp January 9 2019.
- HCV monitoring *Tawang Lino*, riparian January 22 2019.
- Repair of the HCV *Tawang Lino* signboard block A 801 January 22, 2019.
- Monitoring riparian Muri river March 27 2019.
- Monitoring riparian Sengoret river March 27 2019.
- Monitoring conservation plants of *Bungur*, *Sungkai*, *Mahogany*, *Bamboo* and *trembesi* on January 2019.

Monitoring of HCV has been conducted routinely (every semester), the monitoring result will be the input in the next monitoring plan.

Based on field visit on riparian Sengoret river block A 703 WSE known that the HCV area has been managed well and in accordance with the management plan. The East Estate shown monthly monitoring of fauna and monitoring/maintenance of marking HCV poles which conducted monthly. It was reported that there were no conflict between human and wildlife.

#### **NC Surveillance 1.2 Number 2018.07 (Minor raised to Major)**

Based on the results of the program document review and realization of HCV management and monitoring for the 2019 period prepared by the Senior Assistant and known by the WSE Manager:

- Monitoring the HCV area (border of the tawang bahing river, swamp, border of the Tawang Limo river, the border of the Muri River and the border of the Sengoret river).
- Installation of HCV signboard.
- Conservation planting.

The company shows the program and realization of HCV management and monitoring for the period of 2019, but has not included a monitoring plan for protected species (RTE species) and implementation.

#### **5.2.5.**



There is a HCV River Area in the Sengoret West Estate and East Estate which is included in the village community area. PT SIA shows evidence of management-related agreements in the form of minutes of the Preservation of Buffer Zone and HCV area, agreements at the West Estate and East Estate April 10 2019 in Bukit Ajong East and a coordination meeting agreements to HCV area riparian Sengoret River. The agreement explained The company with Sengoret village, Serosat village, Engkalet village and Cooperative unit HIMADO agreed to maintain the HCV area such as no chemical application in riparian, illegal logging, and maintain HCV attribute. The parties to the discussion were 5 representatives of PT SIA, cooperative unit Himado 1 person and village officials 6 people.

### 5.2.4 Status: Nonconformance NC 2018 07 with raised to Major category

### 5.3

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

#### 5.3.1

PT SIA has identified its waste and pollution source and developed waste and pollution management plan in 2018. The identification is grouped based on estate and mill activity. Among the identified waste and pollution source in estate are manuring activity, clinic, workshop, spraying activity, office, warehouse and housing complex, generator use and transportation. Meanwhile, the source of pollution and waste identified in mill among others are processing activities, workshop, office, laboratory and WWTP.

#### 5.3.2

Certificate holder has obtained temporary storage permit hazardous waste approved by Sanggau Regent with Letter Agreement with number 503/003 / PMPP-D / LB3 / 2015. This permit is valid for 5 years from June 30, 2015 to 2020. Types of hazardous waste that may be stored include used lubricating oil, used batteries, medical waste, used fabrics, TL lamps.

There is hazardous waste handling mechanism from the hazardous source in estate and mill to the permitted hazardous waste. Record management Hazardous Waste, included in reporting management hazardous waste quarter period October to December 2018 addressed to environment agency on February 19 2019. The Training And socialization to spraying workers, about ex pesticide container disposal is available. CH has agreement with permitted third party to transport and dispose hazardous waste and the last hazardous waste handling over was on March 5, 2019.

There is minutes of letter hazardous waste transportation dated April 12, 2018 to PT Mitra Karya Surya Kencana with letter agreement 040 / MKSK / BAP-LB3 / V / 2017 number KB 9611 SA which is valid until May 18, 2018. Type of hazardous waste that is transported include:

- Used oil with manifest number AHK 0001379 of 4,320 tons.
- Used filter with manifest number AHK 0001380 of 0.438 tons.
- Used batteries with manifest number AHK 0001381 of 0.450 tons.
- Used TL lamp with manifest number AHK 0001382 of 0.002 tons.
- Packaging former hazardous with manifest number AHK 0001383 of 0.450 tons.
- Infectious waste with manifest number AHK 0001384 of 0.001 tons.

PT Mitra Karya Surya Kencana has received the permit of recommendation for transportation of hazardous waste from the Ministry of Environment Republic Indonesia with letter number B-10139 / Dep / IV / LH / PDAL / 09/2014 valid September 9 2019.

Vehicle with KB number 9611 SA has been permit License for special freight transport to carry hazardous waste with number: SK.1692 / AJ, 309 / DJPD / 2016 / 610710804BB issued by Ministry of Transportation Directorate General of Land Transportation valid from March 30, 2016 until February 12, 2020.

Based on the results of field observations known:

- Use of used grease packaging as a reservoir for water in ESE employee housing complex.
- Used cans of paint, thinner, grease, water purification chemicals are disposed to behind the PKS workshop.
- Used water purifier packaging (Nalco) as a place for spare parts at the BAF workshop.
- Used Paint cans as a place for bolts at the BAF workshop.

- Used water purifier packaging (Nalco) as a place for collecting air compressors in PKS workshops.

During the ASA 1.2 audit activity, this has become a NCR, as proof of improvement in the part of preventive action, PSQM and Safety officers will inspect the area with hazardous waste production. However, based on the results of the inspection document review conducted by PSQM and the safety officer, the Simecard document is known to have no monitoring results for hazardous waste outside the hazardous waste storage.

Based explained, the management of hazardous waste is not in accordance with the SOP of Hazardous and Non-Hazardous Waste Management SOP (No. RSPO / B.5.5 / KLR June 8, 2009) explained used pesticides and chemical for analysis so that they are returned to Hazardous waste storage (BAF) and is transported licensed.

Based on the explanation above, this indicator become NCR No.2019.04 with the Major category recurrent.

**Auditor verification May 3, 2019.**

The company show the evidence:

- Check list the BAF ESH assessment November 29 2018 by assessor Surlani, which explains the inspection of the area that produces hazardous waste, namely at the fuel station, in hazardous waste storage, storage & despatch and checking hazardous waste in unsafe action & condition. Documentation of activities is available.
- Minutes of NC's findings on housing complex (east estate) April 25, 2019 which explained the used grease packaging for water storage in the housing area had been return to the hazardous waste storage (east estate) waste which would later be sent to hazardous waste storage BAF.
- Minutes April 24, 2019, a safety briefing to 25 BAF employees regarding hazardous waste management. Documentation attached.
- Checklist of workplace audit (Hazardous Waste Storage) BAF, April 24, 2019 which explains the inspection of conditions and capability of Hazardous waste storage BAF.

**Auditor verification May 6, 2019**

The company show the evidence:

- Check the ESH West & East Estate assessment on 4 February 2019 for all Estate areas such as traction stations, warehouses, LB3 TPS, housing, generator houses, BHS, BSS and BMS activities.
- Minutes of the socialization hazardous waste management for West & East Estate employees May 3 2019.

**Based on this evidence, NCR Number. 2019.04 with the Major category recurrent**

**5.3.3****Domestic waste.**

Based on the results of interviews with residents of housing in West Estate, domestic waste is collected and then transported every 2 times a week to landfills. Final waste disposal site away from housing  $\pm$  1 km is located in block A705 West Estate, based on a field visit to Block A705 West Estate, it is known that domestic waste management is in line with the company's waste management plan.

**Solid waste**

Based on data solid waste monitoring period January 2019, solid waste data as follows:

- Empty Fruit Bunch (22-23%) FFB applied as mulch used 4.561 ton.
- Fibers (13%) of FFB are used as boiler fuel 1,578 ton.
- Shell (6%) FFB used as boiler fuel 1,189 ton.
- Ash boiler 0.5% FFB is collected at the landfill site as a hardener 99 ton.

**POME**

Management POME done in WWTP before disposal land application accordance permit Investment Office and Licensing Services Sanggau District number 503/001/PMPP-D/IPALT/2016 February 5 2016 and valid for 5 years. WWTP is equipped with aerobic and anaerobic Pond, so that does not exceed the quality standards. CH also has testing POME quality every month, accordance Minister Decree environmental agency number 28/2003.

Based on the results of field visits to the WWTP pond at BAF, it was found that several embankments between ponds began to show high levels, namely embankments between ponds 3 and 4. Related to this, based on the results of interviews with management, the company has explained that the IPAL pond will begin to be repaired in the year 2019. (OFI Number 3).

**5.3.2 Status: Nonconformance Number 2019.04 with Major category recurrent**

**Closed**

#### **5.4**

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

##### **5.4.1.**

CH already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example use of shells January 2019 was 983.864 kg and fiber was 2,131,706 kg which produces 227,000 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 0.05 kg / ton FFB.

**Status: Comply**

#### **5.5**

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

##### **5.5.1 & 5.5.2**

Zero burn policies and statements are contained in Sustainable Plantation Management Guidelines No Policy 724 / TQEM-SPMS / 09 dated August 27, 2010 chapter V section 5.7.2 which states clearing and replanting without burning (Zero Burning). Based on interviews with workers there is no known land clearing or replanting activities using fire

Based on field visit to Block A 705 division 1 West Estate replanting activities performed by mechanization using heavy equipment, did not find any burning activity at the beginning of the opening of the land, it was found that many of the remaining stumps of decaying has begun.

**Status: Comply**

#### **5.6**

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

##### **5.6.1 & 5.6.2**

CH shows a list of sources of pollution from engine room, boiler station, generator machine, transportation, organic waste, fertilizer & spray activity. The resulting emissions are NO<sub>2</sub>, CO, SO<sub>2</sub>, NH<sub>3</sub>, CH<sub>4</sub> and others. Certificate Holder has conducted tests related to the quality of emissions and air in accordance with the company's *RKL-RPL*, the results of emissions and air tests are known that all parameters are below the quality standard. in addition, the company regularly reports every semester to the environmental services body.

Based on the results of document verification and field observation, CH already has plans and implemented activities to reduce and minimize GHG emissions, among others:

- Application of EFB as utilization of solid waste for organic fertilizer
- Utilization of liquid waste applied for fertilization.
- Utilization of shell and fiber for boiler fuel as efficiency of diesel fuel consumption.
- Conduct air quality monitoring through routine emission testing contained in the RKL-RPL Report
- Monitoring of POME including monitoring of waste discharge into pond, flow meter condition, and waste discharge applied.
- Monitoring for emission and pollutants (air emission, ambient, odor, noise, vibration) from estate and mill was done periodically every 6 month, covered on RKL/RPL implementation report and reported to environmental agency periodically.

##### **5.6.3.**

Available proof of delivery of GHG RSPO performances as follows: BAF to Devaladevi Sivaceyon. Base on document

verification, CH has been done calculations emission with RSPO Palm GHG Calculator Version 3.0.1 with data input correctly. Calculation option applied Full Version.

**Summary of Net GHG Emissions period January – December 2018 i.e. :**

Emissions per product	tCO <sub>2</sub> e/tProduct	Extraction	%	Production	ton/year
CPO	2.37	OER	21.41	FFB Processed	205668.178
PK	2.37	KER	5.43	CPO Produced	11177.204

Land Use	ha
OP planted area	13509.1
OP Planted on peat	0
Conservation (forested)	6.48

**Summary of Field Emissions and Sinks**

	Own Crop		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha
<b>Emissions</b>								
Land conversion	114221.15	18.34	9630.66	19.81	0	0	-	-
*CO <sub>2</sub> emissions from fertilizer	4832.43	0.78	861.58	1.55	0	0	-	-
**N <sub>2</sub> O emissions	4423.25	0.71	740.77	1.31	0	0	-	-
Fuel consumption	1505.48	0.24	122.89	0.23	0	0	-	-
Peat Oxidation	0	0	0	0	0	0	-	-
<b>Sinks</b>								
Crop sequestration	-58296.07	-9.36	4552.17	-9.36	0	0	-	-
Conservation Sequestration	-31.91	-0.01	0	0	0	0	-	-
<b>Total</b>	<b>66654.33</b>	<b>10.7</b>	<b>6803.73</b>	<b>13.53</b>	<b>16847.3</b>	<b>0</b>	<b>-</b>	<b>-</b>

3 of 3r party without dataset

**Summary of Mill Emissions and Credits**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emissions</b>		
POME	4031.55	0.2
Fuel Consumption	374.71	0
Grid Electricity Utilisation	0	0
<b>Credits</b>		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>406689.26</b>	<b>0.2</b>

**Palm oil Mill Effluent (POME) Treatment**

Divert to compost	0
Divert to anaerobic digestion	100

**POME Diverted to Anaerobic Digestion:**

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

**Emissions from Palm Kernel Crusher**

Emissions Source	tCO <sub>2</sub> e
PK from own mill	26519.36
PK from other sources	0
Fuel consumption	0
Total crusher emissions	0

**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 and 6.1.2**

Company has conduct Social Impact Assessment that included scheme smallholder. The assessment process was done in 2010 and the scope of study are impact of plantation and mill operation to workers and community surrounding company. These assessment also identified negative and positive impact of plantation and mill operation towards social aspect.

SIA identifications are done based on affected parties consultation on March 2010, this matter are amplified by stakeholders during ASA-1.3 stakeholder consultation. Based on stakeholder consultation with Engkalet, Serosat, Sedoya, Mawang, Bansu, Serasong, Tunas Lino, Sepaya and Musam villagers found that company operational activities are brings some positive/negative impact and current SIA has identified all social impacts and issue, among others in aspect of livelihood, health, land tenure, employment, education, economy, social, cultural and religious.

**6.1.3 and 6.1.4**

Company has established management planning and monitoring for social impact based on the impact identification. This plan has been informed the positive and negative impact including the time management planning and the person in charge for the activity, such as: decreasing the quality of clean water sources, community restlessness, and access road condition. PIC for social management and monitoring are manager in each unit assisted by PSQM and other related staff.

The social monitoring plan were implemented by affected parties participatory for examples thorough focus group discussion on May 12, 2018 for Hibun, Maringin Jaya, Palem Jaya, Suka Gerundi, Rahayu, Tani Jaya and Dosan Villages. Result monitoring for social impact on surrounding PT SIA affected parties shown the main issues that still presence until now is related access road condition, regarding this company has included regular road maintenance programme and realization as listed on indicators 4.3.3.

Review for social management and monitoring for PT Sime Indo Agro was develop on August 2017. Major impacts that affect communities from company operations: workers acceptance, community economic development, transport access, and etc. Documentation of social impact monitoring activities (by interview and discussion) are available for each stakeholders.

Interview with representative of Engkalet, Serosat, Sedoya, Mawang, Bansu, Serasong, Tunas Lino, Sepaya and Musam

villagers obtained information that affected parties surrounding company are participated when SIA review was conducted.

#### 6.1.5

Based on stakeholders consultation with Engkalet, Serosat, Sedoya, Mawang, Bansu, Serasong, Tunas Lino, Sepaya and Musam villagers representatives acquired information that majority villagers are lot owner from KUD Himado. Based on document review and interview with related stakeholders shown that affected parties have been involved when company conducting SIA on 2010. Major social impact that affecting KUD Himado has been identified for examples related to local workers acceptance, transportation access, and local economy development.

**Status: Comply**

### 6.2

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

#### 6.2.1

PT SIA has had communication and consultation procedure which explain flow chat of communication and consultation, time frame to response, etc. Based on interview with stakeholder (government agency, community and scheme smallholder) found that they already known the mechanism to communication and consultation with PT SIA. The PIC for communication and consultation is PSD staff or Estate/Mill Manager. KUD HIMADO has demonstrated its communication procedures and socialization record to the affected parties and also not been able to show the officer responsible for communication.

#### 6.2.2.

The certificate holder has appoint PIC who responsible to communicate and consultation with stakeholders, for PT SIA was appointed Mr. Antonius Amon (PSD Assistant) and also Mr. Gusti Darmudin (Plasma Assistant) for KUD Himado. There is a Letter of Determination for the handling of disputes and consultations as well as KUD Himado communication dated June 8, 2018 to Mr. YE Phosen (Secretary of KUD HIMADO).

#### 6.2.3

PT SIA has had stakeholder list with the last update on 1 July 2016. Based on the list there are 29 contractors, 28 suppliers, 29 communities, 17 other institution (hospital, police, immigration, etc) and 4 NGO; while KUD Himado have list of stakeholders such as: 14 contractors, 21 suppliers, 26 communities, 11 other institution and 4 NGO. PT SIA & KUD Himado always record the communication with stakeholders.

The company shows a list of Himado KUD stakeholders consisting of 14 contractors, 21 suppliers, 26 heads of community / village heads / hamlets, 11 government parties, and 4 NGOs. For example: contractor CV Armada Niaga, Supplier: CV Mega Motor, head of Upe Village, Binjai, Palembang; Government: Sanggau Social and Manpower Office, Sanggau National Land Agency; NGO: People's Conscience NGO, Institute of Dayakologi Research and Development, Bela Banua Talino Institute.

**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 CH has the SOP of complain handling which has been approved by SOU15 Chairman on 2 March 2014. Describes that the step of complain submission is through verbally and/or written addressed to unit manager/management. The response to the stakeholders are made in 2 weeks if no need the head department approval and 1 month if need approval. Also stated in the SOP that the identity of the complainants and whistleblowers will be kept confidential if required. SOP for handling complaints for Plasma (KUD Himado) were passed on 8 Feb 2017. It has been explained in connection with the wisthelblower and complaints mechanism through the RSPO website.



The entire complaints and its responses has been recorded in the complaint book, for e.g. for period of 2019 the complaints recorded are comes from internal (workers), generally related to housing maintenance/there are no significant complaints or grievances from stakeholders. Based on document verification known that the whole complaint has been addressed well.

**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

Since the audit of Re Certification there is no new land acquisition proces. The CH already has SOP of Occupation Land Acquisition which identifies the mechanisms to identify and calculate the land compensation. In this procedure was explained that the process of identifying the company's land involves the community, the village administration and the Sub district Government.

At the beginning of the development of oil palm plantations, the company has conducted socialization to the community so that in 1998 to 1999, there is handover of land from community to the company for oil palm plantation and agreement for development of asociated smallholder (plasma). The cooperation is outlined in the Cooperative Agreement between PT SIA and Cooperative of HIMADO on November 23, 2004.

Meanwhile, the company has opportunity for improvement to develop good communication to the community, for releasing process of villager's land that located in company's HGU area. **OFI.**

**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

The company has an overtime wage system set in:

- a. Collective Labor Agreement Period 2017 - 2019 in Article 18 concerning overtime work which states that overtime hours are carried out based on overtime work orders and their calculations are guided by Kepmenakertrans No. 102 / MEN / VI / 2004.
- b. Inter-Office Mail from the General Manager of HRM with number 065 / RSP-i2 / VIII / 2017 dated August 15, 2017 concerning the provisions of the premium for the non-harvesting area of Sanggau Area. The provisions are explained in relation to the provisions of the premium as follows:
  - Security Member: 150 hours / month (2 shifts) and 100 hours / month (3 shifts)
  - Generator Set + Water Operator: 105 hours / month.
  - Generator Set Operator: 84 hours / month.
  - Water Machine Operators: 56 hours / month.

The auditor conducted a simulation of the calculation of overtime security employees and generator set operators together with management representatives in accordance with Kepmenakertrans No. 102 of 2004 and compared with overtarget premium wages received by employees in March 2019 (East Estate) as follows:

1. Junaedi Pangariduan (Genset Operator)
 

Overtarget Premium paid	: IDR 1,989,570
Simulation results	: IDR 5,788,667.21
Payment difference	: IDR 3,799,097.21
2. Aspandi (Generator Set)
 

Overtarget Premium paid	: IDR 2,732,670
Simulation results	: IDR 6,056,179.43

Difference	: IDR 3,323,509.43
3. Yulius (Security)	
Overtarget Premium paid	: IDR 2,320,717
Simulation results	: IDR 2,764,292.94
Difference	: IDR 443,575.94

Based on the above, it is known that the payment system of wages exceeds the working hours (premiums) that have been set by the company not in accordance with the Minister of Manpower and Transmigration Regulation No. 102 of 2004 so that this becomes a **Non-conformity NCR 2019.05**

Based on interview with HIMADO Board known that the smallholder's operational activities are managed by farmers and farmer-groups including the wage payment (for farmers who uses labor).

### 6.5.2

#### **Collective Labor Agreement**

The company has a Collective Labor Agreement (CLA) between PT Sime Indo Agro and Plantation Workers Union for the period of 2017 - 2019 which has been agreed and registered to Manpower and Transmigration Agency of Sanggau District based on the Decree by Head of Manpower and Transmigration Agency Sanggau Regency with number 27 Year 2017 dated 16 October 2017. The validity period of the CLA is 2 years from the date signed by both parties. The contents of the CLA include several parts, for example: general, rights and obligations, work relations, overtime work and work systems, holidays and breaks, work discipline and violations, wages, protection and welfare guarantees, settlement of disputes and termination of employment, and closing conditions.

#### **Minimum Wage**

- West Kalimantan Governor Decree No. 582/DISNAKERTRANS/2018 dated November 12, 2018 concerning the Establishment of the West Kalimantan Province Minimum Wage in 2019 which stipulates the minimum wage amounting to IDR 2,318,000 per month for work hours of seven hours a day and forty hours of work a week
- Inter-Office Mail from Head of Human Resource Management with the number 009/RSP-i4/I/2019 concerning Wages of Daily Workers in 2019 is IDR 2,318,000 per month and paid according to the effective working day, while for monthly worker it is arranged in the structure and scale of wages set by the company for 2019.

Based on field observations and interviews with estate and mill worker known that the company has paid employees' wages according to West Kalimantan Governor Decree No. 582/DISNAKERTRANS/2018 with a value of IDR 2,318,000.

Based on interviews with the management, known that the company never deducts wages from employees. The company pays employee wages in accordance with applicable regulations. During the audit activity, the company shows sample salary payment for estate and mill worker period of March 2019. From the results of document review, known that employees have received basic wages in accordance with the minimum wage stipulated by the local government.

### 6.5.3 and 6.5.4

The company has provided facilities and infrastructure to support the worker welfare in each management unit, such as permanent housing, electricity sources through generator sets available in each housing, clean water through the provision of bore wells and the provision of clean water tanks in each unit, clinics available in each unit, there is a place for kindergarten and elementary school. Based on field visits in the housing area are known that there are several stalls belonging to employees that provide basic daily necessities at affordable prices.

Based on interview with HIMADO Board known that the smallholder's operational activities are managed by farmers and farmer-groups. However, the for farmers which uses the labor for operational has paid wage above the standard, interview with famers in KUD HIMADO office informed that the harvester wage are Rp 120,000 – Rp 150,000 per day (7 hours) and sprayer wage are Rp 5,000,- / knapsack

6.5.1	<b>Status: Nonconformity 2019.05 on Major category.</b>
-------	---

**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 and 6.6.2**

Head Plantation Upstream Indonesia issued a Social Policy in December 2011 explained that the company respect the rules and regulations prevailing in Law No. 21/2000 on Labor union. Based on interview with Labor Union, management provides freedom to all workers to establish labor unions. According to interview with the employee in field, known that whole employee are voluntary and free to join the labor union. The result of an agreement between the labor unions and the company in the form of Collective Labor Agreement which is available in Bahasa and has been implemented by the company.

The results of interviews with PT Sime Indo Agro union officials are known that unions in companies are less active due to the lack of interest of employees to join trade unions. The union meeting with the company in 2018 was only conducted once, namely on August 1, 2018 at the BAF office in order to discuss the establishment of the PT Sime Indo Agro Bipartite Cooperation Institute

Based on interview with Himado Board known that the smallholder's operational activities are managed by farmers and farmer-groups, no need to form the labor union.

	<b>Status: Comply</b>	
--	-----------------------	--

**6.7**

**Children are not employed or exploited.**

**6.7.1**

Head Plantation Upstream Indonesia issued a Social Policy in December 2011. That was explain about prohibits to employ children and make a prevention the use of child labor in our operations. Take a corrective action, if founded the child labor and ensuring that the appropriate follow up and provide safety to them. According to interviews with worker union and Man Power Agency District of Sanggau and filed visit in mill and estate, there was no child labor usage has found.

Based on interviews with workers on estate and mill, known that each employee knows the minimum age at work, which is 18 years, further explained that this is routinely delivered at the morning briefing and through the installation of appeal boards in several places. This is in line with the results of verification of the employee list document which is known that the company does not employ under 18 year old workers.

Based on field observations of harvesting activities at East Estate and West Estate known that there are special female worker to collect loose fruit, there are no children found on the harvesting areal. All harvester include the female worker are registered as company employees.

Based on interview with Himado Board known that the smallholder's operational activities are managed by farmers and farmer-groups, based on field observation known that the farmers not use child on its operational activities.

	<b>Status: Comply</b>	
--	-----------------------	--

**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 and 6.8.3**

Head Plantation Upstream Indonesia issued a Social Policy in December 2011. That was explain about the company will give equal opportunities to all workers and embrace diversity, regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation and or worker union.

During the audit activity, the company can show a record of the identity of the worker when applying for an employee. Available copies of ID cards, educational certificates, family cards, biography, marriage certificates and good conduct certificates from the police.

Based on field observations at Mill office and Estate Office known that the policy is installed on the front office wall so that it is easily known to stakeholders and employees. Further explained by the management representative that the company routinely provides socialization regarding equality of rights to employees during the morning briefing. Whereas the results of field observations and interviews with employees in estate and mill operational areas were not identified as complaints related to discrimination.

The company shows a list of employees for the period 2019 which describes the age, gender, religion, ethnicity, place and date of birth. Based on the document, known that workers come from various ethnicities, religions, regions of origin, ages, sexes and companies also do not have migrant workers. Based on interviews with Worker Union and Workers, it was explained that the company did not discriminate against workers from admission to promotion.

Based on interview with Himado cooperative unit known that the smallholder's operational activities are managed by farmers and farmer-groups, based on field observation and interview with farmer in KUD HIMADO office known that the farmers not discriminating in terms of employment.

<b>Status: Comply</b>
-----------------------

## 6.9

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

### 6.9.1

The company has a policy related to sexual harassment which was approved by Head Plantation Upstream Indonesia on 2011. The policy explained that the company strongly opposed acts of sexual harassment and was committed to creating and ensuring a work environment free of acts of sexual harassment. The policy is communicated by means of information dissemination from company representatives and policies installed in offices and clinics. Based interviews with workers, known that the policy has been disseminated to employees, especially women who are aware of the policy on protecting women's rights.

The company has formed a Gender Committee in management unit chaired by Marsia Nola. Based on interviews with the Gender Committee and female workers known that breastfeeding workers are not permitted to work using chemicals. Workers who are breastfeeding are also given the opportunity to breastfeed their children.

### 6.9.2

Policies related to the protection of women's reproductive rights for female employees are listed in the Collective Labor Agreement 2017 - 2019 Article 20 which explains that female worker during menstruation who feel pain and notify employers, are not obliged to work on the first and second days of menstruation by getting full wages if accompanied by a letter of recommendation from a doctor or paramedic company.

The interview results with the management known that the policy is communicated by socialization to employees and the installation of banners in offices and clinics. Based on interviews with the Gender Committee and female workers, known that workers can explain the reproductive rights of women who are given such leave for 2 days of menstruation and maternity leave for 3 months.

### 6.9.3

The company has Procedure for Handling Complaints and Dissatisfaction no. 41//PT SIA/2016. The SOP explains the flowchart and handling of internal and external complaints and dissatisfaction processes. Responses to complaints and dissatisfaction are given as soon as possible and no later than 1 month after the problem is received. In the SOP, there is also an explanation of the process of handling complaints and internal disregard that states that the company guarantees the whistleblower.

Based on interviews with workers in the estate and mill, it is known that each worker knows the mechanism for submitting complaints. Complaints can be submitted to the Worker Union, Gender Committee or direct supervisor of the workers (foreman / assistant).

Based on interviews with Worker Union and the Gender Committee, known that there were no complaints especially related to immoral act, If there is a complaint, it will be recorded in the complaint book and a complaint resolution will be sought and the results submitted to the worker.

Based in interview with Himado Cooperative Unit Board mentioned that the spraying activities are coordinated by farmer groups and farmers themselves, however stated that it was prohibited for farmers who are pregnant to involve in chemical activities. During the audit, there is no spraying activities due the round has been completed.

<b>Status: Comply</b>
-----------------------

## 6.10

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

#### 6.10.1 & 6.10.2

The management unit uses FFB purchase price standard based on the results of meeting from Pricing Team in plantation agency of FFB Production from Palm Oil Growers in West Kalimantan conducted every month and apply for the area of West Kalimantan Province. The team is composed from the Provincial Government and District as well as representatives from palm oil company and the smallholders (KUD). Based on interviews with the Head of Himado KUD known that the price above is available in the KUD office and Factory PT Sime Indo Agro each period and became the basis of the sales and purchase price of FFB. The preparation mechanism of FFB price (period I March 2018) and FFB price records and evidences of payments to the parties (smallholders) are available in PT Sime Indo Agro and HIMADO KUD.

#### 6.10.3 & 6.10.4

Records of contract with the parties in cooperation with PT Sime Indo Agro are well documented. The parties can read and understand the contents of the contract before making the deal (signature). According to the farmers in West Plasma and East Plasma, the payments made by PT Sime Indo Agro are always on time in accordance with the contract made. There are evidences of payment which is equipped with the contract summary, the minutes of work examination, bank vouchers, and receipts for payment with stamp duty and transfer form.

<b>Status: Comply</b>
-----------------------

## 6.11

### Growers and millers contribute to local sustainable development wherever appropriate.

#### 6.11.1

Stakeholders consultation are conducted on July 27, 2018 to indentify the needs and priorities of local communities development. PT Sime Indo Agro has contributed to local development troughout Corporate social responsible program. The contribution done by company as follows : public religious events, public healthcare, donation, and road maintenance .

Generally PT Sime Indo Agro shown local communities development by local contractor engagement, taxes payment for central/local government, local workers recruitment, and annual CSR programme by each estates. Interview with representative of Dosan obtained information that affected parties surrounding company are participated and involved based on consulation with local communities when company determined CD/CSR priorities.

#### 6.11.2

Based on interviews with smallholders it is known that KUD HIMADO was conducted regular training for smallholders, the understanding related to aspects of OHS, HCV, environment and other aspects of RSPO has been sufficient. For example:

- Training on Quality of FFB, RSPO, HCV and Handling of Pesticides conducted on April 5, 2019 at the House of Yanuli Nazara, Hamlet of Tunas Lino. The training was attended by 60 plasma farmers. During the audit activity, the company can show documentation, attendance lists and training material.
- Training on Quality of FFB, RSPO, HCV and Handling of Pesticides carried out on 13 April 2019 at the Sepaya Hamlet Residence House. The training was attended by 21 plasma farmers. During the audit activity, the company can show documentation, attendance lists and training material

<b>Status: Comply</b>
-----------------------

## 6.12

### No forms of forced or trafficked labour are used.



**6.12.1; 6.12.2 and 6.12.3**

Based on verification document of employee, work agreements, employment mandatory report and the results of interviews with local government, community and employees during field observations, there were several things, for example: no indication of contract substitutions, companies not using migrant workers, companies not trading labor or forms of forced labor because all workers already have work agreements with companies.

Based on interviews with Mill and Estate employees it was found that there was no indication of forced labor. Employees explain that all rules in working at the company have been regulated in a Collective Labor Agreement that has been agreed upon between the company and the Workers' Union as representatives of workers.

Based on interview with HIMADO cooperative unit known that the smallholder's operational activities are managed by farmers and farmer-groups. Based on field observation and interview with farmers mentioned that the paid labor (for harvesting) is daily basis, and they may refuse work at any time.

	<b>Status: Comply</b>	
--	-----------------------	--

**6.13**
**Growers and millers respect human rights**
**6.13.1**

The company has Policy of Environment and Social. The policy describes respecting human rights and respecting race, nation, culture, religion and without forced labor, ensuring that all employees receive fair remuneration, fair management and opportunities to develop careers. The company has socializing this policy to all workers and contractor on each unit. For example: West Estate unit has socializing this policy dated October 1<sup>st</sup> 2018 to all workers and local contractor, Bukit Ajong Factory unit has socializing this policy dated December 22<sup>nd</sup> 2018 to all workers and local contractor and December 10<sup>th</sup> 2018 in Engkayuk Village.

Based on the results of interviews with the local government, surrounding communities and interviews with employees when field observations were not identified there were cases of human rights violations in the company's operational area

	<b>Status: Comply</b>	
--	-----------------------	--

**PRINCIPLE #7 Responsible development of new plantings**
**7.1**

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

**7.1.1; 7.1.2; & 7.1.3**

Based on statement area, there is no new development area. Land planting activities have been in existence since 1997, 1998, 1999, 2003, and 2004.

	<b>Status: Comply</b>	
--	-----------------------	--

**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**

Up to ASA-3 implemented, there is no new planting activity. Existing activity is replanting with zero burning method. information on land suitability is contained in the document semi detailed soil survey and Land Suitability for Oil Palm Plantation period 2017 - 2022 PT Sime Indo Agro conducted by GNSS, GIS and Soil Survey Minamas Research Center Pekanbaru in 2017. Based on the document is known land suitability class at PT SIA is land suitability class on PT SIA is S2 to S3 with flat to rolling topography condition.

	<b>Status: Comply</b>	
--	-----------------------	--



<b>7.3</b> <b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>	
<b>7.3.1; 7.3.2; 7.3.3; 7.3.4; &amp; 7.3.5</b> Based on document review, the plantation area of PT Sime Indo Agro (East Estate, West Estate, West Plasma and East Plasma) did not land clearing above November 2005. Land planting activities have been in existence since 1997, 1998, 1999, 2003, and 2004.	
	<b>Status: Comply</b>
<b>7.4</b> <b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b>	
<b>7.4.1 &amp; 7.4.2</b> Until the ASA-3, PT SIA does not extend of new plantation area. There are only a replanting activities that have been conducted since July 2014.	
	<b>Status: Comply</b>
<b>7.5</b> <b>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.</b>	
Based on document review as well as stakeholder consultation, the plantation area of PT Sime Indo Agro (East Estate, West Estate, West Plasma and East Plasma) was opened before November 2005. The plantation develop on 1997, 1998, 1999, 2003, and 2004.	
	<b>Status: Comply</b>
<b>7.6</b> <b>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.</b>	
Based on document review as well as stakeholder consultation, the plantation area of PT Sime Indo Agro (East Estate, West Estate, West Plasma and East Plasma) was opened before November 2005. The plantation develop on 1997, 1998, 1999, 2003, and 2004.	
	<b>Status: Comply</b>
<b>7.7</b> <b>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.</b>	
<b>7.7.1 &amp; 7.7.2</b> Based on document review as well as stakeholder consultation, the plantation area of PT Sime Indo Agro (East Estate, West Estate, West Plasma and East Plasma) was opened before November 2005. The plantation develop on 1997, 1998, 1999, 2003, and 2004.	
Existing activity is replanting with zero burning method. Based on field visit to Block A 705 division 1 West Estate show replanting activity done without fire. Replanting activities is done with mechanical system.	
	<b>Status: Comply</b>
<b>7.8</b> <b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>	
Based on document review as well as stakeholder consultation, the plantation area of PT Sime Indo Agro (East Estate, West Estate, West Plasma and East Plasma) was opened before November 2005. The plantation develop on 1997, 1998, 1999, 2003, and 2004.	

	<b>Status: Comply</b>	
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>		
<b>8.1</b>		
<b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>		
<p>The company has implemented commitment to reduce environment impacts on the regular action plan. For example:</p> <ul style="list-style-type: none"> <li>- Effluent management and monitoring. WWTP pond management, effluent quality test and report it to Sanggau District Environment Agency.</li> <li>- Air quality management and monitoring. Road maintenance, air quality test and report it to Sanggau District Environment Agency.</li> <li>- Ground water management and monitoring. Testing ground water quality and report it to Sanggau District Environment Agency.</li> <li>- Hazardous waste management. Storing hazardous waste at the permitted hazardous waste, managing and monitoring hazardous waste (conducted by Sanggau District Environment Agency).</li> <li>- PT Sime Indo Agro's RSPO internal audit results carried out on March 19-20 2019 there were 11 major nonconformities and 8 minor nonconformities and the discrepancies were met on March 25 2019. Implemented by Tjahjo Moeljo Widjajanto with Hardian Eko Prasetyo, SiharPanaii Octavian Simanjuntak, Suriani, Deni Puji Haryono.</li> </ul>		
	<b>Status: Comply</b>	

### 3.2 Summary of Assessment Report of Supply Chain Requirement

#### 3.2.1. General chain of custody requirements for the supply chain

Clause	Requirement
<b>5.1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>The Mill has legal ownership for physically handles of RSPO Certified Oil Palm Products. According to interview with Mill Manager, Weighbridge Operator and document verification. There mill use outsourced activities for CPO transport from Mill to the jetty in Tayan Sub District and also transport of PK from Mill to the <i>Akwang</i> storage in Pontianak.</p>
	<b>Status: Comply</b>
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>The Mill only processed their own FFB.</p>
	<b>Status: Comply</b>
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>Bukit Ajong Mill (PT Sime Indo Agro) – Sime Darby Plantations has registered on RSPO IT Platform with number member ID: RSPO_PO1000000107.</p>
	<b>Status: Comply</b>
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>The Mill didn't use a processing aids.</p>
	<b>Status: Comply</b>
<b>5.2</b>	<b>Supply chain model</b>
5.2.1	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -&gt; Segregated -&gt; Mass Balance.</p> <p>The Mill applied Mass Balance (Module E) for CPO Mill only.</p>
	<b>Status: Comply</b>
5.2.2	<p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p> <p>The Mill has applied Mass Balance (Module E) for CPO Mill.</p>
	<b>Status: Comply</b>
<b>5.3</b>	<b>Documented procedures</b>

**5.3.1**

The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.

The Mill has RSPO SCCS Manual Certification Standard No. SCCS-Std / RSPO / PSQM / 02 Rev.01 dated 2 January 2018. The scope of RSPO Supply Chain System: FFB Certificate processing from raw material acceptance to storage and delivery process produces Certified Sustainable Palm Oil (CSPO) and CSPK with module D (IP) and Module E (MB) both physical and office administration. The summary of this procedure were explain on below points:

4.2.1. The procedure is documented

4.2.2. Internal audits are conducted at least annually to ensure: the organization complies with RSPO SCCS requirements and RSPO Market Communication & Claim documents. Where the internal audit is done at least 2 months before the external audit. The internal audit results are included in the management review conducted at least once a year.

4.3. The Mill ensures the purchase of incoming goods, however the marketing division in Jakarta's is responsible for checking the validity of supplier certificates, licenses for traders and distributors.

4.3.2. The Unique code/ unique identification number aims to ensure that products are sold through quality tests and can be traced back to the beginning of the process.

4.5. Third party activities (outsourcing)

4.6. Sales and goods out

Units that need to make announcements and trade confirmations in the RSPO IT Platform, this should also include making shipping announcements (each shipment/shipping group by the marketing division). Certified products sold through other schemes or conventional means or in case of lack of production, lost or damaged shall be removed.

4.8. Training

The training plan for RSPO SCCS requirements process should be reviewed continuously/annually.

4.9. The record keeping

The record keeping of all documents are minimum 10 years for financial report documents and transactions; and minimum two years for data other than financial documents.

4.10 Conversion Factor

Conversion value is determined by marketing division in Jakarta, based on data sent by Mill on the basis of the resulting of FFB processing, so that the conversion value obtained is the same as the actual obtained by the Mill, and the conversion reference by marketing follows the mill manager monthly report period.

4.11. Claim pursuant to RSPO communication and claim.

4.12. Complaint

Stakeholders may complain by email or face directly to the management representative. The complaint should be handled no later than one month after the complaint is received. Especially for complaints related to salary rights, incentive benefits, product complaints, and payments is should be acted upon no later than 14 days after the complaint has been received. All complaints and responses should be recorded.

4.13. Management review

Management review plan is established: after internal audit, before external audit checks and minimally done once in twelve months /one year.

Input for management review should include information: internal audit results of SCCS requirements, production achievements, customer feedback, preventive and corrective action status, follow up on review management, changes that may affect system management and improvement recommendations.

**Status: Comply**

**5.3.2**

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

The Mill has had SOP of SCCS Internal Audit No. 060/SIA-INT-ADT-SCCS/II/18 (Rev-1) dated 2 January 2018. Internal audit SCCS will be conducted every year by PSQM Department. It will be conducted minimum two months before external audit.

**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	
Based on mass balance report verification and interview with weighbridge operator, there are no RSPO certified oil palm products purchased during last year period.	
	<b>Status: Comply</b>
<b>5.4.2</b>	
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents	
The Mill has established a mechanism for handling of non-conforming oil palm products in RSPO SCCS Manual Certification Standard.	
	<b>Status: Comply</b>
<b>5.5</b>	<b>Outsourcing activities</b>
<b>5.5.1</b>	
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.	
According to interview with Mill Manager, Weighbridge Operator and document verification. There are three outsourced activities for CPO transport from Mill to the jetty in Tayan Sub District and also transport PK from Mill to the Akwang storage in Pontianak. The agreement between CH with transporter and PK storage, such as: <ul style="list-style-type: none"> <li>- Agreement with PT Bangun Melawi Persada (agreement No. 01/SIA-SPK/LOK/VI/2018) for CPO transport from Bukit Ajong Mill to the Tayan Jetty.</li> <li>- Agreement with CV Botuh Ntugu (agreement No. 60/BAF-SPK/LOK/XII/2018) for PK transport from Bukit Ajong Mill to Akwang storage.</li> </ul> Based on agreements verification sighted that all outsourcing activities was complied with RSPO SCCS, for example related to CPO and PK documentation which inform Mass Balance module.	
	<b>Status: Comply</b>
<b>5.5.2</b>	
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: <ol style="list-style-type: none"> <li>The site has legal ownership of all input material to be included in outsourced processes;</li> <li>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.</li> <li>The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>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</li> </ol> The Mill has record names and contact details of all contractors, such as: <ul style="list-style-type: none"> <li>- Agreement with PT Bangun Melawi Persada (agreement No. 01/SIA-SPK/LOK/VI/2018) for CPO transport from Bukit Ajong Mill to the Tayan Jetty.</li> <li>- Agreement with CV Botuh Ntugu (agreement No. 60/BAF-SPK/LOK/XII/2018) for PK transport from Bukit Ajong Mill to Akwang storage.</li> </ul> In the agreement informed the address, and stated that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.	

	<b>Status: Comply</b>														
<b>5.5.3</b>	<p>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.</p> <p>The Mill had record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products, that is :</p> <ul style="list-style-type: none"> <li>- Agreement with PT Bangun Melawi Persada (agreement No. 01/SIA-SPK/LOK/VI/2018) for CPO transport from Bukit Ajong Mill to the Tayan Jetty.</li> <li>- Agreement with CV Botuh Ntugu (agreement No. 60/BAF-SPK/LOK/XII/2018) for PK transport from Bukit Ajong Mill to Akwang storage.</li> </ul>														
	<b>Status: Comply</b>														
<b>5.5.4</b>	<p>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</p> <p>The Mill has informed the CB for curent contractors, that is :</p> <ul style="list-style-type: none"> <li>- Agreement with PT Bangun Melawi Persada (agreement No. 01/SIA-SPK/LOK/VI/2018) for CPO transport from Bukit Ajong Mill to the Tayan Jetty.</li> <li>- Agreement with CV Botuh Ntugu (agreement No. 60/BAF-SPK/LOK/XII/2018) for PK transport from Bukit Ajong Mill to Akwang storage.</li> </ul>														
	<b>Status: Comply</b>														
<b>5.6</b>	<b>Sales and goods out</b>														
<b>5.6.1</b>	<p>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</p> <p>The Mill shown shipping documentation in the Sales Contract and Shipping Note of CPO to PT Golden Hope Nusantara, and PK to PT Binasawit Abadipratama. Those documentation informed name and address of the buyer and seller, delivery date, description of product and supply chain model, quantity, identification number, certificate number, as well as certificate number of the seller.</p>														
	<b>Status: Comply</b>														
<b>5.7</b>	<b>Registration of transactions</b>														
<b>5.7.1</b>	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are mills, traders, crushers and refineries; and</li> <li>• 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</li> </ul> <p>The Mill has register on RSPO IT platform id :</p>														
	<table> <tr> <td>Sub License ID</td><td>CB74739</td></tr> <tr> <td>Member Name</td><td>Sime Darby Plantation - Bukit Ajong POM, PT SIA</td></tr> <tr> <td>Member ID</td><td>RSPO_PO1000000107</td></tr> <tr> <td>RSPO Membership Number</td><td>1-0008-04-000-00 (Sime Darby Plantation Berhad)</td></tr> <tr> <td>Issued On</td><td>18/10/2018</td></tr> <tr> <td>Issued By</td><td>PT Mutuagung Lestari</td></tr> <tr> <td>Start Date</td><td>18-10-2018</td></tr> </table>	Sub License ID	CB74739	Member Name	Sime Darby Plantation - Bukit Ajong POM, PT SIA	Member ID	RSPO_PO1000000107	RSPO Membership Number	1-0008-04-000-00 (Sime Darby Plantation Berhad)	Issued On	18/10/2018	Issued By	PT Mutuagung Lestari	Start Date	18-10-2018
Sub License ID	CB74739														
Member Name	Sime Darby Plantation - Bukit Ajong POM, PT SIA														
Member ID	RSPO_PO1000000107														
RSPO Membership Number	1-0008-04-000-00 (Sime Darby Plantation Berhad)														
Issued On	18/10/2018														
Issued By	PT Mutuagung Lestari														
Start Date	18-10-2018														



End Date	17-07-2019
	<b>Status: Comply</b>
<b>5.7.2</b>	<p>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"> <li>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.</li> <li>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.</li> <li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> <li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>
	<p>The entire requirements for appropriate supply chain has been met by the mill such as the estimate certified product already recorded in the RSPO IT platform and including finalized transactions records and stocks transactions record during the 12 month before the assessment.</p> <p>The Mill has carried out announcements on the sales of certified products (CSPO and CSPK) in period of April 2018 to March 2019. Announcement time is done no later than the deadline of license period.</p>
	<b>Status: Comply</b>
<b>5.8</b>	<b>Training</b>
<b>5.8.1</b>	<p>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</p>
	<p>The training of RSPO SCCS of 2018 planned on July 2018 and has been conducted. The 2019 training planned on July. The training given to each Staff and operators dealing with SCCS.</p>
	<b>Status: Comply</b>
<b>5.8.2</b>	<p>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</p>
	<p>The latest training conducted on 16 July 2018 attended by PIC of each SCCS aspects. During the audit, the Staff and operators shows the understanding of SCCS requirement and critical point, for example security and weighbridge operator were able to demonstrate how to verify the FFB from certified and uncertified source and marking by certified stamp.</p>
	<b>Status: Comply</b>
<b>5.9</b>	<b>Record keeping</b>
<b>5.9.1</b>	<p>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</p>
	<p>Based on document verification sighted that the certificate holder has maintain update and accessible data. The random sampling were conducted during the audit.</p>

	<b>Status: Comply</b>																
<b>5.9.2</b> Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock																	
The Certificate Holder has RSPO SCCS Manual Certification Standard No. SCCS-Std / RSPO / PSQM / 02 Rev.01 dated 2 January 2018, point 4.9. About record keeping all of documents are minimum 10 years for financial report documents and transactions; and minimum two years for data other than financial documents. Based on field observation at administration store, they can showing FFB Consignment and CPO/PK Consignment record for 2 years ago.																	
	<b>Status: Comply</b>																
<b>5.9.3</b> 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.																	
Estimated certified product recorded in the certificate annex of last surveillance, actual certified produced has been verified during this assessment, as well as the the estimates of certified production for the next license period has been set by the Mill, describes in the following table:																	
	<table><tr><th>Product</th><th>Last Year Estimate Production 12 months (MT) 18 July 2018 – 17 July 2019</th><th>Actual Production 12 months (MT) 1 April 2018 - 31 March 2019</th><th>Next Year Estimate Production 12 months (MT) 18 July 2019 – 17 July 2020</th></tr><tr><td>FFB Production</td><td>151,628</td><td>150,291.56</td><td>159,308</td></tr><tr><td>CSPO</td><td>33,358</td><td>33,214.36</td><td>35,206</td></tr><tr><td>CSPK</td><td>8,491</td><td>7,063.18</td><td>7,486</td></tr></table>	Product	Last Year Estimate Production 12 months (MT) 18 July 2018 – 17 July 2019	Actual Production 12 months (MT) 1 April 2018 - 31 March 2019	Next Year Estimate Production 12 months (MT) 18 July 2019 – 17 July 2020	FFB Production	151,628	150,291.56	159,308	CSPO	33,358	33,214.36	35,206	CSPK	8,491	7,063.18	7,486
Product	Last Year Estimate Production 12 months (MT) 18 July 2018 – 17 July 2019	Actual Production 12 months (MT) 1 April 2018 - 31 March 2019	Next Year Estimate Production 12 months (MT) 18 July 2019 – 17 July 2020														
FFB Production	151,628	150,291.56	159,308														
CSPO	33,358	33,214.36	35,206														
CSPK	8,491	7,063.18	7,486														
	<b>Status: Comply</b>																
<b>5.10</b>	<b>Conversion factors</b>																
<b>5.10.1</b> 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 ( <a href="http://www.rspo.org">www.rspo.org</a> ); 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																	
Not applicable. The Mill only conduct FFB processing up to CPO and PK, not it's derivatives.																	
	<b>Status: Comply</b>																
<b>5.10.2</b> Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.																	
Not applicable. The Mill only conduct FFB processing up to CPO and PK, not it's derivatives.																	
	<b>Status: Comply</b>																
<b>5.11</b>	<b>Claims</b>																
<b>5.11.1</b> 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.																	

Based on transaction report documents, all CSPO and CSPK are claims as Mass Balance. The Mill did not use RSPO logo on product or off product.	
	<b>Status: Comply</b>
<b>5.12</b>	<b>Complaints</b>
<b>5.12.1</b> The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
The Mill has RSPO SCCS Manual Certification Standard No. SCCS-Std / RSPO / PSQM / 02 Rev.01 dated 2 January 2018. State that stakeholders may complain by email or face directly to the management representative. The complaint should be handled no later than one month after the complaint is received. Especially for complaints related to salary rights, incentive benefits, product complaints, and payments is should be acted upon no later than 14 days after the complaint has been received. All complaints and responses should be recorded. Based on document verification and interview with CPO transporter/contractor, there are no complaint during last year period.	
	<b>Status: Comply</b>
<b>5.13</b>	<b>Management review</b>
<b>5.13.1</b> The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	
In the SCCS procedure described that : 1. The organization should establish a management review plan implemented: <ul style="list-style-type: none"> <li>• After internal audit</li> <li>• Before external audit</li> <li>• Minimum once in 12 months (1 year)</li> </ul> 2. Input for management review should include the following information: <ul style="list-style-type: none"> <li>• Internal audit results of SCCS requirements</li> <li>• Achievement of production</li> <li>• Feedback from customers</li> <li>• Status of preventive and corrective actions</li> <li>• Follow up on prevention and improvement</li> <li>• Changes that can affect the management system</li> <li>• Recommendations for improvement</li> </ul> The lattest management review conducted on 25 February 2019.	
	<b>Status: Comply</b>
<b>5.13.2</b> The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	
The last management review conducted on 25 February 2019. Based on the Management Review Report, known that the review has consider information on the previous management review, result of internal and external audits, status of preventive and corrective actions, other changes to management system and recommendation for improvement.	
	<b>Status: Comply</b>

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.

Based on the Management Review Report, known that the output has include improvement of the last NC, OFI, as well as training requirements for Staff and operators.

**Status: Comply**

**3.2.2. Module E – CPO Mills: Mass Balance Requirements**

Clause	Requirement																
<b>E.1</b>	<b>Definition</b>																
<b>E.1.1</b>	<p><b>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</b></p> <p>The Mill received FFB from certified and uncertified base. Related to this case, the Mill implemented Module E for mass balance CPO Mill.</p>																
	<b>Status: Comply</b>																
<b>E.2</b>	<b>Explanation</b>																
<b>E.2.1</b>	<p><b>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&amp;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.</b></p> <p>Estimation of CPO and PK production period of 18 July 2019 to 17 July 2020:</p> <ul style="list-style-type: none"> <li>- CPO: 35,206 MT</li> <li>- PK: 7,486 MT</li> </ul>																
	<b>Status: Comply</b>																
<b>E.2.2</b>	<p><b>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).</b></p> <p>The Mill has register on RSPO IT platform id :</p> <table> <tr> <td>Sub License ID</td><td>CB74739</td></tr> <tr> <td>Member Name</td><td>Sime Darby Plantation - Bukit Ajong POM, PT SIA</td></tr> <tr> <td>Member ID</td><td>RSPO_PO1000000107</td></tr> <tr> <td>RSPO Membership Number</td><td>1-0008-04-000-00 (Sime Darby Plantation Berhad)</td></tr> <tr> <td>Issued On</td><td>18/10/2018</td></tr> <tr> <td>Issued By</td><td>PT Mutuagung Lestari</td></tr> <tr> <td>Start Date</td><td>18-10-2018</td></tr> <tr> <td>End Date</td><td>17-07-2019</td></tr> </table> <p>The Mill shown registration such as announcement for transaction, such as the transaction of selling CSPO 12 month before the audit (total 1.599,77 MT), has been announced on RSPO IT Platform on 1 April 2019 amount (total 1.599,77 MT).</p>	Sub License ID	CB74739	Member Name	Sime Darby Plantation - Bukit Ajong POM, PT SIA	Member ID	RSPO_PO1000000107	RSPO Membership Number	1-0008-04-000-00 (Sime Darby Plantation Berhad)	Issued On	18/10/2018	Issued By	PT Mutuagung Lestari	Start Date	18-10-2018	End Date	17-07-2019
Sub License ID	CB74739																
Member Name	Sime Darby Plantation - Bukit Ajong POM, PT SIA																
Member ID	RSPO_PO1000000107																
RSPO Membership Number	1-0008-04-000-00 (Sime Darby Plantation Berhad)																
Issued On	18/10/2018																
Issued By	PT Mutuagung Lestari																
Start Date	18-10-2018																
End Date	17-07-2019																
	<b>Status: Comply</b>																
<b>E.3</b>	<b>Documented procedures</b>																

**E.3.1**

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

- 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 Mill has RSPO SCCS Manual Certification Standard No. SCCS-Std / RSPO / PSQM / 02 Rev.01 dated 2 January 2018. The scope of RSPO Supply Chain System: FFB Certificate processing from raw material acceptance to storage and delivery process produces Certified Sustainable Palm Oil (CSPO) and CSPK with module D (IP) and Module E (MB) both physical and office administration. The summary of this procedure were explain on below points:

4.2.1. The procedure is documented

4.2.2. Internal audits are conducted at least annually to ensure: the organization complies with RSPO SCCS requirements and RSPO Market Communication & Claim documents. Where the internal audit is done at least 2 months before the external audit. The internal audit results are included in the management review conducted at least once a year.

4.3. The Mill ensures the purchase of incoming goods, however the marketing division in Jakarta's is responsible for checking the validity of supplier certificates, licenses for traders and distributors.

4.3.2. The Unique code/ unique identification number aims to ensure that products are sold through quality tests and can be traced back to the beginning of the process.

4.5. Third party activities (outsourcing)

4.6. Sales and goods out

Units that need to make announcements and trade confirmations in the RSPO IT Platform, this should also include making shipping announcements (each shipment/shipping group by the marketing division). Certified products sold through other schemes or conventional means or in case of lack of production, lost or damaged shall be removed.

4.8. Training

The training plan for RSPO SCCS requirements process should be reviewed continuously/annually.

4.9. The record keeping

The record keeping of all documents are minimum 10 years for financial report documents and transactions; and minimum two years for data other than financial documents.

4.10 Conversion Factor

Conversion value is determined by marketing division in Jakarta, based on data sent by Mill on the basis of the resulting of FFB processing, so that the conversion value obtained is the same as the actual obtained by the Mill, and the conversion reference by marketing follows the mill manager monthly report period.

4.11. Claim pursuant to RSPO communication and claim.

4.12. Complaint

Stakeholders may complain by email or face directly to the management representative. The complaint should be handled no later than one month after the complaint is received. Especially for complaints related to salary rights, incentive benefits, product complaints, and payments is should be acted upon no later than 14 days after the complaint has been received. All complaints and responses should be recorded.

4.13. Management review

Management review plan is established: after internal audit, before external audit checks and minimally done once in twelve months /one year.

Input for management review should include information: internal audit results of SCCS requirements, production achievements, customer feedback, preventive and corrective action status, follow up on review management, changes that may affect system management and improvement recommendations.

**Status: Comply**

**E.3.2**

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



The Mill has RSPO SCCS Manual Certification Standard No. SCCS-Std / RSPO / PSQM / 02 Rev.01 dated 2 January 2018. The procedures covers related receiving and processing certified and non-certified FFB.

**Status: Comply**

#### **E.4 Purchasing and goods in**

##### **E.4.1**

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

The Mill has been documented the volumes of certified and non-certified FFBs received period of April 2018 to March 2019 :

Month	FFB (MT)		
	RSPO Certified	Non Certified	Total
Apr-18	12,679	3,602	16,281
Mei-18	11,281	2,582	13,863
Jun-18	13,458	2,748	16,206
Jul-18	11,189	2,918	14,107
Agu-18	13,274	2,624	15,898
Sep-18	14,650	2,743	17,393
Okt-18	14,228	2,682	16,910
Nov-18	12,378	3,463	15,841
Des-18	12,487	1,740	14,227
Jan-19	11,642	2,724	14,366
Feb-19	12,156	2,438	14,594
Mar-19	10,869	2,504	13,373
<b>Total</b>	<b>150,291</b>	<b>32,768</b>	<b>183,059</b>

**Status: Comply**

##### **E.4.2**

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

Based on mass balance document verification sighted that there are no overproduction of FFB, CPO and PK period of April 2018 to March 2019

Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT) 18 July 2018 – 17 July 2019	Last Year Actual Certified Volume (MT) 1 April 2018 to 31 March 2019
• FFB Production	151,628	150,291.56
• CPO Production	33,359	33,214.36
• Palm Kernel (PK) Production	8,491	7,063.18

**Status: Comply**

#### **E.5 Record keeping**

##### **E.5.1**

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.**
- All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system**

<p>according to conversion ratios stated by RSPO.</p> <p><b>c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)</b></p>	
<p>Based on Mass Balance data on the production and sale of certified and non-certified products, the CH has not been able to show the details of the data as follows :</p> <ul style="list-style-type: none"> <li>- The data format has not detailed the CPO and PK certified and non-certified sales. There is data on CPO sales, but it is not clear whether CPO is sold from certified sources, non-certificates, or a combination of both.</li> <li>- There are no data for sales of certified and non-certified PK.</li> </ul> <p>The CH has not been able to demonstrate the implementation of recording FFB receipt data and product sales in the SCCS Module E system - Mass Balance. This become nonconformity 2019.06</p>	
<b>E.5.1.</b>	<b>Status: Non Conformity No. 2019.06 with Major category</b>
<p><b>E.5.2</b></p> <p><b>In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.</b></p>	
<p>The Mill does not conduct activities of outsource on the crushing of palm kernel to the independent crushers.</p>	
	<b>Status: Comply</b>

**3.3 Conformity Checklist of Certificate and Trademark Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ASA-1.3</b>	Sime Darby Plantation Berhad as parent company of PT Sime Indo Agro has had trademark license with number RSPO-1106024. During field observation and documents review, PT PT Sime Indo Agro did not use RSPO trademark and CB logo.	<b>NA</b>
	<b>Status: NA</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or √</b>
<b>ASA-1.3</b>	Sime Darby Plantation Berhad as parent company of PT Sime Indo Agro has had trademark license with number RSPO-1106024. During field observation and documents review, PT PT Sime Indo Agro did not use RSPO trademark and CB logo.	<b>NA</b>
	<b>Status: NA</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or √</b>
<b>ASA-1.3</b>	Sime Darby Plantation Berhad as parent company of PT Sime Indo Agro has had trademark license with number RSPO-1106024. During field observation and documents review, PT PT Sime Indo Agro did not use RSPO trademark and CB logo.	<b>NA</b>
	<b>Status: NA</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or √</b>
<b>ASA-1.3</b>	Sime Darby Plantation Berhad as parent company of PT Sime Indo Agro has had trademark license with number RSPO-1106024. During field observation and documents review, PT PT Sime Indo Agro did not use RSPO trademark and CB logo.	<b>NA</b>
	<b>Status: NA</b>	

### 3.4 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Sime Darby Plantation Berhad 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 Berhad 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 Berhad are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Berhad has informed the Time Bound Plan progress through representative's office in Indonesia. MUTU has considered that Sime Darby Plantation Berhad is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Berhad 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 Berhad 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><b>Company Group/Holding Statement:</b> Companies are already doing internal audits. There are internal audit reports for each company.</p> <p><b>Auditor Verification:</b> Internal Audit report available for uncertified management unit for example PT Sandika Natapalma – Karya Palma Estate on 10 February 2017.</p>
i.	<p>No replacement after dates defined in NIs Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><b>Company Group/Holding Statement:</b> 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><b>Auditor Verification:</b> Sime Darby Plantation Berhad sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2<sup>nd</sup> 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 <sup>st</sup> 2010 must comply	<b>Company Group/Holding Statement:</b>

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

### 3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.


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

NCR No.	: 2018.01	Issued by	: Andi Pratama Pasaribu
Date Issued	: 18 May 2018	Time Limit	: ASA-1.3
NC Grade	: Minor	Date of Closing	: 17 July 2018
Standard Ref. &	<b>3.1.2</b> <b>An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</b>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b> Based on the distribution data of the planting year, it is known that the distribution of the planting year both in the area of the nucleus and plasma estates was 1997-2004. However, it cannot yet show a plan to replanting the group farmer plantation or justification if the group farmer plantation will not carry out replanting activities.			
<b>Root Cause Analysis (filled by organization audited):</b> Group farmer replanting has not yet been carried out because KUD HIMADO and PT SIA are still in the initial negotiation stage regarding the initial negotiation plan of group farmer replanting.			
<b>Correction (filled by organization audited):</b> Sending Minutes of monitoring and evaluation meeting of group farmer replanting plans implemented by PT SIA with KUD HIMADO			
<b>Corrective Action (filled by organization audited):</b> Submit a schedule of negotiation plans between KUD HIMADO and PT SIA and related stakeholders.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification July 17 2018</b> The company shows the PT SIA 2017 - 2018 Group farmer Replanting Discussion Plan Schedule which is held every month from June 2017 to December 2018. During that period five meetings were held between the management of PT SIA and KUD Himado. In one of the minutes dated June 4, 2018, one of the obstacles to replanting is that it is unclear about the financing of replanting whether it is assisted by the company. In addition, many farmers' certificates are used as collateral for loans to financial institutions. In principle, both KUD and management of PT SIA have agreed for the 1997 and 1998 planting years (which has been more than 20 years) should have been planned for replanting. Still looking for a joint agreement between Himado KUD and PT SIA Management  Based on the analysis of the root of the problem, corrections, and corrective actions Non-conformity are stated to have been fulfilled. <b>Status Closed</b>			
Verified by	: Andi Pratama Pasaribu		



<b>NCR No.</b>	<b>: 2018.02</b>	<b>Issued by</b>	<b>: Haikal Ramadhan Kharismansyah</b>
<b>Date Issued</b>	<b>: 18 Mei 2018</b>	<b>Time Limit</b>	<b>: ASA-1.3</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 26 April 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.1.3 Records of monitoring and any follow-up actions shall be available.</b>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b>  Smallholders have not been able to show a record of the results of operational monitoring activities and evidence of follow-up on the results of the monitoring.			
<b>Root Cause Analysis (filled by organization audited):</b> - The incompatibility of the practice of applying pesticides in Amang Ha hamlet is caused by a lack of understanding of how to carry out the right and safe activities.			
<b>Correction (filled by organization audited):</b> Proof of improvement, among others - List of uses for plasma garden fertilizers - List of uses of types of pesticides and herbicides - KUD HIMADO Internal Plasma Audit in 2018 - Training socialization program to farmer groups - Evidence of implementation of plasma training, Quality of FFB and RSPO and HCV on 5 April 2019			
<b>Corrective Action (filled by organization audited):</b> - The company carries out periodic monitoring and operational evaluation of activities on plasma			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>26 April 2019</b> Evidence of improvement, among others - List of uses for plasma garden fertilizers - List of uses of types of pesticides and herbicides - KUD HIMADO Internal Plasma Audit in 2018 - Training socialization program to farmer groups - Evidence of implementation of plasma training, Quality of FFB and RSPO and HCV on 5 April 2019 Based on the analysis of the root causes, corrections, and corrective actions the nonconformity are stated to have been fulfilled.			
<b>Verified by</b>	<b>: Yohanes Hardian</b>		

<b>NCR No.</b>	<b>: 2018.03</b>	<b>Issued by</b>	<b>: Andi Pratama Pasaribu</b>
<b>Date Issued</b>	<b>: 18 May 2018</b>	<b>Time Limit</b>	<b>: 17 July 2018</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 30 July 2018</b>

<b>Standard Ref. &amp; Requirement</b>	<b>4.6.1</b> <b>Documented evidence shall be available to show that pesticide used based on regulations and the use of pesticide is specific to target species with appropriate dosage which have minimal impact on non-target species</b>
<p><b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b>  Smallholder cannot show documentary evidence that the use of pesticides in accordance with the target species and the recommended dose and have a minimum impact on species outside the target. For example:</p> <ul style="list-style-type: none"> <li>Based on field observation at Group Farmer 2 Dusun Amang, there is still circle path spraying which is carried out with a blanket system without regard to the target species.</li> </ul>  <ul style="list-style-type: none"> <li>Based on the field visits and interviews with the farmer group 2 Dusun Amang at the time of the circle and path spraying were known dosage use is 150 ml / knapsack and for blanket spray is 200ml / knapsack. This is not in accordance with the recommended pesticides in the smallholder area of 2017 - 2018. The permissible glyphosate dose is 120 ml / 16 liters of water.</li> </ul>	
<p><b>Root Cause Analysis (filled by organization audited):</b>  The socialization of PT SIA's pesticide recommendations conducted in 2017 by the management of PT SIA was not until / not yet known by the Farmer 2 group of Dusun Amang so that blanket sprayer activities took place without regard to the target species and dosage recommendations from PT SIA smallholder.</p>	
<p><b>Correction (filled by organization audited):</b>  Special re-socialization has been carried out on farmers in Dusun Amang by PT SIA Management.</p>	
<p><b>Corrective Action (filled by organization audited):</b>  Ensuring that the next socialization scheduled for FY 2018-2019 can be attended by all representatives of the farmer groups.</p>	
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification on July 17, 2018</b>  The company has shown proof of improvement in the form of plasma and RSPO work training on July 5, 2018 discussing:</p> <ul style="list-style-type: none"> <li>Technical work on smallholder plantation</li> <li>Basic introduction to RSPO</li> <li>Occupational Health and Safety</li> </ul> <p>Material providers are assistants from PT SIA assisted by the Group Farmer team and PT SIA security. Participants are administrators of the Amang and Amang Kiara. From the meeting minutes, it was known that all participating farmer groups were 21 groups. Important points conveyed include:</p>	

- Upkeep in smallholder plantation : The recommended type of herbicide is Round Up / Ken Up with a dose of 120 ml / pump (16 liters) mixed with 3gr / pump dose (16 liters) Ally. In spraying must use PPE such as hats, glasses, masks, aprons, long sleeves, rubber gloves and boots.
- Manuring on smallholder plantation: Type of fertilizer recommended: Urea: 1.5 kg / principal; KCL / MOP: 1.50 Kg / palm tree; RP / SP-36 (1.50 Kg / palm tree), Kieserite / Dolomite (1.75 kg / palm tree), Borate (0.10 kg / palm tree).
- Harvesting : Using PPE, the criteria of FFB follow the mature standard of PT SIA

Based on the root cause analysis, corrections, and corrective actions that have been sent, nonconformities are declared not fulfilled. Need additional information on the corrective action section.

**Verification on July 17, 2018**

To ensure the smallholder work standard is the same as the working standard of the owned plantation PT SIA implements internal supervision both daily and annually. Daily supervision is carried out by smallholder foremen and smallholder assistants. While annual auditing is carried out by the internal auditor team. Attached the results of internal audit checks carried out on June 4 - 6, 2018

Based on the analysis of the root causes, corrections, and corrective actions the nonconformity are stated to have been fulfilled

**Verified by** : **Andi Pratama Pasaribu**

NCR No.	: 2018.04	Issued by	: Andi Pratama Pasaribu
Date Issued	: 18 May 2018	Time Limit	: 17 July 2018
NC Grade	: Major	Date of Closing	: 13 September 2018
Standard Ref. & Requirement	4.6.6 Storage of pesticides shall be according to recognised best practices. All pesticides containers shall be properly managed according to the existing regulations and or instructions enclosed on the containers (see criterion 5.3).		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b> The pesticide storage room for plasma plantations has not implemented established best practices. For example: <ul style="list-style-type: none"><li>• There are no hazardous and toxic sign boards, MSDS for all products, First Aid Boxes, hand, face, eye and body wash places (body shower and eyewash).</li><li>• Not yet equipped with a special washing place that is intended to wash the former packaging, or intended for mixing doses before taking the field.</li><li>• There is no washing room and dosing mixture that is equipped with a drainage channel for used washing water that is accommodated into a special tub.</li></ul>			
This is not yet in accordance with PT Sime Indo Agro's Pesticide Storage SOP with document No. 18 / PTSIA / 2012.			
<b>Root Cause Analysis (filled by organization audited):</b> Pesticide storage places for smallholder plantations that are stored are temporary storage places before they are distributed to farmers and when the audit is still unable to be made a storage place according to SOP			

**Correction (filled by organization audited):**

An agreement was made between PT SIA, smallholder, and Cooperative HIMADO regarding pesticide storage. The results of the meeting agreed that the plasma garden pesticide storage room has now been transferred to the WSE and ESE estate

Send proof of fulfillment :

1. Proof of Handover of cooperative pesticide stock MSDS.
2. Photographs of hazard and toxic sign, first aid kit, eyewash and bodyshower washers
3. Photograph of washing place and mixing of former packaging and watertrap washing of used pesticide packaging.

**Corrective Action (filled by organization audited):**

Smallholder safety officers and owned plantation will routinely check the pesticide storage area so that it is always in accordance with the SOP.

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

The company shows some proof of improvement as follows:

1. Minutes of handover of MSDS with documentation for 12 types of chemicals dated July 13, 2018 from the company to Himado Cooperative.
2. Documentation of pesticide storage conditions at Himado Cooperative has been equipped with several items such as: eye wash, body washer, mixing place for pesticides, used packaging washing facilities, appeals and poison hazards, first aid boxes and installation of MSDS on the warehouse wall.

Auditor Conclusion :

1. There is no agreement between Himado Cooperative and PT SIA regarding the storage of chemicals on WSE and ESE.
2. Not yet able to show records of chemical storage belonging to Himado Cooperative on WSE and ESE, including: bincard, documentation of warehouse conditions on WSE and ESE.

**Verification on August 21, 2018**

The company shows some proof of improvement as follows:

1. Minutes of Agreement between the company and KUD Himado dated 1 August 2018, among others: KUD Himado pesticide storage place will be placed in the core warehouse (WSE & ESE) in accordance with the SOP; the person responsible for carrying out KUD pesticides and pesticide stock is warehouse officer PT SIA with direct supervision by a KUD assistant; this agreement is valid until the KUD Himado pesticide warehouse is in accordance with SOP No. 18 / PTSIA / 2012.
2. A KUD Himado pesticide warehouse card in the ESE warehouse; have entered chemicals including: 800 grams of Ally, 120 liters of rose up, 120 liters of supremo on August 2, 2018 and 200 grams of Ally on August 13, 2018.
3. KUD pesticide warehouse card in the WSE warehouse; have entered chemicals including: Rose Up 120 liters, supremo 120 liters and Ally 200 grams on 2 August 2018; Ally 160 grams on 14 August 2018 and supremo 4 liters on 16 August 2018.

**Verification on September 13, 2018**

The company has shown evidence and documentation of chemical (own estate and KUD Himado) separation in the West Estate and East Estate warehouses

**Auditor's conclusion:**

Based on the analysis of the root causes, corrections, and corrective actions Nonconformity have been closed.

**Verified by** : Trismadi N

<b>NCR No.</b>	<b>: 2018.05</b>	<b>Issued by</b>	<b>: Haikal Ramadhan Kharismansyah</b>
<b>Date Issued</b>	<b>: 18 Mei 2018</b>	<b>Time Limit</b>	<b>: ASA-1.3</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 26 April 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.6.7 Application of pesticides shall be by proven methods that minimize risk and negative impacts.</b>		

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

The use of pesticides by Group Farmer has not referred to methods that can minimize risks and negative impacts such as:

- Based on field observations in Group farmer 2 Dusun Amang, it was known that the pesticides carried were still in pure form and had not been mixed before being taken to the field
- Based on field observations in Group farmer 2, Dusun Amang, it was known that mixing doses of pesticides was carried out near the ditch
- Based on the results of field observations at Group farmer 2 Dusun Amang, it was found that mixing agents and pesticide applicators did not use complete personal protective equipment (long shirts, caps and face protectors)



This is not in accordance with the Pesticide Storage SOP and Pesticide Management SOP, which among others states:

- Use of Pesticides: Officers must wear special protective clothing with long sleeves and legs, gloves, caps and face protection



<ul style="list-style-type: none"> <li>- The pesticide storage room is equipped with a special washing place that is intended to wash the former packaging or intended for mixing doses before being taken to the field</li> </ul>	
<b>Root Cause Analysis (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- The incompatibility of the practice of applying pesticides in Amang Ha hamlet is caused by a lack of understanding of how to carry out the right and safe activities.</li> </ul>	
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- The plasma team from the company socializes the use of pesticides to farmers in accordance with applicable regulations and compliance.</li> <li>- Showing documents on socialization to plasma farmers.</li> </ul>	
<b>Corrective Action (filled by organization audited):</b> The company carries out periodic monitoring and operational evaluation of activities on plasma	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>26 April 2019</b> companies show evidence, among others <ul style="list-style-type: none"> <li>- List of uses of types of pesticides and herbicides</li> <li>- KUD HIMADO Internal Plasma Audit</li> <li>- Training socialization program for farmer groups in 2019</li> <li>- Proof of implementation of plasma training, Quality of FFB and RSPO and HCV on 5 April 2019</li> </ul>	
<b>Based on the the evidence received, The non-conformity that was fulfilled</b>	
<b>Verified by</b>	<b>: Yohanes Hardian</b>

<b>NCR No.</b>	<b>: 2018.06</b>	<b>Issued by</b>	<b>: Andi Pratama Pasaribu</b>
<b>Date Issued</b>	<b>: 18 May 2018</b>	<b>Time Limit</b>	<b>: 17 July 2018</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 16 September 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.6.11</b> <b>Annual medical records of pesticide operators, and follow-up treatment of medical results, shall be available</b>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b> Based on the results of the medical test in 2017, identified several employees whose medical test results are not good i.e 4 BAF employees have decreased hearing quality, 1 ESE employees suspect normocytic normochromic anemia and 2 farmers from KUD Himado are prohibited to apply the chemicals again. On the report of the test, the doctor recommends to conduct follow up test and 2 plasma farmers no longer work with chemicals. However, until the audit finished, there is no record / follow-up report and doctor's advice on the results of the follow-up test.			
<b>Root Cause Analysis (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Re-interview has been held on June 2017 by company's doctor to the BAF and ESE worker that indicated as abnormal based on medical examination.</li> </ol>			



2. The result of medical examination of HIMADO smallholder has been socialized on November 2017. But the evidence of non chemical handling cannot showed to the auditor.

**Correction (filled by organization audited):**

1. All worker that got an abnormal result has been conducted the following medical examination.
2. HIMADO Board has appointed the two person suspected to be non chemical handling person.

**Corrective Action (filled by organization audited):**

OHS Committee set the plan to ensuring all suspected in medical examination to conducted following medical examination in coordination with company's doctor.

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

**Auditor Verification on 16 July 2018**

The company has showed the corrective evidence as follows:

- Recap of following test of BAF, ESE and HIMADO smallholders.
- Minutes of meeting doctor's socialization regarding to medical examination on 3 November 2017.
- Appointment letter of HIMADO Board on 28 November 2017 to the two suspected to not working with chemical.

**Auditor conclusion on 16 July 2018**

The company cannot showed the result of following medical examination for the BAF and ESE workers that suspected as abnormal. Beside that, still not informing that appointment letter of HIMADO Board on 28 November 2017 has been communicated to the suspected person.

**Verification September 15, 2018**

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

- 4 patient referral letters from the company doctor on 10 September 2018 to the ENT specialist hospital Sanggau Hospital.
- Receipt of a recommendation letter from the Chairperson of the KUD Himado dated November 28, 2017 to 2 KUD Himado employees not to work applying the chemicals again considering the MCU results are heavy chemical exposure.
- In the e-mail proof of repairs sent, it was explained that the ENT specialist doctor at Sanggau Hospital could only serve patients on September 19, 2018.

**Auditors' conclusions September 15, 2018**

Based on the proof of repairs that have been sent, documentation evidence that 2 farmers KUD Himado in question have indeed received and understood the recommendation letter from the head of the KUD.

The results of the examination by the ENT Specialist Hospital Sanggau Hospital cannot be shown in relation to the results of the examination of the employee. Includes follow-up examination of ESE employees who suspect normochrome normocytic anemia.

Based on these facts, this discrepancy is declared open.

**Verification September 16, 2018**

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

- The results of a doctor's examination on September 19, 2018 stating that the four BAF employees were "no problem".
- ESE employee mutation letter on behalf of Kodriah and BAF employees on behalf of Acon, Bachtiar, Executive Eka Hendra and Temo issued by the manager on September 17 and 13 2018, respectively.
- Photo explanation to plasma farmers related to the disease.

Auditor conclusions September 16 2018

- Based on the evidence of improvement shown, this discrepancy is stated to be fulfilled and the effectiveness of the implementation will be observed in the next assessment activity.

**Verified by** : **Andi Pratama Pasaribu**

<b>NCR No.</b>	<b>2018.07</b>	<b>Issued by</b>	<b>Bayu Yogatama</b>
<b>Date Issued</b>	<b>18 Mei 2018</b>	<b>Time Limit</b>	<b>25 Juli 2019</b>
<b>NC Grade</b>	<b>Minor raised to Major</b>	<b>Date of Closing</b>	<b>24 May 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>5.2.4</b> <b>Where an action plan has been created there shall be ongoing monitoring:</b> <ul style="list-style-type: none"> <li><b>The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</b></li> <li><b>Outcomes of monitoring shall be fed back into the action plan.</b></li> </ul>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b>  <p>The company has not been able to show documentation and HCV monitoring reports carried out continuously on the status of RTE and HCV species affected by the operations of oil palm plantations and mills and the results of monitoring are used for follow-up improvements in management plans, including:</p> <ul style="list-style-type: none"> <li>Results of periodic monitoring of HCV areas for the period of 2016/2017.</li> <li>Periodic monitoring results of the HCV area for the period July-December 2017.</li> </ul> <p><b>Surveillance ASA 1.2</b></p> <p><b>WSE</b>  Based on the results of the program document review and realization of HCV management and monitoring for the 2019 period prepared by the Senior Assistant and known by the WSE Manager:</p> <ul style="list-style-type: none"> <li>Monitoring the HCV area (border of the tawang bahing river, swamp, border of the Tawang Limo river, the border of the Muri River and the border of the Sengoret River).</li> <li>Installation of HCV signboard.</li> <li>Conservation planting.</li> </ul> <p>However, it has not included a monitoring plan for protected species (RTE species) and its implementation.</p> <p><b>Non-Conformance Description (filled by auditor):</b>  <b>WSE</b>  The company shows the program and realization of HCV management and monitoring for the period of 2019, but has not included a monitoring plan for protected species (RTE species) and implementation.</p> <p><b>Root Cause Analysis (filled by organization audited):</b>  There is no RTE species monitoring plan and implementation for WSE because it has not been documented on report.</p> <p><b>Correction (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>The CH attaches the results of periodic monitoring of the HCV area for period of 2016/2017.</li> <li>The result monitoring of the HCV area for period July-December 2017.</li> </ul> <p>The CH shown programs and realization of monitoring RTE species and implementation.</p>			

**Corrective Action (filled by organization audited):**

The company creates a program of HCV monitoring and evaluated by PSQM.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Auditor Verification May 24 2019.**

The CH shown evidence, consist of :

- The Results monitoring of HCV areas period 2016/2017 to December 2017.
- The result monitoring periodically HCV area periode 2019

The document covered of HCV on operational area, monitored objects, block, management, status, time frame, and PIC.

In addition, periodically monitoring of HCV WSE area period 2019, included monitoring plan for RTE species and the implementation documents.

Base on evidence submitted, NCR Number.2018.07 with category Minor raised to Major has been Comply.

**Verified by** : **Radytio Puspanjana**

<b>NCR No.</b>	<b>: 2018.08</b>	<b>Issued by</b>	<b>: Trismadi Nurbayuto</b>
<b>Date Issued</b>	<b>: 18 May 2018</b>	<b>Time Limit</b>	<b>: 17 July 2018</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 30 July 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 5.3.2. All chemicals and their containers shall be disposed of responsibly.</b>		

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

Not enough evidence can be shown that all chemical waste and its container are disposed of responsibly, this is indicated by several evidences such as:

- a. Used cans Chemicals (Nalco & Soda Ash) used for trash cans in BAF housing, each house gets one gene.
- b. Used paint cans behind the Bukit Ajong Factory workshop are used for water storage.
- c. Tiner cans and paint cans at Bukit Ajong Factory sterilizer station.
- d. Used chemical jerry cans (Basta & Ken Up) are used as oil reservoirs in the WSE oil store.

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

1. Used chemicals container from Nalco, BAF Management does not know that the jerry cans are used by Nalco so that they are distributed to housing trash bins. BAF management argued that NALCO chemicals are not Hazardous waste because they are used for water purification (Food Grade).
2. Paint cans used caused by ignorance of the person / employee regarding Hazardous waste SOP Storage.
3. Tiner cans and paint cans found were paint cans / tiner cans that had just been used and had not been given to the hazardous waste storage.
4. Used chemical jerrycans (Basta and ken up) which are used as oil reservoirs caused by ignorance of warehouse staff regarding the prohibition of using hazardous waste as a container.

**Correction (filled by organization audited):**

- a. The former NALCO chemical cans, paint cans, and tiner cans were handed back to BAF hazardous waste storage and re-socialized to employees regarding hazardous waste identification and SOP hazardous waste management and Storage.

- b. For chemical cans (Basta and Ken up) which are used as oil reservoirs, container replacement has been made and submitted to BAF Hazardous waste temporary storage, and safety officer inspections are conducted at the WSE Environment to ensure that there is no more use of Hazardous waste packaging.

**Corrective Action (filled by organization audited):**

- a. Carry out a re-dissemination of the results of identification of hazardous waste in the Estate and Mill to all employees.  
c. Conduct socialization on SOP hazardous waste management and storage.  
b. Conduct periodic inspections by the PSQM and Safety Officer regarding hazardous waste

**Assessor Evaluation and Conclusion (filled by auditor):**
**Auditor Verification July 10 2018**

- Hazardous waste packaging collection and collection, dated May 17, 2018 at Bukit Ajong Factory, namely the transportation of used pesticides, used cans of Cat, Nalco packaging and tiner cans which were entered into hazardous waste storage made by SO-BAF known by PJS Senior Manager (photo attached)
- Minutes of Improvement of RSPO findings on the use of Used Poison Jerigen for oil reservoirs in the West Estate returned to Hazardous waste storage with a total of 52 Pcs that were first perforated, dated July 7, 2018 (photo attached)

**Auditor's conclusion July 10 2018**

Identification of the root cause and proof of improvement is correct, but additional evidence is still needed, please submit the auditor's question and attach additional evidence. Based on the evidence Non-conformity is Closed

**Verification July 30 2018**

- News Hazardous waste-SOP Management and Storage Socialization with BAF Hazardous waste Identification held on June 18, 2018 which was attended by 50 participants. Attached list of attendees and activity photos.
- Hazardous waste SOP management and storage socialization event and West Estate Hazardous waste Identification held on Wednesday, July 18 attended by 330 employees attached to the attendance list and photos of socialization activities.
- Identification of non Hazardous waste waste sources produced by Smallholder PT SIA.

**Auditor's conclusion July 30 2018**

Based on proof of improvement and management explanation, non-conformities have been met.

**Verified by** : **Trisamdi Nurbayuto**

<b>NCR No.</b>	<b>2018.09</b>	<b>Issued by</b>	<b>Trismadi N</b>
<b>Date Issued</b>	<b>18 May 2018</b>	<b>Time Limit</b>	<b>17 July 2018</b>
<b>NC Grade</b>	<b>Major</b>	<b>Date of Closing</b>	<b>21 Agustus 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>General Chain of Custody 5.7.2.</b> The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> <li><b>Shipping Announcement / Announcement:</b> 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</li> </ul>		

	<p>RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</p> <ul style="list-style-type: none"><li>• <b>Trace:</b> 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.</li><li>• <b>Remove:</b> RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li><li>• <b>Confirm:</b> Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li></ul>																																															
<p><b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b> Not all sales transactions of Certified RSPO Products are registered by the certificate holders. Based on document verification, sighted hat all CPO volume quota (40,377 MT) is included in credited allocations, the CSPO was sold with volume 35,377 MT. Therefore on February 2018, there were physical sales of CSPO with volume 2,250 MT to PT Golden Hope Nusantara under contract No. 0262 / SIA / KTR-MKS / LOK / II / 2018. In addition, there is a physical sale of CSPK with volume 200 MT to PT Binasawit Abadipratama pursuant to contract No. 00159 / SIA / KTR-IKS / LOK / II / 2018. However, the physical sales of CSPO and CSPK have not been registered / announced in RSPO Palm Trace.</p>																																																
<p><b>Root Cause Analysis (filled by organization audited):</b> Lack of understanding is related to the request for the latest standard General Chain of Custody SCCS.</p>																																																
<p><b>Correction (filled by organization audited):</b> Our unit does not have to not have to register or declare that the sale of CPO and PK referred to is RSPO-certified sales because the sale is a physical sale and not recognized as a certified product</p>																																																
<p><b>Corrective Action (filled by organization audited):</b> The PIC that monitors the sale of certified CPO and PK is the marketing division (Mr. Wawan Kusmawanto).</p>																																																
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification August 20 2018</b> The company shows some proof of improvement, as follows: 1. Mass balance balance for the period of July 18, 2017 s.d. August 6, 2018</p>																																																
Period	<table><tr><th colspan="2">FFB production (kg)</th><th colspan="2">CPO production (kg)</th><th colspan="2">PK production (kg)</th></tr><tr><th>RSPO</th><th>Non</th><th>RSPO</th><th>Non</th><th>RSPO</th><th>Non</th></tr><tr><td>18 July - 30 September 2017</td><td>32,670,979.37</td><td>6,764,666.63</td><td>7,318,768.85</td><td>1,512,244.15</td><td>1,858,197.41</td><td>380,001.59</td></tr><tr><td>October - December 2017</td><td>41,680,278.64</td><td>9,197,358.</td><td>9,188,542.9</td><td>2,023,252.</td><td>2,423,381.0</td><td>534,703</td></tr><tr><td>January - March 2018</td><td>41,748,047.60</td><td>11,027,43</td><td>9,087,950.6</td><td>2,392,667.</td><td>2,490,139.0</td><td>656,084</td></tr><tr><td>April - June 2018</td><td>39,417,556.88</td><td>8,391,097.12</td><td>8,292,897.95</td><td>1,870,941.05</td><td>2,011,173.50</td><td>448,046.41</td></tr><tr><td>1 July - 6 August 2018</td><td>6,721,922.73</td><td>13,052,16</td><td>1,552,264.6</td><td>2,664,437.</td><td>320,805.57</td><td>557,819</td></tr></table>	FFB production (kg)		CPO production (kg)		PK production (kg)		RSPO	Non	RSPO	Non	RSPO	Non	18 July - 30 September 2017	32,670,979.37	6,764,666.63	7,318,768.85	1,512,244.15	1,858,197.41	380,001.59	October - December 2017	41,680,278.64	9,197,358.	9,188,542.9	2,023,252.	2,423,381.0	534,703	January - March 2018	41,748,047.60	11,027,43	9,087,950.6	2,392,667.	2,490,139.0	656,084	April - June 2018	39,417,556.88	8,391,097.12	8,292,897.95	1,870,941.05	2,011,173.50	448,046.41	1 July - 6 August 2018	6,721,922.73	13,052,16	1,552,264.6	2,664,437.	320,805.57	557,819
FFB production (kg)		CPO production (kg)		PK production (kg)																																												
RSPO	Non	RSPO	Non	RSPO	Non																																											
18 July - 30 September 2017	32,670,979.37	6,764,666.63	7,318,768.85	1,512,244.15	1,858,197.41	380,001.59																																										
October - December 2017	41,680,278.64	9,197,358.	9,188,542.9	2,023,252.	2,423,381.0	534,703																																										
January - March 2018	41,748,047.60	11,027,43	9,087,950.6	2,392,667.	2,490,139.0	656,084																																										
April - June 2018	39,417,556.88	8,391,097.12	8,292,897.95	1,870,941.05	2,011,173.50	448,046.41																																										
1 July - 6 August 2018	6,721,922.73	13,052,16	1,552,264.6	2,664,437.	320,805.57	557,819																																										

Total	162,238,785.22	48,432,724.78	35,440,425.01	10,463,541.99	9,103,696.72	2,576,656.28
-------	----------------	---------------	---------------	---------------	--------------	--------------

Based on the above, it is known that BAF has produced CSPO 35,440.43 Non RSPO MT & CPO: 10,463.54 MT (Total CPO: 45,903.97); CSPK: 9,103.70 Non RSPO MT & PK: 2,576.66 MT (Total PK: 11,680.35 MT).

2. Data on CPO and PK sales for the period of July 18, 2017 s.d. August 6, 2018

Total sales of CPO: 45,955.56 MT; total sales of PK: 11,571.55 MT; with the following details: Claim CSPO: 4,733.23 MT; CSPOs entered into Credit Allocations: 35,377 MT. While PK sales are entirely non-RSPO.

CSPK sold as conventional which must be removed in palm trace is: 8,994.89 MT

3. CSPO Records are submitted to Credit Allocations as follows:

All of reporting requirements was announced at RSPO Palm Trace, the information of CSPO & CSPK sales on below table:

Product	Program	Certified Volume	Volume sold/removed	Volume allocated as credits	Remaining volumes	Trading activity	Stock activity
CSPO	Mass Balance	40,377	0	40,377	0	-	Allocate back to physical
CSPK	Mass Balance	10,094	0	0	10,094	Shipping Announcement	-

Credit type	Program	Credit allocated from physical volume	Credit allocated back to physical	Credit Offered/Sold	Available/Remaining Credits
CSPO Credit	Mass Balance	40,377	0	35,377	5,000

**Auditor's conclusion:**

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

**Note: please request CSPO Sold as Conventional as 8,994.89 MT removed when the palm trace account is active again.**

**Verified by :** Trismadi N

NCR No.	: 2018.10	Issued by	: Trismadi N
Date Issued	: 18 May 2018	Time Limit	: 17 July 2018
NC Grade	: Major	Date of Closing	: 6 August 2018
Standard Ref. & Requirement	General Chain of Custody 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.		
Non-Conformance Description & Evidence observed (filled by auditor): There are no evidence that annual management review result.			



<b>Root Cause Analysis (filled by organization audited):</b> Lack of knowledge about new requirement of management review.	
<b>Correction (filled by organization audited):</b> Management review has been conducted on 20 July 2019.	
<b>Corrective Action (filled by organization audited):</b> The next management review will be conducted before RSPO audit conduct, it will be conducted on April 2019.	
<b>Verification on 6 August 2018</b> The company was shown several evidences, such as: <ol style="list-style-type: none"> <li>1. SCCS Internal audit result dated 6-7 July 2018, there are 4 non conformances. All NCR's has been closed on 20 July 2018.</li> <li>2. SCCS Management Review has been conducted on 20 July 2018, discussed of internal audit result and BAF processing performance and the recommendations for improvements.</li> <li>3. SCCS training record dated 18 July 2018 to 14 BAF workers.</li> <li>4. Management review and internal audit program will be conducted on April 2019.</li> </ol>	
<b>Auditor Conclusions:</b> Based on above explanation, this NC has been closed.	
<b>Verified by</b>	<b>: Trismadi Nurbayuto</b>

<b>NCR No.</b>	<b>: 2018.11</b>	<b>Issued by</b>	<b>: Trismadi N</b>
<b>Date Issued</b>	<b>: 18 May 2018</b>	<b>Time Limit</b>	<b>: 17 July 2018</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 6 August 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>5.13.2</b> <b>The input to management review shall include information on:</b> <ul style="list-style-type: none"> <li>Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>Customer feedback.</li> <li>Status of preventive and corrective actions.</li> <li>Follow-up actions from management reviews.</li> <li>Changes that could affect the management system.</li> <li>Recommendations for improvement.</li> </ul>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor):</b> There are no evidence that annual management review result include information on: <ul style="list-style-type: none"> <li>Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>Customer feedback.</li> <li>Status of preventive and corrective actions.</li> <li>Follow-up actions from management reviews.</li> <li>Changes that could affect the management system.</li> <li>Recommendations for improvement.</li> </ul>			
<b>Root Cause Analysis (filled by organization audited):</b> Lack of knowledge about new requirement of management review.			

<b>Correction</b> (filled by organization audited): Management review has been conducted on 20 July 2019.
<b>Corrective Action</b> (filled by organization audited): The next management review will be conducted before RSPO audit conduct, it will be conducted on April 2019.
<b>Verification on 6 August 2018</b> The company was shown several evidences, such as: <ol style="list-style-type: none"> <li>1. SCCS Internal audit result dated 6-7 July 2018, there are 4 non conformances. All NCR's has been closed on 20 July 2018.</li> <li>2. SCCS Management Review has been conducted on 20 July 2018, discussed of internal audit result and BAF processing performance and the recommendations for improvements.</li> <li>3. SCCS training record dated 18 July 2018 to 14 BAF workers.</li> <li>4. Management review and internal audit program will be conducted on April 2019.</li> </ol>
<b>Auditor Conclusions:</b> Based on above explanation, this NC has been closed.
<b>Verified by</b> : Trismadi N

<b>NCR No.</b>	: 2018.12	<b>Issued by</b>	: Trismadi N
<b>Date Issued</b>	: 18 May 2018	<b>Time Limit</b>	: 17 July 2018
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 6 August 2018
<b>Standard Ref. &amp; Requirement</b>	5.13.3 The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>		
<b>Non-Conformance Description &amp; Evidence observed</b> (filled by auditor): The Certificate Holder has not been able to show the results of the annual management review including the effectiveness of continuous improvement of the SCCS system.			
<b>Root Cause Analysis</b> (filled by organization audited): Lack of knowledge about new requirement of management review.			
<b>Correction</b> (filled by organization audited): Management review has been conducted on 20 July 2019.			
<b>Corrective Action</b> (filled by organization audited): The next management review will be conducted before RSPO audit conduct, it will be conducted on April 2019.			
<b>Verification on 6 August 2018</b> The company was shown several evidences, such as:			

1. SCCS Internal audit result dated 6-7 July 2018, there are 4 non conformances. All NCR's has been closed on 20 July 2018.
2. SCCS Management Review has been conducted on 20 July 2018, discussed of internal audit result and BAF processing performance and the recommendations for improvements.
3. SCCS training record dated 18 July 2018 to 14 BAF workers.
4. Management review and internal audit program will be conducted on April 2019.

**Auditor Conclusions:**

Based on above explanation, this NC has been closed.

<b>Verified by</b>	:	<b>Trismadi N</b>
--------------------	---	-------------------

**3.5.2. Identification of Findings, Corrective Actions and Observations at ASA-1.3**

<b>NCR No.</b>	<b>: 2019.1</b>	<b>Issued by</b>	<b>: Yohanes Hardian</b>			
<b>Date Issued</b>	<b>: 26 April 2019</b>	<b>Time Limit</b>	<b>: Next Surveillance</b>			
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 15 May 2019</b>			
<b>Standard Ref. &amp; Requirement</b>	<b>: 1.1.1</b> List of information related to criterion 1.2 that can be accessed by relevant stakeholders shall be available.					
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show enough evidence regarding mandatory reports to government agencies, including: <ul style="list-style-type: none"> <li>- Report on annual HGU land use in accordance with ATR Regulation No. 7 of 2017</li> <li>- Required Employment Report in accordance with Law No. 7 of 1981.</li> </ul>						
<b>Root Cause Analysis (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- There is no report on the utilization of HGU because it is constrained by the data stored by the Jakarta legal team.</li> <li>- There is no available employment report online system to the web obliglapor.kemeker.go.id, while manual reporting is no longer valid.</li> </ul>						
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- Attach a report on the utilization of HGU in accordance with 2017 ATR Regulation No. 7</li> <li>- Attach proof of employment report</li> </ul>						
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- PT SIA's PSD team will always communicate with relevant parties to report on the use of HGU.</li> <li>- Will always coordinate with the Department of Manpower and Transmigration so that every obstacle can immediately get a solution.</li> </ul>						
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification on 15 May 2019</b> The company has shown evidence of HGU land use reporting to Sanggau BPN on January 10, 2019, and Mandatory Online Employment Report with proof of status registered in the application. This Non conformity is stated to be fulfilled.						
<b>Verified by</b>	<b>: Yohanes Hardian</b>					

<b>NCR No.</b>	<b>: 2019.2</b>	<b>Issued by</b>	<b>: Radytio Puspanjana</b>
<b>Date Issued</b>	<b>: 26 April 2019</b>	<b>Time Limit</b>	<b>: 25 July 2019</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 22 June 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 2.1.1</b> Evidence of compliance with relevant legal requirements shall be available.		
<b>Non-Conformance Description (filled by auditor):</b>			

**PT SIA**

Based on P2K3 organizational structure has been ratified by Manpower Agency (SK 160 / INT.WASKER.2 / 2017) validity has expired and has been a change in structure P2K3 (secretary). However, CH hasn't shown P2K3 organization structure new approved by Manpower Agency.

**East Estate**

Based on document license operator, known east estate has 10 lifting equipment operators that have the valid January 10 2019. Until the ASA-1.3 audit activity the company has not been able to show an OHS license valid.

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

- Not available of new P2K3 organization structure are changes PIC in PT SIA, CH ensures the actual PIC in PT SIA so that if the structure is endorsed there will be no change, if the re-structure is validated there will be no change PIC again.

The cause of the unavailability of Operator K3 licenses in East Estate because it is currently in the process, the East Estate team has coordinated with Manpower agency Sanggau District for the issuance of K3 license.

**Correction (filled by organization audited):**

- The company has been re-structure P2K3 organization of PT SIA by attaching approval from the Sanggau District

CH still processed of K3 Operator license for East Estate.

**Corrective Action (filled by organization audited):**

The company will monitor and ensure the P2K3 structure and operator SIO are still valid.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Auditor verification May 13 2019**

The CH shown evidence, consist of :

- Receipt of document Number. 001 / P2K3 / PT SIA / SGU / IV / 2019 May 7 2019 to Manpower Agency (Labor Inspector) Province of Kalimantan Barat region II regarding for P2K3 structure validity and Committee Gender organization structure.
- The Gender Committee organizational.structure of the PT SIA.

**Auditor verification June 22 2019**

The CH shown evidence, consist of :

- the company shows letter No. 560 / 407.B / Wasnaker 2 stairs May 31, 2019, regarding the application for issuing operator licenses (SIO). Based on the letter, licenced operator namely 13 tractor operators and 1 grader operator still process, The operators have to operate while awaiting the issuance operator license from the Ministry of Manpower.
- Letter of request for validation for the Gender structure Number. 001 / P2K3 / PT SIA / SGU / IV / 2019 submitted Manpower Agency (Labor inspector) of Kalimantan Barat Province Region II Sintang district. Documents Attached, namely:
  - o The letter receipt to Manpower Agency (labor inspector) of Kalimantan Barat Province
  - o Minutes of P2K3 meetings April 1, 20109 (attached Attendance List).
  - o P2K3 management (secretary, Aprileyn Manurung).

- Decree from the Head of Manpower and Transmigration West Kalimantan province (validation of the previous P2K3 management structure).

Base on evidence submitted, NCR Number.2019.02 has been Comply.

**Verified by** : **Radytio Puspanjana**

<b>NCR No.</b>	<b>: 2019.3</b>	<b>Issued by</b>	<b>: Yohanes Hardian</b>
<b>Date Issued</b>	<b>: 26 April 2019</b>	<b>Time Limit</b>	<b>: 25 July 2019</b>
<b>NC Grade</b>	<b>: Major Berulang</b>	<b>Date of Closing</b>	<b>: 6 May 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>4.6.6</b> <b>Storage of pesticides shall be according to recognised best practices. All pesticides containers shall be properly managed according to the existing regulations and or instructions enclosed on the containers (see criterion 5.3).</b>		

**Evidence observed (filled by auditor):**

The pesticide storage room for plasma plantations has not implemented established best practices. For example:

- There are no hazardous and toxic sign boards, MSDS for all products, First Aid Boxes, hand, face, eye and body wash places (body shower and eyewash).
- Not yet equipped with a special washing place that is intended to wash the former packaging, or intended for mixing doses before taking the field.
- There is no washing room and dosing mixture that is equipped with a drainage channel for used washing water that is accommodated into a special tub.

This is not yet in accordance with PT Sime Indo Agro's Pesticide Storage SOP with document No. 18 / PTSIA / 2012

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

- At the time of the audit, the pesticide conditions were not yet in the storage warehouse because there were many KUD employees who were preparing for the dayak gawai holiday so that the pesticides had not been moved.
- The KUD warehouse is not yet equipped with a special washing place intended for washing used containers, or is intended for mixing doses before being taken to the field.
- Until now there is a storage warehouse for KUD HIMADO pestisida located in the KUD office itself, where the warehouse of pesticides is on the ground floor, which has not been known until now is a warehouse that was prepared separately and separated from the KUD office building. The warehouse that is currently available has been treated with hazardous and toxic calls, first aid kits and MSDS (attached).
- There is a KUD HIMADO pesticide storage procedure, which is the same as the SOP used in this plantation (Attached).
- For plasma washing places, required or not by farmers, the company continues to provide facilities to assist farmers as partners.

**Correction (filled by organization audited):**

An agreement was made between the PT SIA core and the KUD HIMADO regarding pesticide storage. The results of



the meeting: that the KUD had previously prepared a warehouse for pesticides for the storage of plasma pesticides but when the audit was carried out the pesticide stock had not been moved while the mixing pesticides and washing facilities were agreed upon by the KUD team and the company that they would be supervised to the West Estate PT SIA.

Submitting evidence, among others

1. Photographs of hazardous and toxic calls, first aid kits in plasma warehouses
2. Photograph of the eyewash and plasma bodyshower washrooms currently superimposed on West Estate.
3. Photographs of washing and mixing of used containers as well as washing watertrap of used plasma pesticide packaging superimposed on West Estate.
4. Monitoring of pesticides issued by KUD for mixing before use which is monitored by PT SIA plasma assistants.
5. After the agreement meeting to discuss the place for mixing pesticides until now there have been no pesticides that have been purchased by farmers so there have been no reports of monitoring pesticides brought to BSS core west, however, if there are farmers who buy pesticides, they will be recapitulated in monitoring pesticides out of plasma / KUD . (Format attached)

**Corrective Action (filled by organization audited):**

- Safety officers will routinely check the storage area for pesticides so that they are always in accordance with the SOP for storing pesticides.
- Plasma Assistants will carry out routine monitoring regarding the handling of plasma pesticides.
- 

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

**Verification on May 3, 2019**

The company has shown improvements in the form

- Minutes of Agreement between PT SIA core and KUD HIMADO regarding pesticide storage on 29 April 2019, with the agreement that pesticide storage is carried out in KUD Himado Warehouse, while for special mixing or washing places, and LB3 TPS uses facilities owned West Estate
- Photos of danger and toxic calls, first aid kits in plasma
- Photo of an eyewash wash and plasma bodyshower that is currently superimposed on West Estate.
- Photographs of washing and mixing of used containers as well as washing watertrap of used plasma pesticide packaging superimposed on West Estate
- Pesticide Monitoring Sheet issued by KUD for mixing before being used which is monitored by PT SIA plasma assistants

Based on the analysis of the root of the problem and proof of improvement received, the Non conformity have not been fulfilled

**Verification on May 6, 2019**

**The company shows proof of improvement in the form of:**

**For NCR point 1:**

- Minutes of Agreement between PT SIA and KUD HIMADO regarding pesticide storage on 29 April 2019, with the agreement that pesticide storage is carried out in KUD Himado Warehouse, while for special mixing or washing places, and LB3 TPS uses facilities owned West Estate core.
- Documentation of KUD Himado pesticide warehouse which has been equipped with B3, MSDS, and first aid kits.
- There is a warehouse card form and monitoring of pesticide stock.

**For NCR points 2 and 3:**

- Minutes of Agreement between PT SIA and KUD HIMADO regarding pesticide storage on 29 April 2019, with the agreement that pesticide storage is carried out in KUD Himado Warehouse, while for special mixing or washing places, and LB3 TPS uses facilities owned West Estate
- Photograph of the mixing and mixing site in the West Estate that has been equipped with eyewash, bodyshower, sewage channel and water trap to accommodate laundry file waste.

This Non conformity is stated to be fulfilled.and will be observed for its implementation.

<b>Verified by</b>	<b>: Yohanes Hardian</b>

<b>NCR No.</b>	<b>: 2019.4</b>	<b>Issued by</b>	<b>: Radytio Puspanjana</b>			
<b>Date Issued</b>	<b>: 26 April 2019</b>	<b>Time Limit</b>	<b>: July 25 2019</b>			
<b>NC Grade</b>	<b>: Major recurent</b>	<b>Date of Closing</b>	<b>: May 6, 2019</b>			
<b>Standard Ref. &amp; Requirement</b>	<b>: 5.3.2 All chemicals and their containers shall be disposed of responsibly.</b>					
<b>Evidence observed (filled by auditor):</b>  <p>Based on the results of field observations known:</p> <ul style="list-style-type: none"> <li>• Use of used grease packaging as a reservoir for water in ESE employee housing complex.</li> <li>• Used cans of paint, thinner, grease, water purification chemicals are disposed to behind the PKS workshop.</li> <li>• Used water purifier packaging (Nalco) as a place for spare parts at the BAF workshop.</li> <li>• Used Paint cans as a place for bolts at the BAF workshop.</li> <li>• Used water purifier packaging (Nalco) as a place for collecting air compressors in PKS workshops.</li> </ul> <p>During the ASA 1.2 audit activity, this has become a NCR, as proof of improvement in the part of preventive action, PSQM and Safety officers will inspect the area with hazardous waste production. However, based on the results of the inspection document review conducted by PSQM and the safety officer, the Simecard document is known to have no monitoring results for hazardous waste outside the hazardous waste storage.</p> <p>Based explained, the management of hazardous waste is not in accordance with the SOP of Hazardous and Non-Hazardous Waste Management SOP (No. RSPO / B.5.5 / KLR June 8, 2009) explained used pesticides and chemical for analysis so that they are returned to Hazardous waste storage (BAF) and is transported licensed.</p>						
<b>Root Cause Analysis (filled by organization audited):</b> <ol style="list-style-type: none"> <li>The used Grease containers used as laundry containers by ESE employees this is because the employee does not yet know that they cannot use used chemicals.</li> <li>The findings of paint cans and used water purifier packaging (Nalco) caused by ignorance of individuals / employees regarding the hazardous waste Storage SOP.</li> </ol>						
<b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"> <li>The used NALCO chemical jerry cans, paint cans, and tiner cans have been returned to the BAF hazardous waste storage and re-socialization to employees regarding hazardous waste identification and hazardous waste Management.</li> <li>The use of used grease, the grease container have been removed from the housing environment and stored in the hazardous waste storage.</li> </ol>						
<b>Corrective Action (filled by organization audited):</b> <ol style="list-style-type: none"> <li>Carry out re-socialization of the results of identification of hazardous waste in Estate and Mill to all employees.</li> <li>Carry out socialization regarding the hazardous waste SOP for Management and Storage.</li> <li>Conduct periodic inspections by PSQM and hazardous waste Safety Officer. (Attached inspection form, point 31 regarding LB3 packaging)</li> </ol>						
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Auditor verification May 3, 2019.</b>						

The company show the evidence:

- Check list the BAF ESH assessment November 29 2018 by assessor Surlani, which explains the inspection of the area that produces hazardous waste, namely at the fuel station, in hazardous waste storage, storage & despatch and checking hazardous waste in unsafe action & condition. Documentation of activities is available.
- Minutes of NC's findings on housing complex (east estate) April 25, 2019 which explained the used grease packaging for water storage in the housing area had been return to the hazardous waste storage (east estate) waste which would later be sent to hazardous waste storage BAF.
- Minutes April 24, 2019, a safety briefing to 25 BAF employees regarding hazardous waste management. Documentation attached.
- Checklist of workplace audit (Hazardous Waste Storage) BAF, April 24, 2019 which explains the inspection of conditions and capability of Hazardous waste storage BAF.

#### **Auditor verification May 6, 2019**

The company show the evidence:

- Check the ESH West & East Estate assessment on 4 February 2019 for all Estate areas such as traction stations, warehouses, LB3 TPS, housing, generator houses, BHS, BSS and BMS activities.
- Minutes of the socialization hazardous waste management for West & East Estate employees May 3 2019.

Based on this evidence, NCR Number. 2019.04 with the Major category recurent is comply.

**Verified by** : **Radytio Puspanjana / Arif Faisal Simatupang**

<b>NCR No.</b>	<b>:</b>	<b>2019.5</b>	<b>Issued by</b>	<b>:</b>	<b>Yudhi Yuniarto</b>
<b>Date Issued</b>	<b>:</b>	<b>26 April 2019</b>	<b>Time Limit</b>	<b>:</b>	<b>25 July 2019</b>
<b>NC Grade</b>	<b>:</b>	<b>Major</b>	<b>Date of Closing</b>	<b>:</b>	<b>25 June 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>:</b>	<b>6.5.1 Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.</b>			
<b>Evidence observed (filled by auditor):</b>					
The company has an overtime wage system set in:					
a. Collective Labor Agreement Period 2017 - 2019 in Article 18 concerning overtime work which states that overtime hours are carried out based on overtime work orders and their calculations are guided by Kepmenakertrans No. 102 / MEN / VI / 2004.					
b. Inter-Office Mail from the General Manager of HRM with number 065 / RSP-i2 / VIII / 2017 dated August 15, 2017 concerning the provisions of the premium for the non-harvesting area of Sanggau Area. The provisions are explained in relation to the provisions of the premium as follows:					
• Security Member: 150 hours / month (2 shifts) and 100 hours / month (3 shifts)					
• Generator Set + Water Operator: 105 hours / month.					
• Generator Set Operator: 84 hours / month.					
• Water Machine Operators: 56 hours / month.					
The auditor conducted a simulation of the calculation of overtime security employees and generator set operators together with management representatives in accordance with Kepmenakertrans No. 102 of 2004 and compared with overtarget premium wages received by employees in March 2019 (East Estate) as follows:					
1. Junaedi Pangariduan (Genset Operator)					
Overtime Premium paid : IDR 1,989,570					
Simulation results : IDR 5,788,667.21					
Payment difference : IDR 3,799,097.21					

- |                            |                    |
|----------------------------|--------------------|
| 2. Aspandi (Generator Set) |                    |
| Overtarget Premium paid    | : IDR 2,732,670    |
| Simulation results         | : IDR 6,056,179.43 |
| Difference                 | : IDR 3,323,509.43 |
| 3. Yulius (Security)       |                    |
| Overtarget Premium paid    | : IDR 2,320,717    |
| Simulation results         | : IDR 2,764,292.94 |
| Difference                 | : IDR 443,575.94   |

Based on the above, it is known that the payment system of wages exceeds the working hours (premiums) that have been set by the company not in accordance with the Minister of Manpower and Transmigration Regulation No. 102 of 2004

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

The cause of the difference between the wages of the generator set operator and the security is because the operator's working hours are too long while the payment of the overtime wage is only 150 hours.

**Correction** (filled by organization audited):

The company changed the calculation of overtime of the genset operators and security guards by changing the schedule for the number of working hours since May 2019 (Attached).

**Corrective Action** (filled by organization audited):

The company will pay according to working hours with the stipulated wages paid by conducting periodic evaluations.

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

The company sends some proof of improvement as follows:

1. Revised schedule of generator set operators for the May 2019 period. For generator set employees who work on Sundays / holidays the system for calculating overtime wages for 7 (seven) first hours is paid 2 (two) times an hour's wages, and the eighth hour is paid 3 (three) times an hour's wages and ninth and tenth 4 hours (four) times an hour's wages (Attached)
2. Overtarget premium wages calculation of generator set operators for May 2019 period.
3. Calculation of security overtarget premium wages for the period May 2019.
4. Generator set shift work schedule and overtarget premium wages calculation obtained by the operator in May 2019. In the work schedule, it is explained that each operator works 9 hours every day and is given a day off as many as 2 days a month. The actual working hours of generator set operators on Sundays / holidays are 9 hours with generator set operating hours from 18:00 to 23:00 (5 hours) and then back to operation at 02.00 - 06:00 (4 Hours).
5. Shift security work schedule and premium calculation obtained security in May 2019. In the work schedule it is explained that the security workforce is given a day off as many as 4 days a month. the difference in working hours is due to rolling shifts and work posts, which each post has a different picket schedule which causes a difference in the number of working hours.

The auditor returned to simulate the generator set operator and security overtarget premium wages calculation in May 2019 compared to the overtime system Kepmenakertrans No. 102 of 2004. Based on the simulation results it is known that there is no longer a difference in employee wage payments both for generator operators and security.

Based on the above, the auditor stated that nonconformities were stated to be fulfilled as long as they would be observed again in the next assessment.

<b>Verified by</b>	: <b>Yudhi Yuniarto Tallutondok</b>
--------------------	-------------------------------------

<b>NCR No.</b>	<b>: 2019.6</b>	<b>Issued by</b>	<b>: Arif Faisal Simatupang</b>			
<b>Date Issued</b>	<b>: 26 April 2019</b>	<b>Time Limit</b>	<b>: 25 July 2019</b>			
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 21 June 2019</b>			
<b>Standard Ref. &amp; Requirement</b>	<b>: SCCS E.5.1</b> d. 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. e. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. f. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)					
<b>Evidence observed (filled by auditor):</b>  Based on Mass Balance data on the production and sale of certified and non-certified products, the company has not been able to show the details of the data as follows : <ul style="list-style-type: none"> <li>- The data format has not detailed the CPO and PK certified and non-certified sales. There is data on CPO sales, but it is not clear whether CPO is sold from certified sources, non-certificates, or a combination of both.</li> <li>- There are no data for sales of certified and non-certified PK.</li> <li>- The company has not been able to demonstrate the implementation of recording FFB receipt data and product sales in the SCCS system Module E - Mass Balance.</li> </ul>						
<b>Root Cause Analysis (filled by organization audited):</b>  The unavailability of sales data due to the lack of monitoring systems and mill recording so that data collection is hampered. This is because the PIC is not yet competent.						
<b>Correction (filled by organization audited):</b>  <ul style="list-style-type: none"> <li>- Attach TBS source data</li> <li>- Attach data on sales of PT SIA CPO &amp; PK</li> <li>- Attach certified sales data &amp; Non-Certificates</li> <li>- For CPO sales during 2018 there is only one RSPO certified sale with the number DO 00278 / SIA / KTR-MKS / LOK / X / 2018 the buyer is the temporary Golden Hope Nusantara for PK all sold conventionally (Non-RSPO).</li> </ul>						
<b>Corrective Action (filled by organization audited):</b>  The company monitors the preparation of mass balance data that must be carried out by the mill and coordinates with marketing.						
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification on May 15, 2019:</b> The company sent data of Bukit Ajong POM Mass Balance CPO and PK, but it can only be seen that the total sales of CPO and PK, still do not include CPO and PK certified and non-certified sales. This non-conformity has not been complied.						

**Verification on May 24, 2019**

The company shows data on the Bukit Ajong POM Mass Balance CPO and PK, the data shows that CPO and PK sales are certified and non-certified along with their stock.

From these data it can be seen that:

- For non-certified CPO production, it is only 7,082.10 MT, while non-certified sales are 38,993.00 MT, which means that the sale of certified CPO products sold non-certified is 31,919.9 MT (38,993.00 MT - 7,082.10 MT).
  - For the production of non-certified PK, it is only 1,759.36 MT, while non-certified sales amount to 11,107.18 MT, meaning that the sale of certified PK products sold non-certified is 9,347.82 MT (11,107.18 MT - 1,759.36 MT).
- Related to this, the company needs to show remove evidence at the Palm Trace for the sale of CPO & PK certified products that are sold non-certified, a number of the above.

This non-conformity has not been complied.

**Verification on June 21, 2019**

The company shows remove evidence at the Palm Trace for the sale of CPO & PK certified products that are sold non-certified, a number of the above.

**This non-conformity stated as complied.**

**Verified by : Arif Faisal Simatupang**

<b>NCR No.</b>	<b>: 2019.7</b>	<b>Issued by</b>	<b>: Arif Faisal Simatupang</b>
<b>Date Issued</b>	<b>: 26 April 2019</b>	<b>Time Limit</b>	<b>: 25 July 2019</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 22 July 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>RSPO Certification System – 4.5.3</b> <b>Time-bound plan: A time-bound plan for certifying all its management units and/or entities, including the units where the organization has management control and no or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan should contain a current list of all estates and mills.</b>		

**Evidence observed (filled by auditor):**

Berdasarkan kajian Time Bound Plan (TBP) terbaru perusahaan, diketahui bahwa total area yang belum bersertifikat dari suplay base Bukit Ajong Factory adalah 1,652.00 ha. Namun berdasarkan kajian dokumen legal dan wawancara dengan manajemen, total area dari suplay base Bukit Ajong Factory yang belum bersertifikat adalah 3,082.84 ha yang terdiri dari :

- West Estate yang belum ber HGU seluas 513.70 ha.
- East Estate yang belum ber HGU seluas 1,731.39 ha.
- Sei Mawang Estate yang seluruhnya belum ber HGU, seluas 837.75 ha.

Selain itu dalam Time Bound Plan, dari total 1,652.00 ha yang belum bersertifikat belum dijelaskan rincian lokasinya.

Perusahaan belum dapat menunjukkan Time Bound Plan yang secara jelas menjelaskan perincian area yang belum bersertifikat sesuai dengan kondisi aktual di lapangan.

Based on a review of the company's latest Time Bound Plan (TBP), it is known that the total area that has not been



certified from the Bukit Ajong Factory base supply is 1,652.00 ha. However, based on legal document studies and interviews with management, the total area of the Bukit Ajong Factory base supply that has not been certified is 3,082.84 ha consisting of:

- The West Estate which has no HGU area of 513.70 ha.
- East Estate that has not yet had an HGU covering an area of 1,731.39 ha.
- Sei Mawang Estate, which has not yet had an HGU, covering an area of 837.75 ha.

In addition, in the Time Bound Plan, out of a total of 1,652.00 ha that have not been certified, the location details have not been explained.

The company has not been able to show a Time Bound Plan that clearly explains the details of areas that have not been certified in accordance with the actual conditions in the field.

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

There had been a difference in the appearance of the data, especially the data of the plant area outside the HGU. Because the personnel who provided information to the auditor lacked understanding of the PIC regarding the area that had not been certified.

**Correction** (filled by organization audited):

PT SIA's management has clarified and re-verified (overlaying HGU and operational maps, as well as field observations) in the form of :

- Statement on July 20, 2019 that Sei Mawang Estate has been combined with East Estate, so the total area (ha) and management follows East Estate. Therefore there is no Sei Mawang Estate area in the Time Bound Plan, because it is already covered by East Estate.
- Statement on July 10, 2019 regarding information on the Estates area outside the HGU, that the area outside the actual HGU is: West Estate: 20.81 ha, East Estate: 866.24 ha
- Time Bound Plan updated.

**Corrective Action** (filled by organization audited):

The company will carry out periodic coordination related to the company's HGU data and update if there are changes, and submit to the auditor accurate and updated information through an assigned and competent officer.

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

**Verification on July 22, 2019:**

The company shows evidences of improvement in the form of :

- Statement on July 20, 2019 that Sei Mawang Estate has been combined with East Estate, so the total area (ha) and management follows East Estate. Therefore there is no Sei Mawang Estate area in the Time Bound Plan, because it is already covered by East Estate.
- Statement on July 10, 2019 regarding information on the Estate area outside the HGU (based on overlaying HGU and operational maps, as well as field observations), that the area outside the actual HGU is: West Estate: 20.81 ha, East Estate: 866.24 ha.

- Time Bound Plan updated which has shown that the area is not yet certified from the Bukit Ajong POM supply base, which consists of the East Estate and West Estate. Whereas Sei Mawang Estate is not available because it is already covered by East Estate.

Based on review of the root cause analysis, correction, corrective actions, as well as evidence shown, these nonconformities are stated to be complied.

<b>Verified by</b>	<b>:</b>	<b>Arif Faisal Simatupang</b>
--------------------	----------	-------------------------------

**3.5.3. Opportunity for Improvement**

No	Ref. Std.	Description Deskripsi
1	2.1.1	Transport hazardous waste after April 12, 2018 is (>356 days).
2	2.2.1	Progress in monitoring of plasma farmers' SHM and HGU that not been issued.
3	5.3.3	Upkeep WWTP Pond.
4	6.4.1	Better communication to stakeholders, especially regarding the progress of community land release within the HGU.
5	6.5.2	Consider the use of contract labor for core worker in accordance with the RSPO P & C 2018.

**3.5.4. Noteworthy Positive Components**

No	Ref. Std.	Description Deskripsi
1		Good motivation from the company to implement and comply RSPO standards.

**3.6 Summary of Arising Issues from Public and Auditor Verification**

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Head of Parindu Sub District</b> <ul style="list-style-type: none"> <li>The company has contributed to village development and empowering local communities by providing CSR assistance in several categories such as village land management, scholarships, infrastructure maintenance, assistance on religious holidays and empowerment of traditional cultures. The company is also always involved in village development planning meetings. Further explained that there were no issues related to land disputes, environmental pollution from company operational activities and discrimination of local communities.</li> <li>It is recommended to the company to be able to send an annual CSR activity report to the sub-district so that it can be evaluated regarding its objectives and effectiveness to the community.</li> </ul>	<p>Based on the results of document verification, it is known that the company already has a CSR program for 2019 which is prepared through several stages starting from interviews with religious leaders, youth, female leaders and traditional leaders in the villages around the company, such as village meetings and the planned implementation of CSR programs in 2019. In the implementation of the company's FGD using the Analytical Hierarchy Process (AHP) method with the community to capture priority programs to be implemented in the Village.</p>
<b>Labor Union of PT Sime Indo Agro</b> <p>Result interview with bipartite representative from workers obtained information there is no negative issues such as discrimination, the use of labor under 18 years or sexual abuse issues.</p>	<p>Based on document review and field observation, it is known that there is no discrimination or child labor. Described in Criteria 6.7 and 6.8</p>
<b>Gender Committee of PT SIA</b> <ul style="list-style-type: none"> <li>Has been socialized regularly to the employees during morning muster involving the gender committee.</li> <li>The company has been facilitated the gender committee such as transport, room and others.</li> <li>Mechanism of specific grievance has been provide, until now there is no case reported.</li> </ul>	<p>It has been verified during the audit, has been explained in C6.9.</p>
<b>Village Officials of Hibun</b> <p>The land compensation process had indeed had many problems. At this time it was gradually completed. The problem faced was the presence of community land within the HGU. The thing that became a positive component was that the company had built a plasma plantation for the community.</p>	<p>The company has sought to improve the positive perception of the community by building a plasma plantation.</p> <p>Regarding community land within the HGU, this has become OFI No. 4 on 6.4.1 related better communication to stakeholders, especially regarding the progress of community land release within the HGU.</p>
<b>Previous land owner of Hibun Village</b> <p>The company has carried out land compensation properly according to regulations, is transparent, documented, and involves village and sub-district heads. There are no obstacles related to land compensation.</p>	<p>There is no negative issue that require for further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Plasma Cooperative Head of Himado</b></p> <p>There is no negative issue. <b>The FFB</b> payment has been made on time in accordance with the provisions in the agreement, based on pricing mechanism from Plantation Agency. No obstacles related to cooperation with the CH, because the CH is open to consulting related work issues.</p>	<p>No negative issue to response. The CH shows compliance related these aspects. Describes in more detail in Criterion 6.10 and 6.11.</p>

<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
<b>4.1</b>	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Sime Indo Agro Management Representative</p>  <p><u>Alagendran Maniam</u> Monday, 22 July 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Arif Faisal Simatupang</u> Monday, 22 July 2019</p> </div> </div>



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

No	Institution/NGO/Community	Address	Phone/E mail	Form of Communication	Date of Contact	Response	
						Yes	No
1.	Gender Committee of PT SIA	Sanggau Disitric		Interview	25 April 2019	✓	
2.	Plasma West estate (KUD Himado)	Sanggau Disitric		Interview	23 April 2019	✓	
3	Village Officials of Hibun	Sub District of Parindu	-	Direct Interview	24 April 2019	✓	
4	Previous land owner of Hibun Village	Sub District of Parindu	-	Direct Interview	24 April 2019	✓	
5	Plasma Cooperative Head of Himado	Sub District of Parindu	-	Direct Interview	25 April 2019	✓	
6	WALHI	Jakarta, Indonesia	<a href="mailto:info@walhi.or.id">info@walhi.or.id</a>	Questionnaire via email	16 April 2019		✓
7	WWF	Jakarta, Indonesia	<a href="mailto:supporter-service@wwf.or.id">supporter-service@wwf.or.id</a>	Questionnaire via email	16 April 2019		✓
8	AMAN	Jakarta, Indonesia	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Questionnaire via email	16 April 2019		✓
9	<b>Bukit Ajong Factory</b> - WTP Operator : 1 Operator - WWTP Operator : 1 Operator	PT Sime Indo Agro	-	Interview	23 April 2019	✓	
10	<b>East Estate</b> - HGU Pole monitoring: 1 worker - Spraying team : 4 Workers - Housing complex, Daycare officer : 2 worker. - workshop: 2 workers - storage : 2 workers	PT Sime Indo Agro	-	Interview	23 April 2019	✓	
11	<b>West Estate</b>	PT Sime Indo Agro		Field Observation and Interview	23 April 2019	✓	
12	<b>East Plasma</b> - 2 plasma owner - 4 spraying worker - 1 harvesting worker	PT Sime Indo Agro		Field Observation and Interview	24 April 2019	✓	
13	<b>West Plasma</b>	PT Sime Indo Agro		Field Observation and Interview	24 April 2019	✓	

**Appendix 2. Assessment Program**

DATE	22 – 27 April 2019	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	PIC
<b>Monday, 22 April 2019</b>		
07.00 - 09.00 09.00 – 15.00	<b>Traveling Jakarta → Pontianak</b> <b>Traveling Pontianak → PT Sime Indo Agro</b>	<b>All Auditor</b>
15.00 – 17.00	<b>Opening meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	<b>PT Sime Indo Agro</b> <b>All Auditor</b>
<b>Tuesday, 23 April 2019</b>		
08.00 – 12.00	<b>Stakeholders consultation to Sub District of Parindu</b>  <b>Field Observation to East Plasma and West Plasma</b> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<b>Yudhi</b>  <b>Andi, Faisal, Yohanes, Tio</b>  <b>Specific locations will be determined on site</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 17.00	<b>Field Observation to Bukit Ajong Factory</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation,</li> <li>Observation of WWTP, WTP, LA, EBA</li> </ul>	<b>Andi, Faisal, Yohanes</b>  <b>Yudhi</b>  <b>Tio</b>
<b>Wednesday, 24 April 2019</b>		
08.00 – 12.00	<b>Stakeholder consultation to affected communities surrounding the plantations and previous land owner</b>  <b>Field Observation to East Estate</b> <ul style="list-style-type: none"> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> </ul>	<b>Faisal, Andi</b>  <b>Yohanes</b>  <b>Yudhi</b>  <b>Tio</b>

		<b>Tio</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 17.00	Interview with Gender Committee, Worker's Union, Worker's Cooperative, Local Contractor (for Mill and Estate), Third Party Supplier	<b>All Auditor</b>
	<b>Documents Review</b>	<b>All Auditor</b>
<b>Thursday, 25 April 2019</b>		
08.00 – 12.00	<b>Field Observation to West Estate</b> <ul style="list-style-type: none"> <li>• Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>• Observation of Workers Facilities (Housing, School, Worship Place).</li> <li>• Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>• Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> </ul>	<b>Yohanes</b>  <b>Yudhi</b> <b>Tio</b>  <b>Faisal, Andi</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 17.00	Interview with Gender Committee, Worker's Union, Worker's Cooperative, Local Contractor (for Mill and Estate), Third Party Supplier	<b>All Auditor</b>
	<b>Documents Review</b>	<b>All Auditor</b>
<b>Friday, 26 April 2019</b>		
08.00 – 09.00	<b>Documents Review</b>	<b>All Auditor</b>
09.00	Time limit of submission of audit evidence	<b>PT Sime Indo Agro</b>
10.00 – 12.00	Internal discussion by auditor team preparing for Closing Meeting	<b>All Auditor</b>
12.00 – 15.00	Break and internal discussion by auditor team preparing for Closing Meeting	<b>All Auditor</b>
15.00 – 17.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/</li> <li>• Comments, Responses and Questions</li> </ul>	<b>All Auditor</b>
18.30 – 22.00	<b>Traveling PT Sime Indo Agro → Pontianak</b>	<b>All Auditor</b>
<b>Saturday, 27 April 2019</b>		
10.00 - ....	<b>Traveling Pontianak → Jakarta</b>	<b>All Auditor</b>