

***Roundtable on Sustainable Palm Oil Certification  
RSPO***

**[✓] Surveillance-1.1**

Name of Management Organisation : Daya Labuhan Indah 2 Palm Oil Mill – PT Daya Labuhan Indah subsidiary of Wilmar International Limited

Plantation Name : PT Daya Labuhan Indah: Wonosari Estate & Sei Deras Estate  
PT Perkebunan Milano: Cabang Dua Estate

Location : Sei Tampang Village, Bilah Hilir Sub-District, Labuhanbatu District, Sumatera Utara Province, Indonesia

Certificate Code : **MUTU-RSPO/047**

Date of Initial Registration : 08 October 2014

Date of Certificate Issue : 21 October 2019                      Date of License Issue : 22 October 2020

Date of Certificate Expiry : 07 October 2024                      Date of License Expiry : 07 October 2021

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.1	04 – 07 August 2020	Hasiholan Sihombing (Lead Auditor Witnessed), Leonada (Lead Auditor Witnessing), Mohamad Amarullah, Asystasya Aishah Silalahi, Sansan Suhendar	Ardiansyah	Octo H.P.N. Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.1	01 September 2020

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Figure 1. Location Map of PT Daya Labuhan Indah and PT Perkebunan Milano

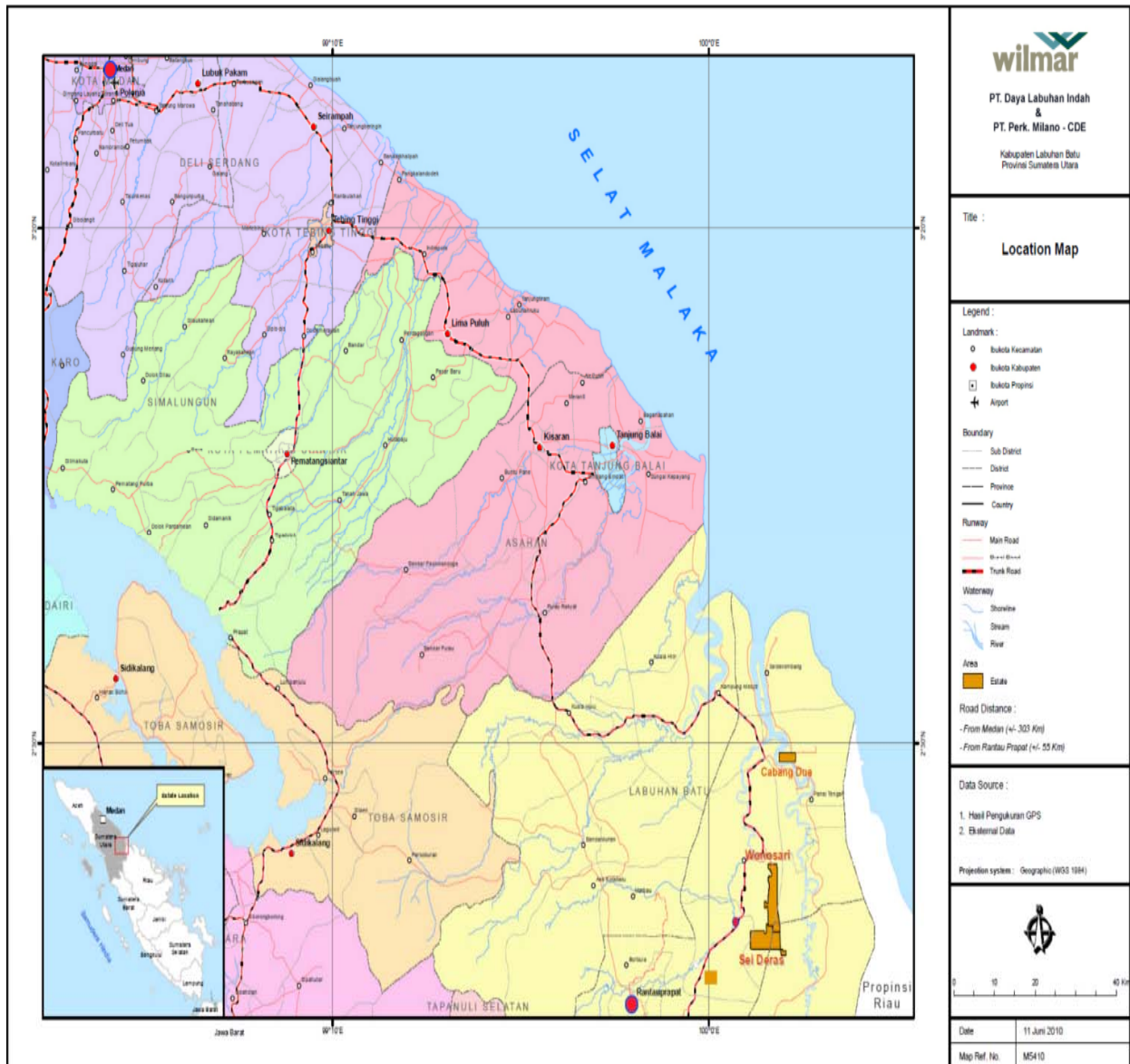


Figure 2. Operational Map of PT Daya Labuhan Indah – Wonosari Estate & Sei Deras Estate

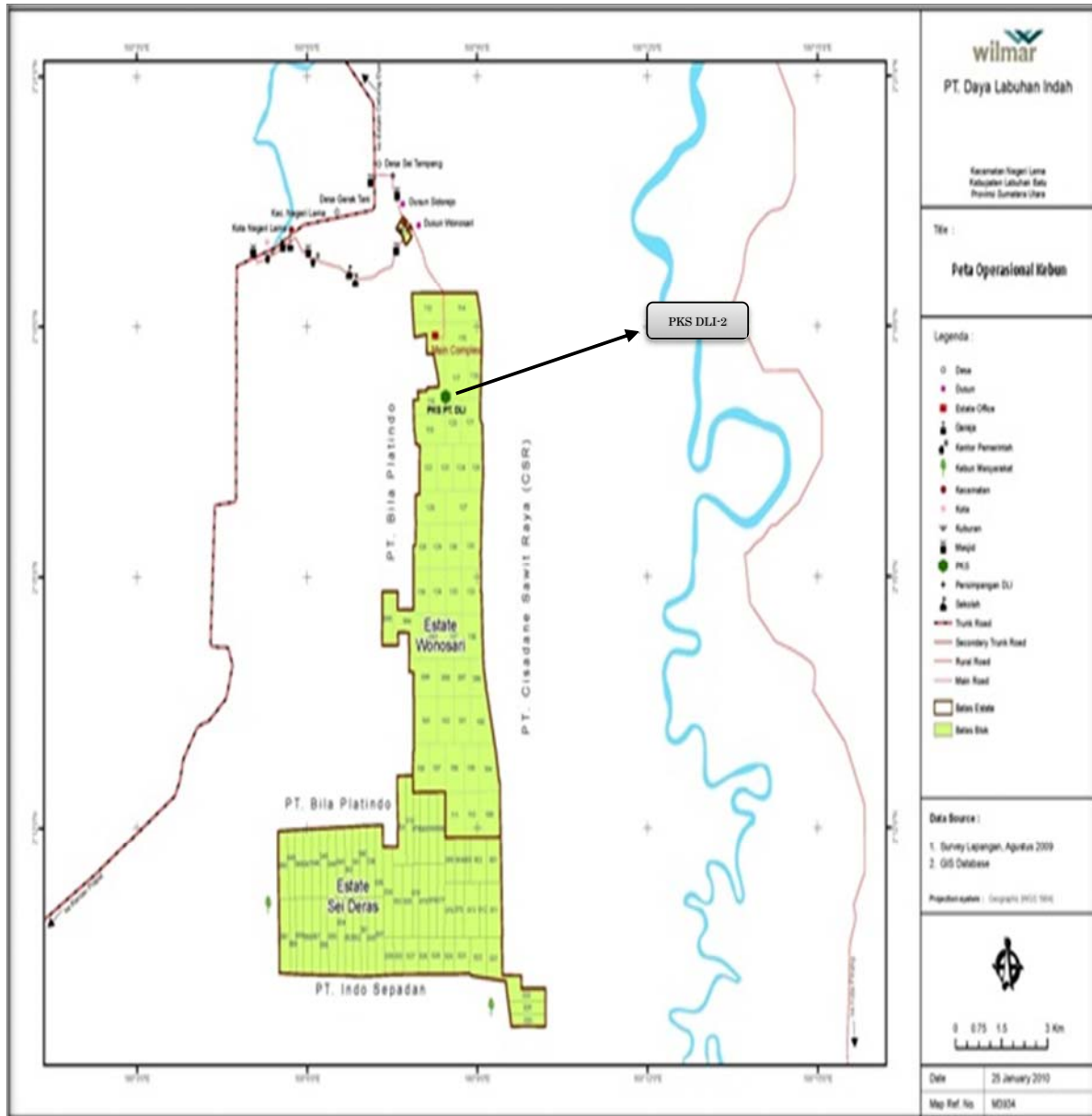
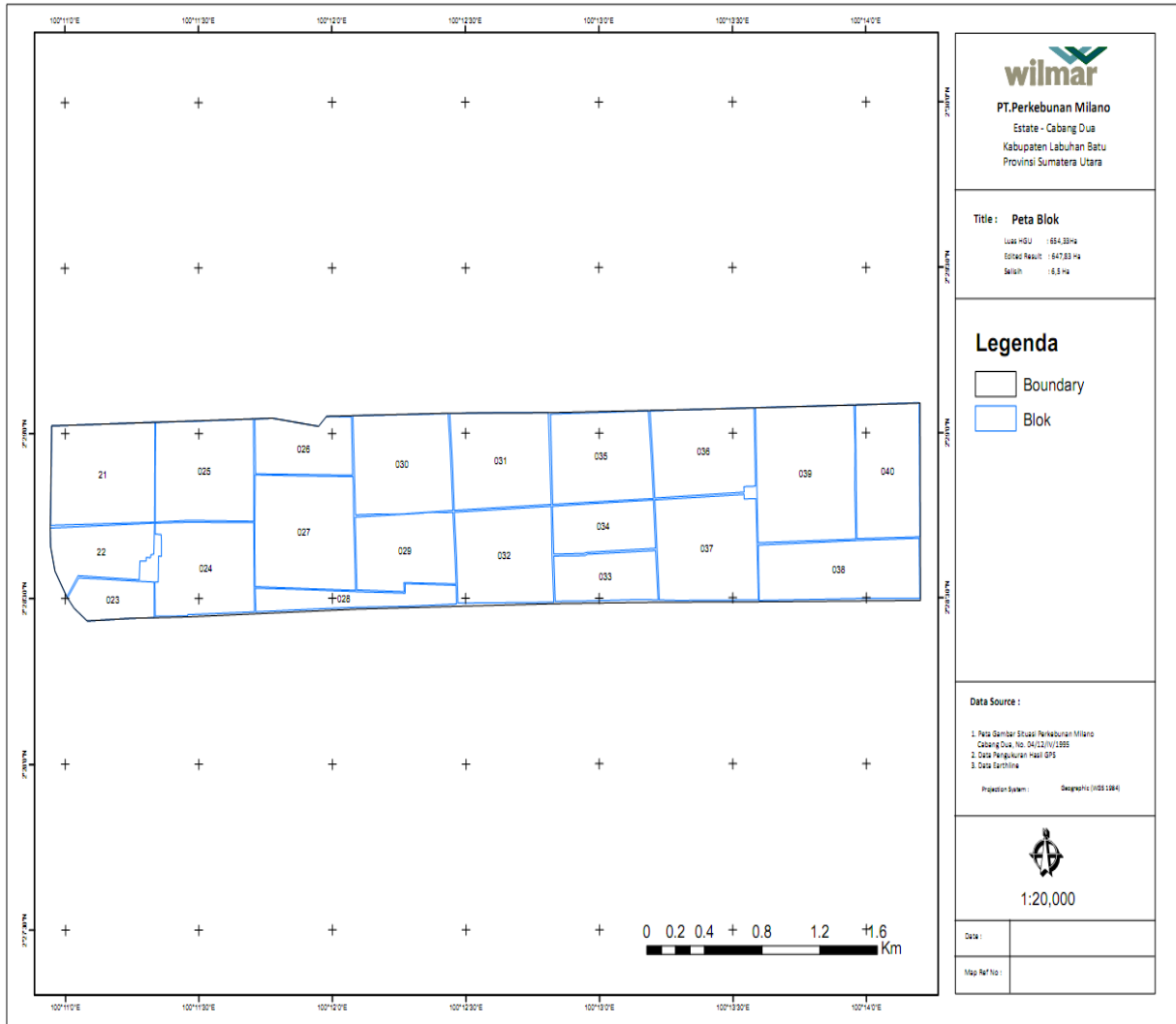


Figure 3. Operational Map of PT Perkebunan Milano – Cabang Dua Estate



**Abbreviations Used**

AGM	:	Assistant General Manager
APAR	:	Fire Extinguisher
ASA	:	Annual Surveillance Assessment
B3	:	Scheduled Waste
BLH	:	Environment Agency
BM	:	Bina Mitra
BOD	:	Biochemical Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Administrator
CB	:	Certification Body
COD	:	Chemical Oxygen Demand
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Cooperation Social Responsibility
DLI	:	Daya Labuhan Indah
DM	:	Division Manager
DO	:	Dissolved Oxygen
EFB	:	Empty Fruit Bunch
EHS	:	Environment, Health, and Safety
EIA	:	Environment Impact Assessment
EM	:	Estate Manager
FFB	:	Fresh Fruit Bunch
FGD	:	Focus Group Discussion
FPIC	:	Free, Prior, Informed, Consent
FSPM	:	<i>Federasi Serikat Pekerja Metal Indonesia</i> or Indonesian Metal Worker Federation
GHG	:	Green House Gasses
GPS	:	Global Positioning System
HCV	:	High Conservation Value
HGU	:	Land Use Title
HRD	:	Human Research Development
HRGA	:	Human Resource and General Affair
ILO	:	International Labour Organization
IP	:	Identity Preserved
IPLC	:	<i>Izin Pembuangan Limbah Cair</i> (Waste Water Disposal Permit)
IPM	:	Integrated Pest Management
ISPO	:	Indonesia Sustainable Palm Oil
IU	:	Immature Upkeep
IUP	:	License of Plantation
KCD	:	<i>Kebun Cabang Dua</i>
KSD	:	<i>Kebun Sei Deras</i>
KTU	:	<i>Kepala Tata Usaha</i> / Head of Administration
KWS	:	<i>Kebun Wonosari</i>
LB3	:	Scheduled Waste
LCC	:	Legume Cover Crop
LD50	:	Lethal Dose 50
LSU	:	Leaf Sampling Unit
LUCA	:	Land Use Change Analysis
MB	:	Mass Balance

MSDS	:	Material Safety Data Sheet
MT	:	Metric Ton
MU	:	Mature Upkeep
NDPE	:	No Deforestation No Peat No Exploitation
NGO	:	Non-Government Organization
NIOSH	:	National for Occupational Safety and Health
OFI	:	Opportunity for Improvements
OHS	:	Occupational Health and Safety
P&C	:	Principles and Criteria
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> / Occupational Health and Safety Committee
P3K	:	First Aid Kit
PIC	:	Person In Charge
PK	:	Palm Kernel
PKB	:	<i>Perjanjian Kerja Bersama</i> or Collective Labor Agreement
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PP	:	<i>Peraturan Perusahaan</i> or Company Regulation
PPE	:	Personal Protective Equipment
PT DLI	:	PT Daya Labuhan Indah
RKL/RPL	:	Environment Management and Monitoring
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened, and Endangered
RTE	:	Rare, Threatened or Endangered
SCCS	:	Supply Chain Certification System
SERBUNDO	:	Serikat Buruh Perkebunan Indonesia or Indonesia Labour Plantation Union
SIA	:	Social Impact Assessment
SOP	:	Standard Operational Procedure
SPSI	:	<i>Serikat Pekerja Seluruh Indonesia</i> or Labour Union of Indonesia
SSU	:	Soil Sampling Unit
TPS	:	<i>Tempat Penyimpanan Sementara</i> / Temporary Storage
TPSA	:	<i>Tempat Pembuangan Sampah Akhir</i> / Landfill Area
UMSK	:	<i>Upah Minimum Sektor Perkebunan Kabupaten</i> or District Minimum Wages of Plantation Sector
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> <li>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSP0 Board of Governors on 20 April 2020.</li> <li>RSP0 Certification System for Principles and Criteria, 14 June 2017</li> </ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Daya Labuhan Indah 2 Palm Oil Mill – PT Daya Labuhan Indah subsidiary of Wilmar International Limited	
1.2.2	Contact person	Jules Sonny Parapat	
1.2.3	Organisation address and site address	Head Office 56 Neil Road, Singapore 088830  <u>Official Liaison Office:</u> Multivison Tower Lt. 15 Jl. Kuningan Mulia Kav. 9B, Kuningan, Jakarta, 12980, Indonesia.	
1.2.4	Telephone	(62-21) 29380777	
1.2.5	Fax	-	
1.2.6	E-mail	<a href="mailto:jules.parapat@id.wilmar-intl.com">jules.parapat@id.wilmar-intl.com</a>	
1.2.7	Web page address	<a href="http://www.wilmar-international.com/">http://www.wilmar-international.com/</a>	
1.2.8	Management Representative who completed the application for certification	Jules Sonny (Certification Lead Indonesia)	
1.2.9	Registered as RSP0 member	2-0017-05-000-00 15 August 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Daya Labuhan Indah 2 Palm Oil Mill, Wonosari Estate, Sei Deras Estate and Cabang Dua Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Daya Labuhan Indah 2	Sei Tampang Village, Bilah Hilir Sub-district, Labuhanbatu District, Sumatera Utara Province, Indonesia	N 02° 17' 10"      E 100° 08' 27"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Wonosari Estate	Sei Tampang Village, Bilah Hilir Sub-district, Labuhanbatu District, Sumatera Utara Province, Indonesia	N 02° 17' 54"      E 100° 08' 16"



	Sei Deras Estate	Bilah Village, Bilah Hilir Sub-district, Labuhanbatu District, Sumatera Utara Province, Indonesia			N 02° 10' 47"	E 100° 08' 08"	
	Cabang Dua Estate	Sei Nahodaris Village, Panai Tengah Sub-district, Labuhanbatu District, Sumatera Utara Province, Indonesia			N 02° 08' 36"	E 100° 11' 18"	
<b>1.5</b>	<b>Description of Area Statement</b>						
1.5.1	Tenure						
	<ul style="list-style-type: none"> <li>State</li> </ul>				6,226.58 Ha		
	<ul style="list-style-type: none"> <li>PT Daya Labuhan Indah</li> </ul>				5,572.25 Ha		
	<ul style="list-style-type: none"> <li>PT Perkebunan Milano</li> </ul>				654.33 Ha		
	<ul style="list-style-type: none"> <li>Community</li> </ul>				- Ha		
1.5.2	<b>Area Statement</b>						
		Wonosari Estate (Ha)	Sei Deras Estate (Ha)	Cabang Dua Estate (Ha)	Total (Ha)		
	<b>Total area</b>	2,944.59	2,627.66	654.33	6,226.58		
	Planted area	2,581.65	2,483.29	612.90	5,677.84		
	Building and roads	350.03	34.21	39.02	423.26		
	Mill	12.91	-	-	12.91		
	HCV	-	9.12	2.41	11.53		
	Occupation area	-	101.04	-	101.04		
<b>1.6</b>	<b>Planting Year and Cycles</b>						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Wonosari Estate	Sei Deras Estate	Cabang Dua Estate	Total		
	2009	582.12	-	-	582.12		
	2010	904.23	-	-	904.23		
	2012	-	613.12	-	613.12		
	2013	-	995.11	71.65	1,066.76		
	2014	836.84	810.17	268.83	1,915.84		
	2015	258.46	64.89	-	323.35		
	2017	-	-	272.42	272.42		
	<b>TOTAL</b>	<b>2,581.65</b>	<b>2,483.29</b>	<b>612.90</b>	<b>5,677.84</b>		
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle				
<b>1.7</b>	<b>Description of Mill and Supply Base</b>						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Daya Labuhan Indah 2	30	140,716.21	30,510.06	21.67	5,209.81	3.64
	*Production data source from 12 months before assessment (August 2019 to July 2020)						

1.7.2	Description of Certification Scope of Supply Base						
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>	<b>Supplied to Mill</b>	
						<b>FFB (tonnes/year)</b>	<b>%</b>
	Wonosari Estate	2,944.59	2,581.65	53,815.11	20.85	53,815.11	100
	Sei Deras Estate	2,627.66	2,483.29	59,692.65	24.04	59,692.65	100
	Cabang Dua Estate	654.33	612.90	8,796.97	14.35	8,796.97	100
	<b>TOTAL</b>	<b>6,226.58</b>	<b>5,677.84</b>	<b>122,304.73</b>	<b>21.54</b>	<b>122,304.73</b>	<b>100</b>
	<i>*Production data source from 12 months before assessment (August 2019 to July 2020)</i>						
1.7.3	FFB description from other source						
	<b>Name of sources/Organisation</b>	<b>Type of Organisation</b>	<b>Number of smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill</b>		
					<b>FFB (tonnes/year)</b>		
	<i>Merbau Estate (RSPO certified)</i>	<i>PT Perkebunan Milano subsidiary of Wilmar International Ltd</i>	-	974.77	18,411.48		
	-	-	-	-	-		
	<b>TOTAL</b>					<b>18,411.48</b>	
	<i>*Production data source from 12 months before assessment (June 2018 to May 2019)</i>						
1.7.4	Product categories			FFB, CPO, PK			
<b>1.8</b>	<b>Tonnage of Product</b>						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume 1 November 2019 – 7 October 2020 (MT)		Last Year Actual Certified Volume (August 2019 – July 2020) (MT)		
	FFB Processed						
	• Identity Preserved		141,505		140,716.21		
	• Mass Balance		6,395		0		
	CPO Production						
	• Identity Preserved		31,800		30,510.06		
	• Mass Balance		1,400		0		
	Palm Kernel (PK) Production						
	• Identity Preserved		6,100		5,209.81		
	• Mass Balance		300		0		
	<i>Notes:</i>						
	- On 30 September 2019, there is extension volume FFB 45,761 MT; CSPK 2,288 MT and CSPO 10,983 MT with extension reason: added supply bases from another estate (RSPO certified) under the same group Wilmar (Merbau Estate - PT Perkebunan Milano)						
	- On 1 October 2019, there is extension time where new license end date become 31 October 2019 with extension reason: Report on progress to Technical Review.						
	- In July 2019, there is 79.28 MT the rest of the PK production and use as an opening stock in August 2019.						
1.8.2	Product selling						
	Type of selling product	Actual selling product for last year (August 2019 to July 2020) (MT)					
	CSPO sold as RSPO certified product	IP : 30,436.80 MB : 0					
	CSPK sold as RSPO certified product	IP : 5,180.84 MB : 0					

	CSPO sold under other scheme	0																																																					
	CSPK sold under other scheme	0																																																					
	CSPO sold as conventional	0																																																					
	CSPK sold as conventional	0																																																					
1.8.3	Estimate of Certified FFB Claim																																																						
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	ISO 14001: 2004	-																																																					
	OHSAS 18001:2007	-																																																					
	ISCC	-																																																					
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Kerry Sawit Indonesia 2 POM (PT Kerry Sawit Indonesia)	2015	KUD Karya Bersama	2023	Central Kalimantan	Re Audit, initial certification to process after land title process
		KUD Sejahtera Bersama	2023	Central Kalimantan	
		KUD Tabiku Makmur	2023	Central Kalimantan	
		KUD Kosudra	2023	Central Kalimantan	
Bumi Sawit Kencana POM (PT Bumi Sawit Kencana)	2013	Bumi Sawit Kencana 1	2013	Central Kalimantan	Certified
		Bumi Sawit Kencana 2	2013	Central Kalimantan	Certified
POM 1 and POM 2 (PT Sarana Titian Permata)	2023	Sarana Titian Permata 1	2023	Central Kalimantan	-
		Sarana Titian Permata 2	2023	Central Kalimantan	-
		Sarana Titian Permata 3	2023	Central Kalimantan	-
Mentaya Sawit Mas POM (PT Mentaya Sawit Mas)	2015	Mentaya Sawit Mas 1	2015	Central Kalimantan	Certified
		Mentaya Sawit Mas 2	2015	Central Kalimantan	Certified
		KUD Karya Makmur Pahirangan	2023	Central Kalimantan	Land title issue
Rimba Harapan Sakti POM (PT Rimba Harapan Sakti)	2015	Rimba Harapan Sakti 1	2015	Central Kalimantan	Certified
		Rimba Harapan Sakti 2	2015	Central Kalimantan	Certified
		KUD Makmur Sejahtera	2023	Central Kalimantan	Land title issue
Karunia Kencana Permaisejati POM (PT Karunia Kencana Permaisejati)	2017	Karunia Kencana Permaisejati 1	2017	Central Kalimantan	Certified
		Karunia Kencana Permaisejati 2	2017	Central Kalimantan	Certified
		Karunia Kencana Permaisejati 3,	2017	Central Kalimantan	Certified
Agro Nusa Investama POM (PT Agro Nusa Investama (Sambas))	2019	Agro Nusa Investama (Sambas) Estate	2019	West Kalimantan	Certified
		KUD Cempaka Biru	2019	West Kalimantan	Certified
		KUD Sentama Lestari	2019	West Kalimantan	Certified
Bumipratama Khatulistiwa POM (PT Bumi Pratama Khatulistiwa)	2016	Bumi Pratama Khatulistiwa Estate	2016	West Kalimantan	Certified
		PT Buluh Cawang Plantation	2023	West Kalimantan	-
		KUD Buah Jubata	2023	West Kalimantan	-
Agro Nusa Investama (Landak) POM (PT Agronusa Investama (Landak))	2023	Agro Nusa Investama (Landak) Estate	2023	West Kalimantan	-
		Pratama Procentindo Estate (PT Pratama Procentindo)	2023	West Kalimantan	-
Agro Palindo Sakti POM (PT Agro Palindo Sakti 2)	2023	Agro Palindo Sakti Estate	2023	West Kalimantan	-
		Putra Indotropical Estate (PT Putra Indotropical Estate)	2023	West Kalimantan	-
		Daya Landak Plantation Estate	2023	West Kalimantan	-

		(PT Daya Landak Plantation)			
		Indoresin Putra Mandiri (PT Indoresin Putra Mandiri)	2023	West Kalimantan	-
<b>Indonesia – Sumatera Region</b>					
Pinang Awan POM (PT Perkebunan Milano)	2009	Sei Daun	2009	North Sumatra	Certified
		Batang Saponggol	2009	North Sumatra	Certified
		Marbau	2009	North Sumatra	Certified
Tania Selatan POM (PT Tania Selatan)	2010	Burnai Barat	2010	South Sumatra	Certified
		Burnai Timur	2010	South Sumatra	Certified
Kencana Sawit Indonesia POM (PT Kencana Sawit Indonesia)	2020	Kencana Sawit Indonesia	2020	West Sumatra	Certified
		KUD Swamata	2023	West Sumatra	-
AMP Plantation POM (PT AMP Plantation)	2011	AMP I	2011	West Sumatra	Certified
		AMP II	2011	West Sumatra	Certified
		AMP III	2011	West Sumatra	Certified
		AMP IV	2011	West Sumatra	Certified
		Primatama Mulia Jaya	2011	West Sumatra	Certified
		Koperasi Tompek Tapian Kandis	2014	West Sumatra	Certified
		Koperasi AWM	2014	West Sumatra	Certified
		Koperasi BST,	2014	West Sumatra	Certified
		Koperasi MSJ	2014	West Sumatra	Certified
Buluh Cawang Plantation POM (PT Buluh Cawang Plantation)	2012	Bumi Arjo	2012	South Sumatra	Certified
		Dabuk Rejo	2012	South Sumatra	Certified
		Sukamulya	2012	South Sumatra	Certified
		Bambu Kuning	2012	South Sumatra	Certified
Gersindo Minang Plantation POM (PT Gersindo Minang Plantation)	2012	Gersindo Minang Plantation	2012	West Sumatra	Certified
		Permata Hijau Plantation 1	2012	West Sumatra	Certified
		Permata Hijau Plantation 2	2012	West Sumatra	Certified
		PT Permata Hijau Pasaman (block 22)	2023	West Sumatra	-
Daya Labuhan Indah POM (PT Daya Labuhan Indah)	2013	Wonosari	2013	North Sumatra	Certified
		Sei Deras	2013	North Sumatra	Certified
		Cabang Dua (PT Milano)	2013	North Sumatra	Certified
Agro Palindo Sakti POM (PT Agro Palindo Sakti)	2014	Agro Palindo Sakti Estate	2014	South Sumatra	Certified (POM has been closed down)
	2015	Murini Sam Sam Estate	2015	Riau	Certified

Murini Samsam POM (PT Murini Sam Sam)		Part of PT Murini Samsam areas (466 ha)	2023	Riau	-
Musi Banyuasin POM (PT Musi Banyuasin Indah)	2023	Sei Selabu	2023	South Sumatera	-
		Sei Jarum	2023	South Sumatera	-
		KUD Karya Gatra	2023	South Sumatera	-
		KUD Karya Makmur Sriwijaya	2023	South Sumatera	-
		KUD Panca Karya Jaya	2023	South Sumatera	-
		KUD Sumber Makmur	2023	South Sumatera	-
KUD Tri Tunggal Karya	2023	South Sumatera	-	-	
Sinarsiak Dianpermai POM (PT Sinarsiak Dianpermai)	2023	Sinarsiak Dianpermai Estate	2023	Riau	-
Agro Indah Persada 2 POM (PT. Agroindo Indah Persada)	2023	-	2023	Bangko – Jambi	NPP Audit
<b>Malaysia</b>					
Sapi POM (PPB Oil Palms Berhad)	2008	Sapi 1	2008	Sandakan, Sabah, Malaysia	Certified
		Sapi 2	2008	Sandakan, Sabah, Malaysia	Certified
		Kiabau	2008	Sandakan, Sabah, Malaysia	Certified
Reka Halus POM (PPB Oil Palms Berhad)	2008	Reka Halus	2008	Sandakan, Sabah, Malaysia	Certified
Sabahmas POM (PPB Oil Palms Berhad)	2008	Sabahmas	2008	Lahad Datu, Sabah, Malaysia	Certified
Saremas 1 POM (PPB Oil Palms Berhad)	2010	Saremas	2010	Bintulu, Serawak, Malaysia	Certified
		Saremas 2 (Div D)	2010	Bintulu, Serawak, Malaysia	Certified
		Suai	2010	Bintulu, Serawak, Malaysia	Certified
Saremas 2 POM (PPB Oil Palms Berhad)	2010	Saremas 2 (exclude Div D)	2010	Bintulu, Serawak, Malaysia	Certified
		Kaminsky	2010	Bintulu, Serawak, Malaysia	Certified
		Segarmas	2010	Bintulu, Serawak, Malaysia	Certified
Ribubonus (PPB Oil Palms Berhad)	2010	Ribubonus	2010	Sandakan, Sabah, Malaysia	Certified
Terusan POM	2010	Terusan 1 + 2	2010	Sandakan, Sabah, Malaysia	Certified

(PPB Oil Palms Berhad)		Rumidi	2010	Sandakan, Sabah, Malaysia	Certified
Sri Kamusan POM (PPB Oil Palms Berhad)	2011	Sri Kamusan	2011	Sandakan, Sabah, Malaysia	Certified
		Hibumas 1	2011	Sandakan, Sabah, Malaysia	Certified
		Hibumas 2	2011	Sandakan, Sabah, Malaysia	Certified
		Jebawang	2011	Sandakan, Sabah, Malaysia	Certified
		Sekar Imej	2011	Sandakan, Sabah, Malaysia	Certified
		Sapi Sugut	2011	Sandakan, Sabah, Malaysia	Certified
Suburmas POM (PPB Oil Palms Berhad)	2021	Suburmas	2021	Bintulu, Serawak, Malaysia	-

**Africa**

BOPP POM, Biase Plantation Limited	2014	Adum Banzo	2014	Western Region, Ghana	Certified
		Scheme Smallholder	2014	Western Region, Ghana	Certified
Biase Plantation Limited	2020	Calaro	2020	Cross River State, Nigeria	Mill under construction
Biase Plantation Limited	2022	Calaro extension	2022	Cross River State, Nigeria	Mill none planned
Biase Plantation Limited	2020	Ibiae	2020	Cross River State, Nigeria	Mill construction not started
Eyop Industries	2021	Ibad	2021	Cross River State, Nigeria	Mill construction not started
Eyop Industries	2020	Kwa Falls	2020	Cross River State, Nigeria	Mill none planned
Eyop Industries	2021	Oban	2021	Cross River State, Nigeria	Mill none planned

*Time bound plan on June 2020*

The revision of time bound plan because there is the change of certification time plan from year 2020 to year 2023 for some uncertified management units with reason is still in process to get land use right (Hak Guna Usaha). Some uncertified management units which changed from year 2020 to year 2023 are PT Agro Nusa Investama (Landak) and its supply based (PT Agronusa Investama 2 and PT Pratama Procentindo), PT Buluh Cawang Plantation in West Kalimantan (one of supply base from PT Bumipratama Khatulistiwa), PT Permata Hijau Pasaman (block 22), PT Agro Palindo Sakti in Sanggau District, West Kalimantan and its supply based (PT Agro Palindo Sakti, PT Putra Indotropical, PT Daya Landak Plantation and PT Indoresin Putra Mandiri), PT Sinarsiak Dian Permai in Riau and PT Musi Banyuasin Indah in South Sumatera.

The revision of time bound plan because some scheme smallholders has paid all costs relate of develop of scheme smallholder areas so that it has excluded from the time bound plan. It are KUD Damai Sejahtera (DASTRA) I & II (scheme smallholder under PT AMP Plantation and PT Primatama Mulia Jaya), KSU Mutiara Bosa Sikilang, KUD Permata Sawit Maligi, KUD Rantau Pasaman – Sasak and KUD Kapar (its supply based from PT Gersindo Minang Plantations POM)

The revision of time bound plan because two companies (PT Karya Agung Megah Utama & PT Perkebunan Anak Negeri Pasaman) has terminated the management agreement with PT AMP Plantation as stated in the termination agreement letter on 31 May 2019.

The result of internal discussion referring RSPO P&C Certification System, 2017 and communicating with auditee that Auditor has not accepted the revision of time bound plan for some cooperatives (KUD Karya Bersama, KUD Sejahtera

	Bersama, KUD Tabiku Makmur & KUD Kosudra) as supply base from PT Kerry Sawit Indonesia be year 2023 because it is not compliance with RSPO Certification System clause 4.1.3 so auditor has issued final decision as seen on table 8 above.
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>
	Until this audit, Daya Labuhan Indah 2 POM has no engagement with associated smallholder and outgrower for certifiable standard.



2.0	<b>ASSESSMENT PROCESS</b>
2.1	<b>Assessment Team</b>
ASA-1.1	<ol style="list-style-type: none"> <li>1. <b>Hasiholan Sihombing (Lead Auditor Witnessed)</b>. Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO, RSPO P&amp;C Lead Auditor Course by Checkmark, SA 8000 Awareness, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), OHS General Expert, OHSAS 18001:2007, ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. He has experienced in various audit activities related to the certification system of sustainable palm oil plantation since 2016. During this audit, he assigned to verify transparency, legal aspect, land dispute, environmental/conservation.</li> <li>2. <b>Leonada (Lead Auditor Witnessing)</b>. Bachelor of agriculture for plant breeding and seed technology programme study, department of agronomy, faculty of agriculture in Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and sustainability in private company of Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: training of indonesian sustainable palm oil (ISPO) lead auditor, training of RSPO lead auditor, RSPO SCCS training, SA 8000, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, lead auditor ISO 9001; 2008, ISO 14001; 2005, training of management development program agronomy, training of analysis base solution for operation, training of integrated pest management (IPM), use of limited pesticides training, training management of waste pesticides and fertilizers, training mediation and conflict resolution, RSPO social and worker welfare training, general safety specialist training, health and safety management system (SMK3) auditor.</li> <li>3. <b>Mohamad Amarullah (Auditor)</b>. Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry with major in Forest Product Technology. Has experiences as Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has attended several trainings such as Lead Auditor of ISPO, RSPO, RSPO Supply Chain, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, SA 8000, HCV, etc. Very good in conducting RSPO, MSPO and ISPO audit scheme since 2014 on any aspect. Fluent in Malay and English. During this assessment has verified best management practices and safety aspect.</li> <li>4. <b>Asystasya Aishah Silalahi (Auditor)</b>. Indonesia Citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, RSPO lead auditor training course, SCCS, and several in house training related to environmental, BMP, SA 8000. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During this audit, she verify Social and Worker Welfare aspects.</li> <li>5. <b>Sansan Suhendar (Auditor Trainee)</b>, Indonesian citizen, graduated in 2008 from the Department of Forest Product Technology, Faculty of Forestry, Bogor Agricultural Institute. He has experience as a Health, Safety and Environment (HSE Officer) Assistant at the Astra Agro Lestari Group (2010-2016) including PT Sumber Kharisma Persada (2010-2015) and PT Sari Aditya Loka 1 (2015-2016). Have experience in implementing sustainable palm oil management systems (ISPO), implementing occupational safety and health management systems, environmental management, managing areas with high conservation value, and implementing food safety management systems (HACCP) in palm oil mills. He has experience as an ISPO, RSPO auditor and as a Technical Expert for auditing ISO 45001 and ISO 14001 in the Forestry sector when he joined PT SAI Global Indonesia from November 2017 to February 2020. The training that has been attended is: OHS Expert in 2011, High Conservation Value Forest / Area (HCVF / HCVA) in 2012, Food Safety (Hazard Analysis Critical Control Point) HACCP in 2013, ISPO batch 14 with No. certificate 670A / TU.010 / E-ISPO / 12/2014 in 2014, RSPO with no. certificate SS-RSPO-P &amp; C-20/07/18 in 2018, Basic, Implementation and Lead Auditor of Quality Management System (ISO 9001: 2015) in 2018, Occupational Health and Safety Management System (ISO 45001: 2018) in 2019 and Environment Management System (ISO 14001: 2015) in 2020. At this time the audit carried out verification on environmental/conservation and GHG aspects supervised by Lead Auditor.</li> </ol>
2.2	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
2.2.1	<b>Figure of person days to implement assessment</b>

ASA-1.1	<p>Number of auditors: 3 auditor and 1 auditor trainee          Number of days for <b>ASA-1.1</b> at site: 4 days          Number of working days for <b>ASA-1.1</b> at site : 12 Working days</p>
2.2.2	<p><b>Assessment Process</b></p>
ASA-1.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Daya Labuhan Indah to the requirements of <b>Principles and Criteria for the Production of Sustainable Palm Oil 2018, endorsed by the RSPO Board of Governors and adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018 and RSPO Certification System for Principles and Criteria, 14 June 2017.</b></p> <p>The team traveled from Jakarta to Medan by airplane and traveled to site by car in first day and it takes approximately 9 hours drive to get to the site. In the next day, the team continued to held an opening meeting. The opening and closing meeting was held in Office of Wonosari Estate attended by the Management Representative of PT DLI, Estate Manager, Mill Manager, Assistants, and other related personnel's. During audit activity, auditors always accompanied by management representative and the documents are presented well.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement as the results of <b>ASA-1.1</b> delivered by the MUTU auditor to the management unit and the results are will be part of subject to verify at the next assessment phase (<b>ASA-1.2</b>). Improvement of observation from previous assessment were observed by auditors at this <b>ASA-1.1</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>ASA-1.1</b>.</p> <p>There is no reduction or extension scope. Certification unit also agree with the audit conclusion and the audit is done according to the audit plan.</p> <p>The assessment program please find Appendix 2.</p>
2.2.3	<p><b>Locations of Assessment</b></p>
ASA-1.1	<p>The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p><b>DLI-2 POM of PT DLI – 04 August 2020</b></p> <ul style="list-style-type: none"> <li>• <b>Security Post.</b> Observation and interview with 2 Security Officers, on their understanding towards FFB sources from PT DLI (KWS and KSD) and PT Milano (KCD), administrative, OSH, manpower and environment aspects, as well as facilities provided by the company.</li> <li>• <b>Weigh Bridge Station.</b> Observation and interview with 2 Bridge Operators (both female), on their understanding towards FFB sources, administrative or recording, RSPO supply chain matters, OSH, manpower and environment aspects, as well as facilities provided by the company.</li> <li>• <b>Loading Ramp Station.</b> Observation and interview with 2 FFB Graders, on their understanding towards FFB sources), technical (sampling method, FFB quality standard and recording), OSH, manpower and environment aspects, as well as facilities provided by the company.</li> <li>• <b>Workshop.</b> Observation and interview with 1 Welder, on his understanding towards technical, OSH, manpower and environment aspects, as well as facilities provided by the company.</li> <li>• <b>Sterilizer Station.</b> Observation and interview with 1 Operator, on his understanding towards technical, OSH, manpower and environment aspects, as well as facilities provided by the company.</li> <li>• <b>Press Station.</b> Observation and interview with 1 Operator, on his understanding towards technical, OSH, manpower and environment aspects, as well as facilities provided by the company.</li> </ul>

- **Clarification Station.** Observation and interview with 1 Operator, on his understanding towards technical, OSH, manpower and environment aspects, as well as facilities provided by the company.
- **Kernel Station.** Observation and interview with 1 Operator, on his understanding towards technical, OSH, manpower and environment aspects, as well as facilities provided by the company.
- **Boiler Station.** Observation and interview with 1 Operator, on his understanding towards technical, OSH, manpower and environment aspects, as well as facilities provided by the company. DLI-2 POM has 4 Boiler Operators with Class 1 License (valid until 2022).
- **Engine Room.** Observation and interview with 1 Operator, on his understanding towards technical, Generator Capacity (3 units with capacity > 200 kVA, e.g.: 48 kW, 125 kW and 400 kW), License for Electrical Expert, OSH, manpower and environment aspects, as well as facilities provided by the company.
- **Hydrant Simulation.** Observation the readiness of Emergency team and fire management equipment.
- **Chemical warehouse.** Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS and material handling
- **Lubricants warehouse.** Observation related OHS and material handling
- **Workshop.** Observation related OHS and waste management
- **Diesel fuel tank.** Observation related OHS and material handling
- **EFB burner.** Observation for EFB management
- **Empty bunch area.** Observation for EFB management
- **Hazardous waste warehouse.** Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS and material handling
- **WWTP (1 Worker).** Observations and interviews related to ban to entry to WWTP, run off, testing of effluent.
- **WTP (1 Worker).** Observations and interviews related to water management, recording of water use, health checks, PPE and worker welfare.

**Cabang Dua Estate of PT Perkebunan Milano – 05 August 2020**

- **Block 48: HGU Pole No. IX.** Observation the conditions and position of legal boundary.
- **Block 43: HGU Pole No. X.** Observation the conditions and position of legal boundary.
- **Block 42: HGU Pole No. XI.** Observation the conditions and position of legal boundary.
- **HCV Area Block 42.** Observation of HCV management.
- **Block 42 (Fire Tower).** Observation the conditions of fire tower and management of fire observation systems conducted by the company.
- **Block 044.** Observation to **Pheromone Trap** and Electronic Bunch Counter Chit (e-BCC).
- **Block 047.** Observation to **Piezometer No. 1, Fire Monitoring Tower** and field drain pattern (1:4).
- **Block 051.** Observation to **water level** (Stick) monitoring in 2014 planted area, **weirs setting** on height 60 cm and **Subsidence Pole No. 1** which installed on 2010. Measurements indicates that subsidency rates on the visiting Block was about 1.10 cm/year.
- **Block 055.** Observation to **Barn Owl (*Tyto alba*) Nest** which expected to control rat population on radius about 40 ha. However, there is no sign of nest occupation.
- **Block 060.** Observation to **Herbicide Application** (mixed Glinat, Tiara an Lindomin) on the palm circle and harvesting path, and interview with Foreman, 1 Tractor Trailer Spray Driver and Pesticide Applicators (4 females and 2 males), on their understanding towards technical, OSH, manpower, environment and conservation aspects, as well as facilities provided by the company.
- **Block 050.** Observation to **Harvesting** activities and interview with Foreman, 4 Harvesters and 4 Loosefruit Pickers, on their understanding towards technical, premium calculation, daily work base, harvesting rotation, OSH, manpower, environment and conservation aspects, as well as facilities provided by the company. Note: All loosefruit pickers were in pregnant or breastfeedings condition.
- **Diesel fuel store.** Observation related OHS and material handling
- **Hazardous waste warehouse.** Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS and material handling
- **Workshop.** Observation related OHS and waste management
- **Fertilizer warehouse.** Observation related OHS and material handling

- **Fertilizer washing sack area.** Observation for OHS and material handling
- **PPE store and spraying team rinse store.** Observation for OHS and waste management
- **Chemical warehouse.** Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS and material handling
- **Lubricants warehouse.** Observation related OHS and material handling
- **Power house.** Observation for OHS and waste management
- **Potable water depot.** Observation for workers facilities
- **Clinics.** Observation for workers facilities, hazardous waste handling and OHS
- **Kindergarden.** Observation for workers facilities.
- **Fire fighting simulation.** Observation for emergency response team and OHS
- **Housing.** Observation for workers facilities, waste management, and OHS

**Wonosari Estate of PT DLI – 06 August 2020**

- **Block 136 Division 2: HGU Pole No. VII.** Observation the conditions and position of legal boundary.
- **Block 113 Division 2 (2 harvester).** Observation and interview with harvester related fruit ripeness, safe working practices and worker welfare.
- **Block 137 Division 2 (4 workers).** Observation on safe working practices and interview with the maintenance workers related to the procedure, safe working practices and worker welfare.
- **Block 143 and 136 Division 2 (Peat Area).** Observation peat area, water management, water level monitoring, piezometer monitoring and subsidence pole conditions and staff interviews on monitoring techniques.
- **Block 134 Division 2 (Barn Owl Nest Observation).** To check Barn Owl Nest condition and management of integrated pest control systems conducted by the company.
- **Block 137 Division 2 (Fire Tower).** Observation the conditions of fire tower and management of fire observation systems conducted by the company.
- **Diesel fuel store.** Observation related OHS and material handling
- **Hazardous waste warehouse.** Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS and material handling
- **Workshop.** Observation related OHS and waste management
- **Fertilizer warehouse.** Observation related OHS and material handling
- **Fertilizer washing sack area.** Observation for OHS and material handling
- **PPE store and spraying team rinse store.** Observation for OHS and waste management
- **Chemical warehouse.** Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS and material handling
- **Lubricants warehouse.** Observation related OHS and material handling
- **Power house.** Observation for OHS and waste management
- **Potable water depot.** Observation for workers facilities
- **Clinics.** Observation for workers facilities, hazardous waste handling and OHS
- **Fire fighting simulation.** Observation for emergency response team and OHS
- **Housing.** Observation for workers facilities, waste management, and OHS

**Sei Deras Estate of PT DLI – 06 August 2020**

- **Division 2 Block 122.** Observation to **Pole No. XII** that situated on the ongoing Land Title areas and in adjacent with occupation area in Sungai Bilah Village and PT Indo Sepadan Jaya, signed by isolation drains along the edge. Drainage pattern was 1:2 (prone flooded areas).
- **Division 2 Block 122.** Observation to **Pole No. XIII BPN** that situated on the ongoing Land Title areas and in adjacent with occupation area in Sungai Bilah Village, signed by isolation drains along the edge. Drainage pattern was 1:2 (prone flooded areas).
- **Division 2 Block 110.** Observation to **FFB transportation** activities and **Subsidence Pole No. 8** which installed since 2010/2011. Measurements indicates that subsidency rates on the visiting Block was about 1.20 cm/year. Estate management informed that there were 64 spots of water level monitoring and 9 spot of subsidency monitoring throughout the KSD.

	<ul style="list-style-type: none"> <li>• <b>Division 2 Block 109.</b> Observation to <b>Harvesting</b> activities and interview with Foreman and 1 Harvester, on their understanding towards technical, premium calculation, daily work base, harvesting rotation, OSH, manpower, environment and conservation aspects, as well as facilities provided by the company.</li> <li>• <b>Division 2 Block 107.</b> Observation of <b>Manual Circle Weeding</b> works and interview with Foreman and 2 workers (both females), which also fertilizer and/or pesticide applicators, on their understanding towards technical, OSH, manpower, environment and conservation aspects, as well as facilities provided by the company.</li> <li>• <b>Division 2 Block 117.</b> Observation to <b>water level</b> (Stick) monitoring and <b>weirs setting</b> on height 60 cm.</li> <li>• <b>HCV Area, Block 62.</b> Observation of conservation area.</li> <li>• <b>Diesel fuel store.</b> Observation related OHS and material handling</li> <li>• <b>Hazardous waste warehouse.</b> Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS and material handling</li> <li>• <b>Workshop.</b> Observation related OHS and waste management</li> <li>• <b>Fertilizer warehouse.</b> Observation related OHS and material handling</li> <li>• <b>Fertilizer washing sack area.</b> Observation for OHS and material handling</li> <li>• <b>PPE store and spraying team rinse store.</b> Observation for OHS and waste management</li> <li>• <b>Chemical warehouse.</b> Observation and Interview with workers related to personnel understanding over the applicable SOP, implementation of OHS and material handling</li> <li>• <b>Lubricants warehouse.</b> Observation related OHS and material handling</li> <li>• <b>Power house.</b> Observation for OHS and waste management</li> <li>• <b>Potable water depot.</b> Observation for workers facilities</li> <li>• <b>Clinics.</b> Observation for workers facilities, hazardous waste handling and OHS</li> <li>• <b>Kindergarden.</b> Observation for workers facilities.</li> <li>• <b>Fire fighting simulation.</b> Observation for emergency response team and OHS</li> <li>• <b>Housing.</b> Observation for workers facilities, waste management, and OHS</li> </ul> <p><b>Stakeholder consultation with relevant agencies:</b></p> <ul style="list-style-type: none"> <li>• Agriculture Agency of Labuhanbatu District</li> <li>• Manpower and Transmigration Agency of Labuhanbatu District</li> <li>• Environmental Agency of Labuhanbatu District</li> </ul> <p><b>Local communities surrounding the plantation visited to:</b></p> <ul style="list-style-type: none"> <li>• The Head of Sei Tampang Village</li> <li>• The Head of Bilah Village</li> <li>• The Head of Sei Nahodaris Village</li> </ul>
2.3	<b>Stakeholder Consultation and Stakeholders Contacted</b>
2.3.1	<b>Summary of stakeholder consultation process.</b>
ASA-1.1	<p>Summary of stakeholder consultation process.</p> <p>Consultation of stakeholders for PT Daya Labuhan Indah was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on website Mutu International (<a href="https://mutucertification.com/notification-of-rspo-surveillance-1-1-for-dli-pom-pt-daya-labuhan-indah-subsiary-of-wilmar-international-ltd/">https://mutucertification.com/notification-of-rspo-surveillance-1-1-for-dli-pom-pt-daya-labuhan-indah-subsiary-of-wilmar-international-ltd/</a>) on 17 July 2020.</li> <li>• Public consultation meeting with government institution in Labuhanbatu District on 04 August 2020.</li> <li>• Public consultation meeting with local communities surrounding the plantation on 04 August 2020.</li> <li>• Public consultation meeting with internal stakeholders on 04 August 2020.</li> <li>• Consultation with NGO (Sawit Watch, Walhi, AMAN and WWF) via email on 28 July 2020 and got no response.</li> </ul> <p>Numbers of input from stakeholders were clarified by PT DLI as a part of this report.</p>
2.3.2	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>

<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-1.2</b> ) will be conducted eight (8) month to twelve (12) month after 8 October 2020.



**3.0 ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Daya Labuhan Indah 2 Palm Oil Mill – PT Daya Labuhan Indah, subsidiary of Wilmar International Limited operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were none (0) Nonconformities assigned against Major and Minor Compliance Indicators and none (0) opportunity(s) for improvement.

MUTUAGUNG LESTARI found that Daya Labuhan Indah 2 Palm Oil Mill – PT Daya Labuhan Indah, subsidiary of Wilmar International Limited complied with the requirements of **Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 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	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>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.</b>	
<b>1.1.1</b>	List of company informations that could be accessed by stakeholders or public for PT DLI and PT Perkebunan Milano is presented in document No. 061/DLI/KWS/Ext/VII/2015 and No. 097/MLN-CDE/Ext/VII/2017, respectively. Those information are consist of 17 type of information such as documents related to land title and business permit, environment, occupational health and safety, company profile and organization structure, company policy, complaint and grievance record, negotiation record, sustainable and continuous improvement management plan, etc. All report related to government institutions has also could be accessed by public. Request of information which not listed above shall be after permitted by top management.	
<b>1.1.2</b>	Procedure of information request and service for PT Daya Labuhan Indah (PT DLI) is presented in document No. SOP-BNM-003 dated 01 February 2015, while for PT Perkebunan Milano (PT Milano) is presented in document No. PRO-BM.GEN-002 and PRO-BM.GEN-005. Those procedure mentioned that all information requested shall be responded less than 1 (one) month.  According to interview with surrounding communities of PT DLI and PT Milano, Environment Agency, Plantation Agency and Manpower Agency of Labuhan Batu Regency, it was known that company management is considered cooperative in providing data requested and/or data which presented in periodic compulsory report.	
<b>1.1.3</b>	The company maintains a logbook to record any incoming requests for information contained in the External Incoming Mail Logbook. The logbook describes the date of the letter, its origin, type of input (complaint, request for information, evidence of delivery (letter/oral), recommendation, response (realization and date of response) and status.  Based on the verification of the incoming letter documents for the period 2019 - July 2020, it is known that there are no letters with the types of requests for information and complaints, and there are only letters of request for assistance, for example a letter requesting assistance for 2 cows for sacrifices the people of Sidorejo Hamlet from the Head of Sei Tampang Village on	

22 June 2020 and the company has responded by providing this assistance on 9 July 2020.

**1.1.4**

Procedure of public communication, information request and service for PT Daya Labuhan Indah (PT DLI) is presented in document No. SOP-BNM-003 dated 01 February 2015, while for PT Perkebunan Milano (PT Milano) is presented in document No. PRO-BM.GEN-002 and PRO-BM.GEN-005. Those procedure mentioned that all information requested shall be responded less than 1 (one) month. Information could be requested through several media, such as Official Letter, Suggestion Box, Email, etc. Personalia General Affair and Public Speaker are the PIC who make sure that all information requested is immediately responded after approved by Estate/Mill Manager. The PIC for PT DLI and PT Milano has appointed through Decree of Senior Human Resources Region (Sr-HRR) Sumatera Utara No. 001/DLI-HRD/SK/II/2019 dated 01 February 2019 and No. 001/MLN-HRD/SK/II/2019 dated 28 January 2019, respectively.

Based on interview with Plantation Agency and Environment Agency of Labuhan Batu Regency, as well as with representative from Bilah, Sei Tampang and Sei Nahodaris Villages, it was known that both company has considered cooperative in conducting communication and information service to all stakeholders, through appointed PIC, known as Public Speaker. The results of interviews with representatives of the surrounding village communities (Sei Tampang Village, Bilah Village and Sei Nahodaris Village), stated that the company had submitted a request for information mechanism.

**1.1.5**

The company also has stakeholders list consisting of several government agencies, non-governmental organizations, public figure from surround villages, competitors, creditor, mass media and several suppliers of goods needed for plantation and mill operations.

**Status: Comply**

**1.2**

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

**1.2.1 and 1.2.2**

The company has code of conduct policy version 5 June 2019 which describe ethical conduct into 3 principles, as follows.

- Avoid conflicts of interest
- Avoid abuse of authority/position
- Ensuring the confidentiality of information and preventing misuse of information obtained through company operational activities, both for personal gain or for purposes other than company interests

The company has a system to ensure that this policy is implemented in all business operation, for example:

- Calculation of harvest output for harvester is based on an information system established by the company (Electronic Bunch Count Chip), so there is no fraud in calculating the output.
- Recruitment of employees based on the mechanism owned by the company and based on the needs of each unit.
- Conduct an internal audit of the implementation of the policy.

Besides, based on interview with workers in Sei Deras Estate, Wonosari Estate, Cabang Dua Estate and DLI-2 POM, it is known that they understand about ethical conduct in company.

When the audit activity took place, no interviews were conducted with contractors because during the Covid19 pandemic the company did not use contractors at all in its operational activities. However, the company can show that it has carried out socialization regarding the company's code of ethics policy, for example on 12-14 June 2019 to Wonosari Estate stakeholders and was attended by 18 participants.

**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.**



**2.1.1**

The company has list of regulations of 2019 that includes local regulations and national regulation updated annually. List of laws/regulations listed has covers several aspects such as land permit and legality, manpower, occupational health and safety, best management practices and environment. Some examples of regulations compliance that have been done such as:

- PT Daya Labuhan Indah has a Plantation Business Permit (IUP) covers 4,694.5 ha area and 30 tons of FFB/hour processing capacity, based on Labuhanbatu Regent Decree No. 180/100/Huk/2013, dated 28 March 2013.
- PT Perkebunan Milano has a Plantation Business Permit (IUP) covers 654.33 ha area, based on Labuhanbatu Regent Decree No. 180/21/Huk/2013, dated 4 April 2013.
- The company has a wage structure and scale for each level of work and is in accordance with Ministry of Manpower Regulation No. 01/2017 concerning Wage Structure and Scale.
- The company has implementing integrated pest management, has only use certified seeds from recognized seed producers in Indonesia, and there is no burning during land preparation or land clearing.

The other compliances of regulations regarding to environment aspects are EIA management and monitoring in routinely, hazardous waste storage license approved by local government. Compliances of workers and OHS regulations are provided the minimum wage, company safety & occupational health, transporting and forklift operator, etc. Based on interview with stakeholders such as government agencies it is known that the company has comply the related regulations for example: has plantation business permit, land use right, no workers under age of 18, hazardous waste storage permit, etc.

**2.1.2**

The company has a mechanism to update the regulation in SOP-GEN-017 which explains that every year a regulatory update will be carried out by staff from the Safety Officer, Human Resources and Bina Mitra department as PIC in accordance with the presence or absence of new regulations that are relevant to the business plantation and certification. The company has been evaluated the compliance and implementation of regulation annually which is conducted in conjunction with RSPO audit activities, for example the last one was held on 14-16 January 2020.

The company maintains a list of regulations for compliance with laws in each plantation and mill unit consisting of regulations on a regional, national and international scale. The company has a list of legal requirements which is divided into 4 parts, namely:

- Law Register for Occupational Safety and Health
- Law Register for Plantation Sector (Related to Plantation Business)
- Law Register for Manpower
- Law Register for Environmental.

**2.1.3**

There is already available SOP for maintenance of HGU boundaries (SOP-GEN-007) PT Daya labuhan Indah and the Cabang Dua Estate. The scope of this procedure is related to the maintenance of HGU boundaries only in the boundary areas of PT Daya Labuhan Indah and PT Perkebunan Milano Cabang Dua Estate. The purpose is to preserve the HGU boundary according to the coordinate points set by National Land Agency and the HGU boundary conditions are always in a clean and visible condition. Monitoring the boundaries of the HGU is done quarterly.

Field observations to several HGU boundary markers in Sei Deras Estate (No. XII and XIII Block 122 Division 2), Wonosari Estate (No. VII Block 136 Division 2) and Cabang Dua Estate (No. IX Block 48, No. X Block 43 and No. XI Block 42) show that the poles sampled during the audit were available in the field and in well-maintained conditions. Land boundaries with outsiders are clear, such as a large boundary road and trench that borders the HGU area. There is no indication of land use outside the HGU.

	Status: Comply	
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**2.2**

**All contractors providing operational service and supplying labour, and Fresh Fruit Bunch (FFB), comply with relevant legal requirements.**

**2.2.1; 2.2.2 and 2.2.3**

At the time of the ASA-1.1 audit, there was no work done by the contractor and DLI-2 POM did not receive FFB from outside the company. However, the company can show a list of contractors used during the last 1 year for each estate and mill which informs the name of the contractor, address, and service provided by the contractor.

The company shows examples of work agreements with third parties, for example: Letter of agreement for transporting FFB No. 001 / MLN-CDE / SPK / I / 2020 dated January 2, 2020 between the Cabang Dua Estate and the Contractor (Syah Zamri). The agreement letter includes several articles, including the scope of the agreement, the period of the agreement, supervision of work implementation, labor, availability of labor, OHS, security of work locations, work tools, payment methods, guarantees, force majeure, dispute resolution, and articles. etc. In the work agreements there are clauses that explain the fulfillment of applicable legal obligations, for example the Manpower article that explains:

- The contractor is required to register workers in the *BPJS Ketenagakerjaan* program in accordance with applicable regulations.
- The contractor does not employ children under 18 years of age, forced labor or human trafficking.

The company has a system to monitor the compliance of legal requirement in contractor activities, for example conducting an internal audit every semester.

Status: Comply

**2.3**

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

**2.3.1 and 2.3.2**

There is no scheme smallholders that supplied FFB to DLI 2 POM.

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**

Long-term management plan of the unit of certification is presented in document of Forecast 5 Years 2020-2025 which consist of several parameters such as: financials; area statement, crop and estate cost; FFB processed and milling cost; plantation development cost; capital expenditure for estate and mill; as well as sustainability implementation costs. For example, projection on FFB production, yield, CPO price and total milling cost for period 2021 were 132,450 mt; 26.60 mt FFB/ha/year; IDR 8,512,000/mt and IDR 137.90/kg CPO, respectively. Management unit stated that the business plan is subjected to changed and reviewed annually by the respective management through considering actual trends and dynamic situation which predicted could be changed in the future. Management review has referred to Procedure No. SOP-GEN-018. The objective of annual review is to optimize the company resources to obtain a satisfactory goal. The long-term plan was extracted more details in annual budget plan which prepared by the Estate Manager. Regarding peat management, the current water management has considered satisfactory. Furthermore, the company has no plan for smallholders scheme.

**3.1.2**

Wonosari Estate (KWS) and Sei Deras Estate (KSD) management of PT DLI and Cabang Dua Estate (KCD) of PT Milano mentioned that among criteria of replanting are 25 years planting cycle, productivity bellow 16 ton/ha/year and planting density has less than 100 palms/ha. According to information from Estate management of PT DLI and planting data review, it was known that first cycle of palms were planted between 1991 to 1996, while second cycle which the present palms were planted starting from 2009 to 2015. The later year were covers area for about 314.85 ha. Thus, there is no replanting program in the near future. Furthermore, according to information from Estate management of CDE of PT Milano and planting data review, it was known that first cycle of palms in CDE were planted between 1986 to 2008, while second cycle which the present palms were planted starting from 2013 to 2017. The later year were covers area for about 271.92 ha. Thus, there is no replanting program in the near future. Based on explanation in the former, it could conclude that there is no replanting plan for the next five years (up to 2025/2026). According to year of planting only, the next replanting is expected to be carried as early on 2034 in KWS.

**3.1.3**

Annual management review is presented in document Form No. FRM-GEN-000-079 dated 11 March 2020, which covering company policy, structure organization, operational condition, transparency aspect, audit certification, previous management review, regulation requirements, best practice management, agrochemicals consumption, energy efficiency, waste management, pollution, HCV management safety matters. Social and environmental aspect and management response. List of attendance is presented in document Form No. FRM-HRD-000-020 (Rev. 01). Furthermore, unit of certification has also conducting annual internal audit such as System Development Control (SDC), internal audit RSPO and ISPO. Every findings of audit is compulsory to be followed up, approved by the respective PIC and recorded on Problem Identification Corrective Action (PICA) sheet. For example, integrated RSPO and ISPO Internal audit of DLI-2 POM is conducted by Internal Auditor, presented in document Form No. FRM-GEN-015-004 (Rev. 02) dated 15 and 16 January 2020 for KWS and KSD, respectively. The audit in KWS has resulting 10 non conformity finding notes which all had been fully comply on 10 March 2020 and 8 opportunity for improvements (OFI). Meanwhile, audit in KSD has resulting 12 non conformity finding notes which all had been fully comply on 16 March 2020 and 6 OFI's. Follow up of finding, as well as correction evidence of specific findings were available.

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**

The certification unit has monitored and evaluated the economic, social and environmental performance as planned in the RSPO and ISPO internal audit. For example, integrated RSPO and ISPO Internal audit of DLI-2 POM is conducted by Internal Auditor, presented in document Form No. FRM-GEN-015-004 (Rev. 02) dated 15 and 16 January 2020 for KWS and KSD, respectively. The audit in KWS has resulting 10 non conformity finding notes which all had been fully comply on 10 March 2020 and 8 opportunity for improvements (OFI). Meanwhile, audit in KSD has resulting 12 non conformity finding notes which all had been fully comply on 16 March 2020 and 6 OFI's. Follow up of finding, as well as correction evidence of specific findings were available.

**3.2.2**

Based on interviews with company management, it is known that the company has not made an annual report to the RSPO Secretariat for continuous monitoring and improvement because the RSPO metric template has not been published, but the company has reported the RSPO Annual Communication of Progress 2019.

Status: Comply

**3.3**

**Operating procedures are appropriately documented, consistently implemented and monitored.**

**3.3.1**

Estate and Mill management informed that there is no revision on the current procedure of oil palm agronomy and processing, describes as follows:

- Procedure for oil palm processing are presented in document No. SOP-MILL-001 to No. SOP-MILL-044, with the most updated was dated on 05 December 2017. The procedure has covers FFB acceptance, FFB Grading, Weigh Bridge, FFB processing, laboratory works, operational on processing Stations (Loading Ramp, Sterilizer, Thresher, Digester, Screw Press, Vibrating Screen, Crude Oil Tank, Decanter, Oil Tank, Sludge Tank, Depericarater, Nut Silo, Ripple Mill, LTDS, Claybath and Kernel Silo), dispatch of CPO and kernel, transportation and supply chain management system.
- Procedure for oil palm agronomy are presented in document No. PRO-EST-001 to PRO-EST-018, with the most updated was dated on 01 April 2019. The procedure has covers nursery, legume cover crop, replanting, field upkeep, harvesting, as well as integrated pest and disease management.
- Procedure of safety are presented in several documents such as No. PRO-EHS-14 dated 01 March 2012 and No. PRO-GEN-013 dated 01 July 2012 about emergency situation including first aid, No. SOP-GEN-002 dated 01 February 2015 about HIRAC and No. FRM-GEN-068 about fire monitoring. Further detail on safety working procedure is described in Hazard Identification Risk Assessment Control (HIRAC) and Material Safety Data Sheet (MSDS) of agrochemicals.

According to procedure review, it could be concluded that the oil palm agronomy and processing procedures were still relevant with current situation and covers all main aspects from the estate to the mill. All procedures were available in

Bahasa. Furthermore, based on observation to estate and mill office, it was known that the procedure were available onsite, distributed by Document Controller. Moreover, based on observation and interview with workers on the estates and mill, it was known that in general the workers were able to explain and demonstrate their technical matters in accordance with the procedure. Furthermore, they are also able to explain safety aspect, as well as type, usage and management of personal protective equipment (PPE) being used during working hours.

**3.3.2**

List of procedure is presented in document No. FRM-GEN-012-019 and No. Form-EHS/DLI/002-00 dated 01 April 2019 which updated by Document Controller. In order to ensure consistency compliance towards procedure implementation, the CH has several mechanisms which presented in several documents, as follows:

- Annual Management Review meeting which presented in document No. FRM-GEN-000-079. Latest meeting has conducted on 11 March 2020, attended by Management Representative, Head of Operating Unit, Public Relation Officer, EHS Officer, Administrative Officer, PGA, Field Officer and Document Controller.
- Monthly Crop and Cost Meeting which presented in document Form No. FRM-GEN-083. Estate and mill management are able to shows minutes af meeting for May and June 2020. The document was approved by Plantation Head, General Manager, Assistant GM and PIC Unit.
- RSPO and ISPO Internal Audit and Correction report which presented in document No. FRM-GEN-004 (Rev. 04) 14 January 2020 and No. FRM-GEN-015-004 (Rev. 02) dated 17 January 2020 for PT Perkebunan Milano and PT DLI, respectively.
- Daily FFB Grading Report which reported to Estate Manger to be follow up and used as evaluation parameters for harvesting quality.
- Maintenance book which informed production devices condition, type of problem, identification of problem, reparation action tha shall be taken, PIC, time line of maintenance and priority status.
- Qulity Agro Management System (QAMS) report which prepared by Field Auditor and Agronomy manager that informed harvesting quality, recapitulation of non-productive palms, field upkeep condition, pest and desease incidence, etc.
- Annual Internal audit such as System Development Control (SDC), internal audit RSPO and ISPO. Every findings of audit is compulsory to be followed up, approved by the respective PIC and recorded on Problem Identification Corrective Action (PICA) sheet.
- To conduct regular training to the respective workers as programmed annually. See Indicator 3.7.1 for further detail.

**3.3.3**

The unit of certificaion is able to shows record of monitoring as well as its follow up, for example, summary of RSPO/ISPO internal audit is describes as follows:

- Integrated RSPO and ISPO Internal audit of CDE-PT Perkebunan Milano is conducted by Internal Auditor, presented in document No. FRM-GEN-004 dated 14 January 2020. The audit has resulting 6 non conformities findings. Apart on Permit findings, follow up of finding, as well as correction evidence of specific findings were available and fully settled up on 14 March 2020.
- Integrated RSPO and ISPO Internal audit of DLI-2 POM is conducted by Internal Auditor, presented in document Form No. FRM-GEN-015-004 (Rev. 02) dated 15 and 16 January 2020 for KWS and KSD, respectively. The audit in KWS has resulting 10 non conformity finding notes which all had been fully comply on 10 March 2020 and 8 opportunity for improvements (OFI). Meanwhile, audit in KSD has resulting 12 non conformity finding notes which all had been fully comply on 16 March 2020 and 6 OFI's. Follow up of finding, as well as correction evidence of specific findings were available.
- Monitoring on contractor's compliance towards CH procedure was conducted through several methods, such as to includes contractors on Internal audit of RSPO as subject of verification; to provide training in line with contractor's workers rules, as well as monitoring of work quality that conducted by Foreman. Furthermore, contractor's commitment towards company regulations is presented and signed in the work agreement.

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

The company possess four environment impact assessment document were approved by Head of Labuhanbatu District Environmental Agency, covering different area with the following details :

1. *Analisa Dampak lingkungan (ANDAL)* for estate area of 4,694.5 ha in 2009 and 30 tonne FFB/hour
2. *Upaya pengelolaan dan pemantauan lingkungan (UKL/UPL)* for sei deras estate covered 445.88 ha in 2014
3. *Upaya pengelolaan dan pemantauan lingkungan (UKL/UPL)* for sei deras estate covered 431.87 ha in 2014
4. *Upaya pengelolaan dan pemantauan lingkungan (UKL/UPL)* for cabang dua estate covered 654.33 ha in 2012

All of the EIA documents explained all activities for pre construction, construction, operation, and post operation for example (road construction, field drain construction, housing and facilities, waste water treatment plant, IPM, replanting, and etc) covered the palm oil mill, sei deras estate, wonosari estate, cabang dua estate.

PT DLI and PT Milano has conduct social impact assessment by independent consultant. The scope of study are impact of plantation and mill operation to workers and community surrounding company areas. These assessments also identified negative and positive impact of plantation and mill operation towards social aspect.

Based on document review shown that current SIA has describing and identified potential social impact related vulnerable groups, community perception, environment and health, local economy, land use changes, livestock intrusion by sheperd, workers facilities and etc.

SIA identifications was also done based on affected parties consultation, this matter are amplified by stakeholders e.g Sei Tampang and Bilah villagers during stakeholder consultation and besides that based on interview with local community shown that major impacts has been identified and managed by company.

**3.4.2 & 3.4.3**

The certification unit has made an implementation report from its EIA (RKL-RPL), a study was conducted on the RKL-RPL report for semester I 2020. The report contains all types of impacts contained in the RKL-RPL document matrix. All possible impacts have been monitored and controlled by the company, one of the impacts that may arise is the result of noise testing that exceeds the threshold allowed by regulations. One form of company control is to provide training, personal protective equipment such as ear plugs and ear muffs, and to carry out maintenance of production machines on a regular basis.

Social impact assessment (SIA) including records of meetings or Forum Group Discussion (FGD) has been documented in Social Assessment Report PT. DLI an PT. Perkebunan Milano. The SIA review was carried out by involving the surrounding community through FGD on January 27, 2020. The village communities involved include: Sei Tampang Village, Wonosari Village, Sidorejo Village, Pekan Bilah Village, Sei Deras Village, Sei Bilah Village, Sei Daun Village, Sei Nahodaris Village, Pinang Damai Village and Panai Tengah Village.

Evidence of participatory action from local communities was also sighted in related SIA documentation including photos. Some aspects were considered during assessment such as:

- Access and use rights;
- Economic livelihoods and working conditions;
- Subsistence activities;
- Cultural and religious values;
- Health and education facilities;
- Other community values.

By considering the above aspects, the company will implement the following programs:

- Community empowerment strengthening program
- Communication and coordination with external parties
- Health improvement program
- Occupational safety and health improvement program
- Manpower strengthening program
- Strengthening community relations with companies

The programs currently running in 2020 are as follows:

1. Recruitment of workers



2. The company has provided information to the surrounding villages regarding all activities carried out within the company
3. Providing assistance in the form of basic necessities,
4. Sports equipment assistance for schools,
5. Assistance for productive businesses. for example, goat farming
6. Assistance in completing religious equipment and facilities
7. Medical equipment assistance

Status: Comply

**3.5**

**A system for managing human resources is in place.**

**3.5.1**

Procedure of recruitment is presented in document No. PRO-HRD-001 dated 01 October 2011. Meanwhile, procedure of employees' evaluation is presented in document No. PRO-HRD-03 dated 01 October 2011. Evaluation will be conducted quarterly. Furthermore, clause of termination is presented in Work Agreement Article 5. In general, mechanism of recruitment, selection, hiring promotion, retirement and termination is presented in document of "Perjanjian Kerja Bersama (PKB)" or collective working agreement between the unit of certification and Labour Union (Serbundo and SPSI), as follows:

- PKB of PT DLI issued through Decree Head of Manpower Agency of Labuhanbatu District No. 560/4201/DTK-4/2019 dated 30 December 2019, valid until 18 December 2021..
- PKB of PT Milano issued through Decree of Manpower Agency of Sumatera Utara No. 560/08-6/DTK/II/2020 dated 16 January 2020. This PKB is valid until 15 January 2022.

The PKB was provided in Bahasa. Furthermore, work agreement with employees were available in premises. Employee's status in the unit of certification are permanent workers on daily or monthly basis. Based on interview with several workers on the estate and mill, it was known that PKB was distributed to all employees. The workers mentioned that content of PKB was about rights and obligation of employer and employee in safety and manpower aspects.

**3.5.2**

Records on manpower procedure has satisfactory documented, as verified randomly to the several documents, as follows:

- Work recruitment Letter for Harvester position No. 28/DLI-KSD/EXT/VII dated 29 August 2019, appointed to Village Head of Kampung Bilah.
- Promotion of worker through Decree of Unit Manager No. 072/MLN-CDE/SK/VII/2020 dated 01 July 2020 from maintenance to harvesters Level 2A in KCD.
- Promotion of Security Position as permanent workers Level 2A as shows throguh Decree of Senior HR Manager No. 005/MLN-HRR/SK/VIII/2019 dated 01 August 2019, presented in Form No. FRM-OD-01-13 (Rev. 02).

Status: Comply

**3.6**

**An Occupational Health and Safety (H&S) plan is documented, effectively communicated and implemented.**

**3.6.1**

Risk assessment mechanism in presented in document No. SOP-GEN-009 (Rev. 05) dated 09 September 2019. Risk assessment of all plantation operation activities has been conducted by OSH Committee that presented documents No. FRM-GEN-002-016 (Rev. 01) about hazard identification risk analysis and control (HIRAC), which lastly updated (reviewed) on 31 March 2020. Meeting management towards covid-19 situation againts operational activites on the estate and mill is presented in safety identification review minutes of meeting dated 31 March 2020. Furthermore, weekly report covid-19 Sumatera 1 Region for period 26 May to 01 June 2020 is available. Based on interview with Harvesters, Loose-fruit Pickers and Agrochemicals Applicators in KWS, KSD and KCD, as well as with operators in DLI-2 POM, it was known that all employees were able to explain and demonstrate safe working practices in accordance with HIRAC and applicable technical procedure, such as type of PPE and safety equipment, PPE placement and management, special health monitoring (cholinesterase, training, etc.

**3.6.2**

Based on review towards OSH program in 2019 and 2020, it was known that annual general medical check-up and special medical check-up has scheduled. Last medical check-up has conducted by Clinic Laboratory of Prodia in July 2019 and

December 2019, for example, cholinesterase testing result is summarized as follows:

- DLI-2 POM: Audiometry and Spirometry has conducted to 38 and 12 operators, respectively. All audiometry test shows normal hearing while 6 operators has identified with mild to medium respiratory restriction. POM management has recommended to carried out safe and health lifestyle, not smoking and consistently use masker as PPE.
- KDE: from 14 applicators tested, it was known only 1 applicator indicates exposed on chemicals. The respective applicator has recommended to be mutated to manual upkeep works as shows through Letter of Paramedic dated 02 January 2020. Management review on this matter shows minutes of meeting which presented in Form No. FRM0GEN-083 dated 10 January 2020.
- KWS: from 44 applicators tested, it was known 14 applicators indicates exposed on chemicals. The respective applicator has recommended to be mutated to manual upkeep works, for example as shows through Letter of Paramedic No. 001/DLI/KWS-KLK/VII/2019 dated 20 July 2019 and No.001/DLI/KWS-KLK/I/2020 dated 10 January 2020. Management review shows minutes of meeting which presented in Form No. FRM0GEN-083 dated 10 January 2020.
- KSD: from 38 applicators tested, it was known 14 applicators indicates exposed on chemicals. The respective applicator has recommended to be mutated to manual upkeep works, for example as shows through Letter of Paramedic No. 003/DLI/KSD-KLK/VII/2019 dated 01 August 2019 and No.005/DLI/KSD-KLK/XII/2019 dated 30 December 2019. Management review shows minutes of meeting which presented in Form No. FRM0GEN-083 dated 10 January 2020.

Effectiveness on OSH plan is reviewed periodically through management review and monthly P2K3 Meeting, that the minutes was recorded in Form No. FRM0GEN-083. The minutes of meeting has informed topics of review, root of cause, things to do, PIC, evaluation, dateline, preventive action to be taken, etc. This process has conducted continuously, to find more effective ways in overcome the concerned issues

Status: Comply

**3.7**

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

**3.7.1, 3.7.2 and 3.7.3**

The company has training program for workers for period of 2020 for operational training, including training for worker exposed to high noise level in mill. The aspect in the training program are such as environment, labor best management practice aspect, and others. Training for contractor is including in training program for worker and adjusted with the work of contractor. Some of training program, namely:

- Awareness of RSPO-SCCS on April 2020
- Training of work procedure in each station in mill on November 2020
- Training of harvesting technique and OHS in Sei Deras Estate on August 2020
- Training of pesticide management in Cabang Dua Estate on March 2020
- Training of first aid in Wonosari Estate on April 2020
- Etc.

Based on interview with worker in estate and mill, they have received some training related to their work, such as work procedure training, emergency response, and first aid training. The training has been documented into minutes of meeting, list of attendees, and photo activity. The company also has conducted training regarding awareness of RSPO P&C to the workers. Some of the example of training are:

- Job safety analysis training on 19 June 2020 attended by 14 workers in DLI-2 POM
- First aid training on 28 July 2020 attended by 7 first aider in Cabang Dua Estate
- Training of OHS and manuring technique on 19 June 2020 attended by 20 worker in Wonosari Estate.
- Training of pesticide management to 31 pesticide applicator in Wonosari Estate on 12 June 2020.
- SCCS training on 9 April 2020 attended by 11 workers in DLI-2 POM
- Etc.

Status: Comply

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1 and 3.8.2**

DLI-2 POM are applied supply chain module Identity Preserved and Mass Balance, however the mill only received and

processed the FFB from certified sources (its own estate: Cabang Dua Estate, Wonosari Estate and Sei Deras Estate) and from certified associated estates (Marbau Estate, certified under certificate no: 824 502 14010 valid until 23 Aug 2021.

**3.8.3**

Estimate product certified CPO and PK for period 1 October 2020 – 7 October 2021 describe at ASA-1.1 report (basic info 1.8.3). Actual tonnage product certified for last year:

Products	Estimate (MT)	*Actual (MT)
FFB Certified	128,000	140,716.21
CSPO	28,800	30,510.06
CSPK	6,400	5,130.53

*\*actual production 12 months before audit (August 2019 – July 2020)*

**3.8.4**

Daya Labuhan Indah POM - PT Daya Labuhan Indah, subsidiary of Wilmar International Ltd has registered in RSPO membership 2-0017-05-000-00 (registered since 29 September 2004). Daya Labuhan Indah POM has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: Daya Labuhan Indah POM - PT Daya Labuhan Indah
- Account UID: RSPO\_AC1000002148
- Core Product: Palm Oil
- Member ID: RSPO\_PO1000002132
- Type of Business: Oil Mill

**3.8.5**

Procedures and/or written guidances for implementation of SCCS including description of personal key duty. These document observed, namely:

- SOP of FFB, CPO, PK weighbridge document No. SOP-MIL-002 revision of 8 issued on 1 February 2020, in this document mentioned that the security and weighbridge operator are responsible to ensure the source of FFB, the shipment/delivery document, as well as the seals for CPO/PK truck.
- Traceability procedure No. SOP-MILL-034, Revision 08, dated 1 February 2020 informed, the personal key on this activity is:
  - a) Logistic officer input the data of FFB certified product received and responsible in order to balancing the CPO and PK dispatch
  - b) Mill Head responsibility to ensure the stock balance and shipping of CPO and PK well implemented.

In clause of 6.3 describes that in term of RSPO product shipment (CSPO/CSPK), in the weighbridge note will be attached the stamp which informed mill name, RSPO certificate number and supply chain model name. Clause of 6.6 describes that the announce to RSPO IT Platform will be done when by shipment of CSPO and CSPK. The data input conducted in every end of the month when there is no longer changes. The retention time of record keeping of supply chain documents is two (2) years.
- CPO and PK Shipment Procedure No.SOP-MILL-035, Revision 08, dated 1 February 2020 informed: point of F, the CPO and PK tank checking, the security officers checked the vehicle physical condition and to ensure the tank is empty without any other material and informed in the Vehicle Control Form document. Shipment with the RSPO status. The weighbridge officer ensure all the documents and information are complete, including the product identity (stamp) informing the certificate number of DLI.2 and the supply chain model use.

Storage tank planned to be washed minimum twice a year as mentioned in the SOP No. SOP-MILL-038, Revision 07, dated 1 February 2020. Switch over product mechanism from MB to IP model, describes as follow:

- a) Define the cutoff date of the switch over in order to ensure FFB latest day acceptance for MB model
- b) Ensure there is dedicated tank will use in empty condition to keep all the IP model status product
- c) All FFB received and production in the cutoff date will stated as MB supply chain model status
- d) Only acceptance and production at one day after the cutoff date can be stored in the dedicated storage tank



Switch over product from IP to MB model mechanism:

- a) Define the cutoff date of FFB latest day acceptance for IP supply chain model
- b) FFB and production after cutoff date stated as MB supply chain model and stored.
- c) If IP supply chain model will be shipped and claimed as IP, so the IP product left cannot be mixed with MB supply chain model product.

During this ASA-1.1 audit found that DLI-2 POM only received FFB from certified sources. So they only implemented Module Identity Preserved.

Based on interviews in DLI-2 POM note that the weighbridge operators understands the supply chain management system. It also known that training and refreshment (awareness) of supply chain management system were carried out annually.

**3.8.6**

The procedure to conduct annual internal audit are describe in SOP No. SOP-GEN-015 rev 02 dated 1 Aug 2016 covering all audit for sustainable palm oil including SCCS. In the SOP mentioned that internal audit is done annually. Internal audit of SCCS conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. The last internal audit is conduct at 17 January 2020.

**3.8.7**

DLI-2 POM only processed their own FFB (from the certification scope) and certified FFB from other estate under the Wilmar International Ltd (Marbau Estate – PT Perkebunan Milano). Certified and non-certified FFB received period of 12 months before audit which is August 2019 – July 2020:

Month	FFB (MT)		Total
	Certified	Non Certified	
August 2019	15,940.00	-	15,940.00
September 2019	13,484.72	-	13,484.72
October 2019	13,420.22	-	13,420.22
November 2019	10,665.97	-	10,665.97
December 2019	10,603.74	-	10,603.74
January 2020	11,553.52	-	11,553.52
February 2020	11,154.69	-	11,154.69
March 2020	11,118.92	-	11,118.92
April 2020	10,811.92	-	10,811.92
May 2020	8,090.81	-	8,090.81
June 2020	10,426.99	-	10,426.99
July 2020	13,445.25	-	13,445.25
<b>Total</b>	<b>140,716.21</b>	<b>-</b>	<b>140,716.21</b>

According to the data during the certification period (8 October 2019 – 7 October 2020), there still not any overproduction yet.

The SOP of handling non-conforming FFB received describe in SOP of *Cara Penerimaan TBS* (No. SOP-MIL-001 dated 1 February 2020) which explains the implementation stages of receiving FFB to ensure that the FFB received at the Mill is in accordance with procedures.

**3.8.8**

The site has product information provided in such as document of weighbridge ticket, delivery order and other invoices as example at invoices of CPO certified delivery on 4 August 2020 for 25.32 ton and CSPK certified delivery on 4 August 2020 for 18.05 ton. The informations provided on invoices are:

- The name and address of the buyer;
- The name and address of the seller;
- The loading or shipment / delivery date;
- A description of the product RSPO certified Mass Balance model
- RSPO certificate number and unique ID;
- The date on which the documents were issued;
- The quantity of the products delivered;
- Any related transport documentation;
- etc.

**3.8.9; 3.8.10 and 3.8.11**

DLI-2 POM are not outsourced activities to independent third parties. CPO and PK transporter are under contract with buyer.

**3.8.12**

The site has maintained accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements. All the record can be accessed by the auditor, such as record of certified product shipping, sales contract, delivery order/invoice, production report and product sales. According to the Traceability Procedure (Document Number: SOP-MILL-034, dated 1 February 2020), all document and record related to supply chain kept for minimum 2 years. Based on documents verification, there is available at mill the record of supply chain for last 2 years.

FFBs, CSPO and CSPK produced and/or claimed records are kept in minimum 12 months. Record of all certified palm oil/palm kernel oil volumes purchased (input) and claimed (output) for period of 12 months before audit (August 2019 – July 2020):

Month	CPO (ton)		Total
	Certified	Non Certified	
August 2019	3,598.221	-	3,598.221
September 2019	3,002.868	-	3,002.868
October 2019	2,878.310	-	2,878.310
November 2019	2,314.754	-	2,314.754
December 2019	2,245.595	-	2,245.595
January 2020	2,515.570	-	2,515.570
February 2020	2,427.175	-	2,427.175
March 2020	2,466.921	-	2,466.921
April 2020	2,369.477	-	2,369.477
May 2020	1,785.085	-	1,785.085
June 2020	2,178.087	-	2,178.087
July 2020	2,727.995	-	2,727.995
<b>Total</b>	<b>30,510.06</b>	<b>-</b>	<b>30,510.06</b>

Month	CSPO Dispatch (ton)			Total
	RSPO	Other Scheme	Non Certified	
August 2019	3,613.690	-	-	3,613.690
September 2019	3,015.920	-	-	3,015.920
October 2019	2,893.670	-	-	2,893.670
November 2019	2,361.240	-	-	2,361.240
December 2019	1,926.480	-	-	1,926.480
January 2020	2,821.890	-	-	2,821.890
February 2020	2,359.700	-	-	2,359.700
March 2020	2,590.390	-	-	2,590.390
April 2020	2,328.380	-	-	2,328.380
May 2020	1,655.620	-	-	1,655.620
June 2020	2,284.170	-	-	2,284.170
July 2020	2,585.650	-	-	2,585.650
<b>Total</b>	<b>30,436.80</b>	<b>-</b>	<b>-</b>	<b>30,436.80</b>

Month	PK (ton)		Total
	Certified	Non Certified	
Opening stock	79.28	-	79.28
August 2019	576.74	-	576.74
September 2019	514.90	-	514.90
October 2019	494.87	-	494.87
November 2019	391.18	-	391.18
December 2019	383.58	-	383.58
January 2020	446.62	-	446.62
February 2020	414.59	-	414.59
March 2020	419.56	-	419.56
April 2020	425.61	-	425.61
May 2020	282.93	-	282.93
June 2020	343.79	-	343.79
July 2020	436.16	-	436.16

Month	CSPK Dispatch (ton)			Total
	RSPO	Other Scheme	Non Certified	
	-	-	-	-
August 2019	528.08	-	-	528.08
September 2019	563.09	-	-	563.09
October 2019	524.93	-	-	524.93
November 2019	381.66	-	-	381.66
December 2019	396.05	-	-	396.05
January 2020	437.40	-	-	437.40
February 2020	415.62	-	-	415.62
March 2020	419.47	-	-	419.47
April 2020	437.08	-	-	437.08
May 2020	262.15	-	-	262.15
June 2020	349.26	-	-	349.26
July 2020	466.05	-	-	466.05

Total	5,209.81	-	5,209.81	Total	5,180.84	-	-	5,180.84
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**3.8.13 and 3.8.14**

The site doesn't applied a conversion rate.

**3.8.15**

Procedure for managing the certified oil palm products separated from non-certified oil palm product mentioned in the SOP No. SOP-MILL-038, Revision 07, dated 1 February 2020. Switch over product mechanism from MB to IP model, describes as follow:

- a) Define the cutoff date of the switch over in order to ensure FFB latest day acceptance for MB model
- b) Ensure there is dedicated tank will use in empty condition to keep all the IP model status product
- c) All FFB received and production in the cutoff date will stated as MB supply chain model status
- d) Only acceptance and production at one day after the cutoff date can be stored in the dedicated storage tank

Switch over product from IP to MB model mechanism:

- a) Define the cutoff date of FFB latest day acceptance for IP supply chain model
- b) FFB and production after cutoff date stated as MB supply chain model and stored.
- c) If IP supply chain model will be shipped and claimed as IP, so the IP product left cannot be mixed with MB supply chain model product.

During this ASA-1.1 audit found that DLI-2 POM only received FFB from certified sources. So they only implemented Module Identity Preserved.

**3.8.16 and 3.8.17**

RSPO IT Platform member registration number for DLI-2 POM is RSPO\_PO100002132. All transactions have been registered in RSPO IT platform for periods of 12 months and there are no volumes sold under other scheme, conventional, or in case of underproduction, loss or damage, as example:

- Certified CPO dispatch to PT Multimas Nabati Asahan dated 16 June 2020 for 650 MT and recorded in shipping announcement on 14 July 2020.
- Certified Palm Kernel dispatch to PT Multimas Nabati Asahan dated 10 June 2020 for 25 ton and recorded in shipping announcement on 8 July 2020.

Based on announcement and transaction report documents review, it concluded that all RSPO certified products submitted are in compliance with the RSPO Rules on Market Communications and Claims.

Status: Comply
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**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 company has a Human Rights Policy signed by Goh Ing Sing (Group Plantation Head) and Jeremy Goon (Group CSR Head), updated June 2014 and included in the Wilmar Policy (5 December 2013, updated 16/1/2015, reviewed by Khairul Anwar) on point 3 that there will be no exploitation of fellow humans and local communities.

Based on the results of interviews with employee representatives (gender committee and labor union), village representatives from Bilah, Sei Tampang and Sei Nahodaris villages, it is known that they are aware of the company's human rights policies.

**4.1.2**

Based on the results of field visits to estates and mill, there was no visible presence of mercenaries in the company's operational areas. Based on the results of consultation with employee representatives (gender committee and labor union), village representatives from Bilah, Sei Tampang and Sei Nahodaris villages and related agency of Labuhan Batu district known there was no issues of the use of confrontation and intimidation by the company to maintain peace and order, and there is no indication of the use of military or mercenaries.

	<b>Status: Comply</b>	
<b>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.</b>		
<p><b>4.2.1 and 4.2.2</b> The company has a Procedure for Receiving Complaints and Dispute Resolution (PRO-BNM-007-Revision 2, valid from 09 February 2017). In the procedure it is explained in point 6.2 that if requested the company guarantees the confidentiality of the whistleblower's identity and whistleblower by looking at the sensitivity level of the problem, the scale of the impact if the issue is published or the risk of retaliation. Furthermore, point 6.11 also explains that if joint resolution cannot be reached, complaints can be submitted through the RSPO Complaint System.</p> <p>Based on public consultation with respective stakeholder (labor union, gender committee) and village representatives from Bilah Village, Sei Tampang and Sei Nahodaris) known that the company has an effective complaint mechanism through written letters, mailboxes, call centers, and understands that they can submit complaints anonymously and their names protected.</p> <p><b>4.2.3 and 4.2.4</b> Based on the results of consultations with the Environmental Agency, Plantation Agency, labor union, gender committee and village representatives from Bilah Village, Sei Tampang and Sei Nahodaris known that there were no disputes submitted to the certificate holder.</p>		
	<b>Status: Comply</b>	
<b>4.3 The unit of certification contributes to local sustainable development as agreed by local communities.</b>		
<p><b>4.3.1</b> The company has identified the needs and whereabouts of the surrounding community together with the socialization of social impacts with the Forum Group Discussion (FGD) method on January 27, 2020, for the village community around the company. The village communities involved include: Sei Tampang Village, Wonosari Village, Siderojo Village, Pekan Bilah Village, Sei Deras Village, Sei Bilah Village, Sei Daun Village, Sei Nahodaris Village, Pinang Damai Village and Panai Tengah Village.</p> <p>Evidence of participatory action from local communities was also sighted in related SIA documentation including photos. Some aspects were considered during assessment such as:</p> <ul style="list-style-type: none"> <li>- Access and use rights;</li> <li>- Economic livelihoods and working conditions;</li> <li>- Subsistence activities;</li> <li>- Cultural and religious values;</li> <li>- Health and education facilities;</li> <li>- Other community values.</li> </ul> <p>By considering the above aspects, the company will implement the following programs:</p> <ul style="list-style-type: none"> <li>- Community empowerment strengthening program</li> <li>- Communication and coordination with external parties</li> <li>- Health improvement program</li> <li>- Occupational safety and health improvement program</li> <li>- Manpower strengthening program</li> <li>- Strengthening community relations with companies</li> </ul> <p>The programs currently running in 2020 are as follows:</p> <ol style="list-style-type: none"> <li>1. Recruitment of workers</li> <li>2. The company has provided information to the surrounding villages regarding all activities carried out within the company</li> <li>3. Providing assistance in the form of basic necessities,</li> <li>4. Sports equipment assistance for schools,</li> <li>5. Assistance for productive businesses. For example, goat farming</li> <li>6. Assistance in completing religious equipment and facilities</li> <li>7. Medical equipment assistance</li> </ol>		

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 Free, Prior and Informed Consent (FPIC).**

**4.4.1**

**Land Title**

As explained in the previous assessment, DLI-2 POM and its supply bases operated **6,226.58 Ha** area. Those areas covered by land title as follows:

- Land use title (HGU) of PT Daya Labuhan Indah (Wonosari Estate, Sei Deras Estate) covers **4,694.5 ha**. Valid for 30 years (until December 2022)
- Land use title (HGU) of PT Perkebunan Milano (Cabang Dua Estate) covers **654.33 ha**. Valid until August 2021.

Total → **5,348.83 Ha**

Based on that, there was **877.75 Ha** area are now on progress which is divided into 2 cadastral maps. According to the cadastral map released by land national title on 2016, those areas located into 2 districts Labuhanbatu and Labuhanbatu Selatan. When the ASA-1.1 audit activity was carried out, it was also known that there was still no progress regarding the HGU issuance process at National Land Agency, but management of PT DLI explained the reason, namely because PT DLI's HGU covering an area of 4,694.5 Ha will expire on 31 December 2022 so that it will be combined with further processes in conjunction with the HGU extension process.

**Plantation Business Permit**

1. PT Daya Labuhan Indah has had a plantation permit as follows:

- **Plantation Business Permit for Processing (IUP-P)** covers **30 tons of FFB/hour** processing capacity, based on Labuhanbatu Regent Decree No. 180/27/Huk/2012, dated 12 October 2012.
- **Plantation Business Permit (IUP)** covers **4,694.5 ha** area and **30 tons of FFB/hour** processing capacity, based on Labuhanbatu Regent Decree No. 180/100/Huk/2013, dated 28 March 2013.

2. PT Perkebunan Milano has had a plantation permit **Plantation Business Permit (IUP)** covers **654.33 ha** area, based on Labuhanbatu Regent Decree No. 180/21/Huk/2013, dated 4 April 2013.

Meanwhile, the non-HGU area also had a plantation permit as follows:

1. **Plantation Business Permit (IUP)** covers **445.88 ha** area, based on Labuhanbatu Regent Decree No. 180/102/HUK/2014, dated 8 April 2014.
2. **Plantation Business Permit (IUP)** covers **431.87 ha** area, based on Labuhanbatu Regent Decree No. 503/327/BPPTPM-LS/2014, dated 5 September 2014.

Based on that fact concluded that all operational area has been covered by plantation permit.

**4.4.2; 4.4.3; 4.4.4; 4.4.5 and 4.4.6**

According to land historical record, known that concession area of Wonosari and Sei Deras Estate (PT Daya Labuhan Indah) was owned by Asam Jawa Group and Cabang Dua Estate (owned by PT Perkebunan Milano) before taken over by Karya Praja Nelayan Group (KPN Group). During year 2001, PT Perkebunan Milano was taken over by Wilmar International Ltd. In 2005, Wilmar also took over PT Daya Labuhan Indah. After this process, there was no record of expansion by Wilmar.

Based on document identification of HCV and stakeholder consultation, there was not found customary/indigenous rights in operational area. There were records of the process of collecting information on the preparation of the High Conservation Values Identification Report and the Social Impact Assessment Report. The recording evidence comprising of participants' list and photographs.

Based on public consultation with village representatives from Bilah Village, Sei Tampang and Sei Nahodaris known that there was no customary right in or near the concession area of PT Daya Labuhan Indah and PT Perkebunan Milano (Cabang Dua Estate). All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved.

	Status: Comply	
<p><b>4.5</b>  <b>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.</b></p>		
<p>4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.5; 4.5.6; 4.5.7 and 4.5.8          There is no land expansion activity during this audit. Based on document Identification of HCV and stakeholder consultation, there was not found customary/indigenous rights in operational area. There was the records of the process of collecting information on the preparation of the High Conservation Values Identification Report and the Social Impact Assessment Report. The recording evidence comprising of participants' list and photographs.</p>		
	Status: Comply	
<p><b>4.6</b>  <b>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.</b></p>		
<p>4.6.1; 4.6.2 and 4.6.3          The company has procedure of land acquisition or to identify customary right (<i>SOP Pembebasan Lahan, Doc number: SOP-IJIN LAHAN&amp;OPS-006</i>). This procedure guiding respective staff of management to ensuring all land acquisition are comply with the national or local requirement and informed to the respective stakeholder especially if any indigenous people or customary right. Based on document verification and interview with related stakeholder (village representatives) known that there was no new expansion after this concession took over by Wilmar International Ltd.</p> <p>Based on the results of interviews with representatives from the villages of Bilah, Sei Tampang and Sei Nahodaris, they did not take into account gender differences in the opportunity to have land rights.</p> <p>4.6.4          The company has documented all of land compensation process. The documentation comprise of Map, Negotiation result (minutes of meeting), Land Release Letter, Payment Receive was filled in estate office based on land location. Based on Procedure Implementation Mechanism Communication and Consultation With Community (PRO-BM.BEN-001), the documentation of land compensation process are limited access and should approved by Document &amp; Legal Department and Manager of Estate if any related parties will access this document. These documents can access with letter of Information Request from another parties to the company. Based on public consultation with village representatives from Bilah Village, Sei Tampang and Sei Nahodaris known land acquisition has finished by former company owner. So there was no specific document regarding on that.</p>		
	Status: Comply	
<p><b>4.7</b>  <b>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.</b></p>		
<p>4.7.1; 4.7.3 and 4.7.3          The company has procedure of land acquisition or to identify customary right (<i>SOP Pembebasan Lahan, Doc number: SOP-IJIN LAHAN&amp;OPS-006</i>). This procedure guiding respective staff of management to ensuring all land acquisition are comply with the national or local requirement and informed to the respective stakeholder especially if any indigenous people or customary right. Based on document verification and interview with related stakeholder (village representatives) known that there was no new expansion after this concession took over by Wilmar International Ltd.</p> <p>Based on public consultation with village representatives from Bilah Village, Sei Tampang and Sei Nahodaris known that there was no customary right in or near the concession area of PT Daya Labuhan Indah and PT Perkebunan Milano (Cabang Dua Estate). All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. The communities that have lost access and rights to land also provided opportunities to benefit from plantation development such as CSR program.</p>		
	Status: Comply	
<p><b>4.8</b></p>		



**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; 4.8.3 and 4.8.4**

According to land historical record, known that concession area of Wonosari and Sei Deras Estate (PT Daya Labuhan Indah) was owned by Asam Jawa Group and Cabang Dua Estate (owned by PT Perkebunan Milano) before took over by Karya Praja Nelayan Group (KPN Group). During year 2001, PT Perkebunan Milano was took over by Wilmar International Ltd. On 2005, Wilmar also took over PT. Daya Labuhan Indah. After this process, there was no record of expansion by Wilmar.

Based on public consultation with village representatives near the plantation area (Bilah and Sei Tampang Village and Sei Nahodaris Village on 4 August 2020) informed that there is no land dispute case around the concession area until now.

**4.8.3**

Wilmar International Limited has had Human Right Policy which was published in June 2014 and endorsed by the Group Head Plantation and CSR Head. In the policy stated that the commitment Wilmar supports the respect and protection of human rights as a policy anti child labor, OHS, providing equal opportunity for everyone, reports and complaints, anti-sexual harassment, anti-violence and torture, respect for reproductive rights, and social responsibility company. This policy applies to all companies under subsidiaries of Wilmar International Limited including suppliers and contractors.

Based on the results of consultation with employee representatives (gender committee and labor union), village representatives from Bilah, Sei Tampang and Sei Nahodaris villages and related agency of Labuhan Batu district known there was no issues of the use of confrontation and intimidation by the company to maintain peace and order, and there is no indication of the use of military or mercenaries.

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, 5.1.7, 5.1.8 and 5.1.9**

There is no scheme smallholders that supplied FFB to DLI 2 POM.

Status: Comply

**5.2**

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

**5.2.1, 5.2.2, 5.2.3, 5.2.4 and 5.2.5**

There is no scheme smallholders that supplied FFB to DLI 2 POM.

Status: Comply

**PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS**

**6.1**

**Any form of discrimination is prohibited.**

**6.1.1 and 6.1.2**

Policies related to the absence of discrimination against employees have not changed from the previous assessment. The company has a policy on equal opportunities to get employment opportunities, September 2010 signed by Group Plantation Head and CSR Head Group. The policy explains that Wilmar supports the principles of justice and aims to treat everyone with respect, free from discrimination that violates the law and ethics. In particular, this policy aims not to discriminate against gender, race or ethnicity, disability, sexual orientation, age or belief; but to develop a global workforce that has capabilities based on objective assessment.

The company has established a policy on non-discrimination and equal opportunities for all workers, this is evidenced by the composition of workers in the company originating from a variety of different ethnic groups including, Minang, Java, Batak,

Nias and Bugis. Based on the results of interviews with workers, trade unions and gender committees found that the recruitment of workers was based on the needs of the company regardless of ethnic background, religion, race and class. All prospective employees have the right to get the opportunity to work according to their scientific background and company needs. In addition, during the years 2019-2020 there were no issues regarding discrimination against workers.

#### **6.1.3 and 6.1.4**

Based on the job vacancy circular submitted to the villages around the Company, number 088/MLN-CDE/EXT/VII/2020 on July 20, 2020, the Company only requires a minimum age of 18 years, the results of a medical examination and supporting documents.

Records on manpower procedure has satisfactory documented, as verified randomly to the several documents, as follows:

- Work recruitment Letter for Harvester position No. 28/DLI-KSD/EXT/VII dated 29 August 2019, appointed to Village Head of Kampung Bilah.
- Promotion of worker through Decree of Unit Manager No. 072/MLN-CDE/SK/VII/2020 dated 01 July 2020 from maintenance to harvesters Level 2A in KCD.
- Promotion of Security Position as permanent workers Level 2A as shows throguh Decree of Senior HR Manager No. 005/MLN-HRR/SK/VIII/2019 dated 01 August 2019, prsented in Form No. FRM-OD-01-13 (Rev. 02).

Unit of certification has indetify pregnant and breastfeeding worker that caried out by company clinic every three months, recorded in document Form No. FRM-GEN-083 (Rev. 0). During works, those identified were not allowed to works related to agrochemicals. Furthermore, maternity leaves has given to the pregnant and breastfeeding workers for three months. This matters has verified to Gender Committee, Women of Wilmar, Serbundo and pesticide applicators in Block 60 KCD of PT Milano, Block 107 Division 2 KSD, and Block 137 Division 2 KWS.

#### **6.1.5**

The Gender Committee and Women of Wilmar (WOW) has been established since 2014 and in September 2019, respectively. The company has formed a gender committee to deal with areas of concern to women in the company, including:

##### **PT Daya Labuhan Indah Gender Committee**

- Protector: Kisah Ramadhan, Jinggo Panjaitan, Afner Silalahi.
- Chairman: SB Manurung, Riduwan Purba, Khairudin Hasibuan
- Secretary: Lamria Lumbantoruan, Hotmariana Saragih, Andi Syahputra.
- Counseling and socialization section: consist of 15 members.
- Consultation section: consists of 10 members.
- The protection, prevention and enforcement section consist of 9 members.

##### **PT Perkebunan Milano - Cabang Dua Estate Gender Committee**

- Protector: Hadia Mufti Lubis, Sampe Martinus Sihite, J Saragih.
- Chairman: Rahmad S
- Secretary: Karningsih.
- Counseling and socialization section: consist of 6 members.
- Consultation section: consists of 6 members.

Realization of aspiration that been noted on the previous assessment had implemented on 2019, such as training and socialization in coordination with Women Empowerment and Child Protection Agency or *Dinas Pemberdayaan Perempuan dan Perlindungan Anak* of Labuhan Batu in December 2019.

The 2020 programs for improving women's abilities include:

- Education on cleanliness and environmental management,
- Education about Company policies and sexual harassment
- Education on reproductive rights and reproductive health
- Education about sexual harassment
- Other general training.



**6.1.6**

Based on a review of the proof of payment of wages (salary slips) in the same scope and work class, that is, male and female spray workers get the same salary, for example, such as:

- On the male spray worker salary slip for June 2020 with a basic wage of Rp. 3,415,880, -
- On the female spray worker salary slip for June 2020 with a basic wage of Rp. 3,415,880, -

The review was carried out on 10 different salary slip documents.

**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**

*Perjanjian Kerja Bersama* (PKB) or Collective of Working Agreement is presented as follows:

- PKB of PT DLI issued through Decree Head of Manpower Agency of Labuhanbatu District No. 560/4201/DTK-4/2019 dated 30 December 2019, valid until 18 December 2021..
- PKB of PT Milano issued through Decree of Manpower Agency of Sumatera Utara No. 560/08-6/DTK/1/2020 dated 16 January 2020. This PKB is valid until 15 January 2022..

The PKB was provided in Bahasa. Furthermore, work agreement with employees were available in premises. The PKB was provided in Bahasa. Subject on penalty is presented in several articles on PKB, i.e. Article V about leave the work with payment, Article VI about remuneration and Article VIII about sanction and disciplinary matters. Points mentioned on those articles is socialized to all workers and mentioned in work agreement. Furthermore, work agreement with employees were available in premises. Employee's status in the unit of certification are permanent workers on daily or monthly basis. Based on interview with several workers on the estate and mill, it was known that PKB was distributed to all employees. The workers mentioned that content of PKB was about rights and obligation of employer and employee in safety and manpower aspects.

**6.2.2**

There were Labour Union that registered to The Manpower Agency. Furthermore, as sighted to online sources, it was known that there were no issues related to manpower such as worker and gender discriminations, force labour, child labour under 18 years old, etc.

Decree of Sumatera Utara Governor No. 188.44/17/KPTS/2020 dated 13 January 2020 about sectoral minimum wages in Labuhanbatu District Period 2020 has responded through Internal Memorandum of Human Capital Head No. 014/HC-PS/1/2020 dated 31 January 2020 about Wages Scale for employees with level 2A to 2D. Minimum wages for period 2020 was about IDR 3,284,500/month or IDR 131,380/day or IDR 18,986/hour. This figures used by the unit of certification for salary payment, includes for overtime calculation. Different amount of salary obtained is only affected by number of attendance, year of service in company, work performance and debt. As verified to contract of employees documents, it was known that Article 1 has mentioned about salary and BPJS.

Based on interview with 17 workers from DLI-2 POM, 17 workers from KCD, 5 workers from KSD and 8 workers from KWS, it was known that there was no issue related to salary payment, which in accordance with Decree of Sumatera Utara Governor No. 188.44/17/KPTS/2020 dated 13 January 2020 about sectoral minimum wages in Labuhanbatu District Period 2020. Document of payroll has informed number of attendance, basic salary, overtime, BPJS, etc.

Unit of certification has identify pregnant and breastfeeding worker that carried out by company clinic every three months, recorded in document Form No. FRM-GEN-083 (Rev. 0). During works, those identified were not allowed to works related to agrochemicals. Furthermore, maternity leaves has given to the pregnant and breastfeeding workers for three months. This matters has verified to Gender Committee, Women of Wilmar, Serbundo and pesticide applicators in Block 60 KCD of PT Milano, Block 107 Division 2 KSD, and Block 137 Division 2 KWS.

**6.2.3**

Unit of certification shows several documents related to manpower regulation implementation, for example as follows:

- Payment of salary has verify to upkeep worker as sample for male with and female worker in KCD, KSD, KSW and DLI-2 POM for period June and July 2020. In general, basic salary was in accordance with Decree of Sumatera Barat Governor No. 188.44/17/KPTS/2020 dated 13 January 2020, which was about IDR 3,284,500/month. Different amount of salary obtained is only affected by number of attendance, year of service in company, work performance and debt, without taking gender into account.
- Overtime agreement and overtime calculation payment are presented in document Form No. FRM-GN-080 (Rev. 0) and Form No. FRM-GN-081 (Rev. 0), respectively. All document signed bt Manager, KTU and Senior field Officer. Soghted overtime calculation and payment in all units for period July 2020, with satisfactory results.
- Maternal leave request for pregnat workers in PT DLI and KCD of PT Milano are presented in Form No. FRM-EST-022 (Rev. 04). The list of leave request was inline with record of pregnant workers which presented in document Form No. FRM-GEN-083 (Rev. 0). This matters has also verified to Gender Committee and Women of Wilmar, which resulting no negative issues.

**6.2.4**

Unit of certification has provide proper housing facilities (permanent), included for clean water through Water Depot, sport field, fire extinguisher, fire drill training, clinic and copany doctor, school bus, school, electricity which already connected to Government Electric Provider (PLN), cooperative, mosque, church. etc. Location of employees housing is close with government road, that takes about 30 minutes in time. As sighted to employees housing facilities is KCD, KSD and KWS, it was known that sanitation was properly maintained and domestic waste was satisfactory managed. Based on interview with housing occupants and workers on the field, it was known that company management has provide renovation and maintenance service if necessary and quickly responded by Assitant.

**6.2.5**

Based on information from employees and management Staff of PT DLI and PT Milano, it was known that majority of employee were lived on Village surrounding estatet operational areas, since there were local peoples. Furthermore, based on observation to housing complex in KCD, KSD and KWS, it was known that location of housing is close with government road, that takes about 30 minutes in time. Traditional good seller has also allowed to go inside housing complex. Furthermore, there was company Cooperative which provide several goods.

**6.2.6**

Since there is no Decent Living Wage standard in Indonesia, thus the unit of certification has implementing regulation of minimum wages of Sumatera Utara to its employees for period 2020, as mandated through Decree of Sumatera Utara Governor No. 188.44/17/KPTS/2020 dated 13 January 2020. Compay policy on wages in 2020 is presented on the Internal Memorandum of Human Capital Head No. -14/HC-PS/IM/I/2020 dated 31 January 2020 about wage scale. Minimum wages for period 2020 was about IDR 3,284,500/month or IDR 131,380/day or IDR 18,986/hour. Unit of certification has listing and calculate prevailing wage and in-kind benefit for decent living wages. Component in prevailing wage has includes, food (rice), free electricity, housing, clean water, school, health facilities (polyclinic), child care, clothing, transportation, recreation, etc. In general, value of in-kind benefit (non cash) were bigger, ranged from 24 to 31 % from the basic salary.

**6.2.7**

Based on verification to list of employee and information from Manpower Agency of Labuhanbatu and Labour Union, it was known that all employees in PT DLI and PT Milano were permanent workers. Probation three months is given to evaluate worker performance before promoted into permanent worker. This matters also verified to employees in KCD, KSD, KWS and DLI-2 POM during field observation.

	Status: Comply	
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**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.**

**6.3.1**

Company policy dated 02 January 2007 has mentioned that the company has respect and allowed its employees/workers

to express their freedom in making a labour union or association. This matter has approved through the existence several of Labour Unions, as refers to Minister of Manpower Decree No. 16 in 2001, as follows:

- Registration of Plantation Labour Union (Serbundo) of KCD of PT Milano presented through Letter of Manpower Agency of Sumatera Utara No. 560/2160/DTK-4/2017 dated 05 September 2017, with Registration No. 08/PB-SERBUNDO/PT. MILANO Cabang Dua/IX/2017 dated 05 September 2017.
- Registration of Plantation Labour Union (Serbundo) of PT DLI is presented through Decree of Manpower Agency of Labuhanbatu District No. 118/SK/Int/DPP-SERBUNDO/IX/2018 dated 27 September 2018.
- Registration of Labour Union or *Pimpinan Unit Kerja Serikat Pekerja Seluruh Indonesia* (PUK-SPSI) of PT DLI through Letter of Manpower Agency of Labuhanbatu District No. 560/2335/DTK-4/2012 dated 30 July 2019, with Registration No. 05/ORG/PUK.SP.PP.SP.PP-SPSI.LB/VIII/2019 dated 30 July 2019.
- Registration of Labour Union or *Pimpinan Unit Kerja Federasi Serikat Pekerja Metal Indonesia* (PUK-FSPMI) of PT DLI through Letter of Manpower Agency of Labuhanbatu District No. 560/2707/DTK-4/2019 dated 03 September 2019, with Registration No. 07/PUK-FSPMI/PT.DLI/VIII/2019 dated 03 September 2019.

Collective Work Agreement (PKB) of PT AMP and PT PMJ stated that the company has recognized the existence of labour unions in the company and provided support to all workers who wish to associate. These policies are known by workers and all levels and status of workers who can join as members of labour unions. These policies are available in Bahasa.

**6.3.2**

Minutes of meeting between labour unions and unit of certification management representatives is presented in document No. FRM-GEN-000-079 (Rev. 00) or No. FRM-GEN-083. Sighted of minutes of meeting dated 17 April 2020 and 20 May 2020. Based on interview with Head of Serbundo, it was known that meeting has conducted regularly, attended by Labour Unions committee from Serbundo, SPSI and FSPMI. Any manpower issues discussed transparently, fairly and followed up by unit of certification management immediately. So far, there is no issues related to manpower regulation implementations.

Issue on <https://www.koranperdjoeangan.com/perundingan-tripartit-pc-fspmi-dengan-pt-dli-wilmar-group-tentang-pemotongan-bonus-pekerja-di-disnaker-labuhanbatu/> about bonus deduction has verified by Auditor with representative of Labour Union during public consultation. The bonus referred is actually named as "*uang daging*", an additional bonus given, exclude from THR (Eid Fitri Bonus). Due to economic crisis, unit of certification mentioned that "*uang daging*" is not delivered for this year. However, as verified through work agreement and PKB, it was known that the "*uang daging*" bonus mechanism is not included on those documents. Representative from Labour Union informed that discussion with company representatives regarding this matter has fairly conducted.

**6.3.3**

Based on interview with Serbundo representatives and employees from DLI-2 POM, KWS, KSD and KCD, it was known that formation of labour union was independently carried out by employees representatives, without any control and/or involvement from unit of certification management.

Status: Comply

**6.4**

**Children are not employed or exploited.**

**6.4.1, 6.4.2, 6.4.3 and 6.4.4**

The company has a Child Labor Policy signed by the Group Plantation Head and CSR Head Group on September 2010. The policy explains:

- Will not employ children who are included in the provisions of the ILO conventions, even if there are laws or regulations from the State and local authorities that allow them
- Will comply with all applicable child labor laws and regulations, including all matters relating to payroll, working hours, overtime and workplace conditions
- Opposing all forms of exploitation of children. The company will not provide employment to children before they reach the age permitted by law to complete compulsory education, in accordance with the provisions of the local government
- Expect business partners and institutions that work together to have and apply the same standards and comply with government legal regulations in the operating place. If Wilmar discovers this violation and is not corrected, we will take

serious action, including termination of business relations.

- It is the responsibility of local management and the HRD department to implement and ensure compliance with this policy in all Wilmar operations and facilities.

In addition to these policies, the company also has a PKB and PP governing the minimum age limit for workers is 18 years and there is a prohibition to employ children under that age. Based on the results of a study of the list of workers' documents and field observations, there were no workers under the age of 18 at the time of receiving workers. This was also reinforced by the results of interviews with labor unions and gender committees which stated that within the scope of the company there were no workers aged less than 18 years.

Status: Comply

**6.5**

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

**6.5.1, 6.5.2, 6.5.3 and 6.5.4**

The company has a policy on equal opportunities to get employment opportunities, September 2010 signed by Group Plantation Head and CSR Head Group. The policy explains that Wilmar supports the principles of justice and aims to treat everyone with respect, free from discrimination that violates the law and ethics. In particular, this policy aims not to discriminate against gender, race or ethnicity, disability, sexual orientation, age or belief; but to develop a global workforce that has capabilities based on objective assessment.

The company also has a policy in the form of Intern No. Memorandum. 026 / WIP-HRD / Int-VIII / 2009 which was approved by HRD Head Memed Kosasih on 12 August 2009. The memorandum explained that all employees must maintain decency and security while in the workplace and prohibit any element of sexual harassment and oppression of women.

Unit of certification has identify pregnant and breastfeeding worker that caried out by company clinic every three months, recorded in document Form No. FRM-GEN-083 (Rev. 0). During works, those identified were not allowed to works related to agrochemicals. Furthermore, maternity leaves has given to the pregnant and breastfeeding workers for three months. This matters has verified to Gender Committee, Women of Wilmar, Serbundo and pesticide applicators in Block 60 KCD of PT Milano, Block 107 Division 2 KSD, and Block 137 Division 2 KWS.

The company has a Procedure for Receiving Complaints and Dispute Resolution (PRO-BNM-007-Revision 2, valid from 09 February 2017). In the procedure it is explained in point 6.2 that if requested the company guarantees the confidentiality of the whistleblower's identity and whistleblower by looking at the sensitivity level of the problem, the scale of the impact if the issue is published or the risk of retaliation. Furthermore, point 6.11 also explains that if joint resolution cannot be reached, complaints can be submitted through the RSPO Complaint System.

Based on public consultation with respective stakeholder (labor union, gender committee) and village representatives from Bilah Village, Sei Tampang and Sei Nahodaris) known that the company has an effective complaint mechanism through written letters, mailboxes, call centers, and understands that they can submit complaints anonymously and their names protected.

Status: Comply

**6.6**

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

**6.6.1 and 6.6.2**

The company has Wilmar International Ltd's Human Rights Policy, which was published in June 2014 and approved by the Group Plantation Head and CSR Head Group. In the policy it was stated that Wilmar's commitment supports respect and protection of human rights (including prevention of forced labor); such as anti-child labor, OHS policies, giving equal opportunities to everyone, reporting and complaints, anti-sexual harassment, anti-violence and torture, respect for reproductive rights, and corporate social responsibility.

Based on the results of a review of work contract documents and a list of workers it is known that there were no foreign workers working at the level of executive workers to manager positions. Foreign workers only exist at the top management level. In addition, there are no workers from trade or illegal workers or contract substitutions because all workers have work

ties with the company, no retention of identify documents, no payment of recruitment fees, no involuntary overtime, no lack of freedom of worker to resign, no debt bondage an no withholding of wages. This is in line with the results of interviews with harvest, fertilizer, spray and factory operators who stated that so far there had been no use of forced labor, child labor, or family members who helped employees. All workers have work ties with the company.

Based on verification to list of employee and information from Manpower Agency of Labuhanbatu and Labour Union, it was known that all employees in PT DLI and PT Milano were permanent workers. Probation three months is given to evaluate worker performance before promoted into permanent worker. This matters also verified to employees in KCD, KSD, KWS and DLI-2 POM during field observation.

Status: Comply

**6.7**

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

**6.7.1**

OSH Committee has Secretary with Licensed OSH competency, as follows:

- PT DLI: OSH Committee (P2K3) approved through Decree of Manpower Monitoring of Manpower Agency of Sumatera Utara Province No. 55-7/P2K3/WIL-IV/DTK/SU/2020 dated 19 February 2020. P2K3 Secretary for Estate with Appointment Letter No. through Decree of Minister of Manpower No. 5/1330/AS.02.03/VII/2019 dated 31 July 2019 about OSH Expert (AK3 Muda) on work environment aspect. The Decree valid for five years. OSH Expert License of Secretary has expired on 28 February 2020. However, process of extension shows through Director of PT Dhawal Prima Abadi (*Perusahaan Jasa K3*) No. 0210/DPA/SK/AK3U/III/2020 dated 19 March 2020 which informed that process on extension was still ongoing. Furthermore, Secretary of P2K3 for mill has OSH Expert License No. K3.AK3U.0295.II.2020 dated 15 February 2020, valid for three years. However, appointment Letter from Minister of Manpower was still ongoing as shows through Letter of PT Dhawal Prima Abadi Director No. 0215/DPA/SK/AK3U/II/2020 dated 15 February 2020.
- KCD of PT Milano: OSH Committee P2K3) approved through Decree of Manpower Monitoring of Manpower Agency of Sumatera Utara Province No. KEP.353-7/P2K3/WIL-IV/DTK/SU/2018 dated 19 November 2018. P2K3 Secretary with appointment Letter through Decree of Manpower Minister No. KEP.P.1037/NAKER-BINWASK3/VII/2018 dated 23 July 2018, valid for three years.

**P2K3 Meeting**

Minutes of P2K3 meeting is presented in document Form No. FRM-GEN-000-079 (Rev. 0) and Form No. FRM-GEN-083 (Rev. 0) for PT DLI and KCD of PT Milano, respectively. Furthermore, attendance record is presented in document Form No. FRM-HRD-020 (Rev. 0). For example, unit of certification shows monthly P2K3 minutes of meeting documents as follows:

- PT DLI: dated 03 April 2020, 15 May 2020 and 30 June 2020.
- KCD of PT Milano: dated 20 April 2020, 15 May 2020 and 18 June 2020.

**6.7.2**

Procedure of emergency situation is presented in several documents, as follows:

- Document No. SOP-GEN-002 dated 01 February 2015 about guidance of impact aspect determination.
- Document No. PRO-GEN-013 dated 01 July 2012 about emergency action.
- Document No. SOP-GEN-025 dated 1 February 2015 about personal protective equipment.

Based on observation to Estate and Mill Office, as well as to estate fields, it was known that unit of certification has provide first aid kit, in accordance with Minister of Manpower No. 15 in 2008, which is consist of 21 items. Portable first aid kit brings by Foreman. According to monitoring record, it was known that number of portable kits in KSD and KWS were 15 and 20 units, respectively. Furthermore, first aid kit trainings in PT DLI has lastly conducted in October 2019 while in KSD of PT Milano was in July 2020. Record of training were available.

Furthermore, based on observation to the estate and mill office, it was known that evacuation route on both locations were available and informed during safety briefing by OSH PIC. First aid officers were available on the field. based on interview with the persons who has trained on first aid matter such as Foreman, paramedic on the clinics, Assistant, fire fighter team, etc., it was known that training towards first aid has regularly conducted by the PIC. Subject on first aid has also included on



technical training such as pesticide application, harvesting, etc.

**6.7.3**

Procedure No. SOP-GEN-025 dated 1 February 2015 Point 6.1 mentioned that PPE shall be provided by unit of certification management. Type of PPE used is presented in document Form No. FRM-GEN-025-029. Record of PPE delivery in all units were available. Based on observation operational activities to DLI-2 POM, KSD, KSD and KCD, it was known that unit of certification has provide proper PPE in accordance with HIRAC, MSDS and procedure No. FRM-GEN-025-029. All broken and/or unproper PPE is able to be replaced by showing the used PPE as evidence. Specifically, for agrochemicals applicators, PPE were placed on Special Store and rinsed up on the isolated place as well. PPE Store located on employees housing complex area, with limited access.

**6.7.4**

Unit of certification shows evidence of BPJS-Manpower and BPJS-Health payment to all employees. For example, payment on period June 2020, is presented as follows:

- DLI-2 POM: BPJS-Manpower paid on 14 July 2020; BPJS-Health paid on 10 July 2020.
- KWS and KSD: BJPS-Manpower payment code 200700565368 dated 13 July 2020; BPJS Health paid on 08 July 2020.
- KCD of PT Milano: BPJS-Manpower paid in 05 August 2020; BPJS-Health in 05 August 2020.

Since 2020, there is no contractor in PT DLI and PT Milano. Unit of certification shows evidence that contractor employees have been covered by BPJS, as shows through BPJS-Manpower payment evidence for example as follows:

- Contractor KCD: CV Mentari Bersinar (Reg. No. LABUHANBATU B0700168/082019; Reg. No. LABUHANBATU B0700169/082019; and Reg. No. LABUHANBATU B0700170/082019 dated 27 August 2019) for project carried out from 15 July 2019 to 15 October 2019.
- Contractor PT DLI: CV Parlan Jaya (Reg. No. LABUHANBATU B0700107/072019 dated 10 July 2019) for three projects that carried out from 26 June 2019 to 30 November 2019.

There is a claim for work accident, as the record was presented in accident report Form No. FRM-SF-001, along together with investigation report, medical notes, list of medicine recommended, medical certificate for paid leave and BPJS claim.

**6.7.5**

Summary of lost time accident record and calculation for period 2019 and 2020 (up to July 2020) is presented in the following Table:

**Period 2019**

Unit	Type of Accident			Man Day Lost	FR	SR
	First Aid	Lost Time	Death			
DLI-2 POM	0	0	0	0	0.00	0.00
KWS	32	12	0	66	33.20	68.60
KSD	5	62	0	114	59.10	108.60
KCD	1	2	0	14	6.60	46.30

**Period January to July 2020**

Unit	Type of Accident			Man Day Lost	FR	SR
	First Aid	Lost Time	Death			
DLI-2 POM	0	0	0	0	0.00	0.00
KWS	2	36	0	77	70.20	150.10
KSD	10	24	0	39	50.30	81.70
KCD	0	2	0	10	11.60	58.20

Regarding accident, unit of certification was able to shows Accident Report (Form No. FRM-SF-001); Investigation Report; Medical Notes included list of medicine recommended by doctor; Medical Certificate for Paid Leave; and BPJS Claim.

**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 unit of certification has committed to implement integrated pest management (IPM) which presented in several document for example Document No. SOP-EST-013 (Rev. 01) dated 01 February 2015 about pest and diseases detection and census and No. SOP-EST-018 (Rev. 03) dated 01 September 2016 about pests and diseases management control. The estate management has a program of integrated pest management and its realization which presented in monthly report, for example as follows:

**Early Warning System (EWS) and Census Analysis**

Record of census is presented in document No. FRM-EST-024 and/or FRM-EST-020 which signed by Field Assistant, Supervisor and Estate Manager. Estates management were able to shows census records for several pest such as Termite, Rat, Oryctes, Leave Eating Caterpillars, as well as its recommendation, for example as follows:

- Based on census of termite in Block 110 KWS on 06 March 2020, it was known that incidence was 0.35 %. Thus, recommendation termite population control through application of Fipronil with dosage 0.05 ml/ha is given by R&D Staff and has been implemented on 07 March 2020, recorded on document No. FRM-EST-025. One week after application, it was known that there is no more termite incidence. Hence, there is no more chemical application on the particular Block.
- Based on census of leaf eting caterpillar (LEC) in Block 70 KSD on 10 February 2020 (Form No. FRM-EST-019), it was known that incidence was generally medium (>10/fronds), which need to be controlled by insecticide. Thus, recommendation of LEC population control through application of Cypermethrin with dosage 0.30 litre/tank is given by R&D Staff and has been implemented on 11 February 2020. One week after application, it was known that there is no more termite incidence. Hence, there is no more chemical application on the particular Block.

**Biological Method for Pest Population Control**

- Estate management has conducting beneficial plants for leaf eating caterpillar and bagworm population control. This is confirmed during field observation along the edge of main road and collection road.
- Estate management has adopting barn owl (*Tyto alba*) for rat population control. Based on observation to Barn Owl Nest in all estates, it was known that occupation level were generally very low (almost 0 in KCD). Sighted barn owl nest in Block 55 KCD and Block 134 Division 2KWS.
- Estate has also adopting Pheromone trap for Rhino beetle (*Oryctes rhinoceros*) population control, especially on surrounded replanting or immature Block areas. This is confirmed during field observation to Block 044 KCD.

Observation towards pest and disease attack has conducted during field observation on BMP activities, such as field upkeep, harvesting and water management on peat areas. Situation of field were various. However, there were no areas infected by sporadic and/or massive attacks appears on the field. This is indicating that pest management control has properly conducted by estate management.

**7.1.2**

Unit of certification has identified type of invasive species that appears in estate operational areas, as refers to Minister of Forestry and Environment Regulation No. 94 in 2016. Analysis results shows that invasive species used was *Turnera subulata* which used for leaf eating caterpillar population control.

**7.1.3**

There is no use of fire for pest management purposes. Estate management prefer to control pest population by biological method instead of chemicals. This matter verified through field observation which shows that there were no indication of fire activities in estate operational areas.

Status: Comply

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

**7.2.1**

Procedure No. SOP-EST-018 (Rev. 03) dated 01 September 2016 about pests and diseases management control has

mentioned that the use of pesticide should be based on census analysis evaluation when the level of incidence is more than threshold limits. Record of census is presented in document No. FRM-EST-024 and/or FRM-EST-020 which signed by Field Assistant, Supervisor and Estate Manager. Estates management were able to shows census records for several pest such as Termite, Rat, Oryctes, Leave Eating Caterpillars, as well as its recommendation, for example as follows:

- Based on census of termite in Block 110 KWS on 06 March 2020, it was known that incidence was 0.35 %. Thus, recommendation termite population control through application of Fipronil with dosage 0.05 ml/ha is given by R&D Staff and has been implemented on 07 March 2020, recorded on document No. FRM-EST-025. One week after application, it was known that there is no more termite incidence. Hence, there is no more chemical application on the particular Block.
- Based on census of leaf eating caterpillar (LEC) in Block 70 KSD on 10 February 2020 (Form No. FRM-EST-019), it was known that incidence was generally medium (>10/fronds), which need to be controlled by insecticide. Thus, recommendation of LEC population control through application of Cypermethrin with dosage 0.30 litre/tank is given by R&D Staff and has been implemented on 11 February 2020. One week after application, it was known that there is no more LEC incidence. Hence, there is no more chemical application on the particular Block.

Justification of the use of pesticides was informed through results of census analysis. For example, any incidence of termite shall be immediately carried out by recommended pesticide on surrounded infected palm(s), while application of pesticide for LE control shall conducted on medium to high level of attack (>10/frond).

**7.2.2**

Recommendation Letter of Pesticide Stored is presented in Letter of Manpower Agency No. 85-7/WIL-IV/DTK/SU/2020 dated 12 March 2020. According to record of pesticide usage for period 2019/2020, as well as observation to Pesticide Store, list of pesticides used in PT DLI and PT Perkebunan Malino is presented in the following Table:

Pesticides	Active Substance	Target
<b>Herbicides</b>		
Glisat 480 SL	Isoprophyl Amine Glyphosate	Broadleaf and narrowleaf
Starlon 665 EC	Triklopir Butoksi Etil Ester	Broadleaf and narrowleaf
Garlon 670 EC	Triklopir Butoksi Etil Ester	Broadleaf and narrowleaf
Glimax 480 SL	Isoprophyl Amine Glyphosate	Broadleaf and narrowleaf
Tiara 20 WG	Methyl Metsulfuron	Broadleaf
Glinat 150 SL	Ammonium Glufosinat	Broadleaf
Basta 150 SL	Ammonium Glufosinat	Broadleaf
<b>Insecticide</b>		
Regent 50 SC	Fipronil	Termite and Oryctes
Penalty 50 SC	Fipronil	Termite and Oryctes
Bravo 50 EC	Cypermethrin	Leaf eating caterpillar
Capture 100 EC	Cypermethrin	Leaf eating caterpillar
Marshal 200 EC	Carbosulfan	Leaf eating caterpillar

Those pesticides mentioned above were listed in Pesticide and Fertilizer Directorate through [http://pestisida.id/simpes\\_app/rekap\\_formula\\_nama.php?s\\_kategori=umum](http://pestisida.id/simpes_app/rekap_formula_nama.php?s_kategori=umum).

Record of pesticide consumption is presented as follows:

**PT DLI – January to June 2020**

Pesticide	LD-50 (oral)	Wonosari Estate		Sei Deras Estate	
		(l)	(as kgha)*	(l)	(as kg/ha)*
Glimax 480 SL	>2,000 mg/kg	3,122.04	0.192	4,783.32	0.166
Tiara 20 WG	>2.0 g/kg	183.69	0.005	146.76	0.002
Garlon 670 EC	> 250 mg/kg	288.05	0.032	513.02	0.026

(Note: as: active substance)

**KCD of PT Milano – January to June 2020**

Pesticide	LD-50 (oral)	(l)	(as kg/ha)*
Glimax 480 SL	>2,000 mg/kg	1-4.10	0.156
Tiara 20 WG	>2.0 g/kg	11,240	0.002
Glinat 150 SL	>3,570 mg/kg	332.60	0.061
Garlon 670 EC	> 250 mg/kg	21.60	0.013
Bravo 50 EC	> 250 mg/kg	3.20	0.010

(Note: as: active substance)

The company has satisfactory records and monitor the use of pesticides.

**7.2.3**

Estate management has implementing biological control method to manage pest population on the field, as follows:

- Estate management has conducting beneficial plants for leaf eating caterpillar and bagworm population control. This is confirmed during field observation along the edge of main road and collection road.
- Estate management has adopting barn owl (*Tyto alba*) for rat population control. Based on observation to Barn Owl Nest in all estates, it was known that occupation level were generally very low (almost 0 in KCD). Sighted barn owl nest in Block 55 KCD and Block 134 Division 2KWS.
- Estate has also adopting Pheromone trap for Rhino beetle (*Oryctes rhinoceros*) population control, especially on surrounded replanting or immature Block areas. This is confirmed during field observation to Block 044 KCD.

**7.2.4**

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use of Tiara 20 WG (Methyl Metsulfuron) could be substitute with Glinat 150 SL (Ammonium Glufosinat) or Garlon 670 EC (Triclophyr Butoksi Ester).

**7.2.5**

Wilmar Group has a commitment on reduction of World Health Organization (WHO) Pesticides category Class 1A and 1B which presented Policy of No Deforestation, No Peat and No Exploitation dated 05 December 2013. The policy mentioned that the use of pesticides categorized by WHO Class 1A or 1B, or as set forth in the Stockholm or Rotterdam conventions shall not be used unless under certain circumstances or emergency conditions. Furthermore, Paraquat is strictly prohibited to be used in Wilmar operational area. Based on pesticide used records in 2019/2020 in all estates, it could be concluded that there are no pesticides listed in WHO Appendix 1A, 1B and/or listed in Stockholm or Rotterdam Convention as well as paraquat. The estate has no more use rodenticides since 2019. Moreover, all pesticides used by the unit of certification were listed on [www.pestisida.id](http://www.pestisida.id) by Department of Agriculture, Republic of Indonesia.

Based on field visits to chemical warehouses in Wonosari and Milano Estate, as well as interviews with warehouse officers, the company does not store limited types of pesticides (paraquat), and the officers of each chemical warehouse also already understand the management of limited pesticide types of chemicals that have can't be used again.

**7.2.6**

Estate management has conducting regular training on pesticide application, for exaple as follows:

- Training of weeding, spraying, safety in application in KCD of PT Milano has conducted on 20 March 2020, recorded in Form No. FRM-GEN-083 (Rev. 0).
- Training of Safety in pesticide application and technique of application in KSD has conducted on 30 July 2020, recorded in Fform No. FRM-GEN-000.079 (Rev. 0).
- Training of Safety in pesticide application and technique of application in KWS has conducted on 12 June 2020, recorded in Fform No. FRM-GEN-000.079 (Rev. 0).

Based on interview with Pesticide Applicators in Block 60 KCD of PT Milano, Block 107 Division 2 KSD, and Block 137 Division 2 KWS, it was known that workers were able to explain and demonstrate its job in accordance with the procedure,

such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example HCV area), as well as PPE's to be used and its management (placement). Furthermore, pesticide applicators also explained that breastfeeding and pregnant women were strictly prohibited to works related with agrochemicals. Applicators has equipped with face shield helmet, respirator mask (N-95), apron, boots and rubber gloves.

#### 7.2.7

Procedure of pesticide handling is presented in document No. SOP-EST-009 (Rev. 00) dated 01 April 2011 about safety pesticide application. The procedure has covers guideline of storage and handling of pesticides, handling of accident and first aid, risk identification, pesticides spills and leaks handling, PPE, physical and chemical properties, reactivity and material stability, toxicology and ecology information, pesticide wastes handling and transportation. Based on observation to Pesticide Store in KCD, KWS and KSD, it was known that all pesticide was placed properly on special place with limited access. Several equipment available are shower, eye wash, first aid kit, MSDS, sufficient hazardous symbols, second containment, balance record, fire extinguisher and other emergency equipment.

#### 7.2.8.

Procedure of used pesticide containers management is presented in document No. SOP-EST-020 (Rev. 02) dated 01 February 2015 while procedure on hazardous materials handling is presented in document No. SOP-GEN-005 (Rev. 3) dated 01 October 2015. Procedure mentioned that used pesticide containers shall be delivered and placed on the permitted Hazardous Waste Store, and prohibit to be use for household purposes, unless reuse for related pesticide application activities. Used containers has been managed as refers to PP No. 101 in 2014. Permit of Hazardous Waste Store for KCD and KWS are shows to the Labuhanbatu District Decree, Sumatera Utara No. 503.660.3/140/DPMPSTP-BP2MNP/2019 dated 26 February 2019 and Decree No. 503.660.3/214/DPMPSTP-BP2MNP/2019 dated 01 April 2019, respectively. Both permits were valid for five years.

Based on observation to Hazardous Waste Store in KCD and KWS it was known that used pesticide containers were placed properly and delivered to the permitted collector, namely PT Shali Riau Lestari. Furthermore, as observed on employees housing complex area, it was known that there is no reuse of used pesticide containers for household purposes, plant pot and water containers.

#### 7.2.9

Based on information from estate unit management, surrounding communities and Government Institutions of Labuhanbatu District, it was known that there is no aerial pesticide application in PT DLI and PT Milano. All pesticides were applied conventionally.

#### 7.2.10

Cholinesterase test for pesticide applicators was conducted by Clinic Laboratory of Prodia di December 2019, summarized as follows:

- KDE: from 14 applicators tested, it was known only 1 applicator indicates exposed on chemicals. The respective applicator has recommended to be mutated to manual upkeep works as shows through Letter of Paramedic dated 02 January 2020. Management review on this matter shows minutes of meeting which presented in Form No. FRM0GEN-083 dated 10 January 2020.
- KSD: from 38 applicators tested, it was known 14 applicators indicates exposed on chemicals. The respective applicator has recommended to be mutated to manual upkeep works, for example as shows through Letter of Paramedic No. 003/DLI/KSD-KLK/VIII/2019 dated 01 August 2019 and No.005/DLI/KSD-KLK/XII/2019 dated 30 December 2019. Management review shows minutes of meeting which presented in Form No. FRM0GEN-083 dated 10 January 2020.
- KWS: from 44 applicators tested, it was known 14 applicators indicates exposed on chemicals. The respective applicator has recommended to be mutated to manual upkeep works, for example as shows through Letter of Paramedic No. 001/DLI/KWS-KLK/VII/2019 dated 20 July 2019 and No.001/DLI/KWS-KLK/II/2020 dated 10 January 2020. Management review shows minutes of meeting which presented in Form No. FRM0GEN-083 dated 10 January 2020.

#### 7.2.11

Pregnancy test is conducted every three months, which the resume is recorded in Form No. FRM-GEN-083 (Rev.). List of

tested workers is presented in document No. FRM-HRD-000-020 (Rev. 1). Based on information to from pesticide applicators in KCD of PT Milano, KWS and KSD, it was known that those who detected pregnant will be allocate to manual upkeep works or loose-fruit picker on the platform, and strictly prohibited to works with agrochemicals. Furthermore, as sighted to Block 050 KCD, it was found that all workers were in pregnant and breastfeeding condition.

Status: Comply

**7.3**

**Waste is reduced, recycled, reused and disposed of in ways that are environmentally and socially responsible manner.**

**7.3.1 and 7.3.3**

There is no waste management plan changes since last audits. All waste has identified and managed in accordance with management plan. Result of field visit to Mill, it is known that mill effluent were processed on effluent pond until it comply with standard before being discharge to water bodies; empty fruit bunches are collected in the empty bunch area then burned using an EFB environmentally friendly stove, and a small portion is applied back to the land, shell and fiber are utilized as a renewable fuel for boiler, chemical containers including pesticide containers have been stored at licensed scheduled waste storage. Regarding hazardous waste disposal, PT Daya Labuhan Indah and PT Milano has collaborate with PT Shali Riau Lestari (licensed collector by decree of environmental minister SK.879/Menlhk/setjen/PLB.3/11/2016) valid until 2021. Meanwhile, field visit on workers hosuing on KCD, KWS, and KSD found that domestic waste (organic / inorganic) are disposed by zero burning method to domestic landfill areas on each estates.

**7.3.2**

Information obtained based on interview are spraying team on Sei Deras Estate, Cabang Dua Estate and Wonosari Estate recognized how to properly disposed waste materials and workers (including staff and managers) have been trained by company about waste and hazardous materials handling such as MSDS.

Status: Comply

**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**

Procedure related to soil fertility is presented in several documents, as follows:

- Procedure No. SOP-EST-002 (Rev. 00) dated 01 June 2007 about planting of legume cover crop (LCC). The procedure mentioned that the LCC is conducted for more N-fixation on the soil.
- Procedure No. SOP-EST-004 (Rev. 01) dated 08 February 2012 about manual manuring, the procedure covers type of fertilizer, time of application, fertilizer placement, fertilizer management, frequency pf application, etc.
- Procedure No. SOP-EST-004A (Rev. 0) dated 24 August 2016 about leaf sampling unit (LSU). The procedure mentioned that LSU shall be conducted annually for annual manuring program calculation reference.
- Procedure No. SOP-EST-004B (Rev. 00) dated 24 August 2016 about soil sampling unit (SSU). The procedure mentioned that SSU shall be conducted every five years. The data also to be used for annual fertilizer calculation program.

Estate management informed that LSU, SSU and manuring program were conducted and recommended by Agronomist team from Research and Development Department of Wilmar Sumatera Utara Region. Bsed on field observation to sampled estates in PT DLI and CDE, it was known that estate management has satisfactory conducting LCC planting, especially on immature areas and conducting fertilizer application as recommended by Agronomist team.

**7.4.2**

Procedure of leaf and soil sampling is presented in document No. SOP-EST-004A (Rev. 0) dated 24 August 2016 and No. SOP-EST-004B (Rev. 00) dated 24 August 2016, respectively. Results of leaf and soil sampling was used as reference for annual manuring recommendation. Leaf and soil laboratory testing works is conducted by Ecological Management Unit (EMU) R&D Laboratory Wilmar International Plantation in Central Kalimantan Project (CKP). Analysis of leaf and soil sampling results for annual manuring recommendation is conducted by Agronomist team from Research and Development Department. Estate management is able to shows soil and leaf sampling analysis documents, as follows:

**CDE – PT Perkebunan Milano**

- Leaf analysis results is presented in document No. 34/BAHAN TANAMAN/III/2020/MILANO dated 16 June 2020.



- Soil analysis is presented in document No. 4/TANAH/II/2020/MLN dated 02 June 2020.

**KSD and KWS – PT DLI**

- Leaf analysis results is presented in document No. 35/BAHAN TANAMAN/III/2020/DLI dated 16 June 2020.
- Soil analysis is presented in document No. 4/TANAH/II/2020/DLI dated 02 June 2020.

Parameters measured on leaf sampling analysis are dry matters content of macro (N, P, K, Mg, Ca) and micro (B, Cu, Zn) nutrients. Meanwhile parameters measured in soil sampling analysis are texture, density, pH, permeability class, pH, C-Organic, N-Total, C/N Ratio, Total and Available P, Cation Exchange Capacity (CEC) and nutrient content (Ca, Mg, K, Na, P, K, Fe, Cu, Zn and Mn).

**7.4.3**

Estate management did not implementing by-products application such as EFB and POME as part of nutrient cycling strategy, due to the presence of peat area in both PT DLI and PT Perkebunan Milano. However, nutrient strategy which actually implemented on the field as are observed were came from pruned fronds during harvesting and pruning, as well as trunk chipping during replanting or removing unproductive palms.

**7.4.4**

According to fertilizer monitoring program 2019/2020 which informed type of fertilizers, dosage, volume and hectarages of application, time of application. According to estate review, it was known that manuring program for period 2019 had been completed on November 2019 for mature area and December 2019 for immature area. Among fertilizer recommended are NPK, NPK Super, Dolomite, Kieserite, Borate, Urea, MOP, RP, HGFB, CaCO<sub>3</sub>, CuSO<sub>4</sub> and ZnSO<sub>4</sub>. Estate management has monitored the used of fertilizers and satisfactory documented. Monitoring of fertilizer application is reviewed every month that presented in document of “Control Form For 2020 Fertilizer Programme – Mature Areas”. For example, review on July 2020 is summarized as follows:

- KCD: Urea and CaCO<sub>3</sub> application has fully completed. Meanwhile application of MOP will be carried forward to August 2020 in Block 047 for area cover 25.86 ha.
- KSD: application of NPK 10:6:4:5+0.96B and CuSO<sub>4</sub> had completed in April 2020, while Borate had completed in June 2020.
- KWS: up to July 2020, fertilizers implemented are 155.03 mt of NPK 10-6-24-5+0.96B; 660.55 mt of NPK 7.6.34+TE; 301.35 mt of Urea; 630.90 mt of MOP; 39.17 of Borate; 61.43 of Dolomite; 4.11 mt of CuSO<sub>4</sub>; 42.84 mt of ZnCopB; and 549.50 mt of CaCO<sub>3</sub>.

**Status: Comply**

**7.5**

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

**7.5.1**

Unit of Certification has conducting semi detail soil survey works that conducted by Param Agricultural Soil Survey, Sdn. Bhd. in November 2008. Soil survey for PT DLI and PT Milano, on the area covers about 6,010.00 ha and .670.70 ha, respectively. Soil Map is available in proper scale, i.e. 1:25,000 and 1:50,000. Summary of soil survey results towards soil suitability describes as follows:

**Soil Properties**

- Soils in PT DLI (KWS and KSD) were fully covered by peat soil with several depth, divided into four categories, e.g.: shallow (50-100 m), moderate (100-150 cm), deep (150-300 cm) and very deep (>300 cm). All peat was categorized as marginal with saprist decomposition level. However, there are no sulfidic marine clay deposits. Very deep peat soils which considered as fragile soil has occupy for about 40 % from PT DLI total area, while the rest were considered as marginal. Main limitation for oil palm cultivation on PT DLI were mainly due to very poorly drained property.
- Soils in PT Milano (CDE) were dominated by peat soils for about 80 % with various depth from shallow to deep. The rest were mineral soils over recent riverine alluvium. Even though there is no fragile soil in CDE, however, it has the same main limitation with estates of PT DLI, which is has a very poorly drained soil property.

**Topography**



Based on semi detail soil survey analysis, it was known that slope condition in PT DLI and CDE of PT Milano are dominantly flat to undulating, ranged between 0° to 6°. Thus, there is no soil management limitation due to hilly to steep area. Limitation were mostly due to very poorly drained soil property and prone flooded area. To overcome this matters estate management has conducting field drains system. This situation has observed on the field.

**7.5.2 and 7.5.3**

Based on review towards long-term management plan and hectare statement 2020, as well as information from estate management, it was known that there are no replanting and/or new planting activities in the near future, up to 2024/2025 and and/or new planting activities. According to year of planting only, the next replanting is expected to be carried out as early on 2034 in KWS. Thus, these indicators are not applicable.

Status: Comply
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**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**

There is no new planting nor new development areas in the unit of certification operational areas. Development of oil palm planting or first cycle has conducted on 1991 to 1996. However, Unit of Certification has conducting semi detail soil survey works that carried out by Param Agricultural Soil Survey, Sdn. Bhd. in November 2008. Soil survey for PT DLI and PT Milano, on the area covers about 6,010.00 ha and 670.70 ha, respectively. Soil Map is available in proper scale, i.e. 1:25,000 and 1:50,000. Summary of soil survey results towards soil suitability describes as follows:

- Soils in PT DLI (KWS and KSD) were fully covered by peat soil with several depth, divided into four categories, e.g.: shallow (50-100 m), moderate (100-150 cm), deep (150-300 cm) and very deep (>300 cm). All peat was categorized as marginal with saprist decomposition level. However, there are no sulfidic marine clay deposits. Very deep peat soils which considered as fragile soil has occupy for about 40 % from PT DLI total area, while the rest were considered as marginal. Main limitation for oil palm cultivation on PT DLI were mainly due to very poorly drained property.
- Soils in PT Milano (CDE) were dominated by peat soils for about 80 % with various depth from shallow to deep. The rest were mineral soils over recent riverine alluvium. Even though there is no fragile soil in CDE, however, it has the same main limitation with estates of PT DLI, which is has a very poorly drained soil property.

**7.6.2**

Based on soil survey analysis, it was known that all soils in PT DLI was fully peat with various depth. Very deep peat soils which considered as fragile soil has occupy for about 40 % from PT DLI total area, while the rest were considered as marginal. Main limitation for oil palm cultivation on PT DLI were mainly due to very poorly drained property. Furthermore, soils in PT Milano (KCD) were dominated by peat soils for about 80 % with various depth from shallow to deep. The rest were mineral soils over recent riverine alluvium. Even though there is no fragile soil in CDE, however, it has the same main limitation with estates of PT DLI, which is has a very poorly drained soil property. To overcome this situation, several strategies that already implemented by estate management was adoption a proper peat management as follows:

- Water managemet through maintaining water level at 60-80 cm and monitoring of peat subsidency rate as indicator of water management quality.
- Installing field drain with pattern 1:2, 1:4 and flap gate.
- Canal desilting for water discharge and application of kaptan which aims to increase soil pH.
- Peat compaction with "hole in hole" planting method, which starts implemented on palms planted in 2014 forward.
- Maintaining land cover crop which aims to retain soil moisture on the field.
- Fertilizer applicaiton as in accordance with Agronomist recommendation., especially additional micronutrient on B, Cu and Zn.

**7.6.3**

Based on semi detail soil survey analysis, it was known that slope condition in PT DLI and CDE of PT Milano are dominantly flat to undulating, ranged between 0° to 6°. Thus, soil management limitation was mostly due to very poorly drained soil property and prone flooded area. To overcome this matters estate management has conducting field drains system. Based on field observation, it was known that field drain pattern was 1:4 and 1:2. The latter was introduced on prone flooded areas, for example as sighted to Block 122 Division 2 KSD.

Status: Comply	
<b>7.7</b> <b>No new planting on peat, regardless of depth after November 15<sup>th</sup>, 2018 and all peatlands are managed responsibly.</b>	
<p><b>7.7.1</b> Based on estate management information as well as review towards hectare statements from the previous audit, it was known that there are no additional new planting or expansion on estate operational areas after 15 November 2018. Thus, this indicator is not applicable.</p> <p><b>7.7.2</b> <b>Peat Area Distribution</b> Unit of Certification has conducting semi detail soil survey works that conducted by Param Agricultural Soil Survey, Sdn. Bhd. in November 2008. Soil survey for PT DLI and PT Milano, on the area covers about 6,010.00 ha and 670.70 ha, respectively. Soil Map is available in proper scale, i.e. 1:25,000 and 1:50,000. Summary of soil survey results towards soil peat distribution describes as follows:</p> <ul style="list-style-type: none"> <li>• Soils in PT DLI (KWS and KSD) were fully covered by peat soil with several depth, divided into four categories, e.g.: shallow (50-100 m), moderate (100-150 cm), deep (150-300 cm) and very deep (&gt;300 cm). All peat was categorized as marginal with saprist decomposition level.</li> <li>• Soils in PT Milano (CDE) were dominated by peat soils for about 80 % (or 535.20 ha) with various depth from shallow to deep. The rest were mineral soils over recent riverine alluvium.</li> </ul> <p><b>Peat Inventory Report</b> Process of peat inventory report of Wilmar Group has started submitted by Certification Lead and Supply Chain manager of Wilmar to GHG Unit of RSPO (<a href="mailto:ghg@rspo.org">ghg@rspo.org</a>) as RSPO Secretariat representative on 05 November 2019 as verified through email record. Wilmar Group shows second submission to RGPS GHG Unit in 23 April 2020 which mentioned that the submission for Indonesia sites, Wilmar International Ltd. is refers to the Minister of Forestry and Environment Decree No. SK7099/MENLHKPCTL/IPS DH/PLA.1/8/2019 about <i>Penetapan Peta Indikatif Penghentian Pemberian Izin Baru Hutan Alam Primer dan Lahan Gambut Tahun 2019</i> (PIPIB) on the defining of peat areas in Indonesia. Latest response from RSPO GHG Unit was delivered on 19 May 2020 which informed that RSPO is acknowledge the receipt of the updated peat inventory and the submission of drainability assessment. RSPO later on will follow up and inform Wilmar Group if any further requirement and clarification is needed.</p> <p><b>7.7.3</b> According to soil survey report, it was known that peat soils in PT DLI and CDE – PT Perkebunan Milano were covers about 100 % and 80 %, respectively, with various depth from shallow to very deep. Procedure of peat monitoring and management is presented in document No. SOP-EST-028 (Rev. 00). The procedure mentioned that peat subsidence monitoring should be conducted every semester. Estate management are able to shows monitoring record of monthly water level and subsidency rate, as follows:</p> <ul style="list-style-type: none"> <li>• Peat subsidency report of KCD is presented in document No. FRM-EST-057. According to document review, it was known that average of pet subsidency rates in 3 monitoring spots were waries from 0.89-3.00 cm/year with median about 2.00 cm/year. Subsidency poles were installed in 2010/2011. Observation on Subsidence Pole No. 1 was conducted in Block 51 shows that subsidency rate was about 1.11 cm/year.</li> <li>• Peat subsidency report on KSD is presented in document No. FRM-EST-022-032 (Rev. 02). According to document review, it was known that average of peat subsidency rates in 9 monitoring spots were waries from 0.00-3.00 cm/year with median about 1.20 cm/year. Subsidency poles were installed in 2010/2011. Observation on Subsidity Pole No. 8 was conducted in Block 110 Division 2 shows that subsidency rate was about 1.20 cm/year.</li> <li>• Peat subsidency report of KWS is presented in document No. FRM-EST-022-032. According to document review, it was known that average of peat subsidency rates in 8 monitoring spots were waries from 0.50-2.00 cm/year with median about 1.40 cm/year. Subsidity poles were installed in 2010/2011. Observation on subsidity pole is conducted in Division 2 Block 136.</li> </ul> <p><b>7.7.4</b> According to soil survey report, it was known that peat soils in PT DLI and CDE – PT Perkebunan Milano were covers about</p>	

100 % and 80 %, respectively, with various depth from shallow to very deep. Procedure of peat monitoring and management is presented in document No. SOP-EST-028 (Rev. 00). The procedure mentioned that water level and water table on peat areas shall be maintained on 60-80 cm through arrangement of sand weirs and flap gate. Water level monitoring should be conducted every month. Estate management are able to shows monitoring record of monthly water level and water table (piezometer), as follows:

- Water level monitoring in KCD is presented in document No. FRM-EST-056. Monthly record during 2020 period were available. According to document review, it was known that average of water level in 21 monitoring spots were maintained beetwen 60-80 cm. Observation on Piezometer and water level monitoring is conducted to Blok 47.
- Water level monitoring in KSD is presented in document No. FRM-EST-022-031 (Rev. 02). Monthly record during 2020 period were available. According to document review, it was known that average of water level in 33 monitoring spots in Divisi 1 and 32 spot in Division 2, were maintained beetwen 60-80 cm. Observation on water level monitoring is conducted to Block 117 Division 2.
- Water level monitoring in KWS is presented in document No. FRM-EST-056. Monthly record during 2019 to July2020 period were available. According to document review, it was known that average of water level in 27 monitoring spots in Divisi 1 and 23 spot in Division 2, were maintained beetwen 60-80 cm. Observation on water level monitoring and subsidency pole is conducted in Block 143 Division 2.

**7.7.5**

As explained in Indicator 3.1.2, it was known that there is no replanting plan for the next five years (up to 2025/2026). According to year of planting only, the next replanting is expected to be carried as early on 2034 in KWS. However, unit of certification has conducting drainability assessement which presented in Levelling Survey Report Ref. No. 015/GIS/Survey/GIS/2012 when the study is carried out on 11-23 October 2012. Summary of study is describes as follows:

- To continue research and study on water flows movement as analyzed through considering contour line within the estates.
- To continue the existing water management system, as well as monitoring of water level and peat subsidencies.
- To identified root of cause and effect on prone flooded area.

**7.7.6**

As informed on semi detail soil survey report that conducted by Param Agricultural Soil Survey, Sdn. Bhd. in November 2008, it was known that main soil limitation in PT DLI and CDE-PT Perkebunan Milano were due to presence of peat soils which has a very poorly drained soil property. Agronomy strategy to overcome this situation was refers to procedure No. SOP-EST-022 and document No. SOP-EST-028 (Rev. 00) dated 01 February 2015. Based on field observation and document review, several strategies which already implemented by estate management was adoption a proper peat management as follows:

- Water managemet through maintaining water level at 60-80 cm and monitoring of peat subsidency rate as indicator of water management quality.
- Installing field drain with pattern 1:4 and flap gate.
- Canal desilting for water discharge.and application of kaptan (CaCO<sub>3</sub>) which aims to increase soil pH.
- Peat compaction with “hole in hole” planting method, which starts implemented on palms planted in 2014 forward.
- Maintaining land cover crop which aims to retain soil moisture on the field.
- Fertilizer applicaiton as in accordance with Agronomist recommendation., especially additional micronutrient on B, Cu and Zn.

**7.7.7**

Based on hectare statement review, it was known that there is no presence of peatland conservation areas. All areas were used for oil palm plantation activities. Furthermore, there is no land clearance for non-corporate purposes areas in PT DLI and KCD of PT Milano.

	<b>Status: Comply</b>	
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**7.8 Practices maintain the quality and availability of surface and ground water**

**7.8.1 and 7.8.2**

Company shown the practices to maintain the quality and availability of surface and ground water. Water management plan for POM and estate are listed on 2020 water management plan document. These documents describe the water source identification, POM water usage efficiency, peat soil management, and conservation/catchment area protections.

Water sources management and maintenance efforts include:

- The results of interviews with spray operators show that the operators understand how to work properly and safely as well as areas that should not be applied, such as the 3 meter left and right trench borders in order to preserve water flow
- The company conducts testing of the Barumon River water and the employee housing office well water every 6 months
- Fertilizer grass planting along the canals to prevent landslides and erosion
- Maintenance of canals with a wash / dredge program to protect them from superficiality
- Field visits on conservation area block 062 sei deras setate shown, companies also have buffer zone marking, perform revegetation with bamboos, and HCV signboard placement.
- Field visits on water level monitoring in KCD is presented in document No. FRM-EST-056. Monthly record during 2020 period were available. According to document review, it was known that average of water level in 21 monitoring spots were maintained between 60-80 cm. Observation on Piezometer and water level monitoring is conducted to Blok 47.
- water level monitoring in KSD is presented in document No. FRM-EST-022-031 (Rev. 02). Monthly record during 2020 period were available. According to document review, it was known that average of water level in 33 monitoring spots in Divisi 1 and 32 spot in Division 2, were maintained between 60-80 cm. Observation on water level monitoring is conducted to Block 117 Division 2.
- water level monitoring in KWS is presented in document No. FRM-EST-056. Monthly record during 2019 to July 2020 period were available. According to document review, it was known that average of water level in 27 monitoring spots in Divisi 1 and 23 spot in Division 2, were maintained between 60-80 cm. Observation on water level monitoring and subsidence pole is conducted in Block 143 Division 2.

Over all, particularly for peat land company has implemented management by water table monitoring, subsidence monitoring, weirs and bund off construction and regular maintenance, and water collection drain cleaning.

PT DLI and PT Milano has shown testing result of clean water (employee housing) and river water parameter for first semester 2020 (tested on June 24, 2020) by "Laboratorium Balai Teknik Kesehatan Lingkungan dan Pengendalian Penyakit Kelas 1 Medan". Each testing were done on each estate that consist of physics, chemical and microbiology parameter. All parameters tested do not exceed the quality standards required in the applicable regulations.

**7.8.3**

The company already has a permit document for disposal of waste water to water bodies (IPLC) based on the Decree of the Head of "Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu", District Office. Labuhanbatu No: 503.660.31 / 266 / DPMPSTP-BP2MNP / 2018 dated 4 May 2018 concerning the extension of the validity period of the permit for disposal of waste water to water or to water sources at the palm oil mill (POM) of PT. Daya Labuhan Indah - Wonosari in Sei Tampang Village, Bilah Hilir District, District Office Labuhanbatu which is valid until April 25, 2023.

DLI2 POM has measured the quality of waste water every month in collaboration with a laboratory that has been accredited by KAN, namely UPT. Environmental Service Laboratory of the Environment District. Labuhanbatu, waste water samples were taken from the sedimentation pond number 9, the quality standard refers to PermenLH number 5 of 2014 concerning Waste water Quality Standards. Observations were made on the results of the waste water test in 2019 and January to July 2020. The following is an example of the results of the waste water test for January 2020 - June 2020. Based on the study of the test results of waste water, it shows that none of the test parameters exceed the quality standards set by regulations.

**7.8.4**

The results of the field visit at the Factory WTP, the operator has recorded the use of factory water through flowmeter observation. The use of factory water is adjusted to a predetermined budget every month (1.65 m<sup>3</sup> / tFFB). PT DLI shows the records of water use for the 2020 palm oil production process as follows:

No	Month	Amount of FFB (Ton)	2020				
			Water Consumption			Source	Water Usage
			PKS (m3)	Domestik (m3)	Total (m3)	Ground Water (m3)	per tonne FFB (m3)
1	January	11,593	14,112	869	14,981	14,981	1.29
2	February	11,170	12,410	893	13,303	13,303	1.19
3	March	11,052	12,659	942	13,601	13,601	1.23
4	April	10,703	13,580	969	14,549	14,549	1.36
5	May	8,238	11,582	899	12,481	12,481	1.52
6	June	10,461	14,220	863	15,083	15,083	1.44
<b>TOTAL</b>		<b>63,217</b>	<b>78,563</b>	<b>5,435</b>	<b>83,998</b>	<b>83,998</b>	<b>1.34</b>

From these records it is known that the average water use does not exceed the predetermined budget. Based on the foregoing, it is known that the company has good documentation regarding the use of water for oil palm processing units.

Status: Comply

**7.9**

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

**7.9.1**

Company have planned and implemented fiber and shell usage for fossil fuel substitution. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. During Jan-Jun 2020, the company has optimally used fiber and shell as renewable energy (100% fiber is used as boiler fuel, while shells are only a small part sold) resulting the average energy efficiency as following details:

**Calculation of renewable energy for PKS- PT DLI 2 in 2020**

No.	Month	CPO Production	Production		The amount of power used by the turbine	The steam needed by the turbine	Fuel requirements for steam energy		Energy use	The rest of the shell	Estimated selling value of the shell
		(TON)	Fibre (TON)	Shell (TON)	(KWH)	(TON)	Fibre (TON)	Shell (TON)	(KKAL/TON CPO)	(TON)	(Rp)
1	Jan	2,515	1,623	708	263,520	6,588	2,438	680	3,751	28	14,936,250
2	Feb	2,427	1,563	733	249,120	6,228	2,304	707	3,786	27	14,253,750
3	Mar	2,466	1,547	716	241,740	6,044	2,236	684	3,612	32	16,847,250
4	Apr	2,369	1,498	672	235,020	5,876	2,174	639	3,610	33	17,398,500
5	Mei	1,785	1,153	565	176,820	4,421	1,636	551	3,771	14	7,187,250
6	Jun	2,175	1,539	713	234,720	5,868	2,171	703	4,047	10	5,486,250

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**

All waste including emissions and pollutions sources from Mill and estate are identified and recorded on waste and pollution identification 2020. Potential GHG emission from estate and mill activities that has been identified including for examples transportation activities, manuring activities, peatland emission, and boiler emission.

Company have implemented the use of fiber and shell for fossil fuels substitution. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. Waste water has been monitored every months and monitoring period Jan-May 2020 shown that all of waste water testing parameters is compliant to the standards quality. Meanwhile company also conduct regular emission testing for semester basis, 2nd semester 2019 teseting results indicates boiler emission has been met with standard quality.

Daya Labuhan Indah II POM and supply bases has calculated GHG emissions for period 2019 using RSPO Palm GHG calculator version 3.01 (apply full version) option no 1, the results of this calculation are presented as following details:

Emission per product	tCO <sub>2</sub> e/t Product
CPO	9.96
PK	9.96

Production	t/year
FFB processed	132,030.38
CPO produced	30,072.98
PK produced	5,336.95

Extraction	%
OER	22.78
KER	4.04

Land use	Ha
Planted area	6,503.98
Planted on peat	4,963.24
Conservation (non forested)	28.67

Summary of field emission and Sinks

Description	Own crop			Group		
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ ha	tCO <sub>2</sub> e/t FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ ha	tCO <sub>2</sub> e/t FFB
Land conversion	55,316	9.88	0.45	8,920.27	9.88	0.64
CO <sub>2</sub> emissions from fertilizer	7,625.14	1.36	0.06	973.95	1,08	0.06
NO <sub>2</sub> emissions	2,529.29	0,45	0.02	0,00	0,00	0,00
Fuel consumption	1,514.82	0.27	0.01	378.43	0,42	0.02
Peat oxidation	18,448.24	3,29	0,15	0,00	0,00	0,00
Sinks						
Crop sequestration	-52,432.34	-9.36	-0.43	-8,455.24	-9.36	-0.44
Sequestration in Conservation area	0	0	0	0	0	0



Total	37,718.42	6,73	0,31	2,416.73	2.68	0.13
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Summary Oil Mill Emissions and Credits

Remarks	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB
Emissions sources		
POME	27,928.80	0.2
Fuel consumption	391.99	0
Grid electricity	0	0
Credits		
Export of grid electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	28,320.79	0.2

Palm Oil Mill Effluent (POME) Treatment

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

POME Divert to Anaerobic Digestion

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

Based on document review, net GHG emission for year 2019 were increased compared to las year net GHG emission (1.86 to 9.96) t CO<sub>2</sub>/t product

**7.10.2**

PT DLI and PT Milano do not conduct any new development since January 2015. so current company net GHG Emission has been described on indicator 7.10.1

**7.10.3**

PT DLI and PT Milano have not indicated any other significant pollutants, so current company net GHG Emission has been described on indicator 7.10.1

<b>Status: Comply</b>
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**7.11**

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

**7.11.1**

There is no new planting area or expansion or new additional areas in PT DLI and KCD PT Perkebunan Milano. As informed by Plantation Agency and Environment Agency of Labuhanbatu District, as well as information from representative surrounding Villages, it was known that there is no burning activities for land clearing in PT DLI and PT Perkebunan Milano. Land preparation is conducted mechanically by heavy equipments.

Based on review towards long-term management plan and hectare statement 2020, as well as information from estate management, it was known that there are no replanting and/or new planting activities in the near future, up to 2024/2025 and and/or new planting activities. According to year of planting only, the next replanting is expected to be carried out as early on 2034 in KWS. Thus, these indicators are not applicable. However, estate management stated that land clearing during replanting which carried out during 2009 to 2017 had been conducted manually through zero burning method.

**7.11.2**

Zero burning policy was issued by Group Plantation Head and Head of CSR Group on September 2010 and there is another policy which presented in No Deforestation, No Peat, No Exploitation (NDPE) dated 05 December 2013 which mentioned that usage of fire during replanting is strictly prohibited. These matters have also mentioned in procedure of planting No. Pro-EST-002 dated 01 July 2012 and No. SOP-EST-003 (Rev. 01) dated 01 February 2015 for KCD - PT Perkebunan Milano and PT DLI, respectively.

In addition, the Company has a mechanism for preventing and overcoming forest and plantation fires; fire at the factory; and fires in housing have been regulated (PRO - GEN - 023, effective 01 February 2015). Fires are categorized into garden / forest, factory and residential fires.

The auditors simulated the use of a hydrant system in the DLI 2 POM area, fire extinguisher at KCD, KWS and KSD from the simulation results it was known that the tool was functioning properly and was ready to use. The personnel who operate the equipment have also been trained and have understood their duties and responsibilities when an emergency occurs.

**7.11.3**

Based on the results of interviews with firefighters and management, the company always coordinates with the surrounding community to report any fire incidents that occur outside or inside the company. This is conveyed annually through the socialization of company policies and FGDs related to social impact assessments. The last socialization was held on March 10, 2020, the attendance list and socialization minutes can be shown.

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**

Based on estate management information as well as review towards hectare statements from the previous audit, it was known that there are no additional new planting or expansion on estate operational areas after 15 November 2018. Thus, this indicator is not applicable.

**7.12.2**

The Company does not undertake new land clearing is done after November 15, 2018, so that the existing HCV assessment remains valid and it explains that the HCS is not applicable.

PT DLI has conducted the identification over HCV in 2013 done by RSPO Approved Assessor. The identification was done based on HCV identification in Indonesia guideline, June 2008 and involving personnel and local communities on the identification process by stakeholder consultations on May 2013. Based on identification result, there was an HCV area about ± 9.12 Ha that consists of 3.42 Ha (Danau Biru) in a form of peat area, which covered with natural vegetation and ± 5.7 Ha in a form of trench for wild fire boundary.

Meanwhile PT Milano (Cabang Dua Estate) has conduct the HCV identification in 2009 done by RSPO approved assessor. The identification was done based on HCV identification in Indonesia guideline 2008, and this identification was done by affected party's participation via stakeholder consultation on 2009. Based on identification result, there was an HCV area about ± 2.41 Ha that consists of 0.01 Ha in a for sacred place such as cemetery and ± 2.4 Ha in a for trench for wild fire boundary.

KSD has monitored flora and fauna on June 11, 2020, based on the results of monitoring that no protected animals and plants were found in plantation operations. The animals that were found at the time of monitoring were water snakes and Cekakak Chinese Bird.

Monitoring of flora and fauna at KWS was carried out on June 14, 2020, the method of observation used was incidental encounters, for example the animals found: Lizards and Snack. There are no additional animals and plants in the KWS area.

KCD has conducted monthly monitoring of HCV areas, the last surveillance was implemented in July 2020 against natural

firebreaks and graves that have become the cultural identity of local communities. Based on the monitoring results, there was no damage to these HCVs.

**7.12.3**

Is not relevant to Indonesia, until further decisions by RSPO.

**7.12.4, 7.12.5**

The company has implemented HCV management in accordance with the management and monitoring plan that has been made. This has been explained in the indicator in 7.12.2

The company has reviewed the management and monitoring plan that has been made. This is evidenced by the review of the 2017-2018 HCV management and management reports carried out in January 2019 which resulted in a monitoring and management plan for 2020-2022. The HCV management and monitoring plan is reviewed every 3 years, carried out with the community around the company (The village around the company).

**7.12.6**

Based on the results of monitoring, there is no protected flora and fauna in PT DLI's plantation. The company has carried out routine socialization related to the existence of flora and fauna to the community, for example, the socialization to the community on January 30, 2020 was attended by 20 participants. In addition, the company has installed a signboard informing the species of animals crossing PT DLI's plantation.

Based on the results of document studies, field visits to HCV areas and interviews with management and employees, there have never been any incidents or findings of protected flora and fauna.

Based on field observations to KWS employee housing and KSD housing, it was not seen that any employees caught, kept and trapped animals.

**7.12.7**

HCV monitoring results in 2019 include:

1. Maintain the existence of flora and fauna in the Danau Biru
2. Keeping HCV areas from burning
3. To prevent hunting in the company's HCV areas
4. Maintain and increase the quality of peat areas with a depth of more than 3 meters in the Danau Biru area
5. Maintain and improve the quality of the Danau Biru area as a water provider and flood control.

The management and monitoring plan has been implemented effectively as evidenced by the existence of a report on the implementation of the HCV management and monitoring plan and the maintenance of the HCV area from hunting, burning and the quality of the blue lake as a water provider and flood control.

HCV monitoring results have been evaluated by the company as evidenced by the 2017-2019 HCV management plan review report conducted in January 2020. Follow-up from the evaluation results of HCV monitoring is that the company has made a HCV management and monitoring plan for 2020-2022 based on the results of the 2017-2019 HCV management and monitoring plan review.

**7.12.8**

Based on estate management information as well as review towards hectare statements from the previous audit, it was known that there are no additional new planting or expansion on estate operational areas after 15 November 2018. Thus, this indicator is not applicable.

	<b>Status: Comply</b>	
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3.2 Conformity Checklist of Certificate and Trademark Use

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or ✓</b>
ASA-1.1	DLI-2 POM and its supply bases did not use trademark in the product or any of its activity	✓
	Status: Comply	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or ✓</b>
ASA-1.1	DLI-2 POM and its supply bases did not use trademark in the product or any of its activity	✓
	Status: Comply	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or ✓</b>
ASA-1.1	DLI-2 POM and its supply bases did not use trademark in the product or any of its activity	✓
	Status:	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate logo.</b>	<b>X or ✓</b>
ASA-1.1	DLI-2 POM and its supply bases did not use trademark in the product or any of its activity	✓
	Status: Comply	

**3.3 Summary of RSPO Partial Certification.**

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

Wilmar International Ltd Time Bound Plan (TBP) is explained in point 1.10. Wilmar International Ltd has informed the TBP progress, MUTU has considered that Wilmar International Ltd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Wilmar International Ltd on March 2020.

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

MUTU Auditor has verified company partial certification and concludes that:

- There are no significant land conflicts which have not been declared above.
- The company has followed RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There are 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.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes, and positive assurance is produced for these units.</p> <p><b>Auditor verification</b> Internal audit conducted on 17 &amp; 24 January 2020 for:</p> <ul style="list-style-type: none"> <li>- PT Agronusa Investama Pahauman</li> <li>- PT Agro Palindo Sakti 2</li> <li>- PT Musi Banyuasin Indah</li> <li>- PT Sinarsiak Dianpermai</li> <li>- PT Agroindo Indah Perkasa 2</li> <li>- PT Buluh Cawang Plantation</li> </ul> <p>There is some non-conformance find in internal audit and the company has produced the positive assurance for these units.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p>Uncertified management units has conducted HCV assessment such as :</p> <ul style="list-style-type: none"> <li>• PT Sarana Titian Permata in June 2008,</li> <li>• 4 unit scheme smallholders under PT Kerry Sawit Indonesia in year 2008,</li> <li>• PT Agronusa Investama - Sambas and their scheme smallholders in year 2011,</li> <li>• PT Agronusa Investama - Landak/Pahauman in year 2011 (re-assessment in year 2014),</li> <li>• PT Buluh Cawang Plantation-West Kalimantan in year 2016,</li> <li>• PT Agro Palindo Sakti 2 in July 2009,</li> </ul>

	<ul style="list-style-type: none"> <li>• PT Indoresin Putra Mandiri in March 2009,</li> <li>• PT Daya Landak Plantation in July 2009,</li> <li>• PT Putra Indotropical in November 2008,</li> <li>• PT Putra Procentindo in December 2008,</li> <li>• PT Permata Hijau Plantation (block 22) in year 2012,</li> <li>• PT Kencana Sawit Indonesia in year 2010,</li> <li>• PT Murini Samsam in year 2014,</li> <li>• PT Musi Banyuasin Indah in year 2013,</li> <li>• PT Sinarsiak Dianpermai in year 2014,</li> <li>• PT Agro Indah Persada in year 2011 and</li> <li>• Biase Plantation Limited in year 2011 &amp; September 2014 (Calaro extension)</li> </ul> <p>Some management units has carried out land clearing activities since November 2005 without preceded by HCV identification/assessment. Based on RaCP tracker (per <b>November 2019</b>) in RSPO website and the result of correspondence with RSPO compensation panel that the management units under Wilmar International Limited have :</p> <ul style="list-style-type: none"> <li>• 24 management units with potential liability consist of 11 uncertified management units (2 uncertified management units still processing recertificatio) and 13 certified management units</li> <li>• RSPO member has submitted LUCA amount of 24 Management Units</li> <li>• LUCA of 20 management units has passed and 4 management units has reviewed and requiring clarification from RSPO member.</li> <li>• The 11 of 20 Management Units need/required Concept Note (CN). There are the 3 additional Management Units need Concept Note if compared with information of RaCP tracker per January 2019 (8 Management Units need Concept Note (3 uncertified management unit and 5 certified management unit)). Auditor has carried out clarification to the RSPO members and the RSPO secretariat. RSPO member do not know the name of the 3 additional management units because LUCA has been reviewed by RSPO but it is yet incomplete. Whereas, the result of clarification with the RSPO Secretariat that the compensation team is still updating the database so that the addition can occur due to duplicate. RSPO Secretariat will be informing to auditor again after updating finish.</li> <li>• 1 Management Units has submitted Concept Note (CN). Based on information from RSPO member that they has submitted Concept Note amount of 2 Management Units but the last of submit is January 2020 so that it not covered on RaCP tracker per November 2019.</li> </ul> <p>Following up one of resolution from 35<sup>th</sup> BHCVWG meeting year 2017 are pushing certified management unit to submit</p>
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	<p>annex 7 &amp; 8 (compensation concept note &amp; compensation plan) to RSPO compensation panel in annual surveillance audit by each certification body according time frame which has decided in meeting. The progress of the concept note approval can be saw in indicator of 7.12</p> <p>Information of LUCA for some uncertified management units as follow as :</p> <ol style="list-style-type: none"> <li>1. PT Agronusa Investama (Landak/Pahauman) : LUCA and disclosure of non-compliant land clearing was available and it has submit to RSPO secretariat year 2015 and LUCA has passed with the result of liability assessment is presence liability (per 27 February 2017 and total of liability areas is 53.50 ha). The concept note has developing by internal team so it has not been submitted to RSPO secretariat.</li> <li>2. PT Buluh Cawang Plantation in West Kalimantan : LUCA and disclosure of non-compliant land clearing was available and it has submit to RSPO secretariat year 2015 and LUCA has passed with the result of liability assessment is presence liability (per 13 March 2017 and total of liability areas is 46.62 ha). The concept note has been developing by internal team so that it has not been submitted to RSPO secretariat.</li> <li>3. PT Agro Palindo Sakti 2 : LUCA and disclosure of non-compliant land clearing was available and it has submit to RSPO secretariat year 2016 and LUCA has passed with the result of liability assessment is zero conservation liability.</li> <li>4. PT Indonesia Putra Mandiri &amp; PT Daya Landak Plantation : LUCA and disclosure of non-compliant land clearing was available and it has submit to RSPO secretariat year 2015 and LUCA has passed with the result of liability assessment is zero conservation liability.</li> <li>5. PT Putra Indotropical &amp; PT Pratama Procentindo : LUCA and disclosure of non-compliant land clearing was available and it has submit to RSPO secretariat year 2015 and LUCA has passed (date on 13 March 2017) with the result of liability assessment is zero conservation liability.</li> <li>6. PT Sarana Titian Permata : LUCA and disclosure of non-compliant land clearing was available and LUCA has passed with the result of liability assessment is zero conservation liability.</li> <li>7. Based on the result of communication with RSPO that LUCA on behalf remaining uncertified management units has submitted and passed with the result of liability assessment is zero liability (2 uncertified management units) so not concept note required and presence liability (1 uncertified management unit) so concept note required. It has submitted concept note before November 2019.</li> </ol>
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		<p>8. PT Musi Banyuasin Indah, PT Sinarsiak Dianpermai, PT Murini Samsam (466 ha) &amp; PT Permata Hijau Plantation (block 22) : There are no planting after 1 November 2005 so RaCP status is not applicable.</p> <p><b>Auditor verification</b> Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
<p>2.1.3</p>	<p>Any new plantings since January 1<sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.</p>	<p>There are some newly developed plantation areas under Wilmar International and have undergone the New Planting Procedure (NPP). It has announced on RSPO website during 30 days with complete status such as in Jambi Province (PT Agrindo Indah Persada 2) &amp; West Kalimantan Province (PT Agro Nusa Investama (Sambas)) - Indonesia and Nigeria (Biase Plantation Limited &amp; Biase Plantation Limited (Calaro extension).</p> <p><b>Auditor verification</b> Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
<p>2.1.4</p>	<p>Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.</p>	<p>Uncertified management unit have technical procedure/guidance for land acquisition (SOP 001/WIP-KB/(0)/0610) and procedure of calculation &amp; compensation payments (SOP 01/WIP-KB/(1)/1215). The records and documents of land compensation was available such as list of recapitulation of land compensation/acquisition, minute of measurement and their maps, profile/identity of land ownership and minute of agreement/negotiation between company and land ownership regarding handover/release of land. Based on self assessment report that some uncertified management units (PT Daya Landak Plantation, PT Agronusa Investama – Pahuman, PT Putra Indotropical, PT Pratama Prosentindo, PT Agrindo Indah Persada 2 &amp; PT Sarana Titian Permata – POM 2) has carried out some activities in order land acquisition process such as socialization to stakeholder and land owner, verification of land owner identity, measuring land/area in field together land owner, negotiating and agreeing on the price of land compensation and their plants, paying land compensation appropriate with the result of agreeing together.</p> <p>Community who lose access and land right for plantation areas has given the opportunity to benefit (direct and indirect) from plantation development as sample in form of scheme smallholder areas, as employee, as contractor (transportation, supplier for daily food, etc), as FFB supplier, using infrastructure/road as access from village to town or vice versa, as trader while employee has got wage, etc.</p> <p>Refer to case tracker or status of complaints under Wilmar International Limited period of February 2011 to conducting audit that the object of complaint has dominated by certified</p>

		<p>management unit and the majority of cases has closed. There are 2 case of complaints still in investigation process (PT Permata Hijau Pasaman and PT AMP Plantation). Further details on this case are available here: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/26">http://www.rspo.org/members/complaints/status-of-complaints/view/26</a></p> <p>Based on self assessment that no land conflict in the location of uncertified management units</p> <p><b>Auditor verification</b> There is no information from public source and RSPO website on any land conflict for uncertified unit of the group subsidiaries.</p> <p>Based on the company record there is documentation on land compensation recapitulation updated on 1 October 2007, participatory mapping, agreement letter on compensation between company and land owner, land owner identity and procedure on compensation technical guidance SOP 001/WIP-KB/(0)/0610 dated June 2010.</p> <p><b>Auditor verification at ASA-1.1 PT DLI</b> There is information from social media regarding the land grabbing case at Biase Plantation Limited (<a href="https://ejatlas.org/conflict/wilmar-and-land-grab-in-cross-river-state">https://ejatlas.org/conflict/wilmar-and-land-grab-in-cross-river-state</a>), but the case has already been submitted to the RSPO complaint on 10 November 2012 and has been declared closed. (<a href="https://askrspo.force.com/Complaint/s/case/50090000028EsOLAAS/">https://askrspo.force.com/Complaint/s/case/50090000028EsOLAAS/</a>)</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There is a grievance and complaint form/procedure used by the company to collect and collate all complaints from communities and employee as sample in Indonesian is SOP 004/WIP-KB/(0)/0610, SOP 003/WIP-KB/(1)/0911, PRO-PGA-001 and Whistleblowing Policy (effective date on 5 August 2015). Procedure of grievance &amp; complaint from employee has not been dissemination to employee in PT ANI-Pahuman, Cooperative of Tuah Jubata (scheme smallholder), PT Daya Landak Plantation, PT Indoresins Putra Mandiri &amp; PT Putra Indotropical. It will be doing by auditee based on correction action plan.</p> <p>Based on self-assessment that uncertified management units has provided documentation of both the process which a dispute was resolved and the outcome and log book about handling grievance &amp; complaint from internal (employee) &amp; external. Based on log book that there are grievance &amp; complaint from employee but there is no identified labor disputes ongoing at subsidiary companies of Wilmar International Limited..</p> <p><b>Auditor verification</b></p>

		<p>There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>The company has mechanism to handle employee complaint and grievance that is stated in SOP 005/WIP-KB/(0)/0610 for communication and consultation with community and SOP 004/WIP-KB/(0)/ 0610 on complaint and grivance mechanism and solving any dispute out off court.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p> <p><b>Auditor verification at ASA-1.1 PT DLI</b>          There is information from social media related to labor cases, namely regarding layoffs at PT Putra Indotropical Estate (<a href="https://www.suarakalbar.co.id/2020/02/karyawan-pt-pi-di-landak-unjuk-rasa.html">https://www.suarakalbar.co.id/2020/02/karyawan-pt-pi-di-landak-unjuk-rasa.html</a>) and at PT Agro Indah Persada (<a href="http://gerbangbengkulu.com/rekannya-dipecat-karyawan-pt-aip-seluma-gelar-aksi-mogok-kerja/">http://gerbangbengkulu.com/rekannya-dipecat-karyawan-pt-aip-seluma-gelar-aksi-mogok-kerja/</a>).</p> <p>Based on the results of auditor verification during ASA-1.1 activities at PT DLI, it was known that PT Putra Indotropical Estate carried out an employee reduction program and had been implemented in accordance with the provisions of the labor law. This has also been recognized by the Manpower Agency of Landak Regency and Commission B of the Regional People's Representative Assembly (<i>Dewan Perwakilan Rakyat Daerah</i>) of Landak Regency and they can accept the reasons from the company. The latest information from the 20 employees who were laid off, 17 employees have accepted the decision and 3 employees still reject it.</p> <p>As for the case of layoffs at PT Agro Indah Persada in Lubuk Sandi Subdistrict, Seluma Regency, Bengkulu Province, the company explained that the unit was not included in the timebound plan, because the unit included in the timebound plan was PT Agro Indah Persada located in Bangko, Jambi. It was explained that PT Agro Indah Persada, which is located in Seluma Regency, is only a factory that receives FFB from outside suppliers and does not have its own plantation.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Uncertified management units have the list of laws &amp; regulations or law register relate of plantation, environment, man power and OSH issue. The result of evaluation law and regulation with implementation by company.</p> <p>The evidence of compliance to laws and regulations such as land use right or land title (except uncertified management units as below), location permit for the location of uncertified management units in Indonesia, environment document has approved by local government (especially in Indonesia),</p>

	<p>minimum wage, minimum age as employee, etc. Whereas, Eyop Industries Limited and Biase Plantation Limited have deed grant, Deed of conveyance, Certificate of Occupancy and MoU with communities.</p> <p>Based on self-assessment report that there are not changing significantly if compare with previous condition i.e some of Wilmar's uncertified management units have not complied with certain legal requirements, i.e. :</p> <ul style="list-style-type: none"> <li>• Land use right (HGU) : PT Sarana Titian Permai (1 &amp; 2), PT Agro Nusa Investama (Landak/Pahauman), PT Sinarsiak Dianpermai, PT Permata Hijau Pasaman (block 22), PT Murini Samsam (466 ha), PT Pratama Prosentido, PT Putra Indotropical, PT Indoresin Putra Mandiri, PT Buluh Cawang Plantation in West Kalimantan, PT Agroindo Indah Persada 2, and PT Daya Landak Plantation, where the land use right (HGU) are still under process. At time of this audit, the company was still making efforts to close these legal non-compliances.</li> <li>• Forest areas release permit : part of PT Musi Banyuasin Indah areas and two estates under Eyop Industries Limited</li> </ul> <p>Uncertified management units has carried out monitor of pillar boundary regularly except PT Agroindo Indah Persada 2 because has not been carried out cadastral measurement.</p> <p><b>Auditor verification</b>  PT Agroindo Indah Perkasa 2  - There is HGU on propose.</p> <p>PT. Buluh Cawang Plantation  - HGU on process</p> <p>PT Agronusa Investama Pahauman  - The continues changing on PIPIB map. In accordance to PIPIB 10 there is no area of the company (based on location permit) that is in the moratorium area. When PIPIB 11 released, some area of the company is in the updated peat moratorium map.</p> <p>PT Agro Palindo Sakti 2  - There is an obstacle on processing HGU is before continuing the HGU process, the company has to complete the requirement for 20% area allocation for smallholder. Based on BupatiSanggau Decree No. 137 year 2011 dated 25 March 2011 for 623 ha of smallholder scheme for 2 koperasi of Batu Ceramin and and Maju Bersama. Later, koperasi Maju Bersama split into Koperasi Maju Bersama and Koperasi Harapan Baru. And Koperasi Harapan Baru wants to take about 136 ha within company proposed HGU</p>
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	<p>area. The company needs to resolve this issue first before be able to continue HGU process.</p> <p>PT Musi Banyuasin Indah</p> <ul style="list-style-type: none"> <li>- Overlay the map of land use with attachments Ministerial Decree No. SK.822/Menhut-II/2013 PT MBI entered in production forest area.</li> <li>- Planting outside HGU Kebun Sei Selabu (block 010, 024 and 027).</li> <li>- Explanation management unit following the legal department still perform continuous coordination with the government while waiting for a change of government decisions regarding the status of the area.</li> </ul> <p>PT Sinarsiak Dianpermai</p> <ul style="list-style-type: none"> <li>- HGU 1,002 Ha on process</li> <li>- Status of Other Use Areas based on Appendix SK 878 / Menhut-II / 2014 dated September 29, 2014 and letter no. S.160 / BPKH.XIX-3/2016 dated March 31, 2016</li> </ul> <p>Explanation management unit as follows:</p> <ul style="list-style-type: none"> <li>- Disagreement between the ministry of forestry by the Riau provincial government on the status of land PT SSDP (between the status of forest and APL), which led to the process of making the concession inhibited.</li> <li>- There are some estate areas around the Mill that does not have permission locations. The process of acquiring a location permit was hampered due to the reasons in point 1 as well.</li> <li>- The legal department is still doing continuous coordination with the government while waiting for a change of government decisions.</li> </ul> <p>Based on website date on 13 &amp; 21 June 2019 and 27 July 2019 that PT Putra Indotropical, PT Indoresin Putra Mandiri and PT Pratama Prosentindo have not been land use right (Hak Guna Usaha). The result of clarification from auditee that they are still in the process of completing the requirements in other ministries. This is one of requirements to apply for land use right at National Land Agency.</p>
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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 Re-Certification Assessment**

NCR No.	: 2019.01	Issued by	: Mohamad Amarullah
Date Issued	: 28 June 2019	Time Limit	: 27 September 2019
NC Grade	: Major	Date of Closing	: 6 September 2019
Standard Ref. & Requirement	<p>4.6.5 Evidence of pesticide application by trained person and in accordance with application guidelines in product label and storage guidelines shall be available. Appropriate safety equipment shall be provided and utilized. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7)</p>		
<p><b>Evidence observed (filled by auditor):</b> Based on observation to pesticide application activity in Block 60 SDE and Block 74 KSD, as well as observation to PPE Store, it was known that respirator as PPE provided is not in accordance with product label (MSDS). For example, herbicide Glinat has required respirator with NIOSH approved (or equal) specification.</p>			
<p><b>Non-Conformance Description (filled by auditor):</b> Management unit is not be able to shows that PPE for respiratory protection provided for pesticide applicators has refers to MSDS of products.</p>			
<p><b>Root Cause Analysis (filled by organization audited):</b> PPE Identification Team has not considering MSDS of pesticide products as reference for PPE selection. Thus, estate unit has order the unsuit respirator.</p>			
<p><b>Correction (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>To provide and distriibute respirator for agrochemical applicators, in accordance with MSDS of products and comply with technical specification such as NIOSH, SNI, EN, etc.</li> <li>To conduct socialization and training of respirator usage, as well as its management for Agrochemicals Applicators, Field Upkeep Foreman , Pesticide Tank (Tractor) Operator, Field Conductor and Chemical Store Head.</li> </ul>			
<p><b>Corrective Action (filled by organization audited):</b> To periodically evaluate list of PPE required that refers to technical recommendation standard (SNI, NIOSH, EN, or equal standard) as mentioned in the MSDS of agrochemical products.</p>			
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification 06 september 2019</b> The company has deliver root of cause analysis, corrective action and several correction evidence as follows:</p> <ul style="list-style-type: none"> <li>Document of "Respirator Identification as Recommended by MSDS" report which prepared by EHS and OSH Officer on 25 August 2019. The report has describe several type of respirator that compulsory to be used by pesticide applicators, together with its technical specification as refers to NIOSH (N-95, R-95, P-95) and EN (EN-143, EN 149, EN-40, Type A, Type P3 and Type FFP3). The report also recommending that estate management shall provide respirator as mentioned in MSDS.</li> <li>Minutes of Socialization on Respirator Function which delivered to Store Head, Field Conductor, Foreman and Agrochemical Applicators in KSD and CDE that presented in document No. FRM-GEN-000-079 (Rev. 0) dated 29 August 2019 and 31 August 2019, respectively. List of absense is presented in document No. FRM-HRD-000-020 (Rev. 01) which informed that there were 36 and 27 participants in KSD and CDE, respectively. paper of of socialization and picture documentation are available.</li> <li>Official Letter of Respirator Delivery to all Agrochemical Applicators in KSD and CDE dated 29 August 2019 and 31</li> </ul>			

August 2019, respectively, as carried out together with socialization.

Based on explanation above, NCR No. 2019.01 is considered **closed**.

**Verified by** : **Mohamad Amarullah**

<b>NCR No.</b>	: 2019.02	<b>Issued by</b>	: Stave Mualim
<b>Date Issued</b>	: 28 June 2019	<b>Time Limit</b>	: ASA-1.1
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 07 August 2020
<b>Standard Ref. &amp; Requirement</b>	: 4.6.10 Evidence must be shown that pesticide waste has been handled in accordance with applicable laws and is understood by workers and managers.		
<b>Evidence observed (filled by auditor):</b>			
<ul style="list-style-type: none"> <li>The form for identifying sources of waste and pollution from the activities of PT Daya Labuhan Indah (FRM-GEN-005-078) dated 1 August 2018 explains, for example, used oil packages, used oil, used filters, and used chemical packaging are classified as B3 waste.</li> <li>Field observations at KSD show that B3 waste, for example Petrokum (written off from the asset list) and former starlon, Tiara, Garlon packages produced in the estate are stored in chemical warehouses.</li> <li>Based on the SOP-GEN-005 hazardous and toxic waste control procedure dated November 1, 2017, it is explained in point 5.1.9 that B3 waste storage in KSD is stored in a separate place, not mixed with other items and the place must be closed and locked. in accordance with the procedure for storing B3 waste as regulated in this procedure.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b>			
There is no evidence that pesticide waste has been handled in accordance with applicable regulations.			
<b>Root Cause Analysis (filled by organization audited):</b>			
<ul style="list-style-type: none"> <li>- There is no special place for storing used chemical packaging (Starlon, Tiara and Garlon) and expired chemical (Petrokum) in the Sei Deras Estate (KSD) area.</li> <li>- Storage of used chemical and expired chemical packaging at the Chemical Warehouse because it is considered a safe place and can be controlled by warehouse officers to prevent used and expired chemical packaging from being misused by others.</li> </ul>			
<b>Correction (filled by organization audited):</b>			
<ul style="list-style-type: none"> <li>- Sending used chemical packaging (LB3) to TPLS B3 Wonosari Estate (KWS) and Chemical Expiration to TPLS B3 DLI-2 POM</li> <li>- Creating a used chemical storage area in accordance with SOP-GEN-005 LB3 Control</li> <li>- Socialization of SOP-GEN-005 to warehouse officers'</li> </ul>			
<b>Corrective Action (filled by organization audited):</b>			
- Warehouse officers' control and increases the duration of delivery of used chemical packaging to licensed TPLS in Wonosari Estate (KWS) to prevent the temporary storage area from being full			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>			
Verification September 6, 2019			
The company has sent several proofs of improvements that have been made which consist of:			
<ul style="list-style-type: none"> <li>• Construction of a special place for storing oil and jerry cans used for temporary chemicals which was carried out on 8 July 2019 for the Sei Deras Estate</li> </ul>			

- Socialization of SOP-GEN-005 regarding B3 waste control which was carried out on July 8, 2019 to Sei Deras Estate warehouse officers.
- Minutes of sending or handing over of B3 waste from a special storage warehouse for used chemical oil and jerry cans in the Sei Deras Estate to TPS LB3 in KWS, for example the period is July 26, 2019 and the period is August 28, 2019.

Regarding this, please show evidence that the B3 waste found during the audit, for example Petrokum (written off from the asset list) and former Starlon, Tiara, Garlon packaging has been stored and recorded in the LB3 logbook at licensed LB3 TPS. Based on this explanation, the 2019.02 non-conformity was declared OPEN

**ASA 1.1 Verification (7 August 2020)**

The results of the verification during the ASA-1.1 activities are as follows:

1. Based on field observations to the Chemical Warehouse, Oil Warehouse and LB3 temporary storage area in the Sei Deras Plantation, all used chemical packaging such as Starlon, Garlon, and Tiara have been stored in a special and separate place. This is in accordance with procedure No. SOP-GEN-005.

2. Based on the review of the LB3 handover documents from the KCD to the KWS from January to July 2020, B3 waste in the form of jerry cans / bottles of used chemicals Glinate, Starlon, Garlon, Tiara, Supremo, etc. has been sent periodically to TPS LB3 KWS takes no more than 30 days, with an average delivery time of 15 days. This is in accordance with procedure No. SOP-GEN-005. Examples of handover / delivery of LB3 from KSD to KWS are as follows:

- Handover on June 20, 2020
- Handover on July 11, 2020
- Handover on July 18, 2020
- Handover on July 28, 2020

3. Interviews with warehouse officers at KSD concluded that these officers had understood the procedures regarding LB3 temporary storage and LB3 delivery to TPS LB3 KWS according to procedures.

Based on the description above, the non-conformity NO. 2019.02 has been declared fulfilled.

Verified by : Hasiholan Sihombing/Sansan Suhendar

NCR No.	: 2019.03	Issued by	: Andi Pratama Pasaribu
Date Issued	: 28 June 2019	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 07 August 2020
Standard Ref. & Requirement	: 4.7.6 All workers shall be provided with medical care, and covered by accident insurance (see criterion 6.5.3).		
<b>Evidence observed (filled by auditor):</b>			
<ul style="list-style-type: none"> <li>• The company has a Work Agreement No. 01 / DLI / KW / SPK / VI / 2019 dated 26 June 2019 and No. 02 / DLI / KSD / 06/2019 dated 24 June 2019 with CV Parlan Jaya for home construction work of employees in Wonosari and Sei Deras Estate. In article 6 of the agreement it was stated that the Second Party must report to the First Party the number of workers who were health chegendercked and registered with the BPJS program in accordance with company rules.</li> <li>• Based on the results of interviews with representatives of contractors (CV Parlan Jaya), information was obtained that not all workers had been registered in the BPJS program in accordance with applicable regulations.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b>			

The company has not been able to show evidence that all workers working in a company area, including contractor workers have been registered in the BPJS program in accordance with the work agreement agreed upon by both parties.

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

The company has not conducting administrative control and monitoring towards BPJS-Manpower registration and payment of contractors' employee.

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

To contact the respective contractor on evidence towards BPJS-Manpower payment CV Parlan Jaya Employees.

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

- To conduct document checking towards several requirement to contractor, related to manpower and safety aspect, before making a contract agreement. Several points to be checked are BPJS insurance, minimum wage, PPE, etc.
- Those points mentioned above, will be included on Contract Work Agreement, and should be agreed by Contractor.

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

Verification 09 September 2019

Unit of certification shows several evidences, as follows:

- Registration of CV Parlan Jaya to BPJS-Manpower No. LABUHANBATU B0700107/072019.
- Evidence of BPJS-Manpower Payment for 45 employees of CV Parlan Jaya, during project period. Payment had conducted on 10 July 2019 for three projects that carried out from 26 June 2019 to 30 November 2019.
- Revision of contract agreement with contractor. BPJS payment is mentioned in Article 18.

Root of cause and correction evidence given are accepted. However, corrective action is not clear to prevent the same non-compliance is happen in the future.

**Verification at ASA-1.1 (07 August 2020)**

Unit of certification has mentioned that cross check through administrative documents evidence will be carried out to all contractors before making an agreement. This method is considered effective as preventive action to make sure that all manpower and safety aspects has implemented by contractors, in accordance with applicable regulations. NCR No. 2019.03 is stated **closed**.

**Verified by** : **Mohamad Amarullah**

<b>NCR No.</b>	: 2019.04	<b>Issued by</b>	: Steve Mualim
<b>Date Issued</b>	: 28 June 2019	<b>Time Limit</b>	: 27 September 2019
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 6 September 2019
<b>Standard Ref. &amp; Requirement</b>	: 6.1.2 There shall be evidence that the assessment has been conducted with the participation of affected parties.		
<b>Evidence observed (filled by auditor):</b>			
<ul style="list-style-type: none"> <li>• Social impact identification on 2009 document review shown that Cabang dua estate are located on Sei Nahodaris villages, subdistrict of Panai Tengah</li> <li>• On 2018, PT Perkebunan Milano has revised SIA and this SIA establishment are not yet covered affected parties participation for examples related stakeholders i.e Sei Nahodaris villages for CDE</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b>			
Company (CDE) are not able to shown that SIA has been done based on participation of affected parties			

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

During the revised SIA report of PT. Perkebunan Milano on February 2018 excluded Cabang Dua Estate especially Sei Nahodaris Village due to the PIC assume that CDE has had the SIA report related to replanting activity.

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

Conducting the stakeholder meeting with village representatives from Sei Nahodaris Village to gathering the social issues related to plantation activity especially replanting.

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

Involving all the stakeholder of PT Perkebunan Milano in social assessment.

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

**Verification on 6 September 2019**

The company has reviewed the SIA and arranged the social monitoring and management for PT Perkebunan Milano (Cabang Dua Estate) through the stakeholder consultation meeting on 3 July 2019 in meeting room of Sei Nahodaris Village. This meeting initiated by general affair staff of PT Perkebunan Milano and attended by 18 person including village head and village representatives.

Based on that, the company has showed the result of the meeting and replaced the social monitoring/social handling with the ones.

According to the fact above, this nonconformity No. 2019.04 has been **closed with observation**.

**Verified by** : Steve Muallim

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

NCR No.	: -	Issued by	: -
Date Issued	: -	Time Limit	: -
NC Grade	: -	Date of Closing	: -
Standard Ref. & Requirement	: -		
Evidence observed (filled by auditor):			
<u>There is No Non-Conformity at ASA-1.1</u>			
Non-Conformance Description (filled by auditor):			
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	:		



**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
-	-	-

**3.4.4. Noteworthy Positive Components**

No	Description
1	The company's commitment to implementing the principles of sustainable palm oil management
2	Good document presentation
3	Obtain ISPO certificate
4	Human Resources (HR) who are competent in their respective fields
5	Provide clean drinking water facilities for employees
6	The use of barcode technology in recording FFB
7	No more pesticides with active paraquat ingredients

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Gender Committee of PT DLI and Women of Wilmar (WOW) or <i>Organisasi Wanita Wilmar</i></b>            Date of Interview: 04 August 2020            Interviewee: Head, Secretary and four members of Gender Committee and WOW from Wonosari and Sei Deras Estate.</p> <p><b>Interview notes:</b></p> <ul style="list-style-type: none"> <li>• The Gender Committee and Women of Wilmar (WOW) has been established since 2014 and in September 2019, respectively.</li> <li>• Realization of aspiration that been noted on the previous assessment had implemented on 2019, such as training and socialization in coordination with Women Empowerment and Child Protection Agency or <i>Dinas Pemberdayaan Perempuan dan Perlindungan Anak</i> of Labuhan Batu in December 2019.</li> <li>• Work Program in 2019 has implemented as scheduled, such as socialization with paramedics towards health and woman reproduction, Quran recitation and Maternal Clinic (<i>Posyandu</i>). However, during Covid Pandemic in 2020, all program activities were suspended, unless for monthly Posyandu program which carried out selectively with safety covid protocol.</li> <li>• Socialization towards Covid-19 situation has conducted daily on muster morning and rapid test has been conducted on June to August 2020.</li> <li>• The company has consistently provide H1 and H2 paid leaves, after approved or recommended by paramedic officer.</li> <li>• Pregnancy test is conducted regularly every three months with general check up every month. Those workers who detected pregnant are prohibited to works with agrochemicals and will be transfered into manual upkeep works. Furthermore, special medical check up such as cholinesterase has been conducted every semester by Prodia Clinic.</li> <li>• The company has provide a proper PPE and special place for pesticide mixing and devices cleaning which aims for workers health and safety.</li> <li>• Existence of gender committee has considered useful for workers especially women. Up to July 2020, it was known that there is no negative issues related to gender matters such as sexual harassment and discrimination.</li> </ul>	<p>In general, it could be concluded that company management has support existence of gender committee to facilitate implementation of women rights. Furthermore, there is no negative issues related to women abuse, sexual harassment and discrimination, as well as child protection.</p>
<p><b>Employee Cooperative – <i>Koperasi Konsumen</i> of PT DLI</b>            Date of Interview: 04 Agustus 2020            Interviewee: Head and two Estate Compartements Committee</p>	


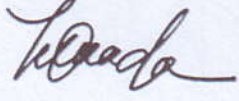

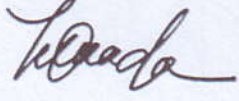

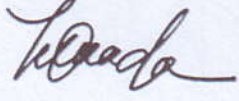
Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Interview notes:</b></p> <ul style="list-style-type: none"> <li>The cooperative has established since 26 November 2013 with business core on retail only. Up to July 2020 it has about 250 voluntary members from PT DLI. Basic saving and monthly contribution were about IDR 130,000 and IDR 20,000, respectively. In average, circulation of cooperative could reach about IDR 300 million every month.</li> <li>PT DLI has support cooperative by facilitating store, training and giving credit for about IDR 80 million which all had been fully paid by cooperative management.</li> <li>Cooperative has two stores, with time of operations was 3 days/week from 2.00 to 5.00 pm.</li> <li>Training of cooperative management has been carried out on June 2019 and January 2020.</li> <li>Operational was fully arranged by cooperative committee.</li> <li><i>Rapat Anggota Tahunan</i> or Annual Cooperative Members Meeting (RAT) had been carried out in 24 June 2019, with attendance recorded on Form No. FRM-HRD-000=020 (Rev. 01). Furthermore, committee meeting had conducted on 20 July 2020.</li> <li>Cooperative has a good relationship and coordination with PT DLI and Cooperative Agency of Labuhan Batu Regency.</li> <li>The company has support cooperative operational through capital, providing rooms and store, trainings, transportation of goods purchasing and legal registration.</li> </ul>	<p>As a part of economic life quality enhancement for workers, the company has facilitate an employee cooperative which considered very usefull for goods availability on site and additional income.</p>
<p><b>Serbundo (<i>Serikat Buruh Perkebunan</i>) or Plantation Labour Union of PT DLI</b> Date of Interview: 04 August 2020 Interviewee: Head and Deputy of Serbundo</p> <p><b>Interview notes:</b></p> <ul style="list-style-type: none"> <li>Unit of certification has three Labour Union, i.e.: Serbundo, SPSI and FSPM. All Union had registered on Manpower Agency of Labuhanbatu District and Sumatera Utara Province.</li> <li>Monthly contribution was only 1% from basic salary. However, non-members were accommodated under Cooperation Bipartite Organization (LKS-Bipartite).</li> <li>Meeting with unit of certification had conducted regularly, involving all unions.</li> <li>The company has PKB or work agreement with company which still available until December 2022. Suggest</li> <li>All estate employees has been promoted into permanent workers. Time of training for new employee was 3 (three) months, thus shall be promoted into permanent status.</li> <li>There is no family gank workers and the company and labour union has not allowed since 2017. Furthermore, there is no issues related to forced labour, illegal workers,</li> </ul>	<p>In general, manpower regulation has satisfactory implemented by the unit of certification (wage, overtime, insurance, safety, worker welfare, etc.). There are no negative issues related to manpower and safety matters. Labour Union is idependently operate without any involvement of company management.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>child workers and discrimination.</p> <ul style="list-style-type: none"> <li>• There is no fatal work accident within 2019 to July 2020.</li> <li>• All employees has been covered by government insurance scheme, i.e. BPJS of Manpower and BPJS Health.</li> <li>• The company has provide personal protective equipment (PPE) to all workers and could be replaced when broken or inappropriate to be used.</li> <li>• All conflict between company and employee could be settled up in a good way through bipartit and/or tripartit without engaging any external organization such as NGO, Manpower Agency, etc.</li> <li>• The company has implementing UMSK or minimum wages for oil palm plantation sector for period 2020, which was IDR 131,380/day or IDR 3,284,500/25 work days. Furthermore, there is remuneration which not included on basic salary, i.e. rice (15 kg, 9 kg and 7.50 kg up to 3 child), time of works subsidy and electric subsidy. Quality of rice has considered satisfactory.</li> <li>• There is no issues related to salary payment, structure of salary, premium calculation, and other manpower aspect.</li> <li>• Company has provide several facilities such as: housing complex, clean water through Water Depot, electricity with capacity 900 Watt and 1,300 Watt (subsidy for about IDR 40,000 and 60,000/month, respectively). Furthermore, there were school bus, prayer building, sport facilities, Water Depot, etc. all facilities were considered satisfactory and properly maintained.</li> </ul>	
<p><b>Environment Agency of Labuhanbatu District</b> Date of Interview: 04 August 2020 Interviewee: Head of Environment Agency of Labuhanbatu District</p> <ul style="list-style-type: none"> <li>• The company routinely sends its environmental management and monitoring reports according to the predetermined period, such as the RKL-RPL report, the hazardous waste handling report and the liquid waste monitoring report.</li> <li>• Environmental permits owned by the Company are still valid, such as permits for temporary storage of B3 waste, permits for disposal of liquid waste, etc.</li> <li>• There is no change regarding environmental documents owned by the company.</li> <li>• There are no issues related to environmental pollution for PT DLI</li> </ul>	<p>In general, environmental regulations have been implemented and well managed by the certification unit (fulfillment of environmental permits, reporting, management etc.). There are no issues related to environmental pollution and environmental destruction.</p>
<p><b>Agriculture Agency of Labuhanbatu District</b> Date of Interview: 04 August 2020 Interviewee: Head of Agriculture Agency of Labuhanbatu District</p>	

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>The company plantation class cannot be followed up because in the department itself (Agricultural Agency) there is no supervisor.</li> <li>There are no issues related to overlapping areas, land fires, land use change.</li> </ul>	<p>In general, plantation management has been well implemented by the certification unit (permit fulfillment, reporting, management, etc.). There are no issues related to land use change, land overlap, etc.</p>
<p><b>Manpower and Transmigration Agency of Labuhanbatu District</b> Date of Interview: 04 August 2020 Interviewee: Deputy Head of Manpower and Transmigration Agency of Labuhanbatu District</p> <ul style="list-style-type: none"> <li>6 PT DLI employees were terminated and this has been completed in accordance with applicable regulations.</li> <li>All PT DLI employees are permanent employees.</li> <li>The company routinely submits P2K3, BPJS TK reports etc.</li> <li>There are no issues related to employment.</li> </ul>	<p>In general, the company has managed well in terms of employment, there are no accidents that cause permanent disability and death. No issues related to employment.</p>
<p><b>Sei Tampang Village.</b> Date of Interview: 04 August 2020 Interviewee: Village Head</p> <ul style="list-style-type: none"> <li>The company absorbs workers from the village.</li> <li>There are no problems and land tenure conflicts between the company and the surrounding community.</li> <li>The company has socialized about protected animals and posted a prohibition sign around the plantation area.</li> <li>Socialization of the prohibition on burning for land clearing has been conducted.</li> <li>There are no environmental pollution issues from the company to the village area.</li> <li>Companies routinely provide assistance to villages in the form of CSR and direct assistance such as repairing village roads and social assistance during the Covid-19 pandemic.</li> <li>There is no problem with the communication between the village and the company and the company always responds to requests from the village.</li> </ul>	<p>In general, there are no negative issues from the Sei Tampang Village Community.</p>
<p><b>Bilah Village</b> Date of Interview: 04 August 2020 Interviewee: Village Head</p> <ul style="list-style-type: none"> <li>The company absorbs workers from the village.</li> <li>There are no problems and land tenure conflicts between the company and the surrounding community.</li> <li>The company and the village hold regular meetings every 3 months to absorb the aspirations and complaints of the</li> </ul>	<p>In general, there are no negative issues from the Bilah Village Community.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>village community.</p> <ul style="list-style-type: none"> <li>• The company has socialized about protected animals and posted a prohibition sign around the plantation area.</li> <li>• Socialization of the prohibition on burning for land clearing has been conducted.</li> <li>• The company provides CSR to the village. However, the village side gave suggestions, so that the assistance given to the village could be further improved.</li> </ul>	
<p><b>Sei Nahodaris Village.</b>            Date of Interview: 04 August 2020            Interviewee: Village Head</p> <ul style="list-style-type: none"> <li>- The company absorbs workers from the village.</li> <li>- There are no problems and land tenure conflicts between the company and the surrounding community.</li> <li>- The company and the village regularly hold regular meetings to absorb the aspirations and complaints of the village community.</li> <li>- The company has socialized about protected animals and posted a prohibition sign around the plantation area.</li> <li>- Socialization of the prohibition on burning for land clearing has been conducted.</li> <li>- The company provides CSR to the village.</li> <li>- There are no issues regarding environmental pollution.</li> <li>- There is no problem with the communication between the village and the company and the company always responds to requests from the village.</li> </ul>	<p>In general, there are no negative issues from the Sei Nahodaris Village Community.</p>



4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table border="0" style="width: 100%;"><tr><td style="text-align: center; width: 50%;"><p>PT Daya Labuhan Indah Management Representative</p><p><u>Hadia Mufti Lubis</u> Friday, 07 Agustus 2020</p></td><td style="text-align: center; width: 50%;"><p>PT Mutuagung Lestari Lead Auditor</p><p><u>Leonada</u> Friday, 07 Agustus 2020</p></td></tr></table>	<p>PT Daya Labuhan Indah Management Representative</p>  <p><u>Hadia Mufti Lubis</u> Friday, 07 Agustus 2020</p>	<p>PT Mutuagung Lestari Lead Auditor</p>  <p><u>Leonada</u> Friday, 07 Agustus 2020</p>
<p>PT Daya Labuhan Indah Management Representative</p>  <p><u>Hadia Mufti Lubis</u> Friday, 07 Agustus 2020</p>	<p>PT Mutuagung Lestari Lead Auditor</p>  <p><u>Leonada</u> Friday, 07 Agustus 2020</p>		

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Gender Committee	PT DLI	-	Interview	04 August 2020	✓	
2	Women of Wilmar	PT DLI	-	Interview	04 August 2020	✓	
3	Cooperative of Konsumen	PT DLI	-	Interview	04 August 2020	✓	
4	Serbundo (Labour Union)	PT DLI	-	Interview	04 August 2020	✓	
5	National Land Agency	Labuhanbatu District	-	Interview	04 August 2020		✓
6	Manpower and Transmigration Agency	Labuhanbatu District	-	Interview	04 August 2020	✓	
7	Environment Agency	Labuhanbatu District	-	Interview	04 August 2020	✓	
8	Agriculture Agency	Labuhanbatu District	-	Interview	04 August 2020	✓	
9	Sei Tampang Village	Labuhanbatu District	-	Interview by phone	04 August 2020	✓	
10	Bilah Village	Labuhanbatu District	-	Interview by phone	04 August 2020	✓	
11	Sei Nahodaris Village	Labuhanbatu District	-	Interview by phone	04 August 2020	✓	
12	<b>DLI-2 POM:</b> <ul style="list-style-type: none"> <li>• 2 Security Officers</li> <li>• 2 Operators</li> <li>• 2 FFB Graders</li> <li>• 1 Welder</li> <li>• 6 Processing Operators from six Stations</li> <li>• 1 warehouse worker</li> <li>• 1 worker at WTP</li> <li>• 1 worker at POME</li> <li>• 1 worker at waste hazardous storage</li> </ul>	PT DLI	-	Interview	04 August 2020	✓	
13	<b>Cabang Dua Estate:</b> <ul style="list-style-type: none"> <li>• 1 Tractor Driver</li> <li>• 6 Pesticide Applicators</li> <li>• 4 Harvesters</li> <li>• 4 Loose-fruit Pickers</li> <li>• 2 Foremans</li> </ul>	PT DLI	-	Interview	05 August 2020	✓	
14	<b>Sei Deras Estate:</b> <ul style="list-style-type: none"> <li>• 1 Harvester</li> <li>• 2 Pesticide Applicators</li> <li>• 2 Foremans</li> </ul>	PT DLI	-	Interview	06 August 2020	✓	
15	<b>Wonosari Estate:</b> <ul style="list-style-type: none"> <li>• 2 Harvester</li> <li>• 3 maintenance workers</li> <li>• 2 Foremans</li> <li>• 1 worker at subsidence pole location</li> </ul>	PT DLI	-	Interview	06 August 2020	✓	
16	Sawit Watch	Bogor, Indonesia	<a href="mailto:info@sawit">info@sawit</a>	Email	28 July 2020		✓

			<a href="http://watch.or.id">watch.or.id</a>				
17	WWF	Jakarta, Indonesia	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Email	28 July 2020		✓
18	WALHI	Jakarta, Indonesia	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Email	28 July 2020		✓
19	AMAN	Jakarta, Indonesia	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Email	28 July 2020		✓

**Appendix 2. Assessment Program**

Date	03 – 08 August 2020	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 03 August 2020</b>		
07.45 – 10.30	Jakarta → Kualanamu	All Auditor
11.00 – 19.00	Kualanamu → Site	All Auditor
<b>Tuesday, 04 August 2020</b>		
08.00 – 09.00	<b>OPENING MEETING</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul> <b>Documents Review</b> <ul style="list-style-type: none"> <li>Review of previous (Initial assessment) findings</li> <li>Verification of Basic Information Mill and Estate</li> <li>Confirmation of Time Bound Plan</li> <li>Review of Partial Certification</li> </ul>	Manajemen PT DLI  All Auditor  All Auditor
09.00 – 12.00	Stakeholders consultation to related agencies in Labuhanbatu Regency  Stakeholder consultation to affected communities surrounding the plantations, indigenous peoples, local communities, smallholders and previous land owners.  Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier (if any), local NGO (if any)	SSS/HHS  HHS/SSS  MAR/AAS
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	<b>Field Observation to DLI 2 POM</b> Aspect to be verified <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge),</li> <li>Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond &amp; land application</li> </ul>	HHS/LEO  AAS  MAR/SSS
<b>Wednesday, 05 August 2020</b>		
08.00 – 12.00	<b>Field Observation to Cabang Dua Estate</b> Aspect to be verified : <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control</li> </ul>	HHS/LEO  MAR  SSS/AAS

Date	03 – 08 August 2020	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).	
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	<ul style="list-style-type: none"> <li>Continue Field Observation and field observation clarification</li> <li>Verification of documents and completing checklist</li> </ul>	All Auditor
<b>Thursday, 06 August 2020</b>		
08.00 – 12.00	<p><b>Field Observation to Wonosari Estate</b> Aspect to be verified:</p> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul> <p><b>Field Observation to Sei Deras Estate</b> Aspect to be verified :</p> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<p>HHS/LEO</p> <p>HHS/LEO</p> <p>AAS</p> <p>MAR</p> <p>MAR</p> <p>SSS/MAR</p>
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Verification of documents and completing checklist	All Auditor
<b>Friday, 07 August 2020</b>		
08.00 – 12.00	Continue Field Observation and field observation clarification (if needed)	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 16.00	Interim Meeting (closing meeting preparation)	All Auditor
16.00 – 17.00	Closing Meeting	All Auditor
<b>Saturday, 08 August 2020</b>		
05.00 – 13.00	Site → Kualanamu	All Auditor
14.05 – 16.30	Kualanamu → Jakarta	