

**Roundtable on Sustainable Palm Oil Certification
RSPO**

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : SELANGKUN Palm Oil Mill – PT. SAWIT SUMBERMAS SARANA, Tbk
 Plantation Name : PT SAWIT SUMBERMAS SARANA, Tbk: Selangkun Estate; Rungun Estate; Kondang Estate.
 PT KALIMANTAN SAWIT ABADI: Batu Kotam Estate.

Location : Village of Rangda, Sub District of Arut Selatan, District of Kotawaringin Barat, Province of Kalimantan Tengah, INDONESIA

Certificate Code : **MUTU-RSPO/061**

Date of Certificate Issue : 12 June 2015 Date of License Issue : 12 June 2016
 Date of Certificate Expiry : 11 June 2020 Date of License Expiry : 11 June 2017

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2	8 – 13 May 2017	Y. Wisnu Rahmanto (LA); Moh. Arif Yusni, Arif Faisal Simatupang; Brigitta Pritta	Octo Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2	13 September 2017

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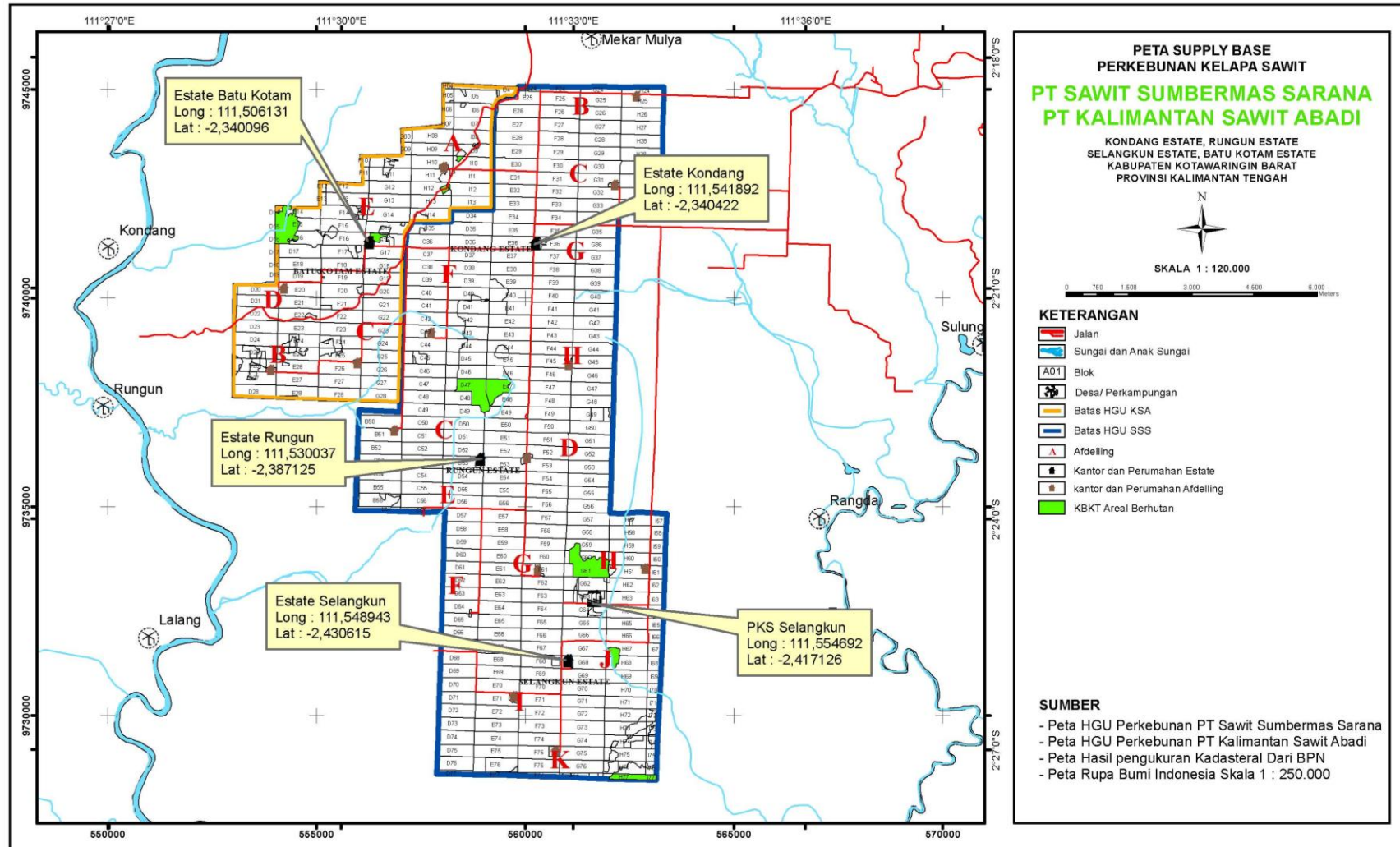
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FIGURE

Figure 1. Location Map of PT SAWIT SUMBERMAS SARANA



Figure 2. Operational Map of SELANGKUN POM and its Supply bases



Glossary

AMDAL	:	Analisis Mengenai Dampak Lingkungan (<i>Social and Environmental Impact Assessment</i>)
APD	:	Alat Pelindungan Diri (<i>Personal Protection Equipment</i>)
B3	:	Bahan Beracun and Berbahaya (<i>Hazardous Material Waste</i>)
BOD	:	Biological Oxygen Demand
CPO	:	Crude Palm Oil
CBD	:	Convention on Biodiversity
HCV	:	High Conservation Value (Nilai Konservasi Tinggi)
HGU	:	Hak Guna Usaha. (<i>Land Use Permit</i>)
IUP	:	Izin Usaha Perkebunan. (<i>Plantation Operation Licence</i>)
IPAL	:	Instalasi Penyaluran Air Limbah (<i>Wastewater Treatment</i>)
JAMSOSTEK	:	Jaminan Sosial Tenaga Kerja (<i>Social Assurance of Labor</i>)
K3	:	Keselamatan and Kesehatan Kerja. (<i>Occupational Health and safety</i>)
KDE	:	Kondang Estate
LC	:	Land Clearing
OER	:	Oil Extraction Rate
P2K3	:	OHS Guiding Committee
PHT	:	Pengendalian Hama Terpadu (<i>Integrated Pest Management</i>)
PK	:	Palm Kernel
PKS	:	Pabrik Kelapa Sawit
POM	:	Palm Oil Mill / Pabrik Kelapa Sawit
RGE	:	Rungun Estate
RKL/RPL	:	Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan (<i>Environmental Management Plan/ Environment Monitoring Plan</i>)
SLE	:	Selangkun Estate
SOP	:	Standard Operating System
TBS	:	Tandan Buah Segar (<i>Fresh Fruit Bunches</i>)
UKL/UPL	:	Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan (<i>Environmental Management Efforts/ Environmental Monitoring Efforts</i>)

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT				
1.1 Assessment Standard Used				
<ul style="list-style-type: none"> • <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016)</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> 				
1.2 Organisation Information				
1.2.1	Organisation name listed in the certificate	PT Sawit Sumbermas Sarana, Tbk		
1.2.2	Contact person	Rudy Hendrarto		
1.2.3	Organisation address and site address	JL. H. Udan Said No. 47, Kel. Baru, Pangkalan Bun, Kalimantan Tengah 74115		
1.2.4	Telephone	+62 532-21297		
1.2.5	Fax	+62 532-21396		
1.2.6	E-mail	rudy.hendrarto@citraborneo.co.id		
1.2.7	Web page address	www.citraborneo.co.id		
1.2.8	Management Representative who completed the application for certification	Rudy Hendrarto		
1.2.9	Registered as RSPO member	1-0111-07-000-00 (18 April 2007)		
1.3 Type of Assessment				
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base • Selangkun Mill, Selangkun Estate, Rungun Estate, Kondang Estate and Batu Kotam 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
	SELANGKUN	Village of Rangda, Sub District of Arut Selatan, District of Kotawaringin Barat, Province of Kalimantan Tengah, INDONESIA	S 02° 25' 02"	E 111° 33' 17"
1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Selangkun Estate	Village of Rangda, Sub District of Arut Selatan, District of Kotawaringin Barat, Province of Kalimantan Tengah	S 02° 25' 50"	E 111° 32' 56"
	Rungun Estate	Village of Rungun, Sub district of Kotawaringin Lama, District of	S 02° 23' 14"	E 111° 31' 48"

	Kotawaringin Barat, Province of Kalimantan Tengah		
Kondang Estate	Village of Kondang, Sub district of Kotawaringin Lama, District of Kotawaringin Barat, Province of Kalimantan Tengah	S 02° 20' 25"	E 111° 32' 31"
Batu Kotam Estate (PT. Kalimantan Sawit Abadi)	Village of Rungun, Sub district of Kotawaringin Lama, District of Kotawaringin Barat, Province of Kalimantan Tengah	S 02° 20' 28"	E 111° 30' 08"

1.5 Description of Area Statement

1.5.1	Tenure	
	• State	14,852.60 Ha*
	• Community	- Ha
	<i>*HGU No. 36 Tahun 2004 PT. SSMS (12,342.49 Ha) and HGU No. 49 Tahun 2007 PT. Kalimantan Sawit Abadi (2,510.11 Ha)</i>	
1.5.2	Area Statement	
	• Total area	10,955.70 Ha
	• Mature area	10,219.38 Ha
	• Immature area	- Ha
	• Mill & Infrastructure	149.62 Ha
	• Unplantable area	106.53 Ha
	• HCV / Conservation Area	480.17 Ha

1.6 Planting Year and Cycles

1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		Selangkun	Kondang	Rungun	Batu Kotam	Total
	2001	-	91.87	-	-	91.87
	2002	-	182.02	-	-	182.02
	2003	-	1,358.70	-	-	1,358.70
	2004	-	699.79	197.99	-	897.78
	2005	443.51	576.44	639.11	688.99	2,348.05
	2006	69.77	90.63	173.35	113.02	446.77
	2007	155.92	72.72	639.25	644.01	1,511.90
	2008	304.11	-	352.8	240.37	897.28
	2009	1,008.75	26.83	597.5	260.56	1,893.64
	2010	213.3	-	-	378.07	591.37
	TOTAL	2,195.36	3,099.00	2,600.00	2,325.02	10,219.38
1.6.2	New Planting area after January 2010			591.37		Ha
1.6.3	Planting Cycle			1 st Cycle		

1.7 Description of Mill and Supply Base

1.7.1	Description of Mill
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	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	SELANGKUN	60	259,270.97	59,093.11	22.79	12,502.82	4.84
<i>*Production data source from May 2016 – April 2017</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)	%
	Selangkun Estate	2,424.07	2,195.36	36,645.37	16.69	34,922.33	95.30
	Kondang Estate	3,236.48	3,099.00	51,424.19	16.59	50,785.59	98.76
	Rungun Estate	2,793.19	2,600.00	50,397.37	19.38	43,552.69	86.42
	Batu Kotam	2,501.96	2,325.02	47,187.29	20.30	47,187.29	100
	TOTAL	10,955.70	10,219.38	185,654.22	18.17	176,447.90	95.04
<i>*Production data source from May 2016 – April 2017. The remaining FFB's delivered to SULUNG POM</i>							
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Pulau Estate / PT. Sawit Sumbermas Sarana, Tbk (RSPO Certified under SULUNG POM)	Own Estate, different supply base	-		30,952.63		
	Rangda Estate / PT. Sawit Sumbermas Sarana, Tbk (RSPO Certified under SULUNG POM)	Own Estate, different supply base	-		119.84		
	PT. Citra Borneo Indah (RSPO Non-Certified)	Independent Outgrower	-		51,750.60		
	TOTAL				82,823.07		
<i>*Source Production Data on 12 months before assessment</i>							
1.7.4	Product categories			FFB, CPO, PK			
1.8 Estimate Tonnage of Certified Product							
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 12 June 2016 to 11 June 2017 (tonnes/year)	Actual certified product 12 June 2016 to 9 May 2017 (tonnes/year)		
	• FFB Production			204,048	147,415.68		
	• CPO Production			48,972	33,655		
	• Palm Kernel (PK) Production			8,162	10,087.24*		
<i>Overproduction statement for CSPK has been informed to previous CB</i>							
1.8.2	Estimate of Certified FFB Claim						
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/y ear)		
	Selangkun Estate	2,424.07	2,195.36	40,310	18.36		

	Kondang Estate		3,236.48	3,099.00	56,567	18.25
	Rungun Estate		2,793.19	2,600.00	55,437	21.32
	Batu Kotam Estate (PT. Kalimantan Sawit Abadi)		2,501.96	2,325.02	51,906	22.32
	TOTAL		10,955.70	10,219.38	204,220	19.98
<i>*Projected FFB production for 12 months of certificate</i>						
1.8.3	Estimate of Certified Palm Product Claim					
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel
				Out put (ton)	Extraction (%)	Out put (ton) Extraction (%)
	SELANGKUN	60	204,220	49,013	24.00	10,211 5.00
<i>*Projected CSPO and CSPK production for 12 months of certificate</i>						
1.9	Other Certifications					
	ISO 9001:2008	-				
	ISO 14001: 2004	-				
	OHSAS 18001:2007	-				
	ISCC	-				
	Others	-				
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				
	PKS Natai Baru (PT. Kalimantan Sawit Abadi)	2018	Natai Baru Estate	2018	Kec. Arut Selatan, Kab. Kotawaringin Barat, Prov. Kalimantan Tengah	Un-Certified
	PKS Malata (PT. Tanjung Sawit Abadi)	2018	<ul style="list-style-type: none"> • Malata Estate • Nanuah Estate • Sungai Bulik Estate 	2018	Kec. Bulik Timur & Mentobi Raya, Kab. Lamandau, Prov. Kalimantan Tengah	Un-Certified
	PKS Nagakui (PT. Sawit Multi Utama)	2018	<ul style="list-style-type: none"> • Nanga Kiu Estate • Sepondam Estate • Pedongatan Estate • Merambang Estate 	2018	Kec. Bulik Timur, Kab. Lamandau, Kalimantan Tengah	Un-Certified
	-	-	Sumber Cahaya Estate (PT. Mirza Pratama Putra)	2018	Kec. Bulik, Belantikan Raya dan Mentobi, Kab. Lamandau, Kalimantan Tengah	Un-Certified
	-	-	PT. Menteng Kencana Mas: • Badirih Estate	2018	Kec. Maliku, Pandih Batu dan Kahayan Kuala, Kab. Pulang	Un-Certified

		<ul style="list-style-type: none"> • Kanamit Estate • Bahaur Estate 		Pisau, Kalimantan Tengah	
	-	Uncertified Area of Selangkun Estate (62.85 Ha)	2020	Kec. Arut Selatan, Kab. Kotawaringin Barat, Kalimantan Tengah	Un-Certified
<p><i>Source TBP: Area of Plantation Managed in Holding PT Sawit Sumbermas Sarana, Tbk – 1 June 2017</i></p>					
1.10.2	<p>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</p>				
	<p>PT. Sawit Sumbermas Sarana, Tbk has two Mills that been certified (Sulung POM and Selangkun POM). The entire supply bases for both Mill are sources from Own Estates. There is no yet of smallholder scheme that developed by this company.</p>				

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ASA-2	<p>1. Yudwi Wisnu Rahmanto (Lead Auditor). Bachelor of Forestry with Silviculture background. He worked at professional independent Certification Body as an Auditor for last 5 years and has involved in auditing activities with various certification schemes. Selected training which have been followed, such as RSPO Endorsed Lead Auditor Training Course, ISPO Auditor/Lead Auditor Course, Quality Management System (QMS) ISO 9001:2008 Auditor/Lead Auditor Course, GIS-Basic Mapping and Spatial Analysis, Timber Legality Assurance System (SVLK), Verification Organization Training C.A.F.E Practices (Starbucks) and others internal training programs. He has involved in auditing activities, such as Sustainable Forest Management by FSC FM/COC Scheme, Sustainable Palm Oil by RSPO and ISPO Scheme, Coffee And Farmer Equity (C.A.F.E Practices) Starbucks, Organic Standard (EU, NOP, JAS) for Coffee Farmers and Organic Exchange for Textile. During this audit, he verified SSCS, Legal, Social and Land dispute aspect.</p> <p>2. Moh Arif Yusni (Auditor). Bachelor of Agriculture, majoring of Plant Pest and Diseases (Plant Protection). He has a working experience for 2 (two) years in oil palm Plantation Company in Indonesia. Trainings attended namely: Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course and Auditor / Lead auditor Management System Certification (ISO 9001-2008). Now he worked at Professional Certification Body. He has been several times following audit related to sustainable palm oil certification system as an auditor. During this audit, he verified occupational health & safety and worker welfare.</p> <p>3. Arif Faisal Simatupang (Auditor). Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has attended the RSPO Awareness Training, Indonesian Sustainable Palm Oil (ISPO) Auditor Training, Training of Management System Certification ISO 9001-2008, Training of Environmental Management System, Awareness of ISO 17021 and ISO 17065, and training of Management High Conservation Value (HCV). He has been 4 years of working experience as a Field Assistant on oil palm plantation companies in Indonesia. During this audit, he verified Integrated Pest Management, Best Management Practices.</p> <p>4. Brigitta Prita (Auditor). Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Attended training ISPO Auditor training and certification of ISO 9001:2008 quality management system (QMS). During this audit, she assigned to verify Environmental and HCV aspects.</p>
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1 Figure of person days to implement assessment	
ASA-2	<p>Number of auditors : 4 auditor Number of days for ASA-2 at site : 5 days Number of working days for ASA-2 at site : 20 Working days</p>
2.2.2 Assessment Process	
ASA-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sawit Sumbermas Sarana to the requirements of <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill).</i></p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-3).</p>

Improvement of findings from main assesment findings were observed by auditors at this **ASA-2** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-2**.

The assessment program please find Appendix 2

2.2.3	Location of Assessment
ASA-2	<p>Number of units in this certification activity is four (4) estates, which supply the raw material (FFB) to Selangkun palm oil mill. In conducting the assessment, the team of auditors used the $0.8\sqrt{y}$ formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are 1 palm oil mill (Selangkun POM) and 2 estates (Rungun estate and Batu Kotam estate).</p> <p>I. Selangkun POM</p> <ol style="list-style-type: none"> 1. Security. Observation and interview with key personnel related to implementation of Supply Chain Requirement 2. Weighbridge. Observation and interview with key personnel related to implementation of Supply Chain Requirement 3. Grading Station. Observation and interview with key personnel related to implementation of FFB grading system. 4. All processing station (Sterilizer, Hoisting Crane, Thresher, Pressing, Digester, Clarifier). Observation on FFB processing. 5. WTP Station. Observation on water management plan for Mill processing. 6. Boiler Station. Observation of renewable fuel using Fibers and shell, and interview of OHS implementation with key personnel. 7. Workshop. Observation on maintenance activities and interview with foreman related understanding of working procedure. 8. Warehouse complex (Chemical, material warehouse, and workshop). Observation and interview on environmental aspect, OHS implementation and understanding of working procedure. 9. Hazardous Waste Temporary Warehouse. Observation on hazardous waste management. 10. Emergency Response at Mill. Observation on emergency response facilities (hydrant hose reel) and drill. <p>II. Rungun Estate</p> <ol style="list-style-type: none"> 1. Harvesting and FFB transport, Division D Block 09. Observation on harvesting, OHS, and welfare aspect. 2. EFB Mulching Application, Division D Block 12. Observation on EFB mulching application, OHS, and welfare aspect 3. POME Land Application, Division D Block 15. Observation on POME Land Application, potential leak of waste, OHS, and welfare aspect. 4. Peatland Management. Observation of management on peatland area : drainage system and piezometer (Division C Block 11), drainage system, peat subsidence stake, watergate, and bund off (Division C Block 14) 5. Riparian River Lalang Blok D49 Division C. Observation related management of riparian area (HCV area). 6. Tanjung Biru Forest Blok D48 Division C. Observation related management of HCV area. 7. Landfill Division C Blok C9. Observation regarding management of domestic waste. 8. Chemical Warehouse. Field observation and interview with officers regarding management in chemical warehouse. 9. Fertilizer Warehouse. Field observation and interview with officers regarding management in fertilizer warehouse. 10. Solar Tank. Observation related management of solar tank. 11. Fuel Warehouse. Observation related management of fuel.

12. Boundaries Pole Rungun Estate (BPN 65 and BPN 68MSM 30 Block 156) all the legal boundaries are well demarcated, visibly maintained and appropriate with coordinates.
13. Creche and Daycare. Observation on facilities and interviewing related labour aspect and grievance mechanism to the person in charge.
14. Housing complex . Observation on workers facilities, domestic waste management, temporary storage near division office.
15. Emergency Response in Estate Unit. Observation on emergency response facilities (fire extinguisher, water tank for fire fighting, etc.) and its mechanism.

III. Batu Kotam Estate

1. Fertilization, Division A Block 15. Observation on anorganic fertilization, OHS, and welfare aspect.
2. Circle and path spraying, Division E Block 09. Observation on weed control by agrochemical, OHS, and worker welfare aspect.
3. Management of Slope Area. Observation on culture technique modification of slope area (Division C Block 11 and 15), such as individual terrace, planting of LCC, frond stacking, and monitoring of erosion by erosion stake.
4. Hazardous waste temporary warehouse □ Field observations and interviews with officer regarding hazardous waste management.
5. Fire extinguishers. Observation and interview regarding emergency response.
6. Creche and Daycare. Observation on facilities and interviewing related labour aspect and grievance mechanism to the person in charge.
7. Housing complex . Observation on workers facilities, domestic waste management, temporary storage near division office.
8. Emergency Response in Estate Unit. Observation on emergency response facilities (fire extinguisher, water tank for fire fighting, etc.) and its mechanism.

IV. Selangkun Estate

1. Forest Blok G59, 60, 61 Division H.
2. Riparian River Selangkun Afdeling H. Observation related management of HCV area.
3. Water intake Division H 62 Selangkun Estate. Field observation on water source management for water treatment and processing for housing.

2.3 Stakeholder Consultation and Stakeholders Contacted	
2.3.1	Summary of stakeholder consultation process.
ASA-2	Summary of stakeholder consultation process Consultation of stakeholders for PT Sawit Sumbermas Sarana was held by: Public Notification: http://mutucertification.com/public-announcement-pt-sawit-sumbermas-sarana-selangkun-pom-asa-2/ , on 21 st April 2017. Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples.

	Rungun Village 9 th May 2017; Gender Committee, Workers Union: 9-12 May 2017. Numbers of input from stakeholders were clarified by PT Sawit Sumbermas Sarana.
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-3) will be determined 1 Year after this ASA-2 (April 2018) .

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of SELANGKUN POM – PT SAWIT SUMBERMAS SARANA, Tbk operation consisting of one (1) mill and four (4) oil palm estates.

During the assessment, there were Four (4) Nonconformities were assigned against Major Compliance Indicators and Five (5) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g.. Those corrective actions taken that consist of Four (4) Major non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that SELANGKUN POM – PT SAWIT SUMBERMAS SARANA, Tbk complied with the requirements of *Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill).*

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **CONTINUED**

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.
1.1.1, 1.1.2	Certificate holder has procedure for the provision of information in procedure of communication, participation and consultation of environment and OHS (No. SOP-EHS.GN-006). The procedure regulates the provision/request of public information by email, phone, fax or directly coming to the PT CBI Head Office, request is communicated to Group Manager to approve or disapprove it, Response over the request of public information is by completing the data of information request. The response over the information request should be given within 10 days since the information request received by. It is responsibility in entire department. The information request is maintained for a year. Based on document review and interviews with officials of Rungun Village, all requests for information from stakeholders have been responded to in less than 10 days.
	Status: COMPLY
1.2	Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.
1.2.1	The type of publicly accessible document is available in the procedure related to provision of information to outside parties (No. SOP-CS.GN-001) passed on 1 December 2015 by the President Director. In the procedure explained that the provision of information to the public can be done through direct visits to the field, or review the documentation at the

headquarters or representatives. Response to an information request within 10 days of receipt of the request for such information.

In the document, the list of accessible informations covers relevant legal, social and environmental aspects related to sustainability. These documents include, land certificates, OHS plans, environmental and social impact plans and assessments, HCV documentation, pollution prevention and reduction plans, complaints, negotiation procedures, continuous improvement plans, public summary reports on certification assessment, and also human rights policy. Based on interviews with officials of Rungun Village, they area already know the types of documents accessible to the public.

Status: COMPLY

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

1.3.1
Commitment of code of integrity and ethical behavior is contained in Directors Decree (No. 002/SSS-DIR/SKD/IV/2017) dated April 1, 2017 related to human rights policy. It is explained that the policies and commitments related to human rights and corporate ethical behavior apply to internal behavior as well as to external party. The human rights policy includes transparency, no forced labor, anti-disclosure, discrimination of gender, religion and ethnic, sexual orientation or disability, and guarantees to reproductive rights and freedom of union.

Based on interviews with employees at Selangkun Mill, Rungun Estate and Batu Kotam Estate, and contractor of FFB transport at Rungun Estate, it is known that the certificate holder’s human rights policy has been socialized and understood by workers and contractors, and there is no incidents of human rights violations.

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 Certificate Holder has evidence of compliance with relevant legal requirements in form of “*Matriks Identifikasi dan Evaluasi Peraturan PT. Sawit Sumbermas Sarana*”. Those documents has prepared by QHSE department and kept in every management unit (mill and estates).

2.1.2; 2.1.3; 2.1.4

A documented system, which includes written information on legal requirements and mechanism for ensuring compliance, has been settled up by procedures “Prosedur Sistem Manajemen Lingkungan, Keselamatan dan Kesehatan Kerja (LMK3). No. Dok: SOP-EHS.GN-003”.

A system for tracking any changes in the law was implemented through internal audit by sustainability department.

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
The Certificate Holder able to showing legal ownership document and the actual legal use of the land. Selangkun POM is the second mill under management of PT. Sawit Sumbermas Sarana (SSMS) which has a Land Use Tittle or HGU to operate plantations. Total permitted area under land use tittle of SSMS is 16,785.98 Ha.

Scope of Selangkun POM previously was Selangkun Estate, Kondang Estate and Rungun Estate. During this surveillance assessment, there is one estate will be added as supply base of this mill. Batu Kotam Estate is under management of PT. Kalimantan Sawit Abadi (PT. KSA) and located in same landbase with PT. SSMS. Also, PT. KSA is

one of subsidiary company of PT. SSMS.

Land use title of Batu Kotam Estate (PT. KSA) is 2,510.11 Ha (HGU No. 49 Year 2007). Then, total managed area for Selangkun POM currently is 10,955.70 Ha with supply bases among other Selangkun Estate, Kondang Estate, Rungun Estate and Batu Kotam Estate. The actual legal use of the land can be describe as follow:

Estate	Mature	Mill & Infra	Unplatable area	Conservation Area	Total area	Land Use Right / HGU
Selangkun	2,195.36	40.66	-	188.05	2,424.07	HGU No. 36
Kondang	3,099.00	47.30	-	90.18	3,236.48	Th. 2004:
Rungun	2,600.00	41.15	-	152.04	2,793.19	12,342.49 Ha
Batu Kotam (PT. KSA)	2,325.02	20.51	106.53	49.90	2,501.96	HGU No. 49 Th. 2007: 2,510.11 Ha
Total managed area	10,219.38	149.62	106.53	480.17	10,955.70	14,852.60

2.2.2

During this surveillance, auditor observe based on sampling visit for legal boundaries in Batu Kotam Estate and Rungun Estate. All legal boundaries are demonstrated clearly and maintained.

2.2.3; 2.2.4; 2.2.5

According to direct interview with community of Rungun village, since 2014 there is no land dispute has occurred. The Certificate Holder has had mechanism of FPIC to resolved the conflict if presence. The FPIC mechanism are available in several procedures:

- SOP Pembebasan Lahan/Land Acquisition (SOP-SPD.GN-002) dated 1 January 2015.
- SOP Pembukaan Lahan/Land Clearing (SOP-SPD.GN-001) dated 1 January 2015.
- Prosedur Penyelesaian Konflik Tanah & Lahan (SOP-LEGAL.GN-014) dated 18 June 2012.

2.2.6

To avoid escalation of conflict, there is no evidence that palm oil operations used violence in maintaining peace and order in their current and/or planned operations. To proof this commitment, the Certificate Holder has Management Policy for Human Rights (SK Direksi No: 002/SSS-DIR/SKD/IV/2017, dated 1 April 2017) where there is no used of violence within its policy.

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

The Certificate Holder has own maps with appropriate scale showing the recognized legal rights. This plantation obtained the land use title since 2004 (for PT. SSMS) and 2007 (PT. KSA). During the process to obtaining of land tenure, the certificate holder developed through participatory mapping involving affected parties (including neighboring communities where applicable, and relevant authorities). Several procedures are used for FPIC mechanism,

- SOP Pembebasan Lahan/Land Acquisition (SOP-SPD.GN-002) dated 1 January 2015.
- SOP Pembukaan Lahan/Land Clearing (SOP-SPD.GN-001) dated 1 January 2015.
- Prosedur Penyelesaian Konflik Tanah & Lahan (SOP-LEGAL.GN-014) dated 18 June 2012.

2.3.2; 2.3.3; 2.3.4

Copies of negotiated agreements including the process of free, prior and informed consent (FPIC) are available and include: Evidence of consultation, Statement of transfer of rights and Evidence of compensation. For example: Land compensation in Batu Kotam Estate period 2005 – 2016. Total area to be compensated is 2,275.49 Ha (235 ownership). All evidence is clear and written in Bahasa Indonesia. Also signed and acknowledge by represented through institutions

or representatives of their own choosing.	
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.	
<p>3.1.1 Certificate holder has long term business plan for years 2017 to 2020. The document describes projections each year of production of FFB, CPO and PK, costs, the price of CPO, areal statement, and replanting programme. Based on the document can be seen the addition of production in line with the age of the oil palm, and there is no addition of area until the year 2020. Evaluation of achievement conducted annually, changes will be made if necessary.</p> <p>3.1.2 Certificate holder does not yet have a long-term replanting plan related to the age of the oldest plant is 16 years, with a plant cycle plan of about 25 years. In relation to replanting on peatlands, an drainability assessment will be conducted prior replanting program. The annual management meeting will evaluate the possibility of replanting before the age of 25 due to factors of production, disease, and other factors.</p>	
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.	
<p>4.1.1 Certificate holder has had procedures of estate and mill operational. It has been legalized by top management. The procedures of estate consist of land clearing, land clearing and planting on peatland, nursery, planting, upkeep, integrated pest mamangement, harvesting, and administration. Furthermore the procedures of mill consist of FFB receipt in loading ramp, processing stage, waste management, effluent analysis, FFB quality analysis, oil control and kernel losses, as well as despatch. Based on field observation and interview with the worker in mill and estate, its known that the worker given sufficient training and can demonstrate the activity according to the procedures. For example, observation spraying activity in Batu Kotam Estate (Division E Block 9) knows that the worker can demonstrate safe working practice. The PPE's has been used well.</p> <p>4.1.2, 4.1.3 Certificate holder has had procedure of operationals monitoring in form of internal audit RSPO which is conducted by Department of Quality Health Safety and Environment (QHSE) routinely. The last internal audit RSPO conducted in March 2017. Based on the report, all of RSPO principle and criterion has been comply and implemented.</p> <p>4.1.4 Procedure related to TBS sourced from third parties are included in FFB Purchase Procedure (SOP-PMP.GN-002). The scope of the procedure covers the process of determining the FFB suppliers, the pricing of FFB and its payments. For information on the price of TBS is determined by the Marketing HO section. Certificate holder already has a list of FFB suppliers contractors. Each incoming fruit has been recorded every day and recorded in monthly data. Detailed info about supplier data and input last year can be seen in basic info of this report.</p>	
Status: COMPLY	
4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.	
<p>4.2.1 , 4.2.3 Certificate holder has procedures related to maintain soil fertility (No. SOP-KBN.GN.003). There are documentations of efforts to maintain soil fertility through the implementation of a controlled fertilization, maintenance of cover crops, empty bunch applications and also POME land application. Based on document review and field observation, the strategy has</p>	

been implemented among others conducted soil sampling (SSU) every 5 year and leaf sampling (LSU) annually, rock phosphate fertilizing dose 2 kg/tree (field visit on Batu Kotam Estate, Division A Block 15) in accordance with recommendation, as well as POME land application (Rungun Estate, Division D Block 15). Furthermore, certificate holder has been implemented selective weeding on interrow to minimize run off and erosion.

4.2.2

Implementation of manuring activity has been well documented in book of report of manuring activity. It is available in each estate and shown compare budget or recommendation against realization. Based on document review of Rungun Estate and Batu Kotam Estate, shows that the manuring activity (time, location, dose, amount) has been in accordance with the recommendation. The anorganic fertilizer used by certificate holder are NK, RP, Kieserite, Dolomite and HGF Borat. The dose of the fertilizer varies depending on the location of the block.

4.2.4

Nutrient recycling strategy as a part for incresing soil fertility has been conducted, such as EFB mulching application and POME land application.). The record off EFB and POME application has been well documented. Field observation in Rungun Estate, Division D, Block 12 shows that EFB mulching application has been implemented especially in sandy area with dose 30 tons/ha/year, whereas in Rungun Estate, Division D Block 15 shows that POME land application with dose 750 tons/ha/year in three rotation (250 tons/ha/rotation).

Status: COMPLY

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

Certificate holder has had soil maps and slope maps for each estate. The soil map of Batu Kotam Esteta (scale 1:50.000) shows that identified peat soil *Typic haplosaprist* covering 202.83 ha (8.11 %), sandy soil 2.8 ha (0.12 %) and hardpan 6.16 ha (0.25 %). Whereas soil map of Rungun Estate (scale 1:50.000) identified peat soil *Typic haplosaprist* covering 1,298.42 ha (48.5 %), sandy soil 42.45 ha (1.58 %) and hardpan 82.8 ha (2.27 %). The slope maps of Batu Kotam Estate shows that identified hilly area covering 6 ha (0.27%), whereas in Rungun Estate identified 46.62 ha (1.8 %)

4.3.2; 4.3.6

Certificate holder has had procedure related to management of erosion (No. SOP-EHS.GN-028), also soil and water conservation (No. SOP-EHS.GN-033). Based on field observation in Batu Kotam Estate, It is known that the management has carried out a technical culture strategy such as implementing individual or contour terraces (Division C Block F 11), selective weeding, frond stacking paralel with contour lines, and installing erosion stake (Division C Block 15). In sandy area, has been implemented EFB mulching application wit dose 30 tonsha/year. These things are in accordance with existing procedures.

4.3.3

Certificate holder has had documents of road maintenance program and realization. Based on document review and field observation, road maintenance has been conducting well, allowing to be used well for operational activities. Road maintenance conducted manually or by heavy equipment such as road grader and vibro compactor.

4.3.4

The peat soil management and strategy is contained in procedure related to drainage system on swamp and peat soil (No. SOP-EHS.GN-031) and water management (No. SOP-KBN.GN-005). Observation of peat areas in Rungun Estate (Division C Block 14), is known that water management has been conducted with drainage system, bund off, and water gate. Monitoring has been conducted by the installation of piezometer and subsidency stake. Document review shows that on April 2017, the water table ranged from 40 to 50 cm, whereas there is no peat subsidence in the last year.

4.3.5

The document of area statement shows that the oldest oil palm is 16 years. The replanting will be conducted in age of 25 years or depends on the production factor. Management states that the drainability assessment will be performed prior to replanting.

Status: **COMPLY**

4.4

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

4.4.1.

The Company indicates water and plantation management plans listed in the Environmental management plans and environmental monitoring plans report for semester II of 2016. Besides that, in HCV Management Plan there are water management example Water quality testing (clean water, surface water / rivers and drinking water) conducted every 6 months, biota aquatic testing, and reforestation planning in riparian areas, Spray boundary marking, water use efficiency plan, Enrichment of vegetation types and others.

4.4.2.

The company has SOP of Riparian Management and area around lake / reservoir with document number SOP-EHS.GN-027 approved by President Director.

Based on field visits in riparian area of Selangkun river Division H Selangkun Estate, the area has been protected. Such as there is a warning board of prohibition of damaging chemical applications; Clearing land, destroying / cutting down trees and others.

4.4.3

Wastewater quality testing was conducted by PT Anugrah Analisis Sempurna which has been accredited by KAN (LP-565-IDN) for period 2016-2017. The test result parameters (BOD & pH) do not exceed the quality standard by the Ministerial Decree of the Republic of Indonesia Number 28 Year 2003.

The Company shows permit for the utilization of liquid waste on the land of oil palm plantations PT SSS Selangkun Mill with number 660/36 / BLH-IV / LA / VI / 2015 dated on June 12, 2015 is valid for 5 years (until 12 June 2020). Based on field visit in the land application area division D Block 15 OD, there is no runoff and it has compliance with Land permit.

Status: **COMPLY**

4.5

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

4.5.1 and 4.5.2

Integrated pest management program is based on procedure of pest and disease (No. SOP-KBN.GN-007). Certificate holder has had annually IPM program, that is regularly detection and census. Potential pest and disease has been identified such as oryctes, rat, termite, and leaf eater caterpillar. As an anticipation to prevent infestation of leaf eater caterpillar, certificate holder implemented planting and maintenance of beneficial plants (*Turnera Subulata* and *Antigonon leptosus*). In addition to preventing the rat infestation, performed biological control by utilizing barn owl by building barn owl boxes.

The well trained team for handling pest and disease attack is placed on each estate. Certificate holder has shown minutes of meeting training of integrated pest management on 2 February 2017. Based on the results of census of January to May 2017, field visit and interview with the management unit, there was no pest and disease exceeding economy threshold. Therefore, no pest and disease control that should be conducted.

Status: **COMPLY**

4.6

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

4.6.1

Certificate holder has had procedure related to management of pesticide (SOP-EHS.GN-019) and document of recommended pesticide, include 25 trade mark of pesticide, which registered in pesticide commission, identified active ingredient, and the objectives of control. Field observation of spraying circle and path at Batu Kotam Estate (Division E Block 9), certificate holder using *Glyphosate* (dose 1000 cc/ha blanket) and *Metyl metsulfuron* (dose 50 gr/ha blanket), it is in accordance with the provisions in the packaging.

4.6.2

The routine pesticide application program is for weed control in circle and path using *Glyphosate* and *Metyl metsulfuron* conducted every 4 months. Certificate holder has documentation of pesticide utilization that record product name, active ingredients, LD50, percentage of active ingredients, total application, total active ingredients, hectare application and active ingredients per hectare application. In the period January to May 2017, pesticides used were *Metyl metsulfuron*, *Glyphosate*, and *Triclopyr*. For example amount of active ingredients per ton TBS for *Triclopyr* is 0.0001 and *Glyphosat* 0.0001.

4.6.3

Related to reduce the usage of pesticides, monitoring conducted by daily, monthly, and annually records. Furthermore conducted regularly pest and disease census as an early warning system, aims to prevent outbreak of pest and disease, so it is expected to minimize the use of pesticides. Related criterion 4.5, there is no usage of pesticide to control pest and disease.

4.6.4

Certificate holder has had a policy of restricted pesticides in the Environmental Management, Occupational Health and Safety Management System Procedures (SOP-EHS.GN-019 June 2012). Describes that the certificate holder is committed to reduce or eliminate the use of pesticides class of WHO IA and IB as well as *Parakuat dichloride*. Based on document review, since 2016 certificate holder did not use pesticide class WHO 1A and 1B or paraquat.

4.6.6 & 4.6.10.

Procedures of management hazardous waste (SOP EHS.GN-016) were approved by the President Director dated on April 10th, 2012. Procedures explain related to responsibility for waste, waste classification, storage & handling, waste management methods, approval of hazardous waste disposal, Disposal of waste, Reporting of emergency response events.

The Company has sent pesticide packaging to the transporter of hazardous waste (PT Bank Sampah Indonesia) dated on November 7, 2016, such as packaging of hazardous waste 26.2 kg (manifest number ARB 0000493). Based on field visit at hazardous waste temporary warehouse and interview with Chemical Warehouse officer, chemical packaging container is stored at hazardous waste temporary warehouse then sent to the transporter of hazardous waste (PT Bank Sampah Indonesia).

Interview with chemical warehouse officer, hazardous waste has been discarded in accordance with SOP Management hazardous waste.

4.6.7

Based on field observation of spraying circle and path in Division E Block 9, it is known that the workers has implemented safe working practices accordance with the existing procedures. The sprayers are in good condition, personal protective equipment has been used according to MSDS and HIRAC such as boots, apron, rubber gloves, mask, glasses and safety helmet. All workers have been trained, and have understood safe work practices, including prohibition of spraying on river or water bodies, and understanding emergency response in the event of an accident. Pesticide solutions are mixed in pesticide warehouses and transported by special vehicles. After work, the sprayer and PPE are stored in a special storehouse at the Estate.

4.6.8

Based on a review of documents and interviews with management staff, certificate holder did not perform the application of pesticides from the air.

4.6.11.

Certificate Holder has been carrying out periodic health examinations for all employees once a year and specific medical examinations for employees who are at high risk twice a year such as workers who work with chemicals. The last medical in March 2017 in Batu Kotam Estate and December 2016 in Rungun Estate to all workers who work with chemical. The test results showed that all employees are in healthy condition. Interview with workers known that they

are never get experience of occupational injury which caused by chemical such as irritation.

4.6.12

The company also commits to prohibit the pregnant and breastfeeding women workers to work close to chemicals that mentioned in Human Rights policy who described "Protection of reproductive rights, the company will comply with all applicable laws relating to reproductive rights, including the right to maternity leave, and will provide pregnant and breastfeeding women with tasks that do not pose a health risk to themselves or their children".

The company has scheme to detect the pregnant and breastfeeding women workers. The scheme is written on the program of non-estate policlinic pregnancy monitoring. According to the result of document review of non-estate policlinic pregnancy monitoring, there is no pregnant nor breastfeeding women workers in Batu Kotam Estate and Rungun Estate. According to the field visit, the company does not empower pregnant or breastfeeding women workers to work close to chemicals.

Status: COMPLY

4.7

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

4.7.1

The company has policy in term of environment, occupational health and safety on May 1st 2011. The policy has been implemented based on the applicable regulation and written in bahasa. Field visit and interview in mill and estate revealed that the occupational health and safety has been socialized and implemented by company through Socialization with personnel during muster morning before work. Furthermore, the company has also SOP in term of occupational health and safety management system (OHSMS).

The company has established OHS Program. The program has included a target to improve health and safety aspects, for example Training of Preparedness Emergency Response and socialization of safe work practices. To ensure the policy has been implemented effectively the Committee of Occupational Safety & Health conduct OHS meeting regularly every month to make sure the aspect of occupational health and safety be improved and monitored

4.7.2

The Company already has a hazard identification and risk analysis control document for all activity in mill and estate (Revision 06; March 24, 2017) who prepared by the HSE In the document has explained about the area / situation / activity; Potential hazards, risks, risk assessments, control measures and actions. The document is prepared to identify and to analyze the hazard potentials possibly occur at every work area, and its recommendation to minimize the incidents.

Based on field observations it is known that the company has implemented the control measures contained in the risk analysis documents on all the operations of the plantation and plant, such as providing adequate training and adequate OHS facilities such as PPE and First Aid Box.

4.7.3

The results of interviews with employees in Mill and Estate are known that OHS training has been done to improve the ability and understanding of employees. This was evidence that the personnel's have understood their duties, responsibilities and also can demonstrate how to work correctly appropriately in accordance with the procedures.

Result of field observation obtained information if the company has not been able to show sufficient evidence to provided Personal Protective Equipment in accordance with the potential hazards that identified. Based on a sample of field visits and interviews with 5 employees at Block 9 Afdeling Echo on Circle Spraying activities and 10 employees in Block 15 Afdeling Alfa on fertilization activities at Batu Kotam Estate, it was found that Personal Protective Equipment that's safety Shoes has not been provided by the company.

The Company has shown proof of Purchase Request (PR) for PPE (Safety shoes) dated March 28, 2017 as the process of providing PPE for employees. However, the auditing team considered that evidence is insufficient to ensure

that adequate and appropriate Personal Protective Equipment (PPE) is provided to all workers in the workplace based on risk assesetment. **Based on that's explanation raised the Non Conformities No 2017.03**

4.7.4

The certificate holder has guiding committee for occupational health and safety organization and personnel in charge on implementing the occupational health and safety program. But based on documents verifications its known if the secretary of guiding committee for occupational health and safety organization in Batu Kotam Estate are not OHS expert and it is not in accordance with Manpower Decree No 4 year of 1987 about *“Panitia Pembina Keselamatan Dan Kesehatan Kerja Serta Tata Cara Penunjukan Ahli Keselamatan Kerja”*. **Based on the explanation, raised the Non-Conformance No 2017.04 with Major category**

Guiding Committee of Occupational Safety & Health Board has drafted an OHS working program and evaluates the implementation of OHS program in the field. In order to ensure that the OHS program has been implemented effectively, the board of Guiding Committee of Occupational Safety & Health performs a meeting with workers routenaly.

4.7.5

The company has procedure of emergency response. It is written on SOP of emergency response handling and maintained at the head office with SOP number – EHS.GN – 012. Based on field visit, company has pointed the evacuation path and concentration point in order to smooth the evacuation process in emergency situation. At the time of the field visits it is known that in the mill, warehouse, workshop and division offices have supplied First Aid box which monitored regularly. As for the operational activities in the field supervisors have been equipped with First Aid bag. The results of the interviews obtained information that supervisors have received First Aid training and have understood the stages of first aid in case of work accidents in the field.

4.7.6

The Company has provided the employees with insurance to cover occupational accident in accordance with the provision set by the government (BPJS). Such insurance is named Workers Social Security Agency (Worker Social Security Agency for employment), which is routinely paid every month.

4.7.7

The certificate holder is still consistent in monitoring the recording of occupational accidents by calculating the lost time accident (LTA). Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. This document informs the time period, the number of working days, the number of non effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of SR and FR is reviewed regularly and monitoring will be evaluated at the monthly meeting of Committee of Occupational Health and Safety.

Status: NOT COMPLY. MAJOR 4.7.3; 4.7.4

MAJOR

4.8

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

4.8.1

The company has had a training program for workers included All staff, Workers and contract workers for period of 2017 which consists of understanding the RSPO Standard.

4.8.2

Records of employees training are available in place, in example: FFB Transportation method for driver and helper was held on 28 October 2016. Weeding control training practices for crop maintenance workers, was held on 25 October 2016.

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.

PT SSS.

There is an Environmental Impact Assessment (ANDAL) 2006 for Plantation Development and Palm Oil Processing Palm Oil Mill PT. Sawit Sumbermas Sarana, Plantation Locations in South Arut Sub-district (Runtu Village, Rangda Village and Ensemble of Kenambui Village) and Kotawaringin Lama Sub-District (Lalang Village, Kondang Village and Rungun Village), Kotawaringin Barat Regency, Central Kalimantan Province, with area measuring of 19,842,49 Ha, Oil Palm Plantation Processing Capacity is 90 tons FFB / Hour (Decree of Regent of Kotawaringin Barat No. 11 of 2006, dated on August 3rd, 2006.

PT KSA.

Environmental Management and Environmental Monitoring Document (UKL / UPL) with an area of 2,510.11 ha with administrative boundaries include Rungun Village and Kondang Village, Kotawaringin Lama Subdistrict. This document has been approved for feasibility by BAPEDALDA of Kotawaringin Barat Regency with 660/264 / BPdI-II.3 / 07/2008 dated July 2nd, 2008.

5.1.2.

The Company shows the environmental management plan contained in the implementation report of Environmental management plans and environmental monitoring plans Semester II of 2016 such as: physical & chemical components; Biological components; and Public health component.

5.1.3.

Monitoring was conducted in accordance with the management plan such as: water quality testing (surface / river, clean water, drinking water and monitoring wells); Physical factors in the workplace (noise, vibration and odor, and working climate); Air quality (air emissions & ambient air); Soil erosion; Aquatic biota; Plant pests and diseases; Quality of road structure, reduction of FFB volume; Forest & land fires; public health; Traffic accidents and environmental health and safety; Job opportunities & business opportunities and attitudes & perceptions of social unrest (potential conflict). The Company has conducted an environmental monitoring review conducted by sustainability staff on May 12th, 2017.

Status: COMPLY

5.2

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

5.2.1.

PT. SSS has conducted HCV identification activities was conducted by Sonokeling Akreditasi Nusantara in August 2012 and available final report of identification results in September 2012. The total area of HCV is 1,638, 46 Ha or about 8.26% of the total unit area management. The identified HCVFs include: HCV 1 (HCV 1, HCV 1, HCV 1, HCV 1, HCV 3, and HCV 4 (HCV 4, HCV 4.2 and HCV 5). Public Consultation was conducted on August 2nd, 2012. Assessment method based on identification guide of HCV (Consortium for Revision of HCV Toolkit Indonesia, 2008) and Proforest (2008).

PT KSA (Batu Kotam Estate)

PT. KSA has conducted HCV identification activities was conducted by Sonokeling Akreditasi Nusantara in August 2012 and the final identification report is available in September 2012. The total area of HCV is 49.91 ha. Public Consultation was conducted on August 2nd, 2012. Assessment method based on identification guide of HCV (Consortium for Revision of HCV Toolkit Indonesia, 2008) and Proforest (2008).

5.2.2 and 5.2.4.

The Company has HCV management plan including endangered, threatened or endangered (RTE) species such as:

1. HCV Area Enrichment Rehabilitation.

2. HCV boundary delineation.
3. Installation of HCV area warning boards.
4. Monitoring of controlling activities of HCV Areas.
5. Preparation of nurseries for HCV rehabilitation.
6. Mapping of HCV areas.
7. Internal & external HCV socialization.
8. Patrol in HCV Batu Kotam area located in KSA Forest.
9. Security patrol of HCV area in Tanjung Biru Forest and Rungun River.
10. Monitoring & Maintenance of HCV border is located in Batu Kotam Estate, Kondang estate and others.

The monitoring plan becomes the reference at the time of preparation of the subsequent management plan in the monthly report of PT SSS & PT KSA (Batu Kotam) HCV.

5.2.3.

Based on field visit in riparian area of Selangkun River Division H Selangkun Estate and Forested area block D01 Rungun Estate. There is socialization to employees and communities around plantation on January 19th, 2017 and April 3rd, 2017 which discussed the Prohibition of hunting wildlife, killing, catching protected animals in the HCV area.

5.2.5.

Based on interviews with surrounding villagers and local communities, there are no HCV areas that enter the community 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 company identifies the source of waste for Selangkun Mill and estate such as: Empty, fiber, shell, sludge, mill wash, ash boiler, used oil, used filters, rags cloth, fluorescent lamps, used batteries, dry frond, domestic waste and others.

The Company shows the source of pollution for Selangkun Mill and estate such as, burning activities of fiber & shell; Burning diesel fuel; liquid waste; Use of pesticides; Use of fertilizers and organic waste. The types of emissions generated are SO₂, NO₂. NH₃, CH₄ and HF.

5.3.2.

The Company has owned hazardous Temporary Storage Permit with decision number 660/11 / BLH-111.1 / IX / 2012 from the Regent of Kotawaringin Barat is valid for 5 years. The Company shows hazardous waste manifest in the form of hazardous waste containers amounted to 1630 Kg dated on May 5th, 2017 with manifest number ARVB 00002570. In addition, Selangkun Mill, there is hazardous waste manifest submitted dated on November 7th, 2016 transporter to PT Bank Sampah Indonesia with vehicle number AS 1834 AV.

The Company shows a Letter of Agreement on the Management of hazardous Waste between PT Sawit Sumbermas Sarana (Number 96 / LGL / QHSE / SSMS-BSI-TJS / XI / 2016) dated on November 1st, 2016. This agreement is valid for 2 years. In addition, there is a license to transporter from the Ministry of Transportation of the Directorate General of Land Transportation SK / 577 / AJ.309 / DJPD / 2017 / 330130921BB-0002 with vehicle number AD1834 AV is valid until February 13th, 2018.

Hazardous waste transport recommendation from the Ministry of Environmental and Forestry of the Directorate General of Waste Management, hazardous Waste dated on November 15th, 2015 with number S2885 / PSLB3-VPLB3 / 2015. This recommendation is valid for 5 years.

5.3.3.

The Company has a waste management plan that has been documented and implemented including:

- Liquid waste: Liquid waste is produced in Mill and then processed in IPAL, having managed to produce a parameter below the quality standard, especially for BOD, COD and pH then flowed into the Land Application.
- Solid waste: Solid waste generated from plantation activities. Solid wastes such as empty bunks are applied to the plantation area to be used as organic fertilizer. Fiber and shells serve as boiler fuel.
- Organic waste: Every domestic waste generated is collected in front of the house and delivered to the landfill.
- Medical waste: Medical waste is transporter to PT Bank Sampah Indonesia which has a medical waste transport license.

Status: COMPLY

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

5.4.1.
The company shows the efficient use of fossil fuels and optimizes renewable energy (2016-2017) such as average use of diesel amounted to 6.928 liters (Generator 1); 6.293 liters (Generator 2); Average fiber usage is 2,539,461 tons; average use of the shell is 1,320,034 tons. The average efficiency of fiber usage is 0.110 tons and the shell is 0.057 tons. The average electricity usage (generator & turbine) is 331,833 kwh. The efficiency of electricity usage is 14.41 kwh / ton FFB.

Status: COMPLY

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

5.5.1 & 5.5.2.
The Company has a land clearing policy by not burning the land (zero burning) contained in SOP for Fire Prevention in Plantation Estate No. SOP - EHS.GN - 013 so that in any preparatory activity the land will not use the burning method.

Field observation in replanting area Batu Kotam estate, Replanting area was conducted by mechanical without burning. In addition, field observations to housing areas, domestic waste is not burned. Domestic waste is collected and delivered to the landfill.

Status: COMPLY

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

5.6.1.
The Company shows the source of pollution for Selangkun Mill and estate such as, burning activities of fiber & shell; Burning diesel fuel; liquid waste; Use of pesticides; Use of fertilizers and organic waste. The types of emissions generated are SO₂, NO₂, NH₃, CH₄ and HF.

5.6.2.
The company shows recommendations for reducing sources of pollution, among others:

- Program of improvement of all generators in estate and Mill by coordinating with engineering officers.
- Planting of woody plants in mill area and river border.
- Maintenance of machines in Mill area.
- Disposal of organic waste regularly every week.
- Use of fertilizers in accordance with the dose So it is not excessive.
- Testing air emission quality located at Generator and Boiler station.

The Company has also conducted air quality, noise, and vibration testing in the Mill area conducted by PT Anugrah Analisis Sempurna in October 2016. Based on the test results, the test parameters do not exceed the quality standard specified by applicable regulations.

5.6.3.

The company has calculated Palm GHG Version 3.01 for 2016 such as:

Summary of Net GHG Emissions

Emissions per Product	tCO ₂ e/tProduct
CPO	3.88
PK	3.88

Production	t/yr
FFB processed	
CPO Produced	

Extraction	%
OER	25.48
KER	5.41

Land use	ha
OP Planted area	10219.38
OP planted on peat	2400.98
Conservation (forested and non-forested)	480.17
Total	13100.53

Summary of field emissions and sinks

Emissions	Own Crop		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha
Land conversion	72145.43	10.31	20705.38	9.36	0	0	92850.81	19.67
*CO ₂ Emissions fertiliser	5578.27	0.8	2372.4	1.07	0	0	7950.67	1.87
**N ₂ O Emissions	21737	2.86	3884.95	1.76	0	0	25621.95	4.62
Fuel Consumption	2231.33	0.32	597.37	0.27	0	0	2828.7	0.59
Peat Oxidation	116755.14	14.98	12229.54	5.53	0	0		
Sinks							128984.68	20.51
Crop sequestration	-64723.17	-9.36	-20705.38	-9.36	0	0	0	0
Conservation Sequestration	-3659.41	-0.5	0	0	0	0	-85428.55	-18.72
Total	150064.59	19.4	19084.26	8.63	0	0	-3659.41	-0.5

Summary of Mill Emissions and Credits

	tCO ₂ e	tCO ₂ e/tFFB
Emissions		
POME	264.78	0
Fuel consumption	693.32	0
Grid electricity	2688.17	0.02
Utilization		
Credits		
Export of grid electricity	-199.9	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	3446.38	0.02

Palm oil Mill Effluent (POME) Treatment

Divert to compost	0 %
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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; 6.1.2		
A social impact assessment (SIA) including records of meetings has been documented namely "Laporan Social Impact Assessment (SIA)". SIA was conducted since 24-30 July 2012 by accredited consultant PT. Sonokeling Akreditasi Nusantara and involved of affected parties. All records of meeting and minutes of activities are available in place.		
6.1.3		
Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, based on social impact assessment is available within the SIA report. The social impact management plan has contains timetable, including responsibilities for implementation.		
6.1.4		
The documented plan for management and monitoring of social impacts namely "Evaluasi Program Kegiatan CSR Tahun 2016" has been reviewed by management on two-yearly basis.		
6.1.5		
Selangkun POM has no smallholder scheme. According to stakeholder consultation at Rungun village, PT. SSMS has a plan to developed smallholder scheme in this village. Currently, its program still ongoing process in authority bodies.		
Status: COMPLY		
6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.		
6.2.1; 6.2.2		
The Certificate Holder has established communication and consultation procedure <i>SOP Komunikasi, Partisipasi dan Konsultasi, Lingkungan dan K3 (SOP-EHS.GN-006)</i> . Responsible person for doing communication and consultation is CSR department. According information during stakeholder consultation in Rungun village, the community has acknowledge the person in charge that usually contacted.		
6.2.3		
List of stakeholders are available and well maintained by the certificate holder. The list updated in January 2017 listed all relevant stakeholders identified by PT. SSMS.		
Status: COMPLY		

6.3

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

6.3.1

The mechanism, open to all affected parties, resolve disputes in an effective, timely and appropriate manner was described within *SOP Komunikasi, Partisipasi dan Konsultasi, Lingkungan dan K3 (SOP-EHS.GN-006)*. Includes ensuring anonymity of complainants and whistleblowers (where requested) is classified.

6.3.2

According interview with employees and internal stakeholders, there is no records of dispute were occurred for the last 3 years.

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

A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation are available. Relevant procedures are:

- SOP Pembebasan Lahan/Land Acquisition (SOP-SPD.GN-002) dated 1 January 2015.
- SOP Pembukaan Lahan/Land Clearing (SOP-SPD.GN-001) dated 1 January 2015.
- Prosedur Penyelesaian Konflik Tanah & Lahan (SOP-LEGAL.GN-014) dated 18 June 2012.

6.4.2; 6.4.3

These procedures also described for calculating and distributing fair compensation in a participatory way and the corrective actions that should be taken. Including, compensation claims, process and outcome of any negotiated agreements. Evidence of compensation are available in place, for example: Land compensation in Batu Kotam Estate period 2005 – 2016. Total area to be compensated is 2,275.49 Ha (235 ownership). All evidence is clear and written in Bahasa Indonesia. Also signed and acknowledge by represented through institutions or representatives of their own choosing.

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

The results of document verification known that the employee payment is referred to the regulations of Central Kalimantan Governor No. 24 Year 2016 about District Minimum Wage and District Sectoral Minimum Wage in 2016 for West otawaringin district amounted to Rp 2,511,053. Result of documents review of payroll and interviews with employees obtained information that the salary received is in accordance with the applicable provisions. Based on overtime record at Selangkun Mill its known the calculation of overtime has been met the applicable regulation, procedure and Collective Labour Agreement

6.5.2

The Company has shown that there are company regulations that has been ratified by Labor and Transmigration Agency of West Kotawaringin District. The employment agreement is in accordance with the existing labor regulations in Indonesia, and it is written in a language and understood by the worker, the interviews with workers in the estate and mill showed that the workers have known about the rights and obligations described in the Company Regulations. In other that based on interviews with worker and document verifications obtained information if daily workers has had a

direct work agreement with the company. The same thing is also demonstrated in contract employee. The employment contract is in, written in Bahasa and the copies are available for both parties, (the workers and company).

6.5.3

Based on the results of field visits known that the company has been providing housing facilities, lighting, water, daycare, cooperatives, employee halls, places of worship, school buses, clinics and educational facilities. The results of interviews with workers at the emplishment, it is known that the workers have felt fulfilled with the infrastructure and facilities that have been provided by the company.

6.5.4

The results of field visits showed that the company has been providing employee cooperatives that sell daily necessities to meet the workers need. In addition, the employees are also looking the needs to the market which is approximately 2 km from the company locations.

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 company has the policy that provides freedom of association contained in Human Rights Policy who described "Freedom of association" stated that every employee is free to form and join worker unions and Labor unions in accordance with applicable regulations. Until the activities of ASA- 2 in PT SSMS and PT KSA has not been formed Worker Unions, but the company is formed Bipartite Cooperation Institution and has been reported to the relevant agencies, as a forum for the settlement of the existing industrial relations and related to the compliance with the applicable regulations. The results of interviews with workers known that the worker has known about the policy on freedom of association and workers also have known about the function of the worker unions.

6.6.2

The results of a public consultation with worker union boards, it is known that there are no problems that occurred along 2016. The meeting between worker unions and the workers performed routinely or whenever if there is a problem that must be discussed. Last meetings were conducted on March 2017 with a discussion in the form of socialization about the Bipartite Institute,

Status: COMPLY

6.7

Children are not employed or exploited.

6.7.1

The company has the policy no child labor or child exploited that contained in Human Rights Policy who described not employing children under 18 years old. According to the interviews with employees and field visits which are supported with a document examinations of employee list, known that there are no employees who are under 18 years old. Interviews with employees is also known that they have already known about the minimum age for admission to be employment is 18 years old

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

Policies against discrimination outlined in Human Rights Policy who described "same opportunities for employees' who stated Will treat all employees fairly and honestly, regardless of where they work.

6.8.2; 6.8.3

Based on interviews with workers, Bipartite Cooperation Institution and gender committee there was no indication of discrimination based on ethnicity, religion, race and class. The results of the document examination of employee data found that the company does not discriminate in recruiting employees. Based on the results of document observations of employee selection and interviews with workers and the company management known that the employee recruitment procedure had been done by the company. The company can show the evaluation of employee performance appraisal form with the aspects, among others

Status: COMPLY

6.9

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

6.9.1

The policy about prevent of sexual harassment mentioned in Human Rights Policy who described:

- **Protection of reproductive rights:** The Company will comply with all applicable laws relating to reproductive rights, including the right to maternity leave, and will provide pregnant and breastfeeding women with tasks that do not pose a health risk to themselves or their children.
- **No Harassments:** All employees have the right to work in an area that is free from harassment of any form, including religious, disability, sex, sexual orientation, political persuasion, race, marital status, ethnicity or age. All reports discrimination or harassment will be handled properly and kept confidential to get a fair statement in reducing the risk of harm.

6.9.2 & 6.9.3

Procedure related to the specific complaints in the companies mentioned in procedure of sexual harassments complaint handle (SOP-PERS.GN-016), on August 1st 2012). The results of document verification known that during 2016 there were no specific complaints in each estate and POM. Interviews with the management of gender committee showed that they have already known the duties and responsibilities as the socialization about the complaints mechanism, the socialization of sexual harassment. Additionally obtained information that the company guarantees the anonymity of the reporting and the revellers of the case.

Status: COMPLY

6.10

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

6.10.1; 6.10.2

Current and past prices paid for Fresh Fruit Bunches (FFB) determined by Marketing and Commercial Department of PT. SSMS and also following the price from government. The updating prices is monthly basis and informed publicly at the mill.

6.10.3; 6.10.4

Supply base for Selangkun Mill that source from non-certified unit is PT. Citra Borneo Indah. The contractual agreement for entering FFB to the mill is based on contract No. 83/LGL/KBN/SSMS-CBI/VI/2017. The contracts are fair, legal and transparent, including agreed payments have made in a timely manner. This company is under management of PT. SSMS indirectly.

Status: COMPLY

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

Based on stakeholder consultation in Rungun village, the Certificate Holder always made consultation frequently to identify and collecting information the type of community needs for local development. In early 2017, the company offering to the community related sewing skills and motorcycle workshop but Rungun village has not responded yet due to another reason.

6.11.2	Selangkun POM has no smallholder scheme. According to stakeholder consultation at Rungun village, PT. SSMS has a plan to developed smallholder scheme in this village. Currently, its program still ongoing process in authority bodies.
	Status: COMPLY
6.12	No forms of forced or trafficked labour are used.
6.12.1; 6.12.2; 6.12.3	Document review and interviews with workers showed that there were no migrant labor, trafficking practices and forced labor. According to interviews with workers showed that they are working on parts in accordance with labor agreements.
	In the Policy of Human Rights (April 2017) mentioned “No coercion or labor trafficking” who described if all employees and contractors are given clear terms of agreement, covering the period of notification applied to termination and will not be required to submit passports, identity cards, insurance cards or money”
	Status: COMPLY
6.13	Growers and millers respect human rights
6.13.1	The company has had a policy on human rights that was ratified in April 2016. In the policy explained that Wilmar International Plantation is complying with the Principles of tribute and protection on human rights internationally known, applicable local laws regulations.
	During the visits to the division office, the policy has been mounted on the wall of information and also based on interviews with workers, explained that the workers had been aware about the policy.
	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	An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders are available and documented. Including appropriate management planning and operational procedures have been developed and implemented to avoid or mitigate identified potential negative impacts.
7.1.3	Selangkun POM has no smallholder scheme. According to stakeholder consultation at Rungun village, PT. SSMS has a plan to developed smallholder scheme in this village. Currently, its program still ongoing process in authority bodies.
	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.
	Certificate holder has had soil maps and slope maps for each estate. The soil map of Batu Kotam Esteta (scale 1:50.000) shows that identified peat soil <i>Typic haplosaprist</i> covering 202.83 ha (8.11 %), sandy soil 2.8 ha (0.12 %) and hardpan 6.16 ha (0.25 %). Whereas soil map of Rungun Estate (scale 1:50.000) identified peat soil <i>Typic haplosaprist</i> covering 1,298.42 ha (48.5 %), sandy soil 42.45 ha (1.58 %) and hardpan 82.8 ha (2.27 %). The slope maps of Batu Kotam Estate shows that identified hilly area covering 6 ha (0.27%), whereas in Rungun Estate identified 46.62 ha (1.8 %).

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.

The Company opened the land on November 2005 for Batu Kotam Estate area. PT. KSA was conducted HCV identification carried out by Sonokeling Akreditasi Nusantara in August 2012 and there is final report of identification result in September 2012. Public Consultation was conducted on 2 August 2012. The company has submitted LUC analysis document on behalf PT SSS to RSPO secretariat on September 20th, 2014. Email from RSPO compensation on February 16th, 2016 that the company will have to complete the compensation process.

The Company has sent an email to RSPO regarding Final Conservation Liability and Concept Note submission dated April 10th, 2017. There has been response from the RSPO Compensation dated March 1st, 2017.

The certification body has sent an email to RSPO Compensation dated April 27th, 2017, there has been a response from the RSPO compensation dated April 28th, 2017 stating that the RACP process is currently in the submission concept note stage and the LUCA approval process and the process for now has been considered Enough by RSPO to continue the RSPO certificate related to RACP. (OFI Observation).

7.3.3.

The Company shows Final liability for PT KSA is 264.4 ha (Since November 2005 – December 2009).

7.3.4.

The Company has HCV management plan including endangered, threatened or endangered (RTE) species such as:

1. HCV Area Enrichment Rehabilitation.
2. HCV boundary delineation.
3. Installation of HCV area warning boards.
4. Monitoring of controlling activities of HCV Areas.
5. Preparation of nurseries for HCV rehabilitation.
6. Mapping of HCV areas.
7. Internal & external HCV socialization.
8. Patrol in HCV Batu Kotam area located in KSA Forest.
9. Security patrol of HCV area in Tanjung Biru Forest and Rungun River.
10. Monitoring & Maintenance of HCV border is located in Batu Kotam Estate, Kondang estate and others.

7.3.5.

The Company showed the minutes of the Public Consultation held on August 2nd, 2012 located at the Hotel Swiss Bell attended by 70 participants consisting of related offices, universities, sub-districts, village heads, traditional leaders and NGOs. Peer review was conducted by Mirza D Kusri PhD & Siti Badriyah Rushayati and has been responded by the assessment team in November 2012.

Status: COMPLY

7.4

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

Certificate holder has had soil maps and slope maps for each estate. The soil map of Batu Kotam Esteta (scale 1:50.000) shows that identified peat soil *Typic haplosaprist* covering 202.83 ha (8.11 %), sandy soil 2.8 ha (0.12 %) and hardpan 6.16 ha (0.25 %). Whereas soil map of Rungun Estate (scale 1:50.000) identified peat soil *Typic haplosaprist* covering 1,298.42 ha (48.5 %), sandy soil 42.45 ha (1.58 %) and hardpan 82.8 ha (2.27 %). The slope maps of Batu Kotam Estate shows that identified hilly area covering 6 ha (0.27%), whereas in Rungun Estate identified 46.62 ha (1.8

<p>%).</p> <p>Certificate holder has had procedure related to management of erosion (No. SOP-EHS.GN-028), also soil and water conservation (No. SOP-EHS.GN-033). Based on field observation in Batu Kotam Estate, It is known that the management has carried out a technical culture strategy such as implementing individual or contour terraces (Division C Block F 11), selective weeding, frond stacking paralel with contour lines, and installing erosion stake (Division C Block 15). In sandy area, has been implemented EFB mulching application wit dose 30 tonsha/year. These things are in accordance with existing procedures.</p>	
<p>Status: COMPLY</p>	
<p>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.</p>	
<p>7.5.1</p> <p>Evidence that affected local peoples understand they have the right to say 'yes' or 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the grower/miller is signed and ratified by these local peoples is available and documented prior to planting development. Please refer to Criteria 2.2, 2.3, 6.2, 6.4.</p>	
<p>Status: COMPLY</p>	
<p>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.</p>	
<p>7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5; 7.6.6</p> <p>A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation are available. Relevant procedures are:</p> <ul style="list-style-type: none"> • SOP Pembebasan Lahan/Land Acquisition (SOP-SPD.GN-002) dated 1 January 2015. • SOP Pembukaan Lahan/Land Clearing (SOP-SPD.GN-001) dated 1 January 2015. • Prosedur Penyelesaian Konflik Tanah & Lahan (SOP-LEGAL.GN-014) dated 18 June 2012. <p>These procedures also described for calculating and distributing fair compensation in a participatory way and the corrective actions that should be taken. Including, compensation claims, process and outcome of any negotiated agreements. Evidence of compensation are available in place, for example: Land compensation in Batu Kotam Estate period 2005 – 2016. Total area tobe compensated is 2,275.49 Ha (235 ownership). All evidence is clear and written in Bahasa Indonesia. Also signed and acknowledge by represented through institutions or representatives of their own choosing.</p>	
<p>Status: COMPLY</p>	
<p>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.</p>	
<p>7.7.1 and 7.7.2.</p> <p>The company does not open the land by burning, there is land clearing policy with not burning the land (zero burning) contained in SOP of Fire Rescue in Plantation Estate No. SOP - EHS.GN – 013 So that in every land preparation do not using burning land.</p> <p>Field observation in replanting area Batu Kotam estate which known is Replanting area was conducted by mechanical without burning.</p>	
<p>Status: COMPLY</p>	

7.8	
New plantation developments are designed to minimise net greenhouse gas emissions.	
7.8.1 & 7.8.2.	
Based on areal statement and interview with the sustainability, the company does not open the land on January 1, 2015.	
	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.	
The certificate holder has a policy to reduce usage of paraquat since 2012, and based on document review there is no use of paraquat since 2016.	
In conservation aspect, the certificate holder made a partnership agreement with Borneo Orangutan Survival Foundation and several plantation companies to working in collaboration for orangutan conservation project. Where PT. SSMS has allocated 1,434 ha on Pulau Salat (Pulang Pisau Regency)for orangutan conservation to compensate for land clearing to make way for oil palm.	
	Status: COMPLY

3.2 Summary of Assessment Report of Supply Chain 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>FFB's entering to Selangkun POM is from certified and uncertified sources. The supply chain requirements for this mill is Mass Balance model with the list of sources as follow:</p> <p>Certified sources within scope certificate:</p> <ol style="list-style-type: none"> Selangkun Estate Rungun Estate Kondang Estate <p>Certified sources from other certificate scope:</p> <ol style="list-style-type: none"> Pulau Estate (beyond the Selangkun certificate scope) Rangda Estate (beyond the Selangkun certificate scope) <p>Non-Certified sources:</p> <ol style="list-style-type: none"> Batu Kotam Estate (uncertified unit during ASA-1 and added as supply base for current assessment/ASA-2) Selangkun Estate (Non-Certified Block Area) Rungun Estate (Non-Certified Block Area) Kondang Estate (Non-Certified Block Area) Pulau Estate (Non-Certified Block Area) <p>All the FFB's entering the Mill are from own estate of PT. Sawit Sumbermas Sarana, Tbk. There is no outsiders and/or smallholders source.</p>														
	Status: COMPLY AS REQUIRED														
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>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in the Summary Report RSPO and annual Annex of certificate. During the annual surveillance assessment, the auditor team make an updating record for real time volume of CPO and PK produced from the mill.</p> <p>Selangkun POM has a figure for estimated tonnage of certified product as follow:</p> <table border="1"> <thead> <tr> <th>Product</th> <th>Estimated based on Certificate</th> <th>based Annex 824 TUV</th> <th>Actual certified volume based on Palm Trace of client period</th> <th>Remaining stock certified product based on Palm Trace of client period</th> <th>Actual certified product sell out based on Palm Trace transaction period</th> <th>Estimated for next period 12 June 2017 – 11 June 2018</th> </tr> </thead> <tbody> <tr> <td>Rheindland</td> <td>502</td> <td>16033</td> <td>12 June 2016 – 11 June 2017</td> <td>12 June 2016 – 9 May 2017</td> <td>10 September 2016 – 9 May 2017</td> <td></td> </tr> </tbody> </table>	Product	Estimated based on Certificate	based Annex 824 TUV	Actual certified volume based on Palm Trace of client period	Remaining stock certified product based on Palm Trace of client period	Actual certified product sell out based on Palm Trace transaction period	Estimated for next period 12 June 2017 – 11 June 2018	Rheindland	502	16033	12 June 2016 – 11 June 2017	12 June 2016 – 9 May 2017	10 September 2016 – 9 May 2017	
Product	Estimated based on Certificate	based Annex 824 TUV	Actual certified volume based on Palm Trace of client period	Remaining stock certified product based on Palm Trace of client period	Actual certified product sell out based on Palm Trace transaction period	Estimated for next period 12 June 2017 – 11 June 2018									
Rheindland	502	16033	12 June 2016 – 11 June 2017	12 June 2016 – 9 May 2017	10 September 2016 – 9 May 2017										

FFB	204,048				204,220
CSPO	48,972	33,655	26,355	7,300	49,013
CSPK	8,162	10,087.24	4,913	5,174.24	10,211

* Extension volume upto 3 months after, for CSPK has been informed to the previous CB.

Status: COMPLY AS REQUIRED

E.2.2

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

Selangkun POM has already registered for the supply chain platform. According to the RSPO Palm Trace, the registration of this Mill are:

Member Name: PKS Selangkun PT. Sawit Sumbermas Sarana, Tbk

Account UID: RSPO_AC1000003090

Member ID: RSPO_PO1000003120

Status: COMPLY AS REQUIRED

E.3

Documented procedures

E.3.1

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

- a. **Complete and up to date procedures covering the implementation of all the elements in these requirements;**
- b. **The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.**

Selangkun POM has a procedure for Supply Chain procedure SOP-PKS.GN-020 rev.04 dated on 4 January 2016.

Name of the person having fully responsible over the implementation of this procedure is based on company decree No. 002/SK/ENG-UP/SSS-IN/VII/2016, dated 30 July 2016.

Based on field observation at Weighbridge station and interview with sampled person at the Mill, the operator has knowledge and able to demonstrate how to segregate an FFB's delivery notes whether Certified and non-certified sources.

Status: COMPLY AS REQUIRED

E.3.2

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

A documented procedure for receiving and processing certified and non-certified FFBs is details explained within the Supply Chain procedure SOP-PKS.GN-020 rev.04 dated on 4 January 2016.

According to Selangkun POM data input for FFB's Receive on period May 2016 – March 2017, as follow:

Certified sources: 170,332.98 MT

1. Selangkun Estate → 34,922.23 MT
2. Rungun Estate → 53,552.69 MT
3. Kondang Estate → 50,785.59 MT
4. Pulau Estate → 30,952.63 MT (beyond the current certificate scope)
5. Rangda Estate → 119.84 MT (beyond the current certificate scope)

Non-Certified sources: 94,217.00 MT

1. Batu Kotam Estate → 51,904.94 MT

2. Selangkun Estate (Non-Certified Block Area) → 13,662.94 MT
3. Rungun Estate (Non-Certified Block Area) → 9,619.45 MT
4. Kondang Estate (Non-Certified Block Area) → 6,395.63 MT
5. Pulau Estate (Non-Certified Block Area) → 12,634.04 MT

All the FFB's entering the Mill are from own estate of PT. Sawit Sumbermas Sarana, Tbk. There is no outsiders and/or smallholders source.

Status: COMPLY AS REQUIRED

E.4 Purchasing and goods in

E.4.1

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

Sample document of Certified and non-certified FFBs received by Selangkun POM during field observation is:

Rungun Estate (Non Certified Block Area)

SPB No: 104/SPB/III/2017

From: Rungun Estate Afdeling OE → *marking red stamp as Non-Certified Sustainable Palm Oil*

Quantity: 422 FFB

WB card No: SG120170304674; nett weight: 6,530 kg.

Rungun Estate (Certified)

SPB No: 134/SPB/03/2017

From: Rungun Estate Afdeling OD → *marking blue check stamp as Certified Sustainable Palm Oil.*

Quantity: 468 FFB

WB card No: SG120170304651; nett weight: 6,840 kg.

Status: COMPLY AS REQUIRED

E.4.2

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

During ASA-2, auditor has verified for certified volume product on Mass Balance report and client PalmTrace. It was clearly that no overproduction of certified tonnage.

Selangkun POM has a figure for producing of certified product as follow:

Product	Estimate Certified Product 12/06/2016 – 11/06/2017 (MT)	Actual Certified Product 10/09/2016 – 30/04/2017* (MT)	Remarks
FFB	204,048	117,001.63	Selangkun POM has an extension time (3 months after) on PalmTrace from previous anniversary license.
CPO	48,972	27,172.49	
PK	8,162	5,757.90	

The Certificate Holder has informed to the previous and current CB regarding potential overproduction of certified volume. This information was received by email on 14th June 2017.

Status: COMPLY AS REQUIRED

E.5 Record keeping

E.5.1

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.)**

Record of Mass Balance report of Selangunkn POM in period 10 September 2016 upto 30 April 2017 are presented below:

MASS BALANCE RSPO

Bulan	Status	TBS TERIMA	RESTAN	TBS ULAH	PRODUKSI CPO	PRODUKSI KERNEL	DESPATCH CPO	DESPATCH KERNEL	Transaksi Etrace		STOCK CPO	STOCK KERNEL	Return kernel	Pencucian storage	Penerimaan		STOCK ETRACE		
									CPO	PK					CPO	PK			
10 September 2016	Sertifikat	11,458,160	592,506	11,553,830	2,961,588	517,325	-	1,277,530	-	-	49,213,033	1,761,188	-	-	-	-	-	33,665,000	10,067,240
	Non Sertifikat	5,799,830	-	5,371,450	1,191,997	240,296	745,830	387,740	-	-	-44,313,215	904,541	-	-	-	777,530	-	-	
Oktober	Sertifikat	18,540,510	343,673	19,359,053	4,295,759	890,514	-	536,290	-	-	53,508,501	2,106,412	-	-	-	-	-	33,665,000	10,067,240
	Non Sertifikat	11,127,000	-	10,558,390	2,343,140	491,493	7,500,000	79,960	-	-	-49,470,076	900,008	-	-	-	-	-	-	-
November	Sertifikat	17,507,960	376,181	18,325,244	4,110,776	832,447	-	314,710	-	-	57,619,577	2,624,150	-	-	-	-	-	33,665,000	10,067,240
	Non Sertifikat	11,000,960	-	10,321,220	2,315,649	468,741	7,625,640	1,198,780	-	-	-54,780,067	1,233,048	-	-	-	-	-	-	-
Desember	Sertifikat	15,067,700	-	15,724,269	3,640,328	712,402	-	500,000	-	-	60,759,906	3,336,236	-	-	-	-	-	33,665,000	8,737,240
	Non Sertifikat	8,028,830	-	7,677,780	1,753,075	346,603	6,810,140	1,793,740	-	-	-59,837,132	2,679,669	-	-	-	-	-	-	-
Januari 2017	Sertifikat	12,995,420	258,499	13,183,561	3,037,677	674,913	-	826,490	500,000	-	62,971,093	4,011,149	-	-	-	-	-	33,155,000	8,737,240
	Non Sertifikat	8,213,380	-	7,796,740	1,759,605	397,849	4,264,220	854,840	-	-	-62,384,985	3,136,660	-	-	73,238	-	-	-	-
Februari	Sertifikat	11,993,830	209,871	12,032,458	2,770,636	621,214	-	1,173,510	1,500,000	3,824,240	-	-	-	-	-	-	-	31,555,000	4,913,000
	Non Sertifikat	7,095,450	-	7,095,450	1,633,243	365,650	700,000	1,238,930	-	-	-61,151,743	-4,010,140	-	-	-	300,000	-	-	-
Maret	Sertifikat	15,003,020	278,547	14,934,344	3,482,553	776,512	2,000,000	1,631,270	1,000,000	-	66,020,772	3,753,395	18,340	-	-	-	-	30,555,000	4,913,000
	Non Sertifikat	8,576,080	-	8,576,080	1,962,915	445,757	3,766,950	363,710	-	-	-61,996,028	-3,487,223	-	-	-	936,960	440,870	-	-
April	Sertifikat	14,445,040	270,769	14,405,734	3,303,166	742,570	3,200,000	144,450	4,200,000	-	66,123,936	4,351,445	-	-	-	-	-	26,365,000	4,913,000
	Non Sertifikat	8,583,640	-	8,572,690	1,965,877	442,187	6,979,720	1,116,680	-	-	-65,512,671	-4,102,596	-	-	-	1,500,000	59,130	-	-
Mei	Sertifikat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non Sertifikat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Juni 2017	Sertifikat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non Sertifikat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	Sertifikat	117,001,630	-	119,517,993	27,172,493	5,767,898	7,700,000	3,945,870	-	-	-	-	18,340	-	-	-	-	-	-
	Non Sertifikat	66,385,170	-	65,839,800	14,975,500	3,188,675	36,392,500	7,034,380	-	-	-	-	-	-	-	-	-	-	-
Total SDBI		185,386,800	-	185,357,793	42,147,993	8,946,473	46,092,500	10,980,250	7,300,000	5,174,240	-	-	18,340	-	-	73,238	2,736,950	1,277,530	-

Actual certified product sell out based on Palm Trace transaction period 10 September 2016 – 9 May 2017

CSP0	7,300
CSPK	5,174.24

Transaction of CSP0 sells out period 10 September 2016 – 9 May 2017:

Transaction ID	Buyer	Buyer Ref.	Program	Volume*	Transaction Type	Status	Shipping/BL Date
TR-3a2bd375-34cb	PT.Wahana Citra Nabati		Mass Balance	1200	Shipping	Confirmed	15/04/2017,B/L.No.KMI/M RD-007,Duta Bahari II
TR-d115de0d-9381	PT. Hasil Abadi Perdana		Mass Balance	2000	Shipping	Confirmed	08/04/2017,B/L.No.014/PS KMI/ IV/2017,JEMMS MARINE 3001
TR-582d6a57-d0ec	PT.Wahana Citra Nabati		Mass Balance	1000	Shipping	Confirmed	22/03/2017,KMI/MRD-004,TK. AS GLORY 3
TR-b4c82e6f-52c4	PT. Hasil Abadi Perdana		Mass Balance	1000	Shipping	Confirmed	08/03/2017,No.010/BS/III/2 017,Tabrisma III
TR-1fd2eca9-41dc	PT.Wahana Citra Nabati		Mass Balance	700	Shipping	Confirmed	02/02/2017,206/KMI/II/201 7,MT. PANGERAN
TR-2345bb08-5989	PT. Hasil Abadi Perdana	002/220217/ SSS-HAP	Mass Balance	900	Shipping	Confirmed	009/BS/II/2017,16/02/2017 ,TK. Berlian Pacific III
TR-bdcade5d-5e8f	PT.Wahana Citra Nabati		Mass Balance	500	Shipping	Confirmed	18/12/2016,KMI/TPK-022,TK. SINGSING 99
Total				7300			

Transaction of CSPK sells out period 10 September 2016 – 9 May 2017:

Transaction ID	Buyer	Buyer Ref.	Program	Volume*	Transaction Type	Status	Shipping/BL Date
TR-d4b3bc0c-a73e	PT Unilever Oleochemical Indonesia	4511045809	Mass Balance	1000	Shipping	Confirmed	116/PT.AMS/CAB-KMI/IX/16,17/02/2017,KM. Sriwijaya Makmur
TR-5b4f4c4b-c20a	PT Unilever Oleochemical	4511045809	Mass Balance	1000	Shipping	Confirmed	011/KMI/VIII/2016,17/02/2 017,KM. Juntoku

TR-90f76123-6fcc	Indonesia PT Unilever Oleochemical Indonesia	4510950375	Mass Balance	56.35	Shipping	Confirmed	011/KMI/VIII/2016,17/02/2017,KM. Juntoku
TR-13d8eb18-ad70	Indonesia PT Unilever Oleochemical Indonesia	4510950368	Mass Balance	267.89	Shipping	Confirmed	011/KMI/VIII/2016,17/02/2017,KM. Juntoku
TR-c5c80ffd-4731	Indonesia PT Unilever Oleochemical Indonesia	4510950378	Mass Balance	750	Shipping	Confirmed	013/PS-KMI/VII/2016,17/02/2017,K M. Karya Mandiri
TR-bebfa0d3-6584	Indonesia PT Unilever Oleochemical Indonesia	4510950377	Mass Balance	750	Shipping	Confirmed	013/PS-KMI/VII/2016,17/02/2017,K M. Karya Mandiri
TR-c1535b46-5dd9	Indonesia PT Unilever Oleochemical Indonesia	4511490315	Mass Balance	850	Shipping	Confirmed	05/11/2016,B/L.No.022/KM I/XI/2016,KM.Sahabat Mandiri 7
TR-477f9b11-2ee8	Indonesia PT Unilever Oleochemical Indonesia	4511223564	Mass Balance	500	Shipping	Confirmed	118/PT.AMS/CABKMI/IX/16,20/09/2016,KM.Sriwijaya Makmur
Total				5,174.24			
Status: COMPLY AS REQUIRED							
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.							
Selangkun POM has no Kernel Crushing Plant installation and there is no outsourcing activities, all the Palm Kernel product delivered to Kernel Crushin Plant Suayap PT. Mitra Mendawai Sejati.							
Status: COMPLY AS REQUIRED							

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-2	Selangkun POM did not use any RSPO 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-2	Selangkun POM did not use any RSPO logo.	√
	Status: COMPLY	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-2	Selangkun POM did not use any RSPO logo.	√
	Status: COMPLY	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-2	Selangkun POM did not use any RSPO logo.	√
	Status: COMPLY	

3.4 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of PT. Sawit Sumbermas Sarana, Tbk subsidiaries 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.

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.

3.4.1 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</p> <ul style="list-style-type: none"> - PT Sawit Multi Utama (3-8 April 2017) - PT Tanjung Sawit Abadi (3-8 April 2017) - PT Menteng Kencana Mas (1-5 Maret 2016) - PT Mirza Pratama Putra (25-27 Juli 2016) <p>And positive assurance is produced for these units.</p>
2.1.2	<p>No replacement after dates defined in this 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>PT Sawit Sumbernas Sarana, Tbk has submitted liability disclosure to RSPO on 20th September 2014 for its subsidiaries. While, for PT Menteng Kencana Mas and PT Mirza Pratama Putra as new acquisition companies in 2016, Disclosure of their liability has been submitted to RSPO on 12 September 2017.</p> <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>Auditor verification</p> <ul style="list-style-type: none"> - PT Sawit Multi Utama: YoP 2010 (8018.10 Ha). This company has not submitting of RSPO NPP. LUCC Analysis will be conducted in mid of this year (2017). RaCP on progress. Based on email from RSPO Compensation dated on 11 September 2017. PT SMU is not recommended for the unit to proceed with the initial audit and a LUCA is

		<p>required.</p> <ul style="list-style-type: none"> - PT Tanjung Sawit Abadi: YoP 2010 (5197.07 Ha). This company has not submitting of RSPO NPP. LUCC Analysis will be conducted in mid of this year (2017). RaCP on progress. Based on email from RSPO Compensation dated on 11 September 2017. PT SMU is not recommended for the unit to proceed with the initial audit and a LUCA is required. - PT Menteng Kencana Mas: YoP 2010 (1990.70 Ha); YoP 2011 (2210.55 Ha); YoP 2012 (2039.47 Ha); YoP 2013 (1017.12 Ha). This company is new acquisition by PT. SSMS in 2016. First time land clearance, this company is not RSPO member then did not submit of NPP. HCV, SIA, LUCC Analysis and RaCP are not yet been made by the company. Disclosure of their liability has been submitted to RSPO on 12 September 2017. - PT Mirza Pratama Putra: new acquisition company in 2016. Land clearance started since 2016 without HCV, SIA, and NPP. Disclosure of their liability has been submitted to RSPO on 12 September 2017.
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>Auditor verification</p> <ul style="list-style-type: none"> - PT Sawit Multi Utama: based on website information from internet browser, there is no land conflict issue regarding this company. - PT Tanjung Sawit Abadi: based on website information from internet browser, there is no land conflict issue regarding this company. - PT Menteng Kencana Mas: no issues were detected. - PT Mirza Pratama Putra: no issues were detected.
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Auditor verification</p> <ul style="list-style-type: none"> - PT Sawit Multi Utama: based on website information from internet browser, there is no labour dispute issue regarding this company. - PT Tanjung Sawit Abadi: based on website information from internet browser, there is no labour dispute issue regarding this company. - PT Menteng Kencana Mas: no issues were detected. - PT Mirza Pratama Putra: no issues were detected.
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>Auditor verification</p> <ul style="list-style-type: none"> - PT Sawit Multi Utama: based on website information from internet browser, in 2012

		<p>has an issue related land clearance activities beyond the permit/land title. In 2015, there is a report (Nomor.1/PID.SUS/2015/PT.PLK) from National Supreme Court (Mahkaman Agung) related legal non-compliance.</p> <ul style="list-style-type: none"> - PT Tanjung Sawit Abadi: based on website information from internet browser, in 2013 has an issue related licensing conflict with land status. - PT Menteng Kencana Mas: no issues were detected. - PT Mirza Pratama Putra: no issues were detected. -
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3.4 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

3.5.1 Identification of Findings, Corrective Actions and Observations at [ASA-2](#)

NCR No.	: 2017.01	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 12 Mei 2017	Time Limit	: 11 Juli 2017
NC Grade	: MAJOR	Date of Closing	: 11 Juli 2017
Standard Ref. & Requirement	<p>RSPO Certification System 2007, rev. 2011</p> <p>4.2.3 The unit of certification shall be the mill and its supply base:</p> <ul style="list-style-type: none"> The unit of certification must include both directly managed land (and estates) and associated smallholders and out growers, where estates have been legally established with proportions of lands allocated to each. All the FFB from the directly managed lands (or estates) shall be produced to certifiable standards. The mill will develop and implement a plan to ensure that 100% of associated smallholders and out growers are of certifiable standard within 3 years. 		
Non-Conformance Description & Evidence observed :			
<p>The certification scope of supply base in Selangkun POM is Selangkun Estate, Rungun Estate, Kondang Estate and Batu Kotam Estate. The certificate holder has identified planting blocks inside and outside the certification for all supply bases. The result of identification is known to be several blocks outside the scope of certification and still fully managed by PT. SSMS, and other companies that supply FFB to Selangkun POM as non-certified.</p> <p>Up to ASA-2 assessment, the Certificate Holder has not indicated a plan to ensure all FFBs from directly managed areas and / or FFBs coming from other companies (outgrowers) will be certified according to the applicable time frame in appropriate with RSPO Certification System.</p>			
Root Cause Analysis <i>(filled by organization audited):</i>			
Misunderstanding of RSPO Certification System requirements or standards to be met by outgrowers.			
Corrective Action <i>(filled by organization audited):</i>			
Prepare and Establish an Agreement Contract between Outgrower and PT SSMS, Tbk related to FFB Delivery.			
Preventive Action <i>(filled by organization audited):</i>			
Ensure all outgrowers meet RSPO standard requirements by conducting periodic internal audits related to criteria that must be met by outgrowers such as legality aspects etc.			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verification July 07, 2017			
<p>The certificate holder may show proof of improvement in the form of Letter of Sale and Purchase Agreement of TBS No. 83 / LGL / KBN / SSMS-CBI / VI / 2017 dated June 1, 2017 between PT SSMS and PT CBI which assume that non-certified area under other companies (PT CBI)</p> <p>However, the certificate holder has not been able to show evidence:</p> <ul style="list-style-type: none"> - Identification of Areas that include PT CBI in accordance with the agreement made - Measures to ensure outgrowers meet RSPO requirements - FFB Sending Letter on behalf of the supplier in accordance with the agreement that has been made 			
Verify July 11, 2017			

The certificate holder may show evidence of improvement:

- Letter of Introduction of Fruit from PT CBI, For example SPB No 126 / SPB / VI2017 from Rungun Estate, SPB NO 189 / SPB /) B / 2017 from Kondang Estate, and SPB No. 015 / SPB / VI / 2017 from Selangkun Estate. In the SPB explained the origin of the sender (PT CBI), asala estate and Afdeling. In addition, it is mentioned that the TBS originating from the area is Non-Certified RSPO
- Document of RSPO Aspect Review Report for PT Citra Borneo Indah where the parameters examined are criterion 6.4; 7.3 and 7.5. In the lapar mentioned that based on the internal assessment results in the area of PT CBI concluded that in general that PT CBI has done land acquisition for all areas that are in the permit and until now there is no land related conflicts with the surrounding community. However, there are still some unfulfilled requirements that are legally afflicted where PT CBI has land legality in the form of Location Permit and has not conducted LUCA Assessment.
- Results of identification of areas / blocks - blocks PT CBI residing in Selangkun Estatem Rangda Estate and Kondang Estate.

Based on evidence of improvements submitted by the auditor team to assess that this non conformity is CLOSED.

Verified by : **Yudwi Wisnu Rahmanto**

NCR No.	: 2017.02	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 12 Mei 2017	Time Limit	: 11 Juli 2017
NC Grade	: MAJOR	Date of Closing	: 11 Juli 2017
Standard Ref. & Requirement	<p>RSPO Certification System 2007, rev. 2011</p> <p>Time-bound plan and Partial Certification</p> <p>4.2.4 (c) Any revision to the time-bound plan or to the circumstances of the company shall cause the plan to be reviewed (as provided for in the guidance on surveillance assessments, Annex 4) for whether it is still appropriate, such that changes to the time-bound plan are permitted only where the organization can demonstrate that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent).</p> <p>Requirements for uncertified management units and/or holdings</p> <p>4.2.4 (i) Certification bodies will assess compliance with these rules for partial certification at each and every assessment of any of the management units (see Annex 4). Assessment of compliance with requirements (e) – (h) by the certification body based on self declarations only by the Company, with no other supporting documentation, will not be acceptable. Verification of compliance must be based on the following approach:</p> <p>Positive assurance statement, which is based upon self-assessment (i.e. internal audit) by the organization. This would require evidence of the self-assessment against each requirement.</p> <p>4.2.4 (j) For requirements (e) – (h), the approach to defining major and minor non-compliance can be applied from the relevant national interpretation. For example, if a noncompliance against a 'major indicator' in a non-certified holding/management unit is identified.</p>		

Non-Conformance Description & Evidence observed :

The Certificate holder has a Time-Bound Plan for the company / subsidiary managed by PT. SSMS, Tbk period February 27, 2017. The subsidiaries are PT. Tanjung Sawit Abadi (Malata POM); PT. Multi Palm Sawit (Nangakiu POM); PT. Mirza Pratama Putra and PT. Menteng Kencana Mas.

Partial Certification has also been made by Certificate Holder for management unit / subsidiary that has not been certified under holding PT. SSMS, Tbk namely PT. SMU, PT. TSA, PT MPP and PT MKM. However, the results of the boundary field visit at Rungun Estate, there is a planting area that has been excluded from the scope of certification but still under the management of PT. SSMS (Rungun Estate) and supplying FFB to PKS Selangkun.

On that basis, the certificate holder has not presented supporting documents such as a positive assurance statement based on the self-assessment result (internal audit) for partial certification on the uncertified unit and the updated Time-bound plan in accordance with the relevant requirements of the RSPO Certification System .

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

Unidentified areas during Permit application process for areas outside the PT SSS HGU due to their very small size. So some things that become requirements are not available, namely: internal audit (partial certification) is not implemented for areas outside the HGU, time bound plan certification does not include the area.

Corrective Action *(filled by organization audited):*

Identify all areas issued from the scope of PT SSMS certification
Prepare and Establish a time bond plan for areas issued within the scope of PT SSMS certification and perform partial certification for the area in question

Preventive Action *(filled by organization audited):*

Ensure that all areas issued within the scope of certification meet RSPO standard requirements by conducting partial certification on a regular basis and then monitor the progress of the partial certification findings in accordance with the defined deadlines.

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

Verification June 21, 2017

The certificate holder may show the evidence of corrective are: "

- Identify SSMS areas outside the scope of current certification.
- Internal audit results for the area according to the relevant criteria of the RSPO Certification System, in which the conclusions and the positive assurances are the proposed Land Rights for the area with a target to be certified by 2020.
- The latest SSMS Time Bound Plan (updated June 1, 2017) where the Non-Certified area will be planned to enter the scope of certification by 2020.
- Internal Memo No. 051 / CEO / SSMS-IM / VI / 2017 (June 1, 2017) related to the change of TBP RSPO PT. SSMS Tbk. Based on the evidence of improvement that has been submitted the auditor assesses the evidence of improvement is acceptable but the discrepancy in this indicator is NOT FULLY COMPLY because the certificate holder needs to clarify the auditor's questions on the Identification of Roots of the problem, corrective actions and precautions to anticipate the non-conformity of this indicator.

Verifikasi 11 JulY 2017

Based on evidence of improvements and clarifications that have been done by the company then the non conformiity on this indicator is CLOSED

Verified by : **Moh Arif Yusni**

NCR No.	: 2017.03	Issued by	: Moh Arif Yusni
Date Issued	: 12 Mei 2017	Time Limit	: 11 Juli 2017

NC Grade :	MAJOR	Date of Closing :	11 Juli 2017
Standard Ref. & Requirement :	4.7.3 Records of Safety and Health (OHS) program training (see 4.8) and Personal Protective Equipment (PPE) in accordance with hazard identification and risk analysis should be available to all workers.		
Non-Conformance Description & Evidence observed : Result of field observation obtained information if the company has not been able to show sufficient evidence to provided Personal Protective Equipment in accordance with the potential hazards that identified. Based on a sample of field visits and interviews with 5 employees at Block 9 Afdeling Echo on Circle Spraying activities and 10 employees in Block 15 Afdeling Alfa on fertilization activities at Batu Kotam Estate, it was found that Personal Protective Equipment that's safety Shoes has not been provided by the company. The Company has shown proof of Purchase Request (PR) for PPE (Safety shoes) dated March 28, 2017 as the process of providing PPE for employees. However, the auditing team considered that evidence is insufficient to ensure that adequate and appropriate Personal Protective Equipment (PPE) is provided to all workers in the workplace based on risk assesment			
Root Cause Analysis (filled by organization audited): The system available to ensure the availability of PPE at any time is not sufficient, where there are still weaknesses in the absence of stock PPE in accordance with the needs of the field. At this time, PPE should not be a Stock in the estate and mill warehouse. There has been no accurate data collection in every estate and mill that can indicate when the last handover of PPE so that there is no possible monitoring of PPE life time that was handed over. Procurement is still done partially, not as thoroughly as needed -			
Corrective Action (filled by organization audited): Conducting data collection of PPE needs of each unit (estate / MCC) immediately make a Request, and make procurement for the Demand in accordance with the needs of the field. SOP procurement of APD (SOP-EHS.GN - 018) will be revised by listing the minimum stock in each estate warehouse / Mill. -			
Preventive Action (filled by organization audited): Monitoring one by one for the life of the existing data collection. QHSE assistants are responsible for the control, procurement, supply and distribution of PPE according to their respective estate. Conducting data collection of PPE needs in the field according to the risk of each job and the amount of work, procure with auction system, so that the procurement can immediately and as quickly as possible, determine the stock of PPE as needed.			
Assessor Evaluation and Conclusion (filled by auditor): Verification June 21, 2017 The certificate holder may show the corrective evidence are: <ul style="list-style-type: none"> - List of stock Protective Equipment Protected in Batu Kotam Estate Period April - June 2017 which describes the name of goods, stock of previous month, amount of addition, reduction and total stock end - the evidence of handover of PPE for Batu Kotam Estate: <ul style="list-style-type: none"> • January 17th, 2017 in the form of sunglasses for the estate spray team as well as helmets and gloves for irrigation employees • May 29, 2017 in the form of shoes for employees of Afdeling Alfa Care, Afdeling Bravo, Afdeling Charly 			

- and Afdeling Delta
- April 10, 2017, an apron for HPT Afdeling Alfa employees
- April 28, 2017 in the form of rubber gloves and chemical masks for employees of Alpha PWU
- April 13, 2017, an apron for HPT Afdeling Bravo employees
- May 16th in the form of chemical masks and safety glasses for employees of Afdeling Charly,
- April 13, 2017, an apron for HPT Afdeling Charly employees
- Date April 17, 2017 in the form of fertilizer Masker for employees fertilizing Afdeling Charly
- April 17, 2017, an apron for HPT Afdeling Delta employees
- April 17, 2017, an apron for HPT Afdeling Echo employees

- the evidence of handover of PPE for Selangkun Estate:
 - May 8th for Afdeling Hotel, Afdelin India, Afdeling Juliet and Afdeling Kilo employees, in the form of Rubber Glove, Chemical Mask, Dust Mask, Safety Helmet, Glasses, Fabric Gloves, Rubber Gloves, Manure apron, Chemical Mask and apron Chemical.

Based on the evidence of improvement that has been submitted the auditor assesses the evidence of improvement is acceptable but the non conformities in this indicator is NOT FULLY COMPLY because the certificate holder needs to clarify the auditor's questions on the Identification of Roots of the problem, corrective actions and precautions to anticipate the non-conformity of this indicator.

Verify July 11, 2017

Based on evidence of improvements and clarifications that have been done by the company then the non conformiity on this indicator is CLOSED

Verified by	: Moh Arif yusni		
NCR No.	: 2017.04	Issued by	: Moh Arif Yusni
Date Issued	: 12 Mei 2017	Time Limit	: 11 Juli 2017
NC Grade	: MAJOR	Date of Closing	:
Standard Ref. & Requirement	: 4.7.4 The person who responsible for safety and health programs should be identified and regular recording meetings are available to discuss safety and health issues.		

Non-Conformance Description & Evidence observed :

The certificate holder has guiding committee for occupational health and safety organization and personnel in charge on implementing the occupational health and safety program. But based on documents verifications its known if the secretary of guiding committee for occupational health and safety organization in Batu Kotam Estate are not OHS expert and it is not in accordance with Manpower Decree No 4 year of 1987 about "Panitia Pembina Keselamatan Dan Kesehatan Kerja Serta Tata Cara Penunjukan Ahli Keselamatan Kerja".

Root Cause Analysis (filled by organization audited):

The movement of personnel in accordance with the needs of the company, so that personnel served in other scope,

Corrective Action (filled by organization audited):

Completing officer OHS Expert PT. KSA complies with applicable rules by extending and mutating of existing general AK3

Preventive Action (filled by organization audited):

Provide some General OHS experts as needed by making in-house and External training plan in stages over QHSE

assistants or field assistants who can be responsible for OHS responsibilities.

Monitoring OHS Expert and placement of personnel, ensuring Every mutation must be followed by Ak3 mutation process Generally.

-

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

Auditor verification on 7 July 2017

The certificate holder may show corrective evidence are

- Letter from the Head of Department of Manpower and Transmigration of Central Kalimantan Province No: KEP.566 / 100 / PK.10 / VI / Disnakertrans dated June 06, 2017 on Ratification of Committee for Development and Occupational Health (P2K3) of PT Kalimantan Sawit Abadi
- Internal memo from the Director of PT Sawit Sumbermas Sarana (No 028 / DU-SSS / IV / 2017) dated June 20, 2017 Peerihal The Supervision Assignment has minimized the training of General Safety Expert
 1. Providing Assignment to Secretary of OHS Guiding Commite Batu Kotam Estate to follow the General OHS Training in the near future
 2. During Secretary of Guiding Commite of Batu Kotam estate participated in the training, OHS Guiding coomite secretary of PT Sawit Sumbermas Sarana becomes responsible for OHS Aspect at Batu Kotam Estate
- here is a evidence of of registration of AK3 General Certification training for secretary of Commite Batu Kotam Estate to follow the General OHS Training that to be held on July 10 - July 22, 2017.

Based on the evidence of improvement that has been submitted the auditor assesses the evidence of improvement is acceptable but the non conformities in this indicator is NOT FULLY COMPLY because the certificate holder needs to clarify the auditor's questions on the Identification of Roots of the problem, corrective actions and precautions to anticipate the non-conformity of this indicator.

Verify July 11, 2017

Based on evidence of improvements and clarifications that have been done by the company then the non conformiity on this indicator is CLOSED

Verified by : **Moh Arif Yusni**

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	RSPO Cert. System 4.2.4	Conclusion about the status of compliance with each related criterion in Partial Certification
2	5.2.2; 5.2.4	<ul style="list-style-type: none"> HCV management plans need to consider the mapping aspects based on periodic RTE-based monitoring of species. Monitoring results serve as a basis for follow-up to improved management plans
3	5.3.3	Determination of Distance of land fill to pay more attention to environmental aspect & health of employees.
4	6.5.2	Communication to all employees about the content of work agreement related supporting documents (Observation) .
5	7.3.1	Communication to RSPO related to progress of RACP, especially approval of Compensation Plan (Observation) .

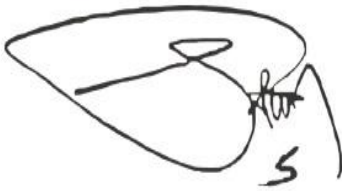

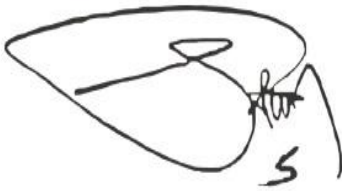

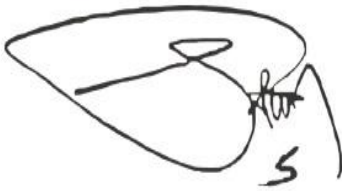

3.5.4 Noteworthy Positive Components

No	Description
1	The company's commitment to apply the principles of sustainable palm oil management.
2	Competence of PIC in each aspect.
3	Pattern of integration of palm oil and cattle farm management on plantation land
4	Management's commitment not to use paraquat since January 201
5	The company's commitment to conservation of Orang Utan in Pulau Salat
6	Implementing ISO 9001, 14001, 18001 management system.

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Bipartite Cooperative Instituion</p> <ul style="list-style-type: none"> - School bus that provided by the company is very helpful. - Minimum wages is always updated annually through the applicable government regulation. - Regular meeting between worker union and the company done through the Bipartite mechanism. The meeting held is to discuss an employee’s right and working problem, i.e. renewal of minimum wages. - There is no Issue about racism, discrimination and gender - 	<p>Has been verified related with the implementation of regulation regarding to labor aspect, all information available on the criterion of 6.5, 6.6, 6.7, 6.8, 6.9, 6:12, and 6:13</p>
<p>Rungun Village Stakeholder consultation in this village is conducted by interviewing community figure and several settlers. The main points of the result of interview are:</p> <ul style="list-style-type: none"> • Positive impacts of the land clearing of PT SSS estate are: <ul style="list-style-type: none"> - The road access to and from villages nearby that is used to be reached through Lamandau River is now opened. - Opennes of job opportunity for the villagers nearby refer to the competence. - Economy improvement (welfare) of the community nearby. Well maintained infrastructures (road) to drive economy development faster. - Existence of estate has inspired the locals do the same thing. For about 20% of the villagers manage their own estate and the FFB produced by them is delivered to PT SSS. - West Kotawaringin Regent recommends the establishment of scheme smallholder program in nearby villages. The total hectarage of the planned scheme smallholder is 950 Ha. - Ardha Mewah Cooperative Unit has been formed. It becomes organization for smallholders from 4 villages (Rungun, Kondang, Bangun Jaya & SP 2) • Social interaction between community and the company is well maintained. Several assistance requests proposed by village administration government have been well responded so far. • There is no complaint expressed by nearby villagers in term of negative impacts over environment caused by PT SSS estate and mill operationals. • There is no issue of land conflict between the company and nearby community. 	<p>Auditors has verified related to social impact management and CSR, all the information has provided on criterion 6.1, 6.10 and 6.11</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Gender Committee</p> <ul style="list-style-type: none"> • The management unit is supporting gender committee operational activities by providing a room and consumption when gender committee held a meeting, but there is no specifically funding for the operational activities • The socialization of gender, sexual harassment and violence are carried out in conjunction with routine activities conducted by the gender committee for example in the morning absence, <i>yasinan</i> activities and other regular meetings. • Other support from the company that is providing time for the board to conduct socialization, and management always remind the female committee meeting schedule • Protection of reproductive rights have been met by the company, for example with the implementation of menstruation leaves (H1) and leaves for maternity / childbirth (H2) for a female employees with still to be paid their wages in full. • There are no negative issues about Women • The company has been socializing policies related to the prohibition of pregnant or breastfeeding workers work with chemicals. • There is no potential or discrimination between the man and woman to get opportunities and employment. • The company has provided a vehicle for the shuttle for students • The Company does not limit the movements / activities of the Female Committee • There is no indication of discrimination based on the ethnicity, religion, race, and inter-group relations • Health Service Facility is sufficient 	<p>Auditors have been verified the aspects related to worker welfare and OHS. They have been comply in accordance with criterion 2.1; 4.6; 4.7; 4.8; 6.5; 6.7; 6.8; and 6.9.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>Company Name Management Representative</p>  <p><u>Rudy Hendratno</u> 11 July 2017</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Yudwi Wisnu Rahmanto</u> 11 July 2017</p> </td> </tr> </table>	<p>Company Name Management Representative</p>  <p><u>Rudy Hendratno</u> 11 July 2017</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Yudwi Wisnu Rahmanto</u> 11 July 2017</p>
<p>Company Name Management Representative</p>  <p><u>Rudy Hendratno</u> 11 July 2017</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Yudwi Wisnu Rahmanto</u> 11 July 2017</p>		

APPENDICES

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

No	Institution/NGO/ Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Local Environmental Body	Kotawaringin Barat Regency	-	Letter to respond	04 May 2017	-	√
2	Plantation Agency	Kotawaringin Barat Regency	-	Letter to respond	04 May 2017	-	√
3	Labor and Transmigration Agency	Kotawaringin Barat Regency	-	Letter to respond	04 May 2017	-	√
5	Rungun Village	Kotawaringin Timur Regency	-	Interview	09 May 2017	√	-
6	Gender Committee	Kotawaringin Timur Regency	-	Interview	09 May 2017	√	-
7	Bipartite Cooperative Institute	Kotawaringin Timur Regency	-	Interview	09 May 2017	√	-
8	Pusaka Indonesia	-	pusaka@indosat.net.id	Quiesioner via Email	03 May 2017	-	√
9	Konsorsium pembaruan agraria	-	kpa@kpa.or.id	Quiesioner via Email	03 May 2017	-	√
10	Responsi Bank Indonesia	-	informasi@responsibank.id	Quiesioner via Email	03 May 2017	-	√
11	Jaringan Kerja Pemetaan Partisipatif	-	seknas@jkpp.org	Quiesioner via Email	03 May 2017	-	√
12	TUK Indonesia	-	office@tuk.or.id	Quiesioner via Email	03 May 2017	-	√
13	HUMA	-	huma@huma.or.id	Quiesioner via Email	03 May 2017	-	√
14	Sawit Watch	-	info@sawitwatch.or.id	Quiesioner via Email	03 May 2017	-	√
16	Aliansi Masyarakat Adat Nusantara	-	rumahaman@cbn.net.id	Quiesioner via Email	03 May 2017	-	√
17	Forest People Program	-	info@forestpeoples.org	Quiesioner via Email	03 May 2017	-	√
18	Rainforest Alliance Network	-	ran@ran.org	Quiesioner via Email	03 May 2017	-	√

Appendix 2. Assessment Program

DATE		08 – 13 MAY 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 08 May 2017			
09.15 – 11.00	09.15 – 11.00	JAKARTA → Pangkalan Bun	YWR / MAY / AFS / BPT
11.00 – 14.30	11.00 – 14.30	Pangkalan Bun → PT. Sawit Sumbermas Sarana	
14.30– 15.30	14.30– 15.30	Opening meeting <ul style="list-style-type: none"> • Presentasi Auditee (Perkenalan PIC, Profil Perusahaan) // <i>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</i> • Presentasi Tim Auditor (Perkenalan, Penjelasan Tujuan Audit, Ruang Lingkup Audit, Pembahasan Rencana Audit, Penentuan Sampel Audit, Penyampaian Transparansi dan Kerahasiaan) // <i>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</i> 	YWR / MAY / AFS / BPT
15.30– 17.00	15.30– 17.00	Documents Review <ul style="list-style-type: none"> • Review hasil temuan penilaian sebelumnya // <i>Review of previous (Initial assessment) findings</i> • Verifikasi Informasi Dasar (PKS dan Kebun) // <i>Verification of Basic Information Mill and Estate</i> • Klarifikasi Time Bound Plan // <i>Confirmation of Time Bound Plan</i> • Verifikasi Partial Certification // <i>Review of Partial Certification</i> 	
Tuesday, 09 May 2017			
08.00 – 12.00	08.00 – 12.00	<ul style="list-style-type: none"> • Konsultasi publik ke masyarakat terdampak sekitar kebun // <i>Stakeholder consultation to affected communities surrounding the plantations.</i> • Wawancara dengan Komite Gender, Serikat Pekerja, Koperasi Karyawan (jika ada), Kontraktor Lokal Mill dan Kebun, Supplier Pihak Ketiga // <i>Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier</i> 	<ul style="list-style-type: none"> • YWR • BPT
08.00 – 12.00	08.00 – 12.00	Field Observation to RUNGUN ESTATE Aspek yang akan diverifikasi // <i>Aspect to be verified :</i> <ul style="list-style-type: none"> - Implementasi Aspek Legal (Legalitas Kepemilikan Lahan, Tata Batas); // <i>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</i> - Implementasi Aspek Agronomi (Panen & Transportasi, Pemupukan, Aplikasi Pestisida, Perawatan Jalan, Monitoring Pengendali Hayati, Aplikasi Janjang Kosong) // <i>Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i> 	<ul style="list-style-type: none"> • MAY • AFS

DATE		08 – 13 MAY 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> - Implementasi Aspek Lingkungan, Konservasi/HCV dan Pengelolaan Limbah (Inspeksi Gudang Bahan Kimia, Pupuk, Gudang Limbah B3, Workshop, Fasilitas Pengendali Kebakaran, Pengelolaan Sampah dan Limbah) // <i>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</i> - Implementasi Keselamatan dan Kesehatan Kerja // <i>Implementation of Occupational Health & Safety Aspect</i> - Implementasi Prosedur dan mekanisme Aspek Ketenagakerjaan // <i>Implementation of Employment Procedure and Mechanism Aspect</i> - Observasi Fasilitas Pekerja (Perumahan, Sekolah, Sarana Ibadah) // <i>Observation of Workers Facilities (Housing, School, Worship Place).</i> 	<ul style="list-style-type: none"> • BPT • MAY • MAY • AFS
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	Field observation to Selangkun Mill : <ul style="list-style-type: none"> • Alur Rantai Pasok / Supply Chain (Penerimaan TBS, Penimbangan TBS, Sortasi TBS, Observasi Proses Pengolahan, Despatch CPO) // <i>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</i> • Aspek Keselamatan dan Kesehatan (Inspeksi Gudang Bahan Kimia, Gudang Limbah B3, Workshop, Simulasi Fasilitas Pengendali Kebakaran, Pengelolaan Limbah Pabrik / IPAL) // <i>Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</i> 	<ul style="list-style-type: none"> • YWR / MAY • AFS / BPT
Wednesday, 10 May 2017			
08.00 – 12.00		Field Observation to BATU KOTAM ESTATE Aspek yang akan diverifikasi // <i>Aspect to be verified :</i> <ul style="list-style-type: none"> - Implementasi Aspek Legal (Legalitas Kepemilikan Lahan, Tata Batas); // <i>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</i> - Implementasi Aspek Agronomi (Panen & Transportasi, Pemupukan, Aplikasi Pestisida, Perawatan Jalan, Monitoring Pengendali Hayati, Aplikasi Janjang Kosong) // <i>Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i> - Implementasi Aspek Lingkungan, Konservasi/HCV dan Pengelolaan Limbah (Inspeksi Gudang Bahan Kimia, Pupuk, Gudang Limbah B3, Workshop, Fasilitas Pengendali Kebakaran, Pengelolaan Sampah dan Limbah) // <i>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</i> - Implementasi Keselamatan dan Kesehatan Kerja // <i>Implementation of Occupational Health & Safety Aspect</i> 	<ul style="list-style-type: none"> • YWR • AFS • BPT • MAY

DATE		08 – 13 MAY 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> - Implementasi Prosedur dan mekanisme Aspek Ketenagakerjaan // <i>Implementation of Employment Procedure and Mechanism Aspect</i> - Observasi Fasilitas Pekerja (Perumahan, Sekolah, Sarana Ibadah) // <i>Observation of Workers Facilities (Housing, School, Worship Place).</i> 	<ul style="list-style-type: none"> • MAY • AFS
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> • Melanjutkan Kunjungan lapangan dan Klarifikasi Hasil Kunjungan Lapangan // <i>Continue Field Observation and field observation clarification</i> • Konsultasi Publik ke Intansi terkait di Kabupaten Kotawaringin Barat // <i>Stakeholders consultation to related agencies in Kotawaringin Barat Regency (By Phone)</i> • Melengkapi checklist // <i>Verification of field visit and completing checklist</i> 	YWR / MAY / AFS / BPT
Thursday, 11 May 2017			
08.00 – 12.00	08.00 – 12.00	<ul style="list-style-type: none"> • Preparation for audit checklist and related document • Checklist Completion 	YWR / MAY / AFS / BPT
14.00 – 16.00	14.00 – 16.00		
Friday, 12 May 2017			
08.00 – 11.00	08.00 – 11.00	<ul style="list-style-type: none"> • Verifikasi hasil konsultasi para pihak dan kunjungan lapangan // <i>Verification of stakeholder consultation result and field visit.</i> • Tinjauan dokumen dan melengkapi daftar periksa // <i>Document review and completing audit checklist.</i> 	YWR / MAY / AFS / BPT
11.00 – 14.00	11.00 – 14.00	Break	
14.00 – 16.00	14.00 – 16.00	<ul style="list-style-type: none"> • Diskusi internal tim auditor untuk persiapan Closing Meeting // <i>Internal discussion by auditor team preparing for Closing Meeting</i> <p>Closing Meeting:</p> <ul style="list-style-type: none"> • Penyampaian hasil audit (Catatan Komponen Positif, Ketidaksesuaian, OFI, Batas Waktu Perbaikan dan Kesimpulan) // <i>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/</i> • Komentar, Tanggapan dan Diskusi // <i>Comments, Responses and Questions</i> 	YWR / MAY / AFS / BPT
16.30 – 18.00	16.30 – 18.00		
19.00 – 21.00	19.00 – 21.00		
Saturday, 13 May 2017			
08.00 – 10.00	08.00 – 10.00	<ul style="list-style-type: none"> • Pangkalan Bun - Jakarta 	YWR / MAY / AFS / BPT