

***Roundtable on Sustainable Palm Oil Certification
RSPO*****[✓] Surveillance**

Name of Management : Sukamandang Palm Oil Mill, PT Kridatama Lancar subsidiary of Sime Darby Organisation
Plantation Name : Sukamandang Estate, Sapiri Estate, Baras Danum Estate, Kuala Kuayan Estate
Location : Village of Sukamandang, Sub District of Seruyan Tengah, District of Seruyan, Province of KalimantanTengah, Indonesia.
Certificate Code : **MUTU-RSPO/003**
Date of Initial Registration : 05 July 2011
Date of Certificate Issue : 02 September 2016 Date of License Issue : 09 November 2019
Date of Certificate Expiry : 04 July 2021 Date of License Expiry : 04 July 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.3	17 to 21 June 2019	Andi Pratama Pasaribu (Lead Auditor), Mohamad Amarullah, Steve Mualim, Doni	Leonada	Ardiansyah

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.3	11 October 2019

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Figure 1. Location Map of PT Kridatama Lancar

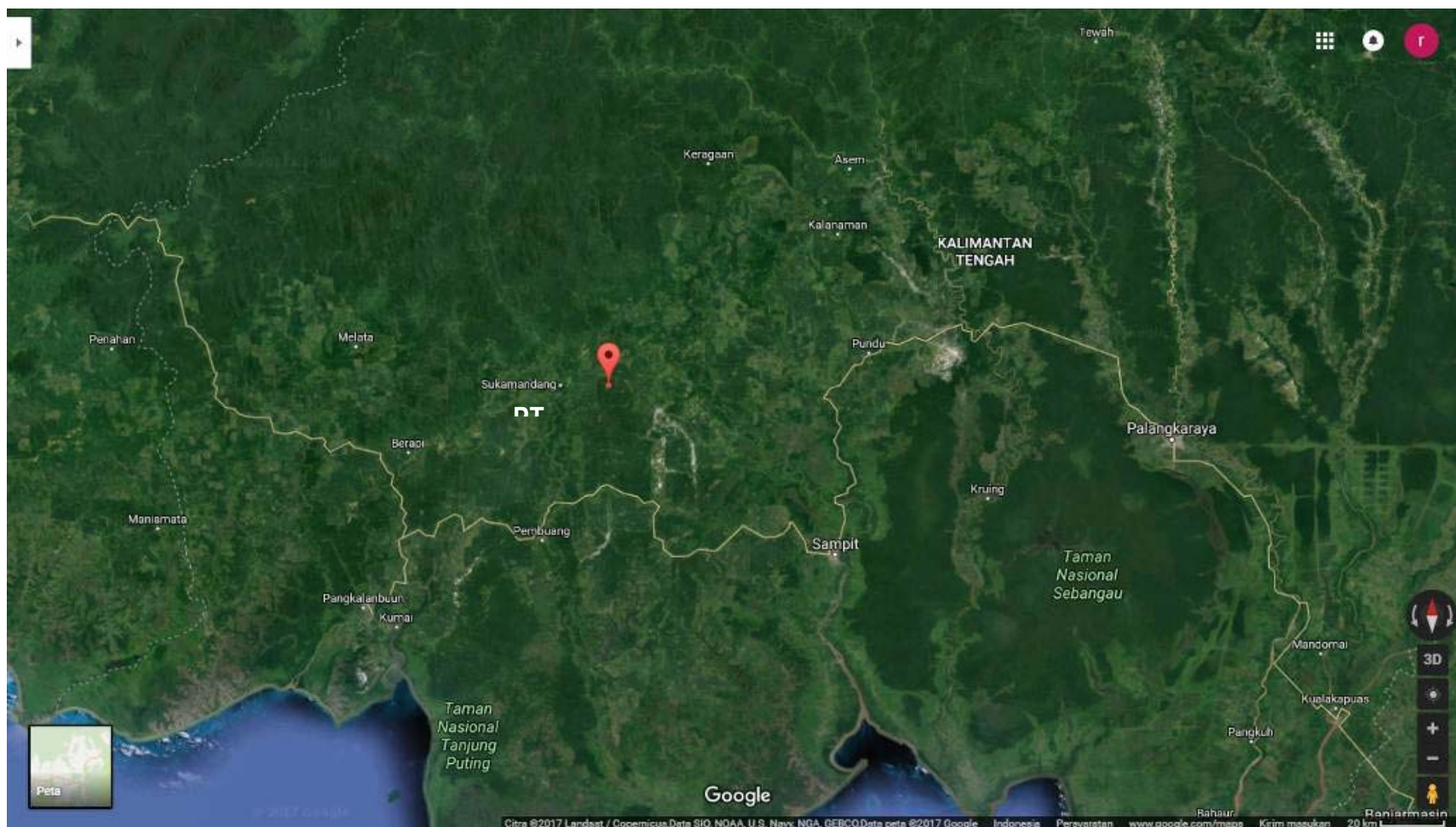
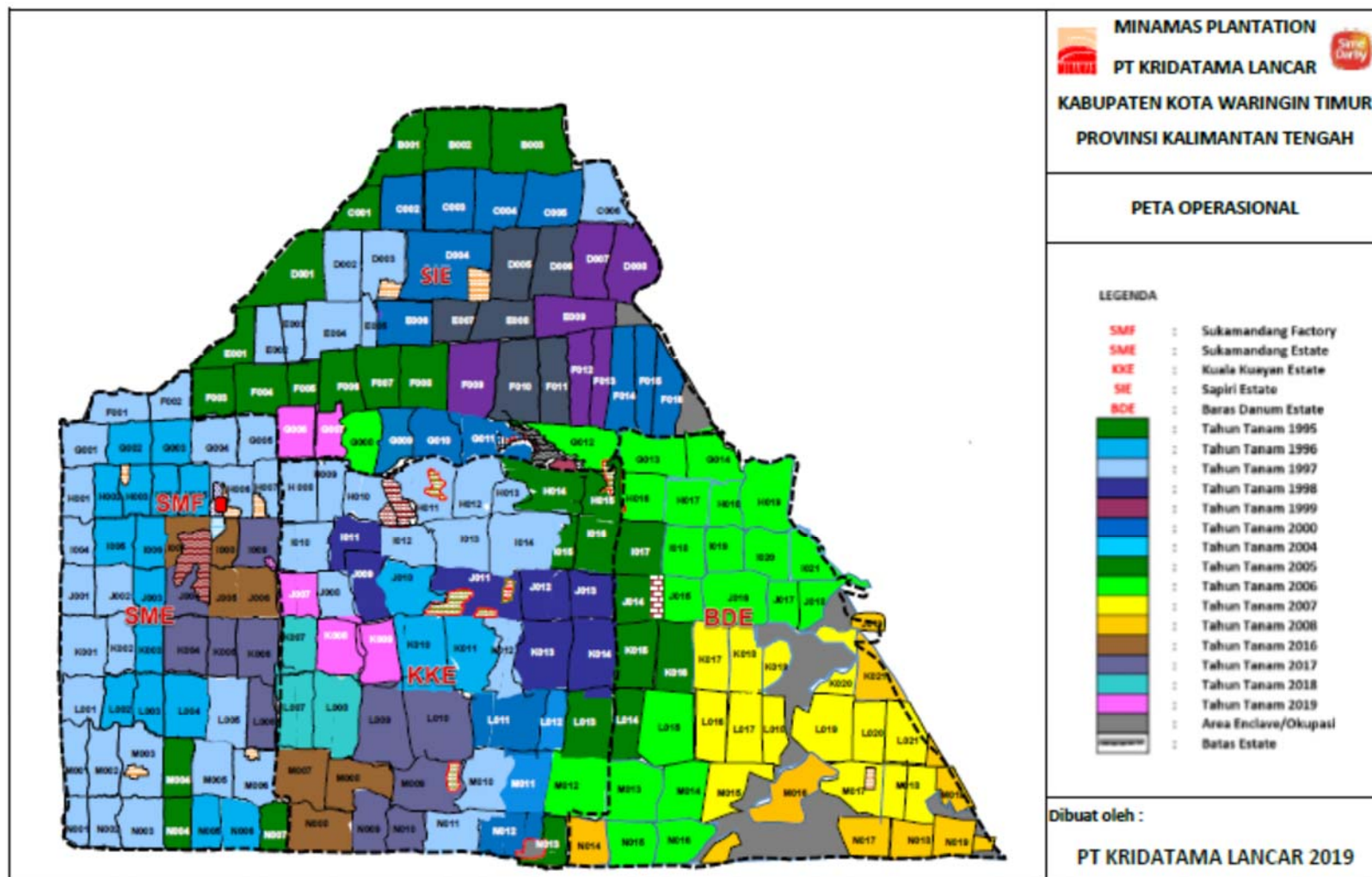


Figure 2. Operational Map of PT Kridatama Lancar



Abbreviations Used

APAR	:	<i>Alat Pemadam Api Ringan</i> (Fire Extinguisher)
B3	:	<i>Bahan Berbahaya Beracun</i> (Hazardous Material)
BDE	:	Baras Danum Estate
BOD	:	Biological Oxygen Demand
BPC	:	Business Planning and Consolidation
CCM	:	Chemical Company Malaysia
CH	:	Certificate Holder
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Informed Consent
GHG	:	Green House Gase's
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> . (Land Use Title)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
IPM	:	Integrated Pest Management
IUP	:	<i>Izin Usaha Perkebunan</i> . (Plantation Business Permit)
OHS	:	Occupational Health and safety
KER	:	Kernel Extraction Rate
KKE	:	Kuala Kuayan Estate
KLR	:	PT. Kridatama Lancar (Minamas Plantation-Sime Darby group)
LUCA	:	Land Use Change Analysis
MRC	:	Minamas Research Center
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
IPM	:	Integrated Pest Management
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PSD	:	Plantation Services Departement
PSQM	:	Plantation Sustainability and Quality Management
RKL/RPL	:	<i>Rencana Kelola Lingkungan / Rencana Pemantauan Lingkungan</i> (Environmental Management Plan / Environmental Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
SCCS	:	Supply Chain Certification System
SIA	:	Social Impact Assessment
SIE	:	Sapiri Estate
SME	:	Sukamandang Estate
SMF	:	Sukamandang Factory
SOP	:	Standard Operating Procedure
WWF	:	World Wide Fund
WWTP	:	Wastewater Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT						
1.1	Assessment Standard Used <ul style="list-style-type: none"> • Indonesian National Interpretation of RSPO P&C 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO BoG 30th September 2016. • RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill) • RSPO Certification System for Principles and Criteria, 14 June 2017 						
1.2	Organisation Information						
1.2.1	Organisation name listed in the certificate	PT Kridatama Lancar subsidiary of Sime Darby Plantation Berhad					
1.2.2	Contact person	Alagendran A.L Maniam					
1.2.3	Organisation address and site address	RSO registered company: Sime Darby Plantation Sdn Bhd, Main Block, Level 10, Plantation Tower No.2, Jalan PJU 1A/7, Ara Damansara, 47301 Petaling Jaya, Selangor Liaison Office: The Plaza Office Tower Lantai 36 Jl MH Thamrin Kav. 28-30 Jakarta 10350					
1.2.4	Telephone	(+62-21)-29926000					
1.2.5	Fax	(+62-21)-29922686					
1.2.6	E-mail	alagendran.maniam@sime-darbyplantation.com					
1.2.7	Web page address	www.sime-darbyplantation.com					
1.2.8	Management Representative who completed the application for certification	Alagendran Maniam (Head of Sustainability – Minamas Plantation)					
1.2.9	Registered as RSPO member	07 September 2004, 1-0008-04-000-00					
1.3	Type of Assessment						
1.3.1	Scope of Assessment and Number of Management Unit	Sukamandang Palm Oil Mill, Sukamandang Estate (SME), Sapiri Estate (SIE), Baras Danum Estate (BDE) dan Kuala Kuayan Estate (KKE).					
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 <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>S 02°03' 28"</td> <td>E 112° 19' 01"</td> </tr> </table>	Latitude	Longitude	S 02°03' 28"	E 112° 19' 01"
Latitude	Longitude						
S 02°03' 28"	E 112° 19' 01"						
	Sukamandang POM	Village of Sukamandang, Sub District of Seruyan Tengah, District of Seruyan, Province of Kalimantan Tengah, Indonesia					
1.4.2	Location of Certification Scope of Supply Base						
	Name of Supply Base	Location	Coordinate <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>S 02° 03' 56"</td> <td>E 112° 18' 48"</td> </tr> </table>	Latitude	Longitude	S 02° 03' 56"	E 112° 18' 48"
Latitude	Longitude						
S 02° 03' 56"	E 112° 18' 48"						
	Sukamandang	Village of Sukamandang, Sub District of Seruyan Tengah, District of Seruyan,					

		Province of Kalimantan Tengah, Indonesia				
	Baras Danum	Viilage of Biring Kapuk, Sub District of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	S 02° 04' 48"	E 112° 22' 52"		
	Sapiri	Viilage of Sapiri, Sub District of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	S 02°01'26"	E 112° 20' 52"		
	Kuala Kuayan	Village of Kuala Kuayan, Sub District of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia	S 02° 04' 46"	E 112° 21' 10"		
1.5	Description of Area Statement					
1.5.1	Tenure					
	• State		14,779.92	Ha		
	• Community		-	Ha		
1.5.2	Area Statement					
	• Total area		14,779.92	Ha		
	• Mature area		11,763.30	Ha		
	• Immature area		1,509.55	Ha		
	• Mill		16	Ha		
	• Emplishment		226.19	Ha		
	• Infrastructure (road & bridge)		599.24	Ha		
	• Nursery		11.97	Ha		
	• Reserve area		62.68	Ha		
	• HCV		590.99	Ha		
1.6	Planting Year and Cycles					
1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		Sukamandang	Kuala Kuayan	Sapiri	Baras Danum	Total
	1995	177.60	-	-	-	177.60
	1996	1,022.74	298.00	-	-	1,320.74
	1997	1,746.71	1,113.78	36.05	-	2,896.54
	1998	-	569.00	536.77	-	1,105.77
	1999	-	-	408.20	-	408.20
	2000	-	124.00	737.08	-	861.08
	2004	-	101.00	485.89	-	586.89
	2005	-	355.50	787.13	349.55	1,492.18
	2006	-	108.00	160.64	1,331.83	1,600.47
	2007	-	-	-	880.45	880.45
	2008	-	-	-	433.38	433.38

	Sub Total Mature	2,947.05	2,669.28	3,151.76	2,995.21	11,763.30	
	2016	235.68	216.74	-	-	452.42	
	2017	437.15	325.50	-	-	762.65	
	2018	-	188.00	-	-	188.00	
	2019	-	-	106.48	-	106.48	
	Sub Total Immature	672.83	730.24	106.48	0.00	1,509.55	
	Grand Total	3,619.88	3,399.52	3,258.24	2,995.21	13,272.85	
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 nd Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Sukamandang	60	235,125	50,338	21.00	10,409	4.00
<i>*Production data source from 12 months before assessment (June 2018 – May 2019)</i>							
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Sukamandang	3,936.56	3,619.88	59,848.14	16.53	59,848.14	100
	Kuala Kuayan	3,664.60	3,399.52	49,422.03	14.43	49,422.03	100
	Sapiri	3,530.90	3,258.24	65,004.37	19.95	65,004.37	100
	Baras Danum	3,647.86	2,995.21	60,851.03	20.32	60,851.03	100
	TOTAL	14,779.92	13,272.85	235,125.57	17.68	235,125.57	100
<i>*Production data source from June 2018 to May 2019</i>							
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	-	-	-	-	-	-	
	TOTAL					-	
<i>*Production data source from June 2018 to May 2019</i>							
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 June 2018 to May 2019 (MT)		
	• FFB Production		236,836		235,124		

	<ul style="list-style-type: none">CPO ProductionPalm Kernel (PK) Production	50,920	50,338	11,842	10,916																																																	
1.8.2	Product selling																																																					
	Tonnage of selling product	Period of actual selling product (June 2018 to May 2019) (MT)																																																				
	<ul style="list-style-type: none">CSPO sold as RSPO certified productCSPK sold as RSPO certified productCSPO sold under other schemeCSPK sold under other schemeCSPO sold as conventionalCSPK sold as conventional	21,667	8,606	0	0																																																	
		26,690	2,009																																																			
	<i>*Source: selling data on 12 months before assessment (June 2018 – May 2019)</i>																																																					
1.8.3	Estimate of Certified FFB Claim																																																					
	<table><tr><th>Name of Estate(s)</th><th>Total Area (Ha)</th><th>Planted Area (Ha)</th><th>FFB (tonnes/year)</th><th>Yield (tonnes/ha/year)</th></tr><tr><td>Sukamandang Estate</td><td>3,936.56</td><td>3,619.87</td><td>65,500</td><td>18.09</td></tr><tr><td>Kuala Kuayan Estate</td><td>3,664.60</td><td>3,424.60</td><td>69,800</td><td>20.38</td></tr><tr><td>Sapiri Estate</td><td>3,530.90</td><td>3,257.61</td><td>55,000</td><td>16.88</td></tr><tr><td>Baras Danum Estate</td><td>3,647.86</td><td>2,995.21</td><td>60,700</td><td>20.27</td></tr><tr><td>TOTAL</td><td>14,779.92</td><td>13,297.29</td><td>251,000</td><td>18.88</td></tr></table>	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Sukamandang Estate	3,936.56	3,619.87	65,500	18.09	Kuala Kuayan Estate	3,664.60	3,424.60	69,800	20.38	Sapiri Estate	3,530.90	3,257.61	55,000	16.88	Baras Danum Estate	3,647.86	2,995.21	60,700	20.27	TOTAL	14,779.92	13,297.29	251,000	18.88																							
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	<i>*Projected FFB production for 02 September 2019 to 01 September 2020</i>																																																					
1.8.4	Estimate of Certified Palm Product Claim																																																					
	<table><tr><th rowspan="2">Name of Mill</th><th rowspan="2">Capacity (tonnes/ hour)</th><th rowspan="2">FFB Processed (tonnes/year)</th><th colspan="2">CPO</th><th colspan="2">Palm Kernel</th><th rowspan="2">Supply Chain Module</th></tr><tr><th>Out put (tonnes)</th><th>Extraction (%)</th><th>Out put (tonnes)</th><th>Extraction (%)</th></tr><tr><td>Sukamandang</td><td>60</td><td>251,000</td><td>56,000</td><td>22.31</td><td>12,500</td><td>4.98</td><td>IP</td></tr></table>	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module	Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	Sukamandang	60	251,000	56,000	22.31	12,500	4.98	IP																																	
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	<i>*Projected CSPO and CSPK production for 02 September 2019 to 01 September 2020</i>																																																					
1.9	Other Certifications																																																					
	ISPO		MUTU-ISPO/051 dated on 05 February 2015 valid until 04 February 2020																																																			
1.10	Time Bound Plan																																																					
1.10.1	Time Bound Plan for Other Management Units																																																					
	<table><tr><th colspan="2">Management Unit</th><th rowspan="2">Estate (Supply Base)</th><th rowspan="2">Time Bound Plan</th><th rowspan="2">Location</th><th rowspan="2">Status</th></tr><tr><th>Mill</th><th>Time bound</th></tr><tr><td colspan="6">INDONESIA</td></tr><tr><td>1</td><td>Sekunyir. PT. Indotruba Tengah</td><td>2010</td><td>Sekunyir</td><td>2010</td><td>Seruyan and West Kotawaringin District – Central Kalimantan</td><td>Certified</td></tr><tr><td></td><td></td><td></td><td>Seruyan</td><td>2010</td><td></td><td>Certified</td></tr><tr><td>2</td><td>Manggala. PT. Tunggal Mitra Plantations</td><td>2010</td><td>Manggala 1</td><td>2010</td><td>Rokan Hilir District – Riau</td><td>Certified</td></tr><tr><td></td><td></td><td></td><td>Manggala 2</td><td>2010</td><td></td><td>Certified</td></tr><tr><td></td><td></td><td></td><td>Manggala 3</td><td>2010</td><td></td><td>Certified</td></tr></table>	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status	Mill	Time bound	INDONESIA						1	Sekunyir. PT. Indotruba Tengah	2010	Sekunyir	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				
Management Unit		Estate (Supply Base)	Time Bound Plan					Location	Status																																													
Mill	Time bound																																																					
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			Manggala 2	2010		Certified																																																
			Manggala 3	2010		Certified																																																

3	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District – West Kalimantan	Certified
			West (HGU on process)	2019		-
			East	2010		Certified
			East (HGU on process)	2019		-
			East Plasma	2010		Certified
			West Plasma	2010		Certified
			Sei Mawang	2019		-
4	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	Siak District – Riau	Certified
			Pinang Sebatang	2011		Certified
			Aneka Persada	2011		Certified
5	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District – South Sumatera	Certified
			Sungai Pinang (HGU on process)	2020		-
			Bukit Pinang	2012		Certified
			Bukit Pinang (HGU on process)	2020		-
6	Pematang. PT. Teguh Sempurna	2011	Pematang	2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
			Kawan Batu	2011		Certified
			Hatan Tiring	2011		Certified
			Batang Garing	2011		Certified
7	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District – Riau	Certified
8	Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011	Indra Giri Hilir District – Riau	Certified
			Nusa Perkasa	2011		Certified
			Nusa Lestari	2011		Certified
9	Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indra Giri Hilir District – Riau	Certified
			Rotan Semelur	2011		Certified
10	Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District – Kalimantan Selatan	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 – Kalimantan Selatan	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 – Kalimantan Selatan	Certified
			Gunung Kemasam	2011		Certified

	Sakti		Laut Timur	2011		Certified
			Pantai Timur	2011		Certified
			KKPA BSS	2020		-
13	Bebunga. PT. Langgeng Muaramakmur	2011	Bebunga	2011	Kotabaru District – Kalimantan Selatan	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 – Kalimantan Selatan	Certified
			Pondok Labu	2012		Certified
			Rampa	2012		Certified
			Sesulung	2012		Certified
16	Rantau. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District – Kalimantan Selatan	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 – Kalimantan Selatan	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
23	Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014	Ketapang District – West Kalimantan	Certified
			Awatan	2014		Certified
			Karya Palma	2019		-
			KKPA SNP	2020		-
			Pelanjau (PT BAL)	2019		IC
			Sungai Putih (PT BAL)	2019		-
			Baturus (PT BAL)	2019		-
			KKPA BAL	2020		-
MALAYSIA						
1	Sg Dingin SOU 1	2010	Bukit Hijau	2010	Kerangan, Kedah	Certified
			Padang Buluh	2010		Certified
			Bukit Selangor	2010		Certified
			Sg Dingin	2010		Certified
			Jentayu	2010		Certified
			Anak Kuli	2010		Certified
			Somme	2010		Certified
2	Chersonese SOU 2	2011	Chersonese	2011	Kuala Kurau, Perak	Certified
			Holyrood	2011		Certified
			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
			Senggang	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	Tingkayu	2009	Kunak, Sabah	Certified
			Sungang	2009		Certified
			Jelata Bumi	2009		Certified
			Binuang	2009		Certified
29	Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
			Giram	2009		Certified
30	Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
			Merotai	2009		Certified
			Table	2009		Certified
			Tiger	2009		Certified
31	Lavang 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
LIBERIA						
1	Grand Cape Mount	2018	Matambo	2018	Grand Cape Mount, Liberia	IC
			Grand Cape Mount	2018		IC
			Zodua	2018		IC
			Bomi	2018	Bomi, Liberia	IC

			Lofa	2018		IC
	P & G (New Britain Palm Oil)					
1	Poliamba	2012	Kara	2012	Kevieng, New Ireland Province, P&G	Certified
			West Coast	2012		Certified
			Nalik	2012		Certified
			Noatsi	2012		Certified
			Madak	2012		Certified
			North (Smallholders)	2012		Certified
			South (Smallholders)	2012		Certified
			West (Smallholders)	2012		Certified
2	Tetere	2011	Tetere	2011	Gudaicanal, Slomon Island	Certified
			Ngalimbiu	2011		Certified
			Mbalisuna	2011		Certified
			West Zone (Smallholders)	2011		Certified
			Central Zone (Smallholders)	2011		Certified
			MBA East (Smallholders)	2011		Certified
			MBA West (Smallholders)	2011		Certified
3	Sangara, Sambiripa & Mamba	2013	Sangara	2013	Higaturu, Popondetta, Oro, P&G	Certified
			Sumberipa	2013		Certified
			Ambogo	2013		Certified
			Embi	2013		Certified
			Mamba	2013		Certified
			Sorovi (smallholders)	2013		Certified
			Igora (smallholders)	2013		Certified
			Saiho (smallholders)	2013		Certified
			Aeka (smallholders)	2013	Madang, P&G	Certified
			Ilimo (smallholders)	2013		Certified
4	Gusap	2010	Dumpu	2010		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
			Karaus	2008		Certified
			Moroa	2008		Certified
			Bilomi	2008		Certified
			Loata	2008		Certified
			Haella	2008		Certified
			Garu	2008		Certified
			Daliavu	2008		Certified
			Sapuri	2008		Certified
			Malilimi	2008		Certified
			Rigula	2008		Certified
			Nomundo	2008		Certified
			Navarai / Karato ME	2008		Certified
			Volupai . Lotomgam / Natupi / Goruru	2008		Certified
			Lolokoru	2008		Certified
			Silovoti	2008		Certified
			LSS Hoskin (1,877 Smallholders)	2008		Certified
			VOP East (1,815 Smallholders)	2008		Certified
			VOP Central (1,958 Smallholders)	2008		Certified
			VOP West (1,277 Smallholders)Kaulon g / 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&G that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 10 in P&G. In the year of 2016 & 2017 there are three Mill that are no longer operating, and for the supplying base (Estate) is diverted to a mill that is still operating and has been certified RSPO. The mills are:</p> <ol style="list-style-type: none"> 1. Angsana Mini Mill, PT Sajang Heulang: Mill stop operate since 2016 and the supply bases is transfer to Angsana POM, PT Ladangrumpun Subur Abadi. 2. Selabak Mill, PT Swadaya Andhika: Mill stop operate since 2017 and the supply bases is transfer to Rantau POM, PT Laguna Mandiri 3. Pekaka, SOU 34: Mill stop operate since 2017 and the supply bases is transfer to Lavang, SOU 31 <p>Mill in Liberia commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and Sime Darby Plantation Bhd targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p> <p>The Time Bound Plan above is in line with the latest time bound plan that signed by the management Head of Sustainability Minamas as per 12 April 2019 where PT Mitra Austral Sejahtera is officially disposed from Sime Darby Plantation Berhad per 25 June 2019.</p> <p>Sime Darby has informed the Time Bound Plan progress, MUTU has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>			
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard			
	Sukamandang palm oil mill does not received from other non certified RSPO associates outgrowers.			

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-1.2	<ol style="list-style-type: none"> Andi Pratama Pasaribu (Lead Auditor). Indonesian citizen. Bachelor degree, majoring social economy. He has several of work experiences (more than 5 years) as the operational staff since 2008. He has been followed the Training of Lead Auditor Indonesian Sustainable Palm Oil (ISPO) which was held by ISPO Commission in 2013 and Training of Lead Auditor Roundtable on Sustainable Palm Oil (RSPO) by Proforest and Daemeter in 2016. He has been attended several kinds of training 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 verify legal aspect and supply chain. Mohamad Amarullah (Auditor). Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experience as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has attended several trainings such as lead auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, SA 8000 Awareness, ISO 14001, HCV, SCCS, etc. Has conducting several RSPO, ISPO and MSPO audit scheme as an auditor and lead auditor with expertise on best management practices for estate and mill (BMP), environment, conservation, safety, legal, social and supply chain aspects. Fluent in Bahasa, Malay and English. At the time of audit, has verify aspect longterm management plan, BMP and safety aspects. Steve Mualim (Auditor). Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as an environmental management consultant in 2012 and sustainable palm oil assurance auditor since 2013. Has attended several trainings i.e.: supply chain, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, ISO 9001:2008, etc. Has conducting several audit for RSPO, ISPO and MSPO scheme with expertise on best management practices, conservation and environmental management. Fluent in Bahasa and Chinese Mandarin. In this audit He conducted an assessment on social aspect, HCV, waste management, and environmental management. Doni (Auditor). Indonesian Citizen. Master of Rural Sociology. Has experience as an forestry and palm oil auditor since 2010. Has attended several trainings such as lead auditor of ISPO, RSPO, ISO 9001, ISO 19001, SA 8000 Awareness. Has conducting several RSPO, ISPO audit scheme with expertise on social and worker welfare aspects. In this audit He conducted an assessment on social aspect, transparency, and worker welfare.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1.3	<p>Number of auditors : 4 auditors</p> <p>Number of days for ASA-1.3 at site : 5 days</p> <p>Number of working days for ASA-1.3 at site : 20 Working days</p>
2.2.2	Assessment Process
ASA-1.3	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Kridatama Lancar to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016 and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D for CPO Mill)</p> <p>Auditor team traveling on Monday, 17 June 2019 using direct flight from Jakarta to Palangkaraya and picked up by management in Tjilik Riwt Airport. It take time approximately 6 hours from Palangkaraya (Tjilik Riwt Airport) to site of PT. Kridatama Lancar. Opening meeting has been held on the same days in meeting room Sukamandang Estate. It attended by auditor team and management representatives. Document verification conducted in the same place. Closing meeting held on Friday 21 June 2019. There is no diverging opinion that delivered by auditee during the closing meeting.</p>

	<p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-1.3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.4). Improvement of findings from main assesment findings were observed by auditors at this ASA-1.3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.3.</p> <p>The assessment program please find Appendix 2</p>
2.2.3	Locations of Assessment
ASA-1.3	<p>Number of units in this certification activity is 4 (four) estates, which supply the raw material (FFB) to Sukamandang POM. In conducting the assessment, the team of auditors use the clause 4.7.1 on RSPO Certification System For Principle and Criteria (Endorsed June 2017) <i>"The CB's procedures shall include the sampling methodology (see 4.7.2) for initial certification, surveillance and re-certification audits, where there are more than four estates or associated smallholders, otherwise all estates must be visited as part of the assessment"</i>. The team of auditors determined that the sampling locations regarding to the standard are 1 (one) Palm Oil Mill (Sukamandang POM) and 4 (four) estates (Sukamandang, Kuala Kuayan, Sapiri and Baras Danum Estates).</p> <p>Sukamandang Factory (SMF)</p> <ol style="list-style-type: none"> Security Gate. Observation and interview with security officer regarding of receive and dispatch procedure. Weighbridge. Observation and interview with weighbridge operator regarding of receive and dispatch procedure, recapitulation, labour issue etc. Grading Station. Observation and interview with Foreman and 2 FFB Graders, on their understanding towards technical, FFB quality category, OSH, manpower and environment, as well as facilities provided by the company. Loading Ramp Station. Observation and interview with Foreman and 1 Operator, on their understanding towards technical, OSH, manpower and environment, as well as facilities provided by the company. Sterilizer Station. Observation and interview with Foreman and 1 Operator, on their understanding towards technical, OSH, manpower and environment, as well as facilities provided by the company. Thresher Station. Observation and interview with Foreman, 1 Crane Operator and 1 Thresher Operator, on their understanding towards technical, OSH, manpower and environment, as well as facilities provided by the company. Workshop. Observation and interview with Foreman and 2 Welders (certified), on their understanding towards technical, OSH, manpower and environment, as well as facilities provided by the company. Processing Office. Observation on safety and emergency facilities provided such as completeness of First Aid, Hydrant and Fire Extinguisher. Clarification Station. Observation and interview with Foreman and 1 Operator, on their understanding towards technical, OSH, manpower and environment, as well as facilities provided by the company. Press Station. Observation and interview with Foreman and 1 Operator, on their understanding towards technical, OSH, manpower and environment, as well as facilities provided by the company. Kernel Station. Observation and interview with Foreman and 1 Operator, on their understanding towards technical, OSH, manpower and environment, as well as facilities provided by the company. Engine Room. Observation and interview with Foreman and 1 Operator, on their understanding towards technical, electricity and maintenance, OSH, manpower and environment, as well as facilities provided by the company. The factory has 3 Generators with capacity 450 kVA, 400 kVA (currently on service) and 200 kVA. Boiler Station. Observation and interview with Foreman and 1 Operator, on their understanding towards technical, OSH, manpower and environment, as well as facilities provided by the company. The factory has 2 Boilers with capacity 30 and 45 ton/hour. Water treatment plant. Observation for OHS and water usage monitoring. Hazardous waste store. Observation for OHS and hazardous waste management. Central store. Observation for material handling and OHS. Chemical store. Observation for OHS and material handling. Effluent pond. Observation for pome management.

19. **Reservoir.** Observation for water source management

Sapiri Estate

- 20. **HCV Area (Water Source), Block O44.** Observation of HCV management and monitoring.
- 21. **Boundary Pole BM 14 and BM 15 Block E30.** Observation of demarcation area.
- 22. **HCV Area, Bukit Susu, Block F33 Division 3.** Observation of HCV management and monitoring.
- 23. **Harvesting, Block F52 Division 1.** Observation and interview with harvester and harvesting supervisor regarding to harvesting activity, safety working procedure, payments and complaints mechanism.

Baras Danum Estate (BDE)

- 24. **BDE Office.** Interview with 3 Foremans, 1 **Harvester**, 1 **Loosefruit Pickers**, 4 **Fertilizer Applicators** and 2 **Pesticide Applicators**, on their understanding towards technical, daily work base, OSH, type of PPE provided, manpower, environment, conservation, as well as facilities provided by the company. Note: during time of audit, there was heavy rain situation, caused several estate activities beeing canceled/hold.
- 25. **Division 1 Block J16/17.** Observation to **Plastic Mulching** on Turnera Plants, **EFB mulching** on mature area with dosage ± 300 kg/palm/year, and **Barn Owl Box** which expected to control rat population in radius 30 ha.
- 26. **Chemical store.** Observation for material handling and OHS.
- 27. **Sparepart store.** Observation related OHS and material handling.
- 28. **Fuel tank.** Observation for material handling and OHS.
- 29. **Fertilizer store.** Observation for material handling and OHS.
- 30. **Lubricants store.** Observation for material handling and OHS.
- 31. **Workshop.** Observation for OHS and workers welfare.
- 32. **Hazardous waste store.** Observation for OHS and hazardous waste management.
- 33. **Policlinic.** Observation for workers facilities and OHS.
- 34. **Daycare.** Observation related workers facilities and OHS.
- 35. **Block spraying system.** Observation for material handling and OHS.
- 36. **Block manuring system.** Observation for material handling and OHS .
- 37. **Block I52.** Observation for EFB application.
- 38. **Block J5 div 1.** Observation for HCV management.
- 39. **Housing.** Observation for workers facilities, OHS, and waste management

Kuala Kuayan Estate

There is field visit to the best management practices activity in Kuala Kuayan Estate due to heavy rain around 07.00 – 14.00 local time.

- 40. **HCV Area, Forest Hill and Water Source, Block H10, Division 1.** Observation of HCV management and monitoring.
- 41. **HCV Area, Riparian of Manggis River, Block C10, Division 2.** Observation of HCV management and monitoring.

Sukamandang Estate (SME) – 20 June 2019

- 42. **Division 2 Block 32H.** Observation and interview with Foreman and 8 **Pesticide Applicators** (all female), on their understanding towards technical, daily work base, OSH, manpower, environment, conservation, as well as facilities provided by the company.
- 43. **Division 2 Block G23.** Observation and interview with Foreman and 1 **Harvester**, on their understanding towards technical, OSH, manpower, environment, conservation, as well as facilities provided by the company. There was also **Barn Owl Box** with good condition.
- 44. **Division 2 Block I007.** Observation to agronomy input on rolling to hilly immature area (planted in 2017), i.e. **EFB mulching** on palm circle with dosage ± 200 kg/palm/year, **cover crop condition** and **terraces** planting platform.
- 45. **Division 3 Block J25.** Observation to EFB mulching on mature area which placed on inter palm and/or interrow with dosage ± 300 kg/palm/year or 40 ton/ha/year.
- 46. **Division 2 Block G29.** Observation to **land application by POME** area.
- 47. **Block J27.** Observation for HCV management.

	<p>48. Pole BM01 block N19. Observation for legal operational boundary.</p> <p>49. Pole BM 02 block N19. Observation for legal operational boundary.</p> <p>50. Blok H32-33 pertain kalali riparian. Observation for HCV management.</p> <p>51. Fertilizer store. Observation for material handling and OHS.</p> <p>52. Chemical store. Observation for material handling and OHS.</p> <p>53. Firefighting store. Observation for fire fighting facilities.</p> <p>54. Firefighting simulation. Observation for emergency response team .</p> <p>55. Hazardous waste store. Observation for OHS and hazardous waste management.</p> <p>56. Land application block H37. Observation for OHS and pome management.</p> <p>57. Polyclinic. Observation for workers facilities and OHS.</p> <p>58. Fuel tank. Observation for material handling and OHS.</p> <p>59. Housing div III. Observation for workers facilities, OHS, and waste management.</p> <p>60. Block spraying system. Observation for material handling and OHS.</p> <p>61. Block manuring system. Observation for material handling and OHS</p> <p>Stakeholder</p> <p>62. Public consultation with government of Kotawaringin Timur District, Province of Kalimantan Tengah (Labour Agency and Plantation Agency)</p> <p>63. Public consultation with surrounding community (Local Contractor, NGO local communities)</p> <p>64. Public consultation with Internal Stakeholders (Gender Committee, Labor Union and Worker Cooperative)</p>
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1.3	<p>The public consultation with stakeholders to PT Kridatama Lancar done through:</p> <ul style="list-style-type: none"> • Conduct a public announcement on the CB website (www.mutucertification.com) on 23 June 2018. • Conducting visits and direct interviews with stakeholders (Labour Agency and Plantation Agency, Kotawaringin Timur District, Province of Kalimantan Tengah) on 17 June 2019. • Conduct consultations via email questionnaire to NGOs (Yayasan Orang Utan Indonesia, Wahana Lingkungan Hidup Indonesia – Kalteng, Borneo Nature Foundation, Save Our Borneo and Lestari Hutanku) on 13 June 2019. • Conducting visits and direct interviews with stakeholders (Local Communities) on 18 June 2019. • Conducting Interviews with the Cooperative Employees, local contractor, Gender Committee, Labor Union on 18 June 2019.
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (<i>ASA-1.4</i>) will be determined one year after this <i>ASA-1.3 (June 2020)</i>

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of **Sukamandang POM – PT Kridatama Lancar subsidiary of Sime Darby Plantation Berhad** operation consisting of one (1) mill and four (4) estates.

During the assessment, there were eight (6) Nonconformities were assigned against Major Compliance Indicators, three (3) nonconformities were assigned against Minor Compliance Indicators and two (2) opportunities for improvement were identified. During this audit found one recurrent major NC in General Chain of Custody indicator. However, according to the certification system, this does not cause the certificate to be suspended.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences.

MUTUAGUNG LESTARI found that Sukamandang POM – PT Kridatama Lancar Sime Darby Plantation Sdn Bhd complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016 and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is Continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	PT Kridatama Lancar has Procedure for Communication with the number of policy 725/PSQM-ESH/2016 on 27 June 2016. These procedures as practical guidance to handle the internal and external communication related to information of RSPO, Environment, social and law. Based on interview with community of Sukamandang and Kapuk Village, if they need information they will submit a letter to the company. According to them, the company always responds each letter submitted. The company has a list of stakeholders including government, NGOs, civil organizations, suppliers and contractors, which was updated in 2019	
1.1.2	All requests for information, suggestion, aspiration and response from stakeholders will be followed up by company in accordance with their respective authorities. All records and documentation will be recorded and documented in the daily log book. The company was documented all of incoming and outgoing letter from another party. Based on document verification of incoming letter and the respond by the company, for example for Sapiri Estate there was letter from Regional Disaster Management Agency. The company was respond these requested and the documentation of response was showed.	
	Status: Comply	
1.2	Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	
1.2.1	PT Kridatama Lancar has a list of information that can be accessed by stakeholders in the Procedure for Communication	

(number of policy 725/PSQM-ESH/2016 on 27 June 2016 which is established by the Estate Manager or Chairman of SOU 2). The documents that can be accessed by the public including:

- The policy of environmental occupational health and safety and company's gender
- Environmental occupational health and safety programme and RSPO company
- Progress of environmental occupational health and safety programme and RSPO company
- Matters which is related to environmental occupational health and safety programme and RSPO
- The environmental impact analysis
- The documentation of HCV
- Reduction and prevention of pollution
- Detail of complaint
- Negotiation
- Sustainable improvement planning
- Public summary and certification assessment report
- The policy of human rights

Based on interviews with Village head and community of Tajur Baras, known that the villagers understand how to obtain information from the company. The company maintains records of request for information and responses under "*Logbook Komunikasi*" on each unit management. Based on document verification, that's known no information request from stakeholders. There are showed sample of request from villagers (relief fund) and the company has been follow up these request.

Status: Comply

1.3

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

1.3.1

Company has a policy of standard business of conduct that explains fair business practices, prohibition of corruption, bribery, fraud in the use of funds and resources as well as the disclosure of information in accordance with prevailing regulations. The policy contained in the Company Policy no. 440/HRM-COC/07 on 24 May 2007. The policy is available in Bahasa. The policy is communicated to workers in accordance with the results of interviews with them. Based on interview with contractor of FFB transport, it is known that company has been disseminated the policy of standard business of conduct. Socialization to 3rd party also conducted. The policy also displayed on public area such as meeting room, housing area, notice board etc.

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

Company has list of updated applicable Indonesian laws/regulations, international laws or conventions which adopted as reference for oil palm estate and processing process activities, and its classified based on several aspects such as land permit, OHS, Environmental, HCV, labor and manpower, social, and etc. Based on document review, it consist of about 172 items of laws and or regulations were related. There were additional regulations on January 2019 such as follows :

- Regulation of the Minister of Environment, PermenLH no 5/2018 regarding competency certification for waste water treatment plant PIC
- Regulation of Agraria and Spatial Minister, Permen ATR No 7 2017 regarding "*Pengaturan Tata Cara Penetapan Hak Guna Usaha*"

Labor and manpower

The Company has applied wages and overtime in accordance with applicable labor regulations. The Company has applied the minimum wage in accordance with SK *Penetapan Upah Minimum* Seruyan regent 2019

Environmental aspect

Aspects of plantation and mill management that have environmental impacts were identified and listed on EIA document.

Current EIA are conducted on 1998, covered 15,900 ha plantation areas and maximum mill capacity are 60 mt FFB/hour, this document approved by Agriculture Department based on decree No 35/ANDAL/RKL-RPL/BA/X/1998 on year 1998 Land Legality Aspect:

- PT Kridatama Lancar has had land title from Land National Agency of Kotawaringin Timur since 22 June 1999 (Certificate number 11 dated 9 August 1999) with total 14,779.92 Ha. Valid until 9 August 2034.
- PT. Kridatama Lancar has had Registration Letter of Plantation Permit according to Decree of Forestry and Plantation Ministry number 445 on 25 April 2000 that covering 14,779.92 Ha of plantation area. There was additional mill capacity from 40 ton FFB/hours to 60 to FFB/hours according to plantation permit for processing (Central Kalimantan Decree number 188 dated 28 September 2015).

2.1.3 & 2.1.4

Mechanism to law register updating and implementation has been established and listed on procedures "*Persyaratan Peraturan*" No Policy 701/TQEM-ESH/10. This procedures has describes information of laws and regulations, identification of requirement, updating mechanism, updating PIC, and etc.

Plantation Service Department officer has responsibility for updating law register and evaluate company compliance regarding the applicable laws/regulations. The last evaluation / internal audit for regulation compliance were conducted on January 2019, and history for all law register changes from 2017-2019 are available.

Status: Comply

2.2

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

2.1.1

Unit manajemen has had legal document as a right usage as follows:

- PT Kridatama Lancar has had land title from Land National Agency of Kotawaringin Timur since 22 June 1999 (Certificate number 11 dated 9 August 1999) with total 14,779.920 Ha. Valid until 9 August 2034.
- PT. Kridatama Lancar has had Registration Letter of Plantation Permit according to Decree of Forestry and Plantation Ministry number 445 on 25 April 2000 that covering 14,779.92 Ha of plantation area. There was additional mill capacity from 40 ton FFB/hours to 60 to FFB/hours according to plantation permit for processing (Central Kalimantan Decree number 188 dated 28 September 2015).

Total area inside of certification scope is in line with the HGU area which is **14,779.92 Ha**. All area originated from state land which was compensated from local communities.

2.2.2

SOP of boundary pole maintenance still same as previous assessment that listed on "*SOP Pemeliharaan Patok BPN* (dated on 12 May 2011)". The company shows the HGU Pole Inspection Monitoring that conducted every 6 months. For example in Sapiri Estate conducted on May 2019, there were 16 pole with conditions 16 pole in good condition and 12 12 boundary poles in Sukamandang Estate are in good condition based on monitoring report on June 2019.

Through field observation and coordinates checking of the HGU boundary pole in Sapiri Estate, Baras Danum Estate and Sukamandang Estate, it is known that all stakes are still in good condition and the coordinate points are in accordance with the "*Buku Tugu 2015*".

Based on the records of previous audit activities (ASA-1.2), information was obtained that a Time Frame (September 18, 2017) was prepared to verify the coordinates of the stakes in accordance with the letter from the BPN (planned for November 2017- January 2018).

The corrective action at that time carried out by the company was by sending the PT KLR Geographic Coordinate List Application Letter on September 3, 2018 (received at the National BPN office on September 7, 2018) explaining the request to re-register the boundary poles coordinate list as follow-up letter of application on September 15, 2017.

However, until the ASA-1.3 audit is completed, positive evidence progress has not yet been demonstrated in the measurement of the boundary poles coordinates.

Based on the explanation above, the company has not been able to show clear legal boundaries to prove the certainty of land tenure in accordance with the appropriate boundary poles coordinates. Thus, this becomes a **non-conformity No. 2019.01**.

2.2.3; 2.2.4; 2.2.5; 2.2.6

Based on interview with previous land owner and village representatives from sub village of Tajur Baras informed that there was no land dispute cases for the last 5 year. The company has paid all of villager's right.

Based on interview with national land agency staff of Kotawaringin Timur informed that there is no land dispute cases submitted to their office so far.

Procedures related to land conflict resolution are unchanged from previous assessments listed in the Occupational Land Release Procedure (No. 343/PSD-OKUP/10) as well as the Land Conflict Resolution Procedure (RSPO/B.5.23/KLR). The procedure explains that the settlement of land dispute was conducted through the negotiation phase between the company and the party claiming the land and witnessed by various parties.

Based on field visits and interviews with plantation agencies and surrounding communities, there is currently no land dispute between the company and other parties, village representatives in Tajur Baras subvillage (previous land owner) also explained that the initial compensation activity has been done through by negotiation. The last land dispute occurred in 2011 and has been resolved by negotiations witnessed by the village head.

Policy related to the prohibition on the use of mercenaries in plantation operations are still the same as previous assessments. The company has a policy signed by the Chairman of Sukamandang Area No. 022/SOU-Intern/VI/2015/S, dated June 4, 2015 regarding the Prohibition of the Use of Mercenaries or Paramilitaries in Estate Operations.

2.2.2	Status: NCR 2019.01 as Minor Category
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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

As written in previous assessment, the company has had Occupational Land Release Procedure (No. 343/PSD-OKUP/10) as well as the Land Conflict Resolution Procedure (RSPO/B.5.23/KLR). The procedure explains that the settlement of land dispute was conducted through the negotiation phase between the company and the party claiming the land and witnessed by various parties.

According to the interview with village representatives from sub village of Tajur Baras known that the company has compensated their land with a fair and transparent process. Local people allow to deny the compensation price which offering by the company. This whole process witnessed by the head of village or local elders, government staf from subdictict etc.

Based on document review of area statement, interview with plantation agency and management also, there is no land expansion between re-certification until this ASA-1.3. So there is no new land compensation process recorded. The last land compensation activity was conducted on 2011. Records of land compensation process consist of: document of land identification and inventory, land location maps, statement of release of land rights by owner, Receipt of Payment, Minutes of compensation/Compensation and witnesses. This document are kept in PSD file storage and also in each estate.

Status: Comply

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

3.1

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

3.1.1

Long term management plan was arranged by estate and factory unit, issued by Area Controller of Kalimantan Tengah – Timur (ACKTT). The company has longterm management plan for period 2017/2018 to 2021/2022 which already covers projection on FFB production, extraction of product (OER and KER), production of CPO and PK, forecast of product price, gross income, estate operational cost, mill operational cost, other cost, net profit, benefit cost ratio, etc. For example, long term budget for FFB production, CPO production, Kernel Production, CPO price and benefit cost (B/C) ratio for period 2020/2021 are 292,978.10 ton; 70,314.74ton; 14,648.91 ton; IDR 9,051.27/kg; and 2.20, respectively. Estate and mill management informed that there is no plan extension of estate operational areas and increment of mill processing capacity in the near future, which were about 14,779.92 ha and 60 ton FFB/hour, respectively. Furthermore, it was stated that those longterm business plan mentioned above are subjected to be changed and reviewed annually by the respective management such as Mill or Estate Manager, General Manager (GM), Senior GM (Head Region), Head Plantation Officer (HPO) and Chief Finance Officer (CFO) through considering actual trends and dynamic situation which predicted could be changed in the future. Moreover, it was known that there were no presence of peat areas and smallholder development project. Plantation Service department (PSD) and Plantation Sustainability and Quality Management (PSQM) Department are together with Estate and Factory Management has responsibility to ensure that all technical implementation has in accordance with procedure, which aims to reach optimum output for budget fulfillment purposes through monitoring, training and socialization.

3.1.2

The company has long replanting program (LRPP) of PT KLR which varies for period 2015/2016 to 2033/2034 in all estate, which also presented in document of Monthly Management Committee meeting (MMCM). For example replanting plan for period 2018/2019 to 2023/2024 is presented in the following Table.

Estate	Replanting Period (in ha)				
	2018/19	2019/20	2020/21	2021/22	2022/23
Kuala Kayan (KKE)	188.00	161.00	215.00	258.00	178.00
Sukamandang (SME)	-	134.99	378.15	210.74	148.36
Baras Danum (BDE)	-	-	-	-	-
Sapiri (SIE)		106.48	136.07	177.41	257.89

Estate management informed that replanting in SME and BDE, will be starts to be conducted on 2020 and 2027, respectively. During 2018/2019, realization of replanting has been carried out in KKE and SIE for about 349.00 ha and 106.48 ha, respectively. Replanting activities has conducted by contractor namely PT Central Pratama Property (PT CPP) from Jakarta through zero burning method. According to soil map, it was informed that there were no presence of peat soil within PT KLR operational areas. Based on field observation and interview with surrounding communities, it was known that replanting has conducted by adopting zero burning method. Issues of land clearing through burning method were never been reported by stakeholders (local communities, NGO, Government Agencies, etc.).

Status: Comply

PRINCIPLE #4 Use of appropriate best practices by growers and millers
4.1
Operating procedures are appropriately documented and consistently implemented and monitored.
4.1.1

There were no revision on the current procedure of oil palm agronomy and processing. The company has procedure (SOP) of oil palm Agronomy for Minamas Plantation Group which presented in document of Agricultural Reference Manual Policy No. 110/EST-ARM/13 dated 01 September 2013 which issued by the Head of Plantation Upstream Indonesia. The SOP describes techniques on palm material preparation, nursery, planting and replanting, land preparation, harvesting management, field upkeep, manuring, by-product application (EFB and POME), canopy management, water management and management in peat soil, standard of ripeness, ablation, palm protections, weeds control, LCC planting and rainfall recording. Based on Agronomy SOP's document reviews, field observation and interview with Foreman, Harvesters and Loosefruit Picker in all Estates, it could be concluded that the harvesters was able to explain and demonstrate the harvesting process in accordance with SOP, such as ripeness criteria, frond stacking and the use of personal protection equipment (PPE). Furthermore, based on field observation and interview with Foreman and Pesticide Applicators from all estates, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP,

such as considering wind flows during spraying process, pesticides and weeds target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with yellow poles and yellow mark on the palm trunks), PPE's to be used as well as its management.

Procedure for oil palm processing from FFB acceptance to dispatch of CPO and PK were presented in document of Minamas Plantation palm oil mill guidelines Part I and Part II, policy No. 130/POD-FAC/07 and No. 110/POD-FAC/07 Chapter I, Sub-chapter 1.1 which describes POM technical guidelines, such as stations processing, stocking, waste control and management, water treatment and laboratory analysis. There were also another policies related with oil palm processing, for example: Policy No. 14x/PTK-TRP/2004, No. SOP-SLF-01/2010 and No. 721/TQEM-PKA/08 Sub-chapter 6.2 which describes about FFB transportation, FFB acceptance and FFB grading on the mill, respectively. Based on field observation to all processing station in Sukamandang Factory (SMF), it could be concluded that all processing activities has satisfactory implemented in accordance with the procedures.

Safe working practices for mill is already mentioned in the Mill procedures such as Minamas Plantation palm oil mill guidelines Part I and Part II, policy No. 130/POD-FAC/07 and No. 110/POD-FAC/07. According to field observation to estate and mill, as well as interview with the respective workers, it could be concluded that in general the workers has understood the basic of safe working practices such as using a set of personal protection equipment (PPE), meaning of risk symbols, agrochemicals and hazardous materials handling, etc. furthermore, procedure of specific safe working practices towards pesticides application is presented in the following documents:

- No. LF/SOP.ESH/04 dated January 11th 2011 about agrochemicals handling.
- ARM Policy No. 110/EST-ARM/13 Chapter 15 dated September 1st 2013 about plant protection.
- Material Safety Data Sheet (MSDS) of pesticide products.
- Hazard Identification Risk Assessment Control (HIRAC).

Based on procedure documents review, it could be concluded that the oil palm agronomy, processing and safety procedures were still relevant with current situation and covers all main aspects from the field to the factory. All procedures were available in Bahasa. Furthermore, based on observation to estate and factory office, it was known that all procedures were available, as well distributed by PSQM officers.

4.1.2

Update and procedure documents distribution control to the respective units of PT KRL were conducted by PSD and PSQM. For monitoring and consistency purposes of procedure implementation, some mechanism had been carried out by Minamaas management, which presented in several documents, such as Monthly Estate/Factory Manager reports which presented in Factory Manager Process Control report, Estate Performance Index and Management Committee Meeting; Semester Plantation Advisory Visit report and Semester Mill Advisory report by Plantation Advisory Department from Head Office in Malaysia; Annual RSPO internal audit by Sustainability and ESH department; Semester performance qualitative report by Head Office team; etc. Observation results has documented and delivered via online to head office management for personal performance scoring purposes.

4.1.3

Estates and Factory management operational activities has monitored, documented and regularly reported, for example as production report by Assistant PSQM; monthly Factory Manager report; monthly and semester FFB production report; manuring report; daily harvesting notes and Foreman notes; daily work plan, etc. The records of mentioned reports has informed raw data, analysis and mentioned summary notes. Furthermore, Estate and Factory operational records has also recorded on program namely System Application Product and Processing (SAP) which updated on daily basis. All critical parameter points describes were need to be response and follow up by the respective person in charge (PIC) through action plan immediately. Progress of action plan were reported and submitted directly to the upper ordinate. Later on, each (priority) points were discussed, analysed and presented in monthly meeting by Manager. For example, critical issues and evaluation identified on the second semester of 2018 in SMF and SME are describes as follows:

SMF

Key Highlight / Issues : High loss in January increased due to stoppage of restreaming of sterilizer condensate due to high FFA. Mill has started to operate again the Rodos in February 2019 to recover the oil in Fat Pit

Recommendation :

- To maintain Todos operation.
- To restream back Sterilizer Condensate once the FFA in crude oil to below 4 %.

Time Frame : July 2019

SME

Key Highlight / Issues : Low yield in 1995 N07 – 55.11 ha (16 ton FFB/ha)

Recommendation :

- To carry out palm census to ascertain the productive, unproductive and dead palms, as well as vacant points.
- To conduct *Orytes* census and analysis.

Time Frame : October 2018

4.1.4

SMF has only receive FFB from its own estates and has no cooperation of FFB delivery with other Minamas Group companies, other companies, as well as with smallholders. The CH has implementing Integrated Preserved SCCS.

Status: Comply

4.2

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

4.2.1

Procedure of soil fertility management was presented in document policy No. 110/EST-ARM/13 Part 8 about manuring. SOP mentioned that manuring recommendation must be based on leaf and soil sampling analysis. Leaf sampling and soil sampling analysis should be carried out once and every five years, respectively. Both analysis has carried out by Minamas Research Centre (MRC) in Pekanbaru, Riau. Parameter measured on leaf analysis are macronutrient (N, P, K, Ca, Mg and Mn) and micronutrient (Fe, B, Zn and Cu) content (in %) while in soil analysis are nutrient retention (pH, % Organic-C, CEC), available nutrient (N-total, P-Total, available-P, K-dd and Mg-dd), soil properties (texture, drainage class, rooting depth), etc. Visual assessment of palm vigour land field condition by Agronomist was also carried out every 6 months to monitoring nutrient status change. Records of leaf and soil sampling are available. According to manuring recommendation program in 2018/2019 and 2019/2020, it could be concluded that calculation of fertilizer rates were derived from leaf and soil analysis. Furthermore, actual time of application has follows the schedule recommended by Minamas Research Centre (MRC) Agronomist team.

As mentioned in Indicator 4.1.2 and 4.1.3 it was informed that monitoring on procedure application were carried out by PSQM Department and Plantation Advisory visit. Based on field observation to all Estates, it was found several strategy had implemented which aims to enhance soil fertility in both areas such as:

- Manuring as recommended by Agronomist team. However, it was not observed due to heavy rain during audit assessment. Record of fertilizer application were available on estate site.
- By-products application, for example as seen in Division 1 Block J16/17 BDE, Division 2 Block I007 SME and Division 3 Block J25 SME for empty fruit bunch (EFB) mulching; and in Division 2 Block G29 SME for land application by palm oil mill effluent (POME).
- Planting of legume cover crops (LCC) such as *Mucuna bracteata* and maintaining soft grasses on immature and terraces areas as seen in Division 2 Block I007 SME which planted in 2017. This legumes has used to enhance nutrient N and K content on the soils, at the same time could prevent soil erosion.
- To keep soil moisture through selective weeding, by-products application and LCC maintenance.

4.2.2

Estate management has monitor the used of fertilizers and satisfactory recorded on Manuring Recapitulation and monthly Estate Manager Report. Manuring record for period 2018/2019 and 2019/2020 in all estates were available. Records of fertilizer applied has also presented in monthly management committee meeting (MCM) which prepared by Estate Manager. The report has informed Block of application, type and volume of fertilizer applied. Fertilizer recommended in 2018 to 2020 are AC, HGFB, RP, MOP and Kieserite. Based on document review, it was informed that manuring recommendation for period 2018/2019 is on schedule and fully completed. Among fertilizer applied are Kieserite, HGFB,

AC, MOP, RP and CCM 44.

According to Plantation Advisory Audit Report for Kalimantan Tengah Timur Zone from 2018, it was informed that fertilizer application quality in PT KLR were consider as good to very good, with average score above 70 point. Point of assessment has covers timely ordering of fertilizer, sampling fertilizer for nutrient analysis, time of application, proper storage of fertilizer, placement of fertilizer, completeness of program, right dosage application, etc. Furthermore, based on interview with manuring Foreman and fertilizer applicators from all estates, it was stated that applicators has trained periodically by Foreman and Assistant Manager. Object of training were fertilizer placement, time of application, correct dosage, PPE used and areas where fertilizer is prohibited to be applied.

4.2.3

Procedure of soil fertility management was presented in document policy No. 110/EST-ARM/13 Part 8 about manuring. SOP mentioned that manuring recommendation must be based on leaf and soil sampling analysis. Leaf sampling and soil sampling analysis should be carried out once and every five years, respectively. Both analysis has carried out by Minamas Research Centre (MRC) in Pekanbaru, Riau. Leaf and soil sampling were not conducted on the projected replanting areas (about 2 years before replanting). Parameter measured on leaf analysis are macronutrient (N, P, K, Ca, Mg and Mn) and micronutrient (Fe, B, Zn and Cu) content (in %) while in soil analysis are nutrient retention (pH, % Organic-C, CEC), available nutrient (N-total, P-Total, available-P, K-dd and Mg-dd), soil properties (texture, drainage class, rooting depth), etc. Visual assessment of palm vigour land field condition by Agronomist was also carried out every 6 months to monitoring nutrient status change. Records of leaf and soil sampling are available. According to manuring recommendation program in 2018/20189 it could be concluded that calculation of fertilizer rates were derived from leaf and soil analysis. Furthermore, actual time of application has follows the schedule recommended by MRC Agronomist team.

Estates management are able to shows leaf sampling analysis, for example leaf analysis for SME and BDE were presented in document Test Report No. P50/2019 dated 15 May 2019 and No. P66/2019 dated 23 May 2019, respectively. Furthermore, soil sampling analysis is presented in document of semi detail soil survey report of PT KLR period 2017 to 2022 dated may 2017 which carried out by MRC team from Pekanbaru. As mentioned in Indicator 4.1.2 and 4.1.3 it was informed that monitoring on procedure application were carried out by PSQM Department and Plantation Advisory visit. Based on field observation to all sampled Estates, it was found several strategy had implemented which aims to enhance soil fertility in both areas, such as: manuring as recommended by Agronomist, by product application (EFB in all estates and land application in SME), proper planting of legume cover crops (LCC) such as *Mucuna bracteata* and maintaining soft grasses on immature and terraces areas. This legumes has used to enhance nutrient N and K content on the soils, at the same time could prevent soil erosion. Futhermore, for keeping soil moisture on the field purposes, esttae management has conducting selective weeding, by-products application and LCC maintenance.

4.2.4

Apart from chemical fertilizers, organic fertilizers which came from by-products (EFB and palm oil mill effluent) has also applied for nutrient cycle purposes. By-products application was documented in monthly Estate Manager report chapter monthly work realization, realization of manuring report and by-product realization report. EFB dosage recommended were varies about 200 kg/palm/year in replanting areas and 30 to 40 ton/ha/year (or about 250-300 kg/palm/year) in mature areas, which depends on field condition. Furthermore, POME applied were about 750 m³/ha/year which divided into 3 rotation. For example, based on field visit to mature area in Division 1 Block J16/17 BDE and Division 3 Block J25 SME, it was found that EFB were mulched on inter palm and inter row. Meanwhile on immature area in Division 2 Block I007 SME which planted in 2017, it was known that EFB were mulched on the palm circle. Furthermore, based on observation to Division 2 Block G29 SME, it was known that that there was no leaking of POME pipe and applied on the permitted Block as crosschecked on the land application permit.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1; 4.3.2 and 4.3.6

According to soil and topography map with scale 1:40,000 and land suitability class which derived from semi detail soil survey report May 2017, it was known that almost 71.02 % of PT KLR total area were classified as slightly suitable, while 28.57 % and 0.41 % were classifeid as marginal (S3) and permanently not suitable class (N2), respectively. Furthermore, topography condition in PT KLR were dominated by rolling to hilly condition for about 69.58 %, which considered marginal

for oil palm cultivation. Only about 30.01 % of area were flat to undulating. However, the flat area were also prone to flooded during wet season, particularly where located around Manggis River and Kalali River. The rest area for about 0.41 % where located on Division 2 Block H010 KKE has a steep area (50-60 %). Based on field observation to Division 1 Block H010 KKE, it was known that the later (steep) area was currently managed as HCV area. The limitation in PT KLR are mainly due to soil lateritic texture, water availability and very steep slope which also classified as fragile area. In order to overcome such limitation, estate management has implementing several strategy which refers to procedure No. 110/EST-ARM/13 dated 16 September 2013, as follows:

- Adoption of individual planting platform and/or terraces planting pattern on rolling to hilly areas.
- To suppress surface run-off and leaching through U-shape and parallel to the contour line pruned fronds placement on flat to undulating and hilly contour areas, respectively.
- Adoption of field drains with pattern 1:4 to 1:2 on flat lowlying prone flood area, as seen in lowlying areas.
- Measuring erosion rate on hilly area. As measured, erosion rate in all estate were less than 0.2 cm/year.
- Selective weeding which aims to enhance organic matter and retaining soil moisture.
- Soil texture and nutrient recovery through by-products (EFB and POME) application, as seen in Division 1 Block J16/17 BDE, Division 2 Block I007 SME and Division 3 Block J25 SME for EFB mulching; and in Division 2 Block G29 SME for POME applicaiton.
- Manuring management through leaf and soil nutrient analysis, which recommended by Agronomist from MRC team towards nutrient balance calculation method, maximizing fertilizer use efficiency (to choose suitable fertilizers type, time of application and placement).
- For soil and water conservation, planting of land cover crop such as *Mucuna bracteata* has already implemented on immature areas, as seen in Division 2 Block I007 SME.

4.3.3

Program of road maintenance has found on annual budget plan which is included on Budget of transportation cost and reported on Manager Monthly Management Committe Meeting. Road maintenance activities were consist of manual maintenance such as cover crop clearance, surface reparation through gravels, road grader and compaction. For example, up to May 2019, it was know that BDE and SIE has conducting road maintenance totalling for about 70,300 m and 55,417 m, respectively. Road maintenance map were available. However, based on field observation, it was known that several road on lowlying areas were flooded due to heavy rain. To overcome this situtation, estate management has adopting field drain installation with patter 1:2 and 1:4 to accelerate time of water flux, thus FFB transportaion could be carried out immediately to prevent overripe fruits on the field. In general, road conditions were satisfactory and easily passable by FFB, CPO and PK transporter unit (oil tank and dump-truck).

4.3.4 and 4.3.5

Based on information from estate management, verification on semi detail soil survey and land feasibility study 2017 report of PT KLR, it could be concluded that there were no presence of peat soils within PT KLR operational areas. Hence, these Indicators are not applicable.

Status: Comply

4.4

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

4.4.1

All of water sources identification and management plan are listed on water management document and HCV identification document. These document describe the water source identification, Mill water usage monitoring & efficiency, and catchment area protections. Field visits on block J27 SKE for examples, found that companies managed water sources by marked the buffer zone, perform revegetation with mahogany, and zero chemical activity signboard placement. Company also conducted regularly water quality testing every semester for Manggis and Pemail Kalali river. Based on workers interview on estate housing shown that drinking water for them originated from refill water and company also provides clean water access for workers housing by artesian well. Stakeholder consultation with local community also acquired information that Manggis and Pemail Kalali river stream are not utilized by local community, therefore company activities were not affected local community .

4.4.2

Certificate holder has identified and shown the maps for catchment areas (including riparian) with proper 1:70000 scale.

HCV identification document shown there is some river flow on estate such as Manggis and Pemail Kalali river stream, meanwhile another water sources that identified was reservoir and lowland swamp. Company provided procedures for water courses protection/conservations listed on Buffer zone protection on 2009 procedure.

Field visit during surveillance audit, for examples on block J27 SKE for examples (Sukamandang estate) acquired information that company shown proper ways to maintain and protect the catchment area for example manual weeding and marking the chemical boundary border. Based on interviews with spraying workers, found that workers already understand the boundary marks of conservation areas that prohibited to conduct chemical activity.

4.4.3

All palm oil mill effluent are managed on waste water treatment plant before it distributed to Sukamandang estate as land application. Regarding this POME application, company have land application permit based on Kotawaringin timur regent decree nomor 188.45/581/HUK-BLH/2014 valid until 2019.

Company shown compliance related this pome application based on current permit for examples regular POME testing and annual soil testing on land application areas. Waste water quality testing document review shown for Oct 2018 - January 2019 all of waste water testing parameters is compliant to the standards quality and mill effluent management and monitoring has been reported to related institutions per 3 month regularly.

4.4.4

Observations on Sukamandang Factory water treatment plant found monitoring for raw and process water usage was done by officer periodically, and flowmeters at inlet serves normally.

Certificate holder are able to show water usage monitoring for period January - May of 2019 with an average use of 1.66 m³/ mt FFB process. From these records, it is known that the average use of mill water does not exceed the established budget (1.83 m³/ mt FFB process). Data of water usage from January - May 2019 is obtained from daily water usage record by WTP operator through flowmeter observation.

Company has surface water utilization permit based on decree of head of capital and integrated services Central Kalimantan province No 570/07/DPUPR-IPAP/IX/DPMTSP-2018 on 18 September 2018. Based on this permit shown that maximum debit for mill water usage (domestic and processing) were 18000 m³ Document review found average water usage per month for Sukamandang factory for periods Jan-May 2019 has been exceeded 18000 m³/ month, for examples for May 2019 water usage for domestic and process are 28270 m³.

Non-Conformance Description

Company were not able shown that water usage for SKF has been comply with requirements on water utilization permit.

NCR 2019.02 as Minor category

4.4.4	Status: NCR 2019.02 as Minor Category
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4.5

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

4.5.1

The company has committed to implement integrated pest management (IPM) which presented in procedure of ARM Policy No. 110/EST-ARM/13 Chapter 15 about plant protection which covers early warning system, census and analysis, biological and chemical pest population management and monitoring. The estate management has a program of integrated pest management and its realization which presented in monthly committee meeting report, for example as follows:

Census and Analysis

Estate management are able to show census results for leaf eating caterpillar, rats and termites. Census results shows that all pest incidence were mostly less than economic threshold limit as mentioned in the ARM procedure. This is also confirmed during field observation on the field. However, there is oryctes census which shows above threshold limit (>5 %) where identified in Block I26-I30 on May 2019. Thus, application of Centrin 50 EC is recommended by Agronomist. As census on June 2019, the incidence were decreased and below its threshold.

Biological Method for Pest Population Control

- The CH has conducting beneficial plants for leaf eating caterpillar and bagworm population control. New planting of beneficial plants has confirmed during field observation along main road and collection road, especially on replanting areas.

- The CH has adopting barn owl (*Tyto alba*) for rat population control. Estate management mentioned that 1 BOB was projected to covers about 30 ha. For example, based on observation to BOB in Division 1 Block J16/17 BDE and Division 2 Block G23 SME, it was found presence of *Tyto alba* which marked through rat bones.

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use of Kenlly 20 WG (Methyl metsulfuron) could be substitute with Ken Up 480 SL (Isoprophyl amine glyphosate). Moreover, biological control has also adopted as mentioned above.

4.5.2

The CH has conducting several trainings which aims to maintain workers knowledge and skills towards P&D management, for example as follows:

- Training of pest incidence census, IPM and HCV in BDE, SME, SIE and KKE has conducted on 15 May 2019, attended by all census officers from the respective estates.
- Training and socialization of BSS, MSDS and HIRAC for Agrochemicals (Pesticide and Fertilizer) Applicators in BDE, SME, SIE and KKE has conducted on 13 May 2019 in KKE Field by MRC Assistant, attended by all Agrochemical Applicators. Material of training, picture documentation, and attendance list were available.

Based on field observation and interview with Foreman and pesticide applicators from all estates, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with yellow poles and/or yellow mark on the palm trunks) as well as PPE's to be used as well as its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals.

Status: Comply

4.6

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

4.6.1

Procedure ARM Policy No. 110/EST-ARM/13 Chapter 15 about plant protection mentioned that the use of agrochemical should be based on census analysis evaluation when the level of incidence is more than threshold limits. In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use of Kenlly 20 WG (Methyl metsulfuron) could be substitute with Ken Up 480 SL (Isoprophyl amine glyphosate). According to observation to agrochemicals warehouse and record of pesticide application and list of pesticide used in 2018/2019 for PT KLR, it was known that there were 5 type of herbicides and 1 type of insecticide and there is no paraquat on the stock. Those pesticides used were listed in Pesticide and Fertilizer Directorate through http://pestisida.id/simpes_app/rekap_formula_nama.php?s_kategori=umum.

Based on field observation and interview with Foreman and pesticide applicators in BDE Office and Division 2 Block 32 H SME, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with yellow poles and/or yellow or red mark on the palm trunks), PPE's to be used, as well as its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals.

4.6.2

Record of pesticide usage in all estate were available and presented in Estate manager report. For example, up to May 2019, record of pesticide usage in BDE abd SME is summarized in the following Table:

Pesticide	LD-50 (Oral in Rats) (mg/kg)	BDE		SME	
		Volume	as/ha	Volume	as/ha
Ken Up 486 SL	1,480	-	-	1,965.00	0.32
Kenlly 20 WG	5,000	68.75	0.004	194.00	0.012
Kenlon 480 EC	1,480	44.00	0.02	308.00	0.06

Pamungkas 490 SL	1,480	1,750.10	0.15	-	-
Becano 500 SC	1,800	52.15	0.01	-	-
Centrin 50 EC	1,800	-	-	126.00	0.04

Pesticide	LD-50 (Oral in Rats) (mg/kg)	KKE		SIE	
		Volume	as/ha	Volume	as/ha
Ken Up 486 SL	1,480	2,567	0.28	-	-
Kenlly 20 WG	5,000	112	0.05	47.61	0.006
Kenlon 480 EC	1,480	67	0.05	-	-
Pamungkas 490 SL	1,480	-	-	1745	0.23
Becano 500 SC	1,800	-	-	-	-
Centrin 50 EC	1,800	11	0.01	-	-

4.6.3

Program and realization of pest management was presented in monthly report which describes EWS and census analysis, biological control and pesticide application, for example as follows:

- Estates management are able to shows census results for leaf eating caterpillar, rats and termites. Census results shows that all pest incidence were mostly less than economic threshold limit as mentioned in the ARM procedure. This is also confirmed during field observation on the field. However, there is oryctes census which shows above threshold limit (>5 %) where identified in Block I26-I30 on May 2019. Thus, application of Centrin 50 EC is recommended by Agronomist. As census on June 2019, the incidence were decreased and bellow its threshold.
- The CH has conducting beneficial plants for leaf eating caterpillar and bagworm population control. New planting of beneficial plants has confirmed during field observation along main road and collection road, especially on replanting areas.
- The CH has adopting barn owl (*Tyto alba*) for rat population control. Estate management mentioned that 1 BOB was projected to covers about 30 ha. For example, based on observation to BOB in Division 1 Block J16/17 BDE and Division 2 Block G23 SME, it was found presence of *Tyto alba* which marked through rat bones.
- In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use of Kenlly 20 WG (Methyl metsulfuron) could be substitute with Ken Up 480 SL (Isoprophyl amine glyphosate).

4.6.4

Based on pesticide used records in 2018.2019 for PT KLR which presented in Indicator 4.6.1 and 4.6.2, it could be concluded that there is no pesticides listed in WHO Appendix 1A, 1B and/or listed in Stockholm or Rotterdam Convention as well as paraquat. Moreover, all pesticides used by PT KLR were listed on www.pestisida.id by Department of Agriculture, Republic of Indonesia.

4.6.5

Procedure of pesticide handling, use and application were presented in several documents, such as document No. LF/SOP.ESH/04 dated January 11th 2011 about agrochemicals handling, ARM Policy No. 110/EST-ARM/13 Chapter 15 dated 01 September 2013 about plant protection, Material Safety Data Sheet (MSDS) of pesticide products and Hazard Identification Risk Assessment Control (HIRAC) for estate. In general, procedures has covers guideline of storage and handling of pesticides, handling of accident and first aid, risk identification, pesticides spills and leaks handling, PPE, physical and chemical properties, reactivity and material stability, toxicology and ecology information, pesticide wastes handling and transportation. The Company has conducting several trainings which aims to maintain workers knowledge and skills towards pest and diseases management, for example as follows:

- Training of pest incidence census, IPM and HCV in BDE, SME, SIE and KKE has conducted on 15 May 2019, attended by all census officers from the respective estates.
- Training and socialization of BSS, MSDS and HIRAC for Agrochemicals (Pesticide and Fertilizer) Applicators in BDE, SME, SIE and KKE has conducted on 13 May 2019 in KKE Field by MRC Assistant, attended by all Agrochemical Applicators. Material of training, picture documentation, and attendance list were available.

According to document verification, statement from estate manager, interview with pesticide applicators and field

observation to agrochemicals warehouse, it could be concluded that the company has no use of pesticides which required a special training for its applicators (ex. Paraquat) as arranged by Ministry of Agriculture Regulation (Permentan) No. 24 year 2011. Furthermore, based on field observation and interview with pesticide applicators in all estates, it could be concluded that the workers were able to explained and demonstrate several technical skills such as PPE used, spraying techniques and prohibited application areas such as HCV and riparian areas which marked with yellow paint on palm trunks or yellow poles. Moreover, based on field observation to Pesticides Store in all Estates, it was found that all MSDS were available and match with pesticide stocks, symbols of risk and hazardous level, instruction and PPE used were displayed properly. Furthermore there are block spraying system (BSS) House as pesticide mixing and PPE's place.

4.6.6

Work instruction on pesticide application has follows technique presented in Material Safety Data Sheet (MSDS) of pesticide products and Hazard Identification Risk Assessment Control (HIRAC) for estate. Which covers guideline of storage and handling of pesticides, handling of accident and first aid, risk identification, pesticides spills and leaks handling, PPE, physical and chemical properties, reactivity and material stability, toxicology and ecology information, pesticide wastes handling and transportation. Training and socialization of BSS, MSDS and HIRAC for Agrochemicals (Pesticide and Fertilizer) Applicators in BDE, SME, SIE and KKE has conducted on 13 May 2019 in KKE Field by MRC Assistant, attended by all Agrochemical Applicators. Estate management mentioned that used pesticide containers could be reused for the same purposed such as for mixing containers, or to be delivered to Hazardous Waste Store which will be collected by permitted collector namely PT Indorudy. This matter is further detailed on Indicator 5.3.2.

4.6.7

Work instruction on pesticide application has follows technique presented in Material Safety Data Sheet (MSDS) of pesticide products, Procedure No. PM 0800 dated April 1st 2010 about Block Spraying System (BSS), Procedure No. 394/IT-LB3-23/11 dated September 27th 2011 about Hazardous materials management and Hazard Identification Risk Assessment Control (HIRAC) for estate. All reference mentioned in the former has covers guideline of storage and handling of pesticides, handling of accident and first aid, risk identification, pesticides spills and leaks handling, PPE, physical and chemical properties, reactivity and material stability, toxicology and ecology information, pesticide wastes handling and transportation. The Company has conducting several trainings which aims to maintain workers knowledge and skills towards safe pesticide application, for example training and socialization of BSS, MSDS and HIRAC for Agrochemicals (Pesticide and Fertilizer) Applicators in BDE, SME, SIE and KKE has conducted on 13 May 2019 in KKE Field by MRC Assistant, attended by all Agrochemical Applicators. Material of training, picture documentation, and attendance list were available.

Based on field observation and interview with Foreman and Pesticide Applicators in in all estates, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with yellow poles and/or yellow mark on the palm trunks) as well as PPE's to be used and its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals. Furthermore, based on field observation to Pesticides Warehouse in all estatets, it was found that all MSDS were available and match with pesticide stocks, symbols of risk and hazardous level, instruction and PPE used were displayed properly. Furthermore there are block spraying system (BSS) House as pesticide mixing and PPE's place in both estates. Moreover, observation to housing complex shows that there was no use of discarded pesticide containers and other agrochemicals for domestic household purposes. Estate management has provide special vehicle which has a role for pesticide distribution to the field. Auditor has no observed the vehicle during audit. However, as described by Foreman, it was explained that the vehicle is a modified trucks that equipped with hazardous symbols, container for pesticide mixing dilution, and container of clean water which stored separately.

4.6.8

Based on field observation and information form estate management, it was informed that there were no pesticide application by plane through the air. All pesticides has applied through spraying both manually and mechanically.

4.6.9

The Company has conducting several trainings which aims to maintain workers knowledge and skills towards safe pesticide application, for example training and socialization of BSS, MSDS and HIRAC for Agrochemicals (Pesticide and Fertilizer)

Applicators in BDE, SME, SIE and KKE has conducted on 13 May 2019 in KKE Field by MRC Assistant, attended by all Agrochemical Applicators. Material of training, picture documentation, and attendance list were available. Based on field observation and interview with pesticide applicators in all estates, it could be concluded that the workers were able to explained and demonstrate several technical skills such as PPE used, spraying techniques and prohibited application areas such as HCV and riparian areas which marked with yellow paint on palm trunks.

4.6.10

Procedure of pesticide wastes included used containers is presented in procedure No. 003/P2K3-KLR/XI/17 about hazardous waste management. Furthermore, used pesticide containers management is presented in procedure No. 701/IK-TQEM-ESH/10. Estate management mentioned that used pesticide containers could be reused for the same purposed such as for mixing containers, or to be delivered to Hazardous Waste Store which will be collected by permitted collector namely PT Indorudy. This matter is further detailed on Indicator 5.3.2 Based on field observation, it was found that used water for pesticide mixing were trapped and reused for the next mixing in the BSS. Furthermore, observation to housing complex shows that there was no use of discarded pesticide containers and other agrochemicals for domestic household purposes. Based on interview with Foreman and Pesticide Aplicators in all estates, they have mentioned that all used pesticide containers shall be collected and send it to Hazardous Store (TPS LB3). The workers also mentioned that company has not allowed used containers for any other purposes unless for pesticide mixing (and same usage) by estate management.

4.6.11

Estate management shows list of pesticide operators in all estate. Special medical check up for related agrochemicals works which consist of cholinesterase and spirometry is carried out by PT Cahaya Krisnako on 18 to 27 September 2018 in Central clinic of SME. The results shows that all workers tested were indicate fit to works which may exposed to agrochemicals. Based on interview with Foreman and Pesticide Applicators in all estates, it was known that medical checkup result has informed directly to the workers during muster morning. Those who identified not fit to work due to agrochemicals, will be transfered into antoher works away from agrochemicals. Furthermore, there is no issues related to skin diseases and itches due to agrochemicals works, as confirmed by related estate workers.

4.6.12

Based on field observation and interview with Foreman and pesticide applicators in BDE Office and Division 2 Block 32 H SME, it was statetd that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals. Pregnant monitoring has conducted quarterly and could be flexible when applicators need to be checked up.

Status: Comply

4.7

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

4.7.1

- There is no change of safety policy, which presented in Head Plantation Upstream Indonesia dated December 2011. The Company is committed to provide a safe working environment for all employees and visitor, as well as strive to facilitate a proper protection for workers and company assest which aims to avoid accident and damage incidence. The policy is available in Bahasa. Socialization has been conducted to all employees include contractor and visitor through safety briefing before starting activities on the sites. This is confirmed during audit. Based on interview with workers in estates and mill, it was informed that safety briefing is conducted daily during muster morning. Socialization of occupational health and safety (OSH) is conducted annually.
- Estate and mill management are able to shows P2K3 program for period 2019. The program has cosnsist of 9 main program, i.e. training, OSH implementation, hydrant simulation, OSH implementation, hazardous material handling, medical check up monitoring and socialization. Furthermore, P2K3 program in Estate has consist of 10 program which consist of safety town hall, HIRAC, safe working practices training, emergency simulation, medical check up, environment management, etc.
- The CH has able to shows monthly meeting of OHS Committee records which presented in the Minutes Meeting documents, for example minutes of P2K3 meeting for SMF in March to May 2019 had been conducted on 16 March 2019, 13 April 2019 and 18 May 2019, respectively. The meeting was attended by 19 committee members. Issues being discussed are PPE, safety equipment on machinaries and chemicals area. Furthermore, minutes of P2K3 meeting for PT KLR Estate in March had been conducted on 27 March 2019, attended by 20 committee members.

Issues being discussed are harvesting work accident and OSH committee registration to the Manpower Agency.

- Company management is able to show evidence on P2K3 report delivery as shown through Delivery Letter of P2K3 Quarter 1 2019 report of SMF No. 011/SMF-EXT/V/2019 dated 15 April 2019, delivered to Manpower Agency of Suruyan Regency and Kalimantan Tengah Province, and Delivery Letter of P2K3 Quarter 1 2019 report of PT KLR-Estate No. 103/KLR/P2K3/DISNAKER/IV/2019 dated 06 April 2019, delivered to Manpower Agency of Suruyan Regency and Kalimantan Tengah Province.

4.7.2

Procedure of Hazard Identification Risk Assessment and Control (HIRAC) is presented in procedure No. 7301/PSQM-ESH/11 dated 07 July 2011. Company management is able to show HIRAC document which issued by the respective OSH Committee Secretary and Estate/Mill Manager. According to document review, it was known that the assessment and analysis has covers all relevant mill and estate operational activities. Summary of accident in PT KLR for period 2018 and 2019 (up to May) are available. However, estate management is not be able to show HIRAC Evaluation on accident in BDE dated 06 February 2019 which caused 8 mandays lost is not available. **NCR No. 2019.03 with Major category.**

4.7.3

The company management is able to show Operators/Workers License monitoring as well as its extension when come to expired. this is confirmed during field observation and License/Certificate monitoring record. Training related to OSH matter has conducted annually for refreshment during safety townhall and technical training. According to interview with workers from estate and mill, it could be concluded that there were no issues related to workers knowledge on technical safety matters. However, there were found several fact which noted as **NCR No. 2019.04 with Major category**, described as follows:

Evidence observed

- Based on interview with workers in estate and mill, as well as PPE safety boot and boot delivery record, it was known that those PPE were provided once a year.
- Based on observation to SMF, it was found several operators did not wear suitable PPE, for example masker, earplugs and safety boot were substituted by buff, cotton and rubber boot, respectively.
- Based on observation and interview with pesticide applicators in BDE and SME, it was known that PPE masker used was carbon type, not respirator as required by MSDS of product.

Non-Conformance Description

- The company is not be able to ensure that all PPE were provided to all workers all years.
- The company is not be able to ensure that all workers has use PPE in accordance with HIRAC and/or MSDS

4.7.4

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

- P2K3 for MSF (PT KLR Factory) legitimation shows through Decree of Manpower Agency Head of Kalimantan Tengah Province No. KEP.95/DISNAKERTRANS/VI/2019 dated 19 June 2019, with OSH Secretary was OSH Expert with reg. No. 49479/PK3/AJ/31/2017/PO, valid until 08 June 2020.
- P2K3 for PT KLR Estates legitimation shows through Decree of Manpower Agency Head of Kalimantan Tengah Province No. KEP.012/DISNAKERTRANS/II/2019 dated 24 January 2019, with OSH Secretary was OSH Expert with reg. No. 40469/PK3/AJ/31/2017/PO, valid until 08 June 2020.

Company management is able to show evidence on P2K3 report delivery as shown through Delivery Letter of P2K3 Quarter 1 2019 report of SMF No. 011/SMF-EXT/V/2019 dated 15 April 2019, delivered to Manpower Agency of Suruyan Regency and Kalimantan Tengah Province, and Delivery Letter of P2K3 Quarter 1 2019 report of PT KLR-Estate No. 103/KLR/P2K3/DISNAKER/IV/2019 dated 06 April 2019, delivered to Manpower Agency of Suruyan Regency and Kalimantan Tengah Province. Based on interview with OSH committee representatives from Estate and Factory, it was known that P2K3 meeting has conducted regularly. Minutes of meeting were available.

4.7.5

Procedure of emergency is presented in several documents, i.e. Policy No. 712/TQEM-KRKD/10 about emergency

response and mitigations, No. 716/TQEM-PK/10 about fire prevention, and No. 717/TQEM-PK/10 about hazardous materials leakage. The procedure has covers identification which may caused emergency situation due to fire, hazardous and hazardous waste materials, natural disaster, etc. emergency team which appointed to overcome thoses situation were available as mentioned in OSH Committee. The company is able to shows investigation of accident recor for period 2018/2019, as well as its follow up documents, such as Official Report of Accident, Investigation report, medical and recommendation record, medical certificate, etc. Manday lost due to accident were still paid by the company as verified to the salary payroll. Based on observation to estate and mill operational areas, it was known that the company has provide proper First aid kit box, in accordance with applicable regulation. Based on interview with all workers, it could be concluded that in general they are understood on facing emergency procedure and familiar with workers related with emergency situation such as Assistant, Paramedics and First Aid facilities, Fire Fighter Team, etc.

4.7.6.

The company has provided the employees with insurance to cover accident in accordance with the provision set by the government (BPJS). Such insurance is named national social insurance for manpower/ BPJS, which is routinely paid every month. Meanwhile, for medical insurance, PT Kridatama Lancar has registered its entire personnel in manpower medical insurance/ BPJS. Based on interview with some personnel, it is known that the entire personnel have been registered in manpower medical insurance/ BPJS. Beside that, interview with contractor representative, it is known that the accident insurance for contractor's workers is covered by the head of contractor itself. In addition the company has also shown evidence that any work accidents have been reported to the relevant agencies. From the results of the document review, it is known that there are no incidents of work with missing days and have been paid claims against BPJS Employment.

According to the document verification and interview with contractor during the audit known that all of their employee has been registered BPJS Kesehatan (Indonesian's social insurance for health) and BPJS Ketenagakerjaan (Indonesian's social insurance for worker).

4.7.7

Work accident is documented on the work accident recapitulation report and provided the lost time accident matrix in it. The matrix describe the number of work accident, working days lost, working time lost, and the number of lost cost. The matrix is attached on the guiding committee of occupational health and safety report.

The Company has been recapitulated the work accidents by using matric Lost Time Accident. Based on data from January to May 2019, there were 3 cases of accidents with total working days lost as much as 4 working days. Based on the data recording work accidents is available, it appears that the accident happened is a lightweight category and lost working days during the 4 working days from January to May 2019.

Monitoring of work accidents performed every month and reported to the relevant agencies with regular reports of P2K3.

4.7.2 Major	Status: NCR 2019.03 with Major Category	
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4.7.3 Major	Status: NCR 2019.04 with Major Category	
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4.8

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

4.8.1

The training program shown is still the same as the previous assessment. The program has covered all aspects of RSPO principles and criteria such as training on OHS, HCV, pesticide handling and management, environmental pollution prevention training and SCCS training. Before creating a training program, the HR department and representatives of the plantations and factories compile identification of training needs.

4.8.2

Certification Holder has employee training records recorded in program and realization of training. Training recordings that have been carried out for example:

- Fertilization Training
BMS, BDE, KKE, SIE and SME : May 15, 2019; participated by manuring worker
- Spraying Training

BSS, BDE, KKE, SIE and SME : May 13, 2019; Participated by spraying foreman • HCV Training BDE, KKE, SIE and SME : May 15, 2019; Participated by spraying foreman, manuring worker, and harvester as well as employee representatives.		
Status: Comply		
PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity		
5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.		
5.1.1 Until ASA 1.3 there is no changes related to estate operational areas development, mill capacity expansion, and etc. Aspects of plantation and mill management that have environmental impacts were identified and listed on EIA document. Current EIA are conducted on 1998, covered 15,900 ha plantation areas and maximum mill capacity are 60 mt FFB/hour, this document approved by Agriculture Department based on decree No 35/ANDAL/RKL-RPL/BA/X/1998 on year 1998.		
5.1.2 & 5.1.3 Environmental management plan and monitoring plan for PT Kridatama Lancar are listed on RKL/RPL document. Related to replanting activities plan, company have established another social and environmental impact assessment on 2015 by competent independent consultant. Implementation for environmental management / monitoring has been listed on RKL/RPL semester report. Based on this semester report shown that company has managed all potential impact such as water quality, soil erosion, land fire monitoring, wild life presence, air quality and noise. Result of monitoring for 2 nd semester 2018 shown that potential impact caused by operational activities have been reduced meanwhile noise parameter on some point in Sukamandang Factory are still exceed standard quality. Action plan for this exceeding noise test result has been implemented by providing ear muff/ear plug for high risk workers. Review for the monitoring/management plans has been developed on September 2018 and as output certificate holder will insert replanting activities monitoring when replanting activities has been conducted.		
Status: Comply		
5.2 The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced		
5.2.1 Certificate holder has been conduct HCV assessment for the entire area of operations, done by the RSPO Approved Assessor on 2009. The process of HCV identification conducted by using HCV identification guides in Indonesia on June 2008. These identifications indicates there is HCV 1.2, 1.3, 4.1 and 4.2, 5 and 6 presence on company areas. Each HCV areas have been mapped, and covered total areas for 783,54 ha. The HCV identification was conducted by a competent HCV team and has engaged stakeholders through public consultation on 2009. HCV identification results also explain the presence of Rare, Threatened, or Endangered (RTE) species according updated IUCN-Redlist 3.1 (2017) such as <i>Pongo pygmaeus</i> (EN), <i>Helarctos malayanus</i> (VU). Based on interview with management and local stakeholders acquired information that last "orang utan" presence on company areas are in 2007 periods. During 2010 until now there is no such species presence on PT KLR		
5.2.2 & 5.2.3 HCV identification results also explain there is an endangered species according IUCN-Redlist. To provide protection against such species, management unit has established HCV management plan that included e.g the hunting ban signboard placement, patrolling, rehabilitation of riparian as wild species habitat. Field visit on block J53 BDE shown that condition of HCV 4 areas has been covered by natural vegetation.		

Related to RTE species, company have RTE species protections procedures established on June 2009. Evidence for workforce educations related to RTE species are available for examples HCV / RTE socialization on March 2019 for BDE workers. Workers housing visit on SKE and BDE also found there is no RTE / wild species reared by workers.

5.2.4

Company has established HCV management plan and conduct regular monitoring. Regularly patrols record shown company has been monitored illegal hunting, and other illegal activities. Records for regular patrols on SKE and BDE are available and verified by auditors.

Company has been established HCV management plan for periode 2018-2019 that consist of for examples signboard maintenance, bufferzone marking, HCV socialization, and species monitoring. Procedures HCV management on June 2009 also state that HCV management method are done by conduct HCV monitoring regularly Field observation on HCV 4 KKE (bukit ayun titah) found that HCV areal were deforested and current HCV monitoring are failed to identify disturbance on company HCV areas.

Non-Conformance Description

Current HCV monitoring are failed to identify disturbance on company HCV areas and this monitoring results are no yet incorporated on management plan improvements as results of monitoring output. **NCR 2019.05 as Minor category**

5.2.5

Document review found there is HCV 5 and 6 presence and based on the results of interviews with management, there is an HCV area that affected local community on Sukamandang and Baras Danum estate. Interview with PSD staff found that company had attempted to hold a meeting related to the management of HCV in the Tajur Beras area.

The company has socialized the protection of the HCV area to the community, especially the Tajur Beras community at least every year. The company also provides a questionnaire related to environmental management including protection of conservation areas.

Company has conduct HCV protection socialization for this stakeholder for examples on Augsut 2017 with participants are representitive of Sukamandnag villages, Kuayan villages, Ayawwan villages, and batu menangis villages.

5.2.4 | **Status: NCR 2019.05 as Minor Category**

5.3

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

5.3.1

Register of waste (included toxic and hazardous waste) products produced from mill and estates are identified and listed on identification and management of pollution source document for example :

- Mill source of waste / contamination: chimney boiler, chimney generator, St. Clarification, St. Nut and Kernel, St. Boiler, Workshop, Chemical Warehouse, Laboratorim, Office and Process of Mill.
- Types of waste / pollution: Air pollution, Noise, Ground, Sludge, Solid, EEF, Shell, Fiber, Boiler ash, Plastics, Domestic waste, Used oil, Used filter, agrochemical container, POME, etc.

This register also explained action to managed those waste/pollution produced by estate or mill for examples that all of toxic and hazardous waste are stored in temporary hazardous store before it disposed to licensed collectors.

5.3.2

Inventory for all chemicals usage and it containers are available on chemicals storehouse / temporary hazardous storage. All ex chemicals containers were kept on temporary hazardous storage at SKE, BDE, SIE, KKE, amd SKF and company has a permit for all hazardous and toxic waste storage issued by decree head of Capital investment, Seruyan regency No 503-F.5/02.002/SK.DPMPTSP/I/2019, valid until 2024.

Based on document review and interview with management, shown all ex pesticide containers on estates are managed by washing in block spraying system store and regular submitted to temporary hazarodus waste store. Document review shown that company has disposed all toxic and hazardous waste to CV Indo Rudy Green on November 2018, for examples manifest ATU 0000974 for ex pesticides containers. Observation during audits at temporary hazardous&toxic waste storage shown that all of hazardous waste are compliant with the periods in permit.

5.3.3

Certificate holder has implemented waste management /utilization based on waste management plan. Field visit to Sukamandang mill shown that palm oil mill effluent are managed on effluent pond; Fiber and shell has been utilized as a boiler fuel, housing trash has been collected in the garbage then disposed to the landfill area. Field visit on land application activities block H3 7 SKE shown that company has utilized POME as nutrient cycle based on permit which it belongs.

Related to domestic waste, field visit on SRE and SKE found that All settlements waste are not disposed off using open fire and companies managed settlements/housing domestic waste by provide landfill on each estate.

Company has waste management plan and waste source identification that listed on waste source identification and its management 2019. Company also has procedure related medical waste management that listed on procedures SOP/ISPO/KLR/14 on 21 june 2019. This procedures explained the methodology related medical waste management including storage time limit for medical waste. Document review found that medical waste on Sukamandang estate temporary hazardous waste has been stored for more than 180 days

Non-Conformance Description

Company are not able to shown proper ways to disposed medical waste based on current regulation and procedures.

NCR 2019.06 as Minor Category.

5.3.3	Status: NCR 2019.06 as Minor Category
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5.4

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

5.4.1

Company shown commitment to reducing fossil fuel by renewable energy usage. Certificate holder has assess and estimated the direct energy use such as fuel usages and electricity generated by Mill operational activities for 2018-2019 periods. Shell and fiber usage have been monitored per month and for examples realization of fossil fuel usage during May 2019 are 29132 litre.

During Jan-May 2019, renewable energy usage for boiler resulting average energy efficiency about 35.42 kWh/mt CPO produced, meanwhile direct energy usage by fossils fuel are 7.29 litre/mt CPO produced.

Status: Comply

5.5

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

5.5.1 & 5.5.2

Certificate holder do not conduct any new development since last assessment. Last replanting activities was undertaken in 2018 on SIE, and pest eradication during replanting was done by chemical controls.

Company policy regarding zero burning during land clearing were presented in procedure No. 110/EST-ARM/13 Chapter 4 about land preparation and No. 724/TQEM-SPMS/09 point 5.7.2 about zero burning technique which mentioned that land clearing should be conducted by mechanics and zero burning methods (ex. stand felling, chipping, stacking, etc.). field visit on replanting areas in Sapiri estate shown replanting activities on 2018 were conducted by mechanically (chipping) and there is no sign of burning activities when conducted replanting

Status: Comply

5.6

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

5.6.1 & 5.6.2

The Company has identified the sources of pollution / emissions resulting from the Mill and Estate activities.

- Source of pollution / emission: replanting, fertilizer application, pesticide used, transport of FFB & CPO, machinery and mill operation, and housing.
- Waste / pollution management: Implement zero burning techniques on the replanting activities, EFB applications,

POME applications on the estate, Utilization of fibre and shell as boiler fuel.

Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. Waste water has been monitored every months and monitoring periods January-May 2019 shown that all of waste water testing parameters is compliant to the standards quality.

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. 2nd semester 2018 testing result indicates all parameters related to emission are still comply with standard quality for examples Sukamandang boiler No 03 opacity are <20%.

5.6.3

Calculation of GHG emission and its monitoring has conducted by PSQM. GHG emission (Jan-Dec 2018) has calculated through the RSPO PalmGHG Calculator Version 3.0.1, which informed summary of net GHG emission, summary of field emission and sinks, summary of mill emission and credits, POME treatment and POME diverted to anaerobic digestion

Emmision per product	tCO2e/tProduct
CPO	1.67
PK	1.67

Production	t/yr
FFB processed	234342
CPO produced	50452.05
PK produced	10631.86

Extraction	%
OER	21.53
KER	4.54

Land use	Ha
Planted area	13297
Planted on peat	0
Conservation (non forested)	591

Summary of field emission and Sinks

Description	Own crop			Group		
	tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB
Land conversion	174973.77	13.89	0.75	0	0	0
CO2 emmisions from fertilizer	7390.31	0.59	0.03	0	0	0
NO2 emissions	9477	0.75	0.04	0	0	0
Fuel consumption	4134.63	0.33	0.02	0	0	0
Peat oxidation	0	0	0	0	0	0
Sinks						
Crop sequestration	-117903.82	-9.36	-0.5	0	0	0

Sequestration in Conservation area	-4950.62	-0.39	-0.02	0	0	0
Total	73121.27	5.81	0.31	0	0	0

Summary Oil Mill Emissions and Credits

Remarks	tCO ₂ e	tCO ₂ e/t FFB
Emissions sources		
POME	25204.83	0.11
Fuel consumption	922.16	0
Grid electricity	344.23	0
Credits		
Export of grid electricity	-344.23	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	26126.99	0.11

Palm Oil Mill Effluent (POME) Treatment

Divert to compost (%)	0
Divert to anaerobic digestion (%)	100

POME Divert to Anaerobic Digestion

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

Based on document review for examples : pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator. Meanwhile this GHG calculation using options No 1 (apply full version).

Status: Comply

PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills

6.1

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

6.1.1; 6.1.2; 6.1.3 & 6.1.4

The Company has documented the Social Impact Analysis, among others :

- The social impact analysis which is done by in cooperation with the third parties whom competence, namely "Aksenta", implemented on 9 to 13 August 2009.
- Social Impact Analysis of Replanting Activities for the Period 2015 - 2018 PT Kridatama Lancar, Kuala Kuayan Estate and Sukamandang Estate, Kotawaringin Timur Regency, Central Kalimantan made by AKSENTA Consultant in 2015 aimed at identifying the environmental and social impacts of the replanting activities.

Social Impact Assessment has been done by involving the parties, including the surrounding community (community representatives, community leaders, and village government). There has been evidence of recording in the form of attendance list of participants of discussion on 12th to 13th August 2009 in several villages around the company.

The company has a participatory social impact mitigation plans for the 2018/2019 Year Period in a participatory manner in accordance with the results of the identification of social impacts carried out in 2009 covering aspects of employment, aspects of public services, aspects of economic development, aspects of FPIC and conflict resolution and environmental aspects. Plans to reduce and monitor social impacts are also contained in the RKL-RPL Report which includes environmental and social impacts.

Based on the results of interviews with management, community participation in developing a social impact management plan as well as reviewing is carried out in accordance with the identification of local community needs that are carried out every year. Identification of community needs is carried out jointly with the district government and in accordance with collective agreements. Based on the results of interviews with village communities, it is known that the company has realized some CSR assistance as part of social impact management. Based on the interview, it was also conveyed that at least once a year meetings were held with the community, agencies and plantation companies to determine the CSR programs that would be given to the community.

6.1.5

Result of verification of documents and interviews with management, it is known that there are no schemes of plasma farmers in the company.

Status: Comply

6.2

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

6.2.1, 6.2.2, and 6.2.3

The company has shown the standard operational procedure of communication with the reference number of policy 725/PSQM-ESH/2016, revision number 3 (three) on 27 June 2016 which has been approved by the chairman of SOU 2. It has been shown list of stakeholder of PT Kridatama Lancar which is as much as 40 stakeholders and consists of national institution, province institution, district institution, sub district institution, group community, and business partner.

The company has Procedure for Communication with the number of policy 725/PSQM-ESH/2016 on 27 June 2016. These procedures as practical guidance to handle the internal and external communication related to information of RSPO, Environment, social and law. The unit of management has already established the public relation officer (public relation and plantation service department) of PT Kridatama Lancar and PT Teguh Sempurna namely Mr Tonni Manurung, regarding to the letter of SOU II and III Chairman (No. 140/SME-Psd/VI/2016/S) on 13 June 2016. Based on interview with community of Sukamandang and Kapuk Village, if they need information they will submit a letter to the company. According to them, the company always responds each letter submitted. The company has responded well to any existing communication processes, the preparation of SOP has been take into consideration of suggestions from the public and other affected parties.

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 and 6.3.2

PT Kridatama Lancar have mechanisms and complaint handling system is described in Procedure for Communication with the number of policy 725/PSQM-ESH/2016 on 27 June 2016. These procedure guidance complaints can be submitted through the recording on logbook that has been provided, verbally direct to the foreman, through the suggestion box, through gender committees, worker union, hotline and email provided by the company and through the RSPO website. Grievances included **anonymous and whistleblower** cases can be submitted through the suggestion box, suggestion boxes checked by officer in charge.

The company has documented complaint from stakeholder in complaint books. It record all complain and it handling. For

example, there is a complaint from the worker in Sapiri Estate related to house damage on 13 April 2019. Those complaint has been follow up by management on 15 April 2019.

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

There is no change in procedures to identify the legality listed in the Occupational Land Release Procedure (No. 343/PSD-OKUP/10) as well as the Land Conflict Resolution Procedure (RSPO/B.5.23/KLR). The Procedure explains that the settlement of land dispute was conducted through the negotiation phase between the company and the party claiming the land and witnessed by various parties.

Based on document review of area statement, interview with plantation agency and interview with management, there is no increase of area so there is no land compensation activity. The last land compensation activity was conducted on 2011. Records of land compensation process consist of: document of land identification and inventory, land location maps, statement of release of land rights by owner, Receipt of Payment, Minutes of compensation/Compensation and witnesses. This is stored in their respective estate according to the location of the land.

Status: Comply

6.5

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

6.5.1

Company has Letter from direction No. 007/RSP-14.3/I/2019 about minimum wage of Kotawaringin Timur and Seruyan Regency. It is said that minimum wage of all workers is based on Governor Decision about Minimum Wage of Kalimantan Tengah Province 2019. Company could present the payment receipt of minimum wage as indicated in personnel salary list. Within the Company Regulation, one of condition to pay the workers is refer to working hours (max. 40 hours a week). Certification Unit has used Finger Scan tools to monitor workers presence. Company can show employee salary list of SME, KKE, BDE, SMF in accordance with the decision of the Governor of Kalimantan Tengah Province of Minimum Wage 2019.

Documentation of pay and conditions well documented in Collective Working Agreement and PT KRL Human Resource Management System. There are evidences of worker payment evidences for internal worker, such as:

1. Sukamandang POM workers payment list, May 2019. NIK. 0000126706, basic wage IDR. 2.930.000.
2. Kuala Kuayan Estate worker payment list, May 2019, NIK. 000024610, basic wage IDR. 2.961.000 .

However, based on document studies during audits and interviews in the field, there are workers who work on holidays but their wages use a premium system which should use overtime systems, for example genset house officers (Bakti Prajiwo and Haryanto) in Sapiri Estate. **The company has not been able to demonstrate the implementation of the wage system in accordance with applicable regulations (Kepmenakertrans No. 102 / MEN / VI / 2004, Article 11). NCR 2019.07 as Major Category**

6.5.2.

Employment law concerning the rights and obligations of the company are described in the company's regulation of PT KLR for the period 2018 – 2020. PKB has been registered with the Indonesian Ministry of Manpower c.q. The Directorate General of Industrial Relations Development and Workers' Social Security with Number: 013 / Pdf.6 / PKB / i / 2019 dated 15 January 2019.

Work agreement (contract) between worker and company describes about type of work and salary, duty and responsibility, work hour, health and medical, work termination, and others. Contract is written in Indonesian Language and workers are understood the substance of the contract. On the chapter which describes salary system, stated that basic wage for permanent daily worker is above daily minimum wage.

Work agreements / contracts have been prepared in a language that is understood by the worker, explained slowly by

management, and signed by both parties formally. The results of interviews with pesticide operator, warehouse workshops and water treatment officers explained that they had known the minimum wage in 2019 and received wages in accordance with the regulation.

Especially for specific job such as harvester and FFB loader, they also get a daily incentives based on piece rate system excluded the minimum wages. For example, harvester with minimum basis 1,200 kg's will get incentives if he FFB up to 1,200 kg's. The incentives are equivalent or more than minimum wages according to the simulation table that demonstrated by payroll officer. Based on interview with labor union, there is no issues or objection regarding to this payments system.

Based on the explanation above, the company has provided company regulations in accordance with labor regulations and is available in clear and explained language by the management or trade unions to workers.

6.5.3.

Based on a field visit to the employee housing, the company have provided adequate housing and other basic needs such as adequate housing, electricity from the source of the generator which lights up from 03.00 - 05.30 and 17.00 - 23.00 Indonesia time, clean water supply (always available all year), medical services in the form of first aid posts in central clinic and which are facilities of BPJS at SME, educational facilities for children, school buses, religious facilities in the form of mosques and churches, sports facilities and employee halls.

As a result of interviews with workers in housing, the source of water came from the bore wells made by the company. The source of electricity comes from the generator set provided by the company. For domestic waste or household waste, companies provide officers who transport household waste at least two or three times a week to be disposed of in a landfill

6.5.4

Based on interviews and observations in the field, auditors assess the company has shown tangible efforts in helping workers get adequate and affordable food through the existence of employee cooperatives. The cooperative is located near the housing of SME employees and provides some basic daily necessities such as staple food, side dishes, various kitchen needs at quite affordable prices.

Based on interview known that the workers have felt fulfilled with the infrastructure and facilities that have been provided by the Certificate Holder.

6.5.1 | Status: NCR 2019.07 as Major Category

6.6

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

6.6.1. & 6.6.2

PT Kridatama Lancar has a Social Policy signed by Head Plantation Upstream Indonesia in December 2011. At point 5 it is mentioned that the company respects the right of every staff to form and join the Workers Union in accordance with their choice and to bargain collectively. The document is presented in an Indonesian format that is easily understood by all workers and is available at the audit site.

The Workers Unions have been formed in each estate, the SKU Workers Unions that are based on the "Workers Unit of PT Kridatama Lancar Working Unit" with evidence of registration by the Regency Office of Social, Manpower, and Transmigration, Regency of Kotawaringin Timur, Central Kalimantan No. 560.567/47/HI-Kesj/XI/2013, dated 13th November 2013. During stakeholder consultation with Manpower Agency of Kotawaringin Timur District, both organization has been registered and approved officially. Based on interviews with the Head of Labor Unions noted that the CH has facilitated the establishment.

Worker Unions meetings both internally and with management to do if there are labor issues that have been raised by the company. The company showed internal meeting minutes of Workers Union, for example the meeting at November, 30 April 2019 about alaries for June 5-6 2019 coincide with Idul Fitri, changes in working hours in the month of Ramadan, .

Company has also developed LKS Bartite as required by National Law, and has been registered to District level Government Agency of Work Force and Transmigration in Kotawaringin Timur (Nomor: 560.568/183/II-KESJA/IV/2016 at dated 6 April 2016). Evidences showed during surveillance con- firmed that the Bipartite Labor Union and LKS had effectively worked as facil-ity of worker's aspirations.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1.

Certificate Holder have the policy regarding minimum age for worker regulated on Company Regulation period of 2019 – 2021 mentions one of the requirements that must be fulfilled in the recruitment of prospective workers, which are at least 18 years of age at the time of admission, or already married.

Field observation in Sukamandang Mill and estate, there are no worker under 18 years old and interview at public consultation with Manpower and Transmigration Agency of Kotawaringin District, there is no issue regarding child labor in company. Based on field observations during the assessment, the auditor does not find harvesters accompanied by his wife or children while working (forced to work).

Status: Comply

6.8

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

6.8.1.

The certificate holder has a company policy on non-discrimination and equal opportunities. The company shows document No. Policy 724 / TQEM-SPMS / 09 dated December 2, 2011 signed by the Chief Executive Officer who explained the policy of recognizing equal opportunities and treatment. In the Policy and Purpose Chapter, the Plantation Upstream Indonesia Sub-Section Policy on Social Policy point 1 states that all staff / employees must be treated fairly and fairly in matters relating to recruitment, progress, conditions and description of employment, regardless of race, degree, ethnicity, gender, skin color, imperfection (disability), sexual orientation, organizational membership, political views, religion, and age. Document review shows an example of employee recruitment that applies to the public with requirements according to procedures, such as employee to become new employees in harvesting activities. Also included in the letter are other supporting documents such as a certificate, family card, occupational health check letter, self identity and other supporting certificates.

Public consultations with agencies and worker unions stated that there were no cases of discrimination in obtaining employment opportunities.

6.8.2 and 6.8.3

The process of selection, recruitment and promotion of workers can be demonstrated. In the SOP of Human Resource management which is owned by the company can be seen that the process has been based on the expertise, capacity, quality and medical health of prospective labor / labor. The Company has a policy of recognizing equal opportunities and treatment (No. Policy 724/TQEM-SPMS/09 dated 2nd December 2011) stating that all staff/employees should be treated fairly and fairly in matters relating to recruitment, progress, conditions and work descriptions, regardless of race, degree, ethnicity, sex, color, imperfection, sexual orientation, organizational membership, political views, religion, and age.

Based on interviews with local contractors and workers which are local communities, said that community members around the company interviewed explained that the company had provided equal opportunities to local communities and migrants in receiving employees according to their respective skills.

Manual maintenance employees interviewed on Sapiri Estate Afd. II Block D40 Division III Sukamandang Estate admitted that they had no complaints about the risk of work or suspected discrimination in the company. Manual maintenance workers come from various backgrounds (heterogeneous).

Status: Comply

6.9

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

6.9.1, 6.9.2 & 6.9.3.

Company has the Policy to prevent sexual harassment and abuse on Policy No. 724/TQEM-SPMS/09 dated 27th August 2010), which develops and enforces policies to protect women workers from crimes and sexual harassment and to protect rights related to reproduction. Documents are presented in an easily understandable Indonesian format and available at the audit site. These policies are documented, implemented and communicated to all levels of workers. For example, at Sukamandang Estate, date March, 4 2019.

Gender Committee has been formed with the organizational structure, namely Patron, Chairman, Vice Chairman, Clerk, Treasurer, Secretary, and Section (Sports, Education, Health, Spirituality, and Public Relations).

There are regulations concerning female menstruation leave as much as 2 days/month (first and second day) with a medis examination, as well as maternity leave 1.5 months before giving birth and 1.5 months after birth with the calculation of a doctor's examination. The CH's procedure of Handling of Complaints and Grievances assured the anonymity of the reporting and the revealer of the case. The determination for the start date of maternity leave (H2) should be on the recommendation of the company doctor based on the estimated day of birth calculated referring to the last menstrual day and ultrasound examination of the obstetrician. The gender committee stated that there is no reporting of violations related to the rights of women workers for H1 and H2 leave, with evidence of the wages of workers being fully paid.

Interview with the female workers, Labor Unions, and Gender Committee, known that CH has disseminated and implemented the policy related to prevent sexual and other form of harassment and violence, as well as to protect reproductive rights. Pregnant and lactating women are prohibited to work related to agrochemicals. The workers already known the grievance mechanism through grievance book, Labor Union, Gender Committee, or anonymous by suggestion box. Up to the time of the assessment there is no complaints related to sexual harassment, violence, or violation of reproductive rights.

Status: Comply

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

Until this ASA 1.3 assessment, Sukamandang Factory only processed FFB from its own estate. There is no FFB purchase from others parties. Based on that fact, the company does not have a mechanism for determining FFB price.

6.10.3; 6.10.4

The company outsourced some operational work with the aim of opening up business opportunities for local communities. For example, a contract for the transportation of loose fruit with one villager from Pantap Village. Based on interviews with those contractor known that the contract was made by mutual agreement that was mutually beneficial. Payment of work is carried out fairly and on time.

Status: Comply

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

The company has compiled a CSR budget estimates for the period 2018-2019, categorize into five groups of items, namely: education program, donations, health, infrastructure and development, economic empowerment. In the preparation for CSR programe has involved the the local community, when company determined CD/CSR priorities. Examples of the realization of participating companies in building communities around gardens:

- 200 liters of diesel fuel for Pondok Kopi Village (KM 33) on April 22, 2019 from PKS Sukamandang.
- Health care assistance for the people of Kampung Tajur Beras, Rp. 10,713,486, July-December 2018.
- Allocation of school shuttle buses for Tajur Beras children to kindergarten, elementary, middle and high school, July-December 2018 in the amount of Rp. 33,439,500.
- Maintenance of Dusun Tabion road in November 2018 is Rp. 26,641,359.

Community members from Sukamandang Village and Kapuk Village, who were interviewed by the auditors, admitted that the community around the company was pleased with the results of the company's consultations related to CSR. In addition, the company has also provided work opportunities openly to local communities. This can be seen from the list

of employees, some of whom are residents of villages around the company.

6.11.2

Based on the results of the examination of documents and interviews with the management representatives it is known, that the company did not carry out plantation development activities with a plasma scheme.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1, 6.12.2, and 6.12.3

Based on field observation in sample location during this audit, auditor found that there is no evidence for forced or trafficked labor, and contract substitution is used. The CH's covered policy related prohibits forced or bonded labor or debt bondage and take steps to prevent it. The procedures related to human resources management shows that every worker has a work agreement that describe specific job description. Based on employee list, field observation and interview with workers, Labor Unions, and Manpower Agency known that there is no migrant workers, forced labor. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1.

Minamas Plantation Group is committed to protect all kinds of employee rights, whereas the human rights policy which has been signed by the chairman of SOU 2 of Sukamandang POM – PT KLR on May 2015. such as Rights of life, for marry and continue the offspring, self development, justice, of personal freedom, secure, of prosperity, Rights to be participated in government, women rights, child rights. Based on interviews with workers known that the company has socialized company policies regularly including policies on human rights. Socialization is done by sticking to the policy in offices, socializing in the housing and socialization to workers during the morning briefing before the activities started.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings
7.1

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

7.1

Up to the current audit, PT Kridatama Lancar did not expand the new plantation. There is only replanting activity that began in 2015.

Status: Comply

7.2

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

7.2.1

There is no additional estate and mill operational areas. Information on land suitability of current PT KLR is presented in semi detail soil survey report May 2017. According to the report, it was known that almost 71.02 % of PT KLR total area were classified as slightly suitable, while 28.57 % and 0.41 % were classified as marginal and permanently not suitable class, respectively. According to field observation to Division 1 Block H010 KKE, it was known that the later (steep) area was currently managed as HCV area. The limitation are mainly due to soil lateritic texture, water availability and very steep slope which also classified as fragile area.

7.2.2

Information on current topography situation of PT KLR is presented in semi detail soil survey report May 2017. According to the report, it was known that slope condition in PT KLR area were dominated by rolling to hilly condition for about 69.58 %, which considered marginal for oil palm cultivation. Only about 30.01 % of area were flat to undulating. However, the flat area were also prone to flooded during wet season, particularly where located around Manggis River and Kalali

River. The rest area for about 0.41 % where located on Division 2 Block H010 KKE has a steep area (50-60 %).		
	Status: Comply	
7.3		
New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.		
7.3.1 & 7.3.2		
PT Kridatama Lancar has conducted disclosure of liability and LUC analysis in accordance with RSPO template on 2014. During 2016-2019 periods, company shown intensive communications to RSPO compensation panel. Until ASA-1.3, based on company communication with RSPO shown that LUC analyst for PT KLR are still on review process.		
Non-Conformance Description		
Company are not able to shown evidence that RaCP for PT KLR has been approved by RSPO. NCR 2019.08 as Major category		
7.3.3, 7.3.4, and 7.3.5		
The results of document review, field visits and interviews found that PT Kridatama Lancar did not expand or conduct new planting since ASA-1.1. HCV management and monitoring plan for current operational activities are able to seen on indicator 5.2.		
7.3.1	Status: NCR 2019.08 as Major Category	
7.4		
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
7.4.1 and 7.4.2		
There is no additional estate and mill operational areas. Information on land suitability of current PT KLR is presented in semi detail soil survey report May 2017. According to the report, it was known that almost 71.02 % of PT KLR total area were classified as slightly suitable, while 28.57 % and 0.41 % were classified as marginal and permanently not suitable class, respectively. According to field observation to Division 1 Block H010 KKE, it was known that the later (steep) area was currently managed as HCV area. The limitation are mainly due to soil lateritic texture, water availability and very steep slope which also classified as fragile area. Furthermore, there is no peat soil within PT KLR operational areas.		
In order to overcome such limitation as mentioned in soil survey report, estate management has implementing several strategy which refers to procedure No. 110/EST-ARM/13 dated 16 September 2013, as follows:		
<ul style="list-style-type: none"> • Adoption of individual planting platform and/or terraces planting pattern on rolling to hilly areas. • To suppress surface run-off and leaching through U-shape and parallel to the contour line pruned fronds placement on flat to undulating and hilly contour areas, respectively. • Adoption of field drains with pattern 1:4 to 1:2 on flat lowlying prone flood area. • Measuring erosion rate on hilly area. As measured, erosion rate in all estate were less than 0.2 cm/year. • Selective weeding which aims to enhance organic matter and retaining soil moisture. • Soil texture and nutrient recovery through by-products (EFB and POME) application. • Manuring management through leaf and soil nutrient analysis, which recommended by Agronomist from MRC team towards nutrient balance calculation method, maximizing fertilizer use efficiency (to choose suitable fertilizers type, time of application and placement). • For soil and water conservation, planting of land cover crop such as Mucuna bracteata has already implemented on immature areas. 		
	Status: Comply	
7.5		
No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.		
Until this ASA-1.3 audit, PT Kridatama Lancar has no new land expansion since 2008. There is only replanting activity started from 2015.		
	Status: Comply	

7.6		
Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.		
Until this ASA-1.3 audit, PT Kridatama Lancar has no new land expansion since 2008. There is only replanting activity started from 2015.		
	Status: Comply	
7.7		
Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.		
7.7.1 & 7.7.2		
Company do not conduct any new development since Re-Cert. Zero burning policy for new plantings has been established and are able to seen on indicator 5.5.		
	Status: Comply	
7.8		
New plantation developments are designed to minimise net greenhouse gas emissions.		
7.8.1 & 7.8.2		
Company do not conduct any new development since Re-Cert. GHG calculation for existing company operational areas are able to seen on indicator 5.6.3.		
	Status: Comply	
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity		
8.1		
Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.		
Internal Audit RSPO		
Annual RSPO internal audit by Sustainability and ESH department had conducted in 08-17 May 2019. Internal audit mentioned that there were 13 major, 7 minor and 2 OFI findings which all shall be fully complied up before June 2019. At the time of audit, all findings were fully complied by PT KLR on 31 May 2019. The results was signed y Head of Sustainability and ESH kalimantan and Area Controller of Kalimantan Tengah – Timur.		
Based on interview with sustainability officer known that the management review meeting usually conducted after the internal audit to alignment the procedure and it implementation. Other implementation that show continuous improvement such as grouping of harvester with C1R2 program (1 cutter and 2 picker). Based on interview with random harvester informed that this program increasing their monthly income.		
	Status: Comply	

3.2. Summary of Assessment Report of Supply Chain Requirement
3.2.1. General chain of custody requirements for the supply chain

Clause	Requirement
5.1	Applicability of the general chain of custody requirements for the supply chain
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>General Chain of Custody applied in mill/supply bases and bulking.</p> <p>Supply bases:</p> <ul style="list-style-type: none"> • Sukamandang Estate (SME) • Sapiri Estate (SIE) • Baras Danum Estate (BDE) • Kuala Kuayan Estate (KKE) <p>Mill are only received and processed the FFB until dispatch. Other physically handling such as CPO/PK delivery taken over by the buyer.</p> <p>Status: Comply</p>
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>Facility only received and processed FFB from the certified and uncertified sources. There is no trading activity by mill.</p> <p>Status: Comply</p>
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>Sukamandang POM – Sime Darby Plantation, subsidiary of Sime Darby Plantation Bhd has registered in RSPO membership 1-0008-04-000-00 since 7 September 2004.</p> <p>Sukamandang POM has been registered in IT platform palm trace RSPO https://palmtrace.rspo.org/web/rspo/member-directory which information as follows:</p> <ul style="list-style-type: none"> • Member Name: Sukamandang POM • Account UID: RSPO_AC1000000331 • Core Product: Palm Oil • Member ID: RSPO_PO1000000322 • Type of Business: Oil Mill <p>For example: there is some record of shipping announcement on palm trace</p>

Finalized Transactions

Transaction ID	Transaction Date	Buyer Reference Number	Product	Volume	Supply Chain Model	Quality	Transaction Type	Status
TR-0833a1f7-d0fd	21-05-2019		CSPO	1.000	IP		Shipping	Confirmed
TR-5a124645-1650	06-05-2019		CSPK	341,75	IP		Shipping	Confirmed
TR-68441488-4048	26-04-2019		CSPK	532,89	IP		Shipping	Confirmed
TR-9698b34e-73b7	22-04-2019	P/GHN/0319/CPO03078	CSPO	999,07	IP		Shipping	Confirmed
TR-169bb152-9209	22-04-2019	P/GHN/0319/CPO03056	CSPO	998,05	IP		Shipping	Confirmed
TR-2d272db2-dec5	22-04-2019	P/GHN/0219/CPO03045	CSPO	498,08	IP		Shipping	Confirmed
TR-be95a772-f3ee	22-04-2019	P/GHN/0219/CPO03023	CSPO	1.247,73	IP		Shipping	Confirmed
TR-848e50bc-96f9	22-04-2019	P/GHN/0219/CPO03015	CSPO	1.494,27	IP		Shipping	Confirmed
TR-f3a9966b-a86b	22-04-2019		CSPO	1.001,92	IP		Shipping	Confirmed
TR-5b95001e-f3b9	20-03-2019		CSPO	800	IP		Shipping	Confirmed
TR-e893486b-22df	15-02-2019		CSPK	593,61	IP		Shipping	Confirmed
TR-321a35b4-59b1	15-02-2019		CSPK	605,61	IP		Shipping	Confirmed
TR-0beb97ea-5d1e	01-02-2019	P/GHN/1218/CPO02906	CSPO	1.399,88	IP		Shipping	Confirmed

Status: Comply
5.1.4

Processing aids do not need to be included within an organization's scope of certification.

There is no processing aids in the operational SMF.

Status: Comply
5.2 Supply chain model
5.2.1

The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.

Until this assessment, Sukamandang POM consistently implemented Identity Preserved module when they only received raw material from certified area which is Sukamandang Estate, Kuala Kuayan, Baras Danum and Sapiri Estate. During this certification period, there was no record of FFB from noncertified source processing in Sukamandang POM. Therefore, mill implemented Module D – Identity Preserved.

Status: Comply
5.2.2

The site can use one (1) or a combination of supply chain models as audited and certified by the CB.

Until this assessment, Sukamandang POM consistently implemented Identity Preserved module when they only received raw material from certified area which is Sukamandang Estate, Kuala Kuayan, Baras Danum and Sapiri Estate. During this certification period, there was no record of FFB from noncertified source processing in Sukamandang POM. Therefore, mill implemented Module D – Identity Preserved.

Status: Comply
5.3 Documented procedures

5.3.1

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

Facility has had Standard Operation Procedure for Manual RSPO Supply Chain (No. 001/SCCS/SMF/2018 dated on 02 May 2018). This procedure's objectively is guidelines for estates and palm oil mills to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (Fresh Fruit Bunch/FFB; Crude Palm Oil/CPO and Palm Kernel/PK).

This procedure covering of supply chain scope, responsibilities, certification system (general requirement chain of custody, documented procedures, purchasing and goods in, outsourcing activities, sales and goods, registration of transaction, training, record keeping, conversion factor, claims, complaint, management review) and identity preserved implementation.

According to those procedure, the role of the person having overall responsibility and authority to implemented these requirement and compliance is mill manager.

Status: Comply

5.3.2

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

According to the section 4.2 of this Supply Chain Standard Operating Procedure, GSQM staff scheduled and conducted internal audit for supply chain annually at least 2 months before external audit by CB's. The result of internal audit and all correctives action shall documented in annual management review meeting. Facility shall ensure this document are in place. This procedure are in line with Supply Chain Requirements November 2014, revised on June 2017

The last internal audit of supply chain has been conducted on 8 – 17 May 2019. Management review meeting has been conducted on 31 May 2019 when all NC's were closed.

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

Sukamandang POM – PT. Kridatama Lancar only received and processed FFB from its own certified estates (Sukamandang Estate, Kuala Kuayan, Baras Danum and Sapiri Estate). Sukamandang POM only act as producer of RSPO certified oil palm products.

Status: Comply

5.4.2

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

Sukamandang POM – PT. Kridatama Lancar only received and processed FFB from its own certified estates (Sukamandang Estate, Kuala Kuayan, Baras Danum and Sapiri Estate). Sukamandang POM only act as producer of RSPO certified oil palm products.

Status: Comply

5.5

Outsourcing activities

5.5.1

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

Facility does not outsource processing activities like refining or crushing. All CPO product sold through the rent bulking and all PK product sold directly to the Pematang KCP (PT. Teguh Sampurna – subsidiary of Sime Darby Plantation Berhad) which is RSPO supply chain certified No. SQUAL40170 since 9 June 2016.

The facility uses an independent third party during this process namely CPO transporters from the factory to bulking and renting storage tank services on bulking. Those transporter and bulking engage in a contract and fulfil the RSPO Supply Chain Certification Standard.

Status: Comply

5.5.2

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

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

The facility uses an independent third party during this process namely CPO transporters from the factory to bulking and renting storage tank services on bulking. Those transporter and bulking engage in a contract and fulfil the RSPO Supply Chain Certification Standard. Those third parties has signed the statement to provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.

Status: Comply

5.5.3

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

The facility uses an independent third party during this process namely CPO transporters from the factory to bulking and renting storage tank services on bulking. All record of names and contact details of all contractors are in place.

Status: Comply

5.5.4

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

The facility uses an independent third party during this process namely CPO transporters from the factory to bulking and renting storage tank services on bulking. All record of names and contact details of all contractors are in place.

Status: Comply

5.6

Sales and goods out

5.6.1

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

Based on document verification and interview with related staff informed that facility sold their palm product to several buyer. However, there is no evidence yet that the company has a contact list of buyers as per the RSPO. So it raised as **Non Compliance Record No. 2019.09 indicator Major**.

Major

Status: Non Compliance Record No. 2019.09 indicator Major.

5.7

Registration of transactions

5.7.1

Supply chain actors who:

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

Facility has shown their transaction document that consist registration in IT platform. It also can be downloaded at RSPO palm trace. During the audit, auditor has verified the sales information in RSPO Palm Trace that informed there is certified CSPO/CSPK sold as certified product and conventionally.

Status: Comply
5.7.2

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

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

Based on document verification, facility has documented record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. All of these transactions are recorded in the RSPO IT Platform. Based on interviews with related staff, information was obtained that data related to sales was the authority of the Global Trading Management in Jakarta Office.

Shipping Announcement:

Transaction ID	Transaction Date	Buyer Reference Number	Product	Volume	Supply Chain Model	Quality	Transaction Type	Status
TR-0833a1f7-d0fd	21-05-2019		CSPO	1.000	IP		Shipping	Confirmed
TR-5a124645-1650	06-05-2019		CSPK	341,75	IP		Shipping	Confirmed
TR-68441488-4048	26-04-2019		CSPK	532,89	IP		Shipping	Confirmed
TR-9698b34e-73b7	22-04-2019	P/GHN/0319/CPO03078	CSPO	999,07	IP		Shipping	Confirmed
TR-169bb152-9209	22-04-2019	P/GHN/0319/CPO03056	CSPO	998,05	IP		Shipping	Confirmed
TR-2d272db2-dec5	22-04-2019	P/GHN/0219/CPO03045	CSPO	498,08	IP		Shipping	Confirmed
TR-be95a772-f3ee	22-04-2019	P/GHN/0219/CPO03023	CSPO	1.247,73	IP		Shipping	Confirmed
TR-848e50bc-96f9	22-04-2019	P/GHN/0219/CPO03015	CSPO	1.494,27	IP		Shipping	Confirmed
TR-f3a9966b-a86b	22-04-2019		CSPO	1.001,92	IP		Shipping	Confirmed
TR-5b95001e-f3b9	20-03-2019		CSPO	800	IP		Shipping	Confirmed
TR-e893486b-22df	15-02-2019		CSPK	593,61	IP		Shipping	Confirmed
TR-321a35b4-50a4	15-02-2019		CSPK	605,61	IP		Shipping	Confirmed

Credit Allocation:
Certificate Allocation Log

License ID (Status)	Validity	Product	Supply Chain Model	Volume Allocated as Certificates
CB18752 (Expired)	05-07-2014 - 26-08-2015	CSPO	Segregation	21.024

*Volume in MT

All transaction record are listed in palm trace.

	Status: Comply		
5.8	Training		
5.8.1 The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff			
Facility has provided annual training of supply chain to the related task who involved in supply chain implementation. The last training conducted on 18 February 2019 in meeting room Sukamandang POM.			
Based on interview with security officer, weighbridge operator and supervisor logistic known that all personnel involved has been well-known regarding on supply chain implementation.			
	Status: Comply		
5.8.2 Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed			
Based on interview with security officer, weighbridge operator and supervisor logistic known that all personnel involved has been well-known regarding on supply chain implementation.			
	Status: Comply		
5.9	Record keeping		
5.9.1 The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements			
Daily records of FFB received, CPO processed, CPO production, PK production, dispatch and selling (selling of certified/non certified and other certification scheme), balance stock always recorded in logistic department and recap by Trading Department Head Office in Jakarta. Those all information can be accessed real time.			
	Status: Comply		
5.9.2 Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock			
According to the manual supply chain section 4.9 record keeping, stated that all record are kept for minimum 2 years in accordance to the national regulation. Based on document verification, facility has showed their delivery notes, weighbridges ticket and other supply chain document on June 2017.			
	Status: Comply		
5.9.3 The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.			
Facility estimated their palm product which is written in annex of initial assessment certificate and monitored in three-monthly bases. If any overproduction, facility will inform the CB to extend their volume.			
Product	Estimation of Certified Product (MT)	Actual Production 12 Month before audit (June 2018 – May 2019) (MT)	Projected production of the next license period (MT)
FFB	236,836	235,124	251,000
CPO	50,920	50,338	56,000
PK	11,842	10,916	12,500
Source: production data 12 month before audit (June 2018 – May 2019)			
	Status: Comply		
5.10	Conversion factors		

5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries
	Facility only performs FFB processing up to CPO and PK. Based on RSPO SCCS Manual, it is explained that the conversion factors of CPO and PK are based on actual extraction.
	Status: Comply
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.
	Facility only performs FFB processing up to CPO and PK. Based on RSPO SCCS Manual, it is explained that the conversion factors of CPO and PK are based on actual extraction.
	Status: Comply
5.11	Claims
5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.
	Facility did not using logo.
	Status: Comply
5.12	Complaints
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.
	Procedure for Receiving and Settlement of Complaints is include on RSPO SCCS Manual- RSPO Supply Chain Certification Standard No. 001/SCCS/SMF/2018 dated on 02 May 2018. The person responsible for handling complaints is the Manager or the representative, such as an assistant and administration chief. The response to complain about the product must be followed up at least 14 days.
	Until this ASA audit, there is no complain on the certified product sold submitted.
	Status: Comply
5.13	Management review
5.13.1	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken
	According to the section 4.2 of this Supply Chain Standard Operating Procedure, GSQM staff scheduled and conducted internal audit for supply chain annually at least 2 months before external audit by CB's. The result of internal audit and all correctives action shall documented in annual management review meeting. Facility shall ensure this document are in place.
	The last internal audit of supply chain has been conducted on 8 – 17 May 2019. Management review meeting has been conducted on 31 May 2019 when all NC's were closed.
	Status: Comply
5.13.2	The input to management review shall include information on: <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions.

- Follow-up actions from management reviews.
- Changes that could affect the management system.
- Recommendations for improvement.

According to the section 4.2 of this Supply Chain Standard Operating Procedure, GSQM staff scheduled and conducted internal audit for supply chain annually at least 2 months before external audit by CB's. The result of internal audit and all correctives action shall documented in annual management review meeting. Facility shall ensure this document are in place.

The last internal audit of supply chain has been conducted on 8 – 17 May 2019. Management review meeting has been conducted on 31 May 2019 when all NC's were closed. The internal review also consist of:

- Status of preventive and corrective actions.
- Follow-up actions from management reviews.
- Changes that could affect the management system.
- Recommendations for improvement.

There is no specific issues on supply chain arises.

Status: Comply

5.13.3

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

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

It documented in management review document as written in preventive action.

Status: Comply

3.2.2. (Module D) CPO Mills Identity Preserved Requirements

Clause	Requirement															
D1	Definition															
D.1.1																
A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Module E is applicable.																
Mill are only received and processed their own FFB. The name of supply bases as follows:																
<ul style="list-style-type: none">• Sukamandang Estate (SME)• Sapiri Estate (SIE)• Baras Danum Estate (BDE)• Kuala Kuayan Estate (KKE)																
	Status: Comply															
D.2	Explanation															
D.2.1																
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report																
Current certificate:																
<table><tr><th rowspan="2">Name of Mill</th><th rowspan="2">Capacity (tonnes/hour)</th><th rowspan="2">Supply Chain Model</th><th colspan="3">Annual Volume (Tonnes)</th></tr><tr><th>FFB</th><th>CPO</th><th>PK</th></tr><tr><td>Sukamandang POM</td><td>60</td><td>Mass Balance</td><td>236,836</td><td>50,920</td><td>11,842</td></tr></table>		Name of Mill	Capacity (tonnes/hour)	Supply Chain Model	Annual Volume (Tonnes)			FFB	CPO	PK	Sukamandang POM	60	Mass Balance	236,836	50,920	11,842
Name of Mill	Capacity (tonnes/hour)				Supply Chain Model	Annual Volume (Tonnes)										
		FFB	CPO	PK												
Sukamandang POM	60	Mass Balance	236,836	50,920	11,842											
Facility has propose the estimate volume of CPO and PK for the next certification period as follows:																
<table><tr><th rowspan="2">Name of Mill</th><th rowspan="2">Capacity (tonnes/hour)</th><th rowspan="2">Supply Chain Model</th><th colspan="3">Annual Volume (Tonnes)</th></tr><tr><th>FFB</th><th>CPO</th><th>PK</th></tr><tr><td>Sukamandang POM</td><td>60</td><td>Mass Balance</td><td>251,000</td><td>56,000</td><td>12,500</td></tr></table>		Name of Mill	Capacity (tonnes/hour)	Supply Chain Model	Annual Volume (Tonnes)			FFB	CPO	PK	Sukamandang POM	60	Mass Balance	251,000	56,000	12,500
Name of Mill	Capacity (tonnes/hour)				Supply Chain Model	Annual Volume (Tonnes)										
		FFB	CPO	PK												
Sukamandang POM	60	Mass Balance	251,000	56,000	12,500											
	Status: Comply															
D.2.2																
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).																
Sukamandang POM – Sime Darby Plantation, subsidiary of Sime Darby Plantation Bhd has registered in RSPO membership 1-0008-04-000-00 since 7 September 2004.																
Sukamandang POM has been registered in IT platform palm trace RSPO https://palmtrace.rspo.org/web/rspo/member-directory which information as follows:																
<ul style="list-style-type: none">• Member Name: Sukamandang POM• Account UID: RSPO_AC1000000331																

- Core Product: Palm Oil
- Member ID: RSPO_PO1000000322
- Type of Business: Oil Mill

For example: there is some record of shipping announcement on palm trace

Finalized Transactions

Transaction ID	Transaction Date	Buyer Reference Number	Product	Volume	Supply Chain Model	Quality	Transaction Type	Status
TR-0833a1f7-d0fd	21-05-2019		CSPO	1.000	IP		Shipping	Confirmed
TR-5a124645-1650	06-05-2019		CSPK	341,75	IP		Shipping	Confirmed
TR-68441488-4048	26-04-2019		CSPK	532,89	IP		Shipping	Confirmed
TR-9698b34e-73b7	22-04-2019	P/GHN/0319/CPO03078	CSPO	999,07	IP		Shipping	Confirmed
TR-169bb152-9209	22-04-2019	P/GHN/0319/CPO03056	CSPO	998,05	IP		Shipping	Confirmed
TR-2d272db2-dec5	22-04-2019	P/GHN/0219/CPO03045	CSPO	498,08	IP		Shipping	Confirmed
TR-be95a772-f3ee	22-04-2019	P/GHN/0219/CPO03023	CSPO	1.247,73	IP		Shipping	Confirmed
TR-848e50bc-96f9	22-04-2019	P/GHN/0219/CPO03015	CSPO	1.494,27	IP		Shipping	Confirmed
TR-f3a9966b-a86b	22-04-2019		CSPO	1.001,92	IP		Shipping	Confirmed
TR-5b95001e-f3b9	20-03-2019		CSPO	800	IP		Shipping	Confirmed
TR-e893486b-22df	15-02-2019		CSPK	593,61	IP		Shipping	Confirmed
TR-321a35b4-59b1	15-02-2019		CSPK	605,61	IP		Shipping	Confirmed
TR-0beb97ea-5d1e	01-02-2019	P/GHN/1218/CPO02906	CSPO	1.399,88	IP		Shipping	Confirmed

Status: Comply

D.3 Documented procedures
D.3.1

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

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

Facility has had Standard Operation Procedure for Manual RSPO Supply Chain (No. 001/SCCS/SMF/2018 dated on 02 May 2018). This procedure's objectively is guidelines for estates and palm oil mills to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (Fresh Fruit Bunch/FFB; Crude Palm Oil/CPO and Palm Kernel/PK).

This procedure covering of supply chain scope, responsibilities, certification system (general requirement chain of custody, documented procedures, purchasing and goods in, outsourcing activities, sales and goods, registration of transaction, training, record keeping, conversion factor, claims, complaint, management review) and identity preserved implementation.

According to those procedure, the role of the person having overall responsibility and authority to implemented these

requirement and compliance is mill manager.

Status: Comply

D.3.2

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

In accordance with supply chain procedure as explained in clause D.3.1 above, facility has demonstrated the documentation of record keeping and processing of certified FFBs.

Certified and non-certified FFB received period of June 2018 to May 2019 (twelve month)

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
June 18	18,580	-	18,580
July 18	24,361	-	24,361
August 18	22,490	-	22,490
September 18	22,718	-	22,718
October 18	23,519	-	23,519
November 18	20,230	-	20,230
December 18	17,790	-	17,790
January 19	19,771	-	19,771
February 19	14,540	-	14,540
March 19	15,452	-	15,452
April 19	14,978	-	14,978
May 19	20,695	-	20,695
Total	235,124	-	235,124

Notes: mill consistently processed certified FFB.

Status: Comply

D.4

Purchasing and goods in

D.4.1

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

In accordance with supply chain procedure as explained in clause D.3.1 above, facility has demonstrated the documentation of record keeping and processing of certified FFBs. Mill only received FFB from his own certified-estates (Sukamandang, Sapiri, Kuala Kuayan and Baras Danum Estate).

Certified and non-certified FFB received period of June 2018 to May 2019 (twelve month)

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
June 18	18,580	-	18,580
July 18	24,361	-	24,361
August 18	22,490	-	22,490
September 18	22,718	-	22,718
October 18	23,519	-	23,519
November 18	20,230	-	20,230
December 18	17,790	-	17,790
January 19	19,771	-	19,771
February 19	14,540	-	14,540
March 19	15,452	-	15,452
April 19	14,978	-	14,978
May 19	20,695	-	20,695
Total	235,124	-	235,124

Notes: mill consistently processed certified FFB.

Status: Comply

D.4.2

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

Facility estimated their palm product which is written in annex of initial assessment certificate and monitored in three-monthly bases. If any overproduction, facility will inform the CB to extend their volume.

Name of Mill	Capacity (tonnes/hour)	Annual Volume According to Certificate (Tonnes)		
		FFB	CPO	PK
Sukamandang POM	60	236,836	50,920	11,842
		Actual Volume for 12 month before audit (June 2018 – May 2019 (Tonnes)		
		235,124	50,338	10,916
		Estimated Volume (Tonnes)		
		251,000	56,000	12,500

Source: production data 12 month before audit (June 2018 – May 2019)

Status: Comply

D.5

Record keeping

D.5.1

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

Based on document verification informed that facility only received FFB from certified area and sold as RSPO certified.

Period	CPO Production (MT)		Total (MT)	Cert CPO Dispatch (MT)			Total (MT)
	Cert	Non Cert		RSPO	Other scheme	Conventional	
June 2018 to May 2019	50,338	-	50,338	21,667	-	26,690	48,356

Period	PK Production (MT)		Total (MT)	Cert PK Dispatch (MT)			Total (MT)
	Cert	Non Cert		RSPO	Other scheme	Conventional	
Total	10,916	-	10,916	8,606	-	2,009	10,617

Status: Comply

D.6

Processing

D.6.1

The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm product including during transport and storage to strive for 100% separation.

Sukamandang POM – PT. Kridatama Lancar only received and processed FFB from its own certified estates (Sukamandang Estate, Kuala Kuayan, Baras Danum and Sapiri Estate). Sukamandang POM only act as producer of RSPO certified oil palm products. Until this audit, there is no record of FFB received from other sources above. Based on interview with management representatives during the audit, there is no option for mill to accept non certified FFB until now.

Status: Comply

3.3. Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√
ASA-1.3	PT Kridatama Lancar (Sime Darby Plantation Bhd) do not use RSPO trademark and CB Logo. Trademark License Number of Sime Darby Plantation Bhd is "RSPO-1106024"	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-1.3	PT Kridatama Lancar (Sime Darby Plantation Bhd) do not use RSPO trademark and CB Logo. Trademark License Number of Sime Darby Plantation Bhd is "RSPO-1106024"	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or√
ASA-1.3	PT Kridatama Lancar (Sime Darby Plantation Bhd) do not use RSPO trademark and CB Logo. Trademark License Number of Sime Darby Plantation Bhd is "RSPO-1106024"	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate logo.	X or√
ASA-1.3	PT Kridatama Lancar (Sime Darby Plantation Bhd) do not use RSPO trademark and CB Logo. Trademark License Number of Sime Darby Plantation Bhd is "RSPO-1106024"	√
	Status: Comply	

3.4. Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

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

		reporting of disclosure of liability progress to RSPO and according to the CB's correspondence with RSPO Remediation and Compensation.
i.	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress. *Note: RSPO NPP Announcements for SDP can be found at http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14</p> <p>Auditor Verification:</p> <ul style="list-style-type: none"> • Karya Palma Estate (PT Sandika Natapalma) and Baturus Estate (PT Budidaya Agro Lestari) any new planting after January 1st 2010 and due to not conduct NPP. • RSPO NPP process has been completed in 2011 for a new mill in Liberia.
ii.	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company Group/Holding Statement: Sime Darby (Liberia) Plantation Inc. Status: Box G - Close for Monitoring Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/46 PT Mitra Austral Sejahtera (Sime Darby Bhd) Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/29</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are land conflict in :</p> <ul style="list-style-type: none"> • PT Mitra Austral Sejahtera, this issue are remain being resolved with RSPO dispute settlement facilities • PT Bina Sains Cemerlang, this issue was raise on 22 April 2017 and still being process to resolve.

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

<i>NCR No.</i>	: 2018.01	<i>Issued by</i>	: Muhammad Rinaldi
<i>Date Issued</i>	: 11 August 2018	<i>Time Limit</i>	: 10 November 2018
<i>NC Grade</i>	: Major	<i>Date of Closing</i>	: 28 August 2018
<i>Standard Ref. & Requirement</i>	2.1.1 Evidence of compliance with relevant legal requirements shall be available.		
Evidence observed & Non-Conformance Description (filled by auditor):			
The company has not been able to show evidence of the report on the use of HGU to the head of the Local Land Agency in accordance with Ministerial Regulation of Agrarian and Spatial Planning No. 7 of 2017			
Root Cause Analysis (filled by organization audited):			
Reports on the use of HGU are sent late by the Head Office through the LDL PSD Jakarta			
Correction (filled by organization audited):			
Has sent a report on the use of HGU to Land Agency of Kotawaringin Timur District			
Corrective Action (filled by organization audited):			
Coordination with PSD Jakarta so that reports on the use of HGU are routinely sent every year			
Assessor Evaluation and Conclusion (filled by auditor):			
The company shows evidence of reporting of the HGU ude to the Head of the Land Agency of Kotawaringin Timur Regency and Seruyan in accordance with letter No. 311 / KLR / UM / PSD / VIII / 2018 dated August 6, 2018. the letter was sent on August 15, 2018.			
Based on this explanation, this Nonconformity is stated to be fulfilled			
<i>Verified by</i>	: Muhammad Rinaldi		

<i>NCR No.</i>	: 2018.02	<i>Issued by</i>	: Muhammad Rinaldi
<i>Date Issued</i>	: 11 August 2018	<i>Time Limit</i>	: 10 November 2018
<i>NC Grade</i>	: Major	<i>Date of Closing</i>	: 10 September 2018
<i>Standard Ref. & Requirement</i>	2.2.1 Legal documents showing legal ownership or leasing, history of ownership conditions, time period and actual land use must be available.		
Evidence observed & Non-Conformance Description (filled by auditor):			
Based on a field visit on boundary pole No.14-15 in Sapiri Estate, it is known that there is planting outside the HGU on block E30. This is also shown from overlay of coordinate of aid pole No.36 on the operational map is inside of the block E30.			
Root Cause Analysis (filled by organization audited):			
At the moment, we cannot yet legally confirm from the BPN that block E30 has plantations outside the HGU because it has not obtained a valid coordinate point from Land Agency			

Correction *(filled by organization audited):*

PSD sent a second letter to Land Agency regarding the request to update PT Kridatama Lancar Cultivation Rights Title geographical coordination list and ensure that this letter was responded to (along with NCR 2.2.2).

The current action taken is not to take management actions in part of the Sapiri E30 block which is allegedly located outside the Cultivation Rights Title (statement attached) until there is a clear decision from the Local Land Agency

Corrective Action *(filled by organization audited):*

1. The company will follow up with BPN, regarding the coordinates of PT KLR HGU every 6 months and if it does not respond it will send a return letter.
2. Unit Management will conduct a survey of HGU stakes every once a year.
3. The company will conduct an inventory of HGU stakes within 1 year

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

September 10, 2018

The Company shows Application Letter for PT KLR Geographical Coordinate List on September 3, 2018 received at the National Land Agency on September 7, 2018. Explain about the re-application of the coordinates of PT KLR HGU boundaries pole as a follow-up to the application letter on September 15, 2017.

Based on the explanation above, the nonconformity is stated to be fulfilled and will be observed in the next assessment.

Verified by : **Muhammad Rinaldi**

NCR No.	: 2018.03	Issued by	: Muhammad Rinaldi
Date Issued	: 11 August 2018	Time Limit	: 10 November 2018
NC Grade	: Minor Upgrade to Major	Date of Closing	: 10 September 2018
Standard Ref. & Requirement	: 2.2.2 Legal boundaries must be clearly defined and seen to be taken care of.		

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

Based on corrective actions for ASA-1.1 Non-conformity, there is a Time Frame to verify the HGU Pole (made on September 18, 2017) which describes the plan to verify the coordinates of the HGU pole in according to the letter from the BPN planned from November 2017 - January 2018. However, till this ASA-1.2 activities (August 2018), there is no evidence of the implementation of the plan that has been made.

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

Info from PSD Jakarta, Until now the response from Land Agency to the PSD letter No: 333 / KLR / UM / PSD / IX / 2017 regarding the application for updating the HGU coordination list of PT Kridatama Lancar has not received a response, so that the plan to verify the coordinates of the stakes according to the timeframe planned for November 2017 - January 2018 cannot yet be implemented

Correction *(filled by organization audited):*

PSD sent a second letter to BPN regarding the request to update PT Kridatama Lancar HGU geographical coordination list and ensure that this letter was responded to.

Corrective Action *(filled by organization audited):*

1. The company will follow up with Land Agency, regarding the coordinates of PT KLR HGU every 6 months and if it does not respond it will send a return letter.

2. Unit management will conduct a survey of boundaries pole every once a year.	
3. The company will conduct an inventory of boundaries pole in a period of 1 year.	
Assessor Evaluation and Conclusion (filled by auditor):	
September 13, 2018	
The Company showed a Request Letter of PT KLR Geographical Coordinate List on September 3, 2018 received at the Land Agency office on September 7, 2018, which explained the re-application of the coordinates of PT KLR's HGU stakes as a follow-up to the application letter on September 15, 2017.	
Based on the explanation above, the nonconformity is stated to be fulfilled and will be observed in the next assessment.	
Verified by	: Muhammad Rinaldi

NCR No.	: 2018.04	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 11 August 2018	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: June 20th, 2019
Standard Ref. & Requirement	: 5.6.3 A monitoring plan and results of regular reporting on emission and pollutants from estate and mill operations using appropriate methods, shall be available.		
Evidence observed & Non-Conformance Description (filled by auditor): CH has shown GHG calculations using RSPO Palm GHG version 3.01. However, there are still differences in HCV area with HCV statement area.			
Root Cause Analysis (filled by organization audited): There was mistaken on data input especially regarding HCV areas on areal statement			
Correction (filled by organization audited): Company conduct new GHG calculation using Palm GHG version 3.0.1 based on actual HCV areas			
Corrective Action (filled by organization audited): Company have pointed PIC for GHG data input cross check i.e PSQM on each area and conduct monitoring for each year GHG data input			
Assessor Evaluation and Conclusion (filled by auditor): Company shown GHG calculation based on RSPO palm GHG ver 3.0.01 for periods 2018, and based on statement areas cross check shown that current calculation including HCV areas statement are inline with company raw data input and areal statement. Meanwhile finas emission per tonne product for 2018 calculation was 1.62 tCO ₂ / t product			
Based on this explanation, NCR 2018.04 are closed			
Verified by	: Steve Mualim		

NCR No.	: 2018.05	Issued by	: Muhammad Rinaldi
Date Issued	: 11 August 2018	Time Limit	: 10 November 2018
NC Grade	: Major	Date of Closing	: 21 September 2018
Standard Ref. & Requirement	: SCCS General COC 5.5.2 Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: a. The site has legal ownership of all input material to be included in outsourced processes; b. The site has an agreement or contract covering the outsourced process with each		

	<p>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.</p>
<p>Evidence observed & Non-Conformance Description (filled by auditor):</p> <p>Based on the documents verification of Transportation Services Agreement, it is known:</p> <ol style="list-style-type: none"> 1. There is no contractor's commitment to providing separate transportation equipment specifically for transporting IP certified products. This is not in accordance with the RSPO SCCS Manual (SOP of SCCS) at point 4.5.3. 2. The validity period of the transport service agreement has expired on May 31, 2018. There has been a meeting minutes related to the contract extension on July 20, 2018, but until the ASA-2 audit activity, the company has not been able to show an extension of the contract. This is consistent with interviews with CPO transporter, where there is no addendum to the work contract/agreement. 3. Based on a review of Delivery Order documents and interviews with bulking staff, it is known that there are contractors to transport CPO from bulking to buyers. But the company has not been able to show a contract or work agreement with the contractor 	
<p>Root Cause Analysis (filled by organization audited):</p> <ol style="list-style-type: none"> 1. The work agreement (addendum II) is an extension from first work agreement that still adapts the contents of the previous work agreement so that it still does not comply with the RSPO SCCS Manual at point 4.5.3, because the latest SOP is issued in 2018 while the work agreement addendum 2 is carried out in 2017. 2. When auditing the work agreement still under evaluation by the logistics department in Jakarta 3. work agreement for transportation of CPO from bulking to buyers is at the Jakarta head office and cannot be shown during audit activities 	
<p>Correction (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Extend and renew the contents of the transportation work agreement according to the SOP 2. Sending evidence of coordination of requests for improvements to the contents of the work agreement. 3. Send copies of the bulking transportation work agreement to the buyer who has been requested from the logistics department. 	
<p>Corrective Action (filled by organization audited):</p> <ol style="list-style-type: none"> 1. The Head Clerk of Factory will coordination with the logistics department to ensure the contents of the work agreement extension is in accordance with the SCCS SOP and conducting the control of work agreement validity period 2. Work agreement transportation from bulking to the buyer will be requested periodically from the logistics Department and archived by the Head Clerk of Factory 	
<p>Assessor Evaluation and Conclusion (filled by auditor):</p> <p>21 September 2018</p> <p>The company shows some proof of improvement including:</p> <ul style="list-style-type: none"> • The Company shows the Work Agreement No.024 / KPS-KLR / FN / VI / 2018 dated June 8, 2018 related to the CPO transport agreement with PT Karunia Pratama Sejahtera (Barge of TB.KAN.VI) • The company showed the draft of work agreement CPO Transport contractor with CV. Ayawan jaya, CV Mitra Suryan Permai, CV Nabila with a validity period until 30 November 2018 which includes a clause that "the second party provides separate vehicles specifically for transporting IP certified products" 	

- The company shows communication with the Legal Department on September 7, 2018 which explains the work agreement extension process with plans signed by the board of directors on September 14, 2018.

Based on the explanation above, the nonconformity is stated to be fulfilled and will be observed in the next assessment.

Verified by : **Muhammad Rinaldi**

NCR No.	: 2018.06	Issued by	: Muhammad Rinaldi
Date Issued	: 11 August 2018	Time Limit	: 10 November 2018
NC Grade	: Major	Date of Closing	: 05 October 2018
Standard Ref. & Requirement	SCCS General COC 5.7.2 The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. 		

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

Based on Balance Sheet-RSPO Certified Product data, on October 2017-06 August 2018 (palmtrace period) CPO production was 40,505.18 tons and PK production was 10,013.26 tons, but on Transaction Report data on Palmtrace period 07 October 2017- 04 August 2018, there are CPO sales as many as 32,604.34 tons and PK sales of 5,741.12 tons. This shows that not all sales of certified products have been registered (shipping / remove) on Palmtrace data.

Root Cause Analysis (filled by organization audited):

Procedures related to registration in Etrace have not adjusted to the latest SCCS standards

Correction (filled by organization audited):

- Shows revision of SOP etrace according to the latest SCCS standards
- Conduct socialization to PICs that register in etrace (marketing department)

Corrective Action (filled by organization audited):

Updating the balance sheet data every month and ensuring registration on Etrace is carried out for all certified product sales including conventional sales every 3 months. The PIC for this matter is production clerk and monitored by the local PSQM.

Assessor Evaluation and Conclusion (filled by auditor):

06 October 2018

The company shows SOP E-trace with effective date July 2017 which explains the mechanism for registering certified products including removing stock on palmtrace if there is a sale of certified products sold as conventional. In addition, there has been socialization related to the procedure on October 3, 2018 to 6 staff including 4 people from the Marketing Department by the Head of PSQM.

Based on the explanation above, the nonconformity is stated to be fulfilled and will be observed in the next assessment.

Verified by	: Muhammad Rinaldi
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<i>NCR No.</i>	:	2018.07	<i>Issued by</i>	:	Muhammad Rinaldi
<i>Date Issued</i>	:	11 August 2018	<i>Time Limit</i>	:	10 November 2018
<i>NC Grade</i>	:	Major	<i>Date of Closing</i>	:	20 August 2018
<i>Standard Ref. & Requirement</i>	:	SCCS General COC 5.8.1 The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff			
Evidence observed & Non-Conformance Description (filled by auditor):					
Mill has shown the SCCS Training Program in 2017/2018, but has not been able to show the SCCS training program to contractors who handle certified CPO products					
Root Cause Analysis (filled by organization audited):					
The company does not know the obligation to conduct SCCS training to contractors so SCCS training program in 2017/2018 does not yet contain the training.					
Correction (filled by organization audited):					
The SCCS training program has been prepared for 2018/2019 which has included training for land CPO (truck) and Sea (barge) transport Contractors.					
Corrective Action (filled by organization audited):					
Carry out the arranged training programs according to the schedule that has been made.					
Assessor Evaluation and Conclusion (filled by auditor):					
20 August 2018					
The CH has demonstrated the Sukamandang Factory SCCS Training Program for 2018/2019 which includes training plans for all employees (May 2019), bulking employees (February 2019) and CPO transport contractors (May 2019).					
Based on the explanation, this nonconformity is Closed and will be observed again towards the implementation of the training in the next assessment.					
<i>Verified by</i>	:	Muhammad Rinaldi			

<i>NCR No.</i>	:	2018.08	<i>Issued by</i>	:	Muhammad Rinaldi
<i>Date Issued</i>	:	11 August 2018	<i>Time Limit</i>	:	10 November 2018
<i>NC Grade</i>	:	Major	<i>Date of Closing</i>	:	21 August 2018
<i>Standard Ref. & Requirement</i>	:	SCCS General COC 5.8.2 Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed			
Evidence observed & Non-Conformance Description (filled by auditor):					
The company showed proof of SCCS training to SMF employees conducted on August 10, 2018 with a total of 44 employees, training CPO to bulking transport contractors on August 10, 2018 to 10 contractor workers and training to bulking workers on March 10, 2018 to 14 bulking workers. However the company has not been able to show					

evidence of training to contractors who handle certified CPO products from bulking to buyers.
Root Cause Analysis <i>(filled by organization audited):</i> The SCCS training is still not carried out because the company does not know about the obligation to socialize the barging transport contractor from Bulking to the buyer.
Correction <i>(filled by organization audited):</i> The Pangkalan Banteng Bulking Team conducted a socialization of contractor employees in bulking when loading CPO from bulking to the Buyer.
Corrective Action <i>(filled by organization audited):</i> 1.Socialization will be carried out before loading the CPO from Bulking to the Buyer 2.Marketing will do the socialization to each barge contractor who cooperates for the transport of CPO and PK (email request attached)
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 20 August 2018 The CH has shown evidence of communication (by email) on 14 August 2018 related to the notification for the implementation of the socialization to the barge transport contractor by HO marketing in Jakarta. The CH showed training evidence to 15 employees of the CPO barging contractor on August 14, 2018 in the form of minutes and photos, but the company did not show evidence of the attendance list. Based on this explanation, this non-conformity is still Open. 21 August 2018 The CH has been able to show evidence of the attendance list of the SCCS socialization to 15 employees of the CPO barging transport contractor on 14 August 2018 consisting of barge captain, surveyors, chief officers and others. Based on the explanation, this nonconformity is Closed.
Verified by : Muhammad Rinaldi

<i>NCR No.</i>	:	2018.09	<i>Issued by</i>	:	Muhammad Rinaldi
<i>Date Issued</i>	:	11 August 2018	<i>Time Limit</i>	:	10 November 2018
<i>NC Grade</i>	:	Major	<i>Date of Closing</i>	:	16 September 2018
<i>Standard Ref. & Requirement</i>	:	D.5.1 The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.			
Evidence observed & Non-Conformance Description (filled by auditor):					
The company has not been able to show separation of record sales of CPO & PK products with claims certified and non-certified/conventional					
Root Cause Analysis (filled by organization audited):					
Update Data on record sales of the latest CPO & PK products with certified and non-certified / conventional claims are still in HO Marketing on Jakarta and are being requested during the audit.					
Correction (filled by organization audited):					
Sending the SCCS balance sheet update until 06 August 2018.					

Corrective Action (filled by organization audited):

Ensure data on sales records of CPO & PK products with certified and non-certified / conventional claims from HO marketing in Jakarta is obtained every month by Sukamandang Factory.

Assessor Evaluation and Conclusion (filled by auditor):

September 16, 2018

The CH has shown Balance Sheet-Supply Chain data which has explained production data and sales records of CPO & PK products with claims certified and not certified / conventional with the following data:

Month	CPO			
	Production (Kg)		Sold (Kg)	
	Certified	Non-Certified	Certified	Conventional
02-30 September 2017	4,205,724		4,718,549	118,735
October 2017	4,595,803		2,038,929	2,200,000
November 2017	4,106,931		4,101,383	-
December 2017	3,600,316		3,664,957	1,100,000
January 2018	3,297,605		1,452,350	-
February 2018	2,979,482		4,002,898	-
March 2018	3,500,083		4,200,000	-
April 2018	3,637,565		3,400,000	-
May 2018	4,660,017		-	4,200,000
June 2018	3,961,870		4,116,864	500,000
July 2018	5,098,302		2,000,000	1,000,000
1-6 August 2018	1,067,205			
Total	44,710,903		33,695,930	9,118,735

Month	PK			
	Production		Sold	
	Certified	Non-Certified	Certified	Conventional
02-30 September 2017	919,808		1,109,027	
October 2017	1,079,491		781,149	
November 2017	846,241		843,558	
December 2017	679,783		508,787	
January 2018	673,469		1,284,921	
February 2018	601,178		439,898	
March 2018	777,876		246,881	500,000
April 2018	801,519		698,819	
May 2018	1,056,442		941,145	
June 2018	790,633		994,768	
July 2018	1,083,004		63,319	600,000
1-6 August 2018	240,676		490,599	-
Total	9,550,120		8,402,871	1,100,000

Based on the explanation, **this non-conformity is Closed.**

Verified by : **Muhammad Rinaldi**

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

NCR No.	: 2019.01	Issued by	: Andi Pratama Pasaribu
Date Issued	: 21 June 2019	Time Limit	: Next ASA
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 2.2.2 Legal boundaries must be clearly defined and seen to be taken care of.		
Evidence observed (filled by auditor): <p>Based on the records of previous audit activities (ASA-1.2), information was obtained that a Time Frame (September 18, 2017) was prepared to verify the coordinates of the stakes in accordance with the letter from the BPN (planned for November 2017- January 2018).</p> <p>The corrective action at that time carried out by the company was by sending the PT KLR Geographic Coordinate List Application Letter on September 3, 2018 (received at the National BPN office on September 7, 2018) explaining the request to re-register the boundary poles coordinate list as follow-up letter of application on September 15, 2017.</p> <p>However, until the ASA-1.3 audit is completed, positive evidence progress has not yet been demonstrated in the measurement of the boundary poles coordinates.</p> <p>Non-Conformance Description (filled by auditor): Based on the explanation above, the company has not been able to show clear legal boundaries to prove the certainty of land tenure in accordance with the appropriate boundary poles coordinates. Thus, this becomes a non-conformity No. 2019.01.</p>			
Root Cause Analysis (filled by organization audited):			
Correction (filled by organization audited):			
Corrective Action (filled by organization audited):			
Assessor Evaluation and Conclusion (filled by auditor):			
Verified by	:		

NCR No.	: 2019.02	Issued by	: Steve Mualim
Date Issued	: 21 June 2019	Time Limit	: Next ASA
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 4.4.4 Monitoring of mill water use per ton of FFB shall be recorded		

Evidence observed (filled by auditor): Company has surface water utilization permit based on decree of head of capital and integrated services Central Kalimantan province No 570/07/DPUPR-IPAP/IX/DPMTSP-2018 on 18 September 2018. Based on this permit shown that maximum debit for mill water usage (domestic and processing) were 18000 m ³ Document review found average water usage per month for Sukamandang factory for periods Jan-May 2019 has been exceeded 18000 m ³ / month, for examples for May 2019 water usage for domestic and process are 28270 m ³ .	
Non-Conformance Description (filled by auditor): Company were not able shown that water usage for SKF has been comply with requirements on water utilization permit	
Root Cause Analysis (filled by organization audited):	
Correction (filled by organization audited):	
Corrective Action (filled by organization audited):	
Assessor Evaluation and Conclusion (filled by auditor):	
Verified by	:

NCR No.	: 2019.03	Issued by	: Mohamad Amarullah
Date Issued	: 21 Juni 2019	Time Limit	: 19 September 2019
NC Grade	: Major	Date of Closing	: 09 July 2019
Standard Ref. & Requirement	: 4.7.2 A documented risk assessment shall be available and its implementation shall be recorded		
Evidence observed (filled by auditor): The company is not be able to shows HIRAC evaluation for accident which recorded in 06 February 2019 in BDE that caused 8 mandays lost.			
Non-Conformance Description (filled by auditor): The company is not be able to ensure that HIRAC evaluation has been made by considering any accident happened.			
Root Cause Analysis (filled by organization audited): P2K3 Secretary is not properly conducting HIRAC evaluation due to accident happened on the field.			
Correction (filled by organization audited): P2K3 (OSH-Committee) will evaluate HIRAC with considering accident records.			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> Safety Officer in all units will investigate all accident, except for accident class I and Class II. Evaluation on this matter will be conducted every month. All accident will be informed to PSQM Assistant every month by Estate management. Coordination will be conducted when accident happened. PSQM Department and OSH Committee will conducting coordination in making evaluation of HIRAC through considering any accident happened. 			

Assessor Evaluation and Conclusion (filled by auditor):
Verification 09 July 2019

Company management shows several correction evidence, as follows:

- Form of Accident Monitoring fo Estate and Mill for accident happened in February 2019 which informed chronology of accident used for audit sample, i.e. dated 06 February 2019 in Block G56 BDE, with accident category Class III (medical certificate given for >5 days).
- Accident investigation report of P2K3 for accident in BDE dated 06 February 2019, Block G56 Field G014 Division 1 BDE, which informed general data, worker identity, chronology oof accident, type of accident, root of cause analysis and approval from investigator team, OSH Expert (P2K3 Secretary) and Estate Manager. Together wit the report there were attached Accident Official Report, Investigation and Evaluation Report and Illustration of accident.
- Quarter-2 P2K3 minutes of meeting for period April to June 2019 dated 25 June 2019, which approved by Secretary and Head of P2K3 Committee. The minutes has explained evaluation and recommendation.
- HIRAC for harvesting activity, FFB loading and transportation which revised on 25 June 2019 that considering accident mentioned in the NCR evidence observed. Point No. 9 and No. 10 of HIRAC mentioned that to avoid FFB struckdown, harvester need to cut the lower fronds and keep on safe distance during cutting process.

Auditor conclusion:

According to root of cause analysis and corrective action description, as well as correction evidence provided, it could be concluded that NCR No. 2019.03 is considered **closed**.

Verified by : **Mohamad Amarullah**

NCR No.	: 2019.04	Issued by	: Mohamad Amarullah
Date Issued	: 21 Juni 2019	Time Limit	: 19 September 2019
NC Grade	: Major	Date of Closing	: 25 July 2019
Standard Ref. & Requirement	4.7.3 Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers		
Evidence observed (filled by auditor): <ul style="list-style-type: none">Based on interview with workers in estate and mill, as well as PPE safety boot and boot delivery record, it was known that those PPE were provided once a year.Based on observation to SMF, it was found several operators did not wear suitable PPE, for example masker, earplug and safety boot were substituted by buff, cotton and rubber boot, respectively.Based on observation and interview with pesticide applicators in BDE and SME, it was known that PPE masker used was carbon type, not respirator as required by MSDS of product.			
Non-Conformance Description (filled by auditor): <ul style="list-style-type: none">The company is not be able to ensure that all PPE were provided to all workers all years.The company is not be able to ensure that all workers has use PPE in accordance with HIRAC and/or MSDS.			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">The company has not implementing policy of providing PPE extra 10 % on the units which aims to replace broken or unproper PPE.Lack of monitoring of PPE 10 % extra in SMF caused PPE replancement is not satisfactory implemented.			

Correction (filled by organization audited):

- Area Controller of KTT and Senio Manager of SMF to make memorandum towards PPE extra 10 % which aims to replace any broken ond/or unproper PPE, due to works activities.
- To conduct socialization of PPE replacement to all estate and mill workers.
- To conduct PPE replacement as in accordance with MSDS and/or HIRAC.
- To appointed Safety Officer as PIC for PPE monitoring, included PPE replacement control.

Corrective Action (filled by organization audited):

- Safety Officer will conduct monitoring of PPE usage and its completeness periodically. Daily checking of PPE will be assisted by the respective Foreman.
- Assistant of PSQM will evaluate through ESH Assessment every 3 months on PPE usage monitoring on the estate and mill.
- Evaluation on PPE will be evaluated on OSH Committee meeting, for immediate followup when there was issues need to be covered up

Assessor Evaluation and Conclusion (filled by auditor):
Verification 22 July 2019

The company shows several evidence of correction, as follows:

- Minutes of accident evaluation and recommendation, derived from P2K3 meeting quarter-2 2019 (period April to June) dated 25 June 2019 which informed that PPE monitoring shall be conducted every day by Foreman before start the works, assisted by Assistant and/or Senior Assistant, in coordination with PSQM Staff.
- Promotion Letter of Employee from Engine Power Operator to become Safety Officer of SMF starting from 10 May 2019, through Decree No. 027/SMF-INT/V/2019 dated 09 May 2019.
- Socialization of PPE replacement mechanism due to work activities on 15 July 2019, attended by 56 SMF workers.
- Form List of PPE delivery such as Respirator/Masker, earplug and safety boot to all SMF workers from all shift dated July 2019. The Form is signed by Senio Manager, Head of Admin and Safety Officer. Picture document of delivery were available.
- Form of PPE Respirator Delivery dated 10 July 2019 for 30 pesticide Applicators from Division 2 SME, signed by Safety Officer, Foreman, Head of Adminstrative and Estate Manager.
- Official Letter of Respirator N95 Delivery No. ASTB/BDE/KB/VII/2019 dated 12 July 2019, signed by Store Head, Foreman and Act. Senior Manager. The PPE has given to 14 pesticide Applicators from BDE
- Form of PPE Monitoring Checklist of PT KLR (empty) which informed location of work, date, time, name of employee(s), position, Foreman, type of PPE used, information of PPE completeness and condition. The Form need to be verified by Foreman, Assistant/Senior Assistant, and Estate/Mill Manager.
- Form of ESH Assessment Checklist for Estate and Mill, which shpuld be prepared by Sustainability Staff, Assistant/Senior Assistant and Estate/Mill Manager.
- SMF Senior Manager Memorandum to Head of Admin No. 207/SMF-INT/VII/2019 dated 12 July 2019 about providing extra 10 % of PPE stock which aims for PPE replacement of broken and/or unproper PPE.
- Area Controller of KTT Memorandum to all Area Manager No. 050.AC-RSPO/VII/2019 dated 12 July 2019 about providing extra 10 % of PPE stock which aims for PPE replacement of broken and/or unproper PPE.
- Central Store Card which informed stock of PPE such as safety boot, masker/respirator and earplug up to July 2019, which aims to fullfil PPE extra 10 % as instructed by Area Controller and Senior Manager Memorandum. Picture documentation of PPE isavailable.

Auditor conclusion

Description of root cause analysis and corrective action are accepted. However, auditee need to further explained several auditor questions, as bellows:

- Please explain what unit management would do if the workers do not brings and/or wear proper PPE?
- Is the Safety Officer for Mill has also covers estates? If not, please shows appointment Letter of Safety Officer for estate scope.
- Please shows PPE replacement socialization for estate units.

- When Form of "PPE Monitoring Checklist" and "ESH Assessment Checklist" will be carried out? Please shows its implementation, for example on Period June 2019 in the estate and mill.

Based on explanaiton above, NCR No. 2019.04 is still remain **Open**.

Verification 25 July 2019

The has company answare and explain several auditor questions on 22 July 2019. Furtehrmore, several additional correction evidence has also been shows, as follows:

- Unit management explained that it the workers did not brings and/or wear a proper/standard PPE, Warning Letter will be given and ordered to immediately go home to brings their PPE. However, unproper PPE due to working activities will be replaced with the new one.
- Unit management shows Safety Officer Appointment Letter, for example for Kuala Kayan Estate, Baras Danum Estate and Sukamandang Estate as shows through Estate Manager Decree No. EST/KKE/2019/VII/001 dated 01 July 2019 for worker with Employee No. 0000131087; No. 038/BDE-SK/VII/2019 dated 23 July 2019 for worker with Employee ID No. 133298; No. SK-MT/SKU-SME/2019/099/S dated 27 November 2018 for Employee with ID No. 0000028645, respectively.
- Socialization of PPE replacement mechanism for estates has been conducted gradually up to 13 July 2019.
- Unit management explained that PPE usage monitoring is conducted every week, while ESH Assessment will be conducted quarterly by Safety Officer and ESG Officer, in coordination with Sustainability Department. For daily inspection, it will be assisted by Foreman. Monitoring form of PPE Usage for period June 2019 and ESH monitoring period July 2019 for for estate and mill are available.

Auditor conclusion

Based on description towards root of cause and corrective action, as well as correction evidence given, it could be concluded that NCR No. 2019.04 is considered **closed**.

Verified by : **Mohamad Amarullah**

NCR No.	: 2019.05	Issued by	: Steve Mualim
Date Issued	: 21 June 2019	Time Limit	: Next ASA
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 5.2.4 Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.		
Evidence observed (filled by auditor): Company has been established HCV management plan for periode 2018-2019 that consist of for examples signboard maintenance, bufferzone marking, HCV socialization, and species monitoring. Procedures HCV management on June 2009 also state that HCV management method are done by conduct HCV monitoring regularly Field observation on HCV 4 KKE (bukit ayun titah) found that forested HCV areal were deforested and current HCV monitoring are failed to identify disturbance on company HCV areas.			
Non-Conformance Description (filled by auditor): Current HCV monitoring are failed to identify disturbance on company HCV areas and this monitoring results are no yet incorporated on management plan improvements as results of monitoring output.			
Root Cause Analysis (filled by organization audited):			

Correction (filled by organization audited):	
Corrective Action (filled by organization audited):	
Assessor Evaluation and Conclusion (filled by auditor):	
Verified by	:

NCR No.	:	2019.06	Issued by	:	Steve Mualim
Date Issued	:	21 June 2019	Time Limit	:	ASA1.4
NC Grade	:	Minor	Date of Closing	:	
Standard Ref. & Requirement	:	5.3.3 A documented waste management plan to avoid or reduce pollution and its implementation shall be available			
Evidence observed (filled by auditor): Company has waste management plan and waste source identification that listed on waste source identification and its management 2019. Company also has procedure related medical waste management that listed on procedures SOP/ISPO/KLR/14 on 21 june 2019. This procedures explained the methodology related medical waste management including storage time limit for medical waste. Document review found that medical waste on Sukamandang estate temporary hazardous waste has been stored for more than 180 days					
Non-Conformance Description (filled by auditor): Company are not able to shown proper ways to disposed medical waste based on current regulation and procedures					
Root Cause Analysis (filled by organization audited):					
Correction (filled by organization audited):					
Corrective Action (filled by organization audited):					
Assessor Evaluation and Conclusion (filled by auditor):					
Verified by	:				

NCR No.	:	2019.07	Issued by	:	Steve Mualim
Date Issued	:	21 Juni 2019	Time Limit	:	19 September 2019
NC Grade	:	Major	Date of Closing	:	19 September 2019
Standard Ref. & Requirement	:	6.5.1 Harus tersedia dokumentasi upah dan persyaratan-persyaratan kerja sesuai dengan ketentuan ketenagakerjaan yang berlaku.			

Evidence observed (filled by auditor):

based on document studies during audits and interviews in the field, there are workers who work on holidays but their wages use a incentive system which should use overtime systems, for example genset house officers (Bakti Prajiwo and Haryanto) in Sapiri Estate.

Non-Conformance Description (filled by auditor):

The company has not been able to demonstrate the implementation of the wage system in accordance with applicable regulations (Kepmenakertrans No. 102 / MEN / VI / 2004, Article 11).

Root Cause Analysis (filled by organization audited):

The management of Sapiri Estate has made a mistake in the employee payroll system, especially the home generator staff using a incentive system, especially on Sundays so it is not in accordance with applicable regulations.

Correction (filled by organization audited):

The management of Sapiri Estate has evaluated the working hours and the payroll system by adding 1 officer so that there are 3 shifts (8 work hours each) each working day and 2 shifts (3.5 working hours each) for holidays.

Corrective Action (filled by organization audited):

management has issued a circular letter related to changes in the genset's house clerk working hours (memo attached) so that it complies with applicable regulations.

Assessor Evaluation and Conclusion (filled by auditor):

Verification on 9 July 2019

1. The company has sent proof of improvement in the form of: IOM of Estate Manager Sapiri No. / SIE-INTERN / VI / 2019 / S dated June 25, 2019 concerning changes in the work shifts of the generator set to 3 shifts on Monday - Saturday and 2 hours (2 shifts) overtime on Sunday (1 operator off).
2. Generator officer Sapiri Estate work schedule. (for example June 2019).
3. Generator officer overtime calculation simulation period July 2019 refers to Kepmenakertrans No. 102 of 2004. The results of simulations conducted by management indicate that payments made by management are greater than the simulation of Kepmenakertrans No. 102 of 2004.

Auditor Conclusion on 9 July 2019

Based on the above, this non conformity was declared not yet fulfilled.

Verification on 23 August 2019

The company has sent evidence of improvements in the form of:

- Minutes of the internal meeting in July 2019 regarding the evaluation of the workers' wage system following a calculation simulation on behalf of the person referring to the Ministerial Decree 102 of 2004. The meeting was attended by 23 participants consisting of managers, staff and foremen.
- Salary receipt for the period July 2019.

However, the calculation of the calculation cannot be shown to the employees concerned.

Auditor Conclusion on 23 August 2019

Based on the above, this non conformity was declared not yet fulfilled.

Verification on 19 September 2019

The company has shown evidence of additional improvements in the form of socialization of the payroll system in accordance with applicable regulations to employees (generator officer). Attached list of attendees and photo socialization on 29 August 2019.

Auditor Conclusion on 19 September 2019

Based on this, this non conformity was declared fulfilled.

Verified by : **Andi Pratama Pasaribu**

NCR No.	: 2019.08	Issued by	: Steve Mualim
Date Issued	: 21 June 2019	Time Limit	: ASA 1.4
NC Grade	: Major	Date of Closing	: 19 September 2019
Standard Ref. & Requirement	: 7.3.1 There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).		
Evidence observed (filled by auditor): PT Kridatama Lancar has conducted disclosure of liability and LUC analysis in accordance with RSPO template on July 2015. During 2016-2019 periods, company shown intensive communications to RSPO compensation panel. Until ASA-1.3, based on company communication with RSPO shown that LUC analysis for PT KLR are still on review process.			
Non-Conformance Description (filled by auditor): Company are not able to shown evidence that RaCP for PT KLR has been approved by RSPO.			
Root Cause Analysis (filled by organization audited): The unit has not received information from Sime Darby regarding the progress of LUCA PT KLR			
Correction (filled by organization audited): The time line check list submission has been submitted LUCA Sime Darby (attached file)			
Corrective Action (filled by organization audited): Continue to update to Sime Darby to convey the progress of the LUCA PT KLR progress			
Assessor Evaluation and Conclusion (filled by auditor): Verification 19 September 2019 The company has shown evidence of communication with the RSPO Secretariat in May 09, 2019 which informed that there had been a meeting with the RSPO on May 8, 2019, at the meeting agreed: <i>Considering the historical involvement and events (as presentation slides and documents attached), SDP is given a one year time extension period to address all outstanding matters (including the approval of compensation plan) related to non-conformity raised on 7.3.1 during the RSPO Re-certification/Annual Surveillance Audits for the affected units. (The timeframe of one year whether from May 2019 or maybe staggered according to the certification dates of each Unit of Certification will be advised by RSPO Secretariat.).</i>			
Auditor Conclusion 19 September 2019 Based on that information, this NC has been closed until next assessment according to the RSPO Secretariat statement.			
Verified by	: Andi Pratama Pasaribu		

NCR No.	: 2019.09	Issued by	: Andi Pratama Pasaribu
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<i>Date Issued</i>	: 21 June 2019	<i>Time Limit</i>	: 19 September 2019
<i>NC Grade</i>	: Major (Recurrent)	<i>Date of Closing</i>	: 2 September 2019
<i>Standard Ref. & Requirement</i>	General COC 5.6.1 The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer		
Evidence observed (filled by auditor): Based on document verification and interview with related staff informed that facility sold their palm product to several buyer.			
Non-Conformance Description (filled by auditor): there is no evidence yet that the company has a contact list of buyers as per the RSPO.			
Root Cause Analysis (filled by organization audited): Contact detail of buyer kept in marketing office in Jakarta Head Quarter and late to share to the Sukamandang POM officer during the audit.			
Correction (filled by organization audited): PIC in Sukamandang POM will update the list of buyer data every month as required by the RSPO.			
Corrective Action (filled by organization audited): Mill head clerk will coordinate with marketing office in Jakarta Head Quarter to ensure list of buyer available by monthly.			
Assessor Evaluation and Conclusion (filled by auditor): Verification on 2 September 2019 The company has presented the RSPO SCCS Manual (SCCS-Std / RSPO / GSQM / 02) which was published on August 8, 2019. In clause 4.6 regarding Purchasing and goods out, it has not yet specified in detail who the officer is responsible for updating sales data (update buyer list, sales status, etc.). Auditor Conclusion on 2 September 2019 Based on that evidence, this nonformity has been closed.			
<i>Verified by</i>	: Andi Pratama Pasaribu		

3.5.3 Opportunity for Improvement



No	Ref. Std.	Description Deskripsi
1	6.5.1	Contract Workers recruitment evaluation based on current regulation
2	SCCS	Ensuring SCCS implementation based on RSPO requirements

3.5.4 Noteworthy Positive Components

No	Descriptions
1	Teamwork, PIC competence, and good document presentation during the assessment process
2	Obtained ISPO and RSPO certificate.

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
Plantation Agency of Seruyan Regency Dated: 17 June 2019 Method: Interview via phone The representative of Agency is simply refused and not willing to be interviewed by Mutuagung Lestari Auditor without any reason. Statement of rejection is captured through SMS dated 18 June 2019. Thus, information on PT KLR performance towards Agency perspective is not available.	Explained in interview notes.
National Land Agency of Seruyan District 17 June 2019 Method: Interview via phone All land title of PT Kridatama Lancar certified by Land National Agency of Kotawaringin Timur District. So there was no land dispute record submitted to the National Land Agency of Seruyan District.	Explained in criteria 2.1. 2.2 and 2.3
Labor Agency of Seruyan District 17 June 2019 Method: Interview via phone Not willing to interviewed by phone	-
Labor Agency of Seruyan District 17 June 2019 Method: Interview via phone Not willing to interviewed by phone	-
Village Representative from Tajur Baras Village 18 June 2019 The village of Tajur Beras was established earlier than the company that only got the land title/HGU on 1999. Even though the village area is included in the company's concession area (land title/HGU), there is no objection by the company until now. However, community land included in the HGU area has been compensated by the company in accordance with an agreement which the community has the right to refuse if no agreement is reached. Until the audit was conducted, there were no ongoing land dispute cases.	There were no ongoing land dispute cases.

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Kridatama Lancar Head of PSQM Minamas Plantation, Sime Darby Plantation Sdn Bhd</p>  <p><u>Alagendran Maniam</u> Thursday, 19 September 2019</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Andi Pratama Pasaribu</u> Thursday, 19 September 2019</p> </div> </div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1.	Plantation Agency Seruyan District	Seruyan District	-	Interview	17 June 2019	√	-
2.	National Land Agency Seruyan District	Seruyan District	-	Interview	17 June 2019	√	-
3.	Labor Agency Seruyan District	Seruyan District	-	Interview	17 June 2019	-	√
4.	Environment Agency Kotawaringin Timur	Seruyan District	-	Interview	17 June 2019	-	√
5.	Village Community Council of Tajur Baras Village (previous land owner)	Seruyan District	-	Interview	18 June 2019	√	-
6.	Loose fruit picker	Seruyan District	-	Interview	18 June 2019	√	-
7.	Union Labour PT KLR	Seruyan District	-	Interview	18 June 2019	√	-
8.	Gender Committee PT KLR	Seruyan District	-	Interview	18 June 2019	√	-
9.	Sukamandang Factory <ul style="list-style-type: none"> • 3 grading officer • 3 sterilizer operator • 1 engine operator • 1 boiler operator • 1 kernel room operator • 1 WTP officer • 1 warehouse officer • 2 mechanic • 4 firefighter officer • 2 security • 1 weighbridge officer • 1 logistic clerk 	Seruyan District	-	Interview	18 June 2019	√	-
10.	Sukamandang Estate <ul style="list-style-type: none"> • 1 security • 1 generator operator • 1 BSS officer • 2 mechanic • 2 warehouse officer • 3 daycare officer • 2 paramedic • 7 spray worker 	Seruyan District	-	Interview	19 June 2019	√	-
11.	Sapiri Estate <ul style="list-style-type: none"> • 3 manuring worker • 1 warehouse officer • 1 BSS & BMS officer • 1 mechanic • 1 hazardous waste temporary storage officer 	Seruyan District	-	Interview	19 June 2019	√	-

	<ul style="list-style-type: none"> • 3 daycare officer • 1 generator operator • 1 water machine officer 						
12	Baras Danum Estate <ul style="list-style-type: none"> • 1 foremans • 1 harvester • 1 loose fruit pickers • 4 fertilizer applicator • 2 pesticide applicator 	Seruyan District	-	Interview with worker held in estate office due to weather condition (heavy rain)	20 June 2019	√	-
13.	Kuala Kuayan Estate	Seruyan District	-	Interview with worker cancelled due to weather condition (heavy rain)	20 June 2019	-	√
14.	Yayasan Orang Utan Indonesia	Palangkaraya	info@yayorin.org	Email	13 June 2019	-	√
15.	Wahana Lingkungan Hidup Indonesia – Kalteng	Palangkaraya	kalteng@walhi.or.id	Email	13 June 2019	-	√
16.	Borneo Nature Foundation	Palangkaraya	info@borneonature.org	Email	13 June 2019	-	√
17.	Save Our Borneo	Palangkaraya	info@saveourborneo.org	Email	13 June 2019	-	√
18.	Lestari Hutanku	Palangkaraya	info@lestari-hutanku.com	Email	13 June 2019	-	√

Appendix 2. Assessment Program

Date	17 – 22 June 2019	
PROGRAM	AUDIT PROCESS	AUDITOR
Monday, 17 June 2019		
05.40 – 07.35	Jakarta → Palangkaraya (GA-550)	All Auditor
08.00 – 09.00	Public Consultation with Government Agencies (by phone) (tentatives)	All Auditor
09.00 – 16.00	Palangkaraya → Site PT. KRIDATAMA LANCAR	All Auditor
Tuesday, 18 June 2019		
08.00 – 09.00	Opening Meeting Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit, Transparency and Confidentiality Clarification)	All Auditor
09.00 – 12.00	Public consultation: <ul style="list-style-type: none"> With previous land owner (if any) and local communities surrounding the plantation area. Internal and external stakeholder (Cooperative, Labor Union, Gender Committee, Local Contractors, etc.) 	APP MAH DON
	Observation to HCV Area and Legal Boundaries	STM
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Field Observation to Sukamandang POM <ul style="list-style-type: none"> Process Station, Safety Aspect and Worker Welfare (Grading – despatch) ETP; WTP; Hazardous Waste Warehouse; Drainage; Collecting place of fiber, Water Discharge, Hazardous Warehouse; Workshop, Chemical Store. Supply Chain 	MAH / DON STM APP
Wednesday, 19 June 2019		
08.00 – 12.00	Field Observation to Sukamandang Estate <ul style="list-style-type: none"> BMP, safety, worker welfare and complaint mechanism Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land fill, Fire fighting facilities, Storage, ect. Field Observation to Sapiri Estate <ul style="list-style-type: none"> BMP, safety, worker welfare and complaint mechanism Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land fill, Fire fighting facilities, Storage, ect. 	MAH STM APP DON
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Document Review	All Auditor
Thursday, 20 June 2019		
08.00 – 12.00	Field Observation to Baras Danum Estate <ul style="list-style-type: none"> BMP, safety, worker welfare and complaint mechanism Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land fill, Fire fighting facilities, Storage, ect. 	MAH STM

	Field Observation to Kuala Kuayan Estate <ul style="list-style-type: none">• BMP, safety, worker welfare and complaint mechanism• Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land fill, Fire fighting facilities , Storage, ect.	APP DON
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Document Review	All Auditor
Friday, 21 June 2019		
08.00 – 12.00	Document Review	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 15.00	Closing meeting preparation	All Auditor All Auditor
15.00 – 17.00	Closing meeting	
18.00 – 20.00	PT KRIDATAMA LANCAR Site → Sampit	
Saturday, 22 June 2019		
08.00 – 10.00	Sampit → Jakarta (IN-173)	All Auditor