

*Roundtable on Sustainable Palm Oil Certification
RSPO*

Stage-1
 Stage-2
 Surveillance
 Re-Certification

Name of Management Organisation : Mandah Palm Oil Mill – PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation Sdn Bhd
 Plantation Name : Mandah Estate and Rotan Semelur Estate
 Location : Village of Bente, Sub District of Mandah, District of Indragiri Hilir, Province of Riau, Indonesia
 Certificate Code : **MUTU-RSPO/036**
 Date of Certificate Issue : 01 April 2014 Date of License Issue : 01 April 2017
 Date of Certificate Expiry : 31 March 2019 Date of License Expiry : 31 March 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	13-18 February 2017	Trismadi Nurbayuto (Lead Auditor), Andi Pratama Pasaribu, Yohanes Hardian, Rizliani Aprianita Hasibuan	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	18 April 2017

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Figure 1. Location Map of PT Bhumireksa Nusasejati



Figure 2. Operational Map of PT Bhumireksa Nusasejati

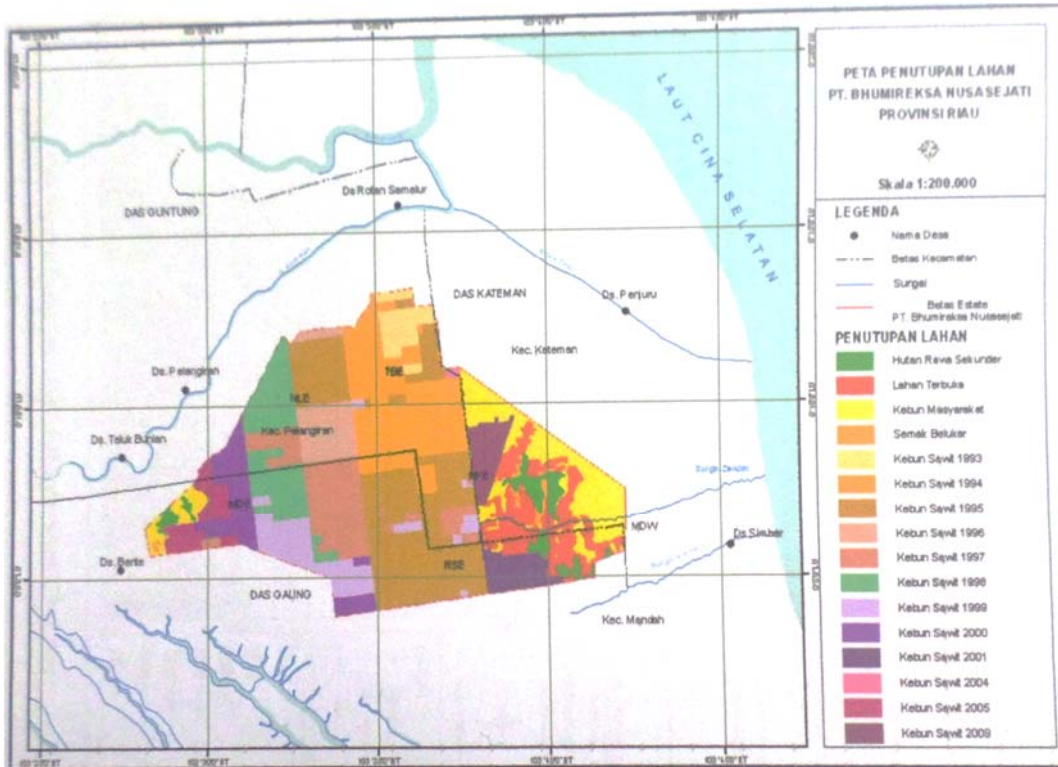
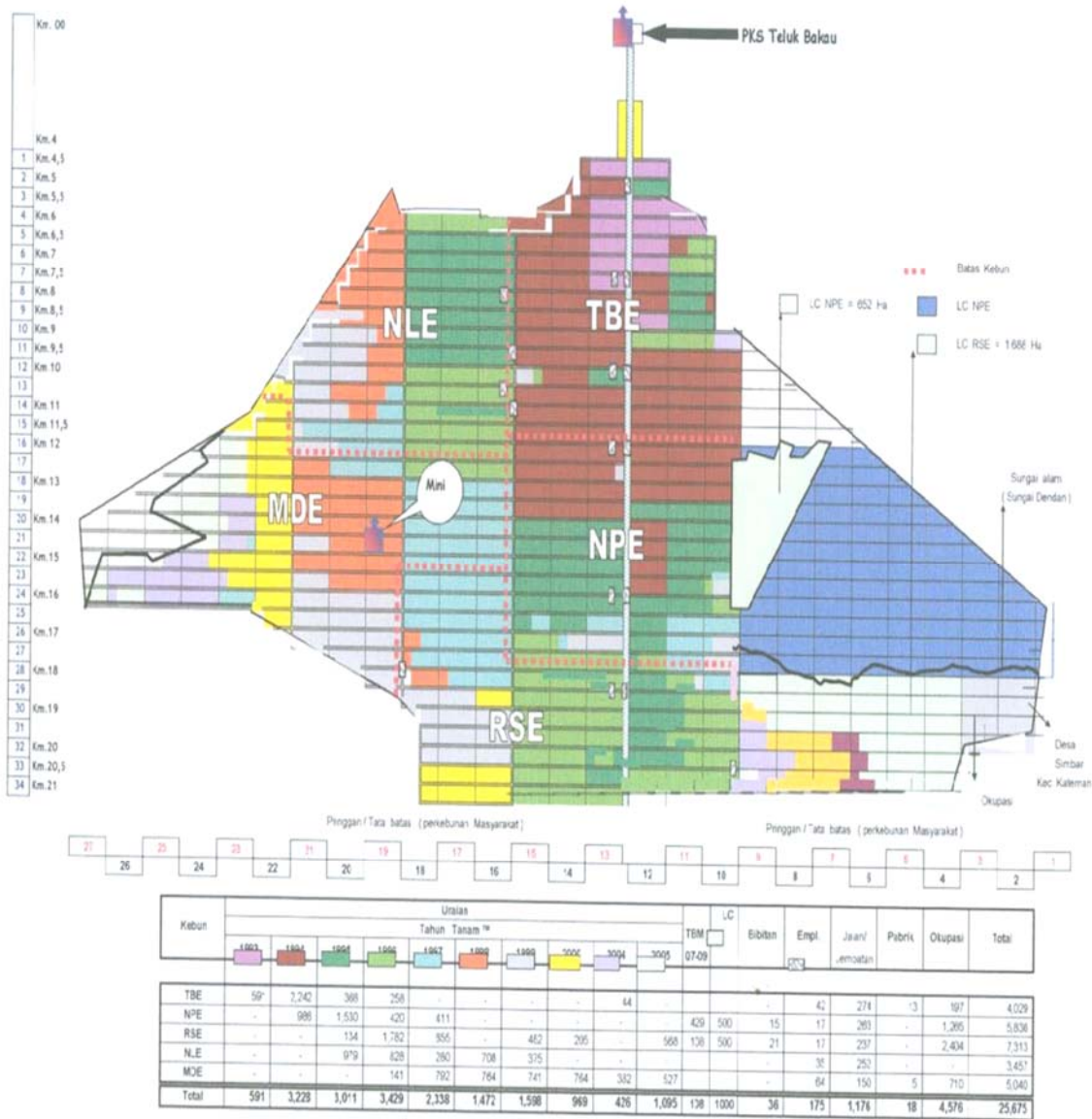


Figure 2. Operational Map of PT Bhumireksa Nusasejati



Abbreviations Used

AMDAL / SEIA	:	<i>Analisis Mengenai Dampak Lingkungan</i> (Social and Environmental Impact Assessment)
BNS	:	Bhumireksa Nusasejati
BOD	:	Biological Oxygen Demand
BPJS TK	:	<i>Badan Penyelenggara Jaminan Sosial Tenaga Kerja</i> (Social Security Administrator for worker)
BPJS Kesehatan	:	<i>Badan Penyelenggara Jaminan Sosial Kesehatan</i> (Social Security Administrator of Health)
BPN	:	<i>Badan Pertanahan Nasional</i> (National Land Agency)
CECT	:	Closed End Conservation Trench
CSR	:	Corporate Social Responsibility
CPO	:	Crude Palm Oil
EFB	:	Empty Fruit Bunch
ESH	:	Environment and Occupational Safety and Health
FFB	:	Fresh Fruit Bunches
GM	:	General Manager
HCV	:	<i>High Conservation Value</i> (Nilai Konservasi Tinggi)
HGU	:	<i>Hak Guna Usaha</i> . (Land Use Title)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
IPM	:	Integrated Pest Management
ISPO	:	Indonesian Sustainable Palm Oil
IUP	:	<i>Izin Usaha Perkebunan</i> . (Plantation Business License)
JAMSOSTEK	:	<i>Jaminan Sosial Tenaga Kerja</i> (Social Assurance of Labor)
JAMKESMAS	:	<i>Jaminan Kesehatan Masyarakat</i> (community health security from government to the underprivileged)
KK	:	<i>Kartu Keluarga</i> (letters which describe the Family members)
KTP	:	<i>Kartu Tanda Penduduk</i> (Personal Identity Card)
LUCA	:	Land Use Change Analysis
MDE	:	Mandah Estate
MRC	:	Minamas Research Centre
NC	:	Non Conformity
NLE	:	Nusa Lestari Estate
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan and Kesehatan Kerja</i> (Occupational Safety and Health Committee)
PK	:	Palm Kernel
PKO	:	Palm Kernel Oil
POM	:	Palm Oil Mill
PPE	:	Personal Protection Equipment
PSD	:	Plantation Services Departement
PSQM-EHS	:	Plantation Sustainability and Quality Management-Environment Health and Safety
RKL/RPL	:	(Environmental Management and Monitoring Plan)
RSE	:	Rotan Semelur Estate
RSPO	:	Roundtable on Sustainable Palm Oil
SIA	:	Social Impact Assessment
SCCS	:	Supply Chain Certification System
SOP	:	Standard Operating Procedure
SOU	:	Strategic Operation Unit
UKL/UPL	:	(Environmental Management and Monitoring Efforts)
WWTP	:	Wastewater Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016 RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill) 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Bhumireksa Nusasejati – Sime Darby Plantation Sdn. Bhd.	
1.2.2	Contact person	Mohamad Pirabaharan (Head of PSQM Plantation Minamas Indonesia)	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> Head Office : SIME DARBY Plantation Sdn Bhd No 2, Plantation Tower Jalan PJU 1A/7 Petaling Jaya, Malaysia 47301 Representative offices submission of applications: The Plaza Office Tower, 36th Floor, Jl. M. H. Thamrin Kav. 28 – 30, Jakarta 10350 	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	mohamad.pirabaharan@simedarby.com	
1.2.7	Web page address	www.simedarby.com	
1.2.8	Management Representative who completed the application for certification	Mohamad Pirabaharan (Head of PSQM Plantation Minamas Indonesia)	
1.2.9	Registered as RSPO member	1-0008-04-000-00 – 7 September 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base <ul style="list-style-type: none"> Mandah Palm Oil Mill, Mandah Estate and Rotan Semelur 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
	Mandah POM	Bente Village, Mandah Sub-district, Indragiri Hilir District, Riau Province., Indonesia	00° 06' 57.5" S 103° 32' 56.9" E
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	GPS
			Latitude Longitude
	Mandah Estate	Rotan Semelur Village, Pelangiran Sub-district, Indragiri Hilir District, Riau Province., Indonesia	00° 03' 50" - 00° 07' 30" S 103° 31' 17" - 103° 40' 56" E

	Rotan Semelur Estate	Rotan Semelur Village, Pelangiran Sub-district, Indragiri Hilir District, Riau Province., Indonesia	00° 05' 41" - 00° 09' 40" S	103° 28' 28" - 103° 34' 34" E
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State	a. HGU (land title) certificate Number 01 dated 23 May 1996 for 13,900 Ha* b. HGU (land title) certificate Number 02 dated 23 May 1996 for 11,762 Ha*		
		*HGU for all estate under PT BNS		
	• Community			
1.5.2	Area Statement			
	Total area			12,366.18 Ha
	Mature area			7,384.00 Ha
	Immature area			441.00 Ha
	Mill			14.00 Ha
	Emplacement			115.18 Ha
	Infrastructure			384.00 Ha
	Occupation			2,908.08 Ha
	HCV			*705.92 Ha
	Replanting (until audit activity)			414.00 Ha
<i>Noted: Current conditions HCV area is public land planted with coconut</i>				
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Mandah Estate (Ha)	Rotan Semelur Estate (Ha)	Total (Ha)
	1996	0	942	942.00
	1997	576.00	846.00	1,422.00
	1998	810.00	0	810.00
	1999	645.00	482.00	1,127.00
	2000	642.00	205.00	847.00
	2004	521.00	0	521.00
	2005	510.00	568.00	1,078.00
	2007	0	108.00	108.00
	2014*	0	529.00	529.00
	2016*	276.00	165.00	441.00
	TOTAL	3,980.00	3,845.00	7,825.00
1.6.2	New Planting area after January 2010	---		Ha
1.6.3	Planting Cycle	25 Years		
1.7	Description of Mill and Supply Base			

1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Mandah POM	45	117,324.07	26,324.69	22.44	5,103.99	4.35
	<i>*Production data from February 2016 to January 2017</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Mandah Estate	5,053.18	3,980.00	63,287.51	17.09	63,287.51	100
	Rotan Semelur Estate	7,313.00	3,845.00	45,963.12	12.49	45,963.12	100
	TOTAL	12,336.18	7,825.00	109,250.63	14.80	109,250.63	100
	<i>*Production data from February 2016 to January 2017</i>						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location	Supplied to Mill			
				FFB (tonnes/year)			
	Teluk Bakau Estate (RSPO Certified)	PT Bhumireksa Nusasejati	Sub District Mandah; District Indragiri Hilir; Province of Riau	962,762.00			
	Nusa Perkasa Estate (RSPO Certified)	PT Bhumireksa Nusasejati	Sub District Mandah; District Indragiri Hilir; Province of Riau	3,785.58			
	Nusa Lestari Estate (RSPO Certified)	PT Bhumireksa Nusasejati	Sub District Mandah; District Indragiri Hilir; Province of Riau	3,325.09			
	TOTAL				8,073.44		
	<i>*Production data from February 2016 to January 2017</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 1 April 2016 to 31 March 2017 (tonnes/year)		Actual certified product 1 April 2016 to 11 February 2017 (tonnes/year)	
	• FFB Production			134,317		93,378.01	
	• CPO Production			31,564		21,531.21	
	• Palm Kernel (PK) Production			6,179		4,155.20	
1.8.2	Estimate of Certified FFB Claim						
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Mandah Estate	5,053.18	3,980.00	67,718.00	17.01		
	Rotan Semelur Estate	7,313.00	3,980.00	49,181.00	12.36		
	TOTAL	12,336.18	7,825.00	116,899.00	14.69		
	<i>*Projected FFB production for 1 April 2017 to 31 March 2018</i>						
1.8.3	Estimate of Certified Palm Product Claim						
5,377	Name of Mill	Capacity	FFB	CPO		Palm Kernel	

	(tonnes/ hour)	Processed (tonnes/year)	Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
Mandah POM	45	116,899	27,471	23.50	5,377	4.60
<i>*Projected CSPO and CSPK production for 1 April 2017 to 31 March 2018</i>						
1.9	Other Certifications					
	ISO 9001:2008		-			
	ISO 14001: 2004		-			
	OHSAS 18001:2007		-			
	ISCC		-			
	Others		ISPO (Certified number MUTU-ISPO/078) Since April 05 th 2017 until April 04 th 2022)			
1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
	Management Unit		Supply Base	Time Bound Plan	Location	Status
	Mill	Time Bound Plan				
	INDONESIA					
	Sekunzir. PT. Indotruba Tengah	2010	Sekunzir	2010	Seruyan and West Kotawaringin District – Central Kalimantan	Certified
			Seruyan	2010		Certified
	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District – Riau	Certified
			Manggala 2	2010		Certified
			Manggala 3	2010		Certified
	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District –West Kalimantan	Certified
			East	2010		Certified
			Sei Mawang	2018		-
			East Plasma	2010		Certified
			West Plasma	2010		Certified
	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	Pekanbaru, Siak District – Riau	Certified
			Pinang Sebatang	2011		Certified
			Aneka Persada	2011		Certified
	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District – South Sumatera	Certified
			Bukit Pinang	2012		Certified
	Pematang. PT. Teguh Sempurna	2011	Pematang	2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
			Kawan Batu	2011		Certified
			Hatan Tiring	2011		Certified
			Batang Garing	2011		Certified
	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District – Riau	Certified
	Teluk Bakau. PT. Bhumireksa	2011	Teluk Bakau	2011	Indra Giri Hilir District – Riau	Certified
			Nusa Perkasa	2011		Certified

Nusa Sejati		Nusa Lestari	2011		Certified
Mandah. PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indra Giri Hilir District – Riau	Certified
		Rotan Semelur	2011		Certified
Angsana Mini. PT Sajang Heulang	2011	KKPA-1 PT.SHE	2013	Tanah Bumbu District – South Kalimantan	Certified
		Pantai Bonati	2011		Certified
Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District – South Kalimantan	Certified
		Gunung Sari	2011		Certified
		KKPA-4 PT.SHE	2013		Certified
Mustika. PT Sajang Heulang	2013	Mustika		Tanah Bumbu District – South Kalimantan	Certified
		KKPA-2 PT.SHE	2013		Certified
		KKPA-3 PT.SHE	2013		Certified
		KKPA-5 PT.SHE	2013		Certified
		SAP 1	2020		ST-2
Gunung Aru. PT Bersama Sejahtea Sakti	2011	Gunung Aru	2011	Kotabaru District – South Kalimantan	Certified
		Gunung Kemasam	2011		Certified
		Laut Timur	2011		Certified
		Pantai Timur	2011		Certified
		KKPA BSS	2020		-
Bebunga. PT. Langgeng Muaramakmur	2011	Sungai Cengal	2011	Kotabaru District – South Kalimantan	Certified
		Bebunga	2011		Certified
		KKPA Sungai Cengal	2014		Certified
Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011	Seruyan and East Kotawaringin District – Central Kalimantan	Certified
		Sapiri	2011		Certified
		Barasdanum	2011		Certified
		Kuala Kuayan	2011		Certified
Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	Kotabaru District – South Kalimantan	Certified
		Pondok Labu	2012		Certified
		Rampa	2012		Certified
		Sesulung	2012		Certified
Selabak. PT Swadaya Andhika	2012	Selabak	2012	Kotabaru District – South Kalimantan	Certified
		Randi	2012		Certified
		Sangkoh	2012		Certified
		Lanting	2012		Certified
Rantau. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District – South Kalimantan	Certified
		Matalok	2012		Certified
Betung. PT Laguna Mandiri	2014	Betung	2012	Kotabaru District – South Kalimantan	Certified
		Sekayu	2012		Certified
Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012	Morowali District – Sulawesi Tengah	Certified
		Plasma TGK	2015		Certified
Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	2012	Muaro Jambi District - Jambi	Certified
		Plasma BGR	2020		-

Rantau Panjang. PT Guthrie Peconina Indonesia	2012	Rantau Panjang	2012	Musi Banyuasin District – South Sumatera	Certified
		Bumi Ayu	2012		Certified
		Karang Ringin	2012		Certified
		Napal	2012		Certified
		Mangun Jaya	2012		Certified
		Sungai Jernih Estate and GPI KKPA	2017		-
Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam	Certified
		Batang Ara (PT PSK)	2013		Certified
		Blang Simpo-01	2013		Certified
		Blang Simpo-02	2013		Certified
MAS. PT Mitra Austral Sejahtera	2020	MAS 1	2018	Sanggau District – West Kalimantan	-
		MAS 1	2018		-
		MAS 1	2018		-
		Plasma MAS	2020		-
Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014	Ketapang District – West Kalimantan	Certified
		Awatan	2014		Certified
		Karya Palma	2018		-
		KKPA SNP	2020		-
		Pelanjau (PT BAL)	2018		-
		Sungai Putih (PT BAL)	2018		-
		Baturus (PT BAL)	2018		-
		KKPA BAL	2020		-
MALAYSIA					
Sg Dingin SOU 1	2010	Bukit Hijau	2010	Kerangan, Kedah	Certified
		Padang Buluh	2010		Certified
		Bukit Selangor	2010		Certified
		Sg Dingin	2010		Certified
		Jentayu	2010		Certified
		Anak Kuli	2010		Certified
		Somme	2010		Certified
Chersonese SOU 2	2011	Chersonese	2011	Kuala Kurau, Perak	Certified
		Holyrood	2011		Certified
		Kalumpong	2011		Certified
		Tali Ayer	2011		Certified
Elphil SOU 3	2011	Kinta Kellas	2011	Sg Siput, Perak	Certified
		Elphil	2011		Certified
		Kamuning	2011		Certified
Flemington SOU 4	2011	Flemington	2011	Teluk Intan, Perak	Certified
		Bagan Datoh	2011		Certified
		Sabak Bernam	2011		Certified
		Sg Samak	2011		Certified
Seri Intan SOU 5	2011	Seri Intan (Main Division)	2011	Teluk Intan, Perak	Certified
		Sabrang	2011		Certified
		Sg Wangi	2011		Certified
		Sogomana (Main	2011		Certified

		Division)			
Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011	Teluk Intan, Perak	Certified
		Sogomana (Cashwood & Sg Beruas Division)	2011		Certified
		Bikam	2011		Certified
		Clumy	2011		Certified
Tennamaram SOU 6	2011	Tennamaram	2011	Bestari Jaya, Selangor	Certified
		Sungei Buloh	2011		Certified
		Bkt Talang	2011		Certified
Bkt Kerayong SOU 7	2011	Bkt Kerayong	2011	Kapar, Selangor	Certified
		Bkt Cherakah	2011		Certified
		Bkt Rajah	2011		Certified
		Bkt Lagong	2011		Certified
		Elmina	2011		Certified
East SOU 8	2010	East	2010	Carey Island, Selangor	Certified
		Dusun Durian	2010		Certified
		Sepang	2010		Certified
West - SOU 9	2010	West	2010	Carey Island, Selangor	Certified
Bukit Putri - SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
Kerdau SOU 11	2011	Kerdau	2011	Temerloh, Pahang	Certified
		Jentar	2011		Certified
		Mentakab	2011		Certified
		Sg Mai	2011		Certified
		Chenor	2011		Certified
Jabor - SOU 12	2011	Jabor	2011	Kuantan, Pahang	Certified
Labu SOU 13	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
		New Labu	2011		Certified
		Bradwall	2011		Certified
Tanah Merah SOU 14	2010	Tanah Merah	2010	Port Dickson, Negeri Sembilan	Certified
		Sua Betong	2010		Certified
		Bukit Pelandok	2010		Certified
Sua Betong SOU 15	2014	Salak	2014	Port Dickson, Negeri Sembilan	Certified
		Sengkang	2014		Certified
		Siliau	2014		Certified
		PD Lukut	2014		Certified
		Sungai Baru	2014		Certified
		Tampin Linggi	2014		Certified
Kok Foh SOU 16	2011	Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
		Kok Foh	2011		Certified
		Muar River	2011		Certified
		St. Helier	2011		Certified
		Pertang	2011		Certified
		Sg Gemas	2011		Certified
		Sg Sebalang	2011		Certified
		Sg Senarut	2011		Certified
Kempas	2010	Kempas	2010	Jasin, Melaka	Certified

SOU 17		Kemuning	2010		Certified
		Tangkah	2010		Certified
Diamond Jubilee SOU 18	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
		Diamond Jubilee	2011	Certified	
		Serkam	2011	Certified	
Pagoh SOU 19	2014	Pagoh	2014	Muar, Johor	Certified
		Lanadron	2014	Certified	
		Pengkalan Bukit	2014	Certified	
		Welch	2014	Certified	
Chaah SOU 20	2010	North Labis	2010	Chaah, Johor	Certified
		Cha'ah	2010	Certified	
		Sg Simpang Kiri	2010	Certified	
Gunung Mas SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
		Kempas Klebang	2010	Certified	
		Bukit Paloh	2010	Certified	
		Yong Peng	2010	Certified	
Bukit Benut SOU 22	2011	Bukit Benut	2011	Kluang, Johor	Certified
		CEP Niyor	2011	Certified	
		Lambak / Elaeis	2011	Certified	
Ulu Remis SOU 23	2011	Pekan	2011	Layang-layang, Johor	Certified
		Sembrong	2011	Certified	
		Tun Dr. Ismail	2011	Certified	
		Ulu Remis	2011	Certified	
		Bukit Badak	2011	Certified	
		Cenas	2011	Certified	
Hadapan SOU 24	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
		Kulai	2011	Certified	
		Layang	2011	Certified	
		Seri Pulai	2011	Certified	
Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
		Tunku	2008	Certified	
		Tigowis	2008	Certified	
		Sentosa	2008	Certified	
		Saguliud	2008	Certified	
Melalap SOU 27	2011	Melalap	2011	Tenom, Sabah	Certified
		Sapong	2011	Certified	
Binuang SOU 28	2009	Tingkayu	2009	Kunak, Sabah	Certified
		Sungang	2009	Certified	
		Jelata Bumi	2009	Certified	
		Binuang	2009	Certified	
Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
		Giram	2009	Certified	
Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
		Merotai	2009	Certified	
		Table	2009	Certified	
		Tiger	2009	Certified	

Lavang SOU 31	2011	Belian	2011	Bintulu, Serawak	Certified
		Kelida	2011		Certified
		Lavang	2011		Certified
		Lavang (SE)	2011		Certified
		Rasan	2011		Certified
Rajawali SOU 32	2011	Rajawali	2011	Bintulu, Serawak	Certified
		Samudera	2011		Certified
		Semarak	2011		Certified
		Bayu	2011		Certified
Derawan SOU 33	2011	Takau	2011	Bintulu, Serawak	Certified
		Damai	2011		Certified
		Derawan	2011		Certified
		Sahua	2011		Certified
Pekaka SOU 34	2011	Chartquest	2011	Bintulu, Serawak	Certified
		Dulang	2011		Certified
		Peroh	2011		Certified
		Pekaka	2011		Certified
		Ruai	2011		Certified
<p>Sime Darby has achieved 34 management units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Sdn Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia.</p> <p>A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p> <p>There was change of the Time Bound Plan under Sime Darby on 15 April 2016 cause the Sime Darby postpone the others certification process. Change of the Time Bound Plan explanation: PT Mitra Austral Sejahtera. There are social issue still unresolved from the Serikat Petani KelapaSawit (SPKS) Sanggau, however the improvement are in progress.Sime Darby has informed the Time Bound Plan progress, MUTUAGUNG has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard				
	PT Bhumireksa Nusasejati does not receive FFB from smallholders or outgrowers.				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-3	<p>1. Trismadi Nurbayuto (Lead Auditor). Indonesian Citizen. Diploma of Forest Management from Forestry Faculty; Associate Degree of Economic from Economic and Management. He has experienced as field assistant on oil palm plantation year of 2008. Therefore he has experienced as HCV and SEIA Assessor on 2010-2013. He has been followed HCV identification and management training; ISO training (9001; 14001; 22000); ISPO Lead Auditor's training; Safety Expert; RSPO Lead Auditor's; OHS Auditors by Government Regulation No 50 year of 2012; RSPO Next and OHSAS 18001. He has been conducted audit on ISPO and RSPO scheme since year of 2013 as an Auditor on several aspect as environment, OHS, Legality, Best Management Practices, Social, Worker Welfare, Conflict Resolutions, Long term Business Plan and Supply Chain on Palm Oil Mill. During this audit, he assigned to verify Occupational Health and Safety, Time Bound Plan & Partial Certification.</p> <p>2. Andi Pratama Pasaribu (Auditor). Bachelor of the social economy Agriculture Faculty of Jember University. He had followed the training of lead auditor Indonesian Sustainable Palm Oil (ISPO) and training of lead auditor Roundtable on Sustainable Palm Oil (RSPO). He has attending several training such as High Conservation Value (HCV) Training, Lead Auditor ISO 9001:2008, Lead Auditor ISO 14001:2005, Awareness ISO 22000 etc. Former, He has experience of work for five years as an operational staff in several plantation companies in Indonesia private oil palm plantation. Currently working on certification body as independent auditors. During this audit, he verified land legality and best management practices aspect.</p> <p>3. Yohanes Hardian (Auditor). Diploma of Forest Resource Conservation, Faculty of Forestry, Bogor Agricultural University, specialist in the environment aspect and wildlife. Has Worked as Staff Rehabilitation project at WWF Central Kalimantan region. Had attended training HCV, has been involved in several activity of HCV Identification of Oil Palm Plantation. Has worked as an environmental staff on Oil Palm Plantation. Have been trained as ISPO auditors and have attended training Auditor ISO 9001 and ISO 19011, Legal documents in-house training with the ISPO commission. Training SIA bu Remakr Asia 2016, Training Lead Auditor RSPO by Proforest- Daemeter 2016. Experience audit RPO And ISPO Since 2014. During this audit, he verified environment and GHG Aspect</p> <p>4. Rizliani Aprianita (Auditor). Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as lead Auditor ISO 9001:2008, ISO 14001:2004, ISPO Auditor training, OHSAS 18001 and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During this audit, she verified social aspect, and worker welfare.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-3	<p>Number of auditors : 4 auditors Number of days for ASA-3 at site : 5 days Number of working days for ASA-3 at site : 20 mandays</p>
2.2.2	Assessment Process
ASA-3	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Bhumireksa Nusasejati to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria, July 2013 (endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard for Organizations Seeking or Holding Certification Adopted by The RSPO Board or Governors on November 21st 2014 (Module D for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Opportunity 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. Improvement of findings from ASA-2 findings were observed by auditors at this assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari</p>

	(MUTU) and part of ASA-3.
2.2.3	Locations of Assessment
ASA-3	<p>Mandah Factory:</p> <ol style="list-style-type: none"> 1. Mandah POM Office: SCCS Verification (verification of procedure, sample of FFB Delivery Note, FFB Weight Ticket, training recorded, etc) 2. Weight bridge station: Observation of grading mechanism and process of FFB received 3. Waste Water Treatment Plant: observing the condition of the facility, how it is managed, the understanding of the PIC regarding his/her duty, the operational of the WWTP equipment, the monitoring system and the recording and communication to other related division in this case is the laboratory division and land application 4. Workshop: observing the workshop condition, OHS implementation, hazardous waste handling and interviewing the workshop worker on their understanding of their duty in accordance with the SOP. 5. Engine room: observing OHS implementation especially related to emergency response and the provision of fire extinguisher. 6. Chemical storage: observing the storing system for each chemical type and record of incoming and outgoing chemical stock 7. Fuel storage: observing OHS implementation especially related to emergency response and the provision of fire extinguisher. 8. Waste of FFB processing dumping area: observing the condition of the dumping area of the waste generated from FFB processing since there is no utilization of fiber and shell. 9. WTP Station. The company has WTP with water sources from the canal that used for the needs of the POM processing. Officers of WTP can explain the technical work of WTP. 10. Hazardous Waste Warehouse. Hazardous Waste Warehouse buildings are already appropriate with the provisions, the airways are pretty good, provided OHS signs, emergency equipment and hazardous waste are recorded in the logbook. 11. Workshop. There is a workshop equipment in neatly and provided signs of safety work and emergency equipment such as fire extinguisher and First Aid box. 12. Waste Water Treatment Plant: observing the condition of the facility, how it is managed, the understanding of the PIC regarding his/her duty, the operational of the WWTP equipment, the monitoring system and the recording and communication to other related division in this case is the laboratory division and land application 13. Workshop: observing the workshop condition, OHS implementation, hazardous waste handling and interviewing the workshop worker on their understanding of their duty in accordance with the SOP. 14. Chemical storage: observing the storing system for each chemical type and record of incoming and outgoing chemical stock 15. Waste of FFB processing dumping area: observing the condition of the dumping area of the waste generated from FFB processing. 16. Housing complex MDF: observing the condition of the housing complex on issues on company provided facility for its employee, clean water accessibility, sanitation, domestic waste management, the complaint mechanism on facility issue, etc. 17. Weight bridge. Observation and interview with weigh tbridge operator regarding to procedures FFB receiving, CPO/PK dispatch and SCCS procedures and it implementation. 18. Loading ramp. Observation and interview with sortation officer regarding to sortation procedures, record keeping and documentation. 19. Processing station and dispatch. Observation and interview with mill operator regarding to processing procedure, health and safety implementation, payments and overtime, medical check routine and complain mechanism. 20. Mill office. Observation and interview with mill manager and staff regarding to SCCS implementation and demonstration. <p>Rotan Semelur Estate</p> <ol style="list-style-type: none"> 21. Boundary pole No. BNS-60 Block E035. Observation of availability and maintainability of legal boundaries.

- 22. **Boundary pole No. BNS-67 Block F035.** Observation of availability and maintainability of legal boundaries.
- 23. **Boundary pole No. BNS-65 Block F035.** Observation of availability and maintainability of legal boundaries.
- 24. **Harvesting, Block E035 Divisi II.** Observation and interview with harvester and harvesting supervisor regarding to harvesting procedure, PPE usage, payments, complain mechanism, worker welfare and worker welfare. Through this session known that all harvester has been paid according to the regulation, using PPE's during work and well trained in harvesting.
- 25. **Replanting, Block D034 Division I.** Observation of replanting activity using Closed End Conservation Trench (CECT) method and implementation of zero burning policy. Based on field observation, there was no fire usage during this activity.
- 26. **Chemical weeding, Block D029 Division I.** Observation and interview with pesticide applicator and foreman regarding to pesticide application procedure, PPE's usage, medical check routine, payments, complain mechanism and sexual harassment/reproductive policy for women worker. Through this session known that all pesticide applicator has been well trained and able to demonstrated good pesticide application, using PPE's and paid according to the regulation.
- 27. **Chemical pest control, Block D029 Division I.** Observation and interview with pest control officer regarding to application procedure, PPE's usage, payments, sexual harassment/reproductive policy for women worker.

Mandah Estate

- 28. **Potential HCV at blok H26.** observing the condition of potential HCV area and the management effort on RTE protection
- 29. **Housing complex Division III MDE.** Observing the condition of the housing complex on issues on company provided facility for its employee, clean water accessibility, sanitation, domestic waste management, the complaint mechanism on facility issue, etc.
- 30. **Boundary pole No. BNS-95 Block H017.** Observation of availability and maintainability of legal boundaries.
- 31. **Boundary pole No. BNS-77 Block H026.** Observation of availability and maintainability of legal boundaries.
- 32. **Boundary pole No. BNS-84 Block H026.** Observation of availability and maintainability of legal boundaries.
- 33. **Harvesting, Block H021 Divisi V.** Observation and interview with harvester and harvesting supervisor regarding to harvesting procedure, PPE usage, payments, complain mechanism, worker welfare and worker welfare. Through this session known that all harvester has been paid according to the regulation, using PPE's during work and well trained in harvesting.
- 34. **Chemical weeding, Block G018 Division II.** Observation and interview with pesticide applicator and foreman regarding to pesticide application procedure, PPE's usage, medical check routine, payments, complain mechanism and sexual harassment/reproductive policy for women worker. Through this session known that all pesticide applicator has been well trained and able to demonstrated good pesticide application, using PPE's and paid according to the regulation.
- 35. **Manuring, Block G24 Division III.** Observation and interview with manuring applicator regarding to manuring procedure, dosage calibration, medical check routine, payments and sexual harassment/reproductive policy for women worker.
- 36. **Canal maintenance, Block H028 Division IV.** Observation of canal cleaning from aquatic plant by using manual and mechanical.
- 37. **Replanting, Block F019 Division IV.** Observation of replanting activity using Closed End Conservation Trench (CECT) method and implementation of zero burning policy. Based on field observation, there was no fire usage during this activity.
- 38. **Subsidence pole, Block F019 Division IV.** Observation of peat instrument to monitoryzed and analyzed peat subsidence.
- 39. **Barn owl box, Block F019 Division IV.** Observation of rat control by using natural predator.

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 Bhumireksa Nusasejati was held by :</p> <ol style="list-style-type: none"> 1. Public announcement on the MUTU website (www.mutucertification.com) at January 23rd 2017. 2. Stakeholder consultations with NGOs have been conducted by sending questionnaires via email to several NGOs (Non Government Organization) on February 2nd 2017. 3. Public consultation meeting with internal stakeholders (worker union, committee gender and local communities) by interviews at 14 to 16 February 2017. 4. Stakeholder consultations with government have been conducted by phone call to several governments in Indragiri Hilir District on February 14th 2017. <p>Numbers of input from stakeholders were clarified by PT Bhumireksa Nusasejati.</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 nine month to one year after this ASA-3 (<i>January or March 2018</i>).

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Mandah POM – PT Bhumireksa Nusasejati, Sime Darby Plantation Sdn Bhd operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were three (3) were assigned against Major Compliance Indicator(s), three (3) nonconformity(s) were assigned against Minor Compliance Indicators, none nonconformance(s) against supply chain requirement for CPO mill and seven (7) opportunity(s) for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidence(s) e.g. (document record/photographic/etc). Those corrective action(s) taken that consist of three (3) Major non-conformity(s) had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that of Mandah POM – PT Bhumireksa Nusasejati, Sime Darby Plantation Sdn Bhd complied with the requirements of *Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016, and RSPO Supply Chain Certification Standard for organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D 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.	
Indicator 1.1.1	<p>Management of PT BNS has list of stakeholders which consist of contractor/supplier, government district and village, school, hospital/health centre, Bank, etc. Management also has Personnel in Charge which is appointed to reform the list of stakeholders every month and to communicate with stakeholders. PIC which is appointed to update information is section head of each estate and mill. There are type of information that can be given to the parties such as:</p> <ol style="list-style-type: none"> 1. Legal: permit's documents (location permit, plantation business permit, HGU certificate or related documents on HGU certificate bases on its stage). 2. Environment: environment and social impact analysis document (AMDAL/UKL-UPL), Environment management and monitoring reports (environment management report and environment monitoring report). 3. Social: social activity document and relationship with local community. 4. Documentation over occupational health and safety. 5. Documentation over sustainable improvement program. 6. Documentation over Human Rights Policy. 7. etc <p>The information can be accessed by first submitting to section head about information required and he will follow up to manager and staff according their respective fields. Based on interview with local community, management has socialized mechanism to access the information and its type of information. Based on document verification, it was known that:</p> <ol style="list-style-type: none"> 1. The Company has not been able to show Obligation Report of Employment (MDE & RSE) in 2016; receipts to the Department of Manpower and Transmigration, District of Indragiri Hilir. 	

2. The company has not be able to show Recording of Work Time Agreement Specific to the Department of Manpower and Transmigration, District of Indragiri Hilir in accordance with the Ministerial Decree No. 100 of 2004.
Nonconformity number 2017.1 with Minor category.

Indicator 1.1.2

Management has procedure to respond the stakeholders that contained in SOP request for information, document no. 001/BNS/SOU20-PI/IX/16, dated 2 September 2016. The section head which is appointed to response the stakeholders will keep the document of request for information in mail folder. Each incoming mail will be responded no longer than 2 week. For example, there is a letter of request for information on February26, 2016. The letter has been responded on March 7, 2016.

Minor 1.1.1	Status: Nonconformity number 1 with Minor category.	
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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.

Major 1.2.1

Company has consistently provides data and information that can be accessed by public audience as well the confidential data based on RSPO's requirements.

List of information that can be obtained by stakeholder, such as :

1. Legal: permit's documents (location permit, plantation business permit, HGU certificate or related documents on HGU certificate bases on its stage).
2. Environment: environment and social impact analysis document (AMDAL/UKL-UPL), Environment management and monitoring reports (environment management report and environment monitoring report).
3. Social: social activity document and relationship with local community.
4. Documentation over occupational health and safety.
5. Documentation over sustainable improvement program.
6. Documentation over Human Rights Policy.
7. Documentation over public summary of certification assessment report.
8. HCV Documentation.
9. Documentation pollution prevention and reduction plans.
10. Documentation of complaints and grievances.
11. Documentation of negotiation procedures.

All above document is available for public, based on document verification and interview with PSQM assistant that known: all of document was kept on each office (factory office and estate office's).

The confidential documents, which cannot be accessed by public, such as: financial data related to costumers and or vendors as well as individual/ private data.

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

Minor 1.3.1.

The management unit presented business ethic policy (No Policy 440/HRM-COC/07) that has been approved by GM, Senior General Manager and Head of Plantation Operation on 24th May 2007. This policy was available on Bahasa Indonesia. The management unit developing business ethic by considering the expectation from stakeholder, including the ethical consideration when preparing report and penalty. Moreover, commitment on the interaction with stakeholders has become main consideration and part of company's business ethic and part of value added. Stakeholders and their expectations are described in detail. Apart from business ethics, the management unit also made work ethic that regulated code of conduct for personnel as an individual inside and outside company.

Company has a written document, which consists of commitment toward integrity code and code of ethic. The policy has been socialized to the entire level of personnel, such as On 12 September 2015 at the Office of GM South Riau presented by MDE Manager to the entire staff of PT BNS. This policy dissemination has also been presented to employees as on

16 September 2015 was attended by staff and employees and delivered by RSE Senior Assistant. Therefore this policy has been socialized to all contractors dated 5 August 2016.

Based on interviews with employees, they can explaining about the business ethic policy which has been communicated to all employees.

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.

Major 2.1.1.

Land Right and Legality

The company has showed several document regarding to their land legality as follows:

1. Land Use Title, Certificate No. 01 and No. 02 dated May 1996 for palm oil estate.
2. Land Use Building, Certificate No. 1 dated on October 2000 and No. 2 dated on September 2001 for mill.
3. Plantation business permit, based on Indragiri Hilir's Head of Investment Coordinating Board Head Decree No. 503/BP2MPD-IUP-PK/XII/2014/1 dated on December 19th 2014 and Head of Indragiri Hilir District Decree No. 503/BP2MPD-IUP-P/VIII/2013/1 dated on August 22nd 2013.

Minimum Wage

The company has not adjusted wage increases in 2017, the increase of employees wage usually will be paid on May. Based on document verification and interview with staff, nowadays is still adjust to Riau Governor Decree No. 573/2016 regarding to the plantation sector minimum wage for Riau Province in 2016 is IDR 2,325,000 per month (including to meal allowance/rice). Memorandum of Human Resources Management Minamas Plantation No. 088 /HRM-I3/IV-2016 on 17th March 2016 concerning wage PT BNS amount IDR. 2,190,000/month (meal allowance: 15 kg rice @IDR 9,000/kg). This HRM Memorandum is still valid until today because of the latest HRM memorandum to the basic salary PT BNS 2017 not yet. The company was show cash voucher in MDE No. 04/MDE/05/16 for payment on 4 May 2016 to all employees.

Collaborative Labor Agreement with Workers Union

Collective Labor Agreement between company and Head Committee - Federation of Unions of Agricultural and Plantation Indonesian Workers Union (PP. FSP-SPSI) period of 2015-2017 has been approved by "Dirjen Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja" Manpower Ministry No. KEP.88/PHIJSK-PKKAD/PKB/VI/2015 dated 18 June 2015.

Environmental regulation, such as:

- There is evidence of document of RKL and RPL 1st half 2016 has delivery to the Environment Agency Indragiri Hilir district on August 8, 2016.
- The company has send the Report Quarter 4 Hazardous waste for Mandah Estate, Rotan Semelur Estate, Mandah Factory has delivery to the Environment Agency Indragiri Hilir district at 15 January 2016.

Minor 2.1.2.

The PT Bhumireksa Nusasejati was consistency to shows the effort for comply with regulation change. For example, related to adjustment to minimum wage for the workers that every year is change depend on the regulation by the regional government (Governor). There was sighted Riau Governor Decree No. 573/2016 regarding to the plantation sector minimum wage for Riau Province in 2016. Based on document verification for sample payment for the workers that shows is the PT Bhumireksa Nusasejati was implemented the standard of minimum wage based on those regulation. Based on interview with PSQM assistant, this document was available for all workers level in Factory and Estate.

Minor 2.1.3.

To ensure the compliance toward legal requirements, company has the evaluation mechanism, which is updated every year. The evaluation on regulation's compliance has been completed with list of regulation for plantation sub-sectoras well as the monitoring over its compliance. In 2016, generally 100% of regulation's requirement has been Comply related to plantation's legality, occupation health and safety requirement, manpower, environment and social.

Minor 2.1.4

Evaluation mechanism over the compliance of legal regulations has been stated in Standard Operating Procedure (SOP) over legal requirement's compliance (RSPO/.2./PH) on 01st Augustus 2011 that regulates the evaluation over regulation's compliance related to the operation of Minamas Plantation unit. Person in charge is PSD Assistant company's representative reviews the summary of regulation every six months.

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

PT Bhumireksa Nusasejati has 2 POM (Teluk Bakau POM and Mandah POM) and 5 estate units of supply bases (Teluk Bakau Estate, Nusa Perkasa Estate, Nusa Lestari Estate, Mandah Estate and Rotan Semelur Estate) which are covered on 2 Land Use Title (HGU) certificate. For Mandah POM with 2 supplier estates (Mandah Estate and Rotan Semelur Estate).

- Land Use Title (HGU) number 01, Riau Province, Indragiri Hilir District, Kateman Sub-District, Rotan Semelur Village, 208 No. 5761 1996, 307 No. 698 1996, 05.04.08.02.2.00001 for 13.900 Ha which is valid for 35 years May 23rd 1996 to May 23rd 2031.
- Land Use Title (HGU) number 02, Riau Province, Indragiri Hilir District, Kateman Sub-District, Tagaraja Village, 208 No. 5762 1996, 307 No. 699 1996, 05.04.08.03.2.00002 for 11.762 Ha hich is valid for 35 years May 23rd 1996 to May 23rd 2031.

Based on the audit, total area that supplied to Mandah POM were 12,366.18 Ha. In fact, some area were occupied by nearby villager. The company is in the process to remove the occupation area from the HGU. The company monitoring revision of HGU that has been submitted to the BPN. **OFI**

2.2.2

The Company has had SOP of pole maintenance (6/BNS-PPB/VIII/14) which describes that the pole census is conducted each semester and pole maintenance is conducted annually. According to the field visit, there are 9 boundary poles identified in Mandah Estate and 4 boundary poles in Rotan Semelur Estate. All boundary poles that observed are well maintained.

- Mandah Estate: boundary poles No. 95 block H017, boundary poles No. 77 block H026, boundary poles No. 84 block H026.



Figure 1 Boundary Poles No. 95



Figure 2 Boundary Poles No. 77



Figure 3 Boundary Poles No. 84

- Rotan Semelur Estate: boundary poles No. 60 block E035, boundary poles No. 67 block F035 and boundary poles HGU No. 65 block F035.



Figure 4 Boundary Poles No.60



Figure 5 Boundary Poles No. 65

Based on document verification, there is 4 boundary poles in MDE which is 2 located in occupation area. Meanwhile, there is 9 boundary poles in RSE which is 3 of it located in occupation area.

Each unit also had a supporting poles. Some of supporting poles were unidentified due to technical problem. The company will monitoring installation plan and it realization of supporting poles according to scheduled plan (March to April 2017).

OFl.

2.2.3

The company has had procedure of conflict resolution consisted of SOP of conflict resolution (No. RSPO/2.2/PK). It was legalized on September 1st 2012. The document describes the stages of conflict resolution through procedure of written claim/complaint and the MoU. There is also SOP of the occupied land compensation (No. 343/PSD-OKUP/11). The SOP was legalized on February 23rd 2012. The document describes the procedure of land acquisition (supported with the flow chart). The procedure has been consulted to the several parties. The evidence of the records are the socialization of the SOP of occupation to the settler of Rotan Semelur Village, Pelangiran Sub-District. The socialization was legalized on August 13th 2012. The socialization was attended by the village representative (Chief of Rotan Semelur Village, Secretary of Village, Chief of Hamlet, the Head of Neighbourhood Association) and Socialization of SOP of compensation request of Mandah Estate unit. It was attended by 16 participants on October 15th 2010.

2.2.4 & 2.2.5

During the ASA 03, there is no land compensation process. The documents are maintained in the office of Legal Division (Plantation Services Department in GM Riau Utara Office and in Jakarta Head Office). According to the result of stakeholder consultation by conducting field visit to the nearby villages (Bente Village, Teluk Bunian Village and Makmur Jaya Village), there is no land dispute or issue between the locals and the company.

2.2.6

The company has had policy of the prohibition to hire mercenary on the company operational which was legalized on February 2nd 2017 by Chairman of SOU 20. Consultation with the stakeholders (Plantation Agency, Bente Village, Teluk Bunian Village and Makmur Jaya Village), there is no indicate that the company use the mercenary in operation area.

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

The company has had Occupational Land Acquisition Procedures, Policy Number: 343/PSD-OKUP/10, dated 2 September 2010 which explains that the resolution of land conflicts and land compensation should be carried out together with the sub-district and village as well as the compensation price must be negotiated together with landowners.

According to the result of public consultation with the nearby villages (Bente Village, Teluk Bunian Village and Makmur Jaya Village), there is no customary rights nor customary land within the area of PT BNS. There is land compensation record and implementation of land compensation over the plantation area, which previously were plantations that belong to local communities. Since the previous assessment (ASA-2) and this assessment, the company did not conduct acquisition for new land or expand area.

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.

Indicator 3.1.1

The Company has work plan for next 3 year in the document Work Plan & Projection period 2017-2020 are made for each unit management. In the document has explained the operational area plan, the production of TBS, CPO and PK, yield/ha, extraction of CPO & PK, operational cost, environmental management and operations. In addition, the Company has a long term plan in business plan data for PT BNS which describes the number of seeds, FFB production, OER, Production Cost, price of CPO, Revenue, replanting and CPO Production. The update information and new technology is obtained by each management unit from Minamas Research Center.

The Company has conducted an evaluation of the estimated budget which is conducted every month. Evaluation is recorded in Performance Monitoring while the realization recorded in monthly report.

Indicator 3.1.2

The Company replanting program has not changed from the previous assessment are listed in the Long Range Replanting Program for the years 2016-2021. Replanting progress noted in the monthly report. There are also Map of replanting program which is showed presentage of replanting progress.

Based on the field observation, the company has a peat drainage system and has allocated costs for water management activities. The management unit has been conducting activities of monitoring water levels and monitoring land subsidence boundaries in peat lands.

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 company has procedures of Estate operational start from Land Clearing until Harvesting in Agricultural Reference Manual of Oil Palm Planting No. 110/EST-ARM/13 dated September 1, 2013 signed by Head, Plantation Upstream of Indonesia Minamas. SOP document has been distributed on September 16, 2013 to all unit head of estates and mills. The company also has a reception process procedure of FFB until to the *dispatch* of CPO and kernel, in a Palm Oil Mill Engineering Guidelines Parts I and II, Minamas Plantation on April 30, 2007.

They also had Supply Chain Certification System Procedures for Identity Preserved (No. Doc. 000/BNS-SCCS/16 Rev 01 dated on 1 September 2016.

Based on chemical weeding in block G018 Division II Mandah Estate concluded that all procedure regarding to chemical

weeding has well implemented. All applicator has used PPE according to it procedure.



Figure 6 Pesticide Applicator

4.1.2 & 4.1.3

PT BNS has had a mechanism of checks and monitoring the operational activities through of the Internal Audit activity which conducted 6 months by Plantation Advisory (PA) and Mill Advisory (MA) The last Internal audit activities for plantation and mill has been conducted on April 2016 for RSE and November 2016 for MDE. Meanwhile, the same audit also conducted in mill on September 2016. In the document, also explained the corrective of any non-conformities that arise.

Each SOP revision shall recorded in 'Document Revision' formulir which is contains number, date and part that change/revised. Agricultural Reference Manual of Oil Palm Planting and Palm Oil Mill Engineering SOP only change by document control in head office.

Major 4.1.4.

Mandah Factory has documented the whole of FFB received in a document of acceptance fruits that describes the amount (tonnage) of incoming FFB and its sender. According to documents verification and interviews with management known that Mandah Factory did not make a purchase of FFB from a third party and the entire FFB are come from the company under the management of PT BNS i.a. Nusa Perkasa Estate, and Nusa Lestari Estate.

	Status: Comply	
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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 procedure about managing soil fertility is unchanged from the previous assessment. The procedure is contained in SOP Reference Manual Oil Palm Planting Agronomy (No. Policy: 110/EST-ARM/13). Based on a visit in MDE block F019 Division 4, it is known that the company has implemented the planting of Legume Cover Crop at replanting areas in accordance with the procedure.



Figure 7 Legume Cover Crop in Replanting Area

4.2.2

The company has been recording fertilization activities in the document of recommendation vs realization of fertilizing data 2015 – 2016. All fertilizer that apply are based on the fertilizer recommendation that set by MRC.

4.2.3

The soil sampling to determine the nutrients in the soil is carried out every 5 year are listed on SOP of Sustainable Plantation Management (724/TQEM-SPMS/09 dated 27 August 2010). Therefore, Leaf Sampling Unit (LSU) analysis conducted annually as written in Procedure No. EXT Serv. Kal. I-01/01 November 2005.

Based on document verification, the company has been conducted Leaf Sampling Unit (LSU) analysis on 5 – 16 January 2016 in MDE and 1 – 24 December 2016 in RSE. Several parameter were analysed such as Ash, P, K, Mg, Ca, N, B, Fe, Cu and Zn.

Meanwhile, the last Soil Sampling Unit (SSU) analysis conducted on 23 November – 4 December 2011. It means, SSU analysis shall be conducted on 2016. Through the Intern-Office Mail No. MRC/Mgr-MRC/GM-Est/005/II/2017) dated on 17 February 2017 known that SSU has been planned on April 2017. This implementation of SSU activity shall ensure according to the plan that set by MRC on April 2017. **OFI.**

4.2.4

All area of PT. BNS is peat land and it contains minerals. There is no EFB application and effluent of POM application. However, the Company conducted recycling of replanting residue; it is seen during a field visit in the replanting area of Mandah Estate and Rotan Semelur Estate The company carried out replanting mechanically without combustion method except chipping method, the results of the chopped palm plant are reassembled in pile line in the field.

The unit audit has recycled the nutrient from the replanting activity by conducting chipping and put in the Closed Ended Conservation Trenches (CECT) system in which all chipping material is sinked under water surface to prevent Rhino Beetle using the chipping material as their nest for reproduction. Fiber and shell are used for boiler fuel and the dust of boiler is applied for road maintainance.

	Status: comply	
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4.3 Practices minimize and control erosion and degradation of soils.

4.3.1

PT BNS has conducted Semi-Detail Soil Survey on 2008. The survey was in cooperation with Param Agricultural Soil Surveys (M) SDN. BHD. According to the report, there are 2 types of soil which are Typic Haplochemist which contributes 94.4%, Typic Sulfochemist 5.6 %. The topography information, climate, type of soil, soil fertility, peat depth and drainage are fully described. This fragile soil map is publicly available and can get in each estate and Grand Manager Riau Utara Office.

PT BNS re-measures the peat depth within its operational area by using systematic method with the distance of each monitoring spot is 500 m x 1.000 m on 2011. The marginal land status is obviously mapped on the map of peat land for

each estate. The hectareage of peat depth, hectareage of the peat maturity level, sampling spot, mill location, emplacement location for each estate and the whole PT BNS estate are informed. The report is supported with the map of peat depth in scale 1: 48,000. The location of the peat with depth > 3 meter and the peat with depth < 3 meter for each estate is shown on the map. Based on observations to subsidence pole at Block G021, Division II, Mandah Estate and observation to subsidence pole at Block D030 Division I, Rotan Semelur Estate obtained information about the average of subsidence level changes. The average of subsidence level changes in 2016 is 0.5 cm/years.

According to the result of field visit or document verification, the entire area of PT BNS is constituted by peat land area and it is managed by implementing peat land water management.

Water Management is divided into two zone. For example, in Mandah Estate:

- a. Upper zone consisted of Division I : KCB 13,5, KCB 14,5 Div II: KCB 12,5, KCB 13, KCB 13,5, KCB 14, KCB 14,5 and KCB 15), Division II, Division IV and Division V).
- b. Lower zone ; Division I (KCB 12, 12,5, 13, 15), Division II (KCB 12)

4.3.2

The result of Semi-Detail Soil Survey above concluded that whole operational area are peat land, therefore, there is no slope area. Therefore, the company has no strategy regarding to planting strategy in slope area.

4.3.3

In PT. BNS, whole operational accessibility using water access/canals. In order to ensuring all canal accessible, it should be clean from aquatic plant such as hyacinth and moss or any weathered wood which can annoy boat propeller. Therefore, the company has set program for it by manual or mechanical by using what they called "bulldozer lumut".

Based on field visit in canal block H018 Division IV Mandah Estate, the company has implemented daily canal cleaning as programmed.



Figure 8 Canal Cleaning Using Mechanical Equipment "Bulldozer Lumut"



Figure 9 Canal Cleaning by Manual

4.3.4; 4.3.5; 4.3.6

Whole area of PT BNS is the peat land area. Therefore, the company implements water management program which

covers:

- a. Water management zoning in peat land area where each zone has different water management in term of the operational technique. There are 2 zones in PT BNS which are the upper zone and lower zone. It is purposed to keep the water level in upper zone.
- b. Canal construction as the water level controller consisted of the main canal, branch canal, and supporting canal.
- c. Water level monitoring is conducted daily and the water level is maintained on the level of -20 to -40 Cm for the upper zone and on the level of -50 to -80 Cm on the lower level. According to field observation on water stick level Rotan Semelur estate is showing at -63 cm.
- d. Peat land subsidence monitoring is conducted in each semester. For example, the measurement in block F019.

The company has implemented the Best Management Practices according to RSPO Manual Guidance of Peat Management.

The company has showed Replanting SEIA documents company replanting in PT. BNS period 2015 – 2018 with covering an area of 2,811.44 ha respectively: 567.02 ha in Teluk Bakau Estate, in the Nusa Perkasa Estate 705.00 ha, 847.42 ha in the Nusa Lestari Estate, and 692.00 ha in the Mandah Estate. Although the area is included in the section of the watershed Kateman, but the development of drainage patterns in the PT. BNS that causes surface flow patterns that occur and does not follow the structure of the surface flow by topography, but by zoning water management (Zoning System).

The company is currently assessing hydro-topographic since October 2016. It assessments separated area in several compartment. All compartment installed with water table and piezometer which is monitored and reported daily to GM Riau Utara Office and analyzed by MRC. This assessments will be carried out for at least 1 year. The company evaluated and analyzed hydro-topographic assessments result. **OFI**.

4.6.3 | **Status: OFI**

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

4.4.1

All area at PT BNS plantation is peatland. For protected water flow and peatland the company show the SOP i.e

- SOP No. 01/BNS/III/09 tanggal 25/03/2009 about wate mangement. In the document has explain about spilway management, Dam, water level all type of canal, management sluice, rain fall, and conservation.
- SOP No. 724/TQEM-SPMS/09 expalin about Sustainable Plantation Management Guidelines which among others provides protection on riparian (great river: 100 m and small river 50 m).

The unit management has built its water management plan in line with the development of the plantation. Water zoning was developed to maintain water level in two different elevation of the company area. The water management plan is focused on maintaining water level at level of 50 – 80 cm under soil surface. The water management plan includes plans on water use efficiency, access clean water for employee especially during dry season and avoiding contamination on water body as well as the protection of alongside of canal system from erosion by planting erosion protection plant.

4.4.2

All area at PT BNS plantation is peatland, the company also identify Katemanan River and canal as source of water. For water consumption the company use ground water. Therefore the company has implemented water management program i.e:

- Zonation water management where is each zone has difference management about operational technic, at PT BNS has 2 group zonation that is upper zone and under zone. The zone division to maintain the water level in the land located in the area on the top.
- Making Canal as water level controller consists of a Main canal, Branch canal, Collection canal and auxiliary canal.
- Monitoring water levels are done every day and maintained at a level between 20 - 40 Cm for upper zone and 50-80 cm for under zone
- Monitoring the rate of decline in the peat surface (subsidence) is performed every 6 months
- The company has installed spillway (water gate) at Blok G021 and Gurah Baru for maintain water level if overflow of water happen
- Canal routine cleaning

- Based on the results of water quality monitoring in the domestic canal MDF housing , KM14, KM 15, KM 15,5 note there is no indication of pollution

4.4.3

The company has permit on waste water disposal into water bodies from regent of Indragiri Hilir no: 503/BP2MD-IPAL dated 22 August 2013. The company has waste water treatment plan consists of 9 ponds and 2 aerobic digester tank. From final pond then dispose to canal collection 15. During field visit at WWTP, the company has maintained the embankment pond and no seepage indication from the waste pond. The result the BOD analysis of effluent discharge to the canal was in accordance with the standard. For period from October to December 2016, BOD values from 37.7 µg/L – 53.15 µg/L It is in accordance with the BOD threshold of 100 µg/L as regulated in Minister of Environment Regulation No 5 /2014 attachment no III)

4.4.4 minor

The company has SOP no 110/POD-FAC/07 that explains water treatment process in chapter IV. During field visit to WTP, the flowmeter has been installed to record water use for FFB process. Average used water for FFB process is 09 m3/ton FFB. The water use budget for process is 1.25 m3 / ton FFB

Status: comply

4.5

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

4.5.1

The company has had an IPM plan in the procedure "Reference Manual Oil Palm Planting Agronomy" No. Policy: 110/EST-ARM/13. IPM plan contained in Section 15 about plant protection which explains the census frequency, control techniques and justification for pesticide use. The procedure described about *Oryctes rhinoceros*, Leaf-eating caterpillars, rat and ganoderma. In addition, the Company has the SOP replanting which was created on September 1, 2014 describes how to prevent ganoderma and *Oryctes rhinoceros* when conducting replanting.

The Company has identified a potential pests by conducting a census every month and conduct the controlling the pest if the result of census are exceed of the threshold. In August 2016, the company conducted a census pests and diseases, among others, *Oryctes rhinoceros*, Leaf-eating caterpillars, rat, termites and ganoderma. For example, there are documents of rat attack in whole RSE and MDE area that lower than economic threshold between July to December 2016. It is implied, control effort still have not needed. Therefore, they using owl (*Tyto alba*) to ensure rat population. During the audit identified 110 unit barn owl box in RSE and 98 barn owl box in MDE. For example, active barn owl box in block F019 MDE. The installation of barn owl box was a program to reducing pesticide usage. In fact, based on chemical storage data there was no rodenticide usage since January 2016 until audit date.



Figure 10 Barn Owl Box

4.5.2

The Company provides training to its employees related to the integrated pest and disease management. All IPM officer has been well trained. There are some trained that has been held during 2015 – 2016. For example, rat census and barn owl box monitoring on March 24, 2016 in MDE and January 9, 2017 in RSE.

Meanwhile, all operational staff also attending trunk injection training that conducted by vendor (PT. Asterindo). It was held on March 5, 2016.

Status: Comply

4.6

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

4.6.1 & 4.6.2

The Company has procedures "Reference Manual Oil Palm Planting Agronomy" No. Policy: 110/EST-ARM/13. In Section 15 (protection of plants) and Section 16 (weed control) that explains the justification of pesticide use in accordance with weed/pest. The pesticide has been registered in the pesticide commission. Based on interviews with foremen and workers spray in RSE, explained that the use of chemicals adjusted to the dominant weed on the block. For narrow-leaved weeds and broadleaf weeds are using glyphosate and methyl metsulfuron while for woody weed using Triclopyr.

The company carries out weed control by using chemicals made in 3 rotations in a year. Weed controls such as circle spraying is performing selectively adapted to conditions on the field. Based on the data from the use of pesticides known there is a decrease of the pesticides use, in the recapitulation of 2015, the use of pesticides with the active ingredient *metsulfuron methyl* is 0.028 kg / hectare and *Isopropilamina gliphosat* is 0.363 liters / hectare.

4.6.3

The company has been implementing a strategy to reduce pesticide use by implementing IPM activities, among others:

- Conducting regular census to determine the level of pest/disease attack. Application of pesticides used when the attack rate has exceeded the economic threshold.
- Conducting pest/diseases handling by biological ways, for example, the use of owls (*Tyto alba*) to control rat and planting the beneficial plant with a type of *Turnera Sp.*, *Antigonon Sp.*, and *Casia Sp.*

4.6.4

The Company has a complete list of pesticides that are designated by World Health Organization (*World Health Organization*) Class 1A or 1B, or listed in the Stockholm or Rotterdam conventions. The list contained in appendix 2 SOP of Sustainable Plantation Management Guideline Policy No. 724 / TQEM-SPMS / 09 published on August 27, 2010. The

Company does not use paraquat pesticides and pesticides belonging to the class 1A or 1B. This is confirmed by a policy for not using *Paraquat* is outlined in the memorandum of the Head Plantations Operation (number: POD-UM-127 / X / 2008, dated November 4, 2008) about the Recommendation of Application Replacement of *Paraquat-Gramoxone* Active Ingredients in Minamas Environment. The company also has a ban on the use of *ratgone / brodifacoum* from Plantation Advisory dated 16 to 18 July 2013. This was also acknowledged by the supervisors and pesticides applicator during a field visit in Mandah and Rotan Semelur Estate that the company does not use pesticides with paraquat active ingredient.

4.6.5, 4.6.7, 4.6.9, 4.6.10

The Company has SOP of Hazardous Material Handling (RSPO/P&C/PB3 dated August 2, 2010) has approved by the Chairman of SOU. In addition, the company has identified the risk for pesticide application in HIRAC document.

The company has provided training to reduce the impact of the pesticides application, for example:

- Training of SOP Block Spraying System and first aid handling in RSE on January 7th 2017 that attending by 12 pesticides applicator including foreman by field staff.
- Training of SOP Block Spraying System and first aid handling in MDE on September 15th 2016 that attending by 10 pesticides applicator including foreman by field staff.

Based on interviews with 5 workers and a foreman on spraying activity in MDE and RSE, explained that the workers have received training in accordance with the procedure about spraying techniques. They can explain width of circle in accordance with procedure and risks that may occur in the spraying activities include toxicity, skin irritation and environmental pollution.

Based on visits to spray activities in RSE and MDE, it is known the company has provided PPE with the type of masks, goggles, rubber gloves, apron and boots, this is in accordance with the MSDS. All MSDS that observed has been available in Bahasa. In case of any broken PPE, all employee can propose the substitution by bringing the broken one. Through the interview with pesticide applicator known that they used to substitute easily-broken PPE such as mask, apron, hand glove and safety boot.

4.6.6; 4.6.7

The Company show a Standard Operational Procedure Waste Handling of hazardous and toxic material with the number 7307 / BNS-ESH / 10 revision No. 00 dated August 2, 2010 approved by the Chairman of SOU. The SOP aims to regulate the procedures for the handling of hazardous and toxic material from generating unit until the end of the process. Responsible person is head of administration, warehouse clerk and related units.

Ex-agrochemical container is sent and kept in company's licensed hazardous waste storage. The balance sheet is updated and well recorded. There is a record of hazardous waste disposal to licensed storage hazardous waste. The company regularly reported the update hazardous waste balance sheet in three monthly report and sent it to Environment Agency of Indragiri Hilir District. During visit to hazardous waste storage, the company put the modified symbol of hazardous waste

Based on field observation and interview with chemical applicator, all work equipment including uniform and PPE stored in BSS/BMS house and not allowed to bring home due to chemical contamination reason.

4.6.8

Based on a documents review, public consultation result and interview with workers, the company does not applied pesticides from the air. Whole pesticides application carried out by employee manually.

Minor 4.6.9.

The Company provides training to its employees regularly related to the use and handling of pesticides in accordance with the technical guidelines and how to work safely. The Company does not provide training to tenants because currently in the area of the company there are no scheme smallholders. Examples of training provided to employees about pesticides handling and first aid training in MDE on 8 September 2016 and also has conducted in RSE on 15 September 2016. Based on the results of field observations in Mandah estate in block G018 Division II and Rotan Semelur estate in block D029 Division I on chemical weeding's, interview results with sprayers stated that they did not follow training of

using limited pesticides because the company is no longer using limited pesticides such as paraquat, but the sprayers admitted that they have followed spraying technical training held by the company.

Major 4.6.11.

According to documents verification and interviews with sprayers known that the company has conducted periodic medical surveillance and the latest was held on 27 November 2016 at MDE and was held on 6 November 2016 at RS by company doctors in clinic central. Based on document verification and information from company doctors that known the several workers healthy and fit to work. While some workers which recommended to further medical test, it will be conducted on March 2017. Therefore based on interviews with pesticides applicator they also explain that they never get illness caused by pesticide effect like itchy and skin irritated.

Major 4.6.12.

The company has procedure No. 066/RSPO-BSSPSS/2011 about Block Spraying System; on this procedure has stated "The company doesn't permit a pregnant and a breastfeeding women's working on activities related to chemicals handling". This procedure has been socialized to pesticide applicators in MDE and RSE dated 10 November 2016. The latest list of women pesticide applicators in RSE: 40 workers; MDE: 27 workers. The company has mechanism to identification of pregnancy by a midwife every month in policlinic. According to interview with a midwife and Estate Manager on each estate that known: there are 2 workers has been identified on pregnancy from Division V MDE and Division I RSE. The management unit can showing job transfer letter from pesticide applicators to manual weeding.

Status: Comply

4.7

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

Major 4.7.1

The company is consistently documenting the policy of OHS program and its implementation is conducted in each mill and estate management unit based on the program of Environment OHS of PT BNS SOU20 for period of July 2015 – June 2016. During the ASA-3 there is changes of the board structure of OHS Guiding Committee which is reported to Indragiri Hillir District Manpower Agency. The decree of the OHS Guiding Committee new board has also been issued. OHS Guiding Committee as the division in charge has consistely held assembly (monthly). The assembly is to discuss OHS issues such as work accident evaluation, OHS inspection result, regular medical checkup, OHS training. However there are several nonconformity **No. 2017.02** as:

- a. According to document verification that known the medical check up has been conducted on each estates:
 1. The medical check up to 27 pesticide applicators on November 27, 2016 in MDE such as: a physical examination, blood test on laboratory, spymetry test and Visus Test. Based on medical test result, there are 5 workers with stomach disorders, arthritis, and pterygium OSD.
 2. The medical check up to 48 pesticide applicators on November 6, 2016 n RSE such as: a physical examination, blood test on laboratory, spymetry test and Visus test. Based on medical test result, there are 28 workers that need further test to the specialist doctors.

Based on interview with a doctor, it will be re-test on first week of March 2017. However the company can't to show a further medical test in accordance to medical check up test at 6 November 2016 and 27 November 2016.
- b. The company has been conducted a medical surveillance (physical, visus and spirometry) for MDF workers on January 2017. However the company can't to show result of audiometric test for employees which working in high noise area.

Major 4.7.2.

According to document verification and field observation known that the company has made the identification and assessment of risks to operational activities in the estates and mills. Records of the assessment results are set forth in the document of Hazard Identification Risk Assessment and Control (HIRAC) which was reviewed regularly once a year or as needed. The HIRAC document is informing about the type of activity, type of work (routine, non-routine and emergency), source / occurrence, impact, existing controls, the level of probability, severity and risk level. The results of the assessment has been socialized to all employees through a briefing in the morning before work and installed at the work site, for example in the warehouse, BSS home or at the mill. According to interview results with several workers in estate and mill, they could explain the potential risk that exist in each of the activities. According to verification by team

auditors, the HIRARC are recommended to use Carbon Masker. It's appropriate with MSDS of chemicals.

Major 4.7.3.

Based on field observation and interviews with workers known that employees have received training on the improvement and employee understanding about OHS aspects. For example training for a high noise level work on Mandah Factory, it has been conducted on 21 October 2017 to all power plant operators. This is evidenced when the employee can demonstrate the work steps rightly and properly in accordance with the procedures or work instructions. The results of the field visit was also known that the employees have used personal protective equipment (PPE) in accordance with the predetermined of risk potential. However there are several **non conformity No. 2017.03**:

1. Based on field observations in Rotan Semelur Estate Division 1, Block D029 that known the chemical weeding team were uses apron doesn't comply with the MSDS.
2. Based on observations and interviews with generator operator and boiler operator on MDF, it known that the condition of safety shoes on a damaged condition. They were explained that safety shoes is changed once a year, it's not in accordance with SOP No. 002 / P2K3 / 2016 about PPE Provision and PPE's changed. The procedure mentioned that any PPE damaged will be changed, by showing restore the damaged PPE.

Major 4.7.4.

The responsible person in the OHS program has also been identified. The management unit has had the organization container in Guiding Committee of Occupational Safety & Health (P2K3) which is responsible for OHS program. Results of the verification document known that the management unit has submitted the Guiding Committee of Occupational Safety & Health reports regularly every three months. The Guiding Committee of Occupational Safety & Health report covers all activities of OHS, among others: Guiding Committee of Occupational Safety & Health recommendations, the results of the investigation of workplace accidents, work accidents recapitulation, Guiding Committee of Occupational Safety & Health activity reports, employee health inspection reports, minutes of meetings held every months. Based on interview and document verification that known each unit has a certified secretary of P2K3 according to Manpower Minister Decree No. KEP.9255/M/DJPPK/XI/2014 (MDF) valid until 14 November 2017 and Manpower Minister Decree No. Reg 2278/PK3/AJ/31/2015/P0 (Estates) valid until 19 June 2018.

Minor 4.7.5.

The Company has procedures in case of emergencies, such as SOP of Emergencies, and SOP of Fire Prevention and SOP of Fire Fighting. In addition, to facilitate the evacuation in case of emergency, the company has established an evacuation route which also equipped with a map and other markers and an adequate sign board. The results of the field visit was also known that the supervisor of the harvest has been equipped with First Aid box, it is also found the First Aid box in the mill office, some of them are in stations and workshops. Based on the interview with the supervisor known that the supervisor had understood about first aid in case of occupational accidents in the field. He was explaining related to work accident record and its review by OHS guiding Committee.

Based on field observations to RSE on Division I Block D029 RSE (chemical weeding); than field observation on Division I E035 (harvesting). Therefore based on field observations to MDE on Division V Block H021 (harvesting) and field observation to Division II Block G018 (chemical weeding). That known that the foreman brought first aid box, however the contents of first aid are not comply with the Manpower and Transmigration Decree No. 15 /2008 about First Aid. **It was raised as Non conformity No. 2017.04.**

Minor 4.7.6.

PT BNS provides work accident insurance for its personnel, which is registered in manpower-social insurance (*BPJS Ketenagakerjaan*). Based on observation over the monthly membership cost and number of membership, its known that the entire personnel within PT BNS has been registered in manpower-social insurance (*BPJS Ketenagakerjaan*) and company has periodically pay the membership cost every month based on the applicable regulation. The company also was register all workers on health insurance programs (*BPJS Kesehatan*), for examples: proof of social and health insurance payments for all workers on January 2017 has been paid dated 7 February 2017.

Minor 4.7.7.

The company has consistently monitoring the Accidents which are fully informed about: months of the incident, the number of cases, the location of the accident, type of accident, as a result, work hours lost, causes, follow-up and results.

Monitoring of work accidents are performed every month and reported to the related government agency with regular reports of Guiding Committee of Occupational Safety & Health together. Based on monitoring result that known **RSE: 8** case, 17 LTI, 15 FR and 31 SR; **MDE: 27** case, 43 LTI, 58 FR and 93 SR; **MDF: 1** case, 1LTI, 6 FR and 6 SR.

	Status:	
4.7.1	Non Conformity with Major category No. 2017.02	
4.7.3	Non Conformity with Major category No. 2017.03	
4.7.5	Non Conformity with minor category No. 2017.04	

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

Major 4.8.1
 The management unit presented the training schedule for Minamas Plantation for period 2016 – 2017 the target of development is general competency and type of training program for staff level, such as: (1) Leadership competencies: Core Executive Program from 1 to 4 for personel level B to H and HECTA for ASM/SAS for level F (2) Functional Training: estate refresher training, mill refresher training, KSI/KTU training, English Developmental Program, (3) Regulatory Compliance Certification: occupational health and safety expert certification, supply chain certification, certification for heavy equipment operator and certification for welder, (4) Induction training, (5) Assistant conference. Besides it, the company has training program for employee level: SCCS, HCV training, manuring, spraying, PPE's usage, preparedness and emergency response.

Minor 4.8.2
 The company has had a worker training records during 2016 for each individual worker and stored in each estate offices; for example: training in the used of pesticides for spraying workers on 15 September 2016. Interviews with chemical weeding workers in block G018 Division II and block E035 Division II; note that the pesticide applicators understand safe working practices such as how to pour poison in Knap sack, how spraying nozzle tip should not exceed waist height, the former packaging must be returned to the warehouse agrochemical, spraying is not allowed downwind, and before performing work activities required of workers using PPE. Besides spraying workers have understood MSDS information describing the chemical hazards and countermeasures in the event of an emergency such as poisoning.

	Status: Comply	
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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. major
 The company has had environmental impact assessment in AMDAL document and Environmental Impact Management and Monitoring Plan (RKL-RPL document) for estate and mill. EIA for MDE and RSE are detailed in EIA document of PT BNS year 1996 authorized by Ministry of Agriculture, Agribusiness Department with decree no. 07/BA.5.3/V/1996 dated 17 May 1996. The document was revised on 2006 and approved by head of Environment, Mining and Energy Agency of Indragiri Hilir District. The EIA document cover environmental issues on degraded air quality, peat subsidence, potency of land fire, degraded water quality and disturbance on water biota and social restlessness. There is a matrix of the said potential environmental impact management and monitoring as company obligations on its operationals.

Meanwhile, for MDF the EIA document is UKL-UPL document of Mandah POM authorized by Environment, Mining and Energy Agency of Indragiri Hilir District, Decree no. 660/DLHPE-PDL/XI/2008/289 dated 13 November 2008 with mill capacity of 45 ton/hour. The document covers environmental issue on planning activities of mill, potential environmental impacts, environmental management, monitoring dan reporting.

In the document Environmental Evaluation Study and UKL-UPL for mill have not found a description of community participation. The company carries out social and environmental impact assessment (SEIA) for replanting activities for the years 2015 to 2018 were done by Aksenta, September 2015. In the document has been contained documentation of a

participatory assessment of the parties affected are employees and people in the villages around the area of operations of the company among other Bente Village, Bunaian Village, Penjuru Village

5.1.2 minor

Since there is a replanting activity taken place since 2015 in MDE and 2013 in RSE, the company has conducted social and environmental impact assessment 2015 -2018 by Aksenta Consultant on September 2015. The analyzed impacts are physical, biological and social and impact mitigation that shall be managed by the company both direct. The company has appointed division responsible for each type of impacts such as for water management the agronomy team is responsible, for biological assessment the environment team is responsible and for social, the CSR team is responsible. For Mandah Estate and Rotan Semelur Estate base on revision document RKL dan RPL 2006 environment impact must be manage and monitored as follow:

- Decrease in air quality
- Changes in soil properties
- The potential for forest fires
- The decline in water quality and aquatic nuisance / river fish
- Public unrest / social conflicts

For Mandah factory POM base on UKL dan UPL document , environment impact must be manage and monitored as follow

- The reduced availability of water canals
- Damage to the edge of the canal
- The quality of air and noise
- The decline in surface water quality
- Management of liquid waste
- Income dam resident attitudes and perceptions
- Waste Management
- Public unrest / social conflicts

5.1.3 minor

The company consistently implement environmental management and monitoring plan outlined in EIA document. The implementation is reported every 6 month to District Environment Agency against all parameters required by company EIA's document and ordered by regulation. The report includes the evaluation of the EIA implementation and recommendation for further improvement. The company has sent RKL and RPL report for fist semester 2016 Mandah factory on 8 auguts 2016 to environment agency Indragiri Hilir. For Mandah Estate and Rotan Semelur Estate has been sent at 15 auguts 2016. The draft report of RKL-RP for second semester 2016 is available for Estate and Mill, however the report is still on checking process in Minamas Head Office, Jakarta before proceeded to the concerned government institution.

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. major

The company has identified its HCV area within company's HGU and RTE species found in the company operational area. The HCV identification was conducted by Yayasan Kelapa Sawit Berkelanjutan Indonesia (YASBI) on 16 October 2010. A public consultation was held on 4 December 2009, there were 76 participants from the district and sub-district Kateman, District Mandah, and villager around estate

The HCV identification provides information on 3 protected flora species and protected fauna of *Felis bengalensis* and *Felis viverrinus* that is categorized as Appendix I (CITES), Trenggiling (*Manis Javanicus*) that is categorized as Rare according to IUCN and other 8 species categorized as Appendix II which are *Sus scropa*, *Macaca fascicularis*, *Tupaia tona*, *Paradoxurus sp*, *Varanus salvator*, *Phyton sp.*, *Heliastar indus*, and *Copsycus saularis*. Meanwhile, the HCV area for 208.26 Ha in MDE and 497.66 Ha in RSE are categorized as HCV potential area since the said area are occupied by

Village Community. Therefore, the company can not fully manage the HCV area. The potential HCV area is occupied as coconut plantation, bare land and degraded peat land area.

Based on interview with management unit and document review, it is known that the company has filed measurements in the enclave area of PT BNS by the Land Office (BPN) on 5 september 2016. in the plan, HCV areas located within the concession area will be excluded from the company statement. Based on the results of the visit in block H26 is known that the area of potential HCV in the form of shrubs. The Company has an opportunity to re-evaluate HCV identification assessment area in RSE and MDE. **OFI**

5.2.2.major ; 5.2.3. minor & 5.2.4. minor

The company can only conduct socialization on hunting prohibition of RTE species, protection over RTE species, and prohibition of poisoning water for fish catching. The socialization is directly and indirectly socialized by the company. Indirect socialization is delivered through signboard notification., which among others are:

- MDE : Installation of sign board as Non-hunting protected animals, protected species within the plantation, it is prohibited to burn the land and have been installed in Block I, Division IV MDE 026 and H 022 Division V MDE.
- RSE: Installation of sign board as Non-hunting protected animals, protected species within the plantation, it is prohibited to burn the land and have been installed Blok B035.

The direct socialization is conducted through meeting company employee has planed twice in one year which among others are:

- The company has shown evidence of HCV socialization to employees in the division MDE 5 on December 15, 2016 which was followed by 20 employees harvest
- There is evidence of socialization BufferZone on 9 September 2016 Division 5 with the submitted materials are prohibited from spraying on the outskirts of the canal / river ± 50 meters. The socialization followed by 20 employees.

Specific to RTE protection, the company has SOU circular letter No. 3-/SOU20/XII/2015 dated 20 December 2015 on disciplinary sanction applied for anyone who hunting, killing, harmful, having RTE as pet and collecting RTE species in accordance with UU No. 32 year 1999 on environment management and protection and UU No. 42 year 1999 on Forestry. The disciplinary action taken starts from warning letter up to dismissal of employment. According to interview during visit to housing complex, the complex resident has been understood about the regulation.

5.2.5 minor

Regarding to the HCV area that are occupied by the Villagers, the company has held a meeting on agreement of HCV area management. The meeting was held on 17 February 2016 in Teluk Bunian and Parit Sabak Jantan Villages (MDE) and on 10 February 2016 in Sungai Dendan, Parit Baru and Cahaya Baru Villages (RSE) discussing on protection on RTE species, avoidance of water body contamination and mutual agreement on the potential HCV management by the Villagers without company intervention but acknowledging the existence of RTE species identified in the company HCV identification.

Status: OFI

5.3

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

5.3.1. major

The company has identified the source of pollution and waste as listed in the PT BNS Identification of Waste Source Document covering information on kind of waste, source of waste, pollution generated, impact and reduction effort recommendation.

Plantation polution and waste

- Land conversion
- Fertilizer (mineral) manufacture and transport
- N2) from fertilizer (mineral and organic) application
- Fuel consumption
- Peat oxidation
- Agrochemical

Mill emissions pollution and waste

- POME
- Fuel consumption
- Grid electricity utilisations
- Insenerator EFB

5.3.2. major

The company has SOP management of hazardous waste and non hazardous waste no PLB3 & BB3 set 1 may 2009. In that SOP has explain waste storage procedures. The company has show permit Regent Indragiri Hilir (Licensing Agency, the Regional Investment and Promotion) about permit temporary hazardous waste warehouse for MDF, MDE and RSE valid 5 year start at 18 february 2014

The company has taken effort to reduce emission and pollution source as described below:

- Domestic waste: based on field observation, the company has collected domestic waste in MDE, RSE and MDF periodically and dump it to the landfill.
- Mill's effluent: the company has WWTP facility to treat the effluent to meet the quality standard regulated for effluent discharge to water body. The treated effluent quality is tested monthly and report it to the related agency by quarter effluent report.
- Ex-agrochemical container is sent and kept in company's licensed hazardous waste storage. The balance sheet is updated and well recorded. There is a record of hazardous waste disposal to licensed third party in form of hazardous waste manifest. The company has the copy of the transporting company licensed and has a working agreement. The company regularly reported the update hazardous waste balance sheet in three monthly report and sent it to Environment Agency of Indragiri Hilir District. During visit to hazardous waste storage, the company put the modified symbol of hazardous waste
- Medical waste: the company kept its medical waste in licensed hazardous waste storage since the license allowed medical waste storing as per license regulated. The hazardous transporting company has a permit to transport and handle medical waste. Before sent to licensed hazardous waste, first aid unit kept it in a solitaire area and in a close containers.

The company has agreement with PT Logam Jaya Abadi to transporting and disposing off hazardous waste. Base on overview document license the PT Logam Jaya Abadi don't have transportation permit via sea. It also cannot doing transportation and disposal off the hazardous waste. Up to the time of the audit has been no shipments to authorized collectors this is because of the difficulty getting licensed hazardous waste transporter.

5.3.3 minor

The Company has documented hazardous waste management in the quarterly report the balance of hazardous waste. The company has sent quarterly report period IV 2016 on 15 january 2016 for MDF, MDE dan RSE to environment agency (BLHD) Indragiri Hilir.

The company has filed an application to the department of environmental and hygiene Indragiri Hilir district on Petition provision of advice, recommendation temporary storage of hazardous PT BNS on February 3, 2017 with no 001 / SOU-20 / BNS / II / 2017. In the letter the company had difficulty explaining hazardous waste transportation permit transportation by sea, the company has been cooperating and asked for a recommendation from the department of environment and hygiene Indragiri Hilir regency

for EFB management are managed by burned in an incinerator and for the period October - December 2016 known to the waste that has managed as much as 3886.3 tonnes. As for POME is disposed into water bodies by recording the period October - December 2016 as many as 16.375 m3

	Status:	
5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.		
The company has use such as fiber and shell as renewable energy source for electric power in FFB processing		

- Use of renewable energy 0.17 Fiber & Shell /ton FFB
- Use of fossil fuels directly 1.81 liter diesel fuel/ ton FFB
- Use of electricity KWH 18,9 KWH/ton FFB

The Company has conducted efficiency using renewable energy such as fiber and shell for FFB process and produce electricity. The company has show the plan to build new boiler and conveyor for using more renewable energy. During field visit at MDF the boiler construction is still in the development process.

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.

Since ASA-2, the company has no expansion area.

The company has a zero burning policy that contained in the Guidelines for Sustainable Plantation Management (No. Policy 724/TQEM-SPMS/09). Based on field visit in replanting area block D034 Division I RSE and block F019 Division IV, concluded that there is no indication of fire usage for replanting activity. Whole activity were done by mechanical method.

Status:

5.6

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

5.6.1. major

The company has identified the pollution and emission source generated from company operational both in mill and estate. Identified GHG emission informs kind of pollution and emission source such as land conversion, the use of fertilizer, transport system, fuel consumption, peat oxidation, POME and grid electric utilizations.

The Company has conducted emission tests carried out in collaboration with environmental testing laboratories BINALAB Pekanbaru.the result of analysis emision generator number 1-3 mandah factory accordance with standart (Environment minister decision No 13 /2009 attachment I.a). the result test boiler emissions accordance wit standart (regulation minister environment no 07/2007).

5.6.2. major

The Company has implemented performed for reducing emissions and pollution produced, among others:

- Periodic testing air quality emissions of boiler and generator set (genset test results and boiler emissions for the 1st half of 2016 showed there are no parameters that exceeded the quality standard).
- Land clearing without burning
- Water management to reduce the decomposition of peat peat
- Management uses an WWTP effluent before being discharged into the river.
- Maintanance machines regularly.
- Doing utilization of renewable energy instead of fossil fuels (fiber and shell).
- Pulai (*Artocarpus sp*) crop planting in the river border area.

5.6.3. minor

The company has calculated its GHG e mission using Palm GHG Calculator Version 3.1 has been sent to devaladevi@rspo.org at 16 February 2017 with the resul i.e :

Summary emission.

Produk	tCOe/t Product
CPO	16,74
PK	16,74

Field emission 96,33%
Mill Emission 3,67%

description	unit	Value
Total Planted area	ha	8.227
Total planted area on	ha	8.227
Consevation area	ha	0
OER	%	24.1
KER	%	4,7

Mill emission and credit

Description emission source	tCO2	tCOe/t FFB
POME	22437,8	0,2
Fuel consumption	684,07	0,01
Total	23121,87	0,21

Plantation/ filed emissions and sinks

Description emission source	tCO2e	tCO2e/Ha	tCO2e/ t FFB
Land Conservation	81255,03	9,88	0,71
CO2 emission from fertilizer	4856,21	0,58	0,04
N2O emissions	68876.98	8,37	0,6
Fuel Consumption	2560.37	0,31	0,02
Peat Oxidation	449194,2	54,6	392
Sinks			
Crop sequestration	-77018,98	-9,36	-0,67
Sequestration in conservation area	0	0	0
Total	529723,81	64,39	4,63

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.

Indicator 6.1.1 ; 6.1.2

The management unit of PT BNS has document of Social Impact Assessment. The assessment and reported was carry out by Yayasan Sawit Berkelanjutan Indonesia. The document was explained of negative and positive impact of PT BNS to social aspect and the recommendation for negative impact reduction and increasing of positive impact. There was showed also the minutes meeting of consultation process with communities surround.

The Social Impact Assessment has been done with involve of related party, consist of communities surround, delegation of village and informal leader (customary leader). There was showed documentation of assessment process, for instance the Attendant List of data gathering in several village surround on December 2009.

Indicator 6.1.3 ; 6.1.4

The company has set management plan to manage social impact due to plantation operational. It document consist the action plan, time schedule, personal in charge, etc. Social management plan of PT BNS available in Report on environmental management plan (RKL) and Environmental Monitoring Plan (RPL) semester i and II of 2016, which are included the social aspect consist of social unrest and impact of replanting.

Social Management Plan has been implemented, such as the provision of CSR programs, local recruitment, program development community. The implementation of of CSR and Community Development, such as:

- provision of electrical home of communities
- provision of assistance 1000 books
- provision of assistance water tank

- provision of assistance teachers salary

Management plan related to social aspects have been review by involving all affected parties. It has been shown social impact assessment questionnaires and the recapitulation which conducted on September 2016. Changes in social management efforts can be seen from RKL-RPL first semester and second semester. These plans have been implemented, such as the provision of CSR programs, recruitment and program development community.

Indicator 6.1.5

Until ASA 3, the PT BNS not yet has Smallholder Scheme.

Status: Comply

6.2

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

Indicator 6.2.1

Management has the SOP communication and consultation to conduct communication/consultation with stakeholders, document number ; RSPO/6.2/KKM. SOP Communication / consultation was developed with the communities and based on the discussion with the community. It is contained in the SOP communication / consultation states that if in a consultation process did not find a deal will be done jointly discussion. Based on verification communication/consultation document, and interviewed with stakeholders, management has socialized the SOP with stakeholders. For example, evidence of SOP communication socialization on August, 8 2015 that was attended by 13 participants. Based on interview with stakeholders, they already known mechanism of communication.

Indicator 6.2.2

Management of BNS has Personnel in Charge which is appointed to communicate with stakeholders. PIC which is appointed to respond the stakeholders is made officially by company. Management have shown memorandum no. 123/RSS-pod/IX/2012 dated 3 September 2012 which is shown PIC which is appointed to communicate with stakeholders.

Based on interview with local community of Sub Village of Parit Berayun I, Sub Village of Saba Jaya and Sub Village of Mulia Jaya, management of BNS has socialized SOP communication/consultation with communities. Communities of Bente dan Teluk Bunian village also know the personnel which is appointed to communicate with them.

Indicator 6.2.3

Management of BNS has list of stakeholders which consist of contractor/supplier, government district and village, school, hospital/health centre, Bank, etc. Management unit keeps all communication/consultation or meeting record with stakeholders in mail folder. All records of communication with stakeholders is kept in incoming and outgoing mail folder. Based on document verification, it is known that all incoming mail have been responded by company.

Status: Comply

6.3

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

Indicator 6.3.1

Management of PT BNS has mechanism to handle complain from communities. The mechanism was refer to Procedure of communities complaint resolution (RSPO/6.3/PKM) This procedure describes guidelines to settle conflict/ complain from local communities by conducting discussion and meeting between both parties and third party in case the third party is needed as facilitator. Based on Interviews with local community has been aware of complaints mechanisms. If there are complaints / grievances, PIC that handles is manager. Based on document verification and interview with stakeholder, it is known, that there were no complaints in 2016. Procedure of communities complaint resolution only up to the enterprise level. Based on interviews with management, if there is no solution in the complaint mechanism, can be brought to the RSPO Complaint System.

There was also available of procedure of Complaints Handling of Employee (RSPO / 6.5 / PKK, dated July 28, 2009) and also was completed with Employee Complaints Handling Flow Chart. Protection of whistleblower is contained in Code of conduct poin B.3. if there is complaint, it will be answered / decided by the senior/assistant. If it can not be

decided by the assistant/senior, can be delivered through bipartite cooperation.

Indicator 6.3.2

Based on verification on complaint document and information by management unit representative, known that in period of one year until ASA-3, there was no dispute among the company and the other parties. Based on stakeholder consultation with external stakeholders consisting related agency in Indragiri Hilir Distric, community adjacent the plantation area and also *focus group discussion* (FGD) with internal stakeholder (Gender Committee and Workers Union), there was no significant complaint from related parties.

Status: Comply

6.4

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

6.4.1 & 6.4.2

Until the ASA-3, there was no new expansion area of PT BNS, subsequently; there were no new land compensation process. The company has had SOP of conflict resolution (006/BNS/MDF-PK/IX/12) which states that the personnel of Plantation Service Department is assigned to solve the land claim issue. The manager then forms team of verification to collect the supporting data. The form of process of resolution is conducted in forum to achieve collective agreement. Socialization of SOP of conflict resolution was held in Parit Baru. It was attended by 11 representatives consisted of representatives of PT BNS, chief of village, community figure and other member of the community on August 30th 2008. The agenda of socialization describes the definition of SOP of conflict resolution and land compensation and the flow chart to the company. There is also procedure to identify and calculate the compensation fairly for the loss of legal or traditional right as written on the SOP of the occupied land compensation (343/PSD-OKUP/11).

Based on interview with village representative regarding to land compensation process, all compensation has been paid fairly. For example, land compensation of Mr. Artawan (2,28 Ha) and Afdal Darimi (11,84 Ha). Whole compensation document saved by PSD Department as follows handover letter by land owner, undisputed letter and minutes of land handover including photos. Until the audit, there wa no complaint record regarding to it land.

6.4.3

There are also evidence of the records of identification of the compensated parties. For example:

- Letter of notification of the compensation (SKGR)
- Official record of the compensation between the company and the community
- List of the land compensation payment and its content. The collective declaration letter that it is conducted voluntary and in healthy condition (mentally and physically).
- Receipt of personal payment attached with law seal, signature and fingerprint stamp and the photographs of payment.

Based on interview with PSD staff and document verification, land compensation document has set as restricted document due to sensitive cases.

There is no latest compensation process since ASA 01. The company has shown the example of the record of land compensation negotiation process at the early period. It was the process of compensation to construct canal network around Mandah Estate. The record is in form of the minutes of meeting of assembly on August 10th 2009 in the mansion of Mr Artawan (Parit Gurah Village). It was attended by 37 participants. The result of the agreement were:

- Agreement to construct access road by compensating land and plants belong to community impacted by the road construction project for ± 10,000 meter.
- The community is willing to help the project.

Status: Comply

6.5

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

Major 6.5.1

The company has not adjusted wage increases in 2017, the increase of employees wage usually will be paid on May. Based on document verification and interview with staff, nowadays is still adjust to Riau Governor Decree No. 573/2016 regarding to the plantation sector minimum wage for Riau Province in 2016 is IDR 2,325,000 per month (including to meal allowance/rice). Memorandum of Human Resources Management Minamas Plantation No. 088 /HRM-I3/IV-2016 on 17th March 2016 concerning wage PT BNS amount IDR. 2,190,000/month (meal allowance: 15 kg rice @IDR 9,000/kg). This HRM Memorandum is still valid until today because of the latest HRM memorandum to the basic salary PT BNS 2017 not yet. The company was show cash voucher in MDE No. 04/MDE/05/16 for payment on 4 May 2016 to all employees.

Major 6.5.2.

Collective Labor Agreement between company and Head Committee - Federation of Unions of Agricultural and Plantation Indonesian Workers Union (PP. FSP-SPSI) period of 2015-2017 has been approved by “*Dirjen Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja*” Manpower Ministry No. KEP.88/PHIJSK-PKKAD/PKB/VI/2015 dated 18 June 2015. The document was writed on Bahasa Indonesia, it has been also socializing to all level workers through worker union.

Worker agreement between company and workers defined in 2 types:

- a) Contract worker using Worker Agreement with Timeline Condition in mill and estaes i.e. Mill: No.001/SPK-PKWT/III/2017 dated 6 February 2017 till 6 February 2018;
- b) Permanent Workers using Collective Labor Agreement between company and Head Committee - Federation of Unions of Agricultural and Plantation Indonesian Workers Union (PP. FSP-SPSI) period of 2015-2017 has been approved by “*Dirjen Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja*” Manpower Ministry No. KEP.88/PHIJSK-PKKAD/PKB/VI/2015 dated 18 June 2015.

According to field observation and interview with loose fruit picker on Division II Block E035, RSE; that known: she’s working to help her husband (harvester). However the company can’t show this work agreement. It was raised as **Non Conformity No. 2017.05.**

Minor 6.5.3.

PT. Bhumireksa Nusasejati already provide employees with adequate housing, either a permanent or semi-permanent buildings. For water supply, PT Bhumireksa Nusasejati provide storage tanks to accommodate the water from ground water and rain water. Moreover, in every estate there first aid post as the nearest medical service needs. If necessary in reference to the Central Clinic in Teluk Bakau Estate. Other facilities include a private elementary school, babysitting services, houses of worship, ration shops, halls and sports facilities.

Based on field observations and interviews with workers and her wife on MDF housing complex, it is known that there are several families living in one housing. While based on document verification that known the ratio of housing with the current number of employees is 1:3. MDF Manager has sent letter No. 088 / BNS-MDF / 04/2016 dated 27 April 2016 about the Application of Acceleration Actual Capital Expenditure Year of 2014/2015 (workers Housing) to Purchasing Manager in Jakarta. Developing of MDF workers housing (permanent housing with type G6) has been approved by Head of Plantation Upstream dated September 16, 2016. However, the company has not been able to provide decent and adequate housing for employees and their families. **It was raised as non conformity No. 2017.06.**

Minor 6.5.4.

PT Bhumireksa Nusasejati gave permission to open a shop selling daily necessities in the housing and there is a market seasonal of payment time of salaries. Every day there is a peddler who came from the surrounding villeges who sell their daily consumption needs. It became the company’s efforts to monitor and improve workers access to food was decent, fairly and with reasonable price.

	Status:	
6.5.2	Non conformity with Major Category No. 2017.05	
6.5.3	Non conformity with minor Category No. 2017.06	

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.

Indicator 6.6.1
 Management of PT BNS has a policy that respects the rights of all employees to form and join a community of Labour Unions which is contained in the Guidelines for Sustainable Plantation Management SOP number : Policy 724/TQEM-SPMS/09 dated on August 27, 2010. The result of the policy is formation of Labor Unions in PT BNS which is recorded in manpower agency since 2012 and still active until the assessment of ASA-3. The policy is available in bahasa.

Indicator 6.6.2
 There are meeting record between Labor Union and Management unit and also meeting record between Labour union and its member, such as:

- Minutes of meeting between Labor Union with workers on July 15, 2016, which was attended by 12 participants.
- Minutes of the meeting selection of LaborUnion officials on March, 1 2015 that was attended by 52 participants.

Based on document verification and interview with internal stakeholders, auditor conclude that the company has implemented policy that respects the rights of all employees to form and join a community of Labor Unions.

Status: Comply

6.7
Children are not employed or exploited.

Major 6.7.1.
 There is a policy related to personnel's age requirement. The minimum age requirement and working hour are regulated in collaborative labor agreement in 2015-2017 article III regarding to age requirement for recruitment such as minimum age is 18 years old during the hiring. Working hours is stated in article IX, which has been regulated in collaborative labor agreement, including: number of working days and working hours in company is 5 days a week and 8 hours a day and 40 hours in a week or 6 days a week and 7 hours a day and 40 hours a week.

Based on interview with worker union and gender committee, there is no personnel under 18 years old during the hiring. Based on interview, peronnel should attached their national identiy card in order to endure that candidate was more than 18 years old. Furthermore, company will verify candidate's national identity card.

Status: Comply

6.8
Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.

Major 6.8.1
 Company has a policy on equal opportunity that is stated in social policy point 1: the entire personel should be treated equally related to recruitment, promotion, limitation and work condition with no discrimination againts race, social position, ethnicity, gender, skin colour, disability, organization's membership, political view, religion and/or age. Head of Plantation Upstream Indonesia signed this policy in December 2011.

6.8.2
 Based on interview with internal and external stakeholders, there is no discrimination againts gender, ethnicity or certain groups. Some stakeholders, who been interviewed, are part of local communities (Sub Village of Parit Berayun I, Sub Village of Saba Jaya and Sub Village of Mulia Jaya), and some come from area such as North Sumatera, West Sumatera, Melayu and Jawa.

Minor 6.8.3.
 The company has memorandum GM HRM No. 0057/PRS-i2/X/12 dated 22 October 2012 about recruitment procedure and GM HRM No. 331/HRM-i3/VII/2013 dated 9 July 2013 about workers promotion and grade increases. The company has to keep and maintain a record of their employees work credentials and medical history. Provided medical check-up records before the appointment became employees into consideration hiring. The company was gift promotion chances to all workers, for example: Promotion of 14 harvesters (free labor) to permanent workers, it according to submission letter

by Estate Manager No. 056/EM-MDE/IV/2016 dated 12 April 2016 to GM Estate Riau Selatan. Thus submission was approved by GM Estate Riau Selatan dated 1 February 2017.

Status: Comply

6.9

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

Indicator 6.9.1 and 6.9.2

There are company policies on sexual harassment and violence in the Guidelines for Sustainable Plantation Management SOP number : Policy 724/TQEM-SPMS/09 dated on August 27, 2010 Chapter Policies and Objectives, Sub Chapter Plantation Upstream Indonesia Policy on Social Policy point 4 is to develop and implement policies to protect women from sexual harassment and crime and protecting rights related to reproduction.

The Company has demonstrated the socialization policy to prevent all forms of abuse and sexual harassment and protecting the rights related to reproduction.on Februari, 10 2016, which was attended by 11 participants, and on March 12, 2016 which was attended by 22 participantsBased on interview with workers, gender committe and labor union, it is known that policy to prevent all forms of abuse and sexual harassment have been disseminated by company troughout gender committee

The Company has an opportunity to evaluate policies regarding the provision of rest menstruation (H1) for female workers (Staff Office & Supervision). **OFI**

Indicator 6.9.3

The company has a specific complaint mechanism that contained in SOP complaint handling Gender Committee no. Documents: 4 / BNS-PK KG / VIII / 12. Specific Complaints submitted to the gender committee members who is appointed by the management.

Management has gender committee in order to solve sexual harassment or issues related to woman. Based on interview with workers and housing residents, they have already known personnel of gender committee. Protection against the whistleblower if there any reports related to women's issues, contained in Code of conduct. According to housing residents, workers, gender committee and labor union, it is known that no information or issues related women's issues.

Status: OFI

6.10

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

Indicator 6.10.1 & 6.10.2

Until ASA-3, the PT Bhumireksa Nusasejati did not buy FFB from outsider, all of FFB was supplied from own estates consist of Mandah Estate and Rotan Semelur Estate..

Indicator 6.10.3 & 6.10.4

Until ASA-3, PT Bhumireksa Nusasejati not buying/receives FFB from other parties, all of TBS supplied from from own estates. There was available document contract between the company with the contractors for certain types of jobs. It has been shown examples of Work Agreement No. 03/EST-MDE/11/2016, dated 1 November 2016. These document was contains of description of the Rights and Duties of the Parties, including the obligation for the contractor to provide PPE for workers working equipment, Payment System. The document signed by both parties and kept by each party. Management keeps some transaction documentation such as Official Report of Work Checking by the company, purchasing order, document transfer. Based on the verification of documents, the payment was made in accordance with Work agreement

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

Indicator 6.11.1

The company has contributed to local development troughout CSR program. The contribution as follows education, infrastructure, donation, etc. In addition, the company also cooperate with local contractor and also provides training in handicrafts in Makmur Jaya, Penjuru, and Teluk Bunian Village.

Indicator 6.11.2

PT. BNS does not have scheme smallholders.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1; 6.12.2 & 6.12.3

The Company has Social Policy signed by Head of Plantation Upstream Indonesia on December 2011 stated there are not allowed to forced labor or labor minors (children). The entire personnel have their position based on the signed work contract. Interview with worker union revealed that there is no force or illegal labour who work in company. The entire personnel had read their work contract and they have signed their work contract continuously. Moreover, company does not hire illegal or force labor. Based on interview with several workers on each estates and factory, that known: there are no contract substitution.

Status: Comply

6.13

Growers and millers respect human rights

Major 6.13.1

Policy to protect human right is stated in memorandum, which has been signed on 31 July 2015 by had of SOU 20 PT BNS. This memorandum protects human right and has been distributed on 5 August 2015 with number IST/MDE/VIII/2015. Meanwhile, this memorandum covers commitments, such as:

1. Protects personnel rights, such as life right, right to protect their life, to improve their life quality, to establish a harmonious family and the right to have a religion.
2. Provides opportunity for each personnel to communicate and to gain information in order to develop themselves and their social environment.
3. Provides freedom for personnel to ponder their opinion yet still respect religious value, moral value, public interest and the national unity.
4. Respects individual rights to establish and joint worker union based on their choices.
5. Communicates and explains the policy and human right protection to be understood by each personnel, including contractor and other related parties.

Company presented the annually socialization evidence related to human right policy. The latest socialization has been conducted on 5th August 2016 that has been attended by 51 participants from workers and contractor.

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

The company does not conducted new planting after 2010. The planting was conducted during period of 1996 to 2007. The replanting was started at 2013 in RSE and at 2015 in MDE. Total replanting planned for 4.111 Ha in RSE and planned for period of 2013 – 2035. Meanwhile for MDE is planned for 4.107 Ha during period of 2015 -2019.

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.

The company does not conducted new planting after 2010. The planting was conducted during period of 1996 to 2007. The replanting was started at 2013 in RSE and at 2015 in MDE.

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.

There was a new planting in 2007 in RSE. The planting was conducted before the HCV assessment in October 2016. However, based on the document review, the company did not open the HCV area since the appointed HCV area according to the company HCV assessment. However, the company sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014. The companies ensuring reporting of disclosure of liability progress to RSPO finished before ASA-4 according to the CB's correspondence with RSPO Remediation and Compensation Manager. **OFI**

Status: comply

7.4

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

The company does not conducted new planting after 2010. The planting was conducted during period of 1996 to 2007. The replanting was started at 2013 in RSE and at 2015 in MDE.

Status: comply

7.5

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

Indicator 7.5.1

Until ASA-3, the PT BNS did not extend their area for new plantation. The company just was carry out replanting in operation area

Status: Comply

7.6

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

Indicator 7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5 & 7.6.6

Until ASA-3, the PT BNS did not extend their area for new plantation. The company just was carry out replanting in operation area

Status: Comply

7.7

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

Since ASA-2, the company has no expansion area.

The company has a zero burning policy that contained in the Guidelines for Sustainable Plantation Management (No. Policy 724/TQEM-SPMS/09). Based on field visit in replanting area block D034 Division I RSE and block F019 Division IV, concluded that there is no indication of fire usage for replanting activity. Whole activity were done by mechanical method.

Status: comply

7.8

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

7.8.1.&7.8.2.

The company does not conducted new planting after 2010. The planting was conducted during period of 1996 to 2007. The replanting was started at 2013 in RSE and at 2015 in MDE. Total replanting planned for 4.111 Ha in RSE and planned for period of 2013 – 2035. Meanwhile for MDE is planned for 4.107 Ha during period of 2015-2019.

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.

Plantation:

The company using Closed End Conservation Trenches (CECT) method in replanting activity in order to reduce pest attack, pollution and green house gasses.

Environment:

The company has build new boiler to reduce EFB waste and use EFB for renewable energi for electricity

Status: Comply

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module D) CPO Mills – Identity Preserved Requirements													
D1	Definition													
<p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p>														
<p>Until Surveillance 3, Mandah POM only received and processed FFB that comes from two own estates (Mandah Estate and Rotan Semelur Estate), along with little volume on November and January 2017 from another estates (Teluk Bakau POM supply bases). Those two estate is under the same entity of PT Bhumireksa Nusasejati has been RSPO Certified on 2011 but different certification scope (Certification scope of Teluk Bakau POM: Nusa Perkasa Estate dan Nusa Lestari Estate). The volume of FFB accepted from April 2016 to 11th February 2017 (the implementation of Audit Surveillance 3) described on table below:</p>														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">FFB Sources</th> <th style="width: 40%;">Volume (Ton)</th> </tr> </thead> <tbody> <tr> <td>Mandah Estate</td> <td style="text-align: right;">53,505.51</td> </tr> <tr> <td>Rotan Semelur Estate</td> <td style="text-align: right;">38,872.54</td> </tr> <tr> <td>Nusa Perkasa Estate</td> <td style="text-align: right;">697.43</td> </tr> <tr> <td>Nusa Lestari Estate</td> <td style="text-align: right;">302.53</td> </tr> <tr> <td style="text-align: center;"><i>Total</i></td> <td style="text-align: right;">93,378.01</td> </tr> </tbody> </table>			FFB Sources	Volume (Ton)	Mandah Estate	53,505.51	Rotan Semelur Estate	38,872.54	Nusa Perkasa Estate	697.43	Nusa Lestari Estate	302.53	<i>Total</i>	93,378.01
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Nusa Lestari Estate	302.53													
<i>Total</i>	93,378.01													
<p style="text-align: center;">Status: Comply</p>														
D.2	Explanation													
<p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p>														
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CPO	21,531.21	31,564												
PK	4,155.20	6,179												
<p style="text-align: center;">Status: Comply</p>														
<p>D.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>														

The Mandah POM - PT Bhumireksa Nusasejati (Minamas Plantation) has been registered of certified products of RSPO (CSPO and CSPK) with *e-trace-UTZ*, Member ID: RSPO_PO100000138

Certified CPO sold to each buyer period of April 2016 to 11 February 2017

Date	Buyer	Volume (kg)	Claim
April 2016	PT WILMAR NABATI INDONESIA	2,400,000	RSPO
May 2016	PT GOLDEN HOPE NUSANTARA	966,224	RSPO
June 2016	BULKING DUMAI PARACIPTA ABADI	1,439,544	RSPO
	PT SYNERGY OIL NUSANTARA	1,320,035	RSPO
July 2016	PT WAHANA CITRA NABATI	1,509,920	RSPO
August 2016	PT GOLDEN HOPE NUSANTARA	1,193,327	RSPO
	PT WAHANA CITRA NABATI	1,500,480	RSPO
Sept 2016	PT GOLDEN HOPE NUSANTARA	1,700,089	RSPO
October 2016	BULKING DUMAI PARACIPTA ABADI	2,000,670	RSPO
November 2016	-	-	-
December 2016	PT PACIFIC INDOPALM NUSANTARA	2,441,179	RSPO
January 2017	PT GOLDEN HOPE NUSANTARA	2,519,916	RSPO
1- 11 February 2017	PT GOLDEN HOPE NUSANTARA	2,192,321	RSPO
Total		21,183,705	-

Certified Palm Kernel sold to each buyer period of April 2016 to 11 February 2017

Date	Buyer	Volume (kg)	Claim
April 2016	PT SARI DUMAI SEJATI	450,002	RSPO
May 2016	-	-	-
June 2016	PT SARI DUMAI SEJATI	391,800	RSPO
	PT IVOMAS TUNGGAL	569,165	RSPO
July 2016	-	-	-
August 2016	PT TEGUH SEMPURNA	700,006	RSPO
	PT SARI DUMAI SEJATI	300,003	RSPO
Sept 2016	PT SARI DUMAI SEJATI	400,002	RSPO
October 2016	PT ADEI PLANTATION&INDUSTRY	350,003	RSPO
November 2016	PT ADEI PLANTATION&INDUSTRY	375,000	RSPO
December 2016	PT ADEI PLANTATION&INDUSTRY	552,549	RSPO
January 2017	PT ADEI PLANTATION&INDUSTRY	350,000	RSPO
1-11 February 2016	PT ADEI PLANTATION&INDUSTRY	-	-
Total		4,788,527	

Status: Comply

D.3 Documented procedures

D.3.1

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

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

The Mandah POM has a procedure to implement Supply Chain System, which consists of:

- a. SOP for Mandah POM that refers to technical guideline for palm oil mill 1, 2 and administration that in line with memorandum from Head of Plantation Operation No.POD-UM-154/VII/2010 on 26th July 2010.
 - FFB acceptance No. 110/POD-FAC/07, sterilization No. 110/POD-FAC/07, striping No. 110/POD-FAC/07, digesting No. 110/POD-FAC/07, pressing No. 110/POD-FAC/07, clarification No. 110/POD-FAC/07, the

separation between nut and fiber No. 110/POD-FAC/07, kernel station No. 110/POD-FAC/07, the collection of oil palm No. 110/POD-FAC/07.

- The Mandah POM has an SOP for product supply chain system, number 027/BNS-SCCS/12, which was approved on 1st September 2012 by mill and Estate Manager that explains the applicable product traceability

b. Person in charge to ensure the implementation of this requirements, such as:

- **Factory Manager**
 - Stores and maintains the entire documents and records of raw materials and supporting material utilization on production process and the quality of end product.
 - Performs verification of product, which being sent to buyers, in order to ensure the sent-product is in line with invoice, delivery order, and sales contract and signs minutes of product deliverance.
 - Provides sufficient training on supply chain certification to the entire staff who involve in supply chain stage from raw material acceptance to storage to product deliverance to final buyers.
- **Plantation Sustainable Quality Management (PSQM) Assistant**
 - Ensures the quality of FFB in mill and makes daily recapitulation.
 - Conducts monitoring over delivery and loading the palm product
 - Conducts the analysis over raw material and product's quality on the entire production stages.
 - Stores, maintains and distributes the analysis result and examines the quality of raw material and product to related agencies.
- **Assistant/Senior Assistant/ Bulking Manager** is in charge on transportation of CPO and PKO product from mill to bulking station.

There is also a record for training on SCCS, such as:

- Attendance sheet for Supply Chain Certification System (SCCS) training in PT Bhumireksa Nusasejati-Mandah POM on 10th March 2016 (with 17 participants), the trainer was PSQM Department
- Training material and training's photos.

Status: Comply

D.3.2

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

The entire processed FFB in Mandah POM comes from two own estates (Mandah Estate and Rotan Semelur Estate), along with little volume from January till February 2016 from another estates (Teluk Bakau POM supply bases). Those two estate is under the same entity of PT Bhumireksa Nusasejati has been RSPO Certified on 2011 but different certification scope (Certification scope of Teluk Bakau POM: Nusa Perkasa Estate dan Nusa Lestari Estate). The entire processed FFB is 100% certified FFB.

The Company has FFB acceptance mechanism by make it mandatory for the driver to show FFB delivery note from each estate and FFB contractor. FFB delivery note explains the source of fruit as well as its quantity.

SOP for palm oil mill was approved by Mill Controller in December 2011 that covers the SOP for weight bridge station, loading ramp, boiling station, Tripler and Thresher, digester station, press station, oil room station, Depericarper station, Nut Cracker station, Kernel Silo, CPO dispatch, Palm Kernel dispatch, Boiler House, Power Plant. Moreover, there is also work instruction for laboratory examination.

Status: Comply

D.4

Purchasing and goods in

D.4.1

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

Until Audit Surveillance 2, the entire processed FFB in Mandah POM came from own estate of PT Bhumireksa Nusasejati (Mandah Estate & Rotan Semelur Estate). The entire processed FFB is 100% *RSPOcertified* and Mandah POM does not receive FFB from other not certified unit.

The implemented FFB's acceptance procedure, such as:

- FFB delivery note and weigh bridge ticket explain the number of weight ticket, serial number for fruit delivery note, the source of FFB, harvesting date, fruit spin, cultivation year, block, number of bunches, volume in ton, vehicle number,

delivery date (there is a stamp of 'SPO CERTIFIED').

- SIME Weigh Information System program explains the origin of FFB (Division, harvesting block, cultivating year, number of bunches), which shown by mill's manager through the applicable computerized system.
- Mill's acceptance report explains the accepted product, accepted date, the origin of estate, vehicle number, driver, fruit delivery receipt number, the number of weigh bridge ticket, delivery date, weighing hours, brutto weight, netto weight. Estate code (**Rotan Semelur Estate: RSE E455** and **Mandah Estate: MDE E456**)
- FFBGS (Fresh Fruit Bunch Grading System) program, which explains the quality of accepted FFB that enters mill based on FFB's grading result and informs the quality of FFB, CPO and kernel production in each supplier's estate.

There is fruit delivery receipt and FFB weight bridge receipt (*RSPO certified*) from own estate, for instance:

FFB Delivery Note (SPB)

Estate: Mandah Estate

Division: II

Block: G023

Delivery date: 24/01/2017

Serial number for fruit delivery note: E456 17200 60

Vehicle number: VOO 27293

Harvesting date: 24/01/2017

Cultivation year: 1998

Bunches: 161

FFB delivery note is completed with stamp '**RSPO Certified**'

FFB Weight Ticket (FFB Receive)

Ticket: 283322

Supplier: E456 Mandah Estate

Transporter: E456 MandahEstate

Product: 001-FFB A CROP (< 24 hours)

Vehicle No: DVA026d293

Driver Name: Sugianto

Driver IC: 564

D.O No: 45617800060

Remarks:

Seal No:

Harvest Date: 24/01/2017

Bunches: 160 R

Estate Wt. (Kg): 9

Estate ABW: 0.06

Mil Wt. (Kg): 2,125

Act ABW: 13.28

Fruit Weight Ticket (FFB Receipt note) is completed with stamp '**RSPO Certified**'

Certified and non-certified FFB received period of April 2016 to March 2016

Month	FFB		
	RSPO Certified	Non Certified	Total
Mandah Estate	53,505.51	-	53,505.51
Rotan Semelur Estate	38,872.54	-	38,872.54
Nusa Perkasa Estate	697.43	-	697.43
Nusa Lestari Estate	302.53	-	302.53
		<i>Total</i>	93,378.01

Status: Comply

D.4.2

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

The Mandah Factory – PT Bhumireksa Nusasejati acknowledged and claimed the certified product for a year for CPO product: **CPO: 31,564 ton and Palm Kernel : 6,179 ton** period of 1 April 2016 till 31 March 2017.

Based on production date from April 2016 till 11 February 2017, total generated CPO and Kernel by Mandah POM was: **CPO = 21,531.21 ton and Palm Kernel = 4,155.20 ton.**

The data revealed that the production of CPO and Kernel, which can be claimed by Mandah POM - PT Bhumireksa Nusasejati had not exceeded the projected volume. The management of Mandah POM - PT Bhumireksa Nusasejati has a commitment to provide information to PT Mutuagung Lestari in case there is an exceeding production of CPO and Palm Kernel from the projected volume.

Status: Comply

D.5

Record keeping

D.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.

The Mandah POM – PT Bhumireksa Nusasejati, has a monitoring report for RSPO certified product (FFB, CPO & PK). Below is monthly production table in 3 months base.

Month	Volume (Ton)		
	Mandah Estate	Rotan Semelur Estate	Total
Apr - Jun 2016	12,575.82	10,535.89	23,111.71
Jul - Sept 2016	18,706.22	14,333.13	33,039.35
Okt - Des 2016	16,588.10	10,242.60	26,830.70
<i>Total</i>	47,870.14	35,111.62	82,981.76

According to interview with processing assistant that known, all CPO and PK was sent to CPO Bulking and PK store in Teluk Bakau Factory.

CPO Delivery note No. 003/BNS-MDF/II/2017 total: 50,625 ton (FFA: 4.33% and Moist: 0.22%) dated 4 February 2017.

PK Delivery note No. 001/BNS-MDF/II/2017 total 41,040 kg (moist: 6.62% and Dirt: 8.54%) dated 2 February 2017.

Delivery Order

CPO

No. 0030/00233/07/16/L-BNS-MKS (1,500 MT) from PT Wahana Citra Nabati dated 27 July 2016

BA No. 01/BNS-TBF/BAP-CPO/VII/2016 dated 27 July 2016 total 2,494,335 Kg.

PK

No. 00212/00138/01/17/L-BNS-IKS (350 MT) from PT Adei Plantation&Industry (RSPO IP) dated 3 January 2017.

BA No. 08/BNS/TBF-MDF/BAP-IKS/II/2017 dated 5-9 January 2017 total 650,022 Kg.

Status: Comply

D.6

Processing

D.6.1

The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage

The entire accepted and processed product in Mandah POM comes from RSPO certified own estate. Until now, Mandah POM does not accept and process FFB from not certified sources. Based on the available document within the system, it reveals that the document consists of fruit delivery note, weighing ticket, Sales Contract and SIME Weigh program application, which explain the source of FFB (Division, harvesting block, cultivation year, number of bunches) to product such as CPO and PK that 100 % is a certified product (RSPO Certified). The entire document that related to product acceptance and processing have

been marked with stamp 'RSPO Certified'	
	Status: Comply
D.6.2	
The objective is for 100 % segregated material to be reached	
Based on document's verification and field visit in Mandah POM and interview with weigh bridge and grading officers, its known that Mandah POM processes FFB into CPO and PK, which is 100 % comes from own estate. Verification over Sales Contract and Invoice document showed that the entire sold CPO and PK product is 100 % RSPO Certified product.	
	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	BNS has logo and certificate approval/permit from Mutu	√
	Status: Full Compliance	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-3	BNS, Mandah POM uses RSPO logo on its staff/workers uniform referring the form and size written on the guidance	√
	Status: Full Compliance	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-3	The Company does not use the logo both on-product and off-product within the scope of PT.Bhumireksa Nusasejati.	√
	Status: Full Compliance	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-3	Certificate of logo control and usage conducted by BNS, Mandah POM is conducted by referring to the RSPO Guidelines Communication and Claims	√
	Status: Full Compliance	

3.4. Summary of RSPO Partial Certification

Compliance of the uncertified management units of Sime Darby Plantation Sdn Bhd 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

Sime Darby Plantation Sdn Bhd Time Bound Plan is explained in table section 1.10. Sime Darby has achieved 34 management units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Sdn Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Sdn Bhd has informed the Time Bound Plan progress through representative's office in Indonesia. MUTU has considered that Sime Darby Plantation Sdn Bhd is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Sdn Bhd Indonesian representative on June 16th, 2016 by the Head of PSQM.

MUTU has verified partial certification for un-certified unit's subsidiary of Sime Darby Plantation Sdn Bhd based on their Time Bound Plan. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There are significant land conflicts in PT Mitra Austral Sejahtera, there is still an issue that remain unresolved social i.e. from Serikat Petani Kelapa Sawit (SPKS), but improvements are ongoing.
- PT Budidaya Agro Lestari waiting for land title process.
- 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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><i>Company Group/Holding Statement:</i> Companies are already doing internal audits. There are internal audit reports for each company.</p> <p><i>Auditor Verification:</i> Internal Audit report available for uncertified management unit for example PT Sandika Natapalma – Karya Palma Estate on 10 February 2017.</p>
2.2.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p><i>Company Group/Holding Statement:</i> HCV assessment has been conducted for uncertified units i.e. PT Mitra Austral Sejahtera (by Aksenta in March 2009) and Sime Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).</p> <p><i>Auditor Verification:</i> Sime Darby Plantation Sdn Bhd sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2nd revision on 24 June 2016. The companies ensuring reporting of disclosure of liability progress to</p>

		RSPO and according to the CB's correspondence with RSPO Remediation and Compensation.
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p><i>Company Group/Holding Statement:</i> A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress. *Note: RSPO NPP Announcements for SDP can be found at http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14</p> <p><i>Auditor Verification:</i></p> <ul style="list-style-type: none"> • Karya Palma Estate (PT Sandika Natapalma) and Baturus Estate (PT Budidaya Agro Lestari) any new planting after January 1st 2010 and due to not conduct NPP. • RSPO NPP process has been completed in 2011 for a new mill in Liberia.
2.2.4	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><i>Company Group/Holding Statement:</i> Sime Darby (Liberia) Plantation Inc. Status: Box G - Close for Monitoring Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/46 PT Mitra Austral Sejahtera (Sime Darby Sdn Bhd) Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/29</p> <p><i>Auditor Verification:</i> Auditor has verified the supporting evidence of above the company statement. There are land conflict in :</p> <ul style="list-style-type: none"> • PT Mitra Austral Sejahtera, this issue are remain being resolved with RSPO dispute settlement facilities <p>PT Bina Sains Cemerlang, this issue was raise on 22 April 2017 and still being process to resolve.</p>
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p><i>Company Group/Holding Statement:</i> No stakeholder comments or complaints received.</p> <p><i>Auditor Verification:</i> Auditor has verified the supporting evidence of above the company statement. There are no labour dispute in company unit.</p>

2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p><i>Company Group/Holding Statement:</i> None noted. No stakeholder comments or complaints received.</p> <p><i>Auditor Verification:</i> Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for PT Budidaya Agro Lestari waiting for land title process.</p>
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3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

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

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2016.01	2.1.1.	<p>Compliance evidence with relevant legal requirements shall be available.</p> <p>Based on review of employee list, known that there are 46 non permanent workers (PKWT) in MDF and 69 non permanent workers in MDE. However, the management unit has not been able to provide evidence that all employee has been registered as member of BPJS Health. Further, there is no evidence that all non permanent worker in MDF has been registered in BPJS Manpower as regulated in national regulation.</p>	PT. BNS	Major	May 16, 2016	Company shall be show that all time limited workers has register to BPJS TK and BPJS Health accordance to Law No 24 year 2011.	<ul style="list-style-type: none"> • Root cause: <ol style="list-style-type: none"> 1. There are some time limited workers do not have Electronic Personal Identity Card (E-KTP) and Family Letters (KK), it's was administration requirement to registered on BPJS. 2. Time limited Workers has high turnover, it was problem to management for BPJS registering. 3. Company was located in remoted area, it's away from local agencies (Village, Sub District and District). So that workers are difficult to take care of the Electronic Personal Identity Card (E-KTP) and Family Letters (KK). • Corrective action <ol style="list-style-type: none"> 1. MDF was updated list of time limited workers, todate there are 43 workers and they had registered on BPJS health. According to data verification by BPJS health Indragiri Hulu District: there are 35 person can registered, 5 person has registered in Private BPJS Health and 3 person has not the Electronic Personal Identity Card (E-KTP). 	Closed	May 18 th , 2016

						<p>2. When were MDE registered 92 time limited workerd to BPJS Health, there were 10 persons has resigned. According to data verification by BPJS Health: there are 7 persons has private BPJS health, 13 persons has JAMKESMAS, so that is can be registered as BPJS member by company is 62 people.</p> <ul style="list-style-type: none"> • Preventive action: <ol style="list-style-type: none"> 1. When are administration selection, all candidate workers shall have the Electronic Personal Identity Card (E-KTP) to facilitate the registration. 2. Company will coordinate an ongoing basis with stakeholders (government and BPJS), for fluency in the resident administration and BPJS registering. 3. Company will socializing about benefit of BPJS member to all workers. <p>Observation on May 9th, 2016</p> <ul style="list-style-type: none"> - Management unit was show 42 MDF time limited workers, who was registered as BPJS TK member. Auditor was observed the Register Number. - Management unit was show a letter of application for register on BPJS as many 92 workers, it's addressed to the head of the BPJS health Tembilahan branch. 		
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							<p>(the company can't be showed evidence that all workers has registered on BPJS health).</p> <p>Observation on May 18th, 2016</p> <ul style="list-style-type: none"> - MDE was show list of time limited workers on April 2016, there are 92 workers. When they were registered to BPJS health. There are identified 7 persons have had Private BPJS health, 13 persons have JAMKESMAS and 10 persons was resigned at the end of April 2016. So that only 62 workers can be register. (all of member number has observed by auditor tem). - MDF was show list of time limied workers on March 2016, there are 46 workers. Todate there are 43 workers and has registered to BPJS health, however result of data verification by BPJS Health. There are 5 person has registered to private BPJS health and 3 person were don't have the Electronic Personal Identity Card. (auditor team was observed 35 workers have has BPJS health number register. <p>• Auditor conclusion: Management unit can be show evidence that all time limited workers has register to BPJS health and BPJS TK.</p>		
2016.02	4.4.3	Effluent Discharge Monitoring Monitoring of effluent discharge to water	MDF	Minor	ASA-03	Company shall be have a mechanism to	<ul style="list-style-type: none"> • Root cause: 1. Flow meter specification was uncomply 	Closed	May 18 th , 2016

		<p>body is not recorded since the flowmeter is broken</p>				<p>measurement water waste discharge debit to the canal.</p>	<p>with waste water in peatland area.</p> <ol style="list-style-type: none"> 2. Pipe installation in adequate to pumping wastewater to the disposal canals (KCB 15) <ul style="list-style-type: none"> • <i>Corrective action:</i> <ol style="list-style-type: none"> 1. The company has changed of pipe installation and flow meter in adequate, so can be done recording of wastewater discharge debit. 2. Company make improve the mechanism of measurement and wastewater discharge recording, so can be updated every days. • <i>Preventive action:</i> <ol style="list-style-type: none"> 1. Pipe installation system and flow meter made permanent, and appointing one officers to recording wastewater discharge debit every morning. 2. Company will conducting regularly monitoring, to ensure the flow meter in good condition. <p>Observation on May 9th, 2016 Management unit was show changing wastewater system, such as:</p> <ul style="list-style-type: none"> - Move the wastewater inlet from the mill to the cooling pond by using a branch pipe (tee). - Modification of wastewater discharge systems using the Kew Pump with pond level parameter. - Adding a circulation pipe to the 		
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						<p>anaerobic pond B, for destruction a sludge with bacteria application.</p> <ul style="list-style-type: none"> - Clean up and raising an embankment of WWTP. - Installing of the flowmeter, and recording a wastewater discharge debit. For example: records on April 8-9th, 2016: 1,387.611 m³. <p>The management unit can't be show evidence that flow meter was changed and can't be show up to date a wastewater discharge record.</p> <p>Observation on May 18th, 2016 Management unit was show a flow meter picture dated May 1st, 2016 show the number of 7,237.0 m³. And also management unit was show up to date a wastewater discharge record from May 2 - 12nd, 2016.</p> <ul style="list-style-type: none"> • <i>Auditor conclusion:</i> Based on explanation above, this non conformity was closed. 		
2016.03	4.7.3	<p>Operator Licensed Based on document review, it is revealed that the period of validity of the overhead crane and excavator operator has ended since September 13, 2015. There are three excavator operators and one overhead crane operator at Rotan Semelur Estate. Further, based on the result of field observation in Mandah POM, disclosed if there is only one person</p>	RSE and MDF	Major	May 16 th 2016	<p>Company shall be show that's all operators has had a valid operation licensed, in accordance to Permenakertrans No. 09 of 2010 and Permenakertrans No. 01 of 1988.</p> <ul style="list-style-type: none"> • <i>Root cause:</i> <ol style="list-style-type: none"> 1. Lack of thoroughness of the validity period of Operation License of lift transport by RSE legal section. 2. There are no monitoring of validity period of all operation license and all driving license in RSE. 3. One boiler operator who has had SIO was resigned. 4. MDF was delayed to register on Boiler 	Closed	21 May 2016

		<p>who has a boiler operator certificate. The management unit has not been able to show that the boiler operators working in each shift has licensed.</p>					<p>operation license training.</p> <ul style="list-style-type: none"> • <i>Corrective action</i> <ol style="list-style-type: none"> 1. RSE has registered extension of operation license by PT. Arpindo primary. 2. Bulldozer operator has been moved into tugboat helper since 2012, it's causes the bulldozer had been broken. 3. Registering a boiler operator in the boiler operation licensed training on April 26th to May 1st, 2016. • <i>Preventive action:</i> Creating a validity period of all operation license and all driving license monitoring board; and also ensuring all operators license is still valid. <p>Observation on May 9th, 2016</p> <ul style="list-style-type: none"> - Management unit has showed a letter from PT. Arpindo Pratama that three operators are in the process extension of operator license. (open) - MDF showed a boiler operator licensed training registration form by PT. Arpindo Pratama in Pekanbaru on April 26th to May 1st, 2016. (closed with observation). <p>Management unit can't be showed a lift transport license by name Paiyan Sinaga. And also can't be show preventif action.</p> <p>Observation on May 18th, 2016</p>		
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						<p>Management unit has show mutation letter Mr. Paiyan Sinaga (bulldozer operator) to tughboat helper dated October 1st, 2012, it because bulldozer was damaged. But the management unit has not been able to explaining a preventif action, to make sure there will be no again in the future.</p> <p>Observation on May 19th, 2016</p> <ul style="list-style-type: none"> - MDF was showed letter No. 105/BNS/MDF/05/2013 dated May 18th, 2016 about appointment a Had of administration as PIC to monitoring the validity period of All Operator licensed and make ensure the operator has had SIO. - RSE was showed letter No. RSE/136/V/2016 dated May 18th, 2016 about appointment a Division II Assisstant/safety expert as PIC to monitoring the validity period of all operator licensed. - Management unit was showed PSQM-EHS program period of July 2015 to June 2016, monitoring license status in each unit/semester. <p>Observation May, 21st 2016</p> <ul style="list-style-type: none"> - The management unit was show appointment letter the PIC to monitor the operator licenses on the boiler station. It has been explaining about PIC, an officer and also the time frame to monitor 	
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						<p>and register all of license operators. Based on decree letter</p> <ol style="list-style-type: none"> 1. No. BNS-MDF/05/2016 dated May 18th 2016. 2. No. BNS-RSE/05/2016 dated May 18th 2016. 3. No. BNS-MDE/05/2016 dated May 18th 2016. <p>- The company was sent procedure checklist and monitoring of new license and extension of license No. 025/BNS-MPPPISS/V/16. This procedure was explain about license monitoring time frame and flow process or internal coordination for the new license and maintenance of license with the timeframe.</p> <p>• Auditor conclusion: According to root cause analysis, corrective action and preventive action that known this non conformity was closed.</p>		
2016.04	5.3.3	<p>A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p>The company has not implement good management for its waste generated from FFB processing such as fibre and shell. The abundant shell, waste, fibre and boiler ash is dumped in MDF yard. This condition might increase the risk of contamination to the surrounding environment especially the canal system</p>	MDF	Minor	ASA-03	<p>The company must have a solid waste management planning plan to prevent pollution and environmental contamination are implemented.</p> <p>Root cause : Solid waste from FFB processing still not managed well. Meanwhile, fibre stacking has already approached area canal KM.15 that increasing contamination risk. Beside that, sludge storage ponds has over capacity.</p> <p>Corrective Action: The company has installed new boiler unit where increasing of solid waste utilization as boiler fuel.</p>	Closed	February 16 th 2017

		<p>nearby the dumping area.</p>					<p>Preventive action : The company will monitorized implementation of solid waste management to reduce contamination risk especially for water contamination.</p> <p><i>Observation on May 9th 2016</i> The Company has sent evidence of improvements in the form of a disposal plans progress document and management of waste disposal which do manufacture embankment isolation in solid and fiber storage area and boiler maintenance on March 3, 2015 which is done before the audit activities ASA 2 Mandah POM do.</p> <p>The company also sends evidence of improvements in the form of the Development progress of fiber and shell conveyor for supply to the boiler that has been completed along 25m of 40 m are planned.</p> <p>Observation on ASA-3 Based on field visit known that MDF has build new boiler unit to optimized the utilization of fibre and shell. It will run out shortly.</p> <p>Auditor Conclusion: Based on the evidence that shown, this non comformity has been met.</p>		
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2016.05	5.4.1	<p>A plan to reduce fossil fuel use and to optimize renewable energy shall be in place and monitored.</p> <p>The company has not utilized FFB processing generated waste such as fiber and shell as renewable energy source for electric power in FFB processing.</p>	MDF	Minor	ASA-03	<p>Companies must show their plan for use of renewable energy sources are implemented.</p>	<p>Root cause : Over the past year the company has not been able to demonstrate their use of renewable energy sources such as shells and fiber to reduce the use of diesel.</p> <p>Corrective action : The company will increasing of renewable energy production through the fibre and shell utilization.</p> <p>Preventive action : The company has build new boiler unit to increasing fibre and shell utilization and producing renewable energy.</p> <p>Observation on ASA-3 The company has been build build new boiler as a part of gasifier generator that produce electricity for mill's housing complex. They also showed documentation of renewable energy usage during 2016 and it efficiency calculation of diesel usage.</p> <p>Conclusion Auditor : Based on corrective evidence that showed, this Non Conformities has been closed.</p>	Closed	February 16 th 2017
2016.06	6.1.4	<p>There shall be evidence that the SIA review includes the participation of affected parties.</p> <p>There is an evidence of replanting program that was done since 2013, for</p>	PT. BNS	Minor	ASA-03	<p>The company must show evidence that replanting activities that have been programmed and carried out since 2013 in the area of RSE has monitored and</p>	<p>Root Cause : The company has showed the RKL/RPL report of the 2nd semester of 2015 and mitigation of environmental and social impact for replanting document. However, there is insufficient evidence of replanting</p>	Closed	May 17 th , 2016

		example in the area of Rotan Semelur Estate has conducted monitoring and evaluation by participation of affected parties.				evaluated the impact in a participatory manner.	program and done since 2013. <i>Corrective Action :</i> The company has implemented the program of monitoring and evaluation of replanting since 2013 through participatory method in whole PT. BNS area. It report of monitoring and evaluation has been reported to the related government agencies every semester. <i>Preventive Action :</i> The company will keep identified social and environmental impact near the operational area to reducing conflict between the company and the villagers/community. They also set several program to increasing villagers welfare in the long term. <i>Observation on ASA - 3</i> <i>Auditor Conclusion:</i> Based on the evidence of improvements that have been shown by the management unit, the nonconformity on this indicator otherwise have been met.		
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3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	4.4.2	The company can install sign of prohibited chemical spraying for certain area along the canal system, to prevent contamination by agrochemical to water body.

No	Ref Std	Descriptions
2	4.4.3	The company needs to ensure that the WWTP facilities are well managed (Observation)
3	4.7.3	The company needs to review the PPE suitability used for the specified potential danger.
4	5.2.5	The company should monitor the process of HCV area management agreement with the community The company shall keep continue protect the existence of protected animal and vegetation while conducting periodic socialization of RTE protection to employees and surrounding communities (Observation)
5	5.3.2	The company can readjust the implementation of hazardous waste symbols in accordance with applied regulations.
6	5.3.3	Medical waste shall be stored in a safe place or in a closed / locked area that is not be publicly accessed.
7	7.3.2	The endorsement process of <i>Land Use Change Analysis</i> (LUCA) by RSPO for area that is opened after 1 November 2005 without prior to HCV assessment shall be in line with the procedure (Observation)

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1		The company commits to implement the principles of sustainable management of oil palm
2		The company personal has an enthusiasm to demonstrate the requirements of the RSPO standard
3		The company has been providing educational facilities from kindergarten to high school.
4		The company has a scholarship program through Minamas Plantation to high school students (children of employees and the community around the plantation).
5		The company gets OHS Appreciation in participating the month of Regents Indragiri Hilir 2016.
6		The company gets anti- HIV AIDS Appreciation organized held by Menpower and Transmigration Agency in 2015

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

NCR No.	: 2017.01	Issued by	: Rizliani Aprianita Hsb
Date Issued	: 17 February 2017	Time Limit	: ASA-4
NC Grade	: minor	Date of Closing	:
Standard Ref. & Requirement	: 1.1.1 Records of requests for information and responses to the information requested shall be available.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
<ol style="list-style-type: none"> 1. The Company has not been able to show Obligation Report of Employment (MDE & RSE) in 2016; receipts to the Department of Manpower and Transmigration, District of Indragiri Hilir. 2. The company has not be able to show Recording of Work Time Agreement Specific to the Department of Manpower and Transmigration, District of Indragiri Hilir in accordance with the Ministerial Decree No. 100 of 2004 			
Root Cause Analysis <i>(filled by organization audited):</i>			
Corrective Action <i>(filled by organization audited):</i>			
Preventive Action <i>(filled by organization audited):</i>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verified by	:		

NCR No.	: 2017.02	Issued by	: Trismadi Nurbayuto
Date Issued	: 17 Februari 2017	Time Limit	: 17 April 2017
NC Grade	: Major	Date of Closing	: 27 March 2017
Standard Ref. & Requirement	: 4.7.1. A health and safety policy shall be in place. A health and safety plan shall be documented and implemented, and its effectiveness monitored.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
<ol style="list-style-type: none"> a. According to document verification that known the medical check up has been conducted on each estates: <ol style="list-style-type: none"> 1. The medical check up to 27 pesticide applicators on November 27, 2016 in MDE such as: a physical examination, blood test on laboratory, spyrometry test and Visus Test. Based on medical test result, there are 5 workers with stomach disorders, arthritis, and pterygium OSD. 2. The medical check up to 48 pesticide applicators on November 6, 2016 n RSE such as: a physical examination, blood test on laboratory, spyrometry test and Visus test. Based on medical test result, there are 28 workers that need further test to the specialist doctors. <p>Based on interview with a doctor, it will be re-test on first week of March 2017. However the company can't to show a further medical test in accordance to medical check up test at 6 November 2016 and 27 November 2016.</p> b. The company has been conducted a medical surveillance (physical, visus and spirometry) for MDF workers on 			

<p>January 2017. However the company can't to show result of audiometric test for employees which working in high noise area.</p>	
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> Follow up of the medical check up has not been done for their vacancy of company doctor, who is required to conducting further investigation in the Central Clinic and it needed to make reference to the hospital when it needed. The audiometric test has not been done due to equipment damage. 	
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> The company has been conducting further of medical check up according to medical check up result dated 27 November 2016 to five pesticides applicator, and also medical check up result dated 6 November 2016. All of MDF operators who work with high level noise has been conducted a specific medical check up dated 26 February 2017 by the company doctor. 	
<p>Preventive Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> The company will conducting further medical check up, to ensure healthy of all workers. The further medical check up will be referred to a specialist doctor. The audiometric test will be performed as scheduled after all equipment repaired. If any problem with the equipment, it will be using other estates equipment in Riau Region. 	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i></p> <p>Verification on 3 March 2017</p> <p>The company was shown several corrective evidence, such as:</p> <ol style="list-style-type: none"> Covering letter from paramedic for six workers from Division (I-IV), Rotan Semelur Estate to central clinic dated 2 March 2017. There also medical checkup result, all of paramedic workers is fit to work. Covering letter from paramedic for eight workers from Mandah Estate to central clinic dated 22 February 2017. There also medical checkup result, all of paramedic workers is fit to work. Record of re-medical checkup to 42 pesticide applicators and manuring workers dated 28 February 2017 by company doctor. The medical check up including: physical, laboratory, blood groups, Spirometric, and Visus. According to medical checkup result: all of workers is fit to work. There are record of audiometric test result for seven mill workers dated 26 February 2017, all of workers is fit to work. <p>Verification on 27 March 2017</p> <ol style="list-style-type: none"> The company was showing a medical treatment procedure No. 01/BNS/Klinik Sentral/TBE/IV/2016 dated 1 April 2016. This procedure was explain about: if any workers who recommended to advance medical checkup, it should be registered by Division Assistant and Division Clerk. The company was showing Medical Checkup period of 2016/2017 will conducted on March to April 2017 in each estate and mill. <p>Auditor Conclusions:</p> <p>According to root cause analysis, corrective action and preventife action by the company. This nonconformity was closed.</p>	
Verified by	: Trismadi Nurbayuto

NCR No.	: 2017.03	Issued by	: Trismadi Nurbayuto
Date Issued	: 17 Februari 2017	Time Limit	: 17 April 2017

NC Grade	: Major	Date of Closing	: 10 April 2017
Standard Ref. & Requirement	4.7.3. Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> 1. Based on field observations in Rotan Semelur Estate Division 1, Block D029 that known the chemical weeding team were uses apron doesn't comply with the MSDS. 2. Based on observations and interviews with generator operator and boiler operator on MDF, it known that the condition of safety shoes on a damaged condition. They were explained that safety shoes is changed once a year, it's not in accordance with SOP No. 002 / P2K3 / 2016 about PPE Provision and PPE's changed. The procedure mentioned that any PPE damaged will be changed, by showing restore the damaged PPE.			
Root Cause Analysis <i>(filled by organization audited):</i> 1. All of pesticide applicators was work on field, it cause the apron damage. The management unit was sent purchase order to regional office in Pekanbaru, however the PPE's is still on delivery process. 2. Safety shoes budgeting is once a year, however the PPE's is still on process from Regional Office Pekanbaru.			
Corrective Action <i>(filled by organization audited):</i> 1. RSE management unit has been buying Pesticide applicator PPE's as Apron, it has been given to all of pesticide operators. 2. MDF management unit has been buying safety shoes's and it has been given to all of MDF workers.			
Preventive Action <i>(filled by organization audited):</i> 1. The company will be overbid 10% on PPE's providing every years. 2. PPE's using inspection will be conducted by assistant every muster morning.			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Verification on 13 March 2017 The company was showing several corrective action, such as: 1. Minute of PPE's (safety shoes&safety helmet) given to all factory workers dated 20 February 2017. 2. Minute of PPE's (apron&maskr) to all pesticide applicators in RSE dated 27 February 2017. Verification on 27 March 2017 1. PPE's procurement budgeting period of 2016/2017 and period of 2017/2018 in Mandah Factory. 2. PPE's using monitoring record in RSE on March 2017, such as: boot shoes, rubber gloves, safety glasses, and apron. 3. PPE's change Procedure No. 002/P2K3/2016 dated 20 March 2016, it was explained that the company was providing PPE's. If any PPE's damage, all workers should be giving the damage PPE's to changed with new PPE's. Verification on 10 April 2017 MDF was showing PPE's procurement vs number of employees for periode July 2016 – June 2017. There are 10% PPE's reserve from total number of MDF employees. Auditor Conclusions: According to root cause analysis, corrective action and preventife action by the company. This nonconformity was closed.			
Verified by	: Trismadi N		

NCR No.	: 2017.04	Issued by	: Trismadi Nurbayuto
Date Issued	: 17 Februari 2017	Time Limit	: ASA-4
NC Grade	: minor	Date of Closing	:
Standard Ref. & Requirement	: 4.7.5. A procedure for emergency and work accident shall be available in Indonesian Language; and the workers, who have attended First Aids training, are available in the working areas.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> Based on field observations to RSE on Division I Block D029 RSE (chemical weeding); than field observation on Division I E035 (harvesting). Therefore based on field observations to MDE on Division V Block H021 (harvesting) and field observation to Division II Block G018 (chemical weeding). That known that the foreman brought first aid box, however the contents of first aid are not comply with the Manpower and Transmigration Decree No. 15 /2008 about First Aid.			
Root Cause Analysis <i>(filled by organization audited):</i>			
Corrective Action <i>(filled by organization audited):</i>			
Preventive Action <i>(filled by organization audited):</i>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Verified by	:		

NCR No.	: 2017.05	Issued by	: Trismadi Nurbayuto
Date Issued	: 17 Februari 2017	Time Limit	: 17 April 2017
NC Grade	: Major	Date of Closing	: 27 March 2017
Standard Ref. & Requirement	: 6.5.2. Collective Labor Agreement/Company Regulation, in accordance with the manpower regulations, shall be available in understandable language; and explained by the management or Labor Union to the workers.		
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i> According to field observation and interview with loose fruit picker on Division II Block E035, RSE; that known: she's working to help her husband (harvester). However the company can't show this work agreement.			
Root Cause Analysis <i>(filled by organization audited):</i> RSE management unit has been socializing about law registered workers (it should be worker agreement between company and workers). For the future the RSE management unit will be commitment to comply with man power laws.			
Corrective Action <i>(filled by organization audited):</i> <ol style="list-style-type: none"> 1. There are policy to hiring the employees according to man power laws, this policy has been socialized to all workers and families. 2. There are Intern Office Mail from GM HRM No. 085/RSP-i2/XI/2016 dated 11 November 2016 about contract workers and time limit workers using. 			

Preventive Action *(filled by organization audited):*

All of foreman and Division assistant will be monitor all of workers using every muster morning to ensure that all workers has had work agreements. RSE manager also appointing special officer to monitor and ensuring that all workers has had work agreements according to appointment letter No. RSE/94/III/2017/5 dated 1 March 2017.

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

Verification on 13 March 2017

1. There are Intern Office Mail from GM HRM No. 085/RSP-i2/XI/2016 dated 11 November 2016 about contract workers and time limit workers using.
2. There are Intern Office Mail from Estate Manager No. 082/RSE/III/2017 dated 20 February 2017 about prohibiton of unregister workers to working on estate operational.
3. There are documentation and list of attendance socialization of prohibition of unregister workers to all foreman and estate clark dated 21 February 2017.

Verification on 27 March 2017

1. Appointment letter No. RSE/94/III/2017/5 dated 1 March 2017 about officer to monitor the employees status by RSE Manager.
2. Record of empolees status monitoring in RSE dated 1-19 March 2017. There are no free labour during this period.

Auditor Conclusions:

According to root cause analysis, corrective action and preventife action by the company. This nonconformity was closed.

Verified by : Trismadi N

NCR No.	: 2017.06	Issued by	: Trismadi Nurbayuto
NCR No.	: 17 Februari 2017	Time Limit	: ASA-4
Date Issued	: minor	Date of Closing	:
NC Grade	: 6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where such public facilities are unavailable or inaccessible.	
Non-Conformance Description & Evidence observed <i>(filled by auditor):</i>			
Based on field observations and interviews with workers and her wife on MDF housing complex, it is known that there are several families living in one housing. While based on document verification that known the ratio of housing with the current number of employees is 1:3.			
MDF Manager has sent letter No. 088 / BNS-MDF / 04/2016 dated 27 April 2016 about the Application of Acceleration Actual Capital Expenditure Year of 2014/2015 (workers Housing) to Purchasing Manager in Jakarta. Developing of MDF workers housing (permanent housing with type G6) has been approved by Head of Plantation Upstream dated September 16, 2016. However, the company has not been able to provide decent and adequate housing for employees and their families.			
Root Cause Analysis <i>(filled by organization audited):</i>			
Corrective Action <i>(filled by organization audited):</i>			

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

1.1. Opportunity for Improvement / OFI







No	Std. Ref.	Penjelasan
1	2.2.1	The company monitoring revision of HGU that has been submitted to the BPN. (Observation)
2	2.2.2	The company will monitoring installation plan and it realization of supporting poles according to scheduled plan (March to April 2017).
3	4.2.3	This implementation of SSU activity shall ensuring according to the plan that set by MRC on April 2017.
4	4.3.5	The company evaluated and analyzed hydro-topographic assessments result.
5	5.2.1	The Company has an opportunity to re-evaluate HCV identification assessment area in RSE and MDE.
6	6.9.2	The Company has an opportunity to evaluate policies regarding the provision of rest menstruation (H1) for female workers (Staff Office & Supervision).
7	7.3.1	The companies ensuring reporting of disclosure of liability progress to RSPO finished before ASA-4 according to the CB's correspondency with RSPO Remediation and Compensation Manager. (Observation)

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

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>National Land Agency of Indragiri Hilir District</p> <ul style="list-style-type: none"> • There is no overlap with the forest area. • There is no new location permit up to surveillance 3. • Until the public consultation held, there was no land dispute between the company and other parties. • There was no mining concession in their operational areas. • No information plantings outside the concession. 	<ul style="list-style-type: none"> • The company has had Land Use Permit • There was no land dispute issues as written in criterion 2.2 and 2.3.
<p>Environment Agency of Indragiri Hilir District</p> <ul style="list-style-type: none"> • Company has full permissions related to environmental management such as environmental permits, licenses and permits land, hazardous waste temporary warehouse permits, land application permits, and all permits are still valid. • The Company has regularly reported Environmental Management Plan/Environmental Monitoring Plan reports, quarterly reports hazardous waste and effluent quality • No issue about land fire and environmental pollution 	<ul style="list-style-type: none"> • Comply with Criterion 5.1 • Comply with Criterion 5.3 • Comply with Criterion 5.5
<p>Plantation Agency, Indragiri Hilir District</p> <ul style="list-style-type: none"> • The Company regularly reports regular reporting Plantation such as Business Progress Report. • The company has reported its business activities to the agency routinely. • There are no negative issues such as fires, conflicts / disputes with local communities and other business interruptions.. • The company does not have new location permits or additional new concession area. • There is no indigenous forests and indigenous lands in the area of operations. 	<ul style="list-style-type: none"> • The company has had all plantation permit and has been complied all obligation reports. It refer to indicator 1.1.1. • Based on interview with surrounding village representative that known there was no land dispute or environmental issues as written criterion 2.3; 5.1 and 6.4. • There is no indigenous people near the operational area as written in criterion 2.3.
<p>Manpower Agency, District of Indragiri Hilir</p> <ul style="list-style-type: none"> • Quarterly Guiding committee of occupational health and safety report has been reported by the company. • Annually Manpower year of 2016 report has been reported by the company. • The company has set wages and overtime in accordance with applicable regulations. • The Company has regularly reported accidents. There were no fatal occupational accidents in the past year. • There are no negative issues related employment such as discrimination or the use of underage labor. • Agency has known about the boiler permission of boiler contractor and all contractors worker have equipped PPE by contractors. 	<ul style="list-style-type: none"> • All obligation report by company has been verified by auditor team as written on indicator 1.1.1. • The company has implemented minimum wage and overtime refer to the latest regulation as written in 6.5.1. • Based on field observation and interview with labour union, there was no violation of labour laws. For example, minimum age, discrimination, minimum wage, overtime etc. It refer to criterion 6.5.

Public Issues (Institution/ NGO/Community)	Auditor Responses
<p>Parit Berayun I, Bente Village</p> <ul style="list-style-type: none"> • The Company has realized some assistance such as assistance to mosques, education, religious events, etc • Dissemination associated with HCV area carried out by the company. • There is no conflict or dispute with the surrounding communities. • There is no negative issues related operations such as fire and environmental pollution. • The Company has been included in the assessment of social impact, and the socialization of HCV. • The company has a good relationship with the surrounding community. Approach with the surrounding community done well by the company. 	<ul style="list-style-type: none"> • Based on interview with surrounding villlage representative that known there was no land dispute or environmental issues as written criterion 2.3; 5.1 and 6.4. • The company has had CSR program and implementation. It refer to criterion 6.11.
<p>Saba Jaya Sub Village, Teluk Bunian Village</p> <ul style="list-style-type: none"> • The Company has realized some assistance such as assistance to mosques, education, religious events, etc • Dissemination associated with HCV area carried out by the company. • There is no conflict or dispute with the surrounding communities. • There is no negative issues related operations such as fire and environmental pollution. • The Company has been included in the assessment of social impact, and the socialization of HCV. • The company has always inform if there is a job vacancy information. • The company has a good relationship with the surrounding community. Approach with the surrounding community done well by the company. 	<ul style="list-style-type: none"> • Based on interview with surrounding villlage representative that known there was no land dispute or environmental issues as written criterion 2.3; 5.1 and 6.4. • The company has had CSR program and implementation. It refer to criterion 6.11.
<p>Labor Union</p> <ul style="list-style-type: none"> • There is no negative issues such as discrimination, the use of labor under 18 years or sexual abuse issues. • Providing wages and overtime in compliance with applicable regulations. • Until the audit takes place, there has been no complaints from workers. • There were no fatal work accidents in the last 1 year. • All employees have been included in the program BPJS employment and health. 	<ul style="list-style-type: none"> • Based on field observation and interview with labour union, there was no violation of labour laws. For example, minimum age, discrimination, minimum wage, overtime etc. It refer to criterion 6.5. • The company has implemented minimum wage and overtime refer to the latest regulation as written in 6.5.1. • The company has paid labour social insurance

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> The Company has conducted periodic health checks to workers with high risk. The Company has not provided PPE for workers such as safety shoes, google glass. All the company policies has been disseminated to all workers. 	<p>and labour health insurance for all workers as written in indicator 4.7.6.</p> <ul style="list-style-type: none"> It Has been discribed with indicator 4.7.3
<p>Foreman of Boiler Contractor</p> <ul style="list-style-type: none"> The agreement between the companies working with the contractor has been made in a fair, legal and transparent. The foreman didnt know about the permission of boiler. PPE of boiler contractors worker is given by contractor. 	<p>Based on interviewed with man power agency, they already known about the boiler permissions and all the boiler contractors worker has equipped PPE by contractors.</p>
<p>Gender Committee</p> <ul style="list-style-type: none"> Grievance Mechanism related to the incidence of sexual harassment have been socialized to women and Mothers/Wife workers. Within the last one year no event reporting sexual harassment or discrimination. Management of the gender committee has the program related to sexual harassment policies, and protection of reproductive rights. Socialization also includes a ban on pregnant and lactating women to spray. Socialization is delivered through meetings like recitation etc. 	<ul style="list-style-type: none"> According o document verification and interview with workers, there was n issues related to violation of the rights of woman. From the results of interviews with workers, the company has implemented of Company Policies such as reproductive rights and prohibition of pregnant woman to spray. It refer to criterion 6.9
<p>Sub Village Mulia Jaya, Village of Makmur Jaya.</p> <ul style="list-style-type: none"> The company has been realized CSR program during last year on economics sector, infrastructure sector, agronomic sector, and religion sector. There are no land dispute issues between company and land of communities. There are no issues related to environment pollutions. Job vacancy information has been informed by the company, however the communities prefer to working on their own land (coconuts plantation). The communities has been invited to the company for socializing their policy and procedure (including HCV area). 	<ul style="list-style-type: none"> It has been verified by auditor team as written on criterion 6.11. It has been verified by auditor team as written on criterion 2.3 and 6.4. It has been verified by auditor team as written on criterion 5.1. It has been verified by auditor team as written on criterion 1.1. It has been verified by auditor team as written on criterion 5.2. and 6.1.

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY						
4.1	Formal Sign-off of Assessment Findings						
	<p>Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.</p> <p>Signed on behalf of:</p> <table data-bbox="454 756 1299 1050"><tr><td data-bbox="454 756 730 840">PT Bhumireksa Nusasejati Head of PSQM Indonesia</td><td data-bbox="1088 756 1299 840">Mutuagung Lestari Lead Auditor</td></tr><tr><td data-bbox="519 850 698 945"></td><td data-bbox="1136 850 1266 945"></td></tr><tr><td data-bbox="454 966 730 1050"><u>Mohammad Pirabaharan</u> Monday, 10 April 2017</td><td data-bbox="1055 966 1299 1050"><u>Trismadi Nurbayuto</u> Monday, 10 April 2017</td></tr></table>	PT Bhumireksa Nusasejati Head of PSQM Indonesia	Mutuagung Lestari Lead Auditor			<u>Mohammad Pirabaharan</u> Monday, 10 April 2017	<u>Trismadi Nurbayuto</u> Monday, 10 April 2017
PT Bhumireksa Nusasejati Head of PSQM Indonesia	Mutuagung Lestari Lead Auditor						
							
<u>Mohammad Pirabaharan</u> Monday, 10 April 2017	<u>Trismadi Nurbayuto</u> Monday, 10 April 2017						

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1.	Walhi	Jl. Tegalarang Utara No 14, Mampang, Jakarta Selatan	informasi@walhi.or.id	Questioner via email	2 nd February 2017		√
2.	WWF	Graha Simatupang Tower 2 Unit C, 7th - 11th Floor Jalan Letjen TB Simatupang Jakarta - 12540	wwf-indonesia@wwf.or.id	Questioner via email	2 nd February 2017		√
3.	Sawit Watch	Bogor Baru Taman, Jalan Cisangkui, Blok B 6 No 1, Bogor, Jawa Barat, 16127	info@sawitwatch.or.id	Questioner via email	2 nd February 2017		√
4.	Environmental Agency (Badan Lingkungan Hidup)	Tembilahan – Riau	blh@inhilkab.go.id	Phone call	February 14 th 2017	√	
5.	Labour and Transmigration Agency (Dinas Tenaga Kerja dan Transmigrasi)	Jl. Keritang No. 47, Tembilahan Hilir - RIAU	info@inhilkab.go.id	Phone call	February 14 th 2017	√	
6.	Plantation Agency (Dinas Perkebunan)	Jl. Indragiri Pematang Reba Rengat 29351	info@inhilkab.go.id	Phone call	February 14 th 2017	√	
7.	National Land Agency	Indragiri Hilir	info@inhilkab.go.id	Phone call	February 14 th 2017	√	
8.	Community Leader of Parit Berayun I, Bente Village	Village of Teluk Bunian, Subdistrict of Mandah	-	Interview	February 14 th 2017	√	
9.	Community Leader of Saba Jaya Sub Village, Teluk Bunian Village	Village of Bente, Subdistrict of Mandah	-	Interview	February 14 th 2017	√	
10.	Community Leader of Sub Village Mulia Jaya, Village of Makmur Jaya	Village of Makmur Jaya	-	Interview	February 15 th 2017	√	
11.	Local Contractor - PT Mitra Karya Jaya Perdana	-	-	Interview	February 14 th 2017	√	
12.	Committee Gender	PT BNS	-	Interview	February 14 th 2017	√	
13.	Indonesian Workers Union PT. BNS	PT BNS	-	Interview	February 14 th 2017	√	

Appendix 2. Assessment Program

DATE /		13 – 18 February 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 13 February 2017			
06.25 - 08.30	06.25 - 08.30	JAKARTA → BATAM	All Team
09.00 - 12.00	09.00 - 12.00	BATAM → PT BHUMIREKSA NUSASEJATI	
15.00 – 16.00	15.00 – 16.00	Opening Meeting	
16.00 – 16.30	16.00 – 16.30	Review of Previous Visit Non-conformance (Surveillance -2)	
16.30 – 17.00	16.30 – 17.00	Confirmation/Preparation for Field Visit and Stakeholder Consultation	
Tuesday, 14 February 2017			
08.00 – 12.00	08.00 – 12.00	Field Observation in Mandah POM <ul style="list-style-type: none"> • SCCS Verification & Production Process • Fire Protection & Emergency Team (Interview & Simulation) • Stakeholder Consultation with government agencies (by phone) • Water treatment plant and waste water management, hazardous waste management/hazardous storage. • Environment/EIA • Reconfirmation of data & Completing of Check List 	<ul style="list-style-type: none"> • TNB/APP • TNB/APP • RZA • YHR • TNB/APP • YHR
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 16.00	14.00 – 16.00	<ul style="list-style-type: none"> • Continuing of Field Observation (if needed) 	<ul style="list-style-type: none"> • ...
16.00 – 17.00	16.00 – 17.00	<ul style="list-style-type: none"> • Field Observation Clarification • Completion check list 	<ul style="list-style-type: none"> • All Team
Wednesday, 15 February 2017			
08.00 – 12.00	08.00 – 12.00	Field Observation in Rotan Semelur Estate <ul style="list-style-type: none"> • Best Agricultural Practices (Manuring, Spraying, Harvesting, Replanting, Implementation of Integrated Pest Management etc). • Workers interview (Worker welfare, payments, complaint mechanism, etc) • Land Fire facilities, etc. • Worker facilities (housing, health clinic, clean water, etc) and • Stakeholder Consultation to surrounding village near the area. • Conservation Area, Environment Station Monitoring, Hazardous Waste Management & Check of Boundary Stone 	<ul style="list-style-type: none"> • APP • APP • TNB • TNB • RZA • YHR
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 16.00	14.00 – 16.00	<ul style="list-style-type: none"> • Continuing of Field Observation (if needed) 	<ul style="list-style-type: none"> • ...
16.00 – 17.00	16.00 – 17.00	<ul style="list-style-type: none"> • Field Observation Clarification • Completion check list 	<ul style="list-style-type: none"> • All Team
Thursday, 16 February 2017			

DATE /		13 – 18 February 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 11.00	08.00 – 11.00	Field Observation in Mandah Estate <ul style="list-style-type: none"> • Best Agricultural Practices (Manuring, Spraying, Harvesting, Replanting, Implementation of Integrated Pest Management etc). • Workers interview (Worker welfare, payments, complaint mechanism, etc) • Land Fire facilities, etc. • Worker facilities (housing, health clinic, clean water, etc) and • Stakeholder Consultation with labour union, gender committee and local contractors. • Conservation Area, Environment Station Monitoring, Hazardous Waste Management & Check of Boundary Stone 	<ul style="list-style-type: none"> • APP • APP • TNB • TNB • RZA • YHR
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 16.00	14.00 – 16.00	<ul style="list-style-type: none"> • Continuing of Field Observation (if needed) 	<ul style="list-style-type: none"> • ...
16.10 – 17.00	16.10 – 17.00	<ul style="list-style-type: none"> • Field Observation Clarification • Completion check list 	<ul style="list-style-type: none"> • All Team
Friday, 17 February 2017			
08.00 – 12.00	08.00 – 12.00	<ul style="list-style-type: none"> • Continuing of Field Observation (if needed) • Field Observation Clarification • Completion check list 	<ul style="list-style-type: none"> • ... • All Team
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 16.00	14.00 – 16.00	<ul style="list-style-type: none"> • Closing meeting preparation 	
16.10 – 17.00	16.10 – 17.00	<ul style="list-style-type: none"> • Closing Meeting 	<ul style="list-style-type: none"> • All Team
Saturday, 18 February 2017			
11.00 – 15.00	11.00 – 15.00	PT BHUMIREKSA NUSASEJATI → BATAM BATAM → JAKARTA	<ul style="list-style-type: none"> • All Team
17.00 – 19.00	17.00 – 19.00		