

ASSESSMENT REPORT

Roundtable on Sustainable Palm Oil Certification R S P O

[✓] Surveillance

Name of Management : Pondok Labu Palm Oil Mill, PT Paripurna Swakarsa subsidiary of Sime Darby

Organisation Plantation Berhad

Plantation Name : PT Paripurna Swakarsa: Binturung Estate, Sesulung Estate, Pondok Labu

Estate & Rampa Estate

Location : Pondok Labu Village, Pamukan Selatan Sub District, Kotabaru District,

Kalimantan Selatan Province, Indonesia

Certificate Code : MUTU-RSPO/016

Date of Certificate Issue : 20 July 2017 Date of License Issue : 16 June 2020

Date of Certificate Expiry : 15 March 2022 Date of License Expiry : 15 March 2021

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.3	04 to 07 February 2020	Rizliani Aprianita Hasibuan (Lead Auditor Witnessed), Trismadi Nurbayuto (Lead Auditor Witnessing), Brigitta Prita, Briyogi Shadiwa, Afiffuddin	Ardiansyah	Octo H.P.N. Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.3	02 June 2020

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on March 12th, 2014 with registration number ASI-ACC-055



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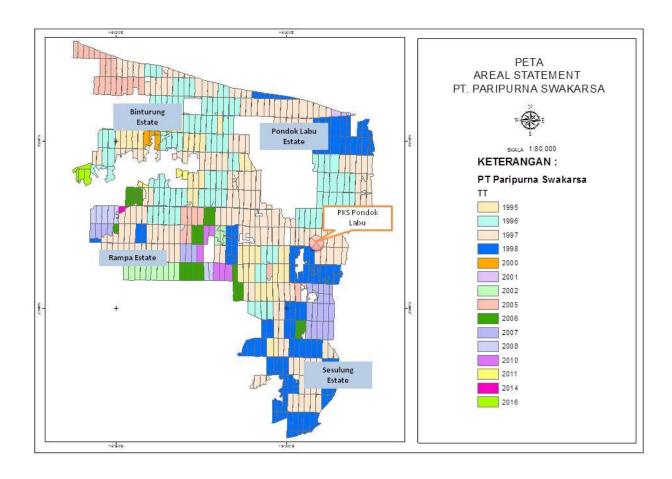


Figure 1. Location Map of PT Paripurna Swakarsa.





Figure 2. Operational Map of PT Paripurna Swakarsa.





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Abbreviations Used

AMDAL		Analisis mengenai Dampak Lingkungan (Environment Impact Assessment)
ARM		Agricultural Reference Manual
ASA		Annual Surveillance Assessment
BMP	:	Best Management Practices
BOD	:	Biologycal Oxygen Demand
BPJS		Badan Penyelenggara Jaminan Sosial Social Insurance
BPN		Badan Pertanahan Nasional / National Land Agency
BSS		Block Spraying System
CAPEX		Capital Expenditure
CEO		Chief Executif Officer
CH		Certificate Holder
CITES		Convention on International Trade in Endangered Species
CPO		Crude palm oil
CSPK		Certified sustainable Palm Kernel
CSPO		Certified Sustainable Palm Oil
CSR		Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EHS		Environment, Health and Safety
EIA		Environmental Impact Assessment
FFA		Free Fatty Acid
FFB		Fresh Fruit Bunch
GHG		Green House Gas
HCV	:	High Conservation Value
HGU	- :	Hak Guna Usaha (Land Tittle)
HIRAC	:	Hazard identification Risk Assessment Risk and Control
HRM	:	Human Resources Manager
IDR	:	Indonesian Rupiah
IPM		Integrated Pest Management
ISPO	:	Indonesia Sustainable Palm Oil
KER	:	Kernel Extraction Rate
KKPA	- :	Cooperative of Primary Credit for Members (smallholder scheme)
LAT	:	Lead Auditor Training
LD		Lethal Dose
	:	
LSU	:	Leaf Sampling Unit
LUCA	- :	Land Use Change Analysis Madical Charle Un
MCU	- :	Medical Check Up
MSDS	- :	Material Safety Data Sheet
MSPO	:	Malaysia Sustainable Palm Oil
MT	:	Metric Ton Non-Covernment Organization
NGO	:	Non-Government Organization
NPP	:	New Planting Procedure
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
OPEX	:	Operating Expenditure
P2K3	:	Panitia Pelaksana Kesehatan dan Keselamatan Kerja (OHS Guiding Committee)
PA	:	Plantation Advisory
PIC		Person In Charge
PK	:	Palm Kernel





DICO	1.1	Dalm haved Oil
PKO	:	Palm kernel Oil
PLE	:	Pondok Labu Estate
PLF		Pondok Labu Factory
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PP	:	Peraturan Pemerintah / Goverment Regulaion
PPE	:	Personal Protective equipment
PSA	:	Paripurna Swakarsa
PSD	:	Plantation Sustainable Department
PSQM	:	Plantation Sustainability and Quality Management
PWC	:	PricewaterhouseCoopers
RaCP	:	Remediation and Compensation Procedure
RKL	:	Rencana Pengelolaan Lingkungan (Environment Management Plan)
RPE	:	Rampa Estate
RPL	:	Rencana Pemantauan Lingkungan (Environment Monitoring Plan)
RSPO	:	Roundtable Sustainable Palm Oil
RTE	:	Rare Threatened Endangered
SCA	:	Sungai Cengal Plasma
SCCS	:	Supply Chain Certification Standard
SDP	:	Sime Darby Plantation
SIA	:	Social Impact Assessment
SOP	:	Standard Operational Procedure
SSE	:	Sesulung Estate
SSU	:	Soil Sampling Unit
UKL-UPL	:	Usaha Kelola dan Pantau Lingkungan / Environment management and monitoring plan
WHO		World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant





1.0	SCOPE of the CERTIFIC	CATION ASSESSI	MENT					
1.1	Assessment Standard	Used	Principles and Criteria for the Production of Sustainable Paragraphics Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15th Annual General Assembly by RSPO Member 15 November 2018. RSPO Certification System for Principles and Criteria, 14 Jul 2017					
1.2	Organisation Information	on						
1.2.1	Organisation name listed		PT PΔRIPLIRN	ΙΔ ς\Λ/ΔΚΔ	RSA subsidiary of Sime	Narhy Plantation Rhd		
1.2.2	Contact person	Thr the dertineate	Alagendran Ma		113/13ub3ididi y di 3iinid	barby Flamation brid		
1.2.3	Organisation address an	RSPO register No 2, Plantatio Liaison Office: The Plaza Office	ed compar in Tower, P ce Tower, 3	JU 1A/7Street, Petaling	g Jaya, Malaysia 47301			
1.2.4	Telephone		(+62-21)-2992		oo, oanana rooos			
1.2.5	Fax		(+62-21)-2992					
1.2.6	E-mail		· · · · · · · · · · · · · · · · · · ·		nedarbyplantation.com			
1.2.7	Web page address		www.simedarbyplantation.com					
1.2.8	Management Representation completed the application		Alagendran Maniam (Head of Sustainability – Minamas Plantation)					
1.2.9	Registered as RSPO me	mber	1-0008-04-000-00 – 7 September 2004					
1.3	Type of Assessment							
1.3.1	Scope of Assessment ar	d Number of Mana	one (1) palm oil mill and four (4) oil palm estate. Pondok Labu Mill, Binturung Estate, Sesulung E Pondok Labu Estate and Rampa Estate					
1.3.2	Type of certificate		Single					
1.4	Locations of Mill and P	lantation						
1.4.1	Location of Mill							
	Name of Mill	ı	Location	-		dinate		
	Pondok Labu	Pondok Labu Vi	Village, Pamukan Selatan abaru District, Kalimantan S 02° 27′ 33″ E 116° 3					
1.4.2	Location of Certification	Scope of Supply Ba						
	Name of Cumply Book		Location		Coor	dinate		
	Name of Supply Base		LUCALIUII		Latitude	Longitude		
	Binturung Estate	Binturung Villa Subdistrict, Kotal Selatan Province	baru District, Ka , Indonesia		S 02° 26' 17"	E 116° 26' 32"		
	Pondok Labu Estate	Pondok Labu Vi Subdistrict, Kotal Selatan Province	baru District, Ka		S 02° 24' 45"	E 116° 30' 36"		



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	Rampa Estate	Rampa Cengal Village, Pamukan Selatan Subdistrict, Kotabaru District, Kalimantan Selatan Province, Indonesia	S 02° 27' 09"	E 116° 2	16' 11"
	Sesulung Estate	Sesulung Village, Pamukan Selatan Subdistrict, Kotabaru District, Kalimantan Selatan Province, Indonesia	S 02° 29' 40"	E 116° 3	0' 38"
4.5	D : 0 (A	.			
1.5	Description of Area	Statement			
1.5.1	Tenure				
	State			15,876.20	На
	 Community 			-	На
1.5.2	Area Statement				
	 Total area 			15,876.20	На
	 Mature area 			12,051.83	Ha
	 Immature area 			2,598.10	На
	• Mill			55.23	На
	Emplashment a	nd Infrastructure		640.63	На
	Hills, Rivers, Va	lleys		23.16	На
	• Nursery			38.00	На
	 Occupation 			68.91	На
	Water Catchmer	nt Area		3.83	На
	• HCV			396.51	На

1.6 Planting Year and Cycles

1.6.1 Age profile of planting year

	Hectarage (Ha)										
Planting Year	Binturung Estate	Pondok Labu Estate	Rampa Estate	Sesulung Estae	Total						
1995	292.38	-	-	61.32	353.70						
1996	1,046.57	709.49	161.02	71.86	1,988.94						
1997	765.84	1,522.47	1,076.52	1,144.56	4,509.39						
1998	-	671.36	251.76	1,163.59	2,086.71						
2001	-	27.70	-	-	27.70						
2002	-	-	419.65	-	419.65						
2005	465.62	-	170.08	62.93	698.63						
2006	44.81	-	244.43	131.01	420.25						
2007	-	-	153.37	411.09	564.46						
2008	-	-	193.64	-	193.64						
2010	-	-	177.27	-	177.27						
2011	46.00	-	-	-	46.00						
2015	-	-	15.66	-	15.66						





	2016		,	333.44			-		-		21	6.39	5	49.83
	Sub Total Matur	е	2,9	994.66	2,9	31.02	2	2,8	63.40		3,26	2.75	12,0	51.83
	2017 2018 2019		241.40		1	93.26)	2	13.14		42	1.25	1,0	69.05
				167.97	1	86.06	6.06		-	- 18		6.26	5	40.29
			,	177.11	1	77.65)	2	42.88		18	3.49	7	81.13
	2020			-			-		-		20	7.63	2	07.63
	Sub Total Immatu	ire	;	586.48	5	56.97	,	4	56.02		99	8.63	2,5	98.10
	TOTAL		3,	581.14	3,4	87.99		3,3	19.42		4,26	1.38	14,6	49.93
1.6.2	New Planting area	after Janua	ary 20)10			•				- H	la		
1.6.3	Planting Cycle									2 nd Cycl	le			
1.7	Description of Mil	I and Sunr	oly R	280										
1.7.1	Description of Mill	i ana oap _l	ory D	<u> </u>										
		Capaci	tv	FFR Dr	ocessed			CPC				Palm K		
			nes/ hour) (tonnes/year					put	Extrac (%			Out put tonnes) Extraction (%)		
	Pondok Labu POM	60	60 191,680.76		680.76		(tonnes) 41,873.40					10,171.31 5.31		
	*Production data sou	ırce from Fe	bruar	y 2019 to J	anuary 202	0								
1.7.2	Description of Certification Scope of Supply Base													
			Total Area Planted		d Ara	rea FFB		Yield		Supplied to Mill				
	Name of Estate		(Ha)		(H	-	u	(tonnes/year)		(tonn ha/ye		FFB (tonnes/		%
	Binturung Estate		4,072.01			3,581.1		34,226.6		63 9.56		34,22	26.63	100
	Pondok Labu Esta	te	3,569.53		,569.53		.99 44,4		434.45	134.45 1	2.74		4.45	100
	Rampa Estate			3,656.20		3,319			170.80		16.62	55,170.8	100	
	Sesulung Estate			4,578.46		4,261		48,513.03		11.38	48,513.03		100	
		TOTAL		15,876.20 14		4,649	.93	182,	344.91	12	2.45	182,34	4.91	100
1.7.3	*Production data sou FFB description from			y 2019 to J	anuary 202	0								
1.7.0	Name of sources/Organi			ype of Or	ganisatior	1		umber of allholders		oduction rea (Ha		Suppli FFB (to		
	Scheme smallhold LMR (Certified)			Certified smallh	associate olders			791		1,160				
	TOTAL												9,3	35.85
1.7.4	*Production data sou Product categories		bruar	y 2019 to J	anuary 202	0		FFB, CF	U DK					
1.7.4	Froduct Categories							FFB, CF	J, FK					
1.8	Tonnage of Produ	ıct												
1.8.1	Past Annual Claim		roduc	ct		L	ast Y	'ear Proje Volume		tified	Las	t Year Acti Volume		rtified
	FFB Processed								22	5,220			191,6	80.76
	CPO Production						47,296 41,873.40							



	Palm Kernel (PK) Production						11,261		10,171.31			
1.8.2	Product selling											
	Type of selling p	roduct				Actual selling product for last year (MT)						
	CSPO sold as R		product				01	<u> </u>	40,840.89			
	CSPK sold as R	SPO certified p	roduct						10,011.20			
	CSPO sold unde	er other scheme	9						0			
	CSPK sold unde	er other scheme)						0			
	CSPO sold as c								0			
	CSPK sold as co	onventional							0			
1.8.3	Estimate of Certified FFB Claim											
	Name of	Estates	Total Are (Ha)	ea	Plante	ed Area (Ha)	FFB (tonnes/y	ear) (to	Yield onnes/ha/ year)			
	Binturung	g Estate	4,0	72.01		3,581.14	1	35,253	9.84			
	Pondok La	bu Estate	3,5	69.53		3,487.99)	45,768	13.12			
	Rampa	Estate	3,6	56.20		3,319.42)	56,826	17.12			
	Sesulung		4,5	78.46		4,261.38	3	49,968	11.73			
	ТОТ	AL	15,8	76.20		14,649.93			12.82			
	*Projected FFB pi	roduction for 16 i	1		021			,				
1.8.4	Estimate of Cert											
		Compolitie	FFB	FFB)	Palm Ke	Palm Kernel				
	Name of Mill	Capacity (tonnes/ hour)	Processed (tonnes/year)	Out p		Extraction (%)	Out put (tonnes)	Extraction (%)	Chain Module			
	Pondok Labu POM	60	187,815	41,31	19	22	9,391	IP				
	*Projected FFB pi	roduction for 16 i	March 2020 to 1	5 March 20	021							
	T											
1.9	Other Certificat	tions				050	· · ·					
	Others					d ISPO by 1 20 Septembe		Lestari (M	UTU-ISPO/007)			
				13	Sucu 2	zo Septembe	1 2013					
1.10	Time Bound Pla	ın										
1.10.1	Time Bound Plan	n for Other Mar	nagement Unit	S								
	Managem	ent Unit				Time						
	Mill	Time	Estate (Su	upply Bas	se)	Bound Plan	Locat	ion	Status			
		bound				ı ıaıı						
I		bound		INI	DONES							
1	Sekunyir.	2010		IN I kunyir	DONES		Seruyan a		Certified			
1		2010	Sel		DONES	SIA	Kotawaringii	n District –	Certified Certified			
1 2	Sekunyir. PT. Indotruba Ten Manggala.	gah 2010	Sel Se	kunyir	DONES	SIA 2010		n District – Iimantan				
	Sekunyir. PT. Indotruba Ten Manggala. PT. Tunggal	gah 2010	Sel Se Man	kunyir ruyan	DONES	2010 2010	Kotawaringii Central Ka	n District – Iimantan	Certified			
	Sekunyir. PT. Indotruba Ten Manggala.	gah 2010	Sel Sel Man	kunyir ruyan ggala 1	DONES	2010 2010 2010 2010	Kotawaringii Central Ka	n District – Iimantan	Certified Certified			
	Sekunyir. PT. Indotruba Ten Manggala. PT. Tunggal	gah 2010	Sel Se Man Man	kunyir ruyan ggala 1 ggala 2	DONES	2010 2010 2010 2010 2010	Kotawaringii Central Ka	n District – limantan strict – Riau	Certified Certified Certified			



	PT. Sime Indo Agro		West (HGU on process)	2019	Kalimantan	-
			East	2010		Certified
			East (HGU on process)	2019		-
			East Plasma	2010		Certified
			West Plasma	2010		Certified
			Sei Mawang	2019		-
4	Teluk Siak.	2011	Teluk Siak	2011	Siak District - Riau	Certified
	PT Aneka Inti Persada		Pinang Sebatang	2011		Certified
			Aneka Persada	2011		Certified
5	Sungai Pinang.	2012	Sungai Pinang	2012	Musi Rawas District –	Certified
	PT. Bina Sains Cemerlang		Sungai Pinang (HGU on process)	2020	South Sumatera	-
			Bukit Pinang	2012		Certified
			Bukit Pinang (HGU on process)	2020		-
6	Pemantang.	2011	Pemantang	2011	Seruyan and East	Certified
	PT. Teguh Sempurna		Kawan Batu	2011	Kotawaringin District – Central Kalimantan	Certified
			Hatan Tiring	2011		Certified
			Batang Garing	2011		Certified
7	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District – Riau	Certified
8	Teluk Bakau. PT. Bhumireksa Nusa	2011	Teluk Bakau	2011	Indra Giri Hilir District – Riau	Certified
	Sejati		Nusa Perkasa	2011		Certified
			Nusa Lestari	2011		Certified
9	Mandah PT. Bhumireksa Nusa	2014	Mandah	2011	Indra Giri Hilir District – Riau	Certified
	Sejati		Rotan Semelur	2011		Certified
10	Angsana. PT Ladangrumpun	2011	Angsana	2011	Tanah Bumbu District – South Kalimantan	Certified
	PT Ladangrumpun Suburabadi		Gunung Sari	2011	South Kallmantan	Certified
			Pantai Bonati	2011		Certified
			KKPA-1 PT.SHE	2013		Certified
			KKPA-4 PT.SHE	2013		Certified
11	Mustika.	2013	Mustika	2013	Tanah Bumbu District –	Certified
	PT Sajang Heulang		KKPA-2 PT.SHE	2013	South Kalimantan	Certified
			KKPA-3 PT.SHE	2013		Certified
			KKPA-5 PT.SHE	2013		Certified
			SAP 1	2020		-
12	Gunung Aru.	2011	Gunung Aru	2011	Kotabaru District – South	Certified
	PT Bersama Sejahtea Sakti		Gunung Kemasan	2011	- Kalimantan	Certified
	Jaku		Laut Timur	2011]	Certified



			Pantai Timur	2011]	Certified
			KKPA BSS	2020	-	-
13	Bebunga.	2011	Bebunga	2011	Kotabaru District – South	Certified
	PT. Langgeng Muaramakmur		Bakau	2011	Kalimantan	Certified
	Waaramakma		Sungai Cengal	2011	-	Certified
14		2011	Sukamandang	2011	Seruyan and East	Certified
	Sukamandang		Sapiri	2011	Kotawaringin District – Central Kalimantan	Certified
	PT Kridatama Lancar		Barasdanum	2011	Contrai Raiinantan	Certified
			Kuala Kuayan	2011		Certified
15	Pondok Labu.	2012	Binturung	2012	Kotabaru District – South	Certified
	PT Paripurna Swakarsa		Pondok Labu	2012	Kalimantan	Certified
	Owanarsa		Rampa	2012		Certified
			Sesulung	2012		Certified
16	Rantau.	2012	Rantau	2012	Kotabaru District – South	Certified
	PT Laguna Mandiri		Matalok	2012	Kalimantan	Certified
			KKPA Sungai Cengal (1,382 SH)	2014		Certified
			Selabak (PT SAA)	2012		Certified
			Randi (PT SAA)	2012		Certified
			Sangkoh (PT SAA)	2012		Certified
			Lanting (PT LMR)	2012		Certified
17	Betung.	2014	Betung	2012	Kotabaru District – South	Certified
	PT Laguna Mandiri		Sekayu	2012	- Kalimantan	Certified
18	Ungkaya.	2012	Ungkaya	2012	Morowali District –	Certified
	PT Tamaco Graha Krida		Plasma TGK	2020	Sulawesi Tengah	-
19	Ladang Panjang.	2012	Ladang Panjang	2012	Muaro Jambi District -	Certified
	PT Bahari Gembira Ria		Ladang Panjang (HGU on process)	2020	Jambi	-
			Plasma BGR	2020		-
20	Rantau Panjang.	2012	Rantau Panjang	2012	Musi Banyuasin District –	Certified
	PT Guthrie Pecconina Indonesia		Rantau Panjang (HGU on process)	2020	South Sumatera	-
			Bumi Ayu	2012		Certified
			Karang Ringin	2012		Certified
			Napal	2012		Certified
			Napal (HGU on process)	2020		-
			Mangun Jaya	2012]	Certified
			Mangun Jaya (HGU on process)	2020		-
			Sungai Jernih	2020		-
			GPI KKPA	2020		-





21	Blang Simpo.	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and East	Certified
	PT Perkasa Subur Sakti		Batang Ara (PT PSK)	2013	Aceh District – Aceh	Certified
			Blang Simpo-01	2013		Certified
			Blang Simpo-02	2013		Certified
22	Lembiru.	2014	Lembiru	2014	Ketapang District – West	Certified
	PT Sandika Nata Palma		Awatan	2014	Kalimantan	Certified
			Karya Palma	2020		-
			KKPA SNP	2020		-
			Pelanjau (PT BAL)	2019		Certified
			Sungai Putih (PT BAL)	2020		-
			Baturus (PT BAL)	2020		-
			KKPA BAL	2020		-
		ı	MALAY	SIA		
1	Sg Dingin	2010	Bukit Hijau	2010	Kerangan, Kedah	Certified
	SOU 1		Padang Buluh	2010		Certified
			Bukit Selangor	2010		Certified
			Sg Dingin	2010		Certified
			Jentayu	2010		Certified
			Anak Kuli	2010		Certified
			Somme	2010		Certified
2	Chersonese		Chersonese	2011	Kuala Kurau, Perak	Certified
	SOU 2		Holyrood	2011		Certified
			Kalumpong	2011		Certified
			Tali Ayer	2011		Certified
3	Elphil	2011	Kinta Kellas	2011	Sg Siput, Perak	Certified
	SOU 3		Elphil	2011		Certified
			Kamuning	2011		Certified
4	Flemington	2011	Flemington	2011	Teluk Intan, Perak	Certified
	SOU 4		Bagan Datoh	2011		Certified
			Sabak Bernam	2011		Certified
			Sg Samak	2011		Certified
5	Seri Intan	2011	Seri Intan (Main Division)	2011	Teluk Intan, Perak	Certified
	SOU 5		Sabrang	2011		Certified
			Sg Wangi	2011		Certified
			Sogomana (Main Division)	2011		Certified
6	Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011	Teluk Intan, Perak	Certified
			Sogomana (Cashwood & Sg Beruas Division)	2011		Certified



			Bikam	2011		Certified
			Clumy	2011		Certified
7	Tennamaram	2011	Tennamaram	2011	Bestari Jaya, Selangor	Certified
SOU 6	SOU 6		Sungei Buloh	2011		Certified
			Bkt Talang	2011		Certified
8	Bkt Kerayong	2011	Bkt Kerayong	2011	Kapar, Selangor	Certified
	SOU 7		Bkt Cherakah	2011		Certified
			Bkt Rajah	2011		Certified
			Bkt Lagong	2011		Certified
			Elmina	2011		Certified
9	East	2010	East	2010	Carey Island, Selangor	Certified
	SOU 8		Dusun Durian	2010		Certified
			Sepang	2010		Certified
10	West - SOU 9	2010	West	2010	Carey Island, Selangor	Certified
11	Bukit Putri - SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
12	Kerdau	2011	Kerdau	2011	Temerloh, Pahang	Certified
	SOU 11		Jentar	2011		Certified
			Mentakab	2011		Certified
			Sg Mai	2011		Certified
			Chenor	2011		Certified
13	Jabor - SOU 12	2011	Jabor	2011	Kemaman, Trengganu	Certified
14	Labu	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
	SOU 13		New Labu	2011		Certified
			Bradwall	2011		Certified
15	Tanah Merah	2010	Tanah Merah	2010	Port Dickson, Negeri	Certified
	SOU 14		Sua Betong	2010	Sembilan	Certified
			Bukit Pelandok	2010		Certified
16	Sua Betong	2014	Salak	2014	Port Dickson, Negeri	Certified
	SOU 15		Sengkang	2014	Sembilan	Certified
			Siliau	2014		Certified
			PD Lukut	2014		Certified
			Sungai Baru	2014		Certified
			Tampin Linggi	2014		Certified
17	Kok Foh	2011	Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
	SOU 16		Kok Foh	2011		Certified
			Muar River	2011		Certified
			St. Helier	2011		Certified
			Pertang	2011]	Certified



			Sg Gemas	2011		Certified
			Sg Sebaling	2011		Certified
			Sg Senarut	2011		Certified
18	Kempas	2010	Kempas	2010	Jasin, Melaka	Certified
	SOU 17		Kemuning	2010		Certified
			Tangkah	2010		Certified
19	Diamond Jubilee	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
	SOU 18		Diamond Jubilee	2011		Certified
			Serkam	2011		Certified
20	Pagoh	2014	Pagoh	2014	Muar, Johor	Certified
	SOU 19		Lanadron	2014		Certified
			Pengkalan Bukit	2014		Certified
			Welch	2014		Certified
21	Chaah	2010	North Labis	2010	Chaah, Johor	Certified
	SOU 20		Cha'ah	2010		Certified
			Sg Simpang Kiri	2010		Certified
22	Gunung Mas	2010	Gunung Mas	2010	Kluang, Johor	Certified
	SOU 21		Kempas Klebang	2010		Certified
			Bukit Paloh	2010		Certified
			Yong Peng	2010		Certified
23	Bukit Benut	2011	Bukit Benut	2011	Kluang, Johor	Certified
	SOU 22		CEP Niyor	2011		Certified
			Lambak / Elaeis	2011		Certified
24	Ulu Remis	2011	Pekan	2011	Layang-layang, Johor	Certified
	SOU 23		Sembrong	2011		Certified
			Tun Dr. Ismail	2011		Certified
			Ulu Remis	2011		Certified
			Bukit Badak	2011		Certified
			Cenas	2011		Certified
25	Hadapan	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
	SOU 24		Kulai	2011		Certified
			Layang	2011		Certified
			Seri Pulai	2011		Certified
26	Sandakan Bay	2008	Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
	SOU 26		Tunku	2008		Certified
			Tigowis	2008		Certified
			Sentosa	2008		Certified
			Saguliud	2008		Certified



27	Melalap	2011	Melalap	2011	Tenom, Sabah	Certified
	SOU 27		Sapong	2011		Certified
28	Binuang	2009	Tingkayu	2009	Kunak, Sabah	Certified
	SOU 28		Sungang	2009		Certified
			Jelata Bumi	2009		Certified
			Binuang	2009		Certified
29	Giram	2009	Mostyn	2009	Kunak, Sabah	Certified
	SOU 29		Giram	2009		Certified
30	Merotai	2009	Imam	2009	Tawau, Sabah	Certified
	SOU 30		Merotai	2009		Certified
			Table	2009		Certified
			Tiger	2009		Certified
31	Lavang	2011	Belian	2011	Bintulu, Serawak	Certified
	SOU 31		Kelida	2011		Certified
			Lavang	2011		Certified
			Lavang (SE)	2011		Certified
			Rasan	2011		Certified
			Chartquest	2011		Certified
			Dulang	2011		Certified
			Peroh	2011		Certified
			Pekaka	2011] [Certified
			Ruai	2011]	Certified
32	Rajawali	2011	Rajawali	2011	Bintulu, Serawak	Certified
	SOU 32		Samudera	2011]	Certified
			Semarak	2011] [Certified
			Bayu	2011		Certified
33	Derawan	2011	Takau	2011	Bintulu, Serawak	Certified
	SOU 33		Damai	2011]	Certified
			Derawan	2011		Certified
			Sahua	2011]	Certified
			LIBEI	RIA		
1	Grand Cape Mount	2018	Matambo	2018	Grand Cape Mount, Liberia	IC
			Grand Cape Mount	2018]	IC
			Zodua	2018		IC
			Bomi	2018	Bomi, Liberia	IC
			Lofa	2018		IC
			P & (
1	Poliamba	2012	(New Britain Kara	2012	Kevieng, New Ireland	Certified



			West Coast	2012	Province, P&G	Certified
			Nalik	2012	<u> </u>	Certified
			Noatsi	2012	_	Certified
			Madak	2012	-	Certified
			North (Smallholders)	2012	-	Certified
			South (Smallholders)	2012		Certified
			West (Smallholders)	2012		Certified
2	Tetere	2011	Tetere	2011	Gudaicanal, Slomon Island	Certified
			Ngalimbiu	2011		Certified
			Mbalisuna	2011		Certified
			West Zone (Smallholders)	2011		Certified
			Central Zone (Smallholders)	2011		Certified
			MBA East (Smallholders)	2011		Certified
			MBA West (Smallholders)	2011		Certified
3	Sangara, Sambiripa & Mamba	2013	Sangara	2013	Higaturu, Popondetta, Oro, P&G	Certified
	Mamba		Sumberipa	2013	P&G	Certified
			Ambogo	2013		Certified
			Embi	2013		Certified
			Mamba	2013		Certified
			Sorovi (smallholders)	2013		Certified
			Igora (smallholders)	2013		Certified
			Saiho (smallholders)	2013		Certified
			Aeka (smallholders)	2013		Certified
			llimo (smallholders)	2013		Certified
4	Gusap	2010	Dumpu	2010	Madang, P&G	Certified
			Surinam	2010		Certified
			Jephcott	2010		Certified
			Gusap	2010		Certified
			Paddox	2010		Certified
			Ngaru	2010		Certified
			Madang VOP (smallholders)	2010		Certified
			Morobe VOP (smallholders)	2010		Certified
5	Hagita	2013	Giligili	2013	Milne Bay, P&G	Certified
			Hagita	2013		Certified
			Waigani	2013		Certified
			Sagarai	2013		Certified
			Padipadi	2013		Certified



			Mariawatte	2013		Certified
			East Gurney	2013		Certified
			West Gurney	2013		Certified
			East Sagarai	2013		Certified
			West Sagarai	2013		Certified
6	Mosa	2008	Bebere	2008	West New Britain	Certified
	Kumbango		Kumbango	2008		Certified
	Kapiura Namumdo		Togulo	2008		Certified
	Waraston		Dami	2008		Certified
			Waisisi	2008		Certified
			Kautu	2008		Certified
			Karausu	2008		Certified
			Moroa	2008		Certified
			Bilomi	2008		Certified
			Loata	2008		Certified
			Haella	2008		Certified
			Garu	2008		Certified
			Daliavu	2008		Certified
			Sapuri	2008		Certified
			Malilimi	2008		Certified
			Rigula	2008		Certified
			Nomundo	2008		Certified
			Navarai / Karato ME	2008		Certified
			Volupai . Lotomgam / Natupi / Goruru	2008		Certified
			Lolokoru	2008		Certified
			Silovoti	2008		Certified
			LSS Hoskin (1,877 Smallholders)	2008		Certified
			VOP East (1,815 Smallholders)	2008		Certified
			VOP Central (1,958 Smallholders)	2008		Certified
			VOP West (1,277 Smallholders)Kaulong / Akamie / Pusiki / Repamira / Sakapei /	2008		Certified
			KDC ME (21 large smallholders) LSS Kapiura (847 Smallholders)	2008		Certified
			VOP Kapiura (551 Smallholders)	2008		Certified
	Sime Darby has achie	eved 34 mana	gement units in Malaysia, 25	mmanagement	units in Indonesia, 10 mana	ngement units in





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P&G that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 10 in P&G. In the year of 2016 & 2017 there are three Mill that are no longer operating, and for the supplying base (Estate) is diverted to a mill that is still operating and has been certified RSPO. The mills are:

- 1. Angsana Mini Mill, PT Sajang Heulang: Mill stop operate since 2016 and the supply bases is transfer to Angsana POM, PT Ladangrumpun Subur Abadi.
- Selabak Mill, PT Swadaya Andhika: Mill stop operate since. 2017 and the supply bases is transfer to Rantau POM, PT Laguna Mandiri
- Pekaka, SOU 34: Mill stop operate since 2017 and the supply bases is transfer to Lavang, SOU 31

A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and Sime Darby Plantation Bhd targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed on 2018.

There was change of the Time Bound Plan under Sime Darby on July 2019 cause the Sime Darby postpone the others certification process. Change of the Time Bound Plan explanation: PT Mitra Austral Sejahtera, the properties was sold and currently Sime Darby Plantation Bhd have no control in the management.

1.10.2 Progress of Associated Smallholders and Outrowers for Certifiable Standard

The part area of associated smallholder (KKPA Sungai Cengal under PT LMI) which supplied to Rantau POM has been certified under PT LMI-Rantau POM

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2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA- 1.3	1. Rizliani Aprianita Hsb (Lead Auditor Witnessed). Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as RSPO Lead Auditor Training, SCCS training, lead Auditor ISO 9001;2008, ISO 14001;2004, ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During the assessment she assigned to verified legal and SCCS.
	2. Trismadi Nurbayuto (Lead Auditor Witnessing). Indonesian Citizen. Diploma of Forest Management from Forestry Faculty; Associate Degree of Economic from Economic and Management. He has experienced as field assistant on oil palm plantation year of 2008. Therefore, he has experienced as HCV and SEIA Assessor on 2010-2013. He has been followed HCV identification and management training; ISO training (9001;14001; 22000); ISPO Lead Auditor's training; Safety Expert; RSPO Lead Auditor's; OHS Auditors by Government Regulation No 50 year of 2012; and RSPO Next. He has been conducted audit on ISPO and RSPO scheme since year of 2013 as an Auditor on several aspect as environment, OHS, Legality, Best Management Practices, Social, Worker Welfare, Conflict Resolutions, Long term Business Plan and Supply Chain on Palm Oil Mill. In this assessment, he assessed the Lead Auditor witnessed performance.
	3. Afiffuddin (Auditor Trainee). Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Management Practices aspect, health and safety aspect and worker welfare aspect. During this audit, He conducted an assessment on BMP Agronomy and long-term budget.
	 Briyogi Shadiwa (Auditor). Indonesian citizens. Diploma 3 of Oil Palm Plantation. He has 7 years working experience since 2009 as Agronomy Assistant and Agronomy Quality Control in several private oil palm plantation companies in Indonesia. The training has been followed include: ISPO Auditor Training, RSPO Lead Auditor Course by Checkmark Training, Lead auditor ISO 9001: 2015, Awareness SMK3, Lead Auditor ISO 14001: 2015, Awareness OHSAS 18001: 2007 and OHS Expert. During this audit, he assigned to verify OHS and worker welfare. Brigitta Prita (Auditor). Citizen of Indonesia. Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism. She had attended Training ISPO by Commission ISPO on June 2013, Training ISO 9001:2008 Quality Management System on January 2014, In House Training 17021 and 17065 management system and Product Quality, Training High Conservation Value by IPB on September 2015, In House Training HCV on August 2016, In House Training Roundtable Sustainable Palm Oil on January 2014; In House Training ISO 14000:2004 Environmental Management System, Training Lead Auditor RSPO by Daemeter and Proforest on July 2017; Training SA 8000 by Internal Company; Training Lead Auditor SCCS by BM Trada on June 2018; and Training social & worker welfare from RSPO on January 2019. She has been auditing experience ISPO & RSPO since April 2013 in the environmental, conservation, waste management and worker welfare aspects. During audit, has verified environment, GHG and waste management aspects.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA- 1.3	Number of auditors: 3 auditors and 1 auditor trainee Number of days for ASA-1.3 at site: 4 days. Number of working days for ASA-1.3 at site: 12 Working days.
222	Accessment Dresses
2.2.2 ASA- 1.3	Assessment Process The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Paripurna Swakarsa to the requirements of Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15th Annual General Assembly by RSPO



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Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.

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 ASA-1.3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase **ASA-1.4**.

Improvement of findings from Re-certification assessment findings were observed by auditors at this ASA-1.3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.3.

The opening meeting and closing meeting were held attends by company's MR, mill and estates managers, staff, field assistant, and document control of each units. During the closing meeting, there was no interrupted/disagreed from MR of PT PSA against the NCRs issued.

The assessment program please find Appendix 2

2.2.3 Locations of Assessment

ASA-The sampling location consider the issue arise from the review documents and stakeholder's consultation that are 1.3 fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:

Pondok Labu Factory

- **Security**. Observation and interview related SCCS implementation, OHS and worker welfare implementation.
- Weigh bridge. Observation and interview related SCCS implementation, OHS and worker welfare implementation.
- **Grading**. Interview related to FFB grading and quality, OHS and worker welfare implementation.
- WTP. Observations and interviews with WTP operators related to procedures, OHS implementation, recording of water usage and chemistry materials.
- **Solar tank**. Observations related to emergency response to fuel storage
- Workshop. Observations and interviews with workshop workers related to procedures, machine maintenance and **OHS** implementation
- Chemical and Material Warehouse. Observations and interviews with warehouse personnel related to the management of chemicals
- Hazardous Waste Storage. Observations and interviews with warehouse personnel related to hazardous waste management.
- **Hydrant Simulation**. Observation related to firefighter equipment.
- **POME**. Observation dan interview related to waste water management.
- **Water intake**. Observation related to water usage
- Sterilizer Station. Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects.
- Press Station. Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects.
- Boiler Station. Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects.
- Engine Room Station. Observation and interview with Operators towards technical work, OHS, emergency handling, special medical check-up and manpower aspects.
- **Clarification Station.** Observation and interview with Operators towards technical work, OHS, emergency handling. special medical check-up and manpower aspects.

Pondok Labu Estate

Division 2 Emplacement. Observations related to facilities for employees. Interviews with water distribution officers related to employee facilities and worker welfare



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- Daycare. Observation and Interviews with daycare officers related to worker welfare and employment facilities.
- **Fire Fighters Storage.** Observations and interviews with fire-fighting teams related to the preparation of tools, training and fire events
- **Polyclinic**. observations and interviews with paramedic related to occupational diseases and accidents to medical waste management
- **Solar tank**. Observations related to emergency response to fuel storage
- Temporary Hazardous Waste Storage. Observations regarding the management of hazardous waste before being sent to licensed hazardous waste storage
- House of Rinse. Observations and interviews with house of rinse officer related to the management of pesticide packaging, washing and storage of PPE and spray tools
- **Chemical Storage.** Observations related to the management and storage of agrochemicals.
- **Workshop**. Observations and interviews with workshop workers related to procedures, machine maintenance and OHS implementation.
- Riparian area block E division 3 Biyuku River. Observation dan interview related to riparian management.
- **Herbicide application, block 139-40, Division 1.** Field observation and interview with 4 spraying related to herbicide spraying, worker welfare and OHS implementation.
- **Harvesting, block F54, Division 3.** Field observation and interview with 4 harvest worker related to harvesting, worker welfare and OHS implementation.
- Barn Owl Box, block F57, Division 3. Observation the Barn Owl Box is in active conditions.

Rampa Estate

- **Division 3 Emplacement.** Observations related to facilities for employees. Interviews with water distribution officers related to employee facilities and worker welfare.
- Daycare. Observation and Interviews with daycare officers related to worker welfare and employment facilities.
- **Fire Fighters Storage.** Observations and interviews with fire-fighting teams related to the preparation of tools, training and fire events
- **Solar tank**. Observations related to emergency response to fuel storage
- **Temporary Hazardous Waste Storage**. Observations regarding the management of hazardous waste before being sent to licensed hazardous waste storage
- **Chemical Storage.** Observations related to the management and storage of agrochemicals.
- Workshop. Observations and interviews with workshop workers related to procedures, machine maintenance and OHS implementation
- Boundary Pole No. PSA 5, PSA 6, PSA 7, PSA 8, & PSA 9. Observation related to boundary pole maintenance and land dispute potency.
- **HCV area block M009**. Observation related to HCV management.
- Harvesting activity block J 015 division 3. Interview related to work procedures, OHS and employment implementation.
- Loose fruit picker activity block K013. Interview related to work procedures, OHS and employment implementation.

Sesulung Estate.

- Well monitoring of land application block K46 Division 1 SSE. Observation related management of well
 monitoring especially ground water.
- Well monitoring resident area block M40 Division 2 SSE. Observation related management of well monitoring especially ground water.
- Land application Block K44 Division 1 SSE. Observation and interview related management of land application
 or liquid waste.
- Block S47 Division 4 SSE. Activies of loose fruit picker. Observation and interview related workers and others.
- **Riparian area field V001.** Observation dan interview related to riparian management.
- Boundary stones number 15 Block U 001 Division 4. Observation related management and maintenace of boundary stones.

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Proported by Mutuaging Lectori for Pendek Leby POM - PT Periousna Systems (Sime Perbed)



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- Boundary stones number 17 Block V44 Division 4. Observation related management and maintenace of boundary stones.
- **Harvesting, block L49, Division 1.** Field observation and interview with 3 harvest worker related to harvesting, worker welfare and OHS implementation.
- **Herbicide application immature plant area, block O41, Division 2.** Field observation and interview with 5 spraying related to herbicide spraying, worker welfare and OHS implementation.
- **Housing complex division 3**. Observation and interview related to availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, day care facilities and sports facilities.
- Barn Owl Box, block Q02, Division 3. Observation the Barn Owl Box is in active conditions.
- Area Replanting 2019, block Q02, Division 3. Field observation and interview with 3 worker related to Leguminose Cover Crop Plant, worker welfare and OHS implementation.

Binturung Estate.

- Housing area in division 3 & 4. Observation and interview related facilities, domestic waste and sanitations.
- **Daycare.** Observation and interview related facilities, sanitation and job workers.
- Resevoir Division 3. Observation related management of resevoir.

Stakeholder

- 1. Manpower Agency of Kotabaru District
- 2. Gender Committee of Pondok Labu Factory, Pondok Labu Estate and Sesulung Estate
- 3. Labor Unions of Pondok Labu Factory, Pondok Labu Estate and Sesulung Estate
- 4. Local contractors & Maintenance contractors and harvesting equipment suppliers (Banjarmasin)
- 5. Head of Pondok Labu & Binturung Village
- 6. Pondok Labu Village Traditional Institution, community leader & Plasma Member

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA- 1.3	Summary of stakeholder consultation process Consultation of stakeholders for PT. Paripurna Swakarsa was held by: • Public Notification on website www.mutucertification.com on January 17th, 2020 • Public consultation meeting with government institution on 4th February 2020 • Public consultation meeting with community including previous land owner Binturung Village on 4th February 2020 • Public consultation meeting with internal stakeholders and contractor on 4th February 2020 • Public consultation meeting with internal stakeholders and contractor on 4th February 2020 • Public consultation with email to NGO on 29 January 2020. Numbers of input from stakeholders were clarified by PT. Paripurna Swakarsa
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit ASA-1.4 will be conducted eight (8) month to twelve (12) month after date of annual license.

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3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Pondok Labu Factory – PT Paripurna Swakarsa, Sime Darby Plantation Berhad operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there were four (4) Nonconformities were assigned against Critical Compliance Indicators; four (4) nonconformities were assigned against Non-Critical Compliance Indicators and eight (8) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (document record/photographic/etc). Those corrective actions taken that consist of four (4) Nonconformities Critical Compliance Indicators and four (4) nonconformities Non-Critical Compliance Indicators had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Pondok Labu Factory – PT Paripurna Swakarsa, Sime Darby Plantation Bhd complied with the requirements of Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15th Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
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PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY

The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.

1.1.1.

There is a procedure for information and transparency (SOP No.012/PSA-INF/10 dated 20 February 2016) which explain the mechanism of communication and handling of complaint. Any requests for information from stakeholders are recorded on the logbooks of information request stored at Estate Office. The information request has been responded in accordance mechanisms established by the Company. It's declared either when interviews with government agencies, local communities and local contractors. The officer who responsible for handling request information is Human Resources Administrative Assistant. Records of requests and responses of stakeholder information is stored at Estate Office.

Based on interviews with government agencies, local communities, local contractors and internal stakeholder known that the company has responded to every information request as long as each request is submitted in accordance with the procedure and the requested type of information is publicly available information.

The procedure describes the types of document information that can or cannot be accessed generally, for example documents that can be accessed are UKL / UPL documents. SIA documents. CSR documents and GHG documents, etc. Procedures have been disseminated to relevant stakeholders and documents are stored in the Department of Sustainability and Certification and Plantation Plants.

Related to Non-conformity No.2019.01, based on document review, the company has send RKL/RPL report for semester II



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year 2019 on April 13, 2020 to the Environmental Agency of Kotabaru Regency and Kalimantan Selatan Province. Furthermore, based on field observations and review of labor documents are known that all workers have a work agreement with the company. Based on the explanation, non-conformity No. 2019.01 was declared fulfilled.

There are logbook books for incoming and response letters for each unit that informs the number, date, letter number, i, and information. The incoming letter is a type of request for assistance addressed to the company, such as: Letter from the Pondok Labu Village Organizing Committee number 07 / RT CUP 5-PL / VII / 2019 date on July 22nd, 2019

regarding the assistance of making futsal ball goalposts, net takraw poles and guardrail posts by the company on July 24, 2019 to approve the material will be given starting 1 week after the letter was received.

The company shows communication procedures with number 05 / PSA / Kom-SOP / 14 revision number 00 dated January 1, 2014. The scope includes internal or external communications relating to K3LL (Safety, Occupational Health and Environmental Protection) and RSPO.

Based on interviews with government agencies, local communities, local contractors and internal stakeholder known that the company has known related communication procedures.

1.1.5.

The company shows a list of stakeholders who inform their names, addresses & telephone / fax / email. For example, community leaders / groups of Binturung Village (6 people), North Pamukan Sub-district Head: Binturung Village Head & Chairman of the Binturung Village Consultative Body. Based on document review, Rampa Estate there are 37 stakeholders consisting National Land Office of Pekanbaru; Manpower Office; Environment Agency; Public Health; Rampa Cengal Village; Contractor building; and others.

Status: Comply

1.2

The unit of certification commits to ethical conduct in all business operations and transactions.

The company has a policy related to Code of Conduct numbering 440 / HRM-COC / 07 No Revisi.00 dated May 24, 2007. In general, the Code of Conduct explains that Minamas Plantations as a subsidiary is instructed to conduct business activities based on the principles of Good Governance. The entire operational environment of Minamas Plantations. Through this Code of Conduct, it is hoped that ethical behavior will be formed from all individual companies in their attitude and activities both within the company and outside the Minamas Plantations environment.

The company has a system to monitor compliance and the implementation of the policy and overall ethical business practice which has been conducted every once a year. The manager and team (PSQM Dept) were appointed as person in charge to manage the document compliance system regulations, evaluation of compliance and overall ethical business practice.

Based on Interviews with workers in Estate and Factory known that they know about the company policy to respect human rights and commitment to ethical behavior in all working operations. In addition, interview with contractor known that the policy has been socialized while contract is made.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

CH has complied with laws and regulations such as:

Worker welfare

Workers wages are in accordance with South Kalimantan Governor Regulation No. No. 188.44/0895/KUM/2019 concerning Regency Minimum Wages of Kotabaru Regency on 2020 dated November 21, 2019.

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The company has a Collective Labor Agreement for the period of 2016 - 2018. Based on the decision of the Head of the Manpower Agency of Kotabaru Regency, No 568 / KEP-1012 / HIPK / PDF.PKB / X1 / Naker-2/2016. Based on the decree, the period of validity of the Collective Labor Agreement is until November 1, 2018. The Collective Labor Agreement is still valid until 1 year before the new Collective Labor Agreement is ratified by the Manpower agency of renewing the new Company Regulation and during that time period, the Company Regulation still valid.

OSH

- Manpower Minister Regulation No. 9 of 2010 concerning transport and lifting equipment operators
- Manpower Minister Regulation No. 38 of 2016 concerning Occupational Safety and Health of power and roduction
- Agricultural Minister Regulation No. 11 of 2015 related ISPO.

Legal

There is no change until the ASA-1.1 assessment.

On the legal aspect, the company has complied to Permentan No.: 98/2013 and UU No 39 / 2014, shown by having plantation business permit namely decree of Kotabaru Regent No. 188/45/388/KUM/2009 dated 15 October 2009 covering palm oil plantation area of 16.011,97 ha and mill processing capacity of 60 ton/hour. As well as, the company has complied with agrarian act, shows by has obtained the HGU document for area of 14,892 Ha in 1997. Whereas for the other managed areas, re-measurements have been made in 2018. From the results of measurements made in 2018 (previous measurements were 1,119.97 ha in 2008), it was known that the area approved for HGU issuance was 984.2 ha. As for the area those who have issued HGU certificates covering 198.67 ha based on HGU certificate on June 19 2019, and the remaining 785.53 ha are still in process.

Best Management Practices

Based on the results of document review and field observations, it is known that certificate holders have complied with regulations related to best management practices, including:

- The certificate holder does not open and / or cultivate land by burning. This is in accordance with Law number 39 of 2014 concerning Plantations. Based on the results of document review and field observations on operational activities in Pondok Labu Estate (PLE), Sesulung Estate (SSE), Rampak Estate (RPE) and Binturung Estate (BNE) and as well as replanting and planting areas in 2019, no traces of burning were found during land clearing and no burning activities in replanting activities.
- Use pesticides that have been registered with valid permits. Based on field observation in chemical storage and spraying activities and document review, it is known that the certificate holder has used the pesticide which registered in Komisi Pestisida. This is in accordance with Regulation of the Minister of Agriculture number 39 of 2015 concerning Pesticide Registration.

2.1.2

The certificate holder has a documented system to ensure legal compliance listed in the Legal Requirements Procedure, dated on May 1, 2017. The procedures include explaining that regulations can be obtained and updated by contacting government and non-government agencies to ensure that the latest regulations apply, including international, national and local and actively visit related websites. For third parties (contractors), to ensure legal compliance is stipulated in the Contractor's Work Regulations Procedure, February 28, 2019, which among others explains that all contractor employees must follow all OHS regulations applicable in the company, must pay workers' wages in accordance with applicable provisions, is required to register all workers with the social security program (BPJS Employment). In addition, the management unit also monitors the number of contractors, the list of names of contractor workers, the validity period of the employment agreement, legal entity status, social security and wages of contractor workers, and special licenses for work that require these requirements.

Based on these procedures, those responsible for identifying new regulations are the Unit Manager and the EHS manager. The company has the opportunity to ensure the mechanism for updating the latest law to the contractor (OFI).

2.1.3

The company has a map that showing the location of the boundary poles in each estate. The company has also monitored HGU boundary pole in 2019 by showing the results of monitoring, in accordance with the HGU Pole Maintenance SOP (PM



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3001) on 10 January 2010. The results of field observations on the boundary pole for example No. PSA 5, PSA 6, PSA 7, PSA 16, PSA 17 are found and that the condition of the boundary poles are well maintained.

Status: Comply

2.2

All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.

2.2.1

The company has a list of contractors / third parties who work with PT PSA. The list informs the manager's name, CV / PT third party name, address and job description. The list of contractors in each unit, as follows:

Sesulung Estate: 9 contractors Binturung Estate: 19 contractors Rantau Estate: 15 contractors Pondok labu Estate: 7 contractors

The contractors which work with unit certification for activities such as: EFB transportation, heavy equipment, road hardening, maintenance and others. The unit of certifications can presented all agreement with the contractor.

2.2.2

Based on the verification of all work agreements with the contractor, not all work agreements have their own clauses regarding compliance with applicable legal compliance. From a number of sampling, only agreement for replanting activities have clauses for compliance with regulations.

NC 2020.01

The company has a list of contractors in each unit and has been shown to the auditor team. The results of the document verification of the work agreement with the contractor, for example CV Karya Intan Berkah and Lahamuddin stated that "the second party / contractor is obliged to quarantee the welfare of employees in accordance with applicable laws and regulations including BPJS labor and health". In addition, to ensure compliance with regulations by the contractor, the company has SOP for Contractor's Work Regulation No. document 001 / SOP-PKK / II / 2019 dated February 28, 2019. In the procedure it is explained that the contractor is required to fulfill work requirements including:

- Must provide and use PPE
- Must register workers with BPJS Employment, at least death and work accident insurance
- Obliged to pay workers' wages in accordance with applicable regulations

The procedure also explained that the management unit would monitor the number of contractors, the list of contractor workers' names, the validity period of agreement, legal entity status, BPJS, contractor worker wages and licenses (SIM / SIO). In this regard, the company shows a contractor monitoring form that informs the name of the agreement holder, the agreement, the validity period of the agreement, the name of the employee, and the type of work. The company also showed evidence of payment of BPJS employment for PT Multi Makmur Mandiri, BPJS employment and wage lists for Bumdes Bintang Timur.

However, there is not enough evidence yet that all contracts have their own clauses regarding the fulfillment of applicable legal obligations, and evidence of their implementation has been demonstrated by a third party. In addition, the company also has not yet demonstrated monitoring the fulfillment of legal obligations for all contractors in accordance with their procedures.

2.2.3

Based on the verification of work agreements with the contractor, for example the Work Agreement for replanting activities No. 006 / replanting / PSA / VI / 2018 dated June 29, 2018, with a validity period December 31, 2021 has explained not to employ workers underage. In addition, the work agreement with other contractors has also explained the age limit of workers which is 18 years.



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Ensure clauses in compliance with regulations such as prohibition of child labor, forced labor, human trafficking and others in all agreement with third parties (OFI).

2.2.2 Status: NC no. 2020.01 wih non-critical category

2.3

All FFB supplies from outside the unit of certification are from legal sources.

2.3.1 and 2.3.3

The results of verification of documents such as weigh tickets, letters of introduction to fruit (SPB), basic info and interviews with weighing operators are known that FFBs that enter the PLF are sourced from own estates (BTE, PLE, SSE, RTE) and scheme smallholders (KKPA Sungai Cengal-LMR). The scheme smallholders have obtained RSPO certification which is included in the scope of PT LMI - Rantau POM (Certificate No. MUTU-RSPO / 009).

Status: Comply

PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY, POSITIVE IMPACTS AND RESILIENCE

3.1

There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.

3.1.1

The certificate holder shows the projected production in 2020 until 2024 which explains the projected needs of seeds, FFB production, OER projections, the estimated cost of production, CPO price forecasts and expected profits, replanting program and CPO production projections for the next 5 years. Management conducts evaluations every month towards achieving the targets set, for example through the estate and mill monthly report documents.

The certificate holder also shows the financial account audit report carried out by the Public Accountant Office for the period 30 June 2018. Based on the opinion of the audit results stating that the financial statements, position and performance of PT Paripurna Swakarsa until 30 June 2018 are presented fairly and in accordance with financial accounting standards Indonesia.

3.1.2

The certificate holder has an annual program for replanting projected for the next five years, some of which is explained as follows:

- Binturung Estate namely 2019/2020 covering 241 ha, 2020/2021 covering 164 ha, 2021/2022 covering 219 ha, 2022/2023 covering 199 ha and 2023/2024 covering 207 ha.
- Pondok Labu Estate, namely the 2019 program covering 177.65 ha, 2020 covering 223.64 ha, 2021 covering 185.28 ha, 2022 covering 172.94 ha and 2023 covering 181.93 ha.

The certificate holder also conducts documentation and monitoring that is carried out annually, as stated in the PLE Manager Report December 2019 document, in the Brief Review section on replanting areas, it is known that the total replanting area to date is 556.97 ha and the replanting completion is in accordance with schedule.

3.1.3

Each management unit has conducted a management review that is routinely conducted every month and documented in the Manager Report. For example, Sesulung Estate for the December 2019 period reviews the major points of recapitalization of plantation costs, capital expenditures, running accounts, area statement, man power, crop production, fertilizing management, Replanting, Stock Management, emplacement management, Social / Security Management and Environmental Management.

Status: Comply

3.2

The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.

3.2.1

Internal Audit

The RSPO Internal Audit was conducted on 2 to 6 January 2020, there were 10 discrepancies that were found and were fulfilled on 15-16 January 2020.

The certificate holder has conducted a management review on January 13, 2020 with discussions on internal audit, customer / stakeholder complaints, Pondok Labu Factory product and process performance, status of improvement and compliance

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with non-conformities during the audit, follow-up from previous management reviews, system influences and changes, recommendations correction, replanting, environmental, health and social management.

The document also explains the evaluation and follow-up to the agenda mentioned above.

3.2.2

The RSPO metrics template is not yet available.

Status: Comply

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The certificate holder has a documented procedure for the mill and estates. The plantation procedure starts from the plant material procedure, then the technique of nursery, fertilization, weed control, integrated pest management to harvesting and its transport is stated in the document of Standard Operating Procedure (SOP) of *Referensi Manual Agronomi Penanaman Kelapa Sawit*, document number 110 / EST-ARM / 13, September 2013 signed by the Head of Upstream Plantation Indonesia. This document has been distributed on September 16, 2013 to all estates and mill unit leaders. The certificate holder also has procedures for the process of receiving fresh fruit bunches to send the CPO and kernels listed in the *Pedoman Teknik Pabrik Kelapa Sawit* of the Part I and II palm oil mills Minamas Plantation dated April 30, 2007.

Generally, operational procedures have been socialized to all employees in accordance with their respective fields of work. Based on field observations at Pondok Labu Estate and Sesulung Estate on harvesting and pesticide application activity found that employees can show how to work in accordance with existing procedures, such as harvest workers can explain the criteria of the harvest and spray workers can explain the workings of the start preparation until finish of work.

3.3.2

The certificate holder routinely conducts activities of inspection or monitoring of activities in accordance with the operating procedures carried out by direct supervisors of the workers, for example the foreman, foreman I, assistant, senior assistant, manager and so on. In addition, there are also several routine corporate internal monitoring activities every 6 months or at least once a year. Officers who carry out audits and evaluations have competencies as determined by the certificate holders carried out by Plantation Advisory, Mill Advisory and Plantation Services Quality Management, for example in November 2019 and Januari 2020 conducted in Sesulung Estate.

3.3.3

The certificate holder has and shows the results of the monitoring and evaluation activities and their follow-up. Internal monitoring and monitoring records of Plantation Advisory, Mill Advisory and Plantation Services Quality Management are in the unit office, for example, briefly described in the monitoring activities of the following 2019 & 2020 period:

- SSE Fertilizing Quality Assessment Record document, dated November 13, 2019 in Division 4 Field T.003, conducted by the fertilizer foreman for fertilizing activities with RP dosage types of 3 kg / tree.
- SSE Spraying Quality Assessment Record document, dated January 21, 2020 in Division 2 Field O.005, block O45 conducted by the spray foreman for spray activities.

Based on the results of interviews with management, field observations and interviews with contractors, it is known that the internal control carried out by the company regarding the performance of contractors towards the implementation of SOPs is carried out by direct field inspection by foreman, foreman I and assistant. For example, for a local contractor for loose fruit picker and planting of palm seedlings (CV Karya Intan Berkah), a field inspection is carried out related to the completeness of PPE, administrative completeness and so on, as well as FFB transport contractor and CPO transporter contractor.

Status: Comply

3.4

A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.

3.4.1.

There are no changes to environmental documents. The Company had environmental documents that has been include all area and activities, as follows:

Environmental Impact Assessment document (EIA) of Oil Palm Plantations and Plantations on behalf of PT. INDOAGRI



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INTIPLANTATION (PT Laguna Mandiri, PT Langgeng Muara Makmur, PT Paripurna Swakarsa and PT Swadaya Andika) Year 1994. The scope of acreage for PT. Paripurna Swakarsa plenary of 22,800 Ha (Survey Result of Land Inspection B No. 04 / RIS-HGU / 1991 dated August 21, 1991) with the capacity of oil palm processing factory installed 60 tons of FFB / hr.

• Environment Management Plan, Environment Monitoring Plan Oil Palm Plantation and Palm Oil Factory PT. Paripurna Swakarsa North Pamukan and Pamukan Selatan, Kab. Kotabaru, Kalimantan Selatan 1994.

The EIA has been include all area and acitivies as much as 22,800 ha.

Based on interview with Head of Binturung Village, Head of Pondok Labu Village, Pondok Labu Village Traditional Institution, Community Leader of Pondok Labu Village, Village Secretary of Pondok Labu Village and Plasma Member there is no negatif social impact affect to villagers and social impact has been identified by company by interview and questionnaire.

3.4.2 & 3.4.3.

Based on the report on the implementation of the second semester of RKL-RPL in 2019, the company has conducted environmental management with aspects that are managed and monitored consist of:

- Air quality (emissions, ambient, noise, vibration and odor)
- Physical and Chemical Properties of Soil
- The rate of erosion and sedimentation
- Flood Hazard Potential (including water management)
- Physical and Chemical Quality of Water (including liquid waste, solid waste and B3 waste)
- Vegetation and Wildlife (including HCVs, Fire potential)
- Absorption of Labor
- Increased Income and Employees
- Farming Patterns (KKPA Sungai Cengal Area).

There is no non-conformane related environmental monitoring. The environmental aspect has been conducting by the company and accordance with matrix RKL/RPL.

The Company showed a management plan and social impact monitoring in 2020 that informs the type of program, program objectives and months include:

- Health care for poor people around the company.
- To disseminate and introduction and cultivation of oil palm plantation industry to students at school.
- Basic food assistance for poor people and meat donations during the Eid al-Adha.

Unit management has social questionnaire is available was carried out in September 2018 consisting of the Estate Gender Committee, estate labor unions, local contractors. Based on data from monitoring social impact PT PSA dated September 17, 2018 from 69.57 % (Villagers around the unit management) that the existence of the plantation greatly help the economy and welfare of society. In addition, the community believes that 77% of the existence of companies can open work opportunities and 72% believes that the existence of plantations can open up business opportunities in the form of contract work that the community can do.

Non-Conformance Description & Evidence observed:

- The company shows a report on the implementation of RKL / RPL Semester I & II 2019 with the parameters monitored, including:
 - Air quality (emissions, ambient, noise, vibration and odor)
 - Physical and Chemical Properties of Soil
 - The rate of erosion and sedimentation
 - Flood Hazard Potential (including water management)
 - Physical and Chemical Quality of Water (including liquid waste, solid waste and B3 waste)
 - Vegetation and Wildlife (including HCVs, Fire potential)
 - Absorption of Labor
 - Increased Income and Employees



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- Farming Patterns (KKPA Sungai Cengal Area).
- There are Evaluation of trends, critical points and compliance.

However, based on *RKL / RPL* implementation documents, it is known that the evaluation of trends has not been compared to environmental parameters for semester I & II 2019 and the evaluation of critical points in accordance with *KepmenLH* No.45 of 2005 regarding guidelines for preparing *RKL / RPL* implementation reports. Its become **Non-conformance No.2020.02 with Critical Category.**

3.4.3 Status: Non-conformance No.2020.02 with Critical Category.

3.5

A system for managing human resources is in place.

Certificate holder already managing human resource in form of management procedure related to human resources, such as:

- Management of Sustainable Plantation Guidelines No 724/TQEM-SPMS/09 which stated All Staff / Employees must be treated fairly in recruitment, progress, conditions and job descriptions, regardless of race, degree, ethnicity, gender, color, imperfection (disability), sexual orientation, organizational membership, political views, religion and age.
- Human Rights Policy, signed by SOU, June 2015. The CH is committed to protecting the human rights of all staff and employees as well as female workers including the right to life, right to have a family and continue the descent, the right to develop themselves, the right to justice, the right to personal liberty, the right to safe, the right on welfare, the right to participate in government, women's rights, children's rights.
- Collective Labor Agreement has been registered in Manpower Agency according to the Decree no. 568/KEP-1012/HIPK/PDF.PKB/X1/Naker-2/2016 on November, 1 2016, valid for two years since it was ratified by the Manpower Agency. This Company Regulation can be extended for a period of 1 year for the purpose of renewing the new CLA and during that time period, the CLA still valid.

In addition, the company shows evidence that employment procedures are well managed and stored, for example:

- The company keeps work contracts for each employee in each unit, for example the latest contract for employees who are accepted to work as PKWT on 1 August 2019 (SPK-No.016) with NIK 0000127427 and on 1 July 2019 (SPK-No 013) with NIK 0000127434.
- The company has a record of overtime work lists for each worker who gets overtime each month, for example: Employees with NIK127432 get overtime 125.5 hours in January 2020.
- The company has a January 2020 salary list for each employee. For example: Employees with NIK 14463 get a wage of Rp 3,11,408 and Employees with NIK 94121 get a wage of Rp 3,061,398
- The company maintains the latest employee registration documents (February 2020 period) for each unit which informs employee profiles such as: place of birth, origin, level of education, date of work entry, family status, class, position and sterility and type of work.
- The company has a recording of promotion of class for workers who have performed, for example the "SKU Promotion Template PT PSA Period 2020" document submitted by the manager of each company unit. In the list there are 428 employees from various types of work (e.g. harvesters, foremen, clerks, and operators).

Based on objective evidences above, the company have a system for managing human resources.

In addition, based on interview with several workers, they know about above procedure, like: evaluation, promotion, mutation, even layoffs. Auditor did not see any discrimination issues on company operational area. All workers have been treated fairly and have the same rights. For examples: harvester and boiler operators got a same facility like house and PPE.

Status: Comply

3.6

An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.

CH has undertaken an analysis and identification of the hazards and risks that may arise from the operations of the Mill and Estate. CH can demonstrate hazard identification risk assessment and control (HIRAC) documents Estate and Mill, among others, informing the type of work, hazard, risk, risk level, risk control, risk level after control and PIC.

Based on field observation, hazard identification risk assessment and control (HIRAC) documents has been implemented



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adequately and appropriate in estate and mill. For examples: operator uses ear muff, harvester uses helmet and loader uses safety shoes.

The company carries out activities to monitor the effectiveness of the OSH plan such as:

- Regular monthly meetings for each P2K3 in each unit in the context of the effectiveness of the OSH plan that has been prepared in the beginning of the year.
- MCU inspection activities every year, which for the period 2020 is carried out on January 9, 2020.
- The company simulates land fires per semester
- Hold a First Aid Kit Simulation every three months.
- Examination of fire extinguishers every month in preparation for the existence of hotspots in each unit.
- Providing PPE and its replacements to all employees for free.

However, the company has conducted regular health check-up activities for employees working in high-risk areas on 9 January 2019, as many as 53 employees of Pondok Labu Factory. However, from the record, there was no evidence of periodic health checks for 4 sterilizer operators, 1 press operator, and 1 boiler operator. This was also confirmed by the results of interviews in the field (PLF), that workers admitted not to have periodic health checks.

Based on the explanation, there is not enough evidence that all employees who work in high risk areas are in good health and ready to work. **NCR. 2020.03.**

3.6.2 | Status: Non-conformance NC.2020.03 with critical category

3.7

All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.

The certificate holder has list of worker status. The certificate holder has also list of training program and realization for 2019 which include: best management practices (spraying, harvesting, fertilizer, pest and disease), first aid kit, land fire management, HCV, Gender Committee, MSDS, OHS & Town Hall and environment emergency response. The program was based on identification needs. In addition, the training program for contractors include OHS, HIRA, safe working attitude, driving discipline, and use of PPE.

The company also shows realization of training records, including:

- First Aid Training in Accidents at Pondok Labu Estate on July 13, 2019 which was attended by 21 Employees.
- Fire Extinguisher Simulation at Pondok Labu Estate on July 6, 2019 which was attended by 19 people.
- PPE socialization at Rampa Estate on February 13, 2019, which was attended by 78 people.
- The Fire Team Training at Rampa Estate on October 12, 2019 was attended by 15 people.
- Integrated Pest Control & Safety Refresh Training on November 13, 2018 at Binturung Estate.
- First Aid Kit Training & Socialization at Binturung Estate on June 11, 2019.

a couple training has been attended by contractor members, for example on document verification of PPE Socialization at Rampa Estate on February 13, 2020 has been attended by 3 contractor members (based on the attendance document there is a member signature).

Based on interview with workers on each unit (harvester, operators and spraying team) explained that they already had training from company.

3.7.3

Certification unit has shown Training Identification Matrix Document No. document 01/PLF.MIP/2020 revisin 00 effective date 2 Jannuary 2020 that including SCCS identification Training. Related to the identification training, certification unit has arrange Training Program in 2020. Certification unit has shown SCCS training realization on January 30, 2020 which attended by 14 participants.

The results of interviews with the weighbridge operators and security (FFB reception) revealed that the PIC had known the sources of FFB received by Pondok Labu POM, that sourced from own estates and scheme smallholders. The scheme smallholders have obtained RSPO certification which is included in the scope of PT LMI - Rantau POM (Certificate No. MUTU-RSPO / 009).

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Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1; 3.8.2; 3.8.15

The results of verification of documents such as weigh tickets, letters of introduction to fruit (SPB), basic info and interviews with weighing operators are known that FFBs that enter the PLF are sourced from own estates (BTE, PLE, SSE, RTE) and scheme smallholders (KKPA Sungai Cengal-LMR). The scheme smallholders has obtained RSPO certification which is included in the scope of PT LMI - Rantau POM (Certificate No. MUTU-RSPO / 009).

3.8.3

Company has been set the estimated certified products that will be produced by PT PSA – Pondok Labu POM, for one year

license period are:

	Previous Certificate Claim (tons/year) 16 March 2019 - 15 March 2020	Last year actual certified product (tons/year) from 1 February 2019 – 31 January 2020	Estimation for the next 12 months
FFB process	225,220	191,680.76	187,815
CSPO production	47,296	41,873.40	41.319
CSPK production	11,261	10,171.31	9,391

3.8.4

The mill has meet the requirement regarding to the reporting of its supply chain, as it has been registered as RSPO member and on RSPO IT Platform:

Sub License ID CB87049

Member Name Sime Darby Plantation - Pondok Labu POM, PT PSA

Member ID RSPO_PO1000000327

RSPO Membership Number 1-0008-04-000-00 (Sime Darby Plantation Berhad)

Issued On 20/06/2019

Issued By PT Mutuagung Lestari

Status Active

In the last 1 year (1 February 2019 – 31 January 2020), known as much as 40,840.89 MT CSPO sold as RSPO certified and 10,011.2 MT CSPK sold as RSPO certified. In addition, buyer for CSPO i.e PT GHN, buyer for CSPK i.e PT LMI (KCP) For example :

Transaction date	Transaction ID	Product	Model	Volume
30-12-2019	TR-dbf8db2f-0076	CSPO	IP	1,504.99
30-12-2019	TR-3c91f05e-459d	CSPO	IP	804.43
30-12-2019	TR-d56278cb-71bc	CSPO	IP	1,258
30-12-2019	TR-90be95e0-51c0	CSPO	IP	1,514.93
30-12-2019	TR-11af5ec8-47a7	CSPO	IP	609.31
4-12-2019	TR-641f72c7-7b94	CSPK	SG	973.67
4-12-2019	TR-59246e45-5834	CSPK	SG	17.25

3.8.5

Pondok Labu Factory has had procedure for SCCS with IP model in reff no. SCCS-Std/RSPO/PSQM/02 rev01 dated on 02 January 2018 which described the duties and responsibilities of each part; the identification of raw materials and products; and performs supply chain system. The procedures has explained related to the duties and responsibilities of each part. For example, Mill Manager are responsible to monitor the implementation of the procedure, department of PSQM are responsible to conduct internal audit for SCCS and the Marketing Dept are responsible to validate the supplier/buyer and



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reporting/announce all the transaction to RSPO IT Platform.

The results of interviews with the weighbridge operators and security (FFB reception) revealed that the PIC had known the sources of FFB received by Pondok Labu POM, that sourced from own estates and scheme smallholders. The scheme smallholders has obtained RSPO certification which is included in the scope of PT LMI - Rantau POM (Certificate No. MUTU-RSPO / 009)

3.8.6

In the procedure of SCCS No. SCCS-Std/RSPO/PSQM/02 clause of 4.2.3 mentioned that internal audit for SCCS are done one a year (two months before external audit), audit conducted by Dept of PSQM. Based on result of internal audit that conduct on January 6, 2020 known that there were 3 NC raised. Company has shown the action plan and status NC have been closed on January 20, 2020. The NC also have been reviewed in the management review. Based on record of Management review that conduct on January 2020, there were 7 poin that discussed by management including action plan of the internal audit NC.

3.8.7 The mill has a record amount of FFB tonnage (all Pondok Labu supply bases are RSPO certified), as follows:

		FFB (MT)	
Month	Own Estate	Other Source (Scheme smallholders)	Total
February 2019	11,829.07	360.33	12,189.40
March 2019	10,204.37	445.83	10,650.20
April 2019	8,540.64	412.23	8,952.87
May 2019	9,765.64	606.71	10,372.35
June 2019	12,239.49	612.94	12,852.43
July 2019	17,500.	1,142.03	18,642.03
August 2019	20,068.03	992.25	21,060.28
September 2019	19,324.93	848.88	20,173.81
October 2019	20,754.24	1,168.67	21,922.91
November 2019	18,296.85	1,023.88	19,320.73
December 2019	17,620.80	945.80	18,566.60
January 2020	16,200.85	776.30	16,977.15
Total	182,344.91	9,335.85	191,680.76

The company shows data of FFB processed, CSPO production, and CSPK production during 1 last year, as follows:

Certified Products	Last Year Projection 16 March 2019 – 15 March 2020 (MT)	Last year actual certified product (tons/year) from 1 February – 31 January 2020
FFB Process	225,220	191,680.76
CPO Production	47,296	41,873.40
PK Production	11,261	10,171.31

The mill does not buy products from outsider, however in the SOP of SCCS has been explained that if there are non-conformance on products or documents, verification will be carried out by the mill manager and Marketing Dept in Jakarta Office, if the document or product quality is not suitable it will be returned to the supplier.

3.8.8

The company shows documentation of certified products, such as sales contracts, shipping announcements, delivery orders, etc. These documents describe the names and contacts of the buyers and sellers, delivery dates, product descriptions, quality, quantity, member ID, and others. Example: Sales contract No. 00527/PSA/KTR-MKS/LOK/X/2019 for CPO, delivery order No. 00589/00527/10/19/L-PSA-MKS, delivery period on October 2019 as much as 1,000 ton, name and address of



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buyer, and stamped of RSPO Certified segregation.

3.8.9; 3.8.10; 3.8.11

The company has a list of palm oil product transportation contractor that informs the name of the contractor, owner, address, agreement number and agreement validity period. There are 6 contractors / transporters in PT PSA, including:

- CV Mitra Utama Sejalan
- Koperasi Serumpun Jaya
- CV cahaya suci
- UD Budi Sepakat
- CV Sesulung Putra
- Bumdes Binturung.

For example, agreement for transporting kernels to KCP Rantau (Koperasi Serumpun Jaya) No. SPK 022 / Jasa Pengangkutan / PSA-PLF / V / 2019-Lokal dated 1 May 2019 and valid until 30 April 2020. In each agreement has been stated that the third-party facilities hired are ready to be visited and inspected by the auditor at any time if needed. Koperasi Serumpun Jaya and Bumdes Binturung are new contractos after previous assessment (the contractors could not be contacted and was unable to attend).

The results of interviews with weighbridge officers explained that to ensure that no contamination occurs during shipment, the transport trucks must be sealed in advance.

3.8.12

Pondok Labu POM has recorded the entire RSPO Certified FFB which enter the mill and deliveries of RSPO certified product (CPO and PK) as follows:

FFBs received

Month	FFB (MT)		
	RSPO Certified	Non Certified	Total
Feb 2019 to Jan 2020	191,680.76	-	191,680.76

CSPO produce and sales

Month	CSPO (MT)		
	CSPO Produce	CSPO Sales	Sold as Conventional
Feb 2019 to Jan 2020	41,873.40	40,840.89	-

CSPK produce and sales

Month	CSPK (MT)		
	CSPK Produce	CSPK sales	Sold as Conventional
Feb 2019 to Jan 2020	10,171.31	10,011.20	

The results of field observations at weighbridge and document review, known that documents related to SCCS are kept for a minimum of 2 years. The company has also shown an example of a weigh ticket on February 2018.

3.8.13; 3.8.14;

The audit are conducted to palm oil mill which is convert FFB to crude palm oil and palm kernel. The mill has been defined the conversion factors of CPO and PK are based on actual extraction

3.8.16

The mill has meet the requirement regarding to the reporting of its supply chain, as it has been registered as RSPO member and on RSPO IT Platform:

Sub License ID CB87049

Member Name Sime Darby Plantation - Pondok Labu POM, PT PSA

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Member ID RSPO PO1000000327

RSPO Membership Number 1-0008-04-000-00 (Sime Darby Plantation Berhad)

Issued On 20/06/2019

Issued By PT Mutuagung Lestari

Status Active

During the license period (16 March 2019 – January 2020), known as much as 26 transactions of announcement of CSPO and 13 transactions of announcement of CSPK has been confirmed through RSPO IT Platform. Total sold of CSPO amount of 28.562,39 MT and CSPK amount of 8.331,45 MT. buyer for CSPO i.e PT GHN, buyer for CSPK i.e PT LMI (KCP) For example :

Transaction date	Transaction ID	Product	Model	Volume
30-12-2019	TR-dbf8db2f-0076	CSP0	IP	1.504,99
30-12-2019	TR-3c91f05e-459d	CSP0	IP	804,43
30-12-2019	TR-d56278cb-71bc	CSP0	IP	1.258
30-12-2019	TR-90be95e0-51c0	CSP0	IP	1.514,93
30-12-2019	TR-11af5ec8-47a7	CSP0	IP	609,31
4-12-2019	TR-641f72c7-7b94	CSPK	SG	973,67
4-12-2019	TR-59246e45-5834	CSPK	SG	17,25

During the license there is no CSPO and CSPK sales under other scheme (mill not applied other scheme such as ISCC), and no sales under conventional. From shipping announcement verification, known that shipping announcement carried out not more than 3 month after dispatch. For example Shipping announcement of CSPK as much as 17.25 MT, with shipping date on 30 November 2019 and confirmation date on 19 December 2019.

3.8.17

The site make claims regarding the sell of RSPO certified oil palm products only and has followed the RSPO Rules on Market Communications and Claims. Based on transaction report documents, all CSPO are claims as IP and CSPK are claims as SG.

Status: Comply

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS

4.1

The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.

4.1.1

The Human Rights (HAM) Policy made in June 2015 was endorsed by the Chairman of SOU. In the human rights policy explained that PT. PSA, which is a member of the Minamas Plantation Group, is committed to protecting the human rights of all staff and employees as well as employees including: The right to life, the right to have a family and to continue descendants, the right to develop themselves, the right to justice, the right to personal freedom, the right to security, the right on welfare, the right to participate in governance, women's rights, children's rights.

The results of interviews with workers and contractors revealed that workers understood the human rights policy. In addition, the results of interviews with stakeholders revealed that no human rights violations had occurred in the PT PSA area.

4.1.2

PT PSA already has a Policy on the Prohibition of Use of Paramilitaries in the company's operations, according to a letter from the Chairman of SOU 11 Pondok Labu to all PT PSA managers and staff on 1 December 2015. This letter explains:

- In carrying out operational activities, the company is guided by the laws and regulations in force in the Republic of Indonesia.
- Handling of conflicts that occur between the company and other parties is settled with the provisions of the company and does not use the services of paramilitaries in relation to the resolution of the conflict.

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Proported by Mutuaging Lecturi for Pendek Leby POM - PT Periousna Systems (Sime Perby Plantation Perby)



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The results of interviews with representatives of Binturung Village, Scheme smallholders and the Dayak Customary Institution revealed that the company did not use paramilitaries in the company's operational area.

Status: Comply

4.2

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

CH has a SOP for Complaints Handling Mechanism for All Parties and the Community No.077 / LMI-Stkhldr.ADM / 2012) Rev. 01 which was approved on October 8, 2015. In chapter V point 5.5 of the procedure states that "the company guarantees the security and confidentiality of the whistleblower" and also attached a flow chart of the mechanism for handling complaints by all parties (stakeholders). Also, if the complaint if the complaint is not resolved for both parties, there's a process for complaints to be brought to the RSPO complaint system. The PIC responsible for receiving complaints based on the SOP are assistant, senior assistant and Administration Head.

The results of interviews with the related agencies such as Labor Agency, Environment Agency and Village Heads / Community figure of Binturung Village were conveyed that the parties understood the complaint mechanism.

From the results of interviews with employees in Rampa Estate and Sesulung emplacement, it was conveyed that workers had submitted complaints related to housing to the company. From the results of the interview, it was conveyed that the response and realization of the complaint had not been realized.

The company shows records of complaints contained in the Complaints Logbook, for example in the Rampa Estate Complaints Monitoring and Complaints Monitoring Book (Period 2019/2020). As for complaints / complaints such as damaged house walls, broken toilet etc. However, the document only informs the status of the resolution of complaints such as "not yet repaired" or "already repaired", and no further evidence of progress has been submitted to the submitting party. The responses / actions contained in the document also do not explain when the complaint was responded to.

Related to this, there is not enough evidence that the certification unit is trying to keep the parties in the complaint case kept informed of the progress of the case. **NCR No. 2020.04.**

4.2.3 Status: Status: Non-conformance No. 2020.04 with non-critical category

4.3

The unit of certification contributes to local sustainable development as agreed by local communities.

4.3.1

The company shows the CSR program and realization in 2019. The CSR program is based on proposals submitted by surrounding villages. Examples of CSR realization such as:

- Binturung Village road repair that have been realized on 30 March 2019
- Repairing the Sengayam access Rurai Village bridge, which was realized on March 31, 2019
- Support for operational costs for school teachers on January March 2019 which will be realized on March 30, 2019
- Rice assistance for the elderly on March 30, 2019
- Madrasah teacher honorarium assistance on 30 March 2019
- Honorarium assistance and Pondok Labu village assistance on May 27, 2019
- Aid for gasoline and tools for irrigation in the Pondok Labu village on 30 November 2019
- Etc

The results of interviews with representatives of the Binturung Village, scheme smallholders and the Dayak Customary Institution stated that the company had realized the CSR program to the surrounding community.

Status: Comply

4.4

Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their FPIC.

4.4.1

There has been no change in the total area managed by the company since the previous surveillance, which amounted to 15,876.2 Ha. The area of 14,892 hectares already has ownership documents based on HGU Certificate No. 14 of 1997, which is valid for 35 years until 22 November 2032.



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Whereas for the other managed areas, re-measurements have been made in 2018. From the results of measurements made in 2018 (previous measurements were 1,119.97 ha in 2008), it was known that the area approved for HGU issuance was 984.2 ha. As for the area those who have issued HGU certificates covering 198.67 ha based on HGU certificate on June 19 2019, and the remaining 785.53 ha are still in process.

4.4.2; 4.4.3; 4.4.4; 4.4.5; 4.4.6

There is no change / new development in the area of PT PSA. The land compensation process was carried out and completed in 2008. The land granted for the PT PSA location permit originates from a convertible production forest area (HPK) according to the 1982 Forest Use Agreement. The company has obtained a permit to release the forest area from the Minister of Forestry through Decree of the Minister of Forestry number 523 / KPTS-II / 1994 dated November 16, 1994 for an area of 21,744 ha.

The results of interviews with KKPA members who are also one of the landowners who were compensated, stated that the PT PSA area had been compensated by the company in accordance with the agreement. During surveillance 1.2 interviews with community representatives in Pondok Labu Village also stated that there were no customary rights in the company's operational area. He added that during the compensation process for growth-crops in the community arable land was carried out by the company with a mechanism of non-coercive negotiation, joint measurement, pricing negotiations involving relevant agencies and payment to the direct owner and/or group representatives.

The company has an land acquisition of occupation Procedure, document number 343 / PSD-OKUP / 11 issued on February 23, 2012. In the procedure described for each land accupation, survey will be conducted and discussed at the land committee to decide whether to be acquired or not, the land acquisition process is carried out by means of socialization , negotiations and payment of compensation are carried out according to the agreed price.

Status: Comply

45

No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.

4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.5; 4.5.6; 4.5.7; 4.5.8

There has been no new development and planting by PT PSA since the previous surveillance. The land compensation process has been completed with a map signed by the village and the land owner. The land compensation process was carried out from 1995 - 2008.

Status: Comply

4.6

Any negotiations concerning compensation for loss of legal, customary or user 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.

4.6.1; 4.6.2; 4.6.4

The company has a procedure for identifying and compensation for legal and traditional rights in the form of SOP Identification and Standards of Land Compensation (001 / PSD-L & AS) dated June 3, 2011 compiled by PSD with reference to the land compensation standards issued by Kotabaru Regency Government.

Verification results of document and stakeholder consultation, known that there is no change / new development in the area of PT PSA. The land compensation process was carried out and completed in 2008. The land granted for the PT PSA location permit originates from a convertible production forest area (HPK) according to the 1982 Forest Use Agreement. The company has obtained a permit to release the forest area from the Minister of Forestry through Decree of the Minister of Forestry number 523 / KPTS-II / 1994 dated November 16, 1994 for an area of 21,744 ha.

The results of interviews with KKPA members who are also one of the landowners who were compensated, stated that the PT PSA area had been compensated by the company in accordance with the agreement. During surveillance 1.2 interviews with community representatives in Pondok Labu Village also stated that there were no customary rights in the company's

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operational area. He added that during the compensation process for growth-crops in the community arable land was carried out by the company with a mechanism of non-coercive negotiation, joint measurement, pricing negotiations involving relevant agencies and payment to the direct owner and/or group representatives.

4.6.3

The company has a joint plasma development program in the Sungai Cengal region which is managed specifically by the Sungai Cengal Plasma Management (conducted by holding / group). Based on verification of the document on the *Penetapan Calon peserta program revitalisasi perkebunan komoditi kelapa sawit dengan mitra (KKPA sungai Cengal)* in accordance with Regent Decree No. 188.45 / 44BB / KUM in 2008 dated November 27, 2008, it was also known that there were also female plasma farmer participants. For example initials RD, TH, IF etc. The results of interviews with KKPA members also conveyed that KKPA also had female members.

Status: Comply

4.7

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 FPIC and negotiated agreements.

4.7.1; 4.7.2;

There is no change / new development in the area of PT PSA. The land compensation process was carried out and completed in 2008. The land granted for the PT PSA location permit originates from a convertible production forest area (HPK) according to the 1982 Forest Use Agreement. The company has obtained a permit to release the forest area from the Minister of Forestry through Decree of the Minister of Forestry number 523 / KPTS-II / 1994 dated November 16, 1994 for an area of 21,744 ha.

The company has a procedure for identifying and compensation for legal and traditional rights in the form of SOP Identification and Standards of Land Compensation (001 / PSD-L & AS) dated June 3, 2011 compiled by PSD with reference to the land compensation standards issued by Kotabaru Regency Government.

The results of interviews with KKPA members who are also one of the landowners who were compensated, stated that the PT PSA area had been compensated by the company in accordance with the agreement. During surveillance 1.2 interviews with community representatives in Pondok Labu Village also stated that there were no customary rights in the company's operational area. He added that during the compensation process for growth-crops in the community arable land was carried out by the company with a mechanism of non-coercive negotiation, joint measurement, pricing negotiations involving relevant agencies and payment to the direct owner and/or group representatives.

4.7.3

The form of benefits provided by the company in the form of plasma plantation development (carried out by holding / 1 group) and employment opportunities (direct workers or contractors). For PT PSA an agreement (MoU) was held between the Company and KUD Bina Swadaya Karya in 2008 No. 001 / PK-PSA / X / 2008 with one of the agreed points, the Company in principle approved the KUD application as a partner company to develop \pm 1,750 Ha of oil palm plantations in the Kotabaru Regency.

Status: Comply

4.8

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.

4.8.1; 4.8.2; 4.8.3; 4.8.4

The results of verification of incoming documents known, that there are land claims that had occurred from 2016 at Pondok Labu Estate and were informed at the time of the re-certification assessment (2017) and there is no claim again until 2018/2019. The company has shown all documentation for the land claims until 2017 (land claims by the Dayak Customary Institution). Then, on September 17, 2019, the Dayak Customary Institution again submitted a letter to the company regarding the settlement of land claims.

The results of interviews with the management and representatives of the Dayak Customary Institution, conveyed that there was a meeting with both parties regarding the resolution of the land claim problem in January 2020 and indeed there was no agreement. The results of the interview with the Dayak Customary Institution, said that the Dayak Customary Institution

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requested land for village expansion and development.

The results of field observations block D Pondok Labu Estate (claimed area) are replanting areas and found that there were no activities in the area. Regarding the above explanation, the company is encouraged to ensure the settlement / progress of the land claim (OFI/Observation).

Status: Comply

PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

5.1

The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.

5.1.1; 5.1.2; 5.1.3; 5.1.4; 5.1.5 & 5.1.6

Document verification and interview results revealed that PT PSA received FFB from its own estate and plasma estate (KKPA Sungai Cengal) and did not receive fruit from independent smallholders. Company has a cooperation agreement between PT PSA and Koperasi Bina Swadaya Karya (managed by holding/1 group) in the context of the development and management of an oil palm plantation project with the core-plasma partnership pattern No. 001 / PK-PSA / X / 2008 dated 11 August 2008 with an agreement period until oil palm did not produce anymore (25-30 years).

The price of FFB follows the price of FFB issued by Plantation Agency. The company shows the FFB price document from Plantation Agency, for example the recording of FFB prices issued by Plantation Agency No. 525/2675 / PS-3 / XII / 2019 dated December 18, 2019.

The company showed the KKPA payment records that are contained in the Plasma Estate Management Report and Outgoing Cash Voucher. The results of verification of the 2019 Plasma Estate Management Report document have informed all items of income and costs of estate management (including prices issued Plantation Agency). All records such as the Estate Management Report and Cash Vouchers (for example on KK0006 / ASC / 11/2019 on November 7, 2019 have been known and signed by the Cooperative / KKPA. The results of interviews with KKPA members revealed that the price of FFB was also based on the price issued by Plantation Agency in accordance with the agreement of both parties.

5.1.7

The company shows the weighbridge calibration results in accordance with the Test Result No. 167 / PKTN 4.11 / SKHP / 03/2019 on March 25, 2019 which was carried out by the *Direktorat Jenderal Perlindungan Konsumen dan Tertib Niaga Direktorat Metrologi*.

5.1.8

The company does not accept FFB from independent smallholders.

5.1.9

Complaint management mechanism from the stakeholders (including communities) explained in the SOP No. 077/PSA/Stkhl/10/15, revision 01 dated 7 October 2015. Based on the SOP, it was explained that:

- All complaints / suggestions / aspirations that go into the operational unit through an assistant, Sr. assistant or head of office / KTU & collection of letters entered in the suggestion box / letter available in each unit every 1 week.
- Management guarantees the security and confidentiality of the reporter from the parties
- All complaints from the parties will be documented in the Community Aspiration Records book that is stored in the big office and division
- All answers to complaints / aspirations that will be sent to the parties must be signed by the Operations Unit Manager
- Answers to complaints / aspirations that have received approval no later than 2 weeks (14 days) from the date the letter / complaint is received by the operational unit.

The results of interviews with members of the cooperative was found that there were no complaints in the last 1 years.

Status: Comply



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5.2

The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.

5.2.

The company has no smallholders' scheme.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1, 6.1.2 & 6.1.3

CH has Management of Sustainable Plantation Guidelines No 724/TQEM-SPMS/09 which stated All Staff / Employees must be treated fairly in recruitment, progress, conditions and job descriptions, regardless of race, degree, ethnicity, gender, color, imperfection (disability), sexual orientation, organizational membership, political views, religion and age.

The results of verification of worker recruitment documents are known that the recruitment of workers is based on expertise, abilities and records of the results of health checks. Likewise, promotion, in accordance with the results of the assessment / evaluation of workers.

There's no recruitment on 2019 when assessment has been done, the last recruitment is on 2018 with initial HR. There are application documents such as ID card recording letter, job application letter, graduation letter, proof of registration of job seekers, health certificate, assessment results, etc. Company also showed employee's evaluation is based on evaluating several criteria such as ability, responsibility, work performance, honesty, discipline, loyalty, and hard work. These workers were recruited as PKWT employees with SPK no. 046 / PSA / PLF-PKWT / 03-2018 and still valid until the audit.

The results of interviews with workers and union representatives revealed that there were no issues related to discrimination. PT PSA workers come from various regions. Both local workers and migrants are given equal opportunities in getting jobs and promotion.

6.1.4 & 6.1.5

From the review of the latest employee recruitment documents, no obligation was found for prospective female workers to take a pregnancy test. All female workers who were met and interviewed by auditors during field observations explained that at the time of recruitment they did not take a pregnancy test, only did a physical health test, administration and interviewing prospective leaders.

The company has formed a gender committee in each unit to deal with women's issues, such as:

- Gender Committee for PLF. Gender Chair: Wenah (established on 4 December 2017 consisting of religious, hygiene, sports, social, education sections).
- Gender Committee for SSE (Ms. Lila as Chair of the Gender committee).
- Gender Committee for PLE (Ms. Atun as Chair of the Gender Committee).

The results of interviews with the gender committee and women workers revealed that there were no cases / issues of violations or harassment to women.

During interviews with a several workers, workers forgot about being linked to a gender committee but discovered that there was a women's organization that housed gender-related institutions. **OFI**

6.1.6

The company shows proof of payment for workers with the same coverage, for example:

Employees of NIK 14495 with employees of NIK 14519, both of which are employees in the factory process section, have received a wage value of Rp 3,088,418 compared to Rp 2,964,881. The difference is due to the different classes of workers, where the classes of workers are distinguished based on years of service and achievement. It can also be seen from the

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value of wages for other types of work, for example 2 workers in the workshop section who get a wage value of idr 2,827,250 and IDR 2,684,947

Status: Comply

6.2

Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).

6.2.1. 6.2.2 & 6.2.3

The company has a CLA (Collective Labor Agreement) for the period of 2016 - 2018. Based on the decision of the head of the labor and transmigration department of the Kotabaru Regency, No 568 / KEP-1012 / HIPK / PDF.PKB / X1 / Naker-2/2016. Based on the decree the validity period of the Collective Labor Agreement is until November 1, 2018. The latest Collective Work Agreement is still in the process of ratification at the Manpower Office (sent on July 29, 2019 to the Kotabaru Regency Manpower and Transmigration Office). The results of interviews with worker union and workers were conveyed that CLA had been socialized through a briefing.

The company shows a draft CLA period 2019-2021 that was agreed by both parties on July 23, 2019. Collective Labor Agreement has also explained working conditions such as wages, hours of work, hiring, promotions, rest periods, hours of work, overtime, etc.

The company also shows several employments contracts that explain in detail the rights and obligations of employees such as: Hours of work, rest periods, paid leave, insurance, wages and job description.

From document verification of payroll period December 2019 and January 2020, based on sample from 10 company workers (Operators, Mechanic, Harvester, Security and upkeep workers) it is known that the workers have been paid with minimum wages which has been appointed by government.

There're evidences of legal requirement has been implemented on company, such as:

- There's wage scale structure.
- Workers has been registered on BPJS Ketenagakerjaan and BPJS Kesehatan.

Based on interview with workers and document verification, there's deduction for workers such as BPJS deduction tax deduction. It has been stated on Collective Labour Agreement. Also, all workers get salary slips with details payment (salary, deduction and abstention).

However, based verification on wage payment from 2 local contractor there is no sufficient evidence that all contractor workers (sample from 12 contractor workers of 2 contractors) got payment based on government minimum wages. (becoming NC in indicators 2.2.2).

6.2.4 & 6.2.5.

Related to Non-conformity No.2019.14, during verification on ASA-1.3 (based on the results of observations to housing and interviews with both workers and residents of housing), it is known that the company has provided housing facilities, religious facilities, sports, daycare, and education. Observation results show that the houses provided by the company consist of semipermanent and permanent houses. The condition of housing that has been improved in the form of a roof, kitchen, and terrace / floor. For clean water sources, there are WTP provided for housing (factories and Rampa) while for Sesulung, Binturung and Pondok Labu Estate, water sources come from reservoirs or drilled wells. The company also provides / allows plantation employees to collect treated drinking water at the factory WTP. For electricity sourced from active generators starting at 4:00 to 6:00 and 17:00 to 23:00. the company also provides health facilities in the form of a polyclinic in each farm that provides first aid. The Health Facility 1 facility is located at Bebunga Estate (PT LMR) which is still in the same group as PT PSA. Based on the explanation, Non-conformity No. 2019.14 was declared fulfilled.

Each unit of the company also has a record of the realization of housing improvements for the period 2019 which contains details of the number of houses and raw materials used for repairs. For the next 5 years, each unit also has a plan to repair suggestions and targets, which the company targets in the next 5 years all facilities and infrastructure of employees are in good condition and suitable for use. OFI



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The results of interviews with housing residents and workers, conveyed that workers have no difficulty in getting adequate food sources at competitive prices. An impromptu market is available every month after payday, itinerant vegetable traders who enter the employee housing area. In addition, there are also housing employees / residents who sell basic needs in the housing area.

6.2.6

In relation to DLW (Decent Living Wage), the company has tried to do Prevailing Wage calculations for each unit, which included samples of In-Kind Benefits, such as: Basic Wage, Housing Allowance, Transport Allowance, Housing and utilities such as water or electricity for home, food ration (rice), Medical facilities, and school for workers children.

The company is expected to re-evaluate Prevailing Wage calculations in accordance with the guidelines given by the RSPO while awaiting DLW calculations from www.globallivingwage.org **OFI**

6.2.7

Based on the results of field observations at Pondok Labu Factory and review of employee registration documents, it is known that there are 2 weighing operators who are still PKWT (Specific Time Work Agreement). Both operators have been employed from March 2, 2018 (2 years of work contract). In addition, based on the management's explanation at this time the company needs for the position of the weighing operator is 2 people (labor ratio).

In addition, based on field observation and document review in Binturung estate, the company use contractor for harvesting activities.

From this evidence, the company has not used permanent / full time workers for core work, especially weigh operators and harvester. **NCR No.2020.05.**

6.2.7 | Status: Status: Non-conformance NC.2020.05 with non-critical category

6.3

The unit of certification respects the rights 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.

The company has a policy that respects the rights of all employees to form and join trade unions, which are described in SOP Guidelines for Sustainable Plantation Management No. Policy 724 / TQEM-SPMS / 09 dated 27/08/2010. In the Policy and Objectives Chapter, Plantation Upstream Indonesia's Policy Sub-Section on Social Policy, page 13 Point 5 states that companies are expected to respect the rights of all employees to form and join trade union communities of their choice and to negotiate together. The policy is contained in an easy-to-understand language, Indonesian.

In addition, the Joint Working Agreement Documents explain the information, including:

- The company provides an office for the Worker Union secretariat and the appropriate supporting facilities for procurement are carried out in accordance with the procurement procedures in force in the company.
- In order to create a harmonious and sustainable working relationship and improve communication and coordination between employers, a container in the form of a Bipartite Cooperation Institution must be formed.
- In certain cases, worker unions and employers will create policies and or work programs aimed at increasing productivity, ethos and quality of work in order to jointly advance the company.

The results of interviews with labor unions and workers said that there was no prohibition on forming labor unions. The results of the interview also stated that there was no intervention in the appointment of representatives of labor unions. Labor union representatives were appointed by workers based on the results of the deliberation.

The company shows records of meetings between the union and the company, including:

- Minutes of the Binturung Estate Workers Union Meeting on 25 September 2019 which discussed the C1R2 harvest system, the high base premium system, the price of the collector citation base, to the proposals for proportional base premium reduction.
- Minutes of Coordination Meeting of Workers 'Union with Employees on September 28, 2019 between the company and



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the Pondok Labu Estate Workers' Union and the company. Where the meeting discussed related to proposing a decrease in the harvest base.

Status: Comply

6.4

Children are not employed or exploited.

Company policy regarding the age requirements of workers is contained in Management SOP for Sustainable Plantation Management Guideline No. Policy 724 / TQEM-SPMS / 09 which was ratified on April 1, 2010 by the Chief Executive Officer, in the Policy and Objectives Chapter, Plantation Upstream Indonesia Policy Section on Social Policy in point 6 which contains Plantation Upstream Indonesia does not employ underage workers below 18 years old.

The results of verification of the labor list document, known that there are no workers under the age of 18 years. Likewise, with field visits, no underage workers were found. Interviews with workers and labor union also stated that the minimum age limit for workers is 18 years. There are also warnings about the prohibition on the use of workers under 18 years of age which are displayed in the locations of plantation offices and housing complex.

Also, the company promotes using warnings that can be found around the plantation area such as the access road to housing and the nearest village. From the results of public consultations with village representatives, contractors and trade unions also learned that companies prohibit underage workers.

Status: Comply

6.5

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

Company has SOP of Sustainable Plantation Management Guidelines No 724/TQEM-SPMS/09 dated 27th August 2010. In the SOP stated that the company is giving same opportunity to all worker. All Staff / Employees should be treated fairly and fairly in matters relating to recruitment, progress, conditions and job descriptions, irrespective of race, degree, ethnicity, gender, color, imperfection (defect), sexual orientation, Organizational membership, political views, religion and age. Based on field observation and interview with female worker in day care, it is known that there is no issue or complain from worker regarding discrimination. The workers that has been interviewed is came from various social origin, race, and religion.

In addition, the company also has provisions relating to pregnant workers dealing with chemicals, where the company does not allow pregnant and breastfeeding women to work on activities related to chemicals, the company has a policy on prohibiting pregnant and breastfeeding women from working in contact activities with chemicals namely in the Block spraying system procedure and the use of the station No. 066 / RSPO-BSSPSS / 2011.

The SOP has been socialized to employees in every muster morning and has been displayed in each office of mill and estates. Based on interview with internal and external stakeholders, there is no discrimination against gender, ethnicity or certain groups. The result of document verification and interview with labor union it is known that workers come from various ethnics, such as local communities, NTT, Java, Sulawesi, and others.

The company has carried out activities related to the assessment of young mothers' needs by conducting consultations with representatives of the gender committees of each unit on January 15, 2020. The consultations gave birth to suggestions and opinions, including:

- Young mothers are given space to breastfeed at the Child Care Center.
- Young mothers are given jobs that do not use chemicals.
- Young mothers are given a work area not far from the employee's emplacement or daycare, so that every 4 hours they can breastfeed their children.
- Manager for 24 months can provide policy / permission for young mothers to take a break from breastfeeding after they can resume work.
- Young mothers are given medical facilities for health checks and child development for up to 24 months.

CH has a SOP for Complaints Handling Mechanism for All Parties and the Community No.077 / LMI-Stkhldr.ADM / 2012) Rev. 01 which was approved on October 8, 2015. In chapter V point 5.5 of the procedure states that "the company guarantees the security and confidentiality of the whistleblower" and also attached a flow chart of the mechanism for handling complaints



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by all parties (stakeholders). The PIC responsible for receiving complaints based on the SOP are assistant, senior assistant and Administration Head.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

Based on review on the list of personnel's document of PT PSA, known that there was no illegal personnel. The entire personnel have their position based on the signed work contract. Interview with labour union revealed that there is no force or illegal labour who work in company. The entire personnel had read their work agreement and they have signed their work agreement. Moreover, company does not hire illegal or force labour or contract substitution.

Based on field visit in factory and field visit, there was no indication the use of illegal or forced labor. And based on the field visit, there is no indication the use of child labor and no harvesters accompanied by wife or children (force to work).

Status: Comply

6.7

The unit of certification ensures that the working environment under its control is safe and without undue risk to health.

Certificate holder has identified those responsible for implementation of OHS program formed in P2K3 structure. Based on interview with Labour Agency Kotabaru District, company has P2K3 and OHS Officer in accordance with the regulations.

The company has a P2K3 structure approved by the Head of Kotabaru Regency Manpower and Transmigration Office for each unit, such as:

- Pondok Labu Factory
 - The company shows the Decree of the Head of the Manpower and Transmigration Office of South Kalimantan Province with number 566/443/Was-NKT/2018 dated September 3, 2018 concerning the Approval Letter of Pondok Labu Factory OHS Committee Structure in 2018. Pondok Labu Factory has OHS Expert on behalf of Arif Sucipto with registration number 46450/PK3/AJ/31/2017/PO. Minister of Manpower Decree of the Republic of Indonesia with number KEP.10469/NAKER-BINWASK3/XII/2017 concerning Appointment of OHS Expert on behalf of Arif Sucipto. The decision is valid for 3 years up to December 4, 2020.
- Binturung Estate

The company shows the Decree of the Head of the Manpower and Transmigration Office of South Kalimantan Province with number 566/442/Was-NKT/2018 dated September 3, 2018 concerning the Approval Letter of Binturung Estate OHS Committee Structure in 2018. Binturung Estate has OHS Expert on behalf of Margono with registration number 14928/PK3/AJ/31/2018/P1. Minister of Manpower Decree of the Republic of Indonesia with number KEP.P. 7834/NAKER-BINWASK3/VIII/2018 concerning Appointment of OHS Expert on behalf of Margono. The decision is valid for 3 years up to August 24, 2021.

The organization routinely conducts monthly meetings on OHS issues in the workplace. The minutes of the meeting were recorded and stored well. Based on interviews to workers who are members of the OHS organization it is known that monthly meetings are always routinely conducted to discuss about OHS such as consistency of PPE usage, work accident report, medical checkup, safe working practices etc.

6.7.2

Company has made efforts to prevent emergencies and accidents. Company has procedures related to the handling of emergencies and accident investigation in SOP for emergency response conditions no.: PSA/SOP.PD SOP document dated 1 December 2010. Company has emergency facilities and infrastructure such as fire extinguisher, first aid kit, hydrant, water tank, and other supporting equipment. Based on field observation in mill for e.g. at boiler station known that hydrant is functioned properly and the fire extinguishers there check and monitored every month (checklist of inspection provided in each fire extinguisher).

Based on field observation at Pondok Labu Estate, Sesulung Estate, Rampa Estate and Pondok Labu POM, it is known that the contents of first aid box are available as determined by the company. As well as interviews with foreman in Pondok Labu Estate that foreman are also able to explain the function of each tool in the first-aid box. Monitoring first aid kit has been conducted regularly every month, if there is use of it must be noted on the form provided, and first aid kit that is used it must



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be replenished and reported Sustainability staff. Based on field observation in POM and each Estates office, it is known that the company already provided evacuation road and muster point.

The auditor found 1 pressing operator wearing a slightly damaged (torn) shoe. The company need to ensure application of adequately PPE to all workers **OFI**.

6.7.3

Result of field observation in Mill and Estate and interviews with personnel's, it is known that the management unit has provided PPE and have been given training in safe work practices. This was evidence that the personnel's have understood their duties and responsibilities and also can demonstrate how to work correctly and appropriately in accordance with the procedures. Furthermore, based on field visit in estate and mill and interview with personnel, it is known that the management unit has provided PPE for personnel. For instance, for example the sprayer using personal protective equipment in accordance with specified hazard identification and risk analysis. In addition, employees are also informed about the steps of secure work in each morning briefing before start working. In addition, interview with spraying personnel in Rampa dan Pondok Labu Estate revealed that company would substitute or replace the PPE if there is a damage or broken on the old one.

6.7.4

The management unit provided accident insurance for personnel based on the applicable regulation. The insurance such as manpower insurance is paid monthly to national social insurance for manpower/BPJS. Meanwhile, for medical insurance, the company has registered its entire personnel in manpower medical insurance/BPJS. Based on interview with some personnel, it is known that the entire personnel have been registered in manpower medical insurance/BPJS. Moreover, based on interview and documents verifications with contractor workers revealed that contractor's personnel have been registered in manpower insurance/BPJS. (but not all contractor showed the evidence, it has become NC on indicator 2.2.2)

Certificate holder had recorded of occupational accidents in Work Accident Monitoring Reports that inform date, name of victim, site of accident, number of accidents, loss of work days, and category of an accident and cause of the accident. Related to work accidents that occur, the company has also saved the work accidents of employees and made submissions to related insurance, for example:

- Submission of Phase I Accident Case Report on January 6, 2019 with No. KPJ 11022095852.
- Submitting a Phase I Accident Case Report on November 4, 2019 with No. KPJ 18090713175.
- Submission of Phase I Accident Case Report on 28 November 2019 with No. KPJ 19046668596

Submission of BPJS claims has also been equipped with a worker's identity card, BPJS participant card, to the chronology of the accident.

6.7.5

Certificate holder had recorded of occupational accidents in Work Accident Monitoring Reports that inform date, name of victim, site of accident, number of accidents, loss of work days, and category of an accident and cause of the accident.

Status: Comply

PRINCIPLE #7 PROTECT. CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT

7.1

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

7.1.1

The certificate holder applying integrated pest management to collaborate on biological and chemical control. Use of chemical control techniques was not done in a preventive, however based on the results of early warning systems that detect and census. Biological pest control is done by applying the development of natural enemy's owls to control the rat population. The development of useful plants like *Turnera subulata, Casia cobaanensis* and *Antigonon leptopus* also be used as a biological control technique as a nettle caterpillar predator. The use of pesticides for pest control has been minimized according to the results of the census. For example, there is no nettle caterpillar attack that exceeds the threshold. Based on the results of the field visits in the immature area block Q02 Division 3 SSE, found an owl cage installation. Based on the

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field observation in PLE and SSE, found the beneficial plants *Turnera Subulata, Casia cobaanensis* and *Antigonon leptopus* location along the visit.

7.1.2

Based on the PT PSA List of Global Invasive Species Database document, updated January 2, 2020, it is known that certificate holders do not use the species mentioned in the Global Invasive Species Database and CABI.org in the managed area.

7.1.3

Based on the results of the document review, interviews with management, interviews with workers and field observations, it is known that there is no use of fire for pest control.

Status: Comply

7.2

Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.

7.2.1

The certificate holder has procedures related to chemical activity such as herbicide application and pest control. This procedure is contained in the Agricultural Reference Manual (ARM) (110 / EST-ARM / 13) on the crop protection section of pests and diseases and weed control in general. In addition, this procedure also explains weed control in general that pesticides are used selectively for specific targets, as well as explaining doses per ha and dilution doses. The certificate holder also uses pesticides listed on the pesticide commission according to the target in the field.

Based on the results of field observations in Sesulung Estate block O41, spraying was carried out using pesticides made from active ingredients of *Methyl metsulfuron* and *Isoprophyl amine glyphosate* to control broadleaf and narrowleaf in immature plants area. In addition, based on the results of field observations in Pondok Labu Estate block H27, spraying was carried out using herbicides made from active ingredients *Isopropyl amine glyphosate* and *Methyl metsulfuron* to control broad-leafed weeds on the mature plants area.

7.2.2

The certificate holder shows a record of the use of pesticides, for example, listed in the Monitoring Pesticide Usage per Hectare and Per Ton FFB Production document for the period of 2019, including explaining the use of Ken Up (*Gliphosate* active ingredients) and Kenlly (*Methyl metsulfuron* active ingredients) in Sesulung Estate. The certificate holder also shows a percentage of per hectare, for example the period of December 2019 in Sesulung Estate as follows *Gliphosate*, LD50 oral 5600 mg/kg, quantity of pesticide 750 liters, total active ingredients (a.i.) used 360 liters, quantity of a.i./ ha 0.11 and quantity of a.i./ ton FFB 0.08.

7.2.3

The certificate holder operates an integrated pest control system by collaborating on biological and chemical controls. The use of chemical techniques is not preventive, however based on the results of the early warning and census system. Based on the census recapitulation and control documents, it is known that there are several census realizations that have been carried out by officers, including:

- Based on field visits, the certificate holder has implemented biological pest control in accordance with the SOP for
 example the installation of the Barn Owl Box in Pondok Labu Estate Blok F57 as a place to live owls (*Tyto alba*) and it
 is known that it is active in the presence of bird feces and food scraps.
- Barn Owl Box Condition Map January 2020 Binturung Estate, it is known that there are 30 units in good conditions.
- Binturung Estate shows census documents of bagworms attacks, rat attacks, ganoderma, termites and Oryctes for the
 period of January 2020 and stated there were no attacks that exceeded the threshold value.

7.2.4

Unit of certification applying integrated pest management to collaborate on biological and chemical control. Use of chemical control techniques was not done in a preventive, however based on the results of early warning systems that detect and census. Biological pest control is done by applying the development of natural enemy's owls to control the rat population. The development of beneficial plants like *Turnera subulata*, *Casia cobaanensis* and *Antigonon leptopus* also be used as a biological control technique as a nettle caterpillar predator. The use of pesticides for pest control has been minimized

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Proposed by Mutuaging Lectori for Pendek Leby POM - PT Periousna Syckerca (Sime Perbed)



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according to the results of the census. For example, there is no nettle caterpillar attack that exceeds the threshold. Based on the results of the field visits in SSE and PLE, the found an owl cage installation. Based on the field observation in PLE and SSE, it was found that the development of beneficial plants *Turnera subulata, Casia cobaanensis* and *Antigonon leptopus* location along the visit.

7.2.5

Certification unit has a complete list of pesticides that are designated World Health Organization (World Health Organisation) Class 1A or 1B, or listed in the Stockholm Convention or Rotterdam. The list contained in appendix 2 SOP Sustainable Plantation Management Guideline No. Policy 724 / TQEM-SPMS / 09 published August 27, 2010. The unit of certification does not use pesticides paraquat and pesticides belonging to the class 1A or 1B. This is confirmed by a policy of not using Paraquat is outlined in the memorandum of the Head Plantations Operation (number: POD-UM-127 / X / 2008, dated November 4, 2008) the Recommendation Replacement Application Active Ingredients Paraquat-Gramoxone at Minamas. To minimize and eliminate the use of pesticides (WHO groups 1A and 1B) and paraquat, the certificate holder has implemented several efforts including:

- Based on field visits, the certificate holder has implemented biological pest control in accordance with the SOP for
 example the installation of the Barn Owl Box in Pondok Labu Estate block F57 and Sesulung Estate block Q02 as a
 place to live owls (*Tyto alba*) and it is known that the cage is in active condition with visible bird droppings and food
 scraps.
- Based on the results of field observations in Pondok Labu Estate block I39, spraying was carried out using herbicides
 made from active ingredients *Isopropyl amine glyphosate* (Prima Up) and *Methyl metsulfuron* (Kenly) to control broadleafed weeds on the mature plants area.

Based on document reviews and visits to chemical warehouses, it is known that the company does not use chemicals categorized as WHO 1A or 1B types and materials included in the Stockholm and Rotterdam Conventions, and paraquat lists.

7.2.6

The certificate holder has SOP of Hazardous Material Handling dated on January 11, 2011). In addition, the certificate holder has identified the risk for pesticide application in HIRAC document.

Based on interviews with 2 workers and a foreman on spraying activity in Divison 1 Pondok Labu Estate, explained that the workers have received training in accordance with the procedure about spraying techniques, for example the workers can explain width of circle in accordance with procedure and risks that may occur in the spraying activities include toxicity, skin irritation up to the environmental pollution. Workers also explained that pesticide mixing is conduct in the special place and after work, all of equipment and PPE was washed and stored in a special place that is in the house of Block Spraying System. Based on a visit to spray activities that using Prima Up and Kenlly pesticides, the workers have been equipped with PPE with type of shoes, safety googles, apron, shirts and trousers, masks and gloves made from rubber. The type of PPE is in accordance with the recommendations in the MSDS.

7.2.7 & 7.2.8.

Based on documents and interviews with management related to pesticide storage SOPs, it is known that there is no change from the previous assessment which is listed in the SOP *Penanganan Bahan Kimia* (PLF / SOP.ESH / 04 dated January 11, 2011).

Based on field observations at the Chemical Warehouse at Pondok Labu Estate, Sesulung Estate and Binturung Estate it was found that the conditions of all pesticides stored were in accordance with recognized best practices, including available MSDS, PPE, first aid kit, spill countermeasures and warehouse personnel were given training on pesticide handling.

Evidence that the pesticide packaging has been stored and discarded and not used for other purposes, that is based on the results of field observations in either PLE, BNE, SSE was not found. Based on the results of interviews with workers on herbicide application activities, for example in PLE and SSE, it is known that the used pesticide packaging is cleaned and collected at hazardous waste temporary warehouse and water used for washing work tools and PPE is reused for mixing spray ingredients.



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Based on the results of field observations in the Sesulung Estate housing estate, it is known that there are no used containers of pesticides used as trash bins or flower pots.

Schedule waste transportation on October 1, 2019 by PT Balikpapan Environmental Services vehicle number KT 8767 LN & KT 8685 K with details:

Manifest number	Туре	Amount
GR 0015173	Used packaging schedule waste (B104d)	560 kg
GR 0015171	Used packaging schedule waste (B104d)	987 kg

Permit for carrying out dangerous goods transportation (schedule waste) according to number SK.00533 / AJ.309 / 1 / DJPD / 2018 / 100002156-00004 is valid until October 22, 2019 and KLH recommendation with number S.974 / VLPB3 / PLB.3 / PLB.3 / PLB.3 / PLB.9/2018.

7.2.9

Based on the results of the document review, interviews with management and field observations, it is known that the company does not spray pesticides by air.

7.2.10

Based on the results of interviews with the herbicide applicator at Pondok Labu Estate, it is known that a health examination was carried out in December 2019 with the type of examination including Cholinesterase and Spirometry. The results of the inspection have been submitted to workers and are known to be entirely normal or fit to work. They also stated that there were no health complaints as a result of their herbicide application activities. In addition, based on the results of interviews with the herbicide applicator at Sesulung Estate, it is known that a health examination was carried out in January 2020 with the types of examination including Cholinesterase and Spirometry. The results of the inspection are specifically only conveyed to workers who experience a decline in health. However, all herbicide applicators are known to be normal or fit to work. They also stated that there were no health complaints as a result of their herbicide application activities.

The statements of the herbicide applicators above can be proven by showing the documentation of the inspection results that are stored and shown in the unit office.

7.2.11

Based on the results of field visits and interviews with pesticide applicators in PLE and SSE, it is known that no pesticide work is carried out by people who are not yet 18 years old, pregnant or nursing women, or people with medical limitations. The company has a mechanism to identify pregnant and breastfeeding women listed in the Periodic Healthy Employee Health Check Procedure for Working with number 735 / TQEM-ESH / 10 dated December 1, 2010. In point 12 it is explained that the pregnancy examination is carried out by paramedics or doctors of female employees, and when the employee has received an introduction for prenatal care from the division assistant and if he has received information that the employee has been declared pregnant a pregnancy certificate will be made and also recommended to be transferred other than jobs that use chemists.

The company shows job transfer documents for pregnant workers, for example at Sesulung Estate dated January 3, 2019, a letter from the SSE Polyclinic Staff explaining on behalf of Lelani being pregnant and there is a statement from the Division Assistant to be transferred to the care foreman.

Status: Comply

7.3

Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.

7.3.1; 7.3.2 7.3.3.

The entire products of waste and its sources have been identified and documented in the identification list document of Environmental Aspects on 2020. The examples of waste products are oil sourced from FFB trucks, emissions/smoke from FFB trucks/CPO, waste sourced from used sacks, emissions/smoke that comes from generators, emissions/smoke coming from the chimney boiler, emissions/smoke coming from EFB fireplace, spilled lubricant /oil sourced from the generator engine,

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oil drums sourced from the workshop, ex-battery, rags, used lamp sourced from materials warehouse, chemical ex-container from chemical warehouse, effluent that sourced from the chemical ex-bottles derived from laboratory, effluent that comes from FFB processing, and others.

Based on interview with manager Estate & Mill and store keeper of schedule waste, they have been know related handling of disposal of waste, especially hazardouse waste and non hazardous waste.

Schedule waste transportation on October 1, 2019 by PT Balikpapan Environmental Services vehicle number KT 8767 LN & KT 8685 K with details:

Manifest number	Туре	Amount
GR 0015173	Used packaging schedule waste (B104d)	560 kg
GR 0015172	Used lubricant oil (B105d)	2400 liter
GR 0015169	Used oil filter (B110d)	816 kg
GR 0015170	Used batteries (A102d)	160 kg
GR 0015171	Used packaging schedule waste (B104d)	987 kg

Permit for carrying out dangerous goods transportation (schedule waste) according to number SK.00533 / AJ.309 / 1 / DJPD / 2018 / 100002156-00004 is valid until October 22, 2019 and KLH recommendation with number S.974 / VLPB3 / PPLB3 / PLB.3 / PLB.3 / PLB 9/2018.

The cooperation agreement between PT Balikpapan Environmental Services and PT Paripurna Swaakarsa regarding scedule waste handling & transportation with BES / 040 / MKT / V / 2019 number dated March 23, 2019. The agreement period is 1 year. PT BES has received a statement regarding the fulfillment of the commitment in accordance with letter S.339 / Menlhk / Setjen / PLB.3 / 5/2019 dated May 21, 2019 and the schedule waste management permit is valid for 5 years and declared effective by the OSS Management and Implementation Agency. Based on the monitoring schedule waste it is known that the used oil stocks as much as 10434 liters (February 1, 2020); used filters as much as 0.03 tons (1 Feb 2020); used battery as much as 0.08 tons (23 Jan 2020); Used packaging as much as 0.09594 tons (February 1, 2020); jerry cans as much as 0.15252 tons (1 Feb 2020).

The results of field observations note that:

- 1. Oil drums were found around Housing of Binturung Division 2.
- 2. Found jerry herbicides for water reservoirs and filters in a trench in Sesulung Estate.
- 3. The existence of EFB burning in Block C14 Division 1 Binturung Estate.
- 4. The existence of a used oil drum is placed near the Rampa Estate housing.

Based on the above, the waste is not managed in accordance with waste management procedures schedue waste and not schedue waste. This is a non-conformance No.2020.06 with the non-critical category.

7.3.2 Status: Non-conformance No.2020.06 with the non-critical category.

7.4

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

7.4.1

The certificate holder has procedures related to fertilization activities contained in the Agricultural Reference Manual (ARM) No. Policy 110 / EST-ARM / 13) Part 8 concerning Fertilization of Oil Palm Plants which includes fertilization techniques, application of empty fruit bunch and application of compost to immature and mature plant, placement of fertilizers and application of fertilizers by 'focal feeding' on marginal inland soils. The implementation of the SOP is monitored periodically with an operational audit or Plantation Advisory. In addition, fertilization is monitored by the foreman and assistant and reevaluated by the plantation manager.

Based on observations and interviews with management, it is known that at the time of the ASA-1.3 assessment there were no fertilization activities because the new program began in February 2020.



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Based on observations and interviews with management at Pondok Labu Estate, it is known that the fertilization program began as of February 2020 and at the time of the field visit fertilization had not yet been conducted.

The record of fertilization activities verified refers to the fertilizer monitoring document, *Buku Kegiatan Mandor* fertilization, fertilization plan and realization and the manager's monthly report.

7.4.2

The certificate holder has and shows records of soil and leaf analysis activities on a regular basis in accordance with the procedure, namely frequency of soil sampling to find out nutrients in the soil is carried out every five years and leaf sampling is done once a year and it is explained that when sampling leaves trees that experience nutrient deficiency characteristics. The certificate holder has recorded soil sampling activities in the Semi-Detailed Land and Land Suitability Survey document for Palm Oil Plants in PT Paripurna Swakarsa 2016-2021 by Minamas Research Center which explains soil management and results of soil analysis with nutrient parameters N, P, K, Mg, Ca and B.

In addition, the certificate holder also shows leaf sample records in the *Laporan Pengujian Analisa Jaringan Tanaman Minamas* Research Centre Laboratory Services Teluk Siak conducted in 2019 for the Sesulung Estate and Pondok Labu Estate units and explains the nutrient levels of N, P, K, Mg, Ca and B.

Visual analysis is done simultaneously with the leaf sample test. The results of the visual analysis serve as an ingredient to make fertilizer recommendations. Leaf test results conducted by the MRC team are then sent to the unit already in the form of fertilization recommendation for next year fertilization period.

7.4.3

The certificate holder recycles nutrients by applying empty fruit bunches and palm oil mill effluents. For fibers, shells and boiler ash are not used as recycling of nutrients but are used as boiler fuel. The certificate holder shows the program and the realization of monthly empty fruit bunch applications for the period 2019, including Binturung Estate has realized 580.89 tons from 11,667.11 tons programmed in immature plant.

In addition, the certificate holder also showed application documents for liquid waste, for example in June 2019 at Pondok Sesulung Estate block K44 there was applied a POME of 4,235 m3.

Based on the results of document review related to non-conformity No. 2019.04, the certificate holder shows evidence of improvement, i.e. EFB Binturung Estate (Tonnage) Program and Realization in 2018, documentation in the form of photos of EFB applications in block D14 Pondok Labu Estate and block L48 Sesulung Estate and Program and Realization of the EFB Sesulung Estate (Tonnage) in 2018 and documentation in the form of photographs. Based on the analysis of the root causes presented, the corrective actions shown and the preventive actions that will be taken as well as the results of field observations, then **the non conformity No.2019.04 is declared closed.**

7.4.4

For 2019, the fertilization program will not fully reach 100 percent. Based on interviews with management, it is known that the lack of applications in 2019 was not continued in 2020. The company showed an email from Research on January 23, 2020 stating that "there is no policy to carry out the 2019 Carry Forward program to 2020. Focus on fertilizing the year 2020 according to the recommendations that have been submitted". The record of fertilization activities verified refers to the fertilizer monitoring document, Buku Kegiatan Mandor fertilization, fertilization plan and realization and the manager's monthly report.

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1, 7.5.2 and 7.5.3

The certificate holder shows the land map listed in the Semi-Detailed Survey Soil Report 2016 - 2021 which explains that there is no marginal land such as peat soil. However, there are areas with slopes that have been treated with terrace treatment and contour making.

The certificate holder has identified a slope area not suitable to be planted, then the certificate holder gives treatment by



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making the terrace when replanting. For example, the results of the identification of steep areas that will be made terraces when replanting at Rampa Estate are listed in the Replanting Contract 2019 document (January – December 2019). Based on these documents, it is known that there is a slope area that will be made a terrace which is 142,813 meters long.

Based on the results of field observations in Pondok Labu Estate and Sesulung Estate related to replanting activity, it was found that heavy equipment was working on making a terrace.

Based on interviews with management, document review and field observations, it is known that there is no new planting on steep sloping land.

Status: Comply

7.6

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

7.6.1, 7.6.2 and 7.6.3

Unit certification is not doing land clearing in new areas, simply engaged in replanting.

Status: Comply

7.7

No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.

7.7.1, 7.7.2, 7.7.3, 7.7.4, 7.7.5, 7.7.6 and 7.7.7

Based on a review of the Semi-Detailed Soil Survey Report and land suitability for oil palm plants for the 2016-2021 period of PT PSA carried out by the MRC, it was informed that there was no peat land in the company's operational area.

Status: Comply

7.8

Practices maintain the quality and availability of surface and groundwater

7.8.1 & 7.8.2.

The company indicated monitoring water management date on December 31, 2019 informing the reservoir photo, division, block, fence, signboard appeal, flow meter, function and location. There is monitoring of riparian area such as:

- Yellow marking marking in spray area.
- Planting vegetation in riparian area.
- Surface water quality testing every six month.

Based on field visit at Riparian area block E division 3 Biyuku River, there is management of riparian such as there has been a prohibition on spraying, not throwing garbage in the river, not doing chemical activities and chemical application borders.

Ensure all water testing refers to the Minister of Health No.32 of 2017 concerning environmental health quality standards and health requirements of water for sanitary hygiene (**OFI**).

7.8.3.

The company shows the permit for the utilization of wastewater to the ground in the activities of the Palm Oil Plantation located in Pamukan Selatan District, Kotabaru Regency in accordance with the Decree of the Regent No.503 / 05 / IPAL-BPPTPM / 2016, which is valid for 5 years from December 21, 2016 to December 22, 2021. Technical recommendations for the extension of permit for the utilization of wastewater to land with number 660/031 / BLHD / 2016 Valid for 5 Years.

Based on field visit at land application in block K44 Divison 1 SSE, liquid wastewater has been discharged in accordance with a block of land is permitted. Recording liquid waste water discharge is done every day, a daily average of 1030 - 1050 m³. Based on testing quality on August – December 2019 by Sucofindo Laboratory, Banjarmasin South Borneo which has accrited by KAN LP 242, its known BOD & PH in Pond number 10 do not exceed the quality standards set by applicable regulations (KepmeLH No.29 tahun 2003).

7.8.4.

Based on data on water use for the period January - December 2019 it is known that the average FFB process is 15,816 tons; water usage for the process of 31.63 m³; water consumption for boilers is 126.53 m³; the total water usage is 158.16

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m³ so that the water use efficiency is 1 m³ / ton FFB.

Status: Comply

7.9

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

7.9.1.

The company shows the efficient use of fuel and renewable energy in 2019 such as, the average use of shells is 861,955 kg; shell use efficiency compared to electricity consumption of 0.083 kwh / kg; fiber consumption of 1,976,962 kg; efficient use of fiber compared to electricity consumption of 0.036 kwh / kg; average solar usage of 26,315 liters and electricity consumption of 61,413 kWh.

Status: Comply

7.10

Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.

7.10.1: 7.10.2 & 7.10.3.

Based on GHG report data of 2019 there are differences in data between the basic info data (December 2019 statement area & production data) such as:

Estates	FFB production GHG	FFB Production actual
	summary report 2019	(tones)
	(tones)	
Binturung	34,226.36	34,226.36
Rampa	55,170.80	55,170.80
Pondok Labu	44,434.45	44,434.45
Sesulung Estate	48,513.03	48,513.03

Description	GHG summary report 2019 (ha)	Area statement actual for December 2019
Planted area	14,215.51 ha	14,649.93 ha
Conservation area	37.46 ha	396.51 ha
OER	21.84 %	20.97 %
KER	5.24 %	4.94 %

In addition, FFB Suppliers to Pondok Labu Mill of *KKPA Sungai Cengal* not yet included 9,335.850 tones (Group Plantations). Based on the description of the identification of GHG emissions that do not accordance to actual conditions. So, the calculation of GHG Palm is not yet right.

Identification and management of PT PSA GHG emission sources for 2020 include:

Source	Emision type	Management	Note
Replanting	CO2	Zero burning	Land clearing process document.
Fertilizer	CO2 & NO2	Reduction in the use of urea and utilization of solid waste	Organic fertilization documents, EFB application monitoring, fertilizer recommendations and Leaf sampling units.
Fuel using	CO2	Reducing the use of fuel	Monitoring of diesel usage
Transportation	CO2	Preventive maintenance	Periodic preventive maintenance program.



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Based on above explanation, its become Non-conformance No.2020.07 with critical category.

7.10.1 Status: Non-conformance No.2020.07 with critical category.

7.11

Fire is not used for preparing land and is prevented in the managed area.

7.11.1.

The company shows a letter of award for replanting work for the period 2018 -2021 (3.5 years) to CV Borneo Agro Lestari under number 001 / MMTC-AWD / V / 2018 dated May 25, 2018. In point 4 it is explained that the contractor must provide heavy equipment; equipment in accordance with specified specifications and quantity according to the needs of replanting work. Work agreement with number 007 / Replanting / PSA / VI / 2018 dated June 29, 2018 a.n PT Tatabrata Perkasa Nusantara for replanting activities. Based on field visit at plantation area, there is no land burning activity.

7.11.2.

The company shows the fire prevention and control measures for the 2019 period consist of:

- 1. The existence of monitoring facilities and infrastructure for land and estate fire control was updated in October 2019.
- 2. The Internal Fire Hotspots report, for example, the location of fire point in block N001 SSE.
- 3. Formation of the firefighters Team structure and inventory of fire extinguishers.
- 4. Provision of appeals to communities around the plantation regarding coordination of anticipation of drought and prevention of land fires.
- 5. Fire extinguisher simulation is carried out routinely, for example on July 6, 2019, located at Divsion II Pondok Labu Estate.

7.11.3.

The Company showed a letter with the number 005 / SSE-Ext / IX / 2019 date on September 29, 2019 concerning the coordination anticipation of drought and prevention. To the District Head of South Pamukan Sub-District; *Danramil* South Pamukan; South Pamukan police chief and staffs.

Status: Comply

7.12

Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.

7.12.1 – 7.12.8.

The company didn't open/ development land on 2015, so the HCS is not applicable.

The company have HCV monitoring for 2020 includes:

- Chemical application border in the form of a yellow mark
- Planting vegetation along riparian area.
- Surface water quality testing.

The management of HCV have been accordance with the procedure.

Based on field vist at HCV area block M009 and riparian area block E Division 3 Biyuku River Pondok Labu Estate, the company has conducting maintenance such as: there is a chemical application border in the form of a yellow paint mark, the HCV information board and The planting of woody plants.

The management plan of HCV has been review every one year. Because the HCV area is within the scope of the company HGU, the parties involved include the estate including PIC HCV. Based on interview with Head of Binturung Village there is no issues related environmental pollution and there is no set aside of HCV.

The program has been conducted every once a year example: Socialization of HCV on October 2019 for workers at Rampa Estate. Based on interview with pesticide applicators, harvester at SSE & RPE, they has been know related RTE species. Based on field visit at SSE, RPE & PLE housing area, it was found that there were no such wild animals, based on interviews revealed that workers no longer maintain wild animals because there has been a socialization regarding the prohibition of

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hunting and maintaining these wild animals.

The company has compiled plans for the management of HCV areas and RTE species (rare, threatened, endangered) for the 2018-2019 period, one of which is the installation of HCV signboards, installation of ban and warning signboards and installation of signboards for protected species.

Based on field visit at Riparian area block E division 3 Biyuku River Pondok Labu Estate and Riparian area field V001 Sesulung Estate, there are management of HCV such as: limit of application of chemicals in river boundary area, HCV signboards and the HCV area is well managed. Based on interview with pesticide applicator at block I39-40 Pondok Labu Estate and harvester in Block L49 Division 01 Sesulung Estate, they have been known related HCV area and the and prohibition of applying chemicals in riparian areas.

Based interview with management representative and local community (Head of Village, Village Secretary and Community Leader of Pondok Labu Village) there are no legacy cases and development by indigineous peoples and local communities with legal or customary rights, taking into consideration regional and national multi-stakeholder processes.

There was no planting after 2010, also there was no plan of new expansion and new planting by PT PSA. PT PSA has conducted HCV assessments by YASBI in 2008.

Simedarby Plantation (SDP) has sent a disclosure to RSPO on 15 July 2015 related to reports on land clearing without HCV since Nov 2005 for all units under SDP. Based on these data it is known that there is land clearing since Nov 2005 at PT PSA with a period:

- Nov 2005 - Nov 2007: 1,138 Ha - Dec 2007 - Dec 2009: 508.02 Ha

The company has sent a Land Use Change Analysis (LUCA) document to RSPO on September 4, 2015. Based on LUCA data sent by SDP, it is known that raw liability is 508.02 Ha and final liability is 0 ha.

On June 26, 2016, SDP sent a letter to RSPO regarding raw liability data updates for LUCA, with details as follows:

Estate	Raw Liability (Ha)		
	Nov 2005 – Nov	Dec 2007 – Dec	
	2007	2009	
Binturung	40 Ha	50 Ha	
Pondok Labu	-	32 Ha	
Rampa	521 Ha	277 Ha	
Sesulung	519 Ha	75 Ha	

- The Chronology of LUCA submission by SDP update is available until January 2019 where the company has sent the LUCA report to RSPO (19 reports) along with shapefiles in August 2018, in October 2018 RSPO has responded with a note requiring clarification. Based on PT MAL communication with RSPO on February 13, 2019, the RSPO stated that currently the LUCA status for PT PSA is still awaiting finalization and clarification from SDP Berhad.
- The Land use / cover change analysis (LUCC) reporting checklist from RSPO dated August 9, 2019 there are still data that need to be clarified such as:
 - I. Provide missing satellite imageries, land cover and vegetation coefficient shapefiles for all 4 estates that covers all 2005, 2007 and 2009 years.
 - II. Provide substitute satellite imageries for the no-data gaps and artefacts that are observed to be present for all the imageries.
 - III. Provide the RSPO Remediation and Compensation Liabilities Report PT BSS V1 report for reviewers to reference the calculation and validity of the satellite imageries used.

Based on the description above, unit management not yet show evidence of data clarification above and approval of the Land Use Change Analysis (LUCA).

Critical 7.12.8 | Status: Non-conformance No.2020.08 with Critical category.

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3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or√	
ASA-1.3	Based on field observation and document verification, the CH did not use any RSPO logo's either	V	
	on product or off product or any other uses.		
	Status: Comply		
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√	
ASA-1.3	Based on field observation and document verification, the CH did not use any RSPO logo's either	V	
	on product or off product or any other uses.	V	
	Status: Comply		
3.	Implementation of Certificate and Logo is not used on product	X or√	
ASA-1.3	Based on field observation and document verification, the CH did not use any RSPO logo's either	$\sqrt{}$	
	on product or off product or any other uses.	V	
	Status: Comply		
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√	
ASA-1.3	Based on field observation and document verification, the CH did not use any RSPO logo's either	V	
	on product or off product or any other uses.	V	
	Status: Comply		



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3.3 Summary of RSPO Partial Certification.

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

Sime Darby Plantation Bhd Time Bound Plan is explained in table section 1.10. Sime Darby has achieved 34 management units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Bhd has informed the Time Bound Plan progress through representative's office in Indonesia. MUTU has considered that Sime Darby Plantation Bhd is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Bhd Indonesian representative on January 2019 by the Head of PSQM.

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

MUTU Auditor has verified company partial certification and concludes that:

- There are significant land conflicts in PT Mitra Austral Sejahtera, there is still an issue that remains unresolved social i.e. from Serikat Petani Kelapa Sawit (SPKS), but improvements are ongoing.
- PT Budidaya Agro Lestari waiting for land title process to some of its operational area.
- PT Guthrie Pecconina Indonesia Sungai Jernih Estate currently is in HGU process
- The company has followed RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labor 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.

Un-Certifi	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?	· •			
		Internal Audit report available for uncertified management unit, latest partial internal audit is held in July – December 2018, for five units and three smallholder scheme. - PT Budidaya Agro Lestari : 2 April 2018 - PT Guthrie Pecconina Indonesia – Sungai Jernih Estate : 8 Aug. 2018 PT Sandika Natapalma – Karya Palma Estate : 10 July 2018			
2.1.2	No replacement after dates defined in NIs Criterion 7.3 of:	Company Group/Holding Statement: HCV assessment has been conducted for			
	Primary forest.	uncertified units i.e. PT Mitra Austral Sejahtera			



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		<u>, </u>
	 Any area identified as containing High Conservation Values (HCVs). Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	(by Aksenta in March 2009) and Sime Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).
		Auditor Verification: Sime Darby Plantation Bhd sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2 nd revision on 24 June 2016. Current status of LUCA report of SDP Bhd is having been sent the 19 report of LUCA to RSPO on Aug 2018, responded by RSPO with need clarification. The companies ensuring reporting of disclosure of liability progress to RSPO and according to the CB's correspondency with RSPO Remediation and Compensation.
2.1.3	Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure.	Company Group/Holding Statement: A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress. *Note: RSPO NPP Announcements for SDP can be found at http://www.rspo.org/certification/new-planting-procedures/public consultations/page/14
		 Auditor Verification: Karya Palma Estate (PT Sandika Natapalma) and Baturus Estate (PT Budidaya Agro Lestari) any new planting after January 1st 2010 and due to not conduct NPP. RSPO NPP process has been completed in 2011 for a new mill in Liberia.
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.	Company Group/Holding Statement: Sime Darby (Liberia) Plantation Inc. Status: Box G - Close for Monitoring Further details please refer to: http://www.rspo.org/members/complaints/status- of-complaints/view/46
		Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are land conflict in: PT Bina Sains Cemerlang, this issue was raised on 22 April 2017 and still being process to resolve.





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2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	Company Group/Holding Statement: No stakeholder comments or complaints received.
		Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are no labour dispute in company unit.
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.	Company Group/Holding Statement: None noted. No stakeholder comments or complaints received.
		Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for company under SDP waiting for land title process, i.e.: PT Sime Indo Agro 1,652 Ha PT Aneka Inti Persada 421.31 Ha PT Bina Sains Cemerlang 308.25 Ha PT Bersama Sejahtera Sakti 765 Ha PT Langgeng Muaramakmur 1,162 Ha PT Paripurna Swakarsa 1,120 Ha PT Swadaya Andika 63 Ha PT Bahari Gembira Ria 1,639 Ha PT Guthrie Pecconina Indonesia 4,133 Ha PT Perkasa Subur Sakti 1,286 Ha



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- 3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.
- 3.4.1. Identification of Findings, Corrective Actions and Observations at ASA 1.2

NCR No. :	2019.01	Issued by :	Rizliani Aprianita Hsb
Date Issue :	15 February 2019	Time Limit :	ASA 1.3
NC Grade :	Minor	Date of Closing :	6 February 2020
Standard Ref. & : Requirement	1.1.1 There should be a list of information related to Criteria 1.2 that can be accessed by relevant stakeholders.		

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

- Based on the results of the document verification it is known that the company has sent the 2nd semester RKL-RPL Implementation Report 2018 through the delivery of JNE to the Environmental Agency of Kotabaru Regency and the Environmental Agency of South Kalimantan Province on 11 February 2019. During the ASA 1.2 audit, the company revised the RKL-RPL Implementation Report for semester 2 of 2018. However, the document has not been submitted to the relevant Office.
- Results of interviews with contract workers in the block G34 Div 1 PLE (pest control), it was conveyed that
 workers had not received a copy of the agreement. This is not in accordance with Law No. 13 of 2003 article 54
 which states that work agreements are made in at least 2 copies which have the same legal force and workers
 and employers each get 1 work agreement.

Root Cause Analysis (filled by organization audited):

- Results of the revised RKL RPL semester II 2018 have not been sent back to Environment Agency because they are waiting for the results of the wastewater analysis on December 2018.
- A copy of work agreement of contract worker has not been given because so far it has been submitted / explained at the time of the signing.

Correction (filled by organization audited):

- Revised RKL RPL semester II 2018 has been sent on February 18 2019 to the related Agency.
- Show evidence that the company has identified and provided work agreements to employees

Corrective Action (filled by organization audited):

- The Section Head ensures that the RKL RPL report is sent to Environment Agency regularly by making an RKL RPL delivery schedule and its realization.
- Make sure to provide copies to employees before work by making contract worker monitoring and the realization of the delivery of copies by Section Head / Assisstant Division

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification on May 2, 2019

The company shows evidence of improvement in the form of:

- Evidence of delivery of the revised RKL-RPL Report on 18 February 2019 through the Delivery Service.
- The handover of work agreement in the form of a photo handover to 2 workers on February 25, 2019.

Verification on January 9, 2020.

The company shows evidence of the same improvement sent on April 23, 2019.

Please be able to show evidence of further correction

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Proposed by Mythogyne Legteri for Pendely Leby POW - PT Periousne Systems Control Perbedies Perbedies



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Verification on February 6, 2020

The company shows evidence of improvements in the form of:

- List of all contract workers along with evidence of submission of a copy of the employment agreement.
- Mandatory report delivery schedule documents. The mandatory reporting period for the second semester will be submitted in January.

Based on document review, the company has send RKL/RPL report for semester II year 2019 on April 13, 2020 to the Environmental Agency of Kotabaru Regency and Kalimantan Selatan Province. Furthermore, based on field observations and review of labor documents are known that all workers have a work agreement with the company. Based on the explanation, non-conformity No. 2019.01 was declared fulfilled.

Verified by	:	Rizliani Aprianita Hsb

NCR No. :	2019.02	Issued by :	Rizliani Aprianita Hsb
Date Issue :	15 February 2019	Time Limit :	ASA 1.3
NC Grade :	Minor	Date of Closing :	6 February 2020
Standard Ref. & : Requirement	2.1.2 A documented system, in should be maintained.	cluding written inform	nation about legal requirements,

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

The company has a list of legal requirements contained in the List of RSPO-related Regulations in 2019. There are a total of 224 lists of regulations with all of them fulfilled in accordance with the evaluation of regulations. Based on the verification of the document, there are still regulations that have not been contained in the list of company regulations, for example but not limited to:

- Government Regulation no. 78 of 2015 concerning Wages.
- Government Regulation No. 44 of 2015 concerning the Implementation of accident insurance and life insurance Programs
- Government Regulation No. 45 of 2015 concerning the Implementation of the Pension Guarantee Program
- Government Regulation No. 46 of 2015 concerning the Implementation of the JHT Program
- Permenaker no. 3 of 1986 concerning OHS of Pesticide Requirements.
- Kalimantan Selatan Governor Decree No. 188.44 / 0598 / KUM / 2018 concerning Regency / City Minimum Wages.

Root Cause Analysis (filled by organization audited):

Lack of information and socialization from related agencies to the company so company have to find information themselves. In addition, PIC has not updated regulations from the internet as a source of information because he didnt understand the sources of regulatory updates.

Correction (filled by organization audited):

- Updating the list of company regulations in PT. PSA in accordance with the evaluation of regulations in coordination with each department including by PSQM so that updates can be done together by searching from the website / internet of each agency regularly.
- Provide understanding to the PIC related that regulatory updates are also done via the internet.

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Proported by Mutuaging Lactori for Pandak Laby POM - PT Paringrae Synakarsa (Sima Parby Plantation Parbad)



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Corrective Action (filled by organization audited):

- The PSQM ESH and Legal team ensured that the list of regulations was in accordance with the evaluation of the regulations by looking for sources from the website of the agency related to plantation industry activities. The regulatory update period is carried out once a year according to the procedure.
- Provide understanding to the PIC related that regulatory updates are also done via the internet.

Assessor Evaluation and Conclusion (filled by auditor):

Verification on May 2, 2019

The company shows evidence of improvement in the form of the 2019 RSPO regulatory update document which includes several regulations such as:

- Government Regulation no. 78 of 2015 concerning Wages.
- Goverment Regulation No. 44 of 2015 concerning the Implementation of accident insurance and life insurance Programs
- Government Regulation No. 45 of 2015 concerning the Implementation of the Pension Guarantee Program
- Government Regulation No. 46 of 2015 concerning the Implementation of the JHT Program
- Permenaker no. 3 of 1986 concerning OHS of Pesticide Requirements.
- Kalimantan Selatan Governor Decree No. 188.44 / 0598 / KUM / 2018 concerning Regency / City Minimum Wages.

Verification on November 21, 2019

The company shows a list of regulations related to RSPO 2019 along with the status of compliance.

Verification on January 9, 2020

The company shows evidence of improvement in the form of SOP Identification of Legislation and Evaluation Compliance with Applicable Legal Requirements No. document 001 dated July 1, 2019 which has been approved by management.

Verification on February 6, 2020

The company shows evidence in the form of:

- List of update regulatory on October 2019, which also inform the source of regulatory updates.
- Records of socialization of regulatory information sources in October 2019.

The results of interviews with PICs such as legal, PSQM and EHS are known that PIC has learned that regulatory updates are also carried out through the internet / website.

Based on the explanation above, it was concluded that the nonconformity was declared Fulfilled

Verified by :	Rizliani Aprianita Hsb

NCR No. :	2019.03	Issued by :	Sandra Purba
Date Issued :	15 February 2019	Time Limit :	14 May 2019
NC Grade :	Major	Date of Closing :	14 May 2019
Standard Ref. & :	2.2.1		
Requirement	Documents showing le ownership/control, and the		ease, history of land tenure e land shall be available.

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

Based on the statement area, the PT PSA management area is **16,012 Ha**, the document verification shows that up to ASA 1.2, the area which has land title is an area of **14,892** Ha, and an area of **1,119.97** ha is in the process of



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HGU since 2008. Cadastral measurements and Committee B's evaluation have been carried out, in the letter and the attendant list of committee B stated that the area approved for the issuance of the HGU is 914.45 Ha. Thus, based on this, there is a variant between the management area and the HGU area plus the B / cadastral area of **205.52 Ha**. Related to this, the company has not been able to show the HGU or HGU process for the variant area.

Root Cause Analysis (filled by organization audited):

All the legal document are kept by PSD Dept Minamas Plantation, regarding to the latest HGU pocess not yet updated to PT PSA.

Correction (filled by organization audited):

It has been submitted by PSD Minamas Head Office related to the details of process of HGU 1,119.97 ha and detailed measurement results

Corrective Action (filled by organization audited):

Head Adm shall update the process of HGU to PSD Jakarta

Assessor Evaluation and Conclusion (filled by auditor):

Verification on May 2, 2019,

The company has shown evidence of correction, namely:

- 1. Communication results from PT PSA with PSD Dept. which explained the comparison of measurement results of PT PSA's HGU in 2008 and 2018, where the total measurements in 2008 covering an area of 1,119.97 Ha and the results of 2018 measurements were 984.2 Ha, with variants covering an area of 135.77 Ha.
- 2. Land maps of results of measurements in 2008 covering an area of 1,119.97 Ha map number 21-17.10-2008 scale 1: 20000 issued by BPN South Kalimantan on 4 August 2008
- 3. Map of land no. 71/2018 scale 1: 10000, by BPN on August 30, 2018 covering an area of 785 ha
- 4. Map of land area no .: 78/2018 scale 1: 2500, by BPN on 7 September 2018, covering an area of 50 Ha, NIB: 17.10.00.00.00194
- 5. Map of land No .: 79/2018, by BPN on 7 September 2018 covering an area of 70 ha

Verification on 11 May 2019,

The company has shown additional evidence, namely:

- 1. Map of land No .: 78/2018, published on 7 September 2018, NIB: 17.10.00.00.00193, area of 14.63 Ha, by BPN South Kalimantan
- 2. Map of land No : 78/2018, published on 7 September 2018, NIB: 17.10.00.00.00195, 64 hectares, by BPN South Kalimantan
- 3. Letter of invitation for the meeting evaluation of committee B over area of 914.45 Ha to PT PSA dated 8 October 2018, no \pm : 835 / 300.10 / X / 2018
- 4. Email an explanation from PS-Land Development & License Jakarta, Minamas Plantation regarding differences in operating area with total permit, with the following explanation:
 - ✓ Differences of total licensing is 15,886.20 Ha (Data per 31 Oct 2018) VS total operating area 16,011.98 Ha = 135.78 Ha.
 - ✓ All planting areas are included in the permit.
 - ✓ In accordance with the proposal from the POD regarding the difference in the area of Operating Area VS Licensing, it is necessary to adjust the Operating Area Data (deductible) so that the data on the area of total licensing will be the same as the total operating area.
 - ✓ Initially Total Licensing (Data as of June 30, 2012) was 16,011.97 Ha. But in 2018 the Government (BPN) can only approve an additional area of 984.20 Ha (total area of 15,876.20 Ha). Areas that do not get approval are areas that cannot be controlled (occupational), villages etc.



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			AS PLANTATION 0F LAND LICENSES					
No	Company (PT)	Licenses		Date of	Expiry	Tenure	As per 31 Oct 2018	Remaining
		Type of certificate	Certificate No.	Issue	Date	(Years)	(Ha)	Years
3	Paripurna Swakarsa (PSA)	Sertipikat HGU Proses HGU (Pan-B & Rekom HGU)	14/ Kotabaru	1-Dec-97	22-Nov-32	35	14,892.00 984.20	
			Sub Total				15,876.20	

Verification on May 14, 2019,

The company has shown a map of the PSA statement area that informs the area that was not approved by the BPN for the issuance of 135 hectares of HGU in PLE, the area is Pondok Labu Village and outside the planting area. **The evidences had been verified and accepted to be closed out and complied.**

Verified by	:	Sandra
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NCR No. :	2019.04	Issued by :	Afiffuddin
Date Issue :	15 February 2019	Time Limit :	ASA 1.3
NC Grade :	Minor	Date of Closing :	5 February 2020
Standard Ref. & : Requirement	4.2.4 A nutrient recycling strate (EFB), land application, an		ling use of Empty Fruit Bunches replanting

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

Based on the results of document review, interviews with management and field observations, there were non-conformities related to the implementation of empty fruit bunch recycling of nutrients, namely as follows:

- The empty fruit bunch application program for the period July December 2018 has not been realized according to plan, for example in the Sesulung Estate program 2,777.95 tons applied 370.73 tons and in the Binturung Estate program 6,240 tons and applied for 3,590 tons, this is in line with the results of field visits that many empty fruit bunch which accumulate and have not been applied to the land either in the mature plant area or in the immature plant area, for example in the block L48 Division 2 Sesulung Estate and block D14 Divison 2 Pondok Labu Estate.
- There are empty fruit bunch which are not in accordance with the program block and are not applied, for example in Sesulung Estate block L51.

The foregoing is not in accordance with the document Agricultural Reference Manual (ARM) No. Policy 110 / EST-ARM / 13 Part 8 concerning Fertilization of Palm Oil Plants.

Root Cause Analysis (filled by organization audited):

EFB pouring is not according to plan because the driver carrying EFB does not place / pour EFB at the location provided by the division.

Correction (filled by organization audited):

- Socialization has been carried out to EFB transport drivers in PLE and SSE on February 25, 2019 (Attached)
- The attached EFB program and realization in SSE and BNE in 2018
- EFB has been applied in the block L48 SSE as well as in the block D14 PLE
- Still applied in block L51 because the block still gets the program in one year, only when there is an EFB placement is not the application program.

Corrective Action (filled by organization audited):

The Division Assistant ensures the placement of EFB in accordance with the plans set by the Division.

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Proported by Mutuaging Lecturi for Pendek Leby POM - PT Periousna Systems (Sime Perbed)



RSPO ASSESSMENT REPORT

Assessor Evaluation and Conclusion (filled by auditor):

Verification on November 21, 2019

The certificate holder shows the following evidence of improvement:

- Minutes of EFB Transport Driver, 25 February 2019, regarding the socialization of EFB transport such as ensuring EFB transportation is poured in the designated blocks and ensuring that it is only poured in the line of lanes with EFB placement markings. The socialization was attended by 19 people.
- 2. Photos of the EFB application process
- 3. EFB Transportation Report by the contractor period July, August and November 2018
- 4. Recapitulation of the EFB Application

Verification on January 22, 2020

The company shows evidence of improvement as follows:

- 1. EFB Binturung Estate (Tonnage) Program and Realization in 2018
- 2. Documentation in the form of photos of EFB applications in block D14 Pondok Labu Estate and block L48 Sesulung Estate
- 3. Program and Realization of the EFB Sesulung Estate (Tonnage) in 2018 and documentation in the form of photographs

Based on the analysis of the root causes presented, the corrective actions shown and the preventive actions that will be taken as well as the results of field observations, then this non conformity is declared fulfilled.

Verified by :	Afiffuddin

NCR No. :	2019.05	Issued by :	Yudhi Yuniarto Tallutondok
Date Issued :	15 February 2019	Time Limit :	14 May 2019
NC Grade :	Major	Date of Closing :	8 May 2019
Standard Ref. & :	4.6.5		
Requirement	application guidelines in p Appropriate safety equip	product label and stora ment shall be provide shall be properly obser	person and in accordance with age guidelines shall be available. ed and utilized. All precautions wed, applied, and understood by

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

The company has a Chemical Handling Procedure with PLF / SOP.ESH / 04 number dated January 11, 2011. However, based on the results of field observations it is known that the implementation has not been in accordance with the company's procedures as follows:

- Not all chemicals in the PLE are equipped with MSDS, for example MSDS for kenlon, kenly, ken up In addition, there are MSDS in English such as lifeline, racumin and spreader.
- Not all chemicals in the warehouse BNE have MSDS such as antracol, racumin, cozeb, lifeline.
- There are MSDS in English at SSE such as racumin, abolition and lifeline.
- During interviews with spray workers at Sesulung Estate, workers did not understand the MSDS.

Root Cause Analysis (filled by organization audited):

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RSPO ASSESSMENT REPORT

- The MSDS at PLE, BNE and SSE have not been installed because before the chemicals have been exhausted so that the MSDS is returned by the clerk, and after the chemical arrives the new stock has delayed the reinstallation of the intended MSDS by the warehouse clerk.
- 2. The employee's understanding of the MSDS is delivered in a general sense because the use of chemicals always changes depending on the type of work.
- English MSDS is still installed because the MSDS has not been obtained in the Indonesian language provided by the Pesticide supplier.

Correction (filled by organization audited):

- 1. MSDS has been re-installed in accordance with the available stock in the warehouse and MSDS has also been installed in the Indonesian language
- Socialization of the MSDS to workers about the MSDS according to the chemicals and documented in the SSE
- Make / compile MSDS in Indonesian based on MSDS in English so that Indonesian can be better understood by employees.

Corrective Action (filled by organization audited):

- 1. Ensure that the MSDS is installed according to the available stock by the warehouse clerk in an update.
- Continue to do MSDS socialization on the use of chemicals and how to handle them for each type of chemical by Supervision and Staff to employees by Safety Officer
- The warehouse clerk ensures that the MSDS in the Indonesian language has been prepared by the Safety Officer by referring to the Original MSDS of the Product used.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification on May 8, 2019

The company sends some proof of improvement as follows:

- MSDS for NPK 44 Racum, Lifeline, Spreader and Fertilizer material in Indonesian.
- Documentation of lack of MSDS installation in the Chemical Warehouse of PLE. BNE and SSE.
- MSDS socialization documentation to SSE employees which was held on March 14, 2019 and located at SSE division 2 office. The socialization was attended by SSE spray employees. Available documentation, material and attendance list for the training.

The evidences had been verified and accepted to be closed out and complied.

Verified by	Yudhi Yu	niarto Tallutondo	k
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NCR No. :	2019.06	Issued by :	Afiffuddin
Date Issued :	15 February 2019	Time Limit :	14 May 2019
NC Grade :	Major	Date of Closing :	10 May 2019
Standard Ref. & :	4.6.6		
Requirement	pesticides containers sh	all be properly mana	recognised best practices. All aged according to the existing containers (see criterion 5.3).

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

Based on the results of field observations in the Rampa Estate pesticide warehouse, it is known that the storage of chemicals for pesticides / herbicides is mixed with other materials such as fire extinguishers, water tanks and paralon.

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RSPO ASSESSMENT REPORT

• Based on the results of field observations to the Binturung Estate, it is found *Kencepat* pesticides are located in general warehouse and Division 2 office.

This is not in accordance with *Peraturan Menteri Tenaga Kerja* (Minister of Manpower Regulation) number 3 of 1986 concerning *Syarat Keselamatan dan Kesehatan Kerja di Tempat Kerja yang Mengelola Pestisida* (Occupational Health and Safety Requirements in the Workplaces that Manage Pesticides).

Root Cause Analysis (filled by organization audited):

Limited space for storage of materials so that some materials have to be stored with pesticides in a pesticide storage area that is still sufficient to accommodate other materials.

Correction (filled by organization audited):

Storage of pesticides in Rampa Estate and Binturung Estate has been carried out which are not mixed with other materials (attached).

Corrective Action (filled by organization audited):

The head of administration / warehouse officer ensured that pesticide storage was not mixed with other materials and made special Agrochemical places / rooms so that no more agrochemicals were placed outdoors and mixed with other materials.

Assessor Evaluation and Conclusion (filled by auditor):

Verification on May 3, 2019

The certificate holder shows proof of improvement in the form of Minutes of Transfer of Agrochemical Binturung Estate on February 15, 2019. The document explains that type pesticide of Kencepat 10.5 kg and Asefat Manthane 75 SP 47 kg has been moved from general warehouse to agrochemical warehouse.

Verification on May 9, 2019

The certificate holder shows proof of improvement in the form of minutes of socialization on the use of PPE and warehouse for pesticide Rampa Estate on 16 February 2019 to 3 participants. In the minutes explained about storing chemicals in the Agrochemical Warehouse separately without being mixed with other materials.

Verification on May 10, 2019

The certificate holder shows proof of improvement in the form of socialization of agrochemical storage to 3 participants at Binturung Estate on February 15, 2019 along with the results of the evaluation.

The evidences had been verified and accepted to be closed out and complied with observation.

Verified by : Afiffuddin

NCR No. :	2019.07	Issued by :	Yudhi Yuniarto Tallutondok
Date Issued :	15 February 2019	Time Limit :	14 May 2019
NC Grade :	Major	Date of Closing :	8 May 2019



RSPO ASSESSMENT REPORT

Standard Ref. & :	4.7.2
Requirement	A documented risk assessment shall be available and its implementation shall be recorded.

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

Hazard Identification Risk Assessment and Risk Control

The company has a 2018 Hazard Identification Risk Assessment and Risk Control (HIRARC) evaluation document that describes the hazards, impacts, control measures and personal protective equipment for each job. However, based on the results of document verification there are several activities that have not identified potential hazards, for example, but not limited to:

- FFB forming on trucks, based on the results of field observations in Division 2 of Pondok Labu Estate.
- Activities for storing PPE and carrying PPE home by pesticide applicator, fertilizers and harvesting tools, this is based on observations and interviews with Pondok Labu Estate pesticide applicator, Rampa Estate and Sesulung Estate fertilizer employees.

In addition, based on field observations, it was found that implementation was not in accordance with the HIRARC documents owned by the company, for example

- Harvesters have been given PPE at Rampa Estate but PPE (helmet) is not used when working.
- Warehouse officers were given appropriate PPE on Rampa Estate but PPE was not used when entering the pesticide warehouse
- The employees of Binturung Estate fertilizer do not use PPE (gloves and masks) that have been given
- Rampa Estate sprayers use masks that are not in accordance with the standards of the company that has been given
- The boiler operator does not use a mask when refueling (inserting fiber into a fuel supplier)

Root Cause Analysis (filled by organization audited):

- HIRAC for FFB loader is available in the HIRAC document in 2018 which is incorporated in the Harvest and Loader HIRAC but does not include safe storage of Harvesting Equipment and does not include storage of spray PPE and fertilizer in HIRAC.
- Storage of PPE is not placed in the BSS house because PPE storage is not yet available.
- The discipline of RPE harvesters, RPE Warehouse Officers, BNE Fertilizer Employees and PLF Boiler Operators in using PPE is still lacking, because PPE has been brought to the field but when not working.

Correction (filled by organization audited):

- 1. HIRAC socialization of transporting FFB at PLE
- 2. Storage of PPE at the BSS house by PLE, SSE and RPE (attached)
- 3. Socialization of PPE to RPE harvesters.
- 4. Socialization of the use of PPE to RPE warehouse officers
- 5. Socialization of the use of PPE fertilizer packaging at BNE
- 6. Socialization and administration of spray PPE in RPE
- 7. Socialization of HIRAC to PLF boiler operators
- 8. Evaluation of HIRAC about Harvesting, Load FFB, Spray and Fertilizer including safe storage of PPE and PPE.

Corrective Action (filled by organization audited):

- 1. Assistant always ensures HIRAC is evaluated every year
- 2. Procurement and storage of PPE in accordance with procedures and potential hazards in HIRAC
- 3. Assistant to monitor daily PPE usage before work

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification, May 8, 2019



RSPO ASSESSMENT REPORT

The company shows some evidence of improvement including:

- 1. Socialization of the use of PPE for harvest, spray, upkeep and transportation of FFB employees with a total of 103 people on February 9, 2019 located in Division 1 of Rampa Estate. Available documentation, material and attendance list for the training.
- 2. Socialization of the use of PPE for employees of fertilizer with a total of 2 people on March 5, 2019 located in Division 1 of Rampa Estate. Available documentation, material and attendance list for the training.
- 3. Socialization of the use of PPE for boiler station employees with a total of 5 people on February 19, 2019 located at PLF boiler station. Available documentation, material and attendance list for the training.
- 4. Socialization of the use of PPE for employees of the RPE chemical warehouse with a total of 3 people on February 16, 2019 at the Central Rampa Estate Warehouse. Available documentation, material and attendance list for the training
- 5. Documentation of the storage of PPE for PLE spray employees equipped with the locker number of each employee.
- 6. Documentation of the storage of PPE for SSE spray employees who have been equipped with the locker number of each employee.
- 7. Documentation of the storage of PPE spray employees who have been equipped with the locker number of each employee.
- 8. Evaluation of HIRAC regarding Harvest and Load of FFB, Spray and Fertilizers including safe sealing of Tools and PPE.

The evidences had been verified and accepted to be closed out and complied.

Verified by : Yudhi Yuniarto Tallutondok

NCR No. :	2019.08	Issued by :	Yudhi Yuniarto Tallutondok	
Date Issued :	15 February 2019	Time Limit :	14 May 2019	
NC Grade :	Recurring Major	Date of Closing :	8 March 2019	
Standard Ref. & :	4.7.3			
Requirement	Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.			

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

The company has a Personal Protective Procedure with number 739 / TQEM-ESH / 10 dated November 1, 2016. In point 6.1, some things are explained as follows:

- PPE must be replaced as soon as it is found that it does not guarantee protection.
- Except PPE Shoes will be given once a year according to the budget set by the management unit.
- For the replacement of PPE Shoes that are damaged before one year must meet the requirements, for example: report to the boss, submit evidence of shoes that are damaged, damage due to use for work and chronological delivery of care and storage. If it is correct, a replacement will be made.

Based on the results of field observations and interviews with employees in the estate and mill found the application of PPE procedures that have not been maximized for example:

- WTP operators use safety shoes in damaged condition
- Evidence of the distribution of PPE was shown, but during field observations, FFB loader Division 2 PLE mentioned that shoes were purchased alone because there was no replacement of damaged PPE from the company, interviews with harvesters in block D15 Division 2 mentioned that boots were used to buy themselves and interviews with spray and IPM employees said that shoes were bought by themselves
- FFB loaders in Division 3 SSE do not use helmets and shoes provided by the company.



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- Interview with a pesticide applicator at the RPE stated that PPE shoes bought themselves
- Interview with upkeep worker Division 3 BNE states that shoes are provided once a year, if damaged can not be exchanged and bought alone

Interviews with the Department of Manpower and Transmigration of Kotabaru Regency are known that the company can arrange the schedule for PPE to be given to employees, but companies are required to provide PPE to employees when employees work for free.

Based on the evidence above, the company has not been able to demonstrate the implementation of the use and provision of PPE in accordance with the procedures and applicable regulations (Regulation of the Minister of Manpower and Transmigration No. 8 of 2010).

Root Cause Analysis (filled by organization audited):

- The company has not routinely conduct the socialization of replacement mechanism of damaged PPE to employees.
- Lack of concern for supervision in the use of PPE by employees.
- Employees are not aware of any damaged PPE replacement procedures.

Correction (filled by organization audited):

- Socialization to all employees regarding the mechanism of PPE replacement.
- Carry out daily identification / examination before work on the suitability and feasibility of using PPE.
- Replace damaged employee PPE

Corrective Action (filled by organization audited):

- Conduct regular and comprehensive socialization to employees related to PPE replacement procedures.
- Carry out daily routine checks of employee PPE before working (documented) to ensure employees work using good and appropriate PPE.
- Provide a stock of PPE in the central warehouse to replace damaged employee PPE.
- Give multi-level sanctions to employees who do not use PPE in accordance with the gifts and standards set by the company.

Assessor Evaluation and Conclusion (filled by auditor):

Major Verification March 4 - 7, 2019

Document Verification

When a major verification is carried out, the company shows evidence of improvements that have been made in each unit as follows:

Binturung Estate

- 1. PPE socialization for Division I employees on 12 February 2019 at the division office yard and was attended by 65 participants.
- 2. PPE socialization for Division II employees on 12 February 2019 at the division office yard and was attended by 89 participants.
- 3. PPE socialization for Division III, IV and Nursery employees on February 16, 2019 at the division office yard and attended by 176 participants
- 4. Division II, III and Nursery Daily PPE Inspection Form Period February 2019 for harvest work, upkeep and transportation of FFB.
- 5. Minutes of the transfer of 10 pieces of PPE to Division III fertilizer employees on March 5, 2019
- 6. Minutes of transfer 64 PPE replacements (apron, mask, rubber gloves and boots) to upkeep employees on February 16, 2019
- 7. Minutes of transfer 37 PPE (helmet and shoes) to harvester on 18 February 2019.
- 8. PPE Stock dated March 5 2019 eg 12 pcs masks, 10 pairs of rubber gloves, 10 pcs apron, 11 pairs of boots, and safety helmets 52 pcs

Rampa Estate

1. PPE socialization for Division I employees on February 9, 2019 at the division office yard and was attended by 103 participants.



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- 2. PPE socialization for Division II employees on 13 February 2019 at the division office yard and was attended by 113 participants.
- 3. PPE socialization for Division III employees on February 16, 2019 at the division office yard and was attended by 125 participants.
- 4. Division I, II and III Daily PPE Inspection Form for February and March 2019 periods for harvest work, upkeep and transportation of FFB.
- 5. Minutes on the handover of the PPE replacement (yellow helmet) for 39 pieces to harvest workers, upkeep and transportation of Division I FFB on March 4, 2019.
- 6. Minutes of transfer of 9 pieces of PPE to employees of Division I harvester on March 4, 2019.
- 7. Minutes of transfer of PPE (masks and shoes) to 5 employees to Division II spray worker on March 5, 2019.
- 8. Minutes on the handover of the PPE replacement for 9 pieces of PPE (sunglasses and rubber gloves) to spray worker on February 27, 2019.
- 9. Minutes of the transfer of 10 pieces of PPE to division supervision on March 6, 2019.
- 10. PPE Stock dated March 5, 2019 for example 41 pcs masks, 44 pairs of cloth gloves, 13 pairs of rubber gloves, 30 pairs of safety glasses, 65 pcs apron, 132 pairs of boots, and 36 pcs safety helmet

Sesulung Estate

- 1. PPE socialization for Division I employees on 18 February 2019 at the division I office yard and was attended by 27 participants
- 2. PPE socialization for Division II employees on February 19, 2019 at the division II office yard and was attended by 24 participants
- 3. PPE socialization for Division III employees on February 20, 2019 at the division III office yard and was attended by 29 participants
- 4. PPE socialization for Division IV employees on February 21, 2019 at the division IV office yard and was attended by 90 participants
- 5. Daily PPE Inspection Form February 2019 Period for harvesting, upkeep and transport of Division I, II, III and IV.
- 6. Minutes on the handover of the PPE replacement for 31 apron, 33 pcs of masks and 31 pcs of gloves to employees on February 9, 2019.
- 7. Stock PPE dated March 5, 2019 for example 11 pairs of rubber gloves, 50 pcs apron, 27 pairs of boots, and 37 pcs safety helmet

Pondok Labu Estate

- 1. PPE socialization for Division I employees on 18 February 2019 at the division I office yard and was attended by 81 participants
- 2. PPE socialization for Division II employees on February 16, 2019 at the division II office yard and was attended by 103 participants
- 3. PPE socialization for Division III employees on February 16, 2019 at the division III office yard and was attended by 78 participants
- 4. PPE socialization for Division IV employees on February 16, 2019 at the division IV office yard and was attended by 39 participants
- 5. Daily PPE Check for the February 2019 Period for harvesting, upkeep and transport of Division I, II, III and IV.
- 6. Minutes on the handover of the PPE replacement for 29 pcs of PPE (apron) to spray employees on 11 February 2019
- 7. Minutes on the handover of the PPE replacement for 29 pcs of PPE (mask) to spray employees on 11 February 2019.
- 8. Minutes on the handover of the PPE replacement for 29 pcs of PPE (rubber gloves) to spray employees on 11 February 2019.
- 9. Minutes on the transfer of PPE (helmet and boots) to 1 employee FFB loaders on February 14, 2019.
- 10. Minutes of the transfer of 17 pairs of PPE to harvesters and FFB loader on February 18, 2019.
- 11. Minutes of the transfer of PPE (boots) totaling 90 people to harvester workers on February 18, 2019.
- 12. PPE Stock dated March 5, 2019 for example 4 pcs mask, 37 pairs of rubber gloves, 4 pcs apron, 41 pairs of boots, and 48 pcs safety helmet.



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Pondok Labu Factory

- 1. PPE socialization for process employees on February 19, 2019 at the factory office yard and was attended by 71 participants
- Daily PPE Check for the February 2019 Period from the FFB reception station to the process.
- Minutes of transfer of PPE (safety shoes) as many as 1 pair to WTP operators on March 5, 2019.
- PPE Stock dated March 5, 201 for example 48 pcs mouth masks, 12 pairs of cloth gloves, 100 pcs ear plugs, 20 pairs of safety shoes, and 48 pcs safety helmets.
- Field observations and interviews with employees

During major verification activities, the auditor conducts field observations and interviews with employees throughout the unit at random as follows:

- 1. Harvesting on Block C16 / 17 Division 1 Binturung Estate.
- 2. Circle Racking on Block G28 Division 3 Binturung Estate.
- 3. Central warehouse of Binturung Estate
- 4. Circle and Path Spraying on Block K21 / 22 Division 2 Rampa Estate.
- 5. Circle Racking on Block L32 Division 3 Rampa Estate.
- 6. Central warehouse of Rampa Estate.
- 7. Grading station at Pondok Labu Factory.
- 8. Sterilizer station at Pondok Labu Factory.
- 9. Threser station at Pondok Labu Factory.
- 10. Nut and kernel station at Pondok Labu Factory.
- 11. Press station at Pondok Labu Factory.
- 12. Central warehouse of Pondok Labu Factory.
- 13. Harvesting on Blok D44 Division 2 Pondok Labu Estate.
- 14. Loose Fruit Collection on Block E51 Division 3 Pondok Labu Estate.
- 15. FFB Loading on Blok J20 / J21 Pondok Labu Estate.
- 16. Central warehouse of Pondok Labu Estate
- 17. Circle Racking on Blok L51 Division 1 Sesulung Estate.
- 18. Circle and Path Spraying on Block L17 Division 2 Sesulung Estate.
- 19. Circle Racking on Blok N37 Division 2 of Sesulung Estate.
- 20. Circle Racking on Block S43 Division 4 Sesulung Estate.
- 21. Central warehouse of Sesulung Estate.

Verified by

Based on the results of field observations and interviews with employees it is known that employees have understood the procedure for giving and replacing PPE, this has been conveyed by the company through socialization at the morning briefing with employees. It was further explained that the company had also begun conducting PPE checks before work to ensure the conditions and suitability of PPE used by employees at work.

Based on the results of document verification, field observations and interviews with employees it was known that the company had taken corrective actions including socializing to employees related to PPE replacement procedures, conducting employee PPE every day and providing PPE stock in the central warehouse as PPE replacement supplies. This is in line with the results of field observations and interviews with employees stating that the company has socialized the mechanism of PPE replacement and has been understood by employees, in addition employees also explained that the company had begun conducting PPE examinations before work to ensure the condition and suitability of PPE used by employees at work. The evidences had been verified and accepted to be closed out and complied.

NCR No. :	2019.09	Issued by :	Yudhi Yuniarto Tallutondok

Yudhi Yuniarto Tallutondok



RSPO ASSESSMENT REPORT

Date Issued :	15 February 2019	Time Limit :	ASA 1.3
NC Grade :	Minor	Date of Closing :	3 May 2019
Standard Ref. & : Requirement			hall be available in Indonesian First Aids training, are available

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

Emergency Response

The company has emergency procedures as follows:

- 1. Procedure for emergency response No. PSA / SOP.PD SOP document dated 1 December 2010 describes the steps to be taken in the event of an emergency.
- 2. Procedure Number 7302 / PSQM-ESH / 14 07/08/14 was approved by Head Plantation Upstream Indonesia concerning Guidelines for Fire Prevention and Management.

Based on the results of field visits it is known that the implementation has not been in accordance with the procedure, as follows:

- Installation of Fire Extinguisher at Pondok Labu Factory is not right in some places, for example in Central Warehouse on a pole with 125 cm above and the station loading ramp does not have a symbol of the place where Fire Extinguisher is located.
- Hydrant type fire extinguishers are not in standby condition, based on simulations and observations made by the auditor there is no hose in the Hydrant box.
- Installation of Fire Extinguisher that is not yet right at the Fuel Filling Station and Warehouse Estate Area (there is no marker on the location of the Fire Extinguisher).
- Fire Extinguisher in non-pressurized conditions and not ready to be used in the Daycare Division 2 Binturung Estate.

First Aid Kit

- 1. The company has an OHS First Aid Accident Procedure and First Aid Kit with the number P3K-01 dated December 1, 2015. In the procedure, a list of drugs is recommended for carrying the field with a total of 12 items.
- Evaluation of the PT Paripurna Swakarsa First Aid Kit Box in 2018 by a company doctor, which explains the list of drugs recommended for carrying the field with 12 items.

Based on the results of field observations found that implementation is not in accordance with the procedure for example:

- There are 2 items in the first aid box which are expired, namely betadine and rivanol in the PLE fire extinguisher.
- First aid kit for foreman in Sesulung Estate contained 10 items without a table of contents and monitoring
- First aid kit without contents in Binturung Estate daycare
- First aid kits in the office of the Binturung Estate division contain no more than 12 items (according to the list) and there is no monitoring of usage.
- First aid kits in the Binturung Estate warehouse office do not have up to 12 items (according to the list) and there is no usage monitoring

Based on the explanation of the evidence above, it is known that the company has not been able to show evidence that the handling of emergencies and first aid has been implemented and monitored its effectiveness in accordance with the procedures owned.

Root Cause Analysis (filled by organization audited):

Monitoring fire facilities (fire extinguisher and hydrant) and first aid kits in the field have not yet proceeded



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according to the procedure.

Correction (filled by organization audited):

- 1. Fire Extinguisher has been installed that matches 125 cm in PLF with Fire Extinguisher symbols and numbers
- 2. The hose of the fire hydrant which was previously stored in the warehouse has been re-installed because it is repainting the hydrant box at PLF
- 3. Fire Extinguisher installation has been carried out in the RPE and is equipped with inspection monitoring up to April 2019
- 4. Fire Extinguisher has been replaced on March 5, 2019 at BNE div 2
- 5. Has a first aid kit in the PLE fire extinguisher in April 2019
- 6. The fulfillment of the contents of the First Aid Box in March 2019 at SSE
- 7. First Aid Box filling has been carried out at daycare, division office and BNE warehouse in March 2019

Auditor's response May 3, 2019

There are no corrective actions for:

- First aid kits in the office of the Binturung Estate division contain no more than 12 items (according to the list) and there is no monitoring of usage.
- First aid kits in the Binturung Estate warehouse office do not have up to 12 items (according to the list) and there is no usage monitoring

Corrective Action (filled by organization audited):

The safety officer always checks and replaces if there is a Fire Extinguisher and First Aid Kit void.

Auditor's response on May 3, 2019

Corrective action is still very general in nature, the company can re-analyze it specifically in order to guarantee that non-conformity will not be repeated in the future.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification May 3, 2019

The company shows some proof of improvement as follows:

- 1. Documentation of fulfilling the contents of the first aid kit at the Central Warehouse PLE
- 2. Documentation of fulfilling the contents of the first aid kit in the PLE Fire Extinguishers Warehouse
- 3. Documentation of fulfilling the contents of the first aid kit in SSE Foreman.
- 4. Documentation of fulfilling the contents of the first aid kit in Daycare Division 2 BNE
- 5. Documentation of filling the hydrant box at PLF
- 6. Documentation of installation of tube Fire Extinguisher in Central PLF Warehouse
- 7. Documentation of Fire Extinguisher tube installation in Daycare Division 2 BNE
- 8. Documentation of installation of Fire Extinguisher tubes in the Rampa Estate area.

The evidences had been verified and accepted to be closed out and complied.

Verified by :	Yudhi Yuniarto Tallutondok
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NCR No.	2019.10	Issued by	Sandra Purba		
Date Issued :	15 February 2019	Time Limit :	14 May 2019		
NC Grade :	Major	Date of Closing :	11 May 2019		
Standard Ref. & : Requirement	present or affected by the	Where rare, threatened or endangered (RTE) species and or other HCVs are present or affected by the plantation and mill operations, an appropriate measures that are expected to maintain or enhance them shall be implemented through a			



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

The company has compiled plans for the management of HCV areas and RTE species (rare, threatened, endangered) for the 2018-2019 period, one of which is the installation of HCV signboards, installation of hunting ban signboards and installation of signboards for protected species.

On field observations to the PLE HCV area (the riparian of the Pondok Labu river and Separe river), to the HCV area at BNE (the Binturung River Basin, Sopan Tempuro spring, Niko water spring) and the swamp area in RPE it was seen that the company had not installed a signboard of HCV marking and signboard of warning/ban for HCV area. Furthermore, based on field observations to the HCV area in Niko water spring, observed traces of chemical spraying that cross the buffer zone.

Based on these, the company has not shown evidence of management has in accordance with the HCV management plan specified.

Root Cause Analysis (filled by organization audited):

The signboard has been damaged and still waiting for a new replacement, the buffer zone boundary markers has faded, so that the sprayers do not know the the border of spray application.

The monitoring of signboard and border marker not done thoroughly to entire HCV area

Correction (filled by organization audited):

- 1. In PLE, HCV boundary marking has been carried out with yellow paint in the main buffer zone.
- 2. At BNE on 2 April, HCV signboards were installed on the Binturung River, Niko spring well and Sopan spring well.
- 3. In the RPE a HCV 1.4, sign board has been installed as well as a warning sign.
- 4. HCV socialization has been carried out to employees at the RPE
- 5. HCV socialization has been carried out to employees at PLE

Corrective Action (filled by organization audited):

Safety officer always checks and replaces if there is damage to the HCV signboard, carry out according to the scheduled HCV monitoring program

Assessor Evaluation and Conclusion (filled by auditor):

Verification on May 2, 2019,

The company has submit the correction evidence, namely the documentation of HCV signboard placement in Sopan and Niko Well as well as in Binturung River.

Verification on May 8, 2019

The company has shown evidence namely:

- Evidence of training and socialization of HCVof PLE on May 6, 2019 which was attended by 39 participants. In the socialization, it was explained about hunting, poisoning, fishing, damaging the environment and socializing the protection of protected animals.
- Program for maintenance and monitoring of PT PSA's HCV and Buffer zone in 2019. The program including flora and fauna monitoring, signboard installation, maintenance and monitoring, bufferzone boundary painting planned to be carried out in June and December 2019, socialization to employees carried out every morning roll-call.

Verification on 11 May 2019,

The company shows the evidence including:

- Evidence of dissemination of HCVs to employees at the BNE on 10 May 2019 and at PLE on 10 May 2019 (participants of 20 people).
- Evidende of evaluation of HCV on May 10, 2019 to spraying employees at RPE, PLE and BNE, which
 explained that all employees understood well.
- Management plan and monitoring plan of PT PSA 2019 HCV management, which informs the organization chart, HCV area map and HCV detailed management plan and monitoring area plan (explains: estate, HCV



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type, block location, object, management objectives, threat identification, action management, monitoring and benchmark for success)

Based on the evidence mentioned above, nonconformities are stated to be fulfilled and will be observed on ASA 1.3. (closed with observation).

Verified by : Sandra

NCR No.	:	2019.11	Issued by :	Yudhi Yuniarto Tallutondok
Date Issued	••	15 February 2019	Time Limit :	14 May 2019
NC Grade		Major	Date of Closing :	10 May 2019
Standard Ref. &	:	5.3.2		
Requirement		There shall be evidence disposed of responsibly	that all chemicals a	and their empty containers are

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

The Company has a Procedure for B3 and Non-B3 Waste Management with the number PLB3 & BB3 dated March 4, 2009. In the procedure, it is explained that the storage of toxic and hazardous waste refers to applicable legal requirements, including packaging requirements, storage procedures, building requirements and requirements submission of toxic and dangerous waste material to third parties. Based on the results of field observations in plantations and factories it was found that the implementation of management of toxic and hazardous waste materials that are not suitable, for example:

- Ex oil containers used as rainwater storage in the WWTP Area.
- Ex oil containers, used oil, and generator filters placed behind the Engine Room.
- Ex pesticide containers and used oil containers in the Housing Division 4 of Pondok Labu Estate
- Ex pesticide containers in front of the Sesulung Estate Chemist Warehouse.
- Ex pesticide containers in the Sesulung Estate Fuel Warehouse.
- Containers of used oil are used as water reservoirs at the Sesulung Estate Generator Set House
- Container for taking oil behind the Sesulung Estate Genset House
- Ex tin cans and used filters in the Rampa Estate Welding Site
- Packaging of toxic and hazardous materials in the Warehouse of the Binturung Estate Division.
- Used oil containers in Contractor Employee Housing at BNE Div 2.
- Used oil containers in front of the Binturung Estate Generator Room.

Based on the above evidence, the company has not been able to show evidence of the implementation of management of toxic and hazardous waste material that has been carried out in accordance with applicable procedures and regulations.

Root Cause Analysis (filled by organization audited):

The discipline of officers in the management and storage of ex packaging of toxic and hazardous materials has not gone well.

Correction (filled by organization audited):

- 1. PLF, have taken ex oil containers at WWTP and placed in the Waste Storage Schedule
- 2. PLF, transfer of ex oil containers, used oil and filters from the rear of the engine room to the Waste Storage Schedule has been carried out
- 3. PLE, socialization of the management of toxic and hazardous waste has been carried out in PLE on 14 February 2019



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- 4. SSE, Dissemination and management of toxic and hazardous waste packaging including packaging of pesticides in front of chemist warehouses, in fuel warehouses and oil containers in generator houses.
- 5. RPE, socialization of toxic and hazardous waste management has been carried out and the minutes of taking the tin tin cans and used filters in the RPE
- 6. BNE, Management of hazardous toxic materials and toxic and hazardous material waste in the warehouse has been carried out, ex oil containers in employee housing and ex oil containers in SSE generator sets
- 7. Minutes of toxic and hazardous waste management in Division IV PLE
- 8. Dissemination of Management of toxic and hazardous waste in PLF
- 9. Dissemination of Management of toxic and hazardous waste in the RPE

Corrective Action (filled by organization audited):

- Assistant / Safety officer always supervises the management of toxic and hazardous waste regularly.
- PLF ensures that the management of toxic and hazardous material is stored in the Waste Storage Schedule that has been monitored by the Safety Officer
- PLE is ensured that it routinely sends toxic and hazardous waste to the Waste Storage Schedule at the PLF once a month
- SSE is guaranteed to send toxic and hazardous material waste to the PLF a month or so
- BNE ensures that contractors do not store Ex oil drums and are sent to the Waste Storage Schedule

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification May 8, 2019

The company shows some proof of improvement as follows:

- 1. Documentation of the transfer of ex-pesticide packaging from the Damkar Warehouse to the SSE waste storage schedule.
- 2. Documentation of transferring ex oil drum from the WWTP pond area to the PLF waste storage schedule.
- 3. Documentation of transferring ex oil drum from the engine room station to the PLF waste storage schedule.
- 4. Documentation of the transfer of ex-pesticide packaging from the division warehouse to the BNE waste storage schedule
- 5. Documentation of transferring oil-drained drums from the generator house to the BNE waste storage schedule
- 6. Dissemination of management of toxic and hazardous materials on February 14, 2019 located in Division 4 of PLE and attended by 88 employees. Available documentation, material and attendance lists related to the socialization
- 7. Socialization of management of toxic and hazardous materials on March 14, 2019 at the Central SSE Warehouse and attended by 5 warehouse employees. Available documentation, material and attendance lists related to the socialization.
- 8. The socialization of the management of toxic and hazardous waste in RPE has long been carried out, namely on November 1, 2018
- Socialization of management of toxic and hazardous material waste in RPE which was held on March 9, 2019
 at the Second Division Lodge which was attended by 13 employees. Documentation, material and attendance
 list attached.
- 10. Socialization of management of toxic and hazardous materials at the PLF which was held on February 20, 2019, took place in the factory office yard which was attended by 63 operational employees. Documentation, material and attendance list attached
- 11. Minutes of handover of toxic and hazardous materials (ex oil drums and used paint cans) in the Division II RPE housing area on March 9, 2019. Toxic and hazardous materials are placed temporarily in the waste storage RPE schedule until the time of transportation to PLF waste storage schedule.
- 12. Minutes of handover of toxic and hazardous waste (ex oil drum and used pesticide packaging) in the Division IV PLE housing area on February 20, 2019. Toxic and hazardous waste materials are temporarily placed in the PLE waste storage schedule up to the time of transportation to PLF waste storage schedule.



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- 13. Minutes of handover of toxic and hazardous materials (used pesticide packaging) at SSE generator house on May 2, 2019. Toxic and hazardous waste materials are temporarily placed in the waste storage SSE schedule until the transport time to the PLF waste storage schedule
- 14. Socialization of management of toxic and hazardous materials in the Division II BNE held on May 10, 2019 located in the division office yard which was attended by 25 operational employees. Documentation, material and attendance list attached
- 15. Socialization of management of toxic and hazardous material in Division III BNE held on May 10, 2019 located in the division office yard which was attended by 25 operational employees. Documentation, material and attendance list attached.
- 16. Minutes of handover of toxic and hazardous materials (used pesticides and used oil drums) from division warehouses, employee housing and generator houses on May 2, 2019. Toxic and hazardous waste materials are temporarily placed in the BNE waste storage schedule until transport time to the PLF waste storage schedule.

The evidences had been verified and accepted to be closed out and complied.

Verified by	:	Yudhi Yuniarto Tallutondok
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NCR No. :	2019.12	Issued by :	Yudhi Yuniarto Tallutondok		
Date Issued :	15 Februari 2019	Time Limit :	ASA 1.3		
NC Grade :	Minor	Date of Closing :	3 May 2019		
Standard Ref. & :	5.3.3				
Requirement	A documented waste ma implementation shall be a		oid or reduce pollution and its		

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

The company has documented waste disposal and management plans in the Waste Source Identification document and in the applicable procedures for example:

- 1. Procedure for the Prevention and Prevention of Spills of Leaked Toxic and Hazardous / Waste and WWTP with number 301 / PSA-KRD-17/11 dated January 2, 2011.
- 2. Domestic Waste Management Procedure with SOP.DOM number dated October 1, 2013.
- 3. Procedure for Managing Hazardous Toxic Waste and not with PLB3 & BB3 number dated March 4, 2009.

However, based on the results of field observations, it was found that the implementation of procedures was not yet appropriate, for example:

- There is overflow in ponds of WWTP No. 1 and 2.
- There is an ex oil spill in the WWTP area.
- Oil spills at workshops and engine rooms at Division 4 Pondok Labu Estate
- There are used oil spills in the welding machine room and waste storage schedule at Rampa Estate.
- Domestic waste deposits in front of the Division 4 Pondok Labu Estate housing area
- Domestic waste is piled up in front of housing in Sesulung Estate.
- Waste is scattered and burned in the Binturung Estate housing estate.

Root Cause Analysis (filled by organization audited):

The discipline of officers in the management of hazardous and domestic toxic waste is still poor, so it is not according to the procedure.

Correction (filled by organization audited):

1. IPAL no 1 & 2 pond overflow repairs have been carried out as well as oil spill cleaning in the IPAL PLF area



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- 2. Oil trap repairs have been carried out at the PLE generator house
- 3. Cleaning of oil spills in the generator and RPE welding site has been carried out
- 4. Improvements have been made with cleaning work and scheduling of domestic waste management in SSE housing
- 5. The socialization of the ban on waste burning at BNE and domestic waste management has been carried out.

Auditor's response May 3, 2019

- 1. Where is the land contaminated with oil and liquid waste planted?
- 2. There is no evidence of repairs for oil spills in PLE workshops and domestic waste deposits in front of the division 4 housing area of Pondok Labu Estate

Corrective Action (filled by organization audited):

The Assistant / Safety officer always supervises the management of hazardous toxic materials and domestic waste regularly.

Auditor's response May 3, 2019

Corrective action is still very general in nature, the company can re-analyze it specifically in order to guarantee that non-conformity will not happen again in the future

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification May 3, 2019

The company shows several improvements as follows:

- 1. Documentation of used oil spills and waste overflow cleaning in the WWTP PLF area.
- 2. Documentation of used oil spill cleaning on a PLE engine room.
- 3. Documentation of cleaning oil spills in engine rooms, welding sites and temporary waste storage Rampa Estate schedules.
- 4. Employee cottage improvement program and waste management in the SSE period 2019
- 5. Socialization is prohibited from burning trash to residents of BNE employee housing on March 5, 2019. There is documentation, material and attendance list for socialization.

The evidences had been verified and accepted to be closed out and complied.

Verified by : Yudhi Yuniarto Tallutondok

NCR No. :	2019.13	Issued by :	Rizliani Aprianita Hsb
Date Issued :	15 February 2019	Time Limit :	14 May 2019
NC Grade :	Major	Date of Closing :	11 May 2019
Standard Ref. & : Requirement	6.3.2 There shall be records of p	process and outcome of	of dispute resolution.

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

Based on the results of observations to the housing in division 2 of Binturung Estate, it was found that workers and housing residents had complained about improvements to housing facilities, but there had been no response or follow up on the complaint. In addition, the Binturung Estate unit only showed complaints for 2019 totaling 5 from division 1, division 3 and workshop and there was no response / follow-up. From 5 complaints, 4 of them have exceeded the deadline of 2 weeks / 14 days.

Based on the explanation above, it was concluded that there was not enough evidence that all workers' complaints had been documented and had been responded in accordance with the Complaints Handling Mechanism SOP for



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all parties & communities PT PSA No. document 077 / PSA / Stkhl / 10/15, revision 01 dated October 7, 2015 which states that all complaints from the parties will be documented in the Aspiration Records book and responded not later than 2 weeks / 14 days.

Root Cause Analysis (filled by organization audited):

Not yet responded to the employee's complaints in writing, so far only direct repairs to housing have been complained by the employees because employee's complaints submitted verbally to assistants and assistants immediately requested the need for housing repairs to Manager.

Correction (filled by organization audited):

Respond to employee complaints and record them in the complaint register.

Corrective Action (filled by organization audited):

Section Head will ensure that every complaint is documented and responds according to the procedure for handling complaints. And the way to ensure that complaints have been managed properly is to put them in the complaint register.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor verification May 3, 2019

The company shows evidence of improvement in the form of:

- Letter No. ST / BNE / 03/2019 dated March 5, 2019 regarding the response of employee complaints in Binturung Estate along with the stuff demand bill. However, there was no information explaining to whom the letter was intended and evidence that the worker had received a response to the complaint.
- In addition, the documentation of complaints and responses according to the SOPs for nonconformities above (the results of interviews in housing and verification of complaints documents) have not been shown.

Verification on May 10, 2019

The company shows evidence of improvement in the form of:

- Register of workers complaints for Binturung Estate. In the register book contains the date, complaint, statement and initial. However, the record does not contain the time / date of the response to the complaint and evidence that the response was submitted to the worker. For example, Complaints dated January 5, 2019 related to leaky housing roofs, with information; process for roof purchasing. (There is no date for the response and evidence of response has been submitted to the worker).

Verification on May 11, 2019

The company shows evidence of improvement in the form of:

- Register of workers complaints for Binturung Estate that contain the date of complaint, type of complaint, statement, initial and response. From the register, it contains the date of response and how to submit responses to workers.
- Letter No. ST / BNE / 03/2019 dated March 5, 2019 concerning Responses Complaints from all employees to Binturung Estate (including housing complaints) submitted to Foreman dated March 6, 2019 and delivered to employees during the morning briefing.

The evidences had been verified and accepted to be closed out and complied. (closed with Observation)

Verified by :	Rizliani Aprianita Hsb
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NCR No. :	2019.14	Issued by :	Rizliani Aprianita Hsb	
Date Issued :	15 February 2019	Time Limit :	Next Surveillance	
NC Grade :	Minor	Date of Closing :	6 February 2020	
Standard Ref. & : Requirement	6.5.3 Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where such public facilities are unavailable or inaccessible.			

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Proported by Mutuaging Lecturi for Pendek Leby POM - PT Periousna Systems (Sime Perby Plantation Perby)



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

Observation result of the housing division 2 of Binturung Estate known that many damaged houses, especially bathrooms / toilets / kitchens, many households trenches had clogged and non-flowing conditions, septic tank of the division II office was damaged with water from the septic tank inundated.

Related to this, the company has not been able to show evidence of providing adequate and healthy housing facilities for employees.

Root Cause Analysis (filled by organization audited):

Progress of completion in gradually due to a limited budget.

Correction (filled by organization audited):

There is a Budget for 2019 for BNE with material costs of Rp 179,900,000 and other housing costs 160 million rupiah (document attached)

Repairing house on Binturung Estate gradually. (record attached)

Corrective Action (filled by organization audited):

Identify the damage and make a repair schedule (every month) that is adjusted to the available budget gradually. Assessor Evaluation and Conclusion (filled by auditor):

Verification on 3 May 2019

The company shows a photo of the condition of employee facilities in the form of 1 toilet.

Verification on 20 November 2019

The company shows data on building and facilities repairs of the Binturung Estate in 2019. The document informs about the number of housing units in good condition and damage, budget, realization and repair plans. The number of houses in damaged condition is 25 doors / unit.

Verification on 9 January 2020

The company shows evidence of improvements in the form of photos / documentation of the condition of housing that has been improved in the form of a roof, kitchen, and terrace / floor.

Verification on ASA-1.3

The results of observations to housing and interviews with both workers and residents of housing, it is known the company has provided housing facilities, religious facilities, sports, daycare, and education. Observation results show that the houses provided by the company consist of semi-permanent and permanent houses. For clean water sources, there are WTP provided for housing (factories and Rampa) while for Sesulung, Binturung and Pondok Labu Estate, water sources come from reservoirs or drilled wells. The company also provides / allows plantation employees to collect treated drinking water at the factory WTP. For electricity sourced from active generators starting at 4:00 to 6:00 and 17:00 to 23:00. The company also provides health facilities in the form of a polyclinic in each farm that provides first aid. The Health Facility 1 facility is located at Bebunga Estate (PT LMR) which is still in the same group as PT PSA.

The company also has monthly monitoring for each unit related to the condition of employee housing facilities. In addition, there is also an annual budget for each unit, which has been allocated costs for the needs of employees' home repairs.





Based on that explanation,	the non-conformities have been closed with observation.
Verified by :	Briyogi Shadiwa

NCR No.	2019.15	Issued by :	Sandra Purba
Date Issued	15 February 2019	Time Limit :	14 May 2019
NC Grade	Major	Date of Closing :	11 May 2019
Standard Ref. & Requirement	There shall be evidence to any area required to main (HCVs), since November	tain or enhance one or 2005. New plantings sl	have replaced primary forest, or more High Conservation Values hall be planned and managed to and/or enhanced (see Criterion

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

In ASA 1.2, the company can show the document of Chronology of LUCA submission by SDP, update until Jan 2019 where the company has sent LUCA reports to RSPO (19 reports) along with shape files in August 2018, in October 2018 the RSPO has responded to require clarification. Based on PT MAL's communication with RSPO on February 13, 2019, the RSPO stated that currently the LUCA status for PT PSA is still awaiting finalization and clarification from SDP Berhad.

Based on the above explanation, the company has not been able to show the completion and approval process of RSPO for the RaCP for PT PSA.

Root Cause Analysis (filled by organization audited):

The unit has not received information from Simedarby regarding the progress of RaCP of PT PSA

Correction (filled by organization audited):

Communication to Simedaby HQ and RSPO. It has been shows a timeline checklist of submission LUCA Simedarby Corrective Action (filled by organization audited):

Continously communicate to RSPO regarding to the RaCP process for units under Simedarby, specifically PT PSA

Assessor Evaluation and Conclusion (filled by auditor): Verification on May 11, 2019,

The company has shown evidence of communication with the RSPO Secretariat in May 09, 2019 which informed that a meeting had been held with the RSPO on May 8, 2019, at the meeting agreed: Considering the historical involvement and events (as presentation slides and documents attached), SDP is given a one year time extension period to address all outstanding matters (including the approval of compensation plan) related to non-conformity raised on 7.3.1 during the RSPO Re-certification/Annual Surveillance Audits for the affected units. (The timeframe of one year whether from May 2019 or maybe staggered according to the certification dates of each Unit of Certification will be advised by RSPO Secretariat.).

Based on email from RSPO Secretariat (aminah.ang@rspo.org) dated 23 May 2019 stated that "The RSPO secretariat has agreed to allow the NC raised on 7.3.1 to Sime Darby's units to be opened until the next ASA"

Verified by	:	Sandra	Durha
verilled by		Sanura	Purba



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

NCR No.	2020.01	Issued by :	Rizliani Aprianita Hasibuan
Date Issued :	7 February 2020	Time Limit :	ASA-1.4
NC Grade :	Non-Critical	Date of Closing :	
Standard Ref. & :	2.2.2		
Requirement	_		contain specific clauses on be demonstrated by third party

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

The company has a list of contractors in each unit and has been shown to the auditor team. The results of the document verification of the work agreement with the contractor, for example CV Karya Intan Berkah and Lahamuddin stated that "the second party / contractor is obliged to guarantee the welfare of employees in accordance with applicable laws and regulations including BPJS labor and health". In addition, to ensure compliance with regulations by the contractor, the company has SOP for Contractor's Work Regulation No. document 001 / SOP-PKK / II / 2019 dated February 28, 2019. In the procedure it is explained that the contractor is required to fulfill work requirements including:

- Must provide and use PPE
- Must register workers with BPJS Employment, at least death and work accident insurance
- Obliged to pay workers' wages in accordance with applicable regulations
- Etc

The procedure also explained that the management unit would monitor the number of contractors, the list of contractor workers' names, the validity period of agreement, legal entity status, BPJS, contractor worker wages and licenses (SIM / SIO). In this regard, the company shows a contractor monitoring form that informs the name of the agreement holder, the agreement, the validity period of the agreement, the name of the employee, and the type of work. The company also showed evidence of payment of BPJS employment for PT Multi Makmur Mandiri, BPJS employment and wage lists for Bumdes Bintang Timur.

However, there is not enough evidence yet that all contracts have their own clauses regarding the fulfillment of applicable legal obligations, and evidence of their implementation has been demonstrated by a third party. In addition, the company also has not yet demonstrated monitoring the fulfillment of legal obligations for all contractors in accordance with their procedures.

Root Cause Analysis (filled by	r organization audited):	
Correction (filled by organization	n audited):	
Corrective Action (filled by orga	yanization audited):	
Assessor Evaluation and Cor	nclusion (filled by auditor):	
Verified by :		



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NCR No. :	2020.02	Issued by :	Brigitta Prita
Date Issued :	7 February 2020	Time Limit :	6 May 2020
NC Grade :	Critical	Date of Closing :	17 April 2020
Standard Ref. & :	3.4.3		
Requirement	The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.		

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

- The company shows a report on the implementation of RKL / RPL Semester I & II 2019 with the parameters monitored, including:
 - Air quality (emissions, ambient, noise, vibration and odor)
 - Physical and Chemical Properties of Soil
 - The rate of erosion and sedimentation
 - Flood Hazard Potential (including water management)
 - Physical and Chemical Quality of Water (including liquid waste, solid waste and B3 waste)
 - Vegetation and Wildlife (including HCVs, Fire potential)
 - Absorption of Labor
 - Increased Income and Employees
 - Farming Patterns (KKPA Sungai Cengal Area).
- There are Evaluation of trends, critical points and compliance.

However, based on *RKL / RPL* implementation documents, it is known that the evaluation of trends has not been compared to environmental parameters for semester I & II 2019 and the evaluation of critical points in accordance with *KepmenLH* No.45 of 2005 regarding guidelines for preparing *RKL / RPL* implementation reports.

Root Cause Analysis:

The PLF Drafting Team did not yet understand the evaluation preparation contained in *KepmenLH No. 45 of 2005* so that in the *RKL/RPL* report the evaluation of trends, critical points evaluation and compliance evaluation had not been included.

Correction:

Improvements have been made in the *RKL/RPL* report of semester II of 2019 by adding trend evaluation, critical points evaluation and compliance evaluation by the PLF team (attached).

Corrective Action:

Furthermore, *RKL/RPL* will be prepared by including trend evaluation, critical points evaluation and compliance evaluation by the PLF team every semester by comparing the results of data analysis every semester scheduled to be compiled at least 2 months after the end of the semester by comparing the results of the previous semester analysis and also the standards contained in the rules.

Assessor Evaluation and Conclusion :

Verification, March 23, 2020.

The company showed the RKL / RPL report of semester II of 2019 which has informed the evaluation of trends and critical points for environmental parameters consisting of:

- Management of air quality (emission, ambient, noise, vibration and odor).
- Physical and chemical properties of Soil (Liquid waste, solid waste & schedule waste).
- The rate of erosion and sedimentation
- Potential flood hazards (including water management)
- Physical and chemical quality of water (including liquid waste, solid waste and schedule waste)
- Vegetation and Wildlife (including HCV and Fire potential)



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- Employment
- Increase in Employee Income
- Farming Business Pattern (Sungai Cengal Area smallholders)

Verification, April 17, 2020.

The company has shown evidence of sending the RKL/RPL report of semester II 2019 on April 13, 2020 to the Environmental Agency of Kotabaru Regency and South Kalimantan Province. So this non-conformity has been fulfilled.

Verified by :	Brigitta Prita

NCR No. :	2020.03	Issued by :	Briyogi Shadiwa
Date Issued :	7 February 2020	Time Limit :	6 May 2020
NC Grade :	Critical	Date of Closing :	20 March 2020
Standard Ref. & :	3.6.2		
Requirement	Monitoring the effectivene carried out	ss of the OSH plan in r	managing health & safety risks is

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

the company has conducted regular health check-up activities for employees working in high-risk areas on 9 January 2019, as many as 53 employees of Pondok Labu Factory. However, from the record, there was no evidence of periodic health checks for 4 sterilizer operators, 1 press operator, and 1 boiler operator. This was also confirmed by the results of interviews in the field (PLF), that workers admitted not to have periodic health checks.

Based on the explanation, there is not enough evidence that all employees who work in high risk areas are in good health and ready to work.

Root Cause Analysis (filled by organization audited):

Employees who have not done a periodic health check because they are not willing to do a temporary inspection despite the socialization and schedule and the provision of vehicles to get to the location of the examination at the Estate clinic.

Correction (filled by organization audited):

On February 14, 9 PLF employees were sent to the Simpang Clinic for periodic health checks with the results attached.

Corrective Action (filled by organization audited):

Furthermore, continue to carry out periodic checks on employees and with a schedule that has been set once a year and ensure that no more employees who do not want to be inspected will be controlled by the Section Head / Assistant and Mill Manager in coordination with the Company Doctor.

Assessor Evaluation and Conclusion (filled by auditor):

Verification 20 March 2020

The company has shown evidences of corrections to the non-conformity, among others in the form of Records of the results of health checks on February 14, 2020, for employees who had not previously carried out with the details of 9 workers (4 Boiling Operators, 2 Boiler Operators, 1 Press Operators and 2 Chainman) and no serious illnesses were found. The company is also committed to conducting regular health checks once a year and will follow up (follow-up checks and employee transfering) if an employee is identified with a serious illness.

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Proposed by Mutuaging Lectori for Pendek Leby POM - PT Periousne Syckerse (Sime Perby Plantation Perby)



Based on that explanation, the non-conformities have been closed with observation.					
Verified by	:	Briyogi Shadiwa			
NCR No.	:	2020.04	Issued by	:	Briyogi Shadiwa
Date Issued	:	7 February 2020	Time Limit	:	ASA-1.4
NC Grade	:	Non-Critical	Date of Closing	:	
Standard Ref. & Requirement	;	The certification unit strive the progress of the case, in results are shared with rel	ncluding related to the evant stakeholders.		n the complaint case informed of agreed schedule, and so that the
From the results of intell workers had submitted	vie co		a Estate and Sesulung to the company. From	tŀ	mplacement, it was conveyed that he results of the interview, it was d.
The company shows records of complaints contained in the Complaints Logbook, for example in the Rampa Estate Complaints Monitoring and Complaints Monitoring Book (Period 2019/2020). As for complaints / complaints such as damaged house walls, broken toilet etc. However, the document only informs the status of the resolution of complaints such as "not yet repaired" or "already repaired", and no further evidence of progress has been submitted to the submitting party. The responses / actions contained in the document also do not explain when the complaint was responded to.					
Related to this, there is not enough evidence that the certification unit is trying to keep the parties in the complaint case kept informed of the progress of the case.					
Root Cause Analysis (filled by organization audited):					
Correction (filled by orga	aniz	zation audited):			
Corrective Action (filled by organization audited):					
Assessor Evaluation and Conclusion (filled by auditor):					
Verified by	:				
NCR No.	:	2020.05	Issued by	:	Briyogi Shadiwa



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Date Issued :	7 February 2020	Time Limit	: ASA-1.4
NC Grade :	Non-Critical	Date of Closing	:
Standard Ref. & :	6.2.7		
Requirement	•	•	for all core work carried out by
	limited only in temporar	•	ry, and daily workers are used
	ription & Evidence observed	(filled by auditor):	
		•	of employee registration documents,
	0 0 .		me Work Agreement). Both operators Idition, based on the management's
. ,			erator is 2 people (labor ratio).
explanation at this time the	odinpung needs for the positi	on or the weighing op	orator is 2 people (labor ratio).
In addition, based on field	observation and document re	eview in Binturung es	tate, the company use contractor for
harvesting activities.			
From this avidance the	company has not used norm	anont / full time worl	vore for core work, econocially weigh
operators and harvester	ompany nas not useu penn	arient / full time work	kers for core work, especially weigh
Root Cause Analysis (fille	ed by organization audited):		
Correction (filled by organize	zation audited):		
, , ,	,		
Corrective Action (filled by	y organization audited):		
Assessor Evaluation and	d Conclusion (filled by auditor	j:	
Verified by :			
NCR No. :	2020.06	Issued by	: Brigitta Prita

NCR No.	:	2020.06	Issued by :	Brigitta Prita
Date Issued	:	7 February 2020	Time Limit :	ASA-1.4
NC Grade	:	Non-Critical	Date of Closing :	
Standard Ref. & Requirement	:	7.3.2. Proper disposal of wast understood by workers an		g to procedures that are fully nstrated.

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

The results of field observations note that:

- Oil drums were found around Housing of Binturung Division 2.
 Found jerry herbicides for water reservoirs and filters in a trench in Sesulung Estate.
- 3. The existence of EFB burning in Block C14 Division 1 Binturung Estate.



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4. The existence of a used oil drum is placed near the Rampa Estate housing.
Based on the above, the waste is not managed in accordance with waste management procedures schedue waste and not schedue waste.
Root Cause Analysis (filled by organization audited):
Correction (filled by organization audited):
Corrective Action (filled by organization audited):
Assessor Evaluation and Conclusion (filled by auditor):
Verified by :
<u> </u>

NCR No.	:	2020.07	Issued by :	:	Brigitta Prita
Date Issued	:	7 February 2020	Time Limit :	:	6 May 2020
NC Grade	:	Critical	Date of Closing :		23 March 2020
Standard Ref. & Requirement	:		m are implemented, n		or the unit of certification. Plans onitored through the Palm GHG

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

Based on GHG report data of 2019 there are differences in data between the basic info data (December 2019) statement area & production data) such as:

Estates	FFB production GHG summary report 2019	FFB Production actual (tones)
	(tones)	
Binturung	34,226.36	34,226.36
Rampa	55,170.80	55,170.80
Pondok Labu	44,434.45	44,434.45
Sesulung Estate	48,513.03	48,513.03

Decription	GHG summary report 2019 (ha)	Area statement actual for December 2019
Planted area	14,215.51 ha	14,649.93 ha
Conservation area	37.46 ha	396.51 ha
OER	21.84 %	20.97 %
KER	5.24 %	4.94 %



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In addition, FFB Suppliers to Pondok Labu Mill of *KKPA Sungai Cengal* not yet included 9,335.850 tones (Group Plantations). Based on the description of the identification of GHG emissions that do not accordance to actual conditions. So, the calculation of GHG Palm is not yet right.

Root Cause Analysis (filled by organization audited):

The previous problem was that the GHG online system after being summarized by the Team could not be downloaded by the auditor as the examiner and after it could be opened there was a difference in the Area Statement data between GHG and Basic info because the GHG statement area data still used the 2016 data.

Correction (filled by organization audited):

Resubmitting the actual GHG data is the same as the RSPO data in PT PSA basic info and has been summarized by the PSQM team on March 19, 2020.

Corrective Action (filled by organization audited):

For the next team PSQM Unit will provide the data area in accordance with the statement contained in the data RSPO and FFB corresponding 12-month period from January to December.

Assessor Evaluation and Conclusion (filled by auditor):

Verification, March 23, 2020.

The company has calculated GHG emission using Palm GHG Version 4 for period 2019 such as:

Summary of Net GHG Emissions periode January-December 2019

Emissions per Product	tCO2e/t Product
CPO	1.66
PK	1.66

Production	ton/year
FFB processed	190,174.29
CPO produced	9,473.664
PK Produced	3,946.047

Land Use	Ha
OP planted area	14649.96
OP planted on peat	0
Conservation	396.51

Extraction	%
OER	20.77
KER	4.98

Summary of Field Emissions and Sinks

	Ow	n Crop			Group	
Description	tCO2e	tCO2e/ ha	tCO2e/ t FFB	tCO2e	tCO2e/ ha	tCO2e/ FFB
Land Conversion	159563.83	10.89	0.88	0	0	0
*CO2 Emissions from Fertilizer	9115.34	0.62	0.05	0	0	0
**N2O Emissions	0	0	0	0	0	0
Fuel Consumption	6418.73	0.44	0.44	0	0	0
Peat Oxidation	0	0	0	0	0	0
Sinks		•	•		•	
Crop Sequestration	-137149.03	-9.36	-0.76	0	0	0





Conservation Sequestration	-3636	-0.25	-0.02	0	0	0	
Total	41655.75	2.84	0.23	0	0	0	

Summary Oil Mill Emissions and Credits

Description	tCO2e	tCO2e/t FFB
Emissions sources		
POME	37277.38	0.20
Fuel consumption	1247.11	0.01
Grid electricity utilization	0	0
Credits	0	0
Exports of excess electricity to housing & grid	0	0
Sale of PKS	0	0
Sale of EFB	0	0
Total	38524.49	0.20

Palm Oil Mill Effluent (POME) Treatment

<u> </u>	<u> </u>
Divert to compost (%)	0
Divert to anaerobic digestion (%)	100

POME Divert to Anaerobic Digestion

		10 / 11 10 0 10 10		<u></u>	
Divert to anaerobic pond (%)			100		
Divert to methane capture (flaring) (%)		0			
Divert	to	methane	capture	(electricity	0
generat	tion)	(%)			

Verified by : Brigitta Prita

NCR No.	:	2020.08	Issued by	:	Brigitta Prita
Date Issued	:	7 February 2020	Time Limit	:	6 May 2020
NC Grade	:	Critical	Date of Closing	:	14 May 2020
Standard Ref. &	:	7.12.8			
Requirement			ut prior HCV-HCSA a	sse	prior HCV assessment since essment since 5 November 2018, e (RaCP) applies.

Non-Conformance Description & Evidence observed :

• The Chronology of LUCA submission by SDP update is available until January 2019 where the company has sent the LUCA report to RSPO (19 reports) along with shapefiles in August 2018, in October 2018 RSPO has



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responded with a note requiring clarification. Based on PT MAL communication with RSPO on February 13, 2019, the RSPO stated that currently the LUCA status for PT PSA is still awaiting finalization and clarification from SDP Berhad.

- The Land use / cover change analysis (LUCC) reporting checklist from RSPO dated August 9, 2019 there are still data that need to be clarified such as:
 - I. Provide missing satellite imageries, land cover and vegetation coefficient shapefiles for all 4 estates that covers all 2005, 2007 and 2009 years.
 - II. Provide substitute satellite imageries for the no-data gaps and artefacts that are observed to be present for all the imageries.
 - III. Provide the RSPO Remediation and Compensation Liabilities Report PT BSS V1 report for reviewers to reference the calculation and validity of the satellite imageries used.

Based on the description above, unit management not yet show evidence of data clarification above and approval of the Land Use Change Analysis (LUCA).

Root Cause Analysis:

PT PSA has not received information from Management Sime Darby after August 9, 2019.

Correction:

GSQM coordinate with Sime Darby to reporting process and the status of LUCA PT PSA, and obtain a progress status until date on April 16, 2020 and the update report reviews LUCA PT PSA (attached).

Corrective Action:

Continue to communicate with Sime Darby by GSQM for status and update LUCA Report to the RSPO.

Assessor Evaluation and Conclusion:

Verification, April 21, 2020.

The company shows the LUCA report status table for PT PSA dated April 16, 2020 which informed the external audit date of April 20-25, 2020, reviewer by Borneo Future and ERE Consulting Group. However, evidence of clarification to the RSPO has not yet been explained in relation to the data below:

- I. Provide missing satellite imageries, land cover and vegetation coefficient shapefiles for all 4 estates that covers all 2005, 2007 and 2009 years.
- II. Provide substitute satellite imageries for the no-data gaps and artefacts that are observed to be present for all the imageries.
- III. Provide the RSPO Remediation and Compensation Liabilities Report PT BSS V1 report for reviewers to reference the calculation and validity of the satellite imageries used.

As well as evidence of the approval of the Land Use Change Analysis (LUCA) by the RSPO. Based on the explanation above, this has been still open.

Verification, May 14, 2020.

The company showed an email from the RSPO (aminah.ang@rspo.org) on May 14, 2020, it was stated that there was active involvement between SDP and RSPO, 5 companies including PT PSA were permitted by RSPO to continue certification with the following provisions:

- 1. NC raised to the units with FCL = 0 can be closed and hence proceed with certification.
- 2. NC raised to the units with FCL value, the NC can be left open until the next ASA in which the compensation plan

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Proported by Mutuaging Lecturi for Pendek Leby POM - PT Periousna Systems (Sime Perby Plantation Perby)



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needs to be approved by then

Since the final liability for PT PSA is 0, this non-conformity is declared to be fulfilled and can be continued for the certification process.

Brigitta Prita Verified by

3.4.3. **Opportunity for Improvement**

No	Ref. Std.	Description
1	2.1.2	Ensure the mechanism for updating the law for the contractor
2	2.2.3	Ensure that clauses for compliance with regulations, child labor and others in all contract with third parties.
3	4.8.2	The company is encouraged to ensure the settlement / progress of the land claim
4	6.1.5	Ensure the socialization of gender committees to all employees
5	6.2.4	Employee housing eligibility
6	6.2.6	Evaluation of Prevailing Wage Calculation
7	6.7.2	Application of PPE to all workers
8	7.8.2	Ensure all water testing refers to the Minister of Health No.32 of 2017 concerning environmental health quality standards and health requirements of water for sanitary hygiene.

3.4.4. **Noteworthy Positive Components**

No	Description
1	Management's commitment to implement sustainable palm oil development.
2	Road improvement program with a concrete system

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3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification		
Tuesday, February 4, 2020.			
Head of Labor Union Sesulung Estate.			
Head of Labor Union Pondok Labu Estate			
Secretary of Labor Union Federation of Pondok Labu Factory.			
Labor union meetings are carried out every 3 times a year. The most recent member meeting was held in October 2019. Discussion of the members meeting included: determination of the harvest system and premiums, where workers complained about the harvest basis which was previously 6 tons to 4 tons for flat areas and 3.5 tons for hilly areas with 1 cutter and 2 helper. The latest CLA dated July 23, 2019 -2021 but not yet authorized by the local Manpower Office. Contribution to the union is IDR 2000 (Estate) and PLF is IDR 5000,	Based on the document verification, the latest CLA documents still in the process of ratification at the Manpower Office (sent on July 29, 2019 to the Manpower and Transmigration Office of Kotabaru Regency). The complaint related determination of the harvest system and premiums has been approved by the company by issuing a memorandum and took effect from November 1, 2019; complaints related to housing, health insurance, kerosene compensation as much as 0.5 liters if 3 days of power failure. Based on management explanation, the shift work		
From the information obtained there are workers from outside (Java & Lombok) / an indication of the existence of 20 workers from Sesulung Estate (AKAD workers).	system has been returned to 3 shift per day. Based on payroll verification, the security got an overtime payment.		
The security complained about the shift work system where 4 shifts are applied, employees expect the work system to 3 shifts in order to get extra overtime pay. There are 6 contract employees in Factory and have been registered Manpower Office of Kotabaru District.			
Gender Committee in PLF, SSE & Secretary PLE.			
According to interviews with the chairman and secretary of gender committee during the audit there is no reporting on sexual abuse cases. In each division there is a coordinator for the gender committee so that if there is a report it can be handled quickly by the gender committee. Activities undertaken by the gender committee such as, Posyandu, recitation / assurance, hygiene and so forth.	There are no negative issues related to gender committee interview.		
In addition, there have been reproductive rights policies such as H1 leave for 2 days and must be checked first by the gender committee and H2 leave for pregnant women. In addition, female employees who are breastfeeding have the right to breastfeed their children and are given a special place located in a daycare center.			





Public Issues			
(Institution/ NGO/Community)	Auditor Verification		
Local contractor for loose fruit picker and planting of palm			
seedlings (CV Karya Intan Berkah) .			
The interview revealed that the collaboration between the company and CV Karya Intan Berkah has been established since 2007 until now. Cooperation agreements are renewed every 3 months. There are 5 FFB transport employees. Insurance and PPE are covered by local contractors. For insurance is still the process of arranging for each employee. Payments are adjusted to the results of the EFB. The company provides housing, water & electricity sources for the contractor. Payment from the company to the contractor is no problem and has been paid in a timely manner.	There are no issues related to local contractor interview, however based on document review there are not enough evidences yet that all contracts have their own clauses regarding the fulfillment of applicable legal obligations, and evidence of their implementation has been demonstrated by a third party. In addition, the company also has not yet demonstrated monitoring the fulfillment of legal obligations for all contractors in accordance with their procedures. (has been classified as non-conformities No.2020.01)		
The results of interviews with CV Karya Intan Berkah found out there were 52 loose fruit pickers. PPE and insurance are borne by the contractor. For insurance until the time of the audit is still in the process of management. Payment from the company to the contractor is no problem and has been paid in a timely manner.			
Harvesting Equipment Supplier (CV Surya Teknik Gemilang).			
Based on interviews revealed that cooperation with the company has been well established since 2007 - now. Supplier of goods is carried out if there is a Processing Order from the company. Payments are made on time with a transfer system from Minamas in Jakarta.	This cooperation has well maintance with the good communication.		
Manpower Agency of Kotabaru District			
The results of interviews with the Regulatory Body revealed that the company sent routine mandatory reports such as <i>P2K3</i> , work accident reports and <i>WLTK</i> . Supervision was carried out in 2019. In order to ensure that it is related to the SIO of the turbine operator, the information obtained by the company does not yet have an SIO for the Turbine Operator in accordance with <i>Permenaker No.38 of 2016</i> concerning the occupational heavy equipment.	Related to license of Turbine Operators, CH has showed the document of new license for Arif Effendi with validity period is 13 June 2024.		
Head of Binturung Village			
 There is no opening of new land The company has realized some assistance in accordance with community proposals. However, the response to requests for assistance was felt to be quite slow 	The points issues have been verified and describe to Principle number 2, 4 & 7.		





Public Issues (Institution/ NGO/Community)	Auditor Verification
The company has not yet conducted HCV and flora & fauna	
socialization.	
The head of village had never been participated in a social	
impact assessment because he was newly elected as	
village head	
There is no conflict area in Binturung Village. There are no issues related to environmental pollution.	
There are no issues related to environmental pollution.	
Head of Pondok Labu Village Pondok Labu Village Traditional Institution Community Leader of Pondok Labu Village Village Secretary of Pondok Labu Village Plasma Member	Has been verified by auditor team in 2, 4 & 7.
 There were land claims by the Village and Customary Institutions in 2017, then on December 10, 2019 had submitted additional land claims and there was no agreement. A meeting was held in January 2020 as a step towards a persuasive approach to the company, but no agreement has yet been reached. The company has provided a lot of help. However, the company has not prepared CSR programs in a participatory manner with the community. Assistance is provided based on requests or proposals submitted. The company socialized HCV in 2016 and has not resocialized until now. There are no issues related to environmental pollution. There is no opening of new land Regarding plasma, plasma representatives explained that there were differences in treatment of operational activities. Core estates are better than plasma. Plasma runs the same way as KUD Bakau There are no bailouts Initial participants were 267 households and were revised to 284 households The Village Head said that during the process of issuing the HGU there had to be a signature from the village head. The village head must be more involved. 	



4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY			
4.1	Formal Sign-off of Assessment Findings			
	Hereunder sign by management representative from inspected company to acknowledge a field assess and agree for all content explained in this assessment report, included of non-compliance findings.			
	Signed on behalf of:			
	PT Paripurna Swakarsa Management Representative Alagendran Maniam 14 May 2020	Mutuagung Lestari Lead Auditor Trismadi Nurbayuto 14 May 2020		



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

No	Institution/ NGO/	Address	Phone/ Email	Form of	Date of Contact	Response	
NO	Community		Pilone/ Email	Communication		Yes	No
1	Manpower Agency of Kotabaru District	Kotabaru District, Kalimantan Selatan Province.		Interview by phone	February 4 th , 2020	√	-
2	Head of Binturung Village	Binturung Village	-	Direct interview	February 4 th , 2020	✓	-
3.	 Head of Pondok Labu Village Pondok Labu Village Traditional Institution Community Leader of Pondok Labu Village Village Secretary of Pondok Labu Village Plasma Member 	Pondok Labu Village	-	Direct interview	February 6 th , 2020	✓	
4.	Gender committe PLF, PLE & SSE. 3 workers.	PT Paripurna Swakarsa	-	Direct interview	February 4 th , 2020	√	-
5.	Local contractor for loose fruit picker and planting of palm seedlings (CV Karya Intan Berkah).	Pamukan Selatan Sub District, Kotabaru District, Kalimantan Selatan Province.	-	Direct interview	February 4 th , 2020	√	-
6.	Harvesting Equipment Supplier (CV Surya Teknik Gemilang).	Banjarmasin, Kalimantan Selatan Province.	-	Interview by Phone	February 4 th , 2020	✓	-
7.	PLF: - 1 Workshop Workers 2 Warehouse officers 1 WTP Operator 3 sterilizer operators - 1 press operator - 1 boiler operator - 1 engine room operator	PT Paripurna Swakarsa	-	Interview and Field Observation	February 4 th , 2020	√	-





	1 clarification operator						
8.	PLE: - 2 Warehouse officers 2 Workshop Workers 2 Paramedics - 2 Wife Workers 4 herbicide applicators - 4 harvesting workers	PT Paripurna Swakarsa	-	Direct interview	February 4 th , 2020	~	0
9.	RPE: - 2 Warehouse officers 2 Workshop Workers 2 Security Personnels 1 Wife Worker.	PT Paripurna Swakarsa	-	Direct interview	February 5 th , 2020	~	-
10.	SSE: - 5 herbicide applicators - 4 harvesting workers	PT Paripurna Swakarsa	-	Direct interview	February 5 th , 2020	\	1
11.	BTE 1 daycare officer	PT Paripurna Swakarsa	-	Direct interview	February 5 th , 2020	✓	-
12.	WWF	Jakarta - Indonesia	lwwf- indonesia@wwf. or.id	Email	29 January 2020	-	✓
13.	Walhi <i>(Wahana</i> <i>Lingkungan Hidup</i> <i>Indonesia)</i>	Jakarta - Indonesia	info@walhi.or.i d	Email	29 January 2020	-	√
14.	AMAN (Aliansi Masyarakat Adat Nusantara)	Jakarta - Indonesia	rumahaman@c bn.net.id	Email	29 January 2020	-	✓
15	Sawit Watch	Jakarta - Indonesia	info@sawitwatc h.or.id	Email	29 January 2020	-	✓
16	Aid Environment	Jakarta - Indonesia	info@aidenviron ment.org	Email	29 January 2020	-	✓





Appendix 2. Assessment Program

DATE	03 – 08 February 2020				
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR			
Monday, 3 February	Monday, 3 February 2020				
04.55 - 08.05 08.30 - 09.00	Jakarta → Balikpapan Airport → Semayang Port Balikpapan	All Auditor			
09.00 – 18.00	Semayang Port → Site				
Tuesday, 4 February					
08.00 – 09.00	 Opening meeting Auditee Speech (Introduction of PIC, Profile of Certified Management Unit). Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification). 	All Auditor			
Field Observation to Pondok Labu Estate Aspect to be verified: Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Implementation of Environmental and Conservation/HCV management. Implementation of Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Clinic and Waste Management). Observation of Workers Facilities (Housing, School, Worship Place). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Posticides, Application, Place).		All Auditor			
12.00 – 14.00	Committee and Cooperative committee members) Break	All Auditor			
14.00 – 17.00	 Field Observation Pondok Labu POM Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Despatch CPO) Inspection to Chemical Storage, Hazardous Waste Storage, Workshop, Fire Control Simulation, POME Pond Implementation of Employment & Occupational Health & Safety Aspect, Processing Activity. 	All Auditor			
Wednesday, 5 Febru					



08.00 – 12.00	 Field Observation to Rampa Estate and Sesulung Estate Aspect to be verified Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Implementation of Environmental and Conservation/HCV management. Implementation of Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Clinic and Waste Management). Observation of Workers Facilities (Housing, School, Worship Place). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Occupational Health & Safety Aspect 	All Auditor		
12.00 – 14.00	Break	All Auditor		
14.00 – 17.00	 Verification of stakeholder consultation result and field visit. Document review and completing audit checklist. 	All Auditor		
Thursday, 6 Februa	ry 2020			
08.00 – 12.00	 Field Observation to Binturung Estate Aspect to be verified: Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Implementation of Environmental and Conservation/HCV management. Implementation of Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Clinic and Waste Management). Observation of Workers Facilities (Housing, School, Worship Place). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Occupational Health & Safety Aspect 	All Auditor		
12.00 – 14.00	Break	All Auditor		
14.00 – 17.00	Verification of stakeholder consultation result and field visit.Document review and completing audit checklist.	All Auditor		
Friday, 7 February 2	2020			
08.00 - 09.00	Internal discussion by auditor team preparing for Closing Meeting	All Auditor		
09.00 – 12.00	Closing Meeting: Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)/ Comments, Responses and Questions	All Auditor		
12.00 – 20.00	Travelling PT PSA → Balikpapan	All Auditor		
Saturday, 8 February 2020				
10.00-12.00	Balikpapan → Jakarta	All Auditor		