

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

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management : Pundu Nabatindo Mill, PT Windu Nabatindo Lestari subsidiary of Organisation
Bumitama Agri Ltd
Plantation Name : Pundu Nabatindo Estate
Location : Pundu Village, Sub District of Cempaga Hulu, District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia
Certificate Code : MUTU-RSPO/042
Date of Certificate Issue : 19 June 2014 Date of License Issue : 19 June 2017
Date of Certificate Expiry : 18 June 2019 Date of License Expiry : 18 June 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	17 – 21 April 2017	Moh. Arif Yusni (Lead Auditor Supervised), Octo HPN Nainggolan (Lead Auditor Witnessing), Arif Faisal Simatupang, Sofyan Hadi Lubis, Asystasya Aishah Silalahi	Taufik Margani	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	31 July 2017

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FIGURE

Figure 1. Location Map of PT Windu Nabatindo Lestari

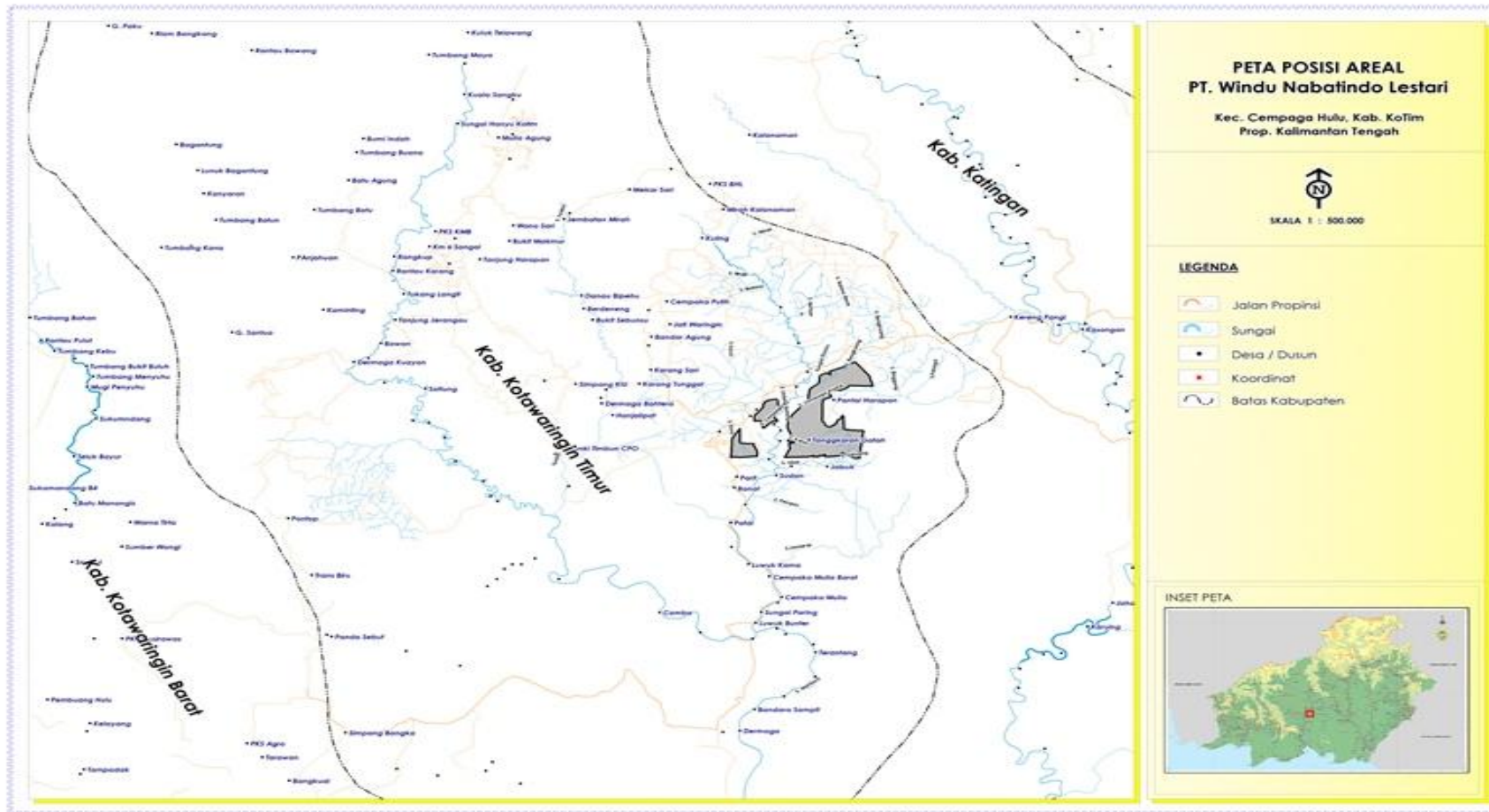
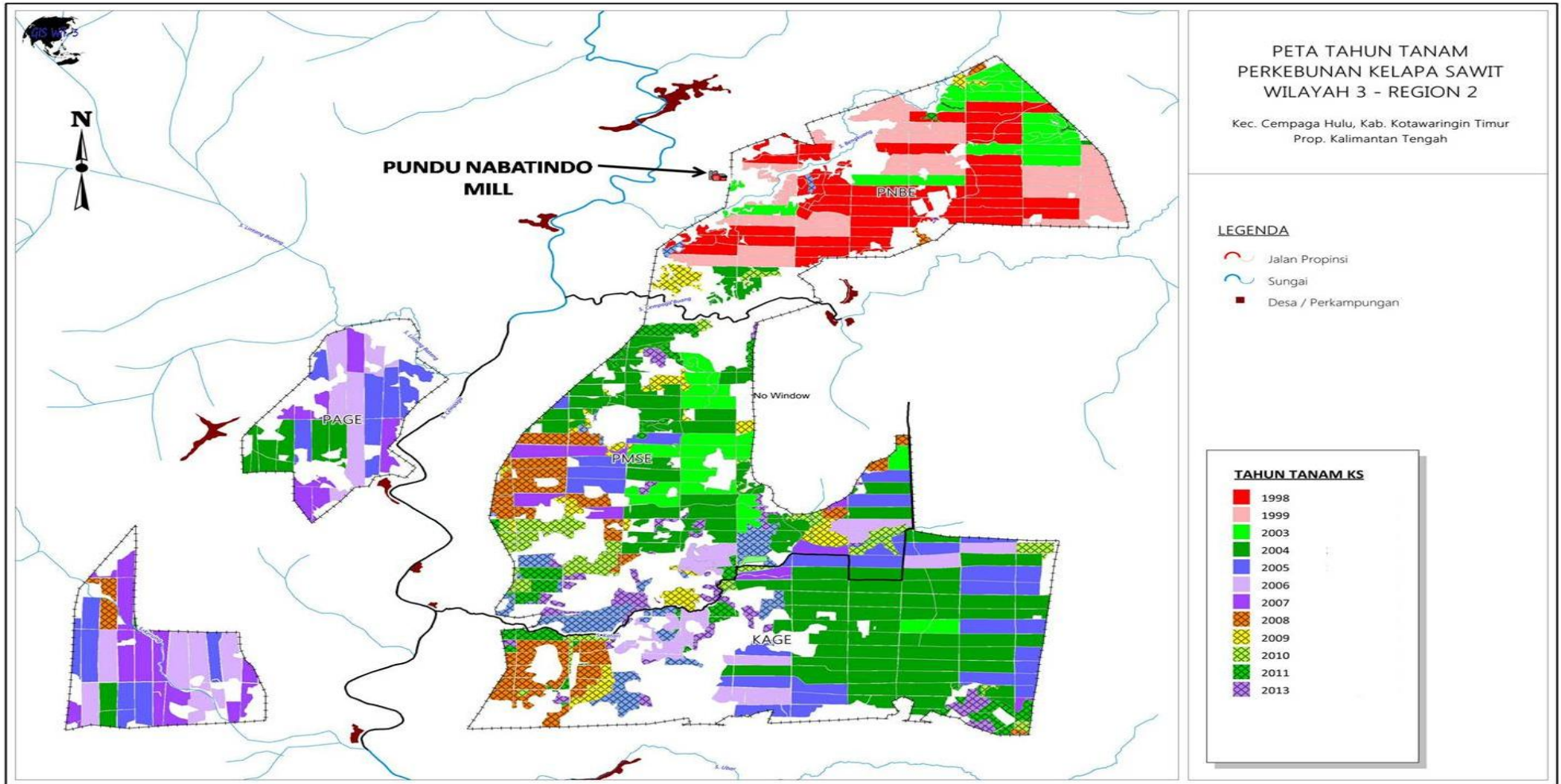


Figure 2. Operational Map of PT Windu Nabatindo Lestari



Glossary

APAR	:	<i>Alat Pemadam Api Ringan</i> (Fire Extinguisher)
ASA	:	Annual Surveillance Assessment
BBC	:	Black Bunch Census
BGA	:	Bumitama Gunajaya Abadi
CCM Dept.	:	Certification and Compliance Department
CCS	:	Corporate Communication Sustainability
CPO	:	Crude Palm Oil
CSR	:	Coorporate Social Responsibility
B3	:	Hazardous Material
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
GHG	:	Green House Gass
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> (Building Use Tittle)
HGU	:	<i>Hak Guna Usaha</i> (Land Use Permit)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
HRD	:	Human Resource Department
IOM	:	Inter Office Memo
IPM	:	Intergrated Pest Management
JHT	:	<i>Jaminan Hari Tua</i> (Pension Plan)
JKK	:	<i>Jaminan Kecelakaan Kerja</i> (Accident Insurance)
JKM	:	<i>Jaminan Kematian</i> (Life Insurance)
JP	:	<i>Jaminan Pensiun</i> (Retirement Insurance)
LTA	:	Lost Time Accident
MCU	:	Medical Check Up
MSDS	:	Material Safety Data Sheet
OHS	:	Occupational Health and Safety
OQC	:	Operation Quality Control
PAD	:	Public Affair Department
PKO	:	Palm Kernel Oil
POM	:	Palm Oil Mill
PNBE	:	Pundu Nabatindo Estate
PNBM	:	Pundu Nabatindo Mill
PPE	:	Personal Protective Equipment
RKL/RPL	:	<i>Rencana Kelola Lingkungan/Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainability Palm Oil
SOP	:	Standard Operational Procedure
SCCS	:	Supply Chain Certification System
TPA	:	<i>Tempat Penitipan Anak</i> (Child Day Care)
UKL/UPL	:	<i>Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan</i> (Environmental Management and Monitoring Report)
WNL	:	Windu Nabatindo Lestari
WTP	:	Water Treatment Process

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1 Assessment Standard Used			
<ul style="list-style-type: none"> • <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016)</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> 			
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	PT Windu Nabatindo Lestari - Bumitama Agri Ltd	
1.2.2	Contact person	Lim Sian Choo	
1.2.3	Organisation address and site address	RSPO registered company: Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia . Liaison Office: Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia.	
1.2.4	Telephone	(62-21) 727 98418	
1.2.5	Fax	(62-21) 727 98665	
1.2.6	E-mail	lim.sian.choo@bumitama.com	
1.2.7	Web page address	www.bumitama-agri.com	
1.2.8	Management Representative who completed the application for certification	Lim Sian Choo (Head of CSR and Corporate Sustainability)	
1.2.9	Registered as RSPO member	1-0043-07-000-00 – 08 October 2007	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Pundu Nabatindo Mill (PNBM); Pundu Nabatindo Estate (PNBE)	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Pundu Nabatindo	Pundu Village, Sub District of Cempaga Hulu, District of Kotawaringin Timur, Kalimantan Tengah Province, Indonesia	S 1° 59' 36" E 113° 3' 41"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Pundu Nabatindo Estate	Pundu Village, Sub District of Cempaga Hulu, District of	S 1° 59' 48" E 113° 3' 29"

	Kotawaringin Timur, Kalimantan Tengah Province, Indonesia		
1.5 Description of Area Statement			
1.5.1	Tenure		
	• State		Land Use title : 9,616.28 Ha
	• Community		0 Ha
	<i>Tenure area is based on Land Use Title (HGU) certificate No. 24 year 2004 with scope of permitted area covers Pantai Mas Estate, Katari Estate, Pelantaran Agro Estate and Pundu Nabatindo Estate. Pantai Mas Estate, Katari Estate, Pelantaran Agro Estate are under scope of certification of Katari Agro Mill</i>		
1.5.2	Area Statement		
	• Total area		2,829.07 Ha
	• Mature area		1,949.80 Ha
	• Immature area		0.00 Ha
	• Mill		14.90Ha
	• Housing Complex		27.06 Ha
	• Infrastructure (Road)		85.10 Ha
	• Nursery		0.00 Ha
	• Occupation		673.71 Ha
	• Others area		0.00 Ha
	• HCV		78.50 Ha
1.6 Planting Year and Cycles			
1.6.1	Age profile of planting year		
	Planting Year	Hectarage (Ha)	
		Pundu Nabatindo Estate	Total
	1998	888.82	888.82
	1999	594.93	594.93
	2003	331.34	331.34
	2004	45.95	45.95
	2008	11.11	11.11
	2009	44.39	44.39
	2010	11.14	11.14
	2011	9.49	9.49
	2012	11.48	11.48
	2013	1.15	1.15
	TOTAL	1,949.80	1,949.80
1.6.2	New Planting area after January 2010	33.26	Ha
1.6.3	Planting Cycle	1 st Cycle	
1.7 Description of Mill and Supply Base			
1.7.1	Description of Mill		

	Name of Mill	Capacity (tonnes/hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Pundu Nabatindo	90	272,703.89	61,844.84	22.68	12,946.53	4.75
<i>*Production data source from April 2016 – March 2017</i>							
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Pundu Nabatindo	2,829.07	1,949.80	36,210.33	18,57	36,210.33	100
	TOTAL	2,829.07	1,949.80	36,210.33	18,57	36,210.33	100
<i>*Production data source April 2016 – March 2017</i>							
1.7.3	FFB description from other source						
	Name of sources	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Pantai Harapan Plasma (RSPO Non Certified)	Associate smallholders	875	1,734.73	52,318.71		
	Katari Agro Estate (Rspo Certified)	PT Windu Nabatindo Lestari	-	2,470.00	215.39		
	Pelantaran Agro Estate (Rspo Certified)	PT Windu Nabatindo Lestari	-	1,376.00	388.77		
	Pantai Mas Estate (Rspo Certified)	PT Windu Nabatindo Lestari	-	2,403.22	541.17		
	PT Fajar Bumi Nabati	PT FBI	-	550	933.04		
	Penaga Raya Estate (Rspo Non Certified)	PT Windu Nabatindo Lestari	-	659.33	52,127.59		
	Kruing Raya Estate (Rspo Non Certified)	PT Windu Nabatindo Lestari	-	1,198.47	36.73		
	Rubung Buyung Estate (Rspo Non Certified)	PT Windu Nabatindo Lestari	-	2769.92	69.96		
	Selucing Agro Estate (Rspo Non Certified)	PT Windu Nabatindo Abadi	-	744.99	275.68		
	Serawak Damai Estate (Rspo Non Certified)	PT Windu Nabatindo Abadi	-	2,725.33	3,937.16		
	Independent Suplier	Independent Suplier	-	-	125,970.59		
	TOTAL					236,815.79	
<i>*Source Production Data from April 2016 – March 2017</i>							
1.7.4	Product categories			FFB, CPO, PK			
1.8 Estimate Tonnage of Certified Product							
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 19 June 2016 to 18 June 2017 (tonnes/year)		Actual certified product 19 June 2016 to 17 April 2017 (tonnes/year)	
	• FFB Production			128,271		36,673.970	
	• CPO Production			28,478		7,382.058	
	• Palm Kernel (PK) Production			6,118		1,488.878	

1.8.2	Estimate of Certified FFB Claim							
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Pundu Nabatindo	2,829.07	1,949.80	40,000	20.51			
	TOTAL	2,829.07	1,949.80	40,000	20.51			
	<i>*Projected FFB production for 12 months of certificate</i>							
1.8.3	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)	
	Pundu Nabatindo	90	40,000	9,200	23	2,000	5	
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others			-				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	PunduNabatindo (PT Windu Nabatindo Lestari)	2014	PunduNabatindo	2014	KotawaringinTimur District,Kalimantan Tengah	Certified		
			Koperasi Harapan Abadi	2017		-		
	Katari Agro (PT Windu Nabatindo Lestari)	2016	Pelantaran Agro Estate	2016	KotawaringinTimur District, Kalimantan Tengah	Certified		
			Katari Agro Estate					
			Pantai Mas Estate					
	GunungMakmur (PT Karya Makmur Bahagia)	2014	GunungMakmur	2014	KotawaringinTimur District, Kalimantan Tengah	Certified		
			Sungai Mentaya					
			Bukit Kecubung					
			Bukit Makmur					
			Bukit Daman					
			KUD Mekar Jaya			2017	-	
			KUD Sekar Tani			2017	-	
	KUD Lestari	2017	-					
	Bukit Makmur	2018	Sungai Puring (PT	2018	KotawaringinTimur District,	ST-1		

(PT Karya Makmur Bahagia)		Langgeng Makmur Sejahtera)		Kalimantan Tengah	
Kotawaringin (PT Bumitama Gunajaya Abadi)	2019	Sepantaian	2019	Kotawaringin Barat District, Kalimantan Tengah	ST-1
		Danau Merah			
		Kotawaringin			
		Tonam Raya			
Lamandau Mill (PT Bumitama Gunajaya Abadi)	2020	(PT Bumitama Gunajaya Abadi)	2020	Lamandau District, Kalimantan Tengah	-
		Kumai Hilir Estate (PT Andalan Sukses Makmur)	2020	Lamandau District, Kalimantan Tengah	-
		PT Investa Karya Bhakti	2020	Lamandau District, Kalimantan Tengah	-
Kendawangan Mill (PT. Gunajaya Karya Gemilang)	2016	Mekar Utama	2016	Ketapang District, Kalimantan Barat	Certified 2015
		Kendawangan			
		Banjar Sari			
		Seriam Jaya			
		Membuluh Jaya			
	2018	Koperasi Serba Usaha Bersama	2018	Ketapang District, Kalimantan Barat	-
		Koperasi Binasari			
		Koperasi Serba Usaha Karya Bersama			
		Koperasi Binasari			
		Koperasi Perkebunan Fajar Mandiri			
Koperasi Rimba Sari					
Suka Damai (PT Rohul Sawit Industri)	2018	PT Masuba Citra Mandiri	2018	Rokan Hulu District, Riau	-
Pembangunan Raya Mill (PT Agro Sejahtera Mandiri)	2016	Pembangunan Raya	2016	Ketapang District, Kalimantan Barat	ST-2
		Bengkuang Raya			
		Belaban Raya	2020	Ketapang District, Kalimantan Barat	-
Sungai Rasau Mill (PT Karya Bakti Agro Sejahtera)	2017	Marau Raya	2017	Ketapang District, Kalimantan Barat	ST-1
Selucing Mill (PT. Windu Nabatindo Abadi)	2019	Serawak Damai (PT Windu Nabatindo Sejahtera)	2019	Central Kalimantan	-
Sungai Cempaga Mill (PT. Windu Nabatindo Abadi)	2018	PT. Windu Nabatindo Abadi	2018	Central Kalimantan	-
		PT Nabatindo Karya Utama	2018	Central Kalimantan	-
Bukit Tunggal Jaya Mill (PT Ladang Sawit Mas)	2020	PT Ladang Sawit Mas	2018	Ketapang District, West Kalimantan	NPP
		PT Lestari Gemilang Intisawit	2020		NPP
		PT Ago Manunggal	2020		NPP

			Sawitindo		
			PT Karya Makmur Langgeng	2020	NPP
			PT Gemilang Makmur Subur	2020	-
	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
1.10.2	The smallholders of PT Windu Nabatindo Lestari already audited on June 12 to 16, 2017. Until now there are still major non conformities				

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ASA-3	<ol style="list-style-type: none"> 1. Moh. Arif Yusni (Lead Auditor Supervised). Indonesian citizen, bachelor of Agriculture, majoring of Plant Pest and Diseases (Plant Protection) Faculty of Agriculture. He has a working experience for 2 (two) years since 2010 as Operational staff in oil palm Plantation Company in Indonesia. Trainings attended namely: Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course. Now he worked at Professional Certification Body. He has been several times following audit related to sustainable palm oil certification system as an observer and auditor. Training attended: ISO 19011, ISO 9001; ISPO 14001, RSPO Lead Auditor, ISPO Lead Auditor, OHS Expert, OHS Auditor based on National Government No 50 year of 2012. Since 2012 has been following many audit as auditor for ISPO and RSPO Scheme for several aspect, such as Best Management Practices, Best Manufactures Practices, land Legality, Worker Welfare, OHS, Social, Environment, conservation, Integrated pest management, transparency, long term economic aspect and Supply chain for palm oil mill. During this assessment he was observed and audit on Legal requirement, Best Management Agriculture Practices aspect and supply chain 2. Octo HPN Nainggolan (Lead Auditor Witnessing). Indonesian citizen, Bachelor of Agriculture, majoring of Social Economics of Agriculture (Agribusiness). Seven years working experience since 2004 at oil palm Plantation Company in Indonesia and followed several trainings namely: Training of Conservation of Natural and Biological Resources in supporting HCV, Basic Plantation Management Program, Plantation Integrated Pest Management training, Management System Certification (ISO 9001-2008/SNI 19011-9001:2008), Environment Management System (ISO 14001:2004), SMK3 based on OHSAS, RSPO Lead Auditors Training Course endorsed by Proforest and Wildasia, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, supply chain certification system training and RSPO Renewable Energy Directive Lead Auditor training. Currently he worked as an auditor at Certification Body. 3. Arif Faisal Simatupang (Auditor). Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has attended the RSPO Awareness Training, Indonesian Sustainable Palm Oil (ISPO) Auditor Training, Training of Management System Certification ISO 9001-2008, Training of Environmental Management System, Awareness of ISO 17021 and ISO 17065, and training of Management High Conservation Value (HCV). He has been 4 years of working experience as a Field Assistant on oil palm plantation companies in Indonesia. During the assessment he assigned to verify Integrated Pest Management, Best Management Practices, Good Manufacture Practices, management and Economic aspect. 4. Sofyan Hadi Lubis (Auditor). Sofyan Hadi Lubis (Auditor). Master's Program in Environmental and Natural Resource Management and Bachelor of Social Economic Agriculture. Has been involved as a researcher at the Research Centre of Forestry and Climate Change and Cooperation IPB-ETH Zurich Swiss-NUS Singapore regarding carbon stock analysis. The training has been followed, among other climate change mitigation and adaptation for agricultural productivity in Southeast Asia, Asian Carbon Update and Network and Climate Change Mitigation and Adaptation for Agricultural Productivity, Environmental Impact Assessment (EIA), Lead Auditor ISPO (Indonesian Sustainable Palm Oil), IHT-RSPO, ISO 9001, HCV, ISO 14001, Calculation of Greenhouse Gases (GHG), ISCC Plantation Audit and Land Use Assessment, Green Industry and ISCC EU and Plus Basic Training. Furthermore, he also worked as a staff environmental consulting firm and currently working as an auditor in the certification body (PT Mutuagung Lestari). He has has conducted audits for ISPO scheme, RSPO and ISCC in oil palm plantations as an auditor. During this audit, he verified environment, conservation, and GHG aspect. 5. Asystasya Aishah Silalahi (Auditor Trainee). Indonesia citizen, Bachelor of Economy, Major of Agribusiness, Faculty of Economic and Management. She has one year experience in consultancy. She has followed training such as ISPO Auditor Training, Lead Auditor ISO 9001:2015, OHS General Expert, and several in house training related to environmental, BMP, etc. Has been involved in several audit activities since 2016 related to sustainable palm oil certification covering waste management aspect, Social Aspect, Health and Safety Aspect, and Worker Welfare. During the assessment she assigned to verify OHS and social aspect.

2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-3	<p>Number of auditors : 4 auditor Number of days for ASA-3 at site : 4 days Number of working days for ASA-3 at site : 16 Working days</p>
2.2.2	Assessment Process
ASA-3	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Windu Nabatindo Lestari to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-4).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this ASA-3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-3.</p> <p>The assessment program please find Appendix 2</p>
2.2.3	Location of Assessment
ASA-3	<p>Number of units in this certification activity is one estates, which supply the raw material (FFB) to Pundu Nabatindo palm oil mill. In conducting the assessment, the team of auditors used the $0.8\sqrt{y}$ formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are 1 palm oil mill (Pundu Nabatindo POM) and 1 estate (Pundo Nabatindo estate).</p> <p><u>Pundu Nabatindo Mill</u></p> <ol style="list-style-type: none"> Mill Security. Observation and interview with key personnel related to implementation of Supply Chain Requirement Weighbridge. Observation and interview with key personnel related to implementation of Supply Chain Requirement Grading Station. Observation and interview with key personnel related to implementation of FFB grading system. All processing station (Sterilizer, Hoisting Crane, Thresher, Pressing, Digester, Clarifier). Observation on FFB processing. WTP Station. Observation on water management plan for Mill processing. Boiler Station. Observation of renewable fuel using Fibers and shell, and interview of OHS implementation with key personnel. Workshop. Observation on maintenance activities and interview with foreman related understanding of working procedure. Warehouse complex (Chemical, material warehouse, and workshop). Observation and interview on environmental aspect, OHS implementation and understanding of working procedure. Hazardous Waste Temporary Warehouse. Observation on hazardous waste management. Emergency Response at Mill. Observation on emergency response facilities (hydrant hose reel) and drill. WWTP. Observation related to Palm Oil Mill Effluent process <p><u>Pundu Nabatindo Estate</u></p>

1. **Block I 16.** Observation and interview with Foreman and spraying worker towards technical work, OHS, manpower and conservation aspects.
2. **Block G15.** Observation and interview with foreman and harvest worker related to technical work, OHS, manpower and conservation aspects.
3. **Housing Complex Division I.** Observation related to worker facilities, management of domestic waste from housing, and child day care facilities.
4. **Child Day Care.** Observation related to facilities and interview related to employment aspect and grievance mechanism.
5. **Block E18 PNBE.** Observation related to land application.
6. **Hazardous Waste Storage of PNBE.** Observations related to the hazardous waste management, including implementation of OHS.
7. **Housing Complex PNBE and PNBM.** Observations related to the waste management and housing facilities.
8. **Block E18 PNBE.** Observation related to EFB implementation.
9. **Block F11 Division I.** Observation related to waste management.
10. **Agrochemical Store:** Field Observation of storage and management of chemicals used by the company among others herbicides, fungicides, pesticides and insecticides
11. **Workshop.** Observation and interview related to environmental aspect, OHS implementation, training, and workers' knowledge about work procedure
12. **Block F14.** Observation related to River Buffer Zone Protection and Wildlife Protection
13. **Boundaries Pole No 08, 15, 16.** Observation about legal demarcation.

Stakeholders

1. The Village and Community Leaders in Village Surrounding the company (Pundu Village, Pantai harapan village)
2. Labour Union
3. Gender Committee
4. Plantation Agency of Kotawaringin Timur Regency
5. Labour and Transmigration Agency of Kotawaringin Timur Regency
6. National Land Body of Kotawaringin Timur Regency
7. Environmental Body of Kotawaringin Timur Regency

2.3 Stakeholder Consultation and Stakeholders Contacted	
2.3.1	Summary of stakeholder consultation process.
ASA-3	<p>Consultation of stakeholders for PT Windu Nabatindo Lestari was held by:</p> <ol style="list-style-type: none"> (1) Public announcement at website MUTU (www.mutucertification.com) on March 30th 2017. (2) Public consultation meeting with stakeholder in Kotawaringin Timur Regency on April 18th, 2017. (3) Public consultation meeting with gender committee, Bipartit Cooperative Forum and local contractor on April 18th, 2017. (4) Public consultation meeting with Villages Nearby Company Area on 18th April, 2017. (5) Public consultation with NGO by email has been sent on April 11th, 2017. <p>Numbers of input from stakeholders were clarified by PT Windu Nabatindo Lestari.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4 Determining Next Assessment	
	The next visit (ASA-4) will be determined one year after this ASA-3 (April – 2018).

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of *Pundu Nabatindo POM – PT Windu Nabatindo Lestari, Bumitama Agri Ltd.* operation consisting of *one (1) mill and one (1) oil palm estates.*

During the assessment, there were seven (7) Nonconformities were assigned against Major Compliance Indicator(s); six (6) nonconformity(s) were assigned against Minor Compliance Indicators; and five (5) nonconformance(s) against supply chain requirement for CPO mill and zero (0) opportunity for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g. (*document record/photographic/etc...*). Those corrective action(s) taken that consist of six (6) Major non-conformities, six (6) Minor non-conformities and five (5) nonconformities again SCCS standar had been closed out shall be verified during next assessment but still there is six (6) non conformites still open.

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

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
<p>1.1.1 Certificate holder has had list of information related to criterion 1.2 that can be accessed by stakeholders, which has been set in procedure related to communication (No. Unit BGA-SUST-SOP-09, Rev 00) endorsed by Regional Head 2 at 8 February 2017. In the procedure, the information accessible to the public includes land legality, environmental impact assessment and reporting, certificate holder’s procedure and policy, sosial and EHS program, HCV and SIA assessment, and summary of certification assessment. The party who responsible to respond the information request is the administration chamber / CSR Department, etc. The information request should be responded within 15days. Period for keeping the record of information request is 5 years.</p> <p>1.1.2</p>		

Records of information requests contained in logbook of incoming letter. Based on document review, there is no information request by stakeholders. There is only proposal for fund, service request, and invitation. Based on interview with Village Head of Pundu, Pantai Harapan and Bukit Batu, it is known that there is no request of information to certificate holder. Nevertheless, they have understood the accessible information and the mechanisms to obtain it.

Status: Comply

1.2

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

1.2.1

Certificate holder has had list of information that can be accessed by stakeholders, which has been set in procedure related to communication (No. Unit BGA-SUST-SOP-09, Rev 00) endorsed by Regional Head 2 at 8 February 2017. In the procedure, the information accessible to the public includes land legality, environmental impact assessment and reporting, certificate holder's procedure and policy, social and EHS program, HCV and SIA assessment, and summary of certification assessment.

Status: Comply

1.3

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

1.3.1.

Certificate holder has document of Code of the conduct No. BGA-COC-HC-333.1-R0, authorized on October 28th 2014. Code of conduct regulate about fair conduct ini business, bans on corruption, bribery, and fraud, and also transparation information of company. In addition based on interview with several workers in estate and mill, they were understood with this policy. Certificate holder also has socialized this policy to contractor. Based on interview with local contractor in Pundu Village, it is known that they understood about ethical conduct of company.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

2.1.1

Manpower

- Company has implemented the governor decree related to sectoral minimum wage for 2017
- Company has registered the workers to BPJS Employment. This is in accordance with the Government Regulation No. 44 2016 on Implementation Program of Work Accident and Life Insurance; No 45 2016 on Implementation Program of Retirement Insurance, and No 46 on Pension Plan
- Bipartite Cooperation has been registered to Manpower Agency of Kotawaringin Timur Regency

OHS

- Has steam machine operator based on the Manpower Ministry Regulation No. 1 Year 1988 in term of the steam machine qualification and requirements.
- Has well trained welding expert based on the Manpower Ministry Regulation No. 02 Year 1982 in term of welding expert qualification at the workplace.
- Has steam machine operator based on the Manpower Ministry Regulation No. 09 Year 2010 in term of Operator of Hauling and Lifting Vehicle.

Enviromental

- The company has environmental document (i.e. SEIA and UKL/PL) licensed by District Government of Kotawaringin Timur. It has been in accordance with government regulations (PP No. 27 / 1999 and PP No. 27 / 2012 related to SEIA; etc).
- The company has Hazardous Waste Storage licensed by District Government of Kotawaringin Timur (Decision Letter No. No. 660/2142/BLH-Eks.DSA/V/2015 date 29/05/2015 with validity period of 5 years. It has been in accordance with government regulations (PP No. 101/2014 related to Hazardous Waste Management).
- The company has land application licensed by District Government of Kotawaringin Timur (Decision Letter No: 660/38/BLH-PP/LA/V/2012, date 31/02/2012 with validity period of 3 years). It has been in accordance with government regulations (PP No. 82 / 2001 related to water quality management and PP No. 28 / 2003 related to land application permit).
- The company has conducted water river analysis test in accordance with government regulations (PP No. 82 / 2001).
- The company has conducted emission analysis tests in accordance with government regulations (PermenLH No. 07 / 2007 for Boilers and No. 13 / 1995 for Generator).
- The company has conducted effluent analysis in accordance with government regulations (KepmenLH No. 28 / 2003 related to water quality management).

2.1.2

The PIC who responsible for document management is department related to their field, for example identification and evaluation related to OHS is conducted by Corporate Communication Sustainability (CCS) Department and for estate and legal is conducted by Public Affair Department (PAD). It is regulated in SOP Identification and Regulatory Compliance Audit and Legal Requirements (BGA-SOP-CCS-1102.1-R0) dated 9th May 2012. Company has documented the national regulation in List of Laws and Regulations for OHS, Worker Welfare, Plantation, and Environmental aspects. Based on document review, the last update of list of laws and regulations is 31st March 2017. International laws in the list such as ratification of ILO Convention.

2.1.3

Company has procedure for identify the regulation that outlined on SOP Identification and Regulatory Compliance Audit and Legal Requirements (BGA-SOP-CCS-1102.1-R0) dated 9th May 2012. It describe that the regulation compliance audit is conducted every 6 month or when needed. It has to be done by the responsible person for each aspect. The audit internal is done by expert staff from each department. The last audit internal for law compliance is conducted on 31st March 2017.

2.1.4

Mechanism for the regulation changes is set in SOP Identification and Regulatory Compliance Audit and Legal Requirements (BGA-SOP-CCS-1102.1-R0) dated 9th May 2012. The responsible person for regulation update is the expert staff or relevant department. The regulation compliance audit is conducted every 6 month or when needed. The source of information for regulation update is from newspaper, magazine, television, government agency, internet, radio or from the workers.

Status: Comply

2.2

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

2.2.1

The certificate holder has land Use Right (HGU) with Certificate Number: 24, issued by National land Agency of Kotawaringin Timur District, Province of Central Kalimantan, March 10, 2004 with total area **9,616.28 Ha** which the area

under managed of Pundu Nabatindo Estate are 2,814.17 Ha.

2.2.2

Documents verifications obtained information if boundaries monitoring pole conducted every months. The monitoring of boundaries pole is based on Work Instruction of Boundary Pole Maintenance (BGA/WNL-LGL/IK-38/IX/12). Based on documents verifications list of coordinate from National Land Agency Kotawaringin Timur Regency for HGU No 24 obtained is known if Pundu Nabatindo Estate There is 36 Boundary Poles and 24 supporting poles. Pundu Nabatindo Estate can show the results of monitoring boundaries pole where conducted every months in accordance with the procedure. Based on documents verifications and field observations obtained information if:

- The company cannot show the evidence of monitoring supporting poles in Pundu Nabatindo Estate
- The results of field observartion its known if supporting pole No G1 & G2 in block G19a are not installed.

Based on the explanation, raised the Non-Conformance No 2017.03 with Minor category

2.2.3; 2.2.4

The company has had procedure of Land Dispute Handling (BGA-SOP-GL-901.5-RO). These procedure as reference to handle of land dispute between management unit and related party. Process to overcome the land claim was involved of land owner, head of village and witnessed by another land owner surround.

Based on the results of interviews with three (3) people of Pundu Village and four (4) residents and Village administratur of Pantai Harapan Estate, obtained informations if in the last three (3) years there is several land disputes that's is land claim from some people in Pundu Nabatindo Estate The results of interviews with the community obtained information that some of the land disputes have been resolved and there are still unresolved ones. In other that obtained informations if there is no significant land conflict in Pundu Nabatindo Estate.

During audit ASA-3 conducted the certificate holders cannot show the evidence if In the event that there is a dispute or a dispute has occurred, adequate evidence of legitimate acquisition and compensation or compensation settlement process through conflict resolution which has been received through Free, Prior and Informed Consent by all related parties shall be provided. **Based on the explanation, raised the Non-Conformance No 2017.04 with Minor category**

2.2.5

In accordance with explanation above the certificate holder cannot show the evidence if any conflict or dispute over the land, the evidence of the extent of disputed area is mapped out in a participatory way with involvement of affected parties. **Based on the explanation, raised the Non-Conformance No 2017.05 with Minor category**

2.2.6

Although Pundu Nabatindo Estate has gained land rights legally, but in the area of company Land Use Title there is still many people using and cultivating illegally. To avoid the escalation of social conflict, the company make an approach to the community in order to the participatory mapping and identifying the land tenure certainly. In its application, the auditor team saw there is no use of paramilitary force in the overall activities of plantation.

Minor 2.2.2	Status: Nonconformity No 2017. 03 with Minor Category	
Minor 2.2.3	Status: Nonconformity No 2017. 04 with Minor Category	
Minor 2.2.5	Status: Nonconformity No 2017. 05 with Minor Category	

2.3
Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their

free, prior and informed consent.

2.3.1

As described in Criteria 2.2 above, although Pundu Nabatindo Estate has gained land rights legally but there are still many people using and cultivating in HGU Area. The certificate holder has had the Area Statement map with scale 1:100.000 (Map Number: 002/GIS-PT WNL/IV2016) who described various land use in HGU Area, included Occupation area with The area is in the form of oil palm plantation, rubber owned by the community. The results of field visits in Block I13a, I16a I151a The area is in the form of oil palm plantation, rubber owned by the community.

In 2013, based on Occupation map with scale 1:20.000 there is HGU area with the width 502 Ha who occupied by the community and Pundu Nabatindo Estate show the agreement between the community as owners of land / settlement in HGU PT Windu Nabatindo Lestari with the company which explains that both parties mutual respect and not interfere. However, at the time of audit the ASA-3 Certificate Holder has not been able to show

1. The identification mapping process of the entire land user or arable land with 171.71 Ha
2. Evidence of participatory mapping process by involving the affected party.

Based on the explanation, raised the Non-Conformance No 2017.06 with Major category

2.3.2;2.3.3 2.3.4

Based on document verification Social Impact Assessment report and HCV Identification report that knows in PT WNL area there was no land under customary right. Though stakeholder consultation with related agency (National Land Agency and Forestry Agency of Kotawaringin Timur District) was inform there is no land of PT WNL under customary right.

The company has been shows the evidence of land compensation to related party. The sample of process land compensation present to land owner was sighted, The copy was made in Bahasa and known by all relevant parties. Although the legal status, acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These process was involve of land owner and approved by head of village and head of sub district. The documented process of land compensation was signed by related party, filed in each estate.

Major 2.3.1	Status: Nonconformity No 2017. 06 with Major Category	
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PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1

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

3.1.1

Certificate holder has conducted an analysis of the long term economic viability for years 2016 to 2018. The document describes projections of areal statement, production of FFB, production and price of CPO and PK, capacity, cost, revenue, and profitability. Evaluation of achievement conducted annually, changes will be made if necessary. One of the control function is to conduct annually financial audit by public accountants.

3.1.2

Certificate holder does not have a document of replanting program. Based on document review of production and planting years, interview and field visits, the first planting was in 1998 (19 years), no replanting required for the next five years.

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

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

Certificate holder has had procedures related to agronomy and processing, which is easy to understand. The agronomy procedures (BGAAGRKS-SOP-01) divided in to 3 chapter. First chapter explained of nursery, land preparation, road/bridges construction and maintenance, trench construction and maintenance, soil and water conservation, planting legume cover crop and palm oil planting. Second chapter explained weed control, manuring and pest and disease control. The third chapter explained of castration and canopy management, tree and yield census, harvesting, pesticides management, transportation management, marginal soil management and replanting.

Procedures related to processing (BGA-SOP-KMB22-RO) consist of FFB receiving to dispatch, laboratory and maintenance. Also procedure related to identification and traceability (BGA-SOP-KMB002-RO).

Based on field observation and interview with the worker in mill and estate, its known that the worker given sufficient training and can demonstrate the activity according to the procedures.

4.1.2

Certificate holder has conducted annually internal monitoring to ensure implementation of procedures. The monitoring conducted through operational internal audit by Internal Audit Department (IAD). Otherwise conducted annually financial audit by public accountant, as well as RSPO internal audit to monitor the implementation of sustainability aspects.

4.1.3

The last operational internal audit report published at 12 November 2016, financial audit report published at 31 December 2015, and RSPO internal audit report published at 20 January 2017. All nonconformities in operational and RSPO internal audit have been follow up and closed.

4.1.4

Based on document review, the company has a FFB purchasing procedure named Sales and Marketing – Procedure Third Party Fresh Fruit Bunch (BGA-SOP-SM-803.2-RO) endorsed at 1 June 2014. PNBM received FFB from smallholder and third parties (local supplier). All supplier has engaging mutual agreement with certificate holder. Based on public consultation with local FFB supplier representatives, known that supplier has to be submitting propose of FFB supplier which contain all land legality from it supply bases. After the document verified by Commercial Department, certificate holder will be conducted field observation to ensure legality of all area. Further, mutual agreement will be signed.

Status: Comply

4.2

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

4.2.1, 4.2.3

Certificate holder has had several procedures related to maintain soil fertility, such as procedure of manuring (BGAAGRKS-SOP-09), procedure of planting of LCC (BGAAGRKS-SOP-06), procedure of soil and water conservation (BGAAGRKS-SOP-05), and procedure of management of marginal soil (BGAAGRKS-SOP-16). Based on document review and field observation, the strategy has been implemented among others conducted SSU and LSU periodically, organic and anorganic fertilizing (field visit on Block J14) in accordance with recommendation, planting legume cover crops (field visit of slope area on Block J10), and building individual or cotour terrace (field visit of slope area on Block J10). The last LSU reported in 8 February 2017, meanwhile the last SSU reported in 6 September 2016.

4.2.2

Implementation of manuring activity has been well documented in book of manuring program. It available in each estate

and shown compare budget or recommendation against realization. By the document review, it shows that the manuring activity (dose, amount, location) has been in accordance with the recommendation.

4.2.4

To increase soil fertility, the certificate holder also implemented EFB mulching application and POME land application. EFB applicated especially in sandy area with dosage 40 tonnes/ha/year. POME only applicated in PNBE due to distance from mill. Field observation in Block E18PNBE, known that POME land application has been conducted well.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

Certificate holder has had map of marginal land within PT Windu Nabatindo Lestari BGA Plantation estate in scale 1:80,000. It describes the poor drainage area (1,532 ha), spodic area (730 ha), deep sandy and lateritic area (934 ha), flat land with kaolin (397 ha), unconserved hilly area (111 ha).

4.3.2; 4.3.6

Based on the marginal land identification above, the certificate holder has set programs through several project, such as spodic area completion, kaolin area completion, poor drainage completion, deep sandy area completion, and hilly area completion. Field observation on slope area at Block J05 and J10, some implemented strategies such as building individual and contour terrace, planting LCC, selective weeding, frond stacking direct to the terrace, and installing erosion stake.

4.3.3

Certificate holder has had document of road maintenance program and realization. Based on document review and field observation, road maintenance has been conducting well, allowing to be used well for operational activities. Road maintenance conducted manually or by heavy equipment such as 3 unit road grader and 1 unit vibro compactor.

4.3.4

The certificate holder has not been able to show drainage water monitoring on peatland. Based on soil map of Pundu Nabatindo Estate (PNBE), it is known Haplosaprists (peat soils) of 237.67 ha (11%). Field observations in Division 2, Block G14, document review and interviews with the research team, it is known that has been conducted management of peat areas with drainage system, water barrier (weir), and subsidency monitoring with subsidence pole. However, there is no monitoring of water level or water table with water level meter or piezometer. This is not in accordance with Procedure of Marginal Land Management (No. BGAAGRKS-SOP-16) and document of RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat.

In the Procedure of Marginal Land Management, it is explained that the management of peat areas includes of drainage management, water level drainage with water weir, and monitoring of water levels by installing water level measurements in collection drain. As well as in RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat, one of peatland management is measuring the water level in the collection drain with water level meter or water table with piezometer. **Based on the explanation, raised the Non-Conformance No 2017.07 with Major category**

4.3.5

Based on business plan, the oldest palm tree are 19 year. Hence, there was no replanting plan for the next 5 year. The drainability assessment will be conducted approximately two years before replanting program.

Major 4.3.4	Status: Nonconformity No 2017. 07 with Major Category	
4.4 Practices maintain the quality and availability of surface and ground water.		
4.4.1		
<p>Water management plan are explained in RKL/RPL document. In the document explained that water management is implemented by: conducted water river analysis test every 6 months. PT WNL has conducted water management in accordance with water management plan. i.e. conducted water river analysis test by accredited laboratory on December 2016. The analysis results is not fully compliant with the regulation (i.e. PP No. 82 / 2001). In connection with that, the company has conducted an evaluation recorded on the implementation report of RKL/RPL semester II / 2016 for evaluation by District Government of Kotawaringin Timur.</p>		
4.4.2		
<p>PT WNL has Internal Memo with number: 001/SUSTAINABILITY/AC/VII/2011 date 26/06/2011 related to river buffer zone management and has procedure with number: BGA/WNL-LNK/PRO-13/03/2012 date 15/03/2012 related to HCV area. The procedure explained that the water protection is implemented by: installation of riparian boundary markers as well as chemical application boundary markers.</p> <p>Water bodies including river buffer zone / riparian protection is not fully implemented in accordance with the policy and procedure established by the company (i.e. Internal Memo with no: 001/SUSTAINABILITY/AC/VII/2011 date 26/06/2011 related to river buffer zone management and has procedure with no: BGA/WNL-LNK/PRO-13/03/2012 date 15/03/2012 related HCV area. This is evidenced by: field observation on the Block F14 PNBE, it was not found installation of riparian boundary markers as well as chemical application boundary markers. Based on the explanation, raised the Non-Conformance No 2017.08 with Major category</p>		
4.4.3		
<p>Pundu Nabatindo Mill has conducted effluent discharge quality analysis test by accredited laboratory. Based on the document period of January 2016 to February 2017, known that the test results are in accordance with government regulation (<i>Kepmen LH No. 28 Tahun 2003</i>). Based on interview with management representative, known that the mill effluent analysis was conducted once a month. Based on interview with local community, known that there was no pollution issues caused by WWTP activities.</p> <p>Pundu Nabatindo Mill has licensed from Kotawaringin Timur District to discharge mill effluent to ground land / Land Application (Decision Letter No. 660/38/BLH-PP/LA/V/2012 date 31/05/2012 with validity period of 5 years). Based on field observation to land application area (Block E18PNBE), known that the POME discharge to land application in accordance license form Kotawaringin Timur District. In addition, PNBM has documented POME discharge to land application, January - December 2016 of 252,283 m³.</p>		
4.4.4		
<p>Based on document of water consumption per tFFB period January – December 2016, known that the total water consumption of 1.10m³ / tFFB. Water consumption is still in accordance with the budget set up by Mill Management of 1.30 m³ / tFFB. Based on field observation at Water Treatment Plant (WTP) station, known that the operator has recorded water consumption through observation at measuring instrument (flow meter).</p>		
4.4.2	Status: Nonconformity No 2017. 08 with Major Category	
4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.		

4.5.1 and 4.5.2

Integrated pest management program is based on procedure of pest and disease (BGAAGRKS-SOP-10). Certificate holder has had annually IPM program, that is regularly detection and census. Detection is conducted in every 3 month, if there is a high potential of infestation, carried out a census every month. The well trained team for handling pest and disease attack is placed on each estate. Certificate holder has shown minutes of meeting training of integrated pest management on 20 October 2016.

Potential pest and disease has been identified, such as oryctes, rat, termite, tiratabha, and leaf eater caterpillar. Based on document review, field visit and interview with the management unit, there was no pest and disease exceeding economy threshold one year before assessment. Therefore, no pest and disease control that should be conducted. In order to anticipate the infestation of leaf eater caterpillar, certificate holder plants beneficial plants (*Turnera Subulata* and *Antigonon leptosus*). Furthermore, in order to prevent rats infestation, the certificate holder implements biological controlling by using barn owl (*Tyto alba*).

Status: Comply

4.6

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

4.6.1

Certificate holder has had document of recommendation pesticide, include 11 trade mark of pesticide, which registered in pesticide commission, identified active ingredient, and the objectives of control. In period of January to April 2017, certificate holder used three trade mark of pesticide, such as Metaprima (a.i *methyl metsulfuron*), Amiron (a.i *methyl metsulfuron*), and Round Up (a.i *glyphosate*).

4.6.2

Certificate holder has documentation of pesticide utilization that record product name, active ingredients, LD50, percentage of active ingredients, total application, total active ingredients, hectare application and active ingredients per hectare application. For instance the utilization of *glyphosate* year of 2016 amount 0.40 ltr/ha.

4.6.3

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

4.6.4

Certificate holder has a commitment to reducing the use of paraquat through Internal Agriculture & Technical Circular from the Head of Palm Research (No. 016/IAC/RSC/II/2015), that since 2015 the company no longer uses paraquat. Based on document review, in periode of January to April 2017, certificate holder did not use pesticide within WHO 1A and 1B or paraquat.

4.6.5

Based on interview with spraying worker, they have received internal training about handling pesticide, spraying technic, and other socialization related to spraying activities from the foreman or assistant. Based on field observation in agrochemical storage, it is known that the MSDS for pesticide is available and in Indonesian language. Pesticides have been applied according to the label on the MSDS. The worker use PPE's in accordance with MSDS and risk identification.

4.6.6

The company has pesticide management procedure with number: GA/WNL-K3/IK-01/03/2012 date 12/03/2012. The procedure explained that the pesticide containers including hazardous waste are stored on the Hazardous Waste licensed, after that recorded on Hazardous Waste Logbook and then periodically submitted to registered contractor.

Based on field observation on the Hazardous Waste Store of PNBE, known that the pesticide containers has been sent to Hazardous Waste Store licenced that located on the Traksi Area date 30 / 03 / 2017 = 34 pcs, after that recorded on Hazardous Waste Logbook and then periodically submitted to registered contractor date 15 / 04/ 2017.

Based on field observation to Housing Complex PNBE and PNBM, known that there was no found use of pesticide containers for other purposes such as: bins, flower pots and water containers.

4.6.7

Based on field observation of spraying circle and path in Block I 16, it is known that the workers has implemented safe working practices accordance with the existing procedures. Knapsack sprayers are in good condition, personal protective equipment has been used according to MSDS and HIRAC such as boots, apron, rubber gloves, mask, glasses and safety helmet. All workers have been trained, and have understood safe work practices, including prohibition of spraying on river or water bodies, and understanding emergency response in the event of an accident. Pesticide solutions are mixed in pesticide warehouses and transported by special vehicles. After work, knapsack sprayer and PPE are stored in a special storehouse at the Estate.

4.6.8

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

4.6.9

Certificate holder has conducted spraying technic training for sprayer. Based on interview with the spraying worker, they understand the technic in conducting spraying.

4.6.10

Based on field observation on the Hazardous Waste Store of PNBE, known that the pesticide containers has been sent to Hazardous Waste Store license that located on the Traksi Area date 30 / 03 / 2017 = 34 pcs, after that recorded on Hazardous Waste Logbook and then periodically submitted to registered contractor date 15 / 04/ 2017.

The company has conducted training related to management of hazardous waste including pesticides containers to workers, assistant and the other on November 2015. In addition, based on interview known that the Hazardous Waste operator have understood management of Hazardous Waste including pesticide containers. Hazardous Waste operator able to show Hazardous Waste document, such as: Hazardous Waste Logbook; Hazardous Waste Manifest (pesticides product) with number ATU 0000258 = 92 kg; truck number: BK 8332 MD; receipt of reporting to environment agency date 10/04/2017.

4.6.11

The medical examination is conducted every 6 months for maintenance worker, such as sprayer worker, manuring worker of each estate. Based on interview with spraying worker, it is known that they've been examined for medical examination regularly for cholinesterase. The result of medical examination and other treatment documentation is kept in clinic. Certificate holder has followed up the result of medical check up in form of recommendation letter for mutation for worker. Based on OHS Program, it is scheduled that medical surveillance will be conducted twice in a year.

4.6.12

Company has policy for not allowing pregnant and nursing worker to work which is related to the chemical. Pregnant

worker identification is conducted every month through clinic/midwife and the result of identification is record by RSPO officer. Based on interview with spraying worker, if they were pregnant, they will be transferred to a job that is not related to chemical.

Status: Comply

4.7

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

4.7.1

Company has policy on Occupational Health and Safety signed by BGA Director on June 2013 and written in Indonesian Language. The policy explains that all worker have to obey, maintain, and implement the OHS in workplace. OHS committee is formed for monitoring the OHS implementation in workplace. Based on interview with worker in estate and mill, they have understood about this pollicy and socialized at muster morning. Company has OHS program for year of 2017, such as socialization of company's policy, OHS committee reporting, medical examination, etc and the documentation for implementation for 2016 OHS program, such as reporting of work accident, result of regular medical examination, etc. Based on interview with the workers in estate, they understand the OHS policy through socialization when muster morning and through OHS signs in estate. The effectiveness of the program will be monitored through OHS team regular meeting.

4.7.2

Certificate holder has made the risk identification for PNBE in the document named HIRARC (Hazard Identification Risk Assessment and Risk Control). The document explains about type of work, potential hazard/risk that would arise, the effect and risk category, and risk control. This assessment including all hazard and risk in estate and mill. Company also has documented the work accidents during 2016. Based on interview with worker in agrochemical storage PNBE, it is known that he understands the potential occupational risk and how to minimize the risk.

Certificate holder has not provided sufficient evidence that the risk assessment document has covered all operational processes and activities. Based on document review, it is known that Pundu Nabatindo Estate already has the risk assessment document listed in the HIRARC document 2017. At the time of the ASA-3 audit activity, it is known that there is a Black Bunch Census (BBC) census activity, however this activities are not listed in the HIRARC 2017 document. **Based on the explanation, raised the Non-Conformance No 2017.09 with Major category**

4.7.3

Based on document review, it is known that certificate holder has given internal training for safety work, such as first aid training by company doctor on 3rd February 2017. Certificate holder also provided PPE for every worker in accordance with the risk identification and documented the handover. They also provided with PPE exchange if it broken with the requirements that the employee can showed the broken PPE before exchanged for a new one. Based on interview with worker in PNBM, workers can exchange the broken PPE to the new one. Based on field observation in PNBE, PPE for spraying worker is in good condition.

4.7.4

Certificate holder has OHS committee as personnel in charge on implementing the occupational health and safety program for estate and POM. The secretary of this committee is the OHS general expert. In order to ensure that the OHS program has been implemented effectively, the board of Guiding Committee of Occupational Safety & Health performs a monthly meeting with workers. The meeting is documented in minutes of meeting and list of attendees. Besides, the OHS committee also has OHS report which its content is about OHS implementation, OHS programme, minutes of meeting of monthly meeting, and attachment related to OHS.

4.7.5

The certificate holder has provided emergency response and first aid facilities at workplace accidents, but based field observation, it is known that:

- In PNBM workshop and TPA (Child Care) Division I PNBE is known to have available first aid box. In addition, monitoring of first aid boxes has been conducted every month. However, still found a medicine, namely povidone iodine has expired (December 2016).
- APAR is available at some point in Division 3 of PNBE and have been monitored monthly which is monitored some indicator include tube, safety pin, hose (hose), nozzle, pressure, and seal. However, based on field visits at the PNBE clinic, APAR was found with an empty pressure condition (0).

Related to this matter, there is not enough evidence that the company has evaluated the effectiveness of monitoring of emergency response facilities. **Based on the explanation, raised the Non-Conformance No 2017.10 with Minor category**

4.7.6

The Company has a policy to engage employees in the Employment insurance covering accident insurance (JKK), life insurance (JKM), pension plan (JHT) and retirement insurance (JP) program that listed in the Company Regulations the period 2016 – 2018. Payments are made every month according to the applicable rule. Based on Details of BPJS Payment review, payments are made for all workers every month according to the applicable rule. Medical treatment is covered by the company for every worker and their family. It is also regulated in Company Regulation period 2016 – 2018. Based on interview with worker in estate, the health insurance is covered by the company.

Based on interview with management unit, all workers have registered to Employment insurance and has been able to show the payment record. And for medical insurance, company covers all workers (permanent and temporary workers) and their family health care. It is stated on Company Regulation and based on interview with worker, their health care is covered by company. There is no deduction for medical insurance

4.7.7

Certificate holder monitors the work accident by using the lost time accident matrix. They recorded the LTA in one year period. This document informs the time period, the number of working days, the number of non effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, total employee, frequency rate, lost time incident rate, and severity rate.

Certificate holder also has presented evidence of workplace accidents using the Lost Time Accident matrix for the period of 2016. Based on evidence was showed by the management unit, the non compliance no 2016. 12 is closed.

4.7.2	Status: Nonconformity No 2017. 09 with Major Category	
4.7.5	Status: Nonconformity No 2017. 10 with Minor Category	

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

4.8.1

Company has had training program for worker in the period of 2017. The training is targeted for all workers, including staff, permanent workers, and contract workers. The training program such as socialization of company policy, best management practice in estate and mill, training related to OHS, emergency response, etc. The training that held in 2016 has documented in minutes of meeting, list of attendees, and activity photos. The employee training programs socialization of work procedure, company policies, emergency response simulation, first aid training, etc.

4.8.2

Company has showed the documentation of training whether it is internal or external training. For example, socialization of MSDS in PNBE on 11th February 2017, socialization of OHS, and work procedure in each unit and training about best

management practice for estate and mill. For external training, the company kept the certificate of each employee. All the training documentation is kept estate office.

Status: Comply

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

5.1

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

5.1.1

The company has EIA documents assigned by the District Government of Kotawaringin Timur with number: 16/KOMISI-KOTIM/VI/2008 date 28/06/2008. The scope of the EIA study is plantations with an area of 9616.28 Ha and Palm Oil Mill with capacity of 90 tons FFB / hour. In addition, the company also has environment document (UKL/UPL) assigned by the Bupati Kotawaringin Timur with number: 188.45/294/Huk-BLH/2013 dated 30/05/2013. Scope area study of Pundu Nabatindo POM with capacity of 120 tons FFB / hour. The EIA document includes assessing the impacts of roads, factories, infrastructure, drainage, waste management, flora and fauna, etc.

The EIA and UKL/UPL analysis was prepared by consultants that has competence and awarded the EIA certificate. Interview with environmental agency in Kotawaringin Timur District, obtained information that the environmental study (EIA and UKL/UPL) have passed public consultation with local communities.

5.1.2

Implementation of environmental management has been conducted in accordance with the environmental management plan document (RKL), such as: 1 POME discharge to land application in accordance licence form Kotawaringin Timur District, utilization of fiber and shell for boiler fuel, stored Hazardous Waste Storage licenced, recruitment local workers, etc. Environmental management conducted every 6 month and the results will be submitted to relevant agency on Kotawaringin Timur District.

5.1.3

The company has shown corrective evidence on ASA-2, i.e. implementation report of RKL/RPL semester 1 and 2 / 2016. In the report obtained information that analysis of water quality Cempaga River and Bengkoang River, flora and fauna monitoring and social aspect monitoring has been carried out in accordance environmental management and monitoring plan (RPL document). In addition, based on interview with surrounding community, obtained information that there was no negative impact caused by estate and mill operation.

However, the company has not been able to show the Benthos test results in Sungai Bengkoang and Cempaga.

Based on the explanation, NCR No.2016.13 with Minor category raised to be Major

5.1.3

Status: Non-Conformance No 2016.13 with Minor category raised to be MAJOR

5.2

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

5.2.1

The company has conducted HCV assessment for WNL areas of ± 11.500 Ha) by the RSPO Approve Assessor on October 2010. In the document obtained information that the HCV areas of **273.14 Ha**. Determination of HCV area decreased from initial determination from 273.14 Ha to 206.42 Ha. It is listed in the Internal Office Memo on November 2, 2014 with number; 611/SUSTAINABILITY/3-RH 2/IX/2014. HCV assessment already includes identification of wildlife based on conservation status according to IUCN, CITES and Indonesia regulation (PP No. 7 of 1999). The HCV study

has passed the public consultation phase involving local communities.

5.2.2; 5.2.4

The company has management plan period 2016, such as conducted HCVA and Wildlife monitoring as periodically. HCV and wildlife species have been monitored in accordance with the management plan of 2016. Based on monitoring results and observation on Block F14 PNBE known was no fire activity on HCV area, was no logging, was no traps wildlife, HCV signboard still available. In addition, it was not found activities to have captured, harmed, collected or killed any wildlife species on the HCV area.

The company conducted review of management plan HCV & Wildlife periodically, the latest conducted on Dec 2016. The results provide recommendations for improvements to the next program 2017.

5.2.3

The company has been conducted socialization wildlife species to employees including to surrounding villagers. The socialization also conducted through signboards installed in strategic areas in estate and factory sites.

Based on the result of monitoring 2016, obtained information that was not found activities to have captured, harmed, collected or killed any wildlife species on the HCV area.

5.2.5

Based on HCV documents review and interviews with local community as well as field observation, there was no identified HCV area overlapping with local community rights.

Status: Comply

5.3

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

5.3.1

The company has identified the source waste and waste management in 2015. Based on the document obtained information about product and source waste / pollution.

Waste product such as: Hazardous Waste (i.e: used batteries, used oil, filters contaminated with hazardous waste, used electric, pesticides containers, and chemical containers), domestic waste (i.e: paper, plastic, organic waste), clinical waste (i.e: medical waste), solid waste (i.e: EFB, fiber, and shell), POME etc.

Sources of waste such as: Workshop, Office, Clinic, WTP, Housing Complex, Estate and Mill activities.

5.3.2

Based on field observation at Hazardous Waste Store PNBE, known that the pesticed containers has been sent to hazardous waste store lisenca at TRAKSI Area date 30/03/2017 of 34 pcs and then periodically submitted to registered contractor date 15/04/2017. Based on filed observation at Hazardous Waste Storage PNBM, known that the chemical container including oil container also stored on Hazardous Waste Store license located at Mill, and then periodically submitted to registered contractor.

Based on field observation to Housing Complex PNBE and PNBM, known that there was no found use of pesticide containers, oil container and others for other purposes such as: bins, flower pots and water containers.

5.3.3

Waste management has been implemented in accordance with the management plans. This is evidenced by:

- Field observation on the Hazardous Waste PNBE, known that the pesticed containers has been sent to Hazardous Waste Store lisenca on the Traksi Area.
- Field observation to PNBM, known that the fibers and shell is used as fuel to reduce fossil fuel consumption and maximize renewable energy.
- Field observation to Block F11 Division I, there was no hazadous waste found disposed to Landfill Area.

- Based on filed visit to clinic, known that the clinical waste is collected in a special place and handed over to Hazardous Waste collectors licensed.
- Field visit to land application (Block E18 PNBE), there was no leaks and spill out to river.

However, based on field observation of Housing Complex PNBE Division I, found trash disposed and burned on around housing. This is not in accordance with the waste management plan and procedures (BGA / WNL / IK-LNK / 35/04/12) related to solid waste management of housing, ie trash collected in trash can, then disposed in the final trash disposal (TPAS) periodically and dumped.

Based on the explanation, raised the Non-Conformance No 2017.11 with Minor Category

5.3.3	Status: Nonconformity No 2017. 11 with Minor Category
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5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.

The company has monitored the use of renewable energy from fiber and shell. Mill has record of energy used from fossil fuel and renewable energy. Renewable energy used came from shell and fiber. The records are available from the period of January - December 2016, i.e:

- December 2016: FFB processed was 26435 MT, fiber usage was 3930 MT, shell usage was 1479 MT, and total renewable energy usage was 0.20 MT / ton FFB.
- November 2016: FFB processed was 31883 MT, fiber usage was 4803 MT, shell usage was 1546 MT, and total renewable energy usage was 0.19 MT / ton FFB.
- October 2016: FFB processed was 33369 MT, fiber usage was 8725 MT, shell usage was 1169 MT, and total renewable energy usage was 0.29 MT / ton FFB.

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

5.5.1; 5.5.2

The company has procedure related to No Burn that recorded in procedure number: BGAAGRKS-PTKS-PLH, date 27/05/2011. The policy explains that the land clearing for plantation conducted by manual process. Based on field observation in PNBE, there was no activity of sign of land burning.

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

5.6.1

Sources of pollution are follow as: boiler, generator, transportation, POME, pesticides, fertilizer, land use change, etc. Types of pollution are follow as; emission, effluent, etc.

5.6.2

Implementation of emission including in GHG emission mitigation has been conducted in accordance with the management plan. This is evidenced by:

- Conducted smoke emissions analysis by accredited laboratory. Latest analysis dated on November 2016 at Boiler No. 2 and Generator No. 2. The test results in accordance with with government regulations (Paraturan Menteri Lingkungan Hidup No. 07 / 2007 for Boilers and No. 21 / 2008 for Generator, for example: Particulat (16.4 mg/m3), NO2 (6.9 mg/m3), SO2 (6.8 mg/m3), etc.
- Fiber and shells was used as fuel for the boiler. Total fiber used for boiler 3930 Mt and total shell used to boiler 1479 Mt for period January – December 2016.

- Land application with total debit period January – December 2016 of 252,283 m3

In addition, Pundu Nabatindo POM has conducted effluent discharge quality analysis to accredited laboratory. Based on the document period of January 2016 - March 2017, known that the test results are in accordance with quality standards (BOD < 5000 mg/l).

5.6.3.

The company has calculated GHG emissions for period 2016 using the RSPO PalmGHG calculator, as follow as:

Emmission per product	tCO2e/tProduct
CPO	0.98
PK	0.98

Production	t/yr
FFB processed	277876
CPO produced	63070
PK produced	14421

Extraction	%
OER	22.7
KER	5.19

Land use	Ha
Planted area	1950
Planted on peat	88.31
Conservation (forested)	0
Conservation (non-forested)	78

Summary of field emission and Sinks

Descripton	Own plantatio		Group plantaton		3 rd party	
	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB
Emissions Sources						
Land conversion	18679.85	0.54	0	0	0	0
CO2 emmisons from fertilizer	1671.41	0.05	0	0	0	0
NO2 emissions	3724.04	1.91	0	0	0	0
Fuel consumption	698.36	0.02	0	0	0	0
Peat oxidation	4821.73	0.14	0	0	0	0
Sinks			0	0	0	0
Crop sequestration	-18255.38	-0.52	0	0	0	0
Sequestration in Conservation area	0	0	0	0	0	0
Total	11340.01	0.33	0	0	36461.25	0

Summary of Mill Emmission and Creadits

Emissions	tCO2e	tCO2e/tFFB
POME	28771.95	0.1
Fuel Consumtion	916.83	0
Grid Electricity Utilisation	0	0
Credits		
Export of Grid Electricity to Housing & Grid	-4.54	00
Sales of PKS	-1368.4	0
Sales of EFB	0	0
Total	28315.85	0.1

POME Treatment

Emissions	%
Divert to compost	0
Divert to anaerobic digestion	100

POME Diverted to Anaerobic Digestion

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

Status: Comply

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

6.1

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

6.1.1

The management unit of Windu Nabatindo Lestari has document of Social Impact Assessment was described social impact of plantation and mill operation. The Social Impact Assessment was done on 26 July until 6 August 2010, collaboration with Faculty of Forestry, Bogor Institute Plantation. The location of study was coverage of several village; Pundu, Pelantaran, Keruing, Bukit Raya, Pantai Harapan, Bukit Batu, Sudan and Sei Ubar Mandiri. The SIA document describes the general condition and characteristic of the locals, strategic issue, manpower issue and relation among the parties, impact of PT WNL, social impact management of PT WNL and the conclusion and the recommendation.

6.1.2

The Social Impact Assessment was done by community participation in Focus Group Discussion. The community concerned in data gathering was from several village surround and also data gathered by questionnaire. The discussion process was carry out in village surround: Kruing, Bukit Raya, Pundu, Bukit Batu, Sudan, Pantai Harapan, Sei Ubar

Mandiri and Pelantaran. The documentation process was sighted are sample of questionnaire, respondent list and summary of social impact assessment. Results of interviews with villager in Pundu Village and Pantai Harapan Village obtained information if the assessment has been conducted with the participation of affected parties.

6.1.3

The company has had plan for mitigate or reduce of negative impact and increase of positive impact was described in environment monitoring and management plan report (RKL and RPL report). The aspects was monitored and manage related of social aspects consist of access to work, community income, potential of conflict and disease spreading The management unit also has have document of Social Management Plan 2016 till 2017. The auditor was observed the documentation meeting between companies with the communities surround related Corporate Social Responsibility of PT WNL, for example: meeting record in Kruing, Bukit Raya, Pundu, Bukit Batu, and Panta Harapan. The meeting is aim to arrange the management of social plan and the time frame. The company also was determine CSR officer in estate unit and Head Office for responsible in implementation, monitoring and evaluation of program has been done and/or still planning.

6.1.4

The management unit has had document of Management Plan for 2016 – 2017. The company also sighted the documentation of meeting with communities surround in related CSR program. The meeting has been done in Keruing, and Sungai Ubar Mandiri These meeting is aim to evaluate the CSR program by PT WN. The personnel in charge of CSR program by the company inform that the meeting as reference to evaluate the social program of PT WNL There was observed sample of questionnaire from several village in relation of evaluation for Plan and Program of Social aspect was implemented by the company.

6.1.5

The company has been done of smallholder program through cooperated with several Peasant Cooperation unit in village surround of plantation area. The process of Social Impact Assessment was done with participation by community surround including of smallholder in focus group discussion. These discussion was covering the representation of each village surround of plantation area, included of smallholder. . PT WNL manager the estate area using scheme smallholder system (full manage partnership). PT

Status: Comply

6.2

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

6.2.1& 6.2.2

Certificate holder has the procedure of communication (SOP-WNL-KOM-01),endorsed by Area Controller on 29 August 2013. The external communication in form of the official letters should be send to the company. The complaint and information request shall be response within 15 days. According to the flowchart, the management unit informs the plan of consultation with the locals in writing to the chief of village/chief of customary board/community figures or the local government apparatus. CSR Staff has been pointed related in consultation process. The CSR Officer was responsibility in process of for arrange of CSR program in process of planning, assistance, monitoring, reporting and evaluation. Based on interviews with Village Head of Pundu and Bukit Batu, as well as FFB Supplier it is known that the procedure has been understood by stakeholders, in addition CSR staff are actively communicating and consulting with stakeholders.

6.2.3

The certificate holder has a list of stakeholders updated 14 January 2017, that covering related agencies, village heads, community leaders, cooperatives, suppliers and contractors. But still not identified other stakeholders such as National

Land Agency, Labor Social Assurance Body, FFB suppliers, and companies surrounding the operational areas. Based on document review and interview with management, it is known that the certificate holder still interact in the form of verbal/written communication, reporting, or payment to the stakeholders. As contained in compulsory reports, payment documents, FFB source data, and map of village distribution. **Based on the explanation, raised the Non-Conformance No 2017.12 with Minor category**

6.2.3	Status: Nonconformity No 2017. 12 with Minor Category
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6.3
There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.

6.3.1
 Certificate has procedure of communication(SOP-WNL-KOM-01) endorsed by Area Controller 3 on 29 August 2013. These document as guidance in related of complaint and grievance receive from external and internal (employee). The personnel in charge for received and documented of complaint and grievance from related parties are Corporate Affair, Estate Controller and Mill Controller. The complaint from external party with official letter to the company will response on period 15 days.

Certificate holder also has a Code Of Conduct (BGA-COC-HC-333.1-RO Section V), describes that mechanism of complaint shall put on box of complaint and by phone hotline. The company should follow up the information. The company will protect the whist blower identity and process base on the rule and/or next step based on appropriate law.

Based on field observation, interview with the workers and external stakeholder (village head of Pundu and Bukit Batu, and FFB supplier), its known that certificate holder has installed several notification announcement in estate, mill and several place surround of plantation area. The main point of these announcement was related to telephone number and email for addressed the information, as well as the information from whist blower will keep. The worker and external stakeholder known the procedure related to complain mechanism.

6.3.2
 Based on document review of Complain and Grievance Book, and interview with workers as well as external stakeholder (village head of Pundu and Bukit Batu, and FFB supplier), it is known that there is no significant complaint and grievance from another party. There was commonly aspiration related maintenance for the part of housing facilities.

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

6.4.1 ; 6.4.2; 6.4.3
 The Certificate holder has had document of land and crops compensation (SOP-PAD-001) in term of the procedure of land and crops compensation in overall of Bumitama Gunajaya Agro (BGA) operational area. Based on stakeholder consultation with related party (the Head of Village, informal leader, community) that knows the procedure was understand by the related party and has been socialized.
 The evidence of compensation to land owner in each estates and the participation of head of village as witnessed was documented in each estate. Overall of compensation document was keep as historical of land acquisition by company. All of document was signed by company representation early land owner and included of government in village and sub district level.

Based on document verification Social Impact Assessment report and HCV Identification report that knows in PT WNL

area there was no land under customary right. Though stakeholder consultation with related agency (National Land Agency and Forestry Agency of Kotawaringin Timur District) was informed there is no land of PT WNL under customary right.

The company has been shown the evidence of land compensation to related party. The sample of process land compensation presented to land owner was sighted. The copy was made in Bahasa and known by all relevant parties. Although the legal status, acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These processes were involved of land owner and approved by head of village and head of sub district. The documented process of land compensation was signed by related party, filed in each estate.

Status: Comply

6.5

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

6.5.1

Certificate holder has implemented decree of Kalimantan Tengah Governor No 24/2016 about The minimum wage and sectoral minimum wage for Regency in Kalimantan Tengah. The wage system for permanent workers also regulated on IOM no 008/IOM/HC-BGA/XII/2016. Furthermore, the basic salary for worker is explained in appointment decree. CH also shows an example of pay slip which explains the details of income (basic salary, premium pay) and deduction such as employment insurance payment and other deductions. Payment of overtime is regulated in Company Regulation article 9. It is stated that provisions regarding overtime pay is guided by the applicable regulation. The pay and condition for nonpermanent workers is regulated in the work agreement.

6.5.2

Certificate holder has company regulation period of 2016 – 2018 that has been ratified by Manpower Agency of Kotawaringin Timur Regency No Kep. 942/PHIJSK-PK/PP/VII/2016. It explains about company and workers duty and rights, such as wage system, assessment of worker performance, promotion, demotion, leave rights, etc. CH also has work agreement with worker in form of appointment decree for daily and monthly permanent worker.

6.5.3 & 6.5.4

Based on field observation, it is known that the company has been providing housing facilities, lighting, water, daycare, places of worship, school buses, clinics and educational facilities. Company also facilitates all workers to access adequate food supply by establishing worker cooperative. Moreover, there are some kiosks in housing complex. Personnel can get the staple food with reasonable price. The Company also provides rice support to all permanent worker.

Status: Comply

6.6

The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

6.6.1 & 6.6.2.

Policy related to worker union is written on Company Policy signed by Area Controller on 2nd March 2012. It stated that the company giving freedom to all worker to establish and/or be a member of a worker union according to Act No. 21 year of 2000 about freedom of association. The implementation of this policy is a Bipartite Cooperation which has been registered to Man Power Agency of Kotawaringin Timur no 560.565/245/KEP/HI-KESJA/IV/2017 on 6th April 2017. Bipartite Cooperation has been conducted a regular meeting. Last regular meeting was held on 30th March 2017 discuss about establishment of Bipartite Cooperation. It has been documented in form of list of attendees. The

documentation is available for public (worker).	
Status: Comply	
6.7	
Children are not employed or exploited.	
6.7.1	
Certificate holder has policy about the minimum age for worker written on 2016 – 2018 Company Regulation chapter II Article 4 about procurement, acceptance, and job placement. There is also policy regarding age requirement for worker written on Policy About Equal opportunity and treatment in employment, freedom of association, the age requirements, and the protection of women workers approved by Regional Head 2 on 1 st June 2016. Based on field observation in estate and mill there is no workers under 18 years old. Based on public consultation with Manpower agency in Kotawaringin Timur Regency, there is no issue regarding child labour.	
Status: Comply	
6.8	
Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.	
6.8.1; 6.8.2; 6.8.3	
Policy related to against discrimination is stated in Policy About Equal opportunity and treatment in employment, freedom of association, the age requirements, and the protection of women workers approved by Regional Head 2 on 1 st June 2016. It explains that the company give the same work opportunity and ensure there is no discrimination in race, skin color, sex, religion, political beliefs, national and social origin. This policy can be accessed publicly. Based on interview with worker in estate and Bipartite member, there is no issue or complain related to worker discrimination.	
Based on interview with women worker in day care PNBE, it is known that there is no issue regarding discrimination. The workers that has been interviewed is came from various social origin, race, and religion. Local community also get the same opportunity to work in company.	
Company kept the workers’s personal file in each unit estate and mill. The recruitment process is conducted by competency, skill, and medical examination of the worker. There is also employee performance assessment as the promotion requirement. However, the company must ensure that the recruitment process is in accordance with the applicable procedure.	
Status: Comply	
6.9	
There is no harassment or abuse in the work place, and reproductive rights are protected.	
6.9.1; 6.9.2; 6.9.3	
Policy related to against discrimination is stated in Policy About Equal opportunity and treatment in employment, freedom of association, the age requirements, and the protection of women workers approved by Regional Head 2 on 1 st June 2016. It explains that The company will protect female workers from sexual harassment, violence, and rights related to the female reproductive. The policy has been socialized to the worker in each unit through Gender Committee. Gender committee function is to handle the protection of female workers rights. Based on interview with gender committee member, company provided daycare for all workers’ children and also give maternity and menstrual leave for female workers.	
Company has procedure for mechanism of complaint written on Code Of Conduct BGA-COC-HC-333.1-RO. It explain about the mechanism of handling complaint and mechanism to protect the identity of complainant (whistleblower). The worker can make complaint through complaint channel by phone, SMS or email. The mechanism has socialized to the worker through signboards all over the unit. Based on interview with worker ini estate and mill, they all know the	

mechanism to make a complaint.

Status: Comply

6.10

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

6.10.1, 6.10.2

Based on interview with local FFB supplier and Commercial Department, FFB prices implemented to local supplier refer to the prices that set monthly by the government (Governor of Kalimantan Tengah). Sometimes, it prices could be more expensive than the government prices if the FFB prices that set by the governor implemented by competitor. Commercial Department used to considering to raising price in order to get more FFB from local supplier. It is mechanism has been drafted on the agreement and no objection so far.

The information regarding to FFB prices can access real time from the government website, circular memorandum, short message service from Commercial Department staf etc. FFB prices also implemented in transparent way.

6.10.3

The company has a cooperative agreement with several parties. All agreement deal fairly, transparent and approved together. Cooperative Agreement Letter draft that has been returned to the parties to read its contents. If there has been a further agreement, the contract will be signed between the two sides on stamp duty and the copies held by each party. In the verified contracts contained clauses about the dispute resolution. It means, if there is a complaint, objection or dissatisfaction in the agreement at a later time, both parties who tied on the agreement are agreed settlement together by law in District Court that are designated together.

One of cooperative agreement between the company were FFB purchasing from local supplier. Through the public consultation known that FFB Purchasing agreement has been implemented according to the agreement. The agreement letter renewal annually.

6.10.4

On the FFB Purchasing Agreement point 5: payment method stated that purchase will be paid 2 times a month. Payment will be paid maximum 10 day after invoice received by the company. However, based on public consultation and payment receipt, there were non compliances between payment and agreement.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

The certificate holder's contribution of local development was implemented in Corporate Social Responsibility, tax payment to district government and has been implemented of smallholder program to community surround. There was sighted report of PT WNL's CSR program year of 2016. The CSR program consists of local business development program (community empowerment), synergic community relations program (included of education, health and national holiday celebrate), donation and special development program (social and culture, religion, environment and preservation local wisdom, etc).

The CSR program arranged based on consultation and input from the stakeholders. Based on consultation with Village Head of Bukit Batu, it is known that the arrangement of CSR program has been conducted by consultation with head of village. It is also known that many villagers work in the company.

6.11.2

Certificate holder has been implemented of smallholder program with *full manage system*. Overall of plantation managerial was handled by the certificate holder. The cooperation unit as representation of the community was monitored all operational activities and earn the report form the PT WNL in every month. The smallholder member in each cooperation unit was earn the production sharing from the certificate holder.

Certificate holder has conducted trainings for smallholder member, such as Socialization of Smallholder Program and Palm Oil Plantation System in several village surround on December 2015. Based on document review, it is known that certificate holder has performed maintenance of smallholder plantation in accordance with the procedures that used in the nucleus Estate.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1; 6.12.2; 6.12.3

Based on document review, field observation, and interview with workers and stakeholders revealed that there is no migrant worker, forced labor, and illegal worker. Also, there is no contract substitution in the company. Each worker have appointment decree letter as daily or monthly permanent worker. Identity document of each worker is kept in unit office and if they want to access their document, they have to communicate it with their supervisor.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1.

The company has policy Company Responsibility to Employee, these document was contained of Human Right Protection. These document was signed by Regional Head 2 on 1st June 2016. This policy has been socialized to employees on each estate unit and mill. The personnel in charge for giving information related to Human Right information to operational level was depend on each aspect. Based on interview with worker in estate and mill and board of Bipartite cooperation, there is no complaint related to human rights violation.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings

7.1

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

PT WNL does not expand not open new estate since they achieve RSPO certificate (June 19th 2015) till ASA-2 (April 17th 2017). Document of the social and environment impact assessment owned by PT WNL is described on the criteria 5.1 and 6.1.

Status: Comply

7.2

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

PT WNL does not expand not open new estate since they achieve RSPO certificate (June 2015) till ASA-3 (April 2017).

According to the map of soil type, the type of soil at PT WNL area are Tropudult (8,706 Ha or 21 %), Thropohemist (6,200 ha or 14.9 %), Dystropepts (13,290 or 32.0 %) and Plancaquods (13,330 Ha 32.1%). According to the report of soil survey which was conducted by on January 1st – 10th 2014, it was found that:

- *Tropudult* (category of proper) is recommended to be area for planting program. The improvement conducted by the company are the reduction of erosion rate by planting soil layer plants after land clearing.

- *Dystropepts* (category of marginal) is recommended to be area for planting program. The improvement conducted by the company is by improving the area with shallow solum, drainage (peatland).
- *Placaquods* (category of N-1) is recommended to be area for planting program in condition of several improvements by constructing drainase discontinue trench to penetrate lapisan spodik, especially shallow spodic depth (<60 cm), adding organic ingredient to the soil surface to minimize the erosion on top soil during land clearing.

Status: Comply

7.3

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

7.3.1; 7.3.2;7.3.3

The company has conducted HCV assessment for WNL areas of ± 1.500 Ha) by the RSPO Approve Assessor on October 2010 (see **indicator 5.2.1**). Based on area statement obtained information that the planting conducted in 1998. To ensure that there is no new plantings in primary forest or HCV areas since November 2005, the Certificate Holder has sent Liability Disclosure and LUCA for PT WNL to RSPO Compensation and on 2016.

In addition, based on communications by email between CBs and RSPO Compensation, it was obtained last information dated 2/3/2017 that the PT WNL can to continue certification and actively complete the RACP process.

Related to compensation plan is now proceed development & completion. It will be verified on the next assessment.

7.3.4;7.3.5

PT WNL does not expand not open new estate since they achieve RSPO certificate (June 19th 2015) till ASA-3 (April 17th 2017). Documents, management plan HCV, could be seen at **criteria 5.2**.

Status: Comply

7.4

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

PT WNL does not expand not open new estate since they achieve RSPO certificate (June 2015) till ASA-3 (April 2017).

PT WNL has:

- Map of soil type for region II of each estate (PNBE, KAGE & PAGE) in scale 1: 80,000. For example, unit of PNBE: Ultisol (2,841 Ha), Inceptisol (1,484 Ha), Hitosol/peat (656 Ha), Entisol 913 Ha (reference: GIS Region 2&6-BGA/OKT.10).
- Map of slope class of region 3 in scale 1:80,000. For example, slope of 0-8% for 2,211 ha, slope of 8-15% for 9,197 ha and slope of 15-30% for 142 ha with total area for 11,550 Ha.
- Map of slope class of PT WNL written on EIA document in scale 1:85,000 categorize 3 slope class: flat (0-8%), declivous (8-15%) and nearly-like cliff (15-25%).

Status: Comply

7.5

No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

PT WNL does not expand not open new estate since they achieve RSPO certificate (June 2015) till ASA-3 (April 2017).

Status: Comply

7.6

Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent

and negotiated agreements.

PT. WNL has had document of the procedure of plant compensation number SOP-PAD-001. It describes the compilation of the plant and land compensation process standard in all BGA operational area. In order to reduce the mistake of the land and plant compensation to keep company asset safe, there are procedure as follows:

1. Determine annual work plan for establishing estate. It is determined by the department in charge (Partnership and Development of Central and Regional, Estate Manager, Head of Regional, GM Plantation).
2. Inspection of the properness in aspect of agronomy technical and recommendation over the area by the department in charge representatives (Research, PAD, GIS, Agronomy).
3. Conducting inventory, initiation, measurement. The inventory team is formed by the department in charge representatives (Central and Regional PAD, GIS, Research, Village Administration Government, Sub-District Government, community figures and land owner).
4. Conducting socialization to the land owners based on the result of inventory. It is socialized by the department in charge (Regional PAD, inventory team and land owner).
 - Confession over the land on the cultivated area and witnessed by village apparatus.
 - It should has ownership information from at least village administration government.
 - Evidence of ownership (SKT/others) for maximum for 5 Ha or referring the applied regulations.
 - The compensated land is free from any dispute.

PT WNL does not expand not open new estate since they achieve RSPO certificate (June 19th 2015) till ASA-2 (April 17th 2017). Document of the social and environment impact assessment owned by PT WNL is described on the criteria 5.1 and 6.1.

Status: Comply

7.7

Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.

7.7.1; 7.7.2

The company has procedure related to No Burn that recorded in procedure number: BGAAGRKS-PTKS-PLH, date 27/05/2011. The policy explains that the land clearing for plantation conducted by manual process. Basd on field observation in PNBE, there was no activity of sign of land burning.

Status: Comply

7.8

New plantation developments are designed to minimise net greenhouse gas emissions.

7.8.1; 7.8.2

PT WNL does not expand not open new estate since they achieve RSPO certificate (June 19th 2015) till ASA-3 (April 17th 2017). Implementation of emission including in GHG emission mitigation has been conducted in accordance with the management plan. In addition, Pundu Nabatindo POM and supply bases has calculated GHG emissions for period 2016 using the RSPO PalmGHG calculator (see indicator 5.6.3)

Status: Comply

PRINCIPLE #8 Commitment to continuous improvement in key areas of activity

8.1

Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.

Best management practices

The company has showed the commitment and no longer using paraquat since 2015.

Environmental aspect.

The company has conducted continuous improvement in environmental action aspect, such as: mill effluent test periodically, water river test periodically, smoke emissions test periodically, stored hazardous waste storage approved by government, etc.

8.1.1

Status: Nonconformity No 2017. 13 with Major Category

3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements													
E.1	Definition													
<p>E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>Pundu Nabatindo Mill has a procedure regarding Supply Chain Certification System used. Mill implements Mass Balance with Module E. Pundu Nabatindo Mill receives FFB from own estates and third party suppliers – small holders and growers which are not within the certification scope.</p> <p align="center">Status: Comply</p>														
E.2	Explanation													
<p>E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>The facility has procedure of Supply Chain Certification System (SCCS) describes in doc. BGA-SUST-SOP-43-R0) dated 8 February 2017 This procedure requires that actual volume CPO and Kernel certified, are calculated based on the daily reports of production. The estimates tonnage of CPO and Kernel products has been defined by Mutuagung Lestari.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Noted</th> <th style="width: 35%;">The previously volume of certified products in the Certificate Mutu-RSPO/042 (June 19, 2016 to 18 Juni, 2017)</th> <th style="width: 35%;">The actual volume of certified products (June 19, 2016 to 17 April 2018)</th> </tr> </thead> <tbody> <tr> <td>FFB</td> <td align="center">128,271</td> <td align="center">-</td> </tr> <tr> <td>CPO</td> <td align="center">28,476.2</td> <td align="center">-</td> </tr> <tr> <td>CSPK</td> <td align="center">6,118.53</td> <td align="center">-</td> </tr> </tbody> </table> <p>Result documents verifications and field observation there is area directly managed by Pundu Nabatindo Estate but out of scope certification, in example Blocks L12, L13, J16 and L14. Meanwhile all FFB produced from that's area claimed as RSPO certified FFB that's sent to Pundu Nabatindo mill, for example:</p> <ul style="list-style-type: none"> - Weighbridge ticket No 04704M0317-PNBE Div 03 Blok L13 dated 13 April 2017 - Weighbridge ticket No 04684M0317-PNBE Div 03 Blok L12 & L13 dated 13 April 2017 <p>Based on data of certified CPO production period of 19 June 2016 – 17 April 2017 its known if CPO and PK production from Pundu Nabatindo Estate are RSPO certified. Related that the certificate holder Has not been able to show the evidence that the total volume of certified palm oil (CPO and PK) products that's produced is appropriate. Based on the explanation, raised the Non-Conformance No 2017.14 with Major category</p>			Noted	The previously volume of certified products in the Certificate Mutu-RSPO/042 (June 19, 2016 to 18 Juni, 2017)	The actual volume of certified products (June 19, 2016 to 17 April 2018)	FFB	128,271	-	CPO	28,476.2	-	CSPK	6,118.53	-
Noted	The previously volume of certified products in the Certificate Mutu-RSPO/042 (June 19, 2016 to 18 Juni, 2017)	The actual volume of certified products (June 19, 2016 to 17 April 2018)												
FFB	128,271	-												
CPO	28,476.2	-												
CSPK	6,118.53	-												
E.2.1	Status: Nonconformity No 2017. 14 with Major Category													
<p>E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>														

Pundu Nabatindo Mill has registered to the RSPO IT platform. **Member registration number RSPO_PO1000001683.**

Based on data from Palm Trace Pundu Nabatindo POM, dated February 18, 2017, it is known there are sales of CPO and PK RSPO Certified from PNBM in the period 19 August 2016 – 18 April 2017 as:

- CPO: 13,185 Tons
- PK: 5,975,76 Tons

Related to that certificate holder has not been able to show the details of the sales volume of CPO and PK products certified to Buyer (buyer). **Based on the explanation, raised the Non-Conformance No 2017.16 with Major category**

E.2.2 Status: Nonconformity No 2017. 15 with Major Category

E.3 Documented procedures

E.3.1

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

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

The facility has established a procedure of Supply Chain Certification System (NoUnit BGA-SUST-SOP-43-R0) who described the SCCS model are Mass Balance. The procedure has explained the identification of raw materials and products, traceability products. in addition the procedures mentioned that the identification of raw material status (FFB) from RSPO certified area is marked by the use of the RSPO logo on FFB delivery letter. The persons who having responsibility are Comercial and Logistic Group Department, Certification & Compliance d Department Head, Mill Manager and Operational Quality Control (OQC) Department. owever, based on interviews it is known that,

1. The Comercial and Logistic Group Department can not explain the quota of RSPO certified products, available sales and stock claims
2. There is insufficient evidence that identification procedures and product traceability are socialized and implemented across all operational units.

Based on the explanation, raised the Non-Conformance No 2017.17 with Major category

E.3.1 Status: Nonconformity No 2017. 16 with Major Category

E.3.2

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

The facility has established a procedure of Supply Chain Certification System (NoUnit BGA-SUST-SOP-43-R0) who described the SCCS model are Mass Balance. in the procedures mentioned that the identification of raw material status (FFB) from RSPO certified area is marked by the use of the RSPO logo on FFB delivery letter

Status: Comply

E.4 Purchasing and goods in

E.4.1

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

Certificate holder has documented the volume of certified and Non certified FFBs received. For the period 19 June 2016 to 18 April 2017.

Months	FFB Certified	FFB Non Certified
19 – 30 June 2016	518.070	4,764
July 2016	2,758.550	10,685.100

August 2016	3,730.680	17,553.360
September 2016	4,583.240	26,554.370
October 2016	4,405.720	33,306.860
November 2016	3,747.170	31,727.700
December 2016	3,182.530	26,313.290
January 2017	2,298.490	21,592.600
February 2017	2,626.180	23,027.510
March 2017	3,113.900	24,981.410
1-17 April 2017	1,836.410	14,062.680
Total	36,673.970	238,441.930

Result documents verifications and field observation there is area directly managed by Pundu Nabatindo Estate but out of scope certification, in example Blocks L12, L13, J16 and L14. Meanwhile all FFB produced from that's area claimed as RSPO certified FFB that's sent to Pundu Nabatindo mill, for example:

- Weighbridge ticket No 04704M0317-PNBE Div 03 Blok L13 dated 13 April 2017
- Weighbridge ticket No 04684M0317-PNBE Div 03 Blok L12 & L13 dated 13 April 2017

Based on data of FFB receipt period of 19 June 2016 – 17 April 2017 its known if all FFB production from Pundu Nabatindo Estate are RSPO certified. Related that the certificate holder Has not been able to show the evidence that the documentation of certified FFB production and non certified who received from scope of certification. **Based on the explanation, raised the Non-Conformance No 2017.17 with Major category.**

E.4.1 Status: Nonconformity No 2017. 17 with Major Category

E.4.2

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

As verified during the ASA-3, Production of FFB, CPO and Kernel during the period of a year (19 June 2016 to 18 April 2016) no overproduction of certified tonnage.

In SOP NO BGA-SUST-SOP-43-R0 dated 8 February 2017 on point 7.3 mentioned a Certification & Compliance Dept. Head will informed to certifications body if any over production of certified tonnage

Status: Comply

E.5 Record keeping

E.5.1

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

- a. The facility has not been able to show that it has recorded and balances all receipts of FFB, shipping of CPO and Palm Kernel RSPO certified
- b. The facility has not been able to show evidence that all CPO and PK Sold area CPO and PK RSPO certified where there is still non-certified FFB claimed as FFB certified so that the certified CPO and PK products produced are certified products
- c. Based on data from Palm Trace Pundu Nabatindo Mill dated April 18, 2017, it is known that there are sales of CPO and PK certified by RSPO from Pundu Nabatindo Mil in period August 19, 2016 - April 18, 2017 ie CPO: 13.185 Ton and PK:

<p>5.975.76 Ton, but based on data CPO and PK certified production certificates are CPO 7,382,058 Ton and PK 1,488,878 Ton</p> <p>d. he facility has not been able to show that the sale of certified products must be from a positive stock means the stock of certified products must be greater than the shipping and transactions.</p> <p>Based on the explanation, raised the Non-Conformance No 2017.18 with Major category</p>	
E.5.1	Status: Nonconformity No 2017. 18 with Major Category
<p>E.5.2 In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.</p>	
<p>Pundu Nabatindo Mill (PNBM) has not outsources activities to the independent palm kernel crush.</p>	
	Status: Comply

3.3 Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-3	The PT WNL has been certified by Mutuagung Lestari with certificate code MUTU - RSPO / 042	√
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-3	The company did not use RSPO logo	√
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-3	The company did not use RSPO logo	√
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-3	The company did not use RSPO logo	√
	Status: Comply	

3.4 Summary of RSPO Partial Certification

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

Bumitama Agri, Ltd Time Bound Plan is explained in table 1.10. Bumitama Agri, Ltd has informed the Time Bound Plan progress, MUTU has considered that MP Bumitama Agri, Ltd is complied with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Bumitama Agri, Ltd on 4 May 2017.

MUTU has verified partial certification for un-certified unit's subsidiary of Bumitama Agri, Ltd based on their Time Bound Plan. There are nine (9) uncertified mills and thirty two (32) uncertified estates management units of Bumitama Agri, Ltd. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from other sources.

MUTU Auditor has verified company partial certification and concludes that:

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is developed under Bumitama Agri, Ltd</p> <p>Auditor verification Based on the document review, there is a company internal audit that was conducted on:</p> <ul style="list-style-type: none"> • 08 – 10 Februari 2017 for PT Rohul Sawit Industri and PT Masuba Citra Mandiri • 09 – 10 Maret 2017 for PT Ladang Sawit Mas • 10 – 11 April 2017 for PT Langgeng Makmur Sejahtera • 12 – 13 April 2017 for PT Gunajaya Harapan Lestari • 17 – 18 April 2017 for PT Andalan Sukses Makmur and PT Investa Karya Bhakti • 20 – 21 April 2017 for PT Windu Nabatindo Sejahtera • 17 – 18 Januari 2017 for PT. Windu Nabatindo Abadi and PT Nabatindo Karya Utama
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). 	<p>PT Langgeng Muara Makmur Sejahtera</p> <ul style="list-style-type: none"> - RaCP Plan document are wait for LUCA documents to be submitted and approved by RSPO. - HCV conducted March 2012 by Forestry IPB.

	<ul style="list-style-type: none"> Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>PT Andalan Sukses Makmur</p> <ul style="list-style-type: none"> LUCA was sent on January 2015 to RSPO Documents RaCP Plan are wait for LUCA approved by RSPO HCV was conducted on October 2013 by Sonokeling Akreditasi Nusantara <p>PT Investa Karya Bhakti</p> <ul style="list-style-type: none"> LUCA was sent on 13 June 2016 to RSPO Documents RaCP Plan are wait for LUCA approved by RSPO <p>PT Gunajaya Harapan Lestari</p> <ul style="list-style-type: none"> LUCA has not been submitted to RSPO HCV was conducted on October 2012 by Forestry IPB <p>PT Windu Nabatindo Sejahtera</p> <ul style="list-style-type: none"> LUCA was sent on 19 June 2016 to RSPO Documents RaCP Plan are wait for LUCA approved by RSPO HCV was conducted on March 2012 by Forestry IPB <p>PT Ladang Sawit Mas</p> <ul style="list-style-type: none"> LUCA was sent on 16 July 2014 to RSPO Documents RaCP Plan are wait for LUCA approved by RSPO HCV was conducted on December 2013 by Sonokeling Akreditasi Nusantara <p>PT Lestari Gemilang Intisawit</p> <ul style="list-style-type: none"> LUCA was sent on 7 November 2014 to RSPO Documents RaCP Plan are wait for LUCA approved by RSPO HCV was conducted on 2013 by Sonokeling Akreditasi Nusantara <p>PT Agro Manunggal Sawitindo</p> <ul style="list-style-type: none"> LUCA was sent on 7 November 2014 to RSPO Documents RaCP Plan are wait for LUCA approved by RSPO HCV was conducted on July 2013 by Sonokeling Akreditasi Nusantara <p>PT Karya Makmur Langgeng</p> <ul style="list-style-type: none"> LUCA was sent on January 2015 to RSPO Documents RaCP Plan are wait for LUCA approved by RSPO HCV was conducted on July 2013 by Sonokeling Akreditasi Nusantara <p>PT Gemilang Makmur Subur</p> <ul style="list-style-type: none"> HCV was conducted on November 2016 by PT Gagah Dinamika Aksenta.
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		<p>Auditor verification Based on internal audit results and evidence provided (communication to RSPO on liability disclosure) shows that all subsidiaries of Bumitama has been sent to RSPO and now on progress of LUCA review.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>PT Langgeng Muara Makmur Sejahtera, there is no new planting after January 1st 2010.</p> <p>PT Andalan Sukses Makmur, NPP was completed for areal 5,630 Ha and publish on March 10th 2016.</p> <p>PT Investa Karya Bhakti, NPP was completed for areal 5,700 Ha and publish on October 4th 2016.</p> <p>PT Gunajaya Harapan Lestari, there is no new planting after January 1st 2010.</p> <p>PT Windu Nabatindo Sejahtera, there is no new planting after January 1st 2010.</p> <p>Auditor verification Based on internal audit, documented time of land clearing and liability disclosure sent to RSPO, there is new planting/land clearing after 1st January 2010 for PT Andalan Sukses Makmur and PT Investa Karya Bhakti but NPP has been conducted for these units. Evidence of submission to RSPO is provided and the NPP notification are at RSPO website.</p>
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>There is no land conflicts.</p> <p>Auditor verification There is land conflicts and has been resolved with RSPO Grievance procedure or Dispute Settlement Facility.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There is labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>Auditor verification There is labour dispute in uncertified unit i.e PT Bumitama Gunajaya Abadi. The dispute has been resolved as we can seen in RSPO website that the status of dispute in closed for monitoring.</p>

<p>2.1.6</p>	<p>Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>	<p>PT Langgeng Muara Makmur Sejahtera</p> <ul style="list-style-type: none"> • Izin Prinsip Arahan Lokasi No. 525.21/660/Ek.SDA/IX/2014 dated 12 September 2014 5,325 Ha • Location Permit SK Dicitric Kotawaringin Timur No. 188.45/330/Huk-BPN/2014, 23 September 2014 5,370 Ha • Environment Permit No. 660/2140/BLH-Ek.SDA/2015, 19 October 2015 for 5,325 Ha • IUP No. 188.45/490/Huk-Ek.SDA/2014, 19 December 2014 4,810.72 Ha • SK HGU No. 5/HGU/KEM-ATR/BPN/2017, January 10th 2017. <p>PT Andalan Sukses Makmur</p> <ul style="list-style-type: none"> • Izin Prinsip Arahan Lokasi SK Dicitric Kotawaringin Barat No.590/105/Pem-XI/2012, November 21 2012 for areal 9,000 Ha. • Location Permit SK Dicitric Kotawaringin Barat No.525/68/XII/2012, December 18th 2012 for 9,275 Ha • IUP No. 525/45/ek, 06 February 2013 • HGU on process. <p>PT Investa Karya Bhakti</p> <ul style="list-style-type: none"> • Izin Prinsip Arahan Lokasi No. 590/09.Pem-II/2014, 3rd February 2014 for areal 14,500 Ha. • Location Permit SK Dicitric Kotawaringin Barat No. 525/62/IX/2014, 1st September 2014, 11,746.74 Ha • IUP No. 525/014/EK, April 21 2015, 5,700 Ha <p>PT RohulSawitIndustri and PT Masuba Citra Mandiri</p> <ul style="list-style-type: none"> • HGU on process • Panitia B Inti No. 03/RSL/HGU/2015 seluas 1,893.11 Ha • Panitia B Plasma No. 04/RSL/HGU/2015 seluas 938,16 Ha <p>PT Gunajaya Harapan Lestari</p> <ul style="list-style-type: none"> • Izin Prinsip Arahan Lokasi No. 525/426/Bappeda-D year of 2007, 08 May 2007 for areal 3,000 Ha. • Location Permit SK Dicitric Kendawangan No. 265 year of 2007, 28 June 2007 for3,000 Ha • Revision Location Permit No. 370 year of 2008, 07 October 2008 for 3,000 Ha
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		<ul style="list-style-type: none"> • Extention Location Permit No. 415 year of 2010, 27 July 2010 for 3,000 Ha • IUP No. 365/DISBUN-D/2012, August 23rd 2012 for 1,750 Ha • HGU No. 62/HGU/KEM-ATR/BPN/2016, 1,973.45 Ha <p>PT Windu Nabatindo Sejahtera</p> <ul style="list-style-type: none"> • Izin Prinsip Arahan Lokasi No. 02.04.28/525.26/463/XI/Ekbang/03, 8th November 2003 for areal 7,000 Ha. • Location Permit SK District Kotawaringin Timur No. 165.460.42, 26 February 2004 for 5,370 Ha • IUP No. 525.26/152/V/Ekbang/2004, 17 May 2004 for 5,370 Ha • Permit Location No. 374.460.42, December 13 2006 for 5,000 Ha (Revision) • IUP No. 525.26/386/V/Ekbang/2007, May 30th 2007 for areal 5,000 Ha (Revision) • Kadastral Map No. 355-15.05-2007, July 6th 2007 for areal 4,998.76 Ha • Surat Permohonan HGU 003/WNS-Dir/VII/2007, July 11th 2007 for areal 5,000 Ha. <p>PT Windu Nabatindo Abadi</p> <ul style="list-style-type: none"> • Sertifikat HGU No. 37/HGU/BPN RI/2014 seluas 1,987.8 Ha • Sertifikat HGU No. 48/HGU/KEM-ATR/BPN/2015 tanggal 20 Mei 2015 seluas 5.773 Ha <p>PT Nabatindo Karya Utama</p> <ul style="list-style-type: none"> • Sertifikat HGU No. 17/HGU/KEM-ATR/BPN/2016 tanggal 07 April 2016 seluas 3,298.63 Ha <p>HGU on process for Ladang Sawit Mas, PT Lestari Gemilang Intisawit, PT Agro Manunggal Sawitindo, PT Karya Makmur Langgeng, and PT Gemilang Makmur Subur</p> <p>Auditor verification Land legal process is still going on and there is a detail update progress documented by the company for each year.</p>
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3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

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

NCR No.	: 2016.01	Issued by	: Muardi Marwas
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 24 June 2016
Standard Ref. & Requirement	: 2.1.1 Compliance With Applicable Laws		
Non-Conformance Description & Evidence observed :			
During the assessment, unit using the water for processing in Mill and domestic, however there is no license of processing water used.			
Root Cause Analysis :			
Lack of knowledge of Document & Legal team, do to no regulation related with Surface Water Use Permit and there was not yet socialization from the relevant agencies.			
Corrective Action :			
There are evidence decree of tax and retribution for surface water discharged from relevant agencies.			
Preventive Action :			
Socializing and internal control/audit internal every year and RSPO monthly meeting in Regional Office.			
Assessor Evaluation and Conclusion :			
<ul style="list-style-type: none"> The company has showed Determination Letter about surface water tax from relevant agencies in Kotawaringin Timur District dated 21 June 2016). Payment of surface water tax refers to local regulation No. 07 year 2010 about local taxes. Surface water tax was paid on June 21, 2016. 			
Based on above evidence, this NC has closed.			
Verified by	: Muardi Marwas		

NCR No.	: 2016.02	Issued by	: Oktovianus Rusmin
Date Issued	: 4 May 2016	Time Limit	: ASA-03
NC Grade	: MINOR	Date of Closing	: 21 April 2017
Standard Ref. & Requirement	: 2.2.2 The physical markers are located and visibly maintained		
Non-Conformance Description & Evidence observed :			
Based on field visit for boundaries pole check at Katari Agro Estate and Pantai Mas Estate that showed several area there is not yet had boundary pole refer to Coordinate List from National Land Agency. The document of monitoring result of boundary poles also was showed that several area not yet had boundary poles.			
Root Cause Analysis :			
Unit Management has not appointed PIC to maintain demarcation each Estate.			
Corrective Action :			
<i>Unit Management appointed each Estate Manager to maintain the demarcation mark in their respective area.</i>			
Preventive Action :			

Set up boundary pole maintenance program handle by each Estate.

Assessor Evaluation and Conclusion :

21 April 2017

The certificate holder shows the Boundaries (HGU/BPN) Pole Monitoring document with last check on March 25, 2017. The documents are shown the number of the poles, the coordinates of the poles, the images, position description, condition and other information.

Verification of the document, identified 31 Boundaries pole with the position has been in accordance with the list of coordinates of National Land Regency, along with images of the condition of the the poles that show in good condition and well maintained.

Based on these explanations, the non conformities of 2016.02 are Closed

Verified by : Moh Arif Yusni

NCR No.	: 2016.03	Issued by	: Andi Pratama Pasaribu
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 24 June 2016
Standard Ref. & Requirement	: 3.1.1 Business and Management Plan		
Non-Conformance Description & Evidence observed :			
Long Term Plan 2012 - 2020 are shown yet to consider CPO Production, Kernel Production, OER, KER, operating costs period 2012 - 2020, the financial indicators (income vs. expense) and estimated price.			
Root Cause Analysis :			
Lack of knowledge of personal in charge (head of administration and estate manager) due to turnover staff.			
Corrective Action :			
Preparing data of financial indicator especially prices estimation from commercial/finance department in head office.			
Preventive Action :			
Conducting socialization of financial indicator and prices estimation to all related staff in unit/estate. Head of administration will monitored in RSPO monthly meeting start from July 2016.			
Assessor Evaluation and Conclusion :			
7 Juni 2016			
Long term planning periode 2016 – 2018 has considered CPO production, Kernel production, OER, KER, operational cost, financial indicator (income vs cost) and prices estimation.			
<ul style="list-style-type: none"> a. Own FFB production and third party 681,895 ton (2016), 729,888 ton (2017), 768,264 ton (2018). b. CPO production: 160,245 ton (2016), 171,524 ton (2017), 180,542 ton (2018). c. Kernel production: 30,685 ton (2016), 32,845 ton (2017), 34,572 ton (2018). d. Production cost information, sales and profit not showed as public information. 			
Based on evidences showed, non compliances has closed.			
Verified by	: Andi Pratama Pasaribu		

NCR No.	: 2016.04	Issued by	: Sofyan Hadi Lubis
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 30 June 2016
Standard Ref. & Requirement	: 4.3.4 Water Management Program		
Non-Conformance Description & Evidence observed : The company can not show document of trenches maintenance. For example in block B36 Division 2 PMSE.			
Root Cause Analysis : Trench maintenance program delayed due to rainfall was very high on February. The heavy weight unit (excavator) still used in the flood area.			
Corrective Action : <ul style="list-style-type: none"> a. Annual planning and realization for trenches 2016. b. Minutes of activity trenches maintenance in block B36 PMSE and it photograph. c. Planning and realisation document per Juni 21 2016 in PMSE. 			
Preventive Action : Do monitoring of trenches maintenance in each estates.			
Assessor Evaluation and Conclusion : The company has shown rainfall data since January to June 2016. It shows that rainfall was high and completed with technically explanation from estate manager. Based on evidence that shown, non compliance No. 2016.4 has closed.			
Verified by	: Sofyan Hadi Lubis		

NCR No.	: 2016.05	Issued by	: Sofyan Hadi Lubis
Date Issued	: 4 May 2016	Time Limit	: ASA-03
NC Grade	: MINOR	Date of Closing	: 20 April 2017
Standard Ref. & Requirement	: 4.4.1 Implementation of environmental management and monitoring plan		
Non-Conformance Description & Evidence observed : <ul style="list-style-type: none"> - The result of surface water quality test result (Cempaga River and Katari River) in 2nd semester of 2015 cannot be shown yet - Flowmeter mill processes are not working (broken). 			
Root Cause Analysis : <ul style="list-style-type: none"> 1. Communication to the External Laboratory is insufficient to get the results of measuring the water quality 2. Lack of maintenance equipments. 			
Corrective Action : <ul style="list-style-type: none"> 1. Intense communication to concerned External Laboratory to get results of measuring the water quality immediately. 2. Repair the flow meter in order good function. 			
Preventive Action : Set up and monitor environmental program suit to Monitoring & Measuring procedure.			

Assessor Evaluation and Conclusion : April 20, 2017	
<ul style="list-style-type: none"> - The company has shown evidence of improvement in the form of RKL / RPL implementation report in the first and second semester of 2016. In the report obtained information that the monitoring of water quality of the Cempaga and Bengkuang Rivers has been implemented in accordance with the environmental monitoring plan. - Based on field visit at WTPin PNBM, it is known that water flometer is functioningBased on above evidence, this Non conformance was closed. 	
Verified by	: Sofyan Hadi Lubis

NCR No.	: 2016. 06	Issued by	: Andi Pratama Pasaribu
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 30 June 2016
Standard Ref. & Requirement	: 4.6.1 Justification of pesticides use.		
Non-Conformance Description & Evidence observed : The company cannot show justification of pesticides use.			
Root Cause Analysis (filled by organization audited): Lack of control due to lack of knowledge of estate manager to updating pesticide usage list. Beside that, there was no RSPO personal in charge that monitored pesticides usage in each unit due to employee mutation.			
Corrective Action : Preparing of pesticides justification document for all pesticides that usage in operational.			
Preventive Action : Maximalize control of estate manager to hired RSPO personal in charge who monitored pesticides usage.			
Assessor Evaluation and Conclusion : Observation on June 30, 2016 The company has shown several evidence: a. Sustainability policy that approved on August 13, 2015. On that document described the company committed on integrated pest management to reduce pesticides usage especially 1A and 1B WHO listed Stockholm and Rotterdam convention. b. Pesticides management procedure (BGA/AGRKS – SOP – 14) that approved on June 3, 2010 in chapter policy and pesticides management guide Based on evidence that shown above, non compliances No. 2016.6 has closed			
Verified by	: Andi Pratama Pasaribu		

NCR No.	: 2016. 07	Issued by	: Andi Pratama Pasaribu
Date Issued	: 4 May 2016	Time Limit	: ASA-03
NC Grade	: MINOR	Date of Closing	: 30th June 2016
Standard Ref. & Requirement	: 4.6.4 Commitmen to pesticide use category 1A and 1 B WHO		
Non-Conformance Description & Evidence observed : The company can not show commitment to minimize/eliminated pesticide class 1A and 1B WHO.			
Root Cause Analysis (filled by organization audited): The company has now on developing owl as a natural predator to control rat attack. So far, there was no rodenticides outside brodifacoum or bromadiolon.			

Corrective Action :	
<ol style="list-style-type: none"> 1. The company has released Inter Office Memo (IOM) regarding to commitment and policy to reduce rodenticides 1A and 1B WHO and to prioritize owl to control rat attack. 2. Circulation letter from Research & Development Department to introduction owl as rat control. 3. Integrated pest management procedure to control rat. The main program is to do early warning system such as regular census and performing control if an attack above economical threshold 	
Preventive Action :	
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Assessor Evaluation and Conclusion :	
Sustainability policy that approved on August 13, 2015. On that document described the company committed on integrated pest management to reduce pesticides usage especially 1A and 1B WHO listed Stockholm and Rotterdam convention	
Based on evidence above, non compliance No. 2016.7 has closed.	
Verified by	: Arif Faisal Simatupang

NCR No.	: 2016. 08	Issued by	: Trismadi Nurbayuto
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 30th June 2016
Standard Ref. & Requirement	: 4.6.11 Specific MCU to pesticide operator		
Non-Conformance Description & Evidence observed :			
According to result of specific Medical Check Up (<i>cholinesterase</i>) at 15-16 February 2016, it's known that one person spraying worker in KAGE who the results is below threshold. But can no to shown evidence of Cholinesterase re-test has conducted one month later in accordance to recommendation of a doctor.			
Root Cause Analysis :			
Exhaustion a Reagen in Laboratory of Metro Pundu Clinic due to the increased number of request the checking of Cholinesterase.			
Corrective Action :			
Re-Medical Check up for workers who recommended to speific medical check up by a doctors.			
Preventive Action :			
Increase the stock of chemicals (Reagen) for next year according to this year requirement data in Laboratory of Metro Pundu Clinic.			
Assessor Evaluation and Conclusion :			
Observation at 10 June 2016			
Management unit showed results of a re-Medical Check Up (<i>cholinesterase</i>) on behalf Sri Lestari (KAGE) with result of 4.2 dated 23 May 2016.			
Management unit showed Mutation Letter No. 003/EM-KAGE/II/2016 dated 22 February 2016, on behalf Sri Lestari. She was mutation from BSS team to manual weeding team.			
Observation at 22 June 2016			
Management unit showed letter from company doctor about result of cholinnesterase test on behalf Sri Lestari is below of normal value. So it must be moved for 6 months and has to do re-medical check up six month later.			
Observation at 30 June 2016			
Based on a letter from company doctor No. 007/3-RH Sustainability 3-RH 2/VI/2016 dated 30 June 2016 explaind related to the reagents need procurement for Medical Check Up of BSS team and BMS team. Duing the year to 558 BMS and BSS workers. estimation of use per semester is 500 ml.			
Based on above evidence, this NC has closed.			

Verified by	: Trismadi Nurbayuto
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NCR No.	: 2016.09	Issued by	: Trismadi Nurbayuto
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 21 June 2016
Standard Ref. & Requirement	: 4.6.12 System Monitoring Presence Pregnant Women in BSS team		
Non-Conformance Description & Evidence observed : The company couldn't to show the results of periodic monitoring to identify presence of pregnant workers in BSS team			
Root Cause Analysis : Lack of knowledge from management unit, it cause replacement of staff and manager level.			
Corrective Action : Make the program of pregnant monthly check by paramedic team. Pregnancy test was held on 3 May 2016, employees mutation for pregnant worker.			
Preventive Action : Monitoring by the RSPO PIC in each unit and controlling by regional office.			
Assessor Evaluation and Conclusion :			
Observation at 31 May 2016 Management unit has showed pregnancy test result for 46 employees BMS team in KAGE; and also pregnancy test result for 19 employees BSS team in KAGE dated 3 May 2016. All workers are not in condition of pregnancy.			
Observation at 21 June 2016			
<ul style="list-style-type: none"> - Katari Agro Estate (KAGE) has showed program of pregnancy test for BMS team and BSS team year 2016, it will be start from May 2016 to December 2016. - Pantai Mas Estate (PMSE) has showed program of pregnancy test for BMS team and BSS team year 2016, it will be start from May 2016 to December 2016. - Minute of activity and documentation of pregnancy test for 16 BSS (<i>Block Spraying System</i>) employee and 27 BMS employee at PMSE dated 16 June 2016. - Minute of activity and documentation of pregnancy test for 18 BSS employee and 44 BMS (<i>Block Manuring System</i>) employee at KAGE dated 19 June 2016. There was 1 pregnancy employee on behalf Delfiana (BMS team Division II) and recommended to mutation on manual weeding. - Mutation letter No. 016/EM-KAGE/VI/2016 dated 19 June 2016 on behalf Delfiana to Manual Weeding. 			
Based on above evidence, this Non conformance was closed.			
Verified by	: Trismadi Nurbayuto		

NCR No.	: 2016.10	Issued by	: Trismadi Nurbayuto
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 20 June 2016
Standard Ref. & Requirement	: 4.7.2 HIRAC of Evaluation		
Non-Conformance Description & Evidence observed : There have been work accidents resulting in lost time accident on Estate and Mill since one year ago. But is not able to show results of the HIRAC evaluation			
Root Cause Analysis : Lack of knowledge management unit. It cause Occupational Health and Safety (OHS) responsible staff is new person.			
Corrective Action :			
<ol style="list-style-type: none"> 1. Internal Office Memo (IOM) about HIRAC Evaluation No. 003/Sustainability 3-RH 2/VI/2016 dated 14 June 2016. 2. Minute of meeting HIRAC Evaluation in PMSE and KAGE. 			

3. HIRAC evaluation in Mill	
Preventive Action : Monthly meeting and monthly monitoring in Regional office to checking. And also internal audit every years by OQC Sustainability.	
Assessor Evaluation and Conclusion :	
Observation at 20 June 2016	
<ol style="list-style-type: none"> The company has showed IOM about HIRAC Evaluation No. 003/Sustainability 3-RH 2/VI/2016 dated 14 June 2016. During last years there are 153 accident with <i>Lost Time Accident</i> (LTA) 457 hours and 124 cases with medical aid category. HIRAC evaluation result is accordance to SOP of Identification and Evaluation Potential Risk. Some activity were evaluated in Mill such as: Loading Ramp station, Boiler Station, and workshop. All estate operational has evaluated of HIRAC, such as: risk control of spraying are use PPE's as: gloves, face shield, apron, rubber booth, safety maskr and safety helmt. 	
Based on above evidence, this Non conformance was closed.	
Verified by	: Trismadi Nurbayuto

NCR No.	: 2016. 11	Issued by	: Trismadi Nurbayuto
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 30 June 2016
Standard Ref. & Requirement	: 4.7.3 Provide PPE to Employees		
Non-Conformance Description & Evidence observed : According to field observation and interview with harvesting worker I block H56 KAGE, all worker was used PPE's. While according to field observations and interview with Fertilizing workers in Block B36 PMSE, they were explained that Company doesn't yet provide PPE's. For example: there are no available safety boot for loading & unloading worker.			
Root Cause Analysis : Lack of knowledge management unit. It cause OHS responsible staff is new person.			
Corrective Action : Providing Personal Protective Equipment to all workers according to SOP.			
Preventive Action : Socializing and training to new responsible staff, and also monitoring every month joint with OHS Committee meeting in Regional office. Internal audit will be conduct every years by OQC sustainability.			
Assessor Evaluation and Conclusion :			
Observation at 21 June 2016			
<ul style="list-style-type: none"> Division II KAGE has showed handover of apron to 20 BMS team dated 25 April 2016. Division II KAGE has showed handover 4 PPE's as hem, booth shoes, and gloves to BMS team dated 5 February 2016. KAGE has showed handover 24 PPE's as helm, booth shoes, and gloves to BMS team dated 5 February 2016. KAGE has showed handover 24 PPE's as helm to BMS team dated 3 January 2016. KAGE has showed handover 37 PPE's as helm, knife sheath, to harvesting team dated 5 February 2016. KAGE has showed handover 44 PPE's as helm, knife sheath, to harvesting team dated 29 April 2016. 			
Observation at 30 June 2016: KAGE showed documentation of handover PPE's to harvesting team, BMS team and Fertilise loading team dated 24 June 2016			
Based on above evidence, this NC has closed.			
Verified by	: Trismadi Nurbayuto		

NCR No.	: 2016. 12	Issued by	: Trismadi Nurbayuto
Date Issued	: 4 May 2016	Time Limit	: ASA 3
NC Grade	: MINOR	Date of Closing	: 21 April 2017
Standard Ref. & Requirement	: 4.7.7 Calculation of Lost Time Accident (LTA)		
Non-Conformance Description & Evidence observed : PNBM can't be show that all work accidents have been recorded by using Loss Time Accident			
Root Cause Analysis : Lack of knowledge how to calculated LTA of HSE Officer.			
Corrective Action : To calculate LTA in Mill based on guidance from CCM Dept.			
Preventive Action : To conduct monitoring LTA calculated done by Unit Management and CCM Dept. Regularly			
Assessor Evaluation and Conclusion : The Company has presented evidence of workplace accidents using the Lost Time Accident matrix for the period of 2016. Based on evidence was showed by the management unit, the non compliance in this indicator was Closed .			
Verified by	: Asystasya Aisha Silalahi		

NCR No.	: 2016.13	Issued by	: Sofyan Hadi Lubis
Date Issued	: 4 May 2016	Time Limit	: ASA 3
NC Grade	: MINOR raised to Major	Date of Closing	: 13 June 2017
Standard Ref. & Requirement	: 5.1.3 Implementation and Reporting of Environmental Documents		
Non-Conformance Description & Evidence observed : These plans have not been implemented in accordance with the recommendation of EIA, among others: <ul style="list-style-type: none"> - Monitoring of Benthos and Plankton in Bangkuang River, Cempaga Buang Rivers and Katari River. - Monitoring of flora and fauna, regullary in 6 months. - Monitoring of water quality in Cembaga River and Katari River. - The number of the population - The public income. - The potential for traffic accidents - Transmission of the disease 			
Root Cause Analysis : <i>Review & revised</i> Environment Monitoring & Measuring Report (RKL/RPL) based on auditor recommendation. Lack of supervision from PIC Sustainability to follow the result of water quality test for parameter Benthos test item as material for preparation of Enviromental Report SM I & II period 2016 due to unavailability of Sustainability Staff at PT. WNL to monitor and follow-up all sustainability attitudes in compliance with RSPO P & C and internal & external RSPO audit results.			
Corrective Action : <i>Review & revised</i> Environment Monitoring & Measuring Report (RKL/RPL) based on auditor recommendation. Complete document evidence Result of Benthos & Plangton Analysis of Bengkoang River and Cempaga River which have been sent by Testing Laboratory.			
Preventive Action : Sustainability Region will be making sure tempalte and content of Environment Monitoring & Measuring Report			

(RKL/RPL) before the report send to BLH.

1. The provision of RSPO Administration personnel and Sustainability Staff to monitor and follow-up all sustainability compliance with RSPO P & C and the results of audit internal & external RSPO and coordinate with Certification & Compliance Dept. To improve the effectiveness of RSPO implementation in PT. WNL as a whole
2. Issuance of Policies & Commitment to implement sustainability practices throughout BGA Unit Management.

Implementation of internal audit and management review

Assessor Evaluation and Conclusion :

21 April 2017

The Company has presented evidence of improvements in the form of RKL / RPL implementation report in the first and second semester of 2016. In the report obtained information that the monitoring of water quality of the Cempaga River, monitoring of flora & fauna, social and disease aspects have been implemented. However, for testing Benthos in Bengkoang and Cempaga River can not be shown, other than that the auditor team assessed that the identification of the root of the problem and the precautions is not appropriate. So MINOR NCR No. 2016.13 raised to MAJOR

Verification 08 May 2017

The certificate holder may show evidence of improvement in the form of Sending of Sample Benthos and Plankton from Bengkoang and Cempaga River on November 25, 2016 addressed to University of Lambung Mangkurat - Banjar Baru.

Verification 13 June 017

The certificate holder can show evidence of improvements in the form of recording of Benthos and Plankton Sample Test of Bengkoang River and Cempaga River on 27 April 2017.

Based on documents verifications and field observation the Nonconformities has been Closed

Verified by : Sofyan Hadi Lubis

NCR No.	: 2016.14	Issued by	: Sofyan Hadi Lubis
Date Issued	: 4 May 2016	Time Limit	: ASA 3
NC Grade	: MINOR	Date of Closing	: 21 April 2017
Standard Ref. & Requirement	: 5.3.3 Waste management		
Non-Conformance Description & Evidence observed :			
<ul style="list-style-type: none"> - There is a pack of used agrochemical (roundup) for the water container and put on the house backyard. - On PMSE landfill, there is a reckless waste management where the organic and anorganic waste are not separated. It broke the procedure BGA/WNL/IK-LAK/04/12. - Leachate (<i>leachate</i>) generated by operational program (EFB cumulation) at mill flow to the soil (environment). There is no drainage nor sewer to WWTP. - Broken oil trap in KAGE Workshop of division 1. 			
Root Cause Analysis :			
Lack of Supervision from Assistant in waste management and hazardous waste management.			
Corrective Action :			
<ol style="list-style-type: none"> 1. To conduct patrol in employees house and draw off all of agrochemical ex-packages (if any) as well as given briefing to all concerned employees regarding how to handle domestic waste & forbid to use agrochemical ex-packages 2. To implemen Domestic Waste Management Procedure. 3. Installed the drainage at FFB stock file and control to avoid over flow to contamination the soil or environment. 4. Repaired that oil trap. 			

Preventive Action : To improve supervision in each Unit	
Assessor Evaluation and Conclusion : The Company has permanently repaired the area and ditch permanently so that the emerging leachate does not pollute the environment. The leach ditch boils down to the WWTP pool	
Based on evidence was showed by the management unit, the non compliance in this indicator was Closed .	
Verified by	: Sofyan Hadi Lubis

NCR No.	: 2016.15	Issued by	: Sofyan Hadi Lubis
Date Issued	: 4 May 2016	Time Limit	: ASA 3
NC Grade	: MINOR	Date of Closing	: 21 April 2017
Standard Ref. & Requirement	: 5.6.3 Reported GHG		
Non-Conformance Description & Evidence observed : The result of calculation is not yet reported to RSPO secretariat			
Root Cause Analysis : Lack of understanding from the PIC regarding the delivery of PalmGHG Calculations to the RSPO GHG team.			
Corrective Action : Submits Palm WGL PT WNL - Pundu Nabatindo Mill to GHG RSPO team.			
Preventive Action : Follow the training of PalmGHG calculations organized by the RSPO GHG team.			
Assessor Evaluation and Conclusion : The Company has performed the 2016 GHG calculation using RSPO PalmGHG Calculator and has been reported to RSPO on 31 March 2016. Based on evidence was showed by the management unit, the non compliance in this indicator was Closed .			
Verified by	: Sofyan Hadi Lubis		

NCR No.	: 2016.16	Issued by	: Trismadi Nurbayuto
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 21 June 2016
Standard Ref. & Requirement	: 6.5.2 Working Agreement and Company Regulation		
Non-Conformance Description & Evidence observed : <ul style="list-style-type: none"> - Company Regulation the period of 2014-2016 has expired in January 1st, 2016. - Work agreement for no permanent worker is not in accordance to Manpower Minister Decree No 100 of 2004. - Based on interview with harvesting worker in block B36 PMSE and babysitter in Daycare KAGE, each worker's has been worked two weeks and 1.5 years. But Companies can't to show work agreement for two workers. 			
Root Cause Analysis : Regional Human Resource Department is new and jointly to other region for the company efficiency program.			
Corrective Action :			

<ul style="list-style-type: none"> • Renew the company regulations for 2 years later. • Providing work agreement and remuneration according to regulation.
<p>Preventive Action :</p> <ul style="list-style-type: none"> • Improving of control function by Head of administration and Regional HRD and Head Office HRD. • RSPO monthly meeting to monitored, internal audit every years and monitoring from OQC Sustainability every three-month in the future. • Creating reminder system of renew company regulation every six month before. • IOM from the Regional HRD to the entire unit to make changes of work agreement according to Manpower Decree No. 100 year 2004. • Identify of work agreement by each unit and monthly monitoring and monthly RSPO meeting.
<p>Assessor Evaluation and Conclusion :</p> <p>Observation at 21 June 2016 The management unit showed Letter from the Director General of Industrial Relations and Labor Social Security No. 13 / PHIJSK-PK / PP / VI / 2016 dated June 15, 2016; explained that the renewal of Company regulation is in the process accordance with the provisions of the legislation in force.</p> <p>There are work agreement with time limit:</p> <ul style="list-style-type: none"> • No. 017/PT. WNL-PMSE/SPK-PTT/V/2016 dated 2 May 2016 on behalf Darius valid for 2 years. • No. 057/PT. WNL-KAGE/SPK-PTT/II/2015 dated 1 August 2015 on behalf Sumitra valid for 2 years. • No. 001/PT. WNL-KAGE/SPK-PTT/IV/2014 dated 1 August 2014 o behalf Anita Namur valid for 2 years. <p>Based on above evidence, this Non conformance was closed.</p>
<p>Verified by : Trismadi Nurbayuto</p>

NCR No.	: 2016.17	Issued by	: Muardi Marwas
Date Issued	: 4 May 2016	Time Limit	: ASA 3
NC Grade	: MINOR	Date of Closing	: 21 April 2017
Standard Ref. & Requirement	: 6.5.3 Facilities and infrastructure for employees are adequate		
Non-Conformance Description & Evidence observed :			
According to field observation in workers residential Division I KAGE, it's known that some of septic tank in the leak condition. In addition, domestic waste sanitary conditions are less good.			
Root Cause Analysis :			
Lack of control from field assistant division I KAGE, cause it has mechanism about worker complaint.			
Corrective Action :			
Repairing of damaged septic tank.			
Preventive Action :			
Conducting a periodic monitoring by reporting a worker complaint at morning call or mailbox at each estate.			
Assessor Evaluation and Conclusion :			
Observation at 30 June 2016			
It has been shown evidence the minutes of repairing septic tanks damage amount 15 unit at 19 June 2016. All of the septic tank is planned to be completed on June 2016.			
Based on corrective evidence has shown, this nonconformity was close out			
Verified by	: Asystasya Aishah Silalahi		

NCR No.	: 2016.18	Issued by	: Trismadi Nurbayuto
Date Issued	: 4 May 2016	Time Limit	: ASA-3
NC Grade	: MINOR	Date of Closing	: 21 April 2017
Standard Ref. & Requirement	: 6.10.3 The contracts are fair, legal and transparent.		
Non-Conformance Description & Evidence observed :			
Based on document verification and interview with related staff and the local contractor was knowed that the company has been cooperated with CPO and PK transporter. However the company did not showed evidence of valid cooperation contract document for CPO and PK loaded.			
Root Cause Analysis :			
Lack of document and records controller by concerned Unit Management.			
Corrective Action :			
To provide cooperation contract letter for CPO & PK			
Preventive Action :			
To improve document and records control by Concerned Unit with Commercial Department in Head Office to provide and updated cooperation contract letter for CPO & PK			
Assessor Evaluation and Conclusion :			
21 April 2017			
The Companies can show some samples of CPO and PK transporter (CV Borneo, Surya Mentaya, Mentaya Transporter, Borneo Transporter, and Borneo Mulia Abadi). The result of public consultation with one of the transporter in Pundu Village, it is known that the parties have understood the contents of the existing employment agreement, whether about the provision of purchase pricing, payment method, dispute resolution mechanism, and the legality aspect of the agreement. The auditor considers that the work agreements and the drafting process have met the principles of transparency, fairness, compliance with the law, and the realization of the method and timing of payment has been in accordance with the agreement.			
Based on evidence was showed by the management unit, the non compliance in this indicator was Closed .			
Verified by	: Moh Arif Yusni		

NCR No.	: 2016.19	Issued by	: Trismadi Nurbayuto
Date Issued	: 4 May 2016	Time Limit	: ASA-3
NC Grade	: MINOR	Date of Closing	: 21 April 2017
Standard Ref. & Requirement	: 6.10.4 Evident of payment of labor contract		
Non-Conformance Description & Evidence observed :			
The company can not show valid mutual agreement of CPO and PK transporting.			
Root Cause Analysis :			
Lack of document and records controller by concerned Unit management			

<p>Corrective Action : To provide valid mutual agreement of CPO and PK transporting</p>
<p>Preventive Action : To improve document and records control by Concerned Unit with Commercial Department in Head Office to provide and updated valid mutual agreement of CPO and PK transporting</p>
<p>Assessor Evaluation and Conclusion : 21 April 2017 The Companies can show some samples of CPO and PK transporter (CV Borneo, Surya Mentaya, Mentaya Transporter, Borneo Transporter, and Borneo Mulia Abadi). The result of public consultation with one of the transporter in Pundu Village, it is known that the parties have understood the contents of the existing employment agreement, whether about the provision of purchase pricing, payment method, dispute resolution mechanism, and the legality aspect of the agreement. The auditor considers that the work agreements and the drafting process have met the principles of transparency, fairness, compliance with the law, and the realization of the method and timing of payment has been in accordance with the agreement. Based on evidence was showed by the management unit, the non compliance in this indicator was Closed.</p>
<p>Verified by : Moh Arif Yusni</p>

NCR No. :	2016.20	Issued by :	Oktovianus Rusmin
Date Issued :	4 May 2016	Time Limit :	3 July 2016
NC Grade :	MAJOR	Date of Closing :	23 June 2016
Standard Ref. & Requirement :	6.13.1 Policy to respect for human rights must be documented and communicated to all levels of employees and operational		
Non-Conformance Description & Evidence observed :			
<p>Based on field visit and interview the workers on division IlandII Katari Agro Estate (KAGE) and division 1 Pantai Mas Estate (PMSE) that knows the human right policy did not understood by the workers.tersebut.It was indication that the policy not yet fully socialization to all level operatinal work.</p>			
Root Cause Analysis :			
<p>The socialization has been done, however there was not cover overall of operation unit because the rsponsible staff was appointed on April 2016, one month before the Annual Surveillance Audit (ASA 02).</p>			
Corrective Action :			
<p>The company was showed the evidence of socialisation of Human Right Policy to all levels workforce and operations</p>			
Preventive Action :			
<p>Socialize the Human Right Policy to new employee in all levels of workforce and operations</p>			
Assessor Evaluation and Conclusion :			
24 June 2016			
<p>There was showed of official report of Human Right socialization in all levels of workforce and operations, consist of:</p>			
<ol style="list-style-type: none"> 1. Official Report of Socialization process in Central Pundu Traksi (CPNT), dated 22 June 2016 2. Official Report of socialization of Human Right and Code of Conduct in Pantai Mas Estate (PMSE) on 31 May 2016 and 11 June 2016 			

3. Official Report of socialization of Human Right by RSPO clerk on 21 June 2016 in Division V Katari Agro Estate (KAGE).
4. Official Report of socialization of Human Right by division assistant on 21 June 2016 in Division III Katari Agro Estate (KAGE).
5. Official Report of socialization of Human Right by division assistant on 21 June 2016 in Division II Katari Agro Estate (KAGE)
6. Official Report of socialization of Human Right by division assistant on 21 June 2016 in Division Katari Agro Estate (KAGE)
7. Official Report of socialization of Human Right in Pundu Nabatindo Mill (PNBM) on 13 June 2016

Based on evidence was showed by the management unit, the non compliance in this indicator was **Closed**.

Verified by : **Oktovianus Rusmin**

NCR No.	: 2016.21	Issued by	: Trismadi Nurbayuto
Date Issued	: 4 May 2016	Time Limit	: ASA-3
NC Grade	: MINOR	Date of Closing	: 21 April 2017
Standard Ref. & Requirement	: 7.3.3 Dates of land preparation		
Non-Conformance Description & Evidence observed :			
There was no to be shown Dates of land preparation and commencement after November 2005.			
Root Cause Analysis :			
Lack of document and records controller by concerned Unit Management.			
Corrective Action :			
To provide all documents related to land preparation and commencement after November 2005 documents			
Preventive Action :			
To improve control of document and records and improve communication with Commercial person in providing and updating documents land preparation and commencement after November 2005.			
Assessor Evaluation and Conclusion :			
PT WNL has sent Liability Disclosure and LUCA to the RSPO Compensation and received August 25, 2017. Based on the report it is found that no new plantings have replaced primary forest or HCV areas since November 2005 Based on evidence was showed by the management unit, the non compliance in this indicator was Closed .			
Verified by	: Sofyan Hadi Lubis		

NCR No.	: 2016.22	Issued by	: Oktovianus Rusmin
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 23 June 2016
Standard Ref. & Requirement	: E.3.1 SCCS		
Non-Conformance Description & Evidence observed :			
Procedure of Supply Chain Certification Systems (BGA/WNL-SOC/PRO-27/08/2012) overall have not been applied in Mill and estates.volume of CPO dan Kernel product - certified and Uncertified – are not tracable. Record of certified			

CPO dan Kernel stockafter selling, not available.	
Root Cause Analysis : Lack of control by Mill Manager of Pundu nabatindo Mill (PNBM) caused the responsible person was new staff	
Corrective Action : <ul style="list-style-type: none"> a. Implementation of daily documentation for certified and non certified CPO and Kernel balance b. The documentation will doing by menas of separation of certified FFB Delivery Note and non certified FFB Delivery Note. The documentation will begun by harvest clerk and weightbridge clerk. The data will process by the section head in mill and check/review by mill manager. 	
Preventive Action : The Asisstant/Managershall monitoring & ensure of recorded mechanism mekanisme and SCCS inventarization (FFB , CPO, Kernel), well implemented and will reviwed and direct observe of daily production reportand incoming materials	
Assessor Evaluation and Conclusion : Volume Stock of certified and non certified product of CPO and Kernelwas traceable. Based on corrective evidences was showed by management unit, the non compliance in this indicator was Closed Out .	
Verified by	: Oktovianus Rusmin

NCR No.	: 2016.23	Issued by	: Oktovianus Rusmin
Date Issued	: 4 May 2016	Time Limit	: 3 July 2016
NC Grade	: MAJOR	Date of Closing	: 28 June 2016
Standard Ref. & Requirement	: RSPO Certification System4.2.4 Time Bound Plan		
Non-Conformance Description & Evidence observed : The revision of Time Bound Plan was sighted by the management of BGA group did not yet included of another units (PT. Fajar Buana Nabati, PT Gemilang Subur Maju andanother Smallholder Plantation). There is not comply to RSPO Certification System point 4.2.4 thatALL directly managed or owned land (or estates). Where thedirectly managed or owned land sends its crop to more than onecertification unit, it shall be assessed together with the unit which receives the larger share of its crop at that time.Associatedsmallholders must be assessed within 3 years from when theirfruits was first included in the mill certification.			
Root Cause Analysis : Lack of understanding of RSPO Certification system of CCM (<i>Certification and Compliance</i>) Team Department.			
Corrective Action : <ul style="list-style-type: none"> a. Coordination with auditor about RSPO Certification System 4.2.4 (Time Bound Plan RSPO for all FFB sources from each own estate). b. Time Bound Plan revision according to RSPO Certification system 4.2.4. 			
Preventive Action : The CCM (<i>Certification and Compliance</i>) team will improve understanding related to the provisions contained in the RSPO certification system which will be coached by CCM team and implemented in the 2 nd half.			
Assessor Evaluation and Conclusion :			
Observation at 16 June 2016			

BGA grup has showed time bound plan revision approved by Director of CSR & Sustainability and Certification Compliance Department Head dated June 15, 2016. It has been added FFB supply base from smallholders (cooperation).

Observation at 28 June 2016

Company has showed Letter No. 003/EXT/BGA/VI/2016 of the Director of PT. Bumitama Gunajaya Agro dated 27 June, 2016. Letter was explained that PT. Fajar Bumi Nabati is not part of BGA Group.

It has been shown the cooperation agreement between PT. Windu Nabatindo Lestari (signed by the director) with PT. Fajar Bumi Nabati (signed by the director) of the sale and purchase of FFB of oil palm on December 21, 2015 for the sale and purchase of FFB.

Based on above evidence, this Non compliance was closed.

Verified by : **Oktovianus Rusmin**

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

NCR No.	: 2017.01	Issued by	: Moh Arif Yusni
Date Issued	: 21 April 2017	Time Limit	: 20 June 2017
NC Grade	: MAJOR	Date of Closing	: 18 June 2017
Standard Ref. & Requirement	<p>RSPO Certification System, 2007 (rev. 2011)</p> <p>4.2.3 The unit of certification shall be the mill and its supply base:</p> <ul style="list-style-type: none"> - The unit of certification must include both directly managed land (or estates) and associated smallholders and outgrowers, where estates have been legally established with proportions of lands allocated to each. - All the FFB from the directly managed lands (or estates) shall be produced to certifiable standards. The mill will develop and implement a plan to ensure that 100% of associated smallholders and outgrowers are of certifiable standard within 3 years.. 		
Non-Conformance Description & Evidence observed :			
<p>The certificate holder has not been able to show the evidence of plan to ensure that All FFBs from directly managed lands (or nucleus estate) must be produced according to certification standards.</p> <p>Based on the results of the document review it is known that there are several estate / outgrowers / plasma schemes or partnership fully managed by Bumitama Agri Ltd supplying Fresh Fruit Bunches (FFB) to Pundu Nabatindo Mill, for example:</p> <ul style="list-style-type: none"> - Pantai Harapan Estate (Inti) - Pantai Harapan Estate (Plasma / KUD Harapan Abadi) - Panaga Raya Estate (Inti) - Panaga Raya Plasma - PT Fajar Bumi Nabati - PT Gumilang Subur Maju. <p>Until to the ASA-3 activities of Pundu Nabatindo Mill / Bumitama Agri Ltd. have not been able to show evidence that All the FFB from the directly managed lands (or estates) shall be produced to certifiable standards. The mill will develop and implement a plan to ensure that 100% of associated smallholders and outgrowers are of certifiable standard within 3 years.</p>			

Root Cause Analysis <i>(filled by organization audited):</i>	
The lack of understanding of the management related with the RSPO certification system about to the obligation that all FFBs from directly managed lands must be produced according to certification standards.	
Corrective Action <i>(filled by organization audited):</i>	
Conduct audit activities for scheme of smallholders.	
Preventive Action <i>(filled by organization audited):</i>	
Keep evaluating each year in accordance with the company's development	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>	
Verification on 18 June 2017	
There has been a stage 2 audit on the smallholders scheme of PT Windu Nabatindo Lestari on June 12 to 16, 2017, and still there is non conformance. While PT Gumilang Sawit makmur did not send any more FFB to Pundu Nabatindo POM. PT Fajar Bumi Nabati for audit activities is scheduled to be implemented in 2018 in accordance with the established time bound plan.	
Based on above evidence, this Non compliance was closed.	
Verified by	: Moh Arif Yusni

NCR No.	: 2017.02	Issued by	: Moh Arif Yusni
Date Issued	: 21 April 2017	Time Limit	: 20 June 2017
NC Grade	: MAJOR	Date of Closing	: 13 June 2017
Standard Ref. & Requirement	RSPO Certification System, 2007 (rev. 2011) 4.2.4 (a) The parent organization or one of its majority owned and/or managed subsidiaries is member of RSPO. The requirements (b) to (j) will be applicable, whether the registered RSPO member is the holding company or one of its subsidiaries, including uncertified management units: (i) Certification bodies will assess compliance with these rules for partial certification at each and every assessment of any of the management units (see Annex 4). Assessment of compliance with requirements (e) – (h) by the certification body based on self-declaration only by the Company, with no other supporting documentation, will not be acceptable. Verification of compliance must be based on the following approach: Positive assurance statement, which is based upon self-assessment (i.e. internal audit) by the organisation. This would require evidence of the self-assessment against each requirement.		
Non-Conformance Description & Evidence observed :			
Certificate holder and / or Bumitama Agri Ltd as a member of RSPO has not applied the requirement related to partial certification rules pursuant to RSPO Certification System			
The certificate holder has shown the Time-Bound Plan (TBP) for Bumitama Agri Ltd ref 02 dated March 03, 2017 where there is a target for each uncertified supply base. However, the Certificate holder has not been able to show supporting documents in the form of a positive assurance statement that is self-assessment (internal audit) for units that have not been certified, especially related to criterion 2.1; 2.2 ; 6.3; 6.4; 7.3; 7.5;			
Root Cause Analysis <i>(filled by organization audited):</i>			
Corrective actions related to the Partial Certification audit at the time of ASA-03 audit of PT WNL have been submitted and are awaiting evaluation from the auditor			

Corrective Action <i>(filled by organization audited):</i> Complete the necessary documents related to Partial Certification	
Preventive Action <i>(filled by organization audited):</i> Immediate audit every year if there is a new company related to the fulfillment of criteria in Partial Certification	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification 6 June 2017 The Company has shown the Partial Certification BGA group report, it is known that the companies described above, there are some who are still in the process of legality. In addition, there are also some companies that are in the process of reviewing LUCA report by RSPO. Based on above evidence, this Non compliance was closed.	
Verified by	: Moh Arif Yusni

NCR No.	: 2017.03	Diterbitkan oleh	: Moh Arif Yusni
Date Issued	: 21 April 2017	Time Limit	: ASA – 4
NC Grade	: MINOR	Tanggal Terpenuhi	:
Standard Ref. & Requirement	: 2.2.2 Proof of legal area boundary is indicated by clear boundary marks and maintained.		
Non-Conformance Description & Evidence observed : Documents verifications obtained information if boundaries monitoring pole conducted every months. The monitoring of boundaries pole is based on Work Instruction of Boundary Pole Maintenance (BGA/WNL-LGL/IK-38/IX/12). Based on documents verifications list of coordinate from National Land Agency Kotawaringin Timur Regency for HGU No 24 obtained is known if Pundu Nabatindo Estate There is 36 Boundaris Pole and 24 supportings pole. Pundu Nabatindo Estate can show the results of monitoring boundaries pole where conducted every months in accordance with the procedure. Based on documents verifications and field observations if: <ul style="list-style-type: none"> - The company cannot show the evidence of monitoring supporting in Pundu Nabatindo Estate - The results of field visit sampling its known if supporting pole No G1 & G2 in block G19a are not installed. 			
Root Cause Analysis <i>(filled by organization audited):</i>			
Corrective Action <i>(filled by organization audited):</i>			
Preventive Action <i>(filled by organization audited):</i>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verified by	:		

NCRNo.	: 2017.04	Issued by	: Moh. Arif Yusni
Date Issued	: 21 April 2017	Time Limit	: ASA-4
NC Grade	: MINOR	Date of Closing	:

Standard Ref. & Requirement	2.2.3 In the event of a dispute or dispute there shall be adequate proof of expropriation and adequate compensation or settlement of compensation process through the settlement of conflicts which have been received through Free, Prior and Informed Consent (FPIC) by all parties concerned.
Non-Conformance Description & Evidence observed : Based on the results of interviews with three (3) people of Pundu Village and four (4) residents and Village administratur of Pantai Harapan Estate, obtained informations if in the last three (3) years there is several land disputes that's is land claim from some people in Pundu Nabatindo Estate The results of interviews with the community obtained information that some of the land disputes have been resolved and there are still unresolved ones. In other that obtained informations if there is no significant land conflict in Pundu Nabatindo Estate.	
During audit ASA-3 conducted the certificate holders cannot show the evidence if In the event that there is a dispute or a dispute has occurred, adequate evidence of legitimate acquisition and compensation or compensation settlement process through conflict resolution which has been received through Free, Prior and Informed Consent by all related parties shall be provided	
Root Cause Analysis <i>(filled by organization audited):</i>	
Corrective Action <i>(filled by organization audited):</i>	
Preventive Action <i>(filled by organization audited):</i>	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>	
Verified by	:

NCR No.	2017.05	Issued by	Moh. Arif Yusni
Date Issued	21 April 2017	Time Limit	ASA-4
NC Grade	MINOR	Date of Closing	
Standard Ref. & Requirement	2.2.5 For any land-related conflicts or disputes, evidence should be available that the disputed land has been mapped participatively by involving affected parties (including adjoining communities and local government if required)..		
Non-Conformance Description & Evidence observed : In accordance with explanation above the certificate holder cannot show the evidence if any conflict or dispute over the land, the evidence of the extent of disputed area is mapped out in a participatory way with involvement of affected parties.			
Root Cause Analysis <i>(filled by organization audited):</i>			
Corrective Action <i>(filled by organization audited):</i>			
Preventive Action <i>(filled by organization audited):</i>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verified by	:		

NCR No.	2017.06	Issued by	Moh. Arif Yusni
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Date Issued	: 21 April 2017	Time Limit	: 20 June 2017
NC Grade	: MAJOR	Date of Closing	: 13 June 2017
Standard Ref. & Requirement	2.3.1 Maps, on an appropriate scale, showing the extent of legal rights, customary rights or title of use of recognized parties (Criteria 2.2, 7.5 and 7.6) shall be made through a mapping process involving all affected parties (including communities Around where possible, and relevant authorities).		
Non-Conformance Description & Evidence observed : The certificate holder has had the Area Statement map with scale 1:100,000 (Map Number: 002/GIS-PT WNL/IV2016) who described various land use in HGU Area, included Occupation area width The area is in the form of oil palm plantation, rubber owned by the community. The results of field visits in Block I13a, I16a I151a The area is in the form of oil palm plantation, rubber owned by the community. In 2013, based on Occupation map with scale 1:20,000 there is HGU area with the width 502 Ha who occupied by the community and Pundu Nabatindo Estate show the agreement between the community as owners of land / settlement in HGU PT Windu Nabatindo Lestari with the company which explains that both parties mutual respect and not interfere. However, at the time of audit the ASA-3 Certificate Holder has not been able to show 1. The identification mapping process of the entire land user or arable land with 171.71 Ha 2. Evidence of participatory mapping process by involving the affected party.			
Root Cause Analysis (filled by organization audited): Less effective document control due to PIC related (PAD - Public Affairs Department) is not in place at the time of the audit, the concerned is being sick / operating outside the city.			
Corrective Action (filled by organization audited): Complete document identification of all occupant land users and evidence of participatory mapping process.			
Preventive Action (filled by organization audited): Delegation of tasks by the PIC is related so that there is a standby PIC at the time of the audit.			
Assessor Evaluation and Conclusion (filled by auditor): Verification on 13 June 2017 The certificate holder may show proof of Letter from Village Head of Pantai Harapan No: 01 / KDPH-CH / IV / 2017 dated 27 April 2017 which explains based on the Memorandum of Understanding on January 24, 2013 between the land owner located HGU PT WNL. In the letter explained that the representative of Pantai Harapan Village mentioned that the parties who signed the Memorandum of Understanding with the certificate never interfere with each other. The company also showed the letter No. 02 / KDPH-CH / IV / 2017 dated 27 April 2017 from representative of Pantai Harapan village which explained that with the ownership of land within HGU PT WNL with a total of 171.54 Ha which explains that the government of Pantai Harapan Village gave information that PT WNL and land owners never interfere with each other and maintain security and order in the management of the land. Based on above evidence, this Non compliance was closed.			
Verified by	: Moh Arif Yusni		

NCR No.	: 2017.07	Issued by	: Arif Faisal Simatupang
Date Issued	: 21 April 2017	Batas Waktu	: 20 June 2017

NC Grade	: MAJOR	Date of Closing	: 13 June 2017
Standard Ref. & Requirement	: 4.3.4 Subsidence of peat soil shall be minimised and monitored. A documented water and ground cover management programme shall be in place.		
Non-Conformance Description & Evidence observed :			
<p>The certificate holder has not been able to show drainage water monitoring on peatland. Based on soil map of Pundu Nabatindo Estate (PNBE), it is known Haplosaprists (peat soils) of 237.67 ha (11%). Field observations in Division 2, Block G14, document review and interviews with the research team, it is known that has been conducted management of peat areas with drainage system, water barrier (weir), and subsidence monitoring with subsidence pole. However, there is no monitoring of water level or water table with water level meter or piezometer. This is not in accordance with Procedure of Marginal Land Management (No. BGAAGRKS-SOP-16) and document of RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat.</p> <p>In the Procedure of Marginal Land Management, it is explained that the management of peat areas includes of drainage management, water level drainage with water weir, and monitoring of water levels by installing water level measurements in collection drain. As well as in RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat, one of peatland management is measuring the water level in the collection drain with water level meter or water table with piezometer.</p>			
Root Cause Analysis <i>(filled by organization audited):</i>			
Lack of control & coordination between PIC Sustainability with PNBE Manager & Research Specialist in terms of management of marginal lands (peat area) in PNBE and Lack of control of the Researched PIC (Research Specialist) in the management of marginal land (peat area) in PNBE.			
Corrective Action <i>(filled by organization audited):</i>			
Installation of measuring instrument (Piezometer) & monitoring of water level height (Minutes of installation and first measurement attached).			
Preventive Action <i>(filled by organization audited):</i>			
<ol style="list-style-type: none"> 1. Perform regular coordination between the responsible PNBE & PIC (Research Specialist) to assess the effectiveness of surface water level measurements in the identified peat areas. 2. Implementation of Inspection & Review every month by Responsible PIC (Research Specialist). 			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verification 29 May, 2017			
The Company can show the Minutes of Installation of the water meter (Piezometer) on May 10, 2017 located in Block G14 line to 100/6. Available data on measurement result May 12, 2017 with water level is 111 Cm.			
Verification 13 June, 2017			
Based on the results of field visit in Block G14 it is known that there are subsidence Pole and the result of field visit is known that the water level is 20 cm			
Based on documents verifications and field observation the Nonconformities has been Closed			
Diverifikasi oleh	: Moh Arif Yusni		

NCR No.	: 2017.08	Issued by	: Sofyan Hadi Lubis
Date Issued	: 21 April 2017	Batas Waktu	: 20 June 2017

NC Grade	: MAJOR	Date of Closing	: 13 June 2017
Standard Ref. & Requirement	: 4.4.2. Protection of water courses and wetlands, including securing and maintaining appropriate riparian and other buffer zones, at the time of or prior to replanting shall be demonstrated.		
Non-Conformance Description & Evidence observed :			
Water bodies including river buffer zone / riparian protection is not fully implemented in accordance with the policy and procedure established by the company (i.e. Internal Memo with no: 001/SUSTAINABILITY/AC/VII/2011 date 26/06/2011 related to river buffer zone management and has procedure with no: BGA/WNL-LNK/PRO-13/03/2012 date 15/03/2012 related HCV area. This is evidenced by: field observation on the Block F14 PNBE, it was not found installation of riparian boundary markers as well as chemical application boundary markers.			
Root Cause Analysis (filled by organization audited):			
Lack of supervision and control of the estate manager against HCV officers who have been designated to ensure the buffer zone in the boundary of the river (HCV) and the boundary marks of the application of chemicals in good condition.			
Corrective Action (filled by organization audited):			
Installation of Buffer Zone poles in river riparian (HCV) and make boundary marks of chemical application on palm oil tree in Block F14 Division 1 PNBE.			
Preventive Action (filled by organization audited):			
<ol style="list-style-type: none"> 1. Make a monthly checklist of the HCV Area Inspections contained in PNBE and reported in the Estate Manager's monthly report for evaluation 2. Monthly meetings that discuss monitoring the management of PNBE HCVs in accordance with IOM and HCV Areas Management Procedures. 			
Assessor Evaluation and Conclusion (filled by auditor):			
Verification 08 May 2017			
The Certificate holder show the evidence of improvements in the form of Minutes of Application boundaries marks of Chemical Application Limits and Installation of Buffer Zone pole in the boundary zone of the river on 26 April 2017 accompanied by documentation (photograph).			
Verification 13 June 2017			
Based on the result of field visit in Block F14 Sempadan Sungai Bengkuang, it is known that marking of chemical boundary application mark on palm tree by doing painting on palm oil tree and installation of river border crossing.			
The certificate holder show HCV inspection checklists that are conducted periodically every Month, such as checklist on May 23, 2017			
Based on documents verifications and field observation the Nonconformities has been Closed			
Verified by	: Moh Arif Yusni		

NCR No.	: 2017.09	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 21 April 2017	Time Limit	: 20 Juni 2017
NC Grade	: MAJOR	Date of Closing	: 08 May 2017
Standard Ref. & Requirement	: 4.7.2 Risk assessment, documentation and implementation records should be available		
Non-Conformance Description & Evidence observed :			
Certificate holder has not provided sufficient evidence that the risk assessment document has covered all operational			

<p>processes and activities. Based on document review, it is known that Pundu Nabatindo Estate already has the risk assessment document listed in the HIRARC document 2017. At the time of the ASA-3 audit activity, it is known that there is a Black Bunch Census (BBC) census activity, however this activities are not listed in the HIRARC 2017 document.</p>
<p>Root Cause Analysis <i>(filled by organization audited):</i> Lack of knowledge from new unit managers and less effective document Control due to the newly identified PICs that are responsible for identifying risks.</p>
<p>Corrective Action <i>(filled by organization audited):</i> Review & revision of HIRAC by including Black Bunch Census (BBC) activities and other activities not listed on HIRAC documents.</p>
<p>Preventive Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Review of risk identification in all operational activities in the estate and mill based on Aspect and Hazard Identification Procedure, at point 6.4 that will be HIRAC review / update if there is any change / addition of activities conducted and reviewed every 1 (one)) Once a year. 2. HIRAC socialization for Black Bunch Census (BBC) activities and other activities by PIC related to related employees at the time of morning meeting.
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verifikasi 8 May 2017 The certificate holder shows evidence of improvement of HIRARC documents for Production / tree census activities, dated 21 April 2017, which describes the Type of Work, Hazard, Risk, Risk Control, PIC and Residual Risk. Based on documents verifications and field observation the Nonconformities has been Closed</p>
<p>Verified by : Moh Arif Yusni</p>

NCR No. :	2017.10	Issued by :	Asystasya Aishah Silalahi
Date Issued :	21 April 2017	Time Limit :	ASA-4
NC Grade :	MINOR	Date of Closing :	
Standard Ref. & Requirement :	<p>4.7.5 There should be emergency and occupational injection procedures available in the Indonesian language as well as available workers who have received First Aid Training in Accidents (P3K) in the work area.</p>		
<p>Non-Conformance Description & Evidence observed : The certificate holder has provided emergency response and first aid facilities at workplace accidents, but based field observation, it is known that:</p> <ul style="list-style-type: none"> • In PNBM workshop and TPA (Child Care) Division I PNBE is known to have available first aid box. In addition, monitoring of first aid boxes has been conducted every month. However, still found a medicine, namely povidone iodine has expired (December 2016). • APAR is available at some point in Division 3 of PNBE and have been monitored monthly which is monitored some indicator include tube, safety pin, hose (hose), nozzle, pressure, and seal. However, based on field visits at the PNBE clinic, APAR was found with an empty pressure condition (0). <p>Related to this matter, there is not enough evidence that the company has evaluated the effectiveness of monitoring of emergency response facilities.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i></p>			
<p>Corrective Action <i>(filled by organization audited):</i></p>			
<p>Preventive Action <i>(filled by organization audited):</i></p>			

Assessor Evaluation and Conclusion <i>(filled by auditor):</i>	
Verified by :	

NCR No. :	2017.11	Issued by :	Sofyan Hadi Lubis
Date Issued :	21 April 2017	Time Limit :	ASA 4
NC Grade :	MINOR	Date of Closing :	
Standard Ref. & Requirement :	5.3.3 A documented waste management plan to avoid or reduce pollution and its implementation shall be available		
Non-Conformance Description & Evidence observed :			
Based on field observation of Haosing Complex PNBE Division I, found trash not collected (disposed) to trash can. This is not in accordance with the waste management plan and procedure (BGA/WNL/IK-LNK/35/04/12 related to solid waste management).			
Root Cause Analysis <i>(filled by organization audited):</i>			
Corrective Action <i>(filled by organization audited):</i>			
Preventive Action <i>(filled by organization audited):</i>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verified by :			

NCR No. :	2017.12	Issued by :	Arif Faisal Simatupang
Date Issued :	21 April 2017	Time Limit :	ASA 4
NC Grade :	MINOR	Date of Closing :	
Standard Ref. & Requirement :	6.2.3 The company shall have a list of stakeholders, records of communications, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders.		
Non-Conformance Description & Evidence observed :			
The certificate holder has a list of stakeholders covering related agencies, village heads, community leaders, cooperatives, suppliers and contractors. But still not identified other stakeholders such as National Land Agency, Labor Social Assurance Body, FFB suppliers, and companies surrounding the operational areas. Based on document review and interview with management, it is known that the certificate holder still interact in the form of verbal/written communication, reporting, or payment to the stakeholders. As contained in compulsory reports, payment documents, FFB source data, and map of village distribution.			
Root Cause Analysis <i>(filled by organization audited):</i>			

Corrective Action <i>(filled by organization audited):</i>	
Preventive Action <i>(filled by organization audited):</i>	
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>	
Diverifikasi oleh :	

NCR No. :	2017.13	Issued by :	Moh. Arif Yusni
Date Issued :	21 April 2017	Time Limit :	20 Juni 2017
NC Grade :	MAJOR	Date of Closing :	13 June 2017
Standard Ref. & Requirement :	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.		
Non-Conformance Description & Evidence observed : Based on identified nonconformity, auditor team considered that The commitment of continuous improvement that has not yet been fully implemented is related to the recurrence of non-conformities that arise in the current audit activities. Such as Accumulation of insufficient evidence of implementation for management as indicator No 2.2.2, 5.1.3, 5.3.3, 6.5.3 and SCCS In this regard, there is the potential for systematic failure in the implementation of the RSPO standard due to the repetition of the same non-conformity of the two audit stages being carried out.			
Root Cause Analysis <i>(filled by organization audited):</i> Lack of control from Unit Manager due to non-assignment of RSPO PIC (EHS Officer) in each unit in charge of u / control & follow up on RSPO implementation.			
Corrective Action <i>(filled by organization audited):</i> <ol style="list-style-type: none"> a. Provide documents evidence of improvements to non-conformities obtained at the time of the audit. b. Review, evaluation & follow up Implementation of aspects of legality, environmental monitoring, waste management, public facilities and product traceability as indicated in 2.2.2, 5.1.3, 5.3.3, 6.5.3 and SCCS by EHS officers of each designated unit And Estate Management Units & related estates 			
Preventive Action <i>(filled by organization audited):</i> <ol style="list-style-type: none"> a. Implementation of management review meeting to assess the effectiveness of OHS & Environmental performance in accordance SOP Management Review Meeting. b. Monitoring the implementation of RSPO every month by PIC RSPO per unit (EHS officer). 			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification 13 June 2017 The certificate holder may show evidence of improvement: <ol style="list-style-type: none"> 1. News of management review meeting on 27 May 2017 with agenda on: <ul style="list-style-type: none"> - Related finding external audit ASA-3 PT MAL April 2017 - Confirmation of the audit findings and the appointment of the PIC for the progress of the findings - Monitoring the results of follow-up improvements in unit findings - Each unit coordinates to report 			

2. minutes of meeting of socialization to EHS officer on May 16, 2017 about work program, filling checklist and filling monthly sustainability report.

Based on documents verifications and field observation the Nonconformities has been Closed

Verified by : **Moh Arif Yusni**

NCRNo.	: 2017.14	Issued by	: Moh. Arif Yusni
Date Issued	: 21 April 2017	Time Limit	: 20 Juni 2017
NC Grade	: MAJOR	Date of Closing	: 13 June 2017
Standard Ref. & Requirement	<p>SCCS Modul E for CPO Mills: Mass Balance E.2.1</p> <p>Estimated tonnages of CPO and PK products that may be produced by certified factories should be recorded by the certification body in the public summary of the certification report. Figures represent the total volume of certified palm oil (CPO and PK) products that certified manufacturers can ship within a year. The actual tonnage generated should be recorded on the annual supervisory report</p>		
<p>Non-Conformance Description & Evidence observed :</p> <p>The facility has procedure of Supply Chain Certification System (SCCS) describes in doc. BGA-SUST-SOP-43-R0) dated 8 February 2017 This procedure requires that actual volume CPO and Kernel certified, are calculated based on the daily reports of production..</p> <p>Result documents verifications and field observation there is area directly managed by Pundu Nabatindo Estate but out of certification scope, in example Blocks L12, L13, J16 and L14. Meanwhile all FFB produced from that area claimed as RSPO certified FFB that's sent to Pundu Nabatindo mill which by rights this is incorrect practice, for example:</p> <ul style="list-style-type: none"> - Weighbridge ticket No 04704M0317-PNBE Div 03 Blok L13 dated 13 April 2017 - Weighbridge ticket No 04684M0317-PNBE Div 03 Blok L12 & L13 dated 13 April 2017 <p>Based on data of certified CPO production period of 19 June 2016 – 17 April 2017 it is known if CPO and PK production from Pundu Nabatindo Estate are RSPO certified. From the explanation, the certificate holder has not been able to show the evidence that the total volume of certified palm oil (CPO and PK) products that produced is incorrect</p>			
<p>Root Cause Analysis (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Lack of Knowledge from Weighbridge operators of PNBM & Head of administration PNBM to identifying and verifying on the receipt of FFB that is certified according to SOP Product Identification & Ability Products 2. There is no data of Blocks of certified area are not available at the Mill PNBM as a reference to verify the FFB certified and non-certified. 			
<p>Corrective Action (filled by organization audited):</p> <ol style="list-style-type: none"> 1. Complete evidence of FFB Delivery notes separation improvements for non-certified FFB to not count as FFB certified RSPO. 2. Conduct socialization of Supply Chain Requirements and update List of certified and uncertified blocks to related PICs. 3. The monthly meeting between the Estate (Manager, Assistant, transport Clercks, GIS) and factories (Manager, Assistant, weighbridge clerks) for monitoring of certified and uncertified SPB TB certified per month according to the area and block certified area. 4. Conducting socialization of procedure of SCCS to the PICs who responsible 			
<p>Preventive Action (filled by organization audited):</p> <ol style="list-style-type: none"> 1. The monthly meeting between the Estates (Manager, Assistant, Transportations, GIS) and factories (Manager, 			

Assistant, Weighbridge clerks) for monitoring of certified and uncertified FFB delivery notes every month according to the area and block certified.

2. Control production data CSPO and CSPK by Head of Administration and Mill Manager
3. Control of 3-month positive stock for CSPO & CSPK production data and CSPO & CSPK transactions at Palm Trace by Commercial Dept. and PNBM Management Unit.

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

Verification 09 Juni 2017

The certificate holder can show the corrective evidence are:

- The identifications of Certification blocks and non certifications Blocks in area 3 (rev 00) compiled by GIS area 3 and reviewed by sustainability specialist area 3 and known by Estate Controller area 3, on 24 April 2017 who described about blocks RSPO and Blocks Non RSPO
- Minutes of meeting Socialization of SCCS dated on 26 and 28 April 2017 about SCCS in mill and Estate

Verification 13 June 2017

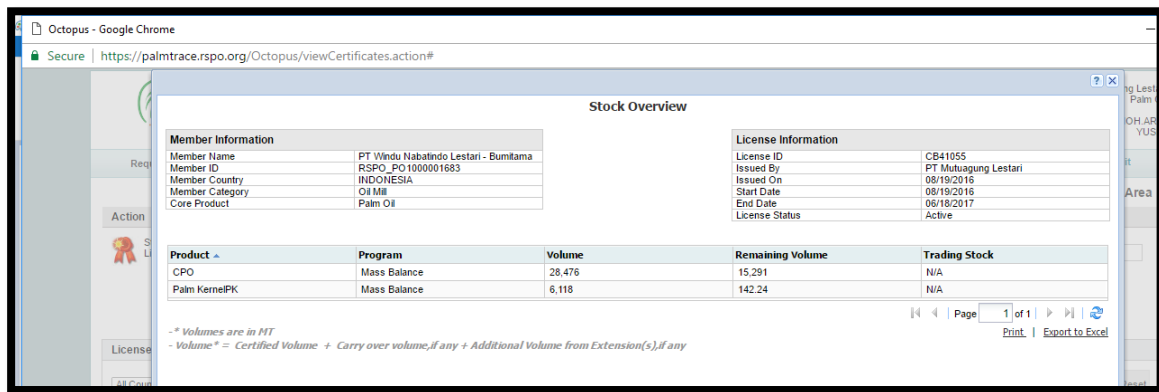
The certificate holder can show the corrective evidence are:

- Evidence of FFB Delivery Note (SPB) from Blocks uncertified area, for example, SPB No 0724M2017-PNB Division 02, from blocks G04b, G5a dated 26 May 2017
- Evidence of FFB Delivery Note (SPB) from Blocks uncertified area, for example, SPB No 07204M2017-PNB Division 02, from blocks G2a, G2b dated 22 May 2017.
- The results of interviews with the FFB Clerks and Administration head are known that they have known the technical separation of certified and non-certified blocks.

Based on documents verifications and field observation the Nonconformities has been Closed

Verified by : **Moh Arif Yusni**

NCR No.	: 2017.15	Issued by	: Moh. Arif Yusni
Date Issued	: 21 April 2017	Time Limit	: 20 Juni 2017
NC Grade	: MAJOR	Date of Closing	: 13 June 2017
Standard Ref. & Requirement	SCCS Modul E for CPO Mills: Mass Balance E.2.2 The manufacturer must meet all registration and reporting requirements for the appropriate supply chain through the organization that manages the RSPO supply chain (RSPO IT platform or book and claim).		
Non-Conformance Description & Evidence observed :			
Based on data from Palm Trace Pundu Nabatindo POM, dated February 18, 2017, it is known there are sales of CPO and PK RSPO Certified from PNBM in the period 19 August 2016 – 18 April 2017 as:			
<ul style="list-style-type: none"> - CPO: 13,185 Tons - PK: 5,975,76 Tons 			



Product	Program	Volume	Remaining Volume	Trading Stock
CPO	Mass Balance	28,476	15,291	N/A
Palm KernePK	Mass Balance	6,118	142,24	N/A

Related to that certificate holder has not been able to show the details of the sales volume of CPO and PK products certified to Buyer (buyer).

Root Cause Analysis (filled by organization audited):

1. Lack of sales documents & records control cause all of sales process documents and records are kept by Commercial Staf Department in Head Office.
2. Lack of knowledge concerned Unit Management (PNBM) and also Commercial Staf (in area & Head Office) related to Mass Balance requirements based on SCCS Modul E for CPO Mills: Mass Balance, clause E.2.2.

Corrective Action (filled by organization audited):

1. CCM Team and Commercial Staf conducted review and analysis all of product CPO & PK sales documents & records for 2016 and 2017 period in order to balance in the next period between positive product stock at PNBM and sales product to the Buyer and then CCM also coordinated to the PNBM Unit Management related to solve this finding.
2. To provide product CPO & PK sales documents & records for auditor.

Preventive Action (filled by organization audited):

1. CCM Team had given explanatory to the concerned person in Commercial Department and also to the PNBM Unit Management related to SCCS Modul E for CPO Mills: Mass Balance , E.2.2 requirements and RSPO IT platform or book and claim procedure.
2. To conduct product positive Stock and product sales regularly by concerned department (PNBM, Commercial Staf in area and Head Office) in order to fulfil SCCS Modul E for CPO Mills: Mass Balance, clause E.2.2 requirements.

Assessor Evaluation and Conclusion (filled by auditor):

Verification 13 June 2017

The certificate holder show the record / sales data of the CPO details of the sales volume of CPO and PK products certified to the Buyer (buyer) explaining the Volume CPO and PK sold and date of the sender.

Based on documents verifications and field observation the Nonconformities has been Closed

Verified by : **Moh Arif Yusni**

NCR No.	: 2017.16	Issued by	: Moh. Arif Yusni
Date Issued	: 21 April 2017	Time Limit	: 20 Juni 2017
NC Grade	: MAJOR	Date of Closing	: 13 June 2017
Standard Ref. & Requirement	E.3.1. The facility must have written procedures and / or instructions to ensure application All elements mentioned in this minimum requirement include the following a. Complete and up-to-date procedures that include the application of all elements in this requirement		

	<p>b. The name of the person who has overall responsibility and authority over the application of such requirements and compliance with all applicable requirements. This person should demonstrate awareness of facility procedures for the application of this standard.</p>
<p>Non-Conformance Description & Evidence observed : Certificate holder has established a procedure of Supply Chain Certification System (NoUnit BGA-SUST-SOP-43-R0) who described the SCCS model are Mass Balance. The procedure has explained the identification of raw materials and products, traceability products. In addition the procedures mentioned that the identification of raw material status (FFB) from RSPO certified area is marked by the use of the RSPO logo on FFB delivery letter. The persons who having responsibility are Comercial and Logistic Group Department, Certification & Compliance d Department Head, Mill Manager and Operational Quality Control (OQC) Department. owever, based on interviews it is known that,</p> <ol style="list-style-type: none"> 1. The Comercial and Logistic Group Department can not explain the quota of RSPO certified products, available sales and stock claims 2. There is insufficient evidence that identification procedures and product traceability are socialized and implemented across all operational units. 	
<p>Root Cause Analysis :</p> <ol style="list-style-type: none"> a. Lack of knowledge from Regional Commercial Staff & Assistant / Section of Mill related to process or procedure of selling CPO & PK product certified due to document & recording of process of sale & delivery of the product to Buyer controlled by Commercial Department Head Office. b. The PNBM & Sustainability Region Management Unit does not further socialize SOP identification and product traceability as they do not understand the requirements set out in SCCS, E.3.1 for CPO Mills. c. Provide documents of verification of certified and uncertified FFB processed at Mill (PNBM basic info period June 2016 to April 2017). d. Provide evidence of identification of non-certified FFB on FFB delivery order prepared by the estate. 	
<p>Corrective Action :</p> <ol style="list-style-type: none"> 1. Commercial Dept. Coordinate & briefing to Commercial Head Office Staff regarding the compliance requirements set forth in SCCS standards, E.3.1 for CPO Mills & Sustainability and also establish balancing mechanism for supply chain process in MCC. 2. Provide socialization to all employees related to Supply Chain requirements fulfillment by Sustainability Region together with Head of PNBM. 3. Provide documents of verification of certified and uncertified FFB processed at Mill (PNBM basic info period June 2016 to April 2017). 4. Provide evidence of identification of non-certified FFB on FFB delivery order prepared by the estate. 	
<p>Preventive Action :</p> <ol style="list-style-type: none"> 1. Reviewing the balance of Stock Product CPO & PK positive against CPO & PK product selling and delivering to the buyer in three months daily basis done by Commercial and also by Unit Management as well as conducting internal audit done by Sustainability Team yearly. 2. Providing FFB data sourced from certified blocks at the mill. 3. Sustainability Region provides socialization to all employees and related PIC to Supply Chain requirements 	
<p>Assessor Evaluation and Conclusion (filled by auditor): Verification 13 June 2017 The certificate holder can show the corrective evidence are:</p> <ul style="list-style-type: none"> - Evidence of FFB Delivery Letters (SPB) from Blocks uncertified area, for example, SPB No 0724M2017-PNB Division 02, from blocks G04b, G5a dated 26 May 2017 - Evidence of FFB Delivery Letters (SPB) from Blocks uncertified area, for example, SPB No 07204M2017-PNB Division 02, from blocks G2a, G2b dated 22 May 2017. 	

- The results of interviews with the FFB Clerks and Administration head are known that they have known the technical separation of certified and non-certified blocks.

-
Based on documents verifications and field observation the Nonconformities has been Closed

Verified by : **Moh Arif Yusni**

NCR No.	: 2017.17	Issued by	: Moh. Arif Yusni
Date Issued	: 21 April 2017	Time Limit	: 20 Juni 2017
NC Grade	: MAJOR	Date of Closing	: 13 June 2017
Standard Ref. & Requirement	SCCS Modul E for CPO Mills: Mass Balance E.4.1 Facility must verify and document the volume of certified and non-certified TBs received.		
Non-Conformance Description & Evidence observed : Certificate holder has the product identification and traceability procedure described on BGA-SUST-SOP-43-R0 (February 8, 2014), it explains that the raw material status (FFB) derived from RSPO certified estate is characterized by RSPO Logo on each surat pengantar buah. Result documents verifications and field observation there is area directly managed by Pundu Nabatindo Estate but out of scope certification, in example Blocks L12, L13, J16 and L14. Meanwhile all FFB produced from that's area claimed as RSPO certified FFB that's sent to Pundu Nabatindo mill, for example: <ul style="list-style-type: none"> - Weighbridge ticket No 04704M0317-PNBE Div 03 Blok L13 dated 13 April 2017 - Weighbridge ticket No 04684M0317-PNBE Div 03 Blok L12 & L13 dated 13 April 2017 Based on data of FFB receipt period of 19 June 2016 – 17 April 2017 its known if all FFB production from Pundu Nabatindo Estate are RSPO certified. Related that the certificate holder Has not been able to show the evidence that the documentation of certified FFB production and non certified who received from scope of certification.			
Root Cause Analysis (filled by organization audited): Lack of understanding from head and weighbridge klerk of PNBM in identifying and verifying the acceptance of FFB that is certified and not certified. It is because the document of blocks from the certified Estate is not available in the Mill. Also the understanding from the unit of PNBE, that has not socialized certified blocks in the PNBE to the related personnel.			
Corrective Action (filled by organization audited): <ol style="list-style-type: none"> 1. Complete the corrective evidence FFB Deliver Notes separation for non-certified FFB in order not to be counted as FFB certified RSPO. 2. Conduct socialization of Supply Chain Requirements and updates List of certified and uncertified blocks to related PICs. 3. Provide documents of verification of certified and uncertified FFB processed at Mill (PNBM basic info period June 2016 to April 2017). 4. Provide evidence of identification of non-certified FFB on FFB delivery order prepared by the estate. 			
Preventive Action (filled by organization audited): <ol style="list-style-type: none"> 1. Monthly meeting between the estates (Manager, Assistant, transport Clercks , GIS) and factories (Manager, Assistant, weighbridge clerks) for monitoring of certified and uncertified SPB TB certified per month according to the area and block certified estates 2. Providing FFB data sourced from certified blocks at the mill. 3. Sustainability Region provides socialization to all employees and related PIC to Supply Chain requirements 			
Assessor Evaluation and Conclusion (filled by auditor):			

Verification 09 Juni 2017

The certificate holder can show the corrective evidence are:

- The identifications of Certification blocks and non certifications Blocks in area)3 (rev 00) compiled by GIS area 3 and reviewed by sustainability specialist area 3 and known by Estate Controller area 3, on 24 April 2017 who described about blocks RSPO and Blocks Non RSPO
- Minutes of meeting Sozialitation of SCCS dated on 26 and 28 April 2017 about SCCS in mill and Estate

Verification 13 June 2017

The certificate holder can show the corrective evidence are:

- Evidence of FFB Delivery Letters (SPB) from Blocks uncertified area, for example, SPB No 0724M2017-PNB Division 02, from blocks G04b, G5a dated 26 May 2017
- Evidence of FFB Delivery Letters (SPB) from Blocks uncertified area, for example, SPB No 07204M2017-PNB Division 02, from blocks G2a, G2b dated 22 May 2017.
- The results of interviews with the FFB Clerks and Administrartion head are known that they have known the technical separation of certified and non-certified blocks.

Based on documents verifications and field observation the Nonconformities has been Closed

Verified by : **Moh Arif Yusni**

NCR No.	: 2017.18	Issued by	: Moh. Arif Yusni
Date Issued	: 21 April 2017	Time Limit	: 20 Juni 2017
NC Grade	: MAJOR	Date of Closing	: 24 Juli 2017
Standard Ref. & Requirement	SCCS Modul E for CPO Mills: Mass Balance E.5.1 <ul style="list-style-type: none"> a. Facility shall record and balance all RSPO certified FFB and CPO, KPO and core palm oil certified RSPO on a quarterly basis b. All volumes of palm oil and palm kernel oil delivered are subtracted from material accounting systems according to the conversion rates mentioned by the RSPO. c. Facility can only send Mass Balance sales from positive stock. Positive stocks may include order products for delivery within a quarterly period. However, facilities are allowed to sell lower (as the product can be sold before it becomes stock). 		
Non-Conformance Description & Evidence observed :			
<ul style="list-style-type: none"> a. The facility has not been able to show that it has recorded and balances all receipts of FFB, shipping of CPO and Palm Kernel RSPO certified b. The facility has not been able to show evidence that all CPO and PK Sold area CPO and PK RSPO certified where there is still non-certified FFB claimed as TBS certified so that the certified CPO and PK products produced are certified products c. Based on data from Palm Trace Pundu Nabatindo Mill dated April 18, 2017, it is known that there are sales of CPO and PK certified by RSPO from Pundu Nabatindo Mil in period August 19, 2016 - April 18, 2017 ie CPO: 13.185 Ton and PK: 5.975.76 Ton, but based on data CPO and PK certified production certificates are CPO 7,382,058 Ton and PK 1,488,878 Ton so Certificate holder has not been able to show that the sale of certified products must be from a positive stock means the stock of certified products must be greater than the shipping and transactions. 			
Root Cause Analysis (filled by organization audited):			
<ul style="list-style-type: none"> a. The lack of control of documents from the Central Commercial in recording and balancing all RSPO certified 			

- FFB receipts and CPO and RSPO Certified Palm Oil submissions.
- Lack of control of PIC Mill and estate in separation of SPB TBS certified with non-certified FFB from garden to recording at weigh crane at factory.
 - Lack of communication from Commercial Center with PKS PNBM prior to selling CPO and PK certified RSPO from Pundu Nabatindo Mill.
 - Lack of knowlegde from PIC Commercial Center is concerned that the sale of certified products must be from a positive stock means the stock of certified products must be greater than the shipping and transactions.

Corrective Action *(filled by organization audited):*

- Complete data of recording of RSPO certified FFS acceptance and CPO and RSPO Certified Palm Oil submissions.
- Complete document of improvement proof of non-certified TBS SPB does not use RSPO Greenpalm Logo.
- To provide records related to total oversold volume of PK for PNBM Mill are with communication with RSPO
- Complete document evidence of supply chain requirement socialization, List of certified and non certificate block and mechanism of sale of certified products to positive stock to PIC Commercial Center that has been appointed.

Preventive Action *(filled by organization audited):*

Establish balancing stock positive product (CPO & PK) mechanism for 3 monthly basis, through good coordination & instension between Commercial, Factory Management Unit and Certification & Compliance Dept. In CSPO & CSPK data balancing (product & sales) stock positive in three daily basis, such as:

- Monthly CSPO & CSPK Production Report.
- Recording monitoring of CSPO & CSPK PNBM sales transactions on Palm Trace.
- CSPO & CSPK balancing review (product & sales) stock positive in three daily basis.

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

Verification 24 July 2017

Based on document verification results, there are 4.138 Ton of Over Sold of CSPK in Pundu Nabatindo Mill and 1,437 Ton of Over Sold of CSPK at Gunung Makmur Mill with total over sold of CSPK is 5,575 Ton. BGA has communicated with the RSPO as evidenced by the email communications. The certificate holder had been bought CSPK through book and claim model in RSPO IT Platform (palm trace) to cover the excess of over sales CSPK certified amount 5,575 tons with the following details:

- Trading Transaction id ST-TR-4fb03923-c115 Date 05 July 2018 from Bukit Makmur Mill as much as 1448 Ton (Gunung Makmur & Pundu)
- Trading Transaction id ST-TR-8c548e95-9dfd Date 07 July 2018 from Katari Agro Mill as much as 2273 Ton (Gunung Makmur & Pundu)
- Trading Transaction id ST-TR-805709e3-54e7 On 21 July 2018 from Bukit Makmur Mill as much as 554 Ton (Pundu)
- Trading Transaction id ST-TR-d64d7b5f-996e On 21 July 2018 from Katari Agro Mill as much as 1300 Ton (Pundu)

Based on documents verifications and field observation the Nonconformities has been Closed

Verified by : **Moh Arif Yusni**

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
-	-	-

3.5.4 Noteworthy Positive Components

No	Descriptions
1	The company has commitment to implementation sustainability on oil palm plantation
2	The company Has realized partnership with farmers in full managed and independent.

3.6 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Bipartite Cooperation Interview with board of Bipartite Cooperation</p> <ul style="list-style-type: none"> Workers' salary is in accordance with Decree of Governor of Kalimantan Tengah Certificate holder has registered all workers in Employment insurance. As for health insurance is covered by certificate holder. Certificate holder also recruit local communities as worker All complaint is delivered to the committee of bipartite cooperation and resolved by discussion between the worker and bipartite cooperation. 	<p>The management unit has demonstrated evidence of compliance with the RSPO P & C such as criterion 6.6.1, 6.5.1, 4.7.6</p>
<p>Gender Committee Interview with Board of Gender Committee</p> <ul style="list-style-type: none"> Gender committee has been socialized related to protection on female worker policies Female workers can take the menstruation leave by doctor recommendation letter. There is no issue related to sexual harassment and complaint related to discrimination. 	<p>The management unit has demonstrated evidence of compliance with the RSPO P & C such as criterion 6.9.1, 6.9.2, 6.9.3</p>
<p>Head of Pundu Village</p> <ul style="list-style-type: none"> Transperency : there is no request of information to certificate holder. Nevertheless, Head of Pundu Village have understood the accessible information and the mechanisms to obtain it. Communication and consultation : the procedure related to communication and consultation has been understood, in addition CSR staff are actively communicating and consulting with stakeholders. Complaint and grievant : the mechanism to raise complaint or grievance has been understood. There is no complaint from villagers. CSR : certificate holder has implemented CSR program such as road maintenance and infrastructure. The arrangement of CSR program has been conducted by consultation with head of village. There is no issue related to environmental, legality, or worker welfare 	<p>The certificate holder has implemented the principles of transparency (verified in criterion 1.1). Communication and complaints procedures have been socialized, CSR Staff actively communicate and consult with stakeholders. There were no complaints from the villagers (verified in criteria 6.2 and 6.3). The CSR program has been implemented and developed in consultation with the village apparatus (cerified in indicator 6.11). There are no issues of environmental pollution, legality or employment (verified in criteria 2.1 ; 2.2 ; 2.3 ; 4.4; 5.1; 5.6; 4.7 and 4.8)</p>
<p>Head of Bukit Batu & Pantai Harapan</p> <ul style="list-style-type: none"> Transperency : there is no request of information to certificate holder. Nevertheless, Head of Bukit Batu & Pantai Harapan Village have understood the accessible 	<p>The certificate holder has implemented the principles of transparency (verified in criterion 1.1). Communication and complaints procedures have been</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>information and the mechanisms to obtain it.</p> <ul style="list-style-type: none"> - Communication and consultation : the procedure related to communication and consultation has been understood, in addition CSR staff are actively communicating and consulting with stakeholders. - Complaint and grievant : the mechanism to raise complaint or grievance has been understood. There is no complaint from villagers. - CSR : certificate holder has implemented CSR program such as road maintenance and infrastructure. The arrangement of CSR program has been conducted by consultation with head of village. - There is no issue related to environmental, legality, or worker welfare 	<p>socialized, CSR Staff actively communicate and consult with stakeholders. There were no complaints from the villagers (verified in criteria 6.2 and 6.3).</p> <p>The CSR program has been implemented and developed in consultation with the village apparatus (certified in indicator 6.11).</p> <p>There are no issues of environmental pollution, legality or employment (verified in criteria 2.1 ; 2.2 ; 2.3 ; 4.4; 5.1; 5.6; 4.7 and 4.8)</p>
<p>Local Contractor (FFB Supplier) from Pundu Village</p> <ul style="list-style-type: none"> • Certificate holder was cooperated with local supplier for FFB supply. • The agreement draft by the certificate holder was proposed to each contractor before their sign the document. • The FFB price based on price from Plantation Agency. • There was any agreement between the certificate holder and the local contractor that the FFB sources must supply from legally sourced and traceable. 	<p>Certificate holder has establishing several business relationship with villagers especially in surrounding village. (verified in criteria 1,3 ; 6.2 ; 6.3 ; 6.4 ; 6.10)</p>
<p>Labour and Transmigration Agency of KOTIM District</p> <ul style="list-style-type: none"> - Wages of all workers have been paid in accordance with the government regulations (UMK). - There are still workers with KHL and PKWT status (contract worker) working in PNBE and Plasma. - Overtime has been paid to the workers in accordance with the applicable provisions (no reports related to unpaid overtime wages to workers). - Incentive can be applied in the entire company, provided that the wage value is not under the overtime calculation and based on worker agreement. - POM and Estate already have an approved Guiding Committee of Occupational Safety & Health (P2K3) Organization structural. - Guiding Committee of Occupational Safety & Health (P2K3) Activites have been reported every 3 Months. - WLTK have been reported every 3 months. - There are still Operators that do not have Operator License, eg Operator License of DUMP TRUK driver. - There are still workers who have not been registered on the Social Security Administration Bodies Health program, due to the ID card administration problem. 	<p>Based on interview with management unit, all workers have registered to Employment insurance and has been able to show the payment record. And for medical insurance, company covers all workers (permanent and temporary workers) and their family health care. It is stated on Company Regulation and based on interview with worker, their health care is covered by company. There is no deduction for medical insurance</p> <p>The management unit has demonstrated evidence of compliance with the RSPO P & C such as criterion 2.1; 4.7; 6.5; 6.6; 6.8</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> - Should be reassured if there is a deduction of BPJS Health contribution for unregistered workers. - Emplacement facilities, worshipping, fresh water and electricity for workers are available. - Gender committees are available. - The contractor must have a legal entity. - To date, there is no work accident issue. 	
<p>Environment Agency of KOTIM District</p> <ul style="list-style-type: none"> - Mill, Estate & Plasma already have environment document in the form of AMDAL and UKL / UPL. - Environmental Impact Assessments and UKL / UPL has been conducted in a participatory. - The RKL / RPL implementation report has been reported periodically. - Already have certified hazardous waste storage, and located in Mill and PNBE. - Hazardous waste storage transit is allowed as long as there is a regulating SOP / mechanism. - The waste storage period of hazardous waste in hazardous waste storage must refer to applicable license. - Already have land application license, in form of Approved Land Application license by District government. - There were not land fires issues. - There were not pollution issues caused by Mill and Estate activities. - POM has got proper by government 	<p>The management unit has demonstrated evidence of compliance with the RSPO P & C such as criterion 4.4; 5.1; 5.2; 5.3</p>
<p>Plantation Agency of KOTIM District</p> <ul style="list-style-type: none"> - Respondents do not know the plantation business permit & Estate Classes for Estate, Mill & Plasma. - Report of LPUP does not exist. - Land fires reporting has been done periodically. - There is a associated smallholder, KUD Harapan Abadi with the number of farmer members 875 householder. - There is an increase in the number of farmers' members from the established ones and it has an effect on the reduction of estate residual income. - Plasma FFB prices based on price fixing by Plantation Agency. - Plasma farmer consist of surrounding community / Dayak Tribe and immigrant. 	<p>The management unit has demonstrated evidence of compliance with the RSPO P & C such as criterion 2.1; 2.2</p>

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**4.1 Formal Sign-off of Assessment Findings**

Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.

Signed on behalf of:

PT Windu Nabatindo Lestari
CCM Department Head



Diar H Damanik
24 July 2017

Mutuagung Lestari
Lead Auditor



Moh Arif Yusni
24 July 2017

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Board of Bipartite Cooperation	Village of Pundu, Subdistrict of Cempaga Hulu, Kotawaringin Timur Regency, Province of Kalimantan Tengah	-	Interview	18 th April 2017	√	
2	Board of Gender Committee	Village of Pundu, Subdistrict of Cempaga Hulu, Kotawaringin Timur Regency, Province of Kalimantan Tengah	-	Interview	18 th April 2017	√	
3	Head of Pundu Village	Village of Pundu, Subdistrict of Cempaga Hulu, Kotawaringin Timur Regency, Province of Kalimantan Tengah	-	Interview	18 th April 2017	√	
4	Head of Bukit Batu	Village of Bukit Batu, Subdistrict of Cempaga Hulu, Kotawaringin Timur Regency, Province of Kalimantan Tengah	-	Interview	18 th April 2017	√	
5	Local Contractor (FFB Supplier) from Pundu Village	Village of Pundu, Subdistrict of Cempaga Hulu, Kotawaringin Timur Regency, Province of Kalimantan Tengah	-	Interview	18 th April 2017	√	
6	National Land Agency of Kotawaringin Timur District	Kotawaringin Timur District	-	Interview	18 th April 2017		
7	Labour and Transmigration Agency of Kotawaringin Timur District	Kotawaringin Timur District	-	Interview	18 th April 2017	√	
8	Environment Agency of Kotawaringin Timur District	Kotawaringin Timur District	-	Interview	18 th April 2017	√	
9	Plantation Agency of Kotawaringin Timur District	Kotawaringin Timur District	-	Interview	18 th April 2017	√	

Appendix 2. Assessment Program

DATE		17 s.d. 21 April 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 17 April 2017			
06.00 - 08.30	06.00 - 08.30	Jakarta – Palangkaraya	
09.00 – 13.00	09.00 – 13.00	Palangkaraya → PT Windu Nabatindo Lestari	MAY/OHN/AFS/AAS/SHL
13.00 – 14.00	13.00 – 14.00	<u>BREAK</u>	
14.00 – 14.30	14.00 – 14.30	<ul style="list-style-type: none"> • Opening meeting <ul style="list-style-type: none"> - Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) - Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	MAY/OHN/AFS/AAS/SHL
14.30 – 17.00	14.30 – 17.00	<ul style="list-style-type: none"> • Document Review: <ul style="list-style-type: none"> - Review of previous (Initial assessment) findings (ASA-2) - Verification of Basic Information Mill and Estate - Confirmation of Time Bound Plan - Review of Partial Certification 	MAY/OHN/AFS/AAS/SHL
Tuesday, 18 April 2017			
08.00 - 12.00	08.00 - 12.00	<u>Public Consultation</u> <ul style="list-style-type: none"> • Stakeholders consultation to related agencies in Kotawaringin Timur Regency • Stakeholder consultation to affected communities surrounding the plantations. • Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier 	<ul style="list-style-type: none"> • SHL • MAY / AFS / OHN • AAS
12.00 – 14.00	12.00 – 14.00	LUNCH BREAK	
14.00 – 16.00	14.00 – 16.00	<ul style="list-style-type: none"> • Field Observation PUNDUNABATINDO POM <ul style="list-style-type: none"> - Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) 	• MAY / OHN
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> - Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) 	• AAS / AFS
Wednesday, 19 April 2017			
08.00 - 12.00		Field Observation to PANTAI HARAPAN ESTATE (Koperasi Harapan Abadi) for the preparation of certification Aspect to be verified : <ul style="list-style-type: none"> - Implementation of Legal Aspect (Land Ownership, Legal 	• MAY / OHN

DATE		17 s.d. 21 April 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> Boundaries); - Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Implementation of Occupational Health & Safety Aspect - Implementation of Employment Procedure and Mechanism Aspect - Observation of Workers Facilities (Housing, School, Worship Place). 	<ul style="list-style-type: none"> • AFS • SHL • AAS • AAS • AAS
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> • Continue Field Observation and field observation clarification • Document review & Follow-up and Clarification of Field Observation 	MAY/OHN/AFS/AAS/SHL
Thursday, 20 April 2017			
08.00 – 10.30	08.00 – 10.30	Field Observation PUNDU NABATINDO ESTATE	
10.30 – 12.00	10.30 – 12.00	Aspect to be verified : <ul style="list-style-type: none"> - Implementation of Legal Aspect (Land Ownership, Legal Boundaries); - Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management) - Implementation of Occupational Health & Safety Aspect - Implementation of Employment Procedure and Mechanism Aspect - Observation of Workers Facilities (Housing, School, Worship Place). 	<ul style="list-style-type: none"> • MAY / OHN • AFS • SHL • AAS • AAS • AAS
12.00 – 13.00	12.00 – 13.00	LUNCH BREAK	
13.00 – 15.30	13.00 – 15.30	<ul style="list-style-type: none"> • Continue Field Observation and field observation clarification 	MAY/OHN/AFS/AAS/SHL
15.30 – 17.30	15.30 – 17.30	<ul style="list-style-type: none"> • Document review & Follow-up and Clarification of Field Observation 	
18.00 – 22.00	18.00 – 22.00		
Friday, 21 April 2017			

DATE		17 s.d. 21 April 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 09.00	08.00 – 09.00	<ul style="list-style-type: none"> Internal discussion by auditor team preparing for Closing Meeting 	MAY/OHN/AFS/AAS/SHL
09.00 – 11.00	09.00 – 11.00	<ul style="list-style-type: none"> Closing Meeting <ul style="list-style-type: none"> - Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)/ - Comments, Responses and Questions 	
12.00 – 16.00	12.00 – 16.00	<ul style="list-style-type: none"> PT Windu Nabatindo Lestari → Palangka Raya 	
17.00 -	17.00 -	<ul style="list-style-type: none"> Palangka Raya → JAKARTA 	

