

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

### **[ ✓ ] Re-Certification**

Name of Management : Gersindo Minang Plantation POM – PT Gersindo Minang Plantation,  
 Organisation : Subsidiary of Wilmar International Limited.  
 Plantation Name : Gersindo Minang Plantation Estate (PT Gersindo Minang Plantation),  
 Permata Hijau Pasaman-1 Estate, and Permata Hijau Pasaman-2 Estate (PT  
 Permata Hijau Pasaman)  
 Location : Jorong Tanjung Pangkal, Nagari Lingkung Aur, Sub-District of Pasaman,  
 Pasaman Barat District, Province of Sumatera Barat, Indonesia  
 Certificate Code : **MUTU-RSPO/038**  
 Date of Initial Registration : 21 April 2014  
 Date of Certificate Issue : 13 June 2019                      Date of License Issue : 21 June 2019  
 Date of Certificate Expiry : 20 April 2024                      Date of License Expiry : 20 April 2020

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
RC	25 February to 01 March 2019	Moh Arif Yusni (Lead Auditor), Arif Faisal Simatupang, Affifudin, Radytio Puspanjana,	Ganapathy Ramasamy	Taufik Margani

Assessment	Approved by MUTUAGUNG LESTARI on:
RC	13 June 2019

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 on March 12<sup>th</sup>, 2014 with registration number **ASI-ACC-055**

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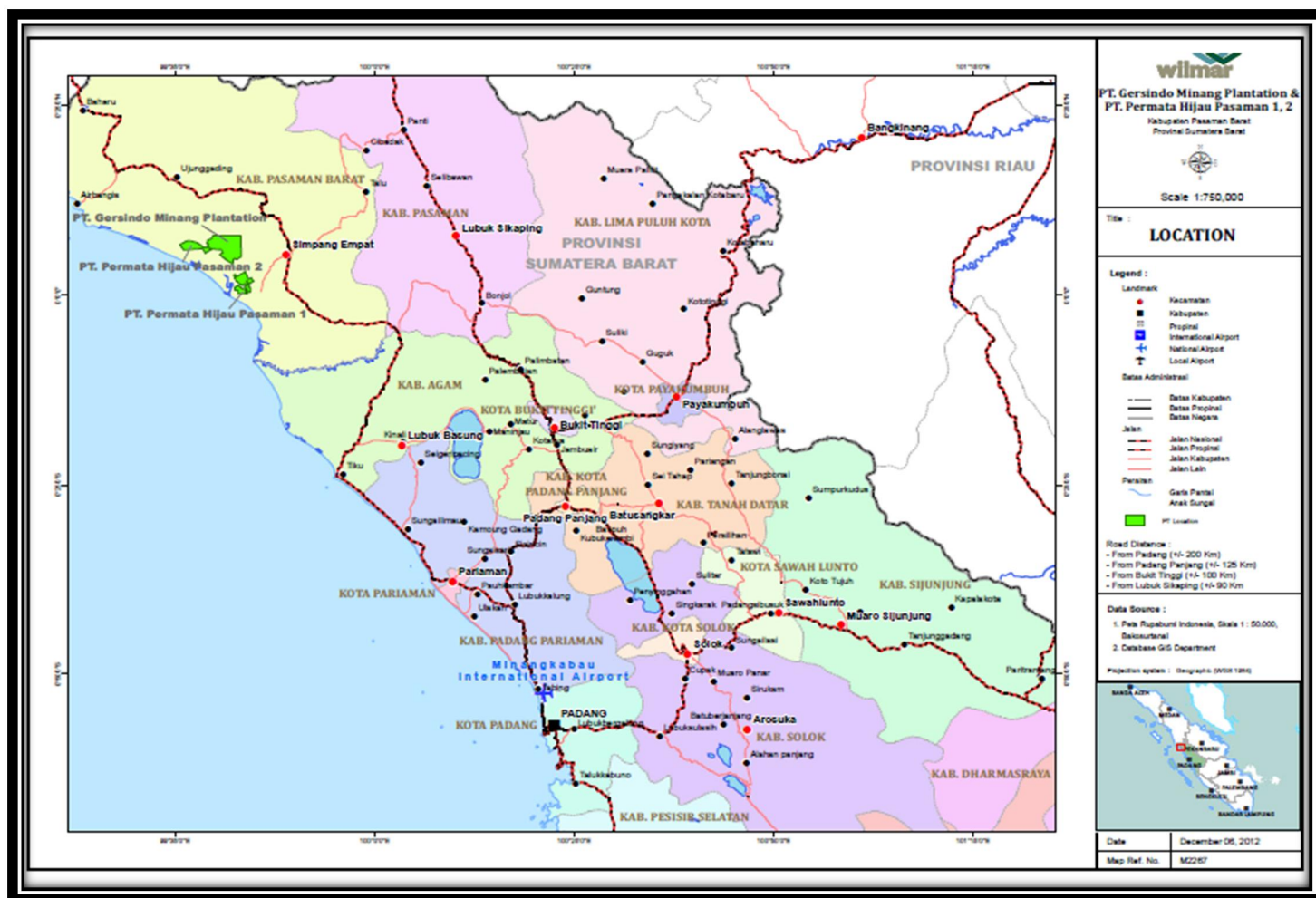
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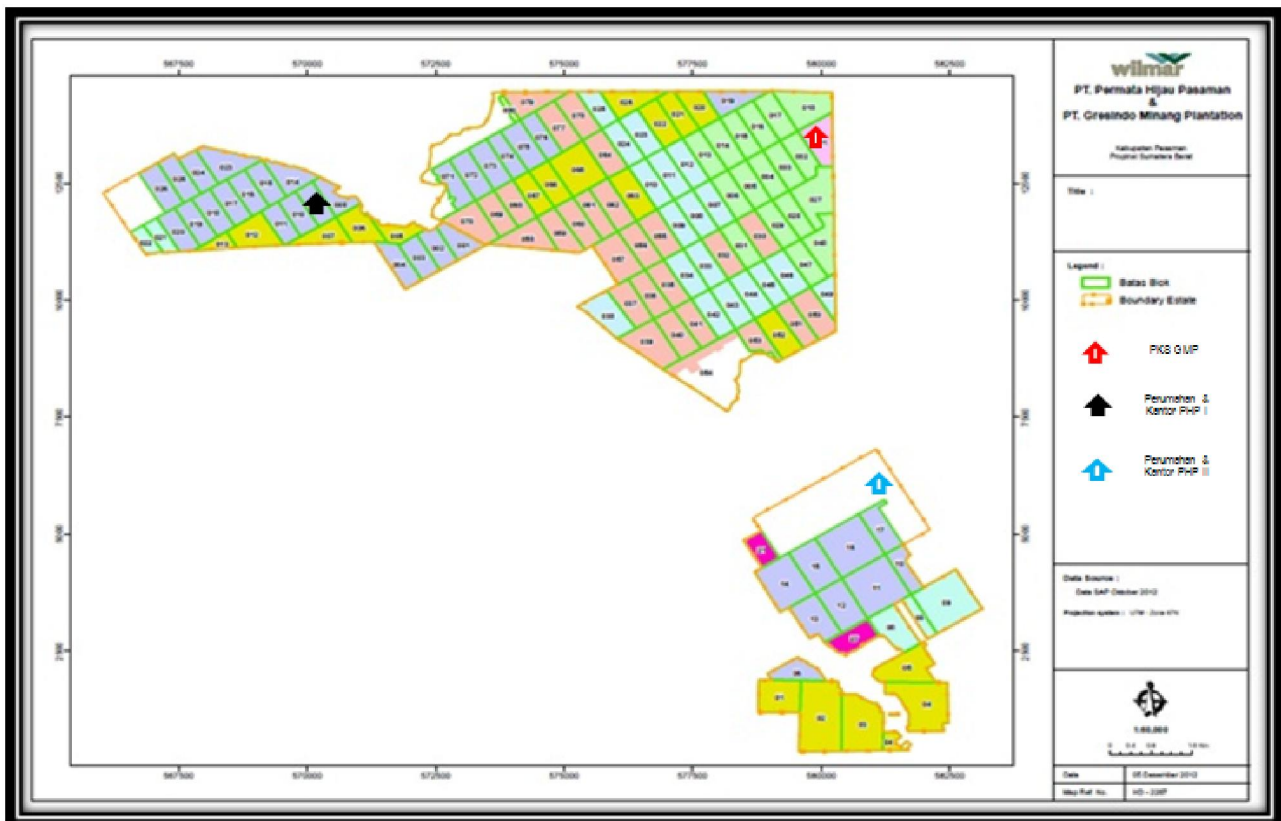
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**Figure 1. Location Map of PT GMP and PT PHP**



**Figure 2. Operational Map of PT GMP and PT PHP**



### Abbreviations Used

AIDS	:	Acquired Immune Deficiency Syndrome
B3	:	<i>Bahan Beracun dan Berbahaya</i> (Hazardous Material)
BHL	:	<i>Buruh Harian Lepas</i> (Daily Paid Worker)
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Workers Social Security Agency)
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
CD	:	Community Development
CH	:	Certificate Holder
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
CV	:	<i>Commanditaire Vennootschap</i>
EFB	:	Empty Fruit Bunch
EHS	:	Environment health and Safety
EIA	:	Environmental Impact Assessment
ENT	:	Ear Nose Throat
FA	:	Final Assessment
FFB	:	Fresh Fruit Bunch
GAPKI	:	<i>Gabungan Pengusaha Kelapa Sawit Indonesia</i> (Indonesian Palm Oil Association)
GEM	:	Group Estate Manager
GHG	:	Green House Gases
GIS	:	Geographic Information System
GMP	:	Gersindo Minang Plantation
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIV	:	Human Immunodeficiency Virus
HIRAC	:	Hazard Identification and Risk Assessment and Control
HRR	:	<i>Human Resource Regional</i>
IDR	:	Indonesian Rupiah
IPM	:	Integrated Pest Management
ILO	:	International Labour Organization
ISCC	:	International Sustainability & Carbon Certification
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Business Permit)
IUP-B	:	<i>Izin Usaha Perkebunan Budidaya</i> (Plantation Business Permit for Cultivation)
IUP-P	:	<i>Izin Usaha Perkebunan Pengolahan</i> (Plantation Business Permit for Processing)
K3 / OHS	:	<i>Keselamatan dan Kesehatan Kerja</i> (Occupational Health & Safety)
KSU BTS	:	<i>Koperasi Serba Usaha Bina Tani Sejahtera</i> (Bina Tani Sejahtera Cooperative)
KUD	:	<i>Koperasi Unit Desa</i> (Village Unit Cooperative)
LB3	:	<i>Limbah Berbahaya dan Beracun</i> (Hazardous Waste)
LOTO	:	Lock Out Tag Out
LUC	:	Land Use Change
MB	:	Mass Balance
MOU	:	Memorandum Of Understanding
MSDS	:	Material Safety Data Sheet
OFI	:	Opportunity For Improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja/ P2K3</i> (Guiding Committee of Occupational Safety & Health)

PAUD	:	<i>Pendidikan Anak Usia Dini</i> (Early Childhood Education Programs)
PHP	:	<i>Permata Hijau Pasaman</i>
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
QAMS	:	Quantitative Agro Management System
RKL/RPL	:	<i>Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan</i> (Environmental Management Plan / Environmental Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare Threatened Endangered
S-4 / ASA-4	:	Surveillance-4 / Annual Surveillance Assessment
SCCS	:	Supply Chain Certification System
SDC	:	System Development Control
SH	:	Smallholder
SIA	:	Social Impact Assessment
SOP	:	Standard Operational and Procedure
UKL/UPL	:	<i>Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan</i> (Environmental Management Efforts / Environmental Monitoring Efforts)
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30<sup>th</sup> September 2016)</li><li>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised on 14 June 2017 (Module D / E for CPO Mill)</li><li>RSPO Certification System for Principles and Criteria, 14 June 2017</li></ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT. GERSINDO MINANG PLANTATION and PT. PERMATA HIJAU PASAMAN subsidiary of Wilmar International Limited	
1.2.2	Contact person	Jules Sonny Parapat	
1.2.3	Organisation address	Head Office 56 Neil Road, Singapore 088830  Official Liaison Office: Multivison Tower Lt. 15 Jl. Kuningan Mulia Kav. 9B, Kuningan, Jakarta, 12980, ndonesia.	
1.2.4	Telephone	(+62 21) 29380777	
1.2.5	Fax	-	
1.2.6	E-mail	<a href="mailto:jules.parapat@id.wilmar-intl.com">jules.parapat@id.wilmar-intl.com</a>	
1.2.7	Web page address	<a href="http://www.wilmar-international.com/">http://www.wilmar-international.com/</a>	
1.2.8	Management Representative who completed the application for certification	Jules Sonny Parapat (Indonesia Certification Lead)	
1.2.9	Registered as RSPO member	2-0017-05-000-00 15 August 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Mill: PT GMP Mill (Gersindo Minang Plantation) <ul style="list-style-type: none"><li>Supply Bases: GMP Estate (PT Gersindo Minang Plantation) PHP-1 and PHP-2 (PT Permata Hijau Pasaman)</li></ul>	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Gersindo Minang Plantation	Jorong Tanjung Pangkal, Nagari Lingkung Aur, Pasaman Sub District, Pasaman Barat District, Sumatera Barat Province, Indonesia	N 0° 07' 10"E 99° 43' 10"



1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	GMP Estate (PT Gersindo Minang Plantation)	Jorong Tanjung Pangkal, Nagari Lingkung Aur, Pasaman Sub District, Pasaman Barat District, Sumatera Barat Province, Indonesia	N 0° 06' 48"	E 99° 43' 04"
	PHP-1 Estate (PT Permata Hijau Pasaman)	Jorong Pisang Hutan, Kenagarian Sasak, Sasak Ranah Pasisie Sub District, Pasaman Barat District, Sumatera Barat Province, Indonesia	N 0° 00' 39"	E 99° 44' 16"
	PHP-2 Estate (PT Permata Hijau Pasaman)	Jorong Padang Jaya, Kenagarian Persiapan Maligi, Sasak Ranah Pasisie Sub District, Pasaman Barat District, Sumatera Barat Province, Indonesia	N 0° 06' 47"	E 99° 37' 48"
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		5,861.40	Ha
	• Community			Ha
1.5.2	Area Statement			
	Description	PT GMP (Ha)	PT PHP (Ha)	TOTAL (Ha)
	• Total area	3,600.00	2,261.40	5,861.40 Ha
	• Mature area	2,102.55	2,074.15	4,176.70 Ha
	• Immature area	985.97	-	985.97 Ha
	• Replanting	2.87	-	2.87 Ha
	• Mill	13.00	-	13.00 Ha
	• Emplishment, Road and Bridge	143.34	84.85	228.19 Ha
	• Not Plantable	26.97	21.59	48.56 Ha
	• Nursery	11.64	-	11.64 Ha
	• Occupied Land	259.02	80.81	339.83 Ha
	• HCV	54.64	-	54.64 Ha
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		GMP Estate (Ha)	PHP 1 Estate (Ha)	PHP 2 Estate (Ha)
	1993	80.88	-	-
	1994	131.11	-	-
	1995	722.10	-	-
	1996	321.07	417.31	165.38
	1997	210.92	539.81	674.31
	1998	-	168.08	43.62



	1999	6.15	65.64	-	71.79		
	2014	122.13	-	-	122.13		
	2015	508.19	-	-	508.19		
	Sub Total Mature	2,102.55	1,190.84	883.31	4,176.70		
	2016	334.22	-	-	334.22		
	2017	352.77	-	-	352.77		
	2018	298.98	-	-	298.98		
	Sub Total Immature	985.97	0	0	985.97		
	TOTAL	3,088.52	1,190.84	883.31	5,162.67		
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	GMP POM	60	290,747	52,224	17,96	14,364	4,95
	<i>*Production data source from February 2018 – January 2019</i> <i>** there is difference between FFB process and FFB received covering 186 Tonnes due to restan</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)	%
	GMP Estate	3,600.00	3,088.52	44,451.21	14.39	44,451.21	100
	PHP-1 Estate	1,247.00	1,190.84	26,270.80	22.061	25,094.05	95.52
	PHP-2 Estate	1,014.40	883.31	13,972.84	15.819	13,701.37	98.06
	TOTAL	5,861.40	5,162.67	84,694.85	16.405	83,246.63	98.29
	<i>*Production data source from February 2018 – January 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)		
	KSU Bina Tani Sejahtera (Non Certified RSPO)	Smallholder of PT GMP	500 SH	902	62,024.25		
	Lingkung Aua II Cooperative (Non Certified RSPO)	Smallholder of PT GMP	539 SH	1,036.90			
	Plasma Sasak (Non Certified RSPO)	Smallholder of PT PHP	1,015 SH	460.02			
	Plasma Kapar (Non Certified RSPO)	Smallholder of PT PHP	716 SH	1,132.11			
	Plasma Maligi (Non Certified RSPO)	Smallholder of PT PHP	1,050 SH	751.75			

	Plasma Sikilang (Non Certified RSPO)	Smallholder of PT PHP	658 SH	169.37				
	PT Siak Prima Sakti and Ramp AMP (Non Certified RSPO)	Independent supplier			145,289.50			
	TOTAL				207,313.75			
	*Production data source from February 2018 – January 2019							
1.7.4	Product categories		FFB, CPO, PK					
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT)				
	FFB Processed		91,300	83,246.63				
	CPO Production		20,648*	15,044.34				
	Palm Kernel (PK) Production		4,793	4,138.64				
	*there is extend volume of CPO on 5 April 2019 covering 3000 MT							
1.8.2	Product selling							
	Type of selling product	Actual selling product for last year (MT)						
	CSPO sold as RSPO certified product	-						
	CSPK sold as RSPO certified product	3,385.98						
	CSPO sold under other scheme	14,707.23						
	CSPK sold under other scheme	-						
	CSPO sold as conventional	-						
	CSPK sold as conventional	-						
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	GMP Estate	3,600.00	3,088.52	49,341	15.98			
	PHP-1 Estate	1,247.00	1,190.84	29,161	24.49			
	PHP-2 Estate	1,014.40	883.31	20,502	23.21			
	TOTAL	5,861.40	5,162.67	99,004	19.18			
	*Projected FFB production for 21 April 2019 – 20 April 2020							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes)	Extraction (%)	Palm Kernel Out put (tonnes)	Extraction (%)	Supply Chain Module
	GMP POM	60	99,004	18,316	18.5	4,950	5	MB
	*Projected FFB production for 21 April 2019 – 20 April 2020							
1.9	Other Certifications							
	ISO 9001:2008		-					
	ISO 14001: 2004		-					
	OHSAS 18001:2007		-					

	ISCC		EU-ISCC-Cert-ID218-20170029			
	Others					
1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
	MILL	Time Bound Plan				
	Sapi (1 + 2)	2008	Sapi 1 & 2, Kiabau	2008	Sandakan, Sabah, Malaysia	Certified
	Sabahmas	2008	Sabahmas	2008	Lahad Datu, Sabah, Malaysia	Certified
	Reka Halus	2008	Reka Halus	2008	Sandakan, Sabah, Malaysia	Certified
	Saremas 1	2008	Saremas 1, Saremas 2 (Div D), Suai	2008	Miri Serawak, Malaysia	Certified
	Saremas 2	2008	Saremas 2 (exclude Div D), Kaminsky, Segarmas	2008	Miri Serawak, Malaysia	Certified
	Terusan (1 + 2)	2009	Terusan 1 & 2, Rumidi	2009	Sandakan, Sabah, Malaysia	Certified
	Ribubonus	2009	Ribubonus	2009	Sandakan, Sabah, Malaysia	Certified
	PT Perkebunan Milano	2009	Sei Daun, Batang Saponggol, Marbau	2009	North Sumatra	Certified
	PT Mustika Sembuluh (POM 1 & POM 2)	2009	Mustika Sembuluh 1, Mustika Sembuluh 2, Mustika Sembuluh 3, KUD Bitu Maju Bersama	2010	Central Kalimantan	Certified
	PT Kencana Sawit Indonesia	2010	Kencana Sawit Indonesia, Koperasi Swamata	2010	West Sumatra.	Certified
	PT. Kerry Sawit Indonesia (POM 1 and POM 2)	2010	Kerry Sawit Indonesia 1, Kerry Sawit Indonesia 2, Kerry Sawit Indonesia 3	2011	Central Kalimantan	Certified
			KUD Sejahtera Bersama, KUD Kosudra, KUD Tabiku Makmur, KUD Karya Bersama	2020	Central Kalimantan	-
	PT. Tania Selatan	2010	Burnai Barat, Burnai Timur	2010	South Sumatra	Certified
			KUD Bumi Jaya, KUD PUMA, KUD Tunggal Mulya, KUD Sinar Sawit Bahagia, KUD Dwi Tunggal, KUD Tani Mandiri, KUD Maju Jaya	2016	South Sumatra	Certified
	Sri Kamusan	2010	Hibumas 1, Hibumas 2, Sri Kamusan, Jebawang, Sekar Imej, Sapi Sugut	2010	Sandakan, Sabah	Certified
	PT. AMP Plantation	2011	AMP I, AMP II, AMP III, AMP IV, Primatama Mulia Jaya, Karya Agung Megah Utama, Perkebunan Anak Negeri	2011	West Sumatra	Certified

		Pasaman, Koperasi Tompek Tapian Kandis, Koperasi AWM, Koperasi BST, Koperasi MSJ			
		KUD Dastra II, KUD Dastra 1	2019	West Sumatra	-
PT. ANI (Sambas)	2018	ANI Sambas	2018	West Kalimantan	IC
		KUD Cempaka Biru, KUD Sentama Lestari (Plasma binaan ANI 1 Sambas)	2018	West Kalimantan	IC
PT. Buluh Cawang Plantation	2012	Bumi Arjo, Dabuk Rejo, Sukamulya, Bambu Kuning	2012	South Sumatra	Certified
PT. Bumi Sawit Kencana	2012	Bumi Sawit Kencana 1, Bumi Sawit Kencana 2, Karunia Kencana Permaisejati 1	2013	Central Kalimantan	Certified
PT. Sarana Titian Permata (POM 1 and POM 2)	2023	Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2023	Central Kalimantan	-
PT. Gersindo Minang Plantation	2013	Gersindo Minang Plantation, Permata Hijau Plantation-1, Permata Hijau Plantation-2	2013	West Sumatra	Certified
		KUD Sasak, KUD Kapar, Mutiara Bosa Sikilang, Permata Sawit Maligi	2019	West Sumatra	-
		PHP-1 (block 22)	2020	West Sumatra	-
PT. Daya Labuhan Indah	2013	Wonosari, Sei Deras, Cabang Dua	2013	North Sumatra	Certified
PT. Milano (Cabang Dua Estate)	2013	(Supply base DLI-2)	2013	North Sumatra	Certified
PT. Agro Palindo Sakti	2014	PT Agro Palindo Sakti Estate	2014	South Sumatra	Mill stop operation
PT. Mentaya Sawit Mas	2015	Mentaya Sawit Mas 1, Mentaya Sawit Mas 2, Bumi Sawit Kencana 2	2015	Central Kalimantan	Certified
PT. Sinarsiak Dianpermai	2020	PT Sinarsiak Dianpermai Estate	2020	Riau	-
BBPOP (Benso Plantation)	2015	Benso, Benso Smallholder	2015	Ghana	Certified
PT. Murini Sam Sam	2015	Murini Sam Sam Estate	2015	Riau	Certified
PT Bumi Pratama Khatulistiwa	2017	Bumi Pratama Khatulistiwa Estate Buluh Cawang Estate	2017	West Kalimantan	Certified
PT Karunia Kencana Permaisejati	2017	PT. Karunia Kencana Permaisejati 1, PT. Karunia Kencana Permaisejati 2, PT. Karunia Kencana Permaisejati 3	2017	Central Kalimantan	Certified
PT Rimba Harapan Sakti	2015	PT. Rimba Harapan Sakti 1, PT. Rimba Harapan Sakti 2, PT. Kerry Sawit Indonesia 3	2015	Central Kalimantan	Certified

	PT Agronusa Investama Landak	2020	PT ANI 2 Landak PT Pratama Procentindo	2020	West Kalimantan	-
	PT. Agro Palindo Sakti 2	2020	Agro Palindo Sakti, Putra Indotropical, Daya Landak Plantation, Indoresin Putra Mandiri	2020	West Kalimantan	-
	PT. Agroindo Indah Persada 2	2023	PT Agroindo Indah Persada Estate	2023	Bangko – Jambi	NPP Audit
	PT. Musi Banyuasin Indah	2020	Sei Selabu, Sei Jarum, KUD Karya Gatra, KUD Karya Makmur Sriwijaya, KUD Panca Karya Jaya, KUD Sumber Makmur, KUD Tri Tunggal Karya	2020	South Sumatera	-
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>					
	<p>Based on Time Bond Plan (update January 2019), its known that PT GMP-PHP Plasma will be follow of RSPO certificate in 2019 not three years after mill had a certificate. Its cause among other:</p> <ul style="list-style-type: none"> <li>- Statement Letter from Cooperative which state that will not doing a RSPO certification such as Letter from Kapa Cooperative with No. 27/KUD-KP/IX-2016, dated September 22, 2016.</li> <li>- Based on self assessment (partial certification), the plasma (PT PHP) has not land use right .</li> <li>- Theres a internal conflict in Plasma Cooperative such as land dispute on Sikilang Cooperative and Lingkung AUR II Cooperative.</li> </ul>					

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>RC</b>	<ol style="list-style-type: none"> <li><b>Moh Arif Yusni (Lead Auditor).</b> Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified OHS, Best Management Practices for mill and estate, legal, Social aspect and land conflict.</li> <li><b>Arif Faisal Simatupang (Auditor).</b> Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has successfully completed an RSPO endorsed P&amp;C Lead Auditor Training, RSPO SCCS endorsed Lead Auditor Training, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor Training, Management System Certification ISO 9001-2008 Lead Auditor Training, Environmental Management System ISO 14001 Lead Auditor Training, ISO 17021 and ISO 17065 Awareness Training, Management of High Conservation Value (HCV) Training, Social Accountability SA 8000 Training. He has four years of working experience as a Field Assistant on oil palm Plantation Company in Indonesia. Since 2014, he works as an auditor of RSPO and ISPO in the aspects of legal, social, best management practices of mill and estate, OHS, employment, and environmental. In this audit he is responsible for assessing the aspects of employment and transparency, and SCCS.</li> <li><b>Radytio Puspanjana (Auditor).</b> Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Awareness In House Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. Aspect audit: Environment, HCV, GHG</li> <li><b>Afiffuddin (Auditor Trainee).</b> Diploma III of Oil Palm Plantation Program, Bogor Agricultural University. Have five years' experience working as a plantation operational staff at private oil palm Plantation Company in Indonesia. He had attended such training: Training ISPO Auditor, Auditor Management System Certification (ISO 9001-2015), Awareness RSPO and OHS Management System Auditor Training Course. Currently he worked as an auditor at Certification Body. During this audit, he assigned to verify occupational health &amp; safety and long term business plan under supervised by Moh Arif Yusni.</li> <li><b>I Wayan Sudi Antara (Technical Expert)</b> Bachelor of Agricultural Engineering, Institut Pertanian Bogor. Experienced in preparation of EIA since 1990 (having a certificate of competency Chairman of the Drafting Team EIA), involved as auditor appraisal of Sustainable Forest Management and schemes Indonesian Ecolabel Institute / LEI since 1997 and the scheme of the Ministry of Forestry since 2002 (a certified Auditor of LEI) , worked in a forestry consultant, experienced in assessment ISPO and ISPOdi some company as auditor as auditor (have passed the training ISPO). During this audit he is as technical expert.</li> </ol>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>RC</b>	<p>Number of auditors : 3 auditor, 1 trainee and 1 technical expert</p> <p>Number of days for <b>RC</b> at site : 5 days</p> <p>Number of working days for <b>RC</b> at site : 15 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>RC</b>	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Gersindo Minang Plantation to the requirements of <b>Indonesian National Interpretation of RSPO Principles and Criteria 2013, Endorsed by BOG on September 2016 and RSPO Supply Chain Certification Standard for Organization seeking or holding certification. Adopted by the RSPO Board of Governors on 21<sup>st</sup> November</b>



**2014, revised on June 2017 (General COC & Module E for CPO Mill)**

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.

Some opportunities for improvement of the results **RC** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**ASA 1.1**).

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

The assessment program please find Appendix 2

**2.2.3 Locations of Assessment**

**RC** The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:

**GMP POM**

- **WTP.** Observations and interviews related to water management, recording of water use, health checks, PPE and waste management
- **WWTP.** Field observations related to Ban to entry to WWTP, run off, testing of effluent.
- **Empty bunch area.** Field observations related to empty bunch management.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Chemical material warehouse.** Observation and interview towards technical, pesticides stored, environment, manpower and safety aspects.
- **Weighbridge.** Observation on FFB receiving activity and interview with key personnel related to implementation of SCCS requirement.
- **Security Post.** Auditor was verify recording of FFB, CPO and PK trucks. In addition, an auditor was interview wages and overtime system for security.
- **FFB Grading.** Observations and interviews with officers sorting FFB. Based on the interview, the officer can explain the criteria FFB decent though, demonstrating how sorting FFB, employment aspect, OHS aspect and working procedures specified.
- **Sterilizer Station.** Observation and interviews with operator Sterilizer regarding employment aspect, OHS aspect and working procedures specified.
- **Press Station.** Observation and interviews with operator Press regarding employment aspect, OHS aspect and working procedures specified.
- **Power House Station.** Observation and interviews with power house station operator regarding employment aspect, OHS aspect and working procedures specified.
- **Boiler Station.** Observation and interviews with Boiler operator regarding employment aspect, OHS aspect and working procedures specified.
- **Hydrant no. 4.** Observation emergency response procedure.
- **Workshop.** Observation and interviews related to the competence of workers and waste management.

**GMP ESTATE**

- **HGU poles No GMP 09, GMP 10, GMP 11, BTS XXVII, BTS XXVIII, BTS XXXI.** Observation of aspect of land demarcation and maintenance of HGU pole.
- **HCV – riparian of Batang Pasaman River, Block 53.** Observations marking of HCV areas and RTE information signboard, prohibition of burning , hunting and illegal logging of natural trees.
- **HCV – secondary swamp forest.** Observations marking of HCV areas and RTE information signboard, prohibition of burning , hunting and illegal logging of natural trees.



- **Peat Management (peat subsidence, water level meter, bund off, etc) Block 8.** Observation on peat management though water level and subsidence pole monitoring.
- **Employee housing (maintenance).** Observation and interview with mini excavator operator (woman) related to PPE implementation, employment aspect, OHS implementation, and first aid kit, employment aspect and reproductive/ woman rights.
- **EFB application, Block 77A.** Observation and interview with EFB application contract worker related to knowledge according to SOP (dosage and application procedures), PPE implementation, employment aspect, OHS implementation, first aid kit and accident insurance.
- **Barn Owl Box, Block 76.** Observation of biological pest control by using owls (*Tyto alba*).
- **Nursery, Block 27C.** Interview with Nursery Officer related to type and age of seeds, nursery management with other related documents.
- **Herbicide application, Block 30B.** Observation and interview with spraying supervisor, herbicide applicator and manuring worker related to pesticide and fertilize knowledge according to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, first aid training, first aid kit and MSDS of materials.
- **Harvesting, Block 24A.** Observation and interview with Harvesting Supervisor and workers related to harvesting procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.
- **Workshop.** Observations and interviews with workers related to the management and implementation of health safety, and social worker.
- **Chemical material & Fuel warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
- **Housing of Spraying & Manuring System.** Field observations related storage of PPE and handling hazardous materials and toxic waste.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **Housing Complex G10 Division 1.** Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, daycare domestic waste management, childcare and sports facilities.
- **Clinic.** Observation and interview towards health facilities provided by company, infectious or medical waste management, housing health condition and manpower aspect.
- **Fire Tower Monitoring.** Observation and interview fire fighting facility and monitoring.
- **Domestic Waste Landfill, Block 5.** Observation on domestic waste management.

#### **PHP 1 ESTATE**

- **Peat management (water management, water level and peat subsidence pole No.8 monitoring).** Observation on peat management though water level and subsidence pole monitoring.
- **Domestic waste landfill.** Observation on domestic waste management.
- **Clinic.** Observation and interview towards health facilities provided by company, infectious or medical waste management, housing health condition and manpower aspect.
- **Chemical Warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
- **HSD oil tank.** Observation related to emergency response.
- **Fire Fighting Equipment Storage.** Observation and interview fire fighting facility and monitoring.
- **Barn owl Box, Block 2A.** Observation of biological pest control by using owls (*Tyto alba*).
- **Harvesting, Blok 6A.** Observation and interview with Harvesting Supervisor and workers related to harvesting procedure accordance to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, and payment system.

- **Herbicide application, Block 16A.** Observation and interview with spraying supervisor and herbicide applicator related to pesticide knowledge according to SOP, PPE implementation, employment aspect, OHS implementation, socialization HCV area, first aid training, first aid kit and MSDS of materials.
- **Employee housing M3.** Observation and interviews with housing communities regarding the availability of workers' facilities and domestic waste management.
- **HGU Poles No BPN XLV, BPN XXVII, BPN II.** Observation the conditions and position of legal boundary.

**PHP 2 ESTATE**

- **HGU Poles No. BTS 17 and BTS 18. Block 1A.** Observation the conditions and position of legal boundary.

**Stakeholder consultation with relevant agencies:**

- Plantation Agency of Pasaman Barat Regency
- Land Agency of Pasaman Barat Regency
- Labour Agency of Pasaman Barat Regency
- Environmental Agency of Pasaman Barat Regency

**Local communities surrounding the plantation visited to :**

- Community Leader (Ninik Mamak) of Jorong Tanjuang Pangka – Nagari Lingkuang Aua
- Community Leader (Ninik Mamak and Datuk) of Nagari Kapa
- Community Leader (Ninik Mamak, Datuk and Kerapatan Adat Nagari/KAN) of Nagari Kapa
- Community Leader (Ninik Mamak, Datuk and Kerapatan Adat Nagari/KAN) of Nagari Sasak
- Community Leader (Ninik Mamak) of Nagari Persiapan Maligi (not willing to be interviewed)

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>RC</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT GMP – PT PHP was held by:</p> <ol style="list-style-type: none"> <li>1. Public Notification on Website of PT Mutuagung Lestari (<a href="https://bit.ly/2YxQLcU">https://bit.ly/2YxQLcU</a>) on 23 January 2019</li> <li>2. Public Notification on Website of RSPO (<a href="https://bit.ly/2WgOI4U">https://bit.ly/2WgOI4U</a>) on 23 January 2019</li> <li>3. Consultation with the local community</li> <li>4. Public consultation with internal stakeholders</li> <li>5. Consultation with relevant NGOs via e-mail on 20 February 2019.</li> </ol> <p>Numbers of input from stakeholders were clarified by PT GMP – PT PHP as a part of this report</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<b>Please find appendix 1</b>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ASA 1.1 will be determined 08 – 12 months after the date of certificate issued

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Gersindo POM – PT. Gersindo Minang Plantation – Permata Hijau Pasaman - Wilmar International Limited operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were one Nonconformity were assigned against Major Compliance Indicator, two (2) nonconformities were assigned against Minor Compliance Indicators; and nil nonconformance against supply chain requirement for CPO mill and eleven (11) opportunities for improvement were identified.

During the 60 days after the assessment the certified unit has not addressed the Major non conformities raised, therefore according to the RSPO Certification System the certified unit has been suspended on 26 March 2017.

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

MUTUAGUNG LESTARI found that Gersindo POM – PT. Gersindo Minang Plantation – Permata Hijau Pasaman - Wilmar International Limited complied with the requirements of *Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 revised June 2017 (Module E for CPO Mill).*

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **Continued and Issued**

Ref Std.	VERIFICATION RESULT of MUTU-Certification
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>	
<b>1.1</b>	<b>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>
<b>1.1.1 &amp; 1.1.2</b>	<p>The Company has procedure and has appointed person in charge in the requests for information from stakeholders. The Company responded to information requests with maximum time of 1 month since mail received, with the types of information provided includes information of HGU, EIA document, SIA Report, OHS Program, HCV Report and Management Plan, etc. Requested information recorded in the book of information request and has been addressed in accordance with the prescribed time limit. Some information related to mandatory reporting has been submitted regularly to the relevant agencies in accordance with the results of interviews with government agencies and the receipts.</p> <p>Verification of stakeholders is done by conducting direct interviews with stakeholders such as related institutions (Manpower Office, Agriculture Agency, Environment Agency and National Land Agency of Pasaman Barat Regency), surrounding villages (<i>Jorong Maligi &amp; Nagari Kapa</i>), local contractors, Workers Union, Gender Committee and employees. From the results of the interviews it is found that the stakeholders can access information / data from the company in accordance with their respective interests.</p> <p>The information or data available information board in the office, so stakeholder (internal or external) can access the information from company</p>

Based on interview with stakeholder as well as surrounding community representative, , it was known that the company has considered transparent and cooperative in providing information requested or required, which some were a part of regulation pursuance as well. Furthermore the company has been socialite to stakeholder on March 2018.

**Status: Comply**

## 1.2

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

### 1.2.1

The company has been providing information that can be accessed publicly in accordance with relevant stakeholders that contained in the SOP request information for stakeholder such as HGU, EIA document, SIA Report, OHS Program, HCV Report and Management Plan, etc. Based on the procedure, there are some person in charge who are done in stages, among others administration staff, Public Relations Manager, GEM (Group Estate Manager).

Based on interview with stakeholder as well as surrounding community representative, , it was known that the company has considered transparent and cooperative in providing information requested or required, which some were a part of regulation pursuance as well. Furthermore the company has been socialite to stakeholder on March 2018.

**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 bussiness 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. 044/DIR-KP/XII/2015 dated 15 December 2015. 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 bussiness of conduct.

Based on interview with stakeholder as well as surrounding community representative, Local Contractor, Employee Cooperative, Labor Union, Gender Committee, as well as the workers in Mill and Estates, they have received information about the code of integrity, and there are no violations related to this.

**Status: Comply**

## PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

## 2.1

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

### 2.1.1

The company can demonstrate compliance with these law and regulations, for example: have HGU, have environmental documents, conduct factory wastewater testing, conduct river water quality testing, conduct groundwater quality testing, conduct air quality testing, perform noise and noise testing, pay employee wages, pay employee overtime, etc.

In term of best management practices, it was known that estate and mill management has implementing several pursuance with Indonesia laws and regulations, for example has conducting mechanical or zero burning method during land clearing, palms planted were derived from seeds (DxP) producers, recognized by the government of Indonesia. Furthermore, estate (each unit management) has implementing integrated pest management, biological control and only used pesticides listed on [www.pesticide.id](http://www.pesticide.id).

In term of legal aspect, the CH has shown evidence towards legal aspect, The Certificate Holder has complied with regulations in the field of plantation and land legality, such as HGU (land use title) and, IUP (plantation business permit) as well as mandatory reports on annual land use to BPN, explained in more detail in Criterion 2.1.

In the term of OHS aspect the company has been comply, for example related mandatory reporting including Quarter III & IV Guiding Committee Of Occupational Safety & Health Report 2018, *Wajib Lapor Ketenagakerjaan* Report, license of heavy equipment operator, license of First Aid officer at work place, Steam Boiler Operator license, license certificate of factory machinery (including inspection and testing), Sterilizer Operator license, OHS Electrical Technician, certification of Hiperkes Doctor Company and Paramedic and fire mitigation officers training. For a welder license in the mill, because 2 licensed welding operators are no longer working, currently the welding activities in the mill are assisted by certified welders from the GMP Estate. The certificate holder has demonstrated the welder certification training program in the mill in the first semester of 2019. Based on the results of document review, interviews with management, field observations and interviews with workers, it is known that certificate holders can show evidence of compliance with article 3 of the Safety Law, as follows, conducting hazard identification risk assessment and risk control (HIRARC), provide appropriate PPE in accordance with hazard identification, periodic medical checks for workers who work at high risk, safety training for all workers and etc

In worker welfare aspect it's known that company has paid the employees wage in accordance with applicable regulation. In OHS Aspect the company has established the structure for guiding committee for occupational health and safety in each management unit and this committee has received an approval from Ministry of Manpower and Transmigration in Pasaman Barat Regency, has provide emergency facilities and etc. Furthermore in environmental aspect the company has had EIA document that approved by government, have hazardous and toxic waste storage issued by relevant agencies in each estate and etc.

Based on interviews with relevant institutions in Pasaman Barat Regency (Plantation Agency, Manpower and Transmigration Agency, Environment Agency and National Land Agency), it is noted that the management unit has complied with the regulations related to the estate, mill, land legality, employment and the environment.

#### **2.1.1, 2.1.2, 2.1.3 & 2.1.4**

The company showed list of regulations which used as reference for oil palm cultivation and processing activity. Every regulation were kept under the respective units. The company has classified the regulations into four aspect, listed as follows:

- Regulation related to Environmental
- Regulation related to OHS
- Regulation related to plantation
- Regulation related to employment

The Company has a mechanism to evaluate the compliance of legislation related to the management of palm oil plantations through SOP Legal Aspect identification and Evaluation and Legislation (PRO-BNM-005) dated 01 October 2011. The Procedure was explained that evaluation of the fulfilment regulation is done every 6 months. Updates made by EHS Unit Staff (for OHS and Environmental), Personal General Affair (Employment), Public Relations (Social and Plantation). The last regulatory compliance evaluation was conducted on December 21, 2018.

The SOP also explained the methodology for tracking appropriate legal changes sourced from:

- Books of laws or regulations
- Industry association, such as Worker Union, GAPKI
- Non-governmental organization
- General information media
- Seminars and conferences
- Related agencies

The Management of PT GMP – PT PHP has presented several evidence of compliance with applicable laws and regulations, including the following documents; HGU, Deed of Establishment of the company, Location Permit for the plantation business, Environmental License, Plantation Business Permit, Employment Regulations, and Ratification on



International Convention.

**Status: Comply**

## 2.2

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

### 2.2.1

The Certificate Holder has documents showing legal ownership as Land Use Right (HGU), among others: HGU Certificate No. 1 Year 1997 with area covers 3,600 Ha (GMP Estate); HGU Certificate No. 54 and 55 Year 2014 for 1,247 Ha (PHP-1 Estate); HGU Certificate No. 18 Year 2005 for area 1,014.40 Ha (PHP 2 Estate). The history of land tenure ownership and the actual legal use of the land are available.

Based on documents verification and interview with National land Agency, and unit managements it is known there is a new land use title submission covering  $\pm$  20 Ha. The submission is a follow up to **Non-Conformity No. 2017.01** (ASA-3) related to the planting outside land use title with the planting year 1998. The area has also been included in the Time bound Plan and is still constrained in the management of land rights. So for the scope of Recertification activities, there is no change to land ownership and management documents with an area of 5,861.40 Ha.

### 2.2.2

Certificate holder has a map of legal boundaries. Boundaries markers monitored once a year according to SOP *Pemasangan dan Monitoring Patok Batas* (001/SOP/GIS/2014).), the last monitoring already delivered on February 2019 in PT GMP, October 2018 in PHP 1 Estate and December 2018 in PT PHP 2 Estate with the results of monitoring its known if all boundaries poles are good and maintained. Based on field observation by auditor team, checking the sampled boundary poles using GPS tool GARMIN 62s, on Boundaries Pole in PT GMP (GMP 09, GMP 10, GMP 11, BTS XXVII, BTS XXVIII, BTS XXXI), PHP 1 Estate (No BPN XLV, BPN XXVII, BPN II) and PHP 2 Estate No. BTS 17 and BTS 18) all the legal boundaries are well demarcated, visibly maintained and appropriate with coordinates

### 2.2.3; 2.2.4

The Certificate Holder has developed a mechanism of Implementation of Free Prior Informed Consent as document Process of land compensation has been appropriate with its procedure "SOP *Pembebasan Lahan* (SOP-IJIN LAHAN&OPS-006), dated 15 October 2008". that describes the mechanism of settlement of border land disputes, land occupation disputes, social issues. In such mechanisms it has explained the procedures and methods of FPIC.

According to information gathered during stakeholder consultation with customary head (*Ninik Mamak*) which include as previous land owner it is confirmed if land acquisition has been carried out since 1991 involving the regional government

The concession of PT GMP and PT PHP I overlaps with the customary lands of the indigenous communities as follows *Hak Tanah Ulayat Nagari* Lingkuang Aur (PT GMP), *Hak Tanah Ulayat Nagari* Sasak and Nagari Kapar PT (PHP 1) and, *Hak Tanah Ulayat Nagari* Sungai Aur (PT PHP 2), the neighboring *Nagari* communities in the district of Pasaman Barat but in different sub-districts. The former lies in the subdistrict of Luhak Nan Dua and the latter lies in the sub-district of Sasak Ranah Pesisir.

Based on the legal document review, interviews with management and the community around the company, it is known that there are land dispute issues in PT PHP 2. This issue stems from the demands of the community regarding the construction of a plasma plantation that not been realized according to the initial agreement (MOU). at the MOU it was stated that the construction of smallholdings was covering an area of 2100 ha and realized covering of 665 ha.

The company stated that the construction of smallholdings was in accordance with the MOU. in the MOU it was stated that "The parties agreed that if the implementation of the plasma plantation based on the land that provided by the second party (KUD management) and *Ninik Mamak*. if the second parties not provide land in accordance MOU, the second party and *Ninik Mamak* hereby agree not to disturb the company area "

Related to these issue various meetings have been held between the Maligi community and the company. The meeting involved local government, the police and related parties, but there was no agreement. Currently the Maligi community

occupies the company's operational area and prohibits harvesting activities at PHP2 Estate. During audit auditor team cannot visited the PHP 2 Estate due to this issue.

Furthermore there is Land conflict has been detected and raised for the certificate holder in 2014, particularly in PHP-1 Estate. Based on documents verifications, stakeholder consultations and verify through RSPO website there is a complaint from Datuk Gampo Alam (Pucuak Adat Nagari Kapa (indigenous leader of Nagari Kapa) as well as Head of Kerapatan Adat Nagari Kapa (KAN – a village/nagari-level customary institution in Minangkabau which maintains and preserves the Minangkabau customs and culture), the complaints about:

- Complainant seeks clarity of the extent of PT. PHP 1's nucleus estate in Nagari Kapa.
- Complainant rejects PT. PHP 1's application to the National Land Agency for a Hak Guna Usaha (HGU) certificate over the customary (ulayat) land of Nagari Kapa.

This case has already addressed to RSPO Complaint Panel and closed on 26 September 2018.. (<https://askrspo.force.com/Complaint/s/case/50090000028Erz4AAC/detail>)

Based on that's explanation above the settlement process of land dispute in operation area of PT PHP became an opportunity of improvement (Observation) no 1 and will be verify on next assessment.

### 2.2.6

The policy of keeping the peace is still the same as the previous assessment contained in the Procedure for Acceptance of Complaints and Dispute Resolution, No. Dock: PRO-BNM-007, Rev. 01, the date of August 1, 2015.

Based on the explanation in the indicator 2.2.3 & 2.2.4, it is known that the settlement of land disputes is done by deliberation involving various parties and without violence and intimidation. This is also stated in the agreed Memorandum of Understanding for example between the PT GMP-PHP and the *Nagari Kapa* community.

**Status: Comply**

### 2.3

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

#### 2.3.1; 2.3.2; 2.3.3

PT. GMP and PT PHP is one of long-established plantations company since 1991. In related to the maps of an appropriate scale that showing legal, customary or user right through participatory mapping and copies of negotiated agreements detailing process of FPIC is not applicable. This is due to no longer records dating back to the time of the decision making.

The Certificate Holder has developed a mechanism of Implementation of Free Prior Informed Consent as document Process of land compensation has been appropriate with its procedure "SOP Pembebasan Lahan (SOP-IJIN LAHAN&OPS-006), dated 15 October 2008". that describes the mechanism of settlement of border land disputes, land occupation disputes, social issues. In such mechanisms it has explained the procedures and methods of FPIC.

The Certificate Holder has documents showing legal ownership as Land Use Right (HGU), among others: HGU Certificate No. 1 Year 1997 with area covers 3,600 Ha (GMP Estate); HGU Certificate No. 54 and 55 Year 2014 for 1,247 Ha (PHP-1 Estate); HGU Certificate No. 18 Year 2005 for area 1,014.40 Ha (PHP 2 Estate), with the total area are 5,861.40 Ha.

According to information gathered during stakeholder consultation with customary head (*Ninik Mamak*) which include as previous land owner it is confirmed if land acquisition has been carried out since 1991 involving the regional government

The concession of PT GMP and PT PHP I overlaps with the customary lands of the indigenous communities as follows *Hak Tanah Ulayat Nagari* Lingkauang Aur (PT GMP) , *Hak Tanah Ulayat Nagari* Sasak and Nagari Kapar PT (PHP 1) and, *Hak Tanah Ulayat Nagari* Sungai Aur (PT PHP 2), the neighboring *Nagari* communities in the district of Pasaman Barat but in different sub-districts . The former lies in the subdistrict of Luhak Nan Dua and the latter lies in the sub-district of Sasak Ranah Pesisir

the *Ninik Mamak* (Customary leader), with the full knowledge of the heads of all the villages in Nagari Kapa, handed over



customary lands to the Regent of Pasaman, who further granted these areas to the oil palm investor, The handover was recorded in a land handover letter signed by the *Ninik Mamak* with full knowledge of the village heads, as follows .

GMP Estate (PT. GMP):

- Agreement letter for releasing of Customary Right "Hak Tanah Ulayat Nagari Lingkuang Aur" dated 5 November 1991.

PHP-1 Estate (PT. PHP):

- Record of Agreement letter for releasing of Customary Right "Hak Tanah Ulayat Nagari Sasak and Nagari Kapar" dated 6 February 1997.

PHP-2 Estate (PT. PHP):

- Record of Agreement letter for releasing of Customary Right "Hak Tanah Ulayat Nagari Sungai Aur" dated 16 July 1992

**Status: Comply**

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

#### **3.1**

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

##### **3.1.1**

Certificate holder has drafted the long-term plan for period 2016 to 2021. The document consists of information about financials, area statement, crop, FFB processed, cost of production, (estate cost and mill cost), plantation development cost, capital expenditure, buildings, workers housing requirement, staff requirement, sustainability implementation costs and replanting plan.

Sustainability Implementation Costs covers the environment budget cost (such as for the implementation of environment impact assessment, peat management, conservation and protected area's management, maintenance and rehabilitation of riparian area, the compliance preparation over RSPO requirement for plasma plantation, implementation of social impact assessment, improvement of education program, scholarship, traditional activity cost and religion activity cost, conflict resolution, CD and CSR), health and safety (first aid, occupational health and safety symbols, occupational health and safety training, occupational health and safety evaluation, certification and surveillance for occupational health and safety's audit and so forth), other related compliance expenses (cost for RSPO/ISPO certification).

##### **3.1.2**

PT GMP has had replanting program of since 2014 to 2021, while on those years PT PHP replanting program only will be held in the end of 2019. Meanwhile the replanting plan activity will be evaluated every year by considering the condition and target of the previous program. Replanting program has been implemented and can be seen from below table:

Year	PT GMP		PT PHP	
	Plan	Realization	Plan	Realization
2014	431.76	100	-	-
2015	431.76	530.32	-	-
2016	336.91	334.22	-	-
2017	361.9	349.17	-	-
2018	300.91	-	-	-
2019	237.15	-	356	on progress
2020	296	-	-	-
2021	196.99	-	-	-

The Estate Manager including harvesters stated that the company's long-term plan has been implemented and can maintain the financial viability of the company, for example replanting activities carried out gradually can maintain harvesting and processing employment in the mill.

	<b>Status: Comply</b>
<b>PRINCIPLE #4 Use of appropriate best practices by growers and millers</b>	
<b>4.1</b>	
<b>Operating procedures are appropriately documented and consistently implemented and monitored.</b>	
<p><b>4.1.1</b> PT GMP and PT PHP has document of Agronomic Guideline and SOP for Oil Palm Plantation 2015 that was approved by Group Head of Plantation. This guideline is started from land clearing, plantation maintenance, harvesting, fertilization up to monitoring over harvesting quality through audit mechanism of quantitative agro-management system (QAMS). Moreover, GMP POM has presented processing procedures from sortation, loading ramp, sterilizer, thresher, digester, press, vibrating screen, vacuum dryer, oil transfer pump, depericarper, nut silo, ripple mill, clay bath, kernel silo, boiler, generator, turbin, water treatment plant, preventive maintenance, emergency, laboratorium, POME ponds, land application, to material store in warehouse. This SOP is effective since 1st May 2011. The entire documents related to operation procedure has been well documented and available in each management unit in english and bahasa language.</p> <p>Based on a field observation of activity on Mill and Estates, known that the worker can demonstrate the safe working practice in accordance with the procedures. For example, the harvester can explain well on correct harvesting procedures that particularly relevant to the criteria for fruit ripeness. Harvesters and workers in mill also explained about payment mechanism and obligation to use personal protective equipment (PPE) according to the HIRAC.</p>	
<p><b>4.1.2; 4.1.3</b> Certificate holder conducted annualy operational and RSPO internal audit in order to monitor the implementation of the procedures. Operational internal audit evaluate the implementation of operational and administration of estates and mill. Whereas RSPO internal audit evaluate the implementation of sustainability procedures in estates and mill. Furthermore, the management representative (Assistant, Manager, and related Superiors) routinely conduct inspectorate visit to control the implementation of the procedures. The documentations of operational and sustainability internal audits have been shown, all non-conformance of audits in 2018 have been followed up by management.</p>	
<p><b>4.1.4</b> The Company has a procedure related to the Purchase of Fresh Fruit Bunches (No. 001 / TBS-SOP / VIII / 2015 dated August 10, 2015) endorsed by General Estate Manager. The Company has recorded results on the number and origin of FFB from contractors received daily and recorded in the FFB Receipt Form. The example of the recording contains, among others, police number, driver name, fruit arrival time, net weight and other description. In addition, the company has also separated the data on the origin of the fruit.</p>	
	<b>Status: Comply</b>
<b>4.2</b>	
<b>Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</b>	
<p><b>4.2.1, 4.2.3</b> Certificate holder has conducted efforts to maintain soil fertility through the implementation of a controlled fertilization, maintenance of cover crops, empty bunch of applications and also land application. Certificate holder has had several procedures related to maintain soil fertility, such as procedure of block manuring system, procedure of leaf sampling unit, and procedure of establishment of legume cover crop.</p> <p>At the time of assessment there was no manuring activity. But based on document review and interview with manuring workers, the strategy has been implemented among others conducted soil sampling (SSU) every 5 hear and leaf sampling (LSU) annually, organic and anorganic fertilizing in accordance with recomendation, as well as POME land application, and planting legume cover crops. The documentation of those activity were shown. Furthermore, certificate holder implemented selective weeding on interrow to minimize run off and erosion.</p>	

**4.2.4**

Nutrient recycling strategy as a part for increasing soil fertility has been conducted, such as EFB mulching application and POME land application. Field observation in LK 1 Block H 23, it is known that EFB mulching application has been implemented especially in sandy area with dosage 40 tonnes/ha/year. Whereas in LK 2 Block I 42 and LK 3 Block G 49, POME land application with dose 750 tonnes/ha/year in three rotation (250 tonnes/ha/rotation) has been implemented. The record off EFB and POME application has been well documented.

**4.2.2**

Implementation of manuring activity has been well documented, available in each Estate and shown compare budget or recommendation against realization. Based on document review of GMP, PHP I and PHP II Estate shown that the manuring activity (time, location, dose, amount) has been in accordance with the recommendation. The anorganic fertilizer used by certificate holder were Urea, KCL, Kieserite, Borate, and RP.

Overall, the certificate holder has made efforts to maintain and improve soil fertility. Visually, there is no symptom of nutrient deficiency at the blocks that have been visited.

<b>Status: Comply</b>
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**4.3**
**Practices minimize and control erosion and degradation of soils.**
**4.3.1**

Certificate holder has the marginal soil distribution map, such as: mineral soil, peat soil, and topografi in sufficient scale and legend. The marginal soil map is prepared by Param Agricultural Soil Survey Sdn. Bhd. PT GMP company has *Soil Map* with a scale of 1:30,000 that is available within its operation area, such as mineral soil (56.4 %) and peat soil (44.4 %). The map explains the depth of peat level, such as: peat with a depth of less than 1 meter cover the area of 274.2 ha or 6.6% and peat with a depth of 150cm-300cm with the broad of area around 1,497.2 ha or 37.2 %. Based on soil map, company categorises peat area with a depth of 150 cm – 300 cm as marginal soil, with total area 1,497.2 ha or 37.2 % apart from the aforementioned data. Meanwhile PT. PHP has soil map with a scale of 1:30,000 that is available within its operation area, such as mineral soil (28.6 %) and peat soil/marginal soil (72.4 %). The map also explains the class of soil, such as: Bayas (910.49 ha) or 73.2 %, Sabrang soil with a broad of (21.59 ha) or 1.7 %, Ular soil with a broad of (311.54 ha) or 25 %, the unnamed soil (0.72 ha) or 0.1 %, hence the grand total is 1,244.34 ha, or 100%.

**4.3.2, 4.3.6**

Based on semi detail map for PT. GMP and PT. PHP as well as field observation, the operational area is flat (0 – 4 %), subsequently, there is no management for sloping area. Meanwhile for sandy area, certificate holder implemented several strategy such as EFB mulching application with a dose of 40 ton/ha/year, furthermore selective weeding and soft weed management such as *Neprolephis bisserata* to maintain soil mousturiser an minimising the evaporation.

**4.3.4**

GMP, PHP I and PHP II have implemented best management practices related to minimised peat soil subsidence. Among others established drainage system, bund off, installing water level stakes and peat subsidence poles, and implemented the selective spraying. The implementation is accordance with procedure of management and monitoring in peat soils (No. ET-008 Rev. 3 dated 16 December 2013).

For example GMP Estate has 30 bund off with water flow system to maintain the surface water level, and 7 peat subsidence poles installed since 2012 to monitor the subsidence. Meanwhile PHP 1 Estate has 21 bund off and 8 peat subsidence poles installed since 2012. The bund off installed together with the water level stake, that monitored weekly, meanwhile subsidence pole monitored semesterly.

Field observation in GMP Estate Block 8, and PHP 1 Estate Block 12, known that the water level maintained between 50 to 80 cm. Based on subsidence monitoring records, it's known that average subsidence in 2018 were about 0,7 to 1,2 cm/year. Based on field observation also known that the certificate holder has implemented selective spraying, to maintain ground cover in order to decrease evaporation.

**4.3.5**

PT GMP and PT PHP have lowland and peat soil area with a scale of 1:40,000 that explains the flooding risk. Certificate

holder has an efforts to build drainage before replanting, in order to reduce the increase of water debit due to replanting activity. Moreover, there is a drainage map and water flow with a sclae of 1:30,000 that belong to PT.GMP for replanting area. The length of collection road is 178,920 meter, the lenght of main drain is 41,059 meter, collection drain 183,408 meter, field drain 2,882 meter, and main drain 33,585 meter. However, the drainability assessment is carried out through an internal mechanism. If later a new guidance is issued from RSPO, it is necessary to adjust the assessment methodology carried out. **OFI**.

#### 4.3.3

Road maintenance program contained in document of Work Program of 2018 and 2019. Currently road maintenance is by road grader. From documents known that the road maintenance of 2018 has been conducting well. Based on field observation, shown road condition that able to transporting FFB as well as maintenance activities. Even though there are some reasonable road damages in several locations.

<b>Status: Comply</b>
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#### 4.4

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

##### 4.4.1

Companies having water management documents include: EIA documents, HCV Management Documents, and Water Management Documents every years. Documents contain: identification of water sources, efficiency of water use budgets, monitoring of water quality and protection of water source areas. The company has a water management report contained in the report on the implementation of environmental documents, reports on water use, water quality monitoring reports (surface water and wastewater), and reports on the protection of water source areas.

Based on field observations in block 53 on the GMP Estate, the company has managed riparian river Batang Pasaman by making a 50m wide border mark, planting forest plants and bamboo, placing a ban on spray activities on river riparian. The company also conducts water quality testing every semester for the Batang Pasaman river, testing the quality of waste water every month. As a result of interviews with workers, the company has provided drinking water from refill water while clean water is supplied from GMP POM.

##### 4.4.2

The company has identified the catchment area (including riparian) contained in the HCV identification document. The document has identified secondary swamp forests and several river streams in GMP & PHP areas such as the Batang alin river and Batang Pasaman. GMP estate has established secondary swamp forest as HCV. As a result of field visits in the Block 76b secondary swamp area, GMP made a perimeter to protect swamp areas and carry out protection and non-agrochemical actions.

The company has Riparian Belt-boundary management procedures (SOP-EHS-018 for GMP and SOP-EHS-017 for PHP). Based on field observations in block 53 on the GMP Estate, the company has managed riparian river Batang Pasaman by making a 50m wide border mark, planting forest plants and bamboo, placing a ban on spray activities on river riparian. Based on the results of field visits, there is a estate area of PT. GMP (Blok 053-054) which is a replanting area in 2015, the company has left the area (replanting) and allowed 50m of old palm oil from the river bank (5 points) .There are embankment installations to avoid cliff erosion river due to runoff of river water, river border restoration is done by bamboo planting (planting end of 2015).

##### 4.4.3

The palm oil Mill effluent is processed at waste water treatment plant (WWTP) based on the SOP-MILL-014 procedure, until it meets the standards before being used into GMP plantations as land applications based on Decree of West Pasaman Regent No. 188.45 / 1084 / BUP-PASBAR-2014 is valid until 2019.

Based on the results of testing the quality of wastewater for July - December 2018, pH and BOD parameters are still below the quality standard threshold of Kep. Men. LH No. 29 of 2009. The results of monitoring are reported to have been reported to the relevant institutions per 3 months. The results of field observations at WWTP have no indication of leakage. Furthermore Company conduct regular surface water quality testing on Batang Alin river and Batang Pasaman river based on RKL/RPL matrix. 1st semester 2018 testing result shown that TSS on these waterways are still compliant with standard quality from Government Regulation of Sumatera Barat No 5 year of 2008 (<50 mg/l),

**4.4.4**

The company has periodic water usage monitoring reports based on Procedures for Factory water use and monitoring (SOP-MILL-027). in 2018 the average water usage for processing is 1.01 m<sup>3</sup>/ton FFB, still below the standard threshold of 1.10 m<sup>3</sup>/ton FFB.

The company has a Water Resources Use / Utilization License based on the Decree of the Governor of West Sumatra Number 611-393-2016 dated 11 April 2016, (valid for 10 years) of 35,501 m<sup>3</sup>/month. Factory water use in 2018 is an average of 33,174 m<sup>3</sup>/month (still below the threshold)

<b>Status: Comply</b>
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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**

Integrated pest management program is based on Agronomy Guideline of 2015 chapter 8 regarding to integrated pest and disease management. Certificate holder undertakes the management actions based on the pest detection and census. Moreover, there is palm oil pest and disease detection and census procedure (SA 02/EMU/(01)/0710 on 01<sup>st</sup> July 2010 with an objective to ensure pest and disease program can be periodically and sustainably implemented. Detection is conducted in every 3 month, if there is a high potential of infestation, carried out a census every month. The detection activities include observation of caterpillar pests, nettle caterpillar, termites, rats, horn beetles and mushrooms (*Ganoderma boninense*). The company's defined economic threshold for nettle caterpillars is 5%, ganoderma is 2%, termites is 1%, mouse is 5% and hornbeetle is 5%.

Based on the recapitulation of rat dan leaf eater caterpillars census on second semester 2018, it is known that there is no rat and leaf eater caterpillars infestation over the economic threshold. Field observations on harvesting activities in GMP Estate, PHP 1 Estate indicate that there is no symptom of leaf eater caterpillars infestation in the canopy, nor rat infestation on FFB's harvested.

Certificate holder has a good commitment to improve the use of pest natural predator as part of integrated pest control. One of natural predator development is the reproduction and the construction of barn owl box to control rat infestation. The barn owl box monitored at least once a month. The monitoring parameter are the existing of barn owl in the boxes, left food, sign of reproduction such as egg or owl. Field observation at GMP Estate Block 76 and PHP 1 Estate Block 2A, known that barn owl box was in good condition and occupied. Beneficial plant such as *Turnera subulata* dan *Antigonon leptopus* in main road and collection road were well maintained.

**4.5.2**

Integrated pest management training has been conducted in GMP Estate on 2 July 2018, as well as in PHP 1 and PHP 2 Estate on 30 August 2018. The training material related to detection and census, biological control, mechanical control, chemical control, as well as beneficial plant.

<b>Status: Comply</b>
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**4.6**

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

**4.6.1, 4.6.2, 4.6.4**

Certificate holder using the licensed pesticide in Pesticide Commission of Agriculture Ministry. Based on document's review and observation in agrochemical warehouse, the utilized pesticides are Glisat 480SL (*Isopropilamina glyphosate*), Abolisi 856 SL (2,4 *Dymethyl amina*), Lindomin 865 SL (2,4 Dimetil Amina), Becano 500 SC (Indaziflam), and Starlon 665 EC (Trikloripir Butoksi Etil Ester). Documentation of utilization has recorded product name, active ingredients, LD50, percentage of active ingredients, total application, total active ingredients, hectare application and active ingredients per hectare application. This document is constantly recorded and updated by Estate Sustainability Officer each month. For instance in GMP Estate, utilization of *Glyphosate* month of December 2018 amount 0.62 gr/ha. Based on document review and field observation, it is known that the company has not used the pesticides included in the 1A and 1B lists of WHO or listed in the Stockholm or Rotterdam Conventions, including Paraquat.



**4.6.3**

Certificate holder has implemented integrated pest management in order to reduce pesticide usage. Several IPM program with biological approach that has been implemented such as rat control by *Tyto alba* and leaf eater caterpillar control by planting beneficial plants. Certificate holder implemented selective spraying and utilize *Neprolepis bisserata* as the host of predator of leaf eater caterpillar. Based on document review, field observation, and interview with the workers, it's known that there is no usage of pesticide to control pest and disease, except for the control of ganoderma.

**4.6.5, 4.6.7, 4.6.8**

Handling, usage or application of pesticides have been done by worker who have received training in handling pesticides, OHS, and first aid training. The annual training of pesticide handling have been conducted. Field observation and interview of spraying activity in GMP Estate, PHP 1 Estate, as well as pesticide warehouse, known that the workers can demonstrate and explained the correct way to work in accordance with the procedures including how use and handling the risks in accordance with material safety sheets. There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse. The worker also using personal protective equipment in accordance with specified hazard identification and material safety data sheet such as mask, gloves, safety shoes, apron and goggles. They said that in the past year there were no complaints of occupational diseases due to the use of pesticides. Based on field observation, documents review and interviews with stakeholders, it is known that certificate holder did not applied any pesticide aerially.

**4.6.9**

The Company provides information on the handling of pesticides. This is based on document verification and field observation in chemical storage warehouses, among others:

- MSDS is available at the chemical warehouse.
- Chemical handling procedures placed in the chemical storage warehouse.
- Training, for example training of warehouse staff related to chemical handling in warehouse on September 19 2018 by 11 warehouse staff and pesticide applicator. Attached minutes, attendance and photo of implementation.

The results of field observation in pesticide warehouse and interview with 5 sprayer of PHP 1 estate, 3 sprayer of PHP 2 estate, it is known that the employees have been given regular training in safe work practices. This was evidenced by the employee can demonstrate the correct way to work in accordance with the procedures including how use and handling the risks in accordance with material safety sheets. There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse. The sprayer also using personal protective equipment in accordance with specified hazard identification and material safety data sheet such as respirator mask, gloves, safety shoes, apron and goggles. In addition, employees are also informed about the steps of secure work in each roll call in the morning before work. Meanwhile, the spraying workers interviewed also claimed that after spraying they will be washing up and drying up the PPE and spraying tools (sprayer tank, jerry, etc), and taking shower/changing clothes in special place near pesticide store of the division office. Therefore based on field observation to mixing area in PHP 1 and PHP 2 estate that known there are storage for keeping all PPE's and spraying tools after use.

**4.6.10**

The company has procedures for handling pesticide waste (SOP-EST-002; SOP-EHS-016; SOP-EHS-006; and PRO-EST-006). Procedures include arranging used waste disposal for licensed LB3 polling stations, washing spraying and PPE equipment in special rooms, and storing special storage warehouses.

Based on interviews with the spraying team, workers know how to clean work tools and personal protective equipment in a special place and store them in an available warehouse. The results of field observations have provided temporary storage of licensed & toxic & hazardous waste and collaborated with advanced managers of agrochemical containers.

**4.6.11**

The certificate holder has a *Prosedur Pemeriksaan Kesehatan Tanaga Kerja* (Labor Health Examination Procedure), which explains the special examination of workers related to pesticides carried out twice a year.

The certificate holder shows a document on the *Laporan Pemeriksaan Kesehatan Berkala* (Periodic Health Check Report) of PT GMP Plantation - Pasaman Barat Unit in October 2018 in collaboration with the Manpower and Transmigration

Office of West Sumatra Province. Examination includes cholinesterase checking on October 24 – 26, 2018. The results of cholinesterase examination in blood serum are as follows:

- PHP I Estate, it was found out from 37 workers examined (17 pesticide operators), all of which were declared healthy/ normal.
- PHP II Estate, it was found out from 7 pesticide operators examined, all of which were declared healthy/ normal.
- GMP Estate, it was found out from 164 workers examined, all were declared healthy/ normal.

Based on the results of interviews with herbicide applicators, it was stated that there were no incidents of nausea, vomiting and diarrhea.

### 4.6.12

The certificate holder has an internal memorandum document number 007 / Mem-GEM / Int / I / 2017, dated January 9, 2017 on the prohibition of spraying and fertilizing work for pregnant and lactating women. The memo includes explaining that pregnant and lactating women workers (according to doctors' information) are prohibited from carrying out work that uses chemicals and is transferred to other jobs that do not use chemicals.

The certificate holder has a *Prosedur Pemeriksaan Kesehatan Tenaga Kerja* (Labor Health Examination Procedure), which explains the examination of female labor related to chemicals carried out once in 2 months. Based on the results of interviews with female herbicide applicators at PHP I Estate and GMP Estate, it was stated that workers had been given information on these two things.

The certificate holder shows the *Berita Acara Pemeriksaan Berkala yang Berhubungan dengan Bahan Kimia* document, for example for the period of January 2019, it is known that there is 1 worker who is pregnant. The certificate holder also shows evidence that female workers who are pregnant or lactating are not allowed to handle pesticides such as internal memo number 003 / SK-PGA / DM / I / 2019, dated January 15, 2019, regarding the transfer of female pesticide applicator to manual maintenance activities because they are pregnant.

**Status: Comply**

### 4.7

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

#### 4.7.1

The certificate holder has an OHS Policy approved by the Country Head on May 22, 2015. The policy has been socialized to employees, for example on June 4, 2018 to 10 contracting workers in block 53 of PT GMP.

Based on the results of interviews with harvest workers and herbicide applicators in PHP I Estate and GMP Estate, it is known that workers' understanding of the policy includes the provision of PPE by companies and workers must use it, providing training on how to work safely and periodic health checks. The certificate holder also has programs related to OHS at workplace, including training on how to work safely, First Aid training, Fire Management System (monitoring fire extinguishers, simulations), OHS monitoring (accident & work reporting, periodic checks, etc.) and environment.

The certificate holder shows evidence of the implementation OHS program in 2018, including the PT GMP Plantation Regular Health Check Report document in October 2018 in collaboration with *Hiperkes* and *Kantor Keselamatan Kerja* from *Dinas Tenaga Kerja dan Transmigrasi Provinsi Sumatera Barat*. Based on the document, it was found that there were 6 workers in GMP POM who had hearing loss. The certification holder has conducted an evaluation by referring workers who have decreased hearing function to an ENT specialist and stated because of the ear anatomy and under mild pressure conditions and controlled by using ear muffs. The certificate holder has given ear muffs to workers who have hearing loss.

#### 4.7.2

The certificate holder has an actual document of *Identifikasi Aspek dan Evaluasi Dampak Lingkungan serta Analisa Bahan dan Resiko Keselamatan dan Kesehatan Kerja* for mill and estate operations for the period of 2019. The document is prepared by a team of companies by identifying potential hazards and risks, then proceed to assess the risk level and risk control until risk is tolerated. If an accident occurs in the field, it will be considered in risk control to prevent future accidents. Based on the results of field observations in chemical warehouses and toxic mixing sites there is an MSDS that is placed as a guide in the handling of chemicals.

Based on interviews with spraying workers it is also known that the foreman in the field understands the procedures in case of work accidents as well as instructions in the MSDS each product has been applied to the employees.



**4.7.3**

The certificate holder has a *Prosedur Pengadaan Alat Pelindung Diri* (Personal Protective Equipment Procurement Procedure) document, which explains the provision of PPE refers to the matrix of scheduling the replacement of PPE, but if the damage to PPE due to work risk can be done with the evidence of investigation of damage to PPE. The results of field observations in mill and estates as well as interviews with workers, it is known that the certificate holder has provided PPE and has been given safe work practices training. The certificate holder shows evidence of the handover of PPE, for example in the PHP II Estate dated July 6, 2018 which provides boot shoes and cloth gloves for 21 loose fruit picker. The PPE provided by the company refers to the product label / MSDS or risk assessment, for example for herbicide applicators it has been equipped with PPE in the form of face shields, masks, aprons, rubber gloves and boots according to the results of risk analysis and product labels / MSDS.

Monitoring the noise level September 19, 2018, at sterilizer (75.5 dBA), press station (79.5 dBA), clarification (79.5 dBA), kernel station (80.1 dBA), boiler station (81.4 dBA), engine room (83.3 dBA), workshop (67.6 dBA) and methane capture (72.3 dBA). Based on results noise level testing accordance with Minister of Manpower and Transmigration Number. 13 of 2011 (85 dBA), however company has provide PPE such as earmuff and earplug, hi noise level signboard, and periodic machine maintenance.

The certificate holder has also conducted training related to safe work practices regarding harvesting activities, for example on July 6, 2018 attended by 101 harvest workers by speakers by OHS Experts and among others explained in relation to harvesting (harvest distance) so as not to be exposed to palm oil pollen. Based on the results of interviews with union representatives, it was stated that in the company there had been spraying activities carried out in the same block with other jobs such as harvesting. This becomes OFI.

In addition, based on the results of field observations in the PHP I Estate herbicide warehouse, it was found that warehouse personnel mistakenly provided PPE to the auditor when entering the herbicide warehouse, even though the appropriate PPE was available properly. This also became OFI.

**4.7.4**

The certificate holder has a *Panitia Pembina Keselamatan dan Kesehatan Kerja* P2K3 (Guiding Committee of Occupational Safety & Health) organization related to the implementation of occupational health and safety in the workplace. GMP POM indicate endorsement of the latest P2K3 structure authorized by the Department of Labor and Transmigration of West Sumatra province, on August 1, 2018. GMP Estate also indicate endorsement of the latest P2K3 structure authorized by the Department of Labor and Transmigration of West Sumatra province, in January 2018. The Secretary P2K3 each structure is OHS General Expert. For the PHP Estate, there is a change in the P2K3 structure with the letter of approval for the P2K3 PT PHP approval to the Manpower and Transmigration Office Labor Inspector Region II Payakumbuh. This becomes OFI.

P2K3 meetings are conducted monthly with discussions related to occupational health, safety and welfare. For example, at the GMP POM, on December 22, 2018 attended by 22 participants with discussions about workplace accidents, house keeping, employee health, discipline of PPE and LOTO.

Based on the results of interviews with the Foreman at PHP I Estate and the foreman at GMP Estate, it is known that the people are usually invited and present to participate in the P2K3 meeting.

**4.7.5**

The certificate holder has procedures for handling workplace accidents and emergencies, including *Prosedur Tindakan Keadaan Darurat*. Procedures include explaining the handling of emergency situations that fire land, forest, housing and factories. There is also a *Prosedur Pelaporan dan Penyelidikan Kecelakaan dan Pencemaran Lingkungan*, which explains how reporting and investigation. The certificate holder has the opportunity to evaluate fire emergency response equipment at PT PHP. This becomes OFI.

Based on the results of field observations and interviews with workers in the field, it is known there are workers who have experienced work accidents such as being hit by oil palm fronds during harvest activities. Then, the certificate holder shows the *Form Notifikasi Kejadian* document for the accident that describes the time of the incident, the location, the

name of the victim, the affected body part, the day lost, the translation of the event, the cause, and the corrective plan. Corrective actions taken by the certificate holder include by providing safe harvesting practice training and inspecting the use of PPE.

The certificate holder provides first aid facilities for the building or for mobilization in the field according to *Prosedur Pertolongan Pertama Pada Kecelakaan*. Based on the results of field observation and interviews with the workers / supervisors at the PHP I Estate and GMP Estate, it is known that each activity has been equipped with first aid kit and bags and the person in charge or the foreman has received first aid training.

#### 4.7.6

Based on the results of interviews with workers in PHP I Estate, GMP POM and GMP Estate, it was stated that workers get medical services from companies in the form of clinical facilities. In addition, they have also been registered in the *Badan Penyelenggara Jaminan Sosial/ BPJS* (Workers Social Security Agency) Health and Employment program. This is in accordance with the document listing the names of the details of labor contributions for BPJS Health and Employment. Likewise with contract workers, based on the results of interviews with Empty Fruit Bunch application contract workers on the GMP Estate, it was stated that contract workers had been registered BPJS Employment program by the contractor and this was proven by proof of payment of BPJS contributions in February 2019. In addition, GMP POM also shows evidence that the contractor has registered its workers to the membership of the BPJS Employment, including the *Kwitansi Iuran Jasa Konstruksi* (Construction Services Fee Receipt) number 919020101808648, for contractors making boiler foundation payments on the date of February 1, 2019. The certificate holder has the opportunity to continue monitoring social security payments of contractor workers. This becomes OFI.

The certificate holder has shown evidence of BPJS Employment and BPJS Health payments, for example for the period October - December 2018 and January 2019 for GMP POM, GMP Estate and PHP I Estate.

The certificate holder shows documents related to the BPJS Employment claims, for example for work accidents at GMP Estate employees. Based on the *Penetapan Jaminan Kecelakaan Kerja Bagi Peserta Penerima Upah* (Work Accident Guarantee Determination for Wage Recipients) document number JKCC01082018KL18041802773304, then claim number KL18081203490688 can be given claim benefits and has been paid via bank transfer.

#### 4.7.7

The certificate holder has monitored workplace accidents for the period January – December 2018 and analyzes the time lost by accident. Over the past 12 months, there were 2 lose time accidents in GMP POM and 62 in GMP Estate.

<b>Status: Comply</b>
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#### 4.8

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

##### 4.8.1 & 4.8.2

The Company has identified training for all employees, setting up training programs in 2018, such as :

- Training of ISPO, RSPO-SCCS & ISCC requirements to workers
- Training of risk at work
- SOP training of the production process in the each station to the workers
- Training of emergency response
- First Aid Training
- Training of safety to workers
- Hazardous waste handling training
- Harvesting Technique and OHS training
- Calibration of fertilizer dosage
- Spraying Technique and OHS training
- Calibration of spraying tools & tank mixing
- Etc

Interview results with workers such as warehouse officers, harvesters, and spray teams are known that they have received training related to their duties and responsibilities. The results of interviews with contractors are known that the workers

have received training / socialization such as socialize the use of PPE in the workplace.

Documentation of training is recorded in form of list of attendees, minutes of meeting, and activity photos. Based on interview with workers in PHP 1, PHP 2, GMP Estate and GMP POM Mill, they have received several training from company such as best management practice, OHS, first aid training, and socialization of company policies and procedures.

Training records for each worker in the training monitoring document, for example training records for foremen of sprayers received training:

- Minute of meeting of the training of technique harvesting PHP 1 estate July 6 2018.
- Minute of meeting of the training of technique manuring PHP 1 estate April 10 2018.
- Minute of meeting of the training accident handling and fire emergency response PHP 2 estate December 2 2018.

Based on interview during audit with subcontractor i.e. FFB Purchases it is known that contactor had been trained such as use PPE and payment transparency.

**Status: Comply**

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

#### 5.1

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

##### 5.1.1

PT GMP has environmental documents covering: Environmental Management Efforts and Environmental Monitoring Efforts (2003); Environmental Management and Monitoring Documents (2008); Addendum to Environmental Impact Analysis, Management Plan and Environmental Monitoring Plan (2014) and issued Decree of West Pasaman Regent Number: 188.45 / 1080 / BUP-PASBAR / 2014 dated December 8, 2014 concerning Environmental Permits. PT PHP has environmental documents in the form of Environmental Management Efforts Documents and Environmental Monitoring Efforts (2004). Approval Letter is available from Regent Pasaman No. 008/06 / PLH / 2004 dated February 18, 2004.

Environmental documents explain the impacts caused by company operations such as land acquisition, road construction, infrastructure development, processing plant development, land preparation, crop management, oil palm planting, development, etc. The AMDAL document also includes a plan for environmental management and monitoring activities that must be carried out by the company. With the addition and change of activities that have not been contained in the EIA document, the company has made a renewal document. Based on interviews with the Environmental agency of Pasaman Barat Regency obtained information if the Company was in the process of changing Environmental permits. Change of permit due to replanting activities. The results of field visits on the GMP Estate, have carried out replanting activities in 2017 and 2018, the company has compiled an internal replanting study. Based on the information published Observation: Progress changes in the requested environmental regulation. Its Became OFI

##### 5.1.2

The company has a report on the implementation of environmental management that refers to the impact matrix contained in the AMDAL document. The change in activities that potentially have an impact, the company has made changes to environmental documents that continue to change its environmental management plan. PT GMP has been replanting since 2017 and the company has an internal replanting study but the company has not been able to show the recording document of the implementation of environmental management related to replanting activities. **Based on that's explanation raised Non Conformity No 2019.01 With Minor Category**

##### 5.1.3

The company has carried out periodic environmental management and monitoring as described in the semester Environmental Management and Monitoring Report. This report describes the realization of environmental monitoring and management referring to the matrix in the EIA document. Environmental monitoring evaluation / management plan has been developed every semester in the RKL / RPL report. PT GMP has been replanting since 2017 and the company has

an internal replanting study but the company has not been able to show the recording document of the implementation of environmental monitoring related to replanting activities. **Based on that's explanation raised Non Conformity No 2019.02 With Minor Category**

**5.1.2 Status : Non Conformity No 2019.01 With Minor Category**

**5.1.3 Status : Non Conformity No 2019.02 With Minor Category**

## **5.2**

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

### **5.2.1**

PT GMP and PT PHP have had HCV assessments for all operational areas carried out by the RSPO Approve Assessor in 2012. The HCV identification process was carried out using the HCV identification guide in Indonesia in June 2008. Identification considering the landscape of the Batang Pasaman River Basin, Identification results at PT GMP covers an area of 281.89 Ha, while in PT PHP it covers 36.2 Ha. PT GMP has set an HCV area of 54.63 Ha (Letter of Appointment Number: 025 / GEM-PSM / Int / I / 2014) and in PT PHP covering 1.9 Ha (Letter of Appointment Number: 026 / PHP / DM-PHP2 / Int / I / 2013). Based on the field visit in Block 53 PT GMP, there was a change in river flow which caused an increase in the width of the river boundary. As well as changes in claims of community areas at the boundary of the PT PHP Batang Alin river which caused it to increase the river boundary. The company has the opportunity to reconsider the determination of its HCV area. OFI

### **5.2.2; 5.2.3**

HCV identification results also explain the existence of RTE species according to IUCN-Redlist such as trenggiling (*manis javanica*), siamang (*sympalangus syndactylus*), wau wau (*hylobates agilis*), and rangkong badak (*buceros rhinoceros*). The company has an HCV management plan every year that includes proper management and monitoring to maintain HCV attributes and RTE species.

As a result of field observations in the HCV area, Block 62 (GMP), the company has installed HCV area information boards and protected species, hunting ban boards. In addition, river border rehabilitation has been carried out for species corridors. The company also conducts monthly monitoring covering the security of HCV areas from poaching and monitoring the existence of species.

The company has a species protection procedure (RTE SOP-EHS-20) which states, all workers including contractors are not allowed to hunt, maintain and kill all RTE species. Training and socialization of workers is available regarding the protection of RTE species. The results of the field visit did not find any RTE / wild species maintained by workers. Monitoring activities of HCV area management and the existence of wild animals are carried out routinely every month by HCV company staff. Monitoring carried out includes river / ditch border conditions, and the presence of wild animals in the company, hunting / destruction conservation area activities around the estates. As a result of interviews with the spraying team, workers were aware of the existence and function of HCV areas. Workers also have a deep understanding of protected species, the prohibition on hunting protected species. To provide protection against such RTE species, management unit has made the hunting ban signboard, patrolling, rehabilitation of riparian as habitat and report to relevant agencies (Nature Conservation Agency). GMP-PHP also conduct regular inspection for HCV/RTE species protection, last inspection was done on December 2018 indicates there is no wild hunting and no wild animal traps presence on HCV areas.

### **5.2.4**

The company has an HCV management plan every year, and has implemented it well. Patrol records that are shown regularly show the company has monitored encroachment, hunting and other illegal activities. All records for monthly patrols in each estate are available. The results of monitoring are reported to the relevant government agencies every six months listed in the UKL / UPL report. The company has planned management in 2019, including increasing socialization for all workers related to RTE species. Based on field visits in Block 53, PT GMP has made embankments, but there is still an expansion of the border of the Batang Pasaman River. Whereas in the border of the Batang Alin river in PT PHP there are land claims by the community which are obstacles to the management of HCV areas.

**5.2.5**

Based on the HCV identification document (2012), there is no indication of the presence of HCV 5 or HCV 6. Based on field observations there are indications of HCV areas utilized by the community, namely the border of the Batang Pasaman River (GMP) and the border of the Alin Batang River (PHP). The existence of the community at the river border is already there before the plantation. The company continues to provide guidance to the community (claimers) to suppress activities in the river border

<b>Status: Comply</b>	
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**5.3**

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

**5.3.1**

The company has the result of identifying waste or pollution resulting from factory and plantation activities. For example factory effluents are managed at WWTP before being distributed as land applications, hazardous waste is stored in temporary hazardous waste storage sites, empty fruit bunches are reduced and reused as nutrient cycles on plantations. Fiber and shell are used as boiler fuel. In addition, the company has used pome as biogas in a methane capture plant.

**5.3.2; 5.3.3**

All chemical and hazardous wastes and their containers are disposed of responsibly based on the EHS-006 SOP procedure. The company has identified hazardous and chemical waste. All hazardous and chemical wastes are stored in temporary storage of hazardous and chemical waste. The company has a license for temporary storage of chemical and hazardous waste for GMP-POM, GMP-Estate, PHP-1 Estate and PHP-1 Estate.

Based on document verification, the company cooperates with third-party toxic and hazardous waste managers who already have permits in the collection, transportation, utilization and destruction of toxic and hazardous waste. PT Shali Riau Lestari is a third party that has licensing and cooperation with further management of toxic and hazardous waste. The company has procedures for managing all waste produced due to POM activities and plantations. POM effluent is managed by WWTP and is channeled to licensed land applications; Empty Fruit Bunch waste is used as fertilizer on plantations, shell and fiber waste is used as boiler fuel. While domestic waste is managed by providing final landfills in each division and sorting out organic / organic-waste. Observations also found that this landfill was located far (> 1 km) from housing and located in a flood-free area

<b>Status: Comply</b>	
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**5.4**

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

**5.4.1**

The company has regularly monitored the use of fossil fuel energy in POM and Estates activities. The company shows a commitment to reduce fossil fuels with the use of renewable energy. The use of shells and fiber and the realization of the use of fossil fuels have been monitored per month and POM GMP also has a Capture Methane plant with a total capacity of 500KW. The use of fiber and shells for boilers produces an average energy efficiency for diesel fuel is 0.26 liters / ton CPO, for electricity (including the methane capture plant) is 29.33 kWh / ton CPO.

<b>Status: Comply</b>	
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**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 and 5.5.2**

The company has zero burning policy as stated in the Wilmar Environmental Policy which was approved in September 2010 which stated the zero burning policy in all plantation development activities. In addition, it is also included in the SOP for Land Cleansing without Combustion with number: PRO-EST-002 dated October 15, 2012.

Based on the field visit to block 27 (TT 2017) and block 117 (TT2018) it is known that the implementation of replanting has used the no-burn method. There is a Contractor's Work Agreement for replanting with No: 007 / SPK / GMP / II / 2015. February 13, 2015. Replanting activities are carried out mechanically and are prohibited from burning. The results



of interviews with relevant agencies and the surrounding community there was no new area development and there were no land fire issues.

The company has socialized zero burning policy routinely in the morning briefing and by installing signboard about prohibiting using fire for disposal waste.. based on interview with workers and field observations The workers understood that there is prohibited for using fire for waste disposal and 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**

To reduce pollution and emission, the company has identified the emissions source and the management steps which are described in FRM-GRN-033. In addition, company also identified GHG sources included mitigation plan for reducing it. All waste including emissions and pollutions sources from Mill and estate are identified and recorded on waste and pollution identification 2018 document.

The Company periodically per 6 months has been testing the sources of emissions and pollutants, as indicated by the test results semester 1 year 2018 with test results that are below the threshold. Based on field interviews obtained information that Company has a fertilization work plan based on recommendations from recommendations. In addition, CH also has a wash facility for spraying equipment.

The mitigation plan to reduce GHG emission develop by the company are routine engine maintenance such as ,boiler and generator, waste disposal management, riparian area reclamation, fertilizer application in accordance with dosage recommendation, SOP socialization on BMP practice and WWTP operation. Implemented program are routine emission level test for air emission, noise, odour and air ambient, fertilizer applied as its recommendation and routine engine maintenance.

The pollution and emission monitoring is conducted by the mill laboratory division and the measurement is conducted regularly refer to the applied regulation such as for noise and odor the measurement is conducted every 6 month and mill effluent quality is conducted every month.

Monitoring emission sources of pollution, including greenhouse gas emissions listed in identified the emissions source (FRM-GRN-033). The Company shown monitoring emission by Industrial Research and Standardization Centre (KAN No. LP-607-IDN) laboratory, result of 2nd semester year 2018 for boiler number 1 and number 2 accordance with regulation of the environment minister number 7 year 2007 (appendix 1) for 8 parameter testing, such as smoke density 22 % (threshold 30 %), while average smoke density before Assessment 25 % (2nd semester 2017). The company also has 9 boiler operators that have licenses by labor ministry.

Based on field visit to mill's WWTP facility known that the mill effluent has been well treated, the supporting equipment is functioned well and the in-charged officer has understood his task well.

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 July - December 2018 sighted that all of waste water testing parameters is compliant to the standards quality, for example BOD on Dec'18 are 182.0 mg/l (< 5000 mg/l).

#### **5.6.3**

GMP POM conduct GHG calculation and its monitoring using RSPO palm GHG calculator v 3.0.1 . Summary of GHG emission for GMP POM are listed as follows :

Base on document verification, CH has been done calculations emission with RSPO Palm GHG Calculator Version 3.0.1 with data input correctly. Calculation option applied CH is November 2005 cut off LUC.

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

Emissions per product	tCO <sub>2</sub> e/tProduct	Extraction	%	Production	ton/year
CPO	10.21	OER	15.58	FFB Processed	287939.088
PK	10.21	KER	4.3	CPO Produced	44857.951

Land Use	ha
OP planted area	5165.54
OP Planted on peat	2231.2791
Conservation (forested)	54.64

**Summary of Field Emissions and Sinks**

	Own Crop		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha
<b>Emissions</b>								
Land conversion	49764.81	9.72	-	-	-	-	-	-
*CO <sub>2</sub> emissions from fertilizer	4179.71	0.82	-	-	-	-	-	-
**N <sub>2</sub> O emissions	21991.19	4.31	-	-	-	-	-	-
Fuel consumption	1456.37	0.29	-	-	-	-	-	-
Peat Oxidation	120102.2	23.58	-	-	-	-	-	-
<b>Sinks</b>								
Crop sequestration	-47170.43	-9.21	-	-	-	-	-	-
Conservation Sequestration	0	0	-	-	-	-	-	-
<b>Total</b>	<b>1503223.85</b>	<b>29.5</b>	-	-	-	-	-	-

**Summary of Mill Emissions and Credits**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emissions</b>		
POME	8014.78	0.03
Fuel Consumption	355.38	0
Grid Electricity Utilisation	0	0
<b>Credits</b>		
Export of Grid Electricity	0	0
Sales of PKS	-18085.45	-0.06
Sales of EFB	0	0
<b>Total</b>	<b>-9715.29</b>	<b>-0.03</b>

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

Divert to compost	0
Divert to anaerobic digestion	100



**POME Diverted to Anaerobic Digestion:**

Divert to anaerobic pond	4
Divert to methane capture (flaring)	82
Divert to methane capture (electricity generation)	14

**Emissions from Palm Kernel Crusher**

Emissions Source	tCO <sub>2</sub> e
PK from own mill	126232.15
PK from other sources	0
Fuel consumption	0
Total crusher emissions	0

The company has managed POME for methane capture activities. The GHG calculation has included POME management to methane capture.

**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 & 6.1.5**

Social impact assessment (SIA) of the PT GMP and PT PHP have been conducted by consultant in 2012. This assessment conducted by involving affected parties, such as: workers, business partner and local communities, including customary people and smallholders (such as KSU Mutiara Bosa Sikilang, KUD Kapa, KUD Rantau Pasaman, etc). Methodology used during this assessment is through Primary and Secondary Data collecting. For Primary Data collecting, the assessment using Focus Group Discussion, workshop and participatory mapping by interview with participants. Evidence that SIA assessment has been performed by involving affected parties is contained in annex of SIA document containing a list of attendance, photos of implementation and a list of resource persons.

In addition, the SIA assessment has also been socialized to villagers and stakeholders. Recorded evidence is available:

- Evidence of Socialization Invitation (February 20, 2013).
- Minutes of dissemination of HCV Identification Result, Traditional Activity, Social Impact Program and Procedures / SOPs Related to Company Activity, February 22, 2013 at Jambak Simpang Empat attended by parties from around plantation area.
- List of Attendance
- Photos of the implementation.

The Company has a social management plan for PT GMP and PT PHP 2019 - 2020 which contains management plans related to external and internal impacts. The plan also contains the implementation schedule and the PIC.

The Company showed the social management plan for PT GMP and PT PHP 2019 -2021 to avoid or mitigate negative impacts and increase the positive impacts based on the results of the Social Impact analysis through consultation process with the affected parties, which documented and scheduled, including their implementation responsibilities.

**6.1.4**

The Company (PT GMP and PT PHP) showed the Social Management Plan 2019 – 2021 and the SIA's Implementation Report 2018, with involved affected parties. As follows:

- Minutes of meeting and Notes on socialization of the Social Impact Management and Monitoring Plan at PT GMP dated March 6, 2018 involving several *Ninik Mamak*, Jorong Chief and Youth Chief, such as *Jorong Chief* and *Ninik Mamak Panjung Pangka*, *Jorong* and *Ninik mamak Labuah Luruih*. In the minutes of the event mentioned that the

stakeholders still agree on the activities contained in the SIA document. The Minutes also explained about the activities that have been implemented from the Social and external monitoring and Management plan which was attended by 17 participants.

- Minutes of socialization event of Social Impact Management and Monitoring Plan at PT PHP dated March 6, 2018 involving *Wali Nagari Persiapan Padang harapan* and Jorong Head of Psg Hutan. In the minutes of the event mentioned that the stakeholders still agree on the activities contained in the SIA document. The minutes also describe the activities that have been implemented from the Social and external monitoring and management plan which was attended by 18 participants.
- The 2017 - 2018 Social Impact Management and Monitoring Plan for PT GMP that describes the impacts to external and internal company (employees) including the PIC responsible for its implementation.
- The 2017 - 2018 Social Impact Management and Monitoring Plan for PT PHP that describes the impacts to external and internal company (employees) including the PIC responsible for its implementation.
- Schedule of Implementation of Social Management Activities of PT GMP and PT PHP in 2018
- The Company shows the minutes of socialization of Social Management and Monitoring Plan to employees and staff of PT PHP on January 26, 2018 accompanied by photo of the implementation of the activity along with attendance attendance. In the minutes, described some of the activities that have been implemented and plans for management and monitoring of social impacts in PT PHP.
- The Company showed the minutes of socialization of Social Monitoring and Management Plan to employees and staff of PT GMP dated January 24, 2018 accompanied by photo of the implementation of the activity along with attendance attendance. In the minutes, it is known that there is no response or new issues related to the social impacts of internal stakeholders (employees). In the minutes, a number of activities have been completed and the social impact management and monitoring plan of PT GMP.
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**Status: Comply**

## 6.2

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

### 6.2.1, 6.2.2 & 6.2.3

PT. GMP & PT. PHP have SOP Communication, Consultation and Coordination with Stakeholders No.PRO-BNM-008, dated October 1, 2011 to be used as guidelines for communications which aims: SOP as a technical guide for the implementation of communication, consultation and coordination between companies and stakeholders. So that it can be ensured that every decision step, action, implementation activities related to stakeholders can be accountable, effective, efficient, consistent and systematic so as to facilitate operational activities of the company.

All communication from stakeholders in form of request for assistance village activity, has documented in recapitulation of incoming letter. The incoming letter, such as on December 17, 2018 about borrowing cars for Sasak Ranah Pasisie sub-district activities, responded by company on December 20, 2018, evidenced by an official service vehicle permit.

The results of interviews with community leaders such as Jorong Maligi, it is known that they know the mechanism of communication and consultation with the community. There is also a record of socialization, for example socialization of human rights policy, code of ethics, and company's SOP to Jorong Maligi community, Jorong Padang Jaya on 14 March 2017 signed by Head of Jorong.

The results of interviews during audit with community leaders such as Jorong Tanjuang Pangka – Nagari Lingkuang Aua and Community Leader (*Ninik Mamak* and *Datuk*) of Nagari Kapa, it is known that they know the mechanism of communication and consultation with the community.

**Status: Comply**

**6.3**

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

**6.3.1.**

The mechanism, open to all affected parties, resolve disputes in an effective, timely and appropriate manner was described within Procedure No. PRO-HRD-005 (revision 001, valid date 01 October 2011 which has been endorsed by GEM SOP aims to accommodate complaints and complaints from employees.

As well as in the Procedure for Admission and Dispute Resolution of the Dispute, No.Document: PRO-BNM-007 Revision 01 effective date 1 December 2015. The procedure includes ensuring anonymity of complainants and whistleblowers.

Complaints from workers Number letter 001 / INF / II / 2018 February 8, 2018 complaining about repairing damaged septic tanks. The house was repaired February 10, 2018 with proof of repair and documentation.

**6.3.2**

Documentation of complaints is listed in the Internal & External Complaints, All communication from stakeholders in form of request for assistance village activity and permit, has documented in recapitulation of incoming letter. The incoming letter, such as :

- January 28, 2019, Letter number 02 / KSB-AH-SKL-2018 from *wali nagari Persiapan Sikilang and Ninik Mamak Sikilang* for PT PHP II, request for Bridge Construction assistance, company has responded by meeting with Wali Nagari Sikilang February 14, 2019.
- January 28, 2019, No. Letter 140/47 / WNPS-2018 from *wali nagari Persiapan Sikilang* for PT PHP II, Request for the Permission to opening of Sikilang - Air Haji road, company has responded by conducting a meeting with *Wali Nagari sikilang* February 14, 2019.

Based on field observation, interview with management and stakeholder its known if there is a complaint/land dispute in PT Permata Hijau Pasaman that not yet resolved. issue stems from the demands of the community regarding the construction of a plasma plantation that not been realized according to the initial agreement (MOU). The complaint has been recorded in the CH's complaint mechanism. The settlement process has been described on indicator 2.2.4 and its became an opportunity of improvement (Observation) and will be verify on next assessment

**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 and 6.4.3**

There is no changes in the procedures to identify the legality and compensation listed in the SOP of the Land Management / Land Acquisition Manual No.SOP 29/ BM/(0)0409 Effective date 13 April 2009 on stages of land acquisition.

According to information gathered during stakeholder consultation with customary head (*Ninik Mamak* ) which include as previous land owner it is confirmed if land acquisition has been carried out since 1991 involving the regional government

The concession of PT GMP and PT PHP I overlaps with the customary lands of the indigenous communities as follows *Hak Tanah Ulayat Nagari* Lingkuang Aur (PT GMP) , *Hak Tanah Ulayat Nagari* Sasak and Nagari Kapar PT (PHP 1) and, *Hak Tanah Ulayat Nagari* Sungai Aur (PT PHP 2),the neighboring *Nagari* communities in the district of Pasaman Barat but in different sub-districts . The former lies in the subdistrict of Luhak Nan Dua and the latter lies in the sub-district of Sasak Ranah Pesisir

the *Ninik Mamak* (Customary leader), with the full knowledge of the heads of all the villages in Nagari Kapa, handed over customary lands to the Regent of Pasaman, who further granted these areas to the oil palm investor, The handover was recorded in a land handover letter signed by the *Ninik Mamak* with full knowledge of the village heads, as follows .

GMP Estate (PT. GMP):

- Agreement letter for releasing of Customary Right "Hak Tanah Ulayat Nagari Lingkuang Aur" dated 5 November 1991.

PHP-1 Estate (PT. PHP):

- Record of Agreement letter for releasing of Customary Right "Hak Tanah Ulayat Nagari Sasak and Nagari Kapar" dated 6 February 1997.

PHP-2 Estate (PT. PHP):

- Record of Agreement letter for releasing of Customary Right "Hak Tanah Ulayat Nagari Sungai Aur" dated 16 July 1992

**Status: Comply**

## 6.5

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

### 6.5.1

The certificate holder shows the provisions of the applicable wage payment referring to the Decree of the Governor of West Sumatra No. 562-795-2018, dated October 30, 2018, concerning the Minimum Wage of the Province of West Sumatra in 2019 which is IDR. 2,289,228, - per month. Then, the certificate holder shows the Internal Memorandum number 001 / WIP-HRR / Int-XII / 2018 dated December 28, 2018 from the HR Regional Manager regarding the Minimum Wage of West Sumatra Province, the decision on employee minimum wages, basic wages (operators, vehicle drivers and FFB loader) set at IDR. 2,289,250 per month or IDR. 91,570 per day. These provisions have also been stated in the Collective Labor Agreement and Work Agreement (for contracted employees).

The certificate holder shows documentation of payment of wages in the form of payroll documents and employee pay slips. Based on the results of the document review, it is known that the certificate holder has paid wages in accordance with the stipulated provisions, for example in GMP Estate slip salary in January 2019 harvest worker with employee numbers GA / GMP / 0199/2620, get a wage of Rp. 2,826,181, -. This was also reinforced by the results of interviews with workers in the field and labor union representatives.

The company has the opportunity to re-inform the structure of wages and the wage scale in particular regarding the provision of incentives and calculation of overtime. This becomes OFI.

### 6.5.2

Based on the results of document review, interviews with workers and labor union representatives, it is known that information on payment of wages and labor provisions is available in the Collective Labor Agreement and Work Agreement documents. The Collective Labor Agreement for the period 2018 – 2020, as shown in PHP I Estate, has accommodated all workers' rights and obligations including work relations, work time, remuneration, labour social assurance, work order/ work discipline and settlement of complaints. In addition, for contractors, information about payment of wages and employment conditions is available in the Work Agreement document signed by both parties. For example, the Work Agreement number 005 / SPK / GMP / 01/2019, dated January 3, 2019, between the GMP Estate and CV. Dian RP, has accommodated work conditions including the type / volume / value or price of work, rights and obligations of first parties, rights and obligations of second parties and employment aspect. Regarding employment, for example, it is explained that the second party (contractor) is obliged to register its workforce with the labour social assurance program in accordance with applicable regulations. Based on the results of interviews with workers, it is known that workers have known their rights and obligations as determined. In addition, workers also understand the payment of overtime wages in which overtime pay is in accordance with applicable labor regulations.

### 6.5.3

Based on the results of field observations in PHP I Estate and GMP Estate, it is known that certificate holder have provided adequate housing, water, medical, education and welfare. For example, during a field observation at M3 Housing PHP I Estate, the auditor team also met with the wives of workers and interviewed about the facilities and infrastructure provided by the certificate holder. They stated that the conditions of the facilities and infrastructure provided such as a housing consisting of 2 bedrooms and 1 bathroom, electricity and clean water were felt to be sufficient. In addition, the certificate holder also provides medical facilities such as clinics and first aid posts in their respective management units. For children's education facilities, the certificate holder has built schools for the level of *Pendidikan Anak Usia Dini* PAUD (Early Childhood Education), Kindergarten, Elementary and Secondary Schools which are centered on the GMP Estate as well as shuttle facilities from each housing location. However, certificate holder have the opportunity to re-evaluate the means of transportation of school children. This become OFI

They also explained that if there was damage, for example in a residential building, they could complain about it to the certificate holder and be responded to quickly for repairs.

The certificate holder also explained that at this time *Depot Air Minum* (Drinking Water Depots) had been made to meet the needs of drinking water in each management unit. In 2019, a water depot will be made on the PHP II Estate unit. The certificate holder also shows an inventory list and long-term plans for the construction of housing facilities and infrastructure.

#### 6.5.4

The certificate holder has helped workers get adequate and affordable food sources as seen on the GMP Estate that the certificate holder provides a place to shop for. In addition, based on the results of interviews with workers, it is known that the certificate holder provides freedom for traders to sell in residential areas. Every day there are traders who sell into the residential area to sell basic necessities. In addition, access to appropriate food sources and affordable prices is easily available. The distance of employee housing to the village market location can be reached within 15-30 minutes.

<b>Status: Comply</b>
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#### 6.6

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

##### 6.6.1

Based on the results of the document review, it was found that there was an internal memorandum issued in 2009 stating that the certificate holder recognized the freedom of association, namely guaranteeing the freedom of each employee to form and become a member of a labor union in accordance with applicable laws. Further arrangements regarding this matter have also been agreed upon in the Collective Labor Agreement for the period 2018 – 2020. Based on the results of document reviews, interviews with workers and interviews with labor union representatives, it is known that labor unions have been registered with the local Manpower Office, for example for PHP units have been listed in 2017 and in the GMP unit in 2016. The form of company support in terms of freedom of association includes the provision of labor union secretariat offices.

##### 6.6.2

Based on the results of document reviews and interviews with labor union representatives, it is known that the labor unions and the companies each hold minutes of meetings that have been held, including minutes of meetings on 4 February 2019 in the Manpower Office Meeting Room with an agenda of Mediation / Facilitation of Industrial Relations Disputes in PT PHP II. The attendees at the meeting included representatives of labor unions, representatives of management, heads of labor offices, head of administration of *Jamsostek*, labor inspectors and the industrial relations section of the Manpower Office.

<b>Status: Comply</b>
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#### 6.7

**Children are not employed or exploited.**

##### 6.7.1

The certificate holder shows the *Kebijakan Perlindungan Anak* (Child Protection Policy), which was signed by Wilmar International's Chief Sustainability Officer in November 2017. The policy includes explaining that the company does not tolerate child labor, the exploitation of children in any form and violence against children. Age of 18 is the minimum age for becoming an employee. In addition, the certificate holder also has and implements policies regarding the age requirements of workers, including the *Prosedur Rekrutmen* (Recruitment Procedure), document number PRO-HRD-001, revised 01, takes effect September 1, 2018, which is explained by the accepting prospective employees at least 18 years of age or older.

Based on the results of a review of employee list documents, field observations and interviews with workers, it was found that there were no workers working under the age of 18 years.

<b>Status: Comply</b>
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**6.8**

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

**6.8.1 & 6.8.2**

Based on the results of the document review, it is known that the certificate holder has a policy of equal opportunity to get the opportunity to work, signed by Group Plantation Head and Group CSR Head in September 2010. The policy explains that Wilmar supports the principles of justice and aims to treat everyone with respect, free from discrimination that violates the law and ethics. In particular, this policy aims to not discriminate against gender, race or ethnicity, disability, sexual orientation, age or belief, but to develop a global workforce that has capabilities based on objective judgment. Based on the results of interviews with workers, labor union representatives and surrounding village representatives, it is known that related policies on equal opportunities for employment opportunities have been well implemented in the field.

This is in line with the results of verification of the list of labor documents, field observations and interviews with workers, it is known that workers come from various regions, religions, ages, education, various types of aging. In addition, the results of interviews with labor unions and workers stated that there were no indications / issues related to discrimination.

**6.8.3**

The recruitment process, appointment of employees and promotion of employees have been carried out fairly and openly. In terms of hiring workers, the certificate holder has the same administrative and recruitment system requirements for prospective employees. Then, workers who have been accepted to work will be evaluated with evaluation materials including willingness to learn, quality of work, quantity of work, timeliness in completing tasks, discipline / character and cooperation with superiors and coworkers.

The certificate holder also stores and maintains the employee's track record, for example the PHP I Estate document shows a work record of employees from Nias, starting from the assessment / evaluation recruitment process to promotional documents.

Based on the results of interviews with workers in harvesting and spraying activities, it is known that the certificate holder is committed and implements well not to carry out discriminatory actions and all workers are treated and given equal opportunities / opportunities.

<b>Status: Comply</b>
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**6.9**

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

**6.9.1**

The certificate holder has a policy on sexual harassment legalized by the Group Plantation Head and CSR Head Group which states that the certificate holder encourages the reporting of all sexual harassment events experienced by each individual, including gender or age as a result of his association with the company. When proven sexual harassment is experienced, the perpetrator will be given strict sanctions in accordance with this policy regardless of the position of the perpetrator in the company. In addition, it is also accommodated in the Collective Labor Agreement for the period 2018 - 2020, which among others explains that employees are prohibited from engaging in immoral activities with fellow employees both within and outside the company environment. A Women's Committee has also been established as a forum for complaints or complaints such as harassment, violence that occurs in the household and others. The certificate holder also shows evidence that there has been a socialization of the protection of women and children.

Based on the results of interviews with female workers, for example weighbridge officers in mill and female spray workers, it was stated that they knew and understood the sexual harassment policy. Workers also stated that there were women's committees that provided information and training such as socialization of women's reproductive rights such as menstruation leave and childbirth, socialization of how complaints were made if there were immoral acts, socialization of good spray techniques to avoid exposure to chemicals for spray workers.

Based on the results of interviews with the committee of the Gender / Women Committee, it was stated that there was no discrimination reporting specifically on female workers carried out by the company and there were no incidents regarding immoral acts, sexual harassment and domestic violence.

**6.9.2**



Among the certificate holder's policies on the protection of reproductive rights for female workers is the Internal Memorandum from GEM number 007 / Mem-GEM / Int / I / 2017 dated January 9, 2017 concerning *Larangan Kerja Penyemprotan dan Pemupukan bagi Wanita Hamil dan Menyusui* (the Prohibition of Spraying and Fertilizing Work for Pregnant and Breastfeeding Women). Based on the results of interviews with company doctors, it is known that the certificate holder has a policy that pregnant and lactating women are not permitted to work in related work chemical and when giving birth is given 6 months postpartum to exclusively breastfeed and can request additional time if it is still needed and the doctor will give a letter of recommendation.

Based on the results of interviews with female spray workers, it was stated that the policy was implemented and communicated to all workers. For example, socialization of OHS Spraying at PT PHP I block 4 dated 1 August 2018 regarding safety aspects, namely pregnant and lactating women should not carry out workers who are chemically related and have a pregnancy examination every 2 months.

<b>Status: Comply</b>
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#### 6.10

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

##### **6.10.1; 6.10.2**

The company has a procedure of FFB appointment (SOP-BNM-001) dated October 01, 2011 with purpose to be a guidelines in determining the appropriate action in the pricing of FFB plasma so as to provide reasonable protection and price recovery FFB production of plasma farmer. Procedure of FFB determining shall be conducted by referring to the decision of Food, Crop, Horticulture and Plantation Agency for period I (1 to January 15) 2019. Pricing is based on the result of meeting among stakeholder including representatives of company, cooperative boards and offices. Based on logbook document, its known that there are no complaint related to FFB pricing. Beside that, based on interview with a cooperatives, its known that the payment of FFB price has been in accordance with the pricing issued by the agency.

The pricing of FFB for third parties (non-plasma) is done once a week. Pricing is based on the average selling price of CPO and PK (exports) and locally, the average yield of CPO and PK on FFB received from a third party and the justification of the price determined by the company. Associated with the realization of payments made on a monthly basis based on the amount of tonnage sent to the mill.

The company has a payment FFB document in according with the FFB pricing issued by Food, Crop, Horticulture and Plantation Agency. A billing letter Number 01/KUD/LA-II/91-2019 dated January 16, 2019 which sale EFB of cooperative unit *Lingkung Aur* to 73,812,143 rupiah. There is proof of transfer from PT GMP to cooperative unit *Lingkung Aur*, by *Nagari* bank.

##### **6.10.3; 6.10.4**

The company has shown an agreement between plasma cooperatives and company. Both parties have understood contactual agreement that the fair, legal and transparent. The cooperation contract is poured in the cooperative MOU *Lingkung Aur* II No. 33/GMP/SW/X-94, dated October 14, 1994. While the agreement contain among other the cooperative must sell FFB to the company and company must buy the FFB, the FFB price is guided by market price and goverment regulation, the FFB price is set jointly between plasma cooperatives, company and goverments.

Based on interview with Kapa and Rantau Pasaman Sasak Cooperatives, its known that an agreement between company and cooperatives was known, agreed and signed. The payment of FFB to the plasma has been appropriate and timely. There are no issues related to late payment.

<b>Status: Comply</b>
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#### 6.11

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

##### **6.11.1 & 6.11.2**

The Company has a program to improve the quality of life and the environment contained in the CSR Program. CSR programs are based on the needs of the surrounding community by first submitting proposals to the company. The Company reviews the program and realization of CSR implementation by involving the surrounding community. For example:

- There are recording of socialization of CSR implementation and evaluation December 4, 2018 there is attendance several participants.
- Minutes of meeting CSR implementation in 2018 and evaluation, December 13 2018 attended by 20 participants.

The CSR improvement program covers several aspects of education, culture, economy, culture etc. such as:

- Aid to build mosque
- Funding of the 14th Anniversary of *Pasaman Barat* Regency.
- Funding of environmental activities
- Funding of mayday activities
- Assistance of farmers contact fund of *Pasaman Barat*
- Funding of palm oil seed.
- Purchase of computer equipment for high school number 2 *Pasaman Barat* Regency.
- Etc.

Based on interview with representative of *Wali Nagari Persiapan Maligi and Ninik Mamak Nagari Kapa* it is known that Company will responded and give the assistance to village based on the proposal.

The Company cooperates with local contractors and suppliers. For example: agreement letter no. 039/SPK/PHP I/XII/2018 December 12, 2017 for FFB transport works. In addition, the company is also partnering with the surrounding farmers through a program of cooperation on oil palm plantation development that has been done since 1994.

The company has provided training to smallholders, such as:

- On January 10, 2018, socialization of EFB fertilizer technique for the participants include KUD Lingkung Aur II.
- On January 24, 2018, harvesting under hi-voltage installation for the participants include KUD Kapa.
- On September 10, 2018, Upkeep for the participants include KUD Kapa and KUD Rantau Pasaman Sasak.

**Status: Comply**

### 6.12

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

##### 6.12.1, 6.12.2 & 6.12.3

The certificate holder has a policy related not to exploit fellow humans and the local community determined on December 5, 2013, one of which reads "Companies and suppliers / sub-contractors may not use or employ workers forcibly or are bound by agreements or apply to human trafficking; and need to take steps to stop it when carrying out their work. Based on the results of document reviews, interviews and field observations, no foreign workers were found. Workers from outside the area usually come alone then the recruitment process applies to workers from the surrounding villages. Based on the results of a review of the list of labor documents, letters of appointment / work agreements and interviews with stakeholders such as Manpower Office, surrounding communities and interviews with labor unions and employees during field visits, it is known that the certificate holder does not trade labor or forms of forced labor. All workers have a work agreement that is registered / registered with the Manpower Office or letter of appointment with the company. The results of the PHP I Estate field visit on harvesting and herbicide applications, did not find any use of forced labor, child labor or family members who helped employees. All workers have agreements with companies.

**Status: Comply**

### 6.13

#### Growers and millers respect human rights

##### 6.13.1

The certificate holder shows the *Kebijakan Mengenai Penghormatan Terhadap Hak Azasi Manusia* (Respect for Human Rights policy), which states that the certificate holder strives to respect and protect human rights in order to create security for everyone from the occurrence of all forms of harassment and violence, the creation of a safe, clean working environment and environment and healthy. In addition, the company also has a policy that states that the company will not exploit fellow humans and the local community. The policy has been socialized to workers, including on February 13, 2019 on the GMP Estate which was attended by 50 workers.

Based on the results of interviews with labor unions, gender committees and representatives of village communities, it is

known, that so far there have never been cases of human rights violations committed by companies to workers or to the surrounding community.

**Status: Comply**

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

##### **7.1**

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

##### **7.1.1; 7.1.2; 7.1.3**

There was no new planting or new development after November 2005 for the entire GMP-PHP plantation operational area. Planting activities for GMP-PHP estate were carried out in the period 1992-1999. Independent social and environmental impact (SEIA) assessments, carried out through participatory methodologies including relevant and relevant stakeholders are still valid and documented. Please refer to Criteria 5.1 and 6.1

**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.**

There is no cultivation or new plantation expansion in PT. GMP and PT. PHP.  
The cultivated year of palm oil in both company, such as: 1993 – 1999 (GMP Estate), 1996 - 1999 (PHP 1 Estate), and 1996 - 1998 (PHP 2 Estate). The HCV identification has been conducted in 2012 by the licensed assessor/ *RSPO HCV Approved Assessor*. Meanwhile the replanting activity has been conducted in PT. GMP for period 2014 to 2016 with total replanting area of 964.54 ha.

**Status: Comply**

##### **7.3**

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

##### **7.3.1, 7.3.2; 7.3.3; 7.3.4; 7.3.5**

There was no new planting after November 2005 for the entire GMP-PHP plantation operational area. Planting activities for the GMP-PHP estate were carried out in the period 1992-1999. Identification of HCV in 2012 by HCV Assessors Approved by RSPO. The company has shown confirmation from the RSPO on January 26, 2017, an explanation from the RSPO Secretariat that PT. GMP and PT. PHP has sent Disclosure of Liability on September 2, 2014 with Zero Liability status

**Status: Comply**

##### **7.4**

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

There is no cultivation or new plantation expansion in PT. GMP and PT. PHP.  
The cultivated year of palm oil in both company, such as: 1993 – 1999 (GMP Estate), 1996 - 1999 (PHP 1 Estate), and 1996 - 1998 (PHP 2 Estate). The HCV identification has been conducted in 2012 by the licensed assessor/ *RSPO HCV Approved Assessor*. Meanwhile the replanting activity has been conducted in PT. GMP for period 2014 to 2016 with total replanting area of 964.54 ha.

**Status: Comply**

##### **7.5**

**No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

##### **7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5, 7.6.6**

There is no planting or new land development in PT. GMP and PT. PHP.  
Years of palm oil planting in both companies include: 1992-1997 (GMP), 1996-1999 (PHP-1) and 1996-1998 (PHP2). For the planting year 2014-2018 is a replanting area.

<b>Status: Comply</b>	
<b>7.6</b> <b>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	
<b>7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5, 7.6.6</b> There is no planting or new land development in PT. GMP and PT. PHP. Years of palm oil planting in both companies include: 1992-1997 (GMP), 1996-1999 (PHP-1) and 1996-1998 (PHP2). For the planting year 2014-2018 is a replanting area.	
<b>Status: Comply</b>	
<b>7.7</b> <b>Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>	
<b>7.7.1; 7.7.2</b> There was no new planting after November 2005 for the entire GMP-PHP plantation operational area. Planting activities for the GMP-PHP estate were carried out in the period 1992-1999. The company has zero burning policy as stated in the Wilmar Environmental Policy which was approved in September 2010 which stated the zero burning policy in all plantation development activities. In addition, it is also included in the SOP for Land Cleansing without Combustion with number: PRO-EST-002 dated October 15, 2012. Based on the field visit to block 27 (TT 2017) and block 117 (TT2018) it is known that the implementation of replanting has used the no-burn method. There is a Contractor's Work Agreement for replanting with No: 007 / SPK / GMP / II / 2015. February 13, 2015. Replanting activities are carried out mechanically and are prohibited from burning. The results of interviews with relevant agencies and the surrounding community there was no new area development and there were no land fire issues.	
<b>Status: Comply</b>	
<b>7.8</b> <b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>	
<b>7.8.1; 7.8.2</b> There is no new development since January 2015 for entire areas on PT GMP-PHP. Existing GHG calculation has been described on criteria 5.6.	
<b>Status: Comply</b>	
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>	
<b>8.1</b> <b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>	
<b>BMP</b> Certificate holders do not use pesticides made from Paraquat.	
<b>Environmental Aspect</b> The company has implemented commitment to reduce environment impacts on the regular action plan. For example: <ul style="list-style-type: none"> <li>- Effluent management and monitoring. WWTP pond management, effluent quality test and report it to Pasaman Barat District Environment Agency.</li> <li>- Air quality management and monitoring. Road maintenance, air quality test and report it to Pasaman Barat District Environment Agency.</li> <li>- Ground water management and monitoring. Testing ground water quality and report it to Pasaman Barat District Environment Agency.</li> <li>- Hazardous waste management. Storing hazardous waste at the permitted hazardous waste, managing and monitoring hazardous waste (conducted by Pasaman Barat District Environment Agency).</li> </ul>	
<b>Social Aspect</b>	

based on a summary of nonconformities that were identified during the first cycle of the RSPO assessment (Stage 2 to ASA 4), its known if there is a commitment to continuous improvement that has been implemented in almost all major activities, such as OSH aspects, environment, employment, and best practices in cultivation and processing.

Related to social management, the results of document verification, interviews with management and stakeholders (internal and external) are known that the company has implemented a social management and monitoring plan, which is carried out partially by the relevant departments, so that reports on activities carried out are not comprehensive and integrated into several developing issues for example:

- Attention to the company's operational disturbances and attempts to minimize them.
- Potential conflicts with communities around the plantation.
- Attention is specifically related to the dynamics of plasma cooperatives that have an impact on the company's operational activities.

Attention related to labor issues (Changes in the number of workers, terms of employment, income of workers and the existence of unions). **Based on that's explanation raised Non Conformity No 2019.03 With Major Category**

8.1.1	Status: Non Conformity No 2019.03 With Major Category	
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### 3.2 Summary of Assessment Report of Supply Chain Requirement

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

Clause	Requirement
<b>5.1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>
<b>5.1.1</b>	<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>Gersindo Palm Oil Mill is Palm Oil Mill where legally under management of PT Gersindo Minang Plantation The main product from this mill is CPO and Palm Kernel and the CPO placed in storage tank at the same location.</p> <p>The whole process of FFB processing is done by mill and there are no activities done by the contractors. all buying and selling activities carried out by the mill and transportation activities become the responsibility of the buyer.</p> <p><b>Status: Comply</b></p>
<b>5.1.2</b>	<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>Gersindo Mill are FFB processing mill and produced CPO and Palm kernel. Gersindo Mill applied Mass Balance supply chain model because the mill receive and process all FFB's from certified and uncertified sources.</p> <p>The whole process of FFB processing is done by mill and there are no activities done by the contractors. all buying and selling activities carried out by the mill and transportation activities become the responsibility of the buyer.</p> <p><b>Status: Comply</b></p>
<b>5.1.3</b>	<p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>The parent company of PT Gersindo Minang Plantation are Wilmar Intl Ltd Ltd member of the RSPO since 15 August 2005 with registration number 2-0017-05-000-00</p> <p>Gersindo mill are RSPO certified Mill with Certificate Number No MUTU- RSPO/038 and and also has been registered with member ID RSPO IT Platform member registration number <b>Member id : RSPO_PO1000002133</b></p> <p><b>Status: Comply</b></p>
<b>5.1.4</b>	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>There is no processing aids in the operational GMP POM</p> <p><b>Status: Comply</b></p>
<b>5.2</b>	<b>Supply chain model</b>
<b>5.2.1</b>	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -&gt; Segregated -&gt; Mass Balance.</p> <p>Gersindo Mill is certified palm oil mill which implement Mass balance using Module E-CPO Mill for its supply chain models, its due to Gersindo Mill receive and processed FFB form non certified area and outgrower</p> <p>GMP POM has determined supplier FFB RSPO certified and non-certified RSPO, are:</p>



**RSPO Certified**

- PT GMP
- PT PHP1
- PT PHP 2

**RSPO Non Certified**

- Smallholders scheme of PT GMP
- Smallholders scheme of PT PHP1
- Smallholders scheme of PT PHP2
- PT Siak Prima Sakti
- Block 22 PHP 2 Estate

**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.

Gersindo Mill is certified palm oil mill which implement Mass balance using Module E-CPO Mill for its supply chain models, its due to Gersindo Mill receive and processed FFB from non certified area and outgrower

**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.

1. SOP Mass Balance ( **SOP – MILL- O23) Rev 4 dated 02 January 2018**) Procedures include: Data Input of FFB (Certified & Non Certified); Data Input of FFB process become CPO (Certified & Non-Certified); Data Input of CPO Dispatch (Technical dispatch, Seals mounting, Delivery of certified products need to be approved by Head of Administrator and Mill Head); Logistics of quantity data input of sustainable and non-sustainable product delivery; Every three months the condition of the stock balance should not be negative; Transactions of certified products, logistic parts inputting data in the eTrace system after all commodities are shipped by POM and accepted by consumers. Data input is done after all the transaction details are correct.
2. Responsible person in the whole process of supply chain described in Procedure of traceability for CPO and PK ( **SOP – MILL- O11) Rev3 dated 01 January 2018**) Security (registrar of all FFB expeditions and dispatch of CSPO / CPO), Weigh operators (weighing in all received FFB and shipping products), Logistics (calculation results of CSPO / CPO production, dispatch, reports of the products delivery and traceability report), Head of Administrator (acceptance control of FFB and CSPO / CPO, FFB acceptance report, dispatch, product delivery reports and traceability reports), Mill Head.

Based on field visit on Gersindo POM, obtained information that PIC for SSCS implementation (for examples weight bridge operators, security, and "Kepala tata usaha") that training and refreshment (awareness) of supply chain management system were carried out annually. FFB from certified and uncertified areas were received on weight bridge. The company can separate RSPO certified and non-certified products. Every FFB from non-certified area will be classified as a non-Certified product. Result interview with weighbridge operator can be demonstrated related FFB received from certified area (and non-certified area

**Status: Comply**
**5.3.2**

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

The Company shows the Internal Audit procedure (PRO-GEN-003 rev 01 dated 01 March 2018) which describes the internal audit conducted once in every 12 months, the internal audit results are discussed in Management Review Meetings every year, any non-conformances are made corrective action and completion time, all internal audit activities recorded in documents of Internal Audit Check Sheet, Non-Conformance Report, Audit Report and Non-Conformance List.

Company can show the result of internal audit conducted on August 2018 In the Audit Check Sheet document, it is known that

the company has performed an internal audit using SCCS standard with the result of non-conformance.	
	<b>Status: Comply</b>
<b>5.4</b>	<b>Purchasing and goods in</b>
<b>5.4.1</b>	
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	
GMP POM does not purchase RSPO certified oil palm products. GMP POM is the producer of RSPO certified oil palm products. Certified product (CPO and PK) of Gersindo Mill were sold to PT Usaha Inti Padang. All data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non compliance.	
	<b>Status: Comply</b>
<b>5.4.2</b>	
The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents	
GMP POM does not purchase RSPO certified oil palm products. GMP POM is the producer of RSPO certified oil palm products.	
The Company has SOP of Palm oil Purchase (No. 001/ TBS-SOP/VIII/2015 dated August 10, 2015) which describe the accepted FFB criteria including FFB weight > 3 Kg, ripe fruit according to company standard (10% of lost fruit from external surface ), the lost fruit shall be clean, the stalk of FFB shall not exceed 3 cm.	
	<b>Status: Comply</b>
<b>5.5</b>	<b>Outsourcing activities</b>
<b>5.5.1</b>	
In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.	
Interview with management and documents verifications obtained information there is no outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities).	
The company didn't uses contractor for transportation of Palm Kernel or CPO. Based on work agreement transportation is under responsibilities of buyers.	
	<b>Status: Comply</b>
<b>5.5.2</b>	
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:	
<ul style="list-style-type: none"> <li>a. The site has legal ownership of all input material to be included in outsourced processes;</li> <li>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.</li> <li>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>d. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance</li> </ul>	
Interview with management and documents verifications obtained information there is no outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities).	
The company didn't uses contractor for transportation of Palm Kernel or CPO. Based on work agreement transportation is under responsibilities of buyers.	
	<b>Status: Comply</b>
<b>5.5.3</b>	

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.	
Interview with management and documents verifications obtained information there is no outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities).	
The company didn't uses contractor for transportation of Palm Kernel or CPO. Based on work agreement transportation is under responsibilities of buyers.	
	<b>Status: Comply</b>
<b>5.5.4</b>	
The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products	
Interview with management and documents verifications obtained information there is no outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities).	
The company didn't uses contractor for transportation of Palm Kernel or CPO. Based on work agreement transportation is under responsibilities of buyers.	
	<b>Status: Comply</b>
<b>5.6</b>	<b>Sales and goods out</b>
<b>5.6.1</b>	
The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer	
RSPO certified products from Gersindo Mill were sold to PT Usaha Inti Padang. Supporting document such as contract agreement, delivery order, delivery ticket, volume of product delivered, etc. which informed RSPO mass balance supply chain products were available on site.	
Based on sample Shipping announcements as follow:	
<ul style="list-style-type: none"> <li>The name and address of the seller; PT Gersindo Minang Plantation</li> <li>Delivery date 16 March 2018</li> <li>Amount of Product : 336,4 MT</li> <li>Number certificate MUTU-RSPO/038</li> <li>Buyer PT Usaha Inti Padang</li> <li>Member ID : RSPO _001000002323</li> <li>Transaction Id : TR-490d7485-9606</li> <li>Seller Reference number : February 2018 Deliveries</li> </ul>	
	<b>Status: Comply</b>
<b>5.7</b>	<b>Registration of transactions</b>
<b>5.7.1</b>	
Supply chain actors who:	
<ul style="list-style-type: none"> <li>are mills, traders, crushers and refineries; and</li> <li>take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable</li> </ul>	
The parent company of PT Gersindo Minang Plantation are Wilmar Intl Ltd Ltd member of the RSPO since 15 August 2005 with registration number 2-0017-05-000-00	
Gersindo mill are RSPO certified Mill with Certificate Number No MUTU- RSPO/038 and and also has been registered with member ID RSPO IT Platform member registration number <b>Member id : RSPO_PO1000002133</b>	
	<b>Status: Comply</b>
<b>5.7.2</b>	
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.

Every transaction of selling certified product, this mill is using RSPO Palm Trace including Shipping Announcement, Trace, Remove and Confirm. The GMP POM has been take action at RSPO IT Platform with the data as follows

• **CSPO Product**

Remark	Volume
CSPO Quota	20,648*
Sold as RSPO	0
Removed Stock- Sold as ISCC	14,707.23

*\*there is extend volume of CPO on 5 April 2019*

• **Certified Palm Kernel**

Remark	Volume
CSPK Quota	4,793
Sold as RSPO	3,385.98

Date	Buyer	Volume
30 September 2018	PT Usaha Inti Padang	457
31 July 2018	PT Usaha Inti Padang	444.24
31 October 2018	PT Usaha Inti Padang	285.68
31 May 2018	PT Usaha Inti Padang	289.37
27 May 2018	PT Usaha Inti Padang	304.78
31 August 2018	PT Usaha Inti Padang	395.64
31 December 2018	PT Usaha Inti Padang	331.92
30 November 2018	PT Usaha Inti Padang	217.45
30 June 2018	PT Usaha Inti Padang	349.4
31 January 2019	PT Usaha Inti Padang	310.5
<b>Total</b>		<b>3,385.98</b>

The company can show the sample for shipping announcement for instance:

- The name and address of the seller; PT Gersindo Minang Plantation
- Delivery date 16 March 2018
- Amount of Product : 336,4 MT
- Number certificate MUTU-RSPO/038
- Buyer PT Usaha Inti Padang
- Member ID : RSPO\_001000002323
- Transaction Id : TR-490d7485-9606
- Seller Reference number : February 2018 Deliveries

	<b>Status: Comply</b>
<b>5.8</b>	<b>Training</b>
<b>5.8.1</b>	

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

Company shown several SCCS training programme 2018 listed on SCCS training programme 2019, for examples consists of SCCS refreshment for Mill PIC. Company have conducted SCCS refreshment training programme for 2018, for examples on 19 April 2018 for representative of SCCS PIC for Gersindo Mill with the number of participants are 20 persons

**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

Company have conducted SCCS refreshment training programme for 2018, on 19 April 2018 for representative of SCCS PIC for Gersindo Mill with the number of participants are 20 persons

Based on interviews with security guards, weighbridge officers and managers, it is known that key persons in SCCS activities have understood the procedures and can demonstrate how documented FFB, CPO, PK are certified and not certified.

**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

Gersindo Palm Oil Mill has maintain accurate, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases.

The record keeping saves in "Mass Balance Report of Gersindo Mill for example periods 2018". Within this record, the certificate holders maintain the FFB's sources based on monthly bases.

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
February 2018	7,473.24	10,623.38	10,623.38
March 2018	7,221.18	17,058.36	17,058.36
April 2018	6,263.65	16,173.59	16,173.59
May 2018	7,203.98	15,950.62	15,950.62
June 2018	7,015.11	14,194.04	14,194.04
July 2018	8,747.45	23,699.99	23,699.99
Augustus 2018	8,189.48	20,545.66	20,545.66
September 2018	8,402.62	23,743.10	23,743.10
October 2018	5,474.87	19,025.64	19,025.64
November 2018	5,907.59	18,195.06	18,195.06
December 2018	5,126.77	11,895.97	11,895.97
January 2019	6220.69	11679.55	11,679.55
<b>Total</b>	<b>83,246.63</b>	<b>202,784.96</b>	<b>202,784.96</b>

Furthermore, Gersindo Mill has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well

as its dispatch on a monthly and three monthly basis, presented in the Table bellows:

**CPO production and Dispatch for Gersindo Mill**

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
February 2018	1,422.97	2,008.39	3,431.36		1,343.49		1,343.49
March 2018	1,289.88	3,042.20	4,332.08		1,474.61		1,474.61
April 2018	1,043.75	2,796.46	3,840.21		1,025.49		1,025.49
Mei 2018	1,250.83	2,675.18	3,926.02		1,043.11		1,043.11
June 2018	1,052.64	2,433.41	3,486.05		1,057.28		1,057.28
July 2018	1,779.31	4,365.13	6,144.44		1,399.80		1,399.80
August 2018	1,519.10	3,777.40	5,296.50		1,755.00		1,755.00
September 2018	1,530.75	4,303.30	5,834.05		1,528.78		1,528.78
October 2018	925.40	3,425.04	4,350.44		1,196.22		1,196.22
November 2018	1,151.60	3,279.22	4,430.82		1,075.00		1,075.00
December 2018	959.43	2,162.15	3,121.57		900.00		900.00
January 2019	1,118.68	2,911.56	4,030.24		1,359.77		1,359.77
<b>Total</b>	<b>15,044.34</b>	<b>37,179.43</b>	<b>52,223.77</b>	<b>-</b>	<b>15,158.55</b>	<b>-</b>	<b>15,158.55</b>

**PK production and Dispatch for Gersindo Mil**

Period	PK production (MT)		Total	Cert PK Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
February 2018	373.40	529.35	902.75	363.32			363.32
March 2018	365.04	858.72	1223.75	365.05			365.05
April 2018	290.87	780.72	1071.59	292.88			292.88
Mei 2018	362.48	776.95	1139.43	350.00			350.00
June 2018	307.09	717.68	1024.76	290.00			290.00
July 2018	493.77	1183.74	1677.51	475.00			475.00
August 2018	404.36	1018.89	1423.25	418.36			418.36
September 2018	404.48	1133.09	1537.58	406.64			406.64
October 2018	243.22	902.05	1145.27	286.23			286.23
November 2018	314.04	895.78	1209.83	263.77			263.77
December 2018	256.10	592.18	848.28	300.00			300.00
January 2019	323.79	836.21	1160.00	318.74			318.74
<b>Total</b>	<b>4,138.64</b>	<b>10,225.36</b>	<b>14,363.99</b>	<b>4,129.99</b>	<b>-</b>	<b>-</b>	<b>4,129.99</b>

**Status: Comply**

**5.9.2**



Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock	
Based on SOP of Mass Balance (No. SOP-MIL-023 rev 04 dated 02 January 2018) which explains that all documents related to RSPO-SCCS must be kept at least 2 years with document type of data of FFB acceptance, production data and shipment of CPO and PK, and RSPO IT Platform data	
Based on document verification, the management unit can shown all recording data for two years ago. Such as: contract document, FFB Consignment, CPO and PK Ticket, etc.	
	<b>Status: Comply</b>
<b>5.9.3</b>	
The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	
Gersindo Mill as Certificate Holder did not purchased CPO and/or PK from any sources. This Mill only receives FFB's from Certified area, uncertified areas, and uncertified outgrowers. The estimate volume of sustainable CPO and PK are recorded in the Annex of certificate.	
	<b>Status: Comply</b>
<b>5.10</b>	<b>Conversion factors</b>
<b>5.10.1</b>	
Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries	
Gersindo Mill only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors.	
	<b>Status: Comply</b>
<b>5.10.2</b>	
Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	
Gersindo Mill only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors.	
	<b>Status: Comply</b>
<b>5.11</b>	<b>Claims</b>
<b>5.11.1</b>	
The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	
Based on Shipping Announcement and transaction report documents, all CSPO and CSPK submitted are in accordance with the applied supply chain model that is Mass Balance.	
For All certified product claims, Management unit never using RSPO symbol or logos. A unique identification number, certificate number and supply chain model are available on relevant documents. Also, the CH using RSPO Palm Trace for communication, transaction, confirmation status and shipping announcement. The claim has been referred to RSPO Rules on Market Communications and Claims.	
	<b>Status: Comply</b>

<b>5.12</b>	<b>Complaints</b>
<b>5.12.1</b>	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.
	The Company has a Procedure for Receiving Complaints and Settlement of Disputes no. Document: PRO-BNM-007 Revision 01 of the effective date of December 1, 2015. In the procedure explained that for the resolution of conflicts that arise.
	Until RC audit, there is no complain on the certified product sold.
	<b>Status: Comply</b>
<b>5.13</b>	<b>Management review</b>
<b>5.13.1</b>	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken
	The Company has SOP of Management Review No. PRO-GEN-006 dated 01 October 2011 which explains that management review activity is done at least once a year.
	<b>Status: Comply</b>
<b>5.13.2</b>	The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>
	Documents verifications and interview with managements obtained information has been conducted annually a year. The last managements review conducted on 31 October 2018 with the number of participants are 15 persons
	Managements review discuss several issue <ul style="list-style-type: none"> <li>- Results of internal audits</li> <li>- Customer feedback</li> <li>- Process performance and product conformity with the environment</li> <li>- Follow-up actions from previous management reviews.</li> <li>- Changes that could affect the management system.</li> <li>- Communication with external parties</li> <li>- General issue</li> <li>- Recommendations for improvement.</li> <li>- Output review</li> </ul>
	<b>Status: Comply</b>
<b>5.13.3</b>	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>
	The Company shows Management Review Minutes conducted on 31 October 2018 with the number of participants are 15 persons discussing the results of internal and external audits, discussion of operational quality, follow-up from previous review management to discussion of changes that could improve the quality management system.
	<b>Status: Comply</b>

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

Clause	Requirement
<b>E.1</b>	<b>Definition</b>
<b>E.1.1</b>	<p><b>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</b></p> <p>GMP POM until audit Recertification is still implemented a model of supply chain Mass Balance. FFB supply source for GMP POM is still received from uncertified sources. The volume of products sold by using Mass Balance claim.</p> <p>GMP POM has determined supplier FFB RSPO certified and non-certified RSPO, are:</p> <p>RSPO Certified</p> <ul style="list-style-type: none"> <li>- PT GMP</li> <li>- PT PHP1</li> <li>- PT PHP 2</li> </ul> <p>RSPO Non Certified</p> <ul style="list-style-type: none"> <li>- Smallholders scheme of PT GMP</li> <li>- Smallholders scheme of PT PHP1</li> <li>- Smallholders scheme of PT PHP2</li> <li>- PT Siak Prima Sakti</li> <li>- Block 22 PHP 2 Estate</li> </ul>
	<b>Status: Comply</b>
<b>E.2</b>	<b>Explanation</b>
<b>E.2.1</b>	<p><b>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&amp;C certification report. 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.</b></p> <p>Gersindo Mill as Certificate Holder did not purchased CPO and/or PK from any sources. This Mill only receives FFB's from Certified area, uncertified areas, and uncertified outgrowers. The estimate volume of sustainable CPO and PK are recorded in the Annex of certificate.</p>
	<b>Status: Comply</b>
<b>E.2.2</b>	<p><b>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).</b></p> <ul style="list-style-type: none"> <li>• RSPO IT Platform member registration number: RSPO_PO1000002133</li> </ul> <p>Every transaction of selling certified product, this mill is using RSPO Palm Trace including Shipping Announcement, Trace, Remove and Confirm. The GMP POM has been take action at RSPO IT Platform with the data as follows</p> <ul style="list-style-type: none"> <li>• <b>CSPO Product</b></li> </ul>

Noteds	Volume
CSPO Quota	20,648*
Sold as RSPO	0
Removed Stock- Sold as ISCC	14,707.23

\*there is extend volume of CPO on 5 April 2019

• **Certified Palm Kernel s**

Noteds	Volume
CSPK Quota	4,793
Sold as RSPO	3,385.98

Date	Buyer	Volume
30 September 2018	PT Usaha Inti Padang	457
31 July 2018	PT Usaha Inti Padang	444.24
31 October 2018	PT Usaha Inti Padang	285.68
31 May 2018	PT Usaha Inti Padang	289.37
27 May 2018	PT Usaha Inti Padang	304.78
31 August 2018	PT Usaha Inti Padang	395.64
31 December 2018	PT Usaha Inti Padang	331.92
30 November 2018	PT Usaha Inti Padang	217.45
30 June 2018	PT Usaha Inti Padang	349.4
31 January 2019	PT Usaha Inti Padang	310.5
<b>Total</b>		<b>3,385.98</b>

**Status: Comply**

**E.3 Documented procedures**

**E.3.1**

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

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

- SOP Mass Balance (**SOP – MILL- 023) Rev 4 dated 02 January 2018**) Procedures include: Data Input of FFB (Certified & Non Certified); Data Input of FFB process become CPO (Certified & Non-Certified); Data Input of CPO Dispatch (Technical dispatch, Seals mounting, Delivery of certified products need to be approved by Head of Administrator and Mill Head); Logistics of quantity data input of sustainable and non-sustainable product delivery; Every three months the condition of the stock balance should not be negative; Transactions of certified products, logistic parts inputting data in the eTrace system after all commodities are shipped by POM and accepted by consumers. Data input is done after all the transaction details are correct.
- Responsible person in the whole process of supply chain described in Procedure of traceability for CPO and PK (**SOP – MILL- 011) Rev 2 dated 21 February 2016**) Security (registrar of all FFB expeditions and dispatch of CSPO / CPO), Weigh operators (weighing in all received FFB and shipping products), Logistics (calculation results of CSPO / CPO production, dispatch, reports of the products delivery and traceability report), Head of Administrator (acceptance control of FFB and CSPO / CPO, FFB acceptance report, dispatch, product delivery reports and traceability reports), Mill Head.

The Company shows the Organizational Structure of Mass Balance responsible for carrying out administrative records related to Supply Chain with officers such as Weighbridge Operator, Logistic Clerk, etc.

Based on interviews with Logistic Clerk and Weighbridge Operator, it is known that the personnel have been aware of the

duties and responsibilities related to the implementation of supply chain and can distinguish the origin of FFB that is certified and which is not.

**Status: Comply**

### E.3.2

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

The mass Balance procedure (SOP-MIL-023 rev.4), to ensure the verification and documentation of certified and noncertified FFB, CPO, PK volume with Mass Balance scheme. Logistic and Mill Manager are responsible to monitor stock balance and the dispatch of CPO/PL.

In the FFB Admissions procedure (PRO - mill OO1) Rev. 3 dated February 16, 2016) At 5.1 points explained that the reception of FFB certified, the weighbridge clerk ensure the validity of the certificate matches the FFB recipient supplier list of PT Gersindo. The source of FFB certified are from PT. GMP, PT. PHP unit 1 and PT PHP Unit 2. Based on List FFB Supplier on 01 April 2017, the company has decided that the block 22 at PHP unit 2 is classified as uncertified product.

Based on interview with weighbridge operator and logistic clerk, it is known that the personnel can explain the source of uncertified and certified FFB.

**Status: Comply**

### E.4

#### Purchasing and goods in

#### E.4.1

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

The company has Daily CPO & PK Production Record that informed the certified and uncertified FFB received each day.

#### Certified and non-certified FFB received period of February 2018 to January 2019

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
February 2018	7,473.24	10,623.38	10,623.38
March 2018	7,221.18	17,058.36	17,058.36
April 2018	6,263.65	16,173.59	16,173.59
May 2018	7,203.98	15,950.62	15,950.62
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December 2018	5,126.77	11,895.97	11,895.97
January 2019	6220.69	11,679.55	11,679.55
<b>Total</b>	<b>83,246.63</b>	<b>202,784.96</b>	<b>202,784.96</b>

**Status: Comply**

**E.4.2**

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

Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT) (tonnes/year)	Last Year Actual Certified Volume (MT)
FFB Process	<b>91,300</b>	<b>83,246.63</b>
CPO Production	<b>20,648*</b>	<b>15,044.34</b>
PK Production	<b>4,793</b>	<b>4,138.64</b>
<i>*there is extend volume of CPO on 5 April 2019</i>		

**Status: Comply**

**E.5**

**Record keeping**

**E.5.1**

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.
- All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
- The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (i.e. product can be sold before it is in stock.)

Gersindo Palm Oil Mill has maintain accurate, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases.

The record keeping saves in "Mass Balance Report of Gersindo Mill for example periods 2018". Within this record, the certificate holders maintain the FFB's sources based on monthly bases.

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
February 2018	7,473.24	10,623.38	10,623.38
March 2018	7,221.18	17,058.36	17,058.36
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July 2018	8,747.45	23,699.99	23,699.99
Augustus 2018	8,189.48	20,545.66	20,545.66
September 2018	8,402.62	23,743.10	23,743.10
October 2018	5,474.87	19,025.64	19,025.64
November 2018	5,907.59	18,195.06	18,195.06
December 2018	5,126.77	11,895.97	11,895.97
January 2019	6220.69	11679.55	11,679.55
<b>Total</b>	<b>83,246.63</b>	<b>202,784.96</b>	<b>202,784.96</b>

Furthermore, Gersindod Mill has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well as its dispatch on a monthly and three monthly basis, presented in the Table belows:



**CPO production and Dispatch for Gersindo Mill**

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
February 2018	1,422.97	2,008.39	3,431.36		1,343.49		1,343.49
March 2018	1,289.88	3,042.20	4,332.08		1,474.61		1,474.61
April 2018	1,043.75	2,796.46	3,840.21		1,025.49		1,025.49
May 2018	1,250.83	2,675.18	3,926.02		1,043.11		1,043.11
June 2018	1,052.64	2,433.41	3,486.05		1,057.28		1,057.28
July 2018	1,779.31	4,365.13	6,144.44		1,399.80		1,399.80
August 2018	1,519.10	3,777.40	5,296.50		1,755.00		1,755.00
September 2018	1,530.75	4,303.30	5,834.05		1,528.78		1,528.78
October 2018	925.40	3,425.04	4,350.44		1,196.22		1,196.22
November 2018	1,151.60	3,279.22	4,430.82		1,075.00		1,075.00
December 2018	959.43	2,162.15	3,121.57		900.00		900.00
January 2019	1,118.68	2,911.56	4,030.24		1,359.77		1,359.77
<b>Total</b>	<b>15,044.34</b>	<b>37,179.43</b>	<b>52,223.77</b>	<b>-</b>	<b>15,158.55</b>	<b>-</b>	<b>15,158.55</b>

**PK production and Dispatch for Gersindo Mil**

Period	PK production (MT)		Total	Cert PK Dispatch (MT)			Total
	Cert	Non Cert		RSPO	Other scheme	Non Cert	
February 2018	373.40	529.35	902.75	363.32			363.32
March 2018	365.04	858.72	1223.75	365.05			365.05
April 2018	290.87	780.72	1071.59	292.88			292.88
May 2018	362.48	776.95	1139.43	350.00			350.00
June 2018	307.09	717.68	1024.76	290.00			290.00
July 2018	493.77	1183.74	1677.51	475.00			475.00
August 2018	404.36	1018.89	1423.25	418.36			418.36
September 2018	404.48	1133.09	1537.58	406.64			406.64
October 2018	243.22	902.05	1145.27	286.23			286.23
November 2018	314.04	895.78	1209.83	263.77			263.77
December 2018	256.10	592.18	848.28	300.00			300.00
January 2019	323.79	836.21	1160.00	318.74			318.74
<b>Total</b>	<b>4,138.64</b>	<b>10,225.36</b>	<b>14,363.99</b>	<b>4,129.99</b>	<b>-</b>	<b>-</b>	<b>4,129.99</b>

**Status: Comply**

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

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or√</b>
<b>RC</b>	PT GMP & PT PHP didn't use RSPO Trademark	
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or√</b>
<b>RC</b>	PT GMP & PT PHP didn't use RSPO Trademark	
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or√</b>
<b>RC</b>	PT GMP & PT PHP didn't use RSPO Trademark	
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>RC</b>	PT GMP & PT PHP didn't use RSPO Trademark	
	<b>Status: Comply</b>	

### 3.4 Summary of RSPO Partial Certification.

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

Wilmar International Ltd Time Bound Plan (TBP) is explained in point 1.10. Wilmar International Ltd has informed the TBP progress, MUTU has considered that Wilmar International Ltd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Wilmar International Ltd on September 2016.

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

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is produced for these units.</p> <p><b>Auditor verification</b></p> <p>There is internal audit produced for</p> <ul style="list-style-type: none"> <li>- PT Agronusa Investama Pahauman</li> <li>- PT Bumipratama Khatulistiwa</li> <li>- PT Agro Palindo Sakti 2</li> <li>- PT Musi Banyuasin Indah</li> <li>- PT Sinarsiak Dianpermai</li> <li>- PT Agroindo Indah Perkasa 2</li> </ul> <p>And positive assurance is produced for these units.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p>WILMAR International Ltd has submitted liability disclosure to RSPO on 31 July 2014 and LUCA template on 3-8 March 2015</p> <ul style="list-style-type: none"> <li>- PT Agronusa Investama Pahauman, LUCA document was verified by RSPO on 1 Sept 2015. The 2<sup>nd</sup> LUCA verification document was on 2<sup>nd</sup> Nov 2015 with result of PASS WITH CLARIFICATION.</li> <li>- PT Bhumi Pratama Khatulistiwa, Submitted liability disclosure to RSPO on 8 Dec 2015 and LUCA template on August 2015. The final RSPO endorsement from RSPO compensation on 29 September 2016 is 0</li> </ul>

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

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



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

#### 3.5.1. Identification of Findings, Corrective Actions and Observations at ASA-4 Assessment

NCR No.	:	2018.01	Issued by	:	Rizliani Aprianita Hsb
Date Issued	:	January 13, 2018	Time Limit	:	March 14, 2018
NC Grade	:	MAJOR	Date of Closing	:	March 12, 2018
Standard Ref. & Requirement	:	6.1.3 There shall be a social impacts management and monitoring plan to avoid or mitigate negative impacts and promote positif impacts based on the result of social impact analyzes trough consultation with affected parties, documented and scheduled including their implementation responsibilities.			
Non-Conformance Description & Evidence observed (filled by auditor):  The company shows a social management plan for PT GMP and PT PHP in 2016 – 2018. However,has not been able to demonstrate a social impact monitoring plan to avoid or mitigate negative impacts and promote positive impacts based on the result of social impact analyzes trough consultation with affected parties, documented and scheduled including their implementation responsibilities.					
Root Cause Analysis (filled by organization audited): The absence of a Social Monitoring Plan for PT.GMP and PHP, so that the existing Social Impact Management benchmarks can not be evaluated in accordance with the existing impacts, whether negative or positive impacts.					
Correction (filled by organization audited): <ul style="list-style-type: none"><li>- Establish Social Monitoring Schedule for PT.GMP and PHP, by guiding the Social Management Plan (RKS) that has been created by involving the affected parties</li><li>- Establish the PIC and make the responsibility of the PIC in conducting social monitoring</li></ul>					
Corrective Action (filled by organization audited): <ul style="list-style-type: none"><li>- Community Development Officer in cooperation with the head of unit, HRD, EHS to carry out Social Monitoring in accordance with predetermined schedule</li><li>- Documenting social monitoring activities undertaken</li><li>- Include review activities of social monitoring realization and preparation of future social monitoring plan 2019 into Social monitoring schedule 2018.</li></ul>					
Assessor Evaluation and Conclusion (filled by auditor): verification on 9 March 2018 The Company shows some improvement evidence, among others: <ul style="list-style-type: none"><li>- Minutes of meeting and Notes on socialization of the Social Impact Management and Monitoring Plan at PT GMP dated March 6, 2018 involving several Ninik Mamak, Jorong Chief and Youth Chief, such as Jorong Chief and Ninik Mamak Panjung Pangka, Jorong and Ninik mamak Labuah Luruih. In the minutes of the event mentioned that the stakeholders still agree on the activities contained in the SIA document. The Minutes also explained about the activities that have been implemented from the Social and external monitoring and Management plan which was attended by 17 participants.</li><li>- Record of socialization the Social Impact Management and Monitoring Plan at PT PHP dated March 6, 2018 involving Wali Nagari Persiapan Padang harapan and Jorong Head of Psg Hutan. In the minutes of the event mentioned that the stakeholders still agree on the activities contained in the SIA document. The minutes also describe the activities that have been implemented from the Social and external monitoring and management plan which was attended by 18 participants.</li><li>- The 2017 - 2018 Social Impact Management and Monitoring Plan for PT GMP that describes the impacts to external and</li></ul>					

internal company (employees) including the PIC responsible for its implementation.

- The 2017 - 2018 Social Impact Management and Monitoring Plan for PT PHP that describes the impacts to external and internal company (employees) including the PIC responsible for its implementation.
- Schedule of Implementation of Social Management Activities of PT GMP and PT PHP in 2018

However, there is no evidence that the preparation of the 2018 Social Management and Monitoring Plan has involved the Company's Internal / Company employees (Source of managed/monitored impacts including Internal Company). Based on the above explanation, the nonconformity is not fulfilled.

**verification on 12 March 2018**

- The Company shows the minutes of socialization of Social Management and Monitoring Plan to employees and staff of PT PHP on January 26, 2018 accompanied by photo of the implementation of the activity along with attendance attendance. In the minutes, described some of the activities that have been implemented and plans for management and monitoring of social impacts in PT PHP.
- The Company showed the minutes of socialization of Social Monitoring and Management Plan to employees and staff of PT GMP dated January 24, 2018 accompanied by photo of the implementation of the activity along with attendance attendance. In the minutes, it is known that there is no response or new issues related to the social impacts of internal stakeholders (employees). In the minutes, a number of activities have been completed and the social impact management and monitoring plan of PT GMP.

Based on the above explanation, the nonconformity is fulfilled

<b>Verified by</b>	<b>:</b>	<b>Rizliani Aprianita Hsb</b>
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NCR No.	: 2018.02	Issued by	: Rizliani Aprianita Hsb
Date Issued	: January 13, 2018	Time Limit	: Re-Certification
NC Grade	: Minor	Date of Closing	: March 12, 2018
Standard Ref. & Requirement	6.1.4 The documented social impact management and monitoring plan is reviewed for at least 2 years. If necessary, the plan should be improved. There should be evidence that the review process involves the participation of all affected parties		
Non-Conformance Description & Evidence observed (filled by auditor):  The company (PT GMP dan PT PHP) showed Social Management Plan in 2016-2018. Based on document, its known that social management , sign on January 14, 2016. But, social management not enough evidence that the social impact management and monitoring plan has been through a review involving the participation of affected parties.			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none"><li>- No review of the Social Management Plan and Social Monitoring Plan of PT.GMP and PT.PHP that conduct at least every two years by involving the participation of the affected parties</li></ul>			
Correction (filled by organization audited): <ul style="list-style-type: none"><li>- Include a review of the Social Management Plan in the Social Management Schedule</li><li>- Reviewing the Social Management Plan and Social Monitoring Plan for PT.GMP and PHP involving affected parties</li></ul>			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"><li>- Undertake a review of the Social Monitoring and Management Plan at PT. GMP and PHP by involving affected parties, in accordance with a predetermined schedule, carried out by CDO and unit leaders</li></ul>			
Assessor Evaluation and Conclusion (filled by auditor): verification on 9 March 2018 The Company shows some improvement evidence, among others: <ul style="list-style-type: none"><li>- Minutes of meeting and Notes on socialization of the Social Impact Management and Monitoring Plan at PT GMP dated March 6, 2018 involving several <i>Ninik Mamak</i>, Jorong Chief and Youth Chief, such as <i>Jorong Chief</i> and <i>Ninik Mamak</i> Panjung Pangka, <i>Jorong</i> and <i>Ninik mamak</i> Labuah Luruih. In the minutes of the event mentioned that the stakeholders still agree on the activities contained in the SIA document. The Minutes also explained about the activities that have been implemented from the Social and external monitoring and Management plan which was attended by 17 participants.</li><li>- Minutes of socialization event of Social Impact Management and Monitoring Plan at PT PHP dated March 6, 2018 involving <i>Wali Nagari Persiapan Padang harapan</i> and Jorong Head of Psg Hutan. In the minutes of the event mentioned that the stakeholders still agree on the activities contained in the SIA document. The minutes also describe the activities that have been implemented from the Social and external monitoring and management plan which was attended by 18 participants.</li><li>- The 2017 - 2018 Social Impact Management and Monitoring Plan for PT GMP that describes the impacts to external and internal company (employees) including the PIC responsible for its implementation.</li><li>- The 2017 - 2018 Social Impact Management and Monitoring Plan for PT PHP that describes the impacts to external and internal company (employees) including the PIC responsible for its implementation.</li><li>- Schedule of Implementation of Social Management Activities of PT GMP and PT PHP in 2018</li></ul> However, there is no evidence that the preparation of the 2018 Social Management and Monitoring Plan has involved			

the Company's Internal / Company employees (Source of managed/monitored impacts including Internal Company). Based on the above explanation, the nonconformity is not fulfilled.

**verification on 12 March 2018**

- The Company shows the minutes of socialization of Social Management and Monitoring Plan to employees and staff of PT PHP on January 26, 2018 accompanied by photo of the implementation of the activity along with attendance. In the minutes, described some of the activities that have been implemented and plans for management and monitoring of social impacts in PT PHP.
- The Company showed the minutes of socialization of Social Monitoring and Management Plan to employees and staff of PT GMP dated January 24, 2018 accompanied by photo of the implementation of the activity along with attendance. In the minutes, it is known that there is no response or new issues related to the social impacts of internal stakeholders (employees). In the minutes, a number of activities have been completed and the social impact management and monitoring plan of PT GMP.

Based on the above explanation, the nonconformity is fulfilled

<b>Verified by</b>	<b>: Rizliani Aprianita Hsb</b>
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**3.5.2. Identification of Findings, Corrective Actions and Observations at Re-Certification Assessment**

<b>NCR No.</b>	<b>:</b>	<b>2019.01</b>	<b>Issued by</b>	<b>:</b>	<b>Radytio Puspanjana</b>
<b>Date Issued</b>	<b>:</b>	<b>02 March 2019</b>	<b>Time Limit</b>	<b>:</b>	<b>ASA 1.1</b>
<b>NC Grade</b>	<b>:</b>	<b>Minor</b>	<b>Date of Closing</b>	<b>:</b>	
<b>Standard Ref. &amp;</b>	<b>:</b>	<b>5.1.2</b> <b>An environmental management plan document must be available to prevent negative impacts and implementation reports and revisions, if identifiable impacts should change the activities of the company in progress. The management of the company must appoint the person responsible for the implementation of the environmental management plan.</b>			
<b>Evidence observed</b> <i>(filled by auditor):</i>  PT GMP has been replanting since 2017 and the company has an internal replanting study but the company has not been able to show the recording document of the implementation of environmental management related to replanting activities.					
<b>Non-Conformance Description</b> <i>(filled by auditor):</i> Not able to show a record of the implementation of environmental management related to replanting activities to evaluate the management that has been carried out.					
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i>  					
<b>Correction</b> <i>(filled by organization audited):</i>  					
<b>Corrective Action</b> <i>(filled by organization audited):</i>  					
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>  					
<b>Verified by</b>	<b>:</b>				

<b>NCR No.</b>	<b>:</b>	<b>2019.02</b>	<b>Issued by</b>	<b>:</b>	<b>Radytio Puspanjana</b>
<b>Date Issued</b>	<b>:</b>	<b>02 March 2019</b>	<b>Time Limit</b>	<b>:</b>	<b>ASA 1.1</b>
<b>NC Grade</b>	<b>:</b>	<b>Minor</b>	<b>Date of Closing</b>	<b>:</b>	
<b>Standard Ref. &amp;</b>	<b>:</b>	<b>5.1.3</b>			



<b>Requirement</b>	<b>An environmental monitoring plan document and its implementation report and an improvement plan for such monitoring results if nonconformity is found. This plan is reviewed at least 2 years.</b>
<b>Evidence observed (filled by auditor):</b> PT GMP has been replanting since 2017 and the company has an internal replanting study but the company has not been able to show the recording document of the implementation of environmental monitoring related to replanting activities.	
<b>Non-Conformance Description (filled by auditor):</b> Not able to show a record of the implementation of environmental monitoring related to replanting activities to evaluate monitoring that has been carried out.	
<b>Root Cause Analysis (filled by organization audited):</b>	
<b>Correction (filled by organization audited):</b>	
<b>Corrective Action (filled by organization audited):</b>	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>	
<b>Verified by</b>	:

<b>NCR No.</b>	:	<b>2019.03</b>	<b>Issued by</b>	:	<b>Moh Arif Yusni</b>
<b>Date Issued</b>	:	<b>02 March 2019</b>	<b>Time Limit</b>	:	<b>01 June 2019</b>
<b>NC Grade</b>	:	<b>Major</b>	<b>Date of Closing</b>	:	<b>18 May 2019</b>
<b>Standard Ref. &amp; Requirement</b>	:	<b>8.1</b> <b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>			
<b>Evidence observed (filled by auditor):</b> based on a summary of nonconformities that were identified during the first cycle of the RSPO assessment (Stage 2 to ASA 4), its known if there is a commitment to continuous improvement that has been implemented in almost all major activities, such as OSH aspects, environment, employment, and best practices in cultivation and processing.  Related to social management, the results of document verification, interviews with management and stakeholders (internal and external) are known that the company has implemented a social management and monitoring plan, which is carried out partially by the relevant departments, so that reports on activities carried out are not comprehensive and integrated into several developing issues for example: <ul style="list-style-type: none"> <li>- Attention to the company's operational disturbances and attempts to minimize them.</li> <li>- Potential conflicts with communities around the plantation.</li> <li>- Attention is specifically related to the dynamics of plasma cooperatives that have an impact on the company's operational activities.</li> </ul>					

- Attention related to labor issues (Changes in the number of workers, terms of employment, income of workers and the existence of unions)

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

The company could not show further plans related to the management of social impact, involving all relevant departments.

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

Inadequate understanding of the importance of involvement of all departments for review, evaluation and preparation of social management plans

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

- Conduct socialization regarding the importance of the involvement of all relevant departments in the management and monitoring of social impacts
- Reviewing the evaluation of SIA management activities in 2018 and the preparation of further social management plans for the 2019 to 2021 period involving the relevant departments

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

Create a team structure plan of the report's authors manage and monitor the social impact that involves several related departments.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Verification May 18, 2019**

the company can be presented the corrective evidence as follows:

- Minute of Meeting for the preparation of the Management Plant Plan - SIA 2019 to 2021 PT GMP and PT PHP on March 8, 2019 involving all relevant departments and dissemination to all departments regarding joint collaboration with the social management plant
- Minute of Meeting in the preparation of the Management Plant Plan - SIA 2019 / until 2021 PT GMP and PT PHP on March 15, 2019
- Minute of Meeting preparation of Management Plant Plans - SIA 2019 / until 2021 PT GMP on March 18, 2019
- Minute of Meeting preparation of Management Plant Plan - SIA 2019 / until 2021 PT PHP on March 19, 2019
- News of the review and evaluation of Management Plant - SIA 2018 involving all related PICs at PT GMP and PT PHP and support departments
- Review of SIA Management and evaluation in 2016 -2018 PT GMP and PT PHP which explain Impacts, Objectives, Indicators, Target baselines (2019, 2020 and 2021) Management Measures, Monitor Measures and PIC. The MP has been adjusted according to each department or department covering PT GMP
  1. Management plan regarding employment
  2. Management Plan regarding OHS and Environment
  3. Manage plans regarding MCC
  4. Manage plans for health / clinics
  5. Management Plan on Social / Partner Development
  6. Management Plan regarding smallholders

PT PHP

1. Management Plan regarding Estate

2. Plan to Manage the Social / Partnership Section
3. Management plan regarding employment
4. Management Plan regarding OHS and Environment
5. Management Plan regarding Health / Clinic
6. Management Plan regarding smallholders

the evidences had been verified and accepted to be closed out and complied. and will be verified again in relation to the implementation of social management as stipulated in Criterion 6.1.

<b>Verified by</b>	:	<b>Moh Arif Yusni</b>
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**3.5.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	Major 2.1.1	Training certification of welders
2	Minor 4.3.5	The drainability assessment is carried out through an internal mechanism. If later a new guidance is issued from RSPO, it is necessary to adjust the assessment methodology carried out.
3	Major 4.7.3	<ul style="list-style-type: none"> <li>Pesticide application activities do not coincide with other work in the same block.</li> <li>Evaluate the type of PPE for activities in the chemical warehouse</li> </ul>
4	Major 4.7.4	Approval of PT PHP's Guiding Committee of Occupational Safety & Health structure by the Manpower Office
5	Minor 4.7.5	Evaluation of land fire emergency response equipment at PT PHP
6	Minor 4.7.6	Monitoring Social Security payments for contractor workers
7	Major 5.1.1	: Progress changes in the requested environmental regulation
8	Major 5.2.1	Review the determination of HCV area
9	Major 6.3.2	Settlement of land dispute in operation area of PT PHP
10	Major 6.5.1	Information to employees related to salary structure and wage scale is specifically related to employee incentives and overtime
11	Minor 6.5.3	Evaluate children's school transportation facilities

**3.5.4. Noteworthy Positive Components**

No	Ref. Std.	Description
1		Commitment for implementation of RSPO P & C.
2		Good cooperation from the company and related staff during the audit.
3		Had achieved ISPO & ISCC certification
4		Consistent in the application of waste management and mitigation of Green House Gas using Methane Capture

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Environmental Agency of Pasaman barat District</b> <ul style="list-style-type: none"> <li>Regular quarterly and semester reports are obedient and timely</li> <li>Complete licensing (S, LA)</li> <li>Progress of changing environmental permissions related to replanting in PT PHP</li> <li>There are reports of environmental damage at the Nagari Persiapan Maligi due to runoff that damaged community trenches. The agency has already made official notes and the case is in the Regent staff</li> <li>there is social issue in PT PHP 1 (areal occupied by community)</li> </ul>	<ul style="list-style-type: none"> <li>According to field observation, there are no environment pollution from estate and mill operational.</li> <li>There is issue regarding social aspect, Its become non conformity on indicator 8.1.1</li> </ul>
<b>Social and Manpower Agency of Pasaman Barat District</b> <ul style="list-style-type: none"> <li>Regular quarterly and semester reports are obedient and timely</li> <li>There is an employment report. PHP-2: Unilateral layoffs of employees in the plasma (no severance pay), Transfer of core employees to plasma. The process has been mediated by the Manpower Office</li> <li>GMP Factory is recommended to get a zero accident award</li> <li>Examination of routine factory production equipment, inspection plans back in 2019</li> <li>Permits and inspection of transport equipment at the estate have not yet been reported</li> <li>License operator for mill lifts are still valid while there are no reports for estate</li> </ul>	<p>There is no issue related those matter. CH has shown compliance related those matter and has been described in related indicators.</p>
<b>Plantation Agency of Pasaman Barat District</b> <ul style="list-style-type: none"> <li>The assessment of plantation PT GMP-PHP is conducted by district level.</li> <li>PT GMP – PT PHP area has regularly reported its Progress Report of Plantation Business (<i>Laporan Perkembangan Usaha Perkebunan/ LPUP</i>). For the Report in semester 2 year 2018, the company should input the data of land use.</li> <li>Land use / fire facilities are sufficient, although not fully in accordance with <i>SK Dirjenbun, 2010</i>. The Company has justified the needs of fire infrastructure in accordance with the business and landscape conditions.</li> <li>CSR activities have been conducted for the surrounding villages and need to be improved again. CSR programs are not included in the Progress Report of Plantation Business.</li> <li>Period of 2018 no fire incident occurred in the company's operational area.</li> <li>The company has responded to information requests quickly and transparently.</li> </ul>	<ul style="list-style-type: none"> <li>The company has had all plantation permit and has been complied all obligation reports. It refer to indicator 1.1.1.</li> <li>According to field observation, there are no environment pollution from estate and mill operational.</li> <li>Based on hydrant simulation dan landfires simulation in PHP-1 Estate, known that company has adequate facilities and infrastructure of fire and functioning properly.</li> <li>Company has realized the assistance to local communities based on needs of society that explained in the criteria 6.11.</li> </ul>
<b>National Land Agency, Pasaman Barat District</b> <ul style="list-style-type: none"> <li>The Company have Land Use Title clear and clean</li> <li>There is issue regarding land dispute in PT PHP.</li> </ul>	<ul style="list-style-type: none"> <li>The company has had Land Use Permit as required.</li> <li>Land Used reporting has been submitted, January</li> </ul>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>The company is not located in protected areas, mining and other usage areas.</li> <li>There is no new location permit.</li> <li>No information plantings outside the concession.</li> <li>Company has not yet report the Land use report to National Land Agency.</li> <li>There is no information related wastelands in PT GMP &amp; PT PHP.</li> <li>Land Used reporting has been submitted, January 17 2019.</li> </ul>	<p>17 2019.</p> <ul style="list-style-type: none"> <li>Related land dispute issue various meetings have been held between the Maligi community and the company. The meeting involved local government, the police and related parties, but there was no agreement, its became non conformity on 8.1.1 about social management plant</li> </ul>
<b>FFB Purchases Operational Team</b> <ul style="list-style-type: none"> <li>Regarding the procedure for receiving FFB from third parties is still the same as the previous assessment.</li> <li>Notification of price changes delivered via telephone, SMS or Whatsapp</li> <li>The operational team also conducted a field survey to ensure that the land used by third parties was legal land and the FFB produced was not from theft and looting.</li> <li>The operational team also conducts market surveys on TBS prices periodically.</li> </ul>	<p>The points issues have been verified and describe to the criteria number 6.10</p>
<b>Labour Union of PT GMP</b> <ul style="list-style-type: none"> <li>The selection of SPSI administrators is based on the results of the member meeting. The current management will take office for the period 2018 – 2021.</li> <li>The certificate holder has paid wages in accordance with the stipulated provisions, which refers to the Provincial Minimum Wage in 2019.</li> <li>The certificate holder has also provided PPE which is provided for free.</li> <li>The Collective Labor Agreement for the period 2018 - 2020 has been ratified and there is an explanation regarding payment of wages and provisions of workers.</li> <li>The certificate holder recognize the freedom of association, namely guaranteeing the freedom of each employee to form and become a member of a labor union in accordance with applicable laws. The form of company support in terms of freedom of association includes the provision of labor union secretariat offices.</li> <li>Labor unions and companies keep every minutes of meetings held</li> <li>Related policies regarding equal opportunities for employment opportunities have been well implemented in the field.</li> <li>There were no indications / issues related to discrimination.</li> <li>The certificate holder does not trade labor and does not do any form of forced labor</li> <li>So far there have never been cases of human rights violations committed by companies to workers or the</li> </ul>	<ul style="list-style-type: none"> <li>Has been described in indicator 6.5.1</li> <li>Has been described in indicator 4.7.3</li> <li>Has been described in indicator 6.5.2</li> <li>Has been described in indicator 6.6.1</li> <li>Has been described in indicator 6.6.2</li> <li>Has been described in criteria 6.8, 6.12 &amp; 6.13</li> </ul>



Public Issues (Institution/ NGO/Community)	Auditor Verification
surrounding community.	
<b>Workers Cooperative PT PHP I Estate</b> <ul style="list-style-type: none"> <li>Cooperatives are engaged in a savings and loan business</li> <li>The last Annual Member Meeting was held on November 2, 2018 for the 2017 financial year period</li> <li>The Annual Member Meeting for the 2018 period is planned to be held in mid-2019.</li> <li>Form of company support for employee cooperatives including providing meeting rooms, business premises in estate offices and assistance in deducting wages for membership dues.</li> <li>The number of members as of December 31, 2018 is 37 people.</li> <li>There is a decrease in the number of members from the previous period because there is a work mutation.</li> </ul>	The certificate holder supports the establishment of worker cooperatives to facilitate access of employees to obtain food sources and daily needs.
<b>Koperasi Serba Usaha (Multipurpose Cooperative) Bina Tani Sejahtera PT GMP</b> <ul style="list-style-type: none"> <li>There has been an MOU between KSU and the company</li> <li>Prices have followed the price of the Plantation Office</li> </ul> Payments are made on time	The points issues have been verified and describe to the criteria number 6.10
<b>Worker Union of PT PHP</b> <p>There is no issue related of employment, OHS, as well as worker insurance and medical checkup.</p>	There is no issue related those matter. CH has shown compliance related those matter and has been described in related indicators.
<b>Serikat Buruh Indonesia PT GMP dan PT PHP</b> <p>The team auditor conducted an interview regarding employment, OHS, grievance mekanisme and relevant aspect about RSPO</p>	There is issue related to labor issues (Changes in the number of workers, terms of employment, income of workers and the existence of unions)  Its become non conformity on indicator 8.1.1
<ul style="list-style-type: none"> <li><b>Community Leader (Ninik Mamak) of Jorong Tanjuang Pangka – Nagari Lingkuang Aua</b></li> <li><b>Community Leader (Ninik Mamak and Datuk) of Nagari Kapa</b></li> <li><b>Community Leader (Ninik Mamak, Datuk and Kerapatan Adat Nagari/KAN) of Nagari Kapa</b></li> <li><b>Community Leader (Ninik Mamak, Datuk and Kerapatan Adat Nagari/KAN) of Nagari Sasak</b></li> </ul> <p>The team auditor conducted an interview regarding the process of acquiring land, consent area, the structure of indigenous peoples, land disputes, social relations, social issues,</p>	There is issue regarding social aspect  Its become non conformity on indicator 8.1.1

Public Issues (Institution/ NGO/Community)	Auditor Verification
transparency, environment and employment and relevant aspect about RSPO	

<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
<b>4.1</b>	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>PT Gersindo Minang Plantation &amp; PT Permata Hijau Pasaman Group Estate Manager</p>  </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Moh Arif Yusni</u></b> 18 May 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	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 25, 2019	✓	
2	National Land Agency , West Pasaman	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 25, 2019	✓	
3	Environmental Agency	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 25, 2019	✓	
4	Labour Agency	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 25, 2019	✓	
5	Social & Environment NGO of WAMPEL	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 26, 2019	✓	
6	Sawit Watch	Indonesia	info@sawitwatch.or.id	Questionnaire	February 20 2019		✓
7	WALHI	Indonesia	informasi@walhi.or.id	Questionnaire	February 20 2019		✓
8	Forest People Programme	Indonesia	info@forestpeoples.org	Questionnaire	February 20 2019		✓
9	AMAN	Indonesia	rumahaman@cbn.net.id	Questionnaire	February 20 2019		✓
10	Gender Committee PT. GMP	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 28, 2019	✓	
11	Gender Committee PT. PHP	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 28, 2019	✓	
12	Employee Cooperative of PT. PHP	Pasaman Barat District. Sumatra Barat Province		Interview	February 27, 2019	✓	
13	Serikat Buruh Perkebunan Indonesia / SERBUNDO (Labor Union) of PT GMP	Pasaman Barat Regency, Sumatra Barat Province		Interview	February 28, 2019	✓	
14	Serikat Buruh Perkebunan Indonesia / SERBUNDO (Labor Union) of PT PHP	Pasaman Barat Regency, Sumatra Barat Province		Interview	February 28, 2019	✓	
15	Serikat Pekerja Seluruh Indonesia / SPSI (Labor Union) of PT PHP	Pasaman Barat Regency, Sumatra Barat Province		Interview	February 27, 2019	✓	
16	Serikat Pekerja Seluruh Indonesia / SPSI (Labor Union) of PT GMP	Pasaman Barat Regency, Sumatra Barat Province		Interview	February 26, 2019	✓	
17	Local contractor PT. GMP POM (FFB Supplier)	Pasaman Barat District. Sumatra Barat Province	-	Interview	February 26, 2019	✓	
18	Local Contractor (FFB supplier and hardening road) of CV Nia Mustika – PT PHP	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 28, 2019	✓	
19	Local Contractor (FFB supplier and hardening road) of CV Risq Rizalio – PT GMP	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 28, 2019	✓	

20	Plasma Cooperative of Unit Bina Tani Sejahtera - Plasma of PT GMP	Pasaman Barat Regency, Sumatra Barat Province		Interview	February 28, 2019	✓	
21	Plasma Cooperative of Rantau Pasaman Sasak – PT PHP (Noncertified RSPO)	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 27, 2019	✓	
22	Plasma Cooperative of Kapa – PT PHP (Noncertified RSPO)	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 27, 2019	✓	
23	Plasma Cooperative of Lingkuang Aua II – Plasma of PT	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 26, 2019	✓	
24	Community Leader ( <i>Ninik Mamak</i> ) of Jorong Tanjuang Pangka – Nagari Lingkuang Aua	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 26, 2019	✓	
25	Sub-district Head of Nagari Persiapan Maligi – PT PHP	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 26, 2019	✓	
26	Community Leader ( <i>Ninik Mamak</i> and <i>Datuk</i> ) of Nagari Kapa	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 27, 2019	✓	
27	Community Leader ( <i>Ninik Mamak</i> , <i>Datuk</i> and <i>Kerapatan Adat Nagari/KAN</i> ) of Nagari Kapa	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 27, 2019	✓	
28	Community Leader ( <i>Ninik Mamak</i> , <i>Datuk</i> and <i>Kerapatan Adat Nagari/KAN</i> ) of Nagari	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 27, 2019	✓	
29	Community Leader ( <i>Ninik Mamak</i> ) of Nagari Persiapan Maligi (not willing to be interviewed)	Pasaman Barat Regency, Sumatra Barat Province	-	Interview	February 28, 2019		✓
30	<b>GMP Palm Oil Mill</b> - 1 worker – Security officer - 1 worker – engine station labor. - 1 worker – workshop. - 1 worker - grading station labor. - 2 workers - boiler station labor. - 1 worker – sterilizer operator. - 2 workers – press operator.	Pasaman Barat District. Sumatra Barat Province		Interview	February, 26 2019	✓	

	<ul style="list-style-type: none"> <li>- 2 worker – weighbridge operator</li> <li>- 3 worker – fire fighting simulation (hydrant test)</li> <li>- 1 worker WTP</li> <li>- 1 worker WWTP</li> </ul> 1 worker chemical warehouse						
31	<b>GMP Estate</b> <ul style="list-style-type: none"> <li>- 1 worker – Nursery officer.</li> <li>- 4 workers - Spraying Labors.</li> <li>- 3 workers - Harvesting Labor.</li> <li>- 2 workers – EFB Application contract worker</li> <li>- 2 workers – employee housing care</li> <li>- 1 worker HCV monitoring</li> <li>- 1 worker peat management</li> <li>- 4 people in housing area</li> </ul> 10 worker in workshop and warehouse complex	Pasaman Barat District. Sumatra Barat Province		Interview	February, 28 2019	✓	
32	<b>PHP I Estate</b> <ul style="list-style-type: none"> <li>- 3 workers - Harvesting Labor.</li> <li>- 5 workers - Spraying Labors.</li> <li>- 6 workers – housing communities</li> <li>- 6 worker in workshop and warehouse complex</li> </ul>	Pasaman Barat District. Sumatra Barat Province		Interview	February, 27 2019	✓	
33	<b>PHP II Estate</b> <ul style="list-style-type: none"> <li>- 1 worker of HGU monitoring</li> </ul>	Pasaman Barat District. Sumatra Barat Province		Interview	February, 27 2019	✓	



**Appendix 2. Assessment Program**

DATE /	25 February – 02 March 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 25 February 2019</b>		
06.00 – 07.30	<b>JAKARTA → Padang</b>	<b>MAY / AFS / AFF</b>
08.00 – 14.00	<b>Padang → PT. Gersindo Minang Plantation</b>	
13.00 – 14.00	<b>Stakeholders consultation to related agencies in Pasaman Barat Regency</b>	<b>RPJ / WYN</b>
14.30 – 15.30	<b>Opening meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	<b>MAY / AFS</b>
15.30 – 17.00	<b>Review of previous assessment findings</b>  <b>Verification of Basic Information Mill and Estate</b>  <b>Confirmation of Time Bound Plan</b>	<b>MAY / AFS</b>
<b>Tuesday, 26 February 2019</b>		
08.00 – 12.00	Stakeholder consultation to affected communities surrounding the plantations and previous land owner	<b>MAY / AFS</b>
08.00 – 12.00	<b>Field observation to GMP POM :</b> <ul style="list-style-type: none"> <li>FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> </ul>	<ul style="list-style-type: none"> <li><b>RPJ</b></li> <li><b>• AFF / WYN</b></li> </ul>
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	<b>Verification of stakeholder consultation result and field visit.</b>  <b>Document review and completing audit checklist.</b>  Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier	<b>All Auditor</b>
<b>Wednesday, 27 February 2019</b>		
08.00 – 12.00	Stakeholder consultation to affected communities surrounding the plantations and previous land owner	<b>MAY / AFS</b>
08.00 – 12.00	<b>Field observation to PT PHP `1:</b> <ul style="list-style-type: none"> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area)</li> </ul>	<b>RPJ / AFF/ WYN</b>

DATE /	25 February – 02 March 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>Implementation of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries)</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	Verification of stakeholder consultation result and field visit. Document review and completing audit checklist.	<b>All Auditor</b>
<b>Thursday, 28 February 2019</b>		
08.00 – 12.00	Field observation to <b>PT PHP 1:</b> <ul style="list-style-type: none"> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area)</li> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries)</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	Continue Field Observation and field observation clarification Verification of field visit and completing checklist	<b>All Auditor</b>
<b>Friday, 01 March 2019</b>		
08.00 – 12.00	Continue Field Observation and field observation clarification Verification of field visit and completing checklist	<b>All Auditor</b>
12.00 – 14.00	<b>Break</b>	
14.00 – 17.00	Continue Field Observation and field observation clarification Verification of field visit and completing checklist	<b>All Auditor</b>
<b>Saturday, 02 March 2019</b>		
07.00 – 08.00	<ul style="list-style-type: none"> <li>Internal discussion by auditor team preparing for Closing Meeting</li> </ul>	
08.00 – 10.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/</li> <li>Comments, Responses and Questions</li> </ul>	<b>All Auditor</b>
10.00 – 16.00	<b>PT. Gersindo Minang Plantation → Padang</b>	<b>All Auditor</b>
17.00 -	<b>Padang– Jakarta</b>	<b>All Auditor</b>