

IBD

CERTIFICATIONS

RSPO PRINCIPLES & CRITERIA PUBLIC SUMMARY REPORT

Agropalma Mill:

(CPA)

Country: Brazil

Certificate number: CA4591/14

Lead Auditor: Kurt Schneider

Certification decision date: 18/08/2011

Certification expiry date: 17/08/2016

Surveillance Audit nº04 report. 14/08/2015

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1. SCOPE OF THE CERTIFICATION AUDIT								
1.1 Normative references								
The Palm Oil Mill and the supply base was audited against the following documents:								
<input checked="" type="checkbox"/> RSPO International Principles and Criteria (April, 2013 version) <input type="checkbox"/> National Interpretation (approved version XX/20XX) <input type="checkbox"/> Local indicators developed by IBD (approved version XX/2010) <input checked="" type="checkbox"/> RSPO International Supply Chain Certification (November, 2014 version) <input type="checkbox"/> New Planting Procedures (September, 2009 version)								
1.2 Company and Contact Details								
Mill name			CPA Mill					
Business address			Alameda Santos, 466 - 10o andar, CEP: 01418-000, São Paulo, Brasil					
Scope			Production of palm oil and palm kernel.					
Products			Crude Palm Oil (CPO), Palm Kernel					
Contact person			Tulio Dias					
Telephone			+55 11 2505 6400, +55 (11) 9 7220 5465					
E-mail			tuliodias@agropalma.com.br					
Web site			www.agropalma.com.br					
Other certifications held			DNV: ISO 9001, ISO 14001, ISO 22000. IBD Organic. Ecosocial. JAS organic. BioSuisse.					
1.3 RSPO Membership Details								
RSPO membership number			1-0003-04-000-00					
Parent company as applicable			Grupo Agropalma					
1.4 Audit type								
Date of previous audit			28/07 to 04/08/2014					
Date of this audit			10/08 to 14/08/2015					
Main or ASA (1 to 4)			ASA 4					
Date of next surveillance audit			It will be a re-certification audit.					
1.5 Location of the Palm Oil Mill								
Palm Oil Mill (POM)		Location Address			Mill Capacity		GPS Reference	
Name					MT/Hour		Longitude	
							Latitude	
CPA		Rodovia PA 150 Km 50, Esquerdo, Acará - PA - Brazil			24		48° 35'11.78"	
							2°15'10.54"	
1.6 Palm Oil Mill Output and Approximate Tonnages Certified								
The 12 month output is the average over any 12 month period and the actual production for the 12 months from the date of certification will be included in the annual summary. These figures exclude any output product from non-certified suppliers.								
For the 12 month period starting in July 2015 it is estimated that the mill will receive 63.853,83 mt of FFB.								
<ul style="list-style-type: none"> The estimate for the last 12 months is applicable to Annual Surveillance Audits and is the Projection for the next 12 months from the previous audit. The actual production for the last 12 months is the audited quantity since the last audit. The projection for the next 12 months is given by the company. 								
FFB received and processed by the mill for the 12 months prior to this audit:					Mt RSPO Certified FFB:		63.853,83	
					Mt Conventional FFB:		-	
Estimate for last 12 Months (MT) [State of IP or MB] (ASA audits).			Actual Production for last 12 months (MT) [State of IP or MB]			Projection for next 12 Months (MT) [State of IP or MB]		
CPO	PK	PKO	CPO/IP	PK/IP	PKO/IP	CPO/IP	PK/IP	PKO/IP
10.468	2.174	978	8.974	1.432	644	10.468	2.174	978
Notes: CPA mill does not measure the PK as the kernel crushing plant is wholly integrated into the mill structure. PK: PKO: 0.45								
1.7 General Description of Supply Base								
The supply base of FFB for the CPA Mill comes preferably from the department VI, which is managed according organic certification rules. It is very important to register that is not uncommon CPA mill receiving non-organic FFB from department V (which is located just 10km from the mill) and it is possible that CPA mill receives FBB from the departments I, II and XVI, that are located about 30-40km away from CPA mill. <u>Actually, for the ten year period from 2005 up to 2014, CPA mill processed FBB from non-organic departments in 9 years; just in 2014 CPA mill processed FFB only from department VI.</u> The choice of which department is used to supply CPA mill is a company decision and it is based in market and internal logistic drivers. As management structure (human resources, infra-structure, health and safety in labor, quality control, environmental management, IPM management, top management, etc.) is the same to all 8 agriculture departments and 4 mills, Agropalma Group hopes that in the next year RSPO allow CPA mill be included in the same audit report that cover its other mills								
Additionally the supply base from department VI is organic certified and the CPO is sold as RSPO certified and organic.								

It is noted that Agropalma provide agronomic support to all departments by professionals with agronomic advice and monitors the activity implemented in accordance with the applicable RSPO P&C.					
1.7.1 Location of the Supply Base					
Oil Palm Plantation (OPP)		Location Address		GPS Reference	
Name			Longitude	Latitude	
Departamento VI	Rodovia PA 150 Km 50, Esquerdo. Acará/PA		48° 37'29"	2°15'12"	
1.7.2 Statistics of the Supply Base and Estimated Tonnes of FFB produced per year					
Name	Area of Oil Palm (Ha)		Estimated Tonnes FFB/Yr	Planting Years	Cycle (Years)
	Total	Production			
Departamento VI	4.107,25	2.855,62	63.853,83	2010, 2011, 2000, 2001, 1996, 1990, 1989.	25 years
Note: No new planting after November 2005.					
1.7.3 Biodiversity (Total Conservation & HCV Area for the respective Supply Bases)					
Oil Palm Plantation		Biodiversity.(Total Conservation & HCV Area) Hectares.			
Name	Conservation	HCV	Comments		
Departamento VI	Forest reserve classified as HCV: 11.593,47	11.593,47 ha	In accordance with the law. The company is also creating Permanent Protection Areas (PPA) for all riparian zones.		

This way, the total certified area, corresponds to the total oil palm planted area plus the total conservation area, **which results in 15.700,72 ha.**

1.7.4 Calculation of the Number of Production Units (N) to Sample for the Mill					
N = 0.8√Y, where "Y" is the number of units, with the result always to be rounded "up" to the next whole integer. Where only a sample of the supply base is assessed, units not previously assessed, or assessed earlier in the certification program, are to be preferred over those more recently assessed.					
For the Mill, how many units make up the production base?					
Owned estates (Y)	N = 0.8√Y	Smallholders (Z)	N = 0.8√Z		
1	0.8=1	0	0		
Explanation as to the selection of estates sampled					
In this reporting period, only Department VI supplied FFB to CPA mill (what is not the rule, as explained in item 1.7 above) therefore it was the only dept. to sample.					
Interviews were conducted in different operations in the field, such as Fertilizing, Harvesting, Roads checking, transportation, Boundaries, riparian zones, POME treatments, etc.					
The table below shows the oil palm plantations that were included in this audit, with the operations reviewed in the field, the number of sample sites within the plantation and the number of worker interviews. Comments are added as applicable.					
Oil palm plantation.	Operation	No of sample sites	No of Interviews	Comments.	
Departamento VI	Complete audit , Fertilizing, POME, harvesting, Road checking, Riparian zone, Bounderies	2	8	The sites visited were selected taking into account the operations during the visit.	
1.7.5 Calculation of the Number of Sub Contractors to be sampled.					
N = 0.8√Y, where "Y" is the number of contractors, with the result always to be rounded "up" to the next whole integer. Where only a sample of the sub-contractors not previously assessed, or assessed earlier in the certification program, are to be preferred over those more recently assessed.					
The table below shows the number of approved sub-contractors who may be contracted to be directly employed in the work of the certification unit. The number of sub-contractors actually contracted at the time of the audit is used to calculate the sample.					
Number of sub-contractors.					
Mill and workshops			Farms		
Approved:	7	Approved:	10		
On site during audit: Y	4	On site during audit: Y	3		
Number to audit: = 0.8√Y	2	Number to audit: = 0.8√Y	1		
Names	Activity	Audited	Names	Activity	Audited

GR SA	Food Supply	yes	Bezerra Transporte	Transport	Yes
PROSEGUR Brasil	Security	yes			

Explanation as to the selection of sub-contractors sampled:

The subcontractors present at company at the moment of the audit were audited. According to the audit team evaluation, there was no need to interview the other subcontractors not present at the moment of the audit.

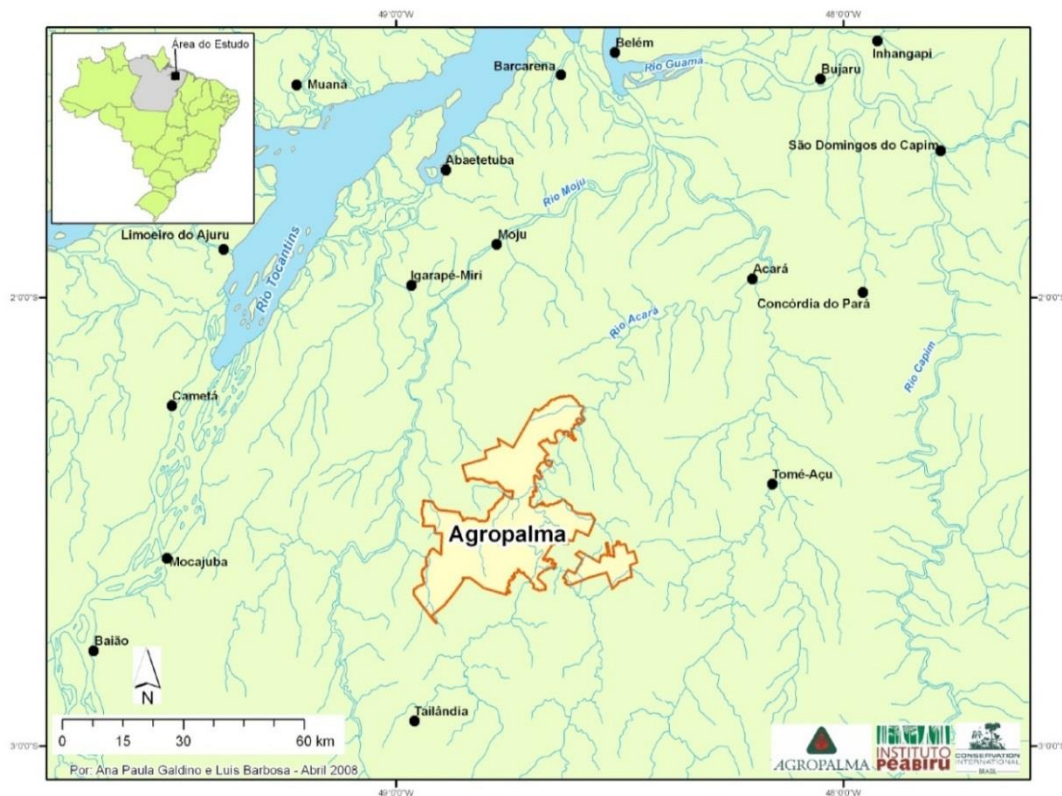
1.8 Progress of associated Smallholders or Out-growers towards Compliance with relevant Standards - should be in accordance to the 3 year implementation plan

There are no outgrowers associated to this mill.

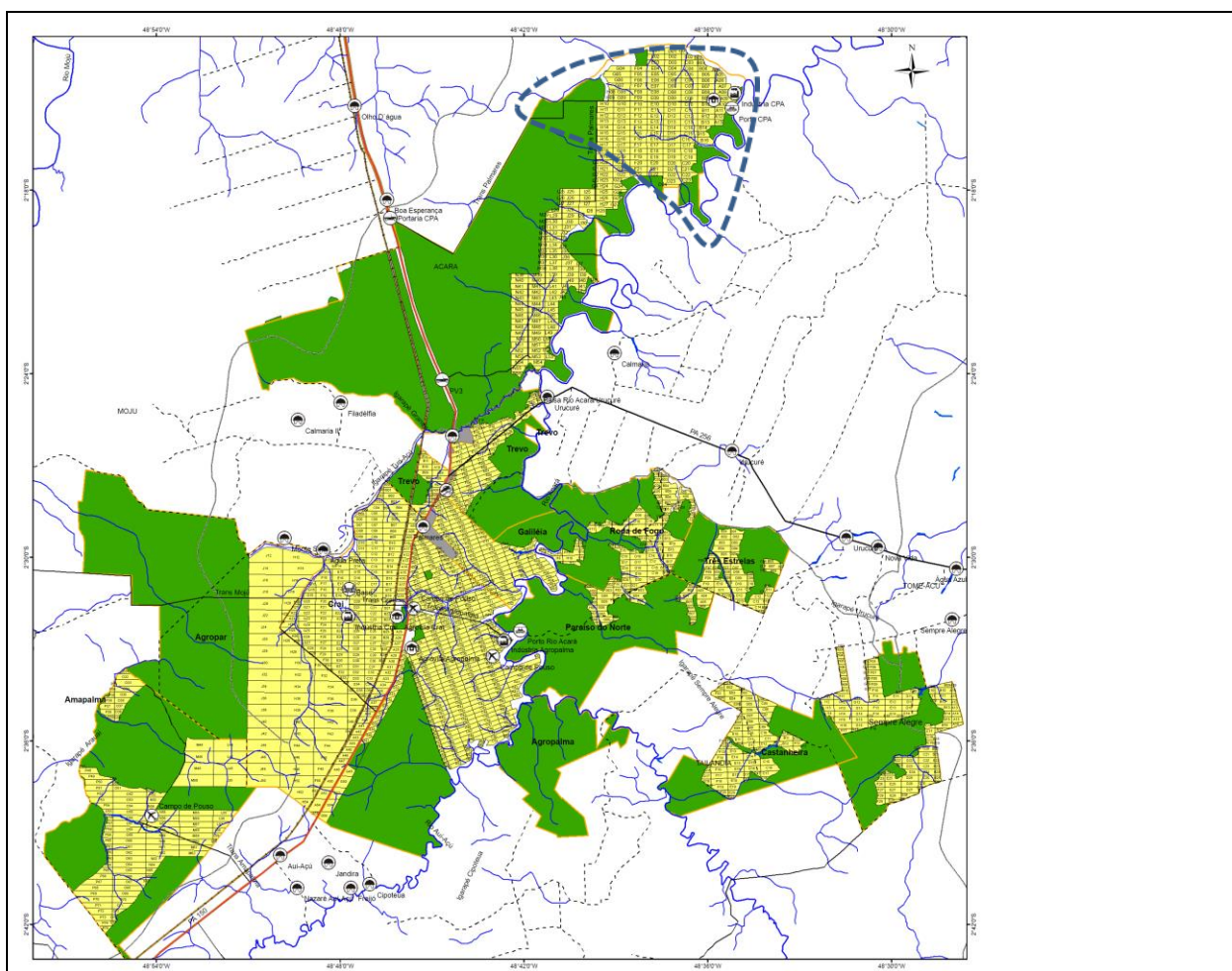
1.9 Location Map for this Certification Unit

Note: Individual maps of the group members are available from the co-operatives but it is not practical to reproduce them here. Each area of oil palm is individually managed as an integral part of a farm holding and the adjacent crops are all agricultural.

Mapa de Localização das Fazendas da Agropalma



Location of Departamento VI. Outlined in blue dashes in the North East of the map.



2. PARTIAL CERTIFICATION

The rules for partial certification allow organizations that have a majority holding in and / or management control of more than one autonomous company growing oil palm to certify individual management units and / or subsidiary companies subject to certain rules.

2.1 Management Organization

Item	Criteria	(Yes/No)	Description (if applicable)
2.1.1	Is the operation conducting a partial certification?	No	
2.2.2	Is any company of the group, member of the RSPO? Which one?		
2.2.3	Is there a clear relationship between the companies, where one company has the majority ownership or the management control of others?		
2.2.4	Is there a clear and achievable time-bound plan prepared and in place?		
2.2.5	Does the plan include all subsidiaries?		

2.2 Time-bound plan

Description:

Initial (mention sites and years proposed for the certification):

Alterations:

Justifications:

Acquisitions:

2.3 Progress made on the time-bound plan

Please report upon adherence or deviation:

2.4 Non-compliances on the partial certification rules

3. AUDIT PROCESS

3.1 IBD - The Certification Body

IBD takes pride in being the largest certifier in Latin America and the only Brazilian certifier of organic products with accreditation through IFOAM (international market), ISO Guide 65 (European market regulation CE 889/07), Demeter (international market), USDA/NOP (North-American market), COR (Canadian market) and INMETRO/MAPA (Brazilian market), making its certificate global.

Located in Botucatu-SP, Brazil, IBD has been in operation since 1992. Initially focused exclusively on the certification of organic product, after 2004, IBD began including certification services in the social-environmental area through the EcoSocial, Integra, RSPO and UEBT (*Union for Ethical BioTrade*) programs. Today, IBD certifies over 5,000 producers, covering an area of approximately 520 thousand hectares in cultivation and 3 million hectares under wild harvest management, throughout 16 countries.

For more information regarding IBD Certificações, access www.ibd.com.br. RSPO Membership N°: 8-0090-08-000-00. RSPO accredited by ASI on November 4th, 2014, worldwide (accreditation code RSPO-ACC-020).

3.2 Audit Team

Lead auditor	Kurt Schneider Has 25 years of experience in programs management, human resources management and cooperation projects in Latin America. Expertise in Postharvest handling of grains. Proficiency in the use of conflict management instruments and gender equity.
Audit team	Ingrid Ayub Has experience as auditor leader for Sustainable Agriculture Network (SAN), auditor leader in Integrated Management Systems, ISO 19011: 2011 and certified inspector organic farms. Alvaro García Has experience with sustainable and agriculture standards and has been working with audits for more than 10 years, with specialty with agrochemicals. Alexander Harkaly Has more than 20 years of experience with organic and biodynamic standard audits.

3.3 Audit Methodology

3.3.1 Audit Agenda

Date	Time	Location	Program	Auditor(s)
Monday 10th	9:00 – 12:00	Belém	Evaluation of titles deeds and land documents	Kurt, Alexandre
Tuesday 11th	8:00- 10:00	Tailandia	Opening meeting Presentation by Agropalma to summarize how the company is organized.	All
	19:00- 19:30	Office	Summary of audit to date for client Audit team meeting	All
Wednesday 12th	7:00 10:00 14:00	Office / Tailandia Tailandia CPA Mill Audit	Document review Interview Stakeholder: Worker Union, Community Leaders Mill and workshop inspection. OSHA. SCC. FFB inputs. CPO, PK, PKO outputs. Local interviews and visits: Health center, Fire station, POME, workshop, Waste storage	Kurt, Alexander
	20:00- 20:30	Office	Summary of audit to date for client Audit team meeting	All
Thursday 13th	7:00	Office Tailandia	Document review Interview Service provider, Health Center	Kurt, Alvaro Alexander

	9:00		Document Review , Human Resources, Corporate Communication, Agricultural department	Kurt, Alvaro, Ingrid
	20:00-20:30	Guest house	Summary of audit to date for client Audit team meeting	All
Friday 14th	7:00	Palmares, Dpt. VI Office Tailandia	Field visit Best practice implementation. <ul style="list-style-type: none"> ▪ Water management. ▪ Road maintenance. ▪ Harvesting and transportation of FFB. ▪ OSHA in the field. ▪ Social interviews. P5. OSHA. Training etc., ▪ Agro-chemical use. IPM Documentation review	Alexander Kurt, Alvaro, Ingrid
	11:00		Team meeting	All
	14:00	Office Tailandia	Preparation of closing meeting	All
	16:00	Office Tailandia	Closing meeting	All
	18:00	Office Tailandia	Audit Team Meeting	All
Saturday 15th	8:00		Travel back to Belem	All

3.3.2 List of stakeholders consulted prior to and during the audit.

Name	Category
Antonio Pereira do Silva	General Manager
Alcimara da Silva	Process Engineer
Alessandra Dias	Responsible for the Quality Control
Jair Valente Soares	Rural Worker
José Miranda	Manager of Industrial Area
Josias Nazareno Mercato Costa	Agriculture manager, harvesting
Louise Teixeira	Lab Supervisor
Marcos Miranda	Safety Technician
Alessandra Dias	Quality control Lab manager
Alexander Alex Gomez Oliveira	Welding/Workshop
Altieillos do Conceicao de Araujo	Ex-Employee/Worker
Balbina de Oliveira Farias	Ex President of Community Association
Bernardo Cabral do Nascimento	President of Community Association
Benedito de Sousa	Production Manager
Esequias Docamo	Community member
Gabriel Varela	Nurse
Geraldo Massimo do Rego	Community Leader

Joao Pereira da Silva	Vice-President of the Community
Jose Ribamar Ramos Santos	Director of Social Affairs of the Community
José Wilson Oliveira Araujo	Reception Weighbridge
Manoel Malaquias da Silva	Coordinator of Industrial sector
Manuel Evangelista Cameira da Silva	Labour Union, Director Leader
Remilson Lavareda Benicio	Machine Operator POMES
Richard Paraense	Security Technician
Rogeria Nunes Almeida	Community member
Valter Damasceno Gonçalves	Adminstration
Zeno Martins	Relationship Manager
Ayutu José Silva Oliveira	Agro Supervisor
Carmem Mendes	Coordinator, Labour safety
Christiani Paiva	Comunication analist
Daniela Reis	Biomedic
Edwin Almeida	Coordinator of Organic and Mineral Fertilization
Euzeno Martinez	Manager of agricultural activities
Francine Nogueira	Safety Engineer
Frederico de Souza Oliveira	Infrastructure Manager
Gilmar da Costa dos Santos	Main Gate Security
Hugo Santos	Research and Development
Juan Patrick Carrera	Coordinator of replanting activities
Lilian Melo Siqueira	Labour Nurse
Paulo Antonio Wanzeler Garcia Gaia	Administration coordinator; Resp. Security, heritage and forestry.
Raquel Melo	Manager
Ricardo Alexandre Duarte da Silva	Heritage inpector and security
Rubelino Dias	Agriculture coordinator
Samuel Ferreira Magalhaes	Biomedic
Valdevir Lima Guedes	Truck driver
Abelardo Bitencourt	Coordinator
Alex Gonçalves dos Santos	Bezerra Transportes, Driver
Antonieta Espindola da Costa	Labour Doctor

Bruno Monteiro	Research Analyst
Diane de Jesus Pantoja Paiva	Agriculture Supervisor
Diogenes Pessoa	Agriculture Manager
Edemar Barroso dos Santos	Bezerra Transportes Driver
Itaneide Fernández	Coordinator of Social Departement
Jaime Neves da Costa	Fruit picker
Neude Luiz Correa Pinto	Agriculture Supervisor
Pamela Lemos	Environmental Engineer
Rogério Morais	Coordinator of Human Resources
Tulio Dias	Social and Environment Sustainability Responsible Manager
Joao Martins	Social and Environment Sustainability Analyst

3.3.3 Outline of how stakeholders consultation was managed.

Stakeholders include workers and during the course of the audit, both individual workers and groups of workers were interviewed. In addition the communities Palmares, Villa Olho Dagua, Villa Boa Esperanza. Further details are given in the checklist.

Meeting with the Worker Union of Palmares District. The main positive influence of the company is the creation of an action plan for agenda 21, which is a United Nation Program to improve life quality. Worker Union have 4000 members from Agropalma group. Relation with Agropalma is positive and different benefits were negotiated, such as: Saturday half day work, Subsidy for food/meal, transportation from village to the workplace, wage conditions, work clothes, Working conditions, and others.

Geraldo Maximo do Pego, Baobina Oliveira and Bernardo Cabral from Villa Olha Dagua and Boa Esperanca (founded in 1864). In both villages are around 1000 houses with 5000 inhabitants. 150 personas work in Agropalma. All interviewees are grateful to Agropalma for work for relatives. Support with, transport and emergencies. Small shop to serve the community.

With the company the following issu on community level improved: local business, more schools, more employment, more work. People understand that AGROPALMA has a philosophy not to substitute the state responsibility; therefore the support to the villages and neighbouring people is through technical assistance helping negotiation with third party and the authorities.

The Agropalma school was visited. Jane Elisa Otomar Buecke (Headmistrerss). 640 students. 500 day students and 140 adults at night. Primary and Secondary pupils. Positivo system implemented. The school is 100% subsidized by Agropalma. 23 teachers. There is a national index of schools performance and of the 200 schools in the State; they are number 70 – better than the private local school. Students go onto university. IT department. New canteen and private service for food (GR) and the food quality has improved very much. Potable water is fully available. A well run and efficient schools.

The main clinic was visited, which is effectively a small hospital with full access by workers and families. More details in checklist.

Transportation of workers to all departments is by bus. Samples of 3 buses were inspected and the drivers of 3 buses were interviewed to confirm that he had valid licenses. All buses had toilets.

3.3.4 Issues that arose during stakeholder consultation and company responses.

Subject raised	Company response and proposed action to be taken.	Audit team findings
No negative subjects	n/a	n/a
Benefits from the company in the region	We offer technical support to make official institutions comply their function	Project Agenda 21, School in the region
Service opportunity for local	As the service is available	Confirmed with community leader

companies		
Maintenance of roads	Agropalma cooperatives with road maintenance	Confirmed with community leader in Boa Esperanza and Iha Dagua.
Health assistance for local population	Negotiation with state government, Land purchase	Confirmed with community leaders
Working opportunities	Through Labor Union and community leaders all vacancies are communicated	Confirmed with community leaders and Labor Union.

4. AUDIT FINDINGS		
4.1 Summary of findings.		
Principle 1: Commitment to Transparency.		
<p>Summary for Principle 1: The company has developed communication systems with local communities and workers that are effective and implemented. Interviews confirm that the system is understood. The company has demonstrated compliance by way of a communicated written policy relating to company rules and ethical imperatives. Partners: Agropalma make all documents available as required on behalf of their partners.</p>		
Criterion 1.1: Oil Palm growers and millers provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO criteria, in appropriate languages and forms to allow for effective participation decision making.		
<p>Summary of Findings for 1.1: Good communication systems in place and records of communication. Interviews confirm that responses are made in a timely manner.</p>		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> Records of all requests for information are maintained. Records of responses to those requests are maintained and the action taken, dates and persons involved. <p>The above records are maintained for a minimum period as defined by the company.</p>	<p>The company makes available extensive information in both the local language and in English. They are very open and transparent in the provision of all information. This was more relevant when the company first purchased the land but information is made available at community meetings as well as via the website and upon request.</p> <p>Requests can be made and a date arranged to visit the office. There is also a phone number 823, where you can deposit your request or complaints.</p> <p>There is a written procedure, NPG 016 Date:04/03/2015 "Procedimento de comunicação interna e Externa". There are forms at the gates that can be completed by any person. The communication department registers the requests and this is sent to the particular department. Within 3 weeks the answer is provided. Sensitive information such as sexual abuse is treated confidentially and processed anonymously. Ex. Demand received 6.8.2015 and answers 10/08/2015.</p> <p>All internal demand whistle-blower are protected.</p> <p>The company web site provides guidance for how to obtain information in both English and Portuguese. Hiring and positions vacant are advertised. An email address is available for information and the procedures for hiring are with the Recruitment and Selection department.</p> <p>There is an internal newspaper and information papers that are sent to all workers on a monthly base. There is a procedure to inform any workers that cannot read. The main issues are explained. There is a log of all communications.</p> <p>From the Agropalma website: <i>"The principle of Transparency encompasses the concept of Socio-environmental Responsibility adopted by the Agropalma Group. In order to reassure its commitment to</i></p>	Yes

	<p><i>Transparency, the Agropalma Group publicly discloses all administrative documents, except when protected by commercial confidentiality or in case disclosure may cause harmful environmental or social consequences".</i></p> <p><i>Information made available is included in 1.1.2.</i></p> <p>For external FFB suppliers, a RSPO Guide was handed over and this guide was seen during the audits at these suppliers. Name of document: Guia Orientação para Produtor Rural- para pequenos produtores. 2014.</p>	
<p>Criterion 1.2: Management documents are publicly available except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p>		
<p>Summary of the findings for 1.2: All documents listed in the web page are publicly available for consultation by request. All land titles are available.</p>		
Findings:	Comments:	Compliance
<p>A list of Public documents is shown in the web page of AGROPALMA and is available for consultation by request.</p> <p>Commercially sensitive documents are not available as verified by the audit team.</p>	<p>All the documents that are publicly available are listed on the web site. Not all documents are available in hard format as they are expensive to produce. They are available for review, as are all internal documents.</p> <p>From the Agropalma website:</p> <p><i>"Available documents, among others:</i></p> <ul style="list-style-type: none"> • <i>Title deed and other land related documents;</i> • <i>Occupational Health Medical Control Program,</i> • <i>Environment risk prevention programs,</i> • <i>PAE,</i> • <i>Technical Report of Working Environment Conditions;</i> • <i>ECP, ECR, EIS,</i> • <i>Probe Diagnostics and other socio-environmental studies;</i> • <i>Documents related to reviews of areas of high conservation value;</i> • <i>Integrated Management System Manual, Rules of Procedures and Operational Routines;</i> • <i>Claim Details Report;</i> • <i>Long term Economic and Financial Sustainability Plan;</i> • <i>Negotiation and Land Acquisition Procedures;</i> • <i>Continuous Improvement Plan;</i> • <i>RSPO certification reports;</i> • <i>Respect for Human Rights Policy (still being developed but integrated in Human resource policy);</i> • <i>Current and historical prices paid to FFB suppliers".</i> <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Public documents. Confirmed. • Occupational health and safety plans (Criterion 4.7); • Public documents. Confirmed. • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • Public documents. Confirmed. • HCV documentation (Criteria 5.2 and 7.3); • Public documents. Confirmed. • Pollution prevention and reduction plans (Criterion 5.6); • Public documents. Confirmed. • Details of complaints and grievances (Criterion 6.3); • Public documents. Confirmed. • Negotiation procedures (Criterion 6.4); • Public documents. Confirmed. • Continual improvement plans (Criterion 8.1); • Public documents. Confirmed. • Public summary of certification assessment 	<p>Yes</p>

	report; Public documents. Confirmed. • Human Rights Policy (Criterion 6.13). Public documents. Confirmed. Interviewees: Tulio Dias and Antonio Pereira da Silva	
Criterion 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.		
Summary of the findings for 1.3: There is a code of conduct in place and a procedure is in place to ensure that anyone is fully informed of all documents. There are internal audits conducted to identify and to prevent corruption and to ensure integrity.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> There is a written policy committing to a code of ethical conduct and integrity. It is communicated and implemented. 	<p>The workers are all provided with a Conduct Code that includes the policy requirements. There is also a procedure for ensuring that anyone that cannot read is informed fully of all documents.</p> <p>Code of Conduct (i.e. Manual de Conduta Dos Colaboradores Do Grupo AGROPALMA, Paulo de Cassio Correia, 17-07-20149).</p> <p>A specialist lawyer has prepared a paper specific to corruption which senior management has signed.</p> <p>There is a policy statement on the web site regarding business operations with ethics and integrity. There is reference to Anti-Corruption Act Law No 12.846/2013. (Copy seen in office).</p> <p>Website: Policies include: "Conduct its business operations with ethics and integrity, in accordance with Agropalma Group Conduct Code (items 1, 2 and 3). In addition, Company commits to manage its business and operations considering and respecting the entire content of Brazilian Anti-Corruption Act (Law nº 12846/2013)", see management Policy Art. 6g.</p> <p>There are internal audits conducted to identify and to prevent corruption and to ensure integrity.</p> <p>All electronic means are used to communicate to all levels of the workforce. New workers are informed of policies and there is a dialogue system allowing workers to discuss any policies and procedures.</p>	Yes

Principle 2: Compliance with applicable laws and regulations.		
Summary of Principle 2: The company demonstrated a sound understanding of all the laws applicable and for each department there were licences and procedures that confirmed compliance. The environmental department hires the services of a legal company who check the official document for updates in the laws and pass any relevant information to the company. The laws are analysed by the company to see if they have any activity that may be affected and will then act accordingly. This law company visits annually to review the operations so that they are aware of the laws which may be applicable. Annual audits for other certification standards also check for legal compliance and compliance is noted. All land titles are legal and in accordance to national law. The legal boundaries are identified and confirmed.		
Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations		
Summary of the findings for 2.1: There is software (LEGNET) used to update and monitor and to implement new laws and changes in the law and to ensure compliance. . All licenses are valid,		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> Clear compliance with the law in all areas sampled. Good systems in place to track and implement changes in the law. The laws affecting the oil palm industry are listed and available to all managers. The regulations are passed on the necessary departments for implementation. There is software (LEGNET) used to update and monitor and to implement new laws and changes in the law and to ensure compliance. Field inspections ensure compliance and the software is used to 	<p>There is software (LEGNET) used to update and monitor and to implement new laws and changes in the law and to ensure compliance.</p> <p>CPA Mill: 1.Licença de Funcionamento No. 007, ANo 2014 Facility Operational Licence), and 2. Certificado de Regularidade de Inscrição de Pessoa Juridica, CRM 0001276-PA (Tax Inscription Certificate of the Company).</p> <p>There are 3 buses used in Dept VI. One bus was fully inspected: Driver: José Silva Pereira, driving license Categoria D,</p>	Yes

<p>keep a check of the implementation.</p> <ul style="list-style-type: none"> • They hire an office of solicitors and technicians that review all laws. CTSGI. The set of laws are proposed then update the company with any potentially applicable laws and regulations. The law / legal requirement is reviewed by the company solicitors and then implemented as necessary. • New laws and regulations are frequent and need to be carefully monitored. • The system is understood and implemented by the relevant company managers. Rule NP 39. States how the work must flow and how the system works. <p>There are files with laws and regulations covering:</p> <ul style="list-style-type: none"> • The environment – 407. • Health and Safety and Labour Laws - 356. • Quality and Food Safety – 43. 	<p>valid until 08-12-2017.</p> <p>The bus was in full working order regarding, lights, indicators, toilets and tyres.</p> <p>Other buses were inspected for toilets and all found to be in order with paper and running water.</p> <p>CPA Mill: 3 kinds of licences relating to the unit.</p> <ul style="list-style-type: none"> • Operating licence that covers the entire operation. Licence of operation. LO No 6967/2012. Valid until 2016. Process no 2010/0000003562. The activity No 1702-1 covers the activities of the company. Licence permits them to produce 170mt CPO and 15mt of PKO per day. <p>One condition is to inform the Ministry as to the destination of products.</p> <p>FARM OPERATIONAL LICENCES/CAADASTRAL LAW:</p> <p>1. Licença de Atividade Rural, LARN No. 1946/2012 0110-1, Cultura de Ciclo Longo, valid until 15-01-2017 for CPA, CRAI, AGRIPAR, AGROPALMA, TREVO, GALILEIA, PARAISO DO NORTE, and Cadastro Ambiental Rural, CAR/PA No. 62483.</p> <p>2. Licença de Atividade Rural, LARN No. 1958/2012, Cultura de Ciclo Longo, valid until 29-01-2017 for COSTAINHEIRA AND SEMPRE VERDE, and Cadastro Ambiental Rural, NCAR/PA No. 62513.</p>	
<p>Criterion 2.2: The right to use the land can be demonstrated and is not legitimately contested by local communities with demonstrable rights</p>		
<p>Summary of the findings for 2.2: All land titles are legal and in accordance to national law. The legal boundaries are identified and confirmed.</p>		
<p>Findings:</p> <ul style="list-style-type: none"> • Land titles / country leases for all properties in accordance with the law of the land. • Legal boundaries are identified and confirmed on site. • Land acquisition has been with free prior and informed consent. • From the legal documents, maps are prepared. In the field, there are panels to show the boundary. At all corners with neighbours there are concrete topographic marks. • i.e. EBO, M 1181, 02°15'54" S; 48°41'58" W, and EBO M 1178, 02°16'29" S; 48°42'17" W. 	<p>Comments:</p> <p>The office of the General Affairs Manager was visited to review the documents related to land ownership. All documentation was reviewed and all land titles were found to be in order. The history of ownership and transfer was reviewed and found to be complete.</p> <p>Land dispute: Contact Person: Mr. Antonio Pereira Da Silva.</p> <p>Land dispute: Contact Person: Mr. Antonio Pereira Da Silva.</p> <p>This dispute is raised by an individual not related with previous formal owner, and is not related with local community. The legal procedures were followed under Brazilian law and the competent judge closed the case with decisão on the 23.6.2015 case No. 0000 421-04.214.8.14.0076.</p> <p>Notes:</p> <p>1. Title possession documents show that all disputed plots belonged, according to government valid documents, to Agropalma, S.A.</p> <p>The audit team is satisfied that the company is acting in a responsible manner.</p> <p>From Lead Auditors point of view this process is ended and no more action and investigation is necessary from IBDs part.</p> <p>Interviewed person at Agropalma land registration and juridical department: Mr. Antonio Pereira da Silva.</p>	<p>Compliance</p> <p>Yes</p>
<p>Criterion 2.3: Use of land for oil palm does not diminish the legal or customary rights of other users without their free, prior and informed consent.</p>		
<p>Summary of the findings for 2.3: : All land was purchased from legal landowners and all land is properly documented with</p>		

land titles.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> The land was purchased from previous landowners with full legal rights and title deeds. The land titles are in place for the land and land titles were and are clear. 	<p>No customary rights specific to the area covered by the land titles. The location of the oil palm plantations was selected specifically to avoid any areas with customary rights.</p> <p>A full report was prepared in 2008 which did not highlight any customary rights.</p>	Yes

Principle 3: Commitment to long-term economic and financial viability.		
Summary of Principle 3: The company is a publicly listed company with a full set of accounts and budgets which demonstrate financial viability. The company has an economic and financial plan for long term sustainability actualized in June/2015.		
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.		
Summary of the findings for 3.1:		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> The company has a documented business plan. There are projections of yields to the year 2030. There is a replanting program projected for a minimum of 5 years to 2030 The viability plan is like a policy document and takes into account prices, new projects etc. There are projections for FFB prices, costs, yields, investments and profitability. The running budget is year by year but is based on very strong guidelines. Criteria for replanting include: <ul style="list-style-type: none"> Bunches over 7m high. Visibility of bunches. High incidents of diseases and / or insects. Productivity lower than 20mt / ha/yr with an indication of declining productivity. Need to use better genetic material for high productivity, lower height, resistance to diseases and insect and adapted to soils and climate. 	<p>There is a business plan which includes an annual plan. The board of directors presents this to the shareholders for approval. At the end of the year, there is another meeting to confirm or to discuss that the results were acceptable.</p> <p>Long term financial viability: in 2011 a financial and long term viability plan was written that included all the corporate guidelines to be followed. This plan was actualized in June 2015. Since then the guidelines have been followed, and the annual plans achieved, the company considers it has long term viability.</p> <p>In 2005 the Group opened a pilot plant in Belém designed for esterification of fatty acid, which are refining residues. The unit produced Biodiesel up to 2010 and it is currently producing special esters and other major compounds for the chemical industry.</p> <p>The detailed accounts were shown to the lead auditor only in order to avoid any conflicts with IBD as they are a client. The gross income is projected to increase over the coming years and the net profit will likewise increase. All taxes are confirmed as being paid. The detailed accounts include a full analysis by the company accountants and the long term viability is assured.</p> <p>As a public company, accounts are available in accordance with Brazilian Law.</p>	Yes

Principle 4: Use of appropriate best practices by growers and mills.		
Summary of Principle 4: The company has SOP's, which are up to date and which cover all plantation and mill activities from seedling to the dispatch of CPO and PKO. The company has comprehensive annual monitoring records. There is a specific SOP for the management of soils in accordance with organic requirements. All POME from CPA Mill is used for land irrigation over an area of 180ha. All observed planted areas did not evidence erosion problems. No evidence of planting on slopes at visited sites. All water courses and wetlands, including restoring riparian and buffer zones were properly managed. Considering the technology, the company monitors the consumption of water. A fully implemented organic IPM is used in Dept VI and pheromone traps are seen in all oil palm. Some beneficial plants are used. No agro-chemicals are used as the plantations are all managed for Organic Production. The company has an OSH plan, which is being implemented. The company always follows the target of zero accidents but also establish targets for improvement. They detail each operation, the risks to the workers, the hazards, mitigation measures and PPE to be worn. There is a formal training program in place for all activities as seen for the previous audits. This audit confirmed continuing compliance.		
Criterion 4.1 Operating procedures are appropriately documented and consistently implemented and monitored.		
Summary of the findings for 4.1: The company has SOP's, which are up to date and which cover all plantation and mill activities from seedling to the dispatch of CPO and PKO. The company has comprehensive annual monitoring records.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> The company has SOP's, which are up to date and which cover all plantation and mill activities from seedling to the dispatch of CPO and PKO. 	<p>Standard Operating Procedures (SOPs): 1. Contact Persons: Mrs. Carlos Alberto de Carvalho, New Plantings Manager, and MR. Ricardo Tinoco, Plant</p>	Yes

<ul style="list-style-type: none"> The company has comprehensive annual monitoring records. The records of operational results are covered by the monitoring records. The origin of all FFB is known and is from 100% owned plantations. Lab measures the oil in the fibre just after the press every hour. The oil in EFB every hour. The count of fruits in EFB. The CPO in POME. Quality of oils. FFA. Humidity. Impurities. Peroxide. Palm Acid Oil (CPO in POME). % of oil to FFB to POME 0.22% to 0.93%. Target is 0.75%. Evidence: Ticket weighing farmer Valdir Manoel Gomes on 11/08/15; Report indicating the total received by the partners producers (2015). 	<p>Protection Manager. 2a. Consulted documents:</p> <ol style="list-style-type: none"> Manual of SIG Version 16, 23/09/2011. Distribuição de Coprodutos Industriais, RO-GIAG-010, Revisão 01, 04/05/15 (Mill organic waste material usage). Fertirrigação com efluente industrial, RO-GIAG-023 (In homologation – Irrigation with industrial efluentes). Preparo de área de replantio, RO-GIAG-008, Revisão 07, 13/05/15 (Prepare the area for replanting). Descarte de reagentes laboratoriais, RO-CQEX-019, Versão 05 07/10/14 (Discharged of chemicals used in laboratories). <p>CPA Mill: SOPs for all operations. E.G. RO 09 EXT/001Z. Sterilisation procedure. SOPs are located at all stations. Java 7 software. All SOPs are on the computer and can only be changed and printed by an authorized person.</p>	
Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield		
Summary of the findings for 4.2: There is a specific SOP for the management of soils in accordance with organic requirements. All POME is used for land irrigation over an area of 180ha.		
<p>Findings:</p> <ul style="list-style-type: none"> The company has records of regular leaf and visual analysis. Leaf analysis is conducted on an annual basis to determine fertilizer regimes. Legume cover is used. EFB and other mill bio-products application to areas determined by the soil analysis. Records of all organic fertilizer are maintained. The supply base is organic. POME over 180 ha. Study shows that the soil has improved with POME over a 5 year period. 	<p>Comments:</p> <p>The Standard Operating Procedures for the company include the management of soils to ensure soil fertility. There is a specific SOP for the management of soils in accordance with organic requirements.</p> <p>EFB, Crushed kernels and POME are distributed in the organic production department of Palm Oil in accordance with the foliar analysis. All materials are based on 42 mt / ha / year with 2 applications per year – for all matter except POME.</p> <p>The mill disposes of 4 lagoons with a capacity of 40,000m³. The daily production registers around 240m³. The management of POME is regulated through: Procedures: RO-Ext-CPA 009, Rev. 4 Date: 30.7.2015 pages 1/12 “Tratamento, Aplicação, Fiscalização de Efluentes e Controles de Assessoramento das Lagoas”</p> <p>CPA Mill: All POME is used for land irrigation over an area of 180ha. See also 4.4. below.</p>	<p>Compliance</p> <p>Yes</p>
Criterion 4.3: Practices minimise and control erosion and degradation of soils.		
Summary of the findings for 4.3: All observed planted areas did not evidence erosion problems. No evidence of planting on slopes at visited sites.		
<p>Findings:</p> <ul style="list-style-type: none"> There are soil maps, which identifies fragile soils. Biomass recycling (see above) found placement. There is an on-going road maintenance program. No drainage of peat. 	<p>Comments:</p> <ul style="list-style-type: none"> Identified hydromorphic and sandy soils are presented but located within forest reserves as indicated in Mapas de Solos e Reserva Legal Das Fazendas Do Grupo Agropalma, Escala 1:3000.000. No evidence of planting on slopes at visited sites. All observed planted areas did not evidence erosion problems. Road were observed in good state of repair and maintenance. Road maintenance is on-going program. Very good road building material. All fragile soils (i.e. Sandy and Hydromorphic soils) are located within forest protected areas. 	<p>Compliance</p> <p>Yes</p>

Criterion 4.4: Practices maintain the quality and availability of surface and ground water.		
Summary of the findings for 4.4: All water courses and wetlands, including restoring riparian and buffer zones were properly managed. Considering the technology, the company monitors the consumption of water and there are situations where they can recycle.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> Water management includes the monitoring of POME. BOD levels of effluent are monitored on a regular basis. Good levels of water usage per tons of FFB processed. No drainage into protected areas. All POME used for land irrigation which has no associated legal parameters. Protection of riparian zones and wetlands. POME lagoons: There are 3 bore holes and the ground water is analysed every 6 months to determine if the lagoons are affecting the ground water quality. The results of the analysis show that the parameters are within the legal requirements and the conclusion is that no damage to ground water is taking place. Cu m per tonne of water per mt CPO produced. Anticipated for March 2014: 4.7 mt. Actual 4.02 mt of water. 	<p>CPA Mill: Licence to use water. No 1327/2014.</p> <p>Abstraction from 2 bore holes. 25.92 mt per hour for one and 12.4mt/hr with a total of 248 cum per day over a 20 hr day.</p> <p>There is no potential technology that will reduce water consumption. Considering the technology, the company monitors the consumption of water and there are situations where they can recycle. There is a lot of rain and water availability.</p> <p>Before a licence is granted, research work was done to analyse the water use and the capacity of the bore hole. An analysis was made in 2012.</p> <p>The company has identified all riparian zones and has introduced a system of Permanent Protection Areas (PPA). These are created by pushing over a row of palms along a line up to 200m from the river or riparian zone. Between this line and the water, no work is under-taken at all and regeneration takes place. Once the palms have rotted, the PPA is well established and fully identifiable.</p> <p>All water courses and wetlands, including restoring riparian and buffer zones were properly managed (i.e. 02°16'44"S 48°39'47' W).</p>	Yes
Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate integrated Pest Management (IPM) techniques		
Summary of the findings for 4.5: A fully implemented organic IPM is used in Dept VI. Agropalma advise on IPM control and pheromone traps are seen in all oil palm. Some beneficial plants are used and owners and managers conduct surveys and make Agropalma aware of any potential problems.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> Documented and implemented IPM system. Monitoring of IPM used, which includes the training of staff and workers. 	<p>A fully implemented organic IPM is used in Dept VI. Agropalma advise on IPM control and pheromone traps are seen in all oil palm. Some beneficial plants are used and owners and managers conduct surveys and make Agropalma aware of any potential problems.</p> <p>Supporting documents:</p> <p>1d. Biossat Agricola Software; 1d. Mapa Gerencia de Fitossanidade e Vermelha, Maio 2014 (Map);</p> <p>1e. Relatório de No. de Captura de <i>Rynchophorus palmarum</i>-Departamento/ Mensal (IC) 143);</p> <p>1h. Controle de Desfolhadores, RO 09 FIT/004, Revisão 11; 20-07-2013 (Procedure).</p>	Yes
Criterion 4.6: Agrochemicals are used in such a way that does not endanger health or the environment. There is no prophylactic use, and where agrochemicals are used that are categorised as World Health Organisation Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.		
Summary of the findings for 4.6: No agro-chemicals are used as the plantations are all managed for Organic Production.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> No use of agro-chemicals. Organic production only. PPE and emergency shower. No aerial application. 	<p>No agro-chemicals are used as the plantations are all managed for Organic Production.</p> <p>Only authorized non-chemical Plant Protection Products used at this department (i.e. <i>Bacillus thuringiensis</i>). No paraquat used at this company.</p>	Yes
Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented		
Summary of the findings for 4.7: The company has an OSH plan, which is being implemented. The company always follows the target of zero accidents but also establish targets for improvement. They detail each operation, the risks to the workers, the hazards, mitigation measures and PPE to be worn.		
Findings:	Comments:	Compliance

<ul style="list-style-type: none"> • The company has an OSH plan, which is being implemented. • OSH committees are identified and responsible persons for safety programs are included in responsibility charts. • The company maintains records of all meetings with workers and minutes show that health, safety and welfare issues are included amongst other matters. • Worker accident insurance is in place and up to date. • Workers exposed to high risk are identified and records show that regular health examination takes place. • Risk assessments include all identified areas of risk both in the plantations and mill with preventative measures and responsibilities. • All workers have been trained in OHS and this is regularly updated. • Accident and emergency procedures are in place and communicated. • Trained First aiders at all sites. • Training programs. • Accident records are maintained and reviewed at the OHS meetings. Further training and preventative action is then considered and implemented. • Suitable fire extinguishers in applicable locations. 	<p>The company always follows the target of zero accidents but also establish targets for improvement considering the history of accidents and they establish ways of achieving the targets. Document Objetivos e Metas. 10/06/2014. Target for maximum number of targets. Agricultural areas: March 2014 target 28. Actual 17. Mills. March 2014. Target 1. Actual 1. Admin and workshops: Target 1. Actual 0.</p> <p>Supporting document:</p> <ol style="list-style-type: none"> 1. Programa de Prevenção de Riscos Ambientais (NR-R), Ref. Set/14 a Ago/15, (Risk Assessment for Healthy and Safety Working Conditions). 2. PCMSO – August/2015 to August/2016; <p>These two documents cover the field operations and mill operations. They detail each operation, the risks to the workers, the hazards, mitigation measures and PPE to be worn. Field and mill observations confirmed that PPE is used in accordance with the risk assessments. Signage in the mill gave advice as to what PPE must be worn in all locations.</p>	No
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Criterion 4.8: All staff, workers, smallholders and contractors are appropriately trained

Summary of the findings for 4.8: There is a formal training program in place for all activities as seen for the previous audits. This audit confirmed continuing compliance.

Findings:	Comments:	Compliance
<ul style="list-style-type: none"> • Training plans and records are in place as appropriate for all staff and workers. • Temporary workers are trained in accordance with company procedures. 	There is a formal training program in place for all activities as seen for the previous audits. This audit confirmed continuing compliance.	Yes

Principle 5: Environmental responsibility and conservation of natural resources and biodiversity.

Summary of Principle 5: An SEIA has been completed. The EIA covers all aspects of mill and plantation management with regard to the environment. It is fully documented and available. It fully covers and includes all the requirements of Principle 5. All forest reserve is considered as HCV assessments. Measures to protect any HCV's are in place. The company has decided to classify the riparian zones as HCV and they are also managed as part of the water management plan. Waste products have been identified and documented. There are records of all disposals of waste. Recycling is carried out as much as possible. Dangerous residue is stored in a warehouse and then incinerated. All energy used in the mills included fossil fuel in the plantations is monitored. There is a plan of methane production out of sedimentation lakes of residual POME. No fire used at this company for land preparation as declared. The mill has identified the sources of pollution and emissions. The model potentially shows a net sequestration of carbon. A new POM is being built that will include a methane capture plant and if successful, this will be expanded to other POMs.

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

Summary of the findings for 5.1: An SEIA has been completed. The EIA covers all aspects of mill and plantation management with regard to the environment. It is fully documented and available. It fully covers and includes all the requirements of Principle 5.

Findings:	Comments:	Compliance
<ul style="list-style-type: none"> • There is an initial Environmental Impact Study prepared in 2007 and 2008. There is 14 001 ISO system management assessing the impacts steadily through internal audits and external ones. • Agropalma Environment has a medium sector 	An SEIA has been completed. The EIA covers all aspects of mill and plantation management with regard to the environment. It is fully documented and available. It fully covers and includes all the requirements of Principle 5. Working personnel were observed wearing PPE	Yes

<p>that manages all emissions and wastes generated within the project (Construction, Agricultural, Industrial, Household and Hospital). Checked for waste management plans, standard of general procedures, operating routines and adopt monitoring sheets of generated emissions indicators. Documented and implemented impact assessments in accordance with RSPO and legal requirements.</p>	<p>according to their assignments (i.e. welders, general motor mechanics). Welders were physically checked for proper aprons, respiratory mask, eye protection, gloves and shielded shoes (i.e. Alexander Alex Gomez Oliveira, welder). Availability of PPE was checked next welding, grinding and entrance areas, according to Manutencao de Equipamento de Processo RO 18ext/11-c/p/a/7m, and Controle operacional do processo de solda e corte, R= 18ext/014-cPA2/m. Interview with Environmental Sector Engineer..</p> <ul style="list-style-type: none"> - Standard General Procedure "Document Control" that establishes the requirement for upgrade (NPG Review 004 13 02/03/15) establishing monitoring validity of documents. - System documents Standard (NPG 002 Revision 15, 02.03.15) laying down the time upgrade at least 1 time / year; 	
<p>Criterion 5.2: The status of rare, threatened or endangered species and 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 their conservation taken into account in management plans and operations.</p>		
<p>Summary of the findings for 5.2: All forest reserve is considered as HCV assessments. Measures to protect any HCV's are in place. The company has decided to classify the riparian zones as HCV and they are also managed as part of the water management plan.</p>		
<p>Findings:</p> <ul style="list-style-type: none"> • All forest reserve is considered as HCV assessments. • Measures to protect any HCV's are in place. • The company takes responsible (and reasonable) action to control illegal and inappropriate hunting, fishing or collecting activities. • Monitoring takes place of the forest reserve every 2 years. 	<p>Comments:</p> <p>Monitoramento de Fauna e Flora no Complexo Agroindustrial Do Agropalmas, Nov-Dez-2012 e Jan.2013 by Conservação Internacional, 15-01-2014; Biannual Report.</p> <p>Any HCV identified is retained inside the forest reserve. The company has decided to classify the riparian zones as HCV and they are also managed as part of the water management plan. The buffer zones were found to be in accordance with legal requirements and best management.</p>	<p>Compliance</p> <p>Yes</p>
<p>Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
<p>Summary of the findings for 5.3: Waste products have been identified and documented. There are records of all disposals of waste. Recycling is carried out as much as possible. Dangerous residue is stored in a warehouse and then incinerated.</p>		
<p>Findings:</p> <ul style="list-style-type: none"> • Waste products have been identified and documented. • There are records of all disposals of waste. • Waste disposal by licensed companies. • PGRS is the plan and cover all activities for the CPA mill and the supply base. • In 2012 the company closed the old system for domestic waste and it is now delivered to a specialist company. In 2013 a licence was obtained for a new garbage collection point was built in 2014. • Recycling is carried out as much as possible. Dangerous residue is stored in a warehouse and then incinerated. Recycling of metal as much as possible. Separate bins for paper, plastic and other. • See Waste Management Plan; evidence: <ul style="list-style-type: none"> • Procedure "Solid Waste Management" (RO-GE-MAMB-012, Revision 01 - 08.05.15) and includes the activity of the sanitary land deposit. • Plan for solid waste management in 2015; • Medical waste management plan in 2015; 	<p>Comments:</p> <p>Program to manage soil residues and waste (PGRS). No NPG 30. Technical document with detailed procedures for each sort of waste. Storage, transport and disposal. All waste is analysed in accordance with the law and disposed of accordingly. The environmental manager is responsible and the PGRS is related to the licences.</p> <p>There is a storage tank with a capacity of 5,000 litres. Licence to operate a waste collection pint. LO No 013/2014. Valid to 10/04/2016.</p> <p>At mills the waste of milling POME has new re-use project with tank fermentation and cannon irrigation with extensive underground irrigation network, and in last phase methane production for energy use. a concrete improvement step of the actual re-use system. At CPA the POME- sedimentation tanks and irrigation system was visited, extensive technique presentation, maps show.</p> <p>Evidences:</p> <p>Interviewed person was: Mrs. Pamela Lemos, Environment Management Department..</p> <p>Interview with POME manager of CPA mill;</p> <p>Visit the POME CPA mill station;</p>	<p>Compliance</p> <p>Yes</p>

<ul style="list-style-type: none"> Waste management plan construction 2015; 		
Criterion 5.4: Efficiency of energy use and use of renewable energy is maximised.		
Summary of the findings for 5.4: All energy used in the mills included fossil fuel in the plantations is monitored. There is a plan of methane production out of sedimentation lakes of residual POME.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> All energy used in the mills is monitored. All fossil fuel in the plantations is monitored. <p>Evidence: Interview with process engineer, Mr. Alcimara Silva; Monitoring of diesel consumption 2014/2015; CPA - 2.83 l / ton;</p>	<p>All electricity in the mill is generated by co-generation using diesel, fibre and shells. Fibre from the kernel shell is used in the boiler. The actual quantity per month is estimated by a formula which includes the number of hours. Future plan of methane production out of sedimentation lakes of residual POME was presented. Interviewed person: Carlos Alberto Carvalho and Raquel Melo (Agriculture Manager)</p>	Yes
Criterion 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		
Summary of the findings for 5.5: No fire used at this company for land preparation as declared.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> The use of fire is not allowed for any land preparation or for replanting. 	<p>No fire used at this company for land preparation as declared by Mr. Raquel Melo (Agricultural manager) Evidence: Visited CPA areas in Depat. VI.</p>	Yes
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.		
Summary of the findings for 5.6: The mill has identified the sources of pollution and emissions. The model potentially shows a net sequestration of carbon. . A new POM is being built that will include a methane capture plant and if successful, this will be expanded to other POMs.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> The mill has identified the sources of pollution and emissions. Various and regular measurements are taken of the emissions and pollutants. Measurements of emissions obtained are used to develop strategies for improvement. POME is treated in a series of ponds and the final discharge is for land irrigation over an area of 180 ha. 	<p>The sources of emissions and sequestration are identified. Land clearance in the past was the main source of GHG. Crop sequestration of GHG and there are 64,00ha of forest reserve. The model potentially shows a net sequestration of carbon. However, by being conservative, there is 1.62 mt of CO2 released per 1mt of CPO produced. However, if the conservation blocks are considered to be sequestering 2mt per ha of C, (Equivalent to 7.333 mt CO2) then the result is that the company is capturing 1.5 mt CO2 per year.</p> <p>The principal contribution of GHG gases are the lagoons for POME treatment. A new POM is being built that will include a methane capture plant and if successful, this will be expanded to other POMs. The POME from 2 mills will be treated under this plan. A procedure to monitor all gas emissions and liquid waste from the mills is being revised. No NPG 36.</p>	Yes

Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and mills.
<p>Summary of Principle 6: Social impacts are both monitored and managed with the participation of local communities. All consulted local persons indicated that no negative impacts of Palm Oil production by Agropalma have been detected. There is a clear and transparent system of consultation and communication with local stakeholders. The company maintains records of meetings with local community representatives and issues raised. The action taken in response to those issues is also recorded. There is a complaints and dispute resolution procedures which is demonstrably accepted by potentially affected parties. During the</p>

<p>audit, workers were interviewed and no complaints noted regarding the system. Customary and user rights were considered prior to the purchase of the land and none were identified. The land was purchased with full title deeds. Contracts of pay and conditions are documented and are in compliance with the law. Labour unions are involved in worker agreements. Housing is adequate. Medical facilities are of a very high standard. The workers are aware of their right of freedom of association. Several meetings every month take place between worker labour Union and Agropalma Company. The absence of minors was verified in the field. However, Agropalma has an apprenticeship program in employing young people from age 14-18 years without detriment to school attendance. All in accordance with Brazilian law. No evidence of discrimination. Workers are treated equally with regard to working opportunities. The company has a policy on the protection of reproductive and sexual harassment rights. The company has a policy to protect complainants. Contracts in place for services are respecting local laws and duly paid. The company makes contributions for local development and records are maintained. Company policies establish strict compliance with Brazilian labour laws and respect for human rights. By a tour of facilities and field interviews with employees and other stakeholders is evidence that the company does not use forced labour. Company documents include a policy to respect human rights and it is communicated.</p>		
<p>Criterion 6.1: Aspects of plantation and mill management 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 continuous improvement</p>		
<p>Summary of the findings for 6.1: Social impacts are both monitored and managed with the participation of local communities. All consulted local persons indicated that no negative impacts of Palm Oil production by Agropalma have been detected.</p>		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> Documented and implemented social impact assessments prepared in participation with affected parties, for plantations and mill. Social impacts are both monitored and managed with the participation of local communities. Local communities interviewed and stakeholders informed the audit team that the company only has a positive impact on their communities. <p>Plans to promote positive impacts were developed in consultation with stakeholders, which prioritized the need to run / attended.</p> <p>Interview with Tulio Dias</p>	<p>Documents verified:</p> <ul style="list-style-type: none"> Report "Monitoramento do Plano de Desenvolvimento da Villa dos Palmares" dated 2014 ending with the projects implemented from the initial diagnosis. In 2014, Agropalma made an analysis which was conducted by The Forest Trust which evaluated some issues related to child labor and working conditions in small producers in order to develop a work proposal that leads to better living conditions. Social Project Management reviewed on July, 2014 that establish the continues of the Social Programs; All consulted local persons indicated that no negative impacts of Palm Oil production by Agropalma have been detected. <p>Interviewed persons:</p> <ul style="list-style-type: none"> Geraldo Massimo do Rego, Vila Boa Esperanza, Community leader Balbina de oliveira Farias, Vila Olhos d'Agua, Former President of Community Association. 	Yes
<p>6.2 There are open and transparent methods for communication and consultation between growers and/or mills, local communities and other affected or interested parties</p>		
<p>Summary of the findings for 6.2: There is a clear and transparent system of consultation and communication with local stakeholders. The company maintains records of meetings with local community representatives and issues raised. The action taken in response to those issues is also recorded.</p>		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> Clear and transparent systems of consultation and communication with local stakeholders. A list of stakeholders is maintained. Identified lines of communication. The company maintains records of meetings with local community representatives and issues raised. The action taken in response to those issues is also recorded. The company has identified and appointed a person who is the main point of contact and who is responsible for communicating with local communities and stakeholders. 	<p>Documents verified: Procedure "Procedimento de Comunicação Interna e Externa" NPG 34, Ver. 12, that establish the procedures to communicate with internal and external communities;</p> <p>According to visit to three stakeholders above communication is open and happens in good spirits.</p> <p>Interviewed persons:</p> <ul style="list-style-type: none"> Geraldo Massimo do Rego, Vila Boa Esperanza, Community leader Balbina de oliveira Farias, Vila Olhos d'Agua, Former President of Community Association. Cristiane Paiva (Communication Assistance – Corporate Communicative) <p>Local communities included:</p> <ul style="list-style-type: none"> Vila Boa Esperanza, 	Yes

		Vila Olhos d'Água	
Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties			
Summary of the findings for 6.3: There is a complaints and dispute resolution procedures which is demonstrably accepted by potentially affected parties. During the audit, workers were interviewed and no complaints noted regarding the system.			
Findings:	Comments:	Compliance	
<ul style="list-style-type: none"> There is a complaints and dispute resolution procedures which is demonstrably accepted by potentially affected parties. There are good records of complaints which includes the action taken, the outcome of the action taken and any follow up requirements. Procedure is fully available: Norma de procedimento NPG 016, Revisão 13, de 04/03/2015, p 12 "Procedimento de comunicação Interna e Externa" The company registered during 2015, 13 requests of information. 	<p>During the audit, workers were interviewed and no complaints noted regarding the system. A phone number for complaints is installed No. 823</p> <p>Documents verified:</p> <ul style="list-style-type: none"> Norma de procedimento NPG 016, Revision 13, from 4.3.2015, p 12 "Procedimento de comunicação Interna e Externa" Register of request from 6.8.2015 responded 10.8.2015 There is a protection system for sensitive issues, where the document does not mention the names of the persons. 	Yes	
Criterion 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 stake holders to express their views through their own representative institutions			
Summary of the findings for 6.4: Customary and user rights were considered prior to the purchase of the land and none were identified. This was further verified in later research work. The land was purchased with full title deeds.			
Findings:	Comments:	Compliance	
<ul style="list-style-type: none"> Customary and user rights were considered prior to the purchase of the land and none were identified. This was further verified in later research work. The land was purchased with full title deeds. 	<p>Agropalma only buys land from private owners and with full dominion of the land. The legal department of Agropalma ensures that only land with true and valid titles is purchased.</p> <p>Evidence: Interviewee: General Manager Antonio Pereira da Silva</p>	Yes	
Criterion 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.			
Summary of the findings for 6.5: Contracts of pay and conditions are documented and are in compliance with the law. Labour unions are involved in worker agreements. Housing is adequate. Medical facilities are of a very high standard.			
Findings:	Comments:	Compliance	
<ul style="list-style-type: none"> Contracts of pay and conditions are documented and are in compliance with the law. Labour unions are involved in worker agreements. Housing is adequate. Medical facilities are of a very high standard. A company school is well attended. Shelters in the farms for meals. Buses with toilets. Water from bore holes for mill. Agropalma Clinic is effectively a small hospital and full access is given to all workers and their families. It is an extremely professional organisation run by a qualified doctor. Restaurant at CPA mill. Main canteens visited on several occasions for meals. Good quality subsidized food for all workers. Healthy diet. <p>Observation 4. All the water for CPA Mill housing comes from bore holes and is filtered. Chlorine is not added as it comes from bore holes. The Ph for the analysis of the water at the CPA housing complex was 5.23.</p>	<p>Documents verified:</p> <ul style="list-style-type: none"> Agreement accordance with rural union (01/01/15 to 31/12/16) and Collective Convention of Work signed with industrial union (01/04/15 to 31/03/16); All the water comes from bore holes and is filtered. Chlorine is not added as it comes from bore holes. The PH for the analysis of the water at the CPA housing complex was 4. <p>The company applies the same contract and working condition standard for all subcontractors and service provider.</p> <p>Evidence: -Food provider GR S.A. visited 13.8.2015 -Transport company TransSena, Depto 1, 11.8.2015</p>	Yes	
Criterion 6.6: The employer respects the right of all personnel to form and join trade unions of their choice and to bargain			

collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel		
Summary of the findings for 6.6: The workers are aware of their right of freedom of association. Several meetings every month take place with Agropalma Company.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> Published statement recognizing freedom of association. Minutes of meetings with trade unions and worker representatives. Every worker is informed at the beginning of Labor union. 	<p>The workers are aware of their right of freedom of association. Interview Alexander de Almede Maya, Dept 1, 11.8.2015</p> <p>Meeting with union representative:</p> <ul style="list-style-type: none"> Several meetings every month take place with Agropalma Company. Meetings are documented. Excellent relation with the Union Several meeting proceedings are available. Many achievements have been reached through negotiations such as half day work on Saturday. All payment conditions are ratified by Labour Union. 	Yes
Criterion 6.7: Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education programmes. Children are not exposed to hazardous working conditions.		
Summary of the findings for 6.7: The absence of minors was verified in the field. However, Agropalma has an apprenticeship program in employing young people 14-18 years without detriment to school attendance. All in accordance with Brazilian law.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> There is a documented and published company policy on worker ages in accordance with national laws. The policy is being implemented. 	<p>In the Manual of Conduct, Article 7 paragraph 7.37 specifically it states that child labour is not possible without them to be adequately covered by national legislation. The absence of minors was verified in the field. However, Agropalma has an apprenticeship program in employing young people 14-18 years without detriment to school attendance and who earn half the minimum wage, all in accordance with Brazilian law. On August 14, 2015 counted 87 trainees working.</p> <p>Evidence: Relatório de Sustentabilidade 2013. Manual de Conduta dos Colaboradores do Grupo Agropalma</p>	Yes
Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		
Summary of the findings for 6.8: No evidence of discrimination. Workers are treated equally with regard to working opportunities.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> There is a publicly available equal opportunities policy. No evidence of discrimination. Workers are treated equally with regard to working opportunities. Several interviews with community leaders show that equal opportunities are given. 	<p>Documents verified:</p> <ul style="list-style-type: none"> Conduct Code of Agropalma; Agropalma's Integrated Political Management; Follow up register file with all internal communications claim process; Agropalma's Integrated Political Management; <p>The findings of the audit confirmed previous audit conclusions that there is a publicly available equal opportunities policy as required.</p> <p>Interviewees: Alex Gomez de Oliveira- CPA Mill- welding operator. Renilson Lavareda Benício- CPA Mill- POME operator</p>	Yes
Criterion 6.9: A policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.		
Summary of the findings for 6.9: The company has a policy on the protection of reproductive and sexual harassment rights. The company has a policy to protect complainants.		

Findings:	Comments:	Compliance
<ul style="list-style-type: none"> The company has a policy to protect complainants. Each case is given a special code number. Specified in NPG 016, from 4.3.2015 Policy on sexual harassment and violence. The company has a policy on the protection of reproductive rights. The sexual harassment policy is being implemented. The reproduction rights policy is being implemented. Grievance procedure is available. 	<p>Article 7.36 from Conduct manual of Agropalma Cooperators establishes as prohibited the moral and sexual harassment. In 2014 and so far in 2015 there have been no complaints of sexual harassment. During a visit to the Department of Social Services became clear that most of the inquiries relate to the department of health aspects (with accompanying use of health plans, requests for aid and other transfers). Official interviews: Itaneide Fernandez (social service coordinator). Support document:</p> <ul style="list-style-type: none"> Manual de Conducta dos Colaboradores do Grupo Agropalma, 08/2008, Clausula 7.36. Conduct Code of Agropalma; Agropalma's Integrated Political Management; Procedure "Procedimento de Comunicação Interna e Externa" NPG 016, that establishes the procedures to communicate with internal and external communities; 	Yes
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.		
Summary of the findings for 6.10: Contracts in place for services are respecting local laws and duly paid. .		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> No outside suppliers. Contracts in place for services. FFB prices are publicly available 	Payment details for the above contract was checked and found to be timely.	Yes
Criterion 6.11: Growers and mills contribute to local sustainable development wherever appropriate.		
Summary of the findings for 6.11: The company makes contributions for local development and records are maintained.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> The company makes contributions for local development and records are maintained. 	<p>Agropalma focuses its efforts on local development, through education, for which it has come to school with 650 children during the day and 200 adult students at night. The school is open the children of all employees, both administrative and field and provides transport to and from neighbouring communities; Company has also developed AGENDA 21 project at Vila dos Palmares which resulted in the construction of a health unit there. Finally it benefits at least another 6 communities by employing people from these communities, by increasing income.</p> <p>Interview: Tulio Dias Brito (sustainability Manager)</p>	Yes
Criterion 6.12: No forms of forced or trafficked labour are used.		
Summary of the findings for 6.12: Company policies establish strict compliance with Brazilian labour laws and respect for human rights. By a tour of facilities and field interviews with employees and other stakeholders is evidence that the company does not use forced labour.		
Findings:	Comments:	Compliance
<ul style="list-style-type: none"> Interviews confirmed that the company does not use any form of forced or trafficked labour. There was no evidence of contract substitution. No migrant workers are employed. Temporary workers are covered by all the requirements of the RSPO standard. 	<p>It was noted that only local labour is employed and that interviews of a sample of workers confirmed that they all have contracts of employment.</p> <p>Company favors local workers according to union officer interviewed.</p> <p>Contractual relations are clear and understood by all parties, which is evidenced by interviewing workers and HR document review.</p> <p>Documents verified: Conduct Code of Agropalma; Agropalma's Integrated Political Management;</p>	Yes

Criterion 6.13: Growers and millers respect human rights.		
Summary of the findings for 6.13: Company documents include a policy to respect human rights and it is communicated.		
Findings:	Comments:	Compliance
The document "Manual of Conduct for collaborators of Group Agropalma" a copy of which is delivered to each employee, through numerous clauses, sets the clear respect for human rights policy is also evident in the Social Responsibility section of Sustainability Report 2013 published on the website of the company.	Company documents include a policy to respect human rights and it is communicated. See also P1. Documents verified: Agropalma's Integrated Political Management; Conduct Code of Agropalma members	Yes

Principle 7: Responsible development of new plantings.		
Summary of the findings for principle 7: No new planting since November 2005.		
Criterion 7.1: A comprehensive and participatory social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations		
Summary of the findings for 7.1:		
Findings:	Comments:	Compliance
		n/a
Criterion 7.2: Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations		
Summary of the findings for 7.2:		
Findings:	Comments:	Compliance
		n/a
Criterion 7.3: New plantings since November 2005 have not replaced primary forest or any area containing one or more high Conservation Values		
Summary of the findings for 7.3:		
Findings:	Comments:	Compliance
		n/a
Criterion 7.4: Extensive plantings on steep terrain, and/or on marginal and fragile soils, are avoided.		
Summary of the findings for 7.4:		
Findings:	Comments:	Compliance
		n/a
Criterion 7.5: No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their own representative institutions		
Summary of the findings for 7.5:		
Findings:	Comments:	Compliance
		n/a
7.6 Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.		
Summary of the findings for 7.6:		
Findings:	Comments:	Compliance
		n/a
Criterion 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 practices		
Summary of the findings for 7.7:		
Findings:	Comments:	Compliance
		n/a
Criterion 7.8: New plantation developments are designed to minimise net greenhouse gas emissions.		
Summary of the findings for 7.8:		
Findings:	Comments:	Compliance
		n/a

Principle 8: Commitment to continual improvement in key areas of activity.		
Summary of the findings for principle 8:		
Criterion 8.1: Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continual improvement in key operations		
Summary of the findings for 8.1: Criterion 8.1: Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continual improvement in key operations		
Findings:	Comments:	Compliance

<ul style="list-style-type: none"> • Clear evidence of continual improvement in key areas. • Reduction in use of pesticide (criterion 4.6) • Environmental impacts (criteria 4.3, 5.1, 5.2) • Waste reduction (criterion 5.3) • Pollution and Greenhouse Gas (GHG) emission (criteria 5.6, 7.8) • Social impact (criterion 6.1) • Optimizing the yield of the supply base 	<p>Continuous Improvement update from July 2015 is available with clear indications of the items listed. Interview with Tulio Dias, Environmental Manager. Company has not authorized attachment due to confidentiality. The document is based on actions and improvements evaluations since 2010; there are evidences of improvements in all mentioned sectors.</p> <ul style="list-style-type: none"> - New garbage disposal project. - Social improvements with actions by women in local Palmares village making uniforms for Agropalma, social events. - Although company invests in research and studies for productivity, due to climatic conditions productivity has fallen in last 3 years. - Control of hunting with construction of control hut. Reform of two huts. - Fauna monitoring project. Species in extinction are present in the company's environment. 	Yes
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IBD

CERTIFICATIONS

RSPO Supply Chain Certification		
Supply Chain Module	Specify D – Identity Preserved	
Findings:	Comments:	Compliance
Description		
<p>The company has an integrated management system allowing full traceability of all products. They are also certified in accordance with ISO 9001, ISO 14001, OHSAS 18001 and ISO 22001. The basis of the management system is the Integrated Management System which covers all aspects of the standard applicable. "Traceability Product Procedures for RSPO operations". Specific procedure regulations designed for RSPO from purchase to sale of final products is specified in: "Procedimento de Rastreabilidade dos Produtos (CPO e PKO) em Matérias Primas (CFF)" from 15.6.2015 (NPE-GIND-009). The Quality Control responsible (Alessandra Dias Bortolanza) has overall responsibility for the implementation of the RSPO SCCS requirements and traceability norms. All the documents to control the traceability (delivery note, invoices, etc.) are stored during 5 years.</p>	<p>AGROPALMA CPA mill processes no uncertified FFB. The supply base are own certified land.</p>	Yes

<p>There is a list of all the managers responsible for all stages in the RSPO procedure.</p> <p>One manager is responsible for all inputs; One manager for the extraction; One manager for the sales and exports.</p> <p>CPA mill involved in this audit supply only RSPO certified FFB 100% from own plantations. This mill produces CCPO and CPKO. The products are sold as RSPO certified according clients' demand.</p>		
Documented Procedures		
<p>Written procedures for the mill which cover the receipt of FFB, it's processing and despatch of CPO and PKO</p> <p>As all FFB inputs are RSPO certified and so all CPO and PKO outputs are also certified as IP, the existing systems are applicable.</p> <p>The mill manager is in charge.</p> <p>Interviews with staff during the audit and observations confirm that all FFB is from the RSPO Certified Department VI and this department is also Organic Certified.</p> <p>Procedure in the weighbridge ensures that no crop can be received from any other (non-certified) supply base.</p>	<p>Procedures: NPE-GIND-009, Norma de procedimentos: "Procedimento de Rastreabilidade dos Produtos (CPO e PKO) e Matérias Primas (CFF), Date: 15.6.2015, Revisão: 5</p>	Yes
Purchasing and goods in		
<p>63853.83 mt of FFB received. 2014/15. July 2014 to June 2015. 63853.83 mt FFB. CPO: July14 to June15: 8974mt and PKO: 644mt.</p> <p>An electronic system from the weighbridge is registering the information.</p>	<p>Controlled information:</p> <p>Ticket de pesagem (Scale sheet) No. 388599, Date: 12.8.2015, destination: Palmares (Filial 06), Product: CFF ORG, Resp. Hercules Santos Goncalves, Depto VI, Liberação: 34529, Parcelas: 939-E006-1989,940-E007-1989,941-E008-1989,942-E009-1989,943-E010 FROTA 114, Peso liquido 10,650kg</p> <p>Person in charge scale: Jose Wilson de Oliveira Araujo</p>	Yes
Record keeping		
<p>Records are up to date in real time 5 years. Central server backed up by the IT staff.</p> <p>The inputs and outputs are in real time and controls are in place to monitor all inputs, OER and outputs.</p> <p>IP is used.</p> <p>Filial 006.</p> <p>29/07/2015. Ref Nota fiscal 1249. 31.63 mt PKO RSPO orgânico (PKOO).</p>	<p>Verified Document:</p> <p>Nota fiscal No. 1249, Date: 29.7.2015</p> <p>Destination: Companhia Refinadora Da Amazônia</p> <p>Product: Oleo de Palmiste Bruto Orgânico (PKOO)</p> <p>IP/Certificado</p>	Yes
Processing		
<p>ALL RSPO inputs and all RSPO outputs. 100% purity.</p> <p>The barge service is out-sourced to a dedicated company. The CPA lab is responsible for ensuring that the barge is fully empty prior to filling and the barge is then sealed. The seal is only broken by the refinery.</p> <p>ALL RSPO inputs and all RSPO outputs. 100% purity.</p> <p>No outsourcing. Kernel is crushed in the CPA mill.</p>	<p>PK left over after the first cleaning process in the fibre are recovered and processed as we observed in the mill visit.</p> <p>The laboratory for quality control takes sample every hour and checks with quality requirement.</p> <p>Control parameters:</p> <ul style="list-style-type: none"> - impurity: max: 0.025% - humidity: max: 0.20% - AGL: max: 2.5% - POV: max: 6.0 meq/gk - BOBI: range: 2 - 4 	Yes
Training		
<p>Training for the mill is considered applicable.</p>	<p>Training realized 3.6.2015 on RSPO P&C and Supply chain (SCC)</p>	Yes
Claims & Trademark use		

No claims are made.	No indication of claim	Yes
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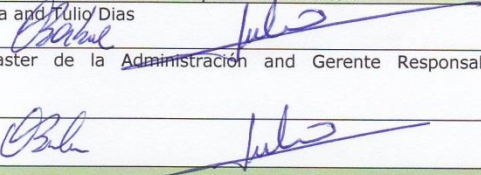
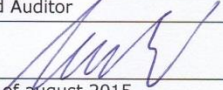
4. AUDIT FINDINGS		
4.1 Summary of Findings		
This section gives an over view of new or revised non-conformities raised during this assessment and of action taken to close out non-conformities raised during the previous assessments.		
Major non-conformities raised during a main assessment will prevent the certification body from making a positive certification decision for the concerned units/products.		
The NC number is comprised of 2 parts to include the year in which the NC is raised as well as a sequential number.		
4.2 Non conformity register		
4.2.1 Verification of previous assessment non-compliances		
Non-compliance	001 / 2014	
Date raised	1 st August 2014.	
Major or Minor	Minor	
Reference of standard	5.3.3	
Correction at this audit	Full	Yes
	Partial	
	Not Corrected	
4.2.2 New non-compliances raised at this audit		
NC number	001/2015	
Date raised	12.8.2015	
Major or Minor	Minor	
Reference of standard	4.7.5	
Standard requirement	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.	
Evidence of non-compliance	No first aid kits are available in workshops, field operation and mill.	
Date of closing:		
4.2.3 Observations		
Date raised	12.8.2015	
Recommendation: Insight the mill and workshops with equipment the pedestrian zone should be indicated by walking lines. This can be helpful in case of an emergency to follow the evacuation route and avoid accidents.		
4.3 Lead Auditor Recommendations for the RSPO Principles & Criteria certification.		
Grant/ Renewal/ Extension*	<input checked="" type="checkbox"/>	
Maintenance*	<input type="checkbox"/>	
Suspension	<input type="checkbox"/>	
Refuse / Withdrawal Certificate	<input type="checkbox"/>	
* Grant / Renewal / Extension / Maintenance, in the case of open Minor nonconformities, assumes that the nonconformities will be cleared as agreed		
OBS: The final decision whether the company will be granted with the RSPO P&C certification or not, shall rely upon the certification body, after reviewing the audit documentation and taking in account the lead auditor's recommendation.		
4.4 Comments for next audit.		
Observation 1. 4.7.5 The content of the first aid box in the centre place is not having an inventory list with the data of expiring data of the products. This can bring the risk of passing the validity data. Some products do not have validity date and as from the appearance should be changed.		
Observation 2. 4.7.5 The first aid "shed" at the mill is looked with a key, which can complicate the opening of the door in case of an emergency. There are no readily accessible first aid kits located in the mill or workshops.		
FORMAL SIGNING OF AUDIT FINDINGS		
5.1 Acknowledgment of internal responsibility by the Client.		
I the undersigned, being the most senior relevant management representative of the operation seeking or		

holding certification, agree with the contents and audit findings as presented in this document .	
I also confirm:	
<ul style="list-style-type: none"> • Acceptance of liability in execution of the instructions given. • That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of IBD. • That during the closing meeting all agenda items were covered by the lead auditor. 	
Name	Otto Barbosa and Tulio Dias
Position	Master Manager of Administrative Management and Socio and Environmental Responsibility Manager.
Signature	
5.2 Signing by the Lead Auditor.	
I the undersigned, being the lead auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented are a true representation of the actual findings of the audit team.	
Name	Kurt Schneider
Position	Lead Auditor
Signature	
Date	14 th of august 2015



IBD

CERTIFICATIONS

4.3 Lead Auditor Recommendations for the RSPO Principles & Criteria certification.	
Grant / Renewal / Extension*	<input checked="" type="checkbox"/>
Maintenance*	<input type="checkbox"/>
Suspension	<input type="checkbox"/>
Refuse / Withdrawal Certificate	<input type="checkbox"/>
* Grant / Renewal / Extension / Maintenance, in the case of open Minor nonconformities, assumes that the nonconformities will be cleared as agreed	
OBS: The final decision whether the company will be granted with the RSPO P&C certification or not, shall rely upon the certification body, after reviewing the audit documentation and taking in account the lead auditor's recommendation.	
4.4 Comments for next audit.	
<p>Observation 1. 4.7.5 The content of the first aid box in the center place is not having an inventory list with the data of expiring data of the products. This can bring the risk of passing the validity data. Some products do not have validity date and from the appearance should be changed.</p> <p>Observation 2. 4.7.5 The first aid "shed" at the mill is locked with a key, which can complicate the opening of the door en case of a emergency. There are no readily accessible first aid kits located in the mill or workshops.</p> <p>Observation 3. The Ph for the analysis of the water at the CPA housing complex, was 5.23 and the legal parameters 6-10. The Ph of the water in the Amazon Region of Brazil is very unlikely to be above 6 and even bottled water is Ph 4.</p>	
1. FORMAL SIGNING OF AUDIT FINDINGS	
5.1 Acknowledgment of internal responsibility by the Client.	
I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document .	
I also confirm:	
<ul style="list-style-type: none"> • Acceptance of liability in execution of the instructions given. • That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of IBD. • That during the closing meeting all agenda items were covered by the lead auditor. 	
Name	Otto Barbosa and Tullio Dias
Position	Gerente Master de la Administración and Gerente Responsable Socio Ambiental
Signature	
5.2 Signing by the Lead Auditor.	
I the undersigned, being the lead auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented are a true representation of the actual findings of the audit team.	
Name	Kurt Schneider
Position	Lead Auditor
Signature	
Date	14 th of august 2015

6. Major non-compliances follow-up actions (exclusive use of IBD decision maker)	
Verification of effectiveness by:	
<input type="checkbox"/>	Follow-up on-site audit: On-site review and evaluation of the introduction, implementation and effectiveness of non-compliance(s) correction and corresponding corrective actions.
<input type="checkbox"/>	Desktop audit: Document assessment of root cause analysis and evidence of corrections and corrective actions submitted to the certification body.

MQ III IBD Revisão 16.03.2015

GED/DOCUMENTOS/MODELOS E REFERENCIAS/2-SETOR DE INSPEÇÕES/2_2-RELATÓRIOS DE INSPEÇÃO/2_2_30_1_3_En - RSPO P&C Public Summary Report

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6. Major non-compliances follow-up actions (exclusive use of IBD decision maker)

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Verification of effectiveness by:

- Follow-up on-site audit:
On-site review and evaluation of the introduction, implementation and effectiveness of non-compliance(s) correction and corresponding corrective actions.
- Desktop audit:
Document assessment of root cause analysis and evidence of corrections and corrective actions submitted to the certification body.

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