

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

**[ ] Stage-1   [ ] Stage-2   [✓] Surveillance   [ ] Re-Certification**

Name of Management Organisation : Rantau Palm Oil Mill – PT Laguna Mandiri subsidiary of Sime Darby Plantation Sdn. Bhd  
 Plantation Name : PT Laguna Mandiri: Rantau Estate, Matalok Estate, KKPA Sungai Cengal  
 PT Swadaya Andika: Randi Estate, Selabak Estate, Sangkoh Estate  
 PT Langgeng Muaramakmur: Lanting Estate  
 Location : Village of Rantau, Sub District of Pamukan Utara, District of Kotabaru, Province of Kalimantan Selatan, Indonesia  
 Certificate Code : **MUTU-RSPO/009**  
 Date of Certificate Issue : February 6<sup>th</sup>, 2017      Date of License Issue : February 6<sup>th</sup>, 2018  
 Date of Certificate Expiry : February 5<sup>th</sup>, 2022      Date of License Expiry : February 5<sup>th</sup>, 2019

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.1	17-23 December 2017	Y. Wisnu Rahmanto (Lead Auditor); Leonada, Afiffuddin, Sahat Simarmata	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.1	09 February 2018

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### FIGURE

Figure 1. Location Map of Rantau POM – PT Laguna Mandiri

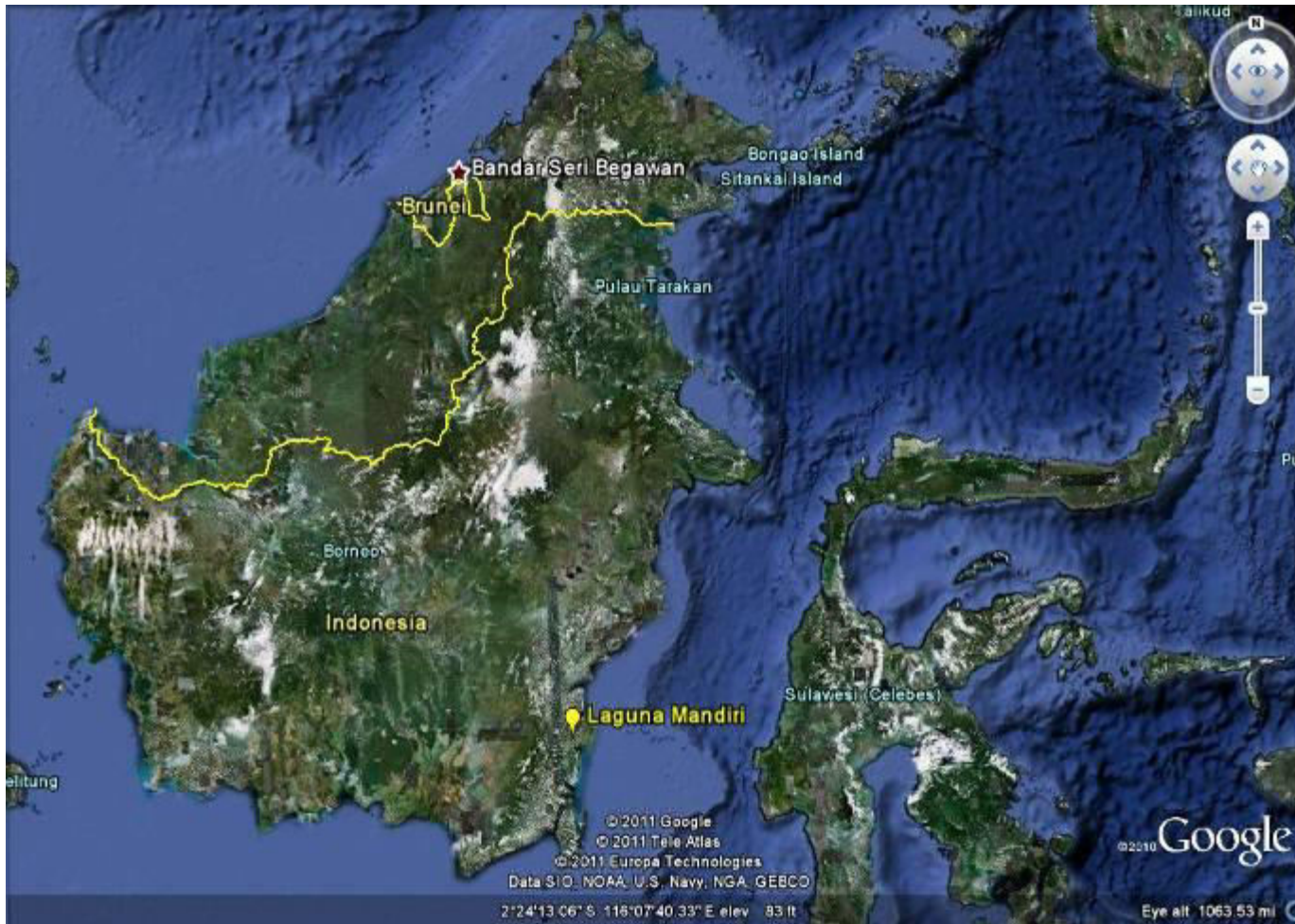
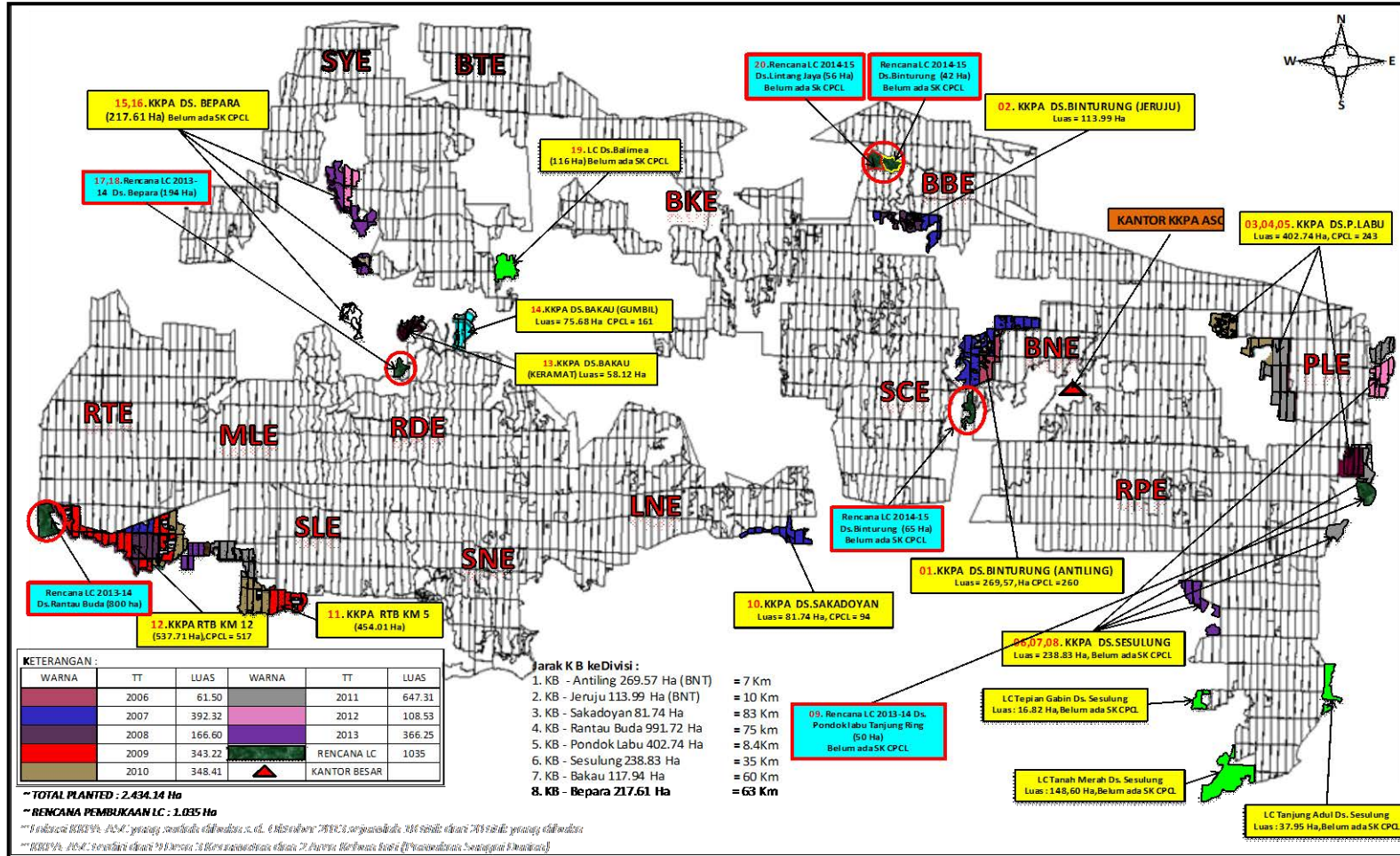


Figure 2. Operational Map of Rantau POM and its supply bases



**Abbreviation Used**

ASA	: Annual Surveillance Assessment	NGO	: Non Government Organization
ASC	: Area Sungai Cengal	OER	: Oil Extraction Rate
BMP	: Best Management Practices	OHS	: Occupational Health and Safety
BPN	: Badan Pertanahan Nasional ( <i>National Land Agency</i> )		: <i>Panitia Pelaksana Kesehatan dan Keselamatan Kerja</i> (OHS Guiding Committee)
		P2K3	: Committee)
BPJS	: Badan Penyelenggara Jaminan Sosial ( <i>Social Assurance of Labor</i> )	PIC	: Person In Charge
CPO	: Crude palm oil	PK	: Palm Kernel
CSR	: Corporate Social Responsibility	POM	: Palm Oil Mill
EIA	: Environmental Impact Assessment	POME	: Palm Oil Mill Effluent
EFB	: Empty Fruit Bunch	PPE	: Personal Protective equipment
EHS	: Environment, Health and Safety	PSD	: Plantation Services Departement
		PSQM	: Plantation Sustainability and Quality Management
FFB	: Fresh Fruit Bunch		
GCAD	: Group Corporation Audit Department	RaCP	: Remediation and Compensation Procedure
		RKL	: Rencana Pengelolaan Lingkungan ( <i>Environment Management Plan</i> )
GM	: General Manager		
HCV	: High Conservation Value	RNE	: Randi Estate
HGB	: <i>Hak Guna Bangunan</i> (Building Use Title)	RPL	: Rencana Pemantauan Lingkungan( <i>Environment Monitoring Plan</i> )
HGU	: <i>Hak Guna Usaha</i> (Land Use Title)	RSPO	: Roundtable Sustainable Palm Oil
HIRAC	: Hazard identification Risk Assessment Risk and Controlling	RTE	: Rantau Estate
HPO	: Head Plantation Operation	RTF	: Rantau Factory
IPM	: Integrated Pest Management	SCCS	: Supply Chain Certification Standard
KAN	: Komite Akreditasi Nasional (National Accreditation Committee)	SGM	: <i>Senior General Manager</i>
KER	: Kernel Extraction Rate	SLE	: Selabak Estate
KKPA	: Cooperative of Primary Credit for Members (smallholder scheme)	SNE	: Sangkoh Estate
LCC	: Legume Cover Crop	SOP	: Standard Operational Procedure
MLE	: Matalok Estate	SOU	: Strategic Operation Unit
MRC	: Minamas Research Centre		
MSDS	: Material Safety Data Sheet	WHO	: World Health Organization
		WTP	: Water Treatment Plant
		WWTP	: Waste Water Treatment Plant

<b>1.0 SCOPE OF THE CERTIFICATION ASSESSMENT</b>			
<b>1.1 Assessment Standard Used</b>			
<ul style="list-style-type: none"> <li>• <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30<sup>th</sup> September 2016)</i></li> <li>• <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i></li> </ul>			
<b>1.2 Organisation Information</b>			
1.2.1	Organisation name listed in the certificate	<b>Rantau POM, PT Laguna Mandiri subsidiary of Sime Darby Plantation Sdn Bhd</b>	
1.2.2	Contact person	Tang Meng Kong	
1.2.3	Organisation address and site address	RSPO registered company: No 2, Plantation Tower, PJU 1A/7Street, Petaling Jaya, Malaysia 47301.  Liaison Office: The Plaza Lt. 36, JL. MH Thamrin Kav. 28-30, Jakarta 10350.  <b>Site Office:</b> Rantau Buda Village, Sub District of North Pamukan, District of Kotabaru, Province of South Kalimantan.	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	mohamad.pirabaharan@simedarby.com	
1.2.7	Web page address	<a href="http://www.simedarbyplantation.com">www.simedarbyplantation.com</a>	
1.2.8	Management Representative who completed the application for certification	MohamadPirabaharan (Head of PSQM Plantation Minamas Indonesia).	
1.2.9	Registered as RSPO member	1-0008-04-000-00, 7 September 2004.	
<b>1.3 Type of Assessment</b>			
1.3.1	Scope of Assessment and Number of Management Unit	1 Palm Oil Mill (Rantau Factory) and 7 supply bases: Rantau Estate, Matalok Estate, KKPA Sungai Cengal, Selabak Estate, Sangkoh Estate, Randi Estate and Lanting Estate	
1.3.2	Type of certificate	Single	
<b>1.4 Locations of Mill and Plantation</b>			
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b>
			<b>Longitude</b>
	Rantau POM	Village of Rantau Buda, Sub District of Pamukan Utara, District of Kotabaru, Province of Kalimantan Selatan	S 2° 26' 21"
			E 116° 06' 51"

1.4.2 Location of Certification Scope of Supply Base						
Name of Supply Base	Location	Coordinate				
		Latitude	Longitude			
Rantau Estate	Village of Rantau Buda, Sub District of Pamukan Utara, District of Kotabaru, Province of Kalimantan Selatan	S 2° 28' 49" - 2° 23' 07"	E 116° 03' 26" - 116° 07' 43"			
Matalok Estate	Village of Bepara, Sub District of Pamukan Utara, District of Kotabaru, Province of Kalimantan Selatan	S 2° 28' 26" - 2° 24' 33"	E 116° 06' 03" - 116° 10' 25"			
KKPA Sungai Cengal	Village of Binturung, Sub District of Pamukan Utara, District of Kotabaru, Province of Kalimantan Selatan	S 2° 21' 14" - 2° 34' 14"	E 116° 02' 33" - 116° 33' 30"			
Randi Estate (PT SAA)	Manunggal Lama Village, Sub District of Sungai Durian, Kotabaru Regency, South Kalimantan	S 2°31'20" - 2°24'28"	E 116°09'35" - 116°13'31"			
Selabak Estate (PT SAA)	Selabak Village, Sub District of Sungai Durian, Kotabaru Regency, South Kalimantan	S 2°30'07" - 2°27'46"	E 116°08'08" - 116°13'06"			
Sangkoh Estate (PT SAA)	Manunggal Lama Village, Sub District of Sungai Durian, Kotabaru Regency, South Kalimantan	S 2°31'20" - 2°26'17"	E 116°12'19" - 116°15'58"			
Lanting Estate (PT LMR)	Harapan Baru Village, Sub District of Pamukan Utara, District of Kotabaru, Province of Kalimantan Selatan	S 2°29'26" - 2°26'09"	E 116°15'09" - 116°20'25"			
<b>1.5 Description of Area Statement</b>						
1.5.1	Tenure					
	• State	7,720.01 Ha (PT. LMI) 10,430.98 Ha (PT. SAA) 3,249.27 Ha (PT. LMR - LNE)				
	• Community	2,770.31 Ha (KKPA Sungai Cengal)				
1.5.2	<b>Area Statement</b>					
		<b>Rantau Estate (Ha)</b>	<b>Matalok Estate (Ha)</b>	<b>Selabak Estate (Ha)</b>	<b>Randi Estate (Ha)</b>	<b>Sub Total (Ha)</b>
	<b>Total area</b>	4,638.01	3,082.00	3,799.10	2,935.30	14,454.41
	<b>Planted area:</b>	4,136.32	2,647.14	3,376.58	2,479.73	12,639.77
	- <b>Mature area</b>	3,315.88	1,781.33	2,421.18	1,793.62	9,312.01
	- <b>Immature area</b>	820.44	865.81	955.40	686.11	3,327.76
	<b>Emplacement</b>	47.01	50.95	87.06	35.58	220.60
	<b>Mill</b>	34.00	-	-	-	34.00
	<b>Road and bridge</b>	176.06	83.74	114.66	86.27	460.73
	<b>HCV Area</b>	43.77	46.50	126.47	188.48	405.22

River, Hill, Valley	51.13	-	-	100.98	152.11
Pond	-	-	-	-	-
Nursery	-	-	34.67	-	34.67
Swamp	-	37.67	-	-	37.67
Enclave	149.72	216.00	59.66	44.26	469.64

	Sangkoh Estate (Ha)	Lanting Estate (Ha)	KKPA Sungai Cengal (Ha)	Sub Total (Ha)	Total (Ha)
<b>Total area</b>	3,696.58	3,249.27	2,770.31	9,716.16	24,170.57
<b>Planted area:</b>	2,736.50	2,720.50	2,756.91	8,213.91	20,853.68
- <b>Mature area</b>	2,210.87	2,172.91	2,399.63	6,783.41	16,095.42
- <b>Immature area</b>	525.63	547.59	357.28	1,430.50	4,758.26
<b>Emplacement</b>	33.00	53.95	13.40	100.35	320.95
<b>Mill</b>	-	-	-	-	34.00
<b>Road and bridge</b>	152.72	87.80	-	240.52	701.25
<b>HCV Area</b>	83.60	277.26	-	360.86	766.08
<b>River, Hill, Valley</b>	33.43	68.65	-	102.08	254.19
<b>Pond</b>	-	9.25	-	9.25	9.25
<b>Nursery</b>	-	-	-	-	34.67
<b>Swamp</b>	6.85	-	-	6.85	44.52
<b>Enclave</b>	650.48	31.86	-	682.34	1,151.98

**1.6 Planting Year and Cycles**

1.6.1 Age profile of planting year

Planting Year	Hectarage (Ha)				
	Rantau Estate	Matalok Estate	Selabak Estate	Randi Estate	Sub Total
1993	618.41	110.05	-	-	728.46
1994	509.47	-	490.30	-	999.77
1996	-	-	126.84	841.24	968.08
1997	1,016.77	396.64	853.81	517.30	2,784.52
1998	603.37	82.45	-	270.19	956.01
1999	567.86	869.19	552.28	22.00	2,011.33
2000	-	215.00	-	77.02	292.02
2001	-	-	124.04	-	124.04
2006	-	-	101.04	-	101.04
2007	-	-	172.87	65.87	238.74
2008	-	108.00	-	-	108.00
2009					-
2010					-
2011					-



2012					-
2013					-
2014					-
2015	67.93	135.25	114.03	-	317.21
2016	397.44	299.32	435.90	267.05	1,399.71
2017	355.07	431.24	405.47	419.06	1,610.84
<b>TOTAL</b>	<b>4,136.32</b>	<b>2,647.14</b>	<b>3,376.58</b>	<b>2,479.73</b>	<b>12,639.77</b>
Planting Year	Sangkoh Estate	Lanting Estate	KKPA Sungai Cengal	Sub Total	Grand Total
1993					728.46
1994					999.77
1996	133.91	1,186.41	-	1,320.32	2,288.40
1997	785.38	417.00	-	1,202.38	3,986.90
1998	502.00	394.86	-	896.86	1,852.87
1999					2,011.33
2000	-	-	-	346.05	638.07
2001					124.04
2006	346.05	-	61.50	182.41	283.45
2007	-	-	392.32	423.73	662.47
2008	60.55	60.36	166.60	350.58	458.58
2009	31.41	-	347.79	402.28	402.28
2010	183.98	-	302.13	361.92	361.92
2011	-	54.49	619.47	619.47	619.47
2012	-	59.79	99.20	99.20	99.20
2013	-	-	410.62	410.62	410.62
2014	167.59	-	199.82	167.59	367.41
2015	-	-	157.46	157.46	474.67
2016	245.02	118.09	-	363.11	1,762.82
2017	280.61	429.50	-	-	2,320.95
	<b>2,736.50</b>	<b>2,720.50</b>	<b>2,756.91</b>	<b>8,213.91</b>	<b>20,853.68</b>

1.6.2 New Planting area after January 2010 ± 1,788.70 Ha (KKPA/smallholders area)

1.6.3 Planting Cycle 2<sup>nd</sup> Cycle

### 1.7 Description of Mill and Supply Base

1.7.1 Description of Mill

Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
			Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
Rantau POM	60	201,122.48	42,678.19	21.22	10,217.02	5.08

	*Production data source from 12 months before assessment (December 2016 – November 2017) 198.01 ton FFB processed from FFB (back-log) on November 2016					
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>
	Rantau Estate	4,638.01	4,136.32	51,819.70	12.53	51,749.16 99.86
	Matalok estate	3,082.00	2,647.14	27,291.09	10.31	27,279.90 99.96
	KKPA Sungai Cengal (1,382 Smallholders)	2,770.31	2,756.91	2,543.55	0.92	2,400.16 94.36
	Selabak Estate	3,799.10	3,376.58	35,518.57	10.52	32,982.75 92.86
	Randi Estate	2,935.30	2,479.73	28,407.57	11.46	25,934.39 91.29
	Sangkoh Estate	3,696.58	2,736.50	30,246.98	11.05	25,139.87 83.12
	Lanting Estate	3,249.27	2,720.50	33,863.98	12.45	28,820.61 85.11
	<b>TOTAL</b>	<b>24,170.57</b>	<b>20,853.68</b>	<b>209,691.44</b>	<b>10.06</b>	<b>194,306.84</b> <b>92.66</b>
	*Production data source from 12 months before assessment (December 2016 – November 2017) 7.18% FFB delivered to Selabak POM for about 15,060 ton (December 2016 and January 2017) 0.15% FFB delivered to Betung POM for about 324 ton					
1.7.3	FFB description from other source					
	<b>Name of sources/Organisation (RSPO certified / non-certified)</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>	
	Sekayu Estate (RSPO Certified: MUTU-RSPO/035)	PT. Lagunan Mandiri Scope of Betung POM	-	3,238.31	3,895,37	
	Betung Estate (RSPO Certified: MUTU-RSPO/035)	PT. Lagunan Mandiri Scope of Betung POM	-	2,705.52	2,920,27	
	<b>TOTAL</b>				<b>6,815,64</b>	
	*Production data source from 12 months before assessment (December 2016 – November 2017)					
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	*Previous Certificate Claim 31 <sup>st</sup> July 2017 to 5 <sup>th</sup> February 2018 (tonnes/year)		*Actual certified product 31 <sup>st</sup> July 2017 to 30 <sup>th</sup> November 2017 (tonnes/year)		
	• FFB Production	197,541.00		96,338.74		
	• CPO Production	45,434.00		10,270.85		
	• Palm Kernel (PK) Production	10,075.00		4,146.76		
	*license after extension scope					
1.8.2	Product Selling					
	Tonnage of selling product			Actual selling product 31 <sup>st</sup> July 2017 to 30 <sup>th</sup> November 2017 (tonnes/year)		
	• CSPO			10,270.85		
	• CSPK			4,146.76		

	<ul style="list-style-type: none"> <li>CPO under other scheme trading (e.g ISCC, RFS)</li> <li>CPO under conventional trading (if any)</li> <li>PK under other scheme</li> <li>PK under conventional trading (if any)</li> </ul>	None	None	None	None			
1.8.3	Estimate of Certified FFB Claim							
	<b>Name of Estate(s)</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>			
	Rantau Estate	4,638.01	4,136.32	54,500	13.18			
	Matalok estate	3,082.00	2,647.14	28,500	10.77			
	KKPA Sungai Cengal (1,382 Smallholders)	2,770.31	2,756.91	3,000	1.09			
	Selabak Estate	3,799.10	3,376.58	37,000	10.96			
	Randi Estate	2,935.30	2,479.73	30,000	12.10			
	Sangkoh Estate	3,696.58	2,736.50	31,500	11.51			
	Lanting Estate	3,249.27	2,720.50	35,500	13.05			
	<b>TOTAL</b>	<b>24,170.57</b>	<b>20,853.68</b>	<b>220,000</b>	<b>10.55</b>			
	<i>*Production data source for period 06 February 2018 to 05 February 2019</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (ton)</b>	<b>Extraction (%)</b>	<b>Out put (ton)</b>	<b>Extraction (%)</b>	
	Rantau	60	220,000	49,500	22.50	12,100	5.50	IP
	<i>*Production data source for next license period</i>							
<b>1.9</b>	<b>Other Certifications</b>							
	ISO 9001:2008			ISPO certificate dated 4 December 2012 (MUTU-ISPO/004)				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others			-				
<b>1.10</b>	<b>Time Bound Plan</b>							
1.10.1	<b>Time Bound Plan for Other Management Units</b>							
	<b>Management Unit</b>		<b>HGU on Process</b>		<b>Supply Base</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>
	<b>Mill</b>	<b>Time Bound Plan</b>	<b>Ha</b>	<b>Time Bound Plan</b>				
	<b>INDONESIA</b>							
	Sekunyir. PT. Indotruba Tengah	2010			Sekunyir	2010	Seruyan and West Kotawaringin	Certified
					Seruyan	2010		Certified

						District – Central Kalimantan	
Manggala. PT. Tunggal Mitra Plantations	2010			Manggala 1	2010	Rokan Hilir	Certified
				Manggala 2	2010	District – Riau	Certified
				Manggala 3	2010		Certified
Bukit Ajong PT. Sime Indo Agro	2010	1,652	2019	West	2010	Sanggau District –West Kalimantan	Certified
				East	2010		Certified
				Sei Mawang	2018		-
				East Plasma	2010		Certified
				West Plasma	2010		Certified
Teluk Siak. PT Aneka Inti Persada	2011	421.3 1	2020	Teluk Siak	2011	Pekanbaru, Siak District – Riau	Certified
				Pinang Sebatang	2011		Certified
				Aneka Persada	2011		Certified
Sungai Pinang. PT. Bina Sains Cemerlang	2012	308.2 5	2020	Sungai Pinang	2012	Musi Rawas District – South Sumatera	Certified
				Bukit Pinang	2012		Certified
Pematang. PT. Teguh Sempurna	2011			Pematang	2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
				Kawan Batu	2011		Certified
				Hatan Tiring	2011		Certified
				Batang Garing	2011		Certified
Alur Dumai. PT Lahan Tani Sakti	2011			Alur Dumai	2011	Rokan Hilir District – Riau	Certified
Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011			Teluk Bakau	2011	Indra Giri Hilir District – Riau	Certified
				Nusa Perkasa	2011		Certified
				Nusa Lestari	2011		Certified
Mandah. PT. Bhumireksa Nusa Sejati	2014			Mandah	2011	Indra Giri Hilir District – Riau	Certified
				Rotan Semelur	2011		Certified
Angsana Mini. PT Sajang Heulang	2011			KKPA-1 PT.SHE	2013	Tanah Bumbu District – South Kalimantan	Certified
				Pantai Bonati	2011		Certified
Angsana. PT Ladangrumpun Suburabadi	2011			Angsana	2011	Tanah Bumbu District – South Kalimantan	Certified
				Gunung Sari	2011		Certified
				KKPA-4 PT.SHE	2013		Certified
Mustika. PT Sajang Heulang	2013			Mustika		Tanah Bumbu District – South Kalimantan	Certified
				KKPA-2 PT.SHE	2013		Certified
				KKPA-3 PT.SHE	2013		Certified
				KKPA-5 PT.SHE	2013		Certified
				SAP 1	2020		ST-2
Gunung Aru. PT Bersama Sejahtea Sakti	2011	765	2020	Gunung Aru	2011	Kotabaru District – South Kalimantan	Certified
				Gunung Kemasan	2011		Certified
				Laut Timur	2011		Certified
				Pantai Timur	2011		Certified
				KKPA BSS	2020		-

Bebunga. PT. Langgeng Muaramakmur	2011	1,162	2020	Sungai Cengal	2011	Kotabaru District – South Kalimantan	Certified
				Bebunga	2011		Certified
				KKPA Sungai Cengal	2014		Certified
Sukamandang PT Kridatama Lancar	2011			Sukamandang	2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
				Sapiri	2011		Certified
				Barasdanum	2011		Certified
				Kuala Kuayan	2011		Certified
Pondok Labu. PT Paripurna Swakarsa	2012	1,120	2020	Binturung	2012	Kotabaru District – South Kalimantan	Certified
				Pondok Labu	2012		Certified
				Rampa	2012		Certified
				Sesulung	2012		Certified
Selabak. PT Swadaya Andhika	2012	63	2020	Selabak	2012	Kotabaru District – South Kalimantan	Certified
				Randi	2012		Certified
				Sangkoh	2012		Certified
				Lanting	2012		Certified
Rantau. PT Laguna Mandiri	2012			Rantau	2012	Kotabaru District – South Kalimantan	Certified
				Matalok	2012		Certified
Betung. PT Laguna Mandiri	2014			Betung	2012	Kotabaru District – South Kalimantan	Certified
				Sekayu	2012		Certified
Ungkaya. PT Tamaco Graha Krida	2012			Ungkaya	2012	Morowali District – Sulawesi Tengah	Certified
				Plasma TGK	2015		Certified
Ladang Panjang. PT Bahari Gembira Ria	2012	1,639	2020	Ladang Panjang	2012	Muaro Jambi District - Jambi	Certified
				Plasma BGR	2020		-
Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	4,133	2020	Rantau Panjang	2012	Musi Banyuasin District – South Sumatera	Certified
				Bumi Ayu	2012		Certified
				Karang Ringin	2012		Certified
				Napal	2012		Certified
				Mangun Jaya	2012		Certified
				Sungai Jernih Estate and GPI KKPA	2017		-
Blang Simpo. PT Perkasa Subur Sakti	2013	1,286	2020	Tamiang (PT PPP)	2013	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam	Certified
				Batang Ara (PT PSK)	2013		Certified
				Blang Simpo-01	2013		Certified
				Blang Simpo-02	2013		Certified
MAS. PT Mitra Austral Sejahtera	2020			MAS 1	2018	Sanggau District – West Kalimantan	-
				MAS 1	2018		-
				MAS 1	2018		-
				Plasma MAS	2020		-
Lembiru.	2014			Lembiru	2014	Ketapang	Certified

PT Sandika Nata Palma				Awatan	2014	District – West Kalimantan	Certified
				Karya Palma	2018		-
				KKPA SNP	2020		-
				Pelanjau (PT BAL)	2018		-
				Sungai Putih (PT BAL)	2018		-
				Baturus (PT BAL)	2018		-
				KKPA BAL	2020		-
<b>MALAYSIA</b>							
Sg Dingin SOU 1	2010			Bukit Hijau	2010	Kerangan, Kedah	Certified
				Padang Buluh	2010		Certified
				Bukit Selangor	2010		Certified
				Sg Dingin	2010		Certified
				Jentayu	2010		Certified
				Anak Kuli	2010		Certified
				Somme	2010		Certified
Chersonese SOU 2	2011			Chersonese	2011	Kuala Kurau, Perak	Certified
				Holyrood	2011		Certified
				Kalumpang	2011		Certified
				Tali Ayer	2011		Certified
Elphil SOU 3	2011			Kinta Kellas	2011	Sg Siput, Perak	Certified
				Elphil	2011		Certified
				Kamuning	2011		Certified
Flemington SOU 4	2011			Flemington	2011	Teluk Intan, Perak	Certified
				Bagan Datoh	2011		Certified
				Sabak Bernam	2011		Certified
				Sg Samak	2011		Certified
Seri Intan SOU 5	2011			Seri Intan (Main Division)	2011	Teluk Intan, Perak	Certified
				Sabrang	2011		Certified
				Sg Wangi	2011		Certified
				Sogomana (Main Division)	2011		Certified
Selaba SOU 5	2011			Seri Intan (Selaba Division)	2011	Teluk Intan, Perak	Certified
				Sogomana (Cashwood & Sg Beruas Division)	2011		Certified
				Bikam	2011		Certified
				Clumy	2011		Certified
Tennamaram SOU 6	2011			Tennamaram	2011	Bestari Jaya, Selangor	Certified
				Sungei Buloh	2011		Certified
				Bkt Talang	2011		Certified
Bkt Kerayong SOU 7	2011			Bkt Kerayong	2011	Kapar, Selangor	Certified
				Bkt Cherakah	2011		Certified
				Bkt Rajah	2011		Certified
				Bkt Lagong	2011		Certified
				Elmina	2011		Certified

East SOU 8	2010			East	2010	Carey Island, Selangor	Certified
				Dusun Durian	2010		Certified
				Sepang	2010		Certified
West - SOU 9	2010			West	2010	Carey Island, Selangor	Certified
Bukit Putri - SOU 10	2011			Bukit Putri	2011	Raub, Pahang	Certified
Kerdau SOU 11	2011			Kerdau	2011	Temerloh, Pahang	Certified
				Jentar	2011		Certified
				Mentakab	2011		Certified
				Sg Mai	2011		Certified
				Chenor	2011		Certified
Jabor - SOU 12	2011			Jabor	2011	Kuantan, Pahang	Certified
Labu SOU 13	2011			Labu	2011	Nilai, Negeri Sembilan	Certified
				New Labu	2011		Certified
				Bradwall	2011		Certified
Tanah Merah SOU 14	2010			Tanah Merah	2010	Port Dickson, Negeri Sembilan	Certified
				Sua Betong	2010		Certified
				Bukit Pelandok	2010		Certified
Sua Betong SOU 15	2014			Salak	2014	Port Dickson, Negeri Sembilan	Certified
				Sengkang	2014		Certified
				Siliau	2014		Certified
				PD Lukut	2014		Certified
				Sungai Baru	2014		Certified
				Tampin Linggi	2014		Certified
Kok Foh SOU 16	2011			Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
				Kok Foh	2011		Certified
				Muar River	2011		Certified
				St. Helier	2011		Certified
				Pertang	2011		Certified
				Sg Gemas	2011		Certified
				Sg Sebaling	2011		Certified
				Sg Senarut	2011		Certified
Kempas SOU 17	2010			Kempas	2010	Jasin, Melaka	Certified
				Kemuning	2010		Certified
				Tangkah	2010		Certified
Diamond Jubilee SOU 18	2011			Bukit Asahan	2011	Jasin, Melaka	Certified
				Diamond Jubilee	2011		Certified
				Serkam	2011		Certified
Pagoh SOU 19	2014			Pagoh	2014	Muar, Johor	Certified
				Lanadron	2014		Certified
				Pengkalan Bukit	2014		Certified
				Welch	2014		Certified
Chaah SOU 20	2010			North Labis	2010	Chaah, Johor	Certified
				Cha'ah	2010		Certified
				Sg Simpang Kiri	2010		Certified
Gunung Mas	2010			Gunung Mas	2010	Kluang, Johor	Certified

SOU 21				Kempas Klebang	2010		Certified
				Bukit Paloh	2010		Certified
				Yong Peng	2010		Certified
Bukit Benut SOU 22	2011			Bukit Benut	2011	Kluang, Johor	Certified
				CEP Niyor	2011		Certified
				Lambak / Elaeis	2011		Certified
Ulu Remis SOU 23	2011			Pekan	2011	Layang-layang, Johor	Certified
				Sembrong	2011		Certified
				Tun Dr. Ismail	2011		Certified
				Ulu Remis	2011		Certified
				Bukit Badak	2011		Certified
				Cenas	2011		Certified
Hadapan SOU 24	2011			CEP Rengam	2011	Layang-layang, Johor	Certified
				Kulai	2011		Certified
				Layang	2011		Certified
				Seri Pulai	2011		Certified
Sandakan Bay SOU 26	2008			Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
				Tunku	2008		Certified
				Tigowis	2008		Certified
				Sentosa	2008		Certified
				Saguliud	2008		Certified
Melalap SOU 27	2011			Melalap	2011	Tenom, Sabah	Certified
				Sapong	2011		Certified
Binuang SOU 28	2009			Tingkeyu	2009	Kunak, Sabah	Certified
				Sungang	2009		Certified
				Jelata Bumi	2009		Certified
				Binuang	2009		Certified
Giram SOU 29	2009			Mostyn	2009	Kunak, Sabah	Certified
				Giram	2009		Certified
Merotai SOU 30	2009			Imam	2009	Tawau, Sabah	Certified
				Merotai	2009		Certified
				Table	2009		Certified
				Tiger	2009		Certified
Lavang SOU 31	2011			Belian	2011	Bintulu, Serawak	Certified
				Kelida	2011		Certified
				Lavang	2011		Certified
				Lavang (SE)	2011		Certified
				Rasan	2011		Certified
Rajawali SOU 32	2011			Rajawali	2011	Bintulu, Serawak	Certified
				Samudera	2011		Certified
				Semarak	2011		Certified
				Bayu	2011		Certified
Derawan SOU 33	2011			Takau	2011	Bintulu, Serawak	Certified
				Damai	2011		Certified
				Derawan	2011		Certified
				Sahua	2011		Certified



Pekaka SOU 34	2011			Chartquest	2011	Bintulu, Serawak	Certified
				Dulang	2011		Certified
				Peroh	2011		Certified
				Pekaka	2011		Certified
				Ruai	2011		Certified
<p>Sime Darby has achieved 34 management units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Sdn Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia.</p> <p>A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and Sime Darby Plantation Sdn Bhd targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p> <p>There was change of the Time Bound Plan under Sime Darby on 15 April 2016 cause the Sime Darby postpone the others certification process. Change of the Time Bound Plan explanation: PT Mitra Austral Sejahtera. There are social issue still unresolved from the Serikat Petani Kelapa Sawit (SPKS) Sanggau, however the improvement are in progress. Sime Darby has informed the Time Bound Plan progress, MUTU has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p> <p><i>This TBP is the latest update on 15<sup>th</sup> December 2017</i></p>							
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>						
	PTLMI–Rantau POM received the FFB of KKPA Sungai Cengal and have been certified (included in this scope of audit).						

<b>2.0 ASSESSMENT PROCESS</b>	
<b>2.1 Assessment Team</b>	
<b>ASA-1.1</b>	<p><b>1. Yudwi Wisnu Rahmanto (Lead Auditor).</b> Indonesian citizen graduated as Bachelor of Forestry with major study on Silviculture background in 2006. Previous working experiences i.a: Agronomy Assisstant in one of plantation company for 8 months and pharmacy business for 6 months afterwards. In 2010 began work as auditor in one of international certification body and became as RSPO Lead Auditor in 2013. Several training and audit activities for other certification schemes that have been involved including Organic Standard scheme (JAS, USDA-NOP, EU); Sustainability Coffee (C.A.F.E Practices - Starbucks); Sustainability of Forest Management (FSC-FM/CoC, CW); Sustainability of Oil Palm Plantations (RSPO, ISPO). A preferred aspects during auditing in sustainable certification schemes i.e: Land Tenure, HCV/Conservation, Social Community and Supply Chain. Having communication ability in local language (Javanese, Sundanese), Bahasa Indonesia, Malay and English (moderate fluent). During this assessment, I focused and assigned to verify on Legal, Land Disputes and Supply Chain aspects.</p> <p><b>2. Leonada.</b> Bachelor of Agricultural Cultivation Department of Agriculture, Faculty of Agriculture, Department of Plant Breeding and Seed Technology, Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and Sustainability in the company private Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, Lead Auditor ISO 9001; 2008, ISO 14001; 2005, Training Management Depelovment Program Agronomy, training analysis base solution for operation, training integrated Pest Management (IPM), training Use of limited Pesticides, Training Management of Waste Pesticides and Fertilizers, training mediation and conflict resolution, general safety specialist training General specialist and Health and safety management system (SMK3) Auditor. During this audit , He conducted an assessment on Transparency, Workers Welfare and Social aspect.</p> <p><b>3. Afiffuddin.</b> Indonesian citizen, Diploma III majoring Palm Oil Plantation. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely : Basic Plantation Management Program , Indonesian Sustainable Palm Oil (ISPO), OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015). He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Managemnt Practices aspect, healt and safety aspect and worker welfare aspek. During this audit , He conducted an assessment on Environment, HCV, GHG and Waste Management.</p> <p><b>4. Sahat Simarmata.</b> He is a bachelor of agriculture protection from faculty of Agriculture of North Sumatera University and he is a Master of Science (environment biology) School of Environmental Science and Management, University of the Philippines Los Banos, Philippine. He was working on Direktorat General of Plantation of Ministry of Agriculture for 32 years and he was following RSPO P&amp;C pilot project test as well as socializing ISPO. He is working on the independent certification body recently. He followed several training programs such as auditor of ISPO, In house training training awareness RSPO certification. He was also following the ISPO certification system audit as a trainee (auditor). On this program, he shall assess the aspect of long term management plan, BMP and OHS implementation.</p>
<b>2.2 Assessment Methodology, Assessment Process and Locations of Assessment</b>	
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-1.1</b>	<p>Number of auditors : 4 auditor</p> <p>Number of days for <b>ASA-1.1</b> at site : 5 days</p> <p>Number of working days for <b>ASA-1.1</b> at site : 20 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>

<p><b>ASA-1.1</b></p>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Laguna Mandiri to the requirements of <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill).</i></p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results <b>ASA-1.1</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>ASA-2.1</b>).</p> <p>Improvement of findings from Re-Certification assesment findings 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>The assessment program please find Appendix 2</p>
<p><b>2.2.3</b></p>	<p><b>Location of Assessment</b></p>
<p><b>ASA-1.1</b></p>	<p>Number of units in this certification activity is 6 nucleus estates and 1 smallholder scheme, which supply the raw material (FFB) to Rantau palm oil mill. In conducting the assessment, the team of auditors used the <math>0.8\sqrt{y}</math> formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are 1 palm oil mill (Rantau POM) and 4 estates (Matalok estate, KKPA Sungai Cengal, Lanting Estate and Sangkoh estate)</p> <p><b><u>Rantau POM (RTF) :</u></b></p> <ol style="list-style-type: none"> <li><b>Sortation/ Grading at Loading Ramp Station.</b> Observations and interviews related to employee status, shifting, overtime, compliance of occupational safety and health (PPE), work tools, socialization of grading procedures, sorting / grading of fruits (from Inti Estate and Plasma Plantation), truck samples per day, sample of loosefruits per truck, fruit group category (unripe, under ripe, empty bunch, long stalk, and ripe), recording and recapitulation of grading result (daily / monthly), evaluation of grading result, work accident, socialization of OHS and work discipline, and First Aid Box (available at the Mill office).</li> <li><b>Boiler Station.</b> Observations and interviews with operators regarding working hours, certificates (Operator License), work / shift teams, compliance of occupational safety and health (PPE), health examination, work accidents, fire extinguisher, First Aid Box (available at Mill Office).</li> <li><b>Nut &amp; Kernel Station.</b> Observations and interviews of welders related to work being done, certificates (Operator License), compliance of occupational safety and health (PPE), health examination, work accidents, checking fire extinguisher, First Aid Box (available in Mill Office)</li> <li><b>Engine Room.</b> Observations and interviews with operators related to working hours, shift, compliance of occupational safety and health (PPE), health examintaion, work accidents, checking of fire distinguisher, First Aid Box (in Maintenance Office), Worker Union membership.</li> <li><b>Chemical Warehouse.</b> Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.</li> <li><b>Hazardous Waste Temporary Warehouse.</b> Observation related to hazardous waste management, record of hazardous waste, the condition of buildings and supporting facilities.</li> <li><b>Sparepart Warehouse.</b> Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.</li> <li><b>WWTP.</b> Observations related to the management of effluent, including implementation of OHS.</li> <li><b>Workshop.</b> Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities.</li> <li><b>WTP.</b> Observation related to water consumption and implementation of OHS, and understanding of safe working</li> </ol>

**Matalok Estate (MLE) :**

1. **Harvest: Block A-008, Division 1.** Field observations and interviews related to employee status, working hours, compliance of occupational safety dan health (PPE), harvest equipment, training / socialization, harvesting technical, harvesting basis, criteria of ripe fruit, harvest rotation, pruning and placement of midrib, loosefruit picking, fruit transport to Fruit Collection Place (FCP / TPH), fruit arrangement in FCP, harvesting supervision, premiums, fines, recording of crops, fruit grading, work accidents, health examination, housing, membership of BPJS, and Working Union membership.
2. **Chemical Weed Control: Block B-32, Division 2.** Observations and interviews related to the fulfillment of employee status, working hours, compliance of occupational safety dan health (PPE), spray equipment, extra fooding, training / socialization, spray rotation, sprayed area, type and dose of herbicide used, and technical spraying (mixing of herbicide, filling spraying solution into sprayer tank, factors to be considered during spraying, areas that should not be sprayed), herbicide poisoning symptoms experienced, medical examination, membership of BPJS, Working Union membership, housing, socialization of OHS, work ethics / discipline, and the First Aid Kit .
3. **IPM Implementation:**
  - **Barn Owl Box: Block B-33, Division 2**  
Observations and interviews related to the installation and monitoring of BOB and rodent control. Monitoring result: BOB is active.
  - **Beneficial Plants:**  
Observation related to planting of beneficial plants in Division 2, Block CD-31, CD-33 (*Turnera subulata*), Block CD-28, CD-29, CD-30, C-31, (*Antigonon leptosus*); Block C-30 and Block C-31 (*Turnera subulata*, *Cassia cobanensis*, and *Antigonon leptosus*).
4. **Boundary stones: Pole HGU LMI No. 9 (Block D41, Div.3), Pole LMI No. 46 (Block E42, Div.3).** Observation on land title boundaries.
5. **HCV (natural water source) Block D/E33 Div.2.** Observation on HCV management area including buffer zone.
6. **Landfill Block D34 Div.2.** Observation related domestic waste management.
7. **Central clinic Matalok.** Observation related medical services for employees, emergency facilities and conditions, hazardous waste management and interview with medical staff.
8. **Chemical Mixing Area (Block Spraying System) warehouse.** Observation on chemical and pesticide storage, pesticide containers handling, safety equipment and facilities of pesticide applicators.
9. **Housing complex Div 2 Matalok.** Observation on workers amenities condition, domestic waste management, housing sanitary.
10. **Fertilizer storage.** Observation and interview with storage man related knowledge of fertilizer handling, OHS, MSDS.
11. **Workshop.** Observation on workers knowledge and competencies, waste management, safety working and PPE used, complaint mechanism, worker welfare.

**KKPA Sungai Cengal :**

1. **Chemical Weed Control: Block PB-12, Division 5.** Observations and interviews related to employee status, working hours, compliance of occupational safety dan health (PPE), spray equipment, training / socialization, spray rotation, sprayed area, type and dosage of herbicide used, and technical spraying (mixing herbicide, filling spray solution into sprayer tank, factors to be considered during spraying, areas that should not be sprayed), extra fooding, herbicide poisoning symptoms experienced, health examintaion, BPJS membership, Worker Union membership, housing, socialization of OHS, works ethics / discipline, and First Aid Box.
2. **Harvesting: Block A-14, Division 5.** Field observations and interviews related to employee status, working hours, compliance of occupational safety dan health (PPE), harvest equipment, training / socialization, harvesting techniques, harvest basis, criteria of ripe fruit, harvest rotation, pruning and placement of midrib, loosefruit picking, fruit transport to Fruit Collection Place (FCP / TPH), fruit arrangement in FCP, harvesting supervision, premiums, fines, recording of crops, fruit grading, work accident, health examintaion, housing, BPJS

- membership, Worker Union membership, OHS socialization and Ethics / Work Discipline.
- 3. Interrow Manual Weeding (Slashing): Block PA-18, Division 5.** Observations and interviews related to the fulfillment of employee status, working hours, compliance of occupational safety dan health (PPE), tripe tools, training / socialization, and technical clearance, chemicals used, working hours, works accidents, membership BPJS, Worker Union membership, and housing.
  - 4. IPM Implementation – Planting of Beneficial Plants :**  
Biological control of leaf caterpillar by monitoring of planting / upkeeping the beneficial plants:  
Division 5, Block PA-14, Block PB-15: Antigonon leptosus and Turnera subulata  
Block PA-16: Cassia cobanensis and Turnera subulata.
  - 5. Temporary of pesticide store at Division 5.** Observation on chemical and pesticide storage, pesticide containers handling, safety equipment and facilities of pesticide applicators.

**Sangkoh Estate (SNE):**

- 1. Chemical Weed Control in Interrow: Block E-39, Division 2.** Observations and interviews related to the compliance of occupational safety and health (PPE), employee status, working hours, spraying equipment, training / socialization, type and dosage of herbicide used, herbicide mixing site, technical spraying (filling spray solution into sprayer tanks, factors to be considered during spraying, areas that should not be sprayed), extra fooding, herbicide poisoning symptoms experienced, health examintaion, BPJS membership, Worker Union membership, housing, OHS socialization, Ethics / Work Discipline, First Aid Box.
- 2. Fruit Transportation: Block E-30– Division 1.** Observations and interviews related to employee status, working hours, compliance of occupational safety and health (PPE), socialization of OHS, and work ethics / discipline, loading tools, technical loading, and fruit transportion, collecting sacks of loosefruits, tonnage (bunches and loosefruits), transport time, transport constraints, harvesting records (harvesting numbers, grading, number of bunches and loosefruits), work accidents, transport wages, preparation of DO, health examination, BPJS membership, and Worker Union membership.
- 3. Replanting: Block E-28 – Division 1.** Observations and interviews related to land preparation activities done by contractor, technical work (mechanical, heavy equipment used (excavator), work stages (falling trees up to making planting holes), and working progress.
- 4. Harvesting: Block G-28 and Block G-29, Field G-16 – Division 2.** Field observation and interviews related to employee status, working hours, compliance of occupational safety and health (PPE), harvest equipment, training / socialization SOP, socialization of OHS and work ethics / discipline, technical harvest, harvest basis, criteria of ripe fruit, harvest rotation, pruning and placement of midrib, loosefruits picking, fruit transport to FCP, fruit arrangement TPH, harvesting supervision, premiums, fines, recording of harvest, fruit grading, work accident, health examination, housing, BPJS membership, First Aid Box.
- 5. Boundary stones: Pole No. 24 (Block B23/B24, Div.3), Pole No. 35 (Block D30, Div.3).** Observation on land title boundaries.
- 6. HCV (riparian zone) of Tandilang river in Block B/C 26 Div.3.** Observation on HCV management area including lowland reserves.
- 7. Chemical Warehouse.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.
- 8. Fertilizer warehouse.** Observation and interviews related to hazardous management, waste management and implementation OHS.
- 9. Temporary hazardous waste warehouse.** Observations related the process of temporary storage before being sent to the third party, building condition, emergency response equipment, symbol and label of hazardous waste.
- 10. Workshop.** Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities.
- 11. Daycare and Creche.** Observation on workers amenities.

**Lanting Estate (LNE):**

- 1. Boundary stones: Pole LMR2 No. 19 (Block D31, Div.3), Pole No. 20 (Block D31, Div.3), Pole No. 47 (Block**

- D31, Div.3), Pole No. 22 (border with KKPA-ASC Sakadoyan).** Observation on land title boundaries and smallholder border.
2. **Manuring: Block C6 and Block C7 – Division 2.** Field observations and interviews related to employee status, working hours, compliance of occupational safety and health (PPE), manuring equipment, manuring training / socialization, transportation and distribution of fertilizer, manuring techniques (type and dosage of fertilizer, application area and manner / simulation of sowing of fertilizer), the management of the fertilizer ex-sack, cleaning up and storage of PPE and manuring equipment, extra fooding, work accidents, poisoning symptoms experienced, medical examination, housing, BPJS membership, Worker Union membership, socialization of OHS work ethics / discipline, and First Aid Box.
  3. **Empty Fruit Bunch (EFB) Application. Mature Plant Area (Block C-11 – Division 2) and Immature Plant Area (Block D-04, Block D-05, and Block D-06 – Division 1).** Field observations and interviews related to transportation of empty fruit bunches(EFB), contractors, working hours, compliance of occupational safety and health (PPE), work tools, preaching of EFB (by technical officers), doses per Ha and per tree, recommendation (by MRC).
  4. **IPM Implementation:**
    - **Biological Control of Leaf Caterpillar**  
Monitoring of planting / upkeeping of beneficial plants:  
Division 2 (Block C-04) and Division 1 (Block D-06 and Block D-07): *Cassia cobanensis* and *Turnera subulata*.
    - **Biological Control of Rodent**  
Observation and interview related to installation and monitoring of Banr owl Box (BOB). Monitoring result: BOB in Division 1, Block D-06 and Block C6 are inactive (unoccupied)
  5. **Housing complex Div.3 and Central office.** Observation on workers amenities condition, domestic waste management, housing sanitary.
  6. **Clinic.** Observation and interviews related to hazardous waste management, employee health care, wages and employment.
  7. **Chemical Warehouse.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.
  8. **Fertilizer warehouse.** Observation and interviews related to hazardous management, waste management and implementation OHS.
  9. **PPE Warehouse of Spraying team and mixing area.** Observation the conditions PPE of warehouse and PPE handling.
  10. **Workshop.** Observation and interviews with employees related to management of hazardous waste and hazardous material, provision of PPE, training, emergency response facilities.

**Local communities surrounding the plantation visited:**

1. **Village of Rantau Jaya, Sub-District of Pamukan Utara**
2. **KUD Bina Swadaya Karya as smallholder cooperative of KKPA Sungai Cengal**

<b>2.3 Stakeholder Consultation and Stakeholders Contacted</b>	
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-1.1</b>	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Laguna Mandiri was held by:</p> <ol style="list-style-type: none"> <li>1. Public Notification on the website of Mutuagung Lestari and RSPO website dated 3 December 2017.</li> <li>2. Public consultation meeting with local stakeholders conducted by visits to villages (Rantau Buda Village, Rantau Jaya Village) on December 19<sup>th</sup>, 2017.</li> <li>3. Public consultation meeting with government agency Kotabaru District (Plantation Agency; Labour Agency; National Land Agency; Enviromental Agency) by phone on December 21<sup>th</sup>, 2017</li> <li>4. Public consultation meeting with gender committe, labour union, FFB Supplier, local contractor and Deputy Head of Bina Swadaya Karya Cooperative (KKPA Sungai Cengal) on December 19<sup>th</sup>, 2017.</li> </ol>

	5. Public consultation by email with NGO (WWF, Sawit Watch dan Aidenvironment) by email on December 14th, 2017  Numbers of input from stakeholders were clarified by PT Laguna Mandiri
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <a href="#">ASA-2.1</a> ) will be determined 9-12 months after this <a href="#">ASA-1.1</a>

**3.0 ASSESSMENT FINDINGS**

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

Mutuagung Lestari has conducted an assessment of Rantau Factory – PT Laguna Mandiri, Sime Darby Plantation Sdn. Bhd. operation consisting of one mill and seven estates.

During the assessment, there were seven (7) nonconformities were assigned against Major Compliance and three (3) nonconformities were assigned against Minor Compliance Indicators and six (6) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action that had been reviewed and accepted by Auditor in form of documentation evidence e.g. (document record). Those corrective action taken that consist of seven (7) Major non-conformities had been closed out shall be verified during next assessment.

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

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **Continued**.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>	
<b>1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1 Minor</b>	
<p>CH includes KKPA Sungai Cengal can show a list of stakeholders up date in 2017 and well documented. List of stakeholders provides agency / job title, name, address, and telephone number. Among other local governments, NGOs, Trade Unions, Hospitals, Schools, contractors, suppliers and others. CH has the SOP Providing Answers Request for Information (033 / LMI-stkhldr / 2012) and explained that the person in charge of the response information. The type of information provided by company is a list of documents that can be given to the stakeholders (the public) are listed in the SOP includes information on environmental, social and legal. According to interview with head of Rantau Jaya village and Bina Swadaya Karya cooperation they were known about this procedure.</p> <p>According to information given during public consultation with Labour agency, it was stated that the company has cooperative on information request and giving compulsory periodic reporting such as Plantation Business Activity report (LKUP), Environment Management and Monitoring report (RKL/RPL), Liquid Waste report, Hazardous Materials, Workforce report (WLTK), Occupational Health and Safety Organization report (P2K3) just ontime.</p>	
<b>1.1.2 Major</b>	
<p>CH has provided a means for receiving information from stakeholders in the form of correspondence (in accordance with No. 056/SAA-JPI/12) which requests for information submitted in writing to the Operational Unit Manager; Draft</p>	



answers will be made by Head of Administration; and answer information requests will be granted within a maximum period of 14 (fourteen) days. Each request information recorded in the document request or response information for the year 2017. Any information entered in the record in the logbook requests for information. Based on verification in the document for the year 2016/2017, there are no requests for information from stakeholders, there is only demand for funding and services that have been addressed to the company.

**Status: Comply**

**1.2**

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

**1.2.1**

List of document which are available for stakeholder were remain the same with the previous audit assessment, presented as follows:

- Legal documents: Location Permit, Plantation Business Permit, Land Title (HGU), Environment Permit, Company Policy and all legal requirement permits.
- Environment documents: High Conservation Value (HCV) report, Environment and Social Impact Analysis (AMDAL and UKL/UPL), Environment Management and Monitoring Semester report (RKL/RPL), effluent quarter report, hazardous waste store permit.
- Social documents: Company Social Responsibility (CSR), official letter towards social activities, complain record.
- Safety documents: Occupational Safety and Health (OSH) Program, OSH Program Monitoring records, OSH training or simulation and Medical Check Up records.
- Best management practices: trainings, production records, etc.
- Continuous improvement documents: Audit Report.

The CH management mentioned that confidential documents which not available to be accessed by stakeholder, unless permitted by official top management are financial data, customer related data, supplier data and personal privacy related data. All data and information requested were provided by PIC from Plantation Service Department (PSD).

The CH has provide information data through compulsory report which delivered to the respective Agencies. For example, report of effluent analysis, hazardous waste balance, environment program and monitoring has delivered to Environment Agency of Kotabaru regularly.

**Status: Comply**

**1.3**

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

**Indicator 1.3.1**

The company has had policy on the Code of Conduct (Doc. No. 440/HRM-COC/07, dated 24<sup>th</sup> May 2007) approved by the General Manager, HRM, Adm & Corp Services, and Plantation Operations aiming at, among others:

- Identifying the values and ethical standards aligned with the Vision and Mission of the company.
- As guidance for individuals in doing business and determining the attitude when facing conflict of interest and interacting with stakeholders.
- As a criterion in assessing whether an individual in Minamas Plantation has behaved in accordance with the desired company or has disobeyed the regulation.

The objectives to be achieved, among others:

- As a shared commitment to actualize the Vision and implement the company's Mission professionally and ethically with professional attention to all stakeholders that ultimately led to the company's reputation and image enhancement.
- Reduce the risk of conflict of interest and lawsuits due to negligence committed by the company individuals.

The code of conduct listed in point B of Business Ethics and Commitment of the Company, consists of:

- Business Ethics - The company's basic attitude in doing business and interacting with all stakeholders in order to uphold the company's commitment to business ethics required continually to build long-term mutually beneficial for

both parties.

- The company's commitment to stakeholders, employees, customers, partners, creditors/Banks, external auditors, society, government, associated bodies such as the Association of Palm Oil Companies of Indonesia (GAPKI), and Plasma/KKPA farmers.

**KKPA-ASC** also implements the same Code of Conduct the above mentioned.

Socialization on work ethics, administration and SOP for company's Code of Conduct has been conducted on 8<sup>th</sup> June 2012. Senior Estate Manager was the resource person on the socialization. Material of the socialization, such as:

- Work ethic, individual behavior, supervisor behavior toward his/her subordinates and vice versa.
- Management of data and information; emphasizing that company's asset should be protected by all personnels, the shared responsibility in keeping work safety and security, occupational health and safety in working area.

The workers interviewed in company has had policies on the Code of Conduct in doing business that have been socialized to the entire personnels of the company and have been implementing properly.

**Status: Comply**

**PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

**2.1**

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

2.1.1 (M)

The Certificate Holder has had the evidences of compliance with relevant legal requirements. The legal requirements consist of:

- Plantation Permit
- Business Permit
- Land use rights: land use title (HGU) certificate
- Premises right (HGB)
- Labour Act (UU No. 13 Tahun 2003)
- Updated Minimum Wage (Decree of Governor of South Kalimantan)
- Environmental Impact Assessment (AMDAL).
- Etc.

These legal document are available for all supply bases which is from three companies.

Also, CH has fulfilled the regulations related to employment such as:

- wages as per the minimum wage
- overtime pay according to the prevailing regulations
- provision of employment insurance
- union registration
- have collective labor agreements
- make compulsory employment report
- not using workers under the age of 18 years

From the results of field observations in the Matalok Estate, Lanting Estate, Sangkoh Estate, KKPA Sungai Cengal and Rantau Factory are not found workers who do not have a work agreement. The Temporary workers Agreement is conducted in accordance with the applicable provisions and no agreement updates are in excess of the applicable provisions.

**Lanting Estate (LNE), Matalok Estate (MLE), Sangkoh Estate (SNE), and KKPA Sungai Cengal (KKPA-ASC)**

The company has identified regulations relevant to the operations in plantation, i.e the list of compliance evaluation of SOU regulations 10 period 2016/2017 compiled on 4<sup>th</sup> October 2016, informing relevant P & C, criteria, regulation number, title, requirements, compliance status, and remarks.

The company has complied with regulatory compliance. Example:

- Occupational Safety and Health: All operators and electrical technicians have had certificate of competence (SIO) in accordance with the requirements of Permenaker No.1/1989, Permenaker No.2/1982, and Permenaker No.12/2015.
- Legal: Has possession of land tenure and IUP documents in accordance with the requirements of Regulation No.40/96, Law No.5/1960, Permentan No.98/2013

**Best Management Practices (BMP)**

In terms of BMP aspect, it could be concluded that **LNE, MLE, SNE, and KKPA-ASC** have been conducting best agricultural practices in accordance with Indonesian Laws and Regulations, such as implementation of zero burning for land clearing activity, allowed only the certified seeds to be planted, adopting the integrated pest management (IPM) system, and only pesticides listed in the book of Pesticide Commission of Department of Agriculture 2016 were allowed to be used for pest and disease control.

In relation to the reporting of plantation business activities, the company has submitted its semester report regularly to the relevant office. Example:

- MLE: Report of Plantation Business Activity, the First Semester of 2017 (January - June) to Head of Plantation Office of Kotabaru Regency, South Kalimantan (letter of Director No. 231/LMI/UM/PSD/VII/2017, dated 5<sup>th</sup> July 2017).
- LNE: Report on Plantation Business Activity, the First Semester of 2017 (January - June) to Head of Plantation Office of Kotabaru Regency, South Kalimantan (letter of Director No. 232/LMI/UM/PSD/VII/2017, dated 5<sup>th</sup> July 2017).
- SNE: Report of Plantation Business Activity, the First Semester of 2017 (January - June) to Head of Plantation Office of Kotabaru Regency, South Kalimantan (letter of Director No. 234/LMI/UM/PSD/VII/2017, dated 5<sup>th</sup> July 2017).

**Occupational Health and Safety (OHS)**

In terms of occupational health and safety, the company has been implementing safety and health (OHS) compliance, such as the use of PPE, provision of first aid kit, and regular health inspection of workers.

2.1.2

A documented system, which includes written information on legal requirements, is available in list of law and regulations “Daftar Perundang-undangan dan Peraturan Tahun 2017”. All the documents is provided at each unit (Mill and Estate) with separate aspects (Licenses/Permit, Manpower, Environment, etc).

2.1.3; 2.1.4

A mechanism for ensuring compliance where developed by the Certificate Holder is following the procedure. The SOP No. RSPO/.2./PH, dated 1 August 2011 (for legal requirement compliances) and SOP No. 701/TQEM-ESH/10 (Evaluation of Law and Regulations Requirement).

A system for tracking any changes in the law is using SOP No. 701/TQEM-ESH/10 (Evaluation of Law and Regulations Requirement). Evaluation is periodically conducted every 6 months with the PIC are Plantation Service Department (legal aspect), Environment Safety and Health Manager and PSQM Officer (OHS aspect).

**Status: Comply**

**2.2**

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

2.2.1 (M)

The CH has had documents showing legal ownership in form of Land Use Right (HGU) for six estates, while for KKPA Sungai Cengal as associated smallholders has had license from Kotabaru Regent known as Calon Petani Calon Lahan (CPCL). Total land use title area for this certification scope is 24,170.57 Ha, consisting as follow:

PT Laguna Mandiri (Rantau Estate, Matalok Estate): 7,720.01 Ha

PT Swadaya Andika (Selabak Estate, Randi Estate, Sangkoh Estate): 10,430.98 Ha

PT Langgeng Muaramakmur (Lanting Estate): 3,249.27 Ha

KKPA Sungai Cengal: 2,770.31 Ha

The actual legal use of the land is available in this report (basic info).

2.2.2

During ASA-1.1, auditor has verified sample of legal boundaries by using Android GPS Data version 3.6.0 and GPS Essentials versi 4.4.23. Fourteen (14) boundary poles at sample Estates (Matalok Estate, Lanting Estate and Sangkoh Estate) and border at KKPA Sungai Cengal are demonstrated clearly and appropriate.

2.2.3; 2.2.4 (M); 2.2.5

According to direct interview with smallholder cooperative (KUD Bina Swadaya Karya) represented of KKPA Sungai Cengal (smallholder scheme) and surrounding community (Rantau Jaya villagers), there is no land conflict raised during last 3 years.

2.2.6 (M)

During ASA-1.1 there was no evidence that palm oil operations have instigated violence in maintaining peace and order in their current operations.

**Status: Comply**

**2.3**

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

2.3.1 (M)

Rantau POM – PT Laguna Mandiri and its supply bases has had land use title. Maps with appropriate scale also available in the HGU certificate as part of legal standing. During ASA-1.1, the CH did not extent the managed area, including KKPA Sungai Cengal as smallholder scheme with full managed operations.

2.3.2; 2.3.3; 2.3.4 (M)

Based on stakeholder consultations with affected communities (Village of Rantau Jaya and smallholders), there is no more land compensated for the last 3 years. Also, based on letter of Land Agency of Kotabaru No. 000/02/KP-10 dated 2 September 2010, stated that there is no customary or traditional right land in Kotabaru Regency.

**Status: Comply**

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

**3.1**

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

**Indicator 3.1.1**

The companies have been able to show a long term business or management plan which presented in document of Budget 2017/2018 to 2021/2022 for **Lanting Estate, Matalok Estate, and Sangkoh Estate**, and document budget for 2016/2017 to 2020/2021 for **KKPA-ASC**. The documents have described estimation of estate cost production which covers fresh fruit bunch (FFB) production, seeds, field upkeep, manuring, harvesting and fruit collection, transportation, and fix cost (employee's salary, office and administration, training, and road/bridge maintenance). Details of long term plan points were presented in document Recapitulation of Annual Budget and Annual Budget Percentation and Projection. Long term management plan was proposed by Estate Manager, evaluated by General Manager (GM) and Senior GM every year based on actual condition and to be then approved by the Head of Plantation Sustainability Quality Management (PSQM). For example, parameters contained in the long-term budget business plan, among others, are as follows:

**Lanting Estate:**

The company has been able to show the long term business plan which presented in document Estate Cost Analysis and Budget for 2017/2018 to 2021/2022. This document describes statistics of seeds (seedlings), FFB production (MTon), OER (%), production cost of CPO/MTon (IDR000), estimated price of CPO (IDR/MTon), revenue (IDR000), replanting program (Ha), CPO production (MTon), KER (%), estimated Kernel price (IDR/MTon), and Kernel production (IDR000/MTon).

**Matalok Estate:**

The company has been able to show the long term business plan which presented in document Estate Cost Analysis and Budget for 2017/2018 to 2021/2022. This document describes statistics of seeds (seedlings), FFB production (MTon), OER (%), production cost of CPO/MTon (IDR000), estimated price of CPO (IDR/MTon), revenue (IDR000), replanting program (Ha), and CPO production (MTon).

**Sangkoh Estate:**

The company has been able to show the long term business plan which presented in document Estate Cost Analysis and Budget for 2017/2018 to 2021/2022. This document describes statistics of seeds (seedlings), FFB production (Mton), revenue (IDR000), and replanting program (Ha).

**KKPA-ASC:**

The KKPA management has been able to show the long term business plan which presented in document Estate Cost Analysis and Budget for 2016/2017 to 2020/2021. This document describes statistics of harvested area (Ha), estimates price of FFB (IDR/Kg), FFB production (Ton), revenue, (IDR000), cost of production (IDR000), and gross income (IDR000).

**Indicator 3.1.2**

The companies have been able to show documents of five-year replanting program and the maps. For example:

- **Sangkoh Estate:** The five-year replanting program has been starting in 2013/2014, and from 2015/2016 to 2018/2019. Total area to be replanted are 1,065.58 Ha. As of November 2017, actual replanting has been achieved of 912.38 Ha (85.62%).
- **Matalok Estate:** The five-year replanting program has been starting from 2014/2015 to 2018/2019. Total area to be replanted are 1,057.60 Ha. As of November 2017 (2017/2018), the actual replanting has been achieved of 729.40 Ha (68.96%).
- **Lanting Estate:** The five-year replanting program has been starting from 2015/2016 to 2019/2020. Total area to be replanted are 812.93 Ha. As of November 2017 (2017/2018), the actual replanting has been achieved of 554.60 Ha (68.22%). The planting density are various (150 to 156 palms/Ha).
- **KKPA-ASC:** According to KKPA Management and based on the hectare statement, it was stated that planting activity in particular area were started in 2007. Hence, there were no replanting program in the near future.

The actual number of palms planted per Ha (planting density) in Sangkoh Estate, Matalok Estate, and Lanting Estate are vary, depending upon topography of area. In terracing area (148 palms/Ha), undulating area (160 palms/Ha), and flat area (180 palms/Ha).

Replanting activity consists of 29 steps, among others are mechanical steps on land clearing (ex fronds push felled, chipping and stacking, etc.), blanket spraying, mechanical holing, making planting pattern and accessibility/road system, oil palm planting, planting of legumes cover crop (LCC), LCC maintenance, empty fruit bunch (EFB) application, palm supply, consolidation, manuring, land upkeep, and fire control.

Based on the results of field visits and interview of Assistant of Division at Sangkoh Estate (Block E-28, Division 1) it is known that the company is doing replanting. Land preparation (uprooting, scraping, terracing) is done mechanically using excavator and not burning (zero burning). The work is conducted by the contractor, starting from the uprooting up to making the planting hole. At the time of field visit, the work was at the stage of falling trees.

Based on explanation above, it could be concluded that the companies have had the five-year replanting program and actual records of replanting, while the KKPA-ASC has not had yet replanting program since the plants age is now around 10 years (planting year 2007).

**Status: Comply**

**PRINCIPLE #4 Use of appropriate best practices by growers and millers**

**4.1**

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

**Indicator 4.1.1**

The company has had the SOP on Oil Palm Cultivation and the SOP on Oil Palm Processing.

- The SOP on oil palm cultivation is from land clearing to harvesting. The latest SOP published in "Procedures Reference Manual Oil Palm Planting Agronomy" or the Agricultural Reference Manual (ARM) Policy No.110/EST-ARM/13, signed by Head of Plantation Upstream Indonesia on 16<sup>th</sup> September 2013. This SOP is applied in Sangkoh Estate, Matalok Estate, Lanting Estate, and KKPA-ASC.
- The SOP of palm oil processing regarding the reception of FFB to dispatch of CPO and PK (Palm Kernel) as listed in the palm oil mill engineering guidelines Part I and Part II, Minamas Plantation which was approved by the General

Mill Manager of Sungai Durian Area of PT Laguna Mandiri (Policy No.110/POD-FAC/07, Chapter I Sub-Chapter 1.1 of the Technical Guidelines Mills Part I).

The company has SOP Section I found in document Policy No.111/POD-FACTORY/09, Chapter I Sub-Chapter 1.1 of the Technical Guidelines Mills Section I. As in Rantau Factory visit, before doing the trip into the mill, Mill Assistant provides instructions for safety (Safety Induction) and PPE.

In addition, the company also has the related processing procedures, among others:

- Policy No.14/PTK-TRP/2004 of the Freight Transport Management Mechanism of FFB. Policy comes with the attachment of supporting documents that must be included during the transport process from the Estate to the Mill.
- Document No.SOP-SLF-01/2010 regarding SOP Fruit Factory Acceptance.

The SOP has been implemented by company. Based on the results of field observations and interviews with workers it is known that the workers have understood the procedure. Example:

- Spraying: Matalok Estate (Division 2, Block B-32). Workers understand spray techniques, use of PPE and spray tools. Workers also know the areas prohibited to be sprayed, symptoms of herbicide poisoning, and the pregnant breastfeeding workers should not perform spraying.
- Manuring: Lanting Estate (Division 2, Block C-6 and Block C-7). Workers understand manuring works, such as name and rate of fertilizer, spreading of fertilizer evenly in circle, use of PPE and manuring tools.
- Fruit Transportation: Sangkoh Estate (Division 1, Block E-30). Workers understand fruit transportation, such as loading and transporting fruit to mill not more than 24 hours.
- Harvest: KKPA-ASC (Division 5, Block A-14). Workers understand harvesting work, such as criteria of ripe fruit, harvest rotation, pruning and placement of fronds (U-Shape), picking of loose fruits, fruit transport to TPH, harvest monitoring, and recording of crops.
- Sorting/Grading: Rantau Mill (Loading Ramp Station). Workers understand sorting/grading works, such as determining the number of samples (truck, bunch, and loose fruit), fruit grade (unripe, underripe, empty bunch, long stalk/long stem, and ripe), and daily/monthly records.

Field visit to replanting area in Lanting Estate (Division 1, Block D-04, Block D-05, and Block D-06) can be seen that terracing was in accordance with procedures, such as width, slope, drainage, silt pit, planting of legume cover crop, applying empty fruit bunches, and putting up Barn Owl Box (BOB) for biological control of rodent.

#### **Indicator 4.1.2**

The company has had procedures for preparing SOP documents (023/SAA-PDS/10, adopted on 1<sup>st</sup> July 2010). The SOP includes mechanisms for preparing SOPs and person in charge and SOP lists available.

The companies can show training recording documents. Example:

- Sangkoh Estate: Refresh Competence & Safety IPM, held on 07<sup>th</sup> August 2017 attended by 9 participants.
- Matalok Estate: Refresh Competence & Safety Harvest, held on 6<sup>th</sup> November 2017 attended by 24 participants.
- Lanting Estate: OHS Socialization for Contractor, held on 21<sup>st</sup> October 2017 attended by manager, senior assistant, assistant, supervisor, and 6 contractors.
- KKPA-ASC: Refresh Team Spray, Chemical Work Procedure, OHS, HIRAC & HCV Area, held on 14<sup>th</sup> November 2017 attended by 8 participants.

Based on field visits and interviews with harvesters at Matalok Estate (Block A-008, Division 1), sprayers at KKPA-ASC (Block PB-12, Division 5), manuring workers at Lanting Estate (Block C-7, Division 2), and sorting/grading workers at the Loading Ramp Station (Rantau POM), it is known that the workers have understood their technical work and admitted to have followed the training related to their technical work respectively.

Monitoring of SOP implementation is described in Sustainable Plantations Management Manual (724/TQEM-SPMS/09) approved on 27<sup>th</sup> August 2010. In the SOP - Chapter VII Implementation and Monitoring, it is described the implementation of internal audit, external audit, management evaluation, evaluation level, evaluation response, and revision of procedures. There are some internal monitoring activities of the company, such as:

- Plantation Advisory and Mill Advisory - conducted by Head Office Staff Sime Darby Plantation Sdn Bhd

- Regular Inspection of PSQM (Plantation Services Quality Management)
- Internal Audit - conducted once a year
- Internal Audit ISPO and RSPO - conducted once a year
- Internal Certified Public Accountant - carried out on a regular basis once a year

The company undertakes internal monitoring of the implementation of technical procedures for oil palm cultivation and mill conducted with operational audit control and compliance report. For example, based on a review of the Semester 1 Report 2017/2018 (Audit Concern Paper Sheet / LK3P) dated 27<sup>th</sup> October 2017, there are several findings and follow-up actions. Example:

**1. Best Management Practices (Plantation)**

Example: Matalok Estate. There are 9 findings of non-conformity that have been followed up, among others:

- The actual circle weeding does not reach the program and the cost of per Ha exceeds its budget. Action plan: Controlling the rotation of weed control in accordance with the program.
- The harvest rotation in several months is quite high. Action plan: Selectively recruit employees and coordinate with HRM.

**2. Best Management Practices (Factory)**

Rantau Factory: There are 6 findings of non-conformity that have been followed up, among others:

- Percentage of unstripped bunch (USB) fruit per month above the standard. On 30<sup>th</sup> October 2017 a meeting was held to allow the raw material for grading to be separated at Loading Ramp per each Estate, where it is directly shared by PSQM to the WA Staff Area group for repair and routine USB thresher extracting.
- FFA production over budget from July 2016 to 27<sup>th</sup> October 2017. Corrective action: Material submitted by Estate to POM that has the potential to raise FFA is always updated to get improvement from Estate unit. In the Mill, restans only in the stew so as not to fall in the rain which will result in wet and rotten.

**Indicator 4.1.3**

The Estate and Mill activities on a daily basis, management has a recording or documents stored and maintained by Document Control Unit. The company documents the results of operational activities in the MCM document. Example:

**1. MCM Report October 2017 - Lanting Estate:**

- Round of harvest per month in October 2017: Target 3.5 rounds, actual 2.15 rounds (average round up to October 2017 is 2.49 rounds).
- Performance of MCC in October 2017: OER (target 23%, actual 21.82%), KER (target 4.5%, actual 4.89%), and FFA (target 3.5%, actual 4.5%), Mill Oil Loss (target 1.63%, actual 1.57%), and Kernel Loss (target 0.38%, actual 0.25%).

**2. MCM Report November 2017 - Sangkoh Estate:**

- Crop Quality 2017/2018 (up to November 2017): Average Unripe (0.64 bunch); Underripe (1.67 bunches); Empty Bunch (1.14 bunches); Ripe (96.35 bunches), and Long Stalk (0.61 bunches).
- Mill Performance (Rantau Factory): OER (target 23.00%, actual 201.41%); KER (target 4.5%, actual 5.10%); and FFA (target 3.5%, actual 4.64%).

The company was able to show the auditors team the entire document of activities report of the Estate and Mill when ASA-1.1 assessment was conducted.

Based on explanation above, it could be concluded that operational activities were properly documented, monitored, and maintained satisfactorily.

**Indicator 4.1.4**

Based on data record period 6 January 2017 upto 18 December 2017, list of FFB suppliers entering the Rantau POM as follow:

No	Sources	Volume (MT)	Remarks
1	Rantau Estate	38,477.87	Own Estate of PT. LMI
2	Matalok Estate	19,308.51	Own Estate of PT. LMI
3	KKPA Cengal	1,815.55	KKPA ASC – Rantau Budha, RTE
4	KKPA SAA	452.84	KKPA ASC – Bakau, RDE
5	KKPA LMI	218.19	KKPA ASC – Bepara, MLE

6	Sekayu Estate	3,895.37	Own Estate of PT. LMI
7	Betung Estate	2,920.27	Own Estate of PT. LMI
8	Selabak Estate	27,052.76	Own Estate of PT. SAA
9	Randi Estate	20,239.42	Own Estate of PT. SAA
10	Sangkoh Estate	22,509.71	Own Estate of PT. SAA
11	Lanting Estate	24,062.60	Own Estate of PT. LMR
<b>Total</b>		<b>160,953.09</b>	

However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. Whereas, supply chain model for Rantau POM is Identity Preserved.

Therefore, Rantau POM has fail to provide the record of non-certified FFB's suppliers from KKPA-ASC.

**Minor NC 2017.01**

4.1.4 **Status: Minor Non-Conformance 2017.01**

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

**Indicator 4.2.1 and 4.2.3**

The Company has SOP related to manuring activities in Agricultural Reference Manual (ARM) No.Policy 110/EST-ARM/13 Section 8 concerning the Manuring of Oil Palm Crops which includes manuring techniques, application of empty fruit bunch on immature and mature crops area, fertilizer placement and fertilizer application in "focal feeding" on marginal inland soil. Implementation of the SOP is monitored periodically with an operational audit or Plantation Advisory. In addition, the manuring implementation is supervised by the Foreman and Assistant of Division and is re-evaluated by the Estate Manager.

The company was able to show document of soil fertility survey results. Example:

- Matalok Estate: Report of Survey of Soil Fertility Mapping of Five Year Anniversary for Matalok Estate 2014 - 2019 No.1081/MRC/EST/XII/2014, dated 15th December 2014 prepared by Minamas Research Center (MRC).
- KKPA-ASC: Report on Feasibility Study of KKPA Area of Cengal River Area November 2010 for an area of 3,063.52 Ha (initial planning area of KKPA-ASC) is done by MRC Staff.

The report discusses and informs, such as survey method, plotting land unit, geological condition, climate, topography, soil, ground survey implementation, soil chemical properties (organic C, total P<sub>2</sub>O<sub>5</sub>, K-dd, CEC, saturation base, fertility status assessment, pH, total N, available P and Mg), Agronomist recommendations related to improving soil nutrient status and best fertilizer management that need to be applied.

Implementation of operational activities to maintain soil fertility, including manuring activities, has been documented in the MCM monthly report. For example, MCM Report October 2017 - Lanting Estate. The target of manuring in 2017/2018 is 8,066 Ha, actual up to November 2017 was 2,337 Ha, using NK Blend (target 1,514,839 Kg, actual 619,848 Kg), RP (target 383,628 Kg, actual 249,185 Kg), Kieserite (target 222,596 Kg, actual 15,047 Kg), HGFB (target 19,692 Kg, actual 1,360 Kg), and ZA (target 12,750 Kg, actual 12,750 Kg). The actual fertilizer application until November 2017 is 42%.

Based on the results of field visits and interviews with workers on manuring activities at Lanting Estate (Block C6, Division 2), manuring is done in accordance with fertilizer recommendation, NK Blend (3.00 Kg per tree).

The company can show evidence that soil sampling activities are carried out on a regular basis every five years. Leaf tissue retrieval is done regularly once a year for use in calculating recommended annual fertilizer doses. Examples of leaf analysis results of 2017 conducted by MRC:

- Lanting Estate: Test Report No.P71/2017 dated 17<sup>th</sup> October 2017. Sample result of analysis: Division 3, LSU No.



- LNE 101/B23: Dry weight (%), Ash (7.20), P (0.1400), K (1.1380), Mg (0.2650), Ca (0.533), N (2.63), and B (13.94).
- Matalok Estate: Analysis conducted on 7<sup>th</sup> September 2017. Example of analysis result: Division 1, LSU No.MLE 101/A17: Dry weight (%), Ash (7.50), P (0.1695), K (0.9543), Mg (0.2780), Ca (0.587), N (2.45), and B (16.47).
  - Sangkoh Estate: Test Report No.P74/2017 dated 25<sup>th</sup> October 2017. Sample result of analysis: Division 2, LSU No. SNE 204/E35: Dry weight (%), Ash (8.66), P (0.1460), K (0.9240), Mg (0.2680), Ca (0.543), N (2.50), and B (17.30).
  - KKPA-ASC: Test Report No.P73/2017 dated 25<sup>th</sup> October 2017. Sample result of analysis: Division 5, LSU No. RTE 501 / PA11: Dry weight (%), Ash (7.29), P (0.1470), K (1.8710), Mg (0.2740), Ca (0.560), N (2.45), and B (15.28).

At the time of ASA-1.1 assessment was carried out, soil analysis has not been done. The last soil analysis was carried out in 2015. For example, the soil analysis results:

- Lanting Estate: No. test report S27/2015 date of receipt 8<sup>th</sup> March 2015, date of test of 14<sup>th</sup> February 2015, date published 4<sup>th</sup> December 2015. Examples of the results are for ref estate SPT-1/Typic Plinthudults/0-30 total N 0.07, coarse sand 5.15, fine sand 54.41, silt 15.51, clay 24.94, Org.C 2.82, KTK 10.20, total P 160.82, pH (KCl) 3.64.
- Sangkoh Estate: ref SPT1 SNE 28 January 2014 AH N total 0,04, coarse sand 4,34, fine sand 62,61, silt 14,35 clay 18,67, Org.C 0,50, KTK 7,87, total P 37.65, pH (KCl) 3.52

The results of leaf and soil analysis are taken into consideration in preparing the manuring program / recommendation. Fertilizer recommendations are available for 2017/2018 from MRC. Example:

- Matalok Estate: Planting Year 1996:: Area (159.80 Ha), number of plants (21,128 trees), using NK-Blend fertilizer 130,685 Kg (6.19 Kg/tree), RP 31,915 Kg (1.51 Kg/tree), HGF-Borate 1,797.97 Kg (0.09 Kg/tree), and Kieserite 18,541.75 Kg (0.88 Kg/tree).
- Lanting Estate: Division 1 (442.62 Ha): NK Blend 242,075 Kg (4.54 Kg/tree), RP 49,152 Kg (0.92 Kg/tree), Kieserite 32,808 Kg (0.62 Kg/tree), and HGF-B 3,201 Kg (0.06 Kg/tree).
- Sangkoh Estate: TM area, planting year 2017/2018. Example: Division 1 (797.01 Ha), NK-Blend 729,194 Kg (6.95 Kg/tree), RP 201,427 Kg (1.92 Kg/tree), Kieserite 105,454 Kg (1.01 Kg/tree), and HGF-B 9,440 Kg (0.09 Kg/tree).

Based on above explanation, it could be concluded that the company and KKPA-ASC have had procedure of soil fertility management which satisfactory be implemented by the management and workers in the field.

#### **Indicator 4.2.2**

The company can show manuring record in accordance with MRC recommendation, as follows:

- Lanting Estate: In 2017/2018, for example in November 2017 has been applied fertilizers, namely HGFB 3,681 Kg (359.67 Ha), Kieserite 110,608 Kg (1,102.04 Ha), and NK Blend 137,253 Kg (434.93 Ha).
- Sangkoh Estate: Manuring in 2017/2018 (as of November 2017) has been done 42%, namely NK Blend (target 1,514,838 Kg, actual 619,699 Kg), RP (target 393,628 Kg, actual 249,185 Kg), Kieserite (target 222,596 Kg, actual 15,047 Kg), HGF-B target 19,692 Kg, actual 1,360 Kg), and ZA (target 12,750 Kg, actual 12,750 Kg).
- Metalok Estate: In 2016/2017 (for the first semester): HGF-B 2,338.37Kg, NK-Blend 375,575.22 Kg, and RP 345,484.62 Kg and the second semester (NK-Blend 623,563.50 Kg and Kieserite 197,197.50 Kg).
- KKPA – ASC: Manuring in 2017/2018 (as of November 2017): ZA (target 1,080,029 Kg, actual 18,853 Kg), RP (target 566.203 Kg, actual 54,441 Kg), MOP (target 1,055,748 Kg, actual 27,563 Kg), Kieserite (target 290,316 Kg, actual 369 Kg), and HGF-B (target 27,162 kg, actual none). Total actual manuring achievement is 3.52%.

Based on the observations and interviews with manuring workers at Lanting Estate (Block C6 and Block C7, Division 2), it is known that they are applying fertilizer in Mature Plant area of 77.40 Ha (the first rotation in year 2017/2018) using NK fertilizer Blend (3 Kg/Tree), sown evenly on the edge of the plant circle, 1 to 1.5 M from the stem base..

Based on above explanation, it could be concluded that the company and KKPA management unit have recorded fertilizer application based on annual fertilizer program and has been well documented.

#### **Indicator 4.2.4**

The company has had the nutrient recycling program, such as empty fruit bunch application, land application (POME), recycling of biomass, and trees residual on replanting activity. The company has conducted the empty fruit bunch application in 2017/2018. Example:

1. Empty Fruit Bunch Application

- Matalok Estate: July (15.85 Ha; 475,640 Kg), August (14.34 Ha; 430,700 Kg), and September (27.37 Ha; 820,800 Kg). The rate is 30 Kg/Ha respectively.
- Sangkoh Estate: July (92,400 Kg (30 Ton/Ha), in Division 1 (23,160 Kg), Division 2 (9,550 Kg), and Division 3 (59,690 Kg).
- Lanting Estate: Target 7,737 Ton for 498 ha (200 Kg/Tree), actual up to November 2017 (88.75 Ha; 1,232 Ton) or 16.70%.

**2. Recycling of Biomass and Trees Residual on Replanting**

Until July 2017 the company has implemented replanting area of 2,196.38 Ha, in Sangkoh Estate (912.38 Ha), Matalok Estate (729.40 Ha), and Lanting Estate (554.60 Ha). Estate Managers explain that all remaining palm trees are recycled. Based on the results of field visits and interviews with the Assistant at Sangkoh Estate (Block E-28, Division 1), land preparation for replanting is done mechanically by contractor using excavator and zero burning. Plants residual are cut into pieces and stacked for recycling process.

**3. Pruning**

The company has pruning program. Example, target and actual pruning in 2017/2018:

- KKPA-ASC: Pruning is done by the contractor (117.57 Ha). The actual up to 25<sup>th</sup> November 2017 has reached 11,663 trees (77.29%).
- Lanting Estate: Target 6,250 ha (625,074 trees), actual (up to November 2017) 2,247 Ha (296,657 trees) or 35.95%.
- Sangkoh Estate: Target 1.991.63 ha (264,887 trees), actual (up to October 2017) 314.85 Ha (41.875 trees) or 15.80%.

According to Sangkoh Estate Manager, the company also conduct progressive system of pruning. Harvesters make pruning at harvest, the frond is cut into 2 pieces then be arranged in U-Shape in interrow. For example, in 2017/2018 it is targeted to prune in Sangkoh Estate (1.991.63 ha; 264,887 trees), KKPA-ASC (117.57 Ha; 15,871 trees), and Lanting Estate (6,250 ha; 625,074 trees).

The result of field visit and interview with Assistant at Lanting Estate, the EFB application for mature plant in Block C-11, Division 2 with dose 36 Ton/Ha (300 - 350 Kg/Tree) and immature plant in Block D-04, Block D-05, and Block D-06, Division 1 with dose 14 - 15 Ton/Ha or 100 Kg/Tree. The dose is MRC recommendation. The transport of EFB from Rantau Mill is performed by the company and application is performed by company employees.

The results of field visits on harvesting activities and interviews with workers at Matalok Estate (Block A-008, Division 1), KKPA-ASC (Block A-14, Division 5), and Sangkoh Estate (Block G-28 and Block G-29, Division 2) it is known that the harvesters prune at harvesting time. The frond is cut into 2 pieces and be arranged in U-shape in the interrow.

Based on the explanation above, it could be concluded that the company has been implementing by-product application for nutrient cycle purposes.

**Status: Comply**

**4.3**

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

**4.3.1 Major**

The certificate holder shows a map of the land listed in the Survey of Land Feasibility Survey Report in 2013 which explains that there is no marginal land such as peat soil. However, there are areas with slopes that have been cultivated by treatment of terrace and contour making. Based on the field observation in Field E15, E16, E17 at Matalok Estate, it is known that the slope area has been replanted and has been made on the slopes. In addition, in the replanting area 2016 - 2017 Field G17 block G31 Division 1 Sangkoh Estate, it is known that the replanting area has been planted and has been made terraces and contours.

**4.3.2 minor & 4.3.6 minor**

The certificate holder has identified the area with slopes, for example for Matalok Estate it is known that 81% of the area is included in the category of undulating to rolling (slope 4-24%) and 19% is included in hilly category (24-38%). The certificate holder has a management strategy for planting in areas with steep slopes that take into consideration soil conditions and local climate to prevent erosion, such as by making terraces and contours, sequential terraces,

individual terrace, trenching in low-lying areas and so on. This was observed during field observations such as Field E15, E16, E17 at Matalok Estate and at Field G17 block G31 Division 1 Sangkoh Estate, that replanting area has been planted and has been made terraces and contours.

**4.3.3**

The certificate holder shows the program document and the realization of road maintenance, for example for Lanting Estate of a total of 21,320 meters of damaged roads that have been recorded, hoarding the road of 8.279 meters up to November 2017 and for Matalok Estate of a total of 117,018 meters of damaged roads that have been recorded, conducted hoarding the road along 8,514 meters. Based on field observations at Matalok Estate, Lanting Estate, Sangkoh Estate and KKPA Sungai Cengal, it is known that road maintenance continues to be done such as stacking of rocks, using heavy equipment such as road graders for road normalization, asphaltting (especially CPO road) and so on. In addition, rainy weather conditions are also not fully support road improvement program.

**4.3.4 Major & 4.3.5 minor**

There were no presence of peat soil within Estates and KKPA Sungai Cengal operational areas. Hence, peat management strategy, its implementation such as water management, peat subsidency measurement and drainability study were not available.

Management unit has a land survey report and evaluation of land suitability classes for palm oil. In the report shows a map that is no peat and there are areas with slope class of more than 25%.

**Status: Comply**

**4.4**

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

**4.4.1**

The certificate holder shows the water management plan listed in SOP, including SOP number 724 / TQEM-SPMS / 09 on water management, slope maintenance and protection, topography and hydrology. In addition, briefly also explained that the water used must meet the criteria set and if it does not meet the criteria then there must be special processing. The certificate holder has implemented the plan for example the protection of river border by not applying the chemicals at a distance of 50 meters from the side of the trench, monitoring the use of water every month for processing, monitoring water quality every 6 months and submitted to the Agency Environment by conducting surface water quality testing. In addition, the company has also conducted water quality testing on a regular basis and is reported in the Environmental Management Plan / Environmental Monitoring Plan Report, eg Environmental Management Plan / Environmental Monitoring Plan Report Semester 1 year 2017 which is shown, among others, that the results of well observed testing in blocks B-22 and C-21, and water reservoir and upstream-downstream of Tandilang River is known that the test results are still below the value of quality standards.

**4.4.2**

The certificate holder has a water and wetland identification map based on the HCV Assessment document of PT Laguna Mandiri in December 2009 by YASBI. The certificate holder has protected water bodies and wetlands. Based on field observation in HCV 4 which is a trough in Matalok Estate Field D016. Management recommendations based on HCV identification results are rehabilitation with local native tree species 10 meters wide or adapted to local slope conditions. Based on observations, the company has allowed wild plants to grow around the trough (bush condition) and other than that the company also does not allow any chemical-related activities in the five palm of the trough's edge (there are marked marks). The certificate holder also does not perform the replanting of the buffer zone area such as the river border in Block C17-18 Matalok Estate.

In addition, based on interviews with sprayers at KKPA Sungai Cengal, it is known that sprayers do not spray on water or river with a distance of 5 palm.

**4.4.3**

The certificate holder shows the Kotabaru District License document, number 503/03 / IPAL - BPPTPM / 2016, concerning Permit for Utilization of Wastewater to Land on Oil Palm Plantation Activities PT Laguna Mandiri December 21, 2016 and is valid from 21 December 2016 until 22 December 2021. Wastewater treatment with Waste Water Treatment Pond (WWTP) system. Before being utilized on plantation land, all wastewater is processed first in the WWTP until it reaches the permissible quality standard in the utilization of wastewater in terms of pH 6 – 9 and BOD ≤ 5000 mg /l.

Based on the result of wastewater quality measurement in period I year 2017 (Environmental Management Plan / Environmental Monitoring Plan Report Semester I) was found pH data of January 7.8, February 7.04, March 7.6, April 7.48, May 8.14 and June 7.78 and for BOD data January 340 mg / l , February 470 mg / l, March 180 mg / l, April 120 mg / l, May 140 mg / l and June 130 mg / l. Based on the stipulated quality standard on the assessment of waste water utilization of the palm oil industry on the land in the oil palm plantations it is known that the test parameters have met the quality standard.

**4.4.4**

The certificate holder has monitored the use of water per ton of fresh fruit bunches for processing at the palm oil mills and shows recordings of monitoring results for the period of December 2016 to November 2017 which describes the use of water for processing, domestic needs, the tonnage of fresh fruit bunches processed and the use of water per tonnage of freshly processed fruit bunches. Based on the document, the average water usage per ton of fresh fruit bunches a year ago was 1.77 m3 / ton of fresh fruit bunches.

**Status: Comply**

**4.5**

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

**Indicator 4.5.1**

The company has had the IPM program and actual activities in the document of MCM (Monthly Committee Meeting) Manager. The IPM program includes pest census, pest control, monitoring of barn owl box, and planting of host plants of natural enemies of pests. The management explains that potential pest identified that attack plants are rodent, horn beetle, leaf caterpillars, termite, and Ganoderma disease.

The results of pest and disease census in 2017/2018 are as follows:

- Lanting Estate and Sangkoh Estate: In July - November 2017 there is no pest and disease attack
- Metalok Estate: In November 2017 there is light attack of fire caterpillar in Division 3, Block H-02.
- KKPA – ASC: In October 2017 there is rodent attack 93.18 Ha (16.11%) out of 578.46 Ha total mature area and 24,79 Ha (38.33%) out of 64.66 Ha total immature area in Division 3, Field F-018.

The control of leaf caterpillars is carried out biologically by planting the local species of beneficial plants, namely *Turnera subulata*, *Antigonon leptosus*, and *Cassia cobanensis*. For example, in Lanting Estate (*Turnera subulata* 2 Ha), Sangkoh Estate (*Turnera subulata* 138,065 M and *Cassia cobanensis* 11,080 M), and Matalok Estate (*Cassia cobanensis* 4,485 M, *Antigonon leptosus* 840 M, and *Turnera subulata* 79,274 M).

Based on field visit, beneficial plants has been planted, for example in **Matalok Estate** - Division 2 (*Turnera subulata* in Block CD-30, CD-31, and CD-33, *Antigonon leptosus* in Block CD-28, CD-29, CD-30, and CD-31, and *Cassia cobanensis* in Block CD-30 and CD-31); **KKPA-ASC** – Divison 5 (*Antigonon leptosus* in Block PA-14 and PB-15, and *Turnera subulata* Block PA-14, PB-15, and PA-16), and *Cassia cobanensis* in Block PA-16); and **Lanting Estate** (*Cassia cobanensis* and *Turnera subulata* in Division 1 Block C-04, Block D-06, and Block D-07).

The control of rodent is done biologically using predator, the local species of owl (*Tyto alba*). The development of natural enemies *Tyto alba* has been done by installing barn owl box (BOB) 1 unit per 35 Ha. Until 2017/2018, the company has installed 277 units of BOB, namely in Lanting Estate (61 units), Sangkoh Estate (94 units), and Matalok Estate (122 units).

Based on field visit and monitoring of BOBs it is known that in **Matalok Estate** (Division 2, Block B-33) the BOS is active and in **Lanting Estate** (Division Block D-06, and C-06) both BOBs are inactive.

The biological control of rodent and leaf caterpillars help reduce the use of pesticides. For example:

- Lanting Estate and Sangkoh Estate: In 2017/2018 there is no use of insecticide to control leaf caterpillars.
- KKPA-ASC: The use of Ratgone reduced 84.44% from 90 Kg in 2016/2017 to be 14 Kg in 2017/2018 (plan).

Managers of Lanting Estate and Sangkoh Estate explained that in 2017/2018 the target use of herbicides (Methyl metsulfuron and Triclophyr) will increase due to replanting activities in Lanting Estate (138.18 Ha) and Sangkoh Estate (219.24 Ha).

**Indicator 4.5.2**

The company are able to show the document of training implementation for workers and employees involved in the IPM process. Example: Refresh Competence & Safety IPM in Lanting Estate (held on 25<sup>th</sup> October 2017 attended by 14 participants), Sangkoh Estate (held on 07<sup>th</sup> August 2017 attended by 9 participants), Matalok Estate (held on 18<sup>th</sup> April 2017 attended by 12 participants), and KKPA-ASC (held on 9<sup>th</sup> November 2017 attended by 15 participants).

The employees and workers who have been attending the training involved in the IPM process in 2017/2018 were 103 persons, namely Lanting Estate (33 persons), Sangkoh Estate (35 persons), Matalok Estate (12 persons), and KKPA-ASC (23 persons). They are Chief Assistants, Division Assistants, Foremen I, Foremen, upkeep workers, and IPM workers). The list of attendance and photographs (documentation) during the training is available.

Based on the explanation above, it could be concluded that the company has conducted training for workers involved in IPM process aiming at maintaining workers knowledge and skills.

**Status: Comply**

**4.6**

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

**Indicator 4.6.1**

The company has had procedure related to chemicals, such as spray work and pest control. The procedure is explained in the Agricultural Reference Manual (ARM) No. Policy 110/EST-ARM/13 Section 15 concerning plant protection, comprising the control of horn beetles, leaf caterpillars, rodent, and basal rot disease (*Ganoderma* sp.), and Section 16 concerning weed control.

In order to avoid pest resistance, the company performs rotation system and the use of different pesticide products. Example, chemical weed control on circle and paths at Lanting Estate and Sangkoh Estate are used alternately 3 different types of active ingrediensts, namly Isopropyl amine glyphosate, Methyl metsulphuron, and Trichlopyr.

The company has had the list of pesticide used in 2017/2018, including trade mark, active ingredient, registration number, permit period, and target pest. For xample:

- Lanting Estate: There are 12 kinds of pesticide used, e.g Audit 486 SL (Isopropyl amina glyphosate), registration No. RI.01030120031863, permit licence 31st December 2018, and target pest (grassess weed).
- Sangkoh Estate: There are 10 kinds of pesticide used, e.g Metaprima 20 WDG (Methyl metsulphuron 20%), registration No. RI.01030120031897, permit licence 25th September 2018, and target pest (grassess and boadleaves weed).
- Matalok Estate: There are 4 kinds of pesticide used, e.g Ken Up 480 SL (Isopropyl amina glyphosate), registration No. RI.01030120064435, permit licence 12nd December 2018, and pest target (broadleves weed).
- KKPA-ASC: There are 5 kinds of pesticide used, e.g Kenlon 480 EC (Trichlopyr butoxy etyl ester), registration No. RI.01030120062433, permit licence 12<sup>nd</sup> December 2018, and pest target (broadleaf weeds and *Borreria alata*).

Based on the results of field visits and interviews with workers on chemical weed control activity at Matalok Estate (Block B-32, Division 2), it is known that herbicides used are Isopropyl amine glyphosate and Metyl metsulphuron relevant to the dominant weeds (narrow leaf weeds and broad leaf weeds) with the appropriate dose of instructions on the packaging label.

**Indicator 4.6.2**

The company has had pesticide application programs, eg weed control on circle and path are selectively conducted with 3 times of rotation per year using herbicides with different active ingredients interchangeably. Chemical control is performed when the census results indicate that the percentage or level of pest attack has reached or exceeded the specified economic threshold, eg percentage of infestation of rodent  $\geq 5\%$ .

The company can show documents of pesticide use records, including trade mark, active ingredient, total amount of used, and total area sprayed. Example:

- Lanting Estate: There are 5 kinds of pesticide used In 2016/2017, e.g KenUp 480 SL (Isopropyl amina glyphosate), total amount used 315 Lt, and total area sprayed 1,080 Ha.
- Matalok Estate: There are 8 kinds of pesticide used in 2017/2018, e.g Basta 15 WSC (Ammonium gluphosinate), total amount used 140 Lt, and total area sprayed 2,510 Ha.
- KKPA-ASC: There are 4 kinds of pesticide used in 2016/2017, e.g Kenlon 480 EC (Trichlopyr butoxy etyl ester), total amount used 225.50 Lt, and total area sprtrayed 4,323 Ha.

The company can show the record of pesticide used, concerning the trade mark, active ingredient (a,i), percentage of active ingredient, number of used, number of active ingredient, total area sprayed, and number of active ingredient per Ha. Example:

- Lanting Estate: The record of pesticide used In 2016/2017, e.g Trendy (Methyl metsulphuron), percentage of a.i (20%), total used (12.83 Lt), total a.i (2.57 Lt), total area sprayed (247 Ha), and number of a.i/Ha (0.006 Lt).
- Matalok Estate: The record of pesticide used In 2017/2018, e.g Kenlon 480 EC (Trichlopyr butoxy ethyl ester), percentage of a.i (48%), total used (552 Lt), total a.i (264.96 Lt), total area sprayed (2,510 Ha), and number of a.i/Ha (0.10556 Lt).
- KKPA-ASC: The record of pesticide used In 2016/2017, e.g Audit 486 SL (Isopropyl amina glyphosate), percentage of a.i (15%), total used (56 Lt), total a.i (8.7Lt), total area sprayed (4,323 Ha), and number of a.i/Ha (0.00201 Lt).

Based on the explanation above, it could be concluded that the company has conducted record of pesticides used.

#### **Indicator 4.6.3**

The company has had procedures related to chemicals, such as spraying and pest control (Policy 110/EST-ARM/13, Section 15 Plant Protection (the control of horn beetle, leaf caterpillars, rodent, and Ganoderma disease) and Section 16 Weed Control).

The Company has minimized the use of pesticide by implementing IPM, such as not applying pesticide in a preventive (prophylactyc) and applying early warning system (use pesticide only if pest infestation/popuaton has reached/exceeded economic threshold). In addition, the company emphasizes biological control method, such as using natural enemies (owl –predators) to control rodent and control of leaf caterpillars by planting beneficial plants, such as *Turnera subulata*, *Antigonon leptosus*, and *Cassia cobanensis* along the main road (MR) and collection road (CR).

The company has monitored the IPM program and conducted follow-up of monitoring results. Based on the document of pest census recapitulation, it can be seen the effectiveness of IPM. Example:

#### 1. Lanting Estate

- In 2016/2017 planted beneficial plants, namely *Turnera subulata* (along MR 20,393 M and CR 578 M), *Antigonon leptosus* (along MR 575 M and CR 166 M), and *Cassia cobanensis* (along MR 5,976 M and CR 1,982 M). The planting of beneficial plants effectively decreased infestation of leaf caterpillars. The census result in July - November 2017 showed there was no infestation of leaf caterpillars.
- The census result in July - September 2017 showed no rodent attack. However, biological control was carried out by monitoring the existing BOBs (56 units or 91.80% out of 61 units total BOBs were still active).

#### 2. Sangkoh Estate: The results of pest census in November 2 017 showed that:

- There were no leaf caterpillars attack. Biological control was carried out by planting *Turnera subulata* 138.065 M and *Cassia cobanensis* 11,080 M along MR and CR in Division 1, 2, and 3.
- There was no rodent attack. Biological control was done by monitoring the existing BOB (94 units, all inactive).

#### 3. Matalok Estate: In October 2017 it was found that:

- Rodent attacked 93.18 Ha out of 578.46 Ha total **Mature Plant** area. The percentage of attack was 16.11% (greater than economic threshold 5%). Hence, chemical control was done by applying 135 Kg of rodent baits in

123.18 Ha. Biological control was also done by monitoring the existing BOBs, ie in Division 1 (39 units), Division 2 (49 units), and Division 3 (34 units). The active BOB were only 3 units.

- Rodent attacked 24.79 Ha out of 64.66 Ha total **Immature Plant** (replanting) area in Division 3 Field F-018. The percentage of attacks was 38.33% (greater than economic threshold 5%). Chemical control was carried out using 20 Kg of Racumin bait.

#### 4. KKPA-ASC

Census of leaf caterpillars in November 2017 found the light attack in Division 3, Block H02 (larvae size > 5 mm, 24 live pupae), and in Block H03 (larvae size > 5 mm, 29 live pupae). The average population has not reached yet the economic threshold (5 larvae per midrib). Hence, chemical control was not performed. Control is done biologically by planting and upkeeping beneficial plants.

The IPM implementation by conducting Early Warning System has reduced pesticides usage. This can be seen from the record of pesticide usage, especially insecticide and rodenticide. Example:

- Lanting Estate: In 2017/2018 only use Glyphosate herbicide, Methyl metsulphuron, and Trichlopyr. There is no use of insecticides and rodenticides.
- Sangkoh Estate: In 2017/2018 (up to November 2017) there herbicides use for weed control on the circle are Glyphosate (plan 1,344.35 Lt, actual 707.88 Lt) and Methyl metsulphuron (plan 38.44 Kg, actual 707). There was no use of insecticide and rodenticide.
- KKPA-ASC: In 2016/217 used herbicides Isopropylamine glyphosate (plan 7,402 Lt, actual 1,917 Lt), Triklopir butoxy ethyl ester (plan 613 Lt, actual 368 Lt), and Methyl metsulfuron (plan 194 Kg, actual 116 Kg). The use of rodenticide (Ratgone) was 90 Kg and is planed to use only 14 Kg in 2017/2018 (decreased 84.44%).

The spraying workers interviewd at Lanting Estate, Matalok Estate, Sangkoh Estate, and KKPA-ASC claimed that the company does not use pesticides prophylactically.



Manual Upkeep of Beneficial Plant in Matalok Estate



Barn owl Box in Rantau Estate

**Indicator 4.6.4**

The Company has had list of pesticides that belong to the WHO Class 1A or 1B, or those listed in the Stockholm or Rotterdam Conventions, in Appendix 2 of SOP Sustainable Plantations Management Manual No. Policy 724/TQEM-SPMS/09 published on 27<sup>th</sup> August 2010.

The Company does not use paraquat herbicide and pesticides classified as Class 1A or 1B of the WHO or those listed in the Stockholm or Rotterdam Conventions. This is confirmed by the policy of not using paraquat as mentioned in memorandum of Head Plantations Operation (No.POD-UM-127/X/2008, dated 4<sup>th</sup> November 2008) concerning recommendation substitute of paraquat - Gramoxone active ingredients in Minamas. The Company also has a recommendation prohibiting the use of ratgone / brodifacoum from Plantation Advisory from 16-18 July 2013.

The following is the list of pesticide (active ingredients) used by the company in 2017/2018:

- Lanting Estate (Isopropilamina glyphosate, Ammonium gluphosinatl, Indaziflan, Trichlopyr butoxy etyl ester, Methyl metsulphuron, Fluroxipyr methyl heptil ester, Deltametrin, and Kumatetrailil.
- Sangkoh Estate: Kumatetrailil, Ammonium gluphosinate, Isopropilamina glyphosate, Indaziflan, Methyl metsulphuron, Trichlopyr butoxy etyl ester, and Cypermetrin.
- Matalok Estate: Isopropilamina glyphosate, Trichlopyr butoxy etyl ester, and Methyl metsulphuron.
- KKPA-ASC: Isopropilamina glyphosate, Ammonium gluphosinate, Trichlopyr butoxy etyl ester, Methyl metsulphuron, and Kumatetrailil

Based on the list of pesticide used, result of field observation in pesticide warehouse, and interview with spraying workers at Sangkoh Estate, Matalok Estate, and KKPA-ASC, no pesticide of Class 1A or 1B of the WHO or those listed in the Stockholm or Rotterdam Conventions and parakuat were found.

**Indicator 4.6.5**

The company has procedures related to chemicals, such as spraying and pest control (Policy 110/EST-ARM/13, Section 15 Plant Protection (the control of horn beetle, leaf caterpillars, rodent, and Ganoderma) and Section 16 Weed Control).

The company has Working Instructions of safe working methods in spraying. In addition, the company also has MSDS for each type of pesticides which describes guideline of storage and handling of pesticides, handling of accident and first aid, risk identification, pesticides spills and leaks handling, PPE, physical and chemical properties, reactivity and material stability, toxicology and ecology information, pesticide wastes handling and transportation. The procedure on storage of pesticide is explained in Doc. No. SOP 028 / SAA-PPK / 10 2010).

Based on the training record of 2017/2018 the company has trained 109 total employees and workers who involved in



pesticide handling, namely:

1. Sangkoh Estate
  - Refresh Competence & Safety Spray, and Pesticide Handling on 17<sup>th</sup> July 2017 (26 participants).
  - Refresh Competence & Safety IPM on 07<sup>th</sup> August 2017 (9 participants).
2. Matalok Estate: Refresh Competence & Safety IPM on 18<sup>th</sup> April 2017 (12 participants).
3. Lanting Estate:
  - Refresh Competence & Safety Spray, and Pesticide Handling on 27<sup>th</sup> October 2017 (19 participants).
  - Refresh Competence & Safety IPM on 25<sup>th</sup> October 2017 (14 participants).
4. KKPA – ASC:
  - Refresh Spray Team, Chemical Work Procedure, OHS, and HIRAC on 14<sup>th</sup> November 2017 (8 participants).
  - Refresh Competence & Safety IPM on 9<sup>th</sup> November 2017 (15 participants).

Spraying workers interviewed on field visit at Matalok Estate, Sangkoh Estate, and KKPA-ASC on chemical weed control claimed to have been trained on pesticide handling and spraying. They understood and were able to demonstrate properly a safe pesticide application technique. Spraying foreman interviewed at Sangkoh Estate (Block E-39, Division 2) used herbicide (Trichlopyr) at a dosage of 4 - 5 Cc per liter of water in accordance with the label on the packaging.

Herbicide application has referred to the label of product. For instance, the use of Isopropyl amine glyphosate at Matalok Estate (Block B-32, Division 2) at a dosage of 300 Cc per Ha for narrow-leaved weed control in circle and path. At the time of field visit, Foreman indicated that MSDS sheet as reference for handling pesticide used.

Spraying foreman interviewed at Matalok Estate, Sangkoh Estate, and KKPA-ASC admitted to check PPE every day during the morning attendance. Any inappropriate PPE will then be replaced. The company can show document of PPE delivery to workers. For example, at Sangkoh Estate, on 17<sup>th</sup> May 2017 was handed over 15 sets of spray uniforms and on 1<sup>st</sup> August 2017 handed over 15 pieces of masks to spray workers.



PPE of Pesticide Applicator of PT LMI in accordance with MSDS requirement (NIOSH approved)

Based on explanation above, it could be concluded that both estates and KKPA has conducting pesticide handling and application properly, in accordance with company procedure.

#### **4.6.6 & 4.6.10**

Based on field observation in agrochemical warehouse of Matalok Estate, Lanting Estate, Sangkoh Estate and KKPA of Cengal River, it is known that storage is arranged in accordance with material (liquid / granules), available pouring container and personal protective equipment to take pesticide.

Used pesticide packaging has also been managed according to work instructions 014 / LMI-IKPKBP / 2012 on handling of pesticide packaging. Based on the results of interviews with workers on herbicide application activities, for example in KKPA Sungai Cengal, it is known that the packaging of pesticide used is cleaned up and collected at Hazardous Waste Temporary Warehouse and waste water used for packaging, spray and personal protective equipment used for mixing spray material. Based on field observation in Lanting Estate and Sangkoh Estate, it is known that there are no pesticide containers used as bins or pots. In addition, the certificate holder indicates the submission of hazardous waste from Waste Temporary Warehouse Rantau Factory to the collector of PT Sinar Bintang Albar, among others, on October 11, 2017 which explained the delivery of bottles and cans of pesticide packaging as much as 1098 pcs (4 drums) to the collecting party.

Based on the interview with the warehouse officer at Lanting Estate, it is known that he had received training related to waste disposal, such as handling of pesticide container washing and placed in Waste Temporary Warehouse and Material Safety Data Sheet training.

**Indicator 4.6.7 and 4.6.9**

The company has had Working Instructions for safe work in spraying. In addition, the company also has MSDS for each type of pesticide which describes guideline of storage and handling of pesticide, handling of accident and first aid, risk identification, pesticides spills and leaks handling, PPE, physical and chemical properties, reactivity and material stability, toxicology and ecology information, pesticide wastes handling and transportation.

The dosage of pesticide used refers to the recommendation on each label of pesticide type. To ensure the use of pesticide in accordance with the objectives, the company identifies weed species and adopts control method to be performed. Based on field visits and interviews with applicators, the type of herbicide used have been in accordance with the target. For example, the use of Isopropyl amine glyphosate herbicide at Matalok Estate (Block B-32, Division 2) at a dosage of 300 Cc/Ha for narrow-leaved weed control in circle and paths.

The company has conducted training on pesticides handling for employees and workers who involved in pesticides in accordance with technical guidelines and safe working methods, for example:

- Sangkoh Estate: Refresh Competence & Safety Spray, Pesticide Handling on 17<sup>th</sup> July 2017 (26 participants).
- Matalok Estate: Refresh Competence & Safety IPM on 18<sup>th</sup> April 2017 (12 participants).
- Lanting Estate: Refresh Competence & Safety Spray, Pesticide Handling on 27<sup>th</sup> October 2017 (19 participants).
- KKPA-ASC: Refresh Team Spray, Chemical Work Procedure, K3, HIRAC on 14<sup>th</sup> November 2017 (8 participants).

The auditor team conducted field visit and interview with spray workers at Sangkoh Estate (Block E-39, Division 2). Spraying foreman claimed to have attended training on pesticide use and understood the impact of pesticide applications, such as negative impacts on human health and the environment, **however herbicides mixing is conducted in the field.**

The company already has the Block Spraying System (BSS) pesticide mixing procedure and the use of BSS Station (No.034/LMI-BSS/2011). In the procedure (Section 5.6) it is mentioned that the combustion, dilution, and mixing of pesticides is carried out in a special mixing room having a wash and trap tub and well-ventilated room. However, based on the results of field visits in Sangkoh Garden, Block E-39, Division-2, it is found that pesticide mixing is conducted in the field. This is not in accordance with the procedures that have been owned by the company. **Minor Non Conformity No. 2017.02.**

**Indicator 4.6.8**

Based on the company's document review, field visits, and interviews with spray workers at Matalok Estate, Sangkoh Estate, and KKPA-ASC, as well as local community representatives, the company did not apply pesticides from the air.

**Indicator 4.6.11**

The company can show list of spraying workers, for example in KKPA-ASC spraying team consists of 11 persons (10 applicators and 1 mixing worker). Based on field observations and interviews with spraying workers at Matalok Estate, Sangkoh Estate, and KKPA-ASC it is known that no spray workers are pregnant or breastfeeding.

In 2017/2018, the Medical Check Up (MCU) is done in collaboration with “Mandiri Healthy Care” clinic at Kota Baru on 17<sup>th</sup> November 2017. The type of examination performed is cholinesterase and spirometry. The MCU result is as follows:

- Matalok Estate: 17 workers (15 workers normal and 2 persons mild poisoning)
- Sangkoh Estate: 46 workers (39 workers normal and 7 persons mild poisoning)
- Lanting Estate: 46 workers (37 persons normal and 9 persons mild poisoning)
- KKPA-ASC: 37 workers (32 persons normal and 5 persons mild poisoning)
- Rantau POM: 20 workers (all normal)

Based on the results of document review, field observation, and interviews with officers of certification unit, the auditor team concluded that the company has conducted health examination, the result has been documented.

**Indicator 4.6.12**

The company has had a policy on the mechanisms for breastfeeding or pregnant female workers, endorsed on 1<sup>st</sup> January 2013. Such workers submit a written report to the assistant, then be examined by the nurse or doctor at the company clinic. If proven to be pregnant, she will be transferred to perform work that is not related to chemicals.

To detect early pregnant/breastfeeding female workers have been applied H1 monitoring (menstruation) and H2 (pregnancy) every month. The company is able to show the list of Sangkoh Estate female employees informing the taking of H1 and H2 leave permits. Example:

- On 23<sup>th</sup> October 2017, maternity delivery was given to Jarwati for 3 months starting from 23<sup>th</sup> October 2017 to 20<sup>th</sup> January 2018.
- On 28<sup>th</sup> October 2017, KKPA-ASC Manager approved the application of maternity leave to Erwinta Siregar for 90 working days, starting from 13<sup>rd</sup> November 2017 to 3<sup>rd</sup> March 2018.

The company prohibits the pregnant or breastfeeding female workers to perform work related to chemicals. Example:

- Lanting Estate: Hasnawati (fertilizer worker) – According to letter of Lanting Estate manager dated 11<sup>st</sup> October 2017, she has been transferred to be upkeeping worker for 2 months (from 12<sup>th</sup> October until 12<sup>nd</sup> December 2016) as a follow up of MCU results from Mandiri Healthy Care Laboratory, Kotabaru General Hospital.
- Lanting Estate: Jarwati (spray worker) was recommended on 25<sup>th</sup> April 2017 to transfer to be a care worker because of being pregnant (1 week gestation).

Each estate can show the list of spraying workers. Based on field observation and interview in Field C004 Lanting Estate, it is known that no female applicators are pregnant or breastfeeding.

<b>4.6.7 Minor</b>	<b>Status: Non Conformity No.2017.02 with Minor Category</b>
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**4.7**

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

**Indicator 4.7.1**

The company has had a Safety and Health Policy No.724/TQEM-SPMS/09 on commitment to improving safety and health of employees, contractors, and guests. Minamas has established the OHS system focused on the issues:

- Formulate and establish and implement the OHS System
- Train employees in accordance with the competence in field of work
- Implement Law, Government Rules, and regulation which Minamas has set about OHS.
- Improve OHS performance continually.

The management explained that the company has not made any changes to this policy.

The OHS program has been prepared for Sangkoh Estate, Matalok Estate, KKPA-ASC, and Lanting Estate, namely OHS meetings every three months, simulation of land fires per semester, simulation of OHS per three months, periodic health, OHS Month, and examination of fire extinguishers.

The latest examination of fire extinguishers has been conducted, as follows:

- KKPA-ASC: On 10<sup>th</sup> September 2017 (1 piece in the Office of Estate and 2 pieces in Housing G-10, all in good condition).
- Lanting Estate: On 15<sup>th</sup> November 2017, in housing of Division 1 (28 pieces), Division 2 (31 pieces), Division 3 (13 pieces), and Office and Traction Division (23 pieces). Condition: 84 pieces good and 11 pieces not good.

- Sangkoh Estate: In October 2017 in emplacement (4 pieces), staff housing (3 pieces), Division 1 (9 pieces), Division 2 (3 pieces), and Division 3 (11 pieces). All are in good condition.
- Matalok Estate: On 3<sup>rd</sup> November 2017 (total 36 pieces), all are in good condition

Based on the field observation and interviews with workers at Rantau POM, the latest examination of fire extinguisher at Boiler Station (1 piece) was done in August 2017 and in Engine Room (2 pieces) in November 2017. All are in good condition.

Based on the results of document review, field observation, and interviews with workers, the auditor team concluded that this indicator has been met.

**Indicator 4.7.2**

The company has identified HIRAC for all works, ranging from harvesting, pruning, manuring, spraying, road maintenance, warehouses, generator houses and workshop, office, mess and security activities. Example:

In Lanting Estate, an identification of HIRAC has been performed, namely:

- Work in Estate, such as Block Harvesting System (BHS), pruning, Block Manuring System (BMS), Block Spraying System (BSS), and road maintenance.
- Work in warehouse (reception, storage and disposal of goods), generator house (engine operating), solar tanks (reception and filling), housing/gardener (daily activities), and office (administration, cleaning, and kitchen work).

HIRAC includes job steps, hazards, effects, risks, risks control, residual risk, and personnel in charge. Example, HIRAC spraying, ie activities (pouring the pesticide solution into sprayer tank), potential hazards (pesticide), effects (irritation and inflammation of the skin), low risk (risk), risk control (using gloves, masks and eyeglasses), residual risk (low), and person in charge (operator and sprayer).

The company has had a monitoring system of OSH implementation, among others, implementation of control plan in HIRAC document, ie SIME Card conducted every month. The SIME Card recapitulation of October 2017 informs observer data, content (person reaction, procedure, person's position, area governance, equipment, PPE, etc.), rear contents (safe observation, unsafe observation, condition not secure), action taken.

Workers interviewed in Rantau POM, Lanting Estate, Matalok Estate, Sangkoh Estate, and KKPA-ASC have understood the potential risk from their works. For instance, the harvest foreman interviewed at Matalok Estate (Division 1, Block A-008) admitted to check PPE every morning to ensure that harvesters have used PPE properly before harvesting.

**Indicator 4.7.3**

The company can show OHS training record conducted for workers. Example:

- Sangkoh Estate: On 1<sup>st</sup> July 2017 (20 workers), 17<sup>th</sup> July 2017 (26 workers), 7<sup>th</sup> August 2017 (9 workers), and 10<sup>th</sup> October 2017 (30 workers)
- Matalok Estate: On 4<sup>th</sup> March 2017 (67 workers), 18<sup>th</sup> April 2017 (12 workers), 18<sup>th</sup> May 2017 (15 workers), 21<sup>st</sup> August 2017 (17 workers), 28<sup>th</sup> September 2017 (38 workers), 6<sup>th</sup> November 2017 (24 workers), 27<sup>th</sup> November 2017 (35 workers), and 4<sup>th</sup> December 2017 (14 workers).
- Lanting Estate: On 21<sup>st</sup> October 2017 (35 workers), 25<sup>th</sup> October 2017 (43 workers), 26<sup>th</sup> October 2017 (15 workers), 27<sup>th</sup> October 2017 (19 workers), 28<sup>th</sup> October 2017 (33 workers), and 30<sup>th</sup> October 2017 (33 workers).
- KKPA-ASC: On 6<sup>th</sup> November 2017 (14 workers), 8<sup>th</sup> November 2017 (14 workers), 9<sup>th</sup> November 2017 (15 workers), and 14<sup>th</sup> November 2017 (8 workers).

In OHS guideline (No.Policy 722/PSQM-PSS/10, dated 1<sup>st</sup> August 2011), it is described the appropriate PPE and be provided to workers for each activity. The company can show evidence of PPE handover to employees. Example:

- Matalok Estate: On 11<sup>st</sup> January 2017 (safety shoes 30 pairs), 1<sup>st</sup> July 2017 (helmet 17 pieces, boots 34 pairs), 4<sup>th</sup> March 2017 (boots 2 pairs). 21<sup>st</sup> February 2017 (helmet 8 pieces), 8<sup>th</sup> February 2017 (safety shoes 6 pairs), and 21<sup>st</sup> February 2017 (equipment of Security Guard 6 sets)
- KKPA-ASC: On November 2017 (15 sets of PPE and 15 sets of harvest tools to harvesters).
- Sangkoh Estate: 17<sup>th</sup> May 2017 (35 sets of harvest uniforms), 17<sup>th</sup> May 2017 (spraying uniform 15 sets), 13<sup>rd</sup> May 2017 (helmet 5 pieces), 1<sup>st</sup> August 2017 (maskers 15 pieces), and 26<sup>th</sup> October 2017 (boots 25 pairs).

The company has had a monitoring system of OSH implementation, including the compliance of PPE use, ie SIME Card conducted every month. The company also has procedures to provide PPE No. 739/TQEM-ESH/10, that the company provides PPE for employees in accordance with the type of risk of their respective works as described in the HIRAC document. However, based on the results of field visits, **it is found discrepancies associated with the use of PPE**, namely:

- Matalok Estate: Harvesters do not use helmets (2 of 2 samples), sprayers do not use rubber gloves and use self-provided masks (3 of 3 samples), foreman workshop, welder, and mechanic are using self-supplied shoes (1 of each sample);
- KKPA-ASC: The sprayers do not use rubber gloves (10 out of 10 samples) and self-provided masks (4 out of 10 samples);
- Rantau POM: Operator in Boiler Station does not use ear plug and self-provided shoes (2 of 2 samples), welder working in Nut & Kernel Station does not use ear plug (1 of 2 samples), and mechanic in workshop uses self-provided shoes (1 of 1 sample);
- Sangkoh Estate: The spray foreman does not use rubber gloves and sunglasses / face shield (1 of 1 sample).

**This is a Major Non Conformity – No.2017.03**

#### **Indicator 4.7.4**

The PIC of OHS for each management unit (Lanting Estate, Matalok Estate, Sangkoh Estate, KKPA-ASC, and Rantau POM) is defined in the structure of OHS Committee, authorized by the relevant agency. Example, OHS Committee for Lanting Estate is authorized by the Decree of Head of Social Service, Manpower and Transmigration, Kotabaru Regency, South Kalimantan Province No. 566.011/P2K3/Naker-2/II/2015 dated 11<sup>st</sup> January 2015. The committee comprises of coach, chairman, vice chairman, and secretary, assisted by sections (transportation and workshop, fire rescue, material chemistry and environment, documentation and archive, and health). Secretary is the holder of expert OHS certificate (Agus Frans Manalu), pursuant to Decree of Minister of Manpower and Transmigration No.Reg.2567/P2K3/AJ/63/2016/P1 (valid until 7<sup>th</sup> February 2019).

The OHS Committee has conducted quarterly meeting to discuss OHS issues. The company has the minutes of meeting. Example:

- Matalok Estate: On 2<sup>nd</sup> October 2017 (followed by 20 participants), evaluation of accidents and OHS of September 2017, PPE usage (harvester, sprayers, traction operators), PPE completeness, and provision of First Aid Boxes.
- KKPA-ASC: On 4<sup>th</sup> October 2017 (followed by 11 participants), preparation of the complete PPE, procurement of PPE (helmet, gloves, apron, boot, gloves, masks, etc.), and mandatory supervision by supervisors and assistants.
- Rantau POM: On 4<sup>th</sup> October 2017, evaluation of the POM workplace accident (July - September 2017).

The company has submitted regularly the report of OHS Committee to relevant government agencies. The third quarterly report of 2017 (July – September) has been submitted by the Chairman of OHS Committee to Head of Department of Social, Manpower and Transmigration, Kotabaru Regency, South Kalimantan Province, namely:

- Rantau POM: Letter of Senior Manager of Rantau POM No.207/LMI-RTF/K3/2017 dated 06<sup>th</sup> November 2017.
- Matalok Estate: Letter of Matalok Estate Manager No.003/P2K3/09/2017 dated 30<sup>th</sup> September 2017.
- KKPA-ASC: Letter of Senior Assistant of KKPA-ASC No.287/KPC-Eks.Disnakertrans/IX/2017, dated 20<sup>th</sup> September 2017.
- Sangkoh Estate: Letter of Estate Manager No. 348/P2K3/IX/2017, dated 11<sup>st</sup> October 2017.
- Lanting Estate: Letter of Estate Manager No. LNE/P2K3/ 001/X/2017, dated 3<sup>rd</sup> October 2017.

Based on the results of the document review and interviews with staff of the certification unit, the auditor team concluded that this indicator has been met.

#### **Indicator 4.7.5**

The Company has had SOP Emergency (No.031/SAA-KDR/10) for efforts undertaken in case of emergency, such as fire or earthquake, SOP Identification and Evaluation of Emergency Potential (No.724/TQEM-ESH/10), and SOP Recording Data of Work Accident (No.001/SAA-PDK/10, ratified on 1<sup>st</sup> July 2010). All of the work accidents should be documented and investigated.

The company has document record of socialization and simulation on First Aid. Example, at Matalok Estate (on 4<sup>th</sup> March 2017 followed by 67 employees), Lanting Estate (on 28<sup>th</sup> October 2017 followed by 33 employees), and KKPA-ASC (on 6<sup>th</sup> November 2017 followed by 14 employees).

Based on observations and interviews with workers, it is known that the First Aid Kit is available in the workplace. For example, in chemical weed control activity at Matalok Estate, KKPA-ASC, and Sangkoh Estate, and manuring activity at Lanting Estate, the First Aid Kits are brought along by the foremen. In Rantau POM, the First Aid Kit is available, among others, in workshop and factory offices.

The company has had record of accidents, monitored periodically. For example, at Lanting Estate:

- In 2016/2017, there were 6 incidents of work accident, among others, on 7<sup>th</sup> November 2016 the harvester (Jarwo) at Block D-10, suffered from injury on the left foot with an axe cutting of fruit stalk in Fruit Collection Site (FCS). Losing 2 working days (accident category 6).
- In 2017/2018 (as of November 2017), there were 2 incidents of work accident, among others, on July 2017 the harvester (Sukmahanawi) in Block C-005, injured the left ear while retreating when composing fruit in the FCS. Losing 1 working day (accident category 4).

The harvest foreman and harvester interviewed during field visits in Matalok Estate (Division 1, Block A-008) have understood procedures and safe working manner emergencies even in cases of occupational accidents in the field.

Based on the results of the document review and interviews with the certification unit staff, the auditor team concluded that this indicator has been met.

**Indicator 4.7.6**

The company has had policy related to accident insurance and social security stated in the Collective Working Agreement (CWA) Article 50, that employers will engage their workers in the social security program of labor (BPJS TK) type Accident Insurance (JKK), Death Insurance (JK), Old Age Security (JHT), and Pension Guarantee (JP). In Article 51 it is explained the provisions of the obligation to register as a participant BPJS Health.

All work accidents have been investigated and reported to Jamsostek for Phase I reports, medical care due to workplace accidents and has been processed for claiming insurance.

The company may provide evidence of accidental employment insurance payments. Example, KKPA-ASC (Social Security for October 2017 for 30 employees), Matalok Estate (Social Security for September 2017 for 348 employees), Sangkoh Estate (Social Security for October 2017 for 317 employees), and Lanting Estate (Social Security for October 2017 for 396 employees).

Based on the results of the document review and interviews with the certification unit staff, the auditor team concluded that this indicator has been met.

**Indicator 4.7.7**

The company has conducted monitoring of workplace accident using LTA Metric. It can be shown the monitoring report for Matalok Estate, Sangkoh Estate, Lanting Estate, Rantau POM, and KKPA-ASC informing date, name of victim, sex, employee status, accident site, working days, accident categories, and causes of accidents.

Based on the recapitulation of work accidents in 2017/2018 (as of November 2017), the following is example of the monitoring result:

- Matalok Estate: 2 cases, 2 days LTI, accident category (class 2; 2 cases);
- Sangkoh Estate: 6 cases, 30 days LTI, accident category (class 4; 5 cases) and class 3 (1 case)
- Lanting Estate: 2 cases, 6 days LTI, accident category (class 4; 2 cases);
- Rantau POM: 0 case
- KKPA-ASC: Based on the 2<sup>nd</sup> Quarterly Report of 2017 (July - September), it is known that there is no work accident.

All occupational accidents have been investigated and reported to Jamsostek for Phase I reports, medical care due to workplace accidents and has been processed for claims to insurance.

Based on the results of the document review and interviews with the certification unit staff, the auditor team concluded that this indicator has been met.

<b>4.7.3</b>	<b>Status: Non Conformity No. 2017.03 with Major Category</b>	<b>Open</b>
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**4.8**  
**All staff, workers, smallholders and contractors are appropriately trained.**

**4.8.1 Major & 4.8.2 Minor**

CH has a training program such as safety aspect, environment aspect, field operation etc. The planned training includes lowering the risk of exposure to pesticides, employment policies for pregnant women, productivity etc. Workers training needed analysis conducted every years for all workers, and The training is well documented, such as:

- Sangkoh Estate: HCV training on 4 September 2017
- Lanting Estate: IPM training on 25 Oktober 2017
- Matalok Estate: safety harvesting training on 20 September 2017

	<b>Status: Comply</b>	
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**PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity**

**5.1**  
**Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.**

**5.1.1**

The certificate holder has an environmental impact assessment document, as follows:

1. Environmental Impact Assessment Document (EIA) with validation number 008 / ANDAL / BA / II / 95 dated February 27, 1995, prepared by PT Anima Rekayasa Perkasa for PT Langgeng Muara Makmur, PT Paripurna Swakarsa, PT Swadaya Andika and PT Laguna Mandiri with a study area of 77,290 hectares. The EIA document describes the impacts of land acquisition, waste disposal/ waste land management and the recruitment and application of plantation crop planting systems.
2. Document of Management Plan and Environmental Monitoring Plan is approved in accordance with the Letter No. 049 / RKL-RPL / BA / III / 95 dated March 30, 1995.
3. Social Environment Impact Assessment study by Aksenta in September 2015, the document has outlined the plan to reduce the negative impacts and improve positive impacts from replanting activities.
4. KKPA Sungai Cengal have the Environment Impact Assessment (EIA) document for palm oil estate and mill in Pamukan Utara Sub-district, Pamukan Selatan, and Sungai Durian, Kotabaru District, Kalimantan Selatan Province in 1994, which has been approved in 1995. Base on overlay map is know the location KKPA Sungai Cengal is include in scope EIA.
5. Addendum environmental impact assessment (EIA) PT Laguna Mandiri (Estate & Mill) which has been approved by Audit Commission EIA District of Kotabaru on July 1<sup>st</sup>, 2015 with decree number 188.45 /460/KUM/2015.
6. Approval of Regents Kotabaru District, South Kalimantan province with decree number 188.45/460/KUM/2015 regarding Environment feasibility for palm oil. There is addition regarding Biogas Plant utilization capacity amounted to 1200 Kilowatt located in Bepara Village, Pamukan Utara Subdistrict and Kotabaru District. Mill capacity is 60 tones FFB process/ hour with average FFB processed is 24, 0000 ton per month.
7. Recommendations from the Environment Agency Kotabaru District with number 600/16/AMDAL-TATLING/BLHD/2015 dated on July 28<sup>th</sup>, 2015.

**5.1.2 & 5.1.3**

The certificate holder shows the environmental management plan documents to prevent negative impacts such as soil and water conservation management, air quality management, noise and disturbance sources, river and ground water quality management and others listed in the Environmental Management Plan / Environmental Monitoring Plan Implementation Report. The Environmental Management Plan / Environmental Monitoring Plan Implementation Report is routinely reported every semester to the Environment Department of Kotabaru District, such as Environmental Management Plan / Environmental Monitoring Plan Implementation Report of Semester I 2017 PKS Rantau Kotabaru

Environment Office dated 24 August 2017.

Based on the document of Environmental Management Plan / Environmental Monitoring Plan Report of Semester I 2017, monitoring procedures have been incorporated in the plan, such as fertility decline, soil and water conservation, replanting & environment implementation, noise, vibration, volatility, air emission and immobilization etc.

**Status: Comply**

**5.2**

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

**5.2.1 & 5.2.2**

There are no changes for the HCV Identification assessment that was conducted in 2009 for Matalok Estate, Sangkoh Estate and Lanting Estate and in 2014 for KKPA Sungai Cengal. All the RTE species was identified by the RSPO approved assessor. Based on the study of biodiversity identification document conducted on December 19, 2016 at Sangkoh Estate and Lanting Estate, found Lutung Kemanggat (*Presbytis hosei*); Bekantan Kahau (*Nasalis larvatus*), Monkey beruk (*Macaca nemestrina*); Binturung (*Arctictis binturong*); The mouse deer (*Tragulus javanicus*); and large Punai (*Treron capellei*). For Matalok Estate, HCV areas are identified as riverbanks and troughs.

Matalok Estate shows the document of HCV Area Management Plan 2017 - 2018, including Sungkai Tree Planting in block D015 (HCV 5) of 100 trees on December 17, March and June 2018, installation 18 units of HCV warning signals and manual circle upkeep in the HCV area. Based on field observations at Matalok Estate on HCV 4 block D32 Division 2, it is known that there is a marking of + - 50 meters (5-6 palms from the source) not to be chemically treated and it can avoid damage to HCV habitat. In addition, there are also warnings and signposts HCV information (protected animals and others)

Monitoring at Matalok Estate is done every month and from the monitoring result from July to September 2017, the types encountered are sparrows, swallo, lizards, monkeys, etc. No RTE species were found based on wildlife monitoring results

**5.2.3**

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

- Matalok Estate shows document of HCV Pamphlet Socialization in Bepara Village, October 11, 2017 and socialization of potential HCV area at Matalok Estate to apparatus & community leaders of Bepara Village (village and community)
- Sangkoh Estate shows the HCV Training & Socialization document in Division 1, dated March 9, 2017 to the estate assistant, foreman and employee, attended by 8 participants. Socialization to the community was conducted on March 4, 2017 to the community of Sangkoh village attended by 17 participants.

Based on interviews with workers at Matalok Estate, KKPA Sungai Cengal and Lanting Estate, it is known that workers have been informed about the HCV area as prohibited to poison the river, spray bans in the buffer zone area (5 palms) including a ban for hunting protected animals such as *Manis javanica* and *Felix bengalensis*. Socialization also explains if there is a violation as proven to bring or deliberately hunt and collect the type of flora or fauna rare it will apply severe sanctions including reading the process by law.

**5.2.4**

The certificate holder has a HCV management and monitoring plan, for example Matalok Estate showing the HCV Project Management Plan document of 2017 - 2018, such as planting Sungkai tree in block D015 (HCV 5) of 100 trees



on December 17, March and June 2018, installation 18 units of HCV warning signals and manual circle upkeep in the HCV area and in Sangkoh Estate management measures such as planting with local tree species, arrangement and installation of buffer zone plang. The monitoring of RTE, for example in Matalok Estate is done every month and from the monitoring results from July to September 2017, the types encountered are sparrows, swallo, lizards, monkeys, etc. No RTE species were found based on wildlife monitoring results.

**5.2.5**

In previous re-certification assessment, it was found that the HCV area overlaps with local community rights areas that have been identified in KKPA Sungai Cengal. The certificate holder shows the news of the socialization event and agreement with the local community related to the management of the HCV and it is agreed to remove the area from the HCV list managed by KKPA-ASC.

**Status: Comply**

**5.3**

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

**5.3.1**

The certificate holder has identified waste sources, documented and managed. The document covers the source of the waste, the name of the waste, the type of waste, the classification and storage area. For example housing produces a type of solid waste such as plastic, food waste and paper / leaf that belongs to the classification of non hazardous waste, then the storage place in the trash can or landfill. Other examples such as workshops produce solid and liquid waste types such as used oil, used batteries, second-hand filters included in the hazardous waste classification, then their storage at hazardous waste temporary warehouse.

**5.3.2**

The certificate holder shows the monitoring of hazardous waste material, for example for the period of October - December 2017 Sangkoh Estate which is stored in hazardous waste temporary warehouse, among others, 400 liters used oil, 25 pcs second used filters, 3 pcs used accumulators, 165 pcs agrochemical packaging, 71 pcs former jerry cans and Lanting Estate 510 liters used oil, 12 pcs used accumulators, 314 pcs agrochemical packaging and jerry cans 84 pcs.

Based on the results of field observations in the hazardous waste temporary warehouse at Lanting Estate (temporary hazardous waste storage prior to hazardous waste temporary warehouse licensed), there are SOPs installed SOP Management of hazardous waste & Non hazardous waste, document number PLB3 & BB3, dated August 8, 2010, poin 5.1.2 j. explained that the period of transit of hazardous waste from the transit (estate) is 15 days, the estate must immediately send hazardous waste to the hazardous waste temporary warehouse Licensed.

Based on the results of field observations, it is known that there are 2 jerrycans Basta (packaging pesticides) newly entered into the warehouse (dated December 19, 2017).

Similarly during field observation at hazardous waste temporary warehouse Rantau POM, all hazardous waste items contained in hazardous waste temporary warehouse were recorded on whiteboard about item type, material quantity, delivery date until evacuation date to collector.

The certificate holder represents the document of the Liquid and Solid Hazardous Waste Treatment Cooperation Agreement between PT Laguna Mandiri - Rantau Factory and PT Sinar Bintang Albar, number / LM-SBA / K3L / IX / 2017, dated September 20, 2017. Duration of October 1, 2017 s.d. April 1, 2018. Other than that, certificate holder shows the document of hazardous waste Processing Service Cooperation Agreement from Health Mining (Clinical Waste) activity of PT Minamas Gemilang with Sengayam Treatment Center, West Pamukan District. Letter of agreement with number 002 / PLK-S / Waste M / VII / 2017. Number 445/980 / VII / TU-PUSK. Agreement agreed on July 14, 2017. This cooperation agreement is valid for a period of 1 year commencing from July 14, 2017 to July 14, 2018.

**5.3.3**

The certificate holder shows waste management documents and disposal plans to reduce or avoid pollution, such as Kotabaru Regent's Decree, number 188.45 / 256 / KUM / 2016, related Temporary Hazardous and Toxic Hazardous Storage Permit to PT Laguna Mandiri Rantau POM, Sub-District Pamukan Utara, Kotabaru Regency, dated March 29, 2016 and valid for 5 years commencing from the date of the issuance of this Bupati Decree. Types of used waste oil, used batteries and scrap batteries, used filters and hazardous waste contaminated gloves, used tubular lamp, electro wastes, pesticide packaging, expired pesticides and other materials contaminated with hazardous waste.

However, during the assessment activities, the following discrepancies are found:

1. Based on the results of field observation at landfill Matalok Estate, it is known that domestic waste disposal is still done in open area and still sailed by the sack of fertilizer



2. Based on the results of field observations in workshops, oil storage and employee housing in Sangkoh Estate it is known that waste management plans have not been implemented to avoid contamination such as:

Figure 1. There is a spill of diesel fuel in the wokshop repair unit of Sangkoh Estate

Figure 2. There is an oil drip that is not contained in the unit being repaired

Figure 3. The resulting hazardous waste is not stored in hazardous waste temporary warehouse.

Figure 4. There is oil spill outside storage warehouse and oil trap.

Figure 5. Disposal of domestic waste is still done in the area openly



Figure 1

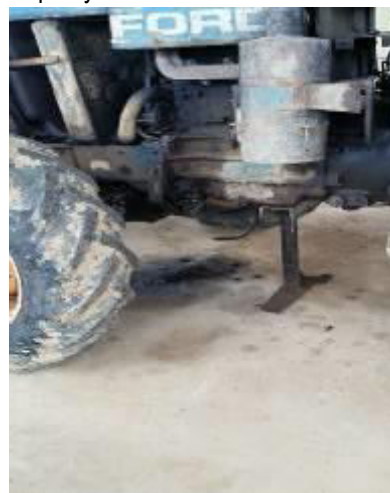


Figure 2



Figure 3



Figure 4



Figure 5

3. Based on the results of field observation in Rantau POM, it is known that there are hazardous waste (paint packaging) produced not stored in hazardous waste temporary warehouse but discarded in place of scrap metal.

**Minor Non-conformity 2017.04**

5.3.3 **Status: Not Comply Minor Non-conformity 2017.04**

<p><b>5.4</b> <b>Efficiency of fossil fuel use and the use of renewable energy is optimised.</b></p>	
<p><b>5.4.1</b> The certificate holder has a plan to improve the efficiency of fossil fuel use and optimize renewable energy conducted monthly monitoring for renewable energy production and recorded in the fossil fuel usage document for Rantau POM describing processed FFB, kWh used genset, kWh used turbine, total kWh used, diesel fuel usage, fiber usage, shell usage, total use of fibre and shell, kWh / liter diesel fuel and diesel fuel savings. Based on the “Data Penghematan Pemakaian Bahan Bakar Fosil diganti dengan Fibre &amp; Cangkang” document, it is explained that the FFB processed during July 2016 - June 2017 is 169,719,090 kg with total energy consumed 4,239,717 kWh. Total use of diesel fuel as much as 253,852 liters or an average of 2.68 kWh / liter diesel. Total use of fibred and shell 30,549,436 kg or 0.12 kWh / kg of fiber and shell. So the total savings of diesel usage is 1,344,638 liter or 7,835 liter / ton FFB.</p>	
	<p><b>Status: Comply</b></p>
<p><b>5.5</b> <b>Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b></p>	
<p><b>5.5.1 &amp; 5.5.2</b> The certificate holder has a non-burn policy and a non-burn statement listed in point 5.7.1 (Sustainable Plantation Management Guidelines), which describes the Zero Burning Technique. In addition, the company has an HPO Memo No.Agr-175/05/2006 dated May 22, 2006 on Zero Burning SOP and Environmental management &amp; biodiversity management policies signed by Head Plantation Upstream Indonesia in December 2011 regarding the prohibition of opening or cultivate the land by burning. This policy has been disseminated to employees at the time of the morning apple and there are banners on the ban on land burning. The certificate holder has a SOP for land preparation that states without fires listed in the MP-ARM section 4 that describes the land clearing. Based on field observation at Matalok Estate Field E15, E16 and E17 and Lanting Estate Chipping no terrace in Block F06 Division 1 and Chipping, terrace and have planted LCC in Block F07 Division 1, it is known that replanting activity is done by heavy equipment (excavator) for chipping and without using the burning method.</p>	
	<p><b>Status: Comply</b></p>
<p><b>5.6</b> <b>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</b></p>	
<p><b>5.6.1</b> The certificate holder has a document of identification and management of pollution sources that describes the location, source of emissions, types of emissions and management of estate and mill operations. Identified GHG emission informs kind of pollution and emission source such as land clearing, the use of fertilizer, transport system, fuel consumption and POME. Company has been taken effort to reduce pollution and emission. The effort noticed during field visit and document verification. During field visit to Rrantau POM facility, the company has WWTP facility to treat the effluent. The engine and the facility is observed to be well maintained and well function. According to document review, the company conducts periodic environmental monitoring includes surface water quality, ambient air, noise and engine emission. This monitoring was conducted to evaluate the management that has been done.</p>	
<p><b>5.6.2</b> Mitigation program is consist of zero burning for land clearing activities, reduction the used of urea and to apply by-products (EFB) for nutrient supply, fuel efficiency, periodic machinaries and vehicles maintenance, periodic emission monitoring and biogas or methane capture installation. The company has waste water treatment plant (WWTP) for pollution reduction of palm oil mill effluent (POME) purposes before transferred to the flatbed on the selected field. Permit of land application (LA) is presented in Regent of Kotabaru District No. 503/03/ IPAL – BPPTPM / 2016, dated December 21th 2016 and valid for five years. POME monitoring on WWTP has monitored, recorded and reported to the</p>	

Environment Agency on Kotabaru District. Monitoring of BOD has carried out every month regularly and reported to Environment Agency every three month. Based on field observation and interview with WWTP officer, it was informed that monitoring and recording of land application by POME has conducted by WWTP officer.

**5.6.3.**

Available proof of delivery of GHG RSPO performances as follows: Rantau Factory,.

**Summary of Net GHG Emissions periode July 2016 to June 2017, from PalmGHG Calculator version 3.0.1:**

Emissions per product	tCO <sub>2</sub> e/tProduct	Extraction	%	Production	ton/year
CPO	1.45	OER		FFB Processed	121,404.93
PK	1.45	KER		CPO Produced	28,000.50

Land Use	ha
OP planted area	26,899.24
OP Planted on peat	0
Conservation area	277.98

**Summary of Field Emissions and Sinks**

	Own Crop			Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e/t FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha
<b>Emissions</b>									
Land conversion	96950.55	8.47	0.84	-	-	-	-	-	-
*CO <sub>2</sub> emissions from fertilizer	29354.03	3.58	0.36	-	-	-	-	-	-
**N <sub>2</sub> O emissions	2688.68	0.25	0.02	-	-	-	-	-	-
Fuel consumption	5170.31	0.37	0.04	-	-	-	-	-	-
Peat Oxidation	0	0	0	-	-	-	-	-	-
<b>Sinks</b>									
Crop sequestration	-108804.59	-9.26	-0.92	-	-	-	-	-	-
Conservation Sequestration	-812.65	-0.09	-0.01	-	-	-	-	-	-
<b>Total</b>	<b>24546.33</b>	<b>3.32</b>	<b>0.33</b>	-	-	-	-	-	-

**Summary of Mill Emissions and Credits**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emissions</b>		
POME	24,263.09	0.2
Fuel consumption	1,039.66	0.01
Grid Electricity Utilisation	0	0
<b>Credits</b>		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>25,302.75</b>	<b>0.21</b>

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

Divert to compost	0
Divert to anaerobic digestion	100

<b>POME Diverted to Anaerobic Digestion:</b>	
Divert to anaerobic pond	100
Divert to methane capture (flaring)	0
Divert to methane capture (electricity generation)	0
-	
<b>Status: Comply</b>	
<b>PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills</b>	
<b>6.1</b>	
<b>Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.</b>	
<b>6.1.1 Major &amp; 6.1.2 Major</b>	
<p>CH has assessed Social Impact Assessment (SIA). PT. LMI (Rantau Estate, Matalok Estate and Rantau POM) conducted on 2010, PT. LMR (Lanting Estate includes KKPA Sungai Cengal) conducted on 2010 and PT. SAA (Randi Estate, Selabak Estate and Sangkoh Estate) conducted on 2009. The assessment involving the affected parties in the form of meetings and questionnaires. The SIA document contains the negative and positive impacts caused by company establishment including replanting, as well as the main issues and management recommendations that can be performed with an objective to reduce negative impact and enhancing positive impact for local communities. SIA study includes Access, economy, livelihood, social value, education etc.</p> <p>During the interviews with the communities (Rantau Jaya Village) there is no issues which not covered in SIA document, also mentioned that there is no conflict between company and villagers. The communities have been involved during the SIA assessment and during the preparation of annually CSR program and most of villagers are the company's employee.</p>	
<b>6.1.3 Major</b>	
<p>CH has a social impacts management and monitoring plan in the Social Impact Monitoring Matrix document in order to mitigate negative impacts and enhance positive impacts. The plan is structured with timelines and responsible persons that reviewed annually by involving affected parties.</p>	
<b>6.1.4 Minor</b>	
<p>The review of the latest social impact management and monitoring plan was carried out on 1 January 2017 participatively in the form of meetings and questionnaires with affected parties. From the results of interviews with the communities (Rantau Jaya Village), it is known that there are unrest related to road access, it has been communicated with the company and the company has also provided the aid of heavy equipment. In addition, the results of interviews with the management of KKPA Sungai Cengal Cooperative known to have internal problems in the cooperative body that potentially affect the relationship of cooperation with the company and the perception that KKPA management is differentiated from the core estate. This issues have not been covered in the annual review and became an opportunity for improvement to further improve participatory methods in reviewing social impacts management and monitoring plans. <b>OFI</b></p>	
<b>6.1.5 Minor</b>	
<p>Social impact analysis assesment are integrated with core estate involves members of cooperatives and communities. The social impacts for KKPA Sungai Cengal have been included in the social impact analysis where KKPA Gardens are built on the concept of partnership in the hope of increasing the income of the community within the company and opening up wider employment opportunities.</p>	
<b>Status: Comply</b>	
<b>6.2</b>	
<b>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</b>	

**6.2.1 Major & 6.2.2 Minor**

CH has the SOP regarding the communication and consultation (SOP 704-TQEM-ESH/10). The SOP contains objectives, scope, references, definitions, procedures, administrative means and The responsible for communication and consultation. Based on the interview with stakeholders (Rantau Jaya Village, local contractors, KKPA Sungai Cengal Cooperative and Labour Agency) known that the stakeholders already know the mechanism of consultation and communication with the company where the consultation and communication can be performed with the Manager, head of administration and Assistant Division.

**6.2.3 Minor**

CH has a list of stakeholders updated in 2017 and well documented. List of stakeholders provides agency/job title, name, address, and telephone number. Among other local governments, NGOs, Trade Unions, Hospitals, Schools, contractors, suppliers and others. CH keeps a record of communications complemented by responses and follow-ups in the communication logbook.

**Status: Comply**

**6.3**

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

**6.3.1 Major**

CH has procedures for handling complaints for all affected parties in the SOP of complaint handling Mechanism For All Parties and Society. In the procedure mentioned that the companies guarantee the security and confidentiality of the reporter (whistleblower), and also attached flowchart of complaint handling mechanisms for all parties (stakeholders). The person responsible for receiving the complaint is Assistant division and head of administration. If there are disputes that can not be resolved through deliberations, they will be brought to the law and also the Company will be welcome If the affected community/party wants to be brought to the RSPO complaint system. CH also provides grievance mechanism in the form of a suggestion box in every Estate. Results of suggestion boxes monitoring in shown that there is no complaint and/or grievance.

Based on interviews with stakeholders (local Jaya village, local contractor, KKPA Sungai Cengal Cooperative and Labor agency) stated that complaint handling procedures have been known by stakeholders. From the results of interviews with KKPA Sungai Cengal Cooperative is known to have difficulty communicating to convey complaints with the company due to the current management of KKPA done by each of the nearest estate. So that any management-related complaints in the field should contact the managers in each unit managing KKPA. This is an opportunity for improvement for companies to provide easy access in the mechanism of receipt of complaints from stakeholders. **OFI**

**6.3.2 Major**

Records of all complaints are kept in the office of each unit of the estate and the factory on the communication logbook. From communications logs during the year 2017 and suggestion box in Lanting Estate, Matalok Estate, Sangkoh Estate, KKPA Sungai Cengal and Rantau Factory is known there are no complaints.

**Status: Comply**

**6.4**

**Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

**6.4.1 (M); 6.4.2; 6.4.3 (M)**

The document No. 394/ITH-PSD-01/11 is a procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation that developed by the CH.

As mentioned under Criteria 2.3 above that during ASA-1.1, the CH did not extent the managed area. However, based on stakeholder consultations with affected communities (Village of Rantau Jaya and smallholders), there is no more land compensated for the last 3 years. Also, based on letter of Land Agency of Kotabaru No. 000/02/KP-10 dated 2 September 2010, stated that there is no customary or traditional right land in Kotabaru Regency.

	<b>Status: Comply</b>	
<b>6.5</b>		
<b>Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</b>		
<b>6.5.1 Major</b>		
<p>CH applies wage provisions in accordance with the Governor of South Kalimantan Decree No. 188.44/0610/KUM/2016 dated 30 November 2016. Based on the results of payroll verification and employee salary slips it is known that the wages given to employees have been in accordance with minimum wage provisions including in the overtime pay for workers who work outside working hours especially mill workers. Based on the results of interviews during field visits in estates and factory it is known that employees get wages above the minimum wage and they given overtime pay for those working outside working hours.</p>		
<b>6.5.2 Major</b>		
<p>CH has a collective agreement between the periods 2016-2018, ratified by Head of Kotabaru Labour Agency Decree No. 568/Kep-1012/HIPK/PDF/X1/Naker/2016 dated 2 November 2016 written in Indonesian. In the collective agreement describes working hours, overtime, sickness, leave status, maternity leave etc. From the results of interviews with employees during field visits in the estates and factory it is stated that employees already know the contents of collective agreements. From the results of field visits are also known every employee has a work agreement signed and understood both parties.</p>		
<b>6.5.3 Minor &amp; 6.5.4 Minor</b>		
<p>Employees have provided adequate housing and other public facilities such as educational facilities, worship, sports, clean water, clinics etc. This is in accordance with the results of field visits in housing employees Matalok Estate, Lanting Estate and Sangkoh Estate. Children of employees who school outside the company are provided with school buses to take them to their respective schools. Based on interview with workers also mentioned that the access to the traditional market in the villages around has been provided, such as at Sungai Durian district market which operates every two weeks and Bakau district market which operates once a week.</p>		
	<b>Status: Comply</b>	
<b>6.6</b>		
<b>The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</b>		
<b>6.6.1 Major &amp; 6.6.2 Minor</b>		
<p>CH has a policy of freedom in association contained in the Social Policy, issued on December 2011. Unions in each unit has been registered at the Labor Office of Kotabaru district, among others: evidence of registration of labor union of Sangkoh Estate labor union No. 568/46/Manpower for on 19 March 2011. Based on the results of interviews with unions and employees during field visits in estates and factory it is known that companies give employees the freedom to form unions. Unions hold internal meetings or with well-documented companies. The example of the meeting is on October 6, 2017 discussing the minimum wage.</p>		
	<b>Status: Comply</b>	
<b>6.7</b>		
<b>Children are not employed or exploited.</b>		
<b>6.7.1 Major</b>		
<p>The age requirements of workers are described in SOP Sustainable Plantation Management Guidelines (No. 724 / TQEM-SPMS / 09). In the SOP it is explained that the company does not employ workers under the age of 18 years. Based on the results of verification documents employee data and the results of interviews with employees at field observations in the estate, KKPA and factory are not found workers under the age of 18 years.</p>		
	<b>Status: Comply</b>	



<p><b>6.8</b>  <b>Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.</b></p>	
<p><b>6.8.1 Major, 6.8.2 Major &amp; 6.8.3 Minor</b>  Policies that are owned by CH associated with discrimination contained in the SOP Handling Indigenous Rights / Communal Land &amp; Local Cultural Heritage (157 / LMI-PSD / 2012). In the SOP describe that Women's Rights (eg the same rights/non-discrimination between women and men in politics, employment status of citizenship, family, marriage etc. Based on the results of interviews with workers unions and gender committees, there is no discrimination against workers. In addition, based on the results of employee data document review known that workers come from different tribes, regions, religions and do not differentiate between male and female. Consideration in employee acceptance and opportunity promotion are based on the employee performance evaluation factor that explains aspects of capability, responsibility, work performance honesty, loyalty, hard work, and a sense of belonging and attendance factor.</p>	
<p><b>Status: Comply</b></p>	
<p><b>6.9</b>  <b>There is no harassment or abuse in the work place, and reproductive rights are protected.</b></p>	
<p><b>6.9.1 Major &amp; 6.9.2 Major</b>  There are gender policy signed by Head Plantation Upstream Indonesia in April 2011, states on the prevention of sexual harassment and a form of crime against women, establish procedures and specific mechanisms for complaints and grievances of women, providing training related to gender, supply and provide opportunities for women, ensuring women participate effectively in the decision-making process, forming committees to communicate and explain gender and gender policies. based on interview with the gender committee stated that the policy has been socialized routinely during the muster morning and there is no issues related to sexual harassment. In addition, the company provided maternity leave and menstruation leave. The Company does not permit pregnant and lactating women working on activities related to chemicals. During the field visit confirmed that the social policy is displayed at the office, storage, workshop and other work station. In spraying activities also not found any pregnant or lactating workers.</p>	
<p><b>6.9.3 Minor</b>  CH has the SOP Grievance Redress Mechanism For All Party and Society (RAM) No.077 / SAA-Stkhldr.ADM / 2015) Rev. 01 which was passed on 8 October 2015. It states that the company guarantees the security and confidentiality of whistleblowers and also attached flowchart complaints handling mechanism of all parties (stakeholders). The company has been communicating the policy to workers during the muster morning. The results of communication logbook and interviews with the workers known that there were no complaints or grievance.</p>	
<p><b>Status: Comply</b></p>	
<p><b>6.10</b>  <b>Growers and mills deal fairly and transparently with smallholders and other local businesses.</b></p>	
<p><b>6.10.1 Minor</b>  CH set the price of FFB based on the provisions of the Plantation Agency of South Kalimantan Province. In interviews with the FFB supplier (KKPA Sungai Cengal Cooperative) stated that the price can be determined easily and also does not have any complaints regarding the FFB price.</p>	
<p><b>6.10.2 Major &amp; 6.10.4 Minor</b>  Currently members of KKPA Sungai Cengal are still in the stage of repayment of credit so have not received payment of FFB production. From the monthly report of KKPA Sungai Cengal result it is known that the FFB result is still directed to KKPA credit payment. For other job contract payments such as transport of FFB are made in cash as the sample is shown in the payment documents of employment contracts in November 2017.</p>	
<p><b>6.10.3 Minor</b>  CH showed agreement between the company and KKPA Sungai Cengal includes FFB provision dated 25 February 2013. The others contracts are also available such as making silpit agreement (RTE/SPK-LKL/2017/X/043). The agreement was kept by both parties and from interviews with KKPA Sungai Cengal Cooperative and local contractor acknowledged that they have to understand the contents of the contract agreement and the contract is fair and</p>	

transparent for both parties.	
	<b>Status: Comply</b>
<b>6.11</b>	
<b>Growers and millers contribute to local sustainable development wherever appropriate.</b>	
<b>6.11.1 Minor</b>	
Community quality improvement programs are drawn up together with affected parties such as the Village Development Deliberation Forum every year, This is based on interview with Rantau Jaya Village and meeting documentations. Records of the program's realization for 2017 are available in the form of local contractors and CSR assistance to surrounding communities covering aspects of education, sports, infrastructure, religion, health etc.	
<b>6.11.2 Minor</b>	
Smallholders plantation scheme is using KKPA Full Managed system, which all operation activities are managed by the company. Subsequently, there is no training to improve smallholders productivity. The effort is to increase communities income is by working together of local contractors in the fields such as FFB transport.	
	<b>Status: Comply</b>
<b>6.12</b>	
<b>No forms of forced or trafficked labour are used.</b>	
<b>6.12.1 Major, 6.12.2 Minor &amp; 6.12.3 Major</b>	
Based on the results of field visits to operations in estate, KKPA and factories such as harvesting, spraying, fertilizing and processing, there were no practices of forced labor or human trafficking. Every workers accepts a job voluntarily without threat and can decide to stop working. From field visits and employee data verification are also not found any foreign or migrant workers. The use of workers between regions is done by involving the local Manpower Agency with a work agreement that is agreed directly with the workers. The type of work of the worker is in accordance with the agreement and there is no substitution of the work agreement such as work agreement No. MGG_LMI / VII-2017 dated 12 October 2017.	
	<b>Status: Comply</b>
<b>6.13</b>	
<b>Growers and millers respect human rights</b>	
<b>6.13.1 Major</b>	
The company has a policy on Human Rights Policy and Prohibition of Use of Military Service Pay In the Operating Company dated on 1 September 2015. Based on the results of field observations known that the policies has displayed in work place such as estates/divisions office, storage, clinic and workshop so that it easy to read and access, therefore based on interviews with workers known that the worker has understood the company's policy in respect of human rights. Based on field observation and interviews with stakeholders also not found any military use in maintaining security and other operational activities.	
	<b>Status: Comply</b>
<b>PRINCIPLE #7 Responsible development of new plantings</b>	
<b>7.1</b>	
<b>A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.</b>	
<b>7.1.1, 7.1.2 &amp; 7.1.3</b>	
Based on documents verification, field observation and interview with stakeholders known that since Re-Certification to ASA-1.1, PT LMI did not expand or conduct new planting.	
	<b>Status: Comply</b>

**7.2**

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

**Indicator 7.2.1 and 7.2.2**

The company can show document of Land Survey Semi Detail and Land Suitability document for Oil Palm Plantation for 2017 - 2022 (PT Langgeng Muaramakmur, PT Swadaya Andika, and PT Laguna Mandiri) prepared by Minamas Research Center (MRC). Based on the survey results it is known that:

1. Lanting Estate: The soil type is Typic Hapludalf, Sulfic Endoaquent, Type Sulfaquents, and Typic Plinthudult. While the slope is level/flat (0° – 2°), undulating (2° – 6°), and hilly (12° - 20°).
2. Sangkoh Estate: The soil type is Typic Hapludaf, Typic Hapludalf, Typic Sulfaquennt, Aquic Paleudult, and Typic Plinthudult. While the slope is level/flat (0° – 2°) and rolling (6° – 12°).
3. Matalok Estate: The soil type is Arenic Hapludult, Typic Hapludult, Plinthic Kandiudult, Typic Kandiudult, and Aquic Poleudult. While the slope is undulating (2° - 6°), rolling (6 - 12°), and hilly (12° – 20°).
4. KKPA-ASC: The soil type is Lithic Endoaquent, Sulfic Endoaquent, Typic Sulfaquent, Typic Endoaquent, Typic Hapludult, and Typic Hapludult. While the slope is level/flat (0° - 2°), undulating (2° - 6°), Rolling (6° - 12°), Hilly (12° - 20°), and somewhat Steep (20° - 25°).

The results of the document review indicate that there is an area with a slightly steep slope of 38.82% (20-250) of 98.84 Ha in the operational area of KKPA-ASC. In general, the limiting factor in the gardens is the low level of soil fertility. There are several recommended management strategies, for example:

- Improving soil nutrient status by increasing organic matter (planting legume cover crop, EFB application, appropriate stacking, composting applications, land application, selective weeding, and soil pH improvement).
- Manuring with balanced nutrition recommended by the Agronomist team, maximizing the efficiency of fertilizer use, minimizing soil erosion and run-off, and water conservation on the terraced area.
- For hilly areas, terracing contours and planting of ground cover (e.g *Mucuna bracteata*) is highly recommended.

This has been confirmed during field observation. The limiting factor identified for oil palm cultivation is low soil fertility. To address this situation, the strategies described above have been implemented, such as the making of connecting terrace, sil pit, and ground cover cultivation (*Pueraria javanica* mixed with *Calopogonium mucunoides* and *Mucuna bracteata*) in 2016 planting year (replanting area) at Lanting Estate, Division 1, Block D-4, Block D-5, and Block D-6.

Based on explanation above, it could be concluded that the company has conducted soil survey and land feasibility studies to analyze soil type, slope, and soil characteristics, thus best management and agronomy input would be formulated for proper site planning and operations.

**Status: Comply**

**7.3**

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

**7.3.1;7.3.2; 7.3.3; 7.3.4 & 7.3.5**

According to RSPO compensation statement that received by CB's email on January 22<sup>nd</sup>, 2018, it was clearly stated that "The RaCP for PT Laguna Mandiri is still ongoing. However, the Biodiversity and High Conservation Value Working Group (BHCVWG) in the meeting in August 2017 has allowed a 1-year period for all certified unit to close the non-compliance. Therefore, certified units can continue to be certified for another year with the condition that the RaCP has to be completed (i.e. compensation plan endorsed) by the next surveillance audit."

**Status: Comply**

**7.4**

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

**Indicator 7.4.1 and 7.4.2**

The company can show a Land Survey Semi Detail and Land Suitability document for Oil Palm Plantation for 2017 - 2022 (PT Langgeng Muaramakmur, PT Swadaya Andika, and PT Laguna Mandiri) made by Minamas Research Center (MRC). Based on the survey results it is known that:

- Lanting Estate: The soil type is Typic Hapludalf, Sulfic Endoaquent, Type Sulfaquents, and Typic Plinthudult. While the slope is level/flat (0° – 2°), undulating (2° – 6°), and hilly (12° - 20°).

- Sangkoh Estate: The soil type is Typic Hapludaf, Typic Hapludalf, Typic Sulfaquent, Aquic Paleudult, and Typic Plinthudult. While the slope is level/flat (0° – 2°) and rolling (6° - 12°).
- Matalok Estate: The soil type is Arenic Hapludult, Typic Hapludult, Plinthic Kandiuult, Typic Kandiuult, and Aquic Poleudult. While the slope is undulating (2° - 6°), rolling (6 - 12°), and hilly (12° – 20°).
- KKPA-ASC: The soil type is Lithic Endoquent, Sulfic Endoquent, Typic Sulfaquent, Typic Endoquent, Typic Hapludult, and Typic Haplinthudult. While the slope is level/flat (0° - 2°), undulating (2° - 6°), rolling (6° - 12°), hilly (12° - 20°), and somewhat steep (20° - 25°).

Based on the Land Survey Semi Detail and Land Suitability mentioned above, there is an area with a slope above 40% or slightly steep (somewhat steep) 38 - 50% (20° - 25°) of 98.84 Ha in KKPA-ASC operational area. The company management explains during ASA-1.1 assessment that replanting on that area will be conducted with reference to existing regulations and condition, such as the Technical Guidelines for Development of Oil Palm Plantation, Directorate General of Plantation, the Ministry of Agriculture, Republic of Indonesia

Based on explanation above, it could be concluded that the company will manage slightly steep area in KKPA operational areas with reference to existing regulations and condition.

**Status: Comply**

**7.5**

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

**7.5.1 (M)**

Rantau POM – PT Laguna Mandiri and its supply bases has had land use title. Maps with appropriate scale also available in the HGU certificate as part of legal standing. During ASA-1.1, the CH did not extent the managed area, including KKPA Sungai Cengal as smallholder scheme with full managed operations.

Based on stakeholder consultations with affected communities (Village of Rantau Jaya and smallholders), there is no more land compensated for the last 3 years. Also, based on letter of Land Agency of Kotabaru No. 000/02/KP-10 dated 2 September 2010, stated that there is no customary or traditional right land in Kotabaru Regency. Please also see Criteria 2.2, 2.3, 6.2, 6.4 and 7.6.

**Status: Comply**

**7.6**

**Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.**

**7.6.1 (M); 7.6.2 (M); 7.6.3 (M); 7.6.4; 7.6.5; 7.6.6**

Rantau POM – PT Laguna Mandiri and its supply bases has had land use title. Maps with appropriate scale also available in the HGU certificate as part of legal standing. During ASA-1.1, the CH did not extent the managed area, including KKPA Sungai Cengal as smallholder scheme with full managed operations.

Based on stakeholder consultations with affected communities (Village of Rantau Jaya and smallholders), there is no more land compensated for the last 3 years. Also, based on letter of Land Agency of Kotabaru No. 000/02/KP-10 dated 2 September 2010, stated that there is no customary or traditional right land in Kotabaru Regency. Please also see Criteria 2.2, 2.3, 6.2, 6.4 and 7.6. Please also see Criteria 2.2, 2.3, 6.4.

**Status: Comply**

**7.7**

**Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.**

**7.7.1 and 7.7.2.**

There is no land clearing activity, which is replanting and proven without burning. This is evidenced based on the results of field observations in Matalok Estate field E15, E16, E17, replanting activities performed by mechanization using heavy equipment. Similarly, field observation results at KKPA Sungai Cengal Estate, such as in blocks PA 12, PA 14 and

PA 18, did not find any burning activity at the beginning of the opening of the land, it was found that many of the remaining stumps of decaying has began.	
<b>Status: Comply</b>	
<b>7.8</b>	
<b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>	
<b>7.8.1 &amp; 7.8.2.</b>	
For PT LMI (Matalok Estate) currently there is only replanting activities, no new planting. The study Social Environment Impact Assessment (SEIA) for replanting areas, carried out by consultants Aksenta on November 2014. And it has no obligation to do NPP. The company has sent LUCA at 15 August 2015.	
For Cooperative Credit Scheme Sungai Cengal based on announcement 15 November 2016 No. RSPO/TECH/NPPSH/008 from RSPO about announcement of the resolution to review and amendment of the update NPP process as applied to smallholder. Based on that notification Cooperative Credit Scheme Sungai Cengal temporarily suspended its obligations (not required) did NPP.	
For Sangkoh and Lanting Estate, based on the review document there is no land clearing of above 2015, so this indicator is not applicable. Last land clearing in 2009.	
<b>Status: Comply</b>	
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>	
<b>8.1</b>	
<b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>	
<b>8.1.1 Major</b>	
The certificate holder has a plan and implementation to reduce or minimize GHG emissions explained in the following documents :	
<ol style="list-style-type: none"> <li>1. GHG emission management plans are recorded on GHG documents.</li> <li>2. Implementation of GHG emission management conducted such as chemical use as per recommendation and wastewater mill management at WWTP and applied to soil</li> <li>3. POME activities have been monitored by WWTP officers, eg monitoring of waste discharge into ponds, flow meter conditions, applicable waste disposal, etc.</li> </ol>	
Plans to mitigate environmental impacts and their implementation are contained in the Environmental Management Plan / Environmental Monitoring Plan Report which is routinely reported every 6 months to Environment Agency Kotabaru District. The Environmental Management Plan / Environmental Monitoring Plan Report for semester 1 of 2017 is reported on 24 August 2017.	
The certificate holder shows the RSPO Internal Audit Report document of PT LMI Rantau conducted on 5 - 6 September 2017, which explains the findings of non-conformity of 14 items for all units, including evidence of payment details of Labour Social Assurance payment and Guiding Committee Of Occupational Safety & Health structure approval from Manpower Agency. All findings have been fulfilled on 27 November 2017.	
<b>Internal Monitoring</b>	
The Company has conducted internal monitoring of implementation of technical procedures for oil palm cultivation by conducting operational audit of the control and compliance report. For example, based on document review of Internal Report of the First Semester of 2017/2018, there are several findings that have been followed up, namely:	
<ol style="list-style-type: none"> <li>1. Best Management Practices (Estate)               <ul style="list-style-type: none"> <li>Example: Matalok Estate:                   <ul style="list-style-type: none"> <li>- Actual cost of growing legumes in 2016/2017 is higher than the budget and planting of nuts and consolidated principal in 2017/2018 is no budget but there is actual of its work.</li> <li>- Actual circle weeding does not reach the program and the cost of per Ha exceeds its budget.</li> <li>- Growth of nuts in some field of replanting at Matalok Estate is not maximal.</li> <li>- Percentage of dirt in loosefruit result Mill grading in several months is high enough.</li> <li>- Percentage of old crop TBS from Mill grading is quite high.</li> <li>- The cultivation of the harvest in several months is quite high.</li> </ul> </li> </ul> </li> </ol>	

- Cost of harvest & transport in 2016/2017 exceeds budget.
- Storage of harvest tools in employee housing is not safe.
- Temporary Charges Not Working (STMB) employees due to accidents have not been claimed to the employment BPJS.

**2. Best Management Practices (Factory)**

- Percentage of unstriped bunch (USB) fruit per month above the standard.
- Moisture and dirt testing in laboratory not yet in accordance with SNI standard.
- FFA production over budget from July 2016 to 27<sup>th</sup> October 2017.
- Bulking is quite significant. The weight difference of CPO and Tarra between Mill and Bulking are quite significant.
- Temporary charge of unemployment of employees due to accidents of work has not been claimed to BPJS Employment.
- Unsafe action in factory area - contractor working in boiler area does not use hardness at the time of painting in Chimney.

**Best Management Practices Aspect**

- The Company does not use paraquat herbicide and pesticides classified as World Health Organization Class 1A or 1B, or those listed in the Stockholm or Rotterdam Conventions. This is affirmed by the policy of not using Paraquat stated in the memorandum of Head Plantations Operation (No: POD-UM-127/X/2008, dated 4<sup>th</sup> November 2008) regarding the Substitute Recommendation for Paraquat - Gramoxone Active Ingredients in Minamas. The company also has a recommendation prohibiting the use of brodifacoum from Plantation Advisory, dated 16<sup>th</sup> July 2013.
- The company undertakes efforts to minimize the use of pesticides by controlling pests and diseases in an integrated manner (IPM), such as not doing preventive pesticide application (prophylactic) and applying Early Warning System (EWS). In addition, the company applied biological pest control, such as the development of natural enemy of owl (*Tyto alba*) local species as well as pest control of leaf caterpillars by planting/upkeeping beneficial plants, such as *Turnera subulata*, *Antigonon leptosus*, and *Cassia cobanensis*.

**Safety Aspect**

- The company has implemented the SIME CARD system to monitor the OHS program and policy. The company has carried out safety inspection including PPE inspection and the completeness check of first aid box periodically.

Based on a summary of the results of the non-conformities identified during Re-Certification assessment, the auditor team assessed that there was a continuous improvement commitment that had not yet been fully implemented in relation to the recurrence of nonconformity Major 4.7.3 in the ASA-1.1 (second cycle of certification). Such as :

Implementation of occupational safety and health policies. It is not in accordance with guidance on criterion 4.7: Oil palm growers and millers should ensure that their workplaces, machinery, equipment, transportation and processes under their control are always safe and harmless to health. Planters and millers should ensure that chemical, physical, and biological substances and things under their control do not endanger health excessively, and take action where necessary. All of these indicators apply to all workers, regardless of their status. **Major Non-Conformity 2017.05**

**Social Aspect**

CH conducts a review of the social impacts management and monitoring plan annually. The latest review was conducted on 1 January 2017 involving affected parties taking into account changes in operational activities such as replanting etc.

8.1.1	<b>Status: Not Comply Major Non-Conformity 2017.05</b>
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**3.2 Summary of Assessment Report of Supply Chain Requirements**

Clause	(Module D) CPO Mills – Identity Preserved Requirements																																																				
<b>D1</b>	<b>Definition</b>																																																				
	<p><b>D.1.1</b>  <b>A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&amp;C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</b></p> <p>Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on data record period 6 January 2017 upto 18 December 2017, list of FFB suppliers entering the Rantau POM as follow:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>No</th> <th>Sources</th> <th>Volume (MT)</th> <th>Remarks</th> </tr> </thead> <tbody> <tr><td>1</td><td>Rantau Estate</td><td>38,477.87</td><td>Own Estate of PT. LMI</td></tr> <tr><td>2</td><td>Matalok Estate</td><td>19,308.51</td><td>Own Estate of PT. LMI</td></tr> <tr><td>3</td><td>KKPA Cengal</td><td>1,815.55</td><td>KKPA ASC – Rantau Budha, RTE</td></tr> <tr><td>4</td><td>KKPA SAA</td><td>452.84</td><td>KKPA ASC – Bakau, RDE</td></tr> <tr><td>5</td><td>KKPA LMI</td><td>218.19</td><td>KKPA ASC – Bepara, MLE</td></tr> <tr><td>6</td><td>Sekayu Estate</td><td>3,895.37</td><td>Own Estate of PT. LMI</td></tr> <tr><td>7</td><td>Betung Estate</td><td>2,920.27</td><td>Own Estate of PT. LMI</td></tr> <tr><td>8</td><td>Selabak Estate</td><td>27,052.76</td><td>Own Estate of PT. SAA</td></tr> <tr><td>9</td><td>Randi Estate</td><td>20,239.42</td><td>Own Estate of PT. SAA</td></tr> <tr><td>10</td><td>Sangkoh Estate</td><td>22,509.71</td><td>Own Estate of PT. SAA</td></tr> <tr><td>11</td><td>Lanting Estate</td><td>24,062.60</td><td>Own Estate of PT. LMR</td></tr> <tr> <td><b>Total</b></td> <td></td> <td><b>160,953.09</b></td> <td></td> </tr> </tbody> </table> <p>However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. Whereas, supply chain model for Rantau POM is Identity Preserved.</p> <p>Therefore, Rantau POM has fail to implement Module D-CPO Mill requirements. <b>Major NC 2017.06</b></p> <p><b>Status: Not Comply</b></p>	No	Sources	Volume (MT)	Remarks	1	Rantau Estate	38,477.87	Own Estate of PT. LMI	2	Matalok Estate	19,308.51	Own Estate of PT. LMI	3	KKPA Cengal	1,815.55	KKPA ASC – Rantau Budha, RTE	4	KKPA SAA	452.84	KKPA ASC – Bakau, RDE	5	KKPA LMI	218.19	KKPA ASC – Bepara, MLE	6	Sekayu Estate	3,895.37	Own Estate of PT. LMI	7	Betung Estate	2,920.27	Own Estate of PT. LMI	8	Selabak Estate	27,052.76	Own Estate of PT. SAA	9	Randi Estate	20,239.42	Own Estate of PT. SAA	10	Sangkoh Estate	22,509.71	Own Estate of PT. SAA	11	Lanting Estate	24,062.60	Own Estate of PT. LMR	<b>Total</b>		<b>160,953.09</b>	
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<b>D.2</b>	<b>Explanation</b>																																																				
	<p><b>D.2.1</b>  <b>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&amp;C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</b></p> <p>Estimated tonnage of Rantau POM scope for next license period is</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Product</th> <th>Volume (MT)</th> </tr> </thead> <tbody> <tr> <td>FFB</td> <td>220,000</td> </tr> <tr> <td>CSPO</td> <td>49,500</td> </tr> </tbody> </table>	Product	Volume (MT)	FFB	220,000	CSPO	49,500																																														
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FFB	220,000																																																				
CSPO	49,500																																																				

CSPK	12,100
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This estimation certified volume is based on additional supply bases to Rantau POM. Please also refer to section of basic information within this report.

**Status: Comply**

### D.2.2

The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).

#### RSPO IT Platform member registration number for Rantau POM:

Member Name		License Information	
Member Name :	Sime Darby Plantation - Rantau POM, PT LMI	Core Product :	Palm Oil
Account UID :	RSPO_AC100000332	Member ID :	RSPO_PO100000323
Website :	www.simedarbyplantation.com	Member Category :	Oil Mill
Holding Name :	PT LAGUNA MANDIRI	License Status :	Expires 02/05/2018
GPS Coordinates :	116.114167, -2.439157		

Visiting Address		Mailing Address	
Street :	The Plaza Office Tower, 36th Floor JL. M.H. THAMRIN KAV 28-30	Street :	The Plaza Office Tower, 36th Floor JL. M.H. THAMRIN KAV 28-30
City :	Jakarta Pusat	City :	Jakarta Pusat
Postal Code :	10350	Postal Code :	10350
State :		State :	
Country :	INDONESIA	Country :	INDONESIA
Phone Number :	+62-21-29926000		
Fax Number :	+62-21-2992699		

**Status Certified Product sold from Rantau POM via RSPO PalmTrace period 6<sup>th</sup> December 2017 – 30<sup>th</sup> November 2017:**

**CSPO (6 Feb 2017 – 31 Jul 2017). total sold during this period is 10,043.80 MT**

Transaction ID	Seller	Seller Ref.	Buyer	Buyer Ref.	Product	Program	Volume*	Transaction Type	Status	Shipping /BL Date
TR-fc2ed55c-5905	Sime Darby Plantation - Rantau POM, PT LMI	00552/00464/04/17/L-LMI-MKS	PT Golden Hope Nusantara		CSPO	IP	1,297.13	Shipping	Confirmed	22/04/2017
TR-4d84db6b-8027	Sime Darby Plantation - Rantau POM, PT LMI	00551/00463/03/17/L-LMI-MKS	PT Golden Hope Nusantara		CSPO	IP	1,405.37	Shipping	Confirmed	5/4/2017
TR-531bffce-470c	Sime Darby Plantation - Rantau POM, PT LMI	00550/00462/03/17/L-LMI-MKS	PT Golden Hope Nusantara		CSPO	IP	1,502.35	Shipping	Confirmed	21/03/2017
TR-b8143eb0-2f5f	Sime Darby Plantation - Rantau POM, PT LMI	00546/00458/02/17/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/0217/CPO01542	CSPO	IP	2,494.12	Shipping	Confirmed	1/3/2017
TR-c5ce518d-3a94	Sime Darby Plantation - Rantau POM, PT LMI	00541/00455/01/17/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/0117/CPO01528	CSPO	IP	1,346.12	Shipping	Confirmed	1/3/2017
TR-0c59f41f-0cac	Sime Darby Plantation - Rantau POM, PT LMI	00527/00443/12/16/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/1216/CPO01443	CSPO	IP	997.98	Shipping	Confirmed	1/3/2017
TR-8a41ca71-1079	Sime Darby Plantation - Rantau POM, PT LMI	00524/00441/12/16/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/1216/CPO01435	CSPO	IP	1,000.73	Shipping	Confirmed	1/3/2017



**CSPO (1 Aug 2017 – 30 Nov 2017), after extension scope. total sold during this period is 10,270.85 MT**

Transaction ID	Seller	Seller Ref.	Buyer	Buyer Ref.	Product	Program	Volume*	Status	Shipping/BL Date
TR-47f309a7-3a22	Sime Darby Plantation - Rantau POM, PT LMI	00566/00478/10/17/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/1017/CPO01934	CSPO	IP	1,805.12	Confirmed	29/10/2017
TR-b1f294a2-0dc9	Sime Darby Plantation - Rantau POM, PT LMI	00565/00477/10/17/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/1017/CPO01922	CSPO	IP	1,502.23	Confirmed	29/10/2017
TR-c4c41894-2fee	Sime Darby Plantation - Rantau POM, PT LMI	00564/00476/09/17/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/0917/CPO01894	CSPO	IP	1,702.45	Confirmed	29/10/2017
TR-6974c2ed-3dab	Sime Darby Plantation - Rantau POM, PT LMI	00562/00474/09/17/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/0917/CPO01882	CSPO	IP	1,503.67	Confirmed	8/10/2017
TR-acd00be0-56f5	Sime Darby Plantation - Rantau POM, PT LMI	00561/00473/09/17/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/0917/CPO01872	CSPO	IP	2,002.07	Confirmed	8/10/2017
TR-2f0d6380-80c7	Sime Darby Plantation - Rantau POM, PT LMI	00560/00472/08/17/L-LMI-MKS	PT Golden Hope Nusantara	P/GHN/0817/CPO01838	CSPO	IP	1,755.31	Confirmed	8/10/2017

**CSPK (6 Feb 2017 – 31 Jul 2017), total sold during this period is 3,859 MT**

Transaction ID	Seller	Buyer	Product	Program	Volume*	Transaction Type	Status	Shipping/BL Date
TR-437ee6b2-c2c3	Sime Darby Plantation - Rantau POM, PT LMI		CSPK	IP	621.15	Shipping	Confirmed	31/07/2017
TR-379ed20d-1d9a	Sime Darby Plantation - Rantau POM, PT LMI		CSPK	IP	488.62	Shipping	Confirmed	30/06/2017
TR-206363e8-b3fd	Sime Darby Plantation - Rantau POM, PT LMI		CSPK	Segregation	269.09	Shipping	Confirmed	31/05/2017
TR-ddf78ec1-9c6e	Sime Darby Plantation - Rantau POM, PT LMI		CSPK	IP	90.26	Shipping	Confirmed	1/3/2017
TR-a1cbf1e2-ad2e	Sime Darby Plantation - Rantau POM, PT LMI		CSPK	IP	443.27	Shipping	Confirmed	30/04/2017
TR-bd3b50ec-b9fd	Sime Darby Plantation - Rantau POM, PT LMI		CSPK	IP	700.88	Shipping	Confirmed	31/03/2017
TR-8ae0feae-6eea	Sime Darby Plantation - Rantau POM, PT LMI		CSPK	IP	1,245.73	Shipping	Confirmed	1/3/2017

**CSPK (1 Aug 2017 – 30 Nov 2017), after extension scope. total sold during this period is 4,146.76 MT**

Transaction ID	Seller	Buyer	Product	Program	Volume*	Status	Shipping/BL Date
TR-7a2c0374-b66e	Sime Darby Plantation - Rantau POM, PT LMI	PT. Laguna Mandiri - Rantau Kernel Crushing Plant	CSPK	IP	1,168.58	Confirmed	30/11/2017
TR-3ae17e39-162e	Sime Darby Plantation - Rantau POM, PT LMI	PT. Laguna Mandiri - Rantau Kernel Crushing Plant	CSPK	IP	1,222.63	Confirmed	31/10/2017
TR-cc3c70e3-ccb2	Sime Darby Plantation - Rantau POM, PT LMI	PT. Laguna Mandiri - Rantau Kernel Crushing Plant	CSPK	IP	921.05	Confirmed	30/09/2017
TR-da3c899b-7479	Sime Darby Plantation - Rantau POM, PT LMI	PT. Laguna Mandiri - Rantau Kernel Crushing Plant	CSPK	Mass Balance	834.5	Confirmed	31/08/2017

**Based on Stock Overview PalmTrace CB Area:**

Stock Overview																											
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	<b>Status: Comply</b>																										
<b>D.3</b>	<b>Documented procedures</b>																										
<b>D.3.1</b>	<p><b>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</b></p> <p><b>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</b></p> <p><b>b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</b></p>																										
a)	<p>The company has SOP of Product Identification and product traceability (Number Policy: RSPO/65/SCPP/LMI, 1 May 2015), These procedure was explained several point, consist of all FFB sources and product of certified CPO and PK shall physically separate from another non-certified products thus unique and would be possible to identification until mill and their supply base, quality control of FFB and mill products, product traceability, product dispatch from mill to bulking station (sample taking, truck seal and official report), CPO dispatch to buyers (refer to the contract and Delivery Order), CPO loading to ship (ship verification, the hold of ship shall covered and sealed and official report receipt).</p>																										
b)	<p>Person in charge to ensure the implementation of this requirements, such as:</p> <p><b>Factory Manager:</b></p> <ul style="list-style-type: none"> <li>- Storing and maintaining the entire documents, records and notes related to raw material utilization in production process.</li> <li>- Verifying the status of product, which was sent to buyers based on documents (invoice, DO, Sales Contract, minutes of product delivery).</li> <li>- Providing training on supply chain certification requirement for the entire involved-personnel.</li> </ul> <p><b>PSQM Assistant:</b></p> <ul style="list-style-type: none"> <li>- Checking the quality of FFB (Grading) in mill and preparing daily recapitulation</li> <li>- Monitoring palm product delivery and transporting/loading</li> </ul> <p><b>Supervisor/Laboratory Assistant:</b></p> <ul style="list-style-type: none"> <li>- Analysing and examining the quality of raw material and product on the entire mill's production process and stages.</li> <li>- Storing, maintaining and distributing the analysis result and examining the quality of raw material and product.</li> </ul> <p><b>Assistant/Sr. Assistant/ Bulking Manager:</b></p> <ul style="list-style-type: none"> <li>- Transporting CPO and Palm Kernel product from mill to Bulking Station</li> <li>- Handling and storing CPO and Palm Kernel in Bulking Station area</li> </ul>																										
1.	Procedure																										
2.	Special condition																										
3.	Administrative facilities																										
<p>Based on interview with related staff, comprise of mill manager, administration staff, grading foreman and the weight bridge staff that indicated they was understand Rantau Palm Oil Mill only received and processed of certified FFB. All the FFB sources and entry to weight bridge area shall showed the FFF Delivery Note was stamp with RSPO code. There is also showed record of SCCS as:</p>																											

- Attendance list for Supply Chain Certification System (SCCS) training in Rantau POM on 7 March 2016 with 14 participants, consist of Mil Manager, Laboratory Staff, Analyst, Weight Bridge Operator, Gridding Foreman, Production Administration, and the Head of Security. Trainer is PSQM Senior Assistant.
- Training material and training's photos.

**Status: Comply**

**D.3.2**

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

The company has SOP of Product Identification and product traceability (Number Policy: RSPO/65/SCPP/LMI, 1 May 2015), These procedure was explained several point, consist of all FFB sources and product of certified CPO and PK shall physically separate from another non-certified products thus unique and would be possible to identification until mill and their supply bases.

**Status: Comply**

**D.4**

**Purchasing and goods in**

**D.4.1**

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

Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on data record period 6 January 2017 upto 18 December 2017, list of FFB suppliers entering the Rantau POM as follow:

No	Sources	Volume (MT)	Remarks
1	Rantau Estate	38,477.87	Own Estate of PT. LMI
2	Matalok Estate	19,308.51	Own Estate of PT. LMI
3	KKPA Cengal	1,815.55	KKPA ASC – Rantau Budha, RTE
4	KKPA SAA	452.84	KKPA ASC – Bakau, RDE
5	KKPA LMI	218.19	KKPA ASC – Bepara, MLE
6	Sekayu Estate	3,895.37	Own Estate of PT. LMI
7	Betung Estate	2,920.27	Own Estate of PT. LMI
8	Selabak Estate	27,052.76	Own Estate of PT. SAA
9	Randi Estate	20,239.42	Own Estate of PT. SAA
10	Sangkoh Estate	22,509.71	Own Estate of PT. SAA
11	Lanting Estate	24,062.60	Own Estate of PT. LMR
<b>Total</b>		<b>160,953.09</b>	

However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. Whereas, supply chain model for Rantau POM is Identity Preserved.

Therefore, Rantau POM has not verify and documenting of FFB's volume from certified and non-certified sources. **Major NC 2017.07**

**Status: Not Comply**

**D.4.2**

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

Production of certified product by Rantau POM as follow:

Past Annual Claim Certified Product	Previous Certificate Claim 6 <sup>th</sup> Feb 2017 to 30 <sup>th</sup>	Actual certified product 6 <sup>th</sup> Feb 2017 to	*Previous Certificate Claim 31 <sup>st</sup> Jul 2017 to 5 <sup>th</sup>	*Actual certified product 31 <sup>st</sup> Jul 2017 to

	July 2017 (tonnes/year)	30 <sup>th</sup> July 2017 (tonnes/year)	Feb 2018 (tonnes/year)	18 <sup>th</sup> Nov 2017 (tonnes/year)
• CPO Production	17,405	14,191.15	45,434	20,141.53
• Palm Kernel (PK) Production	3,859	3,497.01	10,075	4,553.01

\* license after extension scope

There is no overproduction against projected volume.

**Status: Comply**

**D.5 Record keeping**

**D.5.1**

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

**Record of Rantau Factory period 6 February 2017 – 18 November 2017:**

month	FFB Received (MT)	FFB Process (MT)	Produksi		Delivered	
			CPO	PK	CPO	PK
6-28 Feb 2017	14,980.69	15,281.84	3,338.36	886.02	4,521.10	945.41
March-17	12,837.80	12,910.62	2,742.42	686.55	2,310.01	700.88
<b>Quarter 1</b>	<b>27,818.49</b>	<b>28,192.46</b>	<b>6,080.79</b>	<b>1,572.57</b>	<b>6,831.11</b>	<b>1,646.29</b>
April-17	8,502.95	8,683.83	1,852.65	452.32	2,503.30	443.27
May-17	8,418.12	8,382.51	1,705.63	398.48	2,059.42	269.09
Jun-17	8,953.27	8,789.19	1,720.98	448.15	1,478.79	488.62
<b>Quarter 2</b>	<b>25,874.34</b>	<b>25,855.53</b>	<b>5,279.25</b>	<b>1,298.94</b>	<b>6,041.51</b>	<b>1,200.98</b>
Jul-17	13,776.26	13,840.30	2,831.11	625.50	2,682.65	629.20
Aug-17	16,537.98	16,645.46	3,552.93	771.77	3,187.85	834.50
Sep-17	20,849.22	20,848.37	4,542.76	1,063.35	4,606.34	921.05
<b>Quarter 3</b>	<b>51,163.46</b>	<b>51,334.13</b>	<b>10,926.80</b>	<b>2,460.62</b>	<b>10,476.84</b>	<b>2,384.75</b>
Oct-17	24,730.71	23,895.08	5,241.26	1,168.83	5,288.86	1,222.63
Nov-17	20,690.60	21,522.68	4,650.40	1,083.68	4,859.03	1,168.58
1-18 Dec 2017	10,675.49	10,371.25	2,154.19	465.38	2,488.20	418.92
<b>Quarter 4</b>	<b>56,096.80</b>	<b>55,789.01</b>	<b>12,045.85</b>	<b>2,717.89</b>	<b>12,636.09</b>	<b>2,810.13</b>
<b>GRAND TOTAL</b>	<b>160,953.09</b>	<b>161,171.12</b>	<b>34,332.69</b>	<b>8,050.02</b>	<b>35,985.55</b>	<b>8,042.15</b>

Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on Three monthly bases Mass Balance records during period 6 Feb 2017 upto 18 Nov 2017, showing the FFB's receives and processed as well as delivering of certified product (CSPO & CSPK) was performed by Rantau POM. Where the FFB's processed until produced CPO & PK, all the sources are from certified area which is Own Estates and smallholder scheme KKPA Sungai Cengal.

However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. This mean indicates that there still FFB's from non certified area of KKPA Sungai Cengal supplied and processed in Rantau POM.

Therefore, Rantau POM has lack of evidence to prove that records of mass balance on three monthly basis has been clearly describes all receipts of FFB's and delivering of CPO & PK are from certified sources only. **Major NC 2017.08**

**Status: Not Comply**

**D.6 Processing**

**D.6.1**

**The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage**

Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on Three monthly bases Mass Balance records during period 6 Feb 2017 upto 18 Nov 2017, showing the FFB's receives and processed as well as delivering of certified product (CSPO & CSPK) was performed by Rantau POM. Where

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Therefore, Rantau POM has lack of evidence to assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage.

**Major NC 2017.09**

**Status: Not Comply**

**D.6.2**

**The objective is for 100 % segregated material to be reached**

Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on Three monthly bases Mass Balance records during period 6 Feb 2017 upto 18 Nov 2017, showing the FFB's receives and processed as well as delivering of certified product (CSPO & CSPK) was performed by Rantau POM. Where the FFB's processed until produced CPO & PK, all the sources are from certified area which is Own Estates and smallholder scheme KKPA Sungai Cengal.

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Therefore, Rantau POM has lack of evidence that 100% segregated material to be reached. **Major NC 2017.10**

**Status: Not Comply**

**3.3 Conformity Checklist of Certificate and Logo Use (*only apply for Surveillance Assessment*)**

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or√</b>
<b>ASA-1.1</b>	Based on field observation and document verification, the CH did not use any RSPO logo's both on product or off product or any other uses.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or√</b>
<b>ASA-1.1</b>	Based on field observation and document verification, the CH did not use any RSPO logo's both on product or off product or any other uses.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or√</b>
<b>ASA-1.1</b>	Based on field observation and document verification, the CH did not use any RSPO logo's both on product or off product or any other uses.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>ASA-1.1</b>	Based on field observation and document verification, the CH did not use any RSPO logo's both on product or off product or any other uses.	√
	<b>Status: Comply</b>	

### 3.4 Summary of RSPO Partial Certification

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><b>Company Group/Holding Statement:</b> Companies are already doing internal audits. There are internal audit reports for each company.</p> <p><b>Auditor Verification:</b> Internal Audit report available for uncertified management unit for example PT Sandika Natapalma – Karya Palma Estate on 10 February 2017.</p>
i.	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><b>Company Group/Holding Statement:</b> HCV assessment has been conducted for uncertified units i.e. PT Mitra Austral Sejahtera (by Aksenta in March 2009) and Sime Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).</p> <p><b>Auditor Verification:</b> Sime Darby Plantation Sdn Bhd sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2<sup>nd</sup></p>

		revision on 24 June 2016. The companies ensuring reporting of disclosure of liability progress to RSPO and according to the CB's correspondency with RSPO Remediation and Compensation.
i.	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>Company Group/Holding Statement:</b> A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress. *Note: RSPO NPP Announcements for SDP can be found at <a href="http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14">http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14</a></p> <p><b>Auditor Verification:</b></p> <ul style="list-style-type: none"> <li>• Karya Palma Estate (PT Sandika Natapalma) and Baturus Estate (PT Budidaya Agro Lestari) any new planting after January 1<sup>st</sup> 2010 and due to not conduct NPP.</li> <li>• RSPO NPP process has been completed in 2011 for a new mill in Liberia.</li> </ul>
ii.	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p><b>Company Group/Holding Statement:</b> Sime Darby (Liberia) Plantation Inc. Status: Box G - Close for Monitoring Further details please refer to: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/46">http://www.rspo.org/members/complaints/status-of-complaints/view/46</a> PT Mitra Austral Sejahtera (Sime Darby Sdn Bhd) Further details please refer to: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/29">http://www.rspo.org/members/complaints/status-of-complaints/view/29</a></p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There are land conflict in :</p> <ul style="list-style-type: none"> <li>• PT Mitra Austral Sejahtera, this issue are remain being resolved with RSPO dispute settlement facilities</li> <li>• PT Bina Sains Cemerlang, this issue was raise on 22 April 2017 and still being process to resolve.</li> </ul>
iii.	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p><b>Company Group/Holding Statement:</b> No stakeholder comments or complaints received.</p>



		<p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There are no labour dispute in company unit.</p>
iv.	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><b>Company Group/Holding Statement:</b> None noted. No stakeholder comments or complaints received.</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for company under SDP waiting for land title process, ie:</p> <ul style="list-style-type: none"> <li>• PT Sime Indo Agro 1,652 Ha</li> <li>• PT Aneka Inti Persada 421.31 Ha</li> <li>• PT Bina Sains Cemerlang 308.25 Ha</li> <li>• PT Bersama Sejahtera Sakti 765 Ha</li> <li>• PT Langgeng Muaramakmur 1,162 Ha</li> <li>• PT Paripurna Swakarsa 1,120 Ha</li> <li>• PT Swadaya Andika 63 Ha</li> <li>• PT Bahari Gembira Ria 1,639 Ha</li> <li>• PT Guthrie Pecconina Indonesia 4,133 Ha</li> <li>• PT Perkasa Subur Sakti 1,286 Ha</li> </ul>

**3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components**

**3.5.1 Identification of Findings, Corrective Actions and Observations at *Re-Certification* Assessment**

<b>NCR No.</b>	: 2016.06	<b>Issued by</b>	: Trismadi Nurbayuto
<b>Date Issued</b>	: 29 October 2016	<b>Time Limit</b>	: ASA-1.1
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 21 December 2017
<b>Standard Ref. &amp; Requirement</b>	: 4.7.6. All workers shall be provided with medical care, and covered by accident insurance.		
<b>Non-Conformance Description &amp; Evidence observed</b> (filled by auditor):			
Based on document verification and interview with field assistant of KKPA Sungai Cengal has nonpermanent employees, but it has not shown evidence that all non permanent employees in KKPA Sungai Cengal has been enrolled in the health insurance program (BPJS).			
<b>Root Cause Analysis</b>			
Workers need analysis for KKPA ASC was not available			
<b>Correction</b>			
<ol style="list-style-type: none"> <li>1. Conduct employee evaluation that is used in accordance with actual needs in KKPA ASC</li> <li>2. Registering employees in accordance with actual needs</li> </ol>			
<b>Corrective Action</b>			
Monitoring of workers recruitment for KKPA ASC			
<b>Assessor Evaluation and Conclusion</b>			
<b>Auditor Verification dated 21<sup>st</sup> December 2017:</b>			
Auditor verified for temporary workers (PHL) insurance in KKPA ASC on October 2017 has been provide that KKPA ASC workers (152 temporary workers) has been submitted to BPJS. NC has been COMPLY..			
<b>Verified by</b>	: Sahat Simarmata		

<b>NCR No.</b>	: 2016.08	<b>Issued by</b>	: Yohanes Hardian
<b>Date Issued</b>	: 29 October 2016	<b>Time Limit</b>	: ASA-1.1
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 19 December 2017
<b>Standard Ref. &amp; Requirement</b>	: 5.2.5. Where HCV set-asides with existing rights of local communities have been identified, ther shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.		
<b>Non-Conformance Description &amp; Evidence observed</b> (filled by auditor):			
The company could not show the evidence of agreements in managing HCV area in KKPA Sungai Cengal with area 41.92 ha.			

<b>Root Cause Analysis</b> (filled by organization audited):	
There is no management agreement with the village / community.	
<b>Correction</b> (filled by organization audited):	
Socialization of HCV management agreement was held on Wednesday, March 15, 2017 at KKPA-ASC office.	
<b>Corrective Action</b> (filled by organization audited):	
Management is submitted to the community according to agreement.	
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):	
<p><b>Verify December 19, 2017</b>  <b>KKPA Sungai Cengal shows the following documents:</b></p> <ul style="list-style-type: none"> <li>Minutes of socialization of the HCV management explaining HCV agreements and management in KKPA-ASC is agreed by the local community and removing the area from the HCV list managed by KKPA-ASC. The agreement was signed by three company representatives (Senior Assisstant KKPA-ASC, Section Head of KKPA-ASC, PSD KKPA) and 6 representatives of land owners and public figures (Chief of Binturung village , Chief of Pondok Labu village, Chief of Sesulung village, customary head office of Bepara village, head of cooperative Bina Swadaya Karya, Secretary of KUD Bina Swadaya Karya).</li> <li>HCV data of KKPA ASC Area according to the agreement of 38.56 ha.</li> </ul> <p>Based on the explanation of the root cause, evidence of corrective action and preventive action shown, auditor conclude this NC has been COMPLY.</p>	
<b>Verified by</b>	: <b>Afiffuddin</b>
<b>Diverifikasi oleh</b>	

<b>NCR No.</b>	: <b>2016.10</b>	<b>Issued by</b>	: <b>Yohanes Hardian</b>
<b>Date Issued</b>	: <b>29 October 2016</b>	<b>Time Limit</b>	: <b>ASA-1.1</b>
<b>NC Grade</b>	: <b>Minor</b>	<b>Date of Closing</b>	: <b>21 December 2017</b>
<b>Standard Ref. &amp; Requirement</b>	: <b>5.3.3. A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</b>		
<b>Non-Conformance Description &amp; Evidence observed</b> (filled by auditor):			
According to field observation on House of Block Spraying System (BSS) at Matalok Estate that known waste water from washing apron disposed to the land without secondary containment.			
<b>Root Cause Analysis</b> (filled by organization audited):			
That the Block Spraying System house in MLE is not available yet a shelter that serves to hold water of Apron laundry that potentially still contains chemicals, so it is anticipated that the chemical does not dissolve directly to the ground and contaminate ground water.			
<b>Correction</b> (filled by organization audited):			
Management Matalok Estate creates a 1 m x 1 m water reservoir to hold water from the Apron washing, which was completed on January 10, 2017.			
<b>Corrective Action</b> (filled by organization audited):			
MLE Management will always take care of the well shelter so that the existing water can be reused, so as not to pollute the surrounding environment.			
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):			
<b>Verify date December 21, 2017:</b>			

Matalok Estate shows the following documents:

- Minutes of the Apron Wash Water Containment at BSS House, Matalok Estate.
- Based on the field observation during ASA-1.1 at BSS and BMS House at Matalok Estate, it is known that it has been made a basin of Apron washing water at BSS House with size 1 m x 1 m.

Based on the explanation of the root cause, evidence of corrective action and preventive action shown, auditor conclude this NC has been COMPLY.

<b>Verified by</b>	<b>:</b>	<b>Afiffuddin</b>
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3.5.2 Identification of Findings, Corrective Actions and Observations at *Extension Scope* Assessment

<b>NCR No.</b>	: 2017.02	<b>Issued by</b>	: Sandra Purba
<b>Date Issued</b>	: 16 March 2017	<b>Time Limit</b>	: ASA-1.1
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 20 December 2017
<b>Standard Ref. &amp; Requirement</b>	: 2.2.2 Legal boundaries are demonstrated clearly and maintained.		
<b>Non-Conformance Description &amp; Evidence observed</b>			
Based on document review on HGU pole monitoring and field observations known that there are HGU peg that lost in LNE as much as 16 peg (eg peg No. 8 and no 15). Related to that explanation, the company has not been able to provide evidence of evaluation and corrective action of the results of monitoring conducted.			
<b>Root Cause Analysis</b> (filled by organization audited): The Pole was buried inadvertent by soil during road maintenance when heavy equipment (Excavator) worked.			
<b>Correction</b> (filled by organization audited): Cleaning the soil surrounding the poles			
<b>Corrective Action</b>			
Monitoring on heavy equipment activity, particularly when its working near the boundary poles.			
<b>Assessor Evaluation and Conclusion</b>			
Field verification on 20 December 2017: Auditor has verified on field to pole number LMR 07 at Block F05 Div. 1 Lanting Estate, where the identified pole was available in place and coordinates location is in appropriate.			
Therefore, this NC concludes CLOSED with Observation and will be verify to all supply bases of Rantau POM in the next assessment.			
<b>Verified by</b>	: Yudwi Wisnu Rahmanto		

**3.5.3 Identification of Findings, Corrective Actions and Observations at ASA-1.1 Assessment**

<b>NCR No.</b>	: 2017.01	<b>Issued by</b>	: Yudwi Wisnu Rahmanto
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: ASA-2.1
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 8 February 2018
<b>Standard Ref. &amp; Requirement</b>	: 4.1.4 Records of the origins of all third-party FFB sourced (collector, deliver, Cooperative, Farmers Association and outgrower) shall be available.		
<b>Non-Conformance Description &amp; Evidence observed</b>			
Based on data record period 6 January 2017 upto 18 December 2017, list of FFB suppliers entering the Rantau POM as follow:			
<b>No</b>	<b>Sources</b>	<b>Volume (MT)</b>	<b>Remarks</b>
1	Rantau Estate	38,477.87	Own Estate of PT. LMI
2	Matalok Estate	19,308.51	Own Estate of PT. LMI
3	KKPA Cengal	1,815.55	KKPA ASC – Rantau Budha, RTE
4	KKPA SAA	452.84	KKPA ASC – Bakau, RDE
5	KKPA LMI	218.19	KKPA ASC – Bepara, MLE
6	Sekayu Estate	3,895.37	Own Estate of PT. LMI
7	Betung Estate	2,920.27	Own Estate of PT. LMI
8	Selabak Estate	27,052.76	Own Estate of PT. SAA
9	Randi Estate	20,239.42	Own Estate of PT. SAA
10	Sangkoh Estate	22,509.71	Own Estate of PT. SAA
11	Lanting Estate	24,062.60	Own Estate of PT. LMR
	<b>Total</b>	<b>160,953.09</b>	
<p>However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. Whereas, supply chain model for Rantau POM is Identity Preserved.</p> <p>Therefore, Rantau POM has fail to provide the record of non-certified FFB's suppliers from KKPA-ASC.</p>			
<b>Root Cause Analysis</b>			
Identification of FFB entering the RTF has not been identified in detail to ensure that FFB delivered to RTF is sourced from the certified area of KKPA 2,770.31 Ha.			
<b>Correction</b>			
Identified with detailed statement area to ensure that TBS KKPA ASC, KKPA LMI and KKPA SAA are included in the area of 2770.31 Ha. Based on the data, it can be assured that all TBS KKPA to RTF is included in certification scope while the area difference is additional year of planting 2016 after the recertification and not yet mature currently. (doc. attached)			
<b>Corrective Action</b>			
Ensuring and make a record that all FFB's from KKPA entering to RTF is from the certified area of 2770.31 ha.			

**3.5.3 Identification of Findings, Corrective Actions and Observations at *ASA-1.1* Assessment**

**Assessor Evaluation and Conclusion**

**13 January 2018**

Auditor verifies the corrective evidence submitted on December 29, 2017 in the form of identification of the KKPA ASC statement area within the scope of the certification. However, there is insufficient evidence related:

- Distribution of FFB supplies from KKPA-ASC based on the origin village to any Mill destination, as well as its system code information.
- Explanation of KKPA-ASC area according to valid legal evidence.

**7 February 2018:**

Auditor verifies the evidence submitted on 3 February 2018 in the form of:

1. The latest statement area showing the distribution of FFB from each KKPA-ASC based on the Village and its Mill supplied to.
2. The system code in Sime Weight for each of KKPA-ASC originated from 23 January 2018.
3. Reference of legal documents in the form of CPCL from Regent Kotabaru and is in the process of approval submission, also the hectareage and the number of prospective smallholders.

Upon the corrective action made, the auditor has verify that the FFB's from KKPA-ASC supplying to Rantau Factory is from certified area that has been listed on RSPO certificate. Therefore, Rantau Factory can still maintain the Identity Preserved supply chain model.

Auditor concludes that this NC is CLOSED with Observation and will be verified at the next assessment.

**Verified by** : **Yudwi Wisnu Rahmanto**

<b>NCR No.</b>	: 2017.02	<b>Issued by</b>	: Sahat Simarmata
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: ASA-2.1
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	: 4.6.7 Application of pesticides shall be by proven methods that minimize risk and negative impacts		

**Non-Conformance Description & Evidence observed**

The company already has the Block Spraying System (BSS) pesticide mixing procedure and the use of BSS Station (No.034/LMI-BSS/2011). In the procedure (Section 5.6) it is mentioned that the combustion, dilution, and mixing of pesticides is carried out in a special mixing room having a wash and trap tub and well-ventilated room.

However, based on the results of field visits in Sangkoh Garden, Block E-39, Division-2, it is found that pesticide mixing is conducted in the field. This is not in accordance with the procedures that have been owned by the company and the implementation to minimizing of risks and negative impacts.

**Root Cause Analysis**

Pure pesticide mixing in the field because there is no truck carrying pesticides (damaged) so that the foreman directly brings with the motorcycle to the field so it is easier than by mixing first.

<b>Correction</b>	
January 06, 2018 has been re-socialized to the spray mandor and warehouse officers to ensure the mixing of pesticides in the warehouse before being brought to the field by completing the appropriate use of PPE so that there is no more reason that the field is still there is a pure solution.	
<b>Corrective Action</b>	
The foreman and the warehouse officer ensure mixing is done at the warehouse of each pesticide pickup from the Division.	
<b>Assessor Evaluation and Conclusion</b>	
<b>Verification on 7 February 2018:</b>	
The Company provides the following corrective evidence:	
<ul style="list-style-type: none"> <li>• Minutes of socialization mixing chemist Sangkoh, January 6, 2018, which explains the mixing of chemical drugs / spray drugs, with the aim of avoiding from carrying high concentrations of chemicals that would endanger the environment.</li> <li>• Photo documentation of socialization (practice)</li> <li>• List of present socialization signed by 7 participants of socialization</li> </ul>	
Based on the results of the root problem analysis presented and the evidence of improvement shown, two things have been accepted. However, regarding precautions, please be able to provide an explanation regarding the section highlighted yellow. For that matter, this indicator is still <b>OPEN</b> .	
<b>Verified by</b>	: <b>Afiffuddin</b>

<b>NCR No.</b>	: 2017.03	<b>Issued by</b>	: Sahat Simarmata
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: 60 Days (19 February 2018)
<b>NC Grade</b>	: MAJOR	<b>Date of Closing</b>	: 8 February 2018
<b>Standard Ref. &amp; Requirement</b>	4.7.3 Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.		
<b>Non-Conformance Description &amp; Evidence observed</b>			
The CH also has procedures to provide PPE No. 739/TQEM-ESH/10, that the company provides PPE for employees in accordance with the type of risk of their respective works as described in the HIRAC document.			
However, based on the results of field visits, <b>it is found discrepancies associated with the use of PPE</b> , namely:			
<ul style="list-style-type: none"> <li>- Matalok Estate: Harvesters do not use helmets (2 of 2 samples), sprayers do not use rubber gloves and use self-provided masks (3 of 3 samples), foreman workshop, welder, and mechanic are using self-supplied shoes (1 of each sample);</li> <li>- KKPA-ASC: The sprayers do not use rubber gloves (10 out of 10 samples) and self-provided masks (4 out of 10 samples);</li> <li>- Rantau POM: Operator in Boiler Station does not use ear plug and self-provided shoes (2 of 2 samples), welder working in Nut &amp; Kernel Station does not use ear plug (1 of 2 samples), and mechanic in workshop uses self-provided shoes (1 of 1 sample);</li> <li>- Sangkoh Estate: The spray foreman does not use rubber gloves and sunglasses / face shield (1 of 1 sample).</li> </ul>			



According to this, the CH has fail to demonstrating of PPE used by the workers as appropriate with risk on field.

**Root Cause Analysis**

1. Employee discipline is lacking because it has been briefed always and submitted to use PPE, but examination of PPE is not documented
2. Employee discipline is less due to routine briefing and has been given gloves and mask by KKPA but permanent employees use PPE purchased by themselves and feel comfortable using it
3. Discipline and employee awareness is lacking while regular briefings have been made
4. The foreman does not use rubber gloves and protective goggles because of the discipline of the foreman who does not carry personal protective equipment when spacious, while the APD has been given to all employees including the spray foreman.

**Correction**

1. A briefing was held on 15 and 22 January 2018 for spray and traction employees
2. socialization and re-submission of PPE to employees dated January 06, 2018
3. Socialization and re-emphasis on the use of PPE to boiler employees and workshop on 03 January 2018.
4. Date 06 January 2018 has been re-socialized to all spray employees to obey the use of PPE so that no employees found in the work do not use the appropriate PPE.

**Corrective Action**

1. Routine inspection of PPE before working by Supervisi and Asst
2. Routine PPE checks by Supervision and Asst before work
3. Routine PPE inspection by Supervision and Asst before work and documented
4. To ensure that incidents do not recur, an PPE should be checked every day before work during the morning briefing by ensuring that the PPE is ready to be carried and used by employees working in the field.

**Assessor Evaluation and Conclusion**

**7 February 2018:**

The Company shows evidence of improvements as follows:

- Document of attendance list meeting of PPE Socialization, in block D32 Matalok Estate, dated January 22, 2018, which was attended by 13 spray employees. Discussion of socialization among others related to the discipline of the use of PPE, socialization of the function of PPE and delivery if there is a damaged APD to do a new replacement.
- Socialization Photo Attachment at Matalok Estate on January 22, 2018
- Document of attendance list of Spray Socialization meeting, at KKPA ASC Division Office Page, dated January 6, 2018, attended by 1 foreman and 12 spray employees. Discussion of socialization among others related to the affirmation of the use of PPE masks and rubber gloves that have been distributed, not allowed to use PPE in addition to the already distributed company and delivery if the PPE is damaged to be replaced.
- Socialization Photo Attachment at KKPA ASC dated January 6, 2018
- Document of attendance list Meeting of PPE Operator Boiler Socialization, in Rantau Factory process room, January 3, 2018, which was attended by 6 boiler operators. Discussion of socialization among others related to the discipline of use of PPE that has been distributed company, required to use ear plug that has been distributed and not justified to use other than ear plug and delivery when the ear plug is damaged for replacement.
- Document of attendance list meeting of PPE Socialization, at Rantau Factory workshop on January 3, 2018, attended by 1 foreman and 12 mechanics. Discussion of socialization is related to the discipline of the use of PPE (ear plug, shoes, gloves, glasses, helmet) and delivery when the ear plug is damaged for replacement.

- Official report on the handover of PPE Mandor Semprot Sangkoh Estate, dated January 6, 2018 at BSS Kebun Sangkoh warehouse in the form of 2 glasses, 2 masks, 2 gloves and 2 boots.
- Appendix Photos of PPE at Sangkoh Estate to spray foreman
- Minutes of publicizing the use of PPE spray Sangkoh Estate, dated January 6, 2018, which describes the use of spray PPE such as PPE type sprayer and its function, the establishment of OSH culture such as routine safety briefing before work by staff or supervision, ceilinglist of equipment and condition of PPE and work tool.
- List of socialization presentations Sangkoh Estate signed 23 participants socialization.
- Document of PPE inspection checklist Semprot Estate Sangkoh on January 6, 2018
- Inter-Office Mails Document on Self Checkup Checkup Before Working from Are Controller Sg. Durian to the head of the unit, dated January 2, 2018, which declares to all estate / mills to conduct PPE checks before work by supervise and known by the Assistant documented in the format of daily attendance.

Based on root cause analysis and corrective action presented and corrective evidence hown, then this NC's is **CLOSED WITH OBSERVATION.**

**Verified by** : Afiffuddin

<b>NCR No.</b>	: 2017.04	<b>Issued by</b>	: Afiffuddin
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: ASA-2.1
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	: 5.3.3 A documented waste management plan to avoid or reduce pollution and its implementation shall be available		

**Non-Conformance Description & Evidence observed** *(filled by auditor):*  
**Deskripsi Ketidaksesuaian & Bukti yang diamati** *(dilengkapi oleh auditor):*

1. Based on field observation at landfill Matalok Estate, it is known that domestic waste disposal is still done in open area and still sailed by the sack of fertilizer



2. Based on field observations in workshops, oil storage and employee housing in Sangkoh Estate it is known that waste management plans have not been implemented to avoid contamination such as:

Figure 1. There is a spill of diesel fuel in the wokshop repair unit of Sangkoh Estate

Figure 2. There is an oil drip that is not contained in the unit being repaired

Figure 3. The resulting hazardous waste is not stored in hazardous waste temporary warehouse.

Figure 4. There is oil spill outside storage warehouse and oil trap.  
Figure 5. Disposal of domestic waste is still done in the area openly

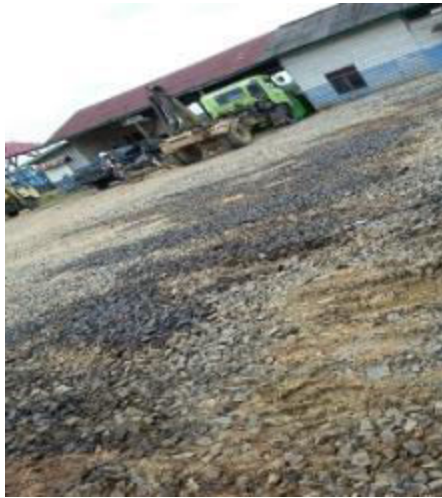


Figure 1

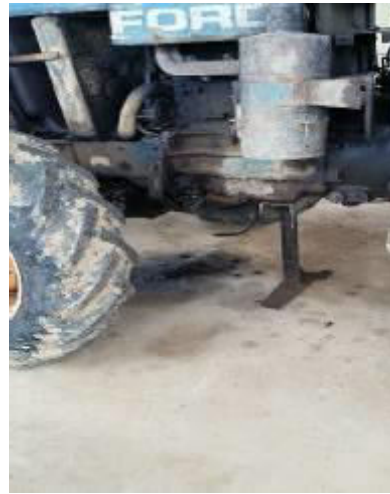


Figure 2



Figure 3



Figure 4



Figure 5

- Based on the results of field observation in Rantau POM, it is known that there are hazardous waste (paint packaging) produced not stored in hazardous waste temporary warehouse but discarded in place of scrap metal..

**Root Cause Analysis**

**Correction**

**Corrective Action**

**Assessor Evaluation and Conclusion**

**Verified by** :

<b>NCR No.</b>	: 2017.05	<b>Issued by</b>	: Sahat Simarmata
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: 60 Days (19 February 2018)
<b>NC Grade</b>	: MAJOR	<b>Date of Closing</b>	: 8 February 2018
<b>Standard Ref. &amp; Requirement</b>	: 8.1 Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.		
<b>Non-Conformance Description &amp; Evidence observed</b>			
Based on a summary of the results of the non-conformities identified during Re-Certification assessment, the auditor team assessed that there was a continuous improvement commitment that had not yet been fully implemented in relation to the recurrence of nonconformity Major 4.7.3 in the ASA-1.1 (second cycle of certification). Such as :			
<ul style="list-style-type: none"> <li>Implementation of occupational safety and health policies. It is not in accordance with guidance on criterion</li> </ul>			

4.7: Oil palm growers and millers should ensure that their workplaces, machinery, equipment, transportation and processes under their control are always safe and harmless to health. Planters and millers should ensure that chemical, physical, and biological substances and things under their control do not endanger health excessively, and take action where necessary. All of these indicators apply to all workers, regardless of their status.

**Root Cause Analysis**

Due to the consistency of inspection in the use of PPE by supervision and Assistant that is well documented so that often found the implementation of field is not obedient in the implementation of K3 by not using PPE and also employee use PPE which not according to which have been distributed.

**Correction**

January 02, 2018 has been issued Memorandum by Area Controller No. 01 / K3-APD / I / 2018 on Discipline Use of PPE, one of them by doing the attendance and examination of PPE morning before work every day done by Supervisi and Assisten. (attached memo and attendance docs.)

**Corrective Action**

Perform routine checks every day and documented before work done by Supervision and Assisten so that if there are deficiencies and problems of PPE action can be taken before work in the field. Attached document

**Assessor Evaluation and Conclusion**

**7 February 2018:**

The auditor receives corrective evidence submitted on 3 February 2018, including:

1. Inter-Office Memo No: AC-est-mill / 063 / SD / I / 2018 dated January 2, 2018, issued by the Area Controller of Sungai Durian on Inspection of PPE prior to work.
2. Evidence of employee attendance and safety monitoring for all sample units.

However, the evidence presented is not sufficient to ensure that all workers is used PPE during work.

On that reason, this NC is COMPLY

**Verified by** : Yudwi Wisnu Rahmanto

<b>NCR No.</b>	: 2017.06	<b>Issued by</b>	: Yudwi Wisnu Rahmanto
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: 60 Days (19 February 2018)
<b>NC Grade</b>	: MAJOR	<b>Date of Closing</b>	: 8 February 2018
<b>Standard Ref. &amp; Requirement</b>	<p><b>Modul D CPO Mill – IP</b>  <b>Clause D.1.1</b>  A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&amp;C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E</p>		

is applicable.

**Non-Conformance Description & Evidence observed**

Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on data record period 6 January 2017 upto 18 December 2017, list of FFB suppliers entering the Rantau POM as follow:

No	Sources	Volume (MT)	Remarks
1	Rantau Estate	38,477.87	Own Estate of PT. LMI
2	Matalok Estate	19,308.51	Own Estate of PT. LMI
3	KKPA Cengal	1,815.55	KKPA ASC – Rantau Budha, RTE
4	KKPA SAA	452.84	KKPA ASC – Bakau, RDE
5	KKPA LMI	218.19	KKPA ASC – Bepara, MLE
6	Sekayu Estate	3,895.37	Own Estate of PT. LMI
7	Betung Estate	2,920.27	Own Estate of PT. LMI
8	Selabak Estate	27,052.76	Own Estate of PT. SAA
9	Randi Estate	20,239.42	Own Estate of PT. SAA
10	Sangkoh Estate	22,509.71	Own Estate of PT. SAA
11	Lanting Estate	24,062.60	Own Estate of PT. LMR
<b>Total</b>		<b>160,953.09</b>	

However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. Whereas, supply chain model for Rantau POM is Identity Preserved.

Therefore, Rantau POM has fail to implement Module D-CPO Mill requirements.

**Root Cause Analysis**

Identification of FFB entering the RTF has not been identified in detail to ensure that FFB delivered to RTF is sourced from the certified area of KKPA 2,770.31 Ha.

**Correction**

Identified with detailed statement area to ensure that TBS KKPA ASC, KKPA LMI and KKPA SAA are included in the area of 2770.31 Ha. Based on the data, it can be assured that all TBS KKPA to RTF is included in certification scope while the area difference is additional year of planting 2016 after the recertification and not yet mature currently. (doc. attached)

**Corrective Action**

Ensuring and make a record that all FFB's from KKPA entering to RTF is from the certified area of 2770.31 ha.

**Assessor Evaluation and Conclusion**

**13 January 2018**

Auditor verifies the corrective evidence submitted on December 29, 2017 in the form of identification of the KKPA ASC statement area within the scope of the certification. However, there is insufficient evidence related:

- Distribution of FFB supplies from KKPA-ASC based on the origin village to any Mill destination, as well as its system code information.
- Explanation of KKPA-ASC area according to valid legal evidence.

**7 February 2018:**

Auditor verifies the evidence submitted on 3 February 2018 in the form of:

1. The latest statement area showing the distribution of FFB from each KKPA-ASC based on the Village and its Mill supplied to.
2. The system code in Sime Weight for each of KKPA-ASC originated from 23 January 2018.
3. Reference of legal documents in the form of CPCL from Regent Kotabaru and is in the process of approval submission, also the hectarage and the number of prospective smallholders.

Upon the corrective action made, the auditor has verify that the FFB's from KKPA-ASC supplying to Rantau Factory is from certified area that has been listed on RSPO certificate. Therefore, Rantau Factory can still maintain the Identity Preserved supply chain model.

Auditor concludes that this NC is CLOSED with Observation and will be verified at the next assessment.

**Verified by** : **Yudwi Wisnu Rahmanto**

<b>NCR No.</b>	: 2017.07	<b>Issued by</b>	: Yudwi Wisnu Rahmanto
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: 60 Days (19 February 2018)
<b>NC Grade</b>	: MAJOR	<b>Date of Closing</b>	: 8 February 2018
<b>Standard Ref. &amp; Requirement</b>	<b>Modul D CPO Mill – IP</b> <b>Clause D.4.1</b> <b>The site shall verify and document the volumes of certified and non-certified FFBs received.</b>		

**Non-Conformance Description & Evidence observed**

Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on data record period 6 January 2017 upto 18 December 2017, list of FFB suppliers entering the Rantau POM as follow:

No	Sources	Volume (MT)	Remarks
1	Rantau Estate	38,477.87	Own Estate of PT. LMI
2	Matalok Estate	19,308.51	Own Estate of PT. LMI
3	KKPA Cengal	1,815.55	KKPA ASC – Rantau Budha, RTE
4	KKPA SAA	452.84	KKPA ASC – Bakau, RDE
5	KKPA LMI	218.19	KKPA ASC – Bepara, MLE
6	Sekayu Estate	3,895.37	Own Estate of PT. LMI
7	Betung Estate	2,920.27	Own Estate of PT. LMI
8	Selabak Estate	27,052.76	Own Estate of PT. SAA
9	Randi Estate	20,239.42	Own Estate of PT. SAA
10	Sangkoh Estate	22,509.71	Own Estate of PT. SAA
11	Lanting Estate	24,062.60	Own Estate of PT. LMR
<b>Total</b>		<b>160,953.09</b>	

However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. Whereas, supply chain model for Rantau POM is Identity Preserved.

Therefore, Rantau POM has not verify and documenting of FFB's volume from certified and non-certified sources.

**Root Cause Analysis**

Identification of FFB entering the RTF has not been identified in detail to ensure that FFB delivered to RTF is sourced from the certified area of KKPA 2,770.31 Ha.

**Correction**

Identified with detailed statement area to ensure that TBS KKPA ASC, KKPA LMI and KKPA SAA are included in the area of 2770.31 Ha. Based on the data, it can be assured that all TBS KKPA to RTF is included in certification scope while the area difference is additional year of planting 2016 after the recertification and not yet mature currently. (doc. attached)

**Corrective Action**

Ensuring and make a record that all FFB's from KKPA entering to RTF is from the certified area of 2770.31 ha.

**Assessor Evaluation and Conclusion**

**13 January 2018**

Auditor verifies the corrective evidence submitted on December 29, 2017 in the form of identification of the KKPA ASC statement area within the scope of the certification. However, there is insufficient evidence related:

- Distribution of FFB supplies from KKPA-ASC based on the origin village to any Mill destination, as well as its system code information.
- Explanation of KKPA-ASC area according to valid legal evidence.

**7 February 2018:**

Auditor verifies the evidence submitted on 3 February 2018 in the form of:

1. The latest statement area showing the distribution of FFB from each KKPA-ASC based on the Village and its Mill supplied to.
2. The system code in Sime Weight for each of KKPA-ASC originated from 23 January 2018.
3. Reference of legal documents in the form of CPCL from Regent Kotabaru and is in the process of approval submission, also the hectareage and the number of prospective smallholders.

Upon the corrective action made, the auditor has verify that the FFB's from KKPA-ASC supplying to Rantau Factory is from certified area that has been listed on RSPO certificate. Therefore, Rantau Factory can still maintain the Identity Preserved supply chain model.

Auditor concludes that this NC is CLOSED with Observation and will be verified at the next assessment.

**Verified by** : **Yudwi Wisnu Rahmanto**

<b>NCR No.</b>	: 2017.08	<b>Issued by</b>	: Yudwi Wisnu Rahmanto
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: 60 Days (19 February 2018)
<b>NC Grade</b>	: MAJOR	<b>Date of Closing</b>	: 8 February 2018
<b>Standard Ref. &amp; Requirement</b>	: Modul D CPO Mill – IP		



	<p><b>Clause D.5.1</b>  <b>The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</b></p>
<p><b>Non-Conformance Description &amp; Evidence observed</b></p> <p>Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on Three monthly bases Mass Balance records during period 6 Feb 2017 upto 18 Nov 2017, showing the FFB's receives and processed as well as delivering of certified product (CSPO &amp; CSPK) was performed by Rantau POM. Where the FFB's processed until produced CPO &amp; PK, all the sources are from certified area which is Own Estates and smallholder scheme KKPA Sungai Cengal.</p> <p>However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. This mean indicates that there still FFB's from non certified area of KKPA Sungai Cengal supplied and processed in Rantau POM.</p> <p>Therefore, Rantau POM has lack of evidence to prove that records of mass balance on three monthly basis has been clearly describes all receipts of FFB's and delivering of CPO &amp; PK are from certified sources only.</p>	
<p><b>Root Cause Analysis</b></p> <p>Identification of FFB entering the RTF has not been identified in detail to ensure that FFB delivered to RTF is sourced from the certified area of KKPA 2,770.31 Ha.</p>	
<p><b>Correction</b></p> <p>Identified with detailed statement area to ensure that TBS KKPA ASC, KKPA LMI and KKPA SAA are included in the area of 2770.31 Ha. Based on the data, it can be assured that all TBS KKPA to RTF is included in certification scope while the area difference is additional year of planting 2016 after the recertification and not yet mature currently. (doc. attached)</p>	
<p><b>Corrective Action</b></p> <p>Ensuring and make a record that all FFB's from KKPA entering to RTF is from the certified area of 2770.31 ha.</p>	
<p><b>Assessor Evaluation and Conclusion</b></p> <p><b>13 January 2018</b></p> <p>Auditor verifies the corrective evidence submitted on December 29, 2017 in the form of identification of the KKPA ASC statement area within the scope of the certification. However, there is insufficient evidence related:</p> <ul style="list-style-type: none"> <li>• Distribution of FFB supplies from KKPA-ASC based on the origin village to any Mill destination, as well as its system code information.</li> <li>• Explanation of KKPA-ASC area according to valid legal evidence.</li> </ul> <p><b>7 February 2018:</b></p> <p>Auditor verifies the evidence submitted on 3 February 2018 in the form of:</p> <ol style="list-style-type: none"> <li>1. The latest statement area showing the distribution of FFB from each KKPA-ASC based on the Village and its Mill supplied to.</li> <li>2. The system code in Sime Weight for each of KKPA-ASC originated from 23 January 2018.</li> <li>3. Reference of legal documents in the form of CPCL from Regent Kotabaru and is in the process of approval submission, also the hectareage and the number of prospective smallholders.</li> </ol> <p>Upon the corrective action made, the auditor has verify that the FFB's from KKPA-ASC supplying to Rantau Factory is from certified area that has been listed on RSPO certificate. Therefore, Rantau Factory can still maintain the Identity</p>	

Preserved supply chain model.	
Auditor concludes that this NC is CLOSED with Observation and will be verified at the next assessment.	
<b>Verified by</b>	: Yudwi Wisnu Rahmanto

<b>NCR No.</b>	: 2017.09	<b>Issued by</b>	: Yudwi Wisnu Rahmanto
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: 60 Days (19 February 2018)
<b>NC Grade</b>	: MAJOR	<b>Date of Closing</b>	: 8 February 2018
<b>Standard Ref. &amp; Requirement</b>	<b>Modul D CPO Mill – IP</b> <b>Clause D.6.1</b> The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage.		
<b>Non-Conformance Description &amp; Evidence observed</b>			
<p>Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on Three monthly bases Mass Balance records during period 6 Feb 2017 upto 18 Nov 2017, showing the FFB's receives and processed as well as delivering of certified product (CSPO &amp; CSPK) was performed by Rantau POM. Where the FFB's processed until produced CPO &amp; PK, all the sources are from certified area which is Own Estates and smallholder scheme KKPA Sungai Cengal.</p> <p>However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. This mean indicates that there still FFB's from non certified area of KKPA Sungai Cengal supplied and processed in Rantau POM.</p> <p>Therefore, Rantau POM has lack of evidence to assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage.</p>			
<b>Root Cause Analysis</b>			
Identification of FFB entering the RTF has not been identified in detail to ensure that FFB delivered to RTF is sourced from the certified area of KKPA 2,770.31 Ha.			
<b>Correction</b>			
Identified with detailed statement area to ensure that TBS KKPA ASC, KKPA LMI and KKPA SAA are included in the area of 2770.31 Ha. Based on the data, it can be assured that all TBS KKPA to RTF is included in certification scope while the area difference is additional year of planting 2016 after the recertification and not yet mature currently. (doc. attached)			
<b>Corrective Action</b>			
Ensuring and make a record that all FFB's from KKPA entering to RTF is from the certified area of 2770.31 ha.			
<b>Assessor Evaluation and Conclusion</b>			

**13 January 2018**

Auditor verifies the corrective evidence submitted on December 29, 2017 in the form of identification of the KKPA ASC statement area within the scope of the certification. However, there is insufficient evidence related:

- Distribution of FFB supplies from KKPA-ASC based on the origin village to any Mill destination, as well as its system code information.
- Explanation of KKPA-ASC area according to valid legal evidence.

**7 February 2018:**

Auditor verifies the evidence submitted on 3 February 2018 in the form of:

1. The latest statement area showing the distribution of FFB from each KKPA-ASC based on the Village and its Mill supplied to.
2. The system code in Sime Weight for each of KKPA-ASC originated from 23 January 2018.
3. Reference of legal documents in the form of CPCL from Regent Kotabaru and is in the process of approval submission, also the hectareage and the number of prospective smallholders.

Upon the corrective action made, the auditor has verify that the FFB's from KKPA-ASC supplying to Rantau Factory is from certified area that has been listed on RSPO certificate. Therefore, Rantau Factory can still maintain the Identity Preserved supply chain model.

Auditor concludes that this NC is CLOSED with Observation and will be verified at the next assessment.

**Verified by** : **Yudwi Wisnu Rahmanto**

<b>NCR No.</b>	: 2017.010	<b>Issued by</b>	: Yudwi Wisnu Rahmanto
<b>Date Issued</b>	: 22 December 2017	<b>Time Limit</b>	: 60 Days (19 February 2018)
<b>NC Grade</b>	: MAJOR	<b>Date of Closing</b>	: 8 February 2018
<b>Standard Ref. &amp; Requirement</b>	<b>Modul D CPO Mill – IP</b> <b>Clause D.6.2</b> <b>The objective is for 100 % segregated material to be reached</b>		

**Non-Conformance Description & Evidence observed**

Rantau POM using IP model for their supply chain, where the all FFB's entering the mill is sourced from Certified area only. Based on Three monthly bases Mass Balance records during period 6 Feb 2017 upto 18 Nov 2017, showing the FFB's receives and processed as well as delivering of certified product (CSPO & CSPK) was performed by Rantau POM. Where the FFB's processed until produced CPO & PK, all the sources are from certified area which is Own Estates and smallholder scheme KKPA Sungai Cengal.

However, according to the Area Statement of KKPA Sungai Cengal (KKPA-ASC) period November 2017, total managed area for smallholders is 3,353.18 Ha where consist of 3,089.83 Ha (Planted) and 263.35 Ha (Others). While, information on certificate license know that certified area for smallholder scheme (KKPA-ASC) is 2,770.31 Ha. Meaning that some part of managed area for KKPA-ASC have non-certified and supplied to Rantau POM. This mean indicates that there still FFB's from non certified area of KKPA Sungai Cengal supplied and processed in Rantau POM.

Therefore, Rantau POM has lack of evidence that 100% segregated material to be reached.

**Root Cause Analysis**

Identification of FFB entering the RTF has not been identified in detail to ensure that FFB delivered to RTF is sourced from the certified area of KKPA 2,770.31 Ha.

**Correction**

Identified with detailed statement area to ensure that TBS KKPA ASC, KKPA LMI and KKPA SAA are included in the area of 2770.31 Ha. Based on the data, it can be assured that all TBS KKPA to RTF is included in certification scope while the area difference is additional year of planting 2016 after the recertification and not yet mature currently. (doc. attached)

**Corrective Action**

Ensuring and make a record that all FFB's from KKPA entering to RTF is from the certified area of 2770.31 ha.

**Assessor Evaluation and Conclusion**

**13 January 2018**

Auditor verifies the corrective evidence submitted on December 29, 2017 in the form of identification of the KKPA ASC statement area within the scope of the certification. However, there is insufficient evidence related:

- Distribution of FFB supplies from KKPA-ASC based on the origin village to any Mill destination, as well as its system code information.
- Explanation of KKPA-ASC area according to valid legal evidence.

**7 February 2018:**

Auditor verifies the evidence submitted on 3 February 2018 in the form of:

1. The latest statement area showing the distribution of FFB from each KKPA-ASC based on the Village and its Mill supplied to.
2. The system code in Sime Weight for each of KKPA-ASC originated from 23 January 2018.
3. Reference of legal documents in the form of CPCL from Regent Kotabaru and is in the process of approval submission, also the hectarage and the number of prospective smallholders.

Upon the corrective action made, the auditor has verify that the FFB's from KKPA-ASC supplying to Rantau Fctry is from certified area that has been listed on RSPO certificate. Therefore, Rantau Factory can still maintain the Identity Preserved supply chain model.

Auditor concludes that this NC is CLOSED with Observation and will be verified at the next assessment.

**Verified by** : **Yudwi Wisnu Rahmanto**

**3.5.3 Opportunity for Improvement**

No	Ref Std	Descriptions
1	2.2.1	Progress on the proposed permit and SK Regent Regarding CPCL Phase II of KKPA Sungai Cengal Smallholders
2	2.2.2	Progress of legal boundary marks repairmen according to monitoring results
3	4.6.10	Understanding the handling of pesticide contaminated containers
4	4.7.5	Evaluate the type and quantity of the contents of the First Aid Box
5	6.1.4	Participatory methods in social impact monitoring and management review.
6	6.3.1	Ease of access in grievance mechanisms.

**3.5.4 Noteworthy Positive Components**

No	Descriptions
1	Commitment of certificate holder in maintaining HCV area during replanting activity
2	Commitment to zero burning implementation in land preparation for replanting
3	Making reservoirs and water supply points to prevent drought during dry season
4	Biogas Plant development progress as a form of utilization of liquid waste for renewable energy production.

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Village Chief of Rantau Jaya Village</b></p> <ul style="list-style-type: none"> <li>- Good relationships and communications are going well. The company has been appointed the PIC for communicate to the stakeholders.</li> <li>- The villagers has been involved in the preparation of the social impact assessment and managemen plan.</li> <li>- All the proposal of assisstance submitted to the company has been addressed.</li> <li>- There is no issues related HGU border or land disputes</li> <li>- There are several socializations conducted to the communities such as conservation, environment etc.</li> <li>- The most of the villagers are working in company</li> </ul>	<p>Has been verified by the auditor, explained in the C2.3,C6.1, C6.2, C6.3, C6.11</p>
<p><b>Bina Swadaya Karya Cooperative</b></p> <ul style="list-style-type: none"> <li>- They have difficulty communicating to convey complaints with the company due to the current management of KKPA done by each of the nearest estate. So that any management-related complaints in the field should contact the managers in each unit managing KKPA</li> <li>- FFB price set based on the provisions of the Plantation Agency of South Kalimantan Province</li> <li>- Currently members of KKPA Sungai Cengal are still in the stage of repayment of credit so have not received payment of FFB production</li> </ul>	<p>Has been verified and explained in C6.10, C6.3</p>
<p><b>Gender Committee</b></p> <ul style="list-style-type: none"> <li>- There were no complaints related to violations of women’s rights or sexual harasment.</li> <li>- The company has granted the rights of women such as the right to maternity leave and menstruation leave.</li> <li>- The company does not permit pregnant and lactating women working on activities related to chemicals.</li> </ul>	<p>Has been verified and explained in C6.9</p>
<ul style="list-style-type: none"> <li>• <b>Workers Union</b></li> <li>- The facilities of workers have been provided by the company according to the needs of workers</li> <li>- All workers are registered in accident and healt insurance.</li> <li>- There is no child labor</li> <li>- Employees get wages above the minimum wage and they given overtime pay for those working outside working hours.</li> <li>- The companies give employees the freedom to form unions</li> </ul>	<p>Facilities, wages and other employment aspect has been performed in accordance with applicable regulation and collective agreement. Has been explained in C6.5, C6.6, C6.7, C6.8</p>

<b>Public Issues (Institution/ NGO/Community)</b>	<b>Auditor Verification</b>
<ul style="list-style-type: none"> <li>• <b>Contractors of FFB Transport</b></li> <li>- The agreement has been prepared jointly with the company in order to know the rights and obligations of contractors.</li> <li>- The contents of the contract explains the income tax, work technic, OHS aspect and environment aspect and worker insurance paid by the contractors</li> <li>- If there are complaints from contractor then addressed and accommodated by the company.</li> <li>- Payment of the work has been paid timely and in accordance with the agreement.</li> </ul>	<p>The company has been involved the local contractors in operational activities. The obligation regarding to the agreement has been performed well such as payment. The explanation on the C6.10</p>
<p><b>Manpower Agency of Kotabaru District</b></p> <ul style="list-style-type: none"> <li>- Good relationships and communications are going well.</li> <li>- There is no issues related to violation of manpower regulations</li> <li>- Employees get wages above the minimum wage and they given overtime pay for those working outside working hours.</li> <li>- Mandatory reporting of employment are on a regular basis</li> </ul>	<p>Has been verified and explained in C6.5</p>

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

**4.1 Formal Sign-off of Assessment Findings**

Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.

Signed on behalf of:

PT. Laguna Mandiri  
Head of PSQM Plantation Minamas Indonesia

Mutuagung Lestari  
Lead Auditor



**MOHAMAD PIRABAHARAN**  
Thursday, 08 February 2018



**YUDWI WISNU RAHMANTO**  
Thursday, 08 February 2018



**APPENDICES**

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1.	Plantation Agency, District of Kotabaru, Province of South Kalimantan	District of Kotabaru, Province of South Kalimantan	-	Mail	December 21 <sup>th</sup> , 2017		√
2.	Forestry Agency, District of Kotabaru, Province of South Kalimantan	District of Kotabaru, Province of South Kalimantan	-	Mail	December 21 <sup>th</sup> , 2017		√
3.	Environmental Agency, District of Kotabaru, Province of South Kalimantan	District of Kotabaru, Province of South Kalimantan	-	Mail	December 21 <sup>th</sup> , 2017		√
4.	Man Power and Transmigration Agency, District of Kotabaru, Province of South Kalimantan	District of Kotabaru, Province of South Kalimantan	-	Mail	December 21 <sup>th</sup> , 2017	√	
5.	National Land Agency, District of Kotabaru, Province of South Kalimantan	District of Kotabaru, Province of South Kalimantan	-	Mail	December 21 <sup>th</sup> , 2017		√
6.	Rantau Jaya Village and Rantau Buda Village Sub District of North Pamaukan	Rantau Buda Village, Sub District of North Pamaukan	-	Interview	December 19 <sup>th</sup> , 2017	√	
7.	Aliansi Masyarakat Adat Nusantara (AMAN)	-	rumahaman@cbn.net	Email	December 14 <sup>th</sup> , 2017		
8.	WWF Indonesia	-	wwf-indonesia@wwf.or.id	Email	December 14 <sup>th</sup> , 2017		
9.	WALHI	-	<a href="mailto:info@walhi.or.id">info@walhi.or.id</a>	Email	December 14 <sup>th</sup> , 2017		√
10.	The Head of Committee Gender SOU 9	PT LMI – SOU 9	-	Interview	December 19 <sup>th</sup> , 2017	√	
11.	Local Contractor	PT LMI – SOU 9	-	Interview	December 19 <sup>th</sup> , 2017	√	
12.	Bina Swadaya Karya Cooperative (KKPA Sungai Cengal)			Interview	December 19 <sup>th</sup> , 2017	√	

**Appendix 2. Assessment Program**

DATE	17 – 23 December 2017	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Sunday, 17 December 2017</b>		
08.45 – 12.05	<b>Jakarta – Balikpapan</b>	<b>YWR / LEO / AFN / SSM</b>
12.30 – 21.00	<b>Balikpapan – PT. Laguna Mandiri</b>	<b>YWR / LEO / AFN / SSM</b>
<b>Monday, 18 December 2017</b>		
08.00 – 09.00	<b>Opening meeting</b> <ul style="list-style-type: none"> <li>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>YWR / LEO / AFN / SSM</b>
09.00 – 12.00	<b>Stakeholders consultation to Related Government Institution of Pamukan Utara Regency and local NGO (by phone)</b>  <b>Field Observation MATALOK ESTATE</b> <ul style="list-style-type: none"> <li>Activities of Harvesting &amp; Transportation, Fertilizer, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application</li> <li>Landfill, Fire Control Facilities (simulation), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, workshop</li> <li>Housing, School, Worship Place, Clinic, generator room, Reservoir</li> <li>Land Use, Legal Boundaries, HCV</li> </ul>	<b>LEO</b>  <b>YWR / SSM / AFN</b>
12.00 – 14.00	<b>BREAK</b>	
14.00 – 17.00	<b>Documents Review</b> <ul style="list-style-type: none"> <li>Review of previous 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>	<b>YWR / LEO / AFN / SSM</b>
<b>Tuesday, 19 December 2017</b>		

DATE	17 – 23 December 2017	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	<p><b>Stakeholders consultation to affected communities surrounding plantations</b></p> <p><b>Field Observation KKPA SUNGAI CENGAL</b></p> <ul style="list-style-type: none"> <li>• Activities of Harvesting &amp; Transportation, Fertilizer, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application</li> <li>• Landfill, Fire Control Facilities (simulation), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, workshop</li> <li>• Housing, School, Worship Place, Clinic, generator room, Reservoir</li> <li>• Land Use, Legal Boundaries, HCV</li> </ul>	<p><b>LEO</b></p> <p><b>YWR / SSM / AFN</b></p>
12.00 – 14.00	BREAK	
14.00 – 17.00	<p><b>Field Observation RANTAU FACTORY</b></p> <ul style="list-style-type: none"> <li>• SCCS, security post, weightbridge</li> <li>• Loading ramp, processing station, engine room, boiler, workshop, hydrant simulation</li> <li>• Hazardous storage, Hazardous Waste Storage, workshop</li> <li>• WWTP, wastewater outlet, water intake, WTP, EBA</li> </ul>	<b>YWR / LEO / AFN / SSM</b>
<b>Wednesday, 20 December 2017</b>		
08.00 – 12.00	<p><b>Field Observation LANTING ESTATE (PT. LMR)</b></p> <ul style="list-style-type: none"> <li>• Activities of Harvesting &amp; Transportation, Fertilizer, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application</li> <li>• Landfill, Fire Control Facilities (simulation), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, workshop</li> <li>• Housing, School, Worship Place, Clinic, generator room, Reservoir</li> <li>• Land Use, Legal Boundaries, conservation area</li> </ul>	<b>YWR / LEO / AFN / SSM</b>
12.00 – 14.00	BREAK	
14.00 – 17.00	<p>Stakeholders consultation to local contractor, gender committee, labor union, etc</p> <p>Clarification of Field Observation</p> <p>Document Verification</p>	<b>LEO</b>
<b>Thursday, 21 December 2017</b>		
08.00 – 12.00	<p><b>Field Observation SANGKOH ESTATE (PT. SAA)</b></p> <p>Activities of Harvesting &amp; Transportation, Fertilizer, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application</p> <p>Landfill, Fire Control Facilities (simulation), Chemical Storage,</p>	<b>YWR / LEO / AFN / SSM</b>

DATE	17 – 23 December 2017	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	Fertilizer Storage, Hazardous Waste Storage, workshop Housing, School, Worship Place, Clinic, generator room, Reservoir Land Use, Legal Boundaries, conservation area	
12.00 – 14.00	BREAK	
14.00 – 17.00	Clarification of Field Observation Document Verification	YWR / LEO / AFN / SSM
<b>Friday, 22 December 2017</b>		
08.00 – 10.00	<b>Closing Meeting</b> <ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)</li> <li>• Comments, Responses and Questions</li> </ul>	YWR / LEO / AFN / SSM
11.00 – 16.00	<b>PT. Laguna Mandiri – Penajam</b>	YWR / LEO / AFN / SSM
16.00 – 19.00	<b>Penajam – Balikpapan</b>	
<b>Saturday, 23 December 2017</b>		
11.00 – 12.00	<b>Return Flight Balikpapan - Jakarta</b>	YWR / LEO / AFN / SSM