

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

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : Mentaya Sawit Mas Palm Oil Mill – PT Mentaya Sawit Mas Subsidiary of Wilmar International, Ltd.
 Plantation Name : PT Mentaya Sawit Mas: Mentaya Sawit Mas 1 Estate and Mentaya Sawit Mas 2 Estate
 Location : Tangar Village, Sub-District of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia
 Certificate Code : **MUTU-RSPO/058**
 Date of Certificate Issue : 24 April 2015 Date of License Issue : 24 April 2018
 Date of Certificate Expiry : 23 April 2020 Date of License Expiry : 23 April 2019

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	05 to 09 February 2018	Mohamad Amarullah, Oktovianus Rusmin, Yohanes Hardian and Haikal Ramadhan Kharismansyah	Ardiansyah	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	08 March 2018

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 with registration number **ASI-ACC-055**

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Figure 1. Location Map of PT Mentaya Sawit Mas

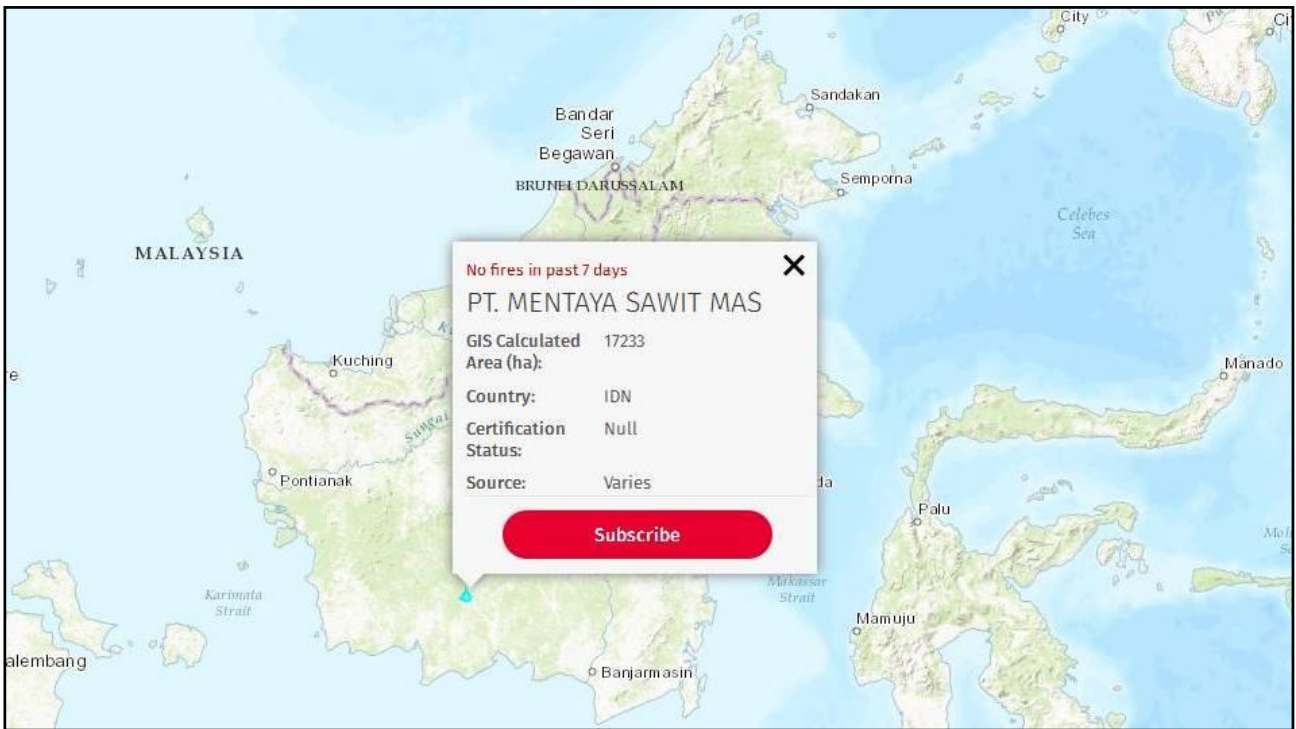
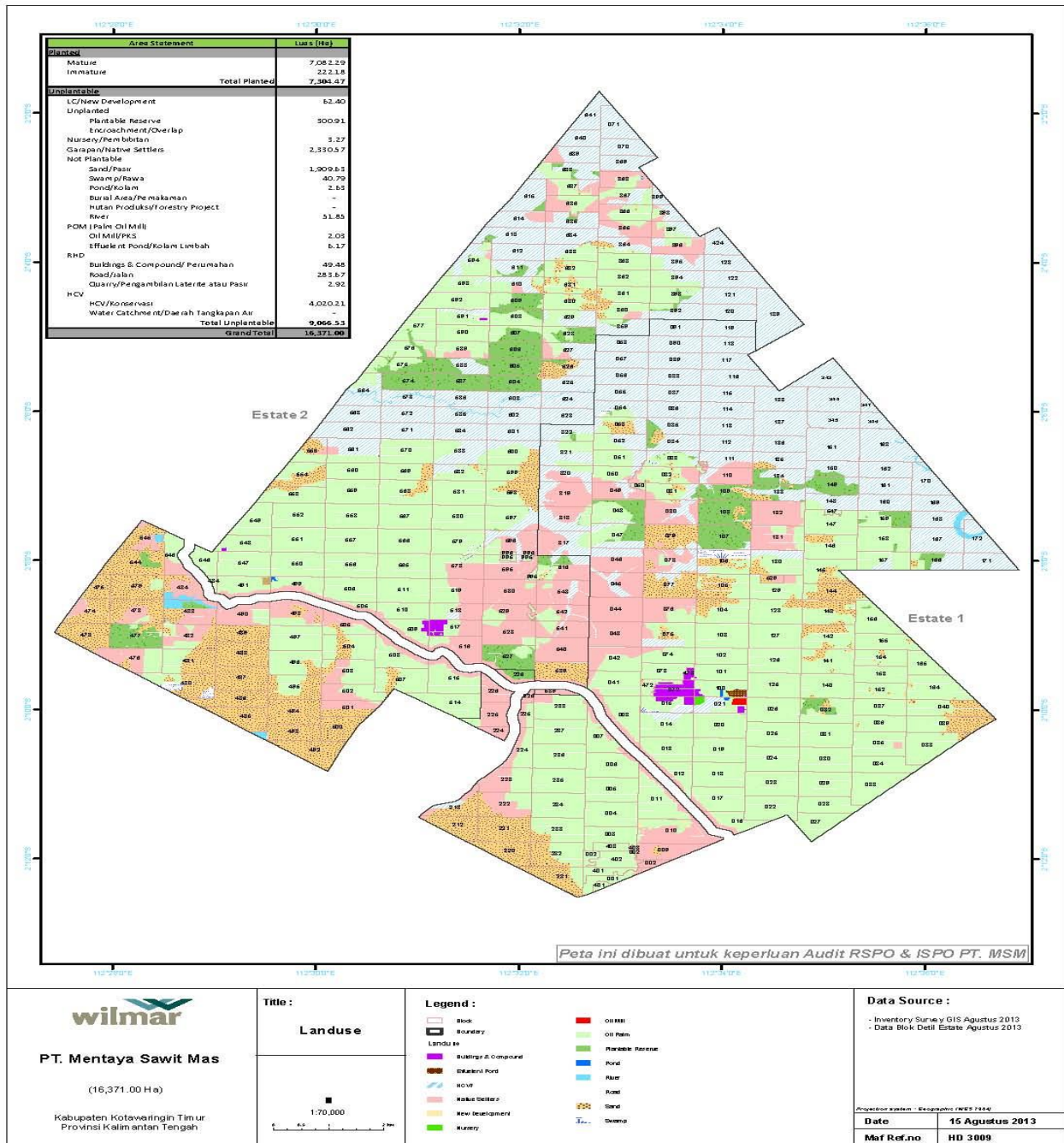


Figure 2. Operational Map of PT Mentaya Sawit Mas



Abbreviations Used

AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i> (Environmental Impact Assessment Analysis)
APD	:	<i>Alat Pelindung Diri</i> (Personal Protective Equipment)
BPN	:	<i>Badan Pertanahan Nasional</i> (National land Agency)
BPJS; Kes	:	<i>Badan Penyelenggara Jaminan Sosial Kesehatan</i> (Agency for the Provision of Social Security Health)
BPJS-TK	:	<i>Badan Penyelenggara Jaminan Sosial Tenaga Kerja</i> (Agency for the Provision of Social Security of Labor)
B3	:	<i>Bahan Berbahaya dan Beracun</i> (Hazardous Material)
CSR	:	Coorporate Social Responsibility
CH	:	Certificate Holder
CKP	:	Central Kalimantan Project
CPO	:	Crude Palm Oil
CV	:	<i>Commanditaire Vennootschap</i> (company register status in Indonesia)
EFB	:	Empty Fruit Bunch
EMU	:	Eco Management Unit
EWS	:	Early Warning System
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Informed and Consent
GIS	:	Geographic Information System
GRTT	:	<i>Ganti Rugi Tanam Tumbuh</i> (Compensation of Land Covers)
HCV	:	High Conservation value
HGU	:	<i>Hak Guna Usaha</i> (Land Title or Land Use Right)
IPM	:	Integrated Pest Management
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Business Permit)
ISCC	:	International Sustainability and Carbon Certification
KER	:	Kernel Extraction Rate
LB3	:	<i>Limbah Bahan Berbahaya dan Beracun</i> (Hazardous Waste)
KOTIM	:	<i>Kotawaringin Timur</i>
Ltd.	:	Limited (company register status in Singapore)
LKS - Bipartit	:	<i>Lembaga Kerja Sama Bipartit</i>
MSDS	:	Material Safety Data Sheet
MSM	:	Mentaya Sawit Mas
NGO	:	Non Government Organization
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
PIC	:	Person in Charge
PK	:	Palm Kernel
PR	:	Public Relation
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PT	:	<i>Perseroan Terbatas</i> (company register status in Indonesia)
PT KKPS	:	PT Karunia Kencana Permai Sejati
PT MAS	:	PT Bakung Mas
P2K3	:	<i>Panitia Pembina Kesehatan dan Keselamatan Kerja</i> (Committee of Health and Safety)
RSPO	:	Roundtable on Sustainable Palm Oil
Sdn. Bhd.	:	<i>Sendirian Berhad</i> (company register status in Malaysia)
SEIA	:	Social Environmental Impact Assessment
SIA	:	Social Impact Assessment
SOP	:	Standard Operation Procedure
WHO	:	World Health Organization

WWF	:	World Wildlife Fund
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INANITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on September 30th 2016). • RSPO Supply Chain Certification Standard For organization seeking or holding certification, Adopted by the RSPO Board of Governors on 21 November 2014, Revised on June 14th 2017. 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Mentaya Sawit Mas – Wilmar International, Ltd.	
1.2.2	Contact person	Perpetua George	
1.2.3	Organisation address and site address	<u>Official Liaison Office:</u> Multivison Tower Lt. 15 Jl. Kuningan Mulya Blok B9, Kuningan, Jakarta 12980 – Indonesia. <u>Site Location:</u> Tangar Village, Sub-District of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah	
1.2.4	Telephone	(62-21) 461 6555	
1.2.5	Fax	(62-21) 461 6687	
1.2.6	E-mail	perpetua.george@wilmar.com.sg	
1.2.7	Web page address	www.wilmar.co.id	
1.2.8	Management Representative who completed the application for certification	Perpetua George (Sustainability Coordinator)	
1.2.9	Registered as RSPO member	2-0017-05-000-00 16 August 2005	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Mentaya Sawit Mas POM; Mentaya Sawit Mas 1 Estate and Mentaya Sawit Mas 2 Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Mentaya Sawit Mas	Tangar Village, Sub-District of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah.	S 02° 9' 52.869" E 112° 34' 9.925"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate

		Latitude	Longitude	
Mentaya Sawit Mas 1 Estate (MSM 1)	Village of Kawan Batu, Subdistrict of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah.	S 02° 9' 32.323"	E 112° 33' 41.523"	
Mentaya Sawit Mas 2 Estate (MSM 2)	Village of Kawan Batu, Subdistrict of Mentaya Hulu, District of Kotawaringin Timur, Province of Kalimantan Tengah.	S 02° 8' 58.729"	E 112° 31' 14.067"	
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State	16,371.00	ha	
	• Community	-	ha	
1.5.2	Area Statement			
	• Total area	16,371.00	ha	
	• Mature area	7,377.48	ha	
	• Immature area	278.55	ha	
	• Mill	12.50	ha	
	• Housing, road and drainage system	312.80	ha	
	• Land clearing	2.90	ha	
	• Not plantable (ex gold mining)	2,144.95	ha	
	• Occupation	2,310.42	ha	
	• Unplanted area	31.96	ha	
	• HCV	3,899.44*	ha	
	<i>*Based on the HCV Identification review report of December 2017 it is known that the management is re-measuring (deliniation) actual condition.</i>			
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (ha)		
		MSM 1 Estate	MSM 2 Estate	Total
	2007	2,925.79	2,148.46	5,074.25
	2008	785.22	488.07	1,273.29
	2009	205.91	480.49	686.40
	2010	16.78	107.83	124.61
	2013	102.69	-	102.69
	2014	116.24	-	116.24
	2015	52.77	40.42	93.19
	2016	50.91	-	50.91
	2017	112.62	21.83	134.45
	TOTAL	4,368.93	3,287.10	7,656.03
1.6.2	New Planting area after January 2010	-	ha	
1.6.3	Planting Cycle	1 st Cycle (every 25 years)		

1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Mentaya Sawit Mas POM	45	150,873.44	34,600.32	22.93	6,582.64	4.36
	<i>*Production data source from February 2017 to January 2018</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	MSM 1 Estate	8,289.32	4,368.93	92,087.67	22.18	92,087.67	100.00
	MSM 2 Estate	8,081.68	3,287.10	57,054.92	17.69	57,054.92	100.00
	TOTAL	16,371.00	7,656.03	149,142.59	20.22	149,142.59	100.00
	<i>*Production data source from February 2017 to January 2018</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified)	Type of Organisation	number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	BSK 2 Estate (RSPO certified)	PT Bumi Sawit Kencana, subsidiary of Wilmar Int'l, Ltd.	-	3,143.17	854.77		
	KKP 2 Estate (RSPO non- certified)	PT Karunia Kencana Primasejati, subsidiary of Wilmar Int'l, Ltd.	-	4,022.41	688.40		
	KKP 3 Estate (RSPO non- certified)	PT Karunia Kencana Primasejati, subsidiary of Wilmar Int'l, Ltd.	-	3,834.45	187.68		
	TOTAL				1,730.85		
	<i>*Production data source from February 2017 to January 2018</i>						
1.7.4	Product categories			FFB, CPO and PK			
1.8	Tonnage of Product						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 24 April 2016 to 23 April 2017 (tonnes/year)		Actual certified product 24 April 2017 to 5 February 2018 (tonnes/year)	
	• FFB Production			143,906.00		120,307.11	
	• CPO Production			41,621.63		27,778.40	
	• Palm Kernel (PK) Production			7,854.01		6,458.65	
1.8.2	Product selling						
	Tonnage of selling product			Period of actual selling product 24 April 2017 to 5 February 2018			
	• CSPO sold as RSPO certified product			27,773.97			
	• CSPK sold as RSPO certified product			5,569.15			
	• CSPO sold under other scheme			-			
	• CSPK sold under other scheme			-			
	• CSPO sold as conventional			-			
	• CSPK sold as conventional			-			
1.8.3	Estimate of Certified FFB Claim						

	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	MSM 1 Estate	8,289.32	4,368.93	95,500.00	22.71			
	MSM 2 Estate	8,081.68	3,287.10	63,196.00	19.35			
	TOTAL	16,371.00	7,656.03	158,696.00	21.28			
*Projected FFB production from 24 April 2018 to 23 April 2019								
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Mentaya Sawit Mas POM	45	158,696	36,500	23.00	7,506	4.73	MB
*Projected FFB production from 24 April 2018 to 23 April 2019								
1.9	Other Certifications							
	ISO 9001:2008		-					
	ISO 14001: 2004		-					
	OHSAS 18001:2007		-					
	ISCC		-					
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Sapi (1+2), Sdn. Bhd.	2008	Sapi 1 & 2, Kiabau	2008	Sandakan, Sabah, Malaysia	Certified		
	Sabahmas, Sdn. Bhd.	2008	Sabahmas	2008	Lahad Datu, Sabah, Malaysia	Certified		
	Reka Halus, Sdn. Bhd.	2008	Reka Halus	2008	Sandakan, Sabah, Malaysia	Certified		
	Saremas 1, Sdn. Bhd.	2008	Saremas 1, Saremas 2 (Div D), Suai	2008	Miri Serawak, Malaysia	Certified		
	Saremas 2, Sdn. Bhd.	2008	Saremas 2 (exclude Div D), Kaminsky, Segarmas	2008	Miri Serawak, Malaysia	Certified		
	Terusan (1 + 2), Sdn. Bhd.	2009	Terusan 1 & 2, Rumidi	2009	Sandakan, Sabah, Malaysia	Certified		
	Ribubonus, Sdn. Bhd.	2009	Ribubonus	2009	Sandakan, Sabah, Malaysia	Certified		
	PT Perkebunan Milano	2009	Sei Daun, Batang Saponggol, Marbau	2009	North Sumatra	Certified		
	PT Mustika Sembuluh 1	2009	Mustika Sembuluh 1, Mustika Sembuluh 2, Kerry Sawit Indonesia 2, Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2009	Central Kalimantan	Certified		

PT Mustika Sembuluh 2	2015	Mustika Sembuluh 3, Bumi Sawit Kencana 1	2015	Central Kalimantan	Certified
PT Kencana Sawit Indonesia	2010	Kencana Sawit Indonesia, Koperasi Swamata	2010	West Sumatra.	Certified
PT Kerry Sawit Indonesia 1	2010	Kerry Sawit Indonesia 2, Kerry Sawit Indonesia 3	2010	Central Kalimantan	Certified
PT Kerry Sawit Indonesia 2	2015	Kerry Sawit Indonesia 1, Kerry Sawit Indonesia 2, Mustika Sembuluh 2,	2015	Central Kalimantan	Certified
PT Tania Selatan	2010	Burnai Barat, Burnai Timur	2010	South Sumatra	Certified
Sri Kamusan	2010	Hibumas 1, Hibumas 2, Sri Kamusan, Jebawang, Sekar Imej, Sapi Sugut	2010	Sandakan, Sabah	Certified
PT AMP Plantation	2011	AMP I, AMP II, AMP III, AMP, Primatama Mulia Jaya, Karya Agung Megah Utama, Perkebunan Anak Negeri, Koperasi Tompek Tapian Kandis	2011	West Sumatra	Certified
PT ANI (Sambas)	2012	ANI Estate	2012	West Kalimantan	Certified
PT Buluh Cawang Plantation	2012	Bumi Arjo, Dabuk Rejo, Sukamulya, Bambu Kuning	2012	South Sumatra	Certified
PT Bumi Sawit Kencana	2012	Bumi Sawit Kencana 1, Bumi Sawit Kencana 2, Karunia Kencana Permaisejati 1	2012	Central Kalimantan	Certified
PT Sarana Titian Permata	2012	Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2012	Central Kalimantan	Certified
PT Sarana Titian Permata 2	2018	Sarana Titian Permata 1, Sarana Titian Permata 2	2018	Central Kalimantan	-
PT Gersindo Minang Plantation	2013	Gersindo Minang Plantation, Permata Hijau Plantation-1, Permata Hijau Plantation-2	2013	West Sumatra	Certified
PT Daya Labuhan Indah	2013	Wonosari, Sei Deras, Cabang Dua	2013	North Sumatra	Certified
PT Milano (Cabang Dua Estate)	2013	(Supply base DLI-2)	2013	North Sumatra	Certified
PT Agro Palindo Sakti	2014	PT Agro Palindo Sakti Estate	2014	South Sumatra	Certified
PT Mentaya Sawit Mas	2014	Mentaya Sawit Mas 1, Mentaya Sawit Mas 2, Bumi Sawit Kencana 2	2014	Central Kalimantan	Certified
PT Sinarsiak Dianpermai	2018	PT Sinarsiak Dianpermai Estate	2018	Riau	Stage 1
BBPOP (Benso Plantation)	2015	Benso, Benso Smallholder	2015	Ghana	Certified
PT Murini Sam Sam	2015	Murini Sam Sam Estate	2015	Riau	Certified

PT Bumi Pratama Khatulistiwa	2017	Bumi Pratama Khatulistiwa Estate Buluh Cawang Estate	2017	West Kalimantan	Certified
PT Karunia Kencana Permaisejati	2017	PT. Karunia Kencana Permaisejati 1, PT. Karunia Kencana Permaisejati 2, PT. Karunia Kencana Permaisejati 3	2017	Central Kalimantan	Final Audit
PT Rimba Harapan Sakti	2015	PT. Rimba Harapan Sakti 1, PT. Rimba Harapan Sakti 2, , Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2015	Central Kalimantan	Certified
PT Agronusa Investama Pahauman	2018	PT ANI Pahauman estate PT Pratama Procentindo	2018	West Kalimantan	-
PT Agro Palindo Sakti 2	2018	PT. Agro Palindo Sakti estate, PT. Indo resin Putra Mandiri, PT. Daya Landak Plantation, PT. Putra Indotropical	2018	West Kalimantan	-
PT Agrindo Indah Persada 2	2023	PT Agroindo Indah Perkasa Estate	2023	Bangko – Jambi	NPP Audit
PT Musi Banyuasin Indah	2018	PT MBI Sei Jarum Estate PT MBI Sei Selabu Estate KUD Karya Gatra KUD Karya Makmur Sriwijaya KUD Panca Karya Jaya KUD Sumber Makmur KUD Tri Tunggal Karya	2018	South Sumatera	Final Audit
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	MSM POM does not cooperate and received FFB from associated smallholders. However, only received from outgrowers under te same subsidiary of Wilmar International, Ltd., e.g. PT Karunia Kencana Permaisejati and PT Bumi Sawit Kencana.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-3	<p>Mohamad Amarullah (Lead Auditor witnessed). Indonesia citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19011, ISO 14001, HCV, etc. Has conducted several RSPO, ISPO and MSPO audit scheme in Indonesia and Malaysia since 2014, with expertise on BMP, environment, conservation, safety, legal and supply chain aspects. Fluent in Bahasa, Malay and English. In this report he has verify legal, social, soil conservation and supply chain aspect.</p> <p>Oktovianus Rusmin (Witnesser). Indonesia citizen. Bachelor of Social and Political Sciences. Has working experience as Social Supervisor in Department of Anthropology, University of Indonesia, on a pilot project of mangrove rehabilitation in coastal area of Sulawesi Selatan from 1999 to 2001; as Reseacher for Center of Anhtropology in University of Indonesia from 2002 to 2014; as Social Advisor for The Forest Trust Indonesia, a consultant body for sustainable forest management; and as Staff on Forest Consultant for HCV Identification and Social Impact Assessment from 2010 to 2011. Has participated on several training, such as Forest Management Auditor (FSC Standard), Environmental Management System (ISO 14001 and ISO 9001:2008), Conflict Resolution, Human Right, Verification System of Wood Legality and Lead Auditor for sustainabel palm oil (ISPO and RSPO scheme). Has experiences in conducting audit on Sustainable Forest Certification (Eco Labelling Indonesia Standard), Gap Analysis of FSC Standard and sustainable palm oil certification (RSPO, ISPO and MSPO scheme) since 2011 in Indonesia and Malaysia, with expertise on social, legal, conservation and supply chain aspects.</p> <p>Yohanes Hardian (Auditor). Indonesia citizen. Diploma of Forest Conservation. Specialist in the environment and wildlife aspect. Has experiences as Staff for WWF rehabilitattion project in Kalimantan Tengah and Environment Staff for HCV identification on a private oil palm company in Kalimantan Selatan. Has attended several training such as HCV, ISPO, RSPO, ISO 9001, ISO 19011 and SIA. Has conducted several RPSO and ISPO audit in Indonesia since 2014, with expertise on environment aspects. In this report he has verify transparency, environment and conservation aspect.</p> <p>Haikal Ramadhan Kharismansyah (Auditor Trainee). Indonesia citizen. Bachelor of Agriculture, majoring in plant and pest disease management. Has three years experience as an Agronomy Staff in private oil palm plantation in Kalimantan Selatan, Indonesia. Has parsitipated several training such as Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001, ISO 14001, Lead Auditor ISPO, RSPO awareness and ISO 22000 awareness. Has conducted several RSPO and ISPO audit in Indonesia since 2016, with expertise on BMP, safety and environment aspects. In this report he has verify BMP and safety aspect.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-3	<p>Number of auditors : 3 Auditors Number of days for ASA-3 at site: 4 days Number of working days for ASA-3 at site: 12 Working days</p>
2.2.2	Assessment Process
ASA-3	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Mentaya Sawit Mas. to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, Revised in June 14th 2017 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-3 delivered by the MUTU auditor to the management unit and</p>

the results are the subject will be verified at the next assessment phase (**ASA-4**).
Improvement of findings from main assesment findings were observed by auditors at this **ASA-3** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-3**

The assessment program please find Appendix 2

2.2.3 Locations of Assessment

ASA-3

Mentaya Sawit Mas POM

1. **WTP Station.** Observation on water management plan for Mill processing.
2. **WWTP Station.** Observation on WWTP ponds and flowmeter condition.
3. **Solid waste (FFB) Stacking.** Overview on FFB stacking condition on the Mill.
4. **Biogas Plant.** Observation to methance capture facilities.
5. **Workshop.** Observation on maintenance activities and interview with foreman related understanding of working procedure.
6. **Warehouse complex (Chemical, material warehouse, and workshop).** Observation and interview on environmental aspect, OHS implementation and understanding of working procedure.
7. **Hazardous Waste Temporary Warehouse.** Observation on hazardous waste management.
8. **Weigh Bridge Station.** Observation and interview with 2 operators towards technical, supply chain management, maintenance of balance, manpower, safety, health and environment aspects.
9. **FFB Sortation Station.** Observation and interview with Assissant FFB and 1 Grader towards technical, maintenance, manpower, safety, health and environment aspects.
10. **Sterilizer Station.** Observation and interview with 1 operators towards technical, maintenance, manpower, safety, health and environment aspects.
11. **Press Station.** Observation and interview with 1 operators towards technical, maintenance, manpower, safety, health and environment aspects.
12. **Clarification Station.** Observation and interview with 1 operators towards technical, maintenance, manpower, safety, health and environment aspects.
13. **Engine (Generator Set) Room.** Observation and interview with 1 Operator towards technical, maintenance, generator capacity and number of unit, manpower, safety, health and environment aspects.
14. **Boiler Station.** Observation and interview with 2 Operator towards technical, maintenance, manpower, safety, health and environment aspects.
15. **Hydrant Simulation.** Observation on rediness of fire fighter team and devices.

MSM 1

16. **Clinic.** Observation on first aid mechanism, medical waste management and work accident record monitoring.
17. **Daycare.** Observation on facilities and interviewing related labour aspect and grievance mechanism to the person in charge.
18. **Housing complex.** Observation on workers facilities, domestic waste management, temporary storage near division office.
19. **Fire fighter warehouse and simulation.** Observation on emergency response facilities (fire extinguisher, water tank for fire fighting, etc.) and its mechanism.
20. **Block 019 Division 1A.** Observation and interview with 1 Foreman and 12 **pesticide applicators** on their understanding towards technical, OSH and manpower aspect
21. **Block 014 Division IA.** Observation and interview with 1 Foreman and 3 **harvester**, on their understanding towards technical, FFB transport, safety and manpower aspect.
22. **Block 037 Division 1A.** Observation on barn owl nest condition and beneficial plants.
23. **Block 037 Division 1A.** Observation on EFB muching in sandy soil area.
24. **Agrochemical Warehouse.** Observation on agrochemicals (fertilizer and pesticides) management and its implementation, such as storage, safety symbols, etc.
25. **Workshop.** Observation and interview with 1 Foreman and 1 Mechanics on their understanding towards technical, safety, manpower and environmental aspect.
26. **Block 024.** Observation on erosion stick meter and sandy soil management
27. **Divisi 1B Block 022 (Q013).** Observation to **water management on peat soil area**, which consist of water level monitoring, water-gate, piezometer, subsidency pole and field drain pattern.

28. **Divisi 1B Block 027 (R009).** Observation of Land Title (HGU) Pole No. **MSM 45**, located in adjacent with PT Karunia Kencana Permai Sejati (PT KKPS) which also Wilmar Group.
29. **Divisi 1B Block 030 (R017) Land Application Pit No. 13.** Observation and interview with two workers on their understanding towards technical on palm oil mill effluent distribution to the field, safety, manpower, environment and conservation aspects, as well as company facilities.
30. **Divisi 2 Block 809 (O007).** Observation of HGU Pole No. **MSM 50**, located inside occupation area by locals.
31. **Divisi 1 Block 001 (N001).** Observation of HGU Pole No. **MSM 55**, located in adjacent with gold mining areas in Tangar Village.

MSM 2

32. **Agrochemical Warehouse.** Observation on agrochemicals (fertilizer and pesticides) management and its implementation, such as storage, safety symbols, etc.
33. **Workshop.** Observation and interview with 1 Foreman and 1 Mechanics on their understanding towards technical, safety, manpower and environmental aspect.
34. **Clinic.** Observation on first aid mechanism, medical waste management and work accident record monitoring.
35. **Daycare.** Observation on facilities and interviewing related labour aspect and grievance mechanism to the person in charge.
36. **Housing complex.** Observation on workers facilities, domestic waste management, temporary storage near division office.
37. **Fire fighter warehouse and simulation.** Observation on emergency response facilities (fire extinguisher, water tank for fire fighting, etc.) and its mechanism.
38. **Divisi 1B Block 565 (J040).** Observation to **water management on peat soil area**, which consist of water level monitoring, water-gate, piezometer and field drain pattern.
39. **Divisi 1B Block 578 (K040).** Observation to **subsidence** pole.
40. **Divisi 1A Block 546 (F043).** Observation of HGU Pole No. **MSM 95**, located in adjacent with Kapuk Village areas, which already planted by rubber.
41. **Divisi 1A Block 550 (H042).** Observation to **riparian zone** management.
42. **Divisi 2A Block 570 (J54/55).** Observation to **HCV 1** areas.
43. **Divisi 1A Block 545 (E046).** Observation of HGU Pole No. **MSM 92**, located inside occupation areas and in adjacent with gold mining.
44. **Divisi 1A Block 474 (D036).** Observation of HGU Pole No. **MSM 88**, located inside occupation areas which already planted by rubber.
45. **Divisi 1B Block 507 (C026).** Observation of HGU Pole No. **MSM 72**, located in adjacent with Tangar Village.
46. **Block 581.** Observations and interview with harvester, related to OHS, worker welfare and labour union aspects.
47. **Block 506.** Observations and interviews with pesticide applicators, related to technical, safety, environment and manpower aspects.
48. **Block 504.** Observation on EFB mulching application and interview with workers towards technical, safety and worker welfare.
49. **Block 510.** Observation and interviews with workers towards Integrated Pest Management and Early Warning System.
50. **Erosion Pin. 507.** Observation on management of erosion pin.

2.3

Stakeholder Consultation and Stakeholders Contacted

2.3.1

Summary of stakeholder consultation process.

ASA-3

Summary of stakeholder consultation process

Consultation of stakeholders for PT Mentaya Sawit Mas was held by:

1. Public Notification website MUTU (www.mutucertification.com) on 19 January 2018.
2. Consultation with NGO (Walhi, Sawit Watch, AMAN, and IARI) via email on 31 January 2018.
3. Public consultation with government institutions of Kotawaringin Timur Regency (National Land Agency or BPN, Agriculture Agency, Manpower Agency, Environment Agency) 6 February 2018.
4. Public consultation meeting with locals of the nearby Village (Kawan Batu and Ba Ampah) and local contractor 6 February 2018
5. Consultation meeting and interview with internal stakeholder such as labor union and gender committee on 6

	February 2018.
	Numbers of input from stakeholders were clarified by PT Mentaya Sawit Mas
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit ASA-4 will be determined one year after this ASA-3 .

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Mentaya Sawit Mas POM – PT Mentaya Sawit Mas, Wilmar Intl Ltd operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there was zero (0) Nonconformity assigned against Major and Minor Compliance Indicators, Supply Chain Requirement for CPO mill, and four (4) oportunites for improvement were identified.

MUTUAGUNG LESTARI found that Mentaya Sawit Mas POM – PT Mentaya Sawit Mas, Wilmar Intl Ltd complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, revised in June 14th 2017 (Module E for CPO Mill).

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
<p>1.1.1 Certificate holder has had a list of stakeholders comprising local government, village heads around the company, community leaders, NGO, universities, suppliers, contractors, banks. The lists are updated periodically and are available at each estate and mill. The list will be updated at least twice a year.</p> <p>Certificate holder has had procedures to provide information to outside parties (transparency) No. Doc. SOP 47/PR/(1)0211 valid since February 2011, which was developed by PR Manager and approved by general manager. This procedure give information about commitment on transparency with the entire stakeholders. The objective of this procedure is to ensure estate and mill provide information in correct and sufficient language for stakeholders, related to environment, social, and legal issues that related to RSPOs criteria. Management document is available for public, except for confidential documents or information, which will have a bad implication if published. This procedure has been communicated to stakeholders and base on Consultation with the village of Ba'Ampah and village of Kawan Batu known that these two villages have been socialized and understand the information that is accessible to the public, and understand the mechanisms to obtain it through PIC of Bina Mitra (CSR).</p>	
<p>1.1.2 Documentation of stakeholder requests for information stored in the logbook that includes proposal and donation requests. Nevertheless, until the date of the audit, there is no request from stakeholders for company's documents (legal, environmental and social). Base on interview with Environment Agency, Labour Agency, and Plantation Agency at Kotawaringin Timur Regency it is known that they understand information that is accessible to the public, and understand the mechanisms to obtain it. There are no complaints or difficulties in communicating with the company. Based on the results of the public consultation with local communities its known if companies respond to any requests for information quickly.</p> <p>Based on the description above, it can be concluded that the certificate holder has provided enough adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO criteria in appropriate languages and forms.</p>	
Status : Comply	

1.2

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

1.2.1

Certificate holder has had a list of documents that can be accessed by the public. It is set in SOP for information grant to external party (transparency) No. Doc. SOP 47/PR/(3)0414 valid since April 2014, which explains the accessible document for public, such as: certificate, OHS programme, social and environmental impact assessment programme, documentation of HCV, plan for the reduction and prevention of pollution, complaints and complaints in detail, procedures negotiations, plan for continuous improvement, summary overview of certification assessment for companies that have been certified and human rights policy. There are letters from Section Head of External Relations (No. 02/BM-MDM/II/2017) of the information publicly accessible documents that are and have been disseminated to all stakeholders.

Status: Comply

1.3

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

1.3.1

Certificate holder has committed about ethical policies contained in code of conduct policy (No. 044/DIR-KP/XII/2015) effective since 15 December 2015. Code of conduct set the standards of behavior based on moral principles that exist and are used as a guideline in conducting business activities that includes a mechanism for the relationship between stakeholders. The policy has been communicated to the workers and contractors as a third party in January 2017.

The Company has conducted socialization activities on company policy, human rights, and corporate regulation, company code of ethics and labor insurance, pension and health benefits, complaints procedure. To employees held on 25 January 2018. Based on interviews in MSM 1 Estate, MSM 2 Estate, and MSM POM, it is known that the workers understand this policy.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

2.1.1

The Company has a Register of Laws which consists of 4 sections, namely plantation, occupational safety and health, environment, and employment. The Law Register document is valid from 1 November 2017 and will be updated on May 01, 2018. The Law Register informs the history of document updates such as the 12th Revision dated April 26, 2016 on Replacement of Government Regulation No. 08 of 1981 "Protection of Wages" replaced by Government Regulation No. 78 of 2015 "Wages".

the company has fulfilled the plantation and environmental regulations by carrying out the following reporting:

- Reporting on the investment activities of PT Mentaya Sawit Mas in 2016 reported on 10 January 2017.
- Reporting of Wastewater Monitoring Result of 4th Quarter of February 5th 2018 to Environment Department of Kotawaringin Timur Regency.
- RKL and RPL reporting semester 1 has been reported on October 18, 2017 to the Environment Department of East Kotawaringin Regency.

Legal aspect

In term of land legality regulation pursuance, the company has shows several evidence which shows that certificate holder plantation activities has only carried out on the legal permitted areas, as mentioned in several documents, as follows:

- Plantation Business Permit (IUP) of PT Mentaya Sawit Mas (PT MSM), issued by Regent of Kotawaringin Timur in Decree No. 525.26/127/Ek.SDA/2017 dated March 3rd 2017. This IUP has used to replace the previous IUP which issued in may 18th 2004. The current IUP has covers **16,370.815 ha** with Mill processing capacity **90 ton FFB/hours**.
- Land Title (HGU) No. 33 as mentioned in Decree of National land Agency (BPN) No. 57/HGU/BPN/2005 dated May 27th 2007 and Letter of Measurement No. 27/KOTIM/2005 dated October 24th 2005 for area covers **16,370.815 ha**. land title valid until October 24th 2040.

2.1.2

Person in charge in document management is legal officer at Central Kalimantan Project in accordance with those listed in SOP 08 / CKP / (2) / 0111 on the Identification of Legal and Legislation Regulations and Evaluation Mechanisms for the Implementation of Compliance with Applicable and Related Legal Requirements.

2.1.3

Internal audits related to legal compliance are conducted once every 2 years pursuant to those contained in the procedures for the Identification of Legal and Legislation Regulations and Evaluation Mechanisms for the Implementation of Compliance with Applicable and Related Legal Requirements. Evaluation of the list of legislation is carried out by officers Bina Mitra and Legal Officer and Known by PR & Legal Manager. latest internal audit was conducted in November 6th to 8th 2017.

2.1.4

Available in procedures 08/CKP/(2)/0111 on the Identification of Legal and Legislation Regulations and Evaluation Mechanisms for the Implementation of Compliance with Applicable and Related Legal Requirements. The contents of the procedure include:

- Responsibility Legal Officer and Estate Manager and General Manager against compliance with regulations and legislation.
- Details of the procedure: requirements to be fulfilled, identify legal regulations, legislation and other provisions, procedures for renewing legislative, regulatory and other requirements, modify legislation, regulations and other needs and follow-up efforts if there are operational units has not / does not meet applicable laws.
- Documentation Procedure.

Evaluation report of List of Laws Regulation dated May 19, 2017 identifies the updated regulation of the period May 01 to November 1, 2017 as follows:

- OHS, Environment, and plantation has not been revised or addition of regulations.
- On the rules of employment there is the addition of Central Kalimantan Governor Regulation No. 40 of 2017 on provincial minimum wage and Province Sectoral Minimum Wage in 2018.

Status: Comply

2.2

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

2.2.1

According to review on PT MSM hectare statement January 2018, as well as information from certificate holder (CH) unit management and external stakeholders, i.e. National Land Agency of Kotawaringin Timur, Plantation Agency of Kotawaringin Timur and Community Representative from Kawan Batu and Ba'ampah, it could be concluded that there were no additional or expansion on operational areas. Estate operational areas as per February 2018 is **16,370.815 ha**. The CH shows their legal ownership evidence through document of Land Title or Land Use Right (HGU) No. 33 as mentioned in Decree of National Land Agency No. 57/HGU/BPN/2005 dated May 27th 2007 and Letter of Measurement No. 27/KOTIM/2005 dated October 24th 2005 for area covers **16,370.815 ha**. land title valid until October 24th 2040.

2.2.2

Estate management of MSM 1 and MSM 2 shows land title (BPN) poles map (Ref. No. HD6606) with scale 1:45,000 and 1:72,000 dated January 27th 2017, which informed location of each poles. Estate management informed that monitoring of poles has carried out twice a year, as mentioned in procedure No. 001/SOP/GIS/2014 dated July 1st 2014. Monitoring documents were signed by Surveyor GIS MSM, Estate Managers and General Estate Manager. According to monitoring record December 2017, it was informed that from totl 45 poles in MSM 1 Estate and 64 poles in MSM 2 Estate, it was identified 8 and 6 poles were broken or not found in MSM 1 and MSM 2 Estates, respectively. Based on field observation to Poles No. MSM 45 (Block 027/R009), MSM 28 (Block 145/R044), MSM 50 (Block 809/O007) and MSM 55 (Block 001/N001) in MSM 1 Estate, it was found that exceptional for pole No. MSM 55, all poles were satisfactory demarcated, visibly maintained and appropriate with coordinates. Poles MSM 55, where located adjacent with gold mining areas in Tangar Village was lost, but replaced by wood stick on the same coordinate. Furthermore, observation to poles No. MSM 95 (Block 565/J040), MSM 92 (Block 545/E046), MSM 88 (Block 474/D036) and MSM 72 (Block 507/C026), it could be concluded that all poles were satisfactory demarcated, visibly maintained and appropriate with coordinates. Overall, there were no planting outside the land title area.

2.2.3 and 2.2.4

Estate management has provide land use map (Ref. No. HD 7638) scale 1:60,000 and 1:45,000 dated January 13th 2018 which informed dispute areas. FPIC and partisipative approach has conducted by certificate holder to overcome this situation. Procedure of land conflict resolution is presented in document No. SOP 29/BM/(0) 0409 dated April 13th 2009 about land relief, which still the same with the previous audit assessment and No. SOP 30/BM/1/2017 dated March 10th 2017 about land conflict resolution. Based on information from estate management, community representative from kawan Batu and Ba'ampa Village, as well as from Government Agencies of Kotawaringin Timur, it was known that eventhough there were dispute areas, there is no conflict exist which could affected estate operational activities. Process of resolution has considered satisfactory to all parties. Update in 2017 towards compensation deal of "Ganti Rugi Tanam Tumbuh" (or GRTT) record informed that during 2017, there were 13 deal agreement towards dispute areas within MSM 1 and MSM 2 Estate, totaling about **197.68 ha**. Evidence such as Agreement letter of affected parties, receipt with legal stamp, as well as picture documentation of the above parties were available.

2.2.5

Procedure of partisipatory map out with the affected parties are presented in document No. SOP 30/BM/1/2017 dated March 10th 2017 about land conflict resolution and No. SOP 31/SUS/(2)/0316 dated March 1st 2016 Revision 2 about land clearing. Map of occupation areas (Land Problem) is presented in scale 1:10,000 and foreknown by the claimnant. Since 2016, it was reported that totaling about 10 occupant from MSM 1 and 10 occupant from MSM 2 Estate. Based on Identification of dispute/ocupation areas which carried out in February 2018, it was informed that there were 3 new claimnant from MSM1 Estate. Dispute location map, hectarage and field checking documentation picture were available. For example, conflict resolution with Claimnant namely Abdul Parmansyah for dispute area in Block N027 MSM1 for 0.08 ha has settled up as shown on minutes of meeting which signed by affected parties in January 22nd 2018.

2.2.6

Based on information from estate management, community representative from kawan Batu and Ba'ampa Village, as well as from Government Agencies of Kotawaringin Timur, it was known that certificate holder never raised instigated nor violence or use intimidation and harassment by contracted security forces or paramiliter in their operations, as solution to overcome land conflicts within estate operational areas. Social approach were always prior to be conducted.

Status: Comply

2.3

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

2.3.1

Procedure of FPIC process is presented in document No. SOP 46/PR/(0)/0709 issued in July 2009. Furthermore, procedure of partisipatory map out with the affected parties are presented in document No. SOP 30/BM/1/2017 dated March 10th 2017 about land conflict resolution and No. SOP 31/SUS/(2)/0316 dated March 1st 2016 Revision 2 about land clearing. Map of occupation areas (Land Problem) is presented in scale 1:10,000 and foreknown by the claimnant. For example, conflict resolution with Claimnant namely Abdul Parmansyah for dispute area in Block N027 MSM1 for 0.08 ha has settled up as shown on minutes of meeting which signed by affected parties (include representative from Village elders) in January 22nd 2018.

Map of occupation areas (Land Problem) is presented in scale 1:10,000 and foreknown by the claimnant. Since 2016, it was reported that totaling about 10 occupant from MSM 1 and 10 occupant from MSM 2 Estate. Based on Identification of dispute/ocupation areas which carried out in February 2018, it was informed that there were 3 new claimnant from MSM1 Estate. Based on field observation, it was found that signboard were installed on the dispute areas. Signboard has informed name of claimnant, hectarages and instruction on prohibition to conduct operational areas, otherwise permitted by land owner.

2.3.3 and 2.3.4

Based on document review as describes in Criterion 2.2 and 2.3, it was known that all document record were available in Bahasa. Claimnant was represented by chief of village, elders of communities/village and claimnant it self. This could be seen on document of agreement which signed by those parties

Status: Comply

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

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

3.1.1

The Company has a 5 year Business Plan (2016 - 2020) for estate and mill, covering statement areas, HCV, yield crops, FFB production targets, CPO production, kernel production. OER and KER, cost estimates and production costs, and CAPEX (infrastructure).

Annual evaluation is carried out at the time of annual budgeting. Budget Vs Realization from the previous year becomes a reference in the preparation of next year's budget. Based on information from budget management representatives has been made since mid-year between June and July so that late in November will be the final draft. Flood management, water level, peat decline are listed in the Annual Work Plan while the assessment of the extinction has not been done because in the near future (five years) the company will not implement replanting because the oldest growing year is 2007 (just 11 years old)

PIC in budget preparation starting from management level at PT MSM and management level of wilmar group and if any updated information is updated in company's annual meeting and in budget preparation.

Internal controls to check SOP implementation include:

- Internal operational audit conducted by the internal audit team. Activities audited include administration and all aspects of field activities (Mill and Estate).
- Activities and reports of general manager visits to review and discuss operational activities in the field and production data.

3.1.2

Based on the data of the area statement is known to spread the year of planting in PT Mentaya Sawit Mas is 2007 to 2018. Within five years the company will not carry out replanting activities.

Status: Comply

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

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

4.1.1

Mill and Estate SOP have been documented well. The SOP includes major processes such as harvesting, transportation, manuring, IPM, GAP, supply chain requirements for the plant (in SCCS). The list of mill SOPs is still the same as ASA-1 assessment As for SOP of the estate already available Agronomy Guide and SOP of Oil Palm Plantation 2015. Procedure available in bahasa.

Both on MSM 1, MSM 2, and MSM POM working procedures have been understood by the worker and applied well. Based on interviews and field observations during harvesting activities in block 581, spray in block 506, grading in MSM POM and EFB applications in block 504 workers can well explain the task and workings.

Harvester can explain about the criteria of harvesting fruit, frond stacking with U – Shape Method, take it all loose fruits, and pruning. The spraying officer can explain well the necessity of using PPE, the type of weeds and the active ingredients used, as well as the spray area limit if meeting the border area. The manuring officer can explain well how to ensure the dosage applied for each uniform subject and in accordance with the recommendations

4.1.2

There is master list SOP period January - March 2018 which informs all applicable SOP in PT Mentaya Sawit Mas. Procedures are classified into a sections such as EHS, CKP (Central Kalimantan Project), HCV, Sustainability Bina Mitra, PR, Agronomy, EMU, Medical, ISCC, GIS, and OHS SOP.

The company has SOP Maintenance and document monitoring. Procedure describes in relation to the shelf life of each document that is accounted for by the document controller, if any deletion of documents must be with the approval of the general manager. SOP is translated into the appropriate language. In the procedure has provided a detailed explanation

including work instructions and made in the Indonesian language. The Company monitors the implementation of procedures through internal audit activities. This is regulated in the Internal Audit SOP.

Personnel in charge of internal supervision include the level of supervision of PT MSM, internal audit team, and Plantation Advisory (PA) by expert staff directly appointed by the owner of the company. corrective actions and action plans are given between 1 month and 3 months depending on the findings and urgency of improvement of the findings

4.1.3

There are several measurements and monitoring conducted internally such as:

- Internal Audit RSPO conducted on 6 - 8 November 2017. There are 30 non-conformities and all non-conformities stated have been fulfilled.
- PICA (Problem Identification Corrective Action) MSM POM. For example, October 24, 2017 with the findings of a leak in the oil trap at the repair clarification station was made on October 26, 2017.
- Monthly Estate Report, which is a summary of daily plantation activities. Plan Vs Realization and its evaluation.

4.1.4

Based on document review on FFB acceptance in MSM Mill, it could be concluded that FFB were supplied from PT MSM Estate (RSPO Certified), PT Bumi Sawit Kencana (RSPO Certified) and eventhough not contiuously happen, in certain situation the Mill has accept FFB from another uncertified sources, i.e. PT Karunia Kencana Permai Sejati. All company mentioned were member of Wilmar International, Ltd.

Status: Comply

4.2

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

4.2.1

Company has procedure with no document SA05/EMU/(1)/0811 about manuring application which includes manuring recommendation, manuring expenditure from warehouse and distribution, manuring application in field and post manuring application. At the time of the 3rd surveillance audit the manuring was done 100%. Evidence of monitoring and manuring implementation can be seen from the manuring realization report. In the year 2017 applied manuring such as Urea, MOP, Dolomite and Kieserite. Detailed report on manuring record can be seen in indicator 4.2.2.

4.2.2

Information on recording manuring can be seen on MER (Monthly Estate Report) PT MSM. In the report there is information on manuring realization up to December. For example, for Urea on MSM-1 has been realized a total of 62.40 tons. While on MSM-2 the realization of MOP manuring amounted to 597.20 tons. There is also a EFB application as an organic fertilizer for oil palm crops. The number of EFB applied up to December 2017 is 16,040 tons.

4.2.3

Available in SOP of Soil Sampling for Soil fertility status. The procedure states that soil analysis is done once in 5 years. The leaf sampling procedure was prepared by Eco Managemen Unit - Wilmar South Kalimantan. In the work instructions stated leaf sampling is carried out every year.

The company show acceptance official report Soil Sample taking in November and December 2017 for the entire Central Kalimantan Plantation area. According to EMU staff the results of soil sampling will be known later in February 2018. There is available data analysis of MSM 1 and MSM 2 leaves 2017, for manuring recommendation in 2018. LSU data show leaf analysis of each block, consisting of variable element content of N, P, K, Mg, Ca, B, Cu, Zn, Fe. Leaf sampling was carried out in April 2017. While the results from leaf samples were issued by EMU in October 2017.

4.2.4

The Company recycles nutrients by using Empty Fruit Bunch and Palm Oil Mill Effluent. EFB applications are prioritized in areas with low organic (sandy) material content and in new planting areas, applied on the circle to increase moisture, increase nutrients, and prevent the growth of weeds on the circle.

Empty Fruit Bunch Application

Based on field observations in block 504, an empty bunch application was applied with a dose of 300 Kg / palm One-layered empty fruit application and placed on the inter row between trees following the U-shape pattern tree.

Palm Oil Mill Effluent

The POME application was done in MSM 1 Div 1 Block 030 and has been well applied. The app is supervised by the foreman. The observed flatbed is in good condition and there are no signs of overflow / pollution. Application is done by leaving the last 3 flat beds (in one lane) in anticipation of overflow in case of rain

Status: Comply

4.3 Practices minimize and control erosion and degradation of soils.

4.3.1
Soil map of PT MSM were available in scale 1:50,000 which derived from semi detail soil survey report documents, conducted in June 2007 and 2016 by Param Agricultural Soil Surveys (M) Sdn. Bhd. and Eco management Unit Department, respectively. Soil survey mentioned that there were no presense of fragile soils, but marginal soils which mainly due to precense of very sandy soil texture with hardpan in certain locations. Furthermore, soil map has also informed that there were a presence of shallow peat which totaling covers about 1,771.30 ha which 478.66 were planted with oil palms.

4.3.2
According to soil survey report as mentioned in Indicator 4.3.1, it was informed that slope condition in PT MSM were mainly ranged from 0-12% or 0-6°, which classified as flat to undulating. Hence, there were no limitation due to hilly to steep areas. This is confirmed during field observation to MSM 1 and MSM 2 Estates. However, certain flat low-lying and shallow peat areas were prone to flooded. To overcome this situation, estate management has conduct water management through installing field drain, for example as could be seen on peat area in Divisi 1B Block 028/R12 MSM 1 Estate, with pattern 1:4 (1 drain per 4 rows). In order to monitor erosion on sandy soil areas, estate management has measure erosion rate as could be seen in Divisi 1 Block 024 MSM 1 and Divisi 1B Block 507 MSM 2 Estate.

4.3.3
The program and realization of road maintenance is seen in Monthly Estate Report PT Mentaya Sawit Mas. The program and the realization of the maintenance that has been done up to December 2017 of which has been done maintenance of Main Road road on MSM-1 along 2,230 m. At MSM-2 the realization of Main Road treatment was 27,200 m. Based on field visits to Blocks 581 and 504 at the time of harvesting activities and the application of empty road conditions are still in good condition and can be easily passed

4.3.4
Procedure of peat management is presented in document No. SOP-EST-008 Revision 3 dated December 16th 2013 and No. SA 03/EMU/(4)/1215 issued in December 2015. Based on observation to Divisi 1B Block 022/Q013 MSM 1 Estate and Divisi Divisi 1B Block 565/J40 MSM 2 Estate, it was found that for water management purposes, estate management has installed water gate and weirs which aims to control water level on the field. Water level were setted on the drainage system for about 50 cm during wet season, which expected will be stucked on 70 cm during drought season. During time of visit which after heavy rain condition, water level were about 40 cm and water still flows until reach 50 cm level. Furthermore, subsidence poles were installed toughly through meet mineral soils stratum. Since poles were installed in 2013, it was known that subsidency rates on the visited areas were average about 2.50 cm/year. This figure indicate waters management were satisfactory implemented on that particular visited areas. Report of peat management which informed water level, water table and subsidency monitoring was preped by Agronomy Staff and Agronomy Coordinator, then to be checked by Estate Manager. Moreover, in order to retain soil moisture and soil conservation on peat areas, selective weeding were seems satisfactory implemented by estate management.

4.3.5
According to year of planting figure, it was known that oldest palm were planted in 2007. Replanting is expected to be carried out in 2032. Hence, drainability study would not be conducted in the near future.

4.3.6
As mentioned in Indicator 4.3.1, it was knows that there were no presence of fragile soils. Main limitation were mainly due presence of very sandy soil texture and shallow peat areas. Several management strategy which already implemented

by Estate management to overcome limitation condition, as confirmed during field observation, is describes as follows:

- **Sandy soil areas:** erosion poles monitoring; application of palm oil mill effluent as could be seen in Divisi 1B Block 030/R017 MSM 1 Estate; EFB mulching with dosage 40 ton/ha/year or 300 kg/palm/year, or as recommended by Agronomist; selective weeding; and good fertilizer application as recommended by Agronomist team.
- **Shallow peat areas:** water management through installation of drainage system, weirs and water gate, as well as monitoring and control of water level and water table at range 50-70 cm and monitoring of subsidency rates.

Status: Comply

4.4

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

4.4.1

The results of verification of documents the company has had a water management plan documents. Inside the document describes about the identification of water needs, water availability, water needs calculation, water resources, water quality testing and efforts / water saving measures. In the document it was stated that to keep the availability of water need and to function optimally to avoid the water crisis is to provide water source in the form of drilling well water. To ensure the water availability of PT MSM can show evidence:

- Location data of underground water source at PT MSM.
- Well site monitor as water quality testing parameters and can be used in emergency conditions.
- Mapping the location of water resources in the plantation area of PT MSM which is used as reservoir of water source during the dry season

4.4.2

Based on the river map of PT MSM There are some streams that are located and across the company's operation area including Ngabe river flow, Kajang River, Bakung River, Geronggang River, Danau Haur River, Cancang River, Kapar River. The Company has implemented water resources management efforts as set forth in SOP for example;

- The company has set the boundary area of the river. Based on field visit to Kawan Batu River in Division 1A Block 550 (H042), it was found that the boundary palms has painted with red cross marks, installing a prohibition of poisoning fish sign board planting Vertiver grass along the river bank
- Based on the document review, the company has conducted periodic river water quality monitoring once every six months and evaluates the results as outlined in the Monitoring Environment Implementation Report RKL-RPL).

4.4.3

Effluent produced by the mill is managed on Waste Water Treatment Plant (WWTP) before it is applied to the estate. Examination of documents showed that the effluent quality monitoring is conducted regularly every month by UNILAB PERDANA - Jakarta. Results of testing for the last three months before the assessment (October to December 2017) showed that all the test parameters are met the quality standards with an average BOD of 519 mg/l (standard <5000 mg/l).

PT MSM has land application permit wich presented in the Regent of Kotawaringin Timur Decree No. 188.45/481/HUK-BLH/ 2013 dated October 31st 2013 about Utilization of Palm Oil Industry Waste for area covers 513 ha, for Oil Palm Plantation of PT Mentaya Sawit Mas, located on Desa Baampah, Sub-District Mentaya Hulu, District of Kotawaringin Timur. The permit is valid for 5 years.

4.4.4

Based on field observations in the mill, the management unit has been measuring the use of water used by the mill in operational activities and domestic needs. There is flow meter installed in the reservoir and in the water treatment plant (WTP). The volume of water used routinely documented every day. The results of the examination of documents known that the needs of water for every tons of FFB is 1.20 m³/ton FFB and the use of water is under the budget has been set.

Status: Comply

4.5

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

4.5.1

Integrated Pest Management Program described in the Annual Work Plan and detailed in the Monthly Work Plan. Monthly Estate Report also informs about the program and realization of IPM implementation. Based on the EWS form pests that

are identified potentially damaging are Palm Leaf Eating Caterpillar, Rats, and Oryctes. The method of control used is a combination of biological, mechanical, and physical control

The natural species used as a biological control method is a benefecial plant as a host for predators and natural parasitoids of Palm Leaf Eating Caterpillar and Tyto Alba as a natural predator of rat. With the application of IPM method is expected the use of chemicals in pest control will be reduced. For example, in 2015, 2016, and 2017 there was no use of brodifakum in MSM-2 because in that period the detection and rat census showed values below the control threshold. While in MSM-1 there is the use of brodifakum with the amount of 4.61 kg in 2016 and 6.05 kg in 2017. The use of pesticides is always based on the results of detection and census.

Pesticides are not used prophylactically. Any use of chemicals to control pests is based on census and monitoring results. If the census results are above the control threshold then chemically controlled. Based on the recap of the rat baiting program of PT MSM for the period of January - April 2017, there are rat control in Block 508 years planting 2016 MSM-1.

The results of the census dated January 23, 2017 showed an attack rate above 5%. The evaluation result states that rat baiting must be implemented. The first app on 26 January 2017. The observation results indicated that the feed was consumed 21% so that it was forwarded to the second rat baiting application. The second application was held on 31 January 2017 with amount of rat baiting eaten 24% so it continues on the third application. The third application was held on February, 4, 2018. And the result of eaten rat baiting is 10% so the rat control stopped and back to routine census.

4.5.2

To improve and maintain the competence of workers involved in the integrated pest management the company conducts regular training and socialization. For example

- Refreshment of plant pest and disease census dated November, 20, 2017 followed by 41 people from MSM-1 and MSM-2.
- Field Coordinator delivers training results to IPM census workers / team during morning briefing prior to census and detection activities.
- IPM training for the worker level is carried out every 3 to 4 times a year. While the level of staff at least refreshment related to IPM held once a year.

Status: Comply

4.6

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

4.6.1

The Company already has SOP Agricultural Manual and Standard Operating Procedure For Oil Palm in the upkeep and maintenance oil palm section which describes selective spraying of weed. Strategies that companies undertake to avoid resistance include by applying Integrated Pest Management system which incorporates all control techniques. In addition, the application of pesticide applications in accordance with target weeds with the recommended application dose is also aimed at suppressing the resistance.

The pesticide used has been referred to regulation such as by the use of registered pesticides. For example Garlon with active ingredients triklopir have a marketing authorization until 05 May 2020. Checking the permit period of pesticides through the official website www.pestisida.id owned by the director general of agricultural facilities and infrastructure, Indonesian ministry of Agriculture.

4.6.2

The pesticide application program implemented by the company is described in an annual work plan that is detailed into monthly work plan and daily work plan. Regular pesticide application is more to weed control. As for the control of plant pests and diseases based on the results of detection and census routine (EWS).

Information on the program and realization of each type of work performed by the estate including pesticide applications is summarized in the Monthly Estate Report. For example MER December 2017 which informs the use of glyphosate in MSM-1 amount 1,287.8 liters for application area 3,950.2 ha so that active ingredients per hectare used is 0.16 l/ha. Manager monthly report informs the number of pesticides and active ingredients used. LD50 is listed in MSDS.

4.6.3

The plan and realization of Integrated Pest Management can be seen in the MER (Monthly Estate Report) document. IPM applied by the company focuses on the combination of physical, chemical, mechanical, and biological control methods. The application of pesticides relies heavily on census results and routine monitoring of pests. Realization of IPM until January 2018 include:

- Implementation of Early Warning System which has been routinely implemented every day either through detection and census and follow up action and its evaluation if census level result of pest attack exceeds the threshold of control.
- Realization of beneficial plant of Antigonon leptopus with planting area of 351.46 Ha in MSM-1 and 373.12 ha in MSM-2. Meanwhile, turnera that has been planted both on MSM-1 and MSM-2 is 4,046 ha.
- Realization of a barn owl cage installation. MSM-1 has installed 151 cages with occupancy rate of 69.6 % and MSM-2 has installed 161 cages with occupancy rate of 98.2%.

the use of pesticide only conducted if there is pest and disease attack above the threshold. for example rodenticide application will only be done if the rat attack rate is above 5%

4.6.4

Commitments related to the reduction of the use of WHO pesticides class 1A and 1B in particular are listed in the Wilmar Policy (No Deforestation, No Peat And No Exploitation) released on December 5, 2013, which states "The use of pesticides categorized by World Health Organization (WHO), Class 1A or 1B as set forth in the Stockholm or Rotterdam conventions shall not be used unless under certain circumstances or emergency conditions. Paraquat use is prohibited ". Based on the results of interviews and visits to pesticide storage warehouse, there were no Paraquat stocks. Paraquat was last used in 2011. When the ASA-3 audit was carried out there was the use of WHO 1A and 1B pesticides with active ingredients of brodifacum based on the results of census and rat pest monitoring. The explanation of brodifacum application is more detailed in indicator 4.5.1

4.6.5

Procedure of pesticide handling is presented in several documents, as follows:

- SOP No. 22/EHS(3)//0711 about management of hazardous and hazardous waste materials.
- SOP No. 52/EHS(0)/0909 about PPE equipment and washing.
- SOP No. 17/EHS(0)/0409 about pesticide storage management.

To improve and maintain the competence of workers who handle pesticides the company conducts training and socialization on periodically. For example:

- Training of spray and calibration techniques conducted on 25 May 2017 at MSM-2 meeting room attended by 20 participants from MSM-1 and MSM-2
- The morning briefing routinely addresses the safety of pesticide use including the application and treatment of poisoning. Briefing followed by all members of the spray team

Training materials and morning briefings have explained about the safety in the use and storage of pesticides. Based on field visits and interviews with spray workers in block 506 it is known that every spray worker is a person with special competence who has received regular and periodic training on how to apply and how to work safely for yourself as well as for the environment. Workers are able to explain that the use of pesticides should apply on time and on target. For example triklorpir is used to control weeds and spray selectively. While glyphosate and Methyl Metsulfuron are used in the work of circle path spraying

Each type of pesticide has been equipped with MSDS attached to a pesticide warehouse. Spray workers have used PPE in accordance with risk assessment recommendations. Workers stated during this PPE is given for free and if damaged will soon be replaced. PPE spray team including masks, apron, helmet, gloves and boots. There is an PPE inspection form that serves as a tool to ensure that when working with pesticides everyone involved is safe.

4.6.6

The company has SOP for pesticide storage and packaging of pesticide no. document SOP 17/EHS(0)/ 0409 effective April 2009. Procedures explain the mechanism of pesticide storage in special warehouse. It was also explained about the pesticide mixing place before being taken to the field. Based on field visit at MSM 1 Estate, MSM 2 Estate, it was known that there is no utilization of pesticide packaging waste that is used for other purposes, such as trash or flowerpot. Results of interviews with residents employment known socialization about the ban on the use of pesticide packaging has been

done repeatedly. For example during the morning briefing. Storage of pesticide packaging waste has been done at hazardous waste warehouse.

4.6.7

Work instructions for pesticide applications include:

- Agronomy SOP CHAPTER 6 on upkeep an immature upkeep.
- Safety Procedures in Spraying and Fumigation.
- WorksProduct labels for each type of pesticide and MSDS (Material Safety Data Sheet) which informs on the way of application and handling of each specific pesticide type.

Training on pesticide handling has informed about the risks and impacts of pesticide applications. The material has covered the handling in case of poisoning and safety work both for worker and the environment. For example, the responsibility to wear PPE and the understanding of areas that should not be sprayed like a river border area.

Both in MSM-1 and MSM-2 there is a place for storage of PPE and pesticide mixing. Based on field visits, the mixing warehouse was found to be in proper condition. There is a tub to control the remaining water used washing equipment and there is room to save the PPE

4.6.8

Based on the program and the realization of pest control and weeds listed in the monthly report and annual work plan there is no plan or implementation of spraying of pesticides by air. Research staff (EMU) said there has never been any application of pesticides by air. visits to chemical warehouses and workshops not found equipment for airborne pesticide applications. the company also does not have airstrip as one of the means required to apply pesticides over the air

4.6.9

Information on the handling of pesticides is included in :

- Training of spray teams on 19 and 20 December for MSM-1 and MSM-2 followed by 70 participants from both estate. The training aims to socialize the dangers of pesticides and how to handling it in emergency condition.
- MSDS of each pesticide product that informs about trademark of pesticide, active ingredients, handling in case of poisoning, how to save, until dose of application.

Periodic training related to pesticide handling for worker level is done 3 - 4 times a year. Also in every morning briefing, the supervisory level also provides guidance on how to work safely in using pesticides. Based on interviews with 10 MSM-1 spray workers and 8 MSM-2 spray workers in block 506 MSM-1 workers have been able to explain about safe work for themselves and the environment. For example about the obligation of use of PPE and pesticide mixing procedure which done in special room.

4.6.10

Certificate holder has procedure of pesticides storage and ex pesticides container which explains that pesticides must be kept in a special storage and its ex container must be put in hazardous waste temporary house. Based on field observation to agrochemical storage, it is known that pesticides is kept in special storage and the mixing place is provide with water trap. Ex pesticides container is kept in hazardous waste temporary house. Based on field observation to housing complex, ex pesticides container can not be found in employee's houses which used for other purposes.

The results of field observation in warehouse and spraying activities in MSM 1 and MSM 2 Estate, it is known that the employees have been given regular training in safe work practices. This was evidenced by the employee can demonstrate the correct way to work in accordance with the procedures including how use and handling the risks in accordance with material safety sheets. There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse. The worker also using personal protective equipment in accordance with specified hazard identification and material safety data sheet such as masks, apron, helmet, gloves, and boots..

4.6.11

Certificate holder has a regularly medical check up programed for maintenance worker in MSM 1 & 2 estate.it was in held at May and November 2017. Based on result of medical examination, all the workers are in normal condition. The result

was notified to the workers whether they are healthy or need other treatment. Based on interview with the spraying worker, it is known that they've been examined for medical examination regularly for cholinesterase.

4.6.12

Certificate holder has policy not allowing pregnant and nursing worker to work which is related to the chemical No. 016/GM/VIII/2009 dated 26 August 2009. Pregnant worker identification is conducted through family planning data of workers. Based on interview with spraying worker, if they were pregnant, they will be transferred to a job that is not related to chemical. Based on interviews with clinical midwives, it was known that there are no pregnant manuring and spraying employees in 2017.

Status: Comply

4.7

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

4.7.1

The company already has an OSH policy approved by the country head on 22 May 2015. The policy states "Wilmar Group initiated the implementation, procedures, and regulations of the working environment security. Plans related to health and safety in the workplace are formulated with the establishment of P2K3 formation, OHS Socialization, Health examination, and provision of training to operators or workers who require special competencies such as lift carriers, steam aircraft steam operators and first aid workers.

Based on interviews with spraying workers in Block 506 MSM-2 and manuring workers in Block 504 MSM-2 workers said policy-related socialization was ever done. In addition, during the morning briefing, the emphasis on commitment to the implementation of OHS is also often delivered.

4.7.2

There is a risk assessment for all activities in the Estate (MSM-1 and MSM-2) as well as for activities at the mill. The identification of those risks informs: work activities, hazards, risks and impacts; risk analysis informs the level of exposure, severity, risk, and risk control if any; risk control includes recommendations and PIC.

Risk assessment includes all organizational processes and activities in both the estate and the POM. For example the activities of harvesting, spray, and fertilizer in estate and boiler stations and engine room in POM. Based on the report P2K3 quarter 4 year 2017 known work accident data from January s / d December as follows:

- MSM-Estate: 9 workplace accidents with lost working days > 1 day and 0 work accident with weekdays lost ≤ 1 day.
- MSM-POM: Weekdays lost > 1 day: 2 events; days lost ≤ 1 day: 0 events.

Based on interviews with Operator of Boiler and Engine Room Stations MSM-POM, as well as pesticide and fertilizer applicators ini MSM-Estate, it was stated that the company has provide socialization and training safe working practices annually. Implementation of the safety is conducted through monitoring of safety regulations such as PPE inspection, periodic maintenance and emergency devices monitoring.

Chemical workers such as warehouse officers and sprayers said that socialization and guidance on the handling of chemicals had also been done. In addition information can be viewed from the MSDS of each product.

Discussion of whether or not a risk assessment update due to an accident, is discussed in the P2K3 meeting. For example in the quarter 4 P2K3 report discussed the work accident of Nirham in October 2017. Work accident is caused by equipment damage. Not because PPE is not appropriate. Risk analysis documents have considered MSDS for example risk analysis on spraying activities on the current control section stated pay attention to work instructions, SOP, and MSDS.

4.7.3

Program and realization of training year 2017 got informed all worker involved in operational activity have got safe work practice training. For example:

- Certified welder p.p Irwansyah certificate number S.1120/JL/PNK3/XI/14.
- First Aid training on June 15, 2017 trained by corporate doctors. Available minutes of meeting, attendee list, and photo activities.

- Socialization of OHS policy and discipline conducted by EHS MSM POM. Available event news, attendee list, and photos of activities.

Based on field observation and interviews with workers, known companies provide PPE in accordance with the type of work. The Company has documented the letter of acceptance of personal protective equipment and is documented through the minutes of the PPE delivery, for example Harvester has provided by safety helmet, boots, goggles, rubber gloves and sickle cover on November 17th 2017.

Based on interviews with spraying workers, harvester, and grading workers all of them, have been aware of the mechanism of filing for the replacement of damaged PPE. During this PPE is always given for free. Each worker must sign an official report containing mandatory safety obligations and maintain the PPE that has been provided

Field observations in both the mill and the estate of each worker have used PPE in accordance with their field of work and in good condition. The foreman holds an PPE inspection form to ensure every worker uses appropriate PPE and its in safety working condition. The PPE used is in accordance with risk assessment. In the HIRAC document is not explained the type of PPE that should be used. But there are SOP references for each type of work in which it regulates the use of PPE such as helmets, goggles and boots for harvesting activities.

4.7.4

The company has appointed the OSH executor by establishing the P2K3 team. The structure of P2K3 has been endorsed by Social, Manpower and Transmigration agency of Kotawaringin Timur Regency. Regular P2K3 meetings are held monthly to discuss occupational safety and health issues in the workplace. The product of the regular meeting is the P2K3 quarterly report. Both MSM-POM and MSM-Estate have been disciplined in creating and submitting reports.

The P2K3 report includes information on the plan and implementation of the OHS program, evaluation of program implementation, work accident analysis, accident reporting, OHS training, regular meetings, and program implementation barriers to suggestions.

Based on interviews with 10 spraying workers, 3 grading officers, 2 manuring officer, and 3 harvester obtained information workers have understood about the structure and activities carried out P2K3 team in applying Occupational Health and Safety at work. Issues that are often discussed in the P2K3 report are on awareness to be consistent in applying OHS such as the use of PPE. In addition to the fourth quarter report discussed the existence of work accidents with the name of the worker Nirham. Accidents occur due to damage to gland packing on broken water pump. Workers using PPE to avoid a more severe situation.

4.7.5

The Company shows the Emergency Response Procedure - The Emergency Response Team (TPKD) is valid from 1 October 2017 approved by the General Manager of CKP. The Company investigates each accident and records it in the event notification form and investigation form. In the third part of the investigative form describes the follow-up of the investigation results by analyzing the root of the problem, and the improvement / prevention plan.

There is an investigation of work accidents a.n Nirham employee boiler MSM-POM. Date of events October 4th 2017. At 23:00. Parts of the body that wound hands and right foot left and pubic tip because exposed to hot steam due to gland packing water pum broke Estimated lost 7 working days. The work accident has been reported to EHS HO via Christopher.soesanto@wilmar.co.id email on October 25th 2017 and subsequently reported to BPJS employment online.

Based on interviews with boiler officer and engine rooms worker MSM-POM officers can explain about emergency response procedures. For example if there is a fire with a small fire source. The first step is to take the fire extinguisher to overcome it. But if within 3 minutes the fire is not extinguished then have to evacuate themselves by following the evacuation path and gathered at the evacuation point. Furthermore, based on Interviews with harvesting and spraying foreman are known to have been conducted on first aid training. The foreman also carries first aid Bags as a first aid kit in case of work accident.

4.7.6

Based on interviews with estate and POM worker known all workers have been included in the program BPJS-Manpower

(BPJS-TK) and BPJS Health (BPJS-Kes). There is a proof of payment of BPJS for estate and POM worker. There is evidence of BPJS-Kes and BPJS-TK (JKK, JHT, JKM and JPN) payment for December 2017 period paid in January 2018, via Bank Mandiri.

One example of a case of occupational accidents involving the further treatment of Nirham affected by Heat Steam. The worker must rest for 7 days. Based on the document review, it is known that the non-work day is still paid full. In addition there are chronology of accidents that have been reported and assisted claims to the labour insurance (BPJS-TK). Furthermore, based on payroll review, it was known that the salary was paid during 7 days leave.

4.7.7

Based on the report of occupational accidents in the 4th Quarter report P2K3, it was known that recapitulation of work accidents record data for period January to December 2017, it was informed as follows:

- MSM-1. Total Lost Time: 25; Total working hour: 1,265,210; Incident rate: 12; Severity Incident Rate: 48.
- MSM-2. Total Lost Time: 28; Total working hour: 1,069,120; Incident rate: 7; Severity Incident Rate: 62.
- MSM-POM. Total Lost Time: 68; Total working hour: 315,897; Incident rate: 2; Severity Incident Rate: 43.

Status: Comply

4.8

All staff, workers, smallholders and contractors are appropriately trained.

Indicator 4.8.1 & 4.8.2

The Certificate Holder both of plantation unit (estate & mill) has been done and documented the training of employee and the contractor. There was showed the documentation of training year of 2017 consist of:

Estate

- Muster Morning & Refreshment of RSPO Principles and Criteria (Every Saturday) at each Estate Office
- Fire Extinguisher Simulation, 14 March 2017
- Training/Refreshing of First Aid, dated 07 July 2017
- Team Spray Training, dated 11 July 2017
- Training of Contractors, dated 19 July 2017
- Training of Team Harvesting, 11 December 2017
- Training of Team Fertilize, 18 December 2017
- Socialization of Hazardous Waste & Trash Management, 19 December 2017
- Training on Handling of Hazardous Waste and Spillage, 19 December 2017
- The HCV socialization to employees and staff for the year 2017 has been attended by employees, FC (Field Conductor), FO (Field Officer), Division and Estate Manager, consist of :
 - Date of 1 – 3 November 2017 at MSM 1
 - Date of 2 – 4 November 2017 at MSM 2

Mill

- Socialization of several company policies (Social Abuse, Violence & Reproductive Rights), dated 07 April 2017
- Socialization of the Company's Code of Ethics Policy, 04 May 2017
- Socialization of Human Rights, 17 May 2017
- Socialization of Latest Company Regulation, 18 May 2017
- Refresh training Basic Health and Safety, 23 May 2017
- First Aid Training by dr Daniel, 12 July 2017
- Training & Refreshment Store, Weight Bridge and Logistic, dated 10 August 2017
- Socialization of Occupational Health and Safety Policy, 17,18, 24 October 2017
- Chemical Handling Training, 26 October 2017
- Socialization of Emergency Management Team, 28 October 2017
- Training of fire extinguisher, Hydrant and Fire Simulation, 28 October 2017
- Training on LOTO & Work Permit, dated 21 December 2017
- SCCS training for all mill operators , 11 April 2017

These document was filled in both of estates and mill.

There was also observed the document of training program plan for year 2018, contained information related RSPO aspect. Based on information by Personnel in Charge of Sustainability Team from Regional Office of Central Kalimantan Project, that the realization of the program planning it will depend on approval by the Head Office.

Based on field visit observation and sampling interview with the several harvester and pesticide applicator, they informed that several training and socialization process has been done by the company in year of 2017. They can demonstrate the safe working practices and used of Personnel Protective Equipment and the accordance with company procedure. Field visit observation and interview with the workers in mill area, for example in administration officer, weight bridge staff and grading area, the also informed that training and socialization related to FFB process of receipt in mill and related to SCCS was has been done, for example refresh of SCCS for all mill operators in 11 April 2017.

Status: Comply

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

5.1

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

5.1.1

The company has an environmental document in the form of EIA of Plantation and Processing Mill of Oil Palm Development covering an area of 15,500 ha with the mill capacity is 90 Tons of FFB / hour. The company has a document of viability based on the Decree from East Kotawaringin Regent No. 660/01/BLH/IV/2009 on April 27, 2009. these documents discusses the impact that might have caused by the company's operations such as land acquisition, construction of roads, creation of infrastructure, creation of processing mills, land preparation, crop management, oil palm planting, development of conservation areas, etc. that documents also discuss the management plan and monitoring plan that should be done by the company.

The Company has submitted 2 letters namely letter 24 / BM-MSM / V / 2017 and letter 23 / BM-MSM / V / 2017 to the Environment Agency of KOTIM for the amendment of EIA documents related to:

- Application of environmental document directives for area 870.816 ha not yet included in EIA document review.
- The application of the EIA document referring to the development of methane capture.
- The letter has received by Environment agency of Kotim on May 24, 2017, and the company had monitor development amendment of EIA documents. **OFl with observation.**

5.1.2

The IEA document owned by the company has covered all operational activities and all aspects of PT MSM. The impact on the monitor is

1. Physical and Chemical Components include: temperature and humidity, gas and dust, noise, physical quality of surface water chemistry, water discharge, soil physical and chemical properties, erosion
2. Biological components include: flora and fauna, potential for land fires, plankton and benthos, nekton, and hidrologi
3. Social, Economic and Cultural Components include: public attitudes and perceptions and public unrest, social inequality, employment and business opportunities
4. Community Health Components include: Prevention and disease incidence

5.1.3

The Company has a record evidence of environmental management report periodically and has implemented the entire management and monitoring, as required under the EIA document (Environmental Management Plan / Environmental Monitoring Plan). report described realization of monitoring and management of the environment in accordance with environmental parameters in the Environmental Management Plan - Environmental Monitoring Plan and ordered by regulations. The results of a public consultation with the Environment Agency in Kotawaringin Timur regency its known if the company has made environmental management and there is no issue of pollution caused by the company's operational activities.

The result of environmental monitoring i.a Monitoring the Quality of Temperature and Humidity of Air, Gas & Dust, Noise, Lighting, Vibration on building, River Water Quality, Wastewater Quality, Ground Water Quality and Water Biota show the result of analysis has been in accordance with applicable quality standards

Until the surveillance-3 there is no change in the scope and operation of companies that could lead to a revision of environmental documents (EIA and parent Document of Environmental Management Plan/Environmental Monitoring Plan).

Major 5.1.1 | **Status: OFI with observation**

5.2

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

5.2.1 and 5.2.2

PT MSM has had the outcome document of HCV identification that is HCV Assessment Report of The Wilmar Central Kalimantan Project, February 2009. Identification of HCV conducted by the Malaysian Environmental Consultants, Sdn Bhd. Based on the document known that the identified HCV areas are covering an area of **3,899.99** ha. The assessment team is RSPO Approved HCV Assessor.

Attention in the conservation aspects, PT. MSM has done some assessment in cooperation with several conservation organizations including:

1. Survey Biodiversity by WWF in 2007.
2. HCV assessment by MEC, June 2008.
3. Survey of Orangutan population by Conservasionist Expert Wilmar Group in 2010.
4. Survey of Biodiversity by Zoologi Society of London (ZSL) in 2009 to 2012.
5. Central Kalimantan provincial government cooperation with PT. MSM and the Borneo Orangutan Survival Foundation (BOSF) in the Program of Best Management Practices (BMP) for Orangutan Protection and its Habitat in Wilmar Palm plantations. Agreement No. 02/PKS-KSD/KTG/2013; 02/DIR-MSM/XII/2013; 02/YBOS/I/2013, dated January 9, 2013. Signed by the Governor of Central Kalimantan, PT. MSM and BOS Foundation. SK of Cooperation Extension: No: 09/PKS-KSD/KTG/2015; 001/MSM/ADM/BM/XI/2015; 419/YBOS/XI/2015, dated November 25, 2015. The period of cooperation: 2 years since it was signed.

The identification results of Population Survey, Distribution and Orangutan Borneo Habitat in WILMAR Group Region of Central Kalimantan Project in 2007. Compiler Team, among others: APAPI, University of Tanjungpura, JARI Central Kalimantan-Social NGO, WWF-Indonesia. The type of Orangutan which is identified from the species of *Pongo pygmaeus wurmbii*. The results of the identification known the number of the nest as many as 24 nests with an estimated population of about 2.05 individu/km².

PT MSM has had of Management Plan HCV period 2017-2018, such as provide socialization of HCV to staff and employees, maintenance of posters and information boards about HCV and protected animals, provide socialization to the village around companies that have HCV once a year, training staff about HCV, development of tree species and types of orangutans feed, collection of seeds from the HCV area, routine monitoring, monitoring of signboard and HCV boundary, treat transect orangutans, special survey of orangutans, conducting biodiversity surveys and habitat conditions (rapid survey) and install camera trap for monitoring wildlife

Based on the HCV Identification review report of December 2017 it is known that the management is re-measuring (deliniation) actual condition, so that the current HCV area is 3,899.44 Ha. The Company shows the HCV identification map that describes the location of HCV area with the following classification:

- Distrubed HCV to restore	= 316,42 ha
- Initial HCV conserved	= 3,052,40 ha
- Other Natural Area recomended for conservation	= <u>530,62 ha</u>
Total Area HCV	= 3,899,44 ha

5.2.3

The Company has SOP The protection of wildlife No. SOP 18/HCV/(1)/0615 in the SOP described that employees and contractors working in the company environment on:

- May not capture, keep or kill animals either protected by state or other regulations such as CITES and IUCN. Animals that are not protected through company licenses.
- Not allowed to trade protected or unprotected wildlife
- Not allowed to catch fish by using poison and electricity (stun device).

- If proven to violate the sanction of warning letter 1- 3 to layoffs.
- The provision of sanctions shall not apply if there is a rescue attempt to the endangered and endangered species that endanger or threaten human life.

The company has conducted socialization to employees and staff for the year 2017 has been attended by employees, FC (Field Conductor), FO (Field Officer), Division and estate manager and available evidence of absence and photo documentation of the implementation of activities:

- HCV socialization on 1 – 3 november 2017 at MSM 1
- HCV socialization on 2- 4 november 2017 at MSM 2

Based on the results of interviews with pesticide and fertilizer applicators in MSM1 and MSM2, it was mentioned that socialization towards wildlife and protected species has delivered by estate management. The workers has also able to explained kinds of protected species within estate operational areas, as well as company regulation related to it.

5.2.4

Base on rapid survey result the HCV area to ensure the availability of food and habitat for Orangutan is still in good condition and well maintained . Threat to important species including: land use by communities in the Land Use Title and is in the region of HCV, especially in riparian. In addition, the number of illegal mining’s activity in the area as a corridor of Orangutan by irresponsible people.

PT MSM has HCV Report 2nd Semester of December 2017. Monitoring activities such as patrolling and observation of wild animals in HCV area such as monitoring and patrol results in the area of MSM2 D2-320 and MSM D2-047 which is the expanse of swamp forest, vegetation found is *Pantung, Punak , Meranti rawa, Kumpang dan Ketiu*. The species found in the survey were orangutans (*Pongo pigmeus*) owa kalimantan (*Hylobates albibarbis*), long-tailed monkeys (*Macaca fascicularis*) and Rat eagles (*Elanus caeruleus*).

5.2.5

Based on the results of the verification documents, field observations and public consultation is known that there are areas of HCV still controlled by the community. Related to that the company can show Memorandum of Understanding (MoU) with the Village of Kawan Batu, Village of Baampah, village of Tanjung Bantur, village of Pahirangan and Village of Penda Durian on May 21, 2014 who stated that all the parties understand about conservation area in this case areas High Conservation Values that are within HGU PT MSM and also including into administration of each village. The Company has increased understanding of HCV management in PT MSM area through HCV socialization to the village Neighborhood on 29 January - 1 February 2018.

Based on interviews Kawan Batu and Ba'ampah village it is known that the company has conducted socialization activities related to HCV protection and they have understood about the protection of HCV area

Status: Comply

5.3

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

5.3.1

The results of the examination of documents the company has identified the sources of waste and pollution which explains the source / activity and types of waste / pollution generated (Hazardous Waste / Non Hazardous or GHG emissions). There is result identification sources of waste:, Liquid waste used for pesticide washing equipment, used batre, plastic fertilizer, lubrican oil, used fabrics, agrochemical packaging domestic waste

Based on the results of field visits and document verification of waste management conducted by the company, among others:

- POM solid waste in the form of shells and fibers are used again as fuel for the boiler while the EFB is used as fertilizer
- Effluent is used for land application
- Domestic waste is collected and disposed to the landfill regularly once a week
- Hazardous Waste is stored in the Licensed Hazardous Waste Temporary Warehouse to be sent to the licensed third party.

5.3.2

The company has SOP of Hazardous Material and Hazardous Waste Management (SOP22/EHS/(2)/0711). The documents described in all of Hazardous waste is storage at Hazardous waste temporary warehouse, and then transferred / transported / used again or managed by other parties who have had permission from the environmental agency. Based

on the results of the visit in the hazardous waste storage warehouse it is known that the waste storage is according to the type of waste and the storage warehouse has been equipped with eye shower, first aid kit, and oil trap.

PT Mentaya Sawit Mas has License no: /534/BLH-Ek.SDA/VIII/2014, Temporary Storage Permit for Hazardous and Toxic Waste PT Mentaya Sawit Mas at Mentaya Hulu, East Kotawaringin regency, Central Kalimantan Province, which is valid for 5 years. Approved on 6th of August 2014. The certificate holder is encouraged to ensure the progress of the medical waste management agreement. **OFI with observation.**

5.3.3

Waste management plan has follow SOP of Hazardous Material and Hazardous Waste Management (SOP22/EHS/(2)/0711) . The documents described in all of Hazardous waste is storage at Hazardous waste temporary warehouse, and then transferred / transported / used again or managed by other parties who have had permission from the environmental agency.

Based on the results of document verification of loogbook hazardous waste the management of Hazardous waste is stored in Hazardous Waste Temporary Warehouse, then sent to the Collector,. The Company has sent Hazardous waste to PT Maju Asri jaya Utama with used lubrican oil, used fabrics, used batteries, agrochemical packaging on 22 December 2017. while for Medical Waste (Infectious) has new agreemet with PT. Sinar Bintang Albar and The certificate holder is encouraged to ensure the progress of the medical waste management agreement (OFI).

Based on the results of field visits in housing MSM 1 and MSM 2 not found waste disposal by using fire. Trash is collected and disposed at landfill. The Company has documented the management of hazardous waste in the report showing the receipt of the Environment Office of the East Kotawaringin District and the Central Kalimantan Provincial Environment Office.

Major 5.3.2	Status: OFI woth observation
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5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.

5.4.1

The efforts made by the company to make the efficiency use of fossil fuels, among others with shells and fiber utilization as fuel for the boiler. The company in POM unit had monitored the use of renewable energy, namely shells and fiber as boiler fuel, for example, for the period from January to desember 2017:

- Renewable energy consumption for FFB processing = 0.24 ton of fiber and shell/ton FFB.
- Electricity consumption from generator for FFB processing = 69.041 KWH/ton FFB
- Electricity consumption from turbine for FFB processing = 162.338 KWH/ton FFB
- Fossil fuel use per ton of Fresh Fruit Bunches (FFB) = 1.3 litre/ton FFB

The POM unit adds a power on the turbine for housing lighting power. The use of Biogas Plant in POM units in the period from november 2017 is to the use for employees and staff housing lighting at Estate. the Biogas plant is still in commissioning stage and still in the experimental stage

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

5.5.1 & 5.5.2

The Company has an Agronomy Guide and SOP of Wilmar International Limited's Palm Oil Plantation in 2015. On land clearing and land preparation states "With full commitment to environmentally sustainable policy, all land clearing must be conducted on a zero burn or green stacking.

Zero burning policies apply to all subsidiaries under the wilmar group. Based on field visits to the 682 MSM-2 block of land clearing area in 2017 there was no burn marks in the area. The Company has implemented procedures and policies on land clearing without burning

There is no use of fire in land clearing in accordance with zero burning procedures and policies owned by the company. Based on interviews with Environmental Agency of Kotawaringin Timur and local community such as Ba' ampah and Kawan Batu Village Representative, it ws informed that there is no negative issues related to using of fire in estate

operational areas.

Status: Comply

5.6

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

5.6.1

The certificate holder has had document assessing pollution and emission sources, including gas , particles, soot emissions and effluent, as presented in table below:

Activities	Waste Type		GHG Emissions
	Non Hazardous	Hazardous	
Pesticide application		Spill of agrochemical	CO ₂ , CH ₄
Fertilizing		Fertilizer sacks Inner plastic of fertilizer sacks	CO ₂ , N ₂ O
Harvesting and frond pruning	Loose fruit sack used Palm frond		CO ₂ , CH ₄
EFB application and decanter cake			CH ₄
Receiving and Storage of Agrochemical		Used sacks Agrochemical spillage Fertilizer spillage	CO ₂ , N ₂ O
Operational and Maintenance of Power Generator		Oil Filter used Fuel Filter used Dirty fuel Lubricant used	CO ₂
Transportation of agrochemical and fertilizer	Fertilizer spillage	Agrochemical spillage	CO ₂ , CH ₄ , N ₂ O
Fuel transportation		Used Fuel Used Fuel containers	CO ₂
Vehicle maintenance	Tyres used Sparepart used	Lubricant used Battery used Rags used Oil Filter used Lubricant container	CO ₂
Collecting and transportation of domestic waste	Degradable waste, plastic waste and metal waste		HCFC, CO ₂
Hazardous waste management			CO ₂
Construction of Infrastructure	Wood, metal, glasses, plastic wastes.		CO ₂
Office Administration	Plastic, paper and glasses waste.	Printer and lamp tube used	HCFC
Herbicide mixing		Herbicide containers Herbicide spillage	CO ₂ , CH ₄
Boiler chimney	Smoke emission		SO ₂ , CO, NO ₂ , H ₂ C
CPO and PK Transportation	Air pollution		SO _x , CO ₂
POME management	GHG emission		CH ₄

5.6.2

Plan to reduce or minimize the significant pollutants and GHG emissions were implemented by the certificate holder

through periodically test for air pollution, POME management, agrochemical use in properly dosages, maintain the HCV area as crop sequestration. Also, during the field observation in MSM POM complex, the certificate holder has started to use the Methane Capture installation as part of plan to reduce and minimize a significant pollutants and GHG emissions.

5.6.3

GHG Calculation of MSM POM for year 2016 has been calculated using RSPO PalmGHG Calculator version 3.1 and reported to the RSPO through an email dated 7 February 2017. The summary of GHG calculation is presented below:

Summary of Net GHG Emissions MSM POM

Summary Emission

Product	tCO ₂ e/t Product
CPO	2.62
PK	2.62

Extraction	%
OER	22.88
KER	4,37

Production	ton/year
FFB Processed	152611.56
CPO Produced	34910.73

Description	Unit	Value
Total Planted Area	Ha	18656.06
Total Planted Area on Peat	Ha	1444.406
Conservation Area	Ha	1713.66
OER	%	22.88
KER	%	4.37

Mill emission and credit

Description	tCO ₂	tCO ₂ e/t FFB
Emissions Sources		
POME	58,482.53	0.38
Fuel Consumption	847.24	0.01
Grid Electricity Utilisation	0	0
Credits		
Export of Excess Electricity to Housing & Grid	0	0
Sale Of PKS	0	0
Sale Of EFB	0	0
Total	59329.77	0.39

Plantation/ field emission and sink

Description	Own			Group		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB
Emission Source						
Land Conversion	54,062.53	7.12	0.36	525.10	6.62	0.33
CO ₂ Emissions from Fertiliser	7,232.66	0.95	0.05	75.18	0.91	0.05
N ₂ O Emissions	13,022.90	1.71	0.09	89.66	1.15	0.06
Fuel Consumption	1,990.11	0.26	0.01	28.03	0.33	0.02
Peat Oxidation	44,312.83	5.83	0.29	218.47	3.11	0.16
Sinks						
Crop Sequestration	-71,106.77	-9.36	-0.47	-768.08	-9.36	-0.47

Sequestration in Conservation Area	0	0	0	0	0	0
Total	49,514.26	6.52	0.33	168.36	2.76	0.14

Emission Of PK

Emission Source	tCO ₂ e
PK from own mill	17,474.7
PK from other sources	0
Fuel consumption	0
Total crusher emissions	0

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 %
Divert to methane capture (flaring)	0 %
Divert to methane capture (electricity generation)	0 %

Status: Comply

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

6.1

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

6.1.1

The company has document of Social Impact Assessment Report for scope of Plantations & Palm Oil Mill. The assessment process carry out in 6 to 16 February 2012 by the Cooperation Agency-Pride Center Yogyakarta. The document describes the social impact management of plantation and mill, consist of: employment, health and safety, facilities and benefits of workers, consultancy and communication, stability of employment, business opportunities, revenues, income household, institutional, perception at the company , socio-cultural changes, health workers and the public, and tenure. The process of data collection is done through discussions with the parties, the employee and community. The results of these discussions are described in the form of Minutes of the results of the discussion. Evidence in the form of recordings Participant List Discussions at the time of collection of information. The parties that are involved, among others, employees and the communities surrounding villages (Ba'ampah, Kawan Batu, Penda Durian and Pahirangan) was attached to the report. In year of 2016 Review of Monitoring Plan Social impact PT Mentaya Sawit Mas (2016-2018) has been done. These document was contains descriptions among others; Sources of impact, parameters measured, Monitoring Objectives, Methods Data collection and analysis, monitoring locations, the Executive and the results of the review. Based on result of stakeholder consultation with external and internal stakeholder was known that the Social Impact Assessment (SIA) was covered of significant aspect consist of: labour welfare (facilities & salary) & gender aspect, social interaction between company and community surround (no significant conflict), work access and Community Development Program.

6.1.2

There was shown an evidence of record meeting with the parties during the discussion (consultation) in several village, consist of (Ba'ampah, Kawan Batu, Penda Durian and Pahirangan). The evidence of Stakeholder Consultation with Employees of the Company and the External Stakeholder (community surround) consist of minutes of meeting, attendant list of participant & photograph.

6.1.3

It has been shown The Social Impact Management and Monitoring Plan for the Period (2016-2018) and also the documents of Community Development Program Plan of PT Mentaya Sawit Mas Year 2018 in several surrounding villages (Ba'ampah Village, Penda Durian, Pahirangan & Tanjun Bantur), conducted through discussions with related stakeholders (villagers and local government). The plan is prepared based on input from interested parties and the document is signed together (Representative of Company, Village Government and the Community Representative). All of the input by related party become material for arranged of the management plan of company.

6.1.4

The Certificate Holder has shown the Evaluation of Social Impact Management and Monitoring Plan for the Period (2016-2018). These document has been evaluate with participate by the related parties. For example, related aspects of health aspect will be implement by Community Development Department, Public Relation and Clinic and for the aspect of education will be implement by Community Development Department & Estate. The evidence was consist of Attendant List of participant and the Photographs of Focus Group Discussion process. Based on stakeholder consultation with the Worker Union and Gender, Committee surrounding community, consist of Head of Village, Informal Leader, villager in Kawan Batu and Ba'ampah Village, was known there is no significant negative issues by the related parties.

6.1.5

Until ASA-3, The PT Mentaya Sawit Mas did not has Smallholder Scheme

Status: Comply

6.2

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

6.2.1

The company has procedure of Implementation Mechanism Communication and Consultation With Community (SOP 35/PR/1/0614, Revision 2, dated on 5 May 2015). These procedure was explained of communication mechanism between the company and stakeholders. In this procedure also was explained that the company will communicate or consultation with the communities, the manager unit will send the letter to Head of Village and the company will waiting for respond by the community till three weeks as deadline. Based on interviews public consultation at Kawan Batu and Ba'ampah village it is known that the company has conducted socialization activities related to mechanism of Communication and Consultation, and the community.

6.2.2

Certificate holder has Public Relation Officer for communication process with stakeholders. The officer will be responsible as public speaker and communication process with the related parties.

6.2.3

Certificate holder has of Stakeholder List and their detail address for period of July to December 2017. These document was categorize each of stakeholder, comprise of the government agencies in province and regency, sub district and village government level, communities representative, customary representative, non government organization, bank, hospital, university and local contractors. Certificate holder also showed the documentation of socialization related to transparent method and communication and consultation to the Village of Pahirangan on 29 January 2018, and Village of Kawan Batu on 30 January 2018.

Based on the list of incoming Letter in 2017 known request for information in the form of activity invitations such as natural disasters management, socialization of local regulations, and land claims. With a total of 6 incoming Letter. By example as follows:

- The company shows an application letter for heavy equipment (exsavator) for land clearing on 3 September 2017 from Kawan batu village. The company responded to the letter on November 8, 2017 which contained not yet able to contribute due to the limitations of heavy equipment in the company.
- The company received a letter regarding land distribution / land claims from Badrinsyah village from Tangar village on 13 October 2017, on the letter the company has conducted a land claims meeting on 27 October 2017. There is a minutes of notification and attendance meeting, there is no agreement from both sides.
- The company shows a letter of submission of the results of the community-based HCV assessment that goes to the company around the village of Kapuk, on October 18, 2017. The contents of the community visit plan Kapuk

village to the HCV area located in Kapuk village. Following up on the letter the company is willing to facilitate the visit on 23 October 2017.

Status: Comply

6.3

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

6.3.1

Procedure of dispute resolution is presented in document No. SOP/34/PR/(1)/0614. Procedure mentioned that problem resolve has focused outside court system. There is also procedure of grievances or complaint which presented in document No. SOP 42/HRD/0/ 0609. Person in charge to handle disputes, grievances and complaints from external and internal were conducted by Bina Mitra Officer, Estate manager and Field Officer, as mentioned in document No. SOP.444/PR/6/1116 Revision 6 dated November 18th 2016. The later procedure mentioned that public relation for resolution has devided into several parts/aspects, i.e. relationship with permit, legality and government institutions, relationship with social communities, relationship with Land release/indemnity compensation, relationship with security and relationship with community development and company social responsibility.

Contact number of every PIC were available on the clinic and information board on the office. Grievances and complaint could be delivered through direct communication and/or by letter which put on "suggestion-box" or "Kotak Saran". MSM Management has ensure anonymity of complainants and whistleblowers. Based on monitoring of grievances record review, it was known that MSM management has respons and follow up every complaint and grievances immediately on the sama date. Most of grievances were delivered directly through verbal communication. Based in interviews with representatives from Kawan batu dan Ba'ampah Village, Government Agencies of Kotawaringin Timur (National land Agency, Agriculture Agency, Manpower Agency and Environmant Agency), workers in MSM 1, MSM 2 and MSM Mill, it could be concluded that company management has considered cooperative to carried out problem resolution and mechanism has implemented in accordance with company procedure and government regulations. So far, there is no resolution engaging court system.

6.3.2

Process of conflict resolution is presented in several document, based on aspect as mentioned in Indicator 6.3.1. for example as follows:

- **External:** Grievances and complaint towards land dispute has continuously conducted by estate management. For example. During 2017, there were 13 deal agreement towards dispute areas within MSM 1 and MSM 2 Estate, totaling about **197.68 ha**. Evidence such as parcitipatory land dispute map, agreement letter of affected parties, compensation payment, receipt with legal stamp and picture documentation of the above parties were available. Detail of this matter is presented in Indicator 2.2.3.
- **Internal:** Compliant grievances were recorded in several documents, such as monitoring of worker grievances, official letter of employees grievances, grievances box monitoring (Form No. 03/SOP 04/EHS/(0)/0409 and logbook of employees grievances. According to grievances record in 2017 review, it could be concluded that 17, 7 and 9 grievance were noted in MSM 1 Estate, MSM 2 Estate and MSM Mill, respectively. All grievances were settled up less than 1 week. Picture documentation of response were available.

Status: Comply

6.4

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

6.4.1 and 6.4.2

Estate management and representative from Kawan batu dan Ba'ampah Village mentioned that there is no customary of indigenous people or local community rights on the surrounding estate operational areas. Procedure of land compensation is presented in document No. SOP 29/BM/(0) 0409 dated April 13th 2009 about land relief, and No. SOP 30/BM/1/2017 dated March 10th 2017 about land conflict resolution. Procedure mentioned that Stakeholder were consist of Village representatives (Chief, Elders, *Damang*, occupants it self), Government representative (Sub-Regency Head or "*Camat*" and National Land Agency) and Company representative (Estate Manager and Field Officers). Both procedure has implemented satisfactory by estate management as describes in Indicator 2.2.3.

Based on information from estate management, community representative from kawan Batu and Ba'ampa Village, as well as from Government Agencies of Kotawaringin Timur, it was known that there is no land conflict which affected estate operational areas. Process of resolution has considered satisfactory to all parties. Payment of compensation calculation has conducting through negotiation between claimnant and estate representatvies. However, estate has refer Decree of Kotawaringin Timur Regent No. 316/2007 dated April 5th 2007 about basic calculation price plants and crop or "Harga Dasar dan Tanam Tumbuh" in Kotawaringin Timur Regency region as basis of payment calculation. Official letter of price negotiation is signed by Estate Field Conductor (Staff Land), Field Officer, Divisi Manager and Estate Manager. Progress of compensation payment of disputes areas during 2017 is presented in Indicator 2.2.3.

6.4.3

Official letter of price negotiation is signed by Estate Field Conductor (Staff Land), Field Officer, Divisi Manager and Estate Manager. Progress of compensation payment of disputes areas during 2017 is presented in Indicator 2.2.3. FPIC and partisipative approach has conducted by certificate holder to overcome this situation. Update in 2017 towards compensation deal of "Ganti Rugi Tanam Tumbuh" (or GR TT) record informed that during 2017, there were 13 deal agreement towards dispute areas within MSM 1 and MSM 2 Estate, totaling about 197.68 ha. Evidence such as Agreement letter of affected parties, receipt with legal stamp, as well as picture documentation of the above parties were available.

Status: Comply

6.5

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

6.5.1

There was shown the Central Kalimantan Governor Regulation No. 40 of 2017, dated 21 November 2017 on Regency / Minimum Wage And District / City Minimum Wage In Central Kalimantan Province 2018 (Minimum Wage Kotawaringin Timur District is IDR 2,552,347 and Minimum Wage Agricultural Sector, Livestock, Forestry, and Fishery, Plantation and Industrial Plantation Forest is IDR 2,570,082. There is also available Inter Office Memo to all Managers of General Manager, Number: 006/GM/IOM-SEC/XII-2017, dated December 13, 2017, Subject: Minimum Wage and Sector Minimum Wage of District/City of Central Kalimantan Province for 2018. There has also been documentation of the Joint Agreement on Overtime Work during Peak Crops between Employees with the Company (PT Mentaya Sawit Mas-POM). The document was signed by Mill Assistant Manager and Employee Representative and known by Head of Department of Manpower and Transmigration of Kotawaringin Timur Regency. The document has been socialized to mill employees (attached Attendance List of Participants).

Based on sampling of payment slip documentation and interview with pesticide and fertilize applicator was known that the company has been comply to the minimum wages in accordance with regulation Central Kalimantan Governor Regulation No. 40 of 2017 (IDR. 2,570,082). Based on sample of payment documentation and interview result was knowed that the employee in general was earn of IDR 2,700,000 to 3,000,000 per month.

6.5.2

There is work agreement between company and the worker which explain about the wages, work hour, duty and responsibility, and other provisions in Indonesian Version (Bahasa). Based on interview with Worker Representative of Bipartite Cooperative Institute (*Lembaga Kerjasama Bipartit*) and several workers in field visit that known that the workers understand the contract because was explained to them in the early as employee and formatted Indonesian language. the workers in PT MSM associated in Bipartite Cooperative Institute (*Lembaga Kerjasama Bipartit*). The company has Company Regulation, valid till April 2018. This Regulation applies to all employees within the scope of PT MSM and has been signed by representatives of the Company and workers and authorized by the local Labour Agency in related District.

6.5.3

Based on the results of field visit at MSM1, MSM 2 Estate and POM indicated that the company has provided housing and other supporting facilities, including: places of worship, schools, sports facilities, daycare, electricity and clean water, and the other facilities.

Based on stakeholder consultation with Bipartite Cooperative Institute, Gender Committee & workers representation was obtained information that they have felt enough with the facility, for instanec the housing (permanent building) and the supporting facilities is i good condition.

6.5.4

The company provides opportunities for seasonal traders or markets around the plantation area to coincide with the acceptance of workers' salaries making it easier for workers to shop for daily necessities and there are also some grocery store shops in the nearest village that can be reached by the workers from the plantation area.

Status: Comply

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.

6.6.1

The Certificate Holder has policy related to opportunity for the employee to join the labor union on Internal Memorandum from HRD Head Wilmar International Plantation No. 026/WIP-HRD/Int-VIII/2009, dated of 12 August 2009. These memorandum explains freedom of association that every employee is free to establish and become a member of worker union in accordance with applicable regulations. The Cooperation Institution (LKS Bipartit) of PT MSM has been registered with the Department of Manpower and Transmigration of Kotawaringin Timur District and has been ratified by the Decree of the Head of Manpower and Transmigration Office of Kotawaringin Timur District, No. 560.565/789/KEP/HI-KESJA/XII/2017, dated 19 December 2017. Based on interview with the worker in the estate and mill, there is no indication of force for the worker to join the labor union.

6.6.2

There has been showed the documentation of monthly meeting of labor union period of January till December 2017 consist of minutes of meeting, attendant list of participant and the photograph. The documentation was available in office unit both of estate and mill. It was available for member if they were asking by information request. Based on stakeholder consultation with Bipartite Cooperative Institute, Gender Committee & workers representation was obtained information that the discussed in monthly meeting is related to the cleanliness of the area around housing and workers' awareness of their rights and obligations such as maintaining decency and safe working practice.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

The Wilmar International Limited has a policy on child labor, signed by Plantation Head Group and CSR Head Group, September 2010. The core of the policy is that the company will not employ as set out in the ILO Convention, even though there are state laws or regulations that allow it. There was also showed the Intern Memorandum No 026/WIP-HRD/INT-VIII/2009 about Employee which explain that the company don't recruit worker below 18 years old. Based on document review of employee data till January 2018, there was no workers under 18 years old. Based on public consultation with Manpower Agency of Kotawaringin Timur District, there is no issue regarding child labor. Based on interview with worker in mill, they know the minimum age to work in the company. Based on field observation in harvest activities also showed did not any indication of children worker.

Status: Comply

6.8

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

6.8.1

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

6.8.2

Based on interviews with several workers in harvest area, maintenance and operations in workshop and mill, was known that there are some workers from the local communities and labor composition, consist of men and women. They was stated that the company is giving opportunities to work without any form of based on race, religion, origin, gender and political affiliation.

6.8.3

The company was showed the Internal Memorandum No 026/WIP-HRD/Int-VIII/2009 on employment provisions, in point 3 of equal opportunity for employees that the company highlights the value of professionalism and ensures the absence of discrimination on the basis of race, color, sex, religion, political beliefs, nationality and social origin. Also available the Human Right Policy Wilmar International Ltd which was published in June 2014 and endorsed by the Group Plantation Head and CSR Head. In the policy stated that the commitment Wilmar supports the respect and protection of human rights as a policy for providing equal opportunity for everyone.

The company was kept the personal file of each worker in Plantation General Affair (PGA) Department. Based on interview with management, the recruitment is conducted through the company requirement. Worker promotion, mutation or demotion is done through the employee performance assessment. Company showed documentation of employee performance assessment, it explain about the verification of evaluation indicator whether the worker will be promoted or demoted.

Status: Comply

6.9

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

6.9.1; 6.9.2 and 6.9.3

There was showed the Internal Memorandum No 026/WIP-HRD/Int-VIII/2009, concerning the provisions of employment. In point 4 on preventing sexual violence and the suppression of women, every woman worker enjoys protection of health and safety, morality and morality, treatment according to human dignity and prestige. Wilmar International Limited also has document of Sexual Harassment, Violence and Abuse, Reproductive Right Policy, the document is signed by Group Plantation Head & Group CSR Head, June 2014. It was also shown the evidence of socialization documentation on Thursday 25 January 2018 (Minutes of Meeting, Attendant List of Participant and Photograph). Socialization conducted simultaneously to each division or work units in the Estate. While the socialization in POM, among others conducted on 15 March 2017 & 11 January 2018. Based on stakeholder consultation with Gender Committee and interview with several workers in estate and mill, there was no issue related to woman right.

Status: Comply

6.10

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

6.10.1 and 6.10.2

Based on document review on FFB acceptance in MSM Mill, it could be concluded that FFB were supplied from PT MSM Estate (RSPO Certified), PT Bumi Sawit Kencana (RSPO Certified) and eventhough not contiuously happen, in certain situation the Mill has accept FFB from another uncertified sources, i.e. PT Karunia Kencana Permai Sejati. All company mentioned were member of Wilmar International, Ltd.

6.10.3

Certificate holder has work of agreement with local contractor. Based on interview with representative from CV Sinar Barokah as local contractor for building and construction project for Wilmar Goup, it was informed that contract work agreement were fair, legal, transparent and agreed by both parties. Copy of legalized contract has equal in legal status.

6.10.4

Certificate holder dot not have smallholders shceme. Transaction of contract payments were recorded on "Contractor Claim Form", prepared by estate management. Form has describes total contract sum, description of payment, tax and signed by contractor and PT MSM representative. Contract payment were paid by Head Office in Medan. Based on interview with representative from CV Sinar Barokah as local contractor for building and construction project for Wilmar Goup, it was informed that time of payment was in accordance with contract agreement and considered very satisfactory.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

It has been shown the document of Community Development Program Program of PT Mentaya Sawit Mas Year of 2018 in the surrounding villages (Ba'ampah Village, Penda Durian, Pahirangan & Tanjung Bantur) The document contains the program plan conducted through discussion with the stakeholders (Representatives of Companies & Village Governments

or Village Representatives, Community Leaders & Villagers' Representatives). The plan is prepared based on input from interested parties and the document is signed both of parties.

Several examples of evidence of CD / CSR realization of PT Mentaya Sawit Mas have been shown, consist of:

- Fund Aid for the procurement of 126 Solar Power Units in Kawan Batu Village (Documentation of Minutes of meeting signed by company representatives and Village Heads and Receipts).
- Fund Aid for the construction of GOR & Terras TK Mandiri Podium in Pahirangan Village (Documentation of Minutes of meeting signed by company representatives and Village Heads and Receipts).
- Fund Aid for artisan costs of Mosque Construction in Kapuk Village (Documentation of Minutes of meeting signed by company representatives and Village Heads and Receipts).

Based on the results of stakeholder consultations with Village Governments, Community Leaders and representatives of community in Kawan Batu & Ba'ampah village that known the participatory process has been conducted through the involvement of the stakeholders in the local village through discussions of the programming. The certificate holder has the opportunity to evaluate the Community Development and Corporate Social Responsibility program in accordance with the priority needs of the local community.

The certificate holder has the opportunity to evaluate the CD / CSR program and program implementation in accordance with the priority needs of the local community. **OFI**.

6.11.2

Until the ASA-3, the PT Mentaya Sawit Mas did not has smallholder scheme

Minor 6.11.1	Status: OFI	
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6.12
No forms of forced or trafficked labour are used.

6.12.1

The Certificate Holder has Human Rights Policy of Wilmar International Limited, issued in June 2014 and authorized by Group Plantation Head and Group CSR Head. It is stated in the policy that Wilmar commitment supports the respect and protection of human rights (including the prevention of forced labor); such as anti-child labor policies, Occupational Health and Safety, equal opportunity for all people, reporting and complaints, anti-sexual harassment, non-violence and torture, respect for reproductive rights, and corporate social responsibility.

Based on stakeholder consultation with Bipartite Cooperative Institute, Gender Committee & workers representation was obtained information that there was no indication of workers who forced to overtime. From field observations and interviews with harvests and pesticide applicators, as well as field visit results in mill area, there was no information related to workers who forced to overtime.

Based on Results of field visits in the harvesting area (Block 014/MSM 1 & Block 581 /MSM 2), spraying (Block O19/ MSM 1 and Block 506/MSM 2) and factory areas (grading area till processing station), were not indicated by workers who took their families to work areas.

6.12.2 and 6.12.3

Based on document verification of and field visit for interview several workers in harvesting, plants maintenance and mill area, there was no indication of contract substitution. All of workers confirmed that no contract substitution was noted. The contract made in 2 original copies and kept by each parties (company and contractor). During ASA-3, that known there are no foreign workers in PT Mentaya Sawit Mas and no outsourcing system.

	Status: Comply	
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6.13
Growers and millers respect human rights

6.13.1

The company has Equal Opportunities policy as documented in Human Right Policy Wilmar International Ltd which was published in June 2014 and endorsed by the Group Plantation Head and CSR Head. In the policy stated that the commitment Wilmar supports the respect and protection of human rights as a policy anti child labor, Health & Safety, providing equal opportunity for everyone, reports and complaints, anti-sexual harassment, anti-violence and torture, respect for reproductive rights, and social responsibility company. This policy applies to all companies under the auspices of the Wilmar group and business unit has relationships including suppliers and contractors.

Based on documents verification and interviews with several workers (Worker Union Representation and Gender

Committee) and stakeholder consultation with community/ government surrounding villages (Kawan Batu and Ba'ampa), along with the results of consultations with relevant agencies in Kotawarigin Timur district, there was no issue or indications of human rights violations in the area of PT Mentaya Wawit Mas.

There was showed evidence of socialization of Human Right Policy to the employee. The evidences was consist of form of Minutes of Socialization on 25 January 2018. The Socialization conducted simultaneously to each division or work units in estates and mill. The documentation was include of Participants Attendant List from all operational division estate and mill, and also pictures of socialization process.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings

7.1

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

7.1.1; 7.1.2 and 7.1.3.

Until ASA-3 there was no new development or new land extend and replanting carried out by PT Mentaya Sawit Mas.

Status: Comply

7.2

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

7.2.1 and 7.2.2

Estate management informed that there were no plan of land or operational areas expansion. However, information on land feasibility and soil properties of the current area were explained in Indicator 4.3.1, while management strategy towards limitation on soil properties identified in the current area were explained in Indicator 4.3.2 and 4.3.6.

Status: Comply

7.3

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

7.3.1 and 7.3.2

Before audit ASA-3 conducted PT Mutuagung Lestari has been communication to RSPO related indicator 7.3.1 and RSPO described The RaCP for PT Mentaya Sawit Mas is still ongoing. Therefore, certified units can continue to be certified for another year with the condition that the RaCP has to be completed (i.e. compensation plan endorsed) by the next surveillance audit.

The result communication by email from RSPO Compensation January 22, 2018 has explain The RaCP for PT Mentaya Sawit Mas is still ongoing , the Biodiversity and High Conservation Value Working Group (BHCVWG) in the meeting in August 2017 has allowed a 1-year period for all certified unit to close the non-compliance. Therefore, certified units can continue to be certified for another year with the condition that the RaCP has to be completed (i.e. compensation plan endorsed) by the next surveillance audit

7.3.3; 7.3.4 and 7.3.5

Based on the results of the verification documents, field observations and public consultation is known that there are areas of HCV still controlled by the community. Related to that the company can show Memorandum of Understanding (MoU) with the Village of Kawan Batu, Village of Baampah, village of Tanjung Bantur, village of Pahirangan and Village of Penda Durian on May 21, 2014 who stated that all the parties understand about conservation area in this case are High Conservation Values that are within HGU PT MSM and also including into administration of each village.

Status: Comply

7.4

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

7.4.1 and 7.4.2

Estate management informed that there were no plan of land or operational areas expansion. However, information on the presence of fragile soils in the current operational areas is described in Indicator 4.3.1.

Status: Comply

7.5		
No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.		
7.5.1		
The company does not implement new planting activities. no new planting in 2005.		
	Status: Comply	
7.6		
Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.		
7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5 and 7.6.6		
The certificate holder has no expansion area for new planting area. Progress of planting still ongoing for the area that has been compensated within the HGU of the company. However, evidence of the FPIC process and progress of land compensated records on the current operational areas is describes in Criteria 2.2; 2.3 and 6.4.		
	Status: Comply	
7.7		
Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.		
7.7.1 and 7.7.2		
In accordance with zero burning procedures and policies the company does not open the land by burning. Field verification to block MSM-2 682 found the fact of planting actually apply zero burning policy. There are no extraordinary cases in land clearing that the company has done. Block 682 which is planted in 2017 has adopted and implemented zero burning policy.		
	Status: Comply	
7.8		
New plantation developments are designed to minimise net greenhouse gas emissions.		
7.8.1 and 7.8.2		
There is no new planting development in MSM. Block MSM-2 682 is an occupation area, which already paid by estate management for land compensation. However, the respective areas has cleared before 2015 and planted by estate management after takeover.		
	Status: Comply	
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity		
8.1		
Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.		
<u>Social Impact (Criteria 6.1)</u>		
The Social Impact Studies have been conducted in 2012, the company has also conducted a review of planning. It has been shown Document of Review Plan for Social Impact monitoring PT Mentaya Sawit Mas year of 2016, These document was contains description of Sources of impact, parameters measured, Monitoring Objectives, Methods of Data collection and analysis, monitoring locations, the Personnel in Charge (PIC) and the results of the review.		
<u>Traceability of FFB Sources</u>		
The use of the Electronic Bunch Count Chip (EBCC) card system to record FFB data sent from estate to mill, has begun to set up the system (installation of devices in the field and office) since July 2017.		
<u>Environment</u>		
Has installation of methane capture as part of waste management and GHG mitigation.		
	Status: Comply	

3.2. Summary of Assessment Report of Supply Chain Requirement

3.2.1 General chain of custody requirements for the supply chain

Clause	Requirement
5.1	Applicability of the general chain of custody requirements for the supply chain
5.1.1	<p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>Question: Does the organization take legal ownership and physically handles RSPO Certified Sustainable oil palm products at their premises or through the outsourcers?</p> <p>FFB processing is fully conducted by MSM POM, and there were no outsource company involves in RSPO certified products handling, includes buying and selling. Transportation of FFB RSPO certified products from estate to mill was conducted by PT MSM, while transportation of CSPO and CSPK were carried out by bulking company, i.e. PT Sinar Alam Permai where located in Kumai Pangkalan Bun and PT Wilmar Nabati Indonesia where located in Sampit.</p>
	Status: Comply
5.1.2	<p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>Question: Is the organization buying from RSPO licensed traders who pass the certification number of the product manufacturer and the applicable supply chain model?</p> <p>MSM POM do not buys RSPO products from another licensed traders.</p>
	Status: Comply
5.1.3	<p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>Question: Is the site level or its parent company a member of RSPO and registered on RSPO IT platform?</p> <p>RSPO IT Platform member registration number: RSPO_P01000003150</p>
	Status: Comply
5.1.4	<p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>Question: Is the site level or its parent had a processing aids?</p> <p>There is no processing aids in MSM POM.</p>
	Status: Comply
5.2	Supply chain model
5.2.1	<p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.</p> <p>Question: Has the organization applied the Supply Chain Model correctly?</p> <p>MSM has implementing mass balance supply chain model. Hence, volume of certified products has used mass balance claim. Bellows are FFB suppliers for MSM POM:</p> <ul style="list-style-type: none"> • PT Mentaya Sawit Mas (RSPO certified). • PT Bumi Sawit Kencana (RSPO certified). • PT Karunia Kencana Primasejati (currently non-RSPO certified, but already accessed for RSPO scheme by independent certification body in October 2017). <p>MSM POM has shows records of FFB received and CPO and PK being produced which separated into RSPO certified and</p>

non-certified products. Only RSPO certified products could be sold as mass balance.	
	Status: Comply
5.2.2	
The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	
Question: Has the organization applied a combination of Supply Chain Model correctly?	
MSM POM has only apply mass balance supply chain model (Module E).	
	Status: Comply
5.3	Documented procedures
5.3.1	
The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.	
Questions: Documented procedures established and covering all provisions following:	
<ul style="list-style-type: none"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. • Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). • Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard. 	
<p>Procedure of mass balance system is presented in document No. SOP/MSMPOM-LOG-014 Revision 3, issued by Mill Manager on December 11th 2017. This SOP has replacing the previous version (No. SOP-MILL-14 Revision 2, July 2014) and already refers to RSPO SCCS June 2017. This SOP has distributed to Administrative (KTU), Logistic and Mill Manager. The procedure has explained person in charge (PIC) who responsible on Mass Balance system, e.g. Security Officer, Weigh-Bridge Operator, Logistic Staff, Grading Staff, Administration (KTU) and Mill Manager.</p> <p>Training of SCCS has carried out in April 11th 2017, conducted by Training Officer at Regional Office in PT Mustika Sembuluh, km 62 Sampit-Pangkalan Bun, attended by 95 participant from various position, such as Estate and Mill Managers, Internal Auditors, Sustainability Coordinator, Logistic Officers, Administrative Staffs and Environment Health and Safety (ESH) Coordinators.</p> <p>Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from its supply based, e.g. MSM1 and MSM2 Estate, which already RSPO certified since April 24th 2015. Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia (traders) were marked by "Product CPO/MB" or "Product PK/MB", RSPO Cert. No. MUTU-RSPO/058.</p>	
	Status: Comply
5.3.2	
The site shall have a written procedure to conduct annual internal audit	
Question:	
Documented annual internal audit procedures established and covering all provisions :	
i) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.	
ii) Effectively implements and maintains the standard requirements within its organization.	
<p>Procedure of internal audit is presented in document No. 08/CKP/(2)/0111 January 2011 which mentioned that internal audit shall be conducted every semester. Every findings were discussed into management review meeting. Corrective action is taken if necessary. According to the latest RSPO internal audit assessment when conducted November 6th to 8th 2017, it was informed that there is no findings or no non-conformity identified related to supply chain management system.</p>	
	Status: Comply
5.4	Purchasing and goods in
5.4.1	
The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier	
Question:	

All RSPO product information is provided by suppliers in accordance with :

- The name and address of the buyer;
- The name and address of the seller;
- The loading or shipment / delivery date;
- The date on which the documents were issued;
- A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);
- The quantity of the products delivered;
- Any related transport documentation;
- Supply Chain certificate number of the seller;
- A unique identification number
- Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).
- The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.
- A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (www.rspo.org) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.
- The validity of license for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements/announcements.

MSM POM has received FFB RSPO certified from PT Bumi Sawit Kencana (Cert. No. 824.502.1603), which was in the same group of Wilmar International, Ltd. MSM POM do not bought RSPO certified products (CSPO and CSPK) from outsource or traders. Certified products of MSM POM were sold to PT Sinar Alam Permai where located in Kumai Pangkalan Bun and PT Wilmar Nabati Indonesia where located in Sampit. All data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non compliance.

Status: Comply

5.4.2

The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents

Question :

Has the organization established mechanism in place for handling non-conforming oil palm products and/or documents?

Mechanism of handling of RSPO certified and non-certified products is presented in document No. SOP/MSMPOM-LOG-014 Revision 3, issued by Mill Manager on December 11th 2017. The procedure has explained identification and traceability of RSPO certified products, as well as person in charge (PIC) who responsible on Mass Balance system, e.g. Security Officer, Weigh-Bridge Operator, Logistic Staff, Grading Staff, Administration (KTU) and Mill Manager.

Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from its supply based, e.g. MSM1 and MSM2 Estate, which already RSPO certified since April 24th 2015. Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia (traders) were marked by **“Product CPO/MB” or “Product PK/MB”, RSPO Cert. No. MUTU-RSPO/058.**

Status: Comply

5.5

Outsourcing activities

5.5.1

In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.

Question: Are the outsourcers RSPO certified?

There is no outsourcers for storage, transport or other outsourced activities, and there is no refining or crushing activities conducted by MSM POM.

Status: Comply

5.5.2

Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:

- a. The site has legal ownership of all input material to be included in outsourced processes;
- b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.
- c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- d. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance

Question: Has the site established outsourcing procedures, agreement and keeps legal ownership of the products during the outsourcing

There is no outsources for storage, transport or other outsourced activities, and there is no refining or crushing activities conducted by MSM POM.

Status: Comply

5.5.3

The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.

Question: Has the site maintained names and contact details of all outsourcers?

There is no outsources for storage, transport or other outsourced activities, and there is no refining or crushing activities conducted by MSM POM.

Status: Comply

5.5.4

The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products

Question: Has MUTU informed about any new outsourcers?

There is no outsources for storage, transport or other outsourced activities, and there is no refining or crushing activities conducted by MSM POM.

Status: Comply

5.6

Sales and goods out

5.6.1

The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer

Question :

All RSPO product information is provided by the organisation in accordance with :

- The name and address of the seller;
- The loading or shipment / delivery date;
- The date on which the documents were issued;
- A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);
- The quantity of the products delivered;
- Any related transport documentation;
- Supply chain certificate number of the seller;
- A unique identification number.
- Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products
- For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.

RSPO certified products from MSM POM were sold to PT Sinar Alam Permai where located in Kumai Pangkalan Bun and PT Wilmar Nabati Indonesia where located in Sampit. Both were part of Wilmar International, Ltd. Supporting document such as

contract agreement, delivery order, delivery ticket, volume of product delivered, etc. which informed RSPO mass balance supply chain products were available on site.

Status: Comply

5.7 Registration of transactions

5.7.1

Supply chain actors who:

- are mills, traders, crushers and refineries; and
- take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable

Question :

Has the organization registered their transactions in the RSPO IT platform? (mills, traders, crushers and refineries only)

RSPO IT Platform member registration number: RSPO_P01000003150.

All transaction of RSPO certified oil palm products has been registered in RSPO IT Platform (see indicator SCCS 5.7.2).

Status: Comply

5.7.2

The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:

- Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.
- Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.
- Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

Question:

Did the organization correctly perform the applicable actions on RSPO IT Platform?

MSM POM shows IT platform implementation, which presented as follows:

Certified CPO sold to each buyer period issued on April 24th 2017 to February 5th 2018

Date	DO Number	Buyer*	Volume (mt)
Jan 2017	6252109876, 9878, 9883, 9885, 9889, 9890	SAP	412.54
Feb 2017	6252109890, 9895, 9898, 9902, 9906	SAP	2,449.63
Mar 2017	6252109906, 9910, 9914, 9916, 9978, 9980	SAP	2,647.39
Mar 2017	6252109893, 9981	WNA	91.90
Apr 2017	6252109980, 9982, 9984, 9988, 9992	SAP	1,958.60
Apr 2017	6252109987, 9990	WNA	991.37
May 2017	6252109992, 9994, 9997, 10030, 10031, 10033, 10036	SAP	2,944.83
May 2017	6252109990	WNA	14.19
Jun 2017	6252110036, 10039	SAP	1,451.51
Jun 2017	6252110042, 09990, 10043, 10048	WNA	2,457.30
Jul 2017	6252110039, 10052	SAP	7.07
Jul 2017	6252110048, 10051, 10054, 10057, 10058, 10060, 10063	WNA	4,244.44
Aug 2017	6252110063, 10064, 10066, 10070, 10072, 10100	WNA	2,922.37
Sep 2017	6252110100, 10133, 10135, 10138, 10141, 10144, 10146, 10149	WNA	3,506.10
Oct 2017	6252110159, 10162, 10217	SAP	865.48
Oct 2017	6252110149, 10152, 10154, 10156	WNA	1,505.65
Nov 2017	6252110217, 10219, 10220, 10225, 10227, 10229, 10232, 10233,	SAP	2,500.28

	10237, 10238		
Nov 2017	6252110156,	WNA	85.39
Dec 2017	6252110238, 10239, 10241, 10243, 10245, 10248	SAP	1,774.08
Dec 2017	6252110156,	WNA	292.97
Jan 2018	6252110255, 10257, 10258, 10259, 10262, 10264, 10266	WNA	2,210.94
Feb 2018	-	SAP	-
Feb 2018	-	WNA	-
Total			35,334.03

*SAP: PT Sinar Alam Permai in Kumai and WNA: PT Wilmar Nabati Indonesia in Bagendang

According to palm trace data dated February 5th 2018, it was informed that there was about **35,334.03 mt of CSPO** were sold. The company has able to shows transaction data within those period. Due to IT system error from January to March 2017, transaction were postponed and issued on April 2017. Based on the Table above which derived from Palm Trace website, the volume of CSPO selling was balance.

• **Certified CPO sold to each buyer period issued on April 24th 2017 to February 5th 2018**

Date	DO Number	Buyer*	Volume (mt)
Feb 2017	6252109892, 9894, 9897, 9896, 9899, 9901,9903, 9905, 9908, 9909	WNA	439.58
Mar 2017	6252109905, 9909, 9911, 9903, 9912, 9915, 9977, 9979	WNA	525.71
Apr 2017	6252109915, 9977,9979, 9983, 9985, 9986, 9989, 9991, 9993	WNA	530.670
May 2017	6252109993, 9996, 9989, 9995, 9998, 10029, 10032, 10034,10035, 10037, 10038	WNA	646.130
Jun 2017	6252110035, 10037, 10040, 10038, 10041, 10044, 10049, 10050	WNA	675.440
Jul 2017	6252110065, 10067, 10055,10062, 10068, 10069, 10071, 10056, 10073, 10099	WNA	832.070
Aug 2017	6252110065, 10067, 10055,10062, 10068, 10069, 10071, 10056, 10073, 10099	WNA	554.540
Sep 2017	6252110099, 10134, 10073, 10136, 10071, 10137, 10139, 10142, 10143, 10145, 10147, 10148	WNA	626.10
Oct 2017	6252110145, 10151, 10147, 10153,10155, 10157, 10158, 10161, 10180, 10218, 10221	WNA	436.76
Nov 2017	6252110221,10223, 10222, 10226, 10218,10228, 10230, 10231, 10234,10236	WNA	466.15
Dec 2017	6252110228,10234, 10240, 10236, 10242, 10244, 10249,10251	WNA	386.14
Jan 2018	6252110247, 10251,10249, 10253,10256, 10240, 10260, 10261, 10263, 10267	WNA	415.14
Feb 2018	-	WNA	-
Total			6,534.44

*SAP: PT Sinar Alam Permai in Kumai and WNA: PT Wilmar Nabati Indonesia in Bagendang

According to palm trace data dated February 5th 2018, it was informed that there was about **6,534.44 mt of CSPK** were sold. The company has able to shows transaction data within those period. Due to IT system error during March 2017, transaction were postponed and issued on April 2017. Based on the Table above which derived from Palm Trace website, the volume of CSPK selling was balance.

	Status: Comply
5.8	Training
5.8.1	The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff
	Question:

Has the organization established RSPO training plan?

CH management unit and operator of weigh-bridge mentioned that training and refreshment of supply chain management system were carried out annually. Latest training of SCCS has carried out in April 11th 2017, conducted by Training Officer at Regional Office in PT Mustika Sembuluh, km 62 Sampit-Pangkalan Bun, attended by 95 participant from various position, such as Estate and Mill Managers, Internal Auditors, Sustainability Coordinator, Logistic Officers, Administrative Staffs and Environment Health and Safety (ESH) Coordinators.

Status: Comply

5.8.2

Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed

Question:

Has the organization Delivered Effective RSPO training?

Training of SCCS has carried out in April 11th 2017, conducted by Training Officer at Regional Office in PT Mustika Sembuluh, km 62 Sampit-Pangkalan Bun, attended by 95 participant from various position, such as Estate and Mill Managers, Internal Auditors, Sustainability Coordinator, Logistic Officers, Administrative Staffs and Environment Health and Safety (ESH) Coordinators.

Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from its supply based, e.g. MSM1 and MSM2 Estate, which already RSPO certified since April 24th 2015. Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia (traders) were marked by **“Product CPO/MB” or “Product PK/MB”, RSPO Cert. No. MUTU-RSPO/058.**

Status: Comply

5.9

Record keeping

5.9.1

The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements

Question:

All records are accurate, complete, up-to-date and accessible?

MSM POM management has provide an update of monthly summary of RSPO FFB certified and non-certified from its supply base and external sources, with recapitulation presented as follows:

Month	FFB (mt)		
	RSPO Certified	Non Certified	Total
April 24 th – 30 th 2017	3,104.99	-	3,104,990
May 2017	15,806.91	-	15,806,910
June 2017	16,188.35	-	16,188,350
July 2017	17,348.63	-	17,348,630
August 2017	15,160.89	-	15,160,890
September 2017	12,561.82	338.77	12,900,590
October 2017	9,655.71	-	9,655,710
November 2017	9,526.40	390.57	9,916,970
December 2017	9,185.96	-	9,185,960
January 2018	9,989.24	-	9,989,240
February 1 st – 5 th 2018	1,778.21	-	1,778,210
Total	120,307.11	729.34	121,036.45

According to the Table above, it could be concluded that POM management has satisfactory records FFB production and separated it into RSPO Certified and Non-Certified.

Furthermore, MSM POM has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well as its dispatch, for example is presented as follows:

Period	CPO Production (mt)			CPO Dispatch (mt)		
	Cert	Non-Cert	Total	Cert	Non-Certified	Total

Jan 2017 to Feb 2018	34,409.71	190.61	34,600.32	35,334.03	-	35,334.03
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Period	PK Production (mt)			PK Dispatch (mt)		
	Cert	Non-Cert	Total	Cert	Non-Certified	Total
Jan 2017 to Feb 2018	6,546.65	35.98	6,582.63	6,534.44	69.58	6,604.02

Status: Comply

5.9.2
Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock

Question:
All records are kept for minimum two years and comply with legal and regulatory requirements?

Based on document review, transaction data as mentioned in Indicator 5.9.1 from April 23rd 2017 to February 5th 2018 were saved in MSM POM unit. Records of transaction from the past two years were also available and could be traced on the IT system.

Status: Comply

5.9.3
The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.

Question:
For all palm oil / palm kernel oil volumes purchased (input) and claimed (output) records kept over a Period of twelve (12) months?

Estimation of certified product from MSM Mill for 2017/2018 is presented in the certificate Appendix and this report. Information of certified products quota and actual certified products sold were also could be accessed online via palm-trace system. As per February 5th 2018, the quota and actual production of certified product from MSM Mill is presented as follows:

Certified Products	Estimation Tonnage of Certified Products (Apr 24 th 2017 – Apr 23 rd 2018)	Remaining Certified Products (Apr 24 th 2017 – Feb 5 th 2018)	Additional Volume (Extension)
CSPO	31,908.00 mt	6,287.60 mt	9,713.63 mt
CSPK	7,630.00 mt	1,319.57 mt	224.01 mt

From the Table above it could be concluded that during April 24th 2017 to February 5th 2018, certified product sold for CSPO and CSPK were **35,334.03 mt** and **6,534.44 mt**, respectively. Those certified product sold were about 93 % and 121 % from actual CPO and PK production, respectively. From the actual production figure, estimation of certified products for period April 24th 2018 to April 23rd 2019 were **36,500 mt** and **7,500 mt** for CSPO and CSPK, respectively.

Status: Comply

5.10 Conversion factors

5.10.1
Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries

Question:
Conversion rates applied accurately?

MSM POM has only performs FFB processing to produce CPO and PK. Based on SOP of Mass Balance, it is explained that the conversion factors of CPO and PK were based on actual rendemen.

Status: Comply

5.10.2

Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	
Question: Conversion rates periodically updated?	
Conversion factors of CPO and PK were based on actual rendemen. This calculation was conducted daily by Laboratory of MSM POM with monthly and annual recapitulation.	
	Status: Comply
5.11	Claims
5.11.1 The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	
Question: Any communication to any stakeholder group / customers issued in accordance with RSPO Rules on Market Communications and Claims?	
Based on announcement and transaction report documents review, it could be concluded that all CSPO and CSPK submitted were in accordance with the mass balance supply chain model.	
	Status: Comply
5.12	Complaints
5.12.1 The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	
Question: Documented procedures for stakeholders complaints established?	
Procedure of receiving complaint is presented in document No. SOP 42/HRD/0/ 0609. Person in charge to handle complaints from external and internal were conducted by Bina Mitra Officer, Estate manager and Field Officer, as mentioned in document No. SOP.444/PR/6/1116. However, based on complaint logbook review, it could be concluded that up to ASA-3, there is no complaint related to mass balance supply chain system implementation.	
	Status: Comply
5.13	Management review
5.13.1 The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	
Question: Management reviews performed annually at planned intervals?	
Management review has conducted annually through internal audit, which the last has conducted in November 6 th to 8 th 2017.	
	Status: Comply
5.13.2 The input to management review shall include information on: <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 	
Question: Has all input required above has been included in the management review?	
CH shows management review which appears as response of internal audit results. Root cause analysis, corrective action and sorrection evidence to fulfill any non-conformity found during audit were available. Based on document review, it was informed that all important points identified during internal audit has fully settlep up in January 2018.	
	Status: Comply

5.13.3

The output from the management review shall include any decisions and actions related to:

- Improvement of the effectiveness of the management system and its processes.
- Resource needs.

Question:

Has all output required above has been included in the management review?

CH shows management review which appears as response of internal audit results. Root cause analysis, corrective action and sorrection evidence to fulfill any non-conformity found during audit were available. Based on document review, it was informed that all important points identified during internal audit has fully settlep up in January 2018.

Status: Comply

3.2.3 (Module E) CPO Mills - Mass Balance Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements														
E.1	Definition														
E.1.1	<p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>MSM Mill has implementing mass balance supply chain model even though FFB processed were mostly delivered from its own estate which considered as certified FFB. There is another FFB supplier which already RSPO certified, i.e. PT Bumi Sawit Kencana (PT BSK) with certificate Number 824.502.1603, issued in October 23rd 2013. Mill management mentioned that, eventhough not contiuously happen, in certain situation the Mill has accept FFB from another uncertified sources, i.e. PT Karunia Kencana Permai Sejati (PT KKPS). Only crude palm oil (CPO) and palm kernel (PK) produced from PT MSM and PT BSK ha claimed as RSPO certified products (CSPO and CSPK). Certification Code of MSM Mill is MUTU-RSPO/058, issued in April 24th 2015.</p> <p>Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from its own Estate, i.e. MSM1 and MSM2 Estate, PT BSK which also RSPO certified and PT KKSP which not RSPO certified yet. Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia were marked by “Product CPO/MB” or “Product PK/MB”, RSPO Cert. No. MUTU-RSPO/058. Initial MB is stand for Mass Balance.</p>														
	Status: Comply														
E.2	Explanation														
E.2.1	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>Estimation of certified product from MSM Mill for 2017/2018 is presented in the certificate Appendix and this report. Information of certified products quota and actual certified products sold were also could be accessed online via palm-trace system. As per February 5th 2018, the quota and actual production of certified product from MSM Mill is presented as follows:</p> <table border="1"> <thead> <tr> <th>Certified Products</th> <th>Estimation Tonnage of Certified Products (Apr 24th 2017 – Apr 23rd 2018)</th> <th>Remaining Certified Products (Apr 24th 2017 – Feb 5th 2018)</th> <th>Additional Volume (Extension)</th> </tr> </thead> <tbody> <tr> <td>CSPO</td> <td>41,621.63 mt</td> <td>6,287.60 mt</td> <td>9,713.63 mt</td> </tr> <tr> <td>CSPK</td> <td>7,854.01 mt</td> <td>1,319.57 mt</td> <td>224.01 mt</td> </tr> </tbody> </table> <p>From the Table above it could be concluded that during April 24th 2017 to February 5th 2018, certified product sold for CSPO and CSPK were 35,334.03 mt and 6,534.44 mt, respectively. Those certified product sold were about 93 % and 121 % from actual CPO and PK production, respectively. From the actual production figure, estimation of certified products for period April 24th 2018 to April 23rd 2019 were 36,500 mt and 7,500 mt for CSPO and CSPK, respectively.</p>			Certified Products	Estimation Tonnage of Certified Products (Apr 24 th 2017 – Apr 23 rd 2018)	Remaining Certified Products (Apr 24 th 2017 – Feb 5 th 2018)	Additional Volume (Extension)	CSPO	41,621.63 mt	6,287.60 mt	9,713.63 mt	CSPK	7,854.01 mt	1,319.57 mt	224.01 mt
Certified Products	Estimation Tonnage of Certified Products (Apr 24 th 2017 – Apr 23 rd 2018)	Remaining Certified Products (Apr 24 th 2017 – Feb 5 th 2018)	Additional Volume (Extension)												
CSPO	41,621.63 mt	6,287.60 mt	9,713.63 mt												
CSPK	7,854.01 mt	1,319.57 mt	224.01 mt												
	Status: Comply														
E.2.2	<p>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p> <ul style="list-style-type: none"> • RSPO IT Platform member registration number: RSPO_P01000003150 • Certified CPO sold to each buyer period issued on April 24th 2017 to February 5th 2018 <table border="1"> <thead> <tr> <th>Date</th> <th>DO Number</th> <th>Buyer*</th> <th>Volume (mt)</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>			Date	DO Number	Buyer*	Volume (mt)								
Date	DO Number	Buyer*	Volume (mt)												

Apr 2017	6252109987, 9990	WNA	991.37
May 2017	6252109992, 9994, 9997, 10030, 10031, 10033, 10036	SAP	2,944.83
May 2017	6252109990	WNA	14.19
Jun 2017	6252110036, 10039	SAP	1,451.51
Jun 2017	6252110042, 09990, 10043, 10048	WNA	2,457.30
Jul 2017	6252110039, 10052	SAP	7.07
Jul 2017	6252110048, 10051, 10054, 10057, 10058, 10060, 10063	WNA	4,244.44
Aug 2017	6252110063, 10064, 10066, 10070, 10072, 10100	WNA	2,922.37
Sep 2017	6252110100, 10133, 10135, 10138, 10141, 10144, 10146, 10149	WNA	3,506.10
Oct 2017	6252110159, 10162, 10217	SAP	865.48
Oct 2017	6252110149, 10152, 10154, 10156	WNA	1,505.65
Nov 2017	6252110217, 10219, 10220, 10225, 10227, 10229, 10232, 10233, 10237, 10238	SAP	2,500.28
Nov 2017	6252110156,	WNA	85.39
Dec 2017	6252110238, 10239, 10241, 10243, 10245, 10248	SAP	1,774.08
Dec 2017	6252110156,	WNA	292.97
Jan 2018	6252110255, 10257, 10258, 10259, 10262, 10264, 10266	WNA	2,210.94
Feb 2018	-	SAP	-
Feb 2018	-	WNA	-
Total			27,773.97

*SAP: PT Sinar Alam Permai in Kumai and WNA: PT Wilmar Nabati Indonesia in Bagendang

According to palm trace data dated February 5th 2018, it was informed that there was about **27,773.97 mt of CSPO** were sold.

• **Certified CSPK sold to each buyer period issued on April 24th 2017 to February 5th 2018**

Date	DO Number	Buyer*	Volume (mt)
Apr 2017	6252109915, 9977,9979, 9983, 9985, 9986, 9989, 9991, 9993	WNA	530.670
May 2017	6252109993, 9996, 9989, 9995, 9998, 10029, 10032, 10034,10035, 10037, 10038	WNA	646.130
Jun 2017	6252110035, 10037, 10040, 10038, 10041, 10044, 10049, 10050	WNA	675.440
Jul 2017	6252110065, 10067, 10055,10062, 10068, 10069, 10071, 10056, 10073, 10099	WNA	832.070
Aug 2017	6252110065, 10067, 10055,10062, 10068, 10069, 10071, 10056, 10073, 10099	WNA	554.540
Sep 2017	6252110099, 10134, 10073, 10136, 10071, 10137, 10139, 10142, 10143, 10145, 10147, 10148	WNA	626.10
Oct 2017	6252110145, 10151, 10147, 10153,10155, 10157, 10158, 10161, 10180, 10218, 10221	WNA	436.76
Nov 2017	6252110221,10223, 10222, 10226, 10218,10228, 10230, 10231, 10234,10236	WNA	466.15
Dec 2017	6252110228,10234, 10240, 10236, 10242, 10244, 10249,10251	WNA	386.14
Jan 2018	6252110247, 10251,10249, 10253,10256, 10240, 10260, 10261, 10263, 10267	WNA	415.14
Feb 2018	-	WNA	-
Total			5,569.15

*SAP: PT Sinar Alam Permai in Kumai and WNA: PT Wilmar Nabati Indonesia in Bagendang

According to palm trace data dated February 5th 2018, it was informed that there was about **5,569.15 mt of CSPK** were sold..

Since there was delayed in RSPO certified products sales which decelared by buyers, certificate holder has the opportunity to improve coordination with the respective parties, related to RSPO certified product claim transactions (observation).

Status: OFI

E.3	Documented procedures																															
E.3.1																																
<p>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</p>																																
<p>Procedure (SOP) of mass balance system is presented in document No. SOP/MSMPOM-LOG-014 Revision 3, issued by Mill Manager on December 11th 2017. This SOP has replacing the previous version (No. SOP-MILL-14 Revision 2, July 2014) and already refers to RSPO SCCS June 2017. This SOP has distributed to Administrative (KTU), Logistic and Mill Manager. The procedure has explained person in charge (PIC) who responsible on Mass Balance system, e.g. Security Officer, Weigh-Bridge Operator, Logistic Staff, Grading Staff, Administration (KTU) and Mill Manager.</p> <p>Training of SCCS has carried out in April 11th 2017, conducted by Training Officer at Regional Office in PT Mustika Sembuluh, km 62 Sampit-Pangkalan Bun, attended by 95 participant from various position, such as Estate and Mill Managers, Internal Auditors, Sustainability Coordinator, Logistic Officers, Administrative Staffs and Environment Health and Safety (ESH) Coordinators.</p> <p>Based on interview with two weigh-bridge station operators, it was explained that MSM Mill has only received FFB from its supply based, e.g. MSM 1 and MSM 2 Estate, which already RSPO certified since April 24th 2015. Moreover, delivery letter of CSPO and CSPK form MSM Mill to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia (traders) were marked by “Product CPO/MB” or “Product PK/MB”, RSPO Cert. No. MUTU-RSPO/058.</p>																																
	Status: Comply																															
E.3.2																																
<p>The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>																																
<p>Based on observation and interview to the weigh-bridge station, it was explained by the operator that MSM Mil has only received FFB from its supply base, e.g. MSM1 and MSM2 Estate. FFB delivery letter (SPB) form MSM1 and MSM2 Estate has marked by “weigh-bridge stamp”. However, only delivery of CSPO and CSPK has marked by “Product CPO/MB” or “Product PK/MB”, RSPO Cert. No. MUTU-RSPO/058. Initial MB is stand for Mass Balance.</p> <p>FFB delivery letter (SPB) is presented as follows:</p> <ul style="list-style-type: none"> • SPB form No. 02-18-80661 dated February 2nd 2018 informed that 1,360 kg FFB and 965 kg loosefruits from Divisi 2C Block 719 MSM 1 Estate from area 2014 planted area. Vehicle No. LD10-MSM1 (Landini Tractor). SPB signed by Estate representative, Driver and Weigh-bridge operator. • SPB form No. 02-18-83265 dated February 1st 2018 informed that 404 kg FFB and 750 kg loosefruits from Divisi 1A Block 549 MSM 2 Estate from area 2007 planted area. Vehicle No. KH 8545 PQ. SPB signed by Estate representative, Driver and Weigh-bridge operator. 																																
	Status: Comply																															
E.4	Purchasing and goods in																															
E.4.1																																
<p>The site shall verify and document the volumes of certified and non-certified FFBs received.</p>																																
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November 2017	9,526.40	390.57	9,916,970
December 2017	9,185.96	-	9,185,960
January 2018	9,989.24	-	9,989,240
February 1 st – 5 th 2018	1,778.21	-	1,778,210
Total	120,307.11	729.34	121,036.45

Status: Comply

E.4.2

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

As crosscheck through Palm-trace dated February 5th 2018, it was informed that during April 24th 2017 to February 5th 2018, certified product sold for CSPO and CSPK were 27,773.97 mt and 5,569.15 mt, respectively. Those figures were still below estimation tonnage certified products for period April 24th 2017 to April 23rd 2018, which were about 31,908.00 mt and 7,630.00 mt for CSPO and CSPK, respectively. MSM Mill management estimate that actual production will passed the quota given. Hence, for additional quota purposes, PT MSM management has informed certification body (CB) through Letter of Mill Manager No. 01/MSM/POM/II/2018 dated January 30th 2018 which delivered via email on January 31st 2018 and responded by CB representative on the same date. As per checked on the Palm-trace in February 5th 2018, it was informed that additional (extension) volume for CSPO and CSPK which approved by RSPO were about 9,713.63 mt and 224.01 mt, respectively.

Status: Comply

E.5

Record keeping

E.5.1

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.**
- All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.**
- The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)**

CSPO and CSPK from MSM Mill has delivered to Bulking Stations of PT Sinar Alam Permai and PT Wilmar Nabati Indonesia which both were owned by Wilmar International, Ltd. All products sent were marked by **Product CPO/MB**” or **“Product PK/MB”**, **RSPO Cert. No. MUTU-RSPO/058**, for example as follows:

- Document of weight bridge ticket transfer out No. MDDT0133606 dated December 9th 2017; DO No. 6252110241, which informed delivery of 7,150 kg CSPO, delivered to trader PT Sinar Alam Permai in Kumai Pangkalan Bun. No. Vehiche KH 8055 GE, owned by PT Marga Dinamik Perkasa (Local Contractor). Bulking has accept on the same date with volume received was 7,180 kg CSPO.
- Document of weight bridge ticket transfer out No. MDDT0133576 dated December 9th 2017; DO No. 9252110236, which informed delivery of 7,870 kg CSPK, delivered to trader PT Wilmar Nabati Indonesia in Bagendang, Sampit. No. Vehiche DA 1145 L, owned by CV Mitra Lintas Borneo (Local Contractor). Bulking has accept on the same date with volume received was 7,860 kg CSPK, which was less 10 kg, but still in tolerance vigour (20 kg).

MSM Mill management unit has record delivery of RSPO certified and non-certifies products to both traders, with summary presented as follows:

Period	CPO Production (mt)			CPO Dispatch (mt)		
	Cert	Non-Cert	Total	Cert	Non-Certified	Total
Jan 2017 to Feb 2018	34,409.71	190.61	34,600.32	35,334.03	-	35,334.03

Stock of CSPO before January 2017 was 2,224.61 ton. Hence, the stock is positive balance for 1,300.29 ton.

Period	PK Production (mt)			PK Dispatch (mt)		
	Cert	Non-Cert	Total	Cert	Non-Certified	Total
Jan 2017 to Feb 2018	6,546.65	35.98	6,582.63	6,534.44	69.58	6,604.02

Detail of certified product transaction is presented in Indicator E.2.2.	
	Status: Comply
E.5.2	
In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	
MSM Mill do not have kernel crushing plant (KCP) facilities and do not deliver its kernel directly to an independent KCP.	
	Status: Comply

3.3. Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-3	PT Mentaya Sawit Mas not use certificate nor logo.	√
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-3	PT Mentaya Sawit Mas not use certificate nor logo.	√
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-3	PT Mentaya Sawit Mas not use certificate nor logo.	√
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-3	PT Mentaya Sawit Mas not use certificate nor logo.	√
	Status: Comply	

3.4. Summary of RSPO Partial Certification.

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

Wilmar International Ltd Time Bound Plan (TBP) is explained in point 1.10. Wilmar International Ltd has informed the TBP progress, MUTU has considered that Wilmar International Ltd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Wilmar International Ltd on September 2016.

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

MUTU Auditor has verified company partial certification and concludes that:

- There are no significant land conflicts which have not been declared above.
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There are no labour disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is produced for these units.</p> <p>Auditor verification There is internal audit produced for - PT Agronusa Investama Pahauman - PT Karunia Kencana Permaisejati - PT Bumipratama Khatulistiwa - PT Agro Palindo Sakti 2 - PT Musi Banyuasin Indah - PT Sinarsiak Dianpermai - PT Agroindo Indah Perkasa 2</p> <p>And positive assurance is produced for these units.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>WILMAR International Ltd has submitted liability disclosure to RSPO on 31 July 2014 and LUCA template on 3-8 March 2015</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, LUCA document was verified by RSPO on 1 Sept 2015. The 2nd LUCA verification document was on 2nd Nov 2015 with result of PASS WITH CLARIFICATION. - PT Karunia Kencana Permaisejati, The final RSPO endorsement from RSPO compensation on 11 November 2015 with result of pass with clarification. And at current still on process on fulfil the clarification.

		<ul style="list-style-type: none"> - PT Bhumi Pratama Khatulistiwa, Submitted liability disclosure to RSPO on 8 Dec 2015 and LUCA template on August 2015. The final RSPO endorsement from RSPO compensation on 29 September 2016 is 0 ha therefore there is no compensation plan required - PT Agro Palindo Sakti 2, LUCA doc was verified by RSPO on 1 Sept 2015. The 2nd LUCA review was on Dec 2016 with result of PASS - PT Musi Banyuasin Indah, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Sinarsiak Dianpermai, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Agroindo Indah Perkasa 2, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 <p>Auditor verification Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>No new planting/land clearing after 1st January 2010.</p> <p>Auditor verification</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, The first planting year was in 1999. The latest land clearing was in 2009 based on: LUCA analysis 2009 where the area was already bare land area. LUCA has been submitted to RSPO as part of company disclosure requirement. - There is no new planting after 1st January 2010 for PT Karunia Kencana Permaisejati, PT Bumipratama Khatulistiwa, PT Agro Palindo Sakti 2, PT Musi Banyuasin Indah, PT Sinarsiak Dianpermai, PT Agroindo Indah Perkasa 2
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>There is no land conflicts.</p> <p>Auditor verification There is no information from public source and RSPO website on any land conflict for uncertified unit of the group subsidiaries.</p> <p>Based on the company record there is documentation on land compensation recapitulation updated on 1 October 2007, participatory mapping, agreement letter on compensation between company and land</p>

		owner, land owner identity and procedure on compensation technical guidance SOP 001/WIP-KB/(0)/0610 dated June 2010.
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There is no labor disputes.</p> <p>Auditor verification There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>The company has mechanism to handle employee complaint and grievance that is stated in SOP 005/WIP-KB/(0)/0610 for communication and consultation with community and SOP 004/WIP-KB/(0)/ 0610 on complaint and grivance mechanism and solving any dispute out off court.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Yes, there is process for land legality.</p> <p>Auditor verification PT Agronusa Investama Pahauman</p> <ul style="list-style-type: none"> - The continues changing on PIPIP map. In accordance to PIPIP 10 there is no area of the company (based on location permit) that is in the moratorium area. When PIPI 11 released, some area of the company is in the updated peat moratorium map. <p>PT Karunia Kencana Permaisejati</p> <ul style="list-style-type: none"> - Overlapping HGU with Another plantation. The verification information is referred to 2.1.3 (legal document on operational and land ownership owned by the company) <p>PT Agro Palindo Sakti 2</p> <ul style="list-style-type: none"> - There is an obstacle on processing HGU is before continuing the HGU process, the company has to complete the requirement for 20% area allocation for smallholder. Based on BupatiSanggau Decree No. 137 year 2011 dated 25 March 2011 for 623 ha of smallholder scheme for 2 koperasi of Batu Ceramin and and Maju Bersama. Later, koperasi Maju Bersama split into Koperasi Maju Bersama and Koperasi Harapan Baru. And Koperasi Harapan Baru wants to take about 136 ha within company proposed HGU area. The company needs to resolve this issue first before be able to continue HGU process. <p>PT Musi Banyuasin Indah</p>

		<ul style="list-style-type: none"> - Overlay the map of land use with attachments Ministerial Decree No. SK.822/Menhut-II/2013 PT MBI entered in production forest area. - Planting outside HGU Kebun Sei Selabu (block 010, 024 and 027). <p>Explanation management unit following the legal department still perform continuous coordination with the government while waiting for a change of government decisions regarding the status of the area.</p> <p>PT Sinarsiak Dianpermai</p> <ul style="list-style-type: none"> - HGU 1,002 Ha on process - Status Areal Penggunaan Lain berdasarkan Lampiran SK 878/Menhut-II/2014 tanggal 29 September 2014 dan Surat No. S.160/BPKH.XIX-3/2016 tanggal 31 Maret 2016 <p>Explanation management unit as follows:</p> <ul style="list-style-type: none"> - Disagreement between the ministry of forestry by the Riau provincial government on the status of land PT SSDP (between the status of forest and APL), which led to the process of making the concession inhibited. - There are some estate areas around the Mill that does not have permission locations. The process of acquiring a location permit was hampered due to the reasons in point 1 as well. - The legal department is still doing continuous coordination with the government while waiting for a change of government decisions. <p>PT Agroindo Indah Perkasa 2</p> <ul style="list-style-type: none"> - There is HGU on propose.
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3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-2 Assessment

NCR No.	: 2017.01	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 17 February 2017	Time Limit	: 18 April 2017
NC Grade	: MAJOR	Date of Closing	: 26 March 2017
Standard Ref. & Requirement	: 2.1.1 Evidence of compliance with relevant legal requirements shall be available.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
<p>The Company has policies relating to workers 'social security listed in Article 20 of the Companies Regulations Workers' Social Security. In the aforementioned article explains that the worker is composed of 4 guarantees, namely accident insurance (JKK), life insurance (JKM), pension (JHT), and pension (JP). The Company has an obligation to pay the fourth-labor warranty, while workers have a duty to pay JHT with dependents amounted to 2% and JP with dependents amounted to 1%.</p> <p>Based on the study results in the maintenance employee paychecks MSM MSM 1 2 Real Estate and the period of December 2016 and January 2017 are known systems of remuneration based on the unit results (wholesale). Within the parameters of payroll deductions, contributions JHT and JP borne by the employees respectively 2% and 1% of UMSK applicable.</p> <p>Based on Government Regulation No. 46 of 2015 on the Implementation of the Old Age Security program (JHT) In Article 16, paragraph 1 states "JHT contribution of 2% is borne by the workers". While in chapter 17 verse 4 says "when wages are paid by the piece or unit of the result, the monthly wage as the basis for payment of dues JHT is calculated from the average wage last 3 months". Also in Government Regulation No. 45 of 2015 on Retirement Security (JP) in article 28, paragraph 3 states "JP fee of 1% is borne by the participants." Article 29, paragraph 1 says "the wages every month in the calculation of contributions consist of a basic salary and fixed allowance of the month".</p>			
Root Cause Analysis <i>(filled by organization audited):</i>			
<p>Dues of social workers insurance (BPJS) formerly is based on Announcement Letter from BPJS, however this method is insufficient to ensure that all payment calculation was clear and appropriate. Then, the CH made an agreement letter between The Company, Social Insurance Body (BPJS) and Manpower Agency that payment of social worker insurance (pension program) is based on applicable Minimum Wage.</p>			
Corrective Action <i>(filled by organization audited):</i>			
<p>Make a payment calculations BPJS letter of agreement between the company and BPJS.</p> <p>Documentation:</p> <ol style="list-style-type: none"> 1. Notification letter of payment reporting BPJS with Local Minimum Wage adjustment annually. 2. Letter BPJS payment agreements with Local Minimum Wage (UMSK) adjustment. 			
Preventive Action <i>(filled by organization audited):</i>			
<p>HR manager made sure to make a letter of agreement with a payment calculation BPJS basis of the notice from the BPJS annually.</p>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verification on February 23, 2017			
<p>PT Mentaya Sawit Mas can show evidence of improvements in the form of:</p> <ul style="list-style-type: none"> - There BPJS Employment letter from Sampit, dated 21 November 2016 No. B / 1370/122016 About Reporting Wage Employment Program Participant BPJS that one poinya mention that the Company reported a wage adjustment in 2017 to BPJS Employment. - There are a response letter from Wilmar International Plantation dated February 21, 2017 which states that the wages of labor meet BPJS Employment penyeseuaian premium payments based on UMSK in accordance with the provisions in force in the district Kotawaringin and Kab. Seruyan. 			
<p>Related to this, there are several things that need to be clarified again:</p>			

Results communication / explanation with BPJS Employment associated with payment mechanisms for paying work based on the unit results (wholesale) where, according to Government Regulation No. 46 of 2015 on Implementation of Pension Insurance (JHT) in chapter 17 verse 4 says "when wages are paid wholesale or unit results, the monthly wage as the basis for payment of dues JHT is calculated from the average wage last 3 months "and Government Regulation No. 45 of 2015 on pensions (JP) in article 28, paragraph 3 states' contribution JP 1% borne by the participants ". Article 29, paragraph 1 says "the wages every month in the calculation of contributions consist of a basic salary and fixed allowance of the month".

Related to the above, the auditor team stated this NC is still **OPEN**.

Verification on 13th March 2017 and 26th March 2017

PT MSM has provide the corrective action evidence of reference letter and approved by Head of Manpower Agency, Kotawaringin Timur Regency and Head of Worker Insurance of Sampit. The letter was explained that calculation of Pension Insurance Program already based on applicable Minimum Wage with considering:

1. Available of workers
2. A changeable on payment deduction will affecting of untrusted motion to the company.
3. The company is always pay daily rate based on applicable minimum wage

According to the corrective evidence, auditor concludes the NCR status is **CLOSED WITH OBSERVATION**.

Verified by : **Moh. Arif Yusni**

NCR No.	: 2017.02	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 17 February 2017	Time Limit	: 18 April 2017
NC Grade	: MAJOR	Date of Closing	: 26 March 2017
Standard Ref. & Requirement	4.7.1 A health and safety policy shall be in place. A health and safety plan shall be documented and implemented, and its effectiveness monitored.		
<p>Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> The Company has established policies on Occupational Safety and Health which states that the company is committed to "Creating and communicating to employees, contractors, client, and guests about how safe workplace and safety regulations".</p> <p>Based on interviews with employees fertilization partly also worked as an operator spraying in block 577 Division 2B obtained the information contained three gang spraying in MSM 2 Estate. The results of document review and field visit in mind that the company has provided a washing and storage of operator work tools and PPE spraying in Central Housing for two gang spraying.</p> <p>Explanation of the management mentioned that there is a spraying gang who lived in the Housing Division 2B / 2C MSM 2 Estate. However, based on the results of field observations in mind that the housing is not available washhouse and storage facilities work tools and PPE spraying operator.</p> <p>In this regard, the company has not shown the implementation of policies to ensure the location K3 laundering and storage of working tools and PPE spraying operator placed in a safe and not harmful to the workers / residents of the housing</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Currently, PPE, spraying and manuring equipment is located at Central Complex. Former planning for centralized of PPE and working equipment at Central Complex are insufficient due to long distance location from Central Complex to Division 2 (avr. 10 km), then workers bought the equipments to their house.</p>			
<p>Corrective Action <i>(filled by organization audited):</i> Creating facilities storage of PPE & knapsack, washing, and bathing employees spraying and manuring in the Housing Division 2.</p>			

Evidence Document:	
<ol style="list-style-type: none"> 1. Documentation storage shed construction working tools and Personal Protective Equipment (spraying and manuring) 2. Documentation of the construction of the wash PPE and work tools (spraying and manuring) 3. Documentation of construction an employee's washroom 	
Preventive Action <i>(filled by organization audited):</i>	
<ol style="list-style-type: none"> 1. Before the facility provided a change of 3 teams into 2 teams. Tim Division 2 while conducting spraying and manuring. 2. FC and Mandor ensure power shower spraying and manuring place that has been provided before returning home. 3. FC and Mandor ensure spraying work tools and manuring stored in warehouse storage by creating a checklist receipt of working tools and PPE. 	
Document improvements:	
<ol style="list-style-type: none"> 1. Work Plan and manuring Spraying February and March 2017 2. The names of the Division 2 maintenance workers who used to work spraying and manuring 3. A list of maintenance workers' wages (piece rate) fertilizer and spraying February and March 2017 4. The daily checklist returns working tools and PPE storage warehouses with names of employees and the type of work and its APD signed by foreman and FC (if any spraying activity and manuring) 	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>	
Verification on 13th March 2017 and 26th March 2017	
The certificate holder already provide the evidence, among others:	
<ul style="list-style-type: none"> - Minutes of PPE and Spraying equipment handover from Division 2B and 2C to Central Warehouse. - Progress of PPE cleaning area construction at Division 2B and 2C. - Progress of sprayer team washing area construction at Division 2B and 2C. 	
According to these evidences, the auditor team concludes that NCR is CLOSED WITH OBSERVATION	
Verified by	: Moh. Arif Yusni

NCR No.	: 2017.03	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 17 February 2017	Time Limit	: 18 April 2017
NC Grade	: MAJOR	Date of Closing	: 26 March 2017
Standard Ref. & Requirement	6.5.2 Collective Labor Agreement/Company Regulation, in accordance with the manpower regulations, shall be available in understandable language; and explained by the management or Labor Union to the workers.		
Non-Conformance Description & Evidence observed <i>(filled by auditor)::</i>			
<p>The Company has a document "Peraturan Perusahaan" period 2016 - 2017 are still valid. In article 25 on Responsibility and Liability, point 9.1 states that "workers are required to comply with the orders, instructions and guidance of superiors related to the job duties earnestly and as well as possible". The company regulations have been socialized to workers on January 27, 2017 through Rowcall. The material of the socialization of one of them is not allowed to work in the company if it is not legally registered in the company.</p> <p>During field visits in harvesting activities in MSM 2 Estate Division 2B Division 1B Block 592 and Block 519, found the existence of workers who take family members (wife / children) for helping work the harvest. Interviews and document verification employee list, it is known that a family member is not registered as an employee of the Company.</p> <p>On that basis, the company has not been able to show evidence of monitoring and evaluation related to the implementation of the results of socialization.</p>			
Root Cause Analysis <i>(filled by organization audited):</i>			
Currently, the company has committed for disallowing of child labour that was explained within:			
<ol style="list-style-type: none"> 1. Internal memo re: Employees Terms and Condition No. 002/WGP-HRD/I/2007, dated 2 January 2007. 			

<p>2. Policy of Child Labour, September 2010. 3. Human Right Policy, June 2014.</p> <p>However, the company have yet made policy regarding disallowance of family cap. From now on, the company has announced and being monitor that family cap is disallowed to helping work if they do not have any legal working agreement. Because the monitoring against this issues is insufficiently conducted.</p>
<p>Corrective Action <i>(filled by organization audited):</i> Field conductor monitoring to ensure that no workers are not registered as an employee was helping harvest activity in the field.</p> <p>Evidence Document: Daily checklist signed by the employee monitoring harvest Field Officer and Division Manager</p>
<p>Preventive Action <i>(filled by organization audited):</i> Sanction given to Field Conductor if there are employees who take family members.</p> <p>Evidence Document: Warning Letter</p>
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification on 13 March 2017: PT MSM has provide the evidence among others: - Minutes of socialization regarding disallowance of family cap that unregistered (without working agreement) on 11 March 2017 to all workers Division 2A, 2B and 2C MSM-2 Estate. - Harvester disciplinary checklist Verification on 26 March 2017: Additional evidence: - Minutes of socialization regarding disallowance of family cap that unregistered (without working agreement) on 11 March 2017 to all workers at MSM-1 Estate. - Internal Office Memo from General Manager dated 28 February 2017 regarding disallowance of family cap that unregistered (without working agreement). According to all evidences provided by the CH, status of this NCR is CLOSED WITH OBSERVATION.</p>
<p>Verified by : Moh. Arif Yusni</p>

NCR No. :	2017.04	Issued by :	Moh. Arif Yusni
Date Issued :	17 February 2017	Time Limit :	18 April 2017
NC Grade :	MAJOR	Date of Closing :	13 March 2017
Standard Ref. & Requirement :	<p>SCCS Module- E for CPO Mill: Mass Balance</p> <p>Clause 5.1 Record keeping a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)</p>		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
Based on data from Palm Trace MSM POM, dated February 13, 2017, it is known there are sales of CPO and PK of MSM			

<p>POM RSPO certified in the period 24 April 2016 - February 13, 2017 as: - CPO: 19,733.16 Tons - PK: 3,902.48 Tons Related to that certificate holder has not been able to show the details of the sales volume of CPO and PK products certified to Buyer.</p>	
<p>Root Cause Analysis <i>(filled by organization audited):</i> Data cannot be presented because the buyer has not been approved in the system E-Trace. PIC who responsible on e-Trace system is Sustainability staff at Jakarta Office.</p>	
<p>Corrective Action <i>(filled by organization audited):</i> Providing of sales data RSPO-certified CPO and PK of MSM POM in the period 24 April 2016 - February 13, 2017 as: CPO: 19,733.16 Tons PK: 3,902.48 Tons</p>	
<p>Preventive Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Always communicate with the buyer to immediately approve the reception in the system E-Trace 2. PIC supply chain monitoring of the sales transactions of CPO and PK in the E-Trace <p>Evidence Document:</p> <ol style="list-style-type: none"> 1. Evidence of E-Trace transaction on PK and CPO 2. Monthly Summary of E-Trace transaction 	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification of date of February 23, 2017 PT MSM has demonstrated evidence of improvements in the form of details of sales volume of CPO and PK products certified to Buyer (buyer) in the period June 24, 2016 - February 13, 2017 in which to PK certified sold 4,384.760 Tons and CPO certified as 22,721.280 Tons. Associated with evidence of improvements that have been shipped team auditor cannot decide the status of compliance with the mismatch on this indicator before clarifying questions at the root of the problem.</p>	
<p>Verification on 13 March 2017 Based on these evidence provided, auditor team conclude that this NCR is CLOSED</p>	
Verified by	: Moh. Arif Yusni

3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-3 Assessment

NCR No.	: -	Issued by	: -
Date Issued	: -	Time Limit	: -
NC Grade	: -	Date of Closing	: -
Standard Ref. & Requirement	: -		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
Root Cause Analysis <i>(filled by organization audited):</i>			
Corrective Action <i>(filled by organization audited):</i>			
Preventive Action <i>(filled by organization audited):</i>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verified by	:		

3.5.3 Opportunity for Improvement

No	Ref. Std.	Description Deskripsi
1	5.1.1 Major	The certificate holder is encouraged to monitor the progress of the amendment of the AMDAL Document Addendum (observation).
2	5.3.2 Major	The certificate holder is encouraged to ensure the progress of the medical waste management agreement (observation).
3	6.11.1 Minor	The certificate holder has the opportunity to evaluate the CD / CSR program and program implementation in accordance with the priority needs of the local community.
4	SCCS E.2.2	The certificate holder has the opportunity to improve coordination with the parties, related to RSPO certified product claim transactions (observation).
5	-	-

1.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1	-	Has been awarded the RSPO certificate by 2015
2	-	Competent staff with good communication
3	-	Installation of biogas plant as part of greenhouse gas mitigation efforts.

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Village Government , Community Representatives & Informal Community Leaders (Kawan Batu and Ba'ampah Billage) The discussion was conducted by Focus Group Discussion (FGD) method. Some discussion points:</p> <p><u>Head of Village</u></p> <ul style="list-style-type: none"> • The impact of plantation operations; road access and working opportunity for village surround • Some of the aid that has been given by the company: <ul style="list-style-type: none"> - Solar Cell for Power Supply of electricity in the local Village (Kawan Batu) - Heavy Equipment for road maintenance - Payment of honorarium for 2 elementary school teachers (Kawan Batu & Ba'ampah) - Aid for the construction of a mosque in the village • Social interaction between villagers and the company has harmonious • However, the company is still often less prompt in respond to proposal from the public • There are no issues and conflicts of land tenure between the company and the surrounding community • There are also no issues related to the complaints of surrounding communities to the and factories, and operation of plantation and mill.. • During the one year period there are no cases of negative impacts on the operation of plantation and mill (eg , environmental pollution) • There was no cases of land fires during the past year <p>Aspiration:</p> <ul style="list-style-type: none"> • To more improve and increase the Community Development Program for village surround <p>Work access opportunity for community surround not limited to operational staff (harvester, plant maintenance, etc) but also to the staff opportunity based on the skill and knowledge of the villagers in particularly for the university graduate.</p>	<p>Based on verification on related Indicators: Indicator 2.2.3 to 2.26 and 2.3. Sd 2.3.3 does not indicate a conflict between the company and the surrounding community.</p> <p>Indicator 6.3.1 & 6.3.2, there are no significant complaints from the other parties</p> <p>Indicator 6.11.1 & 6.11.2, the company has implemented/provided assistance to the surrounding community and the opportunity to adapt social governance activities based on community needs and based on more participatory planning</p>
<p>Worker Union (LKS Bipartite) and Gender Committee (17 Attendants) The discussion was conducted by Focus Group Discussion (FGD) method. Some discussion points:</p> <ul style="list-style-type: none"> • Until now, overall workers in every estate and mill are permanent workers (no contract workers) • All the workers has been covered by Social Insurance (BPJS Ketenagakerjaan & Kesehatan) 	<p>There were no significant issues related to dispute between the company and their employees. It was described in Criteria 6.2</p> <p>The Company has provided complaint submission facilities and employee complaints and socialized to workers. This has been further explained in criteria 6.3</p> <p>The company gives the right to form an organization to all workers in accordance with the company policy. This has been further explained in criteria 6.6</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> The company has been implemented the Province Governor Decree of the workers salary in accordance with minimum wage standards and there are no complaints regarding wages. Grievance or complaints mechanisms have been submitted to workers, reporters can report to the Worker Representative of LKS Bipartite then will be forwarded to the assistant/manager and settlement in a familiar way. In one year since 2017 there was no dispute between the company and the workers The housing and supporting facilities has been provide by the company The Gender Committee has been established in Estate & POM The LKS Bipartite and Gender Committee has period meeting (monthly meeting) Company policy socialization is often done during morning assembly (for field workers) and motivation in the morning (for office workers). There are monthly checks by paramedics to check on workers Regular meetings are held every month during posyandu activities, as well as socialization of the company policy. Working with paramedics to check pregnant women on every female worker regularly, especially for female workers who handle chemicals (pesticide operators, fertilizers and other chemicals). <p>For spray and fertilizer workers who are pregnant will be moved to the workplace and may work again in place of chemicals after the completion of the breastfeeding period.</p>	<p>The Company has provided complaint submission facilities and employee complaints and socialized to workers. This has been further explained in criteria 6.3 and 6.9.</p> <p>The Company already has a policy to prevent all forms of sexual harassment and violence. Organizations to protect and implement these policies have been provided by companies by establishing gender committees. This is further explained in criteria 6.9</p>
<p>Local Contractor for Building and Construction Project Interviewee: Sanyoto (Javanese) and Iyun Wahyu (Sampit) CV Sinar Barokah, from Sampit</p> <ul style="list-style-type: none"> Has cooperation with Wilmar Group since 2009/2010 for building and road/bridge construction project. PPE of Contractor workers such as boot, helmet, etc., were provided by Contractor as required by estate management which mentioned in the Letter of Agreement. Contractor has provide insurance for their workers through BPJS Ketenagakerjaan. Estate has allows contractor workers to use clinic for first aid action and ready to facilitate transportation if needed. Contractor has policy to prohibit workers under 18 years old as an employee. <p>Payment for project were in accordance with contract and this process never comes into conflicts.</p>	<p>Overall, contractor seem satisfactory to works with PT MSM. As verified to the related Criterion, i.e. 6.5, 6.10 and 6.11 which describes about CSR and community empowerment, it could be concluded that certificate holder has fulfill the RSPO standard requirement.</p>
<p>Environment Agency of Kotawaringin Timur Regency</p> <ul style="list-style-type: none"> Has an appropriate environmental document (AMDAL) There is no environmental pollution issue Environmental reporting is done on time Active in HCV socialization 	<ul style="list-style-type: none"> Has been verified on indicator 5.1.3 Has been verified on indicator 4.4.3 Has been verified on indicator 5.3.3 Has been verified on indicator 2.1.1

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>National Land Agency of Kotawaringin Timur Regency</p> <ul style="list-style-type: none"> • There are no issues related to land legality • It should be ensured concerning HGU pole maintenance 	<p>Has been verified on indicator 2.2.1 and 2.2.2</p>
<p>Social, Transmigration and workers Agency of Kotawaringin Timur Regency</p> <ul style="list-style-type: none"> • Routine in submitting mandatory reporting • Obedient in including all employees in the BPJS program • no employment issues. • in the making of the CSR program has coordinated with the government 	<p>Has been verified in indicator 2.1.1, 4.7.6, and 6.11.1</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div data-bbox="411 779 778 1057"><p>PT Mentaya Sawit Mas Group Estate Manager</p><p>Rickson Arifagedon Purba Thursday, 22 February 2018</p></div> <div data-bbox="1023 788 1337 1034"><p>Mutuagung Lestari Lead Auditor</p><p>Mohamad Amarullah Thursday, 22 February 2018</p></div>

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Environment Agency of Kotawaringin Timur Regency	Kotawaringin Timur Regency	-	Interview	6 February 2018	√	
2	National Land Agency of Kotawaringin Timur Regency	Kotawaringin Timur Regency	-	Interview	6 February 2018	√	
3	Social, Transmigration and Workers Agency of Kotawaringin Timur Regency	Kotawaringin Timur Regency	-	Interview	6 February 2018	√	
4	Plantation Agency of Kotawaringin Timur Regency	Kotawaringin Timur Regency	-	Interview	6 February 2018	√	
5	Local Contractor for Building and Construction Project	Sampit Regency	-	Interview	6 February 2018	√	
6	Village Government, Community Representatives & Informal Community Leaders (Kawan Batu and Ba'ampah Village)	Kawan Batu and Ba'ampah Village, Sub-Regency of Mentaya Hulu, Regency of Kotawaringin Timur	-	Interview	6 February 2018	√	
7	Worker Union (LKS Bipartite) and Gender Committee	Village of Tangar, Sub-Regency of Mentaya Hulu, Regency of Kotawaringin Timur	-	Interview	6 February 2018	√	
8	Aliansi Masyarakat Adat Nusantara	Indonesia	rumahaman@cbn.net.id	Questioner	31 January 2018		√
9	International Animal Rescue Indonesia	Indonesia	informasi@internationalanimalrescue.org	Questioner	31 January 2018		√
10	Sawit Watch	Indonesia	info@sawitwatch.or.id	Questioner	31 January 2018		√
11	WALHI	Indonesia	informasi@walhi.or.id	Questioner	31 January 2018		√
12	<ul style="list-style-type: none"> MSM 1 Estate: 4 Foreman, 3 Harvesters and 12 pesticide applicators. MSM 2 Estate: 3 Foreman, 2 Harvesters, 5 Pesticide Applicators, 1 EFB mulching worker, 1 workshop technician, 2 IPM workers and 1 daycare worker. MSM Mill: 1 Workshop Foreman, 2 Weigh Bridge Operators, 1 Chemical store officer, 1 Assistant, 2 FFB grader, 1 Operator Sterilizer Station, 1 Operator Press Station, 1 			Interview	6-8 February 2018	√	

	Operator Clarification Station, 1 Operator Engine Room and 2 Boiler Operators.						
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Appendix 2. Assessment Program

TANGGAL	February 5 th –9 th 2018	
Rencana Waktu	PROSES / HAL YANG DIAUDIT	AUDITOR
Monday, February 5th 2018		
09.15 –11.00	JAKARTA → Pangkalan Bun	Team Auditor
11.00 –16.00	Pangkalan Bun → Location of PT Mentaya Sawit Mas	Team Auditor
16.00 –17.00	Opening meeting	MAH
Tuesday, February 6th 2018		
08.00 –12.00	Stakeholders consultation to Government Institutions of Kotawaringin Timur Regency	HRK
	Stakeholders consultation to Surrounding Villages and Local NGO	ORN
	Field observation to Mentaya Sawit Mas 1 Estate	
	BMP, boundary poles and safety implementation	MAH
	Housing facilities, clinic, hazardous waste management, agrochemical store, HCV and Landfill	YHR
12.00 –14.00	Break	Team Auditor
14.00 –16.45	Stakeholder consultation with Labor Union, Cooperative and Gender Committee	ORN
	Mentaya Sawit Mas POM	
	SCCS	MAH
	Processing and safety implementation	HRK
	Environment, WWTP, workshop, WTP and hazardous waste management	YHR
16.45 –17.00	Daily progress audit	Team Auditor
Wednesday, February 7th 2018		
08.00 –12.00	Field observation to Mentaya Sawit Mas 2 Estate	
	Boundary poles checking	MAH / ORN
	BMP (soil and land conservation, road maintenance, peat management, IPM and harvesting)	HRK
	Environment, WWTP, workshop, WTP and hazardous waste management	YHR
12.00 –14.00	Break	Team Auditor
14.00 –16.45	Document verification	Team Auditor
16.45 –17.00	Daily progress audit	Team Auditor
Thursday, February 8th 2018		
08.00 –12.00	Document verification	Team Auditor
12.00 –14.00	Break	Team Auditor
14.00 –16.00	Auditor discussion and closing meeting preparation)	Team Auditor
16.00 –17.00	Closing meeting	Team Auditor
Friday, February 9th 2018		
08.00 –12.00	Location of PT Mentaya Sawit Mas → Sampit	Team Auditor
13.00 –...	Sampit → Jakarta	Team Auditor