

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

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : **Sekunyir Factory – PT Indotruba Tengah, Subsidiary of Sime Darby Plantation Sdn. Bhd**

Plantation Name : **PT Indotruba Tengah – Sekunyir Estate and Seruyan Estate**

Location : **Village of Amin Jaya and Pembuang Hulu, Sub District of Pangkalan Banteng and Hanau, District of Kotawaringin Barat and Seruyan, Province of Kalimantan Tengah, Indonesia.**

Certificate Code : **MUTU-RSPO/001**

Date of Certificate Issue : 23 November 2015 Date of License Issue : 23 November 2017

Date of Certificate Expiry : 22 November 2020 Date of License Expiry : 22 November 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA 1.2	25 – 29 September 2017	Oktovianus Rusmin (Lead Auditor), Sofyan Hadi Lubis, Mohamad Amarullah, Yudhi Yuniarto Tallutondok	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA 1.2	28 November 2017

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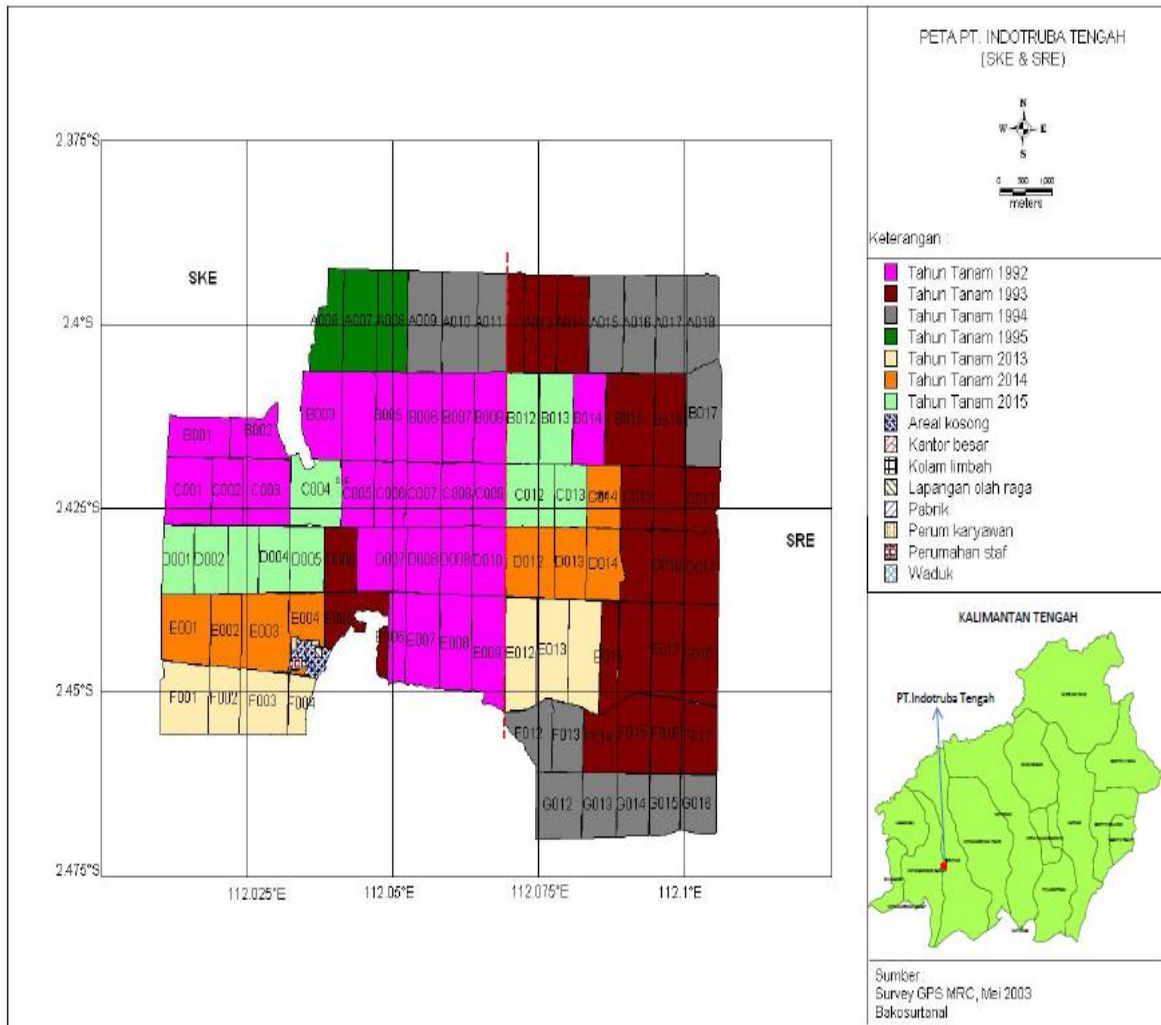
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Figure 2. Operational Map of PT Indotruba Tengah



Abbreviations Used

ASA	: Annual Surveillance Assessment
BOB	: Barn Owl Box
BPJS	: Badan Penyelenggara Jaminan Sosial (<i>Social Assurance of Labor</i>)
CITES	: The Convention on International Trade in Endangered Species
CPO	: Crude palm oil
CSR	: Corporate Social Responsibility
EIA	: Environmental Impact Assessment
EFB	: Empty Fruit Bunch
EWS	: Early warning system
ESH	: Environment, Safety and Health
FFB	: Fresh Fruit Bunch
GCAD	: Group Corporation Audit Department
GHG	: Greenhouse Gas
GPS	: Global Positioning System
HCV	: High Conservation Value
HGU	: Land Use Title
HIRARC	: Hazard identification Risk Assessment Risk and Risk Controlling
HPUI	: Head Plantation Upstream Indonesia
IPM	: Integrated Pest Management
ITH	: Indotruba Tengah
IUCN	: International Union for Conservation of Nature
JAMSOSTEK	: Jaminan Sosial Tenaga Kerja (Social Insurance of Worker)
KAN	: Komite Akreditasi Nasional (National Accreditation Committee)
KER	: Kernel Extraction Rate
K3	: Kesehatan & Keselamatan Kerja (Health & Safety Work)
LCC	: Legume Cover Crop
LLRP	: Long Range Replanting Programme
LUCA	: Land Use Change Analysis
LUK	: <i>Laporan Ulasan Kebun</i> (Estate Monthly Report)
MRC	: Minamas Research Centre
MSDS	: Material Safety Data Sheet
NGO	: Non Government Organization
OER	: Oil Extraction Rate
OHS	: Occupational Health and Safety
P2K3	: Panitia Pembina Kesehatan dan Keselamatan Kerja (Safety and Health Committee)
PIC	: Person In Charge
PK	: Palm Kernel
POM	: Palm Oil Mill
POME	: Palm Oil Mill Effluent
PPE	: Personal Protective equipment
PSD	: Plantation Services Departement
PSQM	: Plantation Sustainability and Quality Management
RaCP	: Remediation and Compensation Procedure
RKL	: Rencana Pengelolaan Lingkungan (<i>Environment Management Plan</i>)
RPL	: Rencana Pemantauan Lingkungan (<i>Environment Monitoring Plan</i>)
RSPO	: Roundtable Sustainable Palm Oil
RTE	: Rare, Threatened or Endangered
SCCS	: Supply Chain Certification Standard
SIA	: Social Impact Assessment
SKE	: Sekunyir Estate
SKF	: Sekunyir Factory

SOP	:	Standard Operational Procedure
SOU	:	Strategic Operating Unit
SRE	:	Seruyan Estate
THR	:	<i>Tunjangan Hari Raya</i> (holiday allowance)
TLB	:	Tractor Loader Backhoe
UPDKS	:	Ulat Pemakan Daun Kelapa Sawit (Palm-Leaf Eating Caterpillar)
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWF	:	World Wild Fund
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • Indonesian National Interpretation of RSPO Principle and Criteri 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors Meeting on 30 Sept 2016) • 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) 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Indotruba Tengah subsidiary of Sime Darby Plantation Sdn. Bhd.	
1.2.2	Contact person	Mohamad Pirabaharan	
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.	
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	www.simedarby.com	
1.2.8	Management Representative who completed the application for certification	Mohamad Pirabaharan (Head of PSQM Plantation Minamas Indonesia).	
1.2.9	Registered as RSPO member	1-0008-04-000-00 – 7 September 2004.	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Sekunyir Factory; Sekunyir Estate and Seruyan Estate.	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Sekunyir	Amin Jaya Village, Pangkalan Banteng Subdistrict, Kotawaringin Barat District, Kalimantan Tengah Province.	S 02° 26' 41" E 112° 00' 25"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Sekunyir	Amin Jaya Village, Pangkalan Banteng Subdistrict, Kotawaringin Barat District, Kalimantan Tengah Province.	S 02° 26' 48" E 112° 00' 32"

	Seruyan	Village of Pмбуang Hulu II, Sub District of Hanau, District of Seruyan, Province of Kalimantan Tengah.	S 02° 24' 28"	E 112° 04' 05"			
1.5	Description of Area Statement						
1.5.1	Tenure						
	• State		7,734.59	Ha			
	• Community		-	Ha			
1.5.2	Area Statement						
	• Total area		7,734.59	Ha			
	• Mature area		5,881.02	Ha			
	• Immature area		676.26	Ha			
	• Mill		8.28	Ha			
	• Building and Emplishment		68.01	Ha			
	• Infrastructure (Road, Bridge)		247.63	Ha			
	• Nursery		17.00	Ha			
	• HCV		29.08 *	Ha			
	• Occupation		807.31	Ha			
	* HCV 29.08 Ha is located outside the planting area, while the remaining 47.48 Ha is located within the planting area, with the type of riparian (Sempadan Sungai)						
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Sekunzir Estate	Seruyan Estate	Total			
	1992	1,729.78	83.07	1,812.85			
	1993	133.66	1,386.00	1,519.66			
	1994	280.21	897.20	1,177.41			
	1995	253.11	-	253.11			
	2013	269.11	281.87	550.98			
	2014	291.90	275.11	567.01			
	2015	368.41	307.85	676.26			
	TOTAL	3,326.18	3,231.10	6,557.28			
1.6.2	New Planting area after January 2010			Ha			
1.6.3	Planting Cycle		2 nd Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO	Palm Kernel		
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Sekunzir POM	45	124,910	26,688	21.37	5,829.63	4.67
	*Production data source from September 2016 to August 2017						

1.7.2	Description of Certification Scope of Supply Base							
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill		
						FFB (tonnes/year)	%	
	Sekunyir	3,555.19	3,326.18	64,280.20	21.73	64,280.20	100.00	
	Seruyan	4,179.40	3,231.10	60,591.49	20.73	60,591.49	100.00	
	TOTAL	7,734.59	6,557.28	124,871.69	21.23	124,871.69	100.00	
	<i>*Production data source from September 2016 to August 2017</i>							
1.7.3	FFB description from other source							
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill			
					FFB (tonnes/year)			
	-	-	-	-	-			
	TOTAL						-	
	<i>*Production data source from September 2016 to August 2017</i>							
1.7.4	Product categories			FFB, CPO, PK				
1.8	Tonnage of Product							
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim 23 Nov 2016 to 22 Nov 2017 (tonnes/year)		Actual certified product 23 Nov 2016 to 27 Sept 2017 (tonnes/year)			
	• FFB Production		104,956		97,544			
	• CPO Production		23,615		20,965			
	• Palm Kernel (PK) Production		5,248		4,408			
1.8.2	Product selling							
	Tonnage of selling product		Actual selling product period 23 Nov 2016 until 27 Sept. 2017 (MT)					
	• CSPO		5,850.00					
	• CSPK		4,266.15					
	• CPO under other scheme trading (e.g ISCC, RFS)		0					
	• CPO under conventional trading (if any)		12,821.00					
	• PK under other scheme (e.g ISCC, RFS)		0					
	• PK under conventional trading (if any)		1,564.00					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Sekunyir	3,555.19	3,326.18	73,360	22.05			
	Seruyan	4,179.40	3,231.10	73,136	22.64			
	TOTAL	7,734.59	6,557.28	146,496	22.34			
	<i>*Projected FFB production for 12 months of certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed	CPO		Palm Kernel		Supply Chain Module
				Out put	Extraction	Out put	Extraction	

			(tonnes/year)	(tonnes)	(%)	(tonnes)	(%)	
	Sekunyir	45	146,496	33,694	23	7,325	5	IP
<i>*Projected CSPO and CSPK production for 12 months of certificate</i>								
1.9	Other Certifications							
	- Certification of Indonesian Sustainable Palm Oil ISPO/ ISPO (SP020010 issued by Sai Global Indonesia, valid from 19 August 2014 to 18 August 2019)							
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
Management Unit		Supply Base	Time Bound Plan	Location	Status			
MILL	Time Bound Plan							
INDONESIA								
Sekunyir – PT ITH	2010	Sekunyir	2010	Seruyan and Kotawaringin Barat, Kalimantan Tengah	Certified			
		Seruyan	2010		Certified			
Manggala – PT TMP	2010	Manggala 1	2010	Rokan Hilir, Riau	Certified			
		Manggala 2	2010		Certified			
		Manggala 3	2010		Certified			
Bukit Ajong – PT SIA	2010	West	2010	Sanggau, Kalimantan Barat	Certified			
		East	2010		Certified			
		Sei Mawang	2018		-			
		East Plasma	2010		Certified			
		West Plasma	2010		Certified			
Teluk Siak – PT AIP	2011	Teluk Siak	2011	Siak, Riau	Certified			
		Pinang Sebatang	2011		Certified			
		Aneka Persada	2011		Certified			
Sungai Pinang – PT BSC	2012	Sungai Pinang	2012	Musi Rawas, Sumatera Selatan	Certified			
		Bukit Pinang	2012		Certified			
Pemantang – PT TSA	2011	Pemantang	2011	Seruyan and Kotawaringin Barat, Kalimantan Tengah	Certified			
		Kawan Batu	2011		Certified			
		Hatan Tiring	2011		Certified			
		Batang Garing	2011		Certified			
Alur Dumai – PT LTS	2011	Alur Dumai	2011	Rokan Hilir, Riau	Certified			
Teluk Bakau – PT BNS	2011	Teluk Bakau	2011	Indragiri Hilir, Riau	Certified			
		Nusa Perkasa	2011		Certified			
		Nusa Lestari	2011		Certified			
Mandah – PT BNS	2014	Mandah	2011	Indragiri Hilir, Riau	Certified			
		Rotan Semelur	2011		Certified			
Angsana Mini – PT SHE	Decommissioning since 2016	KKPA-1 PT.SHE	2013	Tanah Bumbu, Kalimantan Selatan	Certified			
		Pantai Bonati	2011		Certified			
Angsana – PT LSI	2011	Angsana	2011	Tanah Bumbu, Kalimantan Selatan	Certified			
		Gunung Sari	2011		Certified			

		KKPA-4 PT SHE	2013		Certified
Mustika – PT SHE	2013	Mustika	2013	Tanah Bumbu, Kalimantan Selatan	Certified
		KKPA-2 PT SHE	2013		Certified
		KKPA-3 PT SHE	2013		Certified
		KKPA-5 PT SHE	2013		Certified
		SAP 1	2020		Certified
Gunung Aru – PT BSS	2011	Gunung Aru	2011	Kotabaru, Kalimantan Selatan	Certified
		Gunung Kemasam	2011		Certified
		Laut Timur	2011		Certified
		Pantai Timur	2011		Certified
		KKPA BSS	2020		-
Bebunga – PT LMR	2011	Sungai Cengal	2011	Kotabaru, Kalimantan Selatan	Certified
		Bebunga	2011		Certified
		KKPA Sungai Cengal	2014		Certified
Sukamandang – PT KLR	2011	Sukamandang	2011	Seruyan and Kotawaringin Barat, Kalimantan Tengah	Certified
		Sapiri	2011		Certified
		Barasdanum	2011		Certified
		Kuala Kuayan	2011		Certified
Pondok Labu – PT PSA	2012	Binturung	2012	Kotabaru, Kalimantan Selatan	Certified
		Pondok Labu	2012		Certified
		Rampa	2012		Certified
		Sesulung	2012		Certified
Selabak – PT SAA	Decommissioning since 2017	Selabak	2012	Kotabaru, Kalimantan Selatan	Certified
		Randi	2012		Certified
		Sangkoh	2012		Certified
		Lanting	2012		Certified
Rantau – PT LMI	2012	Rantau	2012	Kotabaru, Kalimantan Selatan	Certified
		Matalok	2012		Certified
Betung – PT LMI	2014	Betung	2012	Kotabaru, Kalimantan Selatan	Certified
		Sekayu	2012		Certified
Ungkaya – PT TGK	2012	Ungkaya	2012	Morowali, Sulawesi Tengah	Certified
		Plasma TGK	2015		Certified
Ladang Panjang – PT BGR	2012	Ladang Panjang	2012	Muaro Jambi, Jambi	Certified
		Plasma BGR	2020		-
Rantau Panjang – PT GPI	2012	Rantau Panjang	2012	Musi Banyuasin, Sumatera Selatan	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 PSS	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and Aceh Timur, Nanggroe Aceh Darussalam	Certified
		Batang Ara (PT PSK)	2013		Certified
		Blang Simpo-01	2013		Certified

		Blang Simpo-02	2013		Certified
Mitra Austral Sejahtera – PT MAS	2020	MAS 1	2018	Sanggau, Kalimantan Barat	-
		MAS 1	2018		-
		MAS 1	2018		-
		Plasma MAS	2020		-
Lembiru – PT SNP	2014	Lembiru	2014	Ketapang, Kalimantan Barat	Certified
		Awatan	2014		Certified
		Karya Palma	2018		-
		KKPA SNP	2020		-
		Pelanjau (PT BAL)	2018		-
		Sungai Putih (PT BAL)	2018		-
		Baturus (PT BAL)	2018		-
KKPA BAL	2020	-			
MALAYSIA					
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

Bukit 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 – SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
		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	Tingkayu	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
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	PT ITH does not receive FFB from associated smallholder or outgrower. The supply of FFB from the own estate (Sekunyir Estate dan Seruyan Estate)				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA 1.2	<ol style="list-style-type: none"> 1. Oktovianus Rusmin (Lead Auditor). Bachelor's Degree in Social & Political Sciences Department of Anthropology. The working experience, consist of: Coastal Project-Department of Anthropology in Indonesian University (Pilot Project of Mangrove Rehabilitation in coastal area of South Sulawesi) as Social Supervisor (1999-2001), Center of Anhtropology-Indonesian University (Research and Publication) as Researcher (2002 – 2014), The Forest Trust-Indonesia (Consultant of Sustainable Forest Management) as Social Advisor (2004 – 2010) and eForest Consultant (HCV Identification and Social Impact Assessment) as staff (2010 – 2011). Already participated in several training, consist of: Forest Management Auditor (FSC Standard), Environmental Management System ISO 14001, ISO 9001:2008, Conflict Resolution, Human Right, Verification System of Wood Legality, Training Lead Auditor of ISPO & RSPO Scheme. Had participate in Sustainable Forest Certification (Eco Labelling Indonesia Standard), Gap Analysis of FSC Standard. He was numerously involved in audit of sustainable palm oil certification since 2011 for Indonesian Sustainable Palm Oil (ISPO) and RSPO Scheme in Indonesia & Malaysia as Auditor and <i>Lead Auditor</i>. The aspect of audited consist of : Social/Conflict Resolution, Land Use Legality, Conservation and Supply Chain Certification System (SCCS). During this assessment he was observed and audited on Land Use Legality, Social/Conflict aspect and Supply Chain Certification System (SCCS). 2. Sofyan Hadi Lubis (Auditor). Master's Program in Environmental and Natural Resource Management, Institut Pertanian Bogor (IPB) and Bachelor of Social Economic Agriculture, Gadjah Mada University (UGM). Has been involved as a researcher at the Research Centre of Forestry and Climate Change and Cooperation IPB-ETH Zurich Swiss-NUS Singapore regarding carbon stock analysis. The training has been followed, among other climate change mitigation and adaptation for agricultural productivity in Southeast Asia, Asian Carbon Update and Network and Climate Change Mitigation and Adaptation for Agricultural Productivity, Environmental Impact Assessment (EIA), Lead Auditor ISPO (Indonesian Sustainable Palm Oil), IHT-RSPO, ISO 9001, HCV, ISO 14001, Calculation of Greenhouse Gases (GHG), ISCC Plantation Audit and Land Use Assessment, Green Industry and ISCC EU and Plus Basic Training. Furthermore, he also worked as a staff environmental consulting firm and currently working as an auditor in the certification body (PT Mutuagung Lestari). He has has conducted audits for ISPO scheme, RSPO and ISCC in oil palm plantations, Indonesia as an auditor. During this assessment he was observed and audit on environment, conservation, and GHG aspect. 3. Mohamad Amarullah (Auditor). Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has been attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, HCV, etc. Has been conducted several ISPO audit scheme as an Auditor since 2014 in BMP, environment, conservation and OHS aspect. Fluent in Bahasa, Malay and English. During this assessment he was observed and audit on Best Management Practices, Occupational Health & Safety and Management Plan 4. Yudhi Yuniarto Tallutondok (Auditor Trainee). Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have more than three years working experience since 2013 as a plantation operations staff in Indonesia's private oil palm plantation company. Training that has been followed include: Lead Auditor ISO 9001: 2015, ISO 14001: 2015, ISO 22000: 2009, Auditor of Indonesian Sustainable Palm Oil (ISPO), Basic Management Development Program Agronomy, Forest and Land Fire Control Methods, Potential Mapping and Conflict Resolution in Production Forest, In House Training Roundtable on Sustainable Palm Oil (RSPO), ISO 19011, ISO 17021 and ISO 17065. In this audit activity performs assessments in agronomic and employment technical fields. During this assessment he was observed and audit on Social / Worker Right and Transparency Information.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA 1.2	<p>Number of auditors: 3 auditors and 1 auditor trainee Number of days for ASA 1.2 at site: 5 days. Number of working days for ASA 1.2 at site: 15 Working days.</p>
2.2.2	Assessment Process

ASA 1.2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Sekunyir Factory of PT Indotruba Tengah to the requirements of <i>Indonesian National Interpretation of RSPO Principle and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors Meeting on 30 Sept 2016)</i> and RSPO Supply Chain Certification Standard for Organizations Seeking or Holding Certification Adopted by The RSPO Board or Governors on November 21st 2014 (Module D for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Opportunity for improvement of the results ASA-1.2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment. Improvement of findings from main assessment findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.2.</p>
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2.2.3 Locations of Assessment

ASA 1.2	<p>The sampling location determined by using formula $0,8\sqrt{y}$ of the total estate suppliers and consider the issue arose from the review documents and stakeholders consultation that are fundamental and crucial. On this assessment, sample locations is Sekunyir Estate and Seruyan Estate.</p> <p>Sekunyir Estate :</p> <ul style="list-style-type: none"> • Boundary Poles checking: poles sample: (number 6 (Block E001), 7 (Block D001), 8 (Block C001), 9 (Block B001), 10 (Block B001), 11 (Block B002) & 12 (Block B003). The boundary poles are in good condition, the reference number is clear and the position is in accordance with the coordinates contained in the book of poles coordinate list of PT Indotruba Tengah. • Blok E004/005. Observation on road maintenance by Road Roller and Grader. • Block E003 Divisi 1. Observation on replanting areas (planted in 2015), maintenance of land cover crop and planting of beneficial plants (<i>Turnera subulata</i> and <i>Antigonon leptopus</i>). • Block D012 Divisi 2. Observation on Barn Owl Box (BOB) and its occupation or presence marks of <i>Tyto alba</i>. • Block D013/014 Divisi 2. Observation on decanter cake or solid application. • Block D017 Divisi 3. Observation on EFB application in mature area. • Block D007 Divisi 1. Harvesting. Observation and interview with 1 Foreman and 1 Harvester on their understanding towards technical, OHS, manpower, environment and conservation aspects, as well as company facilities. • Block C006/007 Divisi 1. Observation on Pheromone trap application. • Divisi 3. Observation on Fire Monitoring Tower. • Divisi 2 Office. Interview with 1 Foreman and 2 Pesticide Applicators on their understanding towards technical, OHS, manpower, environment and conservation aspects, as well as company facilities. • SKE Estate Office. Interview with 1 Foreman and 4 Fertilizer Applicators on their understanding towards technical, OHS, manpower, environment and conservation aspects, as well as company facilities. • Block Block C16 of Division III. Observation related to conservation and scheduled waste management. • Block E06 Div. I. Observation related to conservation and scheduled waste management • Blok E05 SKE. Observation related POME and land application management. • Landfill area. Observation related domestic waste and sheduled waste management. • Housing Complex Div. II/III. bservation about infrastructure of housing, activities in traction and management of waste. • Generator Div II/III. Observation related sheduled waste management and OHS aspect. • Scheduled Waste Storage. Observation related sheduled waste management and OHS aspect. • Chemical warehouse. Field observations related to condition in the chemical warehouse and management of hazardous and toxic materials. <p>Seruyan Estate</p>
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- **Conservation area (HCV 1.3) block A/B 18:** observation of conservation area (there was any sign board was installed, any natural vegetation and several plant was planted by the company).
- **Conservation area (HCV 4.1) block A 32:** observation of river buffer zone (there was any sign board any natural vegetation and several plant was planted by the company)
- **Conservation area (HCV 4.1) block A 30:** observation of water catchment area as water reservoir for worker in Division I (there was any sign board was installed, any natural vegetation and several plant was planted by the company)
- **Boundary Poles checking:** poles sample : (number 19 (Block A14), 20 (Block A15), 21 (Block A16), 22 (Block A17) & 23 (Block A18). The boundary poles are in good condition, the reference number is clear and the position is in accordance with the coordinates contained in the book of poles coordinate list of PT Indotruba Tengah.
- **Block C/D012 Divisi 2.** Observation on **replanting** areas (planted in 2014 and 2015), maintenance of **land cover crop**, planting of **beneficial plants** (*Turnera subulata* and *Antigonon leptopus*) and **Pheromone trap** application.
- **Block C/D027 Divisi 2.** Observation on **terraces** areas.
- **Block C/D015 Divisi 2.** Observation on **Pheromone trap** installation and **EFB application** in mature area, as well as field monitoring.
- **Block C031 Divisi 2. Harvesting.** Observation and interview with 1 Foreman, 1 Harvester, 1 Retired-Harvester and 1 Loosefruit Picker on their understanding towards technical, OHS, manpower, environment and conservation aspects, as well as company facilities.
- **Block 016 Divisi 2.** Observation on **Barn Owl Box (BOB)** and its occupation or presence marks of *Tyto alba*.
- **Block C033/034 Divisi 2. Fertilizer CCM-44 Application** by mechanization method through Emdek Turbo Spin Fertilizer Spreader. Observation and interview with 1 Foreman, 1 Tractor Operator and 4 workers on their understanding towards technical, OHS, manpower, environment and conservation aspects, as well as company facilities.
- **Block E015 Divisi 3. Glyphosate and Methyl Metsulfuron Application.** Observation and interview with 1 Foreman and 12 Pesticide Applicators on their understanding towards technical, OHS, manpower, environment and conservation aspects, as well as company facilities.
- **Block C013 Divisi 2.** Observation on **Fire Monitoring Tower**.
- **Emplacement, workshop and estate main office.** Observation about infrastructure of housing, activities in traction and management of waste.
- **Chemical warehouse.** Field observations related to condition in the chemical warehouse and management of hazardous and toxic materials.
- **Fertilizer warehouse.** Field observations related to the condition of fertilizer warehouse.
- **Housing of Block Spraying System.** Field observations related storage of PPE and handling hazardous materials and toxic waste.
- **Primary school.** Observation related facilities and infrastructure of education, activities in school, and scholarships for childrens.
- **Scheduled Waste Storage.** Observation related sheduled waste management and OHS aspect.

Sekunyir Factory

- **Security pos.** Observation and interview related to emergency procedures, inspection of vehicles in and out.
- **Sekunyir Factory Office:** SCCS Verification (verification of procedure, sample of FFB Delivery Note, FFB Weight Ticket, training recorded, etc) and SCCS training record
- **Weight bridge station:** Observation of mechanism and process of FFB received, interview the weigh bridge staff
- **Grading Area :** Observation of grading mechanism and interview of related personnel in charge (Grading Foreman and their staff)
- **Station Sortation.** Observation and interview with 1 Foreman and 2 Worker on their understanding towards technical, OHS, manpower, environment and company facilities.
- **Station Loading Ramp.** Observation and interview with 2 Operators on their understanding towards technical, OHS, manpower, environment and company facilities.

- **Station Sterilizer.** Observation and interview with 2 Operators on their understanding towards technical, OHS, manpower, environment and company facilities.
- **Station Engine Room.** Observation and interview with 1 Operators on their understanding towards technical, OHS, manpower, environment and company facilities.
- **Station Clarification.** Observation and interview with 1 Operators on their understanding towards technical, OHS, manpower, environment and company facilities.
- **Station Thresher.** Observation and interview with 1 Operators on their understanding towards technical, OHS, manpower, environment and company facilities.
- **Station Nut and Kernel.** Observation and interview with 1 Operators on their understanding towards technical, OHS, manpower, environment and company facilities.
- **Station Fiber Cyclone.** Observation and interview with 1 Operators on their understanding towards technical, OHS, manpower, environment and company facilities.
- **Station Boiler.** Observation and interview with 2 Operators on their understanding towards technical, OHS, manpower, environment and company facilities.
- **WTP Station.** Observation related water consumption.
- **Scheduled Waste Storage.** Observation related sheduled waste management and OHS aspect.
- **Condensat area.** Observation related POME management.

Bulking area in Pangkalan Banteng. Observation and interview of personnel in charge related to process of CPO stored from Sekunyir factory and process of CPO dispatch to buyers.

Stake Holder Consultation

- **Institution of governance** (District Agencies Government of Kotawaringin Barat consisting of Environment Agency, Plantation Agency, and Labour Agency. Interviews related to the issue of environmental pollution, land conflict, the company's contribution to the society and the impact of corporate activities.
- **Surrounding Villages** (Amin Jaya and Pembunag Hulu II Village). Interviews related to the issue of environmental pollution, land conflict, the company's contribution to society and the impact of corporate activities.
- **Worker Organization** (Gender Comitte, Labour Union). Interviews related to the issue of work agreement and the company policy related environment, health, and safety.
- **Local Contractor** (EFB transporter, Kernel Contractor). Interviews related issue of Interviews related to the issue of work agreement and policy related environment, health, and safety.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA 1.2	<p>The public consultation with stakeholders is done through:</p> <ul style="list-style-type: none"> • Public announcement at web website MUTU (www.mutucertification.com) on September 08th 2017. • Public consultation by email with NGO (Wahana Lingkungan Hidup Indonesia, WWF, Sawit Watch & Aliansi Masyarakat Adat Nusantara) by email on September 18th 2017. • Public consultation meeting with government agency Kotawaringin Barat District (Enviroment Agency, Plantation Agency; and Labour Agency) on September 26th 2017. • Public consultation meeting with local stakeholder conducted by visits to (Amin Jaya and Pembuang Hulu II Village) on September 27th 2017. • Public consultation meeting with gender committe, labour union, and local contractor on September 27th 2017. <p>Numbers of input from stakeholders were clarified by PT Indotruba Tengah.</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (ASA-1.3) will be determined one year after this ASA-1.2 (September 2018).

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

Mutuagung Lestari has conducted an assessment of Sekunyir Factory – PT Indotruba Tengah subsidiary of Sime Darby Plantation Sdn. Bhd. operation consisting of one mill and two estates.

During the assessment, there were five (5) non conformities were assigned against Major Compliance, two (2) non conformities were assigned against Minor Compliance Indicators and two (2) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. (document record/photographic/etc.). Those corrective actions taken that consist of five (5) Major non-conformities and one (1) Minor non-conformities had been closed out. One of Minor non-conformities still Open and shall be verified during next assessment.

MUTUAGUNG LESTARI found that Sekunyir POM – PT Indotruba Tengah subsidiary of Sime Darby Plantation Sdn. Bhd with the requirements of *Indonesian National Interpretation of RSPO Principle and Criteri 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors Meeting on 30 Sept 2016)* and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill).

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.
1.1.1; 1.1.2	<p>The certificate holder has an Information Request Procedure Document Number: 394 / ITH-KOM-01/11. Rev 01 date valid September 27, 2011. At point 6.2.4.1 Duration of information response for 15 days. Requests for information are recorded in Log In and Log out External Communications for 2016 -2017. This procedure describes the processes and methods of communication, participation and consultation with staff, employees, contractors and visitors including how to receive, document and respond to internal and external communications. Requests for information and responses are logged and logged out of Communication and Information Request Books. All documents and records of internal and external communications shall be kept for a minimum of 3 (three) years from the date of the last correspondence. If there are legal implications, the records are kept unlimited. The SOP implementer is the Department of Plantation Service Department (PSD).</p> <p>The company shows a list of stakeholders for the 2017 period. The list of stakeholders is divided into the following sections:</p> <ol style="list-style-type: none"> 1. Provincial level : 35 stakeholders 2. District Level : 8 stakeholders 3. Sub district : 7 stakeholders 4. Community : 4 stakeholders 5. Jakarta : 6 stakeholders 6. Client : 28 stakeholders <p>Based on the interviews with the management known that the stakeholder renewal is done every 1 year and the RSPO chairman of PT ITH is responsible for verifying it. Submission of information to relevant stakeholders, for example:</p>

- WLTK Sekunzir Estate PT ITH to the Office of Manpower and Transmigration of West Kotawaringin dated August 8, 2017.
- WLTK Seruyan Estate PT ITH to the Seruyan District Manpower and Transmigration Office dated August 8, 2017.
- BKPM report for the period of first semester of 2017 is reported to BKPM RI.
- Report on the development of the plantation business in the second quarter of 2017

Based on interviews with community representatives of Amin Jaya Village, community leaders of Pembuang Hulu Village and local contractors for FFB transport (Seruyan and Sekunzir Estate) known that each party generally knows the company documents that are allowed to be accessed by the public or by themselves. Further information explained by the local contractor that the company did socialization related to the availability of information and access to information at the time of signing the contract. Socialization of publicly accessible information has been made by sending copies of procedures related to the delivery of internal and external communication mechanisms.

Status: Comply

1.2

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

1.2.1

The certificate holder has Communication Procedure number 394 / ITH-KOM-01/11, Revision No. 02, dated 29 August 2015. This procedure applies to all PT ITH's operations and field operations covering internal and external communications. The implementing officers are PSD, GM / SOU Chairman and Unit Manager. The retention period of the record / communication record refers to Control Note Procedure Policy No 394 / ITH-TPP-03/11. In the procedure described documents that may be opened or accessed by the public. However, the company also has a policy of stipulating documents that cannot be accessed by the public. All those documents are kept in the Sekunzir Estate's office. Media information: Official letter / email, advertisement, brochure, flyer / pamphlet, direct visit and survey. Information from external sources shall be responded by the relevant party / unit no later than 15 days after receipt of the information.

Status: Comply

1.3

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

1.3.1

The certificate holder has a Code of Conduct No. Policy 440 / HRM-COC / 07 No Revision.00 dated May 24, 2007. Generally the Code of Conduct explains that Minamas Plantations as a subsidiary is instructed to conduct business activities based on Good Governance principles in all Minamas Plantations operating environment. Through the Code of Conduct is expected to form the ethical behavior of all individuals in the company behave and activity both within the company and outside Minamas Plantations environment.

The holder of the certificate is known to have conducted socialization related to the code of ethics of the company which is carried out each in hakyang estate, sekkahir estate and sekunzir factory. The socialization of the Code of Conduct using the appropriate Language of Indonesian which is understood by the workers of PT ITH, the code of conduct policy has been documented in the minutes and attendance list.

Interviews with 3 factory grading workers in Sekunzir Factory known that the workers had followed the socialization of the company's code of ethics and already know the policy code of ethics.

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

List of laws and regulation which adopted as reference for oil palm plantation activities in PT Indotruba Tengah (PT ITH) are documented in Evaluation of Laws and Regulations Pursuance 2017 for Area Controller Kalimantan Tengah Barat Area (ACKTB). The document issued by Assisstant of Plantation Service Department (PSD) on September 25th 2017. The list has covers land and works legality, manpower, occupational health and safety (OHS), environment and best management practices (BMP) aspects. The document has describes priciples and criteria related to the laws/regulation, title of

law/regulation, respective section or article, key point or explanation of the articles, status of pursuance or compliance and remarks. Compilation and monitoring of laws and regulations were under responsibility of PSD ACKTB. The company has shown several compliances towards legal requirements, for example as follows:

- **BMP Aspect:** conducting zero burning method during land clearing activities on replanting, only plants seeds which produced from government recognised seeds producers (ex. DxP Socfin and DxP Marihat), adopting integrated pest management, has only used pesticides listed in Pesticides Commission of Department of Agriculture on period 2016, etc.
- **OHS Aspect:** sending compulsory periodic report to the respective Government Agencies such as, OHS Committee (P2K3) Quarter-2 2017 report of PT ITH, etc.
- **Manpower Aspect:** Implementing minimum wages of Kotawaringin Barat District dan Seruyan District for period 2017, all workers has registered to Government Insurance Scheme for Manpower (BPJS-Ketenagakerjaan), no worker under 18 years old, etc.
- **Legal Aspect:** Land Use Right for an area of **7,734.60** Ha consisting of Decree of the Minister of Agrarian /Head of BPN NO 152 / HGU / BPN / 1997 covering 3,260 Ha with certificate of HGU No. 04 dated June 19, 1998 is valid until September 24, 2033; Decree of the Minister of Agrarian/Head of BPN NO 10 / HGU / BPN / 1998 covering 740.4 Ha with certificate of HGU No 05 dated June 23, 1998 valid until June 23, 2033; Decree of the Minister of Agrarian /Head of BPN NO 13 / HGU / BPN / 1998 covering 2,905 Ha with HGU Certificate No 06 dated June 23, 1998 valid until June 23, 2033; Decree of the Minister of Agrarian /Head of BPN NO 11 / HGU / BPN / 1998 of 829.2 Ha with HGU No 05 certificate dated June 19, 1998 valid until September 24, 2033
- **Environmental regulations**, such as:
 - The Company has environmental document (AMDAL and RKI/RPL) endorsed by the Minister of Agriculture, Agribusiness Agency dated October 18, 1994. It has been in accordance with government regulations such as: *UU No. 4 / 1982 related to main basic on environmental management; PP No. 29 / 1986 related to EIA*, etc.
 - The Company has licensed for the application of mill effluent to the land area (called by land application) endorsed by the Government District dated June 30, 2015. It has been in accordance with government regulations such as: *PP No. 82 / 2001 related to water quality management and PP No. 28 / 2003 related to land application permit*.
 - The Company has Scheduled Waste Storage endorsed by the Government District dated December 20, 2012 It has been in accordance with government regulations such as: *PP No. 18 / 1999 related to Scheduled Waste Management*.

Compilation and master copy (hard and soft) of laws and regulations from all Department was stored in Plantation Service Department, where located in PT Krida Tama Lancar, Province of Kalimantan Tengah.

Based on interviews with union officials of PT Indotruba Tengah (PT ITH) and employees, and document review, among others; employee data Sekunyir Factory period September 2017, Work Agreement Letter (SPK) No. 023 / SKF / SPK-LKL / I / 2016, 031 / SKF / SPK-LKL / IV / 2016, 016 / SKF / SPK-LKL / X / 2016 , and 026 / SKF / SPK-PKWT / I / 2017, it is known that there are some employees with the status of Particular Working Agreement (PKWT) which has been working since 2011, but has not been appointed permanent employee. This is not in accordance with Law No. 13 of 2003 (article 59 paragraph 2). **NCR 2017.01**

2.1.2 and 2.1.4

Monitoring and updating of laws and regulations is carried out by Plantation Sservice Department. Procedure of laws and/or regulations pursuance were presented in document policy No. 394/ITH-HKM-08/11 dated September 10th 2015. Procedure mentioned that monitoring, identification, update and evaluation of laws/regulations pursuance shall be monitored minimum once a year by PSD Assisstant, in coordination with Legal team and Plantation Sustainability and Quality Management (PSQM) Department. According to Evaluation of Laws and Regulations Pursuance 2017 dated September 25th 2017, it was informed that there were ten laws/regulations has been updated into the list. Annual update and evaluation of laws and regulations pursuance iss distributed by PSD to the Estate and Factory Management Units located in ACKTB. Those regulations are Perda of Kotawaringin Timur District No. 3/2016, Decree (SK) of Governor of Kalimantan Tengah No. 24/2016 dated November 21st 2016, Perda Province Regulation No. 5/2015, PP No. 35/2016, Perbup. Seruyan District No. 65/2015, Perda No. 78/2015, PermenLHK No. 32/2016, UU No. 37/2014, PP No. 108/2015 and Perda of Seruyan District No. 6/2017. Documents mentioned in the former were available to all levels of management. This is confirmed founded during field visit to Sekunyir Factory (SKF), Sekunyir Estate (SKE) and Seruyan Estate (SRE) Office

2.1.3

The PSD through the Assistant has conducting evaluation of laws and regulations pursuance related to quality production and legal aspects. This is in accordance with procedure No. No. 394/ITH-HKM-08/11 dated September 10th 2015. Summary of evaluation 2017 informed that number of laws/regulations being evaluated were 42 items on manpower and OHS aspects, 41 items on environment aspects, 10 items on best menegement practices aspects and 8 items on legal aspects. According to evaluation results, it was informed that with exceptional for soil peat management regulaitons, the pursuance (compliance) has reach about 98% already implemented, while the rest were considered as not applicable. However, based on list of OHS Licensed Operator in SKF, SKE and SRE, it was known that all Dump Truck Operator were not equipped with License as required by Minister of Manpower and Transmigration Regulation (Permenakertrans No. 9/2010). Regarding this matter evaluation towards this regulation requirement has not carried out yet by the company. Hence, raised **NCR 2017.02 with minor category**.

2.1.1 Status: Non Conformity 2017.01 with Major category

Open

2.1.3 Status: Non Conformity 2017.02 with Minor category

Open

2.2

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

2.2.1

The Certificate document of land Certificate Holder e legalities, consist of :

Land Use Right for an area of **7,734.60** Ha consisting of:

- Decree of the Minister of Agrarian /Head of BPN NO 152 / HGU / BPN / 1997 covering 3,260 Ha with certificate of HGU No. 04 dated June 19, 1998 is valid until September 24, 2033
- Decree of the Minister of Agrarian/Head of BPN NO 10 / HGU / BPN / 1998 covering 740.4 Ha with certificate of HGU No 05 dated June 23, 1998 valid until June 23, 2033.
- Decree of the Minister of Agrarian /Head of BPN NO 13 / HGU / BPN / 1998 covering 2,905 Ha with HGU Certificate No 06 dated June 23, 1998 valid until June 23, 2033.
- Decree of the Minister of Agrarian /Head of BPN NO 11 / HGU / BPN / 1998 of 829.2 Ha with HGU No 05 certificate dated June 19, 1998 valid until September 24, 2033

There is also available the Registration of Plantation Business (SPUP) of PT Indotruba Tengah, Number 700 / Menhutbun-VIII / 2000, dated June 21, 2000, issued by the Ministry of Forestry and Plantation of the Republic of Indonesia - Jakarta. Area of plantation **7,734.6** Ha and Production Process Unit of Palm Oil Mill one unit with License Capacity 45 ton FFB / Hour, Installed Capacity 30 ton FFB / Hour

2.2.2

The certificate holder has procedure of Boundary Stone Maintenance (Dok. LGL), dated 12 May 2011. These procedure as guidance for maintenance all of boundaries stones periodically. The list of Boundary Stone of PT Indotruba Tengah showed that the number of boundary stone in plantation area was 161 poles, consist of 47 main poles and 114 additional poles. The number of pole in each estate consist of: Seruyan Estate, sampling poles number: 19 (Block A14), 20 (Block A15), 21 (Block A16), 22 (Block A17) & 23 (Block A18) and Sekunyir Estate: sampling poles number: 6 (Block E001), 7 (Block D001), 8 (Block C001), 9 (Block B001), 10 (Block B001), 11 (Block B002) & 12 (Block B003). The boundary poles are in good condition, the reference number is clear and the position is in accordance with the coordinates contained in the book of poles coordinate list of PT Indotruba Tengah.

2.2.3, 2.2.4 & 2.2.5

Based on document verification and information from stakeholder consultation with local stakeholder consist of Head of Village, Informal Leader and the communities from Amin Jaya and Pembuang Hulu Village, was known there is no issues of land conflict among the Certificate Holder with another party in surround of plantation area.

2.2.6

The Certificate Holder had policy issued by Chairman of Strategic Operating Unit (SOU) I Sekunyir No. 076/ITH-

Intern/IX/2015, dated 15 August 2015. These Policy related to Prohibition of Contractually Army using, the main point the policy was explained:

- In the operation of plantation and mill, the company was refer to Indonesian regulation
- The company will not using of Contractually Army in conflict resolution
- The company will not tolerance of anarchism in conflict resolution process

Those policy has been socialized to the workers, consist of:

- Dated 15 August 2015 to workers in Sekunyir Estate
- Dated 05 September 2015 to workers in Estate Seruyan
- Dated 09 September 2015 to workers in Sekunyir Factory

Based on field visit observation during the audit process, stakeholder consultation with village head, informal leader and community from Amin Jaya and Pembuang Hulu Village, also by interview with union worker representation and gender committee, there is no indication of Contractually Army using in operation of plantation and mill of the PT Indotruba Tengah.

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

Based on document verification of High Conservation Value Identification and Social Impact Assessment in PT Indotruba Tengah, stakeholder consultation with the head of village, informal leader and community representation from village surround (Amin Jaya and Pembuang Hulu) that know there is no area of the company was under of customary right. During the ASA 1.1, there is no land compensation process, the compensation process has been done in the early period of plantation development. The land acquisition or compensation documentation process was filled in each estate.

2.3.2

Based on document verification and information from Plantation Service Department staff of Minamas Plantation, that know since ASA 1.1 till ASA 1.2 on September 2017 there was no more compensation process in PT Indotruba Tengah plantation area. The documentation sample of land compensation was documented in each estate. The documentation consist of Letter of Land Right Release by the owner, Official Report for estimation the land compensation, agreement was signed by all of parties and Receive of Compensation.

2.3.3

Since ASA 1.1 till ASA 1.2 on September 2017, there was no more land compensation processed by Certificate Holder to another party. The documentation of land compensation process was filled in related estate and all information (Land location map, Land Compensation Agreement, Negotiation Result of Compensation Value Agreement, Compensation Standards, Minutes and Evidence / Receipt of Compensation Payment) is available in Indonesian language and the format that can be understood by the related parties.

2.3.4

The process of land compensation was begun from identification and inventory of land, mapping of land location, negotiation of compensation amount, Letter of Land Right Release, Official Report Land Compensation, payment of Compensation was witnessed by Village and Sub District Head. There was showed Official Report of Land Compensation process has been signed by related party both of land owner and the company representation and witnessed by Village and Sub District Head.

Status: Comply

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

3.1

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

3.1.1

Long term management plan is arranged by estate and factory units, issued by Chairman of ACKTB and PSQM Assistant of PT ITH. Long term program has made for the next five years, from 2017/2018 to 2021/2022. The program covers projection on FFB production, Mill intake from group estate, extraction of product (OER and KER), production of CPO and PK, forecast of product price, gross income, estate operational cost, mill operational cost, other cost, net profit and benefit cost ratio. For example, budget of FFB production, OER, KER and forecast CPO price for period 2020/2021 are 67,967.85 mt, 23.25 %, 5.00 % and Rp 9,051.27/kg, respectively. Longterm business plan mentioned above are subjected to be changed and reviewed annually by the respective management such as Mill or Estate Manager, General Manager (GM), Senior GM (Head Region), Head Plantation Officer (HPO) and Chief Finance Officer (CFO) through considering actual trends and dynamic situation which predicted could be changed in the future. PSD and PSQM Department are together with Estate and Factory Management has responsibility to ensure that all technical implementation has in accordance with procedure, which aims to reach optimum output for budget fulfillment purposes through monitoring, training and socialization.

Since there were no presence of peat areas and smallholders project, further plan on this matter are not applicable.

3.1.2

Replanting program and its realization is presented in document of long replanting program (LRPP) of PT ITH for period 2012/2013-2026/2027. Replanting program for period 2015/2016 to 2017/2018 has delayed due to several reasons such as to keep continuity of FFB supply to SKF, high yield on the respective replanting planned Blocks, etc. However, management unit mentioned that replanting program will be continued on 2018/2019 forward. Replanting had conducted by Contractor namely, PT Putra Sarana Transborneo. Up to 2017/2018 period, realization of replanting program has reach about 27 % (or 864.91 ha) and 39 % (or 929.41 ha) for SRE and SKE, respectively.

According to soil map review, it was known that there were no presence of peat soil within PT ITH operational areas. Hence, replanting was 100 % conducted in mineral soil areas. Moreover, based on interview with Plantation (Estate Crop) Agency of Kotawaringin Barat District, it was informed that replanting has conducted by adopting zero burning method. Issues of land clearing through burning method were never been reported by stakeholders (local communities, NGO, Government Agencies, etc.).

Status: Comply

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

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

There are no revision on the current procedure of oil palm agronomy and processing. The company has procedure (SOP) of oil palm Agronomy for Minamas Plantation Group which presented in document of Agricultural Reference Manual Policy No. 110/EST-ARM/13 dated September 1st, 2013, signed by the Head of Plantation Upstream Indonesia. The SOP describes techniques on palm material preparation, nursery, planting and replanting, land preparation, harvesting management, field upkeep, manuring, by-product application (EFB and POME), canopy management, water management and management in peat soil, standard of ripeness, ablation, palm protections, weeds control, LCC planting and rainfall recording. Based on Agronomy SOP's document reviews, field observation and interview with 2 Foreman, 2 Harvesters and 2 Loosefruit Picker in C31 Divisi 2 SRE and in Block D007 Divisi 1 SKE, it could be concluded that the harvesters was able to explain and demonstrate the harvesting process in accordance with SOP, such as ripeness criteria, frond stacking and the use of personal protection equipment (PPE).

Procedure of safe working practices towards pesticides application is presented in document No. LF/SOP.ESH/04 dated January 11th 2011 about agrochemicals handling, ARM Policy No. 110/EST-ARM/13 Chapter 15 dated September 1st 2013 about plant protection and Material Safety Data Sheet (MSDS) of pesticide products. Based on field observation and interview with 2 Foreman and 14 Pesticide Applicators in Block E015 Divisi 3 SRE and Divisi 3 SKE Office, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as considering wind flows during spraying process, pesticides and weeds target, prohibited areas to be sprayed (for example

conservation area and riparian zone, which were marked with yellow poles and yellow mark on the palm trunks), PPE's to be used as well as its management.

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

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

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

4.1.2

Update and procedure documents distribution control to the respective units of PT ITH are conducted by PSD. For monitoring and consistency purposes of procedure implementation, some mechanism had been carried out by PT ITH, such as monthly Estate/Factory Manager Reports, semester Plantation Advisory Visit Report by Agronomy team from Head Office, semester Mill Plantation Advisory and Mechanization Department of Sekunyir Mill Report by Head Office team from Kuala Lumpur, Annual RSPO Internal Audit by PSQM team from Indonesia, Annual RSPO and ISPO Internal Audit by PSQM team from Regional Department and Semester performance qualitative report by Head Office team. Observation results has documented and delivered via online to head affice management for personal performance scoring purposes.

4.1.3

Estates and Factory management operational activities has monitored, documented and regularly reported towards several documents, for example i.e. Production Report by Assisstant PSQM, monthly Factory Manager Report, monthly and semester FFB Production Report, Manuring Report, daily Harvesting Notes and Foreman Notes and daily Work Plan. The records or report has informed raw data, analysis and mentioned summary notes. Furthermore, Estate and Factory operational records has also recorded on program namely System Application Product and Processing (SAP) which updated on daily basis. All critical parameter points describes were need to be response and follow up by the respective person in charge (PIC) through action plan immediately. Progress of action plan were reported and submitted directly to the upper ordinate. Later on, each (priority) points were discussed, analysed and presented in monthly meeting by Manager. For example, critical issues identified on the second semester of 2016 is FFB spot check was done for 3 Load at Loading Ramp by Mill Staff and Mill Advisor on October 24th 2016, results are as follows: ripeness 70 %, unripe bunches 3 %, under ripe 14 %, over ripe 12 %, empty bunch 0.67 % and pest damage 10 %. Action plan taken are to improve OER and SOU team has agreed to continue spot check on crop quality, inform supplyng estate concern, to continue pest damage assessment, to conduct harvesting with interval 10 days and to process loosefruit on arrival and baypass FIFO system.

4.1.4

Until ASA 1.2, the PT Indotruba Tengah did not receive FFB from outsider. The FFBs was process on Sekunyir Factory was supplied from own estate consist of Sekunyir and Seruyan Estate.

Status: Comply

4.2**Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.****4.2.1**

Procedure of soil fertility management was presented in document policy No. 110/EST-ARM/13 Part 8 about manuring. SOP mentioned that manuring recommendation must be based on leaf and soil sampling analysis. Leaf sampling and soil sampling analysis should be carried out once and every five years, respectively. Both analysis has carried out by Minamas Research Centre (MRC) in Pekanbaru, Riau. Parameter measured on leaf analysis are macronutrient (N, P, K, Ca, Mg and Mn) and micronutrient (Fe, B, Zn and Cu) content (in %) while in soil analysis are nutrient retention (pH, % Organic-C, CEC), available nutrient (N-total, P-Total, available-P, K-dd and Mg-dd), soil properties (texture, drainage class, rooting depth), etc. Visual assessment of palm vigour land field condition by Agronomist was also carried out every 6 months to monitoring nutrient status change. Records of leaf and soil sampling are available. According to manuring recommendation program in 2017/2018, it could be concluded that calculation of fertilizer rates were derived from leaf and soil analysis. Furthermore, actual time of application has follows the schedule recommended by MRC Agronomist team.

As mentioned in Indicator 4.1.2 and 4.1.3 it was informed that monitoring on procedure application were carried out by PSQM Department and Plantation Advisory visit. Based on field observation to Sekunyir and Seruyan Estate, it was found several strategy had implemented which aims to enhance soil fertility in both areas such as manuring, by-products application (EFB mulching, decanter cake and land application), planting of legume cover crops (LCC) and selective weeding.

4.2.2

The company has monitor the used of fertilizers and satisfactory documented. Uses of fertilizers were recorded on Manuring Recapitulation Report of Estates. The CH has able to shows manuring recored for 2016/2017 and 2017/2018 period. Records of fertilizer applied has also presented in monthly management committee meeting (MCM) which prepared by Estate Manager. The report has informed Block of application, type and volume of fertilizer applied. Fertilizer recommended in 2016/2017 (period July 2016 to June 2017) are CCM25, CCM 44, HGFB (Borate), RP, MOP, Urea/ZA and Kieserite. According to the record, it was informed that up to June 2017, fertilizer application has in accordance with schedule given by Minamas Research Centre (MRC) team with 100.00 % achievement. At the same period, FFB production in SKE and SRE were about 59,483.30 mt and 56,001.00 mt, respectively. The company has calculate kg application per mt FFB. For example, Fertilizer CCM-44 used in SKE and SRE were 24.504 and 23.495 kg/mt FFB, respectively.

Based on interview with manuring Foreman in SKE and SRE, it was stated that applicators has trained periodically by Foreman and Assistant Manager. Object of training were fertilizer placement, time of application, correct dosage, PPE used and areas where fertilizer is prohibited to be applied. Furthermore, according to Plantation Advisory Audit Report for Kalimantan Tengah Barat Zone from 2015 to 2017, it was informed that fertilizier application quality in PT ITH were consider as good to very good, with average score above 70 point. Point of assessment has covers timely ordering of fertilizer, sampling fertilizer for nutrient analysis, time of application, proper storage of fertilizer, placement of fertilizer, completeness of program and right dosage application.

4.2.3

Procedure of soil fertility management was presented in document policy No. 110/EST-ARM/13 part 8 about manuring. SOP mentioned that manuring recommendation must be based on leaf and soil sampling analysis. Leaf sampling and soil sampling analysis should be carried out once and every five years, respectively. Leaf and soil sampling were not conducted on the projected replanting areas (about 2 years before replanting). The CH has able to shows leaf sampling analysis records of PT ITH, which presented in document Test Report No. P8/2017 dated January 26th 2017 and No. P9/2017 dated January 27th 2017 for SKE and SRE, respectively. Leaf sampling was conducted by MRC Team in Pekanbaru-Riau. Parameter being measured in Leaf analysis are ash content, macronutrients (N, P, K, Ca and Mg) and micronutrient (B) content. Furthermore, soil sampling analysis was presented in document No. 008/LHU/UN8.2.1/PL/2017 dated January 30th 2017. Soil laboratory testing and analysis were conducted by *Pusat Penelitian Lingkungan Hidup* (Centre of Environment Research) of Lambung Mangkurat University in Banjarbaru-Kalimantan Selatan. Both leaf and soil analylis will be used for 2018 annual manuring recommendation. Furthermore, parameter measured in soil analysis are soil

texture, pH, P content (P₂O₅), C, N, C/N Ratio, Ca-dd, Mg-dd, Na-dd, K-dd, Al-dd, cation exchange capacity (CEC), Cu, Fb, Cd and Zn. Apart from leaf and soil sampling analysis, nutrient status of palms has also accessed through visual assessment of palm vigour and field condition by MRC Agronomist and Plantation Advisor every six months.

4.2.4

Apart from chemical fertilizers, organic fertilizers which came from by-products (EFB, decanter cake and palm oil mill effluent) has also applied for nutrient cycle purposes. By-products application was documented in monthly Estate Manager report chapter monthly work realization, realization of manuring report and by-product realization report. EFB dosage recommended were varies about 200 kg/palm/year in replanting areas and 30 to 40 ton/ha/year (or about 250-300 kg/palm/year) in mature areas, which depends on field condition. Furthermore, POME applied were about 460 m³/ha/application.

Application of EFB is expected to enhance moisture and organic content on the soil, as well as supply more K nutrient. For example, according to the Table above, EFB application in SRE has reach about 70 % from the program. Unit management stated that the program has flexible to be readjusted, depends on current field situation. Based on field visit to Block C/D015 Divisi 2 SRE and Block D017 Divisi 3 SKE, it was found that EFB application were in accordance with the procedure. On immature areas, EFB were placed on the palm circle and around beneficial plants (*Turnera subulatan*) while in mature area, it was placed on the inter-rows and inter-palms. Furthermore, application of solid is expected to enhance organic content on the soil and supply more N nutrient. Based on field visit to Block D13/14 Divisi 2 SKE, it was found that solid application were in accordance with the procedure, which were applied on the inter palms and inter rows. Moreover, LA has only applied on SRE only. Based on LA records, during July 2016 to June 2017, totaling about 92,358 m³ of POME has applied in permitted Block, e.g. Block D10, E03, E04, E05, E06 and E07. Based on field visit to Block E05 Divisi 1 SRE, it was found that there was no leaking of POME pipe and applied on the permitted Block as crosschecked on the land application permit.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

The CH has able to shows semi detail soil survey map of SKE and SRE with scale 1:42,000 and 1:50,000 which derived from soil survey report for period 2015-2020 dated September 10th 2016. Soil survey has conducted by MCR team in Februari to March 2015. The report informed that there were no presence of peat soil and fragile soils within PT ITH operational areas. Main limitation of soil properties for oil palm cultivation were due to low fertility, soil drainage properties and soil erosion. To overcome this situation, several strategy had been implemented by estate management such as fertilizer application has follows MRC agronomist recommendation, adopting EFB mulching application on replanting areas and low fertility areas, land application by POME, frond stacking parallel to the contour line or U-shape on the flat to undulating areas, to maintain soft grasses and selective weeding which aims to retain soil moisture. Company implementation towards soil limitation has explained in Criteria 4.2.

4.3.2

According to semi detail soil survey report for SKE and SRE dated September 10th 2016, it could be concluded that about 96 % of SKE and SRE areas are dominantly flat to undulating, and there were no presences of hilly and steep slope area (24 – 40%) or fragile area. In order to minimize land erosion, surface run-off and leaching on rolling areas, MRC has recommend some agronomy input such as maintaining LCC or soft grasses, vetifer grass planting, selective weeding, terraces planting system, silt pit installation and frond stacking parallel to the slope. This recommendation had applied as confirmed during field visit to rolling areas in Block C/D027 Divisi 2 SRE. Furthermore, the CH has measure and monitor erosion rate every month. For example, according to January to September 2017 measurement, erosion rate in SKE were ranged from 0.00 to 4.00 mm/month, with average about 2.11 mm/month. This is indicate that estate strategy to minimize soil erosion seems satisfactory. Same figure has also noticed in SRE.

4.3.3

Program of road maintenance has found on annual budget plan which is included on Budget of transportation cost. Road maintenance activities were consist of manual maintenance such as cover crop clearance, surface reparation through gravels, road grader and compaction. However, road maintenance will be carried out accidentally when road condition were need to be repaired. According to map and record of road maintenance in SRE, it was informed that up to August

2017, application of giving laterite layer and road compaction had been conducted for about 276 m and 11,466 m in main and collection road respectively. Based on field observation, it was found that road conditions were satisfactory and easily passable by FFB, CPO and PK transporter unit (oil tank and dump-truck). Furthermore according to Heavy Machinery Utilization record for road maintenance in SKE 2017, it was reported that working hour for Compactor, Tractor Loader Becho (TLB), Road Grader, Tractor TS90 and Tractor TT55 were about 909; 1,807; 546; 1,479 and 1,014 BU, respectively. Overall, it could be concluded that roads condition in both SRE and SKE were considered satisfactory and easily passable for fruits extraction. Moreover, the CH has have heavy machinaries to support road maintenance activities such as Grader GD510 R-1, Tractor Loader Bacheo and Compactor Vibrator Sakai SV512D.

4.3.4; 4.3.5 and 4.3.6

Based on information from estate management, verification on soil survey and land feasibility study for period 2015-2020 report of PT ITH, it was known that there were no presence of peat soils within PT ITH operational areas. Main limitation of soil properties for oil palm cultivation were due to low fertility, soil drainage properties and soil erosion. To overcome those limitations mentioned above, several strategy had been conducted by estate management unit which already presented in procedure No. 110/EST-ARM/13 dated September 16th 2013, such as:

- To suppress surface run-off and leaching through U-shape and parallel to the contour line pruned fronds placement on flat to undulating and hilly contour areas, respectively.
- Selective weeding which aims to enhance organic matter and retaining soil moisture.
- Soil texture and nutrient recovery through by-products (EFB and POME) application.
- Manuring management through leaf and soil nutrient analysis, which recommended by Agronomist from MRC team towards nutrient balance calculation method, maximizing fertilizer use efficiency (to choose suitable fertilizers type, time of application and placement).
- For soil and water conservation, planting of land cover crop such as *Mucuna bracteata* has already implemented on immature.

Status: Comply

4.4

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

4.4.1

The Company has implemented water management in accordance with the water management plan recorded in the RKL / RPL document in 1994. The results of water management are recorded in the RKL / RPL implementation report for the period of January - June 2017, among others:

1. Conducting POME treatment in WWTP. POME is processed first in WWTP before applied to the land application.
2. Conducting test of POME quality. Based on POME quality test results from January – August 2017, it is known that all parameters are in accordance with the standard set by the government (Keputusan Lingkungan Hidup No. 51 / 1995). For example test results in April of 2017, it is known pH 7.59, BOD 2942 mg/l, COD 6138 mg/l.
3. Conducting test of river water quality (called by Buaya River). Based on the results test period January – December of 2017, all parameters are known in accordance with the standard set by the government (PP No. 81 / 2001). For example: Dissolved Residue 67 mg/l, Suspended Residue 6.50 mg/l, pH 1.31, BOD5 2.04 mg/l, COD 19.1 mg/l, DO 6.64 mg/l, Total phosphate as P 0.01 mg/l, NO3-N 0.27 mg/l, NH3-N 0.074 mg/l, NO2-N 0.0059 mg/l, Total Coliform <2, deterjen <0.0040 ug/l, etc.
4. Use of fertilizers and pesticides as recommended by the Agronomist Team.

The company has also conducting ground water quality testing every 6 months. The latest test were conducted in March 2017 by accredited laboratories. The test was conducted at 3 locations ie: Sumur Pantau in Block D3 SKE, Sumur Pantau in Block F5 SKE and Sumur Pantau in Housing Complex SKE. The test results show that all parameters are still in accordance with the standards set by the government (Peraturan Menteri Kesehatan No. 416 of 1990). For example the result test on Sumur Pantau in Housing Complex SKE: odorless, tasteless, color 12.6 TCU, TDS 128 mg/l, Nitrate as N 6.30 mg/l, Nitrite as N 0.21 mg/l, pH 6.53, Sulfate 6.56, KMnO4 4.47 mg/l, and Total Coliform <2 mg/l.

Based on logbook document review and interview with Environment Agency Kotawaringin Barat District, it is known that until now there was no complaints from the community related to the contamination of river water and groundwater caused by factory and estate activities.

4.4.2

The Company has identified the surface water and ground water (#defined as a conservation area). Identified Buaya River, Sei Kuning River, Reservoir Division I SRE, Reservoir Division II SRE, Reservoir Division II SKE, Reservoir Division I SKE, Reservoir POM, and Swamp Ular Putih #be recorded in the document HCV of 2010.

In order to protect the surface water and ground water, the company created a Buffer Zone Management SOP approved on July 7, 2017. Buffer Zone management conducted by planting trees, not logging trees, installing conservation signboards and monitoring periodically to see the conditions of river border area.

Based on interviews with spraying and harvester workers, it is known that workers already understand the boundary marks of conservation areas.

Based on field visit to Reservoir in River in Block C16 of Division III of Sekunyir Estate, known that the company has conducted the buffer zone management in accordance with the procedure.

Based on field visit to Block E06 Div. I Sekunyir Estate, visible reservoirs are contaminated with oil spilled from pump houses. Based on the HCV document study it is known that the reservoir is a conservation area, as well as interviews with pump house operators, it is known that the water from the reservoir is used for bathing, washing and toilet by employess of housing complex I & II.

Related to that, the auditor team considered that the company has not implemented good protection practices to maintain the quality of surface water and ground water.

Based on the explanation, raised the **NCR 2017.03 with Major** category.

4.4.3

The Company has conducted test on the quality of mill effluence every month on Accredited Laboratories. Based on document review of RKL/RPL implementation report, it is known that the results of POME for the period January - June of 2017 have been in line with the stipulated standard. For example:

- June 2017, it is known pH 7.61, BOD 762 mg/l, COD 1444 mg/l.
- May 2017, it is known pH 7.37, BOD 1752 mg/l, COD 3950 mg/l.
- April 2017, it is known pH 7.59, BOD 2942 mg/l, COD 6138 mg/l.

The results of mill effluent quality test has been reported to the Environment Agency of Kotawaringin District on August 22, 2017. Based on interview with the Environment Agency Staff of Kotawaringin District, it is known that the company has regularly reported the results of POME quality test, and until now there were no complaints from the Public related pllution caused by POME.

The Company has licensed for the application of mill effluent to the land area (called by land application) endorsed by the Government District dated June 30, 2015 (No. 660/41/BLH-IV/LA/VI/2015).

4.4.4

The Company able to show water consumption for the period January - August of 2017 with an average use of 1.57 m3/tFFB. From these records, it is known that the average use of mill water does not exceed the established budget (1.58 m3 / tFFB). Data of water usage from January - August 2017 is obtained from daily water usage record by WTP operator through observation of flowmeter machine.

4.4.2	Status: Non Conformity 2017.03 with Major category	Open
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**4.5
Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.**

4.5.1

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

Census and Analysis

Census and evaluation towards pests population has conducted every month. According to census record in SKE and SRE from Juli 2016 to June 2017, it could be concluded that in general, there were no significant pest incidence in both

SRE and SKE. However, somewhat medium incidence of *Oryctes* were mostly detected on replanted areas. Hence, MRC has recommend SRE and SKE management to apply several population control method such as manual pick up, pheromone trap and chemical (insecticide) application by Cipermethrin with active substance dosage recommended was about 0.50 kg/ha. Based on fertilizer used record in 2016/2017 for SRE, it was known that apart from herbicides, pesticide (insecticide) applied has only Cipermethrin based which are Capture and Sentrin 50 EC for about 4,741 and 1,233 litre, respectively.

Biological Method for Pest Population Control

The CH has conducting beneficial plants for leaf eating caterpillar and bagworm populaion control. New planting of beneficial plants has confirmed during field observation along mainroad and collection road, especially on replanting areas for example in Block C/D012 Divisi 2 SRE and Block E003 Divisi 1 SKE. Furthermore, the CH has also adopting barn owl (*Tyto alba*) for rat population control. According to barn owl box (BOB) record, it was informed that level of BOB occupation in SKE and SRE were about 40 % and 24 %, respectively. Estate management mentioned that 1 BOB was projected to covers about 15 ha. Based on observation to BOB in Block 016 Divisi 2 SRE and Block D012 Divisi 2, it was found presence of *Tyto alba* which marked through feathers and rat bones. Moreover, for Rhino beetle (*Oryctes rhinoceros*) population control, application of Pheromone trap has adopting, especially on surrounded replanting Block areas. This is confirmed during field observation to Block C/D015 Divisi 2 SRE and Block C006/007 Divisi 1 SKE.

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use of Kenlly or Trendy 20 WG (Methyl Metsulfuron) could be substitute with Basta 150 SL (Ammonium Glufosinat) or Dalopir 480 EC (Triclophyr Butoksi Ester).

4.5.2

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

- Training of integrated pest management, pesticides application and hazardous materials management, conducted on September 23rd 2017 in Operating Room SRE, attended by 16 Pesticide Applicators, which also member of Team of Block Spraying System (BSS) in SRE. Material of training, picture documentation, and attendance list were available.
- Training and socialization of BSS, MSDS and HIRAC for Agrochemicals (Pesticide and Fertilizer) Applicators in SKE, conducted in first week of April 2017 in SKE by Assistant, PSQM and OHS Expert, attended by all Agrochemical Applicators. Material of training, picture documentation, and attendance list were available.

Based on field observation and interview with 2 foreman and 14 pesticide applicators in Block E015 Divisi 3 SRE and Divisi 2 SKE Office, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with yellow poles and/or yellow mark on the palm trunks) as well as PPE's to be used as well as its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals.

Status: Comply

4.6

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

4.6.1

Procedure ARM Policy No. 110/EST-ARM/13 Chapter 15 about plant protection mentioned that the use of agrochemical should be based on census analysis evaluation when the level of incidence is more than threshold limits. In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use of Kenlly or Trendy 20 WG (Methyl Metsulfuron) could be substitute with Basta 150 SL (Ammonium Glufosinat) or Dalopir 480 EC (Triclophyr Butoksi Ester).

According to observation to agrochemicals warehouse and record of pesticide application, list of pesticide used in 2016/2017 for PT ITH, it could be concluded that all pesticides used by PT ITH were listed in the book of pesticide commission 2016 issued by Department of Agriculture, Republic of Indonesia. Justification of pesticide uses shall be

based on census analysis. For example, high incidence of oryctes attack was noted in Block D001-D005 and C004 Divisi 3 SKE in July 2017. Hence, there is recommendation of Sentrin 50 CE in the respective Block to be applied in August 2017.

Based on field observation and interview with 2 Foreman and 14 pesticide applicators in Block E015 Divisi 3 SRE and Divisi 2 SKE Office, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with yellow poles and/or yellow mark on the palm trunks) as well as PPE's to be used as well as its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals.

4.6.2

Record of pesticide used is presented in document of pesticide uses record and monthly manager report or monthly committee meeting. Records of pesticide uses recapitulation in SKE and SRE for period 2016/2017 are presented as follows:

Pesticide	LD-50	Application in Sekunyir Estate		Application in Seruyan Estate	
		(l or kg)	(as/ha)*	(l or kg)	(as/ha)*
Audit 486 SL		5,190.87	0.56	2,380.50	0.64
Ken Up 486 SL	LD ₅₀ ORAL: 1,480 mg/kg in Rats	2,642.44	0.91	1,155.00	0.71
Jurassic 480 SL	LD ₅₀ DERMAL: 2,000 mg/kg in Rabbits	2,226.50	1.26	1,083.50	0.68
Kenlon 480 EC	LD ₅₀ ORAL: 1,480 mg/kg in Rats	1,487.76	0.15	-	-
Dalopir 480 EC	LD ₅₀ DERMAL: 2,000 mg/kg in Rabbits	-	-	416.45	0.32
Starane 290 EC	LD ₅₀ Oral = 5,000 mg/kg in Rats LD ₅₀ Dermal = 2,000 mg/kg in Rabbits	-	-	472.01	0.30
Basta 150 SL	LD ₅₀ ORAL: 22.35-24.30 mg/kg in Rats LD ₅₀ DERMAL: 5,000 mg/kg in Rabbits	1,459.81	0.65	2,294.50	1.28
Meta Prima 20 WG	LD ₅₀ ORAL: 5,000 mg/kg in Rats	10.00	0.03	-	-
Kenly 20 WG	LD ₅₀ DERMAL: 2,000 mg/kg in Rabbits	5,880.79	0.03	187.70	0.04
Trendy 20 WG		3,191.53	0.05	15.15	0.02
Capture 50 EC	LD ₅₀ ORAL = 1,800 mg/kg in Rats	4,854.82	0.81	4,741.00	0.49
Sentrin 50 EC	LD ₅₀ DERMAL = 2,000 mg/kg in Rats	1,437.59	0.90	1,233.00	0.51

*as: active substance

4.6.3

Program and realization of pest management was presented in monthly committee meeting report which describes census, biological control and pesticide application. Census and evaluation towards pests population has conducted every month. According to census record in SKE and SRE from Juli 2016 to June 2017, it could be concluded that in general, there were no significant pest incidence in both SRE and SKE. However, somewhat medium incidence of Oryctes were mostly detected on replanted areas. Hence, MRC has recomend SRE and SKE management to apply several population control method such as manual pick up, pheromone trap and chemical (insecticide) application by Cipermethrin with active substance dosage recommended was about 0.50 kg/ha. Based on fertilizer used record in 2016/2017 for SRE, it was known that apart from herbicides, pesticide (insecticide) applied has only Cipermethrin based which are Capture and Sentrin 50 EC for about 4,741 and 1,233 litre, respectively. Furthermore, the CH has conducting beneficial plants for leaf eating caterpillar and bagworm populaion control. New planting of beneficial plants has confirmed during field observation along mainroad and collection road, especially on replanting areas for example in Block C/D012 Divisi 2 SRE and Block E003 Divisi 1 SKE. Furthermore, the CH has also adopting barn owl (*Tyto alba*) for rat population control. According to barn owl box (BOB) record, it was informed that level of BOB occupation in SKE and SRE were about 40 % and 24 %, respectively. Estate management mentioned that 1 BOB was projected to covers about 15 ha. Based on observation to BOB in Block 016 Divisi 2 SRE and Block D012 Divisi 2, it was found presence of *Tyto alba* which marked through feathers and rat bonnes. Moreover, for Rhino beetle (*Oryctes rhinoceros*) population control, application of Pheromone trap has

adopting, especially on surrounded replanting Block areas. This is confirmed during field observation to Block C/D015 Divisi 2 SRE and Block C006/007 Divisi 1 SKE.

4.6.4

Based on pesticide used records in 2016/2017 for PT ITH which presented in Indicator 4.6.1 and 4.6.2, it could be concluded that there is no pesticides listed in WHO Appendix 1A, 1B and/or listed in Stockholm or Rotterdam Convention as well as paraquat. Moreover, all pesticides used by PT ITH were listed on Pesticides Commission of Department of Agriculture RI Book on period 2016.

4.6.5

The certificate holder has procedures on toxic and hazardous materials management (B3) number 394 / IT-LB3-23 / 11 dated 27 September 2011 which describes the chemical classification, responsible person, responsible person, MSDS supply through supplier, chemical storage method, handling chemicals on use, action against leakage and spillage, first aid to training program.

The auditor makes field visits to several places as follows:

- Visits on Seruyan Estate spray activities using 486 SL pesticides, workers have been equipped with shoe type PPE, helmets equipped with face-protection glass, apron, shirts and trousers, masks and nitrile gloves. The type of PPE has been in accordance with the recommendation in MSDS Type 486 SL.
- Field visit in the SRE and SKE pesticide warehouses, found that all MSDS are available and suitable for pesticides. The risk symbols, hazard level instructions, and PPE used are shown correctly.
- Visits in residential complexes indicate that no use of pesticide and other agrochemical containers is used for domestic purposes

The auditor conducts interviews with several parties as follows:

- Interview with the management is known that the company supervises the use of PPE in the document Ceklis Use of PPE done every day.
- Interview with the spray foreman is known that checking the usage and the conditions of APD done every morning and if it has been damaged can be directly replaced by reporting it to the foreman and foreman make the news of the event which is then given to the assistant of the interview division with the foreman spray foreman Sekunyir Estate. Further explained for the activity of the chemist treated plates used pesticide glyphosate with a maximum dose of 350 cc / L while in the product packaging / MSDS use of materials between 3-3,75 L / Ha.
- Interviews with 6 pesticide applicators at the Estate Estate, it is known that workers can explain and demonstrate their work in accordance with SOPs, such as the justification of pesticide use, given the current spraying currents, mixing of pesticides, pesticides and targets, prohibited areas sprayed (eg conservation areas and zones riparian, marked with yellow pole and / or yellow marks on coconut trunks) and PPE is used and its management. Pesticide applicators explain understanding of the risks to spray work such as toxicity and skin irritation. Pesticide applicators also mentioned that pregnant and lactating women are strictly prohibited from working with agrochemicals

The certificate holder has conducted a training aimed at safeguarding workers knowledge and skills on P & D management, as follows:

- Integrated pest management training, pesticide application and hazardous material management, which was held on 23 September 2017 at SRE Operational Room, was attended by 16 Broadcasting Officers, who are also members of the Spray Spray Spray System Team at SRE. Training materials, drawing documentation, and attendance lists are available.
- Training and socialization of BSS, MSDS and HIRAC for Agrochemical Applicators (Pesticides and Fertilizers) in SKE, carried out in the first week of April 2017 in SKE by Assistant, PSQM and OHS Expert, attended by all Agrochemical Applicators. Training materials, drawing documentation, and attendance lists are available

4.6.6

The Company already has scheduled waste and non scheduled waste management procedures, 2nd revision dated October 12, 2016. In the procedure it is explained that scheduled waste of agrochemical container can not be used for other purposes other than for water spraying & Pheromone-trap.

Based on field visit to Seruyan Estate, it is known that scheduled waste of agrochemical container has been stored in Scheduled Waste Storage. The auditor did not find any indication usage scheduled waste of agrochemical container for other purposes. However, based on a field visit to Sekunyir Estate, found that scheduled waste of agrochemical container was reused for used oil container at pump house of division I (see indicator 5.3.3).

4.6.7

Work instruction on pesticide application has follows technique presented in Material Safety Data Sheet (MSDS) of pesticide products, Procedure No. PM 0800 dated April 1st 2010 about Block Spraying System (BSS), Procedure No. 394/IT-LB3-23/11 dated September 27th 2011 about Hazardous materilas management and Hazard Identification Risk Assessment Determining Control (HIRADC) for estate. All reference mentioned in the former has covers guideline of storage and handling of pesticides, handling of accident and first aid, risk identification, pesticides spills and leaks handling, PPE, physical and chemical properties, reactivity and material stability, toxicology and ecology information, pesticide wastes handling and transportation. The Company has conducting several trainings which aims to maintain workers knowledge and skills towards safe pesticide application, for example training of integrated pest management, pesticides application and hazardous materials management, conducted on September 23rd 2017 in SRE; and Training and socialization of BSS, MSDS and HIRAC for Agrochemicals (Pesticide and Fertilizer) Applicators in SKE, conducted in first week of April 2017. Material of training, picture documentation, and attendance list were available.

Based on field observation and interview with 2 foreman and 14 Pesticide Applicators in Block E015 Divisi 3 SRE and Divisi 2 SKE Office, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP, such as justification of pesticide usage, considering wind flows during spraying, pesticide mixing, pesticides and its target, prohibited areas to be sprayed (for example conservation area and riparian zone, which were marked with yellow poles and/or yellow mark on the palm trunks) as well as PPE's to be used and its management. Pesticide applicators has also mentioned that pregnant and breastfeeding women are strictly prohibited to works related with agrochemicals. Furthermore, based on field observation to Pesticides Warehouse in SRE and SKE, it was found that all MSDS were available and match with pesticide stocks, symbols of risk and hazardous level, instruction and PPE used were displayed properly. Furthermore there are block spraying system (BSS) House as pesticide mixing and PPE's place in both estates. Moreover, observation to housing complex shows that there was no use of discarded pesticide containers and other agrochemicals for domestic household purposes.

4.6.8

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

4.6.9

Until ASA.1.2, the Certificate Holder does not have smallholders scheme.

4.6.10

The Company has demonstrated agrochemical handling training including chemical container on June 13, 2016 for spray assistant, spray foreman and head of Storage. Based on interview with the B3 storage officer, also known that they are already know the mechanism of B3 waste management including chemical container. Scheduled waste is stored in the scheduled waste storage licensed by government, then periodically submitted to scheduled waste collecting party licensed by government and then reported to the relevant agency.

The Company able to show evidence of scheduled waste management document, such as:

- Scheduled waste balance sheet for the period of April – June 2017. Type of scheduled waste such as: used oil 11 drums and agrochemical container 7 drums.
- Scheduled waste manifest of agrochemical container 7 drum (Manifest No. KO 0034426), transported on May 3, 2017 using transport No. DA 9628 TN by collecting party licensed by government (PT Maju Asri Jaya Utama).
- Scheduled waste manifest of used oil 11 drum (Manifest No. KO 0034426), transported on May 3, 2017 using transport No. DA 9628 TN by collecting party licensed by government (PT Maju Asri Jaya Utama).
- Handover of scheduled waste report and manifest to environment agency dated on July 17, 2017.

Results of field visit to Sekunzir Estate and Seruyan Estate, it is known that the remaining stock scheduled waste after the last transported on May 2017 has been stored well in scheduled waste storage licensed by government. This is still in accordance with the regulation (PP. 101 / 2014). Results of interviews with environment agency Staff in Kotawaringin Barat District is known scheduled waste balance sheet and manifest has been reported periodically.

4.6.11

The certificate holder shows the Employee List in August 2017, including:

- Seruyan Estate has 25 employees for spray activities.
- Sekunzir Estate has 12 employees for spray activities.

The company can show the results of health checks to pesticide operators in September 2017, with the results of workers with conditions can work without health conditions as many as 24 people and can work with health conditions as many as 13 people (illness due to common illness). Health screening is done by examining blood, urine and cholinesterase levels.

Based on the interview with spray workers Sekunzir Estate known certificate holders always conduct health checks to the pesticide operators on a regular basis every 6 months. The results of the document review of occupational injuries and interviews with spray workers Sekunzir Estate is known to be a disease caused by exposure to pesticides which cause irritation to the skin but can be handled at the company clinic

4.6.12

The certificate holder has a policy that states that pregnant and lactating women are forbidden to work spray. The document is contained in the Block Spraying System procedure dated March 4, 2009 explaining that pregnant and lactating women are prohibited from conducting Block Spraying System activities.

The results of interviews with paramedic officers in the polyclinic revealed that the certificate holder identifies pregnant women by checking the pregnancy for female spray employees every month and monitoring the menstrual period of the worker

Interview with female spray workers Sekunzir Estate is known that the certificate holder identifies pregnant women by performing routine pregnancy tests every month and monitoring the menstrual period of workers through menstrual leave provided through paramedic

Status: Comply

4.7

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

4.7.1

The CH has OHS policy which issued by Head Plantation Upstream Indonesia on December 2011, written in Bahasa. The policy mentioned that the company has committed to provide and maintain a safe and health working environment through effective OHS implementation management which aims to prevent working accident and unhealthy environment on employees, contractor and visitor. Socialization of OHS policy has given through safety briefing to all stakeholders before starts working activities and/or field visit. Apart from that, training and socialization of working procedure, PPE, HIRADC and MSDS has also given for specific works implementation.

OHS Committee Program and Socialization

OHS Plan of OHS Management Working Program 2017 and 2018 has prepared by Secretary of OHS Committee (P2K3) which approved by the chief of committee. The program has consist of socialization of OHS and OHS Committee, quarterly meeting, training and simulation of emergency situation, first aid training and first aid box, record and monitoring of accident, discipline action, PPE, supplying on fire extinguisher, monitoring of OHS symbols, employees health, internal audit and management review. Socialization of OHS program had delivered on Februari 14th 2017, July 15th 2017 and September 8th 2017 in Workshop Station of SKF, Divisi 1 SRE Office and SKE Office, respectively.

OHS Committee Meeting

The CH has able to shows monthly meeting of OHS Committee records which presented in the Minutes Meeting documents, for example as follows:

- Minutes meeting internal P2K3 Quarter 2 of SKE for period July to September 2017 dated September 8th 2017,

attended by 29 committee members. Issues being discussed are PPE evaluation, socialization of SIME (Sime Darby) Card about potential identification, monitoring and inspection of OHS implementation, incidence records, mandays lost time and evaluation.

- Minutes meeting internal P2K3 Quarter 2 of SRE dated July 15th 2017, attended by 15 committee members. Issues being discussed are PPE evaluation, SIME card, fire prevention and evaluation on work accident.
- Minutes meeting internal P2K3 Quarter 2 of SKF dated July 10th 2017, attended by 14 committee members. Issues being discussed are processing machineries maintenance,

P2K3 Report

The CH has shown OHS Committee (P2K3) report and its delivery/acceptance letter for Quarter-2 2017 period to Manpower Agency of Kotawaringin Barat and/or Seruyan District, with evidence as follows: Acceptance Letter No. 042/SRE-disnakertrans/VIII dated August 23rd 2017, Acceptance Letter No. 334/SKE-P2K3/VII/2017 dated July 5th 2017 and Acceptance Letter No. 007/SKF-SP/VII dated July 18th 2017 for SRE, SKE and SKF, respectively. All reports were signed by Manpower Agency representative on the same date. According to procedure No. 394/ITH-KOM-01/11 No. Rev 01 dated September 27th 2011, it was mentioned that OHS and environment program and its realisation were able to be accessed by public stakeholder. Based on interview with manpower Agency of Kotawaringin Barat District, it was stated that the CH has considered very cooperative in terms of transparency, reporting and data delivery.

4.7.2

Procedure of HIRAC analysis and identification was presented in document No. 7301/PSQM-ESH/11 dated July 11th 2011, issued by General Mamaner and PSQM. The CH has identified, measured and formulated OHS management control of all operational activities in the estates and factory, which presented in document of Hazard Identification Risk Assessment and Control (HIRAC). Management unit has able to show HIRAC for SKF, SKE and SRE, which issued by OHS Committee Secretary on March 2017, April 29th 2017 and Mei 21st 2016, respectively. HIRAC describes type of work, hazards analysis, effect, risk analysis (effect, probability, risk and high, medium, low), risk control, residual risk and PIC. The CH has shown accident record of PT ITH period 2017, for example as follows:

- SRE accident monitoring record dated July 1st 2017 informed that 1 and 2 accidents were recorded in January and February, respectively. Total mandays lost were 46 days. All accidents were classified as accidents with medical certificate (MC) more than 5 days or Level 3. Clinic record, investigation and evaluation accident record, doctor diagnosis, lost time accident, frequency rate (LTIFR) analysis, follow up and reporting to Manager Unit and Payment by BPJS were available. Cost of medical treatment claims were guaranteed by PT ITH and BPJS Ketenagakerjaan-JKK.
- SKE accident monitoring record dated July 1st 2017 informed there were 1 accident every month starting from March to June 2017. Four accidents have been classified as accidents with MC less than 5 days (Level 4) while the rest was Level 3. Total Mandays Lost were 37 days. Clinic record, investigation and evaluation accident record, doctor diagnosis, lost time accident, frequency rate (LTIFR) analysis, follow up and reporting to Manager Unit and Payment by BPJS were available. Cost of medical treatment claims were guaranteed by PT ITH and BPJS Ketenagakerjaan-JKK.
- SKF accident monitoring record on 2016/2017 informed there were zero accidents.

Observation

- The company has provided pesticide applicators with carbon maskers and respirator type as seen in Block E015 Division 3 SRE and information from pesticide applicators in SKE office. Regarding this matter, the company has an opportunity ensuring maskers (respirators) used by Pesticide Applicators are in accordance with MSDS products.
- Based on HIRAC verification, the company has an opportunity to evaluate HIRAC description on complete PPE explanation towards type of works and its hazard risk analysis.

4.7.3

The CH through OHS committee has provided safe working practices by providing socialization and training such as follows:

- Training of integrated pest management, pesticides application and hazardous materials management, conducted on September 23rd 2017 in Operating Room SRE, attended by 16 Pesticide Applicators, which also member of Team of Block Spraying System (BSS) in SRE. Material of training, picture documentation, and attendance list were available.

- Training and socialization of BSS, MSDS and HIRAC for Agrochemicals (Pesticide and Fertilizer) Applicators in SKE, conducted in first week of April 2017 in SKE by Assistant, PSQM and OHS Expert, attended by all Agrochemical Applicators. Material of training, picture documentation, and attendance list were available
- Socialization on fire fighting dated September 10th 2016, attended by 36 workers of PT ITH representatives and Village representatives.
- Socialization of Sime Card on control and monitoring of OHS implementation dated May 23rd 2017, attended by 64 representative workers from SKE, SRE and SKF.
- First aid socialization in Kuala Kartika Building in SKE on August 28th 2015 by company doctor, attended by 29 participant from PT ITH representatives.
- Fire extinguisher training for emplacement communities on August 31st 2017, attended by 40 participant.

The company has provide personal protective equipment (PPE) to all workers. This is shows through Letter of PPE's delivery and distribution records 2016/2017 and during field observation to Sekunyir Factory (SKF), Sekunyir Estate (SKE) and Seruyan Estate (SRE). However, based on observation and interview with Harvesters in Block C031 Divisi 2 SRE and D007 Divisi 1 SKE, Loosefruit Picker in Block C031 Divisi 2 SRE, Pesticide Applicators in Block E015 Divisi 3 SRE and Divisi 2 SKE Office, Fertilizer Applicators in Block C033/034 Divisi 2 SRE, Sortation Worker and Processing Station Operators, it was stated that PPE boot has only provided once a year. When it was broken (or improperly used), the worker should buy the boot by them self without reimbursement from the company. Furthermore, based on PPE delivery records for period 2016/2017, it could be concluded that PPE boot has only given once for every workers mentioned above. This is not in accordance with Procedure No. 735/POD-K3/IX/2016 dated September 30th 2016 about PPE which mentioned that broken PPE (boot) shall be replaced by the company.

4.7.4

The CH has OHS committee (P2K3), with secretary of P2K3 were OHS Expert (AK3) as follows:

- SRE P2K3 Committee (Endorsement Letter No. KEP/566/120/PK.10.VII/Disnakertrans dated July 11th 2017) with Secretary Zoe Hendry Lungguk Martua Purba (SK No. KEP.14093/M/DJPPK/VI/2015, Lisence Reg. No. 22/93/PK3/AJ/31/2015/P0), valid until June 19th 2018.
- SKE P2K3 Committee (Endorsement Letter No. KEP.566/75/PK.12/V/Nakertrans dated May 15th 2017) with Secretary Zoe Hendry Lungguk Martua Purba (SK No. KEP.14093/M/DJPPK/VI/2015, Lisence Reg. No. 22/93/PK3/AJ/31/2015/P0), valid until June 19th 2018.
- SKF P2K3 Committee (Endorsement Letter No. KEP-694/DTT/HIPK-K3/V/2016 dated May 30th 2016) with Secretary Dian Fitrianto Nugraha (SK No. KEP.P.3253/NAKER-BINWASK3/VI/2016, Lisence Reg. No. 2585/PK3/AJ/63/2016/P1), valid until June 20th 2019.

The CH has also identified and monitor Operators/Officers which required to have certificate and/or lisence. The CH has also able to shows monthly meeting of OHS Committee records which presented in the Minutes Meeting and P2K3 documents, as mentioned in Indicator 4.7.1.

4.7.5

Procedures related to emergency situation were presented in several documents, for example as follows:

- No. SOP-01 dated July 1st 2014 about emergency reporting. Procedure has describes accident classification, PIC, reporting to stakeholder, investigation, time of reporting, insurance, etc.
- No. 724/TQEM-ESH/10 dated April 1st 2010 about identification and evaluation of hazardous potential evaluation.
- No. 730/TQEM-ESH/10 dated April 1st 2010 about fire emergency (prevention and handling).

The CH has provide emergency facilities as per September 2017. According to the record, total fire extinguisher, hydrant and first aid box and portable first aid kit in PT ITH were 183, 4, 43 and 35 pcs, respectively. Based on field observation to Angsana Factory, it was found that Hydrant, fire engtinguisher, first aid box were properly monitored and maintained. Moreover, hydrant was satisfactory works during simulation. Moreover, based on observation to Harvesting and Pesticide application in Angsana and KKPA-4 Estates, it was found that Foremans were equipped with portable first aid kit. Training of first aid uses were given by company doctor, paramedics and PSQM team. For example, first aid training for Angsana factory, Angsana Estate and Hosing Areas were delivered in February 6th 2017 (attended by 63 workers), March 14th 2017 (attended by 77 participant) and August 31st 2017 (attended by 40 participant), respectively.

The CH has shown accident record of PT ITH period 2017, as mentioned in Indicator 4.7.2.

4.7.6

Based on field observations, the company has clinics and there are paramedics (doctors & nurses) who keep the polyclinic. In addition, the company also includes all workers in the Jamsostek program which includes work accident insurance, death insurance, old age guarantee, and health insurance guarantee while for contractor workers are included for work accident insurance and death insurance. The certificate holder shows the payment document BPJS Kesehatan period of August 2017 for Seruyan Estate, Sekunyir Estate and Sekunyir Factory. Based on the interview with the workers, it was explained that the workers already have the insurance accident insurance card in the form of BPJS Employment / Jamsostek

Based on interviews with contractor workers, known that the workers were included in the Labour Social Assurance program for accident insurance and death insurance, in this case the worker explained that each employee already has Labour Social Assurance membership card. It is strengthened by the results of document review proof of Labour Social Assurance payment period of August 2017 for SKE, SRE and SKF.

4.7.7

The certificate holder shows the accident records for the period of 2017 as follows:

1. Monitoring of work accident monitoring in SRE unit dated July 1, 2017 is known that there are work accidents respectively in January and February. The total number of missing days is 46 days. All accidents are classified as accident by medical certificate (MC) more than 5 days or level 3.
2. Monitoring of workplace accident monitoring in SKE unit dated July 1, 2017 is known that there is an accident every month from March to June 2017. Accidents in June 2017 are classified as accident by medical certificate (MC) or level 4 while the rest are Level 3. Total lost day is 37 days.
3. Monitoring of work accident monitoring in unit SKF period 2016/2017 known that no accident occurred in that period.

For accidents occurring, the company has conducted an accident investigation, and actions taken to prevent the occurrence of accidents recur. The investigation is contained in the Accident Investigation & Evaluation document describing the victim's data, the time of the incident, the chronology of the accident, the injured part, the investigation of the hazardous actions & conditions and suggestions for improvement.

4.7.3	Status: Non Conformity 2017.04 with Major category	Open
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4.8
All staff, workers, smallholders and contractors are appropriately trained.

The certificate holder has a training or training program for the period 2016-2017 based on the results of the annual grade increase analysis by each supervisor. Training programs cover topics / training materials, implementation times, participants and trainers. The target of the training program is for staff and employees. Executives are departments in charge of training center. If required the company also sends employees to attend training outside the company conducted by a third party or government for example:

1. Integrated pest management training, pesticide application and management of toxic and hazardous materials conducted on September 23, 2017 in the operational space of SRE, was attended by 16 employees who were members of the SRE spraying team. Training materials, drawing documentation, and attendance lists are available.
2. Training and socialization of BSS, MSDS and HIRAC for agrochemical applicators (pesticides and fertilizers) at SKE, carried out in the first week of April 2017 at SKE by Assistant, PSQM and H3E Officer, present by all agrochemical applicators. Training materials, drawing documentation, and attendance lists are available.
3. Dissemination of fire brigade on September 10, 2016, attended by 36 representative workers of PT ITH and Village representatives.
4. Sime Card socialization in supervision and monitoring of K3 implementation on May 23, 2017, attended by 64 workers representatives from SKE, SRE and SKF.
5. Socialization of first aid at Kuala Kartika Building in SKE on August 28, 2015 by company doctors, attended by 29 participants from PT ITH representatives.
6. Fire training for emplacement residents on 31 August 2017, attended by 40 participants.

Based on interviews with workers at Sekunyir and Seruyan Estate known that the company actively provides training for employees either internally held training or training conducted outside the company or external. The training includes all

workers, both permanent workers and contractor workers, for example: BSS training for fertilizer and spray workers and socialization of MSDS fertilizer and spray for fertilizer and spray workers.

Status: Comply

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

5.1

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

5.1.1

The Company has conducted an Environmental Impact Analysis (EIA) study and created a Management Plan & Monitoring Plan (RKL/RPL) aimed at reducing and preventing environmental impacts from oil palm activities. There are 2 environmental documents at PT ITH namely AMDAL and RKL / RPL.

1. EIA documents approved by the Ministry of Agriculture, Agribusiness Agency No. 220/95 / B / I / 1994 dated June 17, 1994 with an area of 12,000 ha and Mill capacity of 30 Ton FFB / Hour. Mill capacity can be increased to 60 Ton FFB / Hour.
2. RKL / RPL documents authorized by the Ministry of Agriculture, Agribusiness Agency No. 020 / RKL-RPL / BA / X / 1994, dated October 18, 1994.

Determination of positive and negative impacts on EIA documents is conducted by involving community participation around PT Indotruba Tengah area.

5.1.2

Based on the review of RKL / RPL implementation documents for the first semester of 2017, it is known that the company has been managing the environmental impacts in accordance with the management plan specified in the RKL document of 1994. For example:

- Greening around the Mill and using ear protection for Mill workers to reduce and or prevent noise.
- EFB application on the land area to reduce or prevent solid waste.
- Create fire lighting teams and socialize to employees and communities to prevent potential fires.
- Maintaining the river border to prevent and or reduce the disturbance of flora and fauna.
- Community recruitment as permanent and daily employees and CSR implementation in a timely and sustainable to prevent or reduce public unrest.
- Conducting treatment of POME at WWTP to reduce or prevent the decrease of river water quality.
- Use of fertilizers and pesticides according to the prevailing standards to reduce or prevent the decrease of river waster quality.

Environmental implementation report of the first semester of 2017 has been submitted to the Environment Agency of Kotawaringin Barat Dictrict on September 04, 2017.

The result of interview with Environment Agency Staff of Kotawaringin Barat District is known that companies regularly reported the environmental management reports to them. Until now there have been no complaints from the public related to the pollution caused by Mill and Estate activities.

5.1.3

Based on the study of RKL / RPL implementation document in the first semester of 2017, it is known that the company has monitored the environmental impacts in accordance with the monitoring plan specified in the RPL document 1994. For example:

- Conducting direct observation to see the land subsidence.
- Conducting direct observation of potential fires inside and outside area of the Estate.
- Conducting direct observation of flora and fauna.
- Testing the quality of POME (see indicator 4.4.1 & 4.4.3)
- Testing the quality of air emission and ambient.
 - a. Generator emission testing results No. 1 & 3 – SKF, SRE & Division 1 conducted in May 2017 have been in accordance with the standards set by the government (Peraturan Menteri Lingkungan Hidup No. 2 / 2008). For example in generator No. 1 - SKF such as: particulates 22 mg/m³, CO 522 mg/m³, SO₂ 51 mg/m³, NO₂ 376 mg/m³, etc.

- b. Boiler emission testing result No. 3 conducted in May 2017 has been in accordance with the standards set by the government ((Peraturan Menteri Lingkungan Hidup No. 07 / 2007). For example: particulate 35 mg/m³, SO₂ 43 mg/m³, NO₂ 306 mg/m³, NH₃ 0.2 mg/m³, etc.
- c. Ambient air testing results in front of Boiler station No. 3 Mill, Housing Staff, Front Office of Mill, Front Office of Division 1 & 2 SKE conducted in May 2017 has been in accordance with the standards set by the government (PP No. 41 / 1999). For example in front of Mill offices: SO₂ 28 µg/Nm³, CO 3662 µg/Nm³, NO₂ 27 µg/Nm³, TSP 38 µg/Nm³.
- Conduct noise level testing.
 - a. Noise test results in the housing area of Div 1 and housing complex of mill have been in accordance with the standards set by the government (KepmenLH No 48 / 1998). For example 46 dB.
 - b. Noise test results in the Front of Boiler, St. Engine Room, St. Clarification, St Press, St. Nut & Kernel, was not in accordance with the standards set by the government (Permenakertrans No. 13 of 2011). For example in St. Engine Room: 87 dB. Mitigation action is conducted by giving PPE earmuff, machine maintenance and periodic health inspection.

Environmental implementation report of the first semester of 2017 has been submitted to the Environment Agency of Kotawaringin Barat District on September 04, 2017.

The result of interview with Environment Agency Staff of Kotawaringin Barat District is known that companies regularly reported the environmental management reports to them. Until now there have been no complaints from the public related to the pollution caused by Mill and Estate activities.

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

The Company able to show documents of HCV Identification including its maps conducted in 2010 by PT Aksenta Consultant. From the document identified:

- HCV area of 76.56 Ha with Type of: River, River Border, Reservoir, Swamp, and Conservation Forest.
- Wildlife, such as: Biawak air (Varanus salvator), Ular gendang (Python curtus), Raja udang meninting (Alcedo meninting), Kipasan belang (Rhipidura javanica), trenggiling (Manis javanica), orangutan Kalimantan (Pongo pygmaeus), beruang madu (Helarctos malayanus), kucing hutan (Prionailurus bengalensis), etc.

The HCV identification was conducted by a competent HCV team and has engaged stakeholders through public consultation on August 25, 2009.

5.2.2

The Company may demonstrate the implementation of HCV management plan for the period 2016/2017, for example:

- Planting and maintaining trees in river border. The latest activity was carried out in August 2017 with total trees planted in Div I & II 875 trees.
- HCV signboard maintenance. The latest activity was conducted in July 2017.
- Conducting HCV and Wildlife socialization. The latest activity was conducted on August 7, 2015.
- Conducting water quality analysis in reservoir of settlement II SRE, reservoir of settlement II SKE, reservoir of settlement I SRE, reservoir of settlement I SKE, Well settlement I SRE & SKE, Well settlement II SRE & SKE. The latest tests were conducted on June 08, 2017 using an Accredited Laboratorium.
- Monitoring flora and fauna. The latest monitoring was conducted in August 2017.

5.2.3

The Company able to show wildlife monitoring report conducted in August 2017. Monitoring reports explain the Species Name, Number of Species, Encounter Sign, Physical Condition and Status Description. For example: Kucing hutan (Prionailurus bengalensis) 1 species, Lutung merah (Presbytis rubicunda) 1 species, Kipasan belang (Rhipidura javanica) 4 species, Sanca kembang (Python reticulatus) 1 species, Biawak air (Varanus salvator) 3 species.

Based on field visits in conservation areas, blocks estate and housing complex, it is known that no workers are capture, harm, and collect RTE species.

The company has the opportunity to ensure that no worker catches, harms, collects or kills protected, rare, threatened

and endangered species (RTE species) in the wildlife monitoring conducted periodically #OFI. 2

5.2.4 & 5.2.5

From the results of HCV and Wildlife monitoring conducted in August 2017, the following recommendations are suggested: the company should improve the maintenance of existing tree plants and paint the faded HCV boundaries, repair damaged signboards, etc. The recommendations are then incorporated into the next management plan.

The results of interviews with village community Representatives revealed that no community areas were made of HCV areas.

Status: Comply

5.3

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

5.3.1

The Company has identified the sources of waste and pollution generated from Estate and Mill activities.

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

Waste / pollution management: equip the Boiler chimney with a dust collector, equip the worker with PPE earplug and earmuff, preventive maintenance on the machine unit, sludge receipt as Fat Fit tub and then managed in aerobic pool, solid waste application (EFB) to the land area, utilizing fibers and shells as boiler fuel, disposing of waste in landfills area, storing scheduled waste in scheduled waste storage, managing POME in WWTP, etc.

5.3.2

The Company already has scheduled waste and non scheduled waste management procedures, 2nd revision dated October 12, 2016. In the procedure it is explained that scheduled waste of agrochemical container can not be used for other purposes other than for water spraying & Pheromone-trap.

Based on field visit to Seruyan Estate, it is known that scheduled waste of agrochemical container has been stored in Scheduled Waste Storage. The auditor did not find any indication usage scheduled waste of agrochemical container for other purposes. However, based on a field visit to Sekunyir Estate, found that scheduled waste of agrochemical container was reused for used oil container at pump house of division I (see indicator 5.3.3)

5.3.3

The Company has waste management document and management plan (see 5.3.1)

Result of field visit to Mill and Estate, it is known that condensate water has been transferred to Fat Fit tub, then flowed to Fat Fit Tank and then flowed to WWTP Cooling Pond; EFB has been collected in the empty buch area and incinerated with Incenerator; Fiber has been utilized as a boiler fuel, Trash has been collected in the garbage then disposed to the landfill area.

However based on a field visit to the reservoir in Block E06 of Division I Sekunyir Estate, found:

- Scheduled waste of used former cotton in the area of the pump house of the Division I reservoir.
- Scheduled waste of agrochemical container reused for used oil container at Division I water pump house.

It is incompatible with:

- Identification of PT Indotruba Tengah Waste Management authorized by Sekunyir Estate & Seruyan Estate Manager stating that scheduled waste should be kept in scheduled waste storage.
- B3 & No B3 Waste Management SOP Revision 02 dated October 12, 2016 on re-use of used agrochemical container used for water spray and Pheromone-trap collection.

Based on the explanation, raised the **non conformance NC 2017.05 with minor category**.

5.3.3 Status: Non Conformity 2017.05 with Minor category

Open

5.4

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

5.4.1

Companies able to show documents of renewable energy use (fiber and shells) for the period January to August 2017. For example:

- June 2017: FFB processed was 8225 MT, fiber usage was 1131 MT, shell usage was 563 MT. Average renewable energy usage was 0.206 MT / ton FFB.
- July 2017: FFB processed was 12,555 MT, fiber usage was 1,726 MT, shell usage was 860 MT. Average renewable energy usage was 0.206 MT / ton FFB.
- August 2017: FFB processed was 12.628 MT, fiber usage was 1.735 MT, shell usage was 865 MT. Average renewable energy usage was 0.206 MT / ton FFB.

The Company able to show documents on the use of fossil fuels (diesel) for the period January to August 2017. For example:

- June 2017: FFB processed was 8.226 MT, fosil usage was 14.900 liter.
- July 2017: FFB processed was 12.555 MT, fosil usage was 12.410 liter.
- August 2017: FFB processed was 12.628 MT, fosil usage was 12.290 liter.

The Company able to show the document of renewable energy efficiency (kWh) for the period June to June 2017. For example:

- June 2017: FFB processed 8.226 MT, kWh Turbin 177.108. kWh Turbin per FFB 21.53
- July 2017: FFB processed 12.555 MT, kWh Turbin 260.835. kWh Turbin per FFB 20.77
- August 2017: FFB processed 12.628 MT, kWh Turbin 257.921. kWh Turbin per FFB 20.42

Until now POME is still in use as soil liquid fertilizer on the land (land application).

Status: Comply

5.5

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

5.5.1 and 5.5.2

Company policy regarding zero burning during land clearing were presented in document of procedure No. 110/EST-ARM/13 Chapter 4 about land preparation and No. 724/TQEM-SPMS/09 point 5.7.2 about zero burning technique which mentioned that land clearing should be conducted by mechanics and zero burning methods (ex. push felled, chipping, stacking, etc.).

Based on letter of agreement with (SPK) review for replanting works with contractor namely PT Putra Sarana Transborneo, it was mentioned that land clearing in SRE and SKE were carried out through zero burning method. Last replanting had been carried out in 2015/2016 for about 368.40 ha and 307.90 ha in SKE and SRE, respectively. Moreover, based on field observation to replanting areas in BlockC/D12 Divisi 2 SRE and Block E003 Divisi 1 SKE, it was noted that there is no presence of burning activity sign/marks on the ground. Furthermore according to public consultation with Plantation Agency and Environment Agency of Kotawaringin Barat District, it was informed that there was no issues of land burning in PT ITH operational areas. The CH has fire monitoring tower, as seen in Block C013 Divisi 2 SRE and Divisi 3 SKE.

Status: Comply

5.6

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

5.6.1

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

- Source of pollution / emission: replanting, fertilization, pesticide use, transport of FFB & CPO, machinery and factory operation, and housing.
- Waste / pollution management: Implement zero burning techniques on the replanting activities, EFB applications, POME applications on the land, Utilization of fibre and shell as boiler fuel.

5.6.2

The Company has implemented pollution management or GHG emissions, for example:

- Utilization of fiber and shell as boiler fuel with total usage of fiber period January - August / 2017 = 9.911 ton and shell = 2,904 ton.
- Utilization of EFB as compost fertilizer on the land with total usage period January - August / 2017 = 16,068 tons.
- Utilization of POME as liquid fertilizer on the land (Land Application) with total usage period of January - August / 2017 = 74,150 m3. Based on a field visit in Blok E05 SKE it is known that POME has been applied to the appropriate areas licensed.
- Testing the quality of POME (see indicator 4.4.1 and 4.4.3)
- Testing the quality of air emission and ambient.
 - a. Generator emission testing results No. 1 & 3 – SKF, SRE & Division 1 conducted in May 2017 have been in accordance with the standards set by the government (Peraturan Menteri Lingkungan Hidup No. 2 / 2008). For example in generator No. 1 - SKF such as: particulates 22 mg/m3, CO 522 mg/m3, SO2 51 mg/m3, NO2 376 mg/m3, etc.
 - b. Boiler emission testing result No. 3 conducted in May 2017 has been in accordance with the standards set by the government ((Peraturan Menteri Lingkungan Hidup No. 07 / 2007). For example: particulate 35 mg/m3, SO2 43 mg/m3, NO2 306 mg/m3, NH3 0.2 mg/m3, etc.
 - c. Ambient air testing results in front of Boiler station No. 3 Mill, Housing Staff, Front Office of Mill, Front Office of Division 1 & 2 SKE conducted in May 2017 has been in accordance with the standards set by the government (PP No. 41 / 1999). For example in front of Mill offices: SO2 28 µg/Nm3, CO 3662 µg/Nm3, NO2 27 µg/Nm3, TSP 38 µg/Nm3.

5.6.3

Sekunyir Factory and supply bases (PT ITH) has calculated GHG emissions for period 2016 using the RSPO PalmGHG calculator, as follow as:

Emmision per product	tCO2e/tProduct
CPO	1.58
PK	1.58

Production	t/yr
FFB processed	111344.11
CPO produced	23896.615
PK produced	5160.639

Extraction	%
OER	21.46
KER	4.63

Land use	Ha
Planted area	6511.08
Planted on peat	0
Conservation (forested)	75.72
Conservation (non-forested)	0

Summary of field emission and Sinks

Descripton	Own plantatio	Group plantaton	3 rd party
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Emissions Sources	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB
Land conversion	86379.1	0.78	0	0	0	0
CO2 emmisions from fertilizer	2189.79	0.02	0	0	0	0
NO2 emissions	3340.17	0.03	0	0	0	0
Fuel comsumption	1453.2	0.01	0	0	0	0
Peat oxidation	0	0	0	0	0	0
Sinks			0	0	0	0
Crop sequestration	-60954.99	-0.55	0	0	0	0
Sequestration in Conservation area	-803.01	-0.01	0	0	0	0
Total	31604.26	0.28	0	0	0	0

Summary of Mill Emmision and Creadits

Emissions	tCO2e	tCO2e/tFFB
POME	13557.95	0.12
Fuel Consumption	609.49	0.01
Grid Electricity Utilisation	436.75	0
Credits		
Export of Grid Electricity to Housing & Grid	-161.84	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	14442.35	0.13

POME Treatment

Emissions	%
Divert to compost	0
Divert to anaerobic digestion	100

POME Diverted to Anaerobic Digestion

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

Status: Comply

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

6.1

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

6.1.1

The Certificate Holder has document of Social Impact Assessment. The assessment process was done on August 2009 and the scope of study are impact of plantation and mill operation to workers and community adjacent of plantation area. The assessment and reported was carry out by AKSENTA Consultant on 23 to 28 August 2009. These document was explained of negative and positive impact of plantation and mill operation to social aspect and the recommendation for negative impact reduction and increasing of positive impact. There was showed also the minutes meeting of consultation process with community surround. The evidence was consist of Attendant List of village member on Focus Group Discussion as phase of data gathering for Social Impact Assessment Report.

The company also has document of Social and Environment Impact of Replanting period 2016 till 2018 in PT Indotruba Tengah Kotawaringin Barat District, Province of Central Kalimantan. The assessment process was done by AKSENTA Consultant on 2016 and aim to knowing of environment and social impact of replanting.

Based on stakeholder consultation with villager head, informal leader and community representation from Amin Jaya and Pembuang Hulu Village that know there was no significant issue is not raise in Social Impact Assesment. They inform that the community was participate when the AKSENTA Consultant doing the focus group discussion for data gathering.

6.1.2

The Social Impact Assessment has been done with involve of related party, consist of community surround, head of village and informal leader (customary leader). There was serhowed documentation of assessment process, for instance the Attendant List of data gathering in Amin Jaya and Pembuang Hulu Village on 23 to 28 August 2009.

6.1.3

has been shown the Participative Management Plan SIA 2016/2017 and documentation of the implementation of discussions in Amin Jaya Village and Seruyan Village related Proposed of CSR and Social Assistance Program 2016/2017 signed by each Estate Manager and Village Head.

6.1.4

There was showed document Realization Report of Environment Management Plan & Monitoring (RKL/RPL) of PT Indotruba Tengah. These report was submitted to Environment Agency in District of Kotawaringin Barat for every 6 month (semester). These document was also includes of social aspect consist of monitoring and evaluation based on community input in surround plantation area. There was showed examples of documentation of meetings with communities in Amin Jaya and Pembuang Hulu Village.

6.1.5

Until ASA 1.2, the Certificate Holder not yet has Smallholder Scheme

Status: Comply

6.2

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

6.2.1; 6.2.2; 6.2.3

The certificate holder has No Communication Procedure. Policy 394 / ITH-KOM-01/11, Revision No. 02, dated August 29, 2015. In general, communicative procedures provide practical guidance for handling communications in the areas of occupational safety, occupational health and Environmental Protection (RESO) and RSPO. This procedure applies to all PT ITH operations and field operations that include internal and external communications. The executing officers are PSD, GM / SOU Chairman and Unit Manager. The retention period of the record / communication record refers to the No Note Control Procedure Policy 394 / ITH-TPP-03/11.

There is a decision letter for the appointment of Central Kalimantan PSD Staff on behalf of Toni Manurung SK-PKN / KLR / HRM / 10/0029 number. The main tasks are communication with stakeholders and handling permits. If there is a negative impact due to the existence of the company to the affected parties, the company and the affected parties will be both communication and consultation to solve it.

The company shows a list of stakeholders for the 2017 period. The list of stakeholders is divided into the following sections:

1. Provincial level : 35 stakeholders
2. District Level : 8 stakeholders
3. Sub district : 7 stakeholders
4. Community : 4 stakeholders
5. Jakarta : 6 stakeholders
6. Client : 28 stakeholders

The certificate holder shows the outgoing and incoming mail documents along with responses from the certificate holder as follows:

1. Letters from UPTD Puskesmas on July 8, 2017 regarding School Immunization Month (BIAS) Measles Penjaringan Child Class School I. The letter directly responded by the certificate holder on the same day by communicating with the polyclinic and school.
2. Letter from the Regent of Kotawaringin Barat on August 4, 2017 on the Application for Sacrificial Animal Assistance. The letter was responded by the certificate holder on August 16, 2017 with the provision of sacrificial animal donations.

Interviews with management are known that stakeholder renewal is done every 1 year and RSPO chairman of PT ITH is responsible for verifying it. It is also known that the company records or documents every communication with stakeholders in the log book of incoming mail and outgoing mail

Status: Comply

6.3

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

6.3.1

The Certificate Holder has system for dealing the dispute dan complaint received. These system was refer to Communication Procedure (No. Policy 394/ITH-KOM-01/11, Revision 03, dated 14 September 2016). These procedure was explained that the company will protect the whistleblower and there are no sanction for them. When the cases did not handled enough in estate unit, the cases will continue to next level of management, including to jurisdiction level or another way (including RSPO Grievance), based on the agreement each parties. These procedure was completed with flow chart of Form of Complaint Handling Data.

6.3.2

Based on the Complaint Book in two estate (Sekunyir & Seruyan Estate), it is known that during September 2016 to September 2017 there are only complaints related to housing facilities, such as the repair of housing facilities of employees, for example floor and bathroom. These condition have been direct follow up by the company. Based on result of stakeholder consultation with Village Government, Community Leader, Village Representative (Amin Jaya & Pembuang Hulu Village), also with the workers union representation and gender committee, there is no indication of complaint related to plantation and factory operation by the PT Indotruba Tengah.

Status: Comply

6.4

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

6.4.1 & 6.4.2

The Certificate Holder has Procedure of Land Occupation Compensation (Policy No. 343/PSD-OKUP/11) was revised based on from related parties. These procedure explained that the process of land occupation compensation will begin by identification process of land. The measuring result with GPS identification and Technical Feasibility Survey by the Department of Minamas Research Centre (MRC) will follow up with negotiation for land release by the owner. The Manager of Plantation Services-Region and Estate Manager will handle these process and witnessed by the head of village and related parties.

The Procedure of Land Occupation Compensation as guidance for land compensation process. The documents requirement in land compensation shall signed by land owner, management unit representative, Head of sub District, Notary and Head of Village. These documents shall include of photograph, Map, Letter of land release by the owner, Official Report was signed by related parties consist of land owner and management unit representative, witnessed by Head of Village and Sub District. The process of payment for land or land compensation shall completed with receive and photograph as documentation evidence.

6.4.3

The Certificate Holder has been documented all of land compensation process. The documentation consist of of Map, Negotiation result (minutes of meeting), Land Release Letter, Payment Receive was filled in estate office based on land location. Based on Communication Procedure (No. Policy 394/ITH-KOM-01/11, Revision 03, dated 14 September 2016), the documentation of land compensation process are limited access and should approved by Plantation Service Department and Manager of Estate if any related parties will access this document. Theses document can access with letter of Information Request from another parties to the company.

Based on document verification, information from management representation and stakeholder consultation with community representation from several village surround (Amin Jaya and Pembuang Hulu Village), there was no information of land compensation processed by the PT Indotruba Tengah since period of ASA 1.1 till ASA 1.2.

Status: Comply

6.5

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

6.5.1

Interviews and document review is known there are some matters that become mismatch as follows:

1. Interview with union officer of PT Indotruba Tengah (2 persons), employee of pesticide applicator at Sekunyir Estate (10 persons), and document review List of contractor's salary Spray Sekunyir Estate July 2017 period, List of contractor wage Seruyan Estate Spray Period August 2017, it is known that contractor workers do not get a daily minimum wage in accordance with Provincial Minimum Sectoral Decree (UMSK) of 2017. This is not in accordance with Permenakertrans No 1 of 1999 (Article 13). **Raised NCR Non-Conformity No. 2017.06**
2. Interview with union officer of PT Indotruba Tengah (2 persons), management, and document review of Inter Office Mail no. 086 / RSP-i2 / XII / 2016, Seruyan Estate Payroll Listing August 2017 period, Occupation Security Listing Sekunyir Estate Period August 2017, there is known that system of overtime pay at Seruyan Estate which is not in accordance with Kepmenakertrans No. 102 Year 2004, i.e workers who have worked overtime paid with premium wages system. **NCR 2017.06**

Based on field observations and interviews with harvest workers in Blok D007 Division 1 Sekunyir Estate and Block C031 of Division 2 Seruyan Estate known that workers have received wages in accordance with district sectoral minimum wage (UMSK) Kotawaringin Barat District in 2017. Furthermore, the worker can explain the working hours of the worker is 7 hours which start work at 07.00 until 14.30 then rest for 30 minutes at 11.00. the auditor verifies the worker payment list documents of Sekunyir Estate in August 2017 and it is known that all workers have been paid in accordance with district sectoral minimum wage (UMSK) Kotawaringin Barat District in 2017 that is Rp 2.511.053, in addition to basic wage workers also get an additional allowance of Rp 144,015

6.5.2

The certificate holder indicates the endorsement of PT. Indotruba Tengah Year of 2016-2018 by Head of Department of Manpower and Transmigration of Central Kalimantan Province with number SK KEP.386 / HI.01 / V / Nakertrans valid from May 13, 2016 – May 12, 2016. In Company Regulation owned have arranged among others :

- Working 7 hours a day or 40 hours a week with 6 working days.
- Wages and benefits in accordance with Provincial Minimum Sectoral Decree (UMSK) and rice supply.
- Overtime wage rate with monthly wage calculation plus rice supply divided by 173.
- Holiday (withdrawal work with payments) such as weekly (weekday) holidays, official holidays, holidays for female workers in the menstrual period given 2 days if they feel pain, annual leave, maternity leave and other leave in accordance with the law 13 year 2003.
- Terms of premium wages
- Social security to work accidents.
- Acceptance and termination of employment in accordance with Act 13 of 2003.

Observation payroll document salary of maintenance employee Seruyan Estate, known that employees have received wages in accordance with the minimum provisions sectoral Kotawaringin Barat District Year 2017 that is Rp 2.511.053, -. Interviews with employees of the Seruyan Estate harvest are known that everyday employees receive a daily minimum wage.

6.5.3

The holder of the certificate is known to provide facilities and infrastructure for the employees listed in the documents of facilities and infrastructure of PT ITH. In the document described some facilities such as: employee housing, polyclinics, multi-purpose building, schools, religious facilities, sports facilities, daycare, and cooperatives

Field observations on the housing of Seruyan Estate employees indicate that housing conditions are clean and beautiful (many overgrown with trees). Interviews with residents of housing are known that clean water is sourced from reservoirs and electricity is generated from generators. The company also provides clean water through DAMKAR cars if in the dry season the water supply is reduced. The facilities are all provided by the company. Looks some houses use additional water storage located behind the house. Household waste generated is collected on sacks and will be transported once every 1 week to be disposed to the final collection located at Seruyan Estate. The housing provided is semi-permanent (mixture of wood and concrete). There is good drainage in the residential area.

The certificate holder has a health facility in the form of a central polyclinic available to employees at no charge while for educational facilities available Kindergarten, Primary and Secondary School. The company provides school bus for school children's pick up.

6.5.4

Field observations in the residential area Sekunyir Factory and Seruyan Estate are known to exist Employee Cooperatives that serve workers to meet basic needs such as groceries, milk for children and so on. Holders of certificates encourage and facilitate the formation of cooperatives as one way to improve workers' access to decent, sufficient food at an affordable price.

In addition, about 5 km of worker housing is a daily market in Amin Jaya Village that sells basic necessities. The results of interviews with employee housing residents is known that employees usually meet monthly needs by shopping in the daily market in Amin Jaya Village after receiving primary salary, while receipt the salary loan employees shop at cooperatives.

6.5.1	Status: Non Conformity 2017.06 with Major category	Open
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6.6
The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

The certificate holder has a policy in facilitating the workers in forming trade unions as follows:

1. Sustainable Plantation Management Manual with No.policy 724 / TQEM-SPMS / 09 effective date August 27, 2010. At point 5 the company is expected to respect the rights of all employees to form and join trade union communities in accordance with their choice and negotiate together.
2. Company Regulation Article 8 paragraph 1 concerning Recognition of Entrepreneurs to Trade Unions stating that Employers recognize that Trade Unions are legitimate Workers Company in representing and acting for and on behalf of all workers who are members and have relationships with employers as equal partners . CHAPTER II Article 6, paragraph 2, concerning the obligation of the Entrepreneur to the Workers Union, which provides an opportunity to the Board and / or members of the Trade Union to carry out trade union activities agreed upon by both parties and / or regulated in the applicable legislation.

There are 2 labor unions in PT Indotruba namely:

1. The Minamas Group Worker Union, established and accessed by staff (Manager, Section Chief, and Assistant Division).
2. Employee-level union named Federation of All Indonesian Workers Union of Agriculture and Plantation Sector Unit of PT Indotruba Tengah chairman of Dian Masruri. Already registered in the Manpower Office of Transmigration Kab. West Kotawaringin no. 05 / DTT / HIP-HI / VIII / 2013 dated 26th August 2013. With the composition of the board consists of:

- Chairman : Dian Masruri
- Vice Chairman : Wagito, Sarnudin, Parmin, Solikin, Widoyoto, & Iwan.
- Secretary and deputy secretary : Agus Wiyanto, Widodo Rolis, septa, sugiharto.
- Treasurer and deputy treasurer : Zainal abiding, bardi, and biran salafudin

The certificate holder conducts several meetings with the union. In this case the certificate holder shows the following documents as follows:

1. Meeting with certificate holder on March 30, 2017. The agenda is to discuss the revision of shift working hours of 2 Palm Oil Factory (PKS) to 40 hours a week. The meeting was attended by 4 people. The result of the meeting was agreed by both parties.
2. Labor union internal meeting on April 21, 2017. The Agenda is to change the work system harvest employees. The meeting was attended by 27 people consisting of labor union members. The result of the meeting is agreed by all participants and then submitted to the certificate holder and has been agreed.

Status: Comply

6.7

Children are not employed or exploited.

CH has a document on Sustainable Plantations Management Manual (No Policy 724 / TQEM-SPMS / 09) in which it regulates social policy. On point 6 states that Plantation Upstream Indonesia does not utilize underage labor (children).

Field observations at Sekunyir Estate, Seruyan Estate, Sekunyir Factory and document verification of employee data base period of September 2017 known that CH does not have / hire employees under the age of 18 years.

Status: Comply

6.8

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

6.8.1; 6.8.2; 6.8.3

CH has a Sustainable Plantation Management Code (No Policy 724 / TQEM-SPMS / 09) document. The document explained that all staff / employees should be treated fairly and fairly in matters relating to recruitment, progress, conditions and job descriptions, irrespective of race, degree, ethnicity, sex, color, imperfection, sexual orientation, organizational membership, political views, religion and age.

Interviews with plantation and factory employees (15 people), labor union (2 persons) and gender committee (3 persons) found that there was no discrimination against certain tribes, religions and gender in employment opportunities. Each employee has the same rights and obligations in accordance with their respective duties and responsibilities.

CH shows the employee list document for Sekunyir Estate, Seruyan Estate and Sekunyir Factory for the period of September 2017. The document describes the number of employees based on gender, religion, regional and tribal origin. It further explained that the company keeps all document of track record of selection process, appointment including health history of worker in HRD Department. Based on the review of documents of employment acceptance and promotion, it is known that the company gives and treats the same to all workers regardless of tribe, religion, gender, political orientation and so on. Non-discriminative policy is the company's permanent policy to be implemented.

Status: Comply

6.9

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

6.9.1; 6.9.2; 6.9.3

The certificate holder has several policy related documents to protect women's reproductive rights, sexual harassment and gender complaint handling as follows:

1. Sustainable Plantation Management Guidelines with No.policy 724/TQEM-SPMS/09 dated on August 27, 2010 concerning the development and implementation of policies to protect women workers against crimes and sexual harassment and to protect the rights related to female reproduction.
2. Specific complaints handling procedures for Gender issues within SOP of Gender Policy of Minamas Plantation (394 / ITH-KG-04/11) in Section 6.4.
3. Company Regulation period 2016-2018 in Article II Point 6b related to women workers is regulated by the policy of reproductive rights that is period of leave of menstruation and maternity leave / miscarriage.

CH has a gender committee, which is responsible for protecting workers' rights, gender equality in employment, sexual harassment and maternal and child health. Interviews with Gender Committee officials are known that policies on gender committees and grievance mechanisms are routinely communicated to female employees in every Gender Committee activity eg on 14 August 2017 at TPA Pondok 1 SKE in Posyandu and Counseling Activities related to Child Health and Nutrition Early. Up to the audit activities there has been no reporting related to sexual harassment or immoral acts. The

company also facilitates the activities of gender committees such as, providing / lending hall, clinics, vehicles and others.

Field observations, interviews and document verification are as follows:

1. Female spray workers in sekunyir Estate and female fertilizer workers in seruyan estate have known about the reporting mechanism in case of sexual harassment by reporting to the foreman and to the committee of gender.
2. CH provides the facility for child daycare (TPA). In addition to providing child daycare, CH also facilitates by providing equipment such as: child sling as much as 2 pieces, sleep swing as many as 8 pieces and toiletries. Interview with the child daycare officer is known that CH always meets the needs of child daycare in accordance with the existing procedures.
3. CH shows the certificate of pregnancy with number I / PLK-ITH / IV / 2017 on behalf of Sulistri, the position of the 3rd Division SKE maintenance worker, it is known that maternity leave is given for 3 months starting April 5, 2017 - July 18, 2017

Status: Comply

6.10

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

6.10.1 & 6.10.2

Until Recertification process, the PT Indotruba Tengah did not buy and received FFB from outsider, all of FFB was supplied from four own estates (Sekuyir and Seruyan Estate)

6.10.3

Based on verification of sample Letter of Work Agreement (No.003/SRE/SPK-LKL/VI/2017/TBS dated 05 June 2017) between PT Indotruba Tengah with Local Contractor (Mardiansyah) for FFB transport services from the area of the Seruyan Estate to Sekunyir palm Oil Mill area. The document contains a description of the Rights and Obligations of the Parties, including the obligation of the contractor to provide PPE for their employee. The Payment System is signed by both the Estate Manager and the Local Contractor, and approved by the General Manager Estate of Central Kalimantan. The contract document was kept by each party. There was also showed the Transportation Service Agreement (No.SKE/SPK-LKL/VI/2017/007, dated 16 June 2017). These document was explained about agreement between PT Indotruba Tengah and Local Contractor (Nasudi) for FFB transportation services from Sekunyir Estate area to Sekunyir Palm Oil Mill area. The document contains description of the Rights and Responsibilities of the parties, including the obligation of the contractor to provide PPE to their employees and the Payment System. These document was signed by both of parties and approved by the General Manager of Central Kalimantan and with a stamped IDR 6,000. Based on interview with two local contractor above that knew that they was understand of contract clause before signed. Both of parties, the company and the local contractor was kept the contract documents

6.10.4

The payment process by the PT Indotruba Tengah to local contractor was transfer to Bank Account, it based on clause of contract on chapter V & VI related to Progress and Payment Claim. Before payment will process, the company will verification and preparing several document comprise with: issued of Official Report of Work Checking by PT Indotruba Tengah, Invoice from the contactor, issued of Bank Voucher by the PT Indotruba Tengah and Receive from PT Indotruba Tengah to local contractor as payment evidence. Based on interview with two local contractors for FFB transportation service from Seruyan and Sekunyir Estate that knew of payment process was carry out consistently every end of month.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

Each unit has had a CSR program for the period 2016-2017 that was made in a participatory manner. The results of the document review indicate that the CSR program has created included the public input. The CSR activities are the procurement of honorary workers for kindergarten, the provision of fish seeds for lingga farmer group, the provision of fish cages for the lingga farmer group, the palm oil seedlings for the surrounding community, procurement of plastic waste bins, art gear equipment, village road maintenance, and mass circumcision.

6.11.2

Interviews with companies and government agencies it is known that the company does not have a farmers' scheme.

	Status: Comply	
6.12		
No forms of forced or trafficked labour are used.		
<p>A review of employee data documents for the period of September 2017 and valid employee work agreement note that there are no foreign, temporary or migrant working in the company. The result of the public consultation is known that no foreign, temporary or migrant worker is reported to the relevant agencies.</p> <p>Based on the results of interviews with harvest and spray worker in Seruyan Estate note that employees never get coerced to work on Sundays or outside working hours. Furthermore, the worker added that the workers have received socialization related to human rights and have understood about it. The same thing is conveyed when auditors conduct interviews with labor union and gender committees known that the company has conducted socialization related to human rights policy and has understood its intent and purpose. Until the audit activities carried out there has never been an incident of human rights violations that occurred in the company's operational scope.</p>		
	Status: Comply	
6.13		
Growers and millers respect human rights		
<p>CH has a human rights policy made in August 2015. In the human rights policy it is explained that SOU I Sekunyir PT Indotruba Tengah incorporated in Minamas Plantation Group is committed to protecting Human Rights of all staff and employees as well as employees including: to live, to the right of family and to the descent, the right to self-development, the right to justice, the right to personal liberty, the right to security, the right to welfare, the right to participate in the government, the right of women, the right of the child.</p> <p>Interviews with employees, labor unions and gender committees are known that the company has conducted socialization related to human rights policy and has understood the purpose and objectives. Until the audit activities carried out there has been no incidents of human rights violations that occurred in the company's scope.</p>		
	Status: Comply	
PRINCIPLE #7 Responsible development of new plantings		
7.1		
A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.		
7.1.1		
<p>The results of document review and interviews with management that known PT ITH does not use land clearing after November 1, 2005. Distribution of years planting in PT ITH comprised of 1992, 1993, 1994, 2013, 2014 and 2015. Year of replanting area is 2013, 2014 and 2015. Related to environment analysis document (see indicator 5.1.1)</p>		
7.1.2 & 7.1.3		
<p>The results of document review and interviews with management that known PT ITH does not use land clearing after November 1, 2005. Distribution of years planting in PT ITH comprised of 1992, 1993, 1994, 2013, 2014 and 2015. Year of replanting area is 2013, 2014 and 2015. Related to Management and environmental monitoring (see indicator 5.1.2 and 5.1.3)</p>		
	Status: Comply	
7.2		
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.		
7.2.1 & 7.2.2		
<p>The results of document review and interviews with management that known PT ITH does not use land clearing after November 1, 2005. Distribution of years planting in PT ITH comprised of 1992, 1993, 1994, 2013, 2014 and 2015. Year of replanting area is 2013, 2014 and 2015. Soil information and management strategies including replanting described indicator 4.3</p>		
	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 Sime Darby Plantation Sdn Bhd, as the parent of PT ITH has conducted disclouser of liability in accordance with the letter from the Head of PSQM Department on July 15, 2015 which explained that PT ITH did not performed land clearing after November 2005. According to the result of document review and interview with the management, PT ITH did not clear the land after 1 November 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.	
7.3.3 According to the result of document review and interview with the management, PT IHT was clearing the land for first time on November 13th 1991.	
7.3.4 and 7.3.5 HCV assessment and management plan of HCV has been describe in criteria 5.2.	
	Status: Comply
7.4	
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.	
7.4.1 and 7.4.2 Based on document verification and information from unit management, it could be concluded that there were no new land expansion and new planting areas in PT ITH after November 2005. Firsts land clearing has conducted in 1992-1994. Replanting has carried out in 2013-2015. Hence, this indicator is not applicable. However, the CH has information of soil properties which derived from semi detail soil survey report dated September 10 th 2016, conducted by MCR team in Februari to March 2015. The report informed that there were no presence of peat soil and fragile soils within PT ITH operational areas. Main limitation of soil properties for oil palm cultivation were due to low fertility, soil drainage properties and soil erosion.	
	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 Until ASA 1.2, the PT Indotruba Tengah did not extend their area for new plantation. The company just was carry out replanting for Period of 2013 till 2015 in Sekunyir and Seruyan Estate.	
	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, 7.6.2, 7.6.3, 7.6.4, 7.6.5 & 7.6.6 Until ASA 1.2, the PT Indotruba Tengah did not extend their area for new plantation. The company just was carry out replanting for Period of 2013 till 2015 in Sekunyir and Seruyan Estate.	
	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 Based on document verification and information from unit management, it could be concluded that there were no new land expansion and new planting areas in PT ITH after November 2005. Firsts land clearing has conducted in 1992-1994. Replanting has carried out in 2013-2015. Hence, this indicator is not applicable.	
	Status: Comply

7.8	
New plantation developments are designed to minimise net greenhouse gas emissions.	
7.8.1 & 7.8.2	
<p>According to the result of document review and interview with the management, PT ITH did not clear the land post November 1st 2005. The distribution of year of planting on PT ITH is consisted of year of planting on 1992, 1993, 1994, 2013, 2014 and 2015. Year of planting on 2013, 2014 and 2015 were on the replanting area.</p> <p>The Company does not produce High Carbon Stock (HCS) for not clearing land or new development but available GHG calculations using RSPO PalmGHG calculator (see indicator 5.6.3)</p>	
	Status: Comply
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity	
8.1	
Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.	
8.1.1	
<p>The Certificate Holder has been demonstrable several continuous improvement, consist of:</p> <p>Best Management Practices</p> <p>Based on field observation it could be concluded that in term of best management practices implementation, the company has adopting mechanization method for fertilizer application on flat areas by Emdek Turbo Spin Fertilizer Spreader.</p> <p>Social Impact Assessment</p> <p>Social and Environment Impact Assessment of Replanting of Period 2016 till 2019 in Sekunyir Estate and Seruyan Estate, Kotawaringin Barat District, Center Kalimantan Province. The assessment was done by AKSENTA Consultant. It was aim to know of social and environment impact of <i>replanting</i>.</p> <p>Environmental</p> <p>The company has conducted continuous improvement in environmental aspect, such as: conducting POME test periodically, testing of surface water quality and groundwater every 6 months, conducting air emission testing every 6 months, and stored scheduled waste scheduled waste storage and reporting the results of environmental management and monitoring to environment agency.</p> <p>Based on Nonconformities identified at ASA-1.1 in 2016, the Auditor team considers that there are recurrent inconsistencies at ASA-1.2 as a result of the inconsistency implementation of continuous improvement, consist of:</p> <p>Indicator 4.3.7</p> <p>Records of Safety and Health (OHS) program training (see 4.8) and Personal Protective Equipment (PPE) in accordance with hazard identification and risk analysis should be available to all workers.</p> <p>Indicator 5.3.3</p> <p>A waste management plan should be available that is documented and implemented to avoid and reduce pollution.</p> <p>SCCS D.2.2</p> <p>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (<i>RSPO IT platform or book and claim</i>).</p> <p>Based on the objective evidence above, the auditor team was issued of Non Conformity 2017.07</p>	
8.1.1	Status: Non Conformity 2017.07 with Major category
	Open

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module D) CPO Mills – Identity Preserved Requirements										
D1	Definition										
<p>D.1.1 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&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.</p>											
<p>Until ASA -1.2, the Sekunyir Factory only received FFB from certified plantation. The FFB supplied from two own estate; consist of Sekunyir and Seruyan Estate. The volume of FFB accepted from 23 November 2016 to 27 September 2017 was described on table below :</p>											
<table border="1"> <thead> <tr> <th>FFB Sources</th> <th>Volume (Ton)</th> </tr> </thead> <tbody> <tr> <td>Sekunyir Estate</td> <td>50,980</td> </tr> <tr> <td>Seruyan Estate</td> <td>46,564</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>97,544</td> </tr> </tbody> </table>			FFB Sources	Volume (Ton)	Sekunyir Estate	50,980	Seruyan Estate	46,564	Total	97,544	
FFB Sources	Volume (Ton)										
Sekunyir Estate	50,980										
Seruyan Estate	46,564										
Total	97,544										
<p>Status: Comply</p>											
D.2	Explanation										
<p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&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.</p>											
<p>The Sekunyir Factory is used RSPO supply chain of Identity Preserved module and until ASA-1.2 only received and processed RSPO Certified FFB from two own estates (Sekunyir and Seruyan Estate). The CPO and PK products of Sekunyir Factory from 23 November 2016 to 27 September 2017 (during ASA 2.1) describe on table below:</p>											
<table border="1"> <thead> <tr> <th>Products</th> <th>Actual certified products Period of 23 Nov. 2016 to 27 Sept. 2017 (ton/year)</th> <th>Tonnage estimation Of Certified Products Period of 23 Nov 2016 to 22 Nov. 2017 (ton/year)</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>20,965</td> <td>23,615</td> </tr> <tr> <td>PK</td> <td>4,408</td> <td>5,248</td> </tr> </tbody> </table>			Products	Actual certified products Period of 23 Nov. 2016 to 27 Sept. 2017 (ton/year)	Tonnage estimation Of Certified Products Period of 23 Nov 2016 to 22 Nov. 2017 (ton/year)	CPO	20,965	23,615	PK	4,408	5,248
Products	Actual certified products Period of 23 Nov. 2016 to 27 Sept. 2017 (ton/year)	Tonnage estimation Of Certified Products Period of 23 Nov 2016 to 22 Nov. 2017 (ton/year)									
CPO	20,965	23,615									
PK	4,408	5,248									
<p>Status: Comply</p>											
<p>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).</p>											

The Sekunyir Factory - PT Indotruba Tengah (Minamas Plantation) has been registered of certified products of RSPO (CSPO and CSPK) with e-trace- UTZ, Member ID: **RSPO_ PO100000321** (will end on 22/11/2017).

Based on PalmTrace data as of 27 September 2017 it is known that from Quota volume of Certificate Product of Sekunyir Factory period 23 Nov 2016 to 27 Sept.. 2017 are: **CPO = 23,615 MT** and **PK 5,248 MT**. From the quota is known there are still stocks (Remaining Stock) CPO = **17,765.32 MT** and **PK 981.85 MT**. Based on these data that known any production sold (transaction) of Certified Product for CPO **5,850 MT** and **PK = 4,266.15 MT**.

The Certificate Holder has shown the data related to the Certified Product transaction, which includes the Transaction Time, Buyer's Name and Transaction Volume information, however there is still a difference of **143.88 MT** for CPO data that has been transacted (if referring to Palm Trace data up to 27 Sept. 2017, CPO that has been transacted is 5,850 MT, while data from Certificate holder is 5,933.88 MT), while for PK there is difference of **0.05 MT**. **NCR 2017,07**

Certified CPO sold to each buyer period of 23 November 2016 to 27 September 2017:

Month	Year	Name of Buyer	Volume (Ton)
Nov	2016		
Dec	2016		
Jan	2017		
Feb	2017		
Mar	2017		
Apr	2017		
May	2017		
Jun	2017		
Jul	2017		
Aug	2017		
Sep	2017		
Total			

Certified PK sold to each buyer 23 November 2016 to 27 September 2017

Bulan	Tahun	Nama Pembeli	Volume (Ton)
Nov	2016		
Dec	2016		
Jan	2017		
Feb	2017		
Mar	2017		
Apr	2017		
May	2017		
Jun	2017		
Jul	2017		
Aug	2017		
Sep	2017		
Total			

Status: Non Conformity 2017.07 with Major Category

D.3 Documented procedures

D.3.1

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

- a. Complete and up to date procedures covering the implementation of all the elements in these requirements;**
- 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.

- a) The Certificate Holder has Procedure of Product Identification and Product Traceability (Number Policy: SCCS/ITH, dated of 31 August 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).
- b) Person in charge to ensure the implementation of this requirements, such as:
 - **Factory Manager**
 - Stores and maintains the entire documents and records of raw materials and supporting material utilization on production process and the quality of end product.
 - Performs verification of product, which being sent to buyers, in order to ensure the sent-product is in line with invoice, delivery order, and sales contract and signs minutes of product deliverance.
 - Provides sufficient training on supply chain certification to the entire staff who involve in supply chain stage from raw material acceptance to storage to product deliverance to final buyers.
 - **Plantation Sustainable Quality Management (PSQM) Assistant**
 - Ensures the quality of FFB in mill and makes daily recapitulation.
 - Conducts monitoring over delivery and loading the palm product
 - Conducts the analysis over raw material and product's quality on the entire production stages.
 - Stores, maintains and distributes the analysis result and examines the quality of raw material and product to related agencies.
 - **Assistant/Senior Assistant/ Bulking Manager** were in charge on transportation of CPO and PKO product from mill to bulking station.
 - **Production Administration** was recorded of FFB received and product dispatch

Based on interview with related staff, comprise of mill manager, administration staff, grading foreman and the weight bridge staff that indicated they was understand Sekunyir Factory only received and processed of certified FFB. All the FFB sources and entry to weight bridge area shall showed the FFB Delivery Note was stamp with RSPO code from estate. There was also showed the documentation of SCCS Socialization by staff of Plantation Service Quality Management (PSQM) in 22 September 2017. The documentation consist of socialisation material (presentation point), attendant list of participant (17 participant) and picture.

Status: Comply

D.3.2

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

The Sekunyir Factory only received and process the FFB from Certified Product consist of four own estates (Sekunyir and Seruyan Estate). The management of mill was able to describe and demonstrate the FFB receipt and process procedure. The company has had the procedure of the FFB receipt as written on the SOP in document number PMF/SOP. PBR dated June 22nd 2010. Each driver myuan Esust show the FFB Delivery Note from each estate. The FFB letter describes the origin of the FFB and its quantity. For example:

- **Sekunyir Estate:** FFB Delivery Note on Sept. 28th 2017 for FFB sent from Sekunyir Estate. It informs the vehicle police number (KH 8511 GD); the driver name (Sugeng); estimation tonnage (9,100 kg). These ticket has been stamped as RSPO-Certified. The FFB letter informs the Division, FFB letter serial number, vehicle police number, and trip number, hour of its outgoing, harvest date, planting year, section, block, FFB quantity and tonnage.
- **Seruyan Estate:** FFB Delivery Note on Sept. 28th 2017 for FFB sent from Seruyan Estate. It informs the vehicle police number (KH 9657 P); driver name (Supian); estimation tonnage (7,220 kg). The FFB letter informs the afdeling, FFB letter serial number, vehicle police number, and trip number, hour of its outgoing, harvest date, planting year, section, block, FFB

quantity and tonnage.	
	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.	
<p>Until the ASA-1.2, the Sekunyir Factory does not receive FFB from other not certified unit. The entire processed FFB in Pemantang POM came from own estate of PT Indotruba Tengah. The entire processed FFB is 100% RSPO certified-Identity Preserve. There is FFB Delivery Note and FFB Weight Bridge receipt (RSPO certified) from own estate, for instance:</p> <p>Sekunyir Estate <u>FFB Delivery Note (from estate)</u> Division: I Block: B 002 Delivery date: 28/09/2017 Serial number for fruit delivery note: 70118491 Vehicle number: KH 8511 GD Harvesting date: 28/09/2017 Cultivation year: 1992 Bunches: 395 FFB delivery note is completed with stamp 'RSPO Certified' and was checked by Security in Estate and Mill Gate</p> <p><u>FFB Receive Ticket (after weightbridge)</u> Ticket: 175465 Supplier: E394 Sekunyir Estate Transporter: E394 Sekunyir Estate Product: 003-LOOSE FRUIT Vehicle No: KH 8511 GD Driver Name: Sugeng Driver IC: 780823280132 D.O No: 39417011849 Remarks: Seal No: Harvest Date: 28/09/2017 Bunches: 395 Estate Wt. (Kg): 9,853 Estate ABW: 23.04 Mil Wt. (Kg): 8,580 Act ABW: 20.10</p> <p>Seruyan Estate <u>FFB Delivery Note (from estate)</u> Division: I Block: A 017 Delivery date: 28/09/2017 Serial number for fruit delivery note: 17011814 Vehicle number: KH 9657 FP Harvesting date: 28/09/2017</p>	

<p>Cultivation year: 1994 Bunches: 425 FFB delivery note is completed with stamp 'RSPO Certified' and was checked by Security in Estate and Mill Gate</p> <p><u>FFB Receive Ticket (after weightbridge)</u> Ticket: 175464 Supplier: E395 Seruyan Estate Transporter: E395 Seruyan Estate Product: 003-LOOSE FRUIT Vehicle No: KH 9657 FP Driver Name: Supian Driver IC: D.O No: 3951701184 Remarks: Seal No: Harvest Date: 28/09/2017 Bunches: Estate Wt. (Kg): 8,920 Estate ABW: 16.99 Mil Wt. (Kg): 10.510 Act ABW: 20.02</p>	
	Status: Comply
<p>D.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p>	
<p>Until ASA-1.2, the Sekunyir Factory– PT Indotruba Tengah acknowledged and claimed the certified product for a year for CPO product: CPO: 23,615 MT and Palm Kernel: 5,248 MT for period of 23 November 2016 till 22 November 2017. Based on production date from 23 November 2016 till 27 September 2017 during the ASA 2.1, total generated CPO and Kernel by Sekunyir was: CPO = 20,965 MT and Palm Kernel = 4.408 MT. The data revealed that the production of CPO and Kernel, which can be claimed by Sekunyir Factory – PT Indotruba Tengah had not exceeded the projected volume. The management of Sekunyir Factory – PT Indotruba Tengah has a commitment to provide information to PT Mutuagung Lestari in case there is an exceeding production of CPO and Palm Kernel from the projected volume.</p>	
	Status: Comply
D.5	Record keeping
<p>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.</p>	

The Sekunyir Factory – PT Indotruba Tengah, has a monitoring report for RSPO certified product (FFB, CPO & PK). Below was monthly production in three months basis.

Month	FFB Processed	Production	
		CPO	PK
Nov. 2016 to Jan 2017	23,376	5,119.39	1,023
Feb. to April 2017	21,470	4,656.52	1,020
May to Jul. 2017	29,485	6,188.01	1,334
August to Sept. 2017	23,212.68	501.22	1,032
<i>Total</i>	97,544	20,965	4,408

Status: Comply

D.6 Processing

D.6.1

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

The entire accepted and processed product in Sekunyir Factory comes from RSPO certified own estate. Until now Sekunyir Factory does not accept and process FFB from not certified sources. Based on the available document within the system, it reveals that the document consists of fruit delivery note, weighing ticket, Sales Contract and SIME Weigh program application, which explain the source of FFB (Division, harvesting block, cultivation year, number of bunches) to product such as CPO and PK that 100 % is a certified product (RSPO Certified). The entire document that related to product acceptance and processing and transportation process have been marked with stamp 'RSPO Certified' with **RSPO CERTIFIED-Identity Preserved**.

Based on document verification and field visit in Sekunyir Factory to verify the process from FFB received in mill, CPO and PK produced through to loading process of Certified Product (CPO and PK) from Sekuyir Factory to area of bulking in Sebuka – Pangkalan Banteng, the Certificate Holder can demonstrate the process was kept segregated the Certified Product from non-certified material.

Status: Comply

D.6.2

The objective is for 100 % segregated material to be reached

According to Procedure of Product Identification and Product Traceability (Number Policy: SCCS/ITH, dated of 31 August 2015.), at point 6.2 Traceability of Product and Declaration 6, PT Indotruba Tengah is able to produce the product physically for the RSPO certified and for the non-RSPO certified. The separation is conducted since the early FFB receive in mill, FFB grading process, FFB Process in mill, storage of CPO and PK to the storage tank, loading and storage of CPO in bulking area. The company shall not mix the certified product with the non-certified one as written on the clause of Module D.6 SCCS.

Based on documents verification and field visit in Sekunyir Factory and interview with weigh bridge and grading staff, its known that Sekunyir POM processes FFB into CPO and PK, which is 100 % comes from own estate. Verification over Sales Contract and Invoice document showed that the entire sold CPO and PK product is 100 % RSPO Certified product.

Status: Comply

3.3. Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	
ASA-1.2	The PT Indotruba Tengah has a certificate of approval numbers No. <i>MUTU-RSPO/001</i>	✓
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	
ASA-1.2	Since the PT Indotruba Tengah obtained RSPO certification dated 23 November 2010, does not use the logo both in the on-product and off-product.	✓
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	
ASA-1.2	Since the PT Indotruba Tengah obtained RSPO certification dated 23 November 2010, does not use the logo both in the on-product and off-product.	✓
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	
ASA-1.2	Since the PT Indotruba Tengah obtained RSPO certification dated 23 November 2010, does not use the logo both in the on-product and off-product.	✓
	Status: Comply	

3.4. Summary of RSPO Partial Certification.

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

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

		Secretariat on 2 December 2014 and 2 nd 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 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress. *Note: RSPO NPP Announcements for SDP can be found at http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14</p> <p>Auditor Verification:</p> <ul style="list-style-type: none"> • Karya Palma Estate (PT Sandika Natapalma) and Baturus Estate (PT Budidaya Agro Lestari) any new planting after January 1st 2010 and due to not conduct NPP. • RSPO NPP process has been completed in 2011 for a new mill in Liberia.
ii.	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company Group/Holding Statement: Sime Darby (Liberia) Plantation Inc. Status: Box G - Close for Monitoring Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/46 PT Mitra Austral Sejahtera (Sime Darby Sdn Bhd) Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/29</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are land conflict in :</p> <ul style="list-style-type: none"> • PT Mitra Austral Sejahtera, this issue are remain being resolved with RSPO dispute settlement facilities • PT Bina Sains Cemerlang, this issue was raise on 22 April 2017 and still being process to resolve.
iii.	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Company Group/Holding Statement: No stakeholder comments or complaints received.</p>

		<p>Auditor Verification: 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>Company Group/Holding Statement: None noted. No stakeholder comments or complaints received.</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for PT Budidaya Agro Lestari waiting for land title process.</p>

3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.5.1 Identification of Findings, Corrective Actions and Observations at ASA 1.1

NCR No.	: 2016.2	Issued by	: Ardiansyah
Date Issued	: 16 September 2016	Time Limit	: ASA-2.1
NC Grade	: Minor	Date of Closing	: 27 September 2017
Standard Ref. & Requirement	: 2.2.2 Legal boundaries are demonstrated clearly and maintained.		
Non-Conformance Description & Evidence observed (<i>dilengkapi oleh auditor</i>):			
The company has set up the boundary on the operational area but the installation of the stakes has not been referring to the legal limit owned (Buku Tugu).			
Root Cause Analysis (<i>filled by organization audited</i>):			
The removal of boundary pole No.12 to near main road at the beginning of plantation land clearing to facilitate monitoring and maintenance of HGU stakes.			
Correction (<i>filled by organization audited</i>):			
16 November 2016 The boundary pole No.12 has been placed in accordance with the legal limits held with evidence of the minutes and photos dated November 14, 2016.			
Corrective Action (<i>dilengkapi oleh organisasi yang diaudit</i>):			
Conducting monitoring and maintenance boundary pole of PT Indotruba Tengah on a regular basis every 6 months.			
Assessor Evaluation and Conclusion (<i>filled by auditor</i>):			
16 November 2016 The Company has shown documentation of remove process of boundary pole No. 12, but there is not enough evidence yet that the position (coordinates) of the boundary pole is No. 12 has been in accordance with the Book of Boundary Poles . The Company has also demonstrated the monitoring results of BPN checks in May 2016 which describes the monitoring time (month, year), documentation of the stakes (photo), the position of the stakes (good / broken / tilt), cleanliness (clean / dirty), color and identity faded / clear) as well as recommendations. However, the results of monitoring, has not indicated the suitability of the position (coordinates) stakes that exist in the field of Book of Boundary Poles. Based on the explanation above, the NCR 2016.02 is not fulfilled			
16 November 2016 Based on field observation for checking of Boundary No. 12 Block B003 Sekunyir Estate, it is known that the boundary has been moved to the outer boundary plantation area of PT Indotruba Tengah which is adjacent to the Amin Jaya Village community plantation and there is also a natural boundary of the ditch. Based on the verification of the benchmark monitoring document, it is known that the position of the boundary is close to the position based on the Book of Boundary Poles. Based on the evidence above, the non conformity in this indicator has been <i>Closed</i> .			
Verified by	: Oktovianus Rusmin		

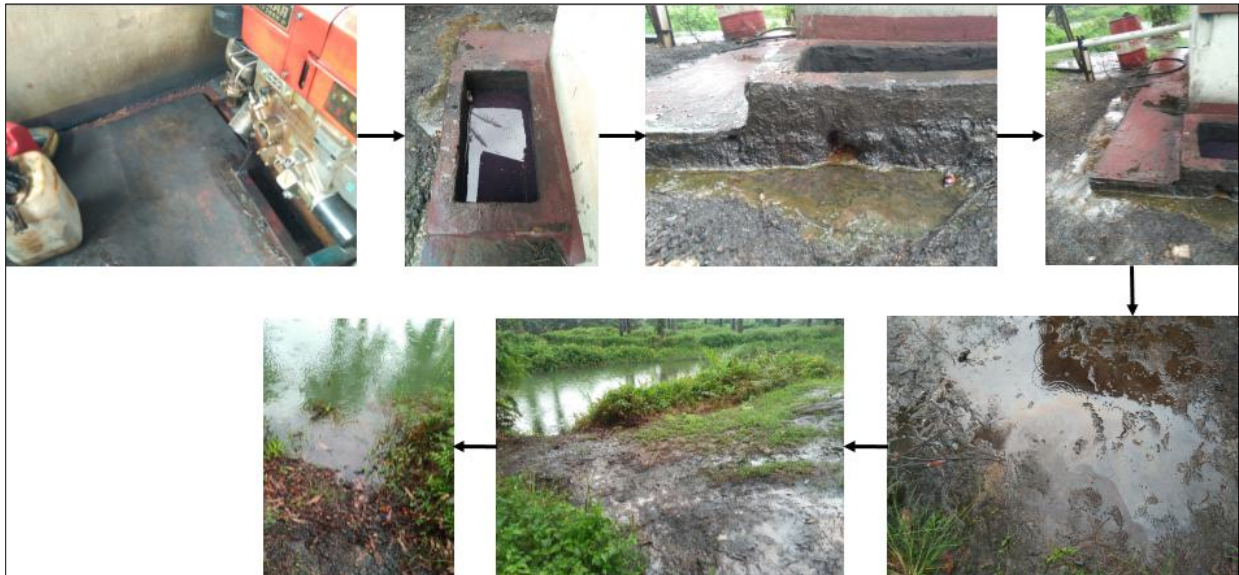
3.5.2 Identification of Findings, Corrective Actions and Observations at ASA 1.2

NCR No.	: 2017.01	Issued by	: Mohamad Amarullah
Date Issued	: 28 September 2017	Time Limit	: Next ASA
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	: 2.1.3 A mechanism for ensuring compliance shall be implemented.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
Based on list of OHS Licensed Operator review in Sekunyir Factory, Sekunyir Estate and Seruyan Estate, it was known that all Dump Truck Operator were not equipped with License as required by Minister of Manpower and Transmigration Regulation (Permenakertrans) No. 9/2010. Regarding this matter evaluation towards this regulation requirement has not carried out yet by the company.			
Root Cause Analysis <i>(filled by organization audited):</i>			
Correction <i>(filled by organization audited):</i>			
Corrective Action <i>(filled by organization audited):</i>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verified by	:		

NCR No.	: 2017.02	Issued by	: Sofyan Hadi Lubis
Date Issued	: 28 September 2017	Time Limit	: 27 November 2017
NC Grade	: Major	Date of Closing	: 10 November 2017
Standard Ref. & Requirement	: 4.4.2 Protection of water courses and wetlands, including securing and maintaining appropriate riparian and other buffer zones, at the time of or prior to replanting shall be demonstrated.		

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

Based on field visit to Block E06 Div. I Sekunyir Estate, visible reservoirs are contaminated with oil spilled from pump houses. Based on the HCV document study it is known that the reservoir is a conservation area, as well as interviews with pump house operators, it is known that the water from the reservoir is used for bathing, washing and toilet by employees of housing complex I & II. Related to that, the auditor team considered that the company has not implemented good protection practices to maintain the quality of surface water and ground water.



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

The company has made oil traps but is damaged by age and weather factor, so creating holes.

Correction *(filled by organization audited):*

Repair oil trap at pump house in Division I Sekunyir Estate to avoid leakage.

Corrective Action *(filled by organization audited):*

The company checks the condition of pump house and generator house every month in SKE to ensure no hazardous waste is spilled in the environment (checklist of inspection was attached). The following is also attached to the water quality reservoir analysis to support that the water reservoir is maintained and uncontaminated hazardous waste from the pump house.

Checks the condition of pump house and generator house are also conducted in each of the Seruyan Estate Division. The test results are attached as evidence of correction.

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

02 November 2017

The certificate holder has demonstrated evidence of record:

- Documentation of repair oil trap at pump house division I Sekunyir Estate. From the document it is known that oil trap condition is good, broken part has been repaired.
- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 27 October 2017 in Division I Sekunyir Estate, the result was no Hazardous Waste contamination in the area.
- Document of surface water test conducted on 10 October 2017 by Accredited Laboratories. The test results are in line with Government Regulation (Permenkes No. 416 / 1990), for example: Odorless, TDS 46 mg/liter, Turbidity 1.881 NTU, No taste, Color 3.37 TCU, Nitrate as N 1.33 mg/liter, Nitrite as N <0.00047 mg/liter, pH 6.93, KMNO4 3.79 mg/liter and Total Coliform <2ml/10ml.

05 November 2017

The certificate holder has demonstrated evidence of record:

- Checklist of inspection of pump house and generator house in Pondok II Division 3 Sekunyir Estate
- Checklist of inspection of pump house and generator house in Pondok I Division 1 & 2 Sekunyir Estate

10 November 2017

The certificate holder has demonstrated evidence of record:

- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in housing complex II Division 2 and 3 Seruyan Estate, the result was no Hazardous Waste contamination in the area.
- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in Pondok I Division 1 Seruyan Estate, the result was no Hazardous Waste contamination in the area.
- Documentation / photo of pump house and generator house repair.
- Internal Office Mail from Estate Manager Sekunyir Estate to All Assistant, All Generator House Operators and Pump House Sekunyir Estate on 01 October 2017. Internal Office is related to routine inspection of generator house and pump house and prohibition of ex hazardous waste reuse.

Based on the above explanation, the Non-conformance on this indicator is declared Closed and will become the auditor's attention on the next audit related to consistency and implementation.

Verified by : **Sofyan Hadi Lubis**

NCR No.	: 2017.03	Issued by	: Mohamad Amarullah
Date Issued	: 28 September 2017	Time Limit	: 27 November 2017
NC Grade	: Major	Date of Closing	: 14 November 2017
Standard Ref. & Requirement	4.7.3 Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The company has provide personal protective equipment (PPE) to all workers. This is shows through Letter of PPE's delivery and distribution records 2016/2017 and during field observation to Sekunyir Factory (SKF), Sekunyir Estate (SKE) and Seruyan Estate (SRE). However, based on observation and interview with Harvesters in Block C031 Divisi 2 SRE and D007 Divisi 1 SKE, Loosefruit Picker in Block C031 Divisi 2 SRE, Pesticide Applicators in Block E015 Divisi 3 SRE and Divisi 2 SKE Office, Fertilizer Applicators in Block C033/034 Divisi 2 SRE, Sortation Worker and Processing Station Operators, it was stated that PPE boot has only provided once a year. When it was broken (or improperly used), the worker should buy the boot by them self without reimbursement from the company. <u>Furthermore, based on PPE delivery records for period 2016/2017, it could be concluded that PPE boot has only given once for every workers mentioned above.</u> This is not accordance with Procedure No. 735/POD-K3/IX/2016 dated September 30 th 2016 about PPE which mentioned that broken PPE (boot) shall be replaced by the company.			
Root Cause Analysis <i>(filled by organization audited):</i> <ul style="list-style-type: none"> • Weak control of supervision (foreman / assistant) on employee APD conditions. • Employees whose APDs are damaged do not report to supervision (foreman / assistant) so that the management unit does not know if any APD employees have been damaged 			
Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> • The Company has provided Personal Protective Equipment (Safety Boot) to all employees in October 2017 (example of accompanying Handover Report attached). • Supervision (supervisor / supervisor) conducts routine monitoring every morning briefing on compliance of Personal Protective Equipment (PPE) and condition of PPE (eg monitoring is attached) 			
Corrective Action <i>(filled by organization audited):</i> The Supervision (assistant / foreman) conducts routine monitoring every morning briefing on compliance of PPE using and the conditions.			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> 05 November 2017 The certificate holder has presented evidence of the Personal Protective Equipment give to the workers (Safety boot) on 17 October 2017, consisting of: <ul style="list-style-type: none"> • Division 1: 46 harvesting employees, 22 pesticide applicators and 10 Fresh Fruit Bunch (FFB) transporters. • Division 2: 49 harvesters, 22 pesticide applicators and 9 FFB transport workers. • Division 3: 40 harvesters and 8 FFB transport workers. The above Personal Protective Equipment (PPE) submission image documentation is available. All news on the submission of (PPE) was signed by Estate Manager, Administration Head, Division Assistant and Division Administration concerned. <p>The management unit also shows the monitoring form of the daily PPE harvest usage, for example for October 2017. Form informs such as the name of the harvesting employees, the completeness of the APD and the work tools before work and after work, the conditions and records of the Foremen related to the conditions of PPE. The monitoring forms are signed by Harvest Foreman, Foreman 1, Assistant and Estate Manager.</p> <p>The auditor team has been able to receive evidence of improvements that have been demonstrated. However, Root Analysis and Corrective Action has not been formulated systematically and can guarantee that such Non-Conformity will not be repeated in the future.</p>			

Based on the above, the Non-conformance on this indicator has not been fulfilled (*Open*).

November 10, 2017

Root cause Analysis the problem has not been formulated in a systematic and simple way (still in the form of arguments that are too long).

Based on the above, the discrepancy in this indicator has not been fulfilled (*Open*)

November 14, 2017

The Certificate holder has made improvements to the Root cause Analysis based on actual conditions

Based on the evidence above, the non-conformity in this indicator has been fulfilled (*Closed*)

Verified by : **Mohamad Amarullah**

NCR No.	: 2017.04	Issued by	: Sofyan Hadi Lubis
Date Issued	: 28 September 2017	Time Limit	: Next ASA
NC Grade	: Minor	Date of Closing	: 14 November 2017
Standard Ref. & Requirement	: 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):*

Based on a field visit to the reservoir in Block E06 of Division I Sekunyir Estate, found:

- Scheduled waste of used former cotton in the area of the pump house of the Division I reservoir.
- Scheduled waste of agrochemical container reused for used oil container at Division I water pump house.

It is not accordance with:

- Identification of PT Indotruba Tengah Waste Management authorized by Sekunyir Estate & Seruyan Estate Manager stating that scheduled waste should be kept in scheduled waste storage.
- B3 & No B3 Waste Management SOP Revision 02 dated October 12, 2016 on re-use of used agrochemical container used for water spray and Pheromone-trap collection.



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

The problems are due to the lack of control from supervision (either Assistant or Foreman) as well as the indiscipline of the employees or pump house operators.

Correction *(filled by organization audited):*

To solve the problems, do as follows:

- Move all Hazardous Waste to Hazardous Waste Storage.
- Provide temporary shelters for advanced fabrics at generator house and pump houses
- Conduct regular checks to ensure no Hazardous Waste is spilled or reused at pump house

Corrective Action *(filled by organization audited):*

The management publishes a Memo intended for all assistants to routinely inspect the generator house and pump house to ensure no Hazardous Waste is spilled or reused. The memo is also intended for all generator house and pump house operators to prohibit operators from reusing Hazardous Waste and always clean the work area so no Hazardous Waste is spilled. Memo attached.

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

02 November 2017

The certificate holder has demonstrated evidence of record:

- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 27 October 2017 in Division I Sekunyir Estate, the result was no Hazardous Waste contamination in the area.

05 November 2017

The certificate holder has demonstrated evidence of record:

- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in Pondok II Division 3 Seruyan Estate, the result was no Hazardous Waste contamination in the area.
- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in Pondok I Division 1 and 2 Sekunyir Estate, the result was no Hazardous Waste contamination in the area.

10 November 2017

The certificate holder has demonstrated evidence of record:

- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in Pondok II Division 2 and 3 Seruyan Estate, the result was no Hazardous Waste contamination in the area.
- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in Pondok I Division 1 Seruyan Estate, the result was no Hazardous Waste contamination in the area.
- Documentation / photo of clean pump house from Hazardous Waste.
- Internal Office Mail from Estate Manager Sekunyir Estate to All Assistant, All Generator House Operators and Pump House Sekunyir Estate on 01 October 2017. Internal Office is related to routine inspection of generator house and pump house and prohibition of ex hazardous waste reuse.

14 November 2017

The certificate holder has demonstrated evidence of record:

- Documentation of hazardous waste removal from pump houses and generator houses to hazardous waste storage on 02 November 2017.
- Internal Office Mail from Estate Manager Sekunyir Estate to All Assistant, All Generator House Operators and Pump House Sekunyir Estate on 01 October 2017. Internal Office is related to routine inspection of generator house and pump house and prohibition of ex hazardous waste reuse.

Based on the above explanation, the Non-conformance on this indicator is declared Closed and will become the auditor's attention on the next audit related to consistency and implementation.

Verified by : **Sofyan Hadi Lubis**

NCR No.	: 2017.05	Issued by	: Yudhi Yuniarto Tallutondok
Date Issued	: 28 September 2017	Time Limit	: 27 November 2017
NC Grade	: Major	Date of Closing	: 16 November 2017
Standard Ref. & Requirement	: 6.5.1 Documentation of pay and conditions for employees based on the existing manpower regulations shall be available.		
Non-Conformance Description & Evidence observed (filled by auditor): <ul style="list-style-type: none"> • Overtime Wages Interview with union officer of PT Indotruba Tengah (2 persons), employee of pesticide applicator at Sekunyir Estate (10 persons), and document review List of contractor's salary Spray Sekunyir Estate July 2017 period, List of contractor wage Seruyan Estate Spray Period August 2017, it is known that contractor workers do not get a daily minimum wage in accordance with Provincial Minimum Sectoral Decree (UMSK) of 2017. This is not in accordance with Permenakertrans No 1 of 1999 (Article 13). • Minimum Wages Interview with union officer of PT Indotruba Tengah (2 persons), management, and document review of Inter Office Mail no. 086 / RSP-i2 / XII / 2016, Seruyan Estate Payroll Listing August 2017 period, Occupation Security Listing Sekunyir Estate Period August 2017, there is known that system of overtime pay at Seruyan Estate which is not in accordance with Kepmenakertrans No. 102 Year 2004, i.e workers who have worked overtime paid with premium wages system. 			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none"> • The overtime system for security at Seruyan Estate follows Inter Office Mail no. 086 / RSP-i2 / XII / 2016 where the head of security is determined the premium overtime in a month is 110 hours and for security premium overtime in a month is 85 hours. The determination of the overtime premium is to take into account the upper limit or maximum overtime possible by the security, especially in the event of significant events. The actual overtime for the security chief is currently the highest at 58 hours raw or 97 hours so (for August 2017). While the average member overtime hours are 51 hours raw or 84 hours so (for August 2017), • The existence of spray workers at Sekunyir Estate who have not received the wage in accordance with the Kotawaringin Barat District Sectoral Minimum Wage Year 2017 due to wage system in SKE for spray using the achievement amount of knap per perso/day. The amount of IDR/knap is determined based on agreement between assistant and worker with base of 12 Knap/person/day without considering Kotawaringin Barat District Sectoral Minimum Wage Year 2017. The price of IDR/Knap is determined Rp. 7,700, -. 			
Correction (filled by organization audited): <ul style="list-style-type: none"> • Overtime Wages <ol style="list-style-type: none"> 1. Recalculation of employees' overtime security hours using conditions which is regulated in Kepmenakertrans No. 102 Year 2004. 2. Pay the shortage of overtime pay for employees overtime hours over 85 hours (members) or 110 hours (head of security). • Minimum Wages <ol style="list-style-type: none"> 1. Recount of IDR / Knap with reference to Minimum Sectoral Wage Kotawaringin Barat District (UMSK) Year of 2017, ie UMSK / 25 Days / 12 Knap = IDR 8.370/Knap 2. Adjusting the monthly wage for the spray team in accordance with the achievement of the number of knap per day with the price per knap is IDR 8.370, - <p>November 5th, 2017</p> <ol style="list-style-type: none"> 1. The certificates holder in order to show proof of payment of deficiency for the period of October 2017. 2. For employee salary returns to be shown evidence in the form of a list of the employees overtime hours and calculations (compare with overtime calculation system in Kepmenakertrans No. 102 of 2004) so that wage pay is reimbursed. 			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> • Overtime Wages <ol style="list-style-type: none"> 1. The management issued a Memo to the head of administration and all the assistants in Sekunyir Estate regarding changes in the calculation of overtime and employee overtime security. 			

2. The head of the administration monitors the overtime and employee security overtime regularly every month to avoid any errors in counting
- Minimum wage
 1. The management issued a Memo to the Head of Administration and all Assistants at Sekunyir Estate about the change of rupiah / knap agreement that has been referring to Kotawaringin Barat District Sectoral Minimum Wage Year 2017
 2. The head of the administration monitors the spray team spray per division on a regular basis each month to avoid any errors in counting

05 November 2017

The certificate holder to attach memos (for overtime pay and minimum wage) as described above.

10 November 2017

In order for the holder of the certificate can also attach the List of contractor's salary Spray Seruyan Estate period September-October 2017. In order to ensure sufficient evidence is available that Inter Office Mail with the number 166 / SKE-Intern / X / 2017 has been implemented well in all management units.

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

05 November 2017

The certificate holder has shown improvement evidence in the List of contractor's salary Spray at Sekunyir Estate period September-October 2017, but evidence of improvement is not enough. The root cause and corrective action analysis has not been formulated systematically and can guarantee that such non-conformity will not be repeated in the future. Based on the above, the non-conformance on this indicator has not been fulfilled (Open).

10 November 2017

The certificate holder sends some improvement proof:

1. Recapitulation of deficiencies pay for security employee on Seruyan Estate period of August 2017.
 2. Inter Office Mail with number 100/SRE-Intern/X/2017 dated October 2nd, 2017 on the Calculation of Overtime and Wages of Security Employees.
 3. Inter Office Mail with the number 166/SKE-Intern/X/2017 dated October 1st, 2017 on Pricing of IDR / Knap for spray employees.
- Evidence of corrections submitted is not sufficient enough so that the certificate holder needs to present further evidence in accordance with the auditor's response on the corrective action column (List of contractor's salary Spray in Seruyan Estate period September-October 2017).

14 November 2017

There is no further evidence of improvement (List of contractor's salary Spray at Seruyan Estate in September-October 2017 period), as evidence that the IOM (policy) implemented at Sekunyir Estate has also been applied in Seruyan Estate. Based on the above, the Non-conformance on this indicator has not been fulfilled (Open)

16 November 2017

The certificate holder has shown some improvement evidence, namely:

1. Absence of spray employees in Division III Seruyan Estate, period 26 August to 25 September 2017.
2. List of salary for the underpaying of spray employees in Division III Seruyan Estate, periode of September 2017.
3. Absence of spray employees in Division III Seruyan Estate, period 26 September to 25 October 2017.
4. List of salary sprayer in Division III Seruyan Estate, period of October 2017.

Based on the evidences above, the Non-conformance on this indicator is Closed and will be the auditor's attention on the next visit related to consistency and implementation.

Verified by : **Yudhi Yuniarto Tallutondok**

NCR No.	: 2017.06	Issued by	: Team Auditor
Date Issued	: 28 September 2017	Time Limit	: 27 November 2017
NC Grade	: Major	Date of Closing	: 14 November 2017
Standard Ref. & Requirement	: 8.1.1 The action plan for monitoring shall be available, based on a consideration of the social and environmental impacts and routine evaluation of the plantation and mill operations.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on Nonconformities identified at ASA-1.1 in 2016, the Auditor team considers that there is a recurrence of non-conformity when ASA-1.2 as a result of the incomplete implementation of continuous improvement. Such mismatches are: <ul style="list-style-type: none"> • Indicator 5.3.3 A waste management plan should be available that is documented and implemented to avoid and reduce pollution. • SCCS D.2.2 The mill must meet all registration and reporting requirements for the appropriate supply chain through organizations that manage RSPO supply chain (RSPO IT platform or book and claim). 			
Root Cause Analysis <i>(filled by organization audited):</i> Indicator 5.3.3 The problems are due to the lack of control from supervision (either Assistant or Foreman) as well as the indiscipline of the employees or pump house operators. SCCS D.2.2 Certified product sales data is not yet available in the unit of mill because the username and password of the PT ITH e-trace site is only owned by the marketing department so that when the data is required the unit must request input data to the marketing department. Data sent to the unit in September 2017 is a screenshot of the screen and there is data that is cut off / incomplete, causing a discrepancy in the total number of volumes sold out product.			
Correction <i>(filled by organization audited):</i> Indicator 5.3.3 To solve the problems, do as follows: <ul style="list-style-type: none"> • Move all Hazardous Waste to Hazardous Waste Storage. • Provide temporary shelters for advanced fabrics at generator house and pump houses • Conduct regular checks to ensure no Hazardous Waste is spilled or reused at pump house SCCS D.2.2 To reconfirmation and verify to the marketing department at Jakarta head office related to the volume amount which is not in accordance with the remaining quota/remaining of RSPO certified product sales. Based on the latest data from the marketing department, then verified and found inequality due to data that is not in the data that was sent before. After verified, the number of volumes has been matched ie 5,850 MT CPO and 4,266.15 MT palm kernel.			
Corrective Action <i>(filled by organization audited):</i> Indicator 5.3.3 The management publishes a Memo intended for all assistants to routinely inspect the generator house and pump house to ensure no Hazardous Waste is spilled or reused. The memo is also intended for all generator house and pump house operators to prohibit operators from reusing Hazardous Waste and always clean the work area so no Hazardous Waste is spilled. Memo attached. SCCS D.2.2 <ul style="list-style-type: none"> • Monitoring every sale of RSPO certified products • Coordination and data delivery is done when the data input on the Palm Trace site by the Marketing Department • Data sent can be either completed or excel completed by loading all requested items according to monitori 			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Indicator 5.3.3			

02 November 2017

The certificate holder has demonstrated evidence of record:

- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 27 October 2017 in Division I Sekunyr Estate, the result was no Hazardous Waste contamination in the area.

05 November 2017

The certificate holder has demonstrated evidence of record:

- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in Pondok II Division 3 Seruyan Estate, the result was no Hazardous Waste contamination in the area.
- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in Pondok I Division 1 and 2 Sekunyr Estate, the result was no Hazardous Waste contamination in the area.

10 November 2017

The certificate holder has demonstrated evidence of record:

- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in Pondok II Division 2 and 3 Seruyan Estate, the result was no Hazardous Waste contamination in the area.
- Checklist inspection of Hazardous Waste contamination and condition of pump house and generator house. The latest inspection was conducted on 04 November 2017 in Pondok I Division 1 Seruyan Estate, the result was no Hazardous Waste contamination in the area.
- Documentation / photo of clean pump house from Hazardous Waste.
- Internal Office Mail from Estate Manager Sekunyr Estate to All Assistant, All Generator House Operators and Pump House Sekunyr Estate on 01 October 2017. Internal Office is related to routine inspection of generator house and pump house and prohibition of ex hazardous waste reuse.

14 November 2017

The certificate holder has demonstrated evidence of record:

- Documentation of hazardous waste removal from pump houses and generator houses to hazardous waste storage on 02 November 2017.
- Internal Office Mail from Estate Manager Sekunyr Estate to All Assistant, All Generator House Operators and Pump House Sekunyr Estate on 01 October 2017. Internal Office is related to routine inspection of generator house and pump house and prohibition of ex hazardous waste reuse.

Based on the above explanation, the Non-conformance on this indicator is **Closed** and will become the auditor's attention on the next audit related to consistency and implementation.

SCCS D.2.2

23 October 2017

The Certificate Holder has sent evidence of the form of RSPO Certified Product Sales Data (CPO and Palm Kernel). CPO sales data of 5,850 MT (same as Palm Trace data) and Kernel 4,668.76 MT (summation according to data submitted, not 4,266.15) there is still difference of 402.61. Root Cause Analysis of the most basic problem has not yet been identified.

Based on these evidence, the Non-conformance on this indicator is still stated Open

03 November 2017

The Certificate Holder has sent evidence of improvement of RSPO Certified Product Sales Data (CPO and Palm Kernel). CPO sales data 5,850 MT (same as Palm Trace data) and Kernel 4,266.15 MT (same as Palm Trace data). Root Cause Analysis of the problem has been well identified.

Based on the evidence above, the non conformity in this indicator is **Closed**.

Verified by

: Team Auditor

NCR No.	: 2017.07	Issued by	: Oktovianus Rusmin
Date Issued	: 28 September 2017	Time Limit	: 27 November 2017
NC Grade	: Major SCCS	Date of Closing	: 03 November 2017
Standard Ref. & Requirement	: D.2.2 The mill must meet all registration and reporting requirements for the appropriate supply chain through organizations that manage RSPO supply chain (RSPO IT platform or book and claim).		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
<p>The certificate holder has shown the sales data of the certified product, but the sales data has not been in accordance with the Palm Trace data as of September 2017.</p> <p>Based on Palm Trace data as of 27 September 2017, it is known that Quota Certified Product's Quotes Factory volume is November 23rd. 2016 to 22 Nov. 2017 are: CPO = 23,615 MT and PK 5,248 MT. From the quota is known there are still stocks (Remaining Stock) CPO = 17,765 MT and PK 981.85 MT. Based on the data it is known that it has been sold (transacted) Certified Product for CPO = 5,850 MT and PK = 4,266.15 MT. The Certificate Holder has shown the data related to the Certified Product transaction, which includes the Transaction Time, Buyer's Name and Transaction Volume information, but there is still a difference of 143.88 MT for CPO data that has been transacted (if referring to Palm Trace data up to 27 September 2017, CPO that has been transacted is 5,850 MT, while data from Certificate holder is 5,933.88 MT), while for PK there is difference of 0.05 MT.</p>			
Root Cause Analysis <i>(filled by organization audited):</i>			
<p>Certified product sales data is not yet available in the unit of mill because the username and password of the PT ITH e-trace site is only owned by the marketing department so that when the data is required the unit must request input data to the marketing department. Data sent to the unit in September 2017 is a screenshot of the screen and there is data that is cut off / incomplete, causing a discrepancy in the total number of volumes sold out product.</p>			
Correction <i>(filled by organization audited):</i>			
<p>To reconfirmation and verify to the marketing department at Jakarta head office related to the volume amount which is not in accordance with the remaining quota/remaining of RSPO certified product sales. Based on the latest data from the marketing department, then verified and found inequality due to data that is not in the data that was sent before. After verified, the number of volumes has been matched ie 5,850 MT CPO and 4,266.15 MT palm kernel.</p>			
Corrective Action <i>(filled by organization audited):</i>			
<ul style="list-style-type: none"> • Monitoring every sale of RSPO certified products • Coordination and data delivery is done when the data input on the Palm Trace site by the Marketing Department • Data sent can be either completed or excel completed by loading all requested items according to monitoring 			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
<p>23 October 2017 The Certificate Holder has sent evidence of the form of RSPO Certified Product Sales Data (CPO and Palm Kernel). CPO sales data of 5,850 MT (same as Palm Trace data) and Kernel 4,668.76 MT (summation according to data submitted, not 4,266.15) there is still difference of 402.61. Root Cause Analysis of the most basic problem has not yet been identified. Based on these evidence, the Non-conformance on this indicator is still stated Open</p>			
<p>03 November 2017 The Certificate Holder has sent evidence of improvement of RSPO Certified Product Sales Data (CPO and Palm Kernel). CPO sales data 5,850 MT (same as Palm Trace data) and Kernel 4,266.15 MT (same as Palm Trace data). Root Cause Analysis of the problem has been well identified. Based on the above, the non conformity in this indicator is Closed.</p>			
Verified by	: Oktovianus Rusmin		

3.5.3 Opportunity for Improvement

No	Ref.Std	Description
1	Major 4.7.2	<ul style="list-style-type: none"> The company has an opportunity ensuring masker (respirator) used by Pesticide Applicators are in accordance with MSDS products. The company has an opportunity to evaluate HIRAC description on complete PPE explanation towards type of works and its hazard risk analysis.
2	Minor 5.2.3	Companies have the opportunity to ensure that no worker captures, harms, collects or kills protected, rare, threatened, and endangered species in a periodic animal monitoring component.

3.5.4 Noteworthy Positive Components







No	Description
1	Has earned the RSPO Certificate 2010; ISPO 2014 & ISCC 2014.
2	Award from the Ministry of Environment & Forestry (Corporate Performance Rating Program in Environmental Management - Blue PROPER , 2015 – 2016).
3	Zero Accident Award from Central Kalimantan Provincial Government 2017.
4	Award from the Central Bureau of Statistics Jakarta 2017 in providing information about the industrial sector.

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

Public Issues	Auditor Responses
<p>Villager (Community Representatives), Community Informal Leader & Local Government (Pembuang Hulu & Amin Jaya Village) The discussion was conducted by Focus Group Discussion (FGD) method. Some discussion points:</p> <ul style="list-style-type: none"> • The impact of plantation operations; road access and working opportunity for village surround • Some of the aid that has been given by the company: <ul style="list-style-type: none"> - Aid for religion day event - Heavy Equipment for road maintenance - Fresh water in dray season • There are no issues and conflicts of land tenure between the company and the surrounding Community • There are also no issues related to the complaints of surrounding communities oto the and factories, and operation of plantation and mill.. • During the one year period there are no cases of negative impacts on the operation of plantation and mill (eg , environmental pollution) • There was no cases of land fires during the past year <p>Aspiration:</p> <ul style="list-style-type: none"> • Information about employment opportunities and new employee recruitment to be more extended to the surrounding community • The company is more proactive in providing opportunities for productive business activities for the surrounding community 	<p>Based on verification on related Indicators: Indicator 2.2.3 to 2.2.6 and 2.3.1 to 2.3.3 does not indicate a conflict between the company and the surrounding community.</p> <p>Indicator 6.3.1 & 6.3.2, there are no significant complaints from the other parties</p> <p>Indicator 6.11.1 & 6.11.2, the company has implemented/provided assistance to the surrounding community and the opportunity to adapt social governance activities based on community needs and based on more participatory planning</p>
<p>Local Contractor (FFB Transporter from Sekunyir & Seruyan Estate) The discussion was conducted by Interview method. Some discussion points:</p> <ul style="list-style-type: none"> • Cooperation with the company (PT Indotruba Tengah) has been started since 2015, currently there are 2 truck units used for the transportation of FFB from the plantation area to the location of the Sekunyir Factory • Information about partnership opportunities with companies is obtained directly from company human relation staff • At the time of starting in cooperation with PT Indotruba Tengah , there is a contract signed by both parties and each keeps the document • In the contract have been listed : <ul style="list-style-type: none"> - Provisions of the company to be followed by the contractor (Driver has License and still valid) - Use of Personal Protective Equipment (Helmet & Shoes) - Payment time 	<p>Indicator 6.10.1 & 6.10.2, there was no smallholder scheme</p> <p>Indicator 6.10.3 & 6.10.4 the company has provided opportunities to several local contractors for the transportation of FFB from Sekunyir and Seruyan Estate</p>

Public Issues	Auditor Responses
<ul style="list-style-type: none"> • Timely payment in accordance with clauses describes in the document contract that is at the end of each month and can be taken through Branch of Bank Nasional Indonesia in Pangkalanbun <p>Aspiration:</p> <ul style="list-style-type: none"> • Payment adjustment of FFB transport with vehicle repair cost and spare part price • More opportunities for local contractors to partner with PT ITH 	
<p>Labor, Social and Transmigration Agency of Kotawaringin Barat District.</p> <ul style="list-style-type: none"> - The salary workers have been paid in accordance with government regulation. - Overtime workers have been paid in accordance with the applicable provisions. - The company has provided housing facilities, clean water, electricity, religious facilities, clinic, and school facilities. - There was no issue related to child labor and discrimination. - Until now there was no issues related to work accidents. - Labor Agency already know what data or information that can be requested to the company. 	<p>In general all comments given by stakeholders are positive related to labor aspects. This is in conformity with indicator 6.5.3; 4.7.5; 6.7.1; but related to the salary workers become to nonconformity at indicator 6.5.1 and 6.5.2</p>
<p>Plantation Department of Kotawaringin Barat District.</p> <ul style="list-style-type: none"> - The company has reported the Plantation Business Progress Report / LPUP. - The company already has fire extinguishers. Until now there was no issue of land fires. - There was no peatland in land permit / HGU. - There was no overlap with plantation or other industries. - Stakeholders already know what data or information that can be requested to the company. 	<p>In general all comments given by stakeholders are positive to the environmental aspects. This is in conformity with Criterion 1.1, 5.5, 4.3, 2.2,</p>
<p>Environment Agency of Kotawaringin Barat District.</p> <ul style="list-style-type: none"> - The Company has environmental document (AMDAL and RKI/RPL). - The Company has licensed to utilization of POME in the land (Land Application). - The Company has Scheduled Waste Storage. - The company has monitored the environmental impacts in accordance with the monitoring plan specified in the RPL/RPL document 1994, such as: testing the quality of POME, testing the quality of air emission and ambient, etc. - The company has been managing scheduled waste. - Environment Agency already know what data or information that can be requested to the company. 	<p>In general all comments given by stakeholders are positive to the environmental aspects. This is in conformity with indicator 5.1.1; 2.1.1; 5.1.3; but related to scheduled waste management become to nonconformity at indicator 5.3.3.</p>
<p>National Land Agency (BPN) of Kotawaringin Barat District. Auditor did not do the interview because respondents were not at at the office.</p>	
<p>Committee Gender</p> <p>1. There has been a gender committee organizational structure</p>	<p>This is in accordance with the criteria of 2.1 associated legal</p>

Public Issues	Auditor Responses
<p>PT ITH with Decree number 006 / SP-KG / 2016 which ratified on January 1, 2016.</p> <ol style="list-style-type: none"> 2. Policies regarding gender committee has been communicated to female employees who conducted in August located in the Hall of PT ITH. 3. committee gender provided work programs such as maternal and child socialization activities, the socialization of gender policy committee, and others. 4. There has been a reporting mechanism in case of immoral acts and sexual harassment. 5. Reproductive rights policy has been regulated under company regulations PT ITH. 6. During the time there is no associated reporting sexual harassment or immoral actions .. 7. The company facilitates activities such as the gender committee, halls, clinics, vehicles. Etc 	<p>compliance and regulations.</p> <p>This is in accordance with the criteria of the policy 6.9 gender and reproductive rights.</p>
<p>Labour Union</p> <ol style="list-style-type: none"> 1. There are labour union organizational structure for the 2013-2018 period. 2. labour union registration Into Social Service Manpower and Transmigration district of Kotawaringin Barat 3. The policy concerning freedom of association and organization are known and there is no compulsion to follow the labour union. 4. labour union has known about District Minimum Wage of Kotawaringin Barat is IDR 2,511,053 / month which valid from January 2016 and be back pay paid on February 2016 5. Particular Working Agreement (PKWT) which has been working since 2011, but has not been appointed permanent employee. 6. contractor workers do not get a daily minimum wage in accordance with Provincial Minimum Sectoral Decree (UMSK) of 2017 7. system of overtime pay at Seruyan Estate which is not in accordance with Kepmenakertrans No. 102 Year 2004, i.e workers who have worked overtime paid with premium wages system .* expectation : Security patroly on payday. 	<ol style="list-style-type: none"> 1. This is in accordance with the criteria of 2.1 related to legal and regulatory compliance. 2. This is in accordance with the criteria of 2.1 related to legal and regulatory compliance. 3. This is in accordance with the criteria of 6.6 related to labour unions. 4. This is in accordance with the criteria of 1.1 related to providing information to stakeholders 5. This isn't in accordance with the criteria of 2.1, NCR No 2017.01 6. This isn't in accordance with the criteria of 6.5, NCR No 2017.06 7. This isn't in accordance with the criteria of 6.5, NCR No 2017.06

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>PT. Indotruba Tengah Head of PSQM Plantation Minamas Indonesia</p>  <p><u>Mohamad Pirabharan</u> 22 November 2017</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Oktovianus Rusmin</u> 22 November 2017</p> </td> </tr> </table>	<p>PT. Indotruba Tengah Head of PSQM Plantation Minamas Indonesia</p>  <p><u>Mohamad Pirabharan</u> 22 November 2017</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Oktovianus Rusmin</u> 22 November 2017</p>
<p>PT. Indotruba Tengah Head of PSQM Plantation Minamas Indonesia</p>  <p><u>Mohamad Pirabharan</u> 22 November 2017</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Oktovianus Rusmin</u> 22 November 2017</p>		

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Labor, Social and Transmigration Agency of Kotawaringin Barat District.	Kotawaringin Barat District.		Interview	September 26, 2017	✓	
2	Plantation Department of Kotawaringin Barat District.	Kotawaringin Barat District.		Interview	September 26, 2017	✓	
3	Environment Agency of Kotawaringin Barat District.	Kotawaringin Barat District.		Interview	September 26, 2017	✓	
4	National Land Agency (BPN) of Kotawaringin Barat District.	Kotawaringin Barat District.		Interview	September 26, 2017		✓
5	Villager (Community Representatives), Community Informal Leader & Local Government (Pembuang Hulu & Amin Jaya Village)	Kotawaringin Barat District.		Interview	September 27, 2017	✓	
6	Local Contractor (FFB Transporter from Sekunyir & Seruyan Estate)	Kotawaringin Barat District.		Interview	September 27, 2017	✓	
7	Harvester: Seruyan Estate: 1 Foreman & 4 Harvester Sekuyir Estate: 1 Foreman & 2 Harvester	Housing complex of Seruyan Housing complex of Sekunyir		Interview	September 26, 2017	✓	
8	Agrochemical Aplicator: Seruyan Estate: 1 Foreman & 12 Aplicator Sekuyir Estate: 1 Foreman & 2 Aplicator	Housing complex of Seruyan Estate Housing complex of Sekunyir Estate		Interview	September 27, 2017	✓	
9	Gender Committee	Housing complex of Sekunyir Estate		Interview	September 28, 2017	✓	
10	Workers Union Representation	Housing complex of Sekunyir Estate		Interview	September 28, 2017	✓	
11	Sekunyir POM: • Sortation (Foreman & 2	Housing complex of Sekunyir POM		Interview	September 28, 2017	✓	

operators) • Loading Ramp (2 operators) • Sterilizer (2 operators) • Engine Room (1 operator) • Clarification (1 operator)						
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Appendix 2. Assessment Program

DATE TANGGAL		25 to 29 September 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 25 September 2017			
06.40 - 08.00	06.45 -08.10	JAKARTA → PANGKALANBUN	
09.00 - 11.00	09.00-11.10	Traveling from Pangkalanbun to Pangkalan Banteng Bulking	Auditor Team
12.00 -13.00	12.00 -13.10	Traveling from Pangkalan Banteng Bulking to Plantation Area	Auditor Team
14.00 - 14.30	14.00 -14.30	Opening Meeting <ul style="list-style-type: none"> • Auditee Speech (Introduction of PIC, Profile of Mill and Estates Management Unit) • Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification) 	MR of PT Indotruba Tengah
14.30– 17.00	14.30-17.00	<ul style="list-style-type: none"> • Review of Previous Visit Non-conformance (ASA 2.1) • Document Verification: <ul style="list-style-type: none"> • Verification of Time Bound Plan & Partial Certification • Basic Information • Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare • Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Environmental/Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area, Peat Area (Water management, etc) • Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) • Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) 	Auditor Team ORN MAR YYL MAR SHL ORN YYL
Tuesday, 26 September 2017			
08.00 – 15.00	08.00 – 16.00	Stakeholder Consultation to Related Agency in Pangkalanbun	SHL
08.00 – 12.00	08.00-12.15	Field Observation to Seruyan Estate <ul style="list-style-type: none"> • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) & Implementation of Occupational Health & Safety Aspect • Implementation of Environmental, Waste Management (Domestic Waste Management, Fire Control Facilities and HCV Area). • Implementation of Legal Aspect (Land Ownership, Legal Boundaries), Stakeholder Consultation to Community Surround • Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance) • Observation of Workers Facilities (Housing, School, Worship Place, Clinic, etc). 	MAR, YYL ORN ORN YYL YYL
12.00 – 14.00	12.00 –14.00	Break	
14.00 – 17.00	14.00 –17.00	Clarification of Field Observation & Completing of Check List	Auditor Team
Wednesday, 27 September 2017			
08.00– 12.00	08.00– 12.10	Field Observation to Sekunyr Estate <ul style="list-style-type: none"> • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) & Implementation of Occupational Health & Safety Aspect • Implementation of Environmental, Waste Management (Domestic Waste Management, Fire Control Facilities and HCV Area). 	MAR, YYL SHL

DATE TANGGAL		25 to 29 September 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries), Stakeholder Consultation to Community Surround • Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance) • Observation of Workers Facilities (Housing, School, Worship Place, Clinic, etc). 	ORN YYL YYL
12.00 – 14.00		Break	
14.00 – 17.00		Clarification of Field Observation & Completing of Check List	Auditor Team
Thursday , 28 September 2017			
08.00-12.00	08.00-12.00	Field Observation to Sekunyir POM <ul style="list-style-type: none"> • SCCS Verification • Production/Processing and Health & Safety • Emergency Equipment Check & Emergency Team Interview • Hazardous Waste Storage, POME + Land Application • Management of Environment (Environment monitoring station & GHG, etc) • Worker Facilities (Housing, health clinic, clean water, etc) • Worker Rights (Status, Payment Condition, Gender Aspect, etc) • Internal Stakeholder Consultation (Labour Union & Gender Committee) • Local Contractor Interview 	ORN MAR MAR SHL SHL YYL YYL ORN
12.00–14.00		Break	
14.00–15.00	14.00-15.00	• Clarification of Field Visit & Completing of Check List	Auditor Team
15.00–18.50	15.00–18.55	• Team Auditor Meeting (Preparation for Audit Conclusion)	Auditor Team
19.00– 21.00	19.00– 22.30	• Closing Meeting	MR of PT Indotruba Tengah & Auditor Team
Friday , 29 September 2017			
07.00 -10.00	07.00 -09.45	Travel from Plantation Site to Pangkalanbun	Auditor Team
11.30 - 12.45	11.40 - 12.55	PANGKALANBUN → JAKARTA	Auditor Team