

**Roundtable on Sustainable Palm Oil Certification
RSPO**

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : **Bumi Permai Mill – PT Prima Mitrajaya Mandiri Subsidiary of MP Evans Group PLC**

Plantation Name : PT Prima Mitrajaya Mandiri – Beringin Jaya Estate; Lembuswana Estate; Bumi Permai Estate; Prima Estate; Kahoi Estate
PT Teguh Jaya Prima Abadi – Rahayu Estate; Mahakam Estate

Location : Benua Puhun Village, Muara Kaman Sub District, Kutai Kartanegara District, Kalimantan Timur, Indonesia

Certificate Code : **MUTU-RSPO/062**

Date of Certificate Issue : 26 June 2015 Date of License Issue : 26 June 2017

Date of Certificate Expiry : 25 June 2019 Date of License Expiry : 25 June 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	01 – 06 May 2017	Muhammad Rinaldi (Lead Auditor Witnessed), Octo HPN Nainggolan (Lead Auditor Witnessing), Naila Karima, Dwi Haryati, Afiffuddin	Taufik Margani	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	05 Juni 2017

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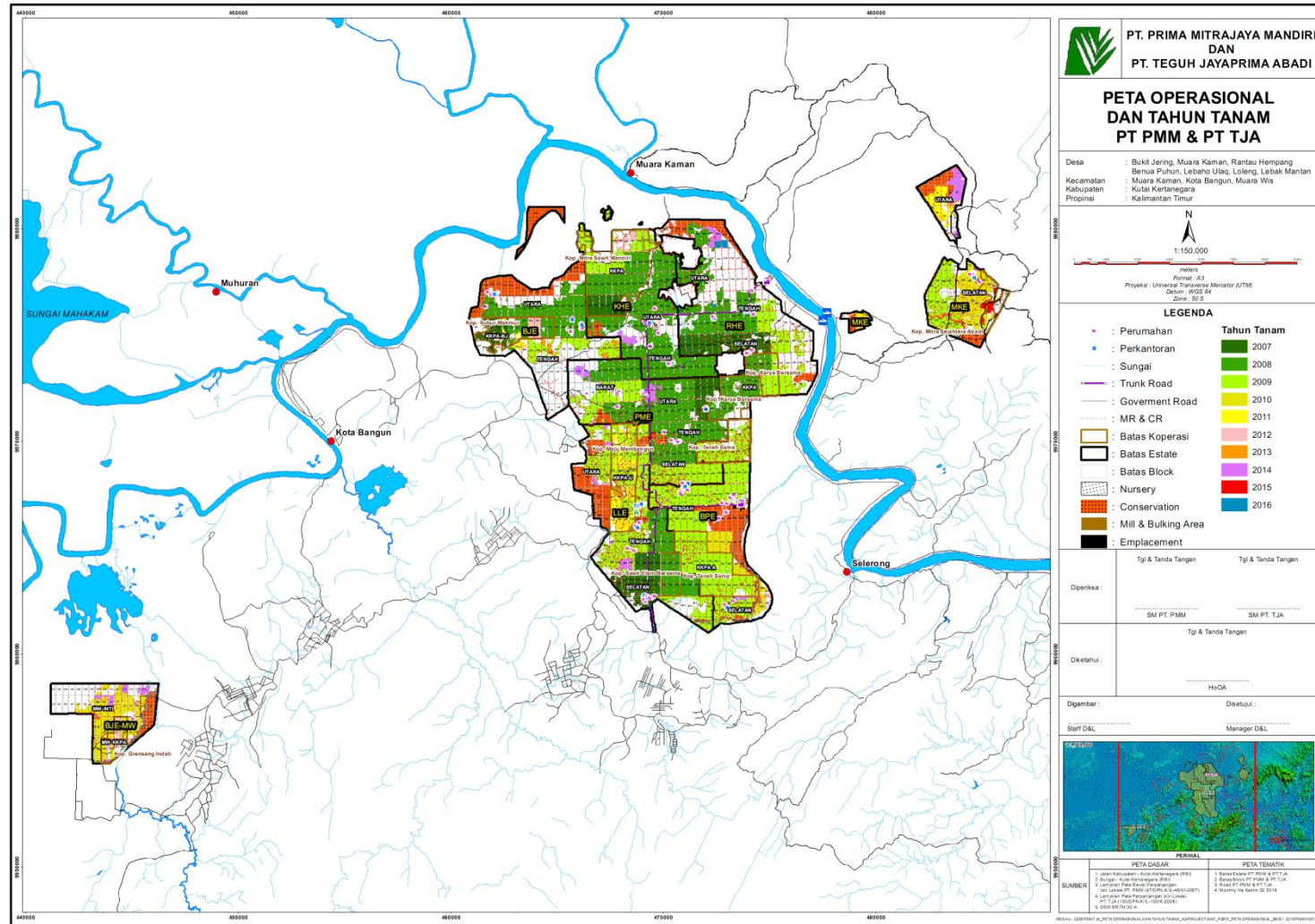
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FIGURE

Figure 1. Location Map of PT.PMM & PT. TJA



Figure 2. Operational Map of PT. PMM & PT. TJA



Glossary

ASA	:	Annual Surveillance Assessment
BJE	:	Beringin Jaya Estate
BOD	:	Biological oxygen demand
BPD	:	<i>Badan Permusyawaratan Desa</i> (Deliberative Village Body)
BPJS	:	<i>Badan Penyelenggara Jasa Sosial</i> (Social Insurance Agency)
BPM	:	Bumi Permai Mill
CH	:	Certificate Holder
CPO	:	Crude palm oil
CSR	:	Corporate social responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
GCOHS	:	Guiding Committee of Occupational Health and Safety
GHG	:	Green House Gases
GM	:	General Manager
HCV	:	High conservation value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HOA	:	Head of Operation Agronomy
HIPERKES	:	<i>Higiene Perusahaan, Kesehatan dan Keselamatan Kerja</i> (Company Hygiene OHS)
HRD	:	Human Resources Department
IPM	:	Integrated Pest Management
ISPO	:	Indonesia Sustainable Palm Oil
IUP	:	<i>Izin usaha perkebunan</i> / Plantation Business License
KKPA	:	<i>Kredit Kepada Koperasi Primer untuk Anggotanya</i> (Associated smallholder)
KUD	:	<i>Koperasi Unit Desa</i> (Village Cooperatives Unit)
LA	:	Land Application
LCC	:	Legume Cover Crop
LLE	:	Lembuswana Estate
LSU	:	Leaf sampling unit
LTA	:	Lost Time Accident
MSDS	:	Material Safety Data Sheet
NGO	:	Non-Government Organizations
NPP	:	New Planting Procedure
OFI	:	Opportunity for Improvement
OHS	:	Occupational Health and Safety
P & D	:	Pest and Disease
PD	:	President Director
PK	:	Palm Kernel
P2K3	:	<i>Panitia Pembinaan Kesehatan dan Keselamatan Kerja</i> (OHS committee)

POM	:	Palm Oil Mill
POME	:	Palm oil mill effluent
PPE	:	Personal Protective Equipment
PT PMM	:	PT Prima Mitrajaya Mandiri
PT TJA	:	PT Teguh Jaya Abadi
RHE	:	Rahayu Estate
RKL	:	<i>Rencana kelola lingkungan</i> (Environment Management Plan)
RPL	:	<i>Rencana pemantauan lingkungan</i> (Environment Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
RTE	:	Rare, Threatened, Endangered
S & C	:	Sustainable & Certification
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment
SM	:	Senior manager
SOP	:	Standard Operation Procedure
SPK	:	<i>Surat perjanjian kerjasama</i> (agreement letter)
SPSI	:	<i>Serikat Pekerja Seluruh Indonesia</i> (Indonesian Labour Union)
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWF	:	World Wild Fund
WWTP	:	Waste Water Treatment Plant

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 (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 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> • <i>RSPO Certification System (approved by RSPO Executive Board 26 June 2007)</i> 	
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	PT PRIMA MITRAJAYA MANDIRI, PT TEGUH JAYAPRIMA ABADI – MP EVANS GROUP PLC	
1.2.2	Contact person	Abdul Aziz Muhshi (Manager Sustainability & Certification)	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> • RSPO registered company: Gedung Graha Aktiva Lt. 10, Jl. HR Rasuna Said Kav. 03 Blok X-1, Kuningan, Jakarta Selatan • Liaison Office: Gedung Graha Aktiva Lt. 10, Jl. HR Rasuna Said Kav. 03 Blok X-1, Kuningan, Jakarta Selatan 	
1.2.4	Telephone	021-52920338	
1.2.5	Fax	021-52920339	
1.2.6	E-mail	azizm@mpevans.co.uk	
1.2.7	Web page address	www.mpevans.co.uk	
1.2.8	Management Representative who completed the application for certification	Sivabalan Subbiah (Head of Operation Agronomy Kaltim)	
1.2.9	Registered as RSPO member	1-0027-06-000-00, October 08 th , 2006	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	<ul style="list-style-type: none"> • PT PRIMA MITRAJAYA MANDIRI (Bumi Permai Mill, Beringin Jaya Estate, Kahoi Estate, Lembuswana Estate, Bumi Permai Estate; Prima Estate); • PT TEGUH JAYAPRIMA ABADI (Rahayu Estate dan Mahakam Estate) 	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Bumi Permai Mill	Benua Puhun Village, Muara Kaman Sub-District, Kutai Kartanegara Districts, Kalimantan Timur Province, Indonesia.	S 0° 17' 44,84" E 116° 45' 39,65"

1.4.2 Location of Certification Scope of Supply Base			
Name of Supply Base	Location	Coordinate	
		Latitude	Longitude
PT PMM			
Beringin Jaya Estate	Bukit Jering and Lebak Mantan Village, Muara Kaman Sub-district, Kutai Kartanegara Districts, Kalimantan Timur Province, Indonesia	S 00° 13' 04"	E 116° 41' 20"
Kahoi Estate	Muara Kaman Hilir Village, Muara Kaman Sub-district, Kutai Kartanegara Districts, Kalimantan Timur Province, Indonesia	S 00° 12' 14"	E 116° 42' 54"
Lembuswana Estate	Loleng and Lebaho Ulak Village, Muara Kaman Sub-district, Kutai Kartanegara Districts, Kalimantan Timur Province, Indonesia	S 00° 15' 50"	E 116° 41' 24"
Bumi Permai Estate	Benua Puhun Village, Muara Kaman Sub-district, Kutai Kartanegara Districts, Kalimantan Timur Province, Indonesia	S 00° 17' 21"	E 116° 44' 27"
Prima Estate	Loleng Village, Muara Kaman Sub-district, Kutai Kartanegara District, Kalimantan Timur Province, Indonesia	S 00° 16' 15"	E 116° 44' 02"
PT TJA			
Rahayu Estate	Rantau Hempang Village, Muara Kaman Sub-district, Kutai Kartanegara Districts, Kalimantan Timur Province, Indonesia	S 00°13' 01"	E 116° 46' 09"
Mahakam Estate	Bunga Jadi Village, Muara Kaman Sub-district, Kutai Kartanegara Districts, Kalimantan Timur Province, Indonesia	S 00° 12' 03"	E 116° 52' 03"
1.5 Description of Area Statement			
1.5.1	Tenure		
	• State		40,150 Ha
	<i>IUP No. 503/31/SK-DISBUN KUKAR/VII/2006 on behalf of PT PMM for area 21,500 Ha</i> <i>IUP No. 503/64/SK-DISBUN KUKAR/XII/2007 on behalf of PT TJA for area 13,550 Ha</i> <i>IUP No. 503/53/SK-DISBUN KUKAR/VII/2007 on behalf of PT TJA for area 5,100 Ha</i>		
	• Community		- Ha

1.5.2	Area Statement									
		PT PMM (Ha)	PT TJA (Ha)	Total (Ha)						
	• Total area	15,308.36	5,198.94	20,507.30						
	• Mature area	10,109.53	2,813.19	12,922.72						
	• Immature area	562.00	859.30	1,421.30						
	• Emplasmnt & Mill	77.82	12.48	90.30						
	• Drainage	58.93	12.82	71.75						
	• Nursery	8.94	-	8.94						
	• Road	401.39	126.24	527.63						
	• Reserved Area	1,126.34	392.31	1,518.65						
	• Others area	1,552.70	541.67	2,094.37						
	• HCV	1,410.71	440.93	1,851.64						
*Changes in area due to re-measurement by the company										
1.6	Planting Year and Cycles									
1.6.1	Age profile of planting year									
	Planting Year	Hectarage (Ha)								
		Beringin Jaya Estate	Kahoi Estate	Lembus wana Estate	Bumi Permai Estate	Prima Estate	Rahayu Estate	Mahakam Estate	Total	
	2007	137.38	175.37	395.17	-	166.92	378.82	-	1,253.66	
	2008	801.24	1,392.25	483.86	-	1,299.38	1,143.49	-	5,120.22	
	2009	134.78	385.58	1,128.35	1,867.14	612.22	483.21	321.82	4,933.10	
	2010	486.29	-	-	212.64	-	-	385.42	1,084.35	
	2011	43.50	-	262.11	-	-	-	166.08	471.69	
	2012	144.94	40.41	-	-	-	-	-	185.35	
	2013	21.52	16.31	-	-	-	-	-	37.83	
	2014	57.37	55.90	-	10.85	86.57	38.31	108.64	357.64	
	2015	-	-	41.14	-	-	-	39.94	81.08	
	2016	83.04	7.48	93.55	-	20.41	568.30	38.46	811.24	
	2017	-	7.86	-	-	-	-	-	7.86	
	TOTAL	1,910.06	2,081.16	2,404.18	2,090.63	2,185.50	2,612.13	1,060.36	14,344.02	
1.6.2	New Planting area after January 2010			-					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 (%)			
	Bumi Permai Mill	60	240,582.98	59,145.26	24.58	10,498.52	4.36			
	<i>*Source: Production Data of mill period May 2016 – April 2017</i>									
1.7.2	Description of Certification Scope of Supply Base									
	Name of Estate	Total Area	Planted	FFB	Yield	Supplied to Mill				

	(Ha)	Area (Ha)	(tonnes/year)	(tonnes/ha/year)	TBS (tonnes/year)	%
PT PMM	15,308.36	10,671.53	174,821.54	17.29	174,821.54	100
Beringin Jaya Estate	3,847.14	1,910.06	23,635.73	14.00	23,635.73	100
• Own Estate	3,229.07	1,382.84	16,157.88	13.23	16,157.88	100
• Koperasi Subur Makmur (399 smallholders)	618.07	377.63	4,889.97	15.40	4,889.97	100
• Koperasi Grenseng Indah (90 smallholders)		149.59	2,587.88	17.30	2,587.88	100
Kahoi Estate	2,596.03	2,081.16	35,337.89	17.73	35,337.89	100
• Own Estate	1,489.06	1,131.77	19,564.35	18.63	19,564.35	100
• Koperasi Mitra Sawit Mandiri (1,087 smallholders)	1,106.97	949.39	15,773.54	16.72	15,773.54	100
Lembuswana Estate	3,133.91	2,404.18	41,144.97	18.13	41,144.97	100
• Own Estate	2,328.06	1,656.64	28,536.21	18.26	28,536.21	100
• Koperasi Maju Membangun (1,184 smallholders)	805.85	567.54	8,141.23	15.47	8,141.23	100
• Koperasi Sawit Etam Bersama (612 smallholders)		180	4,467.53	24.82	4,467.53	100
Bumi Permai Estate	3,078.74	2,090.63	34,771.56	16.72	34,771.56	100
• Own Estate	1,713.55	1,123.52	16,137.80	14.50	16,137.80	100
• Koperasi Tanah Sama (652 smallholders)	1,365.19	967.11	18,633.76	19.27	18,633.76	100
Prima Estate	2,652.54	2,185.50	39,931.39	19.21	39,931.39	100
PT TJA	5,198.94	3,672.49	46,177.96	16.41	46,177.96	100
Rahayu Estate	3,603.76	2,612.13	31,839.36	15.88	31,839.36	100
• Own Estate	2,945.18	2,094.87	23,291.76	15.65	23,291.76	100
• Koperasi Karya Bersama (815 smallholders)	658.58	517.26	8,547.60	16.52	8,547.60	100
Mahakam Estate	1,595.18	1,060.36	14,338.60	17.75	14,338.60	100
• Own Estate	1,419.16	921.27	14,338.60	17.75	14,338.60	100
• Koperasi Mitra Sejahtera Abadi (151 smallholders)	176.02	139.09	0.00	-	0.00	-
TOTAL	20,507.30	14,344.02	220,999.50	17.10	220,999.50	100
<i>*Source: Production data of Mill period May 2016 – April 2017</i>						
1.7.3	FFB description from other source					
	Name of sources	Organisation	Location	Supplied to Mill FFB (tonnes/year)		
	Rimba Ayu Estate (Non Certified)	PT Kutai Agro Jaya (FFB Supplier)	Kutai Kartanegara District, Kalimantan Timur	19,583.48		
				-		
	TOTAL			19,583.48		
<i>*Source: Production data of Mill period May 2016 – April 2017</i>						

1.7.4	Jenis Produk	FFB, CPO, PK			
1.8 Estimate Tonnage of Certified Product					
1.8.1	Past Annual Claim Certified Product	Previous Certificate Claim 26 June 2016 to 25 June 2017 (tonnes/year)	Actual certified product 26 June 2016 to 30 April 2017 (tonnes/year)		
	• FFB Production	281,653.00	206,272.09		
	• CPO Production	73,230.00	54,932.87		
	• Palm Kernel (PK) Production	12,674.00	9,797.53		
1.8.2	Estimate of Certified FFB Claim				
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)
	PT PMM	15,308.36	10,671.53	235,733	23.32
	Beringin Jaya Estate	3,847.14	1,910.06	35,507	21.03
	• Own Estate	3,229.07	1,382.84	24,079	19.72
	• Koperasi Subur Makmur (399 smallholders)	618.07	377.63	8,558	26.94
	• Koperasi Grenseng Indah (90 smallholders)		149.59	2,870	19.19
	Kahoi Estate	2,596.03	2,081.16	47,138	23.64
	• Own Estate	1,489.06	1,131.77	24,882	23.70
	• Koperasi Mitra Sawit Mandiri (1,087 smallholders)	1,106.97	949.39	22,256	23.59
	Lembuswana Estate	3,133.91	2,404.17	53,753	23.69
	• Own Estate	2,328.06	1,656.63	36,510	23.36
	• Koperasi Maju Membangun (1,184 smallholders)	805.85	567.54	11,931	22.67
	• Koperasi Sawit Etam Bersama (612 smallholders)		180.00	5,312	29.51
	Bumi Permai Estate	3,078.74	2,090.63	47,627	22.90
	• Own Estate	1,713.55	1,123.52	23,995	21.57
	• Koperasi Tanah Sama (652 smallholders)	1,365.19	967.11	23,632	24.44
	Prima Estate	2,652.54	2,185.50	51,708	24.88
	PT TJA	5,198.94	3,672.49	61,515	21.87
	Rahayu Estate	3,603.76	2,612.13	42,822	21.35
	• Own Estate	2,945.18	2,094.87	31,912	21.44
	• Koperasi Karya Bersama (815 smallholders)	658.58	517.26	10,910	21.09
	Mahakam Estate	1,595.18	1,060.36	18,693	23.14
	• Own Estate	1,419.16	921.27	18,578	23.00
	• Koperasi Mitra Sejahtera Abadi (151 smallholders)	176.02	139.09	115	-
	TOTAL	20,507.30	14,344.02	297,248	23.00

<i>*Projected FFB production period 26 June 2017 – 25 June 2018</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 (%)
	Bumi Permai Mill	60	297,248	77,347	26.02	13,953 4.69
<i>*Projected CSPO and CSPK production period 26 June 2017 – 25 June 2018</i>						
1.9	Other Certifications					
	ISCC		2016			
	ISPO		2017			
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				
	Pangkatan (PT Pangkatan Indonesia)	2012	Pangkatan Estate (PT Pangkalan Indonesia)	2012	Labuhanbatu – North Sumatera, Indonesia	Certified 19 October 2012
			Bilah Estate (PT Bilah Plantindo)	2012	Labuhanbatu – North Sumatera, Indonesia	Certified 19 October 2012
			Sennah Estate (PT Sembada Sennah Maju)	2012	Labuhanbatu – North Sumatera, Indonesia	Certified 19 October 2012
	Bumi Permai (PT Prima Mitrajaya Mandiri)	2013	Beringin Jaya Estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014
			Kahoi estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014
			Lembuswana estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014
			Bumi Permai estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014
			Prima estate (PT Prima Mitrajaya Mandiri)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014
			Koperasi Sawit Etam Bersama – Tahap II	2019	Kutai Kertanegara – East Kalimantan	-
			Koperasi Maju Membangun – Tahap II	2019	Kutai Kertanegara – East Kalimantan	-
			Koperasi Tanah Sama – Tahap II	2019	Kutai Kertanegara – East Kalimantan	-
			Rahayu Estate (PT Teguh Jayaprima Abadi)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014
			Mahakam Estate (PT Teguh Jayaprima Abadi)	2013	Kutai Kertanegara – East Kalimantan	Certified 26 June 2014
			Rantau Hempang (PT Prima Mitrajaya Mandiri)	2019	-	-

Tuing (PT Gunung Pelawan Lestari)	2017	PT Gunung Pelawan Lestari	2017	Bangka	Planning
-	-	PT Simpang Kiri Plantation Indonesia	2018	Aceh	-
-	-	PT Evans Lestari	2018	Musi Rawas – South Sumatera	-
<p><i>TBP update 10 May 2017</i></p> <ul style="list-style-type: none"> Tuing Mill, PT Gunung Pelawan Lestari delaying TBP from 2015 become 2017, this is caused of mill is under construction until now and will be operate on March 2016. 					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	All the associate smallholders currently have been certified				

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ASA-3	<ol style="list-style-type: none"> Muhammad Rinaldi (Lead Auditor Witnessed). Indonesian citizen, Diploma of Oil Palm Plantation. He has experience 4 years working as Assistant Agronomy since 2009. He has attended training RSPO Lead Auditor, training of Auditor ISPO, training of Lead Auditor ISO 9001-2008, training of ISO 14000, training of HCV identification, training of OHS management system, training of potential and conflict resolution. Experienced in auditing in relevant scheme (ISPO) since 2014 with the aspects of land legality, environmental, social, occupational health and safety, Best Management Practices, Conservation and worker welfare. At this activity he assess aspect of supply chain, Legality aspect and Land Dispute. 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. During this assessment he was observed and audit on legality aspect, land dispute and supply chain. Naila Karima. Bachelor of Public Health, Department of Occupational Health and Safety. Faculty of Public Health, University of Indonesia. She had experience working in private oil palm plantation companies in Indonesia. She had followed training such as ISPO Lead Auditor, awareness training RSPO certification system, awareness training Occupational Health and Safety Management System (PP No. 50 tahun 2012), Integrated Management System (OHSAS 18001:2007, ISO 14001:2004, and ISO 9001:2008), and HCV Management training. During this assessment, she assigned to verify of environmental aspect and conservation. Dwi Haryati(Auditor). Indonesian citizens. Bachelor of Agriculture Department of Agriculture – Program study: Agronomy. Has experience on Palm Oil Plantation as Sustainability staff. Training have been followed : Training Auditor ISPO, Quality Management ISO 9001-2008, ISO 14001 Environmental Management, ISO 17021 & 17065, HCV, General Health Safety Expert, Health Safety Management System, Workshop GHG by the ISPO Commission, IHT Palm Oil Mill Processing, Awareness RSPO, IHT Best Practice in Peat Management, Mapping Potential and Conflict Resolution in Production Forest. RSPO audit experience since March 2015 and ISPO since May 2014. At the time of audit, has verify aspect of OHS, Transparancy Information, Worker Welfare and social aspect. Afiffuddin. Indonesian citizen, Diploma III majoring Palm Oil Plantation. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely : Basic Plantation Management Program , Indonesian Sustainable Palm Oil (ISPO), OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015). He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Managemnt Practices aspect, health and safety aspect and worker welfare aspek. During this audit, he verified best management practices aspect.
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1	Figure of person days to implement assessment
ASA-3	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
2.2.2	Assessment Process
ASA-3	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Prima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi (MP Evans Group PLC) to the requirements of Indonesian

National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 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 E for CPO Mill)

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.

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**).

Improvement of findings from main assesment findings were observed by auditors at this **ASA-3** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-3**.

The assessment program please find Appendix 2

2.2.3	Location of Assessment
ASA-3	<p>The sampling location is done by using the formula $(0.8 \sqrt{Y})$, Y is number of estate that is in the PT PMM and PT TJA. Total sampling at PT PMM and PT TJA is three (3) estate that are Mahakam Estate, Kahoi Estate, and Prima Estate. Then, in order to balance the information the auditor also visited villages around PT PMM and PT TJA.</p> <p><u>Bumi Permai Mill</u></p> <ul style="list-style-type: none"> • Management Process. Observation and interview with personnel related to FFB's processing into CPO, capacity each station, personnel understanding over the applicable SOP, fire emergency response facilities and infrastructure in mill, liquid waste management, first aid kits, the implementation of occupational health and safety, company's facilities, trainings from company and worker welfare. • Machine room/ turbine. Observation and interview with the worker related to implementation of OHS, understanding of safe working, administration of fossil fuels use. • Boiler Room. Observation and interview with the worker related to implementation of OHS, understanding of safe working, overtime calculation. • Loading Ramp. Observation and interview with sortation personnel related to personnel understanding over sortation procedure, worker welfare • Workshop. Observation and interviews with employees related to management of hazardous waste and hazardous material, training, machine maintenance, provision of PPE, training, emergency response facilities. • Water Treatment Process. Observations and interviews related to the use of water, recording water usage using a flow meter, provision PPE for worker and work mechanism accordance to procedure. • Chemical Warehouse. Observations and interviews about the management of Hazardous Material, emergency response facilities and OHS. • Hazardous Waste Warehouse. Observations on Hazardous waste management and available OHS facilities • Composting station. Observation and interview about the management of solid waste and worker welfare. • Biogas station. Observation and interview about the management in biogas station, emergency responses and worker welfare. • WWTP area. Observation and interviews related to waste management activities, warning sign and OHS implementation. • Kernel Station. Observation and interview about kernel shipment and interview with local contractor about payment and agreement letter • Weight bridge : Observation and interview of personnel related to FFB received mechanism and documented system <p><u>Rahayu Bulking</u></p> <ul style="list-style-type: none"> • Bulking. Observation and interview related to record of receiving and shipment of CPO and SCCS. <p><u>Lembuswana Estate</u></p>

- **Block P33.** Observation related to land application.

Mahakam Estate

- **Block J52.** Observation about management of HCV area with type of swamp area
- **Block O51/52.**
- Observation about HCV area with type of riparian area of Pusebar river
- Interview with local people about management in smallholder cooperative
- **Block O52.** Observation about boundary of operational area
- **Block O39/40.** Observation about cadastral boundary pole with number M2, M3 and M4
- **Block M56.** Observation and interview about fertilizing techniques, PPE, first aid bag, mechanism of information request, insurance, delivery of complaints and grievances, regular medical checkup, training given, rules of worker union and gender committee as well as to crosscheck employee status and wages.
- **Block M56 (Interview with Pesticide Applicators).** Observation about safe spraying technique, pesticide handling, pesticide mixing, dosage, type of pesticides and its target, area that prohibited to be sprayed, extra feeding, personal protection equipment (PPE), first aid box, insurance, regular medical checkup, training, Policy related to pregnant and breastfeeding women workers to do the work spray.
- **Block M51 (Harvesting activity).** Observation and interview about harvesting techniques, criteria of ripe fruits, PPE, first aid box.
- **Worker Housing.** Observations related to facility employees, domestic waste management, emergency response facilities, provision of clean water, and access to basic needs.
- **Chemical Warehouse.** Observations and interviews about the management of Hazardous Material, emergency response facilities and OHS.
- **Hazardous Waste Temporary Warehouse.** Observations about the management of hazardous waste, emergency facilities.
- **Fertilizer Warehouse.** Observations on fertilizer storage and available OHS facilities.
- **Diesel Fuel Tank.** Observations on diesel fuel management and emergency response in case of leaks / spills.

Mitra Sawit Mandiri Cooperative

- **Block B35.** Observation about HGU boundary pole with number PLM KH29, PLM KH30, PLM KH 31.
- **Block B34/35.** Observation about HGU boundary pole with number PLM KH27

Kahoi Estate

- **Block D36.** Observation about HGU boundary pole with number TR07, TR08, TR09 and TR10
- check up, PPE), and workers' knowledge about work procedure.
- **Spraying activities, Block H34.** Observation related to employment aspects, OHS implementation (medical check up, PPE), and workers' knowledge about work procedure.
- **Harvesting activities, Block E29.** Observation related to employment aspects, OHS implementation (medical check up, PPE), and workers' knowledge about work procedure.
- Overview of planting area in 2016 Block B31 and planting area in 2017 Block F36
- **Composting Application, Block E31.** Observations application of empty fruit bunches in sandy areas
- Overview of flooded / flooded peat areas. Block E25.
- Overview of drain blocks. Block H37. Central Division
- **Worker Housing.** To observed and check housing facility, domestic rubbish management, health facility, fire extinguisher and housing complex sanitation.
- **Agrochemicals Warehouse.** Observation related to management of agrochemical material and waste, emergency response facilities and the types of pesticides used.
- **Fertilizer Warehouse.** Observation related to storage of fertilizer materials, emergency response facilities.
- **Rinse place and Storage of Spray Equipment.** Observation related management of tools and PPE for sprayer, bathing and washing facilities, management of environmental pollution.
- **Fire Extinguishers Warehouse.** Observation on the availability and condition of fire extinguishers and preparedness of fire-fighting team

- **Hazardous Waste Temporary Warehouse.** Observation related to hazardous waste management, record of hazardous waste, the condition of buildings and supporting facilities.

Prima Estate

- **Block I24.** Observation about unrecoverable areas
- **Block H25.** Observation about HGU boundary pole with number SKG16
- **Block H23.** Observation about HGU boundary pole with number SKG15
- **Block I27-28.** Observation about unrecoverable areas
- **Block J24-27.** Observation about management of HCV area with type of secondary forest
- **Creche and Daycare.** Observation on facilities and interviewing related labour aspect and grievance mechanism to the person in charge.
- **Block K-39.** Observation and interview about fertilizing techniques, PPE, first aid bag, mechanism of information request, insurance, delivery of complaints and grievances, regular medical checkup, training given, rules of worker union and gender committee as well as to crosscheck employee status and wages.
- **Block L38-39 (Harvesting activity).** Observation and interview about harvesting techniques, criteria of ripe fruits, PPE, first aid box, and .
- **Block M33. (Interview with Pesticide Applicators).** Observation about safe spraying technique, pesticide handling, pesticide mixing, dosage, type of pesticides and its target, area that prohibited to be sprayed, extra fooding, personal protection equipment (PPE), first aid box, insurance, regular medical checkup, training, Policy related to pregnant and breastfeeding women workers to do the work spray
- **Chemical storehouse.** To observe and check storehouse condition, list of agrochemical stored, storage management, MSDS, eyewash, shower, fire extinguisher, first aid kit box and PPE box.
- **Fertilizer Warehouse.** Observation related to storage of fertilizer materials, emergency response facilities.
- **Fuel (solar) station.** To observe and check station condition, oil trap, symbols or signboard and fire extinguisher.
- **Hazardous waste warehouse.** Interview with Hazardous waste warehouse keeper. To observed completeness and condition of Hazardous waste warehouse such as symbols or signboards, alarm, MSDS, eyewash, fire extinguisher, first aid kit box and PPE box, as well as to observe worker's knowledge hazardous materials, list of hazardous material waste, storing technique and time permit, recording and keeping mechanism.
- **Worker Housing.** Observations on housing facility and interviews with the workers related to the public facility provided by the company and the management of household waste.

Stakeholder Consultation

- **Institutions of governance** (District Government Agencies Kutai Kartanegara consisting of the National Land Agency; Plantation and Forestry Agency; Enviroment Agency, Manpower Agency). Interviews related to regulatory compliance, the issue of environmental pollution, and land conflict issue and company contributions to the area.
- **Surrounding villages** (Bunga Jadi Village, Muara Kaman Ilir Village, Loleng Village). Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities.

2.3 Stakeholder Consultation and Stakeholders Contacted	
2.3.1	Summary of stakeholder consultation process.
ASA-3	<p>Summary of stakeholder consultation process Consultation of stakeholders for PT PRIMA MITRAJAYA MANDIRI and PT TEGUH JAYAPRIMA ABADI (MP EVANS GROUP PLC) was held by:</p> <ul style="list-style-type: none"> • Public Notification at web mutucertification.com on April 02nd, 2017 • Public consultation meeting with local stakeholders (Bunga Jadi Village, Muara Kaman Ilir Village, Loleng Village, smallholders cooperative) on May 2nd, 2017 • Public consultation with local contractor, gender committee and Worker Union on May 2nd, 2017 • Public consultation with government agency Kutai Kartanegara District (National Land Agency; Plantation and Forestry Agency; Enviroment Agency, Manpower Agency) on May 2nd, 2017

	<ul style="list-style-type: none"> Public consultation with NGO (WWF, Sawit Watch, Wahana Lingkungan Hidup Indonesia) by email on April 25th, 2017 <p>Numbers of input from stakeholders were clarified by PT Prima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi – MP EVANS GROUP</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 (June 2017).

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Bumi Permai POM – PT. Prima Mitrajaya Mandiri operation consisting of one (1) mill and seven (7) oil palm estates.

During the assessment, During the assessment, there were six (6) opportunities for improvement were identified..

MUTUAGUNG LESTARI found that of Bumi Permai POM – PT. Prima Mitrajaya Mandiri complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governors 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 E for CPO Mill)

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	Management has list of stakeholders that consist of government agency, village, local communities, hospital, supplier and contractors. Management also has Personnel in Charge which is appointed to reform the list of stakeholders and communicate with stakeholders. PIC which is appointed to provide and update information is certification and sustainability clerk. There are type of information that can be given to the stakeholders include company policies, HCV assessment, hazardous materials monitoring, CSR, Guiding Committee of Occupational Safety & Health (P2K3), etc. example of confidential documents i.e. company budget, financial audit, investment report, CPO production, salary. Based on interview with community of villages, if they need information they will submit a letter to the company. According to them, the company always responds each letter submitted. Based on verification of document incoming and outgoing mail, a request for information only in the form request for assistance. The provision of information and transparency to the entire Cooperative and its members. OFI	
1.1.2	Management has procedure to respond the stakeholders that contained in procedure Transparency of Information. All the communication include information request is kept in data base administration of sustainability department and recorded in the external incoming mail book. The time period to respond information request is 14 working days. Based on verification document and interview with eksternal stakeholders, management always responds the information request no longer than 14 working days.	
	Status: Comply	
1.2	Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	
1.2.1	Management has List of transparent and confidential documents for public is recorded in "Appendix of Transparency Documents" or " <i>Lampiran List Transparansi Dokumen</i> " dated January 2 nd , 2016. Type of document which is available to the public such as documents are company policies, job description, SOP's, HCV assessment and management plan, GHG monitoring, hazardous materials monitoring, CSR, Guiding Committee of	

Occupational Safety & Health (P2K3), list of stakeholder, internal and external complaints, list of employee, company organization chart, OHS Guiding Committee structure, employee agreement. The document can be provided with the record not abused and in accordance with its designation. Based on stakeholder consultation with smallholders, the document of deduction of the smallholders payment can be access by the smallholders and they have know the debt of plasma payment through cooperative (KUD).	
	Status: Comply
1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	
1.3.1 Policy on integrity and ethical behavior in all operational implementation and transactions is recorded document of Anti-bribery and corruption code of conduct (CoC) which was signed by Managing Director M.P. Evans Group on July 29 th , 2013. That document which is available in bahasa, explains fair conduct of business, Prohibits any employee for corruption, and bribery and provide information in accordance with applicable laws. Dissemination of code of integrity and ethical behaviour disseminated by specific sosialisasi or morning briefing to all level of workers . Based on interview with workers, labor union, representatives of gender committees know about code of integrity and ethical behavior.	
	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 Certificate holder consistently applies legislation relating to plantation and palm oil mill. The Certification Unit has shown compliance with laws and regulations, for example: <ul style="list-style-type: none"> • Has had land use title and business permit (refer to criteria 2.2) • Has been implements the requirement related to OHS aspect for example reported OHS Committee reports, work accidents report according to regulations, PPE management, etc (refer to criteria 4.7). • Has been implements the requirement of environment aspect such as EIA management and monitoring in routinely (refer to criteria 5.1). • Has been manage the hazardous waste and domestic waste in accordance with applicable regulation (refer to criteria 5.3). • The Certification Unit has comply with minimum wage referring the decree of East Kalimantan Governor (refer to indicator 6.5.1) Companies can show a copy of the regulations was documented on soft file by S & C department. Based on interview with the Agency of Kutai Kartanegara District, explained that the company has implemented regulations that applicable.	
2.1.2; 2.1.3 and 2.1.4 To ensure compliance to regulations, company has SOP Implementation of Applicable Law Regulations (No. TJA / SOP / Umum-01) and (No. PMM / SOP / Umum-01) dated January 1, 2011 describes the person in charge is Legal / HR Manager and RSPO Manager. Information of regulation from national, provincial and district regulatory bodies, and renewal of any changes to prevailing laws and regulations and monitoring of expired regulations/licenses. A list of regulatory identifications ranging from Laws, Government Regulations, Presidential Decrees, Ministerial Regulations, Ministerial Decrees, Regional Regulations, and the ratification of the ILO. Internal audits have been conducted continuously every 6 months and are documented and reviewed in the 2016 management review activities conducted on 22 February 2017.	
	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 Progress of obtain the land use title until this assessment, among others:	

- **PT PMM** has obtained HGU with the Decree of the Head of National Land Agency no. 02/HGU/KEM-ATR/BPN/2017 dated 05 January 2017 with a total area of 8,683.05 Ha. For areas that have not received HGU is still in the process of release status of forest area with the status of Production Forest that can be converted
- **PT TJA:**
 - For the cadastral area in Rahayu Estate with an area of 2,466.18 Ha (Land Map No. 41/PB-64.200/VIII/2014, dated August 12, 2014) is still in the process of obtain the HGU. The latest process is the collection of Physical data and Juridical data on March 22, 2017 in accordance with the letter from the Office of BPN. 360/9-64/III/2017 dated March 09, 2017.
 - For the area of Rahayu Estate which is included in the location permit based on Kutai Kartanegara Regent's Decree No: 590/525.29/025/A.Ptn dated December 30, 2014 with area of 641 Ha, until this assessment is still in the process of forest area release.
 - For the area of Mahakam Estate (location permit No. SK 100/DPN.K/IL-100/X-2008 27 Oktober 2008 covering an area of ± 13,550 ha), is still in the process of releasing forest area.
- **Koperasi Plasma**
 1. Grengseng Indah Cooperative (Beringin Jaya Estate) has received the HGU with Decree of National Land Agency of East Kalimantan Province number 83/HGU/BPN-64/2016 dated September 29, 2016 with a total area of 176.21 Ha
 2. Subur Makmur Cooperative (Beringin Jaya Estate) has received HGU with the Decree of the Minister of Agrarian and Spatial number 11/HGU/KEM-ATR/BPN/2017 dated 24 January 2017 with total area of 391.7 Ha.
 3. Sawit Etam Cooperative (Lembuswana Estate) has obtained HGU with decree of National Land Agency of East Kalimantan Province No. 84/HGU/BPN-64/2016 dated September 29, 2016 with a total area of 180 Ha.
 4. Mitra Sawit Mandiri Cooperative (Kahoi Estate) has obtained HGU with the Decree of the Minister of Agrarian and Spatial No 083/HGU/KEM-ATR/BPN/2016 dated December 22, 2016 with a total area of 971.59 Ha.
 5. Maju Bangun Cooperative (Lembuswana Estate) has obtained HGU with the Decree of the Minister of Agrarian and Spatial No. 083/HGU/KEM-ATR/BPN/2016 dated December 22, 2016 with total area of 592.13 Ha.
 6. Tanah Sama Cooperative (Bumi Permai Estate) is still in progress of obtain the HGU. At ASA-3, the company showed the progress of handling letter from National Land Agency of East Kalimantan Province with letter No.490/6-64/IV/2016 dated 21 April 2016 related to the completeness of the data.
 7. Karya Bersama Cooperative (Rahayu Estate) is still in the process of obtaining the HGU with the last process conducted is Physical data and Juridical data collection on March 22, 2017 in accordance with Letter from BPN Office No. 360/9-64/III/2017 dated March 09, 2017.
 8. Mitra Sejahtera Abadi Cooperative (Mahakam Estate Estate):
 - Letter of Release of Plasma Location with total area of 140 Ha (No. 004/MSA/Regent/III/2011 dated March 21, 2011) sent to Kutai Kartanegara District with attachment Letter of Plasma Area Removal from PT.TJA, location maps and coordinate point.
 - Letter of Land Release (No. 007/KSU-MSA/BJ/III/2015 dated March 23, 2015) to PT.Tanito Harum known by Head of Bunga Jadi Village, Head of Plantation Agency and Cooperative AgencyUntil the time of assessment, proposal letter to PT. Tanito Harum and Kutai Kartanegara District no response yet.

2.2.2

The company has shown the implementation of boundary pole monitoring in accordance with SOP and has been recorded in document of Boundary Pole Inspection that conducted every 6 months. For example at Prima Estate the monitoring has been conduct on March 2017.

Based on field visit and document verification, it is known that the company has adjusted the location of the boundary pole in accordance with the HGU/cadastral map coordinates, for example at Block O40 MKE in cadastral pole No.M2, at Mitra Sawit Mandiri cooperative Block B34/35 in HGU pole no. KH27 and at KHE block D36 HGU stakes No.TR 07-10. The entire installation of the pole has been in accordance with the coordinates that given by the authorized institution.

2.2.3, 2.2.4, 2.2.5 & 2.2.6

Based on interviews with surrounding communities and Land Agency, no land disputes occurred. Based on the verification of operational maps and field visits in block I27-28, there are areas that have not been owned by the company, but the area is an area that has not been compensated.

The Company has identified areas not yet owned for example in Block I27-28 at Prima Estate with the owner of Tatus Badung with total area of 5.57 Ha. On the area there is no indication of military use. At the time of public consultation also explained that all activities of land acquisition conducted by discussion. The company has the opportunity to improve the quality of the map by identifying all land ownership in areas not yet owned. **OFI**

Status: Comply

2.3

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

2.3.1; 2.3.2; 2.3.3; 2.3.4

Based on interviews with management and document verification, no land acquisition activities were conducted during the ASA-2 to ASA-3 periods. The latest land acquisition was done in January 2016.

Interviews with communities around known that there are no indigenous rights, land that in company area is individualized land (former shifting cultivation). The company has shown evidence of land acquisition with the involvement of landowners, the adjacent parties and the village authorities. There is also a map of the land acquired that signed by the landowner, the adjacent parties and village authorities.

Status: Comply

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

3.1

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

3.1.1

The certification unit has work plan documents for the next 3 years, among which are shown below :

- Permai Mill processing projection document (2017-2020)
The document describes the tonnage target of PT PMM, PT TJA and external production, for example for PT PMM production projection for 2017-2020 year, 231,477 tons, 257,751, 266,611 and 271,069, respectively. In addition to the projected production of fresh fruit bunches, CPO budget and PK budget are also presented within the next 4 years.
- Projected production documents of Estate (2017-2020)
This document explains the projected production of estate in each division per year, for example for the Kahoi Estate of the North Division for the year 2017-2020 consecutively ie 12,888 tons, 13,821 tons, 13,997 tons and 13,997 tons.
- The certification unit routinely conducts an annual budget review outlining the achievement of predetermined performance, internal or external audit results, OHS performance and ongoing improvement recommendations, such as those conducted on 22 February 2017.
- In areas of peat area or flooded areas, the certification unit has planned drainainase making activities so that the area is not inundated so as to facilitate the production process.

Based on the results of document review and field observation, it is known that long-term planning includes the management of smallholder schemes. For example, -on a regular review of budgets, smallholder schemes are also discussed, including the determination of production projections and discussing existing problems such as flood-prone areas. The certification unit has planned the drain flushing and the embankment construction plan.

The company has not yet conducted an assessment of the extent of vulnerability in the peat areas because the plants are still aged ten years.

3.1.2

Based on the results of document review and management interviews, it is known that the age of the plant in PT PMM and PT TJA is the oldest is 10 years (planting year 2007), so there is no re-planting program.

Status: Comply

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

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

4.1.1

The certification unit has owned and documented procedures related to operational activities in estates and mill into Bahasa Indonesia. For example related to the operational activities of the estate such as SOP Harvest and Transportation, Nursery, Land Preparation, Oil Palm Planting, Non-Produce Plant, Weed Control, Pest and Disease, Water Conservation and Management, Planting and Fertilization. Procedures related to operational activities in the mill include SOP of FFB Receiving, FFB Grading Guidance, processing and Process of CPO quality samples.

Based on interviews with Mahakam Estate (MKE) workers on Fertilization activities in Blok M56, Spraying on Block M55, Harvesting in Blok M51 North Division, Pest Census Worker in Block M50 and at Kahoi Estate on Fertilization Activity in Blok H33 Central Division, Spraying in Block H34 Central Division, Harvesting in Block E29, Compost Application on E31 Block of Northern Division, it can be concluded that workers can explain technical work and demonstrate it well in accordance with the procedures they have.

4.1.2

Based on the results of the document review, it is known that the company has routinely conducted the activity of inspection or monitoring activities according to the operating procedure at least once a year. For example, the internal audit report of factory operations carried out by the Internal Audit Department dated November 9 - 14, 2016 which describes, among others, cash bank administration, warehouse inventory administration, FMIS, vehicle, heavy equipment and machinery activities, crop processing, personnel administration and wages, weighbridge data, factory safety and follow up of internal audit reports and internal audit reports, No. 269 / IAD / PME / 10/2016 PT PMM - PME conducted by the Internal Audit Department dated 15 - 20 October 2016 which describes, among others, cash bank administration and accounts payable, inventory, wage and personnel administration, harvesting and FFB transportation administration, FMIS, vehicle activity, heavy equipment and machinery and follow up internal audit report.

4.1.3

The certification unit has records of the results of monitoring and follow-up activities, such as incompatibilities at the time of the internal audit of the operations of the estate dated July 18, 2016, on the indiscipline activities in the use of PPE and there is a incompatibilities in the maintenance of oil trap / sediment trap in the solar tank, workshop and oil storage has not been consistently implemented. The certification unit shows an improvement document on the findings of non-compliance on July 21, 2016 in the form of photo corrective action.

4.1.4

Mechanisms in the acceptance of the FFB from third parties have not changed from the previous assessment contained in the letter of supplying selection of FFB suppliers.

Based on interviews with weighbridge operator and document review of FFB acceptance, it is known that BPM receives fruit from third parties, namely from PT Kutai Agro Jaya (PT.KAJ). The Company shows the Letter of Sale and Purchase Agreement of FFB (No. BPM/PMM/02/12/2016 dated February 1, 2012) with PT KAJ. Daily FFB acceptance has been documented by the mill on the "FFB Daily Crop Statement" document. For the period of March 2017, FFB received from PT.KAJ is 758.65 tons.

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

The certification unit has a SOP implementation record to maintain soil fertility in order to optimize production, eg fertilization should be based on soil and leaf analysis results. The certification unit shows the results of the soil analysis conducted by the Environmental Laboratory of the Mulawarman University Environmental Research Center in Samarinda and the leaf analysis conducted by PT Nusa Pusaka Kencana Analytical & QC Laboratory R & D Center

4.2.2

The certification unit has a fertilizer recording as found in the recommendation document and the realization of Urea, MOP, TSP, RP, Kieserit, Dolomite and Borate semester I of 2017 KHE, MKE and PME, eg KHE, Central Division for Urea

fertilizer recommended 66,710 kg and has been applied 100%, MOP fertilizer recommended 78,200 kg and has been applied 100%. Prima Estate for Urea fertilizer and MOP fertilizer has been applied 100%. However, there is still fertilization that has not been fully realized due to the flooded area such as in Mahakam Estate so the application is done waiting for the flood receded. In addition, the certification unit has a record of the use of fertilizer per ton of FFB production eg at Mahakam Estate for 2016 Urea Fertilizer Type 0.0172 tonnes of fertilizer / tons of FFB / year and Type of Fertilizer MOP 0.0287 tonnes of fertilizer / ton of TBS / year.

4.2.3

The certification unit has the SOP of the sampled soil and leaf soil in the no. PMM / SOP / AGRO-09 or No. TJA / SOP / AGRO-09 dated January 1, 2011 on fertilization explaining that fertilizer recommendation should be made based on the analysis of leaf and soil tissue samples. Based on the Company's Palm Oil Cultivation Guidebook, it is explained that the sampling and leaf analysis is conducted once a year and soil sampling is carried out every five years. The certification unit shows leaf sample records, for example R & D Center documents PT Nusa Pusaka Kencana Analytical & QC Laboratory Foliar Analysis Report LSU Prima Estate 2016, No. Sample 56, Ref. No. 203 / RD / EXT / L / SEP / 16 showing the results of laboratory analysis of 20 leaf samples. For example for sample Field PM08S1 Block L33 with result of Ash (7,71% on DM), N (2,64% on DM), P (0,148% on DM), K (0,95% on DM), Mg (0 , 34% on DM), Ca (0.59% on DM), B (18 ppm on DM), Cu (6 ppm on DM), Zn (14 ppm on DM). The certification unit also shows the results of the land analysis of December 22, 2015 for PT PMM (document No. 006 / UN17 / PPLH-LAB.T / XII / 2015) and for PT TJA (document No. 007 / UN17 / PPLH-LAB.T / XII / 2015) contained in the document of the soil analysis. The sampling and testing of soil samples is carried out by the Environmental Laboratory of the Mulawarman University Environmental Research Center in Samarinda. Parameters tested include pH, CEC, Organic C, N total, C / N Ratio, Texture, bulk density, MC, permeability and pyrite content. The results of the analysis are incorporated into the fertilization program shown in the Fertilizer Recommendation Report - 2017 document, for example Mahakam Estate, Carmiel Agrotech SDN BHD showing fertilizer recommendations based on Field location, type of soil, block, Notes (Low Rachis K / P def. Low Rachis K / P Low Leaf K / TBM 1 / TBM 2 / TBM3).

4.2.4

The certification unit has a recording strategy for nutrient recycling that includes compost applications and palm oil mill effluent applications. The certification unit shows recycling of recycled FFB recycling strategies, such as production report and compost mill application 2017 March (period 1 to 31 March 2017), FFB Process of 23,571.56 tons, EFB Produce 4,878.52 tons and delivery Compost to KHE of 1,182.94 tons, PME of 1,452.55 tons and MKE of 3.28 tons. In addition, the certification unit shows the recycling of palm oil mill effluent recycling strategies applied to areas close to the plant, Lembuswana Estate and Bumi Permai Estate, for example in April 2017 block O35 Lembuswana Estate has been applied by palm oil mill effluent covering an area of 1.84 ha or 461 M3 and on Block N39 Bumi Permai Estate has been applied palm oil mill effluent area of 1.90 ha or 475 M3.

Based on field observations and interviews with workers at KHE on composting application in E31 Block, Northern Division, it is known that the certification unit applies compost with doses of 80 kg / staple and is applied in 2 points and leveled.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

The certification unit has a map that describes the existence of marginal and critical soils such as the land suitability map of PT PMM Kahoi Estate with a scale of 1: 34,000 which explains there are 3 land suitability classes S2 (quite appropriate), S3 (marginal fit) and N (not appropriate). It also described the types of soil contained in the area such as soil types such as Typic Distrudepts, Typic Endoaquepts, Typic Hapludults and Sapric Haplohemist.

4.3.2

The certification unit has a planting policy on the slope of which is contained in the Guideline of Oil Palm Cultivation B Palm Pointing Cultivation Point B which explains how to make the planting path on the hilly / slope area by making the pitch. In addition, the certification unit also has SOP No. PMM / SOP / AGRO-05) dated 1 January 2014 on soil and water conservation which states that soil conservation activities include constructing silplit / foot hill drain, trenches, planting of vertiver conservation crops and cover crops and also contained in SOP no. PMM / SOP / AGRO-04 dated January 1, 2011

concerning the planting of cover crops explaining that the type of cover crop used is *Mucuna bractetata*. Management of the slope area for example is done by making the terrace and planting *Mucuna bracteata*. Based on the results of field observation in KHE, MKE and PME, it is known that the company has implemented slope area management procedure by making the pitch.

4.3.3

The certification unit has road maintenance and hoarding the road plans for the 2017 period, for example in Prima Estate South Division with 2017 plan for 1,076.62 ha and has been realized up to April 2017 of 90.09 ha. Based on field observation, along the sample location in Mahakam Estate (MKE) M56 block, M55 block, M51 block, M50 block and N60 block and also at Kahoi Estate (KHE) block H33, block H34, block E29, block B31, block E31, E25 block and H37 block, found the road condition is in good condition and can be passed.

4.3.4

The certification unit has a management procedure in the ground-level subsidence setting contained in document No. TJA / SOP / AGRO-12 dated January 1, 2012, on water management. Some of the strategies undertaken include the manufacture and installation of piezometers for ground water level monitoring for no more than 60 cm and installation of collection and main drain. Water level is maintained at a height of 50 - 70 cm. Observations are conducted regularly every week or four times a month. The decrease in the level of ground level is monitored by using subsidence stakes mounted in the field on the peat area. There is a monitoring record of ground level observations conducted once-a-year monitoring as found in Bukit Jering Estate block F24 (F24 block previously located at Kahoi Estate) and it is known that the land decline in Bukit Jering Estate block F24 is 2 cm / year. Installation of subsidence peg is also done in Mahakam Estate peat area in 2015 which is located at 2 point ie block I50 and I52. The certification unit shows the plan document and the realization of the use of cover crops and planting maps, for example *Mucuna bracteata* 2016 for Mahakam Estate has been realized s.d. December 2016 area of 10.94 ha in Field MK10K1 and 5.44 ha in Field MK10K2. Based on field observation in KHE on peat area in block E25, found peat area in flood condition due to flooded Mahakam River, so that auditor can not observe subsidence, water level and piezometer.

4.3.5

The certification unit has not carried out an assessment of the extent of vulnerability in the peat areas. Based on the hectare statement data of 2017, the earliest planting years in PT PMM and PT TJA were in 2007 or at the time of the 3rd surveillance audit activity was ten years old. One-cycle life is set for 25-30 years. As such, the certification unit does not have a replanting plan in the near future. However, the certification unit has implemented water management activities, including drainage system, water level and water table monitoring with piezometer.

4.3.6

The certification unit has a management strategy on critical land and other land issues contained in the semi-detailed soil survey of PT PMM and PT TJA conducted by PT Earth Line in 2009. The report outlines the suitability of the land along with the necessary actions to increase the suitability of the land. Based on the report, it is known that the limiting factor in the land in the operational area of the company is low nutrient content, land with steep slope, sandy soil, flood-prone land and peat soil. Some recommended strategies include increasing soil organic content through nutrient recycling through the application of EFB compost and palm oil mill effluent, laying of frond among the palm. Based on field observations in KHE and MKE, it is known that the certification unit has implemented the above mentioned vulnerable management strategy well.

Status: Comply

4.4

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

4.4.1

Consistently CH has demonstrated water management plans for mill and estate in the following records:

- Environmental Management Plan as part of the EIA documents. The document includes following measures protection of buffer zone and surface waters and management of the wastewater through land application of to avoid water pollution.
- HCV area management plan drawn up in 2011, which includes the protection of riparian water and surface waters.
- The annual work plan of mills which includes plan for fulfillment of water needs to ensure water availability and water

saving.

- The annual work plan of Estate which includes the plan of establishment of water reservoir in preparation for the dry season.

Based on field visits that all measures of water management plan have been well implemented such as protection of river buffer zone, monitoring the surface water quality, implementation of land application, saving of water resources and water reservoir establishment.

4.4.2

As has been explained in the previous assessment, consistently CH has identified all rivers and wetlands inside plantation concession areas. Documentation available in the EIA report and analysis of HCV containing distribution maps of the river in the area of PT. PMM and PT. TJA. The report showed the presence of some small streams and wetlands: Keham River (PT PMM), Kedang Semilis River (PT PMM), Paseban River (PT PMM), swamp as natural water reservoirs in the rain season. All of riparian and swamp identified as HCV has been designated as protected areas in accordance with SOP River Buffer Zone Management (PM/SOP/Umm-15).

Field observations in Mahakam Estate (Paseban River Block O51/52) showed evidence of surface water flow protection measures and including riparian wetlands, namely:

- Determination of river buffer zone with a distance of 50 meters left-right of small river and 100 meters for large rivers. Demarcation of the border is done with the installation of boundary markers river border.
- No chemicals application (fertilizers and herbicides) in the buffer zone area,
- Conducting erosion control plantings (Cover Crop) such as *Mucuna bracteata* and *Vertiver Grass*.
- Periodic water quality testing every three months with the parameters of environmental quality standards as stipulated in Government Regulation No. 82 in 2001. The latest test results are available for the second half of 2016 shows that all parameters of water quality complies with the quality standards set.

4.4.3

Waste water of oil palm processing has processed through Waste Water Treatment Plant (WWTP) station. Sighted that POME from Bumi Permai Mill has been managed properly as described, waster water pocessing in WWTP with total capacity of 20,800 m3 using the anaerobic system, nutrient cycling through Land Application (after BOD and pH meet the requirements), some POME used as a mixture of composting to accelerate the composting process, and some of POME (30%) is used as a raw material for methane capture unit

Effluent water quality has also been monitored regularly, as seen in the following:

- Daily Monitoring on waste water discharged and pH used for methane capture unit (30% of the daily discharge POME). Done thorough Log Book recording based on flowmeter measurement and pH testing by the laboratory staff.
- Daily monitoring on discharged waste water and pH of waste sent to land application. Done through Log Book recording based on flowmeter measurement and pH testing.
- Land Application Permit available in the decree of Kutai Kartanegara Regent number 660.1/002 /BHI/SK-LA/BLHD/III/2014. Formal testing on effluent quality for land application by external accredited laboratory (Sucofindo Samarinda - KAN LP-258-IDN). The test results has been reported regularly to the authorities. The test results for recent year until February 2017 showed that effluent qualty for land application is still meet standard in accordance Ministrial Regulation number 28 and 29, 2003.

4.4.4

Bumi Permai Mill using river water and rainwater as raw water for FFB processing. The raw water is treated first at water treatment plant (WTP) to meet standard. The volume of water use is monitored on a daily basis using a flow meter installed at several outlets including those leading to the processing unit. The water use ratio of 2016 is 1.38 m³/ton FFB. The company sets a standard water use ratio of 1.5 m³/ton FFB (Letter of Manager Mill No: 01/SE-Efisiensi/BPM/01/2014), so that the general use of water in the Mill is still in the efficiency range. A field visit showed that the water treatment plant is in good condition. Flowmeter is in good condition and there is no indication of the inefficiency of water use.

Status: Comply

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

4.5.1
The certification unit performs detection by receiving reports from workers then a census is done to determine the actual level of attack through the sampling result. If the census indicates the attack is above the threshold, the control will be applied by the certification unit. For example, in April 2017, based on the results of the census in the PME found pest attacks of mice that exceeded the threshold in blocks I40, I41, I42, I43, J40 and J41. Control performed by the certification unit is a chemical application using rodenticide.

4.5.2
Unit certification demonstrates records of training provided to workers involved in the process of integrated pest management, eg training rat baiting on March 9, 2017 Mahakam Estate which was attended by 16 participants and on April 20, 2017 in Prima Estate.

Status: Comply

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

4.6.1
The company has procedures related to chemical activities such as spray work and pest control. The procedure is contained in procedure No. PMM / SOP / K3-11 or No. TJA / SOP / K3-11 dated January 1, 2011 describing the toxic hazardous waste management (B3), No. TJA / SOP / General-17 dated January 1, 2011 concerning storage and mixing of chemicals. TJA / SOP / General-16 for PT TJA or No. PMM / SOP / General-16 for PT PMM dated January 1, 2011 on the use of paraquat and glyphosate. Companies use pesticides listed in pesticide commissions according to actual targets and targets in the field. Based on the results of field visits at the Mahakam Estate spraying activity, Kahoi Estate and Prima Estate, spraying is known using herbicide made from Isopropylamine glyphosate.

4.6.2
The certification unit documenting the use of pesticides, for example for the April 2017 period use presented pesticide use data for MKE active ingredient Methyl metulfuron 0,000000002 kg / LD 50 / ton of fresh fruit bunches and active ingredients Isopropylamine glyphosate 0,000032756 Kg / LD50 / ton Fresh fruit bunches . Notes on the use of pesticides (including active ingredients used and LD50 of the active ingredient, targeted area, number of active ingredients applied per ha and number of applications) have been demonstrated.

4.6.3
The certification unit implements an integrated pest management system by collaborating on biological and chemical controls. The use of chemical techniques is not done in a preventive manner, but based on the results of early warning systems of detection and census. The development of useful plants such as Turnera subulata is used as a biological control technique as a place to live predator nettle caterpillars. Based on the results of field visits along the sampling sites in Mahakam Estate (MKE) M56 block, M55 block, M51 block, M50 block and N60 block and also in Kahoi Estate (KHE) block H33, block H34, block E29, block B31, block E31, Block E25 and block H37, found beneficial plant development Turnera subulata along the site of the visit.

4.6.4
The certification unit has a complete list of pesticides belonging to the World Health Organization Class 1A or 1B, or those listed in the Stockholm or Rotterdam Conventions. The document is listed in the List of Pesticides documents Classification of 2017 which identifies trade names, active ingredients, active ingredient content, LD 50 (mg / kg), WHO classification and product classification. For example, for the Supretox trademark (paraquat dichloride) classification of WHO class II and Ratgone 0.005 BB (Brodifacum) IA. This is confirmed by circular No. SE / HoOA-Kaltim / 01/2013/002 dated 01 January 2013 stating that the company has a commitment to reduce the use of paraquat as the growth of plant life. The certification unit shows the graph of decreasing use of paraquat dichloride for example MKE of 2016 usage data of 1.26 liters / ha and for the year 2017 up to April as much as 0.07 liters / ha. Based on the results of field observations, it is known that the use of paraquat is done at the first rotation spraying. The certification unit shows evidence of limited pesticide training for spray operators using paraquat active ingredients in the form of training certificates, such as those held on April 27, 2016 at PT TJA. The certification unit still uses Brodifakum active ingredients for rat pest control.

However, its use is based on the detection and rat census. The company strives to minimize the use of brodifakum active ingredients. The company up to now has not controlled mice using natural enemies. Based on the results of Management Review 2016 conducted on February 22, 2017 known for the implementation of the use of owls can not be done because it has not met the required.

4.6.5 & 4.6.9

Based on interviews with spray workers in MKE (block M-55) has understood the hazards and risks related to the chemicals used. Besides that, obtained informations that the employees have been given training in safe work practices. During field visits and interviews, workers can demonstrate the correct way to work in accordance with the procedure, including how the use and handling of risk in accordance with the material safety sheet. Workers also use personal protective equipment in accordance with the particular hazard identification and material safety data sheets such as masks, gloves, safety boots, apron and goggles. Based on interview, employees were also informed about the steps safe working in every moment before work. Agrochemical warehouse in operational unit has been complete with MSDS for each chemical types. Workers could well explain the functions related MSDS as reference information for workers. Besides that data sheet contains information on product identification, composition, hazard identification, first aid, handling and storage, personal protective equipment, physical properties, chemical materials, toxic material information. The use of dose refers to every label of pesticides as well as referring to the budget by each operational unit.

4.6.6

Based on observations to the pesticide storage warehouse at Mahakam Estate, Kahoi Estate and Prima Estate, the warehouse is equipped with symbols related to the hazard level of pesticides and PPE that must be used, MSDS each pesticide and its storage has been classified according to its danger level. Warehouse in and out access is held only by the warehouse responsible. Any interested to enter the storage warehouse must be accompanied by the responsible warehouse. All storage pesticide used are stored in Warehouse Temporary Hazardous Waste, which will then be delivered to the licensed hazardous waste collecting and transporter (PT Sinar Bintang Albar). The results of observations at the housing workers Mahakam Estate, Kahoi Estate and Prima Estate not found pesticide used for other purposes such as bins, flower pots, etc. Based on explanation above and from the results of these observations it is known that the storage of agrochemicals has been in accordance with the procedures held ((No. TJA/SOP/Uмум-17 or PMM/SOP/Uмум-17 dated 1 January 2011).

4.6.7

Based on interviews with spray workers in the estate PME block M-33, it is known that they have a safe working practices. This was evidenced by workers use and handling of pesticides in accordance with the material safety sheet. Spray workers also use personal protective equipment in accordance with the risk analysis of companies such as aprons, masks, gloves, goggles, and boots. Before doing the job, the foreman will do safety briefing reminding of safe work.

4.6.8

Based on the results of document review, management interview and field observation, it is known that the company does not apply air spraying.

4.6.10

Observation results at Warehouse Temporary Hazardous Waste Kahoi Estate, waste can be concluded that the technical storage has been implemented in accordance with the procedures held (No. TJA/SOP/K3-11 or PMM/SOP/K3-11 dated 1 January 2011), ie pesticide containers after use must be washed first with rinsing at least 3 times and packaged perforated before being stored in Warehouse Temporary Hazardous Waste. Water cleaning rinsing should be accommodated and can be used again in the field. Pesticide used is then handed over to the licensed collector (PT Sinar Bintang Albar). Training MSDS, chemical and hazardous waste handling has been conducted on 18 April 2017 with trainers OHS Expert and attended by warehouse officer and head of warehouse. Based on interview with warehouse officer Kahoi Estate, officer have understood how hazardous waste are handled.

4.6.11

The Company shows the Recapitulation of Medical Check Up Result of December 2016 for MKE and KHE with the result that all workers are still within the normal Limit. Based on interviews with chemicals workers, it was explained that health checks were conducted on a regular basis every year and the results of the examination were notified to the workers. For

the period of 2016, there is no worker who exposed disease due to pesticides.

4.6.12

Based on interviews with female workers in spraying activities in MKE and PME, it is explained that every month all female workers who perform chemical activities performed pregnancy check, when the checks detected the worker are pregnant then the worker immediately transferred to the activity that does not use the material chemistry. Workers also know the prohibition of working in chemist activities during pregnancy or breast-feeding. The company shown the document of pregnancy check for period April 2017. Based on that document, it is known that all female workers on spraying activity does not pregnant.

Status: Comply

4.7

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

4.7.1

There is no revision over occupational health and safety policy. Company has an OHS Policy that authorized by the President Director on January 2, 2011 which is available in Indonesian language.

Based on interview with sprayers in Blocks M-33 Prima estate and process stasiun at mill obtained informations that the workers be aware about OHS Policy. In other that the employees also know potential risks when working.

Certificate holder has established OHS Program. The program has included a target to improve health and safety aspects, for example conducting medical checkup for workers and conduct training related emergency response and working technic.

To ensure the policy has been implemented effectively the Committee of Occupational Safety & Health conduct OHS meeting regularly every month to make sure the aspect of occupational health and safety be improved and monitored.

4.7.2 & 4.7.3

Certificate holder keeps a document of risk analysis for occupational health and safety program. The document is prepared to identify and to analyze the hazard potentials possibly occur at every work area, and its recommendation to minimize the incidents. Based on document verification and field observation at mill and estate has revealed that the unit management has done necessary dissemination of the risk analysis document to all of its employees.

Based on field observations its known of the employees has been using PPE in accordance with risk analysis and specified hazard identification, for example the sprayer using personal protective equipment in accordance with specified hazard identification and risk analysis like apron, google, hand clove and safety shoes. in addition, interview with spraying personnel in Mahakam and Prima estate revealed that company would substitute or replace the PPE if there is a damage or broken on the old one.

The results of field visits, interviews with workers and documents verification it's known that workers have been given training in safe work practices. This was evidenced when the employee can demonstrate how to work correctly and appropriately in accordance with the procedures, for example for mill employees who work at machine room has been using earmuff, safety shoes, masker, gloves, safety helmet. Results of interviews with employees also obtained information that each morning roll call (before work) is always informed / socialized steps of safe work.

4.7.4

Specific personnel assigned to be responsible for the OHS program have also be appointed. Certificated holder has established an organization named Guiding Committee of Occupational Health and Safety (GCOHS), who is responsible for the OHS program. On the GCOHS report covers the entire OHS activities, including; GCOHS recommendations, investigation results of occupational accidents, GCOHS activity reports, employees' health checkup reports, and GCOHS minutes of meeting held every month. **OFI (Opportunity for Improvement)**, ensure change the GCOHS (P2K3) authorized by related Labour Agency and the General OHS expert renewal process.

4.7.5

Certificate holder has had the procedure of Emergency Response in PMM/SOP/Umum-10. Tanggal 01 Januari 2011. According to interviews with workers in mill and Estate it's known that the employees been know the procedure in case of an emergency. The results of field visits in housing and mill show that the company has set an evacuation route with a map and other markers as well as an adequate *sign board* to facilitate evacuation in case of emergency.

At the time of the field visits it is known that in the mill, warehouse, workshop and division offices have supplied first Aid box which monitored regularly. As for the operational activities in the field supervisors have been equipped with First Aid

bag. The results of the interviews obtained information that supervisors have received first aid training and have understood the stages of first aid in case of work accidents in the field. The company has opportunity to evaluation of the recommendations of the first-aid box refers to the hazards of occupational risk throughout the operational and documented activities. **OFI**

4.7.6

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

4.7.7

Certificate holder has been consistently conducting the Occupational Accident monitoring that could provide a comprehensive information on the month the accident occurred, the number of cases, the accident location, the types of accident, the effects, the work hours lost, the causes, the follow-up, and the results. Such monitoring is performed every month. An evaluation of the accident is also conducted every month and the outcome is discussed during the monthly meeting of GCOHS.

Status: Comply

4.8

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

4.8.1

The certification unit has a list of workers, staff, smallholders and contract workers. The certification unit also has training program documentation in 2017, for example on best management practices such as spraying, harvesting, fertilizing, pests and diseases, first aid kit, land fire management, environmental emergency response and RSPO Awareness. The program was based on identification needs.

Based on the results of document review and interviews with workers, for example at Kahoi Estate on harvesting activities, it is known that there are some workers who are also as smallholders. Based on the results of the interviews, it is known that the workers have been trained, such as RSPO awareness, harvesting practices and safety and health training.

4.8.2

The certification unit has a list of training for workers, for example:

- Training on RSPO principles and criteria at Permai Estate dated March 4, 2017.
- Fire prevention at Mahakam Estate on March 18, 2017.
- Training on Handling Dangerous Hazardous Materials at Lembuswana Estate dated February 17, 2017.

Status: Comply

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

5.1

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

5.1.1.

PT. PMM and PT TJA has adequate environmental document, as described belows:

1. Environmental Impact Assessment (EIA) for Mill, composed in 2010 covering an an area of ± 46.055 Ha including Storage Tank and special dock area ± 28 Ha. Has been approved by Regent Kutai Kartanegara on December 13, 2010.
2. EIA for Estate of PT PMM, made in 2008 covering area of 21,500 hectares. Has been approved by the regent Kutai Kartanegara on 24 September 2008.
3. EIA for estate of PT TJA, composed in year 2008 covering area of ± 5,100 hectares, has been approved by authorities on September 24, 2008.
4. EIA for estate of PT TJA in 2009 covering an area of 13 550 hectares (Mahakam Estate), approved by local authorities on March 16, 2009.

Structure and content of those EIA documents in PT PMM and PT TJA have met the requirement and regulations and have been approved by the authorities. Those EIA documents provided evidence of public consultation processes with the interested parties to identify impacts and formulating necessary mitigation measures.

5.1.2

Based on the EIA document, CH has developed an Environmental Management Plan (RKL) as outlined in the matrix of impact management plan:

PT. PMM

1. Management and monitoring plan of environmental impacts in mill that includes aspects: work safety, public health problems, noise, ambient air quality, odor, occupational health, public health, emergency, Potential fires and explosions.
2. Management and monitoring plan of environmental impacts in Estate of PT. PMM covers: Decrease in water quality, reduction in the number and diversity of aquatic biota, decline in business opportunities for community, disorders of occupational health and safety, ambient air quality, public health, attitudes and perceptions of community.

PT. TJA

Implementation report of RKL-RPL in Estate of PT. TJA including:

- Decrease in the quality of surface water (Sabiluntung, Mahakam, and lakes around the project)
- The decline in aquatic biota at project site
- The emergence of risk of health problems and accidents
- Quality of ambient air
- Disruptions of traffic
- Disruption of public health
- Impaired occupational health for workers
- The decline in environmental sanitation
- Decrease in ambient air quality
- Noise
- Attitude and positive perception of society
- Quality of HR community
- Employment and business opportunities

RKL-RPL implementation reports for Bumi Permai Mill, Estate of PT PMM and Estate of PT TJA have been submitted to the local authorities on a regular basis. Provided evidence of submission of the report for 2nd semester 2016 delivered on March 6, 2017. CH has appointed manager Sustainability & Certification Kalimantan Timur to responsible in the planning and implementation of RKL and RPL.

5.1.3

Consistent with the RKL documents, CH has drawn up a plan for environmental Monitoring (RPL). Environmental monitoring plan (RPL) draw up the major monitoring protocols such as location, time, method, stakeholders, and the impact parameter. As guidance to the monitoring process, CH has SOP Environmental Management and Monitoring (PMM/SOP/Umum-32). CH has also conducted periodic review on the RKL-RPL to evaluate the relevance and sufficiency of management plan (RKL-RPL). Records of latest Environmental Management and Monitoring Plan review is available for the period of 2016. Report on the implementation of RKL/RPL semester 1 and 2 of 2016 in accordance with the direction of the EIA document.

Status: Comply

5.2

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

5.2.1.

CH has identified HCV area and protected animals, carried out through research cooperation with competent third party (Envirologic and Aksenta Consulting) in year 2011 - 2012. The identification of HCV have involved communities surrounding villages (Benua Puhun, Rantau Humpang, Loleng), owner of enclave area and land acquisition team. Based on identification, HCV area covering 1,411 hectares in PT PMM and 440.60 hectares in PT TJA. The identification results

showed the presence of HCV (see indicator 5.1.2) and the presence of protected species legislation with endangered category (tiles) and vulnerable, as follows:

- Endangered species: Trenggiling (*Manis javanica*), Kucing ikan (*Prionailurus planiceps*), Bekantan (*Nasalis larvatus*), Owa kelawat (*Hylobates muelleri*),
- Vulnerable species: Pesut mahakam (*Orcaella brevirostris*), Beruk (*Macaca nemestrina*), Sero ambrang (*Aonyx cinerea*), Babi jenggot (*Sus barbatus*), Surili (*Presbytis frontata*)

The management unit has compiled a Management and Monitoring Plan of HCV. The measures taken to protect RTE and HCV are:

- Tighten patrol against threats on HCV and threatened species.
- Training protected vegetation inventory and monitoring inspections.
- Creation and maintenance of signboards.
- Installment of signboard of HCV and conservation area in each estate
- Conducting enrichment and greening in conservation areas and open area.
- Training wildlife conflict mitigation.
- monitoring of wildlife and vegetation.
- Identify threats and sources of threats.
- Dissemination periodically to workers and the public.
- Regular checks at the place of workers and staff to determine the illegal hunting of protected wildlife.
- Creating a mechanism flowchart protected animals.

5.2.2

The management unit demonstrated evidence of implementation of Management and Monitoring Plan of HCV, including:

- Annual monitoring of vegetation once every 1 year. Latest monitoring in March 2017 held in Mahakam Estate and Prima Estate Block N 39, Block O / P 55; Block O54 / Block H / I 50.
- Routine Patrol in HCV area and worker housing to inspect presence of protected wildlife. There is log book of HCV patrol at each estate. In general, there is no illegal hunting and destruction of the HCV area.
- Socialization of HCV area, done once every 1 year. The latest socialization dated March 9 – 11, 2017 attended by all workers Prima Estate, and dated October 2016 attended by surrounding communities. .
- Installation of HCV information boards, prohibition of hunting, planting tree species. The field verification showed that HCV signboard installed in each estate. There are 35 signboard installed in the whole plantation.

5.2.3

The company has procedures for management and protection of HCV area and RTE species in SOP Management and monitoring of HCV (PMM/SOP/Umum-07) and SOP River Buffer Zone Management (PM/SOP/Umum-15)

The protection policy has been socialized adequately to the workforce and the surrounding communities. CH has appointed HCV officer for PT. PMM and PT. TJA in January 1, 2011.

Regulatory enforcement of HCV protection and protected RTE species has been routinely patrolled by HCV officers and security officers in every estate. There is a log book of HCV patrol attendance at each estate containing records and patrol results. In general, there are no illegal hunting and destruction of HCV areas.

Disciplinary measures taken when there are violations are described in the mechanisms for managing protected RTE species conflicts. If a violation is found then a deliberation is made to seek an agreement, but if there is no agreement in the deliberation it will reported to relevant agencies.

Interview with workers and workers family known that they already know about prohibition to capture, harmed, collecting or kill any RTE species. Based on field visit at workers housing shows that no workers that capturing, harming, collecting or killing any RTE species.

Socialization of HCV area, done once every 1 year. The latest socialization dated March 9 – 11, 2017 attended by all workers Prima Estate, and dated October 2016 attended by surrounding communities. .

5.2.4

As a continuation of the management plan, CH has monitored periodically HCV area in accordance with the SOP. The latest monitoring carried out on March 2017 by a trained HCV team. The results of the monitoring on Mahakam Estate shows that there are 87 species of birds and 26 species of mammals, including species that are vulnerable and protected by law. The results of monitoring on Prima Estate showed 89 species of birds and 23 species of mammals.

CH has conducted a review of the management plan of each one year once in the document "Report and Review Action Plan" for the PT. PMM and for PT. TJA, based on monitoring data of HCV. For example, provided a review on HCV action plan for Period of year 2017. The review concludes that the management plan drawn up are still effective and relevant, the biodiversity index is still high, and no unprecedented conflict between wildlife and humans.

5.2.5

Based on the results of the study documents, it is noted that the entire area of the concession including HCV areas have been freed from the interests of other parties. The management unit showed evidence of land compensation agreement for HCV area, for example:

- Evidence of indemnity at Block N26/27, O25/26 for an area of 16:43 Ha.
- Evidence of indemnity located in Block K/L24/25 covers area of 8.7 ha.

Status: Comply

5.3

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

5.3.1; 5.3.2 and 5.3.3.

Consistently up with the activities of ASA-2, CH has identified the source of the waste from mill and estates, as seen in the document:

1. Report on identification of wastes from the estate and mill in EIA document, in particular liquid and solid waste from mill and estate. Types of waste are identified and documented, among others:
 - Ex-chemical containers / packaging chemicals
 - Household waste (garbage)
 - Hazardous waste such as batteries / battery scrap, used lamp, used motor lubricant and other
 - Mills waste in the form of: Liquid waste, Empty Fruit Bunch, shell, fiber, and solid decanter
2. Identification of impact of mill and estate operational such as: workshops, warehouses, offices and residential clinic.

For storing hazardous waste, provided authorized hazardous waste warehouse:

- a. Hazardous waste warehouse in Rahayu Estate and Mahakam Estates refers to permit from Kutai Kartanegara Regent number 660.1/002/B.1.2/BLHD/II/2014 dated January 30th, 2014
- b. Hazardous waste warehouse in Bumi Permai Mill refers to permit from Kutai Kartanegara Regent No. 660.1/SK-208/B.1.2/BLHD/VI/2013, dated June 27, 2014.
- c. Hazardous waste warehouse in Bumi Permai Estate refers to permit from Kutai Kartanegara Regent No. 660.1/81/BLHD/VI/2015 dated 12 June 2015.
- d. Hazardous waste warehouse in Kahoi Estate refers to permit from Kutai Kartanegara Regent No. 660.1/83/BLHD/VI/2015 dated June 12, 2015.

All waste including chemicals and their containers have been disposed in accordance mechanisms set in SOP on Hazardous and Non Hazardous Waste handling. Chemicals used in the mills primarily for water treatment and boiler chemicals and stored in hazardous waste warehouse specially equipped with standard equipment such as: shelf and pallet, MSDS, organized by category, first aid equipment, chemical symbols, the rooms were enclosed and protected. Based on field visits in Mahakam Estate, Kahoi Estate, and Prima Estate known that chemical containers

Observation results at Warehouse Temporary Hazardous Waste Kahoi Estate, waste can be concluded that the technical storage has been implemented in accordance with the procedures held (No. TJA/SOP/K3-11 or PMM/SOP/K3-11 dated 1 January 2011), ie pesticide containers after use must be washed first with rinsing at least 3 times and packaged perforated before being stored in Warehouse Temporary Hazardous Waste. Water cleaning rinsing should be accommodated and can be used again in the field. Pesticide used is then handed over to the licensed collector (PT Sinar

Bintang Albar). The results of observations at the housing workers Mahakam Estate, Kahoi Estate and Prima Estate not found pesticide used for other purposes such as bins, flower pots, etc.

Of processing activities at the Mill, the waste generated in the form of empty bunch, effluent (POME), fiber and shells. For each such waste forms of management include: bunch empty applied directly to the land, and liquid waste generated from the production process Bumi Permai Mill managed at WWTP before it is applied to the land (for example in Block P33 Lembuswana Estate) in accordance with the Decree of the Kutai Kartanegara Regent number 660.1/002 /BHII/SK-LA/BLHD/III/2014 on Permit for the Use of Wastewater mills In the Land of Oil Palm Plantations Bumi Permai Mill. As for the waste in the form of fiber and shells are used to fuel the boilers as the company's efforts in the efficiency of fossil fuel use and optimizing use of renewable energy.

Status: Comply

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

5.4.1

CH has consistently implemented efficiency of fossil fuel efforts through renewable energy usage by using shell and fiber. It efforts has documented and monitored well. For example, in monitored renewable energy usage and efficiency analysis document recorded as follows:

- Daily monitoring of the use of solid waste for boiler fuel.
- Daily monitoring on fossil fuels use in each unit. Available evidence of monthly recap and its efficiency analysis.

Month	FFB Process (ton)	Solid Waste Production (ton)			Steam for process (ton)	Efficiency boiler	Balance Kalor (kkal)
		Fibre	Dry Shell	Wet shell		70%	
January	17,770.44	2,666	933	89	11,551	11,016,408	207,180
February	18,699.97	2,805	982	93	12,155	11,592,650	218,017
March	23,571.56	3,584	1,242	150	15,322	14,612,690	457,580

- Reports of operation of biogas plant in Bumi Permai Mill.
Based on field visit on mill known that BPM has been applying methane trapping technology which 70% of mill effluent used for composting and 30% for the biogas plant. The biogas unit produces power by an average of 830 kW.

Status: Comply

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

5.5.1 & 5.5.2

Based on the result of document review, for example, the agreement document of Mitra Sejahtera Abadi (Mahakam Estate) Multi Purpose Business Cooperation with PT Artha Bumi Tsabit on May 22, 2015, it is known that the company handed over the land clearing by mechanical method.

The company policy on zero burning during land clearing is presented in SOP document of Land clearing procedure (PMM / SOP / AGRO-02 and TJA / SOP / AGRO-02) dated January 1, 2011 explaining the Zero Burning land clearing system, however Using a mechanical system starting from the preparation stage, land clearing system, blocking, road building and terrace making. Based on field observations in MKE, KHE and PME, it was found that there was no evidence of burning activities for land clearing and other operational activities.

Burning activities are not allowed for pest control and during land preparation for replanting.

Status: Comply

5.6

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

5.6.1

CH has made inventory on activities that generate pollution and waste, and conducts periodic monitoring on air quality on regular basis (every 6 months). Measurement carried out by the accredited Environmental Laboratory namely Industrial Research and Standards (Baristand) Samarinda (KAN No. LP-060-IDN). Pollution monitoring including ambient air quality test, generators emission quality, boiler emissions, odor and noise. The latest test results available for the second half of 2016 showed paramater of ambient air quality and emissions met the national requirement.

5.6.2 and 5.6.3

In addition to pollution, CH has also conducted an inventory on greenhouse gas (GHG) emissions from the mill and estate activities. All relevant documentation for inventory has been collected such as use of fertilizers, fossil fuel use, the use of alternative fuels (fiber and shell), documentation of land use change, map of soil types to identify the presence of peat, tree planting data.

The source of GHG emission in Mills and Estates are:

- a. At the initial stage: source of emission area peat emissions, the use of diesel fuel and application of chemicals (agrochemicals).
- b. At the production stage: transportation activities, the use of chemicals and fertilizers, forest fires, and land application.
- c. In the composting activities.
- d. At mills, GHG emission sources are generator, boiler and powerplant.

GHG emissions reduction plan has been included in the documents of:

- a. Report of green house gas inventory in Bumi Permai mill
- b. Report of GHG emission mitigation covering: GHG emission reduction strategies, action plans, integrated environmental management and others. The planned reduction of greenhouse gas emissions including: Installation of biogas, planting trees, and the savings of fossil fuels.

PT PMM and PT TJA has been calculate the GHG using RSPO PalmGHG Calculator versi 3.0.0, the summary shown below:

Emissions per product	tCO ₂ e/tProduct	Extraction	%	Production	ton/year
CPO	2.23	OER	25.00	FFB Processed	239,991.54
PK	2.23	KER	4.60	CPO Produced	59,986.59

Land Use	ha
OP planted area	14,928.00
OP Planted on peat	2,681.66
Conservation Area	1,825.00

Summary of Field Emissions and Sinks

	Own Crop		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha
Emissions								
Land conversion	106,253.53	7.12	0	0	0	0	106,253.53	7.12
*CO ₂ emissions	7,608.58	0.51	0	0	0	0	7,608.58	0.51

from fertilizer									
**N ₂ O emissions	32,958.56	2.21	0	0	0	0	32,958.56	2.21	
Fuel consumption	1,539.32	0.1	0	0	0	0	1,539.32	0.1	
Peat Oxidation	146,418,64	9.81	0	0	0	0	146,418,64	9.81	
Sinks			0	0	0	0			
Crop sequestration	139,751.96	-9.36	0	0	0	0	139,751.96	-9.36	
Conservation Sequestration	0	0	0	0	0	0	0	0	
Total	155,026.67	0.71	0	0	0	0	155,026.67	0.71	

Summary of Mill Emissions and Credits

	tCO ₂ e	tCO ₂ e/tFFB
Emissions		
POME	355.99	0
Fuel consumption	535.2	0
Grid Electricity Utilization	0.02	0
Credits		
Export of Grid Electricity	-0.02	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	891.2	0

Palm oil Mill Effluent (POME) Treatment

Divert to compost	70,00 %
Divert to anaerobic digestion	30,00 %

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	0.00 %
Divert to methane capture (flaring)	0.00 %
Divert to methane capture (electricity generation)	100.00 %

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 SIA for PT.PMM and TJA was conducted in June 2012 conducted by PT Aksenta Gagas Dinamika and the final report compiled in October 2012. The assessment conducted includes community development and history of community interaction with the land, village conditions (number of residents, Ethnicity, religion, education), health facilities, access to economic centers, water and energy supplies, livelihoods, economic institutions, local traditions and cultures.

6.1.2
SIA study provides evidence of community and employee involvement through: collection of data and information, FGD, questionnaires, and interviews. There were as many as 94 responders involved. Evidence is also available in the form of

photos of activities at community meetings.

6.1.3

PT.PMM & TJA shows the document of SIA Management Plan Period 2015-2017 that explaining the impact management plan for external stakeholders (community & cooperative) and internal stakeholders (worker & family) with details of actions plan, frequency, execution time, responsible person and Activities status. The company has shown the implementation of social activities in accordance with the SIA management plan, for example for external stakeholders such as providing administrative training/ financial report to smallholders cooperatives and making CSR program involving the community every year.

Based on interviews with cooperatives and surrounding villages, it is explained that the company has provided training to cooperatives related to administration and also has implemented the CSR to the surrounding community.

6.1.4

The Company shows document of Social Management Review for Period January-December 2016 that explains the evaluation of the plan and evaluation of Social Management activities under the SIA Management Plan. SIA review activities conducted in October 2016 that conducted in conjunction with the Village Community around the company for example with the Lebak Mantan Village, Bukit Jering Village, Rantau Hempang Village and others. In the meeting it was concluded that companies need to improve the CSR activities which leads to community economic development and improve the management of land fires to be more optimal.

6.1.5

In the Social Impact Assessment Report on October 2011, explained that during the making of the document has been conduct by involving the smallholders members and board. In addition, the implementation program of social impacts plans has been include smallholders such as the provision of training, routine checks and consultation on agronomy.

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

There is no change in consultation and communication procedures with the communities listed in:

- PMM/SOP/Umm-02 Information Transparence dated 2.1.2011
- PMM/SOP/Umm-05 Complain Internal & External dated 2.1.2011
- PMM/SOP/Umm-20 Communication & Consultation dated 1.9.2013

Based on interviews with surrounding villages and smallholders cooperatives, they can explain the mechanism of communication in accordance with the procedures such as communication is done through by Partnership Manager. So far there has been no problem related to communication between companies and villager/cooperatives.

6.2.2

There no change about person for handling the communication and consultation with stakeholder. The person in charge is Partnership Manager. During the public consultation with communities and cooperatives, explained that communication activities are usually done through Partnership Manager.

6.2.3

List of stakeholders PT Prima Mitrajaya Mandiri (PT PMM) and PT teguh Jayamitra Abadi (PT TJA) are listed in the Record with number REC/1.0/PMM/15/2. The document explained that stakeholders around Company consisting of 8 Villages, 8 plasma Cooperatives, 3 police station, 3 regional military base, 3 Hospitals and Puskesmas, 6 Dinas and Government Agencies, 3 companies around the plantation and 17 Contractors.

Records of communication are recorded in the book of information stored by the RSPO clerk. During the period 2016-2017 there was no demand for information from stakeholders. In addition, the company showed minutes of communication activities with villages and cooperatives, among others:

<ul style="list-style-type: none"> Meeting related to Social/CSR conducted with the Communities in October 2016 included Lebak Mantan Village, Bukit Jering Village, Rantau Humpang Village, Loleng Village, Benua Puhun Village, Lebaho Ulak Village, Bunga Jadi Village. Meetings with cooperatives and representatives of cooperative members related to the development of plasma plantation for example with Mitra Sejahtera Abadi cooperative conducted on March 22, 2017. 		
<p>Status: Comply</p>		
<p>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.</p>		
<p>6.3.1 The management has Procedures for handling complaints that contained in SOP of internal and external complaint (number PMM/SOP/Umum-05) effective since January 1, 2011. The SOP contains: responsibilities, procedures and documentation of complaints. All complaints submitted to management and written complaints will be recorded in the register of incoming mail. There is clause that states guarantee the confidentiality of whistle blowers and witnesses of the complainant. There is also suggestion box as a means of submitting complaints. This procedure was inform about RSPO Complaints System.</p> <p>Based with workers and labor union, local community they have known the procedures for handling complaints. For workers, socialization of the procedure delivered through morning briefing. For eksternal stakeholders, there was covering letter of document submission of the procedure.</p> <p>6.3.2 Based on verification of document of communication that include complaints and information, there was no complaints among the company and the other parties include internal stakeholder. Stakeholder consultation with external and internal stakeholders (Gender Committee and Workers Union), there was no complaint from related parties. Logbook of complaint contains fixes for worker housing and has been respond and also fixed by company. The company has opportunity to follow up on complaints related to the replacement of PPE and lifetime evaluation. OFI</p>		
<p>Status: Comply</p>		
<p>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.</p>		
<p>6.4.1 & 6.4.2 The company has had the SOP of land acquisition which approve on January 1st 2009. The procedure has been explained that the land acquisition process is conducted with the involvement of local communities. In the SOP explain that the value of the compensation provided by the company based on an agreement between the landowner and the company. Public consultation with the communities around known that the process of land acquisition has been conducted by involving the communities, the village authorities, landowners, the adjacent parties and the company.</p> <p>6.4.3 Based on interviews with management and document verification, no land acquisition activities were conducted during the ASA-2 to ASA-3 periods. The latest land acquisition was done in January 2016. The process and the agreement of land acquisition has been documented by the company and stored by the legal department. Documentation of land acquisition has involved land owners, the adjacent parties and village authorities.</p>		
<p>Status: Comply</p>		
<p>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.</p>		
<p>6.5.1 Based on interviews with internal stakeholders (Trade union representatives, gender committees and workers) can be informed that minimum wages paid based on letter from Disnakertrans of Kutai Timur Regenc concerning Decree of Governor of Kalimantan Timur No No.561/K.647/2016 dated December 21, 2016 about Determination of Minimum Wage</p>		

of Kutai Kartanegara Regency in 2017.

Company has adjusted the payment of wages for employees by issuing the Decree from Directors and based on document verification of Salary Slip March 2017 is known that wages payment is in accordance with the Minimum Wages of Kutai Kartanegara District. Based on interviews with Bipartite Cooperation Institution and workers, explained that the company has paid wages according to the minimum wage set by the government and payment is done on time.

6.5.2

Companies can show employment law that detailing payments and conditions of employment in the company regulations that have been approved by the Labor Agency at Kutai Kartanegara District for the period 2016-2018. Beside that, each of permanent workers and contract workers have been equipped with the Working Agreement that describes the assignment of responsibilities, work hours, wages and facilities.

Company Regulation and Working Agreement are available in Indonesian language. Based on interviews with Bipartite Cooperation Institution, explained that in the company were no complaints related to employment and company always implement the operational activities in accordance with the rules and regulations

Based on the interview with employees is known that the employee has had a copy of the work agreement and has understood the agreement

6.5.3

The certificate holder provides facility and infrastructure for personnel welfare, such as housing, polyclinic, clean water, sport yard, education facilities, worship venue, and access to electricity. Field observation at housing complex in Mahakam Estate show that the facilities and infrastructures are in good condition. Based on the interview with employees mentioned that the infrastructures provided by company has been adequate and feasible.

6.5.4

Certificate Holder facilitates employees to access adequate food supply by establishing market during the payment day. Moreover, there are some markets in surrounding villages. Personnel have an issue to access good food with reasonable price. Based on field visit and interview with Employees, company does not prohibited personnel to be a vendor, like selling staple food. Subsequently, there is no difficulty to access food.

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

Policy related to the freedom of made a worker association is still same as previous assessment that contained in Policy of Freedom of Association for Employees which has been approved by the President Director of PT Evans Indonesia dated January 2, 2011. Based on interview with workers representatives known that the company already have Freedom of Association for Employees. Based on interview with Estate workers, it could be concluded that company has facilitate freedom of association according to worker aspiration. However, the existing Bipartite system was feels satisfactory to facilitate a good communication between workers and company. Workers also stated that forming a labor union is not necessary in the near future.

6.6.2

The results of interviews with workers known that the worker has known the policy on freedom of association and workers also have known about the functioning of the Bipartit. The meeting between the bipartit and the workers is conducted routinely or whenever there is a problem that must be discussed.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

Policy related to the worker's age is listed in the Memorandum of HRD Department dated January, 2012. It states that the company is not allowed to hire the underage workers (under 18 years old). Based on verification documents of Workers

	<p>List in March 2017, there are no workers younger than 18 years. Based on interviews with Bipartite Cooperation Institution, explained that in the company does not workers who are under 18 years. Every workers recruitment must be complement with national identity cards. Based on the results of field observations on the operational activities of the POM and the estates, it was not found workers aged under 18 years. Furthermore employees also understand that minimum age for employees to be hired is 18 years old. Results of the interview with internal stakeholder (bipartit, gender committee and workers) it was mentioned that there are no issues related to child labor working in the company.</p>	
	<p>Status: Comply</p>	
<p>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.</p>		
<p>6.8.1 Policy related to does not discriminate the workers does not change from the previous assessment that listed in the policy of equality of employment opportunity that approved by the President Director. It is revealed that the hired employees have diverse educational, ethnic and religious backgrounds. Interview with village representative revealed that company opens work opportunity for local communities (in mill and estate). This can be considered as positive impact over company's existence for local communities. There is no complaint related to discrimination from local communities.</p> <p>6.8.2; 6.8.3 Document verification and interview with management, employees recruitment is based on company requirement without considering ethnic, religious, and racial and religion. All prospective employees have rights for employment opportunity according with their educational background and company requirement. Moreover, result of interview with employees also reveals that there is no indication of discrimination against employees. Interview with unit management submitted that the selection process and recruitment of candidates is done in accordance with the applicable procedures in the company, starting from the signing of the agreements, the evaluation of the performance, until the appointment becomes permanent workers.</p>		
	<p>Status: Comply</p>	
<p>6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.</p>		
<p>6.9.1 and 6.9.2 The company have a policy to protect reproductive rights and prevent all forms of sexual harassment and violence. Policy regarding sexual harassment is still the same as the previous assessment that listed in Sexual Harassment Policy approved by the President Director dated January 2, 2011. It explains that every worker is entitled to receive protection against sexual harassment in the workplace and Sexual harassment is an offense and if convicted of sexual abuse offenders will be penalized in accordance with applicable regulations. The committe gender has socialized to the employees. Based on interview with workers and committee gender, the policy had disseminated to workers through gender committee meetings with workers.</p> <p>6.9.3 Complaints and response mechanism is not change from previous assessment that listed on the SOP Internal and External Complaint with Document Number PMM/SOP/Umum-05. Based on document verification of Complaints Book, there are no complaints related to sexual harassment and violence. Based on information from gender committee, that the handling of issues about sexual harassment and violence will be resolved together with gender committee and the identity of reporter will be protected.</p>		
	<p>Status: Comply</p>	
<p>6.10 Growers and mills deal fairly and transparently with smallholders and other local businesses.</p>		
<p>6.10.1 & 6.10.2 Based on the agreement of smallholdings development between companies with cooperative, the determination of the purchasing price of smallholder's FFB refers to formal regulation of Price Determination Committee of Provincial Government of East Kalimantan. Determination is conducted once in a month.</p> <p>The Company can show the Minutes of Meeting Result of FFB Pricing Team in Kalimantan Timur Province from March to</p>		

May 2017. Price determination is based on CPO and kernel prices and also adjusted for planting year. Based on interviews with smallholder's cooperatives, it was explained that the price was obtained directly from the Plantation Agency and was informed to the members.

Based on the explanation, it is known that the FFB pricing is not under the control of the plantation or the factory.

6.10.3

The Agreement signed by representative of cooperative and company and also known by Head of village, sub-district head, Head of Plantation Agency, head of Cooperative Agency and Head of Kutai Kartanegara Regency. Based on interviews with cooperatives, it is explained that the cooperation agreement is made together and is known by various parties and each cooperative holds a copy of the agreement.

6.10.4

The calculation of payments is recorded in the Recapitulation of Cost and Income Plasma documents which describes all operational costs, the calculation of FFB sales to the calculation of income. The document has been approved by the representative of cooperative and company. For example, calculations on Mitra Sawit Mandiri Cooperative for the period of March 2017 has been reviewed and approved on 17 April 2017. Based on the document, it is known that the payment has been adjusted to the price from the Plantation Agency.

Based on the interview with the cooperative, it was explained that the calculation and payment of FFB are reviewed together every month. So far there is no problem about the calculation and timing of payments.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1 & 6.11.2

Contributions to local development proven by partnership with local communities through local transaction i.e development smallholding, local contractors, Payment of taxes and CSR programme.

In other side, the certificate holders also providing the development of independent smallholders scheme. This is an efforts that have been allocated to improve smallholder productivity by the certificate holder. The involvement of local contractors and local purchasing. Contract records showed some estate operational activity that involves local people. Besides that, the company has a social commitment in terms of CSR programmes.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1; 6.12.2; 6.12.3

Based on documents review and interviews with Bipartite Cooperation Institution and labor agency, there are no illegal or forced worker. Contract Worker and Permanent workers has been equipped with the Working Agreement that has been agreed together. Based on document review and field observation in Mahakam Estate and Prima Estate it can be seen that there is no indication of forced labor. The worker have the freedom for resign, there is no threat for family members and no financial penalties.

Status: Comply

6.13

Growers and millers respect human rights

6.13

CH already had policy of CSR which is endorsed by president director on 27th of April 2015 in order to respect human rights. The policy explains about respecting human rights and respecting race, nationality, culture, religion and prohibition of force labor, ensuring that all employees receive fair remuneration, fair management and have opportunity to career development.

Based on interviews with workers in MKE, PME, KHE explained that the policy of respecting the human rights has been socialized during the morning briefing. Based on interviews with Bipartite Cooperation Institution, explained that there are no issues that are detrimental to employees including human rights violations.

	Status: Comply	
PRINCIPLE #7 Responsible development of new plantings		
7.1 A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.		
7.1.1; 7.1.2; 7.1.3 Since ASA-2 until ASA-3 there were planting of oil palm for an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA. Planting areas are carried out in 2016-2017 are still included in the location permit and cadastral map that owned by PT TJA & PT.PMM. The company has conducted RSPO NPP on February 2013. Environmental impact assessment for the planting area in 2016 and 2017 has been covered in the EIA documents that have been owned as explained in Criterion 5.1.		
	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.		
7.2.1 & 7.2.2 The certification unit has a map of conformity / survey shown in Semi Detailed Soil Survey Report Evans Indonesia document from June 3 to July 5, 2009 and 24 to 25 November 2009 by PT Earthline covering PT PMM 18,207,70 ha and PT TJA 7,290,44 ha with adequate scale. The document describes and presents the document of land suitability maps of both physical condition (topography and slope) and soil type. The data presented based on the data taken in the field and the results of laboratory analysis.		
	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 and 7.3.4 Since ASA-2 until ASA-3 there were planting of oil palm for an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA. Planting areas are carried out in 2016-2017 are still included in the location permit and cadastral map that owned by PT TJA & PT.PMM PT PMM and PT TJA has conducted environmental and social assessment prior the land clearing which explained on document of Environmental and Social Assessment of Oil Palm Developments PT PMM and PT TJA by Environmental Management & Monitoring Pty Ltd. The assessment carried out by Charlie Ross on April 2007. The results of a study conducted by Charlie Ross in April 2007 show that the areas in PT PMM and TJA are not primary forest. The Company has conducted a HCV Assessment to a large area that is in accordance with the location permit PT PMM and PT TJA on August 2011. According to the result of the document review and interview, the land clearing has been conducting since April 2007, but has been first conducted HCV identification before land clearing. Liability of disclosure has been sent to RSPO Compensation Team on 23 July 2014.		
	Status: Comply	
7.4 Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
7.4.1 The certification unit has maps that infiltrate the potential of fragile soils derived from the semi-detailed soil survey results of 2009 conducted by PT Earthline with a scale of 1: 90,000 and a land suitability map of PT PMM with scale of 1: 40,000 and PT TJA with a scale of 1: 35,000. Based on the map study it can be concluded that there is no soil with a slope of > 20°. The report shows that there are also peatlands (Sapric Haplohemists) covering 25.98 % or 1,893.99 ha in PT PMM and 19.95 % or 3,632.30 ha in PT TJA area.		
7.4.2		

<p>The certification unit does planting on fragile soils, for example in sandy areas and peat areas. Planting in the sand area is done by providing additional compost. In these areas, the certification unit carries out embedded areas for example by planting <i>Mucuna bracteata</i> done at Mahakam Estate which has been realized in the area of 10.94 ha Field MK10K1 2016. In the peatlands water management by monitoring the level of surface water at altitude 50-70 cm using a water level stick. However, during field observations in KHE and MKE, peatland areas were found to be inundated due to the overflowing Mahakam River.</p>	<p>Status: Comply</p>	
<p>7.5</p>		
<p>No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>		
<p>7.5.1</p>		
<p>Based on interviews with management and document verification, no land acquisition activities were conducted during the ASA-2 to ASA-3 periods. The latest land acquisition was done in January 2016 and has been verified on previous assessment.</p> <p>Since ASA-2 until ASA-3 there were planting of oil palm for an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA. Planting areas are carried out in 2016-2017 are still included in the location permit and cadastral map that owned by PT TJA & PT.PMM. The company has conducted RSPO NPP on February 2013.</p>		
<p>Status: Comply</p>		
<p>7.6</p>		
<p>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</p>		
<p>Based on interviews with management and document verification, no land acquisition activities were conducted during the ASA-2 to ASA-3 periods. The latest land acquisition was done in January 2016 and has been verified on previous assessment. The process and the agreement of land acquisition has been documented by the company and stored by the legal department. Documentation of land acquisition has involved land owners, the adjacent parties and village authorities.</p> <p>Since ASA-2 until ASA-3 there were planting of oil palm for an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA. Planting areas are carried out in 2016-2017 are still included in the location permit and cadastral map that owned by PT TJA & PT.PMM. The company has conducted RSPO NPP on February 2013.</p>		
<p>Status: Comply</p>		
<p>7.7</p>		
<p>Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.</p>		
<p>7.7.1 & 7.7.2</p>		
<p>Policy related to method of zero burning for land preparation still same as the previous assessment that contained in SOP Land Clearing dated January 1, 2011 describes the land clearing system without use of fire (Zero Burning).</p> <p>Based on the results of document review, interviews with management, interviews with workers (workers from the surrounding area) and field observations in MKE and KHE, it is known that the company does not burn in land clearing activities, but uses mechanics such as the use of heavy equipment and chainsaws.</p>		
<p>Status: Comply</p>		
<p>7.8</p>		
<p>New plantation developments are designed to minimise net greenhouse gas emissions.</p>		
<p>7.8.1; 7.8.2</p>		
<p>Since ASA-2 until ASA-3 there were planting of oil palm for an area of 212.33 Ha in PT PMM and 606.76 Ha in PT TJA. Planting areas are carried out in 2016-2017 are still included in the location permit and cadastral map that owned by PT TJA & PT.PMM</p>		
<p>Within the scope of the ASA-3 audit, CH has performed NPP for all new planting over the year 2010. No areas with high</p>		

carbon opened to plantations and CH has identified the source of greenhouse gases emission (refers to 5.6.2).

Some efforts to minimize net greenhouse gas emissions include:

- Enrich HCV with tree planting to increased uptake of carbon (carbon sequestration).
- Reduction of fossil fuels.
- The implementation of zero burning.
- Optimal utilization of biomass fuels as an energy source in mill
- Implementation of Water management systems, among others by making peat subsidence and monitoring the water surface elevation
- Dissemination of zero burning policy

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.

8.1.1

Management Review 2016 PT PMM and PT TJA executed on 22 February 2017 with agenda on review of program 2016, 2016 audit result, environmental and social safety management performance, review of SOP and regulatory manual policy, Best Management Practices and recommendation of continuous improvement.

The company has conducted several programs for environmental aspect:

- Reduce GHG emissions: Biogas plant
- Renewable Fuel by using a biogas for source of electricity.
- Waste reduction: utilization of shell and fiber for boiler fuel. Besides that, EFB is also used as a raw material for composting.

Social Aspect

PT.PMM & TJA shows the document of SIA Management Plan Period 2015-2017 that explaining the impact management plan for external stakeholders (community & cooperative) and internal stakeholders (worker & family) with details of actions plan, frequency, execution time, responsible person and Activities status. In addition, the company has been improve the social impact management by reviewing the management plans undertaken with the surrounding communities in October 2016.

Status: Comply

3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements																																													
E.1	Definition																																													
E.1.1	<p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>Bumi Permai Mill is used RSPO supply chain of Mass Balance module because they still received FFB from the estate which has not been certified with RSPO that is PT Kutai Agro Jaya and new development areas in the Cooperative "Sawit Etam Bersama", Cooperative "Forward Build" and Cooperation "Tanah Sama" (outside the scope).</p>																																													
	Status: Comply																																													
E.2	Explanation																																													
E.2.1	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>Estimates of CPO and PK produced by BPM obtained from the budget data of 12 months (Mei 2017-April 2017) after the audit activities and have been described in this ASA-3 report, consist of: FFB: 297,248.49 ton CPO: 77,347.06 ton (OER: 26%) PK: 13,952.80 ton (KER: 4.70%)</p>																																													
	Status: Comply																																													
E.2.2	<p>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p> <ul style="list-style-type: none"> RSPO IT Platform member registration number: RSPO_PO1000001488 Certified CPO sold to each buyer period of 26 June 2016 to 30 April 2017 																																													
	<table border="1"> <thead> <tr> <th>Date</th> <th>Buyer</th> <th>Volume</th> </tr> </thead> <tbody> <tr> <td>27/06/16</td> <td>LION SUPER INDO, PT DELHAIZE GROUP</td> <td>720</td> </tr> <tr> <td>29/06/16</td> <td>BURGER KING EUROPE GMBH</td> <td>780</td> </tr> <tr> <td>29/06/16</td> <td>FRITO LAY (A DIVISION OF PEPSICO)</td> <td>4,220</td> </tr> <tr> <td>22/07/16</td> <td>FRITO LAY (A DIVISION OF PEPSICO)</td> <td>1,000</td> </tr> <tr> <td>29/07/16</td> <td>C.H. GUENTHER & SON, INC.</td> <td>293</td> </tr> <tr> <td>09/08/16</td> <td>FRITO LAY (A DIVISION OF PEPSICO)</td> <td>707</td> </tr> <tr> <td>10/08/16</td> <td>SHEARER'S FOODS LLC</td> <td>51</td> </tr> <tr> <td>11/08/16</td> <td>FRITO LAY (A DIVISION OF PEPSICO)</td> <td>1,862</td> </tr> <tr> <td>11/08/16</td> <td>ADVANCED LIQUID FEEDS LTD</td> <td>150</td> </tr> <tr> <td>11/08/16</td> <td>ADVANCED LIQUID FEEDS LTD</td> <td>44</td> </tr> <tr> <td>11/08/16</td> <td>ADVANCED LIQUID FEEDS LTD</td> <td>300</td> </tr> <tr> <td>12/08/16</td> <td>ANTONS BEST OY</td> <td>100</td> </tr> <tr> <td>13/08/16</td> <td>DKS CO LTD</td> <td>25</td> </tr> <tr> <td>16/08/16</td> <td>DAUDRUY VAN CAUWENBERGHE ET FILS</td> <td>200</td> </tr> </tbody> </table>	Date	Buyer	Volume	27/06/16	LION SUPER INDO, PT DELHAIZE GROUP	720	29/06/16	BURGER KING EUROPE GMBH	780	29/06/16	FRITO LAY (A DIVISION OF PEPSICO)	4,220	22/07/16	FRITO LAY (A DIVISION OF PEPSICO)	1,000	29/07/16	C.H. GUENTHER & SON, INC.	293	09/08/16	FRITO LAY (A DIVISION OF PEPSICO)	707	10/08/16	SHEARER'S FOODS LLC	51	11/08/16	FRITO LAY (A DIVISION OF PEPSICO)	1,862	11/08/16	ADVANCED LIQUID FEEDS LTD	150	11/08/16	ADVANCED LIQUID FEEDS LTD	44	11/08/16	ADVANCED LIQUID FEEDS LTD	300	12/08/16	ANTONS BEST OY	100	13/08/16	DKS CO LTD	25	16/08/16	DAUDRUY VAN CAUWENBERGHE ET FILS	200
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18/08/16	FRITO LAY (A DIVISION OF PEPSICO)	268
22/08/16	FRITO LAY (A DIVISION OF PEPSICO)	1,200
22/08/16	MOI INTERNATIONAL (AUST) PTY LTD	2,000
23/08/16	AVON PRODUCTS INC.	3,000
25/08/16	AVON PRODUCTS INC.	4,227
25/08/16	FURLANIS FOOD CORPORATION	200
29/08/16	JONES POPCORN INC DBA CLARK'S SNACKS	30
13/09/16	FRITO LAY (A DIVISION OF PEPSICO)	2
13/09/16	CONAGRA FOODS INC	1,723
13/09/16	CONAGRA FOODS INC	3,277
11/12/16	PT. LDC Indonesia	3,000.13
15/12/16	MCCAIN SOUTH AFRICA (PTY) LTD	821
15/12/16	ADVANCED LIQUID FEEDS LTD	100
15/12/16	ADVANCED LIQUID FEEDS LTD	38
15/12/16	UNIONGRISS SRL	25
15/12/16	DUPONT NUTRITION BIOCIENCES APS	16
22/12/16	AB AGRI LTD.	27
30/12/16	COLGATE PALMOLIVE COMPANY	725
30/12/16	BAY VALLEY FOODS, LLC	2,000
30/12/16	OLEON N.V.	275
23/03/17	FRITO LAY (A DIVISION OF PEPSICO)	313
25/03/17	FRITO LAY (A DIVISION OF PEPSICO)	160
27/03/17	Orkla Care AB	27
31/03/17	FRITO LAY (A DIVISION OF PEPSICO)	1,232
31/03/17	FRITO LAY (A DIVISION OF PEPSICO)	1,268
	Claim of ISCC Certified	21,000
Total		57,406.13

• **Certified Palm Kernel sold to each buyer period of 26 June 2016 to 30 April 2017**

Date	Buyer	Volume
02/10/2016	PT. Wilmar Nabati Indonesia	800.01
06/10/2017	PT. Sumber Indah Perkasa	450
11/12/2016	PT. Wilmar Nabati Indonesia	800
22/12/2016	PT. Wilmar Nabati Indonesia	601.01
17/01/2017	PT. Wilmar Nabati Indonesia	899.48
10/03/2017	PT. Wilmar Nabati Indonesia	900.25
10/04/2017	PT. Wilmar Nabati Indonesia	800.07
Total		5,250.82

Status: Comply

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.

SOP of Supply chain did not change from previous assessments contained in the SOP of RSPO Sustainability for Estate (PMM/MAN-03A, Rev 00 dated October 31, 2013) describing the responsibilities of each section, FFB delivery verification, record keeping, Contractor, independent audit, validity period of certificate. Based on interviews with weighbridge workers at BPM and workers in Rahayu Bulking, the workers explained that they had received training related to the supply chain (mass balance).

Status: Comply

E.3.2

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

BPM already has SOP of RSPO Sustainability for Estate which includes explaining about the process of receiving FFB from supplier's (Estate). Based on interviews with workers at weighbridge stations, it is known that the worker can explain the origin of the certified and non-certified FFB, for example for FFB certified is derived from his own Estate and Cooperative Estate while for non-certificate are FFB from PT.KAJ and from several fields in LLE gardens (in the office there is a non-certificate FFB list). To find the source of FFB comes from the estate that has been certified with RSPO, and then it's labeled on the Delivery Order Letter in the form of stamp RSPO CERTIFIED.

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.

Certified and non-certified FFB received period of 26 June 2016 to 30 April 2017

Period	FFB Recieve (Ton)		
	Certified	Non-Certified	Total
26 – 30 June 2016	2,071.73	328.56	2,400.29
July 2016	10,431.50	1,367.44	11,798.94
August 2016	15,195.53	1,488.92	16,684.45
September 2016	22,580.99	2,354.54	24,935.53
October 2016	28,248.34	2,929.27	31,177.61
November 2016	25,416.78	3,523.52	28,940.30
December 2016	19,447.62	2,199.50	21,647.12
January 2017	15,828.47	2,139.33	17,967.80
February 2017	17,043.78	1,821.91	18,865.69
March 2017	23,027.98	1,303.46	24,331.44
April 2017	19,308.90	1,679.00	20,987.90
Total	198,601.62	21,135.45	219,737.07

For the record of FFB from Sawit Ttam Bersama Cooperative (LLE), Maju Membangun Cooperative (LLE) and Tanah Sama Cooperative(BPE) that outside the certificate scope have been separated in Mass Balance Sustainability (CPO) documents, for example in LLE:

Period	FFB Recieve (Ton) from LLE	
	Certified	Non-Certified
26 – 30 June 2016	12.86	444.08
July 2016	105.71	2,064.50
August 2016	100.53	2,640.63
September 2016	172.92	3,983.65
October 2016	243.20	4,783.31
November 2016	274.43	4,259.47
December 2016	159.56	3,433.22
January 2017	215.04	2,972.94

February 2017	195.95	3,342.29
March 2017	243.49	4,477.10
April 2017	187.65	3,641.95
Total	1,911.34	36,043.14

Status: Comply

E.4.2

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

Since receiving the RSPO certificate (June 26, 2015) up to the audit (April 30, 2016), BPM production of FFB, CSPO and CSPK does not exceed the RSPO certificate issued.

- Received FFB: 198,601.62 Ton → Total estimate in certificate is 281,654 Ton
- CPO: 47,861.17 Ton → Total estimate in certificate is 73,230 Ton
- PK: 8,523.30 Ton → Total estimate in certificate is 12,674 Ton

Status: Comply

E.5

Record keeping

E.5.1

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

BPM has had a monthly report which described about the Acceptance of FFB, Production of CPO and PK, Delivery of CPO and PK. During the period of June 2016 to April 2017 there is no shipment of RSPO certified products (CSPO and CSPK). There is the following product shipment data from BPM:

Period	CPO Shipment (ton)			PK Shipment (ton)		
	RSPO Certified	ISCC Certified	Non Cert	RSPO Certified	ISCC Certified	Non Cert
26 – 30 June 2016	-	-	3,000.31	-	-	24.25
July 2016	-	-	6,000.19	-	-	565.89
August 2016	-	-	3,000.16	-	-	750.56
September 2016	-	-	6,001.86	450.00	-	332.69
October 2016	-	9,000	-	600.00	-	1,245.21
November 2016	-	-	3,000.21	-	-	1,356.08
December 2016	3,000.13	-	-	800.00	-	319.24
January 2017	-	3,000	3,000.19	900.00	-	-
February 2017	-	-	3,000.20	900.00	-	-
March 2017	-	3,000	3,000.22	800.00	-	-
April 2017	-	6,000	-	800.00	-	-
Total	3,000.13	21,000	30,003.32	5,250.00	-	4,593.92

Status: Comply

E.5.2

In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.

BPM does not use outsourced activity to independent palm kernel crusher. The BPM sold the entire kernel.

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	Since the RSPO certificate achieved on June 26th 2014, PTPrima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi have neither use the certificate logo whether on-productoroff-product yet.	√
	Status: NA	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-3	Since the RSPO certificate achieved on June 26th 2014, PTPrima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi have neither use the certificate logo whether on-productoroff-product yet.	√
	Status: NA	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-3	Since the RSPO certificate achieved on June 26th 2014, PTPrima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi have neither use the certificate logo whether on-productoroff-product yet.	√
	Status: NA	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-3	Since the RSPO certificate achieved on June 26th 2014, PTPrima Mitrajaya Mandiri and PT Teguh Jayaprima Abadi have neither use the certificate logo whether on-productoroff-product yet.	√
	Status: NA	

3.4 Summary of RSPO Partial Certification

Compliance of the uncertified management units of MP Evans Group PLC 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.

MP Evans Group PLC Time Bound Plan (TBP) is explained in table 1.10. MP Evans Group PLC has sixteen (16) management units with three (3) mills. MP Evans Group PLC has informed the TBP progress, MUTU has considered that MP Evans Group PLC is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by MP Evans Group PLC on 7 October 2016.

MUTU has verified partial certification for un-certified unit's subsidiary of MP Evans Group PLC based on their Time Bound Plan. There are one (1) uncertified mills and six (6) uncertified estates of MP Evans Group PLC. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There 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 MP Evans Group PLC</p> <p>Auditor verification Based on the document review, there is a company internal audit that was conducted on 20 and 21 February 2017 and the positive assurance is at this table that is also been verified.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<ul style="list-style-type: none"> - PT. Simpang Kiri Plantation Indonesia. RACP is not applied for this unit because the last land clearing was conducted before November 2005. The unit does not have mill. - PT. Gunung Pelawan Lestari, The unit is not applied RACP since the land clearing was done after the study of environmental (biodiversity value) and social impact assessment of palm oil development in May 2005 by Environmental Management & Monitoring Pty Ltd. - The unit re-identify HCV and SIA assessment on January 2013 by Aksenta Consultant and has also conducted NPP to PT Gunung Pelawan Lestari on

		<p>17 December 2013 by Certification Body of Control Union.</p> <p>- PT. Evans Lestari (PT.EL) has conducted HCV and SIA identification by Forestry Faculty of Institute Pertanian Bogor (IPB) on March 2013 led by Dr. Ir. Jarwadi Budi Hernowo Msc. before land clearing, therefore the unit has no liability related to RACP. PT Evans Lestari also conducted NPP on 17 December 2013 conducted by Certification Body of Control Union.</p> <p>Auditor verification Based on internal audit results and evidence provided (communication to RSPO on liability disclosure) the three uncertified units of:</p> <p>PT Simpang Kiri Plantation Indonesia: Last land clearing happened before November 2005 and there is no new land clearing of new planting.</p> <p>PT Gunung Pelawan Lestari Has conducted environmental and social impact assessment before land clearing. Liability of disclosure has been sent to ke RSPO Compensation Team on 23 July 2014.</p> <p>PT Evans Lestari Land clearing was conducted after November 2005 but has been first conducted HCV identification before land clearing. Liability of disclosure has been sent to RSPO Compensation Team on 23 July 2014.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>New planting/land clearing after 1st January 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 Gunung Pelawan Lestari and PT Evans Lestari 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 Based on evidence provided, the company merely conducted planting on the area that has been compensated from the land owner by FPIC. The documentation of each land compensation/leasing is documented.</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 no 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 no indication of labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries and also from stakeholder consultation during 1st surveillance audit of the PT PMM.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Yes, there is process for land legality.</p> <p>Auditor verification Land legal process is still going on and there is a detail update progress documented by the company for each year.</p> <p>Update legal for PT Pelawan Lestari: the unit has got clear land deed and no new plantation area expansion.</p> <p>Update legal for PT Pelawan Lestari: new HGU proposal for company owned estate and KKPS of the company</p> <p>Update legal for PT Evans Lestari: the company has got plantation business permit (IUP) from Bupati Decree of Musi Rawas No. 891/KPTS/Disbun/2012 dated 12 November 2012 for 20,000 ha. It is in accordance with the scale of the company location permit (Decree of Bupati Musi Rawas No. 578/KPTS/BPM=PTP/2012 dated 30 October 2012 for 20,000 ha). However the location permit has been expired – need further HGU process information or any other legal process.</p>

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	: Bukti Bagja
Date Issued	: 20 May 2016	Time Limit	: ASA 3
NC Grade	: Minor	Date of Closing	: 03 May 2017
Standard Ref. & Requirement	5.1.3 Pelaksanaan Pengelolaan dan Pemantauan Lingkungan Implementation of Environmental Management and Monitoring		
Non-Conformance Description & Evidence observed Implementation of Environmental Management and Monitoring Implementation of monitoring to the environmental impact has not been in accordance with AMDAL documents, that is: <ul style="list-style-type: none"> - Monitoring of public health does not include communities around the company in generally, is still limited to people who become employees. - Does not attached a evidence from implementation of social impact monitoring. - There are no adequate evaluation for results of environmental impact monitoring to determine the effectiveness of the reduction from negative impact, for example: not available for evaluation of surface water quality parameters that do not match the quality standards 			
Root Cause Analysis Lack of PIC knowledge related to guidelines for preparation of RKL / RPL implementation report which refers to KepMenLH No. 45 in 2005 so that the RKL / RPL implementation report is not in accordance with the direction of the EIA document.			
Corrective Action <ol style="list-style-type: none"> 1. Provide training for staff and administration Sustainability & Certification as PIC in preparation of RKL/RPL implementation report with training materials referring to KepMenLH No. 45 year 2005 on Guidelines for Preparation of RKL/RPL Implementation Report. Training was held on August 24, 2016 (documentation attached). 2. Prepare the report on the implementation of RKL / RPL semester 1 and 2 of 2016 in accordance with the direction of AMDAL documents, among others: <ul style="list-style-type: none"> • Public health monitoring by recording in relation to the type of illness based on data visited in Public Health Center Muara Kaman District, Public Health Center Kota Bangun District and Evans Clinic for period January – June 2016 and July – December 2016. • Attach evidence of implementation of social impact monitoring in the form of questionnaires filled out by villagers of Loleng Village, Kaman Ilir Village, Benua Puhun Village, Lebak Mantan Village, Lebaho Ulaq Village and Bukit Jering Village on the impact of PT PMM and PT TJA for the village community. • The addition of information on Trend and Critical Evaluation of all environmental management and monitoring activities undertaken in accordance with the direction of the EIA document. For example, the results of surface test of PT PMM period 2015 - 2016 for parameters of COD and BOD exceeds the quality standard, the evaluation results stated that due to the rainy season that makes the volume of water and the content of organic waste increases and meets the water body. The Company undertakes necessary remedial measures to mitigate the negative impacts of its operations. (Report on RKL/RPL implementation semester 1 and 2 of 2016 is attached). 			
Preventive Action Ensure that the RKL/RPL implementation report complies with the RKL/RPL Implementation Report Guidelines by reviewing the RKL/RPL implementation report before submitting to Environment Agency in Kutai Kartanegara Regency. The reviewed report will be signed by Sustainability & Certification Manager.			
Assessor Evaluation and Conclusion Observation 3 May 2017			

Based on the results of review document of RKL/RPL implementation report semester 1 and 2 year 2016 known PT PMM and PT TJA have conducted environmental impact monitoring in accordance with the direction of EIA document so that no Nonconformity. 2016.01 otherwise fulfilled.

Verified by : **Naila Karima**

NCR No.	: 2016.2	Issued by	: Ardiansyah
Date Issued	: 20 May 2016	Time Limit	: ASA 3
NC Grade	: Minor	Date of Closing	: 05 May 2017
Standard Ref. & Requirement	: RSPO Certification System 4.2.4.e		
Non-Conformance Description & Evidence observed (filled by auditor): There operational activities on planting since January 1, 2010 in PT PMM, which is a subsidiary of MP Evans Plc which has not fulfill the RSPO New Planting Procedure.			
Root Cause Analysis (filled by organization audited): Lack of coordination and internal monitoring.			
Corrective Action (filled by organization audited): Based on the results of Round Table 13 in Bangkok November 2016 does not need to be done NPP. But the company is committed to keep doing HCV, SEIA, HCS & LUC analyzes by a second party / consultant (Bioref IPB) reporting progress			
Preventive Action (filled by organization audited): Provide action plans and time-bound plans for NPP compliance			
Assessor Evaluation and Conclusion (filled by auditor): Based on the announcement on December 21, 2015 on Sanctions that do not perform NPP, it is explained that the area opened in 2010 without doing NPP can not conduct CSPO and CSPK transactions during the first 3 years. So that subsidiary MP Evans Plc in PT.PMM which opened the land on January 1, 2010 before November 2016 is Koperasi "Sawit Etam Bersama" covering 237.89 Ha, Koperasi "Maju Membangun" covering 178.95 Ha and Koperasi "Tanah Sama" of 211.32 Ha (outside Scope) are subject to such sanctions and may not conduct CSPO and CSPK transactions during the first 3 years of certification. Based on the above explanation, the Non-Conformity No. 2016.02 is declared as fulfilled and the area becomes the record of sanctioned areas according to December 21, 2015			
Verified by	: Muhammad Rinaldi		

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

NCR No. :		Issued by :	
Date Issued :		Time Limit :	
NC Grade :		Date of Closing :	
Standard Ref. & Requirement :			
Non-Conformance Description & Evidence observed (filled by auditor): During surveillance-1 conducted, Bumi Permai Mill and it estate supplier has shown the implementation over the RSPO standard. Therefore, no nonconformity found.			
Root Cause Analysis (filled by organization audited): -			
Corrective Action (filled by organization audited): -			
Preventive Action (filled by organization audited): -			
Assessor Evaluation and Conclusion (filled by auditor): -			
Verified by :			

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	1.1.1	The provision of information and transparency to the entire Cooperative and its members
2	2.2.5	The company has the opportunity to improve the quality of the map by identifying all land ownership in areas not yet owned
3	4.6.4	<ul style="list-style-type: none"> Evaluate the use of alternative herbicides of other types instead of paraquat active ingredients Reduction of the use of Rodenticide based on active Brodifakum (Ratgone 0.005 BB Type IA WHO) with the development of natural enemies of rat pest
4	4.7.4	Changes of P2K3 team management and maintenance of extension OHS Expert.
5	4.7.5	Evaluation of the recommendations of the first-aid box refers to the hazards of occupational risk throughout the operational and documented activities.
6	6.3.2	Follow up on complaints related to the replacement of PPE and lifetime evaluation

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1.	-	The company has commitment to implement sustainable estate principles.
2.	-	The company has high quality human resource who competence in each division.
3.	-	The company has unit Biogas Plant to utilize the waste to produce electricity.

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Labour Agency District of Kutai Kartanegara (Head of Industrial Relations)</p> <ul style="list-style-type: none"> Based on interview with the Industrial Relations Section, the current presence of labor inspectors is at the Provincial level. Reporting related employment is all directed at the provincial / local level so that the information provided is very limited. Some reports submitted employment have no delivered to the district of Labour Agency. For example reporting Guiding Committee of OHS and annually employment report. The Company has applied minimum wage standard (UMK). 	<p>The company has adjusted the minimum wage is in accordance with the regulations. Based on the Decree of the Governor of Kalimantan Timur No.561 / K.647 / 2016 dated December 21, 2016 on Determination of UMK Kukar in 2017 amounting to Rp 2,495,162.50 / month. This has been further verified in indicator 6.5.1</p>
<p>Environment Agency (DLH) District of Kutai Kartanegara</p> <ul style="list-style-type: none"> There are no pollution issues reported by the community related of the company's operational activities. Environmental reports have been submitted regularly such as enviromental management and monitoring plan, liquid waste recording and hazardous waste. The Company has hazardous waste management license based on Kutai Kartanegara Regent Decree No.660.1 / 129 / BLHD-1/2016, set on June 27, 2016. The Company has Land Application license valid for 5 years. Hazardous waste temporary warehouse permit will be exhausted this year, but there is a new permit management that has already reached the verification stage from the agency to the field in March 2017. The company has sent a fire report regularly through enviromental management and monitoring plan reports (RKL RPL). 	<p>In accordance with criteria 1.1; 4.4; 5.1 and 5.3</p>
<p>National Land Agency District of Kutai Kartanegara.</p> <ul style="list-style-type: none"> No more new Location Permissions. Currently, the management of Land Use title in PT PMM is completed. As for the progress of the management of Land Use Title PT TJA is still not completed. Currently it has come to the discussion in the committee B / meeting location by inviting from the stakeholder → submission to regional office of National Land Agency → recommendation to the headquarters. Some of the estate of PT TJA have been excluded from the Land Use maps because they include former transmigration land but have been abandoned by their owners. The former land of transmigration is then transformed into a community garden. After that there is a process of returning the boundary that creates a conflict with a total area of 245 Ha and this has been resolved by 2015. 	<p>In accordance with criteria 1.1; 2.2; 2.3; 6.3 and 6.4</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> Report of Plantation Business Activity (LKUP) has been sent regularly to the agency. There are no reports of land conflicts. Response of information requests by companies is good. The aspirations conveyed by the community through the agency for example is the community's expectation that the Mill can receive FFB from the community garden. 	
<p>Plantation Agency District of Kutai Kartanegara</p> <ul style="list-style-type: none"> The Company has sent a Regular Plantation Development Report. The last is the second semester of 2016, where the information on the use of HGU has been informed. Plantation class in 2015: class II Fire infrastructure still needs to be improved. 	In accordance with criteria 1.1 and 4.7
<p>Village Head and villagers</p> <ul style="list-style-type: none"> The company had a positive impact in the form of the opening of access roads, labor absorption and construction of various facilities and infrastructure including the development of smallholdings since 2006/2007. The company has always responded to each of the aspirations and grievances. Communication and consultation procedure has been understood by the public. Community and village board had no difficulty in communicate to companies because there is a public relations officer which responsible for the social issues and CSR. Currently there are no cases of land disputes that occurred between the plantation and the community. There was never any issue of environmental pollution in the surrounding villages both of water and air pollution. The company is quite intense to socialize protection of conservation areas and the protection of flora and fauna in all the surrounding villages. Management of plasma is transparent enough. Monthly meetings with the company is doing well, companies often explain directly the financial management of smallholdings in the village meetings. <p>Aspiration</p> <ul style="list-style-type: none"> The company should be willing to accept FFB from outside (independent smallholders) Citizens expect the company remains committed to development the smallholdings and CSR although company leaders keep changing. 	In accordance with criteria 2.2; 5.1; 5.2; 6.1; 6.2; 6.4; 6.5; 6.8; 6.10 and 7.3.
<p>Local contractor (FFB transport and up keep):</p> <ul style="list-style-type: none"> Each contractor has had a copy of the agreement letter that mutually agreed. Contractors are given time to learn agreements letter which will be agreed. The payment has been made in accordance with the agreement letter that is 2 times in a month Contractor's workers has given PPE. 	In accordance with criteria 4.7; 5.2; 6.5; 6.8 and 6.10

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> • The company always gave a briefing before working either to workers of the company or contractor workers • No cases of disputes between the contractor and the company. • No discrimination in provision of employment. Provision of employment is done based on ability • There have been no cases of violations committed by contractor's workers against to the directive of the company. • The contractor provides first aid equipment for workers. If an accident occurs on the field it will be the responsibility of the contractor. • The contractor expects the company to help the contractor's workers went to the clinic in case of accident and continue to provide housing for contractor's workers who do not have a place to stay. 	
<p>Bipartite Cooperation Institution</p> <ul style="list-style-type: none"> • Communication between the company and workers' representatives goes well. • Meetings are held every three months, which was attended by representatives of workers and employers. the last meeting was conducted in April 2017. • Wages in accordance with the minimum wage of Kutai Kartanegara Districts of 2017 • All workers (contract and permanent) have been registered in BPJS program. • Workers from the local area and from outside the region • The company does not discriminate against workers both from the reception to the promotion. Promotion is based on employee performance appraisals. • Facilities for workers consist of school transport, housing, electricity, clean water, sports facilities, religious facilities. • During the period 2016 – 2017 there are no issues related to employment • Each worker has been complemented with working agreement that mutually agreed. • Sanctions that are regulated by the company has been known by workers, including sanctions against the destruction of HCV. 	<p>In accordance with criteria 2.1; 4.7; 5.2; 6.2; 6.5; 6.6 and 6.8.</p>
<p>Gender Committee of Mahakam Estate, Kahoi Estate and Prima Estate</p> <ul style="list-style-type: none"> • Policy on protection against sexual harassment and violence has been socialized to workers and workers' families. • Policy related to reproductive rights are known by workers. • Access to buy adequate food can be reached easily, in the worker housing there are cooperatives and shops that sell basic needs, there are also pitchman that selling basic needs which come every day. 	<p>In accordance with criteria 6.2; 6.5 and 6.9</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none">• The specific complaints mechanism been communicated well through gender committee.• Reporter's identity for grievances will be kept confidential.• There is no issue of sexual harassment in the period 2016 – 2017.	

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 and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.

Signed on behalf of:

PT Prima Mitrajaya Mandiri &
PT Teguh Jaya Abadi
MP Evans Group PLC

Head of Operation Agronomy



Sivabalan Subbiah
Friday, 02 June 2017

Mutuagung Lestari

Lead Auditor



Muhammad Rinaldi
Friday, 02 June 2017

APPENDICES

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

No	Institution/NGO/ Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	Yes
1	National Land Agency	Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
2	Plantation Agency	Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
3	Environment Agency	Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
4	Labor Agency	Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
5	Head of Bunga Jadi Village	Bunga Jadi Village, Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
6	Officer of Koperasi Mitra Sawit Mandiri	Muara Kaman Ilir Village, Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
7	Head of Muara Kaman Hilir Village	Muara Kaman Ilir Village, Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
8	Head Of Koperasi Mitra Sejahtera	Bunga Jadi Village, Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
9	Bipartite Cooperative institution From PT. PMM & PT.TJA	Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
10	Head Of Loleng Village	Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
11	Gender committee	Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
12	Local contractor (Maintenance Contractor, FFB Transport, Compost Aplicator Contractor)	Kutai Kartanegara District, Kalimantan Timur Province	-	Interview	May 2 nd , 2017	√	
13	WWF	Jakarta, Indonesia	indonesia@wwf.or.id	email	April 20 th , 2017		√
14	Sawit Watch	Jakarta, Indonesia	info@sawitwatch.or.id	email	April 20 th , 2017		√
15	Wahana Lingkungan Hidup	Jakarta, Indonesia	Informasi@walhi.or.id	email	April 20 th , 2017		√

Appendix 2. Assessment Program

DATE	1 st to 6 th May 2017	
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 1 May 2017		
06.00 – 08.00 08.30 –	JAKARTA → BALIKPAPAN BALIKPAPAN → SITE	• RNL, ON, NKA, DHY, AFF
Tuesday, 2 May 2017		
07.30 – 08.30	OPENING MEETING • (Brief Introduction, Audit scope confirmation, Standards Use, Audit Objectives and Audit Agenda Explanation)	• RNL, ON, NKA, DHY, AFF
07.00 – 13.00	Stakeholders consultation: • Related Government Institution (Kutai Kartanegara District Government and local NGO) • Labour union / LKS Bipartit, Gender Committee and local contractor & contractor worker	• NKA, AFF • DHY
08.30 – 12.00	Field Observation to Bumi Permai POM • WWTP (IPAL), Land Application (LA), Hazardous Waste Material (B3) management, Water Treatment Plant (WTP), K3 (OHS) • Supply Chain • WWTP, Composting area and Biogas Plant	• RNL, ON
12.00 – 14.00	BREAK	
14.00 – 17.00	Document Review: • Review of Previous Visit Non-conformance (ASA-2) • Collect Basic Information (Mill and Estates) • Review of Partial Certification and Time Bound Plan	• RNL, ON, NKA, DHY, AFF
Wednesday, 3 May 2017		
07.30 – 12.00	Field Observation MAHAKAM Estate • Legal Operational (Boundary Poles Monitoring). • Conservation (HCV Area, Soil Erosion) • Waste management (Chemical Storage, Schedule Waste storage, ect..) • Best Agricultural Practices (Manuring, Spraying, Harvesting, Integrated Pest Management, Empty Fruit Bunch Application, Land Application, Health and Safety Implementation) • Land Fire ERT facilities • Worker Welfare (housing, payments, complaint mechanism, Safety and Health, Child Labour, health clinic, clean water, etc..)	• RNL, ON • NKA • NKA • AFF • DHY
10.30 – 12.00	Stakeholders consultation: • Local Villagers & Scheme Smallholders member (Bunga Jadi Village & Mitra Sejahtera Abadi Cooperative)	• RNL, ON

12.00 – 14.00	BREAK	
14.00 – 15.00	Continue Field Observation and outstanding issue.	<ul style="list-style-type: none"> • RNL, ON, NKA, DHY, AFF
15.00 – 17.00	Continue checklist completion & Clarification of Public Consultation and field observation	<ul style="list-style-type: none"> • RNL, ON, NKA, DHY, AFF
Thursday, 4 May 2017		
07.30 – 12.00	Field Observation KAHOI Estate <ul style="list-style-type: none"> • Legal Operational (Boundary Poles Monitoring). • Conservation (HCV Area, Soil Erosion) • Waste management (Chemical Storage, Schedule Waste storage, ect..) • Best Agricultural Practices (Manuring, Spraying, Harvesting, Integrated Pest Management, Empty Fruit Bunch Application, Land Application, Health and Safety Implementation) • Land Fire ERT facilities • Worker Welfare (housing, payments, complaint mechanism, Safety and Health, Child Labour, health clinic, clean water, etc..) 	<ul style="list-style-type: none"> • RNL, ON • NKA • NKA • AFF • DHY
10.30 – 12.00	Stakeholders consultation: <ul style="list-style-type: none"> • Local Villagers & Scheme Smallholders member (Muara Kaman Hilir Village & Mitra Sawit Mandiri Cooperative) 	<ul style="list-style-type: none"> • RNL, ON
12.00 – 14.00	BREAK	
14.00 – 15.00	Continue Field Observation and outstanding issue.	<ul style="list-style-type: none"> • RNL, ON, NKA, DHY, AFF
15.00 – 17.00	Continue checklist completion & Clarification of Public Consultation and field observation	<ul style="list-style-type: none"> • RNL, ON, NKA, DHY, AFF
Friday, 5 May 2017		
07.30 – 12.00	Field Observation PRIMA Estate <ul style="list-style-type: none"> • Legal Operational (Boundary Poles Monitoring). • Conservation (HCV Area, Soil Erosion) • Waste management (Chemical Storage, Schedule Waste storage, ect..) • Best Agricultural Practices (Manuring, Spraying, Harvesting, Integrated Pest Management, Empty Fruit Bunch Application, Land Application, Health and Safety Implementation) • Land Fire ERT facilities • Worker Welfare (housing, payments, complaint mechanism, Safety and Health, Child Labour, health clinic, clean water, etc..) 	<ul style="list-style-type: none"> • RNL, ON • NKA • NKA • AFF • DHY
10.30 – 12.00	Stakeholders consultation: <ul style="list-style-type: none"> • Local Villagers (Loleng Village) 	<ul style="list-style-type: none"> • RNL, ON
12.00 – 13.30	BREAK	
13.30 – 15.00	Continue checklist completion & Clarification of Public Consultation and field observation	

14.00 – 15.00	Audit Finding Preparation and Conclusion	<ul style="list-style-type: none"> • RNL, ON, NKA, DHY, AFF • RNL, ON, NKA, DHY, AFF
18.30 – 20.00		
Saturday, 6 May 2017		
08.00 – 12.00	SITE → BALIK PAPAN BALIKPAPAN → JAKARTA	RNL, ON, NKA, DHY, AFF
13.00 –		