



# Roundtable on Sustainable Palm Oil

## Annual Surveillance Audit Report

Report no.: ASA1\_82450216035

Surveillance assessment against the  
RSPO Principles & Criteria [NI P&C RSPO 2013 for Indonesia] and RSPO SCCS November 2014

### **Wilmar International Limited**

### **PT Murini Sam Sam Plantation and Mill**

**Head Office :**

Multivision Tower 15<sup>th</sup> floor, Jl. Kuningan Mulia Kav.9B, Guntur, Setiabudi Village, Kuningan Sub District, South Jakarta District, DKI Jakarta Province, Indonesia

**Representative Office :**

Jl. Soekarno–Hatta, Komplek Sentral Komersial Arengka (SKA) Blok F79–F80, Pekanbaru – Riau 28294, Indonesia

**Estate & Mill :**

Jl. Lintas Pekanbaru-Duri, KM 92.8, Pangkalan Libut Village, Pinggir Sub-district, Bengkalis District, Riau Province, Indonesia  
Date of assessment: May 8<sup>th</sup> to 12<sup>h</sup>, 2017

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## 1.0 SCOPE OF ANNUAL SURVEILLANCE AUDIT

### 1.1 National Interpretation Used

The operations of the palm oil mill(s) and its supply base of FFB were assessed against the national interpretation RSPO Principles and Criteria 2013 for Indonesia of the RSPO Principles & Criteria and RSPO Supply Chain Certification November 2014 with selected Supply Chain Model Mass Balance (Module E).

### 1.2 Type of Assessment

The 1<sup>st</sup> annual surveillance audit was carried out on 1 (one) mill and 1 (one) estate under PT Murini Sam Sam owned by Wilmar International Limited.

### 1.3 Certification Details

The details of RSPO certification of PT Murini Sam Sam are as per the table below:

**Table 1: RSPO Certification details of PT Murini Sam Sam**

<b>RSPO Membership no.:</b>	2-0017-05-000-00.
<b>RSPO Certificate no.:</b>	824 502 16035
<b>Date of first RSPO certificate &amp; validity:</b>	2016-06-09 until 2021-06-08
<b>Date of recertification audit:</b>	2015-11-03 to 2015-11-06
<b>Date of previous surveillance audit:</b>	-
<b>Date of revised RSPO certificate &amp; validity (if applicable):</b>	-
<b>CPO tonnages claimed:</b>	<b>5,093.00</b>
<b>PK tonnages claimed:</b>	<b>1,411.00</b>
<b>Mill capacity</b>	<b>90</b>
<b>Net GHG Calculation this year (tCO<sub>2</sub>e/tCPO)</b>	<b>1.28</b>

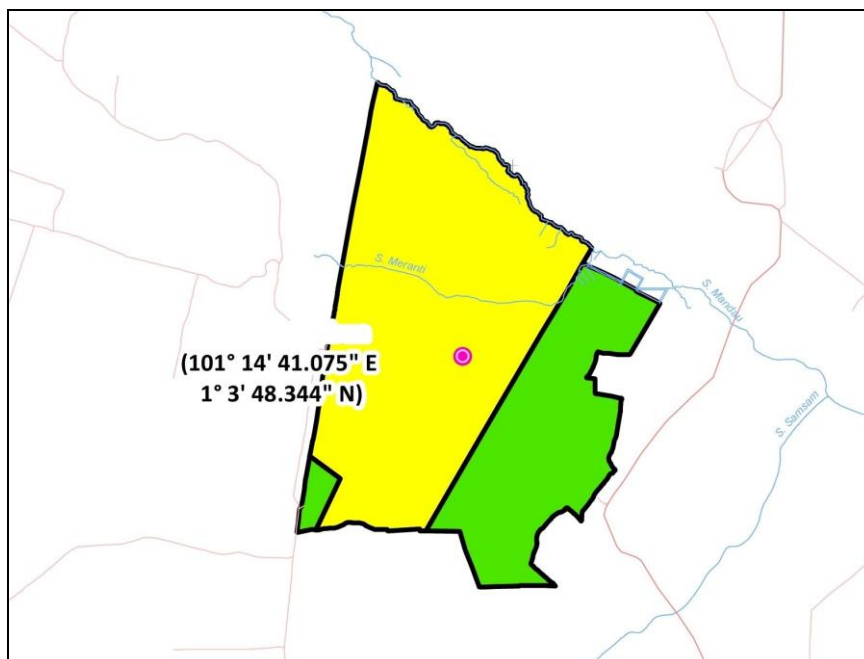
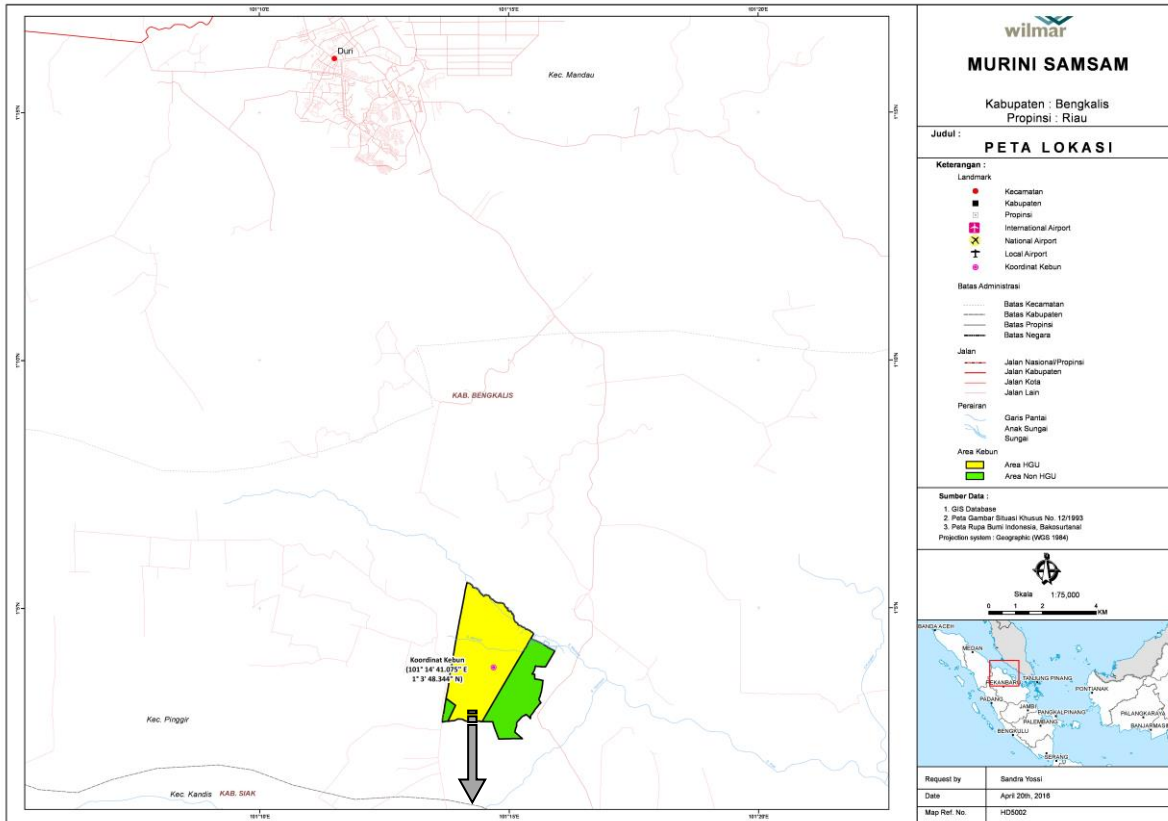
**1.4 Location and Maps**

**Table 2: GPS locations for all estates and mills included in annual surveillance assessment**

Name of mill / estate	Location	GPS locations	
		Latitude	Longitude
PT Murini Sam Sam Palm Oil Mill	Pangkalan Libut Village, Pinggir Sub-district, Bengkalis District, Riau Province, Indonesia.	1°3'37.27"	101°14' 21.92"
PT Murini Sam Sam Estate	Jl. Lintas Pekanbaru-Duri, KM 92.8, Pangkalan Libut Village, Pinggir Sub-district, Bengkalis District, Riau Province, Indonesia.	1°3' 48.34"	101°14' 41.08"

**Figure 1: Location map of PT Murini Sam Sam in Bengkalis District, Riau, Indonesia**





**Figure 2: GIS map of PT Murini Sam Sam Estate (Scale: 1:75,000) with close-up of estate boundary. Yellow region is the HGU area (certified) and green region is the non-HGU area (not yet certified)**

**1.5 Organisational Information / Contact Person**

Contacts details of the company are as follows:

<b>Company Name:</b>	PT Murini Sam-Sam
<b>Address:</b>	<p><b>Head office:</b> Multivision Tower 15<sup>th</sup> floor, Jl. Kuningan Mulia Kav.9B, Guntur, Setiabudi Village, Kuningan Sub District, South Jakarta District, DKI Jakarta Province, Indonesia.</p> <p><b>Branch office:</b> Jl. Soekarno–Hatta, Komplek Sentral Komersial Arengka (SKA) Blok F79–F80, Pekanbaru – Riau 28294, Indonesia</p> <p><b>Plantation &amp; Mill :</b> Jl. Lintas Pekanbaru-Duri, KM 92.8, Pangkalan Libut Village, Pinggir Sub-district, Bengkalis District,Riau Province, Indonesia</p>
<b>Contact Person:</b>	<b>Mr Priadi</b>
<b>Telephone:</b>	+62 813 74813864
<b>Email:</b>	<a href="mailto:priadi@wilmar.co.id">priadi@wilmar.co.id</a>

**1.6 Description of Supply Base**

**Table 3: FFB Supply Information for PT Murini Sam-Sam Mill year 2016 & year 2017 (April 2017)**

FFB Contributors	FFB supplied year 2016*		FFB supplied year 2017 (until April 2017)**	
	Tonnes	%	Tonnes	%
<b>Company owned estates (certified):</b>				
PT Murini Sam Sam estate (HGU area)	12,889.95	3.57	9,156.65	12.36
<b>Sub Total</b>	<b>12,889.95</b>	<b>3.57</b>	<b>9,156.65</b>	<b>12.36</b>
<b>Other supplier (non-certified):</b>				
PT MSS Estate Non-HGU area	6,552.64	1.81	4,654.88	5.28
Independent outgrower	341,800.09	94.62	60,293.95	81.36
<b>Sub Total</b>	<b>348,352.73</b>	<b>96.43</b>	<b>64,948.83</b>	<b>87.64</b>
<b>Total</b>	<b>361,252.68</b>	<b>100.00</b>	<b>74,105.48</b>	<b>100.00</b>

\*) January to December 2016 (after grading)

\*\*\*) January to April 2017 (after grading)

**1.7 Actual production volumes, tonnages and projected outputs.**

**Table 4: Certified tonnages claimed, certified tonnages purchased or sold, total and projected CPO and PK production from PT Murini Sam-Sam**

	Amount (T)	
	2016	2017
<b>Certified tonnages previous claimed</b>	CPO: 6,435	PK: 1,778
<b>Certified tonnages sold*</b>	CPO: 1,748.79	PK: 466.77
<b>Certified tonnages purchased*</b>	0.00	
<b>Actual Production*</b>	CPO: 62,904.94 PK: 18,350.62	
<b>Actual certified production*</b>	CPO: 2,291.39 PK: 654.56	
<b>Actual OER &amp; KER</b>	OER: 17.85 & KER: 5.25	
<b>Total FFB receipt by MSS POM year 2016</b>	361,252.68	
<b>Actual certified FFB year 2016</b>	12,889.95	
<b>Projected FFB for next 12 months</b>		368,940.00
<b>Projected certified FFB for next 12 months</b>		22,100.00
<b>Projected total output for next 12 months CPO &amp; PK</b>		CPO: 97,704.00 PK: 20,716.50
<b>Projected certified output for next 12 months CPO &amp; PK</b>		CPO: 3,927.17 PK: 1,131.52
<b>Projected OER &amp; KER for next 12 months.</b>		OER: 17.77% & KER : 5.12%

\*Data from January until December 2016

**1.8 Dates of Plantings and Replanting Cycles**

The company follows a replanting cycle of 25 years. Information on the dates of plantings are as per the table below.

**Table 5: Age and year of plantings of company estate supplying to PT MSS mill**

Age & Year of Plantings	Oil palm planted area at PT Murini Sam (ha)
1993 (24 years old)	177.2
1995 (22 years old)	628.33
1996 (21 years old)	44.78
<b>TOTAL</b>	<b>850.31</b>

\*Note: The company had also planted 438.79 ha of oil palm within the non-HGU area. Since the company has not obtained the Land Use Rights certificate (HGU) for this area yet, this is removed from the table until it is confirmed to be included in the certification scope.



**Table 6: Planned and actual oil palm replanting activities for PT Murini Sam-Sam**

There has been no replanting carried out since the establishment of the estate in year 1999. The company plans to carry out their first round of replanting in year 2018 for total of 330.22 ha for year 1993 planted area.

Year	Total planned replanting area for PT MSS estate	Actual total area replanted (ha)
2016	-	-
2017	-	-
2018	330.22*	-
2019	-	-
2010	-	-

\*Note: This does not include planned replanting area for the non-HGU area, in which 250.08 ha of year 1991 plantings is also planned for replanting, hence total planned replanting area including non-HGU area is 529.53ha.

**1.9 Area of Plantation (Total, Planted and Mature)**

**Table 7: Oil Palm Planted Area Summary, FFB Production and Average yield/ha for PT Murini Sam-Sam**

**Year 2016 (January until December 2016)**

Estate Name	Total area (ha)	Oil Palm Planted area (ha)	Mature (Production) area (ha)	Immature (Non-production) area (ha)	FFB Production* (tonnes)	Average yield/ ha
Murini Sam-Sam	967.00	850.31	850.31	-	12,889.95	15.16
<b>TOTAL</b>	<b>967.00</b>	<b>850.31</b>	<b>850.31</b>	<b>-</b>	<b>12,889.95</b>	<b>15.16</b>

Note: \* Production from January until December 2016 (after grading)

**Year 2017 (January until April 2017)**

Estate Name	Total area (ha)	Oil Palm Planted area (ha)	Mature (Production) area (ha)	Immature (Non-production) area (ha)	FFB Production* (tonnes)	Average yield/ ha
Murini Sam-Sam	967.00	850.31	850.31	-	9.156.65	10.77
<b>TOTAL</b>	<b>967.00</b>	<b>850.31</b>	<b>850.31</b>	<b>-</b>	<b>9.156.65</b>	<b>10.77</b>

Note: \* Production from January until April 2017 (after grading)

**Table 8: Land use data for PT Murini Sam Sam**

Estate Name	Total area (ha)	Rubber Planted Area (ha)	Oil Palm Planted Area (ha)	HCV/ Potential HCV areas (ha)	Land used for other purposes (ha)			
					Housing, Road, Drainage	Not plantable area	Mill	Enclave
Murini Sam-Sam (HGU Area)	967.00	-	850,31	52.92	35.70	8.95	19.12	-
<b>Not included in current certification scope (for reference only):</b>								
Non-HGU area	466.00	-	438.79	0.86	25.05	1.30	0.00	-
<b>Total</b>	<b>1,433.00</b>	<b>-</b>	<b>1,289.10</b>	<b>53.78</b>	<b>60.75</b>	<b>10.25</b>	<b>19.12</b>	<b>-</b>

**1.10 Progress against Time Bound Plan**

**Table 9: Time Bound Plan of the Other Management Units**

<b>Name of Holding</b>	<b>Location</b>	<b>Time bound plan for certification (year)</b>	<b>Remarks</b>
Sapi (1 + 2)	Sandakan, Sabah	2008	Certified
Sabahmas	Lahad Datu, Sabah	2008	Certified
Reka Halus	Sandakan, Sabah	2008	Certified
Saremas (1 + 2)	Miri Serawak	2008	Certified
Kaminsky	Miri Serawak	2008	Certified
Suai	Miri Serawak	2008	Certified
Segarmas	Miri Serawak	2008	Certified
Terusan (1 + 2)	Sandakan, Sabah	2009	Certified
Kiabau	Sandakan, Sabah	2009	Certified
Ribubonus	Sandakan, Sabah	2009	Certified
PT Perkebunan Milano (Sungai Daun, Batang Saponggol & Merbau estate)	North Sumatra	2009	Certified
PT Mustika Sembuluh	Central Kalimantan	2009	Certified
PT Kencana Sawit Indonesia	West Sumatra.	2010	Certified
PT Kerry Sawit Indonesia	Central Kalimantan	2010	Certified
PT Tania Selatan (Burnai Barat & Burnai Timur estate)	South Sumatra	2010	Certified
Hibumas	Sandakan, Sabah	2010	Certified
Sri Kamusan	Sandakan, Sabah	2010	Certified
Sekar Imej	Sandakan, Sabah	2010	Certified
Aktif Kukuh & Koerasi	Sandakan, Sabah	2010	Certified
PT AMP Plantation	West Sumatra	2011	Certified
PT Primatama Muliajaya	West Sumatra	2011	Certified
PT Agro Nusa Investama (Sambas)	West Kalimantan	2012	Certified
PT Buluh Cawang Plantations (include Bambu Kuning estate (PT Tania Selatan))	South Sumatra	2012	Certified
PT Bumi Sawit Kencana	Central Kalimantan	2012	Certified
PT Sarana Titian Permata	Central Kalimantan	2012	Certified
PT Gersindo Minang Plantations	West Sumatra	2013	Certified
PT Daya Labuhan Indah (Cabang Dua Estate)	North Sumatra	2013	Certified
PT Permata Hijau Pasaman	West Sumatra	2013	Certified
PT Perkebunan Milano	North Sumatra	2013	Certified

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Name of Holding	Location	Time bound plan for certification (year)	Remarks
BBPOP (Benso Plantation)	Ghana	2015	Certified
PT Mentaya Sawit Mas	Central Kalimantan	2014	Certified
PT Sinarsiak Dianpermai	Riau	2018	Pre assessment done
PT Agronusa Investama (Landak)	West Kalimantan	2018	Rescheduled
PT Agronusa Investama (Pa-hauman)	West Kalimantan	2018	Rescheduled
PT Murini Sam Sam	Riau	2015	Certified
PT Agro Palindo Sakti	South Sumatra	2014	Certified
PT Agro Palindo Sakti 2	West Kalimantan	2018	Rescheduled
PT Musi Banyuasin Indah	South Sumatra	2018	Rescheduled
PT Karunia Kencana Permai Sejati	Central Kalimantan	2015	Main Assessment done & waiting for certificate
PT Rimba Harapan Sakti	Central Kalimantan	2015	Certified
PT Bumipratama Khatulistiwa	West Kalimantan	2016	Main Assessment done & waiting for certificate

**New Development Area under Wilmar International**

Name of Holding	Location	Total area	NPP Status according to RSPO NPP procedure
PT Agro Indah Persada	Merangin. Jambi	1,200 ha	Approved
PT Agro Nusa Investama Sambas	Sambas, West Kalimantan	1,024 ha	Approved
Biase Plantations (Ibiae Estate)	Calabar, Nigeria	5,594 ha	Approved
Biase Plantations (Calaro Extension)	Calabar, Nigeria	3,066 ha	Approved
Eiyup Industry (Oban Estate)	Calabar, Nigeria	2,986 ha	Not submitted (Pending HCV/HCS study)
Biase Plantations (Biase estate)	Calabar, Nigeria	8,029 ha	Overlapping boundaries

**1.11 Compliance to Rules for Partial Certification**

Compliance of the uncertified management units of Wilmar International Indonesia against the rules for partial certification according to RSPO Certification System clause 4.2.4 was assessed by reviewed Wilmar Plantation self assessment reports. A summary of findings is as stated below.

Partial Certification Requirements	Audit Findings
(a) The parent organization or one of its majority owned and / or managed subsidiaries is a member of RSPO.	Wilmar International Indonesia is RSPO member with membership number <b>2-0017-05-000-00</b> .
(b-d) A challenging time-bound plan for certifying all its relevant entities is submitted to the Certification Body (CB) during the first certification audit. The time-bound plan should contain a list of subsidiaries, estates and mills.  Any revision to the time-bound plan or to the circumstances of the company shall cause the plan to be reviewed. for whether it is still appropriate, such that changes to the time-bound plan are permitted only where the organisation can demonstrate that they are justified	Refer to the time bound plan under Section 1.10 above
(e) No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure	There are some newly developed plantation areas under Wilmar International such as in Jambi province, West Kalimantan province Indonesia and Nigeria. Some areas have undergone the New Planting Procedure (NPP) and been approved such as PT Agro Indah Persada, PT Agro Nusa Investama Sambas, Biase Plantation (Ibiae Estate, Nigeria), Biase Plantation (Calaro Extension, Nigeria), while some areas are still undergoing the NPP such as Biase Plantation (Biase estate, Nigeria) and Eiyup Industry (Oban estate, Nigeria)
(f) Land conflicts, if any, 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.	PT Asiatic Persada, which was previously a subsidiary of Wilmar had a significant land conflict issue but has been sold to other plantation company and is now no longer a subsidiary of Wilmar Plantation.  Wilmar International carried out the New Planting Procedure for BIASE Plantation Limited (Ibiae estate) in Nigeria with an announcement made on the RSPO website on 9 November 2012. During this NPP process, a complaint was submitted by the Rainforest Resource & Development Centre (RRDC) on behalf of the Ibiae Land Lord Community. The complaint covered infringements to several aspects of Principle 1 and Principle 2 of the RSPO P&C. The case was taken up and investigated by the RSPO Complaints Panel, with decision made for RSPO to a lawyer well acquainted with Nigerian laws to review and give an authoritative opinion on whether the company had complied with the legal requirements of Nigeria. The legal opinion was received by the RSPO on 27 August 2014, and based on this opinion, the RSPO confirmed that BIASE Plantations was in compliance with legal requirements and closed the case. However, the result

	<p>was not accepted by RRDC as well as the NGO, Friends of the Earth and the issue remains ongoing with no resolution. As the company has complied with requirements to attempt to resolve the dispute through the RSPO grievance procedure, this is noted by the TUV Rheinland audit team as an observation and progress of the case will be monitored.</p> <p>Further details on this case are available here: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/26">http://www.rspo.org/members/complaints/status-of-complaints/view/26</a> .</p> <p>There is also on ongoing land dispute at PT Gersindo Minang Plantation (GMP), West Sumatra under Wilmar, which has been ongoing since year 1997 with the village of Jaorang Rantau. This company has been RSPO certified by another certification body who is monitoring the status of the dispute with the RSPO.</p>
(g) Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	There are no other identified labour disputes ongoing at other subsidiary companies of Wilmar.
(h) Legal non-compliance, if any, are being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Some of Wilmar's other management units have not complied with certain legal requirements, for example in PT Sarana Titian Permai, PT Kerry Sawit Indonesia, PT Mustika Sembuluh estate under another Wilmar International management unit, there is an issue with the land area stated in the land use right certificate (HGU). However, the company is taking action by inviting the National Land Agency (BPN) to remeasure the land and resolve the issue. The process is still ongoing.</p> <p>At time of this audit, the company was still making efforts to close these legal non-compliances.</p>

**1.12 Compliance to other RSPO Procedure**

RSPO NPP	-
RSPO Compensation and Remediation procedure	-
Areal Subject to sanction	-

**1.13 Compliance to RSPO Guidance on GHG calculation**

During the audity, the audit team verify and confirm that:

The RSPO PalmGHG Calculator used	Version 3.0.1
Accurate data has been put into the RSPO PalmGHG Calculator	Yes
Net GHG Emission Figure (tCO2e/tCPO)	1.28

**1.14 Progress of associated smallholders or outgrowers towards RSPO compliance**

The mill only received crop from PT Murini Sam Sam estates and from independent third party sources, and has not associated smallholders. Therefore the company does not have any plan for certification of associated smallholders.

**1.15 Revised Approximate Tonnages Certified**

The tonnages certified have been revised from the previous amount stated in the RSPO certificate issued in year 2016 due to a decrease in the projected estimates (CPO and PK). The revised approximate tonnages certified (as per Appendix 1), based on production in 2017 are as follows:

Crude Palm Oil (CPO) : 3,927.17 mt  
 Palm Kernel (PK) : 1,131.52 mt

**1.16 Other Achievement s and Certification Helds**

Name of mill / estate	Certification Standard / Award achieved	Certification Body / Awarder	Date Achieved
PT Murini Sam-Sam Estate	Zero Accident Award for achieving 1,415,744 working hours without any accidents, calculated since 1 January 2012 until 31 December 2014	Manpower Department of the Republic of Indonesia	31 August 2015
PT Murini Sam-Sam Palm Oil Mill	Performance Rating Program in Environmental Management (PROPER) Level: Blue	Ministry of Environment and Forestry	For period of 2013-2014
PT Murini Sam-Sam Palm Oil Mill	CSR Best Practice for MDG's in Conjunction with Indonesia Development Goals Category: Silver for increasing the age of children participating in year 9 education through the 'Wilmar Education Partnership Program'	Coordinating Minister for People's Welfare, Republic of Indonesia	15 September 2011

**2.0 ASSESSMENT PROCESS**

**2.1 Certification Body**

PT TUV Rheinland Indonesia is member of Group TÜV Rheinland Group, a global leader in independent testing and assessment services. The TÜV Rheinland Group was established in 1872 with offices located in over 490 locations in 62 countries on all five continents. PT TUV Rheinland Indonesia offers certification for a wide range of management systems according to established international standards including ISO 9001, ISO 14001, OHSAS 18001, SA 8000, as well as CDM Validations and Verifications. PT TUV Rheinland Indonesia's office is located in Jakarta.

**2.2 Qualifications of Lead Assessor and Assessment Team**

The assessment team members of this surveillance audit that were part of the same assessment team for the certification audit are as follows:

1. Naik Monang Parlindungan Lingga

New assessment team members that were not part of the previous assessment team are as per the table below:

Name	Position	Qualifications / Experience
Ade Sudiana	Lead Auditor	<p><b>Education:</b> Bachelor of Forestry, Faculty of Forestry, Bogor Agricultural University</p> <p><b>Trainings attended:</b> Awwarness training of ISO 9001, 14001 and 18001, in-house training of ISO 19011 and ISPO, Training of Lead Auditor for ISO 9001 (2016) Training of Assesorfor Sustainability Natural Forest Management (SFM) by The Indonesian Ecolabelling Institute (2008), Training of Auditor for Sustainability Forest Management By center for Educational and Training of Forestry, Department of Forestry (2010), Examination of competency for auditor of Sustainability Forest Management by Personal Certification Body-Rhino (2014), Training of Auditor For ISPO (2016) by ISPO Comission, Training of Lead Auditor for RSPO (2016), Training of lead auditor for SCCS (2017).</p> <p><b>Working experience:</b> Consultant and Trainer of : Quality Management Sys-tem (ISO 9001), Environment Management System (ISO 14001), Safety Management System (SMK3/ OHSAS 18001), ISPO (Indonesian Sustainable Palm Oil), Consultant and trainer in PT FOCUS (2008-2015 ; Auditor of: Sustainability Forest Management (SFM) for Plantation and Natural Forest (2010-now), RSPO &amp; ISPO (2016-now), Auditor in PT Forestcitra Sejahtera (2008-2016), Auditor in PT TUV Rheinland Indonesia (2016-now)</p>
Panggading Nainggolan	Auditor	<p><b>Education:</b> Bachelor of Social, Institut Ilmu Sosial dan Ilmu Politik, Jakarta.</p> <p><b>Training attended:</b> RSPO in house training by Mutu Agung Lestari, ISPO Training by Komisi ISPO and <i>Awareness QHSE (management system review dan integrated management system concept</i> ISO 9001, 14001, OHSAS, Lead Auditor training RSPO by Proforest, SCCS lead auditot by</p> <p><b>Working experience:</b> Komisi Nasional Perlindungan Anak – Community Relationship Staff, Divison Staff of Education Program – Common Ground Indonesia, Reporter on Global Informasi Bermutu, Producer on Netwave Multimedia, Producer on Satu Visi Perkasa Produksi, Project Supervisor on Surya Solusi Informasi and Auditor PT TUV Rheinland Indonesia.</p>

**2.3 Assessment Methodology & Agenda**

The surveillance audit was conducted between 8-12 May 2017 as per the assessment program below. The assessment was carried out in accordance with PT TUV Rheinland Indonesia’s RSPO audit procedure as well as the RSPO Certification Systems document. During assessment, the qualified TUV Rheinland assessors used the RSPO standard as endorsed for the country in which the assessment took place and recorded their findings.

Due to the location and proximity of the estates, combined with common management systems, it was possible to carry out both field and document assessments of all estates and the mill within the time frame without compromising the integrity of the assessment in anyway.

All 1 estate and 1 mill were visited and the assessment team carried out field and document assessments of compliance to all the RSPO principles and criteria. Common systems were identified and specific evidence was recorded for individual estates. Interviews were conducted at all estates and the mill.

The company proposed the correction and corrective action for all identified non conformities raised to the certification body 30 days after the closing meeting. Verification of closure of major non-conformances was conducted 2 months after the closing meeting of the main assessment and implementation of corrective actions for minor non-conformities will be verified during the next surveillance audit. The certification assessment agenda is as explained below.

**Surveillance Assessment Agenda.**

Date	Location/ Main sites	Main activities
8 May 2017	-	Travelling from Jakarta to mill location
	Mill Office	Opening Meeting
8 May 2017	Mill Office	Verification previous audit findings Verification of document relate of : <ul style="list-style-type: none"> <li>• Good Factory Practices</li> <li>• Waste management (hazardous waste store, palm oil mill effluent treatment ponds, mill license for temporary hazardous waste storage, license for land application, land application records)</li> <li>• Pollution prevention control</li> <li>• Water management</li> <li>• OSH system (fire simulation records, medical check reports for year 2016)</li> <li>• Warehouse (mill compound, chemical store)</li> <li>• Worker facilities, medical facilities at PT MSS Mill</li> <li>• Environmental (Environmental Management and Monitoring Program) and implementation reports, environmental objectives, targets and improvement plan, greenhouse gas calculation sheet, renewable energy efficiency analysis document)</li> <li>• Training (boiler operator training certificates and licenses)</li> <li>• Consultation with local community supplier</li> <li>• SCCS</li> </ul>
9 May 2017	Mill Office	Verification previous audit findings Verification of document and field related of : <ul style="list-style-type: none"> <li>• Good Factory Practices</li> <li>• Waste management (hazardous waste store, palm oil mill effluent treatment ponds, mill license for temporary hazardous waste storage, license for land application, land application records)</li> <li>• Pollution prevention control</li> <li>• Water management</li> <li>• OSH system (fire simulation records, medical check reports for year 2016)</li> <li>• Warehouse (mill compound, chemical store)</li> <li>• Worker facilities, medical facilities at PT MSS Mill</li> <li>• Environmental (Environmental Management and Monitoring Program) and implementation reports, environmental objectives, targets and improvement plan, greenhouse gas calculation sheet, renewable energy efficiency analysis document)</li> <li>• Training (boiler operator training certificates and licenses)</li> <li>• Consultation with local community supplier</li> <li>• SCCS</li> </ul>



10 May 2017	Estate Office	<p>Verification previous audit findings Verification of document and field related of all estate :</p> <ul style="list-style-type: none"> <li>• Good Agricultural practices</li> <li>• Legal land and maintenance of boundary stones/pillars</li> <li>• HCV document</li> <li>• OHS system (accident records, recommendation letters for transfer of work for workers found with high blood cholinesterase levels and pregnant female sprayers, evidence of transfer to other work for aforementioned workers, OSH policy, OSH committee letter of approval from the Manpower Department).</li> <li>• Waste ( medical waste disposal records)</li> <li>• Legal requirement register</li> <li>• Insurance of worker (Jamsostek) payment records for temporary workers</li> <li>• Interview with harvesters and harvesting supervisor</li> <li>• Interview with sprayers</li> <li>• Hazardous waste store</li> <li>• Fertilizer store</li> <li>• Sprayer's washroom</li> <li>• Chemical container and fertilizer and washing area</li> <li>• Housing compound</li> <li>• Domestic waste landfill</li> <li>• Clinic</li> <li>• Consultation with local community leader of Sei Kunyit village</li> </ul>
12 May 2017	Mill Office	Closing Meeting

**Agenda for Verification of Closure of Major Non-conformities**

This agenda is not applicable because there is no verification of closure of major non-conformities is need to be done

Date	Location / Main sites	Auditor	Main activities
-	-	-	-

**2.4 Stakeholder Consultation and Stakeholders Contacted**

The stakeholder consultation involved both external and internal stakeholders. External stakeholders were notified to make comments on the certification assessment by placing an invitation to comment on the RSPO website. Stakeholders included those immediately linked with the operation of the company such employees, out-growers, the local government, NGO's, trade and labour unions and local communities.

Stakeholder consultation visited to stakeholder's location and interviews. Meetings with stakeholders were held to seek their views on the performance of the company with respect to the sustainability practices outlined in the RSPO Principles & Criteria, and to comment on aspects where improvements could be made. Meetings with local communities were held at their respective premises within and near the company's area. A stakeholder consultation meeting was also held at the PT Murini Sam Sam Palm Oil Mill on 3 November 2015. Letters inviting individual stakeholders to the stakeholder consultation meeting were prepared and sent to the individual stakeholders, while electronic mail and telephone calls were made to arrange the meetings

In all the interviews and meeting, the objectives of the RSPO and the purpose of the assessment was clarified at the outset followed by an evaluation of the relationship between the stakeholders and the company before discussion proceeded to obtain the stakeholders feedback on the company’s compliance to different aspects of the RSPO Principles & Criteria. Although several stakeholders were not familiar with RSPO but they agreed with its objective and expressed their willingness to collaborate in the promotion of sustainable palm oil in West Sumatera province. In all interviews and meeting, the assessment team did not restrict discussion of both the positive and negative aspects of operations conducted by PT MSS estates and mill.

The stakeholder consultation meeting held with stakeholders during the audit was extensive and productive, with an attendance of more than 37 person. This was followed by site inspections, including visits to the local communities, interviews with land claimants and contractors, and inspections of worker amenities and infrastructure. All stakeholder issues raised were recorded and forwarded to the management for their written response, and this is summarized in Section 3.4. The list of stakeholders that attended the stakeholder consultation meeting and stakeholders interviewed during the assessment is included as Appendix 3.

### 3.0 ASSESSMENT FINDINGS

#### 3.1 Summary of Findings

During the surveillance audit, there is 1 identified nonconformities was assigned during this year surveillance audit i.e. 1 non conformity against Major Compliance indicator while 0 nonconformity were assigned against Minor Compliance Indicator, 9 observations or opportunities for improvement were identified. Further explanation of the non-conformities raised and corrective actions taken by the company are provided in Section 3.3. The observations & opportunities for improvement are listed in Section 3.4.

The following is a summary of findings made for the criteria listed in the RSPO Principles & Criteria [NI P&C RSPO 2013 for Indonesia] for detail information about company’s compliances to RSPO P & C.

***Criterion 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.***

**Findings:**

The company is using Standard Operating Procedure (SOP) No. PRO-BM-007 issued date August 1 2015, as the guidance of responding and information request from stakeholders. The company still follows these procedures and showed that they keep to their commitment for transparency. Every information request from stakeholder has responded properly. Stakeholders from local community that has been interviewed during this audit informed that PT MSS is very open to communication. The records of incoming and out-coming letters have been maintained at least 3 years as described by the SOP.

PT. MSS has Communication logbook and records of aid request such as :

- a. Letter no. 264 / UNILAK-02 / .39 / 2017 from Lancang Kuning University to mill management dated April 16, 2017 regarding request for data related to activities in PKS, letter response No. 022 / Ext-PKS / MSS / IV / 17 dated 29 April 2017 to the University of Lancang Kuning regarding permission to obtain access data of factory activities.
- b. Letter No. 11 / SDS / 2017 from the construction committee of Swadaya Betuah Elementary School on April 13, 2017 regarding assistance of soil pile for the construction floors

**Compliance status:**  Yes  No

NCR No: -

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of Swadaya Betuah Elementary School, respon from management with letter No. 035 / KBN-MSS / IV / 2017, provided soil pile assistance of 30 trucks on April 19, 2017,

- c. Letter No. 007 / kds / AP / Pkl-IX / 2-16 regarding backhoe-loader assistance from the head of Pangkalan Libut Village on 22 September 2016, response from management with letter no. 074 / KBN-MSS / X / 2017 dated October 6, 2016 regarding heavy equipment assistance for constructions road at Dusun Air Permesi , Pangkalan Libut village

**Criterion 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.**

**Findings:**

The company has a procedure number PRO-BM-007 Rev 01 dated August 1, 2015 regarding Communication, Consultation and Coordination with stakeholder. The procedure describe how to responds communication, consultation and coordination initiative from stakeholders. This document also describes the method of communication to stakeholders such as:

1. General Information Requests and Company's Policies.
2. Inputs, Feedback and compaint mechanism regarding the company's operational impacts.
3. Requests for assistance, Community Development (CD) and Corporate Social Responsibility (CSR)
4. The document is completed with communication process flowchart.

This document describe the kind of documents that could accessed by stakeholders as follows:

1. Company Profile
2. Corporate Policy
3. The organizational structure of Employees
4. Plant operational procedures
5. Plant operational records
6. Report of HCV and HCV Management Plans
7. Company CD Checks and CSR Reports
8. SIA Reports
9. Environment Impact Assessment documents
10. Data on Company Employees
11. Data on use of foreign labor
12. HGU (land use rights) and other licenses and permits

**Compliance status:**  Yes  No

NCR No: -

**Criterion 1.3. Growers and millers commit to ethical conduct in all business operations and transactions.**

**Findings:**

The company has a company policy about code of conduct on behalf of the company Wilmar Group Indonesia with the document number 044 / DIR-KP / XII / 2015 valid dated December 15, 2015

**Compliance status:**  Yes  No

NCR No: -

- The company policy include information about:
- The commitment and compliance with the implementation of corporate governance
  - Prohibition against bribery, corruption and abuse of position
  - Compliance with the laws and regulations

The policy has been outlined in the Indonesian language so it can be understood all parties, socialized to all levels of workers and third party.

The Company has disseminated the RSPO code of ethics and P & C policy at Mill dated November 10, 2016 at the mills office attended by 28 workers, dated May 21, 2016 at the FFB parking area and on January 28, 2016 in front of 160 workers' offices and employee housing.

**Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.**

**Findings:**

The company has a list of legal and requirement presented in list of Law & Regulation covering OSH, labour, plantation, environmental. The List is including national, international ratification and local regulation. All copies of law and regulations is available and maintained.

The company has record of law and legal compliance presented in evaluation document of compliance law / legislation. There are evidences that law and regulation compliance such as

- a. Murini Sam Sam Palm Oil mill: Decree of Bengkalis Head District with number 061/Kpts/BPMP2T-PZN/XI/2014/1078 dated 28 November 2014 about license of temporary storage of hazardous and toxic waste. This decree valid until 5 years since issued.
- b. Murini Sam Sam estate: Decree of Bengkalis Head District with number 061/Kpts/BPMP2T-PZN/XI/2014/1077 dated 24 November 2014 about license of temporary storage of hazardous and toxic waste. This decree valid until 5 years since issued
- c. Regulations of Labour and Transmigration Minister No. 7 year 2013 concerning Minimum Wage. West Sumatra Governor Decree No. 562-1178-2016 dated October 28, 2016 regarding the determination of the minimum wage of West Sumatera Province in 2017 amounted to IDR. 1,949,284 per month or IDR. 77. 972 per day. Companies pay the wages of employees in accordance with the provisions of the above (See 6.5.1)
- d. National Law No. 21, year 2000 concerning Labor Union. The company provides the freedom for workers to form unions (SPSI PT. KSI) and company providing a secretariat office for the daily operations of union. There is no intervention from the company against union activities. (Interview with Chairman – Abudawar)
- e. The employment report of 2017 submitted to the Disnakertrans of Bengkalis Regency on March 22, 2017 shall re-register 01 March 2018. Such as “Labour report 2017 submitted to Bengkalis Labour and Transmigration Agency dated 20 January 2017, register again on 01

**Compliance status:**  Yes  No

NCR No: RSPO00830

Overtime hours in mill are not in accordance with the provisions of Law No. 13 2003 regarding the worker's overtime for a week is 14 hours. Example, Zulkifli Saragih working for 16.5 hours a week, dated April 24-30, 2017

March 2018., Plantation Development Report 2nd period of 2016 to Bengkalis Plantation Agency No.020 / Ext-PKS / MSS / I / 2017 dated 30 January 2017, Bipartite forum (mill) report for 1st period 2017 No. 015 / Ext-PKS / MSS / V / 2017 dated May 10, 2017, Bipartite forum (estate) report 1st period 2017 No. 046 / KBN-MSS / V / 2017 dated May 10, 2017

However, there are a few notes to the non-compliance of the provisions with national laws, ie :

Overtime hours in mill are not in accordance with the provisions of Law No. 13 2003 regarding the worker's overtime for a week is 14 hours. Example, Zulkifli Saragih working for 16.5 hours a week, dated April 24-30, 2017.

The company has procedure of the identification and evaluation the legal aspects of the legislation that applies with the document number BM-004 PRO-00 revision effective date November 1, 2013. The procedure explain that personnel who is responsible for the identification and evaluation of laws and regulations, such as :

- For requirements pertaining to the estate, it is the Community Development or 'Binamitra' Manager supported by other departments in the the company's organization
- For requirements pertaining to health, safety and the environment, it is the Environmental, Health & Safety (EHS) department supported by other departments in the the company's organization
- For requirements pertaining to labour, it is the Human Resources Manager supported by other eaprtments in the the company's organization

Document control conduct distribution copy law and regulation to each department/section

The company has a mechanism for ensures that the laws are being implemented as stated in procedure of the identification and evaluation the legal aspects of the legislation that applies with the document number BM-004 PRO-00 revision effective date 1 November 2013. Evidence of law and requirement compliance presented in Form FRM-GEN-028 for OHS Law and Regulation List Register, rev 01, dated 01 May 2015, Form FRM-GEN-029 for Plantation Law and Regulation List Register, Form FRM-GEN-027 for Environmental Law and Regulation List Register, Form RM-GEN-026 for Manpower Law and Regulation List Register.

The company has a mechanism for tracking any changes in the law presented in procedure of the identification and evaluation the legal aspects of the legislation that applies, BM-004 PRO-00 revision effective date of 1 November 2013. Organization has update regulation with in "Daftar peraturan dan perundangan (law register). There is record of update regulation on February, 2017.

**Criterion 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.**

**Findings:**

The company has record of legal ownership of land i.e:

- Minister Decree of State Agrarian Affairs / Head of National

**Compliance status:**  Yes  No

NCR No: -

Land Agency No: 26/HGU/BPN/94 dated 16 May 1994 about granting of land use permits to PT. Murini Sam Sam as large as 967 hectares located in Bengkalis District, riau Province.

- Certificate of land use permit No.1 dated 20 January 1995 located in Pinggir village, Mandau Sub District, Bengkalis District, Riau Province as large as 967 hectares

The company has document to showing history of land tenure i.e:

- EIA document i.e. Dokumen Pengelolaan Lingkungan Hidup for mill year 2015 and Dokumen Upaya Pengelolaan Lingkungan Hidup and Upaya Pemantauan Lingkungan Hidup for estate year 2002 as large as 1,233.13 ha
- HCV document by Remark Asia year 2014
- SIA document year 2014

The company has entire legal document and available in the company.

The company has a Special Situation Pictorial Map ('Peta Gambar Situasi') especially No. 12/1993 with an area of 967 hectares located in the Pinggir village, Mandau Sub District, Bengkalis District, Riau Province issued by BPN Riau Province. Based on field observation, done checking peg No. 03, 04, and 05. By sampling the peg in good condition and well maintained. The company has procedures Identification and Maintenance of the Boundary HGU with the document number Pro-BM-009 revision 00 valid dated on 1 November 2013. In these procedures regulated on the implementation of the boundary maintenance conducted every 3 months. The company also conducts regular maintenance of the existing concession.

The company has an SOP for Dispute Settlement / Land dispute No. PRO-BM-006 dated 01 November 2013. The purpose is for defining land dispute resolution mechanisms that occur on estate nucleus land (land controlled and managed by the company). The procedure is as follows:

1. Issues regarding land disputes raised by the public are to be submitted in writing to the company Development Partners and Legal
2. The 'Bina Mitra' (BM) Staff shall analyze and review land claims of which the result will be submitted to the Chief Operating Unit
3. The BM Staff will conduct analysis and verification based on evidence of land acquisition.
4. Affected parties will be invited for clarification and mediation
5. If no agreement is reached then the company shall apply to local governments to facilitate the settlement of disputes.
6. If no agreement is reached, the settlement shall proceed through legal proceedings.

Based on interview with community surroundings the company was found there were no conflict between the community and the company. This condition was completed by official announcement letter from the village head or head of community, stated that there were no conflict between both parties. Based on the statement area there are areas of land under dispute between the company and the community. Hence the company has no record of deliberation progress for the settlement of

**Criterion 2.3: Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.**

**Findings:**

Based on visit the field and interviews with the surrounding community, there were no areas under customary rights of local communities identified within the plantation The SIA report also did not indicate that there were any areas under customary rights within PT .MSS plantation area.

Based on documents review, auditor found there were no conflict between the community and the company. This condition was supported by official announcement letter from the village head or head of community, stated that there were no conflict between both parties. And based on the statement area use of the land by PT. MSS for oil palm does not diminish the legal rights, customary rights or use rights of other users around estate PT MSS and there are no areas of land into a dispute between the company and the community. Therefore the company has no record of deliberation progress for the settlement of disputes

**Compliance status:**  Yes  No

NCR No: -

**Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.**

**Findings:**

PT MSS has established management plan in budget projection for 5 years (2015-2020) consist of: Financials, Area Statement, Crop & Estate Costs, FFB Processed & Milling Cost, Plantation Development Cost, Capital Expenditure for Estate and Mill, Sustainability Implementation Costs

Financials plan is consist of the annual projected amount of FFB processed from own estate and own crop, projected annual Oil Extraction Rates (OER) and Kernel Extraction Rates (KER) and projected Crude Palm Oil (CPO) and Palm Kernel (PK) production was stated. Under the Profit and Loss sheet, the projected annual FFB prices for own crop and outside crop as well as projected annual CPO and PK prices were stated in Rp'000, with estimated annual revenue calculated as well and indicating positive total revenue.

The company plans to carry out replanting in year 2018 amount of 330.22 ha of year 1993. During surveillance audit, no replanting activity in the area.

**Compliance status:**  Yes  No

NCR No: -

**Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.**

**Findings:**

The Standard Operating Procedures (SOPs) for Estate and Mill are available as seen in document of procedure for Wilmar international limited in year 2014. The SOP covers estate activities such as pre-development and planning, nursery practices, land clearing and preparation, establishment and maintenance of leguminous cover crops, oil palm planting density and pattern, and mainte-

**Compliance status:**  Yes  No

NCR No: -

nance, harvesting, pest and disease management, replanting, and mulching. While SOPs for Mill is available for all operations, including the weighbridge, operation of sterilizer, load-ing ramp, thresher, digester, press, vibrating screen, decanter, sludge separator, ripple mill, clay bath, depericarper, kernel, boiler, water treatment plant etc.

The company has a master list of all SOPs, namely master list of document, No. Doc FRM-GEN-002, rev. 02 effective date June 01, 2013 including company policy, procedure, SOP and form.

Copy of the SOP is available at Estate and Mill and it is documented in an appropriate language (Indonesian language)

The company conducted training/ sosialisasi of SOP for workers in 2017 such as Sosialization about crop maintenance on date february 16, 2017, Sosialization about fertilizing on date Februari 13, 2017, socialization about harvesting on date January 24, 2017. While mill also conducted socialization of SOP such as Sosialization about PPE on date October 1, 2016, Sosialization about SCCS on date March 15, 2017.

During visit to the field and interview to worker at Mill, grading worker has understood and implemented about SOP for Reception FFB accordance against SOP Reception FFB, SOP-Mill-001, revision 03, Effective date on May 25, 2015. For Estate, during visit to the field, harvester has understood and implemented about SOP for harvesting FFB accordance against SOP harvesting FFB, PRO –EST-05, revision 00, effective date January 01, 2013.

The company has a mechanism check consistent of implementation procedure through internal audit as determined on SOP for internal audit, No. Doc, PRO-GEN-004, rev : 00 effective date october 6, 2013. In the procedure has regulated that audit schedule once time audits per year for each department.

Estate has conducted internal audit on date February 20-21, 2017, while Mill conducted internal audit on date 23-24 February, 2017. Base on report of internal audit, there is finding as Non conformity for estate and mill. There is evidence that verification for non conformity has conducted accordance to mechanism for corrective action for continuous improvement as determined in SOP for Corrective action, PRO-GEN-004, rev : 00 effective date october 6, 2013. The company maintain record of internal audit against activities at estate and mill in 2017, example :

- SOP traceability about changes from manual to system has not been updated,
- During visit field at mill, there is found contractor workers when doing activities (welding) is not using PPE / gloves, and FFB transport driver does not use safety shoes.

The company has procedure acceptance of FFB with document number SOP-Mill-001 revision 03 effective date 1 June 2014. The procedure has been set up about acceptance of FFB from estate which certified and non-certified. The company has list of FFB supplier year 2017 and until February 2017 there is 36 supplier. During the audit, the company accept FFB from supplier. In the FFB slip has been conduct identification for FFB which came from certified source marked by number 1 and non-certified source marked by number 2. The company has record of FFB receipt from third party and the record has been verified against with available document.



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

**Findings:**

The company has SOPs for Good Agricultural Practices in managing soil fertility as presented in SOP-EST-001 revised 00 effective date January 1, 2013. The procedure describe that fertilization application should be conducted with Right dose, timely, right way, right kind

The company has fertilizer application plan consist of amount of area, location, kind of fertlizer and amount of worker. Estate has record of fertilizer usage per tonnes of FFB production among others:

- a. NPK: total application on January-December 2016 amounted to 378.000 kg with FFB produced as much as 21.450 tonnes so that the application of fertilizers per ton of FFB is 18 kg / ton of FFB
- b. Kieserite : total application on January-December 2016 amounted to 18.000 kg with FFB produced as much as 21.450 tonnes so that the application of fertilizers per ton of FFB is 0,84 kg / ton of FFB
- c. ZA : total application on January-December 2016 amounted to 121.000 kg with FFB produced as much as 21.450 tonnes so that the application of fertilizers per ton of FFB is 5,90 kg / ton of FFB
- d. MOP:: total application on January-December 2016 amounted to 18.000 kg with FFB produced as much as 21.450 tonnes so that the application of fertilizers per ton of FFB is 5,64 kg / ton of FFB
- e. RP : total application on January-December 2016 amounted to 8.000 kg with FFB produced as much as 21.450 tonnes so that the application of fertilizers per ton of FFB is 0,37 kg / ton of FFB
- f. NPK : total application until April 2017 amounted to 269.000 kg with FFB produced as much as 9.157 tonnes so that the application of fertilizers per ton of FFB is 29,37 kg / ton of FFB
- g. Kieserite : total application untul April 2017 amounted to 32.000 kg with FFB produced as much as 9157 tonnes so that the application of fertilizers per ton of FFB is 3,49 kg / ton of FFB

The company has procedure of soil and leaves analysis with number of document Pro-Est-008 revised 01 effective date October 1, 2013. In the procedure stated that the leaf analysis shall be conducted every one year and soil analysis conducted 5-10 years. There is evidence that the organization has performed periodic tissue and soil sampling to monitor changes in nutrient status. Company has results of leaf analysis was done in 2016 by Environmental Management Unit (EMU) Laboratory to obtain fertilizer recommendation in 2017. The results of analysis the leaves has described the content of N, P, K, Mg, Ca, B, Cu, Zn, Fe. For the soil analysis conducted by Param Agricultural Soil Survey in May 2008.

**Compliance status:**  Yes  No

NCR No: -

Records the results of the soil analysis and the leaves used as a fertilizer recommendations and fertilizer program in 2017 and there is record of a fertilizer recommendation for 2017.

The company has a nutrient recycling strategy through Empty Fruit Bunch (EFB) application and POME application. Record of EFB and POME application is available and maintain very well in 2016 and until April 2017. Data of EFB application was reviewed such as :

- o January-December 2016, was applied 2.972,00 Kg of EFB into 74,30 Hectares
- o January –April 2017, was applied 740.000 Kg of EFB into 18,50 Hectares

Record of POME application such as :

- o January – December 2016 : 120.768,906 m3
- o January – April 2017 : 29,587,853 m3

**Criterion 4.3: Practices minimise and control erosion and degradation of soils.**

**Findings:**

The company has soil map with scale 1:50.000. Base on report of Param Agricultural Soil Survey, Type of soil's Murini Sam Sam Estate is only consist of alluvial.

Murini Sam Sam Estate has map of slope grade with scale 1:50.000. Based on the map, slope grade consist of a flat area covering an area of 866 ha (flat undulating), undulating covering an area of 96 ha and hilly covering an area of 5 ha.

The company does not have a management strategy for plantings on slopes, because there is no area with slope above limit (>40%) During visit the field, there is no area slope above limit.

The company has a road maintenance plan in 2017 including budget for road maintenance and amount of road maintenance. There is evidence that a road maintenance plan implemented in 2016 and until April 2017 such as :

- a. January-December 2016 : production road : 14.841 m ; collecting road : 13.000 m
- b. January-April 2017 : production road : 7.581 m ; collecting road : 36.929 m

Base on report of Param Agricultural Soil survey, There is no peat and marginal soil in the area.

**Compliance status:**  Yes  No

NCR No: -

**Criterion 4.4: Practices maintain the quality and availability of surface and ground water.**

**Findings:**

The company has a water management plan in year 2017 for estate and mill consist of source of water, location, using of source water, monitoring of water quality, and management for using water source. PT Murini Sam Sam Estate already conducted

**Compliance status:**  Yes  No

NCR No: -

identification source of water in the area. Source of water is consist of rmeranti river and water pond. While Murini Sam Sam mill use water from Meranti river for processing FFB.

For protection river and water pond, Murini Sam sam estate conduct to install signboard that chemist application is prohibited. During visit field at Block 15 (Meranti river), there is evidence signboard already installed and maintained. Company conducted conduct testing surface water periodically by Technical material testing unit, Binamarga institution, Province of Riau. Base on report of testing surface water on July 2016, there is surface water test results are above the threshold. Its conditon, auditor raise an observation.

Company has SOP for riparian and buffer zone protection, name-ly SOP for management of riparian and buffer zone, SOP-GEN-018 rev 00 effective on date February 1, 2013. There is record of SOP implemented through planting vertiver grass for Prevent erosion. Base on report of management river on January 2017, estate have been conduced planting vertiver grass at block 010 and 015. During visit the field at Block 015 (Meranti River), There is found any vertiver grass in the area.

PT MSS mill use surface water from Meranti river for processing FFB. There is permit for surface water usage from Minister decree of public of works and housing, No 119/KPTS/M/2016 issued on date March 16, 2016, valid until march 15, 2018.

Murini Sam Sam Mill maintain amount of water usage for processing FFB every month. There is record of water usage per tonne FFB on January until April 2017. Record of water usage per tonne FFB e.g :

- January: total water consumption / tonne of FFB (process + boiler) is 1,13 M3 / ton FFB
- February: total water consumption / tonne of FFB (process + boiler) is 1.37 M3 / ton FFB
- March: total water consumption / tonne of FFB (process + boiler) is 1.42 M3/ ton FFB
- April: total water consumption / tonne of FFB (process + boiler) is 1.32 M3 / ton FFB

Mill has effluent treatment process by Instalation for effluent treatment (IPAL). There are 10 ponds in IPAL. Mill has been conducted monitoring waste water quality through testing of waste water at pond number 6 and 7 by Technical material testing unit, Binamarga institution, Province of Riau in 2016. Base on report of testing waste water, there is no result of testing waste water above threshold.

Mill discharges waste water to Land application area. During surveillance audit, there is permit for Land application on expiry, but there is evidence that company conduct effort for extending the permit to the competent authority. The last record of effort for extending such as letter of field verification on date April 21, 2017, by the environmental agency, District West Kalimantan

**Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.**

**Findings:**

The company has a IPM plan in 2017 consist of early warning system (EWS)/Census pest, monitoring cage of tyro alba, maintenance beneficial plant (*Turnera surbulata*, *Antigonon leptosus*), pest control with use of chemical when condition of pest attack has been above threshold. presented in work program monthly.

Murini Sam Sam Esate has procedure for IPM presented in Procedure for IPM, PRO-EST-007, Rev : 00 effective date January 01 2013. The SOP describe method of control for caterpillar pest, oryctes, rat pest, including threshold each pest attack.

There is evidence that IPM plan implemented until April 2017 such as : realization of work program for census of fire catterpillar, census of rat, census of oryctes. Base on report of realization of work program, No attack for pest above theshold.

The company has been conducted biological controlling for pest attack through tyro alba (owl) and planting beneficial plant such as *turnera surbulata* and *antigonon leptosus*. During viist the field at block 06, there is found any turnera subulata.

Organization has attended training for pest control on September 29, 2016 followed by 58 partisipant. There is record of training such as list of attendees, Training modules and certificate of training.

**Compliance status:**  Yes  No

NCR No: -

**Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment.**

**Findings:**

The company has procedure of pesticide used (PRO-EST-006 revision 00 effective date 1 January 2013). The procedure has been explained that pesticide which used must register and has a permit. The company has procedure related pest management such as:

- Procedure of circle and path spraying (SOP-EST-002 revision 00 effective date 1 January 2013). The procedure has been explained about rotation of pesticide used for path spraying 3 (three) times a year, circle spraying 3 (three) times a year and selective spray 2 (two) times a year
- Procedure of weed control (SOP-EST-006 revision 00 effective date 1 January 2013). The procedure has been explained about rotation of pesticide used for weed spot spraying once a year

The company has justification of pesticide used. The justification has been explained such as name of pesticide and type of weeds to control. Based on field visit at circle and path spraying seen that the workers has been understand about the content of procedure.

**Compliance status:**  Yes  No

NCR No: -

The company has program of pesticide application which stated on budget year 2017. The budget has been explained about pesticide application for each activity such as circle weeding, path weeding, spot spraying, selective weeding and weed control. The company has record of pesticide used year 2016 such as Glisat as much as 1,542.90 liter, Tiara as much as 47.71 liter, Glinat as much as 22.73 liter and Abolisi as much as 19 liter. The company has monitoring of pesticide toxicity every month from January until December 2016. in the LD 50 calculation has been stated information such as name of pesticide, large of area application, total of active ingredient per hectare and total of application.

The company has IPM program which stated in budget year 2017. The IPM program i.e. census of pest, detection of pest i.e. control of mammal and control of fire caterpillar. The company has record of IPM implementation which stated on Monthly Report. The company has record of pesticide used in accordance with plan of pest management. The company does not used prophylactic of pesticide.

The company has list of pesticide for WHO class 1A and 1B and also Stockholm or Rotterdam Convention. The company has plan to reduce of pesticide used which stated on greenhouse gasses mitigation program year 2017. Based on record of chemical used year 2016 and 2017 and verification on pesticide store, the company does not used paraquat.

The company has procedure for handling of hazardous and toxic material which stated in procedure of pesticide used (PRO-EST-006), procedure of control weed (SOP-EST-006) and procedure of CPT spraying (SOP-EST-002). The company has training plan and realization of training year 2016 related pesticide used for sprayer. The company has training record about handling of pesticide and safely pesticide used that has been conducted on 10 May 2016 and attending by 25 workers. Based on field visit on spraying activity at Block 10, the company conduct spraying of circle path with used Glisat. Based on interview with workers, they have been understand about best practice to conduct spraying and know the mechanism to handling of chemical and understand the risk and impact of chemical used. The company also have material safety data sheet (MSDS) in the field in accordance with chemical used. The workers also wearing PPE i.e. apron, glasses, helm, gloves, safety boot and mask. The company also provide rinse house for sprayer. The company has been provide PPE in accordance with risk assessment and conduct inspection for PPE used every month.

The company has procedure for storage of hazardous and toxic material (PRO\_STR-002 revision 00 effective date 1 November 2013). The procedure has been explained about handling of hazardous and toxic material i.e. grouping of hazardous and toxic material and storage of hazardous and toxic material. Based on field visit to pesticide storage, the company has been keeping the pesticide well and used pallet and equipped with stock card. Based on verification to temporary storage of hazardous and toxic waste, the company has been conduct storage the hazardous and toxic waste with well and equipped with hazardous and toxic waste balance. The company has record of transporting to third party i.e. document of hazardous and toxic waste with number 0035547 with type of waste is solid i.e. contamination containers as much as 201.1 kg

and transporting by PT Primanru Jaya with vehicle number B 9402 QT on 13 March 2017. Based on visit to emplacement, there is no found hazardous and toxic containers use to other purpose. The company does not conduct aerially spraying.

The company has procedure handling of waste (PRO-GEN-013 revision 00 effective date 1 January 2013). The procedure has been stated the system of management for hazardous and toxic waste. The hazardous and toxic waste has been documented in the form list of hazardous and toxic waste and recording on balance of hazardous and toxic waste. The company has been conduct training related handling of waste for workers and staff on 17 April 2017. The company has an agreement with third party to transporting the hazardous and toxic waste i.e. an agreement with PT Primanru Jaya No. 001/SPK-MSS/III/2017 dated 10 March 2017. The company has record the transporting of hazardous and toxic waste i.e.:

- Document of hazardous and toxic waste with number 0032183 with type of waste is solid i.e. filter as much as 106 kg which transporting by PT Primanru Jaya with vehicle number B 9402 QT on 13 March 2017
- Document of hazardous and toxic waste with number 0035547 with type of waste is solid i.e. contamination containers as much as 201.1 kg which transporting by PT Primanru Jaya with vehicle number B 9402 QT on 13 March 2017
- Document of hazardous and toxic waste with number 0032169 with type of waste is solid i.e. accu as much as 93 kg which transporting by PT Primanru Jaya with vehicle number B 9402 QT on 13 March 2017
- Document of hazardous and toxic waste with number 0032170 with type of waste is liquid i.e. oil as much as 500 liter which transporting by PT Primanru Jaya with vehicle number B 9402 QT on 13 March 2017

The company has list of pesticide operator year 2017. There is 8 person which responsible for sprayer. The company has record of special medical checkup i.e. cholinesterase. The company has been conduct medical checkup for cholinesterase on 30 March 2017 by RS Prima Pekanbaru for 8 person. Based on result of medical checkup known that the condition for all sprayer is normal.

The company has internal memorandum (No.01/PGA-SSD/Int-IX/2014 dated 22 September 2014) related prohibition to employing the pregnant and breast-feeding women to conduct spraying and fertilizing. The company has sprayer as much as 8 person. The company has procedure of circle path spraying (SOP-EST-002 revision 00 effective date 1 January 2013). The procedure has been explained that the company conduct periodically checkup every twice a month for sprayer to check the worker is pregnant or not. Based on result of pregnant checkup, there is no found the workers are pregnant.

**Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented.**

**Findings:**

The company has policy about safety and health approved by Country Head (Hendri Saksti) dated 22 May 2015. The safety and health policy has been covered risk accident and risk control. The policy has been stated in Indonesian language. The company has been conduct socialization of policy on 7 February 2017 in the office mill area to third party, for workers on 3 December 2016, 7 February 2017 and 18 March 2017 and for estate on 3 December 2016. The company has OSH program year 2017. The program has been covered OSH aspect and equipped with target of implementation. Some of realization of HSE program for year 2017 i.e.:

**Mill**

- Socialization of safety and health policy on 7 February 2017 in the office mill area to third party, for workers on 3 December 2016, 7 February 2017 and 18 March 2017
- Monthly inspection for unsafe condition and mill house-keeping
- Training of OSH electrical on 15-19 February 2017
- Safety observation every month
- Training of lifting equipment on March 2017
- Meeting of OSH committee on 5 January 2017, 16 February 2017, 18 March 2017 and 7 April 2017

**Estate**

- Socialization of safety and health policy on 8 March 2017
- Training of lifting equipment on 3-5 March 2017
- Training of first aid on 11 November 2016
- Meeting of OSH committee on 17 January 2017, 20 February 2017, 15 March 2017

The company conduct monitoring for implementation of program by OSH inspection every month. The OHS program has been delivered to each department. The company has due date to realize the HSE program and if any target does not achieved so the company will conduct evaluation.

The company has identification of risk assessment, safety health and environmental impact set on Form-SD-08 revision 00 for mill and Form Gen-016 revision 01 dated 1 January 2013 for estate. The risk assessment has been cover all process and activities.

The company has training program year 2017 related safety and health i.e. training of OSH electrical, training of welding, training for sterilizer operator, training for hoisting crane operator, training of fire, training for handling of hazardous and toxic waste, first aid training and RSPO-SCCS training. The company has procedure about personal protective equipment (PROS-SD-15-01 revision 01 effective date 1 May 2011). The procedure said that if any damaged the company will replaced with the new PPE. Based on field visit to spraying CPT activity (Block 10 seen that the workers has been wearing the PPE properly i.e. mask, apron, gloves and safety boot and during visit to the mill found the worker has been wearing PPE properly.

The company has person in charge which responsible to imple-

**Compliance status:**  Yes  No

NCR No: -

mented of OSH that listed in Occupational and Safety Health Committee. The company has been conduct regularly meeting and discussing about the problem that happened. The company can showing evidence of OSH reporting that submitted to related agency. Report of 1<sup>st</sup> quarterly submitted on 29 April 2016, report of 2<sup>nd</sup> quarterly submitted on 27 July 2016, report of 3<sup>rd</sup> quarterly submitted on 11 October 2016, report of 4<sup>th</sup> quarterly submitted on 31 January 2017 and report of 1<sup>st</sup> quarterly year 2017 submitted on 21 April 2017.

The company has meeting record of OSH committee. The mill has been conduct regularly meeting. For example 5 January 2017, 16 February 2017, 18 March 2017 and 7 April 2017 and estate has been conduct regularly meeting i.e. 17 January 2017, 20 February 2017, 15 March 2017 and 7 April 2017. The OSH committee has been discuss entire aspect for safety and health.

The company has procedure of emergency condition (PRO-GEN-014 revision 00 effective dated 1 January 2013) covered fire, leaks or chemical spills, damage to the levee, the blast machine. The procedures have been covering emergency response and recovery investigation. Recording of occupational accidents have been reported to the authorities through OSH report reported every 3 months. The company has been conduct first aid training on 19 January 2016 (mill) and 11 November 2016 (estate). The company has record of first aid training i.e. attendant list of participant, first aid material and documentation of activity. Based on field visit to spraying activity, temporary storage of hazardous and toxic waste, workshop, sortation area and storage found that the first aid kit has been accordance with national regulation (Permenaker No.15/2008). The company also conduct regularly monitoring for first aid box. The company has record of work accident listed in Accident recapitulation report (FRM-GEN-012). Based on record of accident, there is found 16 accident for 2016 and for this accident has been conduct investigation and evaluation to prevent an accident occur again.

The company providing medical care for employee i.e. clinic. The company also provided social insurance i.e. BPJS Kesehatan and BPJS Ketenagakerjaan. Based on evidence payment of BPJS Ketenagakerjaan of April 2017, the mill has been paid BPJS Ketenagakerjaan as much as Rp. 33,024,040 with total of employee as much as 122 person and BPJS Kesehatan as much as Rp. 24,745,265 with total of employee as much as 545 person. The company (estate) has been paid BPJS Ketenagakerjaan period March 2017 as much as Rp. 53,193,624 with total of employee as much as 214 person and BPJS Kesehatan as much as Rp. 29,673,703 with total of employee as much as 203 person The company has record of lost time accident metrics for year 2016.

**Criterion 4.8: All staff, workers, smallholders and contractors are appropriately trained.**

**Findings:**

PT Murini Sam sam estate and mill have training plan for 2016 presented in form FRM-HRD-013. PT MSS esate has training program consist of, spraying, manuring , harvesting, emergency response, first aid. PT MSS mill has also documented training plan including training of OSH for electric technician, training of welder,

**Compliance status:**  Yes  No

NCR No: -



first aid.

There is evidence that company already conducted training in 2016 such as :Training of welder operator, date on December 23, 2016, Training of OSH for boiler operator on date October 23-30, 2016, Training of understanding and calculation of green audt, date 1-20 July 2016, manuring, date June 14, 2016, Spraying, date June 6, 2016, Sosialization of First aid, date on November 11, 2016.

Company maintain record of training such as : list of partisipant, certificate, record of evalution after training and modules of training.

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

**Findings:**

The company has EIA document i.e. document of environmental management (DPLH) for mill and document of monitoring and management environmental management (UKL-UPL) for estate. The EIA document has been conduct in accordance with regulation requirement. The EIA document has been conduct by consultation with relevant stakeholder's i.e. local government and local community to identify an impact and develop the monitoring and management plan.

The company has an environmental monitoring and management plan. The monitoring and management plan has been covering information i.e. environmental impact which must to monitoring, source of impact, guidance of regulation, monitoring mechanism, monitoring location, person in charge, result of monitoring and management and corrective action if needed. The company has been conduct monitoring and management and has been reporting to relevant agency. Evidence of reporting record to relevant agency such as:

**Mill**

- Report of UKL-UPL 1<sup>st</sup> semester year 2016 has been reported on 29 July 2016 to Environmental agency of Province Riau and Environmental agency of Bengkalis District
- Report of UKL-UPL 2<sup>nd</sup> semester year 2016 has been reported on 31 January 2017 to Environmental agency of Province Riau and Environmental agency of Bengkalis District

**Estate**

- Report of UKL-UPL 1<sup>st</sup> semester year 2016 has been reported on 11 August 2016 to Environmental agency of Province Riau and 9 August 2016 to Environmental agency of Bengkalis District
- Report of UKL-UPL 2<sup>nd</sup> semester year 2016 has been reported on 1 February 2017 to Environmental agency of Province Riau and Environmental agency of Bengkalis District

The company has environmental monitoring and management plan incorporate with monitoring protocol. The monitoring and management plan has been implemented to monitoring of effectiveness of

**Compliance status:**  Yes  No

NCR No: -

the mitigation measurement. During the audit, the company has not yet review the monitoring and management plan because the environmental monitoring and management plan issued December 2015. The company conduct discuss related realization of environmental and OSH program and reporting every year. The company has been conduct review the realization of environmental and OSH program year 2016.

**Criterion 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.**

**Findings:**

The company has identified high conservation value (HCV Assessment) in the area of the concession. Identification of HCV conducted in April 2014 by PT. Remark Asia. Based on identification of HCV, there are 53.78 hectares including high conservation value areas consisting of:

- HCV 1.1 Areas which have or providing support functions of biodiversity for protected areas or conservation covering an area of 53.78 ha (Mandau river riparian, Meranti river, water reservoir 1, 2 and 3, shrub swamp)
- HCV 1.3 Areas that are habitat for populations of threatened species, restricted range or protected survives covering an area of 46.84 hectares (shrub swamp merges with Mandau riparian river)
- HCV 4.1 Areas or critical ecosystems as water supply and flood control for downstream communities covering an area of 24.26 hectares (water reservoir and river border)

Identification of HCV areas was conducted by PT. Remark Asia headed by Mr. Cecep Saepulloh that has got qualification as HCV team leader and specialist from RSPO. In the report, there is a list of resource persons referenced for HCV assessment activities including from the company, local communities, the government, community leader. There is also the minutes of the stakeholder consultation HCV Assessment and photo documentation of the public consultation.

Based on results of the HCV assessment obtained information that there are species of fauna include: Birds: 3 types, Mammals: 6 types (one type of EN (IUCN) is the Sumateran elephant = *Elephas maximus sumatrensis*, Reptiles: 2 types (one type of EN (IUCN), namely Sapit Crocodile = *Tomistoma schlegelii*)

The company has identified the HCV areas within the overall company concession. Identification of HCV areas was conducted with reference to HCV toolkit that has accommodated the HCV RN. The company has a map of HCV which was overlay with concession maps and map work area with a scale of 1: 50,000.

Based on assessment report the identification of HCV there are areas that is habitat for the populations of threatened species, restricted range or protected species able to survive in the form of

**Compliance status:**  Yes  No

NCR No: -

Endangered (EN), namely Sumateran Elephant and Sapit Crocodile.

Based on report and results of the identification of the HCV assessment, there is a management and monitoring plan for the area which a habitat for populations of threatened species, restricted range or protected to survive. Some of the management and monitoring plans include monitoring erosion regularly on Mandau river riparian, monitoring the condition of the river riparian, monitoring the success of planting or enrichment in the areas of HCV, monitoring of the number of species and wildlife populations, estate security patrols, monitoring wildlife populations, monitoring rehabilitation results condition of the plant around the river riparian and reservoir water, monitoring of water quality at Mandau river and Meranti river, put up a sign warning and briefing on HCV areas.

The company has implemented a plan that has been prepared. Some examples of implementation of the plan has been prepared, among others:

- Briefing on HCV management done regularly every six months to the employees and staff.
- Put up information signboard, protected animals and restrictions
- Marking boundaries of the water reservoir protected area
- Planting *Vertiver grass* around the Meranti river riparian
- Testing water quality of Mandau River
- The company carries out regular monitoring every 1 month of the HCV area. Records of monitoring are set forth in the conservation area management report and the minutes of activity.

The company routinely conducts site inspections to ensure the implementation from mitigation plans that have been made.

The company has an environmental policy issued on May 22, 2015 and signed by Country Head. In the policy regulated that the company complies with environmental liabilities according to the law and legislation that apply. The company has a monthly program of briefings to employees, staff and other people protected animals. The company carries out field inspections to check the traps at the site of HCV set forth in monthly report of the findings of HCV.

In the procedure of the protection of flora and fauna with the document number SOP-GEN-029 revision 01 effective date 8 September 2015 have been declared of sanctions follow the provisions of legislation, government regulations applicable if the employee proved to do things that are prohibited that is not allowed to trade the wildlife both protected and unprotected

The company has a management plan and monitoring of HCV area in 2015-2019 as outlined in the document number: MSS-001 HCV-00 revision effective date of January 2, 2015. In the plan described about HCV location, classification, status and comments, actions to be taken, responsible, deadlines and budgets are planned. The company has a monitoring report for the HCV area. The company does not have any HCV areas that are located next to or within local community areas.

**Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner**

**Findings:**

The company has list of identified for source of pollution and significant greenhouse gasses emission, which stated on table of identification and program to reduce emission of greenhouse gasses. The company has a documented identification of emission and pollution such as emission of generator, emission of boiler, vehicle, empty fruit bunch, waste pond, used of fertilizer, used of pesticide, fuel, emission of heavy vehicle, used of electricity and application of empty fruit bunch.

The company has an inventory of chemical and their containers, which kept in the store of hazardous and toxic waste. The company has an work agreement with third party to conduct transporting of hazardous and toxic waste i.e.:

- Murini Sam Sam Palm Oil mill: Work agreement to collecting and transporting of hazardous and toxic waste with number 004/Ext/EHS/III/2017 dated 10 March 2017 with PT Primanru Jaya
- Murini Sam Sam Estate: Work agreement to collecting and transporting of hazardous and toxic waste with number 001/SPK-MSS/III/2017 dated 10 March 2017 with PT Primanru Jaya

The company has license of temporary storage for keeping the hazardous and toxic waste i.e.:

- Murini Sam Sam Palm Oil mill: Decree of Bengkalis Head District with number 061/Kpts/BPMP2T-PZN/XI/2014/1078 dated 28 November 2014 about license of temporary storage of hazardous and toxic waste. This decree valid until 5 years since issued.
- Murini Sam Sam estate: Decree of Bengkalis Head District with number 061/Kpts/BPMP2T-PZN/XI/2014/1077 dated 24 November 2014 about license of temporary storage of hazardous and toxic waste. This decree valid until 5 years since issued.

The company has waste management and disposal plan to avoid and reduce pollution. The waste management and disposal plan has been described information about identification and monitoring of waste and pollution source, waste management and disposal waste has been cooperation with third party. The company has been realization the waste management and disposal waste by conducting transporting with third party on behalf PT Primanru Jaya. The company has transporting record of hazardous and toxic waste i.e.:

**Murini Sam Sam Palm Oil Mill**

- Manifest of hazardous and toxic waste with number 0033826 with type of waste is solid i.e. contamination containers as much as 581.32 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017
- Manifest of hazardous and toxic waste with number 0033823 with type of waste is solid i.e. oil filter as much as 41.20 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017
- Manifest of hazardous and toxic waste with number

**Compliance status:**  Yes  No

NCR No: -

<p>0035548 with type of waste is liquid i.e. oil as much as 475 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017</p> <ul style="list-style-type: none"> <li>• Manifest of hazardous and toxic waste with number 0033825 with type of waste is solid i.e. contamination waste as much as 25.82 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017</li> <li>• Manifest of hazardous and toxic waste with number 0033824 with type of waste is solid i.e. accu as much as 300 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017</li> <li>• Manifest of hazardous and toxic waste with number 0035543 with type of waste is solid i.e. TL lamp as much as 0.2 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017</li> </ul> <p>Murini Sam Sam estate</p> <ul style="list-style-type: none"> <li>• Manifest of hazardous and toxic waste with number 0032183 with type of waste is solid i.e. oil filter as much as 106 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017</li> <li>• Manifest of hazardous and toxic waste with number 0035547 with type of waste is solid i.e. contamination containers as much as 201.1 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017</li> <li>• Manifest of hazardous and toxic waste with number 0032169 with type of waste is solid i.e. accu as much as 93 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017</li> <li>• Manifest of hazardous and toxic waste with number 0032169 with type of waste is liquid i.e. oil as much as 500 kg transporting by PT Primanru Jaya with number of vehicle B 9402 QT on 13 March 2017</li> </ul>	
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**Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimized.**

<p><b>Findings:</b></p> <p>Mill has record of energy used per tons process and per tons product for 2016, Energy used in 2016 came from fossil fuels and renewable energy (fiber and shell). During the 1<sup>st</sup> surveillance audit, energy used from renewable energy and record available in place, Shell used per tonne CPO was 0.16 tonn for 2016/CPO produced and fiber used per tonne CPO was 0.73 tonne/CPO. While estate used fossil fuell about 3.32 tonne/FFB for 2016.</p>	<p><b>Compliance status:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NCR No: -</p>
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**Criterion 5.5: Use of fire for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.**

<p><b>Findings:</b></p> <p>The company has a policy about environmental. In the policy include that the company conduct zero burning at all of estate estab-</p>	<p><b>Compliance status:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NCR No: -</p>
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ishment activity and waste disposal.

The company has a land clearing and preparation procedures, namely Procedure for land clearing with zero burning, PRO-Est-002, Rev: 00 issued date on January 01, 2013. The procedure is mentioned using a mechanical device and not burning.

During surveillance audit, No replanting activity. The first replanting is planned only for year 2018.

**Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.**

**Findings:**

The company has identification of source emission and polluting from entire activity. The company has program of greenhouse gases mitigation set on 2 January 2017 i.e. monitoring of emission source, boiler maintenance, generator maintenance, vehicle maintenance, EFB application, reduce of fertilizer used in the riparian, reduce of pesticide used and land application. The program of GHG mitigation has been covered item of activity, implementation and realization of activity. Some of activity that has been realize such as vehicle maintenance, monitoring of generator emission, generator maintenance, boiler maintenance, reduce of pesticide and fertilizer used and POME application. The company also has been conduct quality testing of palm oil mill effluent each month from January until April 2017. Based on testing result, the value of BOD still inside the threshold set in the regulations.

The company has a system to monitoring of emission of pollutants came from estate and mill activity. The company has been conduct reporting of GHG calculation to RSPO. The company has been conduct GHG calculation in accordance with Palm GHG version 3.0.1.

The result of GHG calculation describe in the table below:

**Summary of Net GHG Emissions**

Emissions per Product	tCO2e/t Product
CPO	1.28
PK	1.28

Production	t/year
FFB processed	363,086.88
CPO Produced	62,904.94

**Compliance status:**  Yes  No

NCR No: -

PK Produced	18,027.464
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<b>Extraction</b>	<b>%</b>
OER	17.33
KER	4.97

<b>Land use</b>	<b>Ha</b>
OP planted area	1,288.42
OP planted on peat	7.9544
Conservation (for- ested)	53.78

**Summary of Field Emissions and Sinks**

Land conversion:

- Own crop: 10,756.74 tCO<sub>2</sub>e or 8.35 tCO<sub>2</sub>e/ha
- Group: -
- 3<sup>rd</sup> party: -

CO<sub>2</sub> Emissions from Fertilizer:

- Own crop: 642.41 tCO<sub>2</sub>e or 0.50 tCO<sub>2</sub>e/ha
- Group: -
- 3<sup>rd</sup> party: -

N<sub>2</sub>O Emissions

- Own crop: 3,219.40 tCO<sub>2</sub>e or 2.50 tCO<sub>2</sub>e/ha
- Group: -
- 3<sup>rd</sup> party: -

Fuel Consumption:

- Own crop: 202.43 tCO<sub>2</sub>e or 0.16 tCO<sub>2</sub>e/ha
- Group: -
- 3<sup>rd</sup> party: -

Peat Oxidation:

- Own crop: 434.62 tCO<sub>2</sub>e or 0.34 tCO<sub>2</sub>e/ha
- Group: -
- 3<sup>rd</sup> party: -

Sinks:

- Own crop: -
- Group: -
- 3<sup>rd</sup> party: -

Crop Sequestration:

- Own crop: -10,195.96 tCO<sub>2</sub>e or -7.91 tCO<sub>2</sub>e/ha
- Group: -
- 3<sup>rd</sup> party: -

**Conservation Sequestration:**

- Own crop: -
- Group: -
- 3<sup>rd</sup> party: -

**Total:**

- Own crop: 5,059.64 tCO<sub>2</sub>e or 3.93 tCO<sub>2</sub>e/ha
- Group: -
- 3<sup>rd</sup> party: 26,495.08 tCO<sub>2</sub>e or 0.00 tCO<sub>2</sub>e/ha

**Summary of Mill Emissions and Credits**

	tCO <sub>2</sub> e	tCo <sub>2</sub> e/t FFB
Emissions		
POME	71,171.18	0.20
Fuel Consumption	708.63	0
Grid Electricity Utilization	0	0
Credits		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>71,879.81</b>	<b>0.20</b>

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

Divert to compost	0 %
Divert to anaerobic digestion	100 %

**POME Diverted to Anaerobic Digestion**

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

**Criterion 6.1: Aspects of plantation and mill management that have social impacts, including replanting, 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 continual improvement.**

**Findings:**

Social impact assessment activities conducted on 14-18 April 2014, all process activities and issues arising from stakeholders are documented in the SIA document. The issues that arise during FGD with stakeholder are :

External : Accessibility of damaged transport, Economic empowerment for Sakai people, Localization bordering with company area, oil palm plantation of FFB and supply to PKS

Internal: Inadequate employee housing, school bus transportation, TPA provision, lack of supply of core FFB, unionized union, awareness awareness of use of PPE ,, BHL, Lack of water supply of household needs.

In the report SIA PT MSS Chapter 6, there is a Management and Social Monitoring Plan. The purpose of the Social Monitoring and Management Plan is to provide guidance for the implementation of the programs and / or activities of social management of the company so that its resources can be focused in a more focused, integrated and effective in achieving the company's social vision. In the context of the management of social impact and the development of relations with the communities, the programs of social management in the form of management activities to achieve the vision of social enterprise are planned as follows: (1) management activities carried out in order to minimize the negative social impacts and / or social risks, as well as which can develop positive social impact, (2) Management of social impact involving the parties who have a direct relationship that the parties giving and receiving impact, (3) Management activities conducted to strengthen social capital for social sustainability of society (social sustainability) and (4) Programs / activities carried out shall be taken into account as far as possible to have a direct relationship with the company's core competencies and business (core business).

Recommendation management and social monitoring will be carried out by the company with consideration of time, human resources and costs. The management and monitoring plan will be communicated to interested parties as a tool for monitoring the implementation of activities that had been recommended together. Monitoring and evaluation activities will also be carried out to obtain lessons learned as feedback for improvement and implementation of social management plan next period (continuous improvement).

While the basis for the preparation of a management plan social impact is also not solely based on the social impact but also based

**Compliance status:**  Yes  No

**NCR No:** -

on the aspirations of the community in the form of suggestion or expectation, to create positive effects, and social risks of the parties affected by the presence and operations of the company. Social Monitoring and Management Plan is based on the results of the Social Impact Assessment studies, recommendations for how to carry out the management and social monitoring by the company are presented in the Matrix for Management and Monitoring Plan. In accordance with the principle of social adaptive management, all management recommendations must come from the various parties involved in the management of the region where the company is located.

The summary of the SIA management and monitoring plan is as follows:

1. Human Relations: The management plan and CSR program for improvement in health in cooperation with the department of health - Extension and counseling pertaining to HIV, AIDS and sexually transmitted diseases
2. Economics: Training on business areas according to the potential area, improving the relationships with the surrounding community.
3. Sakai tribe Management Plan: Briefing of the importance of education, in collaboration with the local education office, cooperation with the department of fisheries, completing the teaching and learning facilities in Complex Project 10

PT MSS has not been monitoring the social impact of the results of the Social Impact Assessment Report in 2014, so there is no plan of improvement over the results of such monitoring if found discrepancies.

During assessment audit found no recorded special attention to the impacts of outgrower schemes because the company does not have cooperation with farmers or cooperatives. Hence this requirement is not applicable.

**Criterion 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.**

The Company has a Procedure for Communication, Consultation and Coordination with Stakeholders No. PRO-BM-007 Rev. 01 dated August 1, 2015. The SOP was created as a technical guide for implementation of communication, consultation and coordination between the company and stakeholders as to be sure that every step of the decisions, actions, and implementation of activities related to the stakeholders is accountable, effective, efficient, consistent and systematic so as to facilitate the operations of the company.

**Description of Procedures:**

1. The management assesses the feasibility of the inputs from the stakeholders and shall prepare a response to be communicated, consulted and coordinated with stakeholders,
2. If requested, the company protects the confidentiality of the identity of depending on the sensitivity of the issue, the scale of the impact if the issue is published or the risk of

**Compliance status:**  Yes  No

NCR No: -

retaliation.

3. Management of public announcements intended to respond to input or to seek the fulfillment of the company's operational support to external parties
4. A communications team shall provide input to upper management to analyze operational support needs and formulate the content of the form of communication, consultation and coordination together as a form of corporate policy, management.
5. Management approve or revise the formulation of the form and content of communication, consultation and coordination
6. The communications team performs the function of communication, consultation and coordination in accordance with the development policy that has been decided and reports the results of communication, consultation and coordination to management.

There are records of communication, consultation and coordination activities held with stakeholders.

1. Letter No. 11 / SDS / 2017 from the construction committee of Swadaya Betuah Elementary School on April 13, 2017 regarding assistance of soil pile for the construction floors of Swadaya Betuah Elementary School, respon from management with letter No. 035 / KBN-MSS / IV / 2017, provided soil pile assistance of 30 trucks on April 19, 2017,
2. Letter No. 007 / kds / AP / Pkl-IX / 2-16 regarding backhoe loader assistance from the head of Pangkalan Libut Village on 22 September 2016, response from management with letter no. 074 / KBN-MSS / X / 2017 dated October 6, 2016 regarding heavy equipment assistance for contructions road at Dusun Air Permesi , Pangkalan Libut village .

Available Decree No. 171 / KEBUN-MSS / IX / 2014 dated December 12, 2014 which was passed by the company management on the establishment of the Public Communications team of PT. Murini Samsam appoint and define:

1. Priadi and Arismardi and J. Siagian as a Communications teams leaders for PT MSS
2. Indasril as a team chaperone field of employment.
3. Indasril as chaperone field of Community Development.
4. Hirasman Tanjung as a chaperone field of environment and K3.
5. Irwansyah and Beni Safari as a team chaperone field Mill / Factory
6. Contractor supplying to the Company
7. Supplier / General material Suppliers & Service. ect

The company has a list of stakeholders (Entry List of stakeholders) consisting of

1. Stakeholder areas of government: the District, District, village / hamlet.
2. Stakeholder Indigenous People / Kerapatan Adat Nagari (KAN)
3. Non-Governmental Organization (NGO) and related organizations
4. Company Core Institutions Cooperative Organization Partners
5. Suppliers of Raw Materials (FFB)

- |   |  |
|---|--|
| 6. Contractor supplying to the Company<br>7. Supplier / General material Suppliers & Service. ect |  |
|---|--|

**Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.**

**Findings:**

PT MSS already have procedures Communication, Consultation and Coordination with Stakeholders No. PRO-BM-007 Rev 01 dated 1st August 2015 with the aim of : System Operating Procedures created as a technical guide implementation of communication, consultation and coordination between the company and stakeholders so as to be sure that every step of the decisions, actions, implementation of activities related to the stakeholders accountable, effective, efficient, consistent and systematic so as to facilitate the operations of the company ,

Description of procedures :

1. The management assesses the feasibility of the inputs from the stakeholders and shall prepare a response to be communicated, consulted and coordinated with stakeholders,
2. If requested, the company protects the confidentiality of the identity of depending on the sensitivity of the issue, the scale of the impact if the issue is published or the risk of retaliation.
3. Management of public announcements intended to respond to input or to seek the fulfillment of the company's operational support to external parties
4. A communications team shall provide input to upper management to analyze operational support needs and formulate the content of the form of communication, consultation and coordination together as a form of corporate policy.
5. Management approve or revise the formulation of the form and content of communication, consultation and coordination
6. The communications team performs the function of communication, consultation and coordination in accordance with the development policy that has been decided and reports the results of communication, consultation and coordination to management.

The provisions governing the existence of trade unions are described in the Internal Memo of the Human Resources Development Head Number: 001 / WIP-HRR / Intl-II / 2014 on February 20, 2014 on the Employment Conditions. The policy described in the memo is where the company guarantees the freedom of every employee to form and become a member of a trade union or trade union in accordance with applicable legislation.

During this audit, there were not cases of ongoing disputes; hence there were no records of results of the dispute settlement process.

Compliance status:  Yes  No

NCR No: -

**Criterion 6.4: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

**Findings:**

PT MSS has an SOP on Land Acquisition, i.e. PRO-BM-001 dated November 1, 2013. The SOP is defined as the standard procedure

Compliance status:  Yes  No

NCR No: -

used to ensure that the decision or action in the process of land acquisition for the benefit of industrial oil palm plantations is done properly and correctly in accordance with the rules and laws and regulations that apply specifically to land-related interests of the community and communal/ customary land.

There is a clause on

- Information or land acquisition plan submitted to the relevant parties, among others, Local Government, Public Social Institutions, Traditional institutions and public figures related to customary law
- Inventory and field research that describes the location to be acquired by way of a special coordination with indigenous community leaders / village and with the village administration
- Payment of compensation of land owned by indigenous communities / villages where a compensation fund is prioritized for the sake of social or infrastructure development for the village in accordance with the agreement stipulated. For arable land / group with compensation for destroyed crops, indemnity done for and on land / land and for crops or in the form of compensation expense over the process of cleaning / clearing will be done for the previous land owner.

The contents of these procedures include:

- I. The Basic Law
- II. Status of Soil
- III. Land acquisition policy
- IV. Implementation of land acquisition
  1. Phase Research, verification and inventory data / facts
  2. Phase compensation fund Filing / land acquisition
  3. Phase research / verification of payment documents
  4. Phase payment of compensation / damages
  5. Phase Document Storage

During this audit, there have been no parties identified who are entitled to receive compensation for the concession company land and no compensation claims in progress

**Criterion 6.5: Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.**

**Findings:**

The Company has a payment document for April 2017, payment of employee wages adjusted for HRR memo concerning the establishment of minimum wage employees are set by local governments.

a. Available documents listing employees' wages for the period of January 2017 and there is a memorandum from Regional Human Resources Dept regarding wage determination start per January 2017 is appropriate with HRR Memo No. 018 / HC-IM-HRR/V/2017 may 02, 2017 concerning the daily minimum wage of employees of PT. MSS amounted Rp. 2,516,812/month or Rp. 100,672/day.

b. Determination of wages in the company based on the decision of the Governor of West Sumatra No. 120/1/2017 on Minimum Wages

**Compliance status:**  Yes  No

NCR No: -

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Riau Plantation Sectoral in 2017 amounted to Rp. 2,516,812 .

examples payment receipts:  
 April 2017 Pay slip based on 2016 UMSP Riau , Andi Saputra 21 days Earn Rp. 2,229,997.

The company has a Collective Labor Agreement 2015-2017 that it includes the rights and obligations of employees of PT. MSS including wages and wage determination system according to provisions Governor of West Sumatra

The Company has documented employee wage payment in April pursuant to Riau Governor Decree no. 120 / I / 2017 dated January 26, 2017 which stipulates the minimum wage of oil palm plantation sector is Rp. 2,516,812.

Internal memo No. 018 / HC-IM / V // 2017 concerning minimum wage Riau provence sector in 2017 which used as a reference for wages in PT. MSS is Rp. 2,516,812 per month or Rp. 100.672 / day.

According to Riau Governor Decree no. Kpts.1058 / XI / 2016 concerning determination of minimum wage of regency / city in Riau province for 2017 (Bengkalis district Rp 2,685,547,19). The Governor's decree shall be submitted for the basis of minimum wage payroll for workers in PT.MSS.

Company also provide workers facilities like housing, sports, health care, mosque, football field, school bus, clean water ect.  
 All employee facilities provided by the company are in good condition and used by employees and their families.  
 For household need, traditional market near by the company area around 3 km from workers housing.

***Criterion 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.***

**Findings:**

PT. MSS has a firm policy in the Bahasa language that recognizes the rights of employees to freedom of association. Employees have the union that allows all workers, including migrant workers and migrants and contract workers, trade union membership. Unions are associations of workers to negotiate with the company. The results of the negotiations in the form of Collective Labour Agreement (PKB) is endorsed by the company and workers. PKB period 2015 - 2017, and witnessed by the Department of Labor South Solok. The PKB contains the rights, obligations and working conditions, safety, welfare, leave, termination of employment, etc.

Ratification PKB 560/511 / DSTKT / IX / 2015 by the Director Labour and Transmigration District of Bengkalis The PKB refers to the Law No. 13 of 2003 on Labour and has been disseminated to the workers, it is evident that workers know the contents of the PKB.

The meeting between unions and the company have been documented. Documentation of the discussion of the problems of em-

**Compliance status:**  Yes  No

NCR No: -

ployees , ie :

- On April 17, 2017 at the office of PT. MSS discussed about the difficulty of harvesting workers on a high point, the location of the harvester of surrounded by ants so that workers are difficult to arrange the midrib and collect loose fruit. Attended by 11 Bipartit forum
- On March 22, 2017, at estate office : disscused about Some of the spray tools are damaged. (Stamping nozzle, tangka, bushing, pipe, lever etc. conditions only need to be cleaned). Employee harvesting work accident increases. (Reviewed at Kmeeting), Hand gloves for FFB transportation crew, Unpaid harvest workers' wages due to accidents, improved drainage of new cottage housing.

**Criterion 6.7: Children are not employed or exploited.**

**Findings:**

Regarding to child labour, there was company's policy in circular no. 002/GM-RMM/IV/2014 for worker protection and prohibiton, valid since 11 April 2014. In this circular it was stated as follow :

1. The company only accepts adult worker (18 years minimum age or married).
2. Workers are prohibited to bring children to work.
3. Children between 13-15 years old are allowed to do light work as long as not interfere his physical, psychological and social development.
4. Estate divisions which accepts this kind of working children as point 3 above shall be accompanied with requirements as below :
  - Written permit from parrents.
  - Working agreement between company and parrents.
  - Longest working hours is 3 hours per day.
  - Environment condition do not interfere with his physical, psychological and social development and school time.

The company has list of workers for 2014-2015. From this list it was found that all workers are more than 18 years old. There was no worker under aged or between 13 and 15 years old. So, there was no worker currently that needs to be accompanued with written permit from the parrents. Based on interview and observation in the field found that the company complies to regulations regarding worker's minimum age.

There were no employees under the age of 18 years. The policy has been disseminated to employees, contractors and the local community leaders surrounding villages.

**Compliance status:**  Yes  No

NCR No: -

**Criterion 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.**

**Findings:**

Available Policy on Equal Opportunities -Wilmar International endorsed by Goh Ing Sing (Group PlantationHead) on September

**Compliance status:**  Yes  No

NCR No: -

2010 which supports the principles of fairness and non-discrimination, and aims to treat each person with respect, be free from unlawful discrimination and work ethically. The aim is not to discriminate against gender, caste, ethnicity, disability, sexual orientation, age, or beliefs but to develop a global workforce that has abilities to perform assigned tasks based on an objective assessment. Internal Memorandum No.001 / WIP-HRR / Int-II / 2014 Conditions of Employment dated 20 February 2014 on Equal opportunities for employees "The company upholds professionalism and ensure the absence of discrimination on the basis of race, color, gender, religion, political beliefs , nationality, or origin of which results negate or reduce equality of opportunity or treatment in employment or occupation."

Evidence of equal treatment in working opportunities for workers could be seen on worker list which shows that all workers come from different race, nation, gender and religion. Based on interview and field observation it was found that there was no discrimination to the worker regarding to this opportunity.

**Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.**

**Findings:**

Available Policy on Equal Opportunities -Wilmar International endorsed by Goh Ing Sing (Group Plantation Head) on September 2010 which supports the principles of fairness and non-discrimination, and aims to treat each person with respect, be free from unlawful discrimination and work ethically. The aim is not to discriminate against gender, caste, ethnicity, disability, sexual orientation, age, or beliefs but to develop a global workforce that has abilities to perform assigned tasks based on an objective assessment. Internal Memorandum No.001 / WIP-HRR / Int-II / 2014 Conditions of Employment dated 20 February 2014 on Equal opportunities for employees "The company upholds professionalism and ensure the absence of discrimination on the basis of race, color, gender, religion, political beliefs , nationality, or origin of which results negate or reduce equality of opportunity or treatment in employment or occupation."

Evidence of equal treatment in working opportunities for workers could be seen on worker list which shows that all workers come from different race, nation, gender and religion. Based on interview and field observation it was found that there was no discrimination to the worker regarding to this opportunity.

**Compliance status:**  Yes  No

NCR No: -

**Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.**

**Findings:**

Company has SOP No.001 / TBS-SOP / VIII / 2015 Oil Palm FFB Purchases August 10, 2015. For the purpose of purchasing FFB from external parties, and ensuring the purchase is done properly, be accountable. There were FFB price info placed in front of security post , from 01-12 May 2017 are Rp 1,445/kg

**Compliance status:**  Yes  No

NCR No: -



As for transparency clause in FFB tonnage calculation and FFB payment. Agreement understood by both parties and signature on legal stamp.

Several evidences have been found indicating that all parties understand contracts they have entered into and that the contracts are fair, legal and transparent.

The Company describes the FFB pricing mechanism through contract, one of the articles that stated the price of FFB is agreed upon by both parties based on the market price stipulated at the prevailing CPO and PK prices as well as the historical OER estimates and the FFB quality standards sent by Suppliers.

Payment receipt are available on estates / Milla offices, and payment are timely manner.

**Criterion 6.11: Growers and millers contribute to local sustainable development wherever appropriate.**

**Findings:**

The company has a record contribution of local development :

1. Assistance of soil pile for the construction floors heap of SD Swadaya Betuah building 13 April 2017.
2. Assistance of soil pile for the for building Dusun Air Permesi Hamlet , Pangkalan Libut Village, October 06, 2016
3. Assistance of heavy equipment graders for the construction of Mosque House Quran in the hamlet likes to progress Sungai Meranti Village Oktober 25, 2016
4. Backhoeloder heavy ground and heavy support for the construction of the bridge of Batang Kedumpa Hamlet Pangkalan Libut Village November 12, 2016

**Compliance status:**  Yes  No

NCR No: -

**Criterion 6.12: No forms of forced or trafficked labour are used.**

**Findings:**

Auditor found there was no foreign workers In PT. MSS, however company using human resources from local resource. They bound in working agreement to become permanent workers through probation status. In agreement clause it stated that management could change they type of job according to the decision of the management and consent of the worker.

**Compliance status:**  Yes  No

NCR No: -

**Criterion 6.13: Growers and millers respect human rights.**

**Findings:**

Wilmar Group has a Human Rights Policy which states the following:  
Wilmar Int Limited, as Asia's leading agribusiness group conducts

**Compliance status:**  Yes  No

NCR No: -

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its business responsibly and ethically. Wilmar aims to respect and protect the human rights to personal security free from harassment or abuse of any kind, safe, clean and healthy workplace and environment.

1. Human Rights in WILMAR includes two key aspects, which are:
  - a. The rights of workers
  - b. Freedom of association
  - c. There is no forced or bonded labor
  - d. No child labor
  - e. Working conditions shall be conducive
2. Rights of Indigenous and Local Communities
  - a. To respect the rights of land ownership
  - b. Committed to Free, Prior and Informed Consent (FPIC)
  - c. Committed to an openness, transparency, and fairness in resolve conflicts.

The Human Rights Policy is made as it placed on the notice board at the office of the estate and office mill for easy viewing by workers and other stakeholders

**Criterion 7.1: A comprehensive and participatory independent social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.**

**Findings:**

This principle is not applicable as there have been no new plantings carried out by the company. The youngest planted area was in year 1996, with no areas planted since

**Compliance status:**  Yes  No

NCR No: -

**Criterion 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.**

**Findings:**

This principle is not applicable as there have been no new plantings carried out by the company. The youngest planted area was in year 1996, with no areas planted since

**Compliance status:**  Yes  No

NCR No: -

**Criterion 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.**

**Findings:**

This principle is not applicable as there have been no new plantings carried out by the company. The youngest planted area was in year 1996, with no areas planted since

**Compliance status:**  Yes  No

NCR No

**Criterion 7.4: Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.**

**Findings:**

This principle is not applicable as there have been no new plantings carried out by the company. The youngest planted area was in year

**Compliance status:**  Yes  No

NCR No: -

<p>1996, with no areas planted since</p>	
<p><b>Criterion 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.</b></p>	
<p><b>Findings:</b></p> <p>This principle is not applicable as there have been no new plantings carried out by the company. The youngest planted area was in year 1996, with no areas planted since</p>	<p><b>Compliance status:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NCR No: -</p>
<p><b>Criterion 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.</b></p>	
<p><b>Findings:</b></p> <p>This principle is not applicable as there have been no new plantings carried out by the company. The youngest planted area was in year 1996, with no areas planted since</p>	<p><b>Compliance status:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NCR No: -</p>
<p><b>Criterion 7.7: No use of fire in the preparation of new plantings other than in specific situations, as identified in the ASEAN Guidelines or other regional best practice.</b></p>	
<p><b>Findings:</b></p> <p>This principle is not applicable as there have been no new plantings carried out by the company. The youngest planted area was in year 1996, with no areas planted since</p>	<p><b>Compliance status:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NCR No: -</p>
<p><b>Criterion 7.8: New plantation developments are designed to minimise net greenhouse gas emissions.</b></p>	
<p><b>Findings:</b></p> <p>This principle is not applicable as there have been no new plantings carried out by the company. The youngest planted area was in year 1996, with no areas planted since</p>	<p><b>Compliance status:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NCR No: -</p>
<p><b>Criterion 8.1: Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b></p>	
<p><b>Findings:</b></p> <p>During 1<sup>st</sup> surveillance audit, the company showed the effort for commitment to continuous improvement. Example to minimize the chemical fertilizer used, the company use EFB and POME for fertilizer. For IPM management implementation, the company still commitment use biological control to minimize the pesticied use . Mill use fiber and shell for bolier fuel to minimize fossil fuel used.</p>	<p><b>Compliance status:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NCR No: -</p>

The following is a summary of findings made for the criteria listed in the RSPO Supply Chain Certification November 2014 with selected supply chain model Mass Balance (MB) for detail information about company's compliances to RSPO SCCS modul E.

<b>E.1. Definition</b>	
<p><b>Findings:</b></p> <p>The organization (PT Murini Sam Sam Palm Oil Mill) implemented the RSPO-SCCS <b>Mass Balance (MB)</b> model. This SCCS model allowed to mixing of certified and uncertified product but shall be control by the Mass Balance record to ensure the quantity of certified product, and only certified product could be claim by the organization as certified palm oil product. Organization has identified the volume of certified and uncertified FFB supplied to the mill.</p> <p>PT MSS palm oil mill has record of incoming FFB supplied to the mill. Based on record data year of 2016 and 2017 until April, FFB incoming into the mill is came from owned estate (certified land and non-certified land) and out growers/third party. During the surveillance assessment, for 2016 total incoming FFB under scope certified land is 12,889.95 tonnes, non-certified land as much as 6,552.65 tonnes and uncertified FFB from out grower/third party is 341,810.09 tonnes.</p>	<p><b>Compliance status:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NCR No: -</p>
<b>E.2 Explanation</b>	
<p><b>Findings:</b></p> <p>Estimated of tonnage CPO and PK products has been recorded into the public summary of the P&amp;C report.</p> <p>The actual of certified CPO and PK year 2016 are 2,291.39 Tonnes (CPO) and 654.56 Tonnes (PK). Whereas, projection of certified product year 2017 are 3,927.17 Tonnes (CPO) and 1,131.52 Tonnes (PK) with projection of certified FFB process is 22,100 Tonnes and extraction rate are 17.77% (OER) and 5.12% (KER). This information gets from budget of mill year 2017.</p> <p>Registration with IT trading platform PT Murini Sam Sam has register to RSPO IT system with license number RSPO_PO1000005281. PT Murini Sam Sam Palm Oil Mill has already selling CPO RSPO certified and has evidence the transactions has conducted in the RSPO Palm Trace. Total selling CPO RSPO certified (June until December 2016) as much as 1,748.79 tonnes and PK (June until December 2016) as much as 466.77 tonnes.</p>	<p><b>Compliance status:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NCR No: -</p>

**E.3 Documented procedures**

**Findings:**

The mill has documented procedures for supply chain as follows:

- SOP Supply Chain - Mass Balance SPO-LOG-005 dated 1 June 2014, revision: 02
- SOP Traceability SCCS - SOP-LOG-006 dated 1 June 2014, revision: 03

The SOPs above covers procedures for receiving and processing certified and non-certified FFBs. The mill's supply chain procedure for Mass Balance defines the responsible mill personnel to implement the Supply Chain certification system and their responsibilities, e.g.:

- Mill security is responsible to record all receipt and dispatch of certified sustainable palm oil (CSPO)/ non-certified sustainable palm oil (NCSPK) and certified sustainable palm kernel (CSPK) / non-certified sustainable palm kernel (NCSPK).
- Weighbridge is responsible to record the weight of all FFB received and dispatched, and ensure all FFB received and report on dispatch of CSPO/NCSPK and CSPK/NCSPK is in accordance with the RSPO SCCS and ISPO requirements
- Logistics is responsible to calculate production of CSPO/NCSPK and CSPK/NCSPK, dispatch and to report this data in production and dispatch reports and traceability report
- Sortation is responsible for FFB grading and ensuing grading reports for FFB sorted are prepared
- Senior Admin Offer is responsible to control the receipt of FFB, CSPO/NCSPK and CSPK/NCSPK, FFB receipt reports, dispatch, CPO delivery reports and traceability reports
- The Mill Manager is responsible to ensure to the overall process

The estate also has SOP for FFB Transport – PRO-WSH-0022 dated 1 January 2014, revision 001, which is applicable in the SCCS implementation as the estate is responsible to ensure that FFB from HGU approved blocks and non-HGU blocks are correctly identified as sustainable and non-sustainable respectively prior to being sent to the mill. The estate management took immediate action

**Compliance status:**  Yes  No

NCR No: -

to revise the procedure, and the revised procedure stated that that estate security is required to stamp the FFB Delivery Notes for all crop from certified blocks no. 004, 005, 006, 007, 008, 010, 011, 012, 013, 014, 015, 016 and 017 as sustainable, while those received from non-HGU blocks, i.e. blocks 001, 002, 003, 004B, 005B, 007B, 008B, 009B, 010B, and 011B are not to be stamped. The company has stamps to be used by the estate for indicating sustainable crop and for the mill to indicate mass balance status of certified CPO and PK.

The company has letter of decree about appointment for management representative of SCCS program that assigned on 4 April 2017 with number SK 003/INT/MSS-POM/IV/2017 on behalf Budi Eka Dharma.

The mill has been assigning person, i.e. head of administration that having overall responsibility for and authority over the implementation of SCCS requirements and compliance with all applicable requirements. The mill manager is expected to be able to demonstrate awareness of the facilities procedures for the implementation of SCCS standard. Respective staff has good knowledgeable and competent in implementing the supply chain procedures in Murini Sam Sam mill, as proved during interview with weight bridge staff, FFB ramp etc.

The mill has records balance for all receipts of RSPO certified FFB and delivery CPO & PK on daily basis. The material balance includes information about incoming FFB from company's estate and out grower, FFB process, CPO & PK production including OER & KER. Since year 2016 PT Murini Sam Sam palm oil mill has been selling certified CPO and PK to PT Wilmar Nabati Indonesian Pelitung, all volumes of palm kernel that are delivered are deducted from the material accounting system according to actual daily conversion rate. The material balance can show deliver product sales from a positive stock.

There is training evidence for SCCS awareness for staff level and all relevant worker such as attendance list; training was conducted on March 15, 2017. Evidence of training Minutes meeting SCCS workshop for employees, material and photo documentation.

**E.4 Purchasing and good in**

**Findings:**

The mill's procedures for verifying and documenting the volumes of certified and non-certified FFBS received is as described in their SOPs for Mass Balance and Traceability as explained in E.3 above. All data on FFB received from certified and non-certified sources and CPO & PK dispatched is

**Compliance status:**  Yes  No

NCR No: -

recorded in a daily basis in a Daily CSPO Production Record, which is then summarized in a monthly basis in an excel template (mass balance sheet) for CPO Products Daily and Monthly Movement Summary Report. As seen from the template, the data required to be input, included FFB received from the estate's HGU area (certified), non-HGU area (non-certified) and outsiders (non-certified), FFB processed, CPO production, OER, non-sustainable and sustainable production, non-sustainable and sustainable dispatch, non-sustainable and sustainable stock and total stock.

PT Murini Sam Sam palm oil mill has procedure and mechanism to inform the over production into the CB by document number SOP-LOG-007 revision 00 date issued January 01, 2015, mentioned "if over production projected, the management representative will inform to the CB related that over production.

**E.5 Record keeping**

**Findings:**

The company (POM-1) has procedure for document control (SOP/KSYPOM-MR-001 Rev.01, issued on July 02, 2012) and POM-2 also has procedure for document control (SOP/KSYPOM-MR-001 Rev.01, issued on March 19, 2016). The procedure state that the company keep all of record related RSPO for 2 (two) years.

Implementation of control and maintenance of the data & document has consisted. All records (weighbridge slips, FFB delivery note and FFB grading report) collected or complied per month. Records on the quantity of FFB received and CPO/PK dispatched daily is maintained in the weighbridge software. The mechanism to update information about production (production CPO/PK, dispatch CPO/PK, stock CPO/PK, OER and KER) to related section is by email notification every morning by the logistic division. The mill maintains accurate, complete and updated records and reports.

The mill has records balance for all receipts of RSPO certified FFB and delivery CPO on daily basis. The material balance includes information about incoming FFB from company's estate and out grower, FFB produced, CPO result including OER, PK result including KER, product dispatch and balance product in the storage tank including the mass balance percentage, included information about PK production from certified FFB.

All volumes of palm oil that are delivered are de-

**Compliance status:**  Yes  No

NCR No: -

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ducted from the material accounting system according to actual daily conversion rate. The material balance can show deliver product sales from a positive stock.

There is no outsourced process in PT Kerry Sawit Indonesia palm oil. The mill's product CPO and palm kernel are internally processed in company's location.



### 3.2 Status of Previously Identified Non-conformities

A total of 1 nonconformances was identified during the certification assessment. These only consisted of 1 (one) minor non-conformity. During this surveillance assessment, it was found that there was sufficient evidence for closure of non-conformity.

The following is a description of the evidence of action taken to close the non-conformity raised during the previous assessment, as well as auditor's conclusions on the status of the non-conformity.

NCR No.	Clause & status	Nonconformity	Auditee response		Verification result during this audit	Conclusion (Open/Closed)
			Correction	Corrective Action		
NCR No. 2016-01 of 01	1.3.1	The company does not yet have a policy on ethical conduct prepared in the name of Wilmar Group	To follow up with the Human Resources Department who will publish the policy. Person-in-charge is the Sustainability Manager	To ensure the ethical conduct policy under the name of Wilmar Group is prepared and properly maintained	The company has provide evidence for correction such as record of policy on ethical conduct prepared in the name of Wilmar Group	close

### 3.3 Identified Non-conformances, Corrective Actions Taken and Auditors Conclusions

During this surveillance assessment, a total of 1 nonconformance was identified. These consisted of 1 major non-conformity. For the major non-conformance, the company has taken the necessary corrective action to close these non-conformance within 60 days of completion of the assessment, and this was verified by the audit team through an on-site verification audit conducted on May 6-9, 2017 as well as checks of documents submitted by the company. For the minor non-conformances, the company has taken corrective action against these as well, and for those which could not be verified as closed through document checks, the closure of these minor non-conformities will be assessed during the next surveillance audit. A summary of all identified non-conformances, corrective actions taken and auditor conclusions is as below:

#### 3.3.1. Major non-conformities

It is recommended by the lead auditor to award the system of the company with a certificate pursuant to the above mentioned RSPO standards after eliminating the non-conformity rated as "major".

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Indicator	NCR No.	Evidence Observed	Deadline for implementation (Date)	Correction/Corrective Action taken	Auditor Conclusion
2.1.1	RSPO 01082	The company has been sent evidence of improvement such as : Form containing Weekly Overtime Monitoring of employees and form containing the weekly employee overtime plan and realization.	11 July 2017	<p><b>Correction:</b></p> <ol style="list-style-type: none"> <li>1. Create a Form containing Weekly Overtime Monitoring of employees</li> <li>2. Create a form containing the weekly employee overtime plan and realization. PIC : PGA department</li> </ol> <p><b>Corrective action:</b></p> <p>Apply both monitoring forms consistently</p>	Closed

**3.3.2. Minor non-conformities**

It is recommended by the lead auditor to award the system of the company a certificate pursuant to the above-mentioned RSPO standards. The non-conformities identified shall be audited again in line with the timeframe during the next surveillance audit

Indicator	NCR No.	Evidence Observed	Deadline for implementation (Date)	Correction/Corrective Action taken	Auditor Conclusion
-	-	-	-	-	-

**3.4 Noteworthy Positive Components and Potential for Improvement**

**Positive Observation:**

No.	Indicator	Positive Components
1	-	Company have commitment in applying RSPO principles and criteria requirements
2	-	The role and active involvement of all parts and levels within the company is very good so it helps the audit process
3	-	Housekeeping of POM is very clean

**Potential for Improvement:**

No.	Indicator	Potential for improvement
1.	2.2.2	In order to immediately move the consession right stakes in accordance with the coordinates issued by National Land Agency (BPN)
2.	4.4.1	The test results of Meranti River water samples do not meet the standard, there should be efforts to maintain the quality of the river water Meranti, as a raw material processing of palm oil
3.	4.4.1	We recommend that PT Murini Sam Sam have procedures to measure water use in palm oil mills
4.	5.1.2	The Company has not yet discussed in the report of UKL-UPL in the first and second semester of 2016 which is consistent with the matrix of management and monitoring plan such as public perception, increase of solid waste / domestic waste and the opening of job opportunity. This becomes an observation.  To review / revise environmental documents which the company plans to replant by 2018 while for breeding and replating activities have not been identified and the impacts of the garden environment document
5.	6.1.1	The company will conduct replanting activities in 2018, for it should first be a social impact assessment due to replanting activities
6.	6.5.2	Management should realize the uniform of employees as employees' rights
7.	6.5.1	Estate needs to add the cost of electricity subsidies for the employees of the garden following the increase in the basic electricity tariff.
8.	6.5.3	The company needs to make adjustments to the payment of wages of the plantation workers and the 13 factory outsourcing workers in accordance with the Riau Governor's Decree concerning the provincial minimum wage
9.	-	To complete the analysis of the causes of non-compliance on non conformity of internal audit report

### **3.5 Conclusion and Recommendation for RSPO P & C and Supply Chain Certification**

The audit team has confirmed through the audit process that PT Murini Sam Sam has established and maintains an effective system to ensure compliance with the RSPO P & C (NI P&C RSPO 2013 for Indonesia year 2016) and Supply Chain Certification System requirements (dated November 2014). It is also confirmed that the company's annual volume of CPO and PK sold for the period of 2016 has not exceeded the certified annual tonnages as claimed in the organization's RSPO certificate no. 824 502 16035 until 2<sup>nd</sup> surveillance audit.

TUV Rheinland recommends that PT Murini Sam Sam mill and estate be continuing approved for certification of compliance to the RSPO P & C and Supply Chain Certification System requirements.

### **3.6 Issues Raised by Stakeholders and Findings Pertaining to Issues**

Below is a summary of issues raised by stakeholders interviewed on site

<b>No.</b>	<b>Issues Raised</b>	<b>Management Response</b>	<b>Audit Verification</b>
-	-	-	-

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

### **4.1 Date of Next Surveillance Visit**

The next surveillance visit is planned for May 2018

### **4.2 Acknowledgements of Internal Responsibility and Formal Sign-Off by Client**

It is acknowledged that the assessment visit was carried out as described in this report and we accept the assessment findings and report content

Signed on behalf of PT Murini Sam Sam



Name : Priadi  
Position : Management Representative  
Date : July 21, 2017

Signed on behalf of TUV Rheinland [Indonesia](#)



Nama : Ade Sudiana  
Position : Lead Auditor  
Date : July 21, 2017


## Appendices

### Appendix 1: Details of Revised Certificate

**Certificate**

Standard : Indonesian National Interpretation of RSPO Principles & Criteria for the Production of Sustainable Palm Oil; July, 2016 and RSPO Supply Chain Certification Systems: 2014

Certificate 824 502 16035  
Registr. No. :

Certificate Holder : PT TUV Rheinland Indonesia certifies :   
**PT Murini Sam Sam Palm Oil Mill**  
Subsidiary of **Wilmar International Limited**,  
Jl. Lintas Pekanbaru-Duri KM 98.2, Pangkalan Libut Village,  
Pinggir Sub District, Riau Province, Indonesia

and its company owned estates according to the annex


RSPO Scope : -  
Palm Oil Production and Plantation Management System

An audit was performed, Report No. ASA1\_8245026035.  
Proof has been furnished that the requirements according to Indonesian National Interpretation of RSPO Principles & Criteria for the Production of Sustainable Palm Oil; July, 2016 are fulfilled.

Validity: The due date for all future surveillance audits is 09.04 (dd.mm).  
The certificate is valid from 09 June 2016 until 08 June 2021.  
The certificate shall remain valid in period stipulated above provided that the certificate holder mentioned here continues to comply with the RSPO P&C requirements. Status of compliance of the certificate holder shall be based on the annual inspections conducted by PT TUV Rheinland Indonesia.

RSPO registered Wilmar International Limited  
(RSPO Member No. : 2-0017-05-000-00)  
\* Name of the RSPO registered member company of which the certificate holder is a subsidiary (if applicable)

Date of first certificate : June 09, 2016

  
PT TUV Rheinland Indonesia  
Director

Indonesia, 17-08-2017

The certificate remains property of PT TUV Rheinland Indonesia and can be withdrawn in case of terminations as mentioned in the contract or in case of changes or deviations of the above-mentioned data. The licensee is obliged to inform PT TUV Rheinland Indonesia immediately of any changes in the above-mentioned data. Only an original and signed certificate is valid.

# Annex to certificate

Standard : **RSPO Principles & Criteria for Sustainable Palm Oil Production; Generic Standard year 2013 and RSPO Supply Chain Certification Systems: 2014**

Certificate Registr. No.: 824 502 16035

Location: **PT Murini Sam Sam Palm Oil Mill**  
 Address : Subsidiary of **Wilmar International Limited**,  
 Jl. Lintas Pekanbaru-Duri KM 98.2, Pangkalan Libut Village,  
 Pinggir Sub District, Bengkalis District, Riau Province, Indonesia

The palm oil mill and supply base covered in certification scope are :

Name of mill / estate	Location	GPS locations	
		Latitude	Longitude
PT Murini Sam Sam Palm Oil Mill	Jl. Lintas Pekanbaru-Duri KM 98.2, Pangkalan Libut Village, Pinggir Sub District, Bengkalis District, Riau Province, Indonesia	1°3'37.27"S	101°14'21.92"E
PT Murini Sam Sam Estate	Jl. Lintas Pekanbaru-Duri KM 98.2, Pangkalan Libut Village, Pinggir Sub District, Bengkalis District, Riau Province, Indonesia	1°3'48.34"S	101°14'41.08"E


CPO Tonnage Total Production: 97,704 tonnes  
 PK Tonnage Total Production: 20,716 tonnes  
 Company Estates FFB Tonnages: 26,877 tonnes  
 FFB Tonnages from other sources: 346,840 tonnes  
 CPO Tonnage claimed for certification: 3,927 tonnes  
 PK Tonnage claimed for certification: 1,131 tonnes

Scope of SCCS & FFB receipt, produce and delivery of CPO & PK with supply chain model implementation of the following SCCS :

assessed :  Identity Preserved  
 Mass Balance

Indonesia, 17-08-2017

Issued by PT TUV Rheinland Indonesia

  
 PT TUV Rheinland Indonesia  
 Director

**Appendix 2: List of Abbreviations**

AMDAL	Analisis Dampak Lingkungan & Sosial (Social & Environmental Impacts Assessment)
BHL	Buruh Harian Lepas (Temporary worker)
BKPM	Badan Koordinasi Penanaman Modal (Capital Investment Coordination Board)
BOD	Biological Oxygen Demand
BPN	Badan Pertanahan Nasional (National Land Agency)
CDM	Clean Development Mechanism
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
Disnaker	Dinas Tenaga Kerja (Labour Department)
EIA	Environmental Impact Assessment
EMP	Employee
ERTs	Endangered, Rare & Threatened species
ESH	Environmental Safety & Health
EHS	Environmental Health & Safety
ETP	Environmental Target Program
FFB	Fresh Fruit Bunches
EFB	Empty Fruit Bunches
EMU	Environment Management Unit
FORKASS	Forum Komunikasi Masyarakat (Community Communication Forum)
GIS	Global Information System
HCV	High Conservation Value
HRD	Human Resources Department
HGU	Hak Guna Usaha (Land Use Rights)
ISCC	International Sustainability and Carbob Certification
IPM	Integrated Pest Management
IUP	Ijin Usaha Perkebunan (Plantation Operation Permit)
JHT	Jaminan Hari Tua
JKK	Jaminan Kesehatan Keluarga
JKM	Jaminan Kematian
K3	Keselamatan dan Kesehatan Kerja (Occupational Safety & Health)
Kadisbun	Kepala Dinas Perkebunan (Head of Plantations Department)
KepMen Naker	Keputusan Menteri Tenaga Kerja (Workforce Minister's Decree)
KHT	Karyawan Harian Tetap (Permanent Worker)
LTA	Lost Time Accident
LRR	Legal Requirements Register
MSDS	Material Safety Data Sheets
NGO	Non-Government Organization
OSH	Occupational Safety & Health
PGA	Personel and General Affair
PK	Palm Kernel
PKO	Palm Kernel Oil
PKS	Pabrik Kelapa Sawit ( Palm Oli Mill)
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
PUK	Perkembangan Usaha Kecil (Small Enterprises Development)
RKL	Rencana Pengelolaan Lingkungan (Environmental Management Plan)
RPL	Rencana Pemantauan Lingkungan (Environmental Monitoring Plan)
SCC	Supply Chain Certification
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
IPAL	Instalasi pengelolaan Air Limbah
SPSI	Serikat Pekerja Seluruh Indonesia (Indonesian Workers Union)
SPTI	Serikat Pekerja Transportasi Indonesia (Indonesian Transportation Workers Union)
UKL	Upaya Pengelolaan Lingkungan (Environmental Management Efforts)
UMP	Upah Minimum Propinsi (Provincial Minimum Wage)
UPL	Upaya Pengelolaan Lingkungan (Environmental Management Efforts)



**Appendix 3: List of Stakeholders Interviewed and Contacted**

No.	Name of Stakeholder	Institution / Position	Remarks
<b>Stakeholders Interviewed On-Site</b>			
1.	Priadi	Estate/ Estate Manager	
2.	F Marbun	Mill/ Mill Manager	
3.	Goldo	Estate/Field asistant	
4.	Indra	Estate/ Admintration staf	
5.	Nuswan	Mill/ Processing Staff	
6.	Dedi	Mill/ Adminstration staff	
7.	Sistra	Mill/ Grading worker	
8.	wagio	Estate/Harvester	
9.	Aron	Estate/harvester	
10.	Aris madi	Esstate/Administration staff	
11.	Erfata	Estate/Conservation staff	
12.	Eko Wibowo	Sortation Foreman	
13.	Ikram	Head Store Assistant	
14.	Roland Sipahutar	Boiler employee	
15.	Gozali Hasan	Spraying foreman	
16.	Ramadani	Sprayer	
17.	Henni Supiani Damanik	Sprayer	
18.	Musiem	Sprayer	
19.	Surati	Sprayer	
20.	Sabar Asni	Sprayer	
21.	Lidar Sinaga	Sprayer	
22.	Paini	Sprayer	
23.	Girno Simanullang	Operator tractor	
24.	Bambang Wahyudi	Welder	
25.	Supriyadi	Estate Manager	
26.	Indasril	Staff	
27.	Lely Pardede	Estate Document Control	
28.	Ramsi Siregar	Mill Admin	
29.	Sukarman Gea	Estate Security	
30.	John Leo	Mill Proces	