

***Roundtable on Sustainable Palm Oil Certification
RSPO***

[] Stage-1 [] Stage-2 [✓] Surveillance [] Re-Certification

Name of Management Organisation : Bumipalma POM - PT Bumipalma Lestari Persada, subsidiary of IVOMAS TUNGAL

Plantation Name : PT Bumipalma Lestari Persada – Bumipalma POM, Bumipalma Estate, Bumisentosa Estate dan Bumilestari Estate.

Location : Village of Bagan Jaya, Sub District of Tempuling, District of Indragiri Hilir, Province of Riau, Indonesia.

Certificate Code : *MUTU-RSPO/034*

Date of Certificate Issue : *March 25th, 2014* **Date of License Issue :** *March 25th, 2016*

Date of Certificate Expiry : *March 24th, 2019* **Date of License Expiry :** *March 24th, 2017*

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2	1 – 6 February 2016	Sandra Purba, Andi Pratama Pasaribu, Sofyan Hadi Lubis	Octo Nainggolan	Taufik Margani

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2	15 February 2016

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Figure 1. Location Map of PT. Bumipalma Lestari Persada

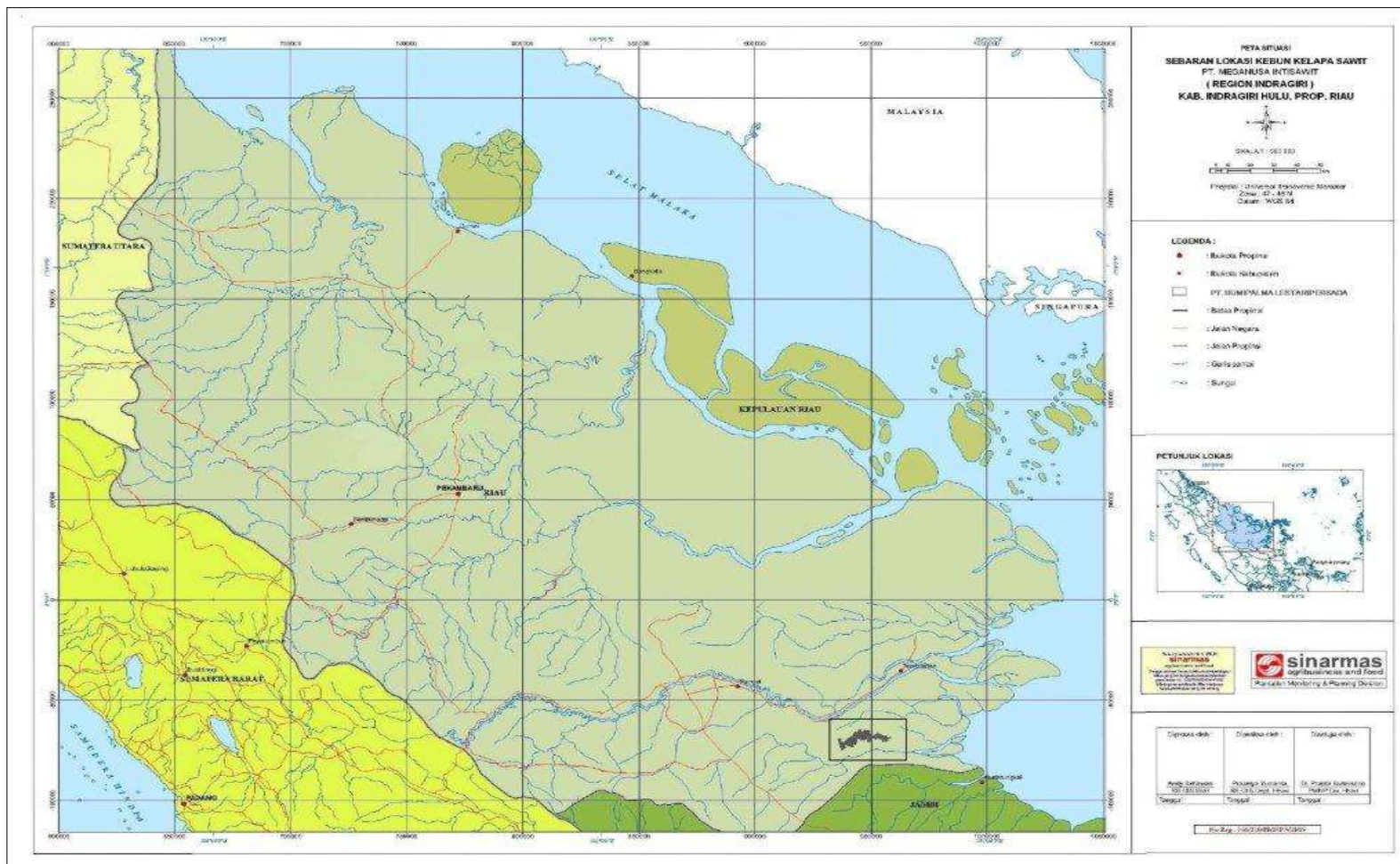
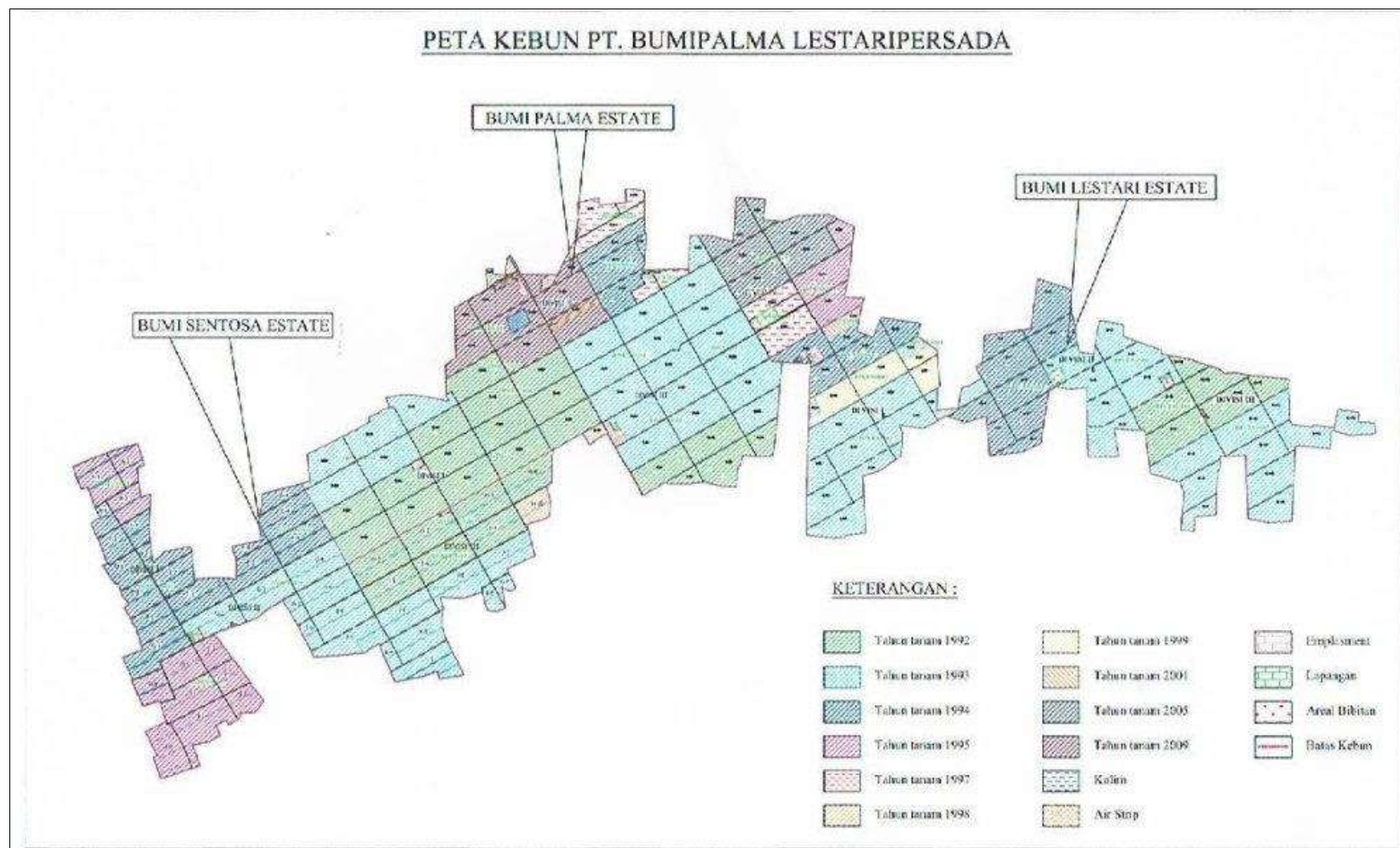


Figure 2. Operational Map of PT. Bumipalma Lestari Persada



Abbreviations Used		
ASA	:	Surveillance
BPLE	:	Bumi Lestari Estate
BPME	:	Bumi Palma Estate
BPMM	:	Bumi Palma Mill
BPLP	:	Bumipalma Lestari Persada
BSNE	:	Bumi Sentosa Estate
CPO	:	Crude Palm Oil
EIA	:	<i>Environmental Impact Analysis</i>
HCV	:	<i>High Conservation Value</i>
GHG	:	Green House Gass
HGU	:	Hak Guna Usaha (<i>Land Use Title</i>)
IPAL	:	Instalasi Pengolahan Air Limbah (<i>Waste Water Treatment Pond</i>)
IPM	:	Integrated Pest Management
ISCC	:	International Sustainability Carbon Certification
IUP	:	Izin Usaha Perkebunan (<i>Plantation Business Permit</i>)
KER	:	Kernel Extraction Rate
LB3	:	Limbah Bahan Beracun dan Berbahaya (<i>Hazardous Waste Temporary Warehouse</i>)
NGO	:	Non Government Organization
OER	:	Oil Extraction Rate
PPE	:	<i>Personal Protective Equipment</i>
PK	:	Palm Kernel
PKB	:	Perjanjian Kerja Bersama (<i>Collective Labour Agreement</i>)
P2K3	:	Panitia Pembina Keselamatan dan Kesehatan Kerja (<i>Guiding Committee of Occupational Safety and Health</i>)
POM	:	<i>Palm Oil Mill</i>
RKL/RPL	:	Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan (<i>Environmental Management Plan / Environmental Monitoring Efforts</i>)
RSPO	:	Roundtable on Sustainable Palm Oil
SIA	:	Sosial Impact Assesment
SMK3	:	Occupation Health & Safety Management System
SOP	:	Standart Operating System
TBS	:	Tandan Buah Segar (<i>Fresh Fruit Bunches</i>)
WTP	:	Water Treatmen Procces
WWTP	:	Waste Water Treatment Pond

1.0	SCOPE of the CERTIFICATION ASSESSMENT						
1.1	Assessment Standard Used		<ul style="list-style-type: none"> • <i>RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> 				
1.2	Organisation Information						
1.2.1	Organisation name listed in the certificate	PT BUMIPALMA LESTARIPERSADA					
1.2.2	Contact person	Ismu Zulfikar					
1.2.3	Organisation address and site address	<u>Head Office</u> Plaza BII Tower 2, 30th Floor JL. MH Thamrin No 51 Kav 22 Jakarta 10350 Indonesia <u>Estate & Mill:</u> Village of Bagan Jaya, Sub District of Tempuling, District of Indragiri Hilir, Province of Riau, Indonesia.					
1.2.4	Telephone	(+62-21) 318 1388					
1.2.5	Fax	(+62-21) 318 1389					
1.2.6	E-mail	ismu-zulfikar@smart-tbk.com					
1.2.7	Web page address	www.smart-tbk.com					
1.2.8	Management Representative who completed the application for certification	Ismu Zulfikar (Head of Environmental Departement)					
1.2.9	Registered as RSPO member	1-0056-08-000-00					
1.3	Type of Assessment						
1.3.1	Scope of Assessment and Number of Management Unit	Bumi Palma Mill, Bumi Palma Estate, Bumi Sentosa Estate dan Bumi Lestari Estate.					
1.3.2	Type of certificate	Holding					
1.4	Locations of Mill and Plantation						
1.4.1	Location of Mill						
	Name of Mill	Location	Coordinate <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>0°35' 53" S</td> <td>102° 59' 00" E</td> </tr> </table>	Latitude	Longitude	0°35' 53" S	102° 59' 00" E
Latitude	Longitude						
0°35' 53" S	102° 59' 00" E						
	Bumi Palma Mill	Village of Bagan Jaya, Sub District of Tempuling, District of Indragiri Hilir, Province of Riau, Indonesia.					
1.4.2	Location of Certification Scope of Supply Base						
	Name of Supply Base	Location	Coordinate <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>0°36' 14" S</td> <td>102° 59' 19" E</td> </tr> </table>	Latitude	Longitude	0°36' 14" S	102° 59' 19" E
Latitude	Longitude						
0°36' 14" S	102° 59' 19" E						
	Bumi Palma Estate	Village of Bagan Jaya, Sub District of Tempuling, District of Indragiri Hilir, Province of Riau, Indonesia.					

	Bumi Lestari Estate	Village of Pebenaan, Sub District of Kritang, District of Indragiri Hilir, Province of Riau, Indonesia.	0°35' 59" S	103° 01' 35" E	
	Bumi Sentosa Estate	Village of Suhada, Sub District of Kritang, District of Indragiri Hilir, Province of Riau, Indonesia.	0°39' 11" S	102° 55' 54" E	
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State		6,689.80	Ha	
	• Community		-	Ha	
1.5.2	Area Statement				
		Hectarage (Ha)			
		Bumi Sentosa Estate	Bumi Lestari Estate	Bumi Palma Estate	Total
	Total area	1,860.51	1,829.08	3,000.21	6,689.8
	Mature area	1,703.98	1,008.35	2,161.76	4,874.09
	Immature area	-	634.63	582.46	1,217.09
	Mill and Emplashment	82.56	99.58	124.21	306.35
	Nursery	-	6.00	8.00	14.00
	Unplanted area (Kuburan/Kanal/Parit)	73.97	80.52	123.78	278.27
	* Sources: Statement Area, 2016 HCV area (cemetery) include on unplanted area : 0.5 (ha)				
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		Bumi Sentosa Estate	Bumi Lestari Estate	Bumi Palma Estate	Total
	1992	348.13	-	189.55	537.68
	1993	541.57	-	222.67	764.24
	1994	716.08	124.12	114.89	955.09
	1995	98.2	-	-	98.2
	1997	-	-	96.39	96.39
	1998	-	-	30.77	30.77
	1999		104.53	-	104.53
	2001	-	15.92	-	15.92
	2005	-	-	223.29	223.29
	2009	-	-	229.48	229.48
	2011	-	317.82	213.55	531.37
	2012	-	233.21	567.52	800.73
	2013	-	212.75	273.65	486.4
	2014	-	284.61	343.09	627.7
	2015	-	350.02	239.37	589.39

	TOTAL	1703.98	1642.98	2744.22	6091.18		
1.6.2	New Planting area after January 2010		-		Ha		
1.6.3	Planting Cycle		2 nd Cycle				
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Bumipalma POM	30	131,689.169	26,968.591	20.479	6,508.810	4.943
	TOTAL		131,689.169	26,968.591	20.479	6,508.810	4.943
	*Sources Production of data period Febaruary 2015 - January 2016						
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/ye ar)	Supplied to Mill	
						FFB (tonnes/year)	%
	BPLE	1,829.08	1,642.98	15,721.093	10	15,721.093	100
	BSNE	1,860.51	1,703.98	25,229.614	15	25,229.614	100
	BPME	3,000.21	2,744.22	39,191.152	14	39,191.152	100
	TOTAL	6,689.80	6,091.18	80,141.859	13	80,141.859	100
	*Sources Production of data period Febaruary 2015 - January 2016						
1.7.3	FFB description from other sources						
	Name of sources	Organisation	Location	Supplied to Mill			
				FFB (tonnes/year)			
	TBS PLASMA (KKPA PT MNIS)	PT Meganusa Intisawit	Sub District of Rakit Kulim, District of Indragiri Hilir, Province of Riau, Indonesia.	29,732.850			
	TBS LUAR PT ATJM (DRSX, AHMX, HRTX, CRMX, MMDX)	Independen	Sub District of Tempuling, District of Indragiri Hilir, Province of Riau, Indonesia.	21,814.460			
	TOTAL			51,547.310			
	*Sources Production of data period Febaruary 2015 - January 2016						
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 25 March 2015 to 24 March 2016 (tonnes/year)	Actual certified product 25 March 2015 to February 2016 (tonnes/year)		
	• FFB Production			96,428.69	71,083.98		
	• CPO Production			19,767.88	15,322.182		
	• Palm Kernel (PK) Production			5,062.50	3,593.307		
	* Previous Certificate Claim: 25 March 2015 to 24 March 2016						
	** Actual certified product: 25 March 2015 to February 2016						
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)		
	BPLE	1,829.08	1,642.98	15,264	9.30		
	BSNE	1,860.51	1,703.98	43,686	25.64		
	BPME	3,000.21	2,744.22	32,217	10.74		
	TOTAL	6,689.80	6,091.18	91,167	14.97		
<i>*Projected FFB production for 12 months of certificate (February 2016 to January 2017)</i>							
1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes)	Extraction (%)	Palm Kernel Out put (tonnes)	Extraction (%)
	BPMM	30	91,167	20,513	22.50	5,014	5.50
	TOTAL		91,167	20,513	22.50	5,014	5.50
<i>*Projected FFB production for 12 months of certificate (February 2016 to January 2017)</i>							
1.9	Other Certifications						
	ISO 9001:2008		-				
	ISO 14001: 2004		-				
	OHSAS 18001:2007		-				
	ISCC		Sertifikat ISCC: PT. Bumipalma Lestari Persada – Bumi Palma Mill Certificate Number: EU-ISCC-Cert-DE104-07781501				
	Others		SMK3 Bendera emas No Reg 0178/787/Sucofindo/2012, 23 April 2012 Sertifikat ISPO: Certificate Number: MUTU-ISPO/025, tanggal 09 September 2014				
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status	
	MILL	Time Bound Plan					
	Samsam Mill	2009	Samsam Estate	2009	Siak-Riau	Certified	
		2009	Kandista Estate	2009		Certified	
		2009	Palapa Estate	2009		Certified	
	Libo Mill	2009	Libo Estate	2009	Siak-Riau	Certified	
		2009	Nenggala Estate	2009		Certified	
		2009	Sungai Rokan Estate	2009		Certified	
	Ujung Tanjung Mill	2009	Ujung Tanjung Estate	2009	Siak-Riau	Certified	
		2011	Sungai Tapung Setate	2011		Certified	
	Naga Sakti Mill	2010	Naga Mas Estate	2010	Kampar-Riau	Certified	
		2010	Naga Sakti Estate	2010		Certified	
		2010	Rama Bakti	2010		Certified	

	Kijang Mill	2010	Kijang Mas Inti Estate	2010	Kampar-Riau	Certified
		2011	Kijang Kencana Plasma	2011		Certified
	Ramarama Mill	2010	Ramarama Estate	2010	Kampar-Riau	Certified
		2011	Amartajaya Plasma	2011		Certified
	Indra Sakti Mill	2011	Indra Lestari Estate	2011	Indragiri-Riau	Certified
		2011	Indra Sakti Estate	2011		Certified
		2011	Indragiri Plasma	2011		Certified
		2011	Indrasakti Plasma	2011		Certified
	Bumipalma Mill	2012	Bumi Lestari Estate	2012	Indragiri-Riau	Certified
		2012	Bumi Palma Estate	2012		Certified
		2012	Bumi Sentosa Estate	2012		Certified
	Sawita Mill	-	Sawita Estate	2015	KOTABARU-KALIMANTAN SELATAN	It has been ST-1 Audit on 24 – 25 March 2015
		-	Sawita KKPA	2015	KOTABARU-KALIMANTAN SELATAN	It has been ST-1 Audit on 24 – 25 March 2015
		-	Pamukan Estate	2015	KOTABARU-KALIMANTAN SELATAN	It has been ST-1 Audit on 24 – 25 March 2015
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	The company haven't smallholders					

2.0	ASSESSMENT PROCESS	
2.1	Assessment Team	
ASA-2	<ul style="list-style-type: none"> • Sandra Purba (Auditor). Bachelor of Forestry, Department of Forest Products Technology, Faculty of Agriculture, University of North Sumatra. Have experience working in oil palm plantations Company. She had attended such training: Training Expert of OHSAS General, Training ISPO Auditor and Auditor/Lead auditor Management System Certification (ISO 9001-2008). During the assessment the auditor verified Legality, Occupational health & Safety, Social and SCCS aspects. • Andi Pratama Pasaribu (Auditor). Bachelor of the social economy, agribusiness a course of study agricultural university faculty of Jember. He had followed the training of auditor sustainable Indonesian palm oil (ISPO). 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. Auditor conducting assessment in the management of a plantation of pest and disease of plants. During the assessment the auditor verified base management practice and social aspects. • Sofyan Hadi Lubis (Auditor). Master's Program in Environmental and Natural Resource Management, Institutut Pertanian Bogor (IPB) and Bachelor of Social Economic Agriculture, Gadjah Mada University(UGM). Participated in several environmental management workshops, climate change mitigation training and adaptation for agricultural productivity in Southeast Asia, Carbon Forum Asia Update. He has also been involved as a research team at the Centre for Research, Development and Climate Change Policy (Puspijak) Ministry of Forestry of Indonesia-Bogor and Research Team in cooperation program IPB-ETH Zurich Switzerland - NUS Singapore. He has followed Auditor training ISPO and Auditor/Lead auditor Management System Certification (ISO 9001-2008), Awareness RSPO, GHG Calculation and High Conservation Value and Training ISCC LUC. Furthermore, he also worked as a staff environmental consulting firm. During the assessment the auditor verified environment and GHG aspects. 	
2.2	Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1	Figure of person days to implement assessment	
ASA-2	Number of auditors for ASA-2 at site: 3 Auditor Number of days for ASA-2 at site: 4 days Number of working days for ASA-2 at site: 12 Working days	
2.2.2	Assessment Process	
ASA-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT. Bumipalma Lestari persada terhadap persyaratan RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013 dan RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-3).</p> <p>Improvement of findings from main assesment findings were observed by auditors at this ASA-2 will be observation at the next assessment phase (ASA-3). All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-2.</p> <p>The assessment program please find Appendix 2</p>	
2.2.3	Locations of Assessment	

ASA-2	<ol style="list-style-type: none"> Legal Boundary Pole (National Land Agency Boundary Pole) BSNE No: 100, 101, 103, 104, 105. Field observations to ensure the availability of pole in accordance with point coordinates on the pole maps, care and maintenance of pole, concession areas that do not pass the legal limit. School building Facility in Primary School and Junior High School of BPME. Field observations of the educational facilities that have been provided by the company, the entire facility both buildings and other facilities provided with adequate. Interviews with teachers to know the welfare of the teachers (labor), all teachers have obtained the appropriate wages. Workshop of BPME. Field observations carried out in the workshop of BPME, OHS implementation and management of the environment has been done adequately, interviews with workers at the workshop showed the aspect of labor which has been well implemented. Fire Emergency Facilities of BPME. Observation, interviews and simulations are performed to ensure the alertness of emergency response equipment. Fertilizer and chemical warehouse of BPME. Field observations to see the implementation of environmental management and OHS in accordance with applicable regulatory requirements. Interviews with staffs to ensure the employment aspect have been well implemented. Security and Weigh of BPMM. Observation and interviews with staffs in charge of the FFB admissions process and for CPO shipments, security and weigh operators have understood the FFB admission procedure and procedures for traceability of products, have understood the SCCS modules applied by BPMM, can demonstrate the process to receive FFB (certified and non-certified) and the process of CPO shipments. HCV 6 Areas (Local Cultural Identity / Graveyard), Block H-10 Division II. The observation result known that HCV Area was not planted by oil palm trees, has had boundaries pole (in the left is bordering to the oil palm trees, right is bordering to the canal, back is bordering to the canal, front is bordering to the estate road. HCV spacious is 0.5 hectares. Legal Boundary Pole No. 72, Block G-3. The results of observations it is known that the pole is in well maintained, bordered with a community estate which planted with corn and coconut. The Company does not perform to plant oil palm trees on public land / pole exceeding the predetermined limit. Legal Boundary Pole No. 73, Block H-3. The results of observations it is known that the pole is in well maintained, bordered with a community estate which planted with coconut. The Company does not perform to plant oil palm trees on public land / pole exceeding the predetermined limit. Legal Boundary Pole No. 74, Block H-2. The results of observations it is known that the pole is in well maintained, bordered with a community estate which planted with coconut. The Company does not perform to plant oil palm trees on public land / pole exceeding the predetermined limit. Legal Boundary Pole No. 76, Block H-1. The results of observations it is known that the pole is in well maintained, bordered with a community estate which planted with oil palm, coconut, and banana. The Company does not perform to plant oil palm trees on public land / pole exceeding the predetermined limit. Legal Boundary Pole No. 81, Pole 81. The results of observations it is known that the pole is in well maintained, bordered with a community estate which planted with oil palm and banana. The Company does not perform to plant oil palm trees on public land / pole exceeding the predetermined limit. Oil Palm Plants, Planting Year 2014, Block H-3. The results of observations it is known that there are no signs / burning activities. Oil Palm Plants, Planting Year 2013, Block G-3. The results of observations it is known that there are no signs / burning activities. Waste Water Treatment Pond (WWTP). The results of field observation that conditions in the WWTP in a maintained state, flow meter at the inlet and the outlet is in good condition (working), there are monitoring of the effluent debit which discharged into the environment (canal) with m³ unit, there are no leaks and overtopping in the pond. Provided the sampling point of effluent sample that will be tested, the officers who took the sample has been certified by technical training in taking samples of water from Environment Bodies, the officers have been facilitated with PPE, wages received in accordance with the regulations, receiving house facility occupied by one family, clean water, electricity, and health facility. Chemical Warehouse. The results of observations it is known that chemical warehouse has been equipped with MSDS. Supply of chemicals are stored in warehouse consists of Caplok 837/8355, BL 120/171, 1356, 1102, Hexon / Alcohol are separated according to the type; former chemical packaging submitted to the suppliers along with former agrochemicals / pesticides. Furnace. The results of observations it is known that the active furnace are 3; there are increasing the height of mining chimney in order to the management of air quality, the products of combustion / ash are applied to the
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- land as fertilizer. Ash residue is collected at the bunch ash warehouse (bunch ash) to then packaged nicely and sent to the estate that can be applied as organic fertilizer.
18. **Boiler Station.** The results of field observations it is known that fiber and shells are used as fuel, residual of fiber and shells stored in a safe place, so that it does not cause pollution and the potential for fire. Operators are using earplugs when working, available light fire extinguisher and hydrants that are still functioning.
 19. **Temporary Warehouse (Hazardous Waste Warehouse).** The results of field observations known that Hazardous Waste Warehouse which are owned correspond with the provisions established, among others, has had the coordinates which are corresponding to the stipulated Decree. Additionally Hazardous Waste Warehouse are in the free areas of flooding, are not on the ditch / water source, the location is far from the residential areas and employees housing, equipped with bells, fire extinguisher, shower / eye wash, First Aid box, Hazardous Waste symbol, MSDS, oil trapping, trapping tub, logbook, etc. Stored Hazardous Waste have been compiled according to the type and characteristics of each waste, and there are no spills on the floor or surrounding environment.
 20. **Workshop.** The results of field observations known that there are no spills and oil spills and Hazardous Waste. Officers know the source and Hazardous Waste management generated from the workshop. Officers are equipped with full PPE in conducting the activity. There are Fire Extinguisher, First Aid Box. Employees in Mechanical / Weld have already owned certificate as a welder, electrical parts workers have already owned OHS Electrical certificate. Wages earned in accordance with applicable regulations, receiving house facilities occupied by one family, clean water, electricity and health facilities.
 21. **Subsidence pole and piezometers, block H7 Division 3.** Observation of measurement activities of peat subsidence by the research staff regularly every month and monitoring piezometers by division officer every month. Pole subsidence showed a decline since it was first installed in 2012.
 22. **Owl's Nest, block H7 Division 3.** Observations of rat pest control by utilizing natural enemies *Tyto alba*.
 23. **Harvest, block H04 Division 2.** Observations of the implementation of harvesting activities and lose fruits workers. Harvesters who are interviewed can explain the rules of harvesting, payroll system and how to work safely. In addition, the harvesters and lose fruits workers have been using appropriate personal protective equipment.
 24. **Housing Division 3.** Observations of housing areas, public facilities and social facilities, sanitation and clean water supply for the employees. Based on the interviews, employees have gained adequate facilities such as clean water, electricity, education, religious and social.
 25. **Landfill, block K6 Division 1 Bumi Palma Estate.** Observations of waste management from housing. Based on observations there has been a waste management on a regular basis, the separation of organic and inorganic waste. In addition, there has been a socialization and warnings related to waste management in housing areas.
 26. **Replanting Areas, block J8 Division 3.** Observations of land clearing activities by mechanical ways. Based on the observations, there have been LCC planting and there are no burning activities for land clearing.
 27. **Land Fire Fighting Infrastructure.** Observation of fire fighting infrastructure owned by the company. Simulations shown by estate fire emergency response team showed that the response team has been organized and trained in the handling of land fires.
 28. **Central Warehouse.** Observations of the infrastructure of goods storage in warehouse such as agrochemical materials, work tools, personal protective equipment, vehicle spare parts and others.
 29. **Central Clinic.** Observation of health facilities for employees, records of 10 major diseases that are often handled and the management of medical waste. Based on observations, doctors and paramedics have owned Hygiene Company and Occupational Health certificate.
 30. **Harvest, block C10 Division 2.** Observations of the implementation of harvesting activities and lose fruits workers. Harvesters who are interviewed can explain the rules of harvesting, payroll system and how to work safely. In addition, the harvesters and lose fruits workers have been using appropriate personal protective equipment.
 31. **Owl's Nest, block C10 Division 2.** Observation of rat pest control by utilizing natural enemies *Tyto alba*.
 32. **Water level, block C10 and D4 Division 4.** Observations of monitoring the water level in the peat areas showed the water level is at the normal threshold that is 65 cm below the ground surface.
 33. **Nurseries, Division 4.** Observations of nurseries activities. Based on the interviews, employees and supervisors can explain the nurseries procedure well. Seed selection is conducted regularly every three months by way of chopped and then disposed.
 34. **Weigh Bridges.** Observation of FFB admissions activities for nucleus and FFB outside. At the time of observation there was no incoming FFB, but the weigh officer can explained well the FFB admission procedure

	in accordance with the stipulated SOP.
	35. Process Activities. Observations of processing activities at the mill with horizontal sterilizer. In general, mill sanitation is quite good. There have been warning alarms in the mill area, the use of appropriate PPE and employees have been getting a medical checkup routinely.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-2	<p>Consultation of stakeholders for PT Bumipalma Lestari Persada was held by:</p> <ol style="list-style-type: none"> 1. Public Notification at web mutucertification.com on January 18th, 2015. 2. Public consultation with NGO (Sawit Watch, WWF dan Jikalahari). 3. Public consultation with government agency District of Indragiri Hilir (Plantation Agency, Labor Agency, Environment Bodies, National Land Agency) on February 02th, 2015. 4. Public consultation meeting with local stakeholders conducted by visits to villages on February 02th, 2015. <p>Numbers of input from stakeholders were clarified by PT Bumipalma Lestari Persada see at Appendix 1</p>
2.3.2	Stakeholder contacted
ASA-2	Please find Appendix 1
2.4	Determining Next Assessment
ASA-2	The next visit ASA-3 will be determined one year after the events of ASA-2 and or after the date of certification issued.

3.0. ASSESSMENT FINDINGS

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Bumipalma POM – PT. Bumipalma Lestari Persada (Ivomas Tunggal) operation consisting of *one (01) mill and three (03) oil palm estates*.

During the assessment, no nonconformities were assigned against Major Compliance Indicators, Minor and supply chain requirement for CPO mill, but *two (02) opportunities for improvement* were identified.

MUTUAGUNG LESTARI found that Bumipalma POM – Bumipalma Mill – PT. Bumipalma Lestari Persada (Ivomas Tunggal) complied with the requirements of **RSPO Principles and Criteria (P&C) for the Production of Sustainable Palm Oil - April 25th, 2013** dan **RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)**

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
	<p>The Company has procedures of Demand Response and Information with No. SOP / SMART / LH-01, effective on July 1, 2010. The scope of the all activities related to the provision of information to stakeholders in the oil palm plantations along with the unit of management. The purpose of the SOP is to provide correct and transparent information to stakeholders in accordance with the rules and regulations as well as the established provisions relating to the principles and criteria of sustainable palm oil.</p> <p>A list of information that is accessible to the public / stakeholders include the number of employees and the employee's basic pay list; Data of Tax Id Number and property tax; The payment of local taxes / levies; Environmental documents; Certificate of the deed of incorporation and the changes, the data of acreage and the production and fertilization application data; Proof of ownership of land as Land Use Title certificate; Identification Report of the High Conservation Value; Report of social identification; Reports of community empowerment programs; Guiding Committee of Occupational Safety & Health reports; Document of continuous improvement program; Document of audit reports; and document of human rights policy.</p> <p>List of stakeholders that are owned by the company, among others: local government INDRAGIRI HILIR Regency (Plantation Agency, Environmental Agency, Labor and Transmigration Agency, National Land Agency, Regional Revenue Office); Sub District Head of Enok, Village chief of Bagan Jaya, Village chief of Suhada, Village chief of Bagan Jaya, Community Leaders, Officials, Youth Leaders, Workers Union.</p> <p>The company has had a "Logbook / communication and information books" that record every incoming information and responses. Logbook containing the letter number, the date of the letter, the applicant's name, address, subject, recipient, date taken, actions, status and PIC. Verification on documents of logbook of Mill, Bumi Palma Estate dan Bumi Sentosa Estate, during 2015 there were no requests of information, all incoming mail recorded is related with requests for contribution and have been addressed by the company in terms of CSR.</p> <p>The company has also been providing information that is required to the relevant agencies in the form of sending regular reports either monthly, quarterly, semester or yearly, for example, report of environmental testing and liquid waste testing</p>	

reports, waste management report, RKL / RPL, reports of plantation activity (LKUP) and OHS reports.

The results of interviews with community representatives note that the company has responded to every request / application for funding and services that requested by the public. The results of interviews with relevant agencies note that the company has reported / provide information which is compulsory periodically.

Archive reports on requests for information and responses must be stored properly to the SPO secretariat approximately 5 years. This provision is set in SOP of Control and Document storage period No. SOP / SPO / SMART / LH-02, Dated July 1, 2010.

Status: Full Compliance

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.

A list of information that is accessible to the public / stakeholders include the number of employees and the employee's basic pay list; Data of Tax Id Number and property tax; The payment of local taxes / levies; Environmental documents; Certificate of the deed of incorporation and the changes, the data of acreage and the production and fertilization application data; Proof of ownership of land as Land Use Title certificate; Identification Report of the High Conservation Value; Report of social identification; Reports of community empowerment programs; Guiding Committee of Occupational Safety & Health reports; Document of continuous improvement program; Document of audit reports; and document of human rights policy.

List of Stakeholder owned by the company, among others: Local Government of INDRAGIRI HILIR Regency (Plantation Agency, Environmental Bodies, Labor and Transmigration Agency, National Land Agency, Regional Revenue Agency); Sub District Head of Enok, Village chief of Bagan Jaya, Village chief of Suhada, Village chief of Bagan Jaya, community leaders, officials, youth leaders, Workers Union.

Status: Full Compliance

1.3

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

The company has had a policy of ethical business principles that have been endorsed by the Regional Controller on August 1, 2014. The policy states that the company is committed in the management of all activities of the business practices, no tolerance for any act or form of corruption in the business practices and all forms of business practices conducted by transparent and open manner.

The policy has been socialized to the employees on March 31, 2015 (available document of attendance and photo of socialization activity).

Status: Full Compliance

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

Available evidence of the fulfillment of basic regulatory requirements which is applicable in the field of plantation, such as:

- a. Regulatory fulfillment in the field of business and land legality
 - The company has had a Land Use Title as evidence of land rights (see indicator 2.2.1)
 - The company has had a Plantation Business Permit as the legality of the plantation business (see indicator 2.2.1)
- b. Regulations in the field of employment and OHS
 - The Company has fulfilled the minimum wage
 - has fulfilled the provision of PPE
 - Has Obey the provision of Social Insurance Agency of Labor and Health
 - Has reported the Guiding Committee of Occupational Safety and health activity routinely every quarter
 - Reporting the compulsory labor report to Labor and Transmigration Agency
- c. Regulations in the field of Environmental

- Having an EIA document and perform Environmental Management Plan - Environmental Monitoring Plan reporting periodically to the relevant agencies
- Not doing land clearing by burning and has an infrastructure of land fire prevention, according to the Regulation of Agriculture Ministry No. 26 year 2007 article 15
- Own Hazardous Waste Warehouse and reporting the waste balance in accordance with Government Regulations No. 18 Year 1999

d. Perform the management of peat areas (water management, installation of pziometer)

Written information about legal requirements stated in the evaluation form to document compliance with regulatory and other requirements form No. F / SMART / UMUM / SADV / 002/002. There are lists of information, requirements identification, and proof of implementation, status, action plan, PIC and targets in the document. In the document has been well presented both regulatory / regulations relevant to the activities of the estates and mill in OHS aspects, the environment, employment, operational and conservation legality. Document storage is done in the office of SPO Officer and copies are available in each unit.

Systems and mechanisms that regulate the updating of legal requirements as well as the identification and evaluation described in SOP of regulatory fulfillment and other requirements document No. SOP / SMART / UMUM / SADV / I / 002. Described in section II of procedures flowchart compliance with regulatory and other requirements, beginning with the identification and determination of the relevant rules of national and local level, collecting and updating the related regulations, drafting a list of regulations and other requirements, the distribution of rules to related parties, receipt a list of legislation rules, document storage, socialization, evaluation of the suitability of the list, the implementation / fulfillment of regulatory and other requirements and periodic evaluation of regulatory compliance.

The officer in charge on updating the regulation is SPO Officer, the company can show the appointment Decree of SPO Officer Decree No. 002 / EM-BPME / RSPO / ISCC / 09/2015 dated September 21, 2015.

Status: Full Compliance

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.

There are no changes related to the legality of the company. The documents show the land tenure is shown as follows:

- Location Permit and Acquisition Right Permit / Purchasing Land in District of Peteh, Enok and Keritang Indragiri Hilir Regency For Oil Palm Plantation Business, Hybrids Coconut And Chocolate On Behalf of PT Bumipalma Lestari persada published by the Regional Investment Coordinating Agency - Pekanbaru through the Decree of the Level I Regional Head Governor of Riau Number: KPTS.40 / IL-X / 1990, dated October 22, 1990. There are also Appendix of Map License Location, Size \pm 8,200 Hectares Scale of 1: 100,000.
- Approval / Permit of plantation business principle by the Agriculture Ministry Republic of Indonesia No. Plantation Business Registration Letter (SPUP) of the Ministry of Forestry Republic of Indonesia in Jakarta No. 758 / Menhutbun-VIII / 2000 dated June 29, 2000. This plantation Business Registration Letter serves as Plantation Business Permit (IUP) as long the company running the plantation business well. Plantation Business Registration Letter include land area is 6,690 hectares and 1 unit of POM with a capacity of 30 tons / hour.
- Decree of the Minister of state for Investment Fund Movers / Chairman of the Investment Coordinating Body No.113 / T / Pertanian / 1997 dated March 17, 1997 on the Granting of Permanent Business Permit to PT. Bumipalma Lestari persada with the Business is integrated Oil Palm Plantation with the Processing Unit. Located in the district of Tempuling, Reteh, Keritang and Enok Indragiri Hilir Regency, Riau Province. The validity period of this Permanent Business Permit was since November 1995 until the company is still doing the production activities.
- Land Use Title Certificate No. 01 Area of 6,690 Hectares, Measure Letter dated 30-3-1995 No. 02/1995 and Map Appendix (Scale 1: 25,000), based on the Decree of the State Minister of Agrarian / Head of National Land Agency Number: 73 / HGU / BPN / 95/ dated 10 November 1995, issued by the Head of National Land Agency of Indragiri Hilir Regency dated April 20, 1996. Location Village of Mumpa, Pusaran, Baganjaya, Sungai Rukam, Pengalihan, Pebenaan, Sungai Gergaji. Land Use Title certificate is valid until December 31, 2030. Map of Special Situation Image No. 02/1995 which contains the point of boundaries pole as many as 132 primary pole and 1 auxiliary pole.
- There is also a Building Permit (IMB) for the mill in an area of 3,645.5 meters by a decree of the Regent of Regional Head Level II Indragiri Hilir No. B-0 / HK / 1995, dated 30 November 1995.

National Land Agency Pole maintenance is performed regularly in accordance with a program that had been developed by the company. National Land Agency Pole maintenance program in the period of 2015 and 2016 in the form of inspection activities each month, the planned improvements in September 2015, the painting in November 2015 and the clearance of the pole locations every 4 months.

Realization of BSNE pole maintenance as many as 43 pole and BPME as many as 33 pole can be shown to be a maintenance checklist and photographs of pole conditions.

To ensure the management and maintenance of the legal limit, the auditor has conducted field observations at National Land Agency pole for example National Land Agency pole of BSNE No. 105, 104, 103.100 and 101 and National Land Agency pole of BPLE No. 81, 72, 73, 74 and 76. Based on the field observations known that all pole are well maintained, the maintenance is in accordance with the program that has been carried out, pole number is legible and coordinate points in accordance with a predetermined.

Compensation process of the company area has been finished in 2006, when the activities of ASA-2 there are no conflicts / disputes with communities.

Based on consultations and interviews with villagers around the estate for example Suhada Village, Pengalihan Village, Lintas Utara Village and Bagan Jaya Village, said that this time the whole area had been compensated and there is no area that is being disputed / conflict with society.

Based on interviews with relevant agencies (National Land Agency and Plantation Agency) note that there are no disputes of land between PT. Bumipalma Lestari Persada with other parties, including the public.

Based on the company's statement acreage known that there is no indication of conflict / dispute in plantation area of PT BPLP.

Status: Full Compliance

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.

Based on Identification Report Document of High Conservation Value of PT Bumipalma Lestari Persada, estate units of Bumi palma-Bumi Lestari-Bumi Sentosa Indragiri Hilir Regency, Riau Province, it is known that in the plantation area of PT BPLP there are no areas identified as an area which is the land with the status of customary rights. Available recording form Attendance List Meeting Participants of Socialization / Public Consultation of HCV and SIA (Social Impact Assessment), attended by 40 people.

Based on consultations and interviews with villagers around the plantation for example Suhada Village, Pengalihan Village, Lintas Utara Village and Bagan Jaya Village, it is known that there are no custom people (indigenous people) around the plantation area of PT BPLP.

Based on the results of the public consultation with the Plantation Agency known that there are no indigenous peoples around the plantation of PT BPLP, the whole society is an immigrant society who has lived long in the village and has the identity card of the area.

Status: Full Compliance

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.

The Company has drafted a long-term planning for the years 2016 - 2020 which has been approved by top management. In the planning document is described the target company include production estimates (CPO and PK), operating costs (estate and mill), price and parameter - other financial parameters.

To ensure the accountability of companies, PT. BPLP annually conducts financial audits assisted by a public accountant. Based on the study documents, the company has demonstrated record of public accountant audit results of PT. Bumipalma Lestari Persada conducted by public accounting firms Mulyani Sensi Suryanto & Lianny (Registered Public Accountant No. 1219 / KM.1 / 2011). In a document of audit report in 2014 (No. 04841215SA) shows that the financial statements are fairly stated in all material things, the financial position and financial performance and the cash flows in accordance with financial accounting standards in Indonesia. As for the independent financial audit report in 2015 is not yet available because the audit has not been completed.

The company has demonstrated a tax payment documents, among others:

- Property tax. There is evidence of tax payment on behalf of Bumipalma Lestari Persada on October 16, 2015, on October 20, 2015 and on December 18, 2015 which is paid through the tax office of Tembilahan.
- Proof of the taxes payment of collecting and utilizing surface water in 2015 on July 3, 2015 for the utilization of surface water by PT. Bumipalma Lestari Persada as 222,393.6 m³ which paid to the Department of Revenue of Riau Province, Service Post of Tembilahan on July 3, 2015.
- Evidence of tax payments paid of 1 unit of heavy equipment (wheel loader) year 2015 which paid to the Department of Revenue Tembilahan Service Post of Riau Province on August 20, 2015.

Based on the explanation above it can be concluded the company has long-term planning document and has demonstrated the company's ability to meet its obligations such as payment of taxes.

Replanting activities are gradual activities which are planned and evaluated annually. Realization of the work in the previous year became one of the references in the next year program. If the target is not reached, there will be an additional burden in the next year. Here is the replanting program plans that have been drafted and set by management:

Replanting program plans, years 2016 - 2020 (in Hectare)

Estate	2016	2017	2018	2019	2020	Total
BPLE	-	-	124.12	-	-	124.12
BSNE	384.13	541.57	716.08	98.20	-	1,703.98
BPME	189.55	222.67	114.89	-	-	527.11
Total	537.68	764.24	955.09	98.20	-	2,355.21

In the document also indicated the estimated productivity per Hectare on every estate. Based on the information of management and *funding* staff, the long-term work plans are regularly evaluated every year. It is intended to maximize the potential of resources owned by the company in order to reach optimal target.

Status: Full Compliance

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

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

PT. Bumipalma Lestari Persada has had documents of SOP-IK Technical of Oil Palm Cultivation starting from land clearing up to harvesting drafted by team of MCAR (*Management Committee Agronomy and Research*) in 2012. The SOP documents among others about Planning of New Area Planting, Replanting Plans, Nurseries, Land Clearing, planting, replanting, Pest and Disease Control, Weed Control, Fertilization, Maintenance of Immature plant, Preparation Ahead of Harvest, Harvesting, Loading and Transportation of FFB and Measurement of Rainfall by Ombrometer.

The Company also has a complete SOP associated with the processing of palm oil into CPO and PK in the palm oil mill contained in the SOP No. 04-09 / MCMD-SOP / 438 revisions number 4. SOP approved by Edwin Ng (Chairman MCMD) and entered into force on 1 September 2010. The SOP includes standard operating procedures in POM include: FFB reception station, sterilization activities, slamming station (threshing), press station, clarification station (purification), clarification station; *Oil recovery tank sub station, nut and kernel station, boiler and engine room, water treatment, final effluent, storage tank washing.*

Based on a review of documents and interviews with the harvesters in the block H04 BSNE and block C10 BPLE, harvesters can explain well on harvesting correct procedures. Particularly relevant to the criteria for ripeness and obligation to use personal protective equipment (PPE).

Companies routinely conduct agronomic internal audit activities every semester by the Department of Operational Internal Audit (OIA). For examples:

- Bumi Palma Estate: internal audit documents available at the second half of 2015 on 6 to 13 October 2015 (OIA report Document No. 44 / V-BPME / 12/15).
- Bumi Sentosa Estate: internal audit documents available at the second half of 2015 on 6 to 13 October 2015 (OIA report Document No. 44 / V-BPME / 12/15).

- Bumi Palma Mill: internal audit documents available at the first half of 2015 on September 25, 2015 (OIA Report No. 31 / V-BPMM / 09/15).

The Company has documented the records of work execution and its monitoring. Based on the field visits at harvest block H04 Bumisentosa Estate and C10 Bumipalma Estate, harvester supervisor has a responsibility to made records of harvesting activities. For example, there is a record attendance of harvesters and lose fruits workers and records of harvesting plots quality in Detailed Harvest Inspection Form. In attendance book of harvesting supervisor recorded the presence of members as well as the reason why not came to work, if there are employees who do not attend. While the Detailed Harvest Inspection Form recorded monitoring parameters of Harvesting and Harvesting Plots quality such as left fruit, ripe fruit that is not harvested, the placement of midrib in Inter row and cleanliness of lose fruits. Documentation of field activities were reported routinely every day to division assistant and inputted via SAP.

BumiPalma Mill has documented its operations. One such document is Processing Monthly Report. For example, processing monthly report in December 2015 showed that there were 7,281,916 kg processing FFB (leftover 0 kg). 1.580,360 kg CPO extraction (OER 21.73%), 463 110 kg Kernel (KER 6:36%). 3.61% FFA CPO Quality, 0.142% Moisture, 0.021% Dirt, 425% Beta Carotene. 7.048% Moisture Kernel Quality, 4.823% Dirt, 14.961 Broken kernel. FFB processing in December 2015 with a throughput of 35.59 tons / hour. All operational activities are well documented.

Bumi Palma Mill has a standard specification document which predetermined by the management in the annual budget (2016). For example:

- Processing FFB of 181,383.11 tons
- OER 20,75%
- KER 5,00%
- FFA <3.00
- Moisture 0.12 – 0.15
- Dirt 003
- Dobi >3.00
- Throughput of BPMM 30 tons/hour

Based on the documents review and interviews with management staff, the company has documented daily work activities which are monitored every day.

In addition to receiving the fruit from the nucleus estate, POM of Bumi Palma also received FFB from the community estate. The entire of community FFB supplier are received by a letter of agreement for purchasing FFB.

In the FFB purchasing agreements contain clauses that suppliers are willing to supply the official FFB owned by the farmer and not from illegal FFB and in accordance with the FFB criteria desired by the company.

Agreement related to the FFB purchasing with the external party has equally understood by both parties. It can be seen from the evidence of the formal signing of work order (SPK) on the stamp duty and each party keeps the copy.

Status: Full Compliance

4.2

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

The company has implemented practices to optimize production rate in accordance with the established procedures, among others;

1. Sampling of Soil and leaves by SMARTRI regularly to make sure the elements that plants need in order to produce optimally. Results of soil and leaf analysis that tested will be the basis for determining the dose of fertilizer in each estate.
2. Fertilization activities that emphasizes the principles of timely, targeted, precise dosage and proper application. Based on interviews with several employees of fertilization team members in the Club House of Bumipalma Estate, the company routinely socialized the fertilization technique which is good and right. In addition, to ensure the dose of fertilizer applied properly, routinely performed a calibration of fertilizer sower tools.

3. Management of peat areas in accordance with the applicable rules. During field visits in peat areas there have been efforts to manage by the presence of water canals, the doors of the water to ensure the water level is at the desired threshold limit and installation of piezometers and subsidence pole.
4. Maintenance of ground cover plants to reduce evaporation (keeping the soil moisture). For example, planting beans and maintenance the fern (*Nephrolepis bisserata*). To all sprayers always informed on the morning briefing to not spraying the plant.
5. The use of organic matter to improve soil fertility. For example, a bunch ash (bunch ash) in accordance with the SOP of Fertilization and recommendation by SMARTRI.
6. Integrated pest management that emphasizes the principles of biological control before the chemical. For example, there have been efforts of rodent pest control with the natural enemies that is owl. Currently there are owls' nest as many as 38 units on Bumi Palma Estate (the total area of 2,744.22 hectares). While on Bumi Sentosa Estate there are 91 units of Owl's Nest (40 units inactive) to an area of 1,707.98 Hectares
7. The company's commitment to no longer using the herbicide with active ingredient of paraquat since 2016. According to the statement of the manager and the staff, this is to demonstrated the company's commitment in supporting the RSPO guidelines in terms of reduced / no herbicide in classes 1A and 1B and paraquat.

During audits, there were no plant maintenance activities such as fertilization and chemical weed control. Based on the information from manager, there is a delay in the supply of fertilizers and herbicides from vendors in recent days. However, it has been coordinated by the management and purchasing body to immediately performing a supply dispatch as soon as possible.

Implementation of fertilization has been well documented. Note of fertilization documented in recommendation documents and the actual fertilization of each semesters. For example, note of Urea fertilization on the second half of 2015 with a dose of SMARTRI recommendations is 0.5 kg / palm tree in block B10 has been realized on December 17, 2015. Meanwhile, the second half of Urea fertilizer with a dose of 1.25 kg / palm tree in block A9 has been realized on November 12, 2015. The recommendation documents and the realization of fertilization summarized and updated every month by head administration of estate according to the report of fertilizer realization applied every day.

The company has shown document of soil and leaves sampling on each estate, as follows:

1. Bumi Sentosa Estate
 - Sampling of leaves every year. For examples, sampling of leaves on 2015 (Reference Document No. 096 / DAUN / LAB-SMARTRI / III / 2015) dated March 5, 2015. The parameters which are being tested were KA, N, P, K, Mg, Ca, Mn, B, Zn, Cu, Cl, Fe and Na.
 - Soil sampling on 2011 (Reference Document No. 254 / TANAH / LAB-SMARTRI / X / 2011 dated October 17, 2011. The parameters which are being tested were pH H₂O, KCl, C-Organic, N-Total, C / N, CEC, Ca, Mg, K, Na, etc.
2. Bumi Palma Estate:
 - Sampling of leaves every year. For example, sampling of leaves on 2015 (Reference Document No. 091/ DAUN / LAB-SMARTRI / III / 2015) Dated February 28, 2015. The parameters which are being tested were KA, N, P, K, Mg, Ca, Mn, B, Zn, Cu, Cl, Fe and Na.
 - Soil sampling on 2012 (Reference Document No. 037 / TANAH / LAB-SMARTRI / X / 2011 Dated September 18, 2012. The parameters which are being tested were pH H₂O, KCl, C-Organik, N-Total, C/N, KTK, Ca, Mg, K, Na, etc.

PT. Bumipalma LestariPersada is a plantation which in the area of peat soil with organic matter content is very high. Therefore, the company does not need to apply fertilizer with high organic content such as EFB and POME. The only organic fertilizers are used by the company only bunch ash from the combustion (bunch ash). The application pattern of bunch ash as same as the application of inorganic fertilizers which are sown around the circle.

Status: Full Compliance

4.3

Practices minimize and control erosion and degradation of soils.

The company has had a semi-detailed soil map report issued by Plantation Monitoring And Planning Division (PMNP) with a scale of 1: 25,000 with Registration number No. 447/202 / PMNP / VII / 2007, which included a description of the soil

types, topography, soil texture, drainage condition, land suitability level, and the limiting factor.

The map also has informed the hectares of each area based on land classification and the thickness of the peat, such as the type of Saprik tropofibris is 994.33 hectares in BPLE and 942.50 hectares in BSNE.

Based on the data above, it is known that the area in PT Bumi Palma Lestari Persada is peat soil with slope levels of land is 0-3% so that it does not require the area planting strategy by slopes.

Transportation access in PT BPLP consists of two types, there are land and water. However, water access is still dominating because all transport activities are using water transportation through the provided canals both the main canal and the branch canal. Based on monitoring data of canals washing, canals are washing every month, especially in the main and branch canals with a population of many water hyacinth and water plants.

Meanwhile, road maintenance is performed especially on the access road between the estate office and CPO access roads. Road maintenance is performed in a mechanical way by road greeder every 3 months and manually every month. At the time of the audit, there is an ongoing mechanical road maintenance activity on the access road of CPO.

Results of semi-detailed soil survey conducted by *Plantation Monitoring And Planning Division* (PMNP) (according to the survey map in scale of 1: 25,000 with registration No. 447/202 / PMNP / VII / 2007) shows that the whole area of the company is the peat areas. The company has the SOP of water management in peat areas where the purpose is to keep peat areas which do not shrink not experiencing overdrain which can make the layer of peat shrinking rapidly and the top layer experiencing excessive drying which cannot be restored.

The types of water management activity in peat areas such as:

- Manufacture of water canals to regulate the water supply and transportation. At the areas of PT. BPLP, there are inlet canals which connected to the Indragiri River and equipped with manual floodgate. When the water level has decreased (by monitoring of the water level), then the water can be distributed from the inlet canal either manually or mechanically with a pump machine.
- Manufacture and installation of piezometers. Piezometers are monitored by officers who have been appointed in each division / estate.
- Manufacture of dams and floodgates.
- Care and drain flushing mechanically. Conducted regularly once a year with heavy equipment (excavators). Especially for aquatic plants that disrupt transportation, the company has had a manual canal treatment team that works every day to take care of the canal to make the transportation easily.
- Planting *Vetiver* grass to prevent erosion, especially in the lip area of canal.

The Company has evaluated the efforts that have been made by the company. Available recording of plans and realizations of water gate and piezometers maintenance in 2011 until July 2015. Based on the record of peat subsidence, peat soil subsidence occurred ranged from 3.5 to 7.5 cm since it was first installed in 2012 and 2016. While the notes of water level monitoring, water level is generally in the range of 50-80 cm below the soil surface. Based on interviews with the manager of the estate, not too difficult to maintain the availability of water in the estate. This is because the company has an inlet canal which connected to the Indragiri River. By the time of the water level drops below the threshold, the water can be inserted through the floodgate on the inlet canal. Difficulty to maintaining water levels usually occurred during the long dry season, as happened in July-November, 2015 where rainfall is below 100 mm / year.

Based on the report of semi-detailed soil survey conducted in 2007 (see Major indicators 4.3.1) level of land suitability is S3 (marginally suitable) with the limiting factors of drainage and peat maturity. The strategy performed by the company are among others by conducting soil compaction, continued manufacture the field drain with the number 1; 16, 1; 8, 1: 4 or 1; 2 in accordance with the needs, maintenance of drains in acreage of peat and lowly are performed annually, at the beginning before planting the initial step that performed is the management of water, which includes manufacture of dams, manufacture of piezometer and water level monitoring. Companies performed the fertilization according to the dosage recommended by SMARTRI. In addition, also available fertilization program by bunch ash that performed to improve the soil fertility.

Status: Full Compliance

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

Water sources that were identified through the study of SEL and HCV is water of swamp surface that has flowed in the canals in the estate area. Beside the water of swamp surface, there is not identified other sources of water in the form of a natural river or groundwater (water springs). However, the estate has set the surface water management plan to ensure the availability and quality of water in peat bogs (canal), among others, surface water quality testing, measurement of the level of the canal water level, washing canals, planting Vetiver Grass. While for the mill is utilizing the surface water in accordance to the permissions which are set by local governments, water consumption does not exceed the standards set, noting the flow of water consumption, reported the utilization of surface water to the concerned authorities and shall pay the levy of water consumption.

Based on semi-detailed soil map in scale of 1: 25,000 in 2009 and report documents of semi-detailed soil survey of PT BPLP and field observations did not reveal any streams flowing in the working area of PT BPLP. Water sources were identified through the study of SEL and HCV is surface water in peat swamps that have flowed in the canals in the estate area. Nevertheless, the company has made efforts to protect swamp surface water, among others: water quality testing, measurement of the level of the canal water level, washing canals, planting Vetiver Grass. While for the mill is utilizing the surface water in accordance with the permissions set by local governments, water consumption does not exceed the standards set, noting the flow of water consumption, reported the utilization of surface water to the concerned authorities and shall pay the levy of water consumption.

The results of field observations known that the information board location / sampling point of the quality of surface water canals have been provided, the sample is taken by officers who have received training in taking water samples from Environmental Agency, provided the stakes with high levels of canals surface water with the results in accordance with applicable regulations (60 to 80 cm), vetiver grass planting on the edge of the left and right side of canals are growing well. While the observation on POM known that flow meter of water discharge is well functioning, recording of the water discharge carried out by officers of Internal Laboratory of PT BPLP.

Mill effluent is managed in WWTP by following the procedures as described in procedure No. SOP / BPLP / OFE on Operational Final Effluent Bumi Palma Mills on May 16, 2013. Then dumped on to the water / canal in accordance with the decree of the Head of Environmental Bodies of Indragiri Hilir Regency No. 503 / BP2MPD-IPAL / V / 2012/09, dated May 29, 2012. The company has conducted inspections and monitoring the quality of Mill effluent (BOD) in the outlet pond basically on SMARTRI Laboratorium (LP-335-IDN), as follows:

Parameters	Unit	BM Maximal	Test Result, 2015					
			Jul	Ag	Sep	Oct	Nov	Dec
pH	-	6 – 9	8.90	8.97	8.89	8.89	8.85	8.94
BOD ₅	mg/l	100	60	92	81	84	75	65

Based on the test results known that the quality of effluent in accordance with the standard quality set by the local government (Governor of Riau Regulation No. 08 year 2001).

According to interviews with the environmental section, the officer who performed the sampling is the laboratory officer. Until now, there is no incoming reports from the public to the company related to the Mill Hazardous Waste management. Results of interviews with Environmental Agency of INDRAGIRI HILIR Regency, obtained information that the company has owned a management license of Mill Hazardous Waste by disposed into the water / canal, there are no issues and reports received from the public / stakeholders about the pollution caused by the management of Mill effluent.

The results of field observation known that the WWTP condition is in a state-maintained, *flow meter* at the inlet and outlet is in good condition (working), there are monitoring of the effluent discharge which are disposed into the environment (canal) with m³ unit, there are no leaks and overtopping to the pond. There are information boards / point of sampling of the effluent that will be tested, the officer who took the sample had attended technique training of taking water samples from local environmental bodies, officers have been facilitated by PPE, wages received in accordance with the regulations, have been received house facilities occupied by one family, clean water, electricity, and health facilities.

The study results of the monitoring documents on Mill water usage, it is known that the average of water consumption for processing the FFB on January to November 2015 at 1.24 m³ / tonne of FFB with a standard estimate on water consumption of 1.19 m³ / tonne of FFB. Based on the results of the data known that the use of water for processing the FFB is still in accordance with the water usage estimate that has been set.

The results of field observations to WTP, it is known that the flow meter of water discharge in the WTP is functioning properly. Record of mill water usage is performed with the flow meter monitoring data at the beginning and at the end.

Status: Full Compliance

4.5

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

The Company has established an IPM program contained in Pest and Disease Control Procedure SOP / SMART / MCAR / VII / TA-HPT dated June 12, 2012.

The control process of Limited Production Forest is performed through several stages approaches, as follows:

- Detection (consists of the implementation of the detection, reporting the detection, verification of the reports and Limited Production Forest)
- Census (consists of the implementation of the census, census reporting, verification and follow-up reports, and recommendation request from SMARTRI)
- Control Recommendations
- Control based on the recommendations from SMARTRI
- Evaluation and Follow-up

Details of IPM program implementation poured into Work Instructions, for example IK/SMART/MCAR/VI/TA-HPT/01 Regarding to the Detection of Oil Palm Leaf Eaters Caterpillar and IK/SMART/MCAR/VI/TA-HPT/02 Regarding to the Census of Oil Palm Leaf Eaters Caterpillar.

Integrated pest monitoring has been carried out and documented regularly, for example:

1. Monitoring of Oil Palm Leaf Eaters Caterpillar every month with the economic threshold of 5% from the palm tree amount which in census. Based on the recapitulation data of Oil Palm Leaf Eaters Caterpillar pests on 2015 (January to December), there are no pests attack that exceed the economic threshold.
2. Monitoring of rat pest is carried out routinely every three months with the economic threshold is 5% of the censused palm tree amounts. Based on the data from recapitulation of pest attacks in 2015, there are pest attacks that are above the economical threshold in some particular block. Against this, has been conducted the control efforts by the installation and the introduction of an owl's nest. Currently there are owls nest as many as 38 units on Bumi Palma Estate (the total area of 2,744.22 hectares). While on Bumi Sentosa Estate there are 91 units of Owl's Nest (40 units are inactive) for an area of 1,707.98 Hectares.
3. Monitoring of owl's nest occupancy. Conducted every month by officers who have been appointed by each division. Based on the data in January 2016, there are 38 units of owl's nest on Bumi Palma Estate (5 units are inactive). While on Bumi Sentosa Estate there are 91 units of Owl's Nest (40 units are inactive).
4. Monitoring of *Ganoderma* sp. attack Conducted regularly every 6 months at the threshold limit of 0%. This means that every time there is an attack, it must be controlled. Based on the recapitulation data of the attack in the first and the second semester in 2015 there is a record of the attack as follows:

Bumi Sentosa Estate

	The Amount of Censused Palm Oil	Light Attack	Normal Attack	Heavy Attack	Deadly Attack	Average of Attacked Palm Tree Amount /Hectare
Semester I	58,806	8,936	1,382	787	542	20
Semester II	46,543	13,050	2,417	1,524	975	30

Bumi Palma Estate

Semester I	287,555	2,151	2,783	3,850	3,092	5
Semester II	284,590	2,805	2,899	4,167	3,629	6

5. Planting a Host Plant (beneficial plant) to anticipate pest attacks of Oil Palm Leaf Eaters Caterpillar. The results of field observations, there were already planting activities and beneficial plant treatments along the main canal and

branch canals. For example canals at blocks H7 of Bumientosa Estate and at blocks D4 of Bumipalma Estate.

Based on the study of documents, integrated pest management training has been implemented by the company. Here's a recording of training conducted throughout 2015:

- Training of integrated pest management which is performed by SMARTRI on October 10, 2015 at BSNE Office. This event was attended by 15 participants consisting of estate staff, supervisor and census officers. Material presented is about the early control of pest and disease attack and sharing experience.
- Training of integrated pest management on September 18, 2014 located at club house of Bumipalma Estate.

In addition to training specifically as above, basically every day has also been conducted socialization and evaluation of the implementation of integrated pest control jobs through regular briefings in the morning.

Status: Full Compliance

4.6

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

Based on the observation of the document, the company uses three types of herbicides and six insecticides. Pesticides include Roll Up (*isopropyl aminaglifosat*), Rolixone (*paraquat dichloride*), Erkaforon (*methyl metsulfuron*), Matador 25EC (*lambda cyhalothrin*), Marshall 5gr (*carbosulfan*), Decis (*deltamethrin*), Dithane M45 80WP (*mancozeb*), Tiflo 80WG (*tiram*) and Tikumin 0,0375RB (*kumatetralil*) is a pesticide that has been registered and the circular license is still valid as it appears in the book of Agriculture and Forestry pesticide issued by the Directorate General of Fertilizer & pesticide Ministry of Agriculture of the Republic of Indonesia in 2014.

The Company has documented records of pesticide toxicity (LD50) in the document of Pesticide Toxicity Data on 2015 (BPME and BSNE). The document is recorded the data of pesticides toxicity every month. For example, toxicity data for the month of August 2015, the active ingredient is *isopropyl aminaglifosat* LD50 5000, 0.41% Active Ingredients, the number of applications of 40 liters, the total active ingredient 19.2, FFB production of 3,052 kg. This document is constantly recorded and updated by the sustainability officer of estate each month.

The Company has a commitment to reduce the use of pesticides. One of them in the memorandum of President Director No. 044 / PD / IX / 2014 dated 21 November 2014 about the use of paraquat. In the memorandum reaffirmed its commitment to reduce paraquat by $\pm 30\%$ start from 2015 and no longer used in 2018. However, based on interviews with estate manager, the company is committed to no longer using paraquat in 2016.

Group 1B of WHO pesticide used by the Company is Rolixone (Paraquat Active Ingredients). Available documents of the use of paraquat active ingredient carried out by the company that is:

Year	Usage (L)
2012	4,137.113
2013	5,539.45
2014	6,095.8
2015	3,578.17

The Company has committed to no longer use paraquat began in 2016. According to the managers and staff, it is to demonstrate the company's commitment in supporting the implementation of RSPO Minor indicator 4.6.4 in terms of reduced / no herbicide with classes 1A and 1B and paraquat. Therefore, the company has implemented a policy of rotating the use of herbicides for all chemical weed controls (three rotations) by using *isopropyl aminaglifosat*.

The Company has a policy of selective spray. Where the application of herbicides to control weeds is set in accordance with the real conditions in the field and the conditions fixed. For example, a dose of herbicide on the circle and the harvesting path in the area of the immature plant for 0.375 liters / hectare will decrease to 0.25 liters / hectare in the area of mature plant. Along with the higher and closing of the plant canopy, then the weeds also smaller so that the dose of herbicide used also will be smaller.

Based on the field visits in the central warehouse of Bumi Sentosa Estate and rinse wash house in a Division III Housing of Bumisentosa Estate, there have been sheets of safety work and the symbols of hazardous and toxic materials are

properly installed on the walls and doors. In addition, based on interviews with employees of spraying and fertilizing, they have already known about the ways of handling the herbicides and the function of personal protective equipment (PPE) that they use. Routinely, before starting to work also informed about the safe working procedures and obligations to using PPE by the supervisor and staff.

The company has set up procedures for the management of waste in the SOP documents of Waste Management (SOP / SMART / LEMS-EHSD / SADV / I / 002) endorsed by the Head of Upstream on July 1, 2014. In the procedures set about waste inventory, waste management permit, waste management permit approval, preparation of waste management programs, waste management program approval, waste management program implementation, evaluation and registration of documents.

Especially for the management of Hazardous waste in the form of old pesticide containers based on the work instruction of handling the former agrochemical and chemicals packaging (IK / SMART / LEMS-EHSD / SADV / 002/001) endorsed on July 1, 2014. In the work instruction explained that all old pesticide containers are collected and recorded. The packaging is rinsed with clean water, and disposed the rinse water in the shelter to the sedimentation tanks. Rinse water can also be used as diluents of pesticides. Discarded container packaging can be reused for the same activities and or returned to the supplier and or handed over to the officer of Hazardous Waste Warehouse.

Based on interviews with employee representatives of chemical handlers consisting of fertilizers and spraying supervisors, the entire container of used fertilizers and pesticides were collected to agrochemical warehouse. There are no used containers, containers of mixing materials and work tools and personal protective equipment should not be brought back home. According to the spraying supervisors, former herbicides jerry cans washed and rinsed in the washing tank which is available in warehouse storage, and then returned to the warehouse to be returned again to the vendor onwards.

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

Based on the information of sustainability staff, on 2015 did not perform training in handling pesticides specifically. However, to maintain the skills and knowledges of employees, every morning in the morning briefing was always delivered handling techniques and pesticide management, especially former container and working tools which are used. According to interviews with workers showed that they have understood and can explain well about the procedures of pesticides application safely, know the functions of PPE, know the signs of spraying prohibition, storage and management of used containers and working tools in the tool storage warehouse. Often performed briefing about how to spraying well and right in the field by the supervisor or division assistant.

The Company has a SOP No. SOP / SMART / LEMS-EHSD / SADVI / 002 about SOP of waste management published on July 2, 2014. SOP explained that the former agrochemical waste containers washed three times and stored in the warehouse to be returned to the supplier. The company also has a work instruction of washing and cleaning of used pesticide containers. SOP explained that the former pesticide containers were washed 3 times (according to the MSDS) and used washing water is re-used for spraying. Used pesticide containers that have been washed returned to Supplier.

The Company has a Waste Management SOP No. SOP / SPO / SMART / LH-09 which was ratified on July 1, 2010, in point 6.3.b explained that the former pesticide containers that have been washed returned to the Supplier (PT Rolimex). Pesticide containers that are returned to the Supplier recorded in the minutes of delivery, for example:

Bumi Palma Estate:

- News event of handover on November 6, 2015, that have been submitted Packaging of Used Pesticides with types of packaging are 24 pieces of Rolixone, 38 pieces of Roll Up Jerry cans, 230 pieces of Rolixone Jerry cans.
- News event of handover on June 23, 2015, that have been submitted Packaging of Used Pesticides, with types of packaging are 51 pieces of Rolixone, 32 pieces of Roll Up Jerry cans, 309 pieces of Erkapurone Bottle.
- News event of rinsing on December 31, 2015, that have been performed packaging washing of used pesticides / herbicides 11 pieces of Roll Up Jerry cans – the amount of water used is 22 liters, 11 pieces of Rolixone – the amount of water used is 22 liters, 52 pieces of Erkapurone Jerry cans – the amount of water used is 13 liters.
- News event of rinsing on November 30, 2015, that have performed packaging washing of used pesticides / herbicides 2 pieces of Roll Up Jerry cans – the amount of water used is 4 liters, 17 pieces of Rolixone – the amount of water used is 34 liters, 76 pieces of Erkapurone Jerry cans – the amount of water used is 19 liters.

Bumi Sentosa Estate:

- News event of handover on January 4, 2016, that have been submitted Packaging of Used Pesticides with types of packaging are 10 pieces of Roll Up Jerry cans, 2 pieces of Rolixone Jerry cans, 48 pieces of Erkapurone Bottles.
- News event of handover on April 6, 2015, that have been submitted Packaging of Used Pesticides with types of packaging are 18 pieces of Roll Up Jerry cans, 75 pieces of Erkapurone Bottles.
- News event of handover on July 7, 2015, that have been submitted Packaging of Used Pesticides with types of packaging are 07 pieces of Roll Up Jerry cans, 9 pieces of Rolixone Jerry cans, 55 pieces of Erkapurone Bottles.
- News event of handover on October 3, 2015, that have been submitted Packaging of Used Pesticides with types of packaging are 14 pieces of Roll Up Jerry cans, 4 pieces of Rolixone Jerry cans, 59 pieces of Erkapurone Bottles.
- News event of rinsing on November 28, 2015, that have been performed packaging washing of used pesticides / herbicides 5 pieces of Roll Up Jerry cans – the amount of water used is 2 liters, 19 pieces of Erkapurone Jerry cans – the amount of water used is 1 liter.
- News event of rinse water consumption results on December 3, 2015 in the amount of 3 liters, for mixing herbicides in division 3 in the amount of 3 liters.

To ensure the health of the company's worker, the company has conducted periodic medical examinations of employees conducted by the company's doctor and special examinations of workers with high-risk in collaboration with Rama-rama Estate Clinics, Kampar Riau on 10 November 2015. The results of the examination are described as follows:

- BSNE: CHE examination to the sprayers as many as 17 people, spirometry examination as many as 17 people and audiometric examination for generator operator as many as 8 people. Based on a review of documents on the results of CHE examination for employee known that there are 2 people who experience light poisoning, it has been evaluated by the company's doctor and was advised to be transferred to the activities that is not related to chemicals for 3 months. Further tests will be carried out during the examination of special employees second semester.
- BPME: CHE examination conducted to 20 employees, spirometry examinations as many as 40 people and audiometric examination as many as 10 people. The entire examination is normal.

The Company has a policy about the protection of reproductive rights, which set on:

- CEO 5 Circular Letter No. 002 / CEO 5-SE / 03/2009 dated March 2, 2009 on Granting Menstrual Period, it mention that the company provides menstruation leave for female employees for 2 days / month (first and second day) with a doctor's examination.
- Memorandum of VPA PSM 5 No. 001 / SE / VPA 5/12/08 dated December 20, 2008 regarding to the pregnant and breast-feeding workers, it mentions that the company does not allow pregnant and breast-feeding workers are employed as sprayer.

At the time of ASA-02 audit there are no spraying activities, auditors conducted interviews with spraying teams that have been gathered at the Estate office. The interview results indicate that the company has conducted special medical examinations for sprayer. There are no pregnant women or nursing in spraying teams, it routinely conducted a monitoring on H1 leave as an early detection tools for indications of pregnant women. Besides, monitoring of pregnant women is also carried out by paramedics every 3 months. Sprayers have understood and known the company's policies related to the ban on spraying for pregnant and nursing women and policies for the protection of reproductive rights.

Status: Full Compliance	
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4.7

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

No changes associated with the company's OHS policy.

The company has had a Health and Safety Policy. Under the policy states that the company is committed to continuously improve safety and health performance in the company's environment. As part of that commitment, then OHSAS become an integral part of any company's operational activities.

This policy document applies to all units, set in Jakarta on November 1, 2013, ratified by the President Director of PT SMART.

For the implementation guidelines, the company has drafted and established SOP of OHS and OHS annual program, including identification SOP of hazards assessment and risk control; SOP of handling and accidents and occupational

diseases; SOP of lock out and tag out; SOP of personal protective equipment management; and SOP of safety work permit of OHS.

OHS program of PT BPLP in the period of 2016 include: monthly meeting, OHSAS documentation, training and counseling, health and monitoring of Industrial hygiene, ergonomic, and health, a review, target achievement, and achievement of zero accident

The Company has drafted a risk analysis document in the form of ISBPR (Hazard Source Identification, Assessment and Risk Management) for each activities and work processes in each working unit of POM and Estate. Drafting of documents created with the flow as follows: all activities and work processes in the POM and Estate identified the potential dangers based on source / events and their effects, further assessment of the risk level and the determined of risks control such as elimination, substitution, engineering, administrative, or use of PPE. It is structured in accordance with SOP of Hazard Source Identification, Assessment and Risk Control No.SOP / SMART / HESS-EHSD / SADV / I002. Created By Sustainability Division Head and approved by Head of Upstream in Jakarta on July 1, 2014.

As a follow up, the company is drafting the Form of Follow-up impact assessments to inform risk analysis and early risk, plan and control activities to be performed and the final impact assessment and risk / leftovers. Based on interviews and field observations known that the control plan has been written in the document of Hazard Source Identification, Assessment and Risk Management which has been implemented by the company, for example, the provision of appropriate PPE, OHS warning in buildings and mill and related training to OHS.

The Company has conducted training related to the OHS to all workers involved in its operations. Records and reports of training activities are stored and well-maintained, for example:

- Emergency response simulation and BPMM fires simulation was performed on November 28, 2015.
- BPMM First Aid training and the appointment of First Aid officers held on January 2, 2015 with the organizer from Technical Implementation Unit of Industrial hygiene, ergonomic and health and safety work from Labor and Transmigration Agency, Jakarta Province, the number of participants as many as 8 people.
- Simulation of land fire extinguishing, earthquakes and fires housing of PT BPLP conducted on July 9, 2015 with the number of participants as many as 45 people.
- Training of fire control of estates and lands in cooperation with the Provincial Plantation Agency on July 24, 2014 with the number of participants as many as 23 people.
- BSNE First Aid training on January 19, 2016 with participants as many as 16 people.
- Training on the use of PPE on May 19, 2015 with participants as many as 20 people.
- MSDS training of BPME was conducted on August 10, 2015 with the number of participants as many as 61 people.

The company has had a responsible organization in terms of OHS. OHS structure of BPMM endorsed by Labor and Transmigration Agency of Indragiri Hilir Regency on October 5, 2015 with ratification number No: 25 / Nakertrans-PKHI / P2K3 / 560. Ratification of BSNE OHS organization was conducted on October 16, 2015 with No. 13 / Nakertrans-PKHI / P2K3 / 560. Ratification of Guiding Committee of Occupational Safety and Health of BPME was conducted on September 21, 2015 by Decree No: 13 / Nakertrans-PKHI / P2K3 / 561.

Each secretary of Guiding Committee of Occupational Safety and Health in units which is become the sampling has expert the OHS, with certificate and register numbers:

- **BSNE:** Guiding Committee of Occupational Safety & Health Secretary on behalf of Pipiet Ariwibowo Registration No. 7036/PK3/AJ/14/2014/P1
- **BPMM:** Guiding Committee of Occupational Safety & Health Secretary on behalf of Rudi Haris Registration No. 24393/PK3/AJ/14/2015/P0
- **BPME:** Guiding Committee of Occupational Safety & Health Secretary on behalf of Todi Kevin Arifandi Registration No. 4197/PK3/AJ/14/2013/P1

Regular meetings to discuss issues of OHS is performed every month, company can show the activity reports of monthly meeting, for example:

- **BSNE** OHS meeting in the period of January 6, 2016 with the number of meeting participants as many as 10 people to discuss the OHS training program, Fire Extinguisher equipment evaluation, identification of vulnerable areas of fire and completeness of First Aid equipment.
- **BPME:** Meetings conducted on January 4, 2016, with the number of participants as many as 8 people, discussing about the preparation of OHS program, increasing the socialization of PPE and guidance of Work Instruction and SOP of jobs.

- **BPMM:** Meetings conducted on January 7, 2016 with the number of participants as many as 8 people to discuss among others: cleanliness in the work area, proper audit preparation, identification of warning and raid in mill environments

Guiding Committee of Occupational Safety and Health report has been sent routinely to the agency, proof of delivery can be shown in the form of acceptance news event document, for example BPMM reports submitted on January 7, 2016, BSNE reports submitted on January 15, 2016 and BPME reports submitted on January 26, 2016.

The Company has drafted and set the handling SOP of occupational accidents and occupational diseases document No. SOP / SMART / HESS-EHSD / SADV / I / 005 issued on July 1, 2014. In part 2.2 about the explanation of victim accident handling that has described about the stages that must be performed starting from the victim evacuation, First Aid officer doing a rescue, the victim can return to work or the victim was taken to a clinic to deal with the company doctor, the victim breaks or referred to hospital. In addition it also described the stages of internal and external reporting.

All the First Aid officers who has been set has gained adequate training:

- BPMM First Aid training and the appointment of the First Aid officers was held on January 2, 2015 with the organizer from the Technical Implementation Unit of Industrial Hygiene, Ergonomic, and Health and Work Safety of Labor and Transmigration Agency Jakarta Province, the number of participants as many as 8 people.
- BSNE First Aid training on January 19, 2016 with the number of participants as many as 16 people.
- BPME First Aid officer training certificate issued by the Ministry of Labor and Transmigration of Indonesia, for example, on behalf of Marhadi certificate No. 591 / P3K / III / 12 published on March 2013.

Based on field observations, for example in the activities of harvesting and FFB processing activities in the POM known that First Aid equipment has been provided at the work site. The appointed officer was the supervisor, interviews were conducted to ensure that the officer has been trained, First Aid officers can explained the stages of first aid and the function of each piece of First Aid equipment contained in a box.

All employees have registered to be a participant of Health Social Insurance Agency to guarantee the adequate medical care. Also in plantation operations have provided the company's clinic which is served by the company's doctor and paramedic. To ensure the health of the employee, the company has conducted periodic medical examinations of employees conducted by the company's doctor and special examinations of workers with high-risk in collaboration with Rama-rama Estate clinic, Kampar Riau on November 10, 2015. The results of the examination are described as follows:

- **BPMM:** CHE examination as many as 8 people, spirometry as many as 32 people and audiometry examination as many as 28 people. Based on the study documents, the examination results are normal.
- **BSNE:** CHE examination for sprayers as many as 17 people, spirometry as many as 17 people and audiometric examination generator operators as many as 8 people. Based on a review of documents on the results of CHE examination of employees known that there are 2 people who experienced light poisoning, it has been evaluated by the company's doctor and was advised to be transferred to the activities that not related to chemicals for 3 months. Further tests will be carried out during the special employee health examination in second semester.
- **BPME:** CHE examination conducted to employees as many as 20 people, Spirometry examinations as many as 40 people and audiometric examination as many as 10 people. The entire examinations are normal.

Workplace accident insurance provided by the company in collaboration with Social Insurance Agency for labor, the company can show proof of employee insurance paid regularly every month. For example, evidence of paid in the period of December 2015 is described as follows:

- **BNSE:** Payments are made through the Labor Social Insurance Agency branch office of Rengat receipts No. 160120011417589 on January 2, 2016 for the employees as many as 190 people, the items that are paid among others Death Benefit, Provident Fund Benefit, and Work Benefit.
- **BPMM:** Payments are made on January 2, 2016 through Labor Social Insurance Agency branch office of Rengat receipts No. 16012001417604 for the employees as many as 149 people.
- **BPME:** Payments are made on January 2, 2016 through Labor Social Insurance Agency branch office of Rengat receipts No. 16012001417535 for the employees as many as 315 people.

Based on interviews with HRD staff of the company, stated that in relation to Labor Social Insurance Agency for freelance workers currently in the process of registration in Labor Social Insurance Agency of Mampang, South Jakarta with the system of Labor Social Insurance Agency. Evidence of the registration process can be shown in the form of the history records of electronic mail (e-mail) between HR Officer of Pekan Baru Region with HR Officer HO and officers of Labor Social Insurance Agency of Mampang, in a reply email of Labor Social Insurance Agency officer of Mampang on February 3, 2016 stated that currently have registered the freelance workers of PT BPLP as many as 794 people, and the rest of it

are in the process. Related to the registration which is being processed and the proof of payment will be a part to be verified again in ASA 3 activity. **#OFI**

The entire of work accident that has been recorded and monitored by the company, the note is submitted in document of FR and SR annual report. The company can show the report of SR and FR period of 2015 (Jan to Dec 2015), based on a document review known that during that period there were no workplace accidents in the operational environment of PT BPLP.

Status: Full Compliance

4.8

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

Company has Records of training, contained in the matrix identification of training needs on 2015 for employees in each work unit. For examples:

- BPMM: Training Program Plans in 2015 for 16 items of activities have been realized up to October 2015 as many as 16 training, include Mechanic Operator Training, Effluent Treatment Plan Operator Training, WTP Training, Boiler Operator Training, Engine Room Operator Training, Laboratory Operator Training, Control of Hazardous Material & Hazardous Waste, First Aid, the Use of light fire extinguisher, MSDS.
- BPME: Training Program Plans in 2015 for 6 items of activities have been realized up to November 2015 as many as 6 training that is training of Land and housing Fire Extinguishing and Earthquake, Socialization of HIV / AIDS and Drugs, socialization of ban on burning trash, IPM Training, First Aid, MSDS Socialization, PPE and Hazard Source Identification, Assessment and Risk Management.
- BPMS: Training Program Plans in 2015 for 4 items of activities have been realized up to October 2015 as many as 4 training that are Firefighter Training, OHS, Land Fire Simulation, Cottage Fire Simulation.

Notes or records of the training has been maintained and stored properly in the offices of each work unit.

Results of interviews with mill effluent sampling officer that has received training of Effluent Treatment Plan / technique of taking water samples from the mill effluent from local environmental agency.

The results of interviews with mechanical parts / welding worker known that he had received training / training of welders and electrical parts workers have already got electrical training.

Results of interviews with Boiler officer known that he had received training / simulation of firefighters.

Status: Full Compliance

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.

The Company has an environmental document such as Environmental Evaluation Study (SEL), based on the approval of the EIA Commission of the Ministry of Agriculture No. RC.220 / 713 / B / V / 1993, dated May 5, 1993. While the document of Environmental Management Plan / Environmental Monitoring Plan has received approval from the EIA Central Committee of the Ministry of Agriculture No. RC.220 / 1970 / B / X / 1993 dated October 20, 1993.

Plantation area of PT BPLP is \pm 6,000 hectares with oil palm processing mill capacity of 32 tons / hour, the area is smaller than the obtained Land Use Title in 1995 is 6,690 hectares. There is a difference of the area between the study of Environmental Evaluation Study with the actual Land Use Title concession that is obtained, then PT BPLP revised document of Environmental Management Plan / Environmental Monitoring Plan to adjust the extent of the impact analysis in 2006. The implementation of the revised document of Environmental Management Plan / Environmental Monitoring Plan has received approval from the Department of Environment Indragiri Hilir Regency through letter No. 660 / DLHPE.02 / VIII / 2006/273.

Consultation results with the Environmental Agency of INDRAGIRI HILIR Regency known that the environmental documents owned by the company is the Environmental Evaluation Study on 1993 with document of Environmental

Management Plan / Environmental Monitoring Plan that has been revised in 2006. The document became a new reference for environmental activities at PT BPLP.

PT BPLP revised document of Environmental Management Plan / Environmental Monitoring Plan to adjust the extent of the impact analysis in 2006. The implementation of the revised Environmental Management Plan / Environmental Monitoring Plan document has received approval from the Environmental Agency of Indragiri Hilir Regency through letter No. 660 / DLHPE.02 / VIII / 2006/273.

The matrix of Environmental Management Plan / Environmental Monitoring Plan include the changes in hydrology, water quality degradation, Hazardous waste management, solid waste disposal, noise nuisance and air quality degradation, fire prevention, increased pests and plant diseases, job creation and increasing revenue.

The Company has conducted environmental management based on documents of Environmental Management Plan / Environmental Monitoring Plan, 2006, among others: the use and monitoring the door canals, the use of double water gate, the management of mill effluent in WWTP, collecting Hazardous Waste on Hazardous Waste Storage then submitted to the licensed third Parties, utilization of bunch ash / boiler as fertilizer, provide an earplug to workers who are in a place that has high noise, load setting / combustion volume of empty fruit bunches, increasing the height of chimney furnace, installing emission and gas control equipments in the chimney generators, boiler and furnace, watering the road that passes through settlements, provision of portable fire extinguisher, use of pesticides as necessary, integrated pest management, employment, use of local contractors, and others.

While the monitoring which is performed among others: to conduct air quality testing and mill effluent quality testing periodically with results in accordance with the standard qualities set by the government and report the test results to the Environmental Agency of Indragiri Hilir Regency regularly.

Status: Full Compliance

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

There were no changes related with HCV assessment documents of the company since the ASA-01. The Company has Environmental Evaluation Study document that have explained the existence of flora and fauna. Reports of Identification of High Conservation Values / HCV compiled by Tim in February 2013, it has identified the presence of HCV 1.2 in the form of protected wildlife species.

The company is carried out the monitoring of animals and plants per semester which is performed by the staff of Biodiversity & Conservation Section PT Smart Tbk (RSPO Approved HCV assessor), for example the monitoring in the period of the second half of 2015 (July up to December 2015) found 20 animal species (8 species with CITES status and one type with IUCN status) and there are no installation of animal trapping. The existence of rare plant and animal species have been reported to Environmental Bodies of Riau Province dated January 22, 2016 and to Natural Resources Conservation Agency dated January 22, 2016.

The Company has owned policies and HCV protection steps including wildlife, among others:

- Publishing SOP of HCV identification and management through document No. SOP / NP / Smart / IV / LH001, 2010 which includes a step of identification, monitoring, and management of HCV.
- Issuance of Circular 002 / SE-SMD OPS / IX / 2010 dated September 20, 2010 from the Senior Managing Director (SMD Ops) PT. Smart about protected animals.
- Issuance of rare and endangered Wildlife Protection Policy signed by SMD Ops (Mr. Daud Dharsono) dated June 25, 2012.
- Socialization about HCV including protected animals to employees on June 25, 2015 with the number of participants as many as 32 people. Socialization of HCV including protected animals to the local community on September 15, 2015 by the number of participants as many as 13 people. Things were socialized among others, an understanding of the conservation area and protected animals, examples of protected animals, the explanation purpose of protection of protected animals.
- Installation of warning boards and posters for information on the types of protected animals in main street areas.

Based on the field visits known that there have been warning boards and posters for information on the types of protected animals in main street areas. For example in block J-09 Division II, H-07 Division II, Division III C10 of BSNE.

The results of a public consultation to communities around the plantations and based on interviews with employees in the field known that the public and the employees have known the types of flora and fauna which are protected located in around the estate of PT BPLP.

Based on the Identification Report High Conservation Values / HCV which drafted by Team in February 2013, identified the presence of HCV 6 in the form of local cultural identity / employees graveyard.

The results of field observations in Block H-10 Division II HCV 6 Area known that the HCV area is located within the Land Use Title area of 0.5 hectares (not on public lands / indigenous), not planted by oil palm plantations and has had boundaries pole. The results of interviews with villagers around, it is known that there is no public land / land used as a conservation area / HCV.

Status: Full Compliance

5.3

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

The entire products of waste and it sources have been identified and documented in the identification list document of Environmental Aspects on 2014. For examples of waste products, namely oil sourced from FFB haul trucks, emissions / smoke that comes from FFB haul trucks / CPO, litter sourced from used sacks, emissions / smoke that comes from generators, emissions / smoke that comes out from the furnace, emissions / smoke coming from the chimney boiler, the ash derived from EFB burning in the furnace, spilled diesel / oil sourced from the generator engine, oil drums sourced from the workshop, former battery / former dust cloth / used lamp sourced from materials warehouse, chemical packaging former derived from chemical warehouse, effluent that sourced from the former chemical bottles derived from laboratory, effluent that comes from FFB processing, and others.

The waste products and sources have also been documented in the procedure / SOP of Waste Management No. SOP / SMART / LEMS-EHSD / SADV / I / 002 on July 2, 2014. The identified waste products are as follows: Agrochemicals Waste and solid packaging, waste from harvesting activities and nursery crops, mills effluent and laboratories effluent, boiler emissions waste, generators and vehicles, solid domestic waste from households and offices, domestic effluent from households and offices, Hazardous Waste, non hazardous solid waste, medical waste, mill solid waste in the form of shell, fiber, empty fruit bunch, and boiler ash.

The results of field observations known that the product of emissions / smoke and ash generated from burning of empty fruit bunches in the furnace. The results of observations on FFB processing activities known that effluent product resulting from the processing of FFB. The observation results from the chemical warehouse known that the former packaging chemical products are produced from chemical warehouse. Results of observation on housing known that the waste products generated from household activities.

The Company has a SOP about waste management No. SOP / SMART / LEMS-EHSD / SADV / I / 002 issued on July 2, 2014. The SOP explained that the former of waste pesticide containers were washed 3 times (according to the MSDS) and the used water is re-used for spraying, while for former pesticides packaging that have been washed returned to the supplier.

There is handover news event of former pesticide containers to PT Rolimex:

- Handover news event on January 4, 2016, that has been handed 10 pieces of former pesticide containers / Roll Up jerry cans, 2 pieces Rolixone jerry cans, 48 pieces Erkapurone bottles.
- Handover news event on April 6, 2015, that has been handed 18 pieces of former pesticide containers / Roll Up jerry cans, 75 pieces Erkapurone bottles.
- Handover news event on July 7, 2015, that has been handed 7 pieces of former pesticide containers / Roll Up jerry cans, 9 pieces of Rolixone jerry cans, and 55 pieces of Erkapurone bottles.
- Handover news event on October 3, 2015, that has been handed 14 pieces of former pesticide containers / Roll Up jerry cans, 4 pieces of Rolixone jerry cans, and 59 pieces Erkapurone bottles.

Plans of disposal / waste management to avoid pollution recorded in the List of Environmental Aspects identification document. For example:

- Oil droplets in the grading / scales area that comes from FFB haul trucks managed by cleaned with a dust cloth

and then stored on Hazardous Waste Warehouse.

- Emissions / smoke that comes from haul trucks of FFB / CPO managed with regular truck engine repairing.
- Used sacks are managed by washing and stored in a warehouse.
- Emissions / smoke that comes from the generator are managed by the regular machine repairing and testing of air quality emissions.
- Emissions / smoke that comes from the furnace are managed by increasing the height of chimney and testing of air and emission qualities.
- Ash that comes from burning of empty fruit bunch in furnace is managed by using it to be a fertilizer.
- Spilled diesel fuel / oil that comes from the generator engine is managed by cleaning with dust cloth and stored on Hazardous Waste Warehouse.
- Former oil drum that comes from the workshop is managed by stored in Hazardous Waste Warehouse.
- Former battery / former dust cloth / used lamp that comes from material warehouse is managed by stored in Hazardous Waste Warehouse.
- Former chemical packaging that comes from the chemical warehouse is managed by stored in a warehouse and returned to the supplier.
- Effluent that comes from FFB processing is managed by WWTP system, and others.

Status: Full Compliance

5.4

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

The company has been maximizing the use of renewable energy (fiber and shell) as fuel for the boiler. Fibers used on 2015 as many as 30,245 kg and 13,308 kg of shells, which produce power 0.007 kWh / kg FFB or 6,696 kWh / Ton FFB (when converted to diesel fuel, obtained 1,913 liters / Ton FFB). The use of diesel fuel can be saved if use all the fibers and shells that is 68,593 liters. If the price of diesel fuel on 2015 is Rp 8,711, then the company can save the use of diesel fuel for Diesel Generator as much as Rp 597,538.

Status: Full Compliance

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.

Based on Technical Guidelines for Oil Palm Cultivation of Sinarmas point 5 on land clearing and planting No. SMA / MCAR / 05 / 05-07 stated that in the context of land clearing should be used the principle of non-burning (*Zero Burning*). Implementation of the zero burning principle, that there is a news event of job inspection on August 30, 2012 on behalf of the contractor CV. Bintang Merah (SPK No. BPME / PBRO / 08/12 / 025.Chipping) for Division 3 of BPME with details of activities, among others:

- Chipping embedded in the trenches = 5.8 Hectares;
- Chipping soaked in the trenches = 5.8 Hectares;
- Normal fallen: 11.6 Hectares;
- Fallen Buried in the trenches = 5.8 Hectares;
- fallen soaked in the trenches = 5.8 Hectares.

Based on the field visits to oil palm plantation with planting year on 2014 Block H-3 and oil palm plantation with planting year on 2013 Block G-3 Division 3 of BSNE and housing of BPME, there are no signs / burning activities.

Status: Full Compliance

5.6

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

The entire product of waste / pollution, including emissions and their sources have been identified and documented in the document list Identification of Environmental Aspects In 2014, for example:

- Emissions / smoke that comes from haul trucks of FFB / CPO managed with regular truck engine repairing.
- Emissions / smoke that comes from the generator are managed by the regular machine repairing and testing of emissions air qualities.

- Emissions / smoke that comes from the furnace are managed by increasing the height of chimney and testing of emissions air quality.
- Oil droplets in the area of grading / scales that comes from FFB haul trucks are managed by cleaning with dust cloth and then stored on Hazardous Waste Warehouse.
- Used sacks are managed by washing and stored in a warehouse.
- Ash that comes from burning of empty fruit bunch in furnace are managed by using it to be a fertilizer.
- Spilled diesel fuels / oils that comes from the generator engine are managed by cleaning with dust cloth and stored on Hazardous Waste Warehouse.
- Former oil drum that comes from the workshop is managed by stored in Hazardous Waste Warehouse.
- Former battery / former dust cloth / used lamp that comes from material warehouse is managed by stored in Hazardous Waste Warehouse.
- Former chemical packaging that comes from the chemical warehouse is managed by stored in a warehouse and returned to the supplier.
- Effluent that comes from FFB processing is managed by WWTP system, and others.

All products of pollution / emissions of greenhouse gases (GHG) and its source have been identified and documented in the document list Identification of Environmental Aspects In 2014, for example:

- Emission / smoke that comes from haul trucks of FFB / CPO are managed by the regular truck engine repairing.
- Emission / smoke that comes from the generator are managed by the regular machine repairing and testing of emissions air quality.
- Emission / smoke that comes from the furnace are managed by increasing the height of chimney and emissions air quality testing.
- Effluent and emission that comes from FFB processing waste are managed with WWTP system.

The results of field observation that the conditions of WWTP is well maintained, there are no leaks and overtopping to the pond. The results of field visits to oil palm Plantation with Planting Year on 2014 Block H-3 and Oil Palm Plantation with Planting Year on 2013 Block G-3 Division 3 of BSNE and housing of BPME, there are no signs / burning activities.

The company has been monitoring pollution / GHG emissions regularly, which is recorded in the report on Environmental Management Plan / Environmental Monitoring Plan implementation in second semester of 2015. Monitoring is performed by testing the air quality and reported regularly to the Environmental Agency INDRAGIRI HILIR Regency. The testing includes testing of exhaust emissions in the generator, boiler, ambient. Tests were conducted at the Laboratory of Mutuagung Lestari dated February 2, 2016. The following Examination Results are as follows:

Testing of exhaust emissions on Boiler No. 1 and 2

The parameters examined are particulates, SO₂, NO₂, HCL, CL₂, NH₃, HF and opacity. The results of the tests showed that the parameters of the test are still in accordance with the standard qualities set by the government (Regulation of Environmental Ministry No. 07 year 2007).

Testing of exhaust emissions on Generator No. 2, 5 and 6

The parameters examined are particulates, SO₂, NO₂, CO and Opacity. The results of the tests showed that the parameters of the test are still in accordance with the standard qualities set by the government (Regulation of Environmental Ministry No. 21 year 2008).

Testing of exhaust emissions on Furnace No. 1, 2 and 3

The parameters examined are particulates, SO₂, NO₂, HCL, CL₂, NH₃, HF, H₂S, Hg, As, Sb, Cd, Zn, and Pb and Opacity. The results of the tests showed that the parameters of the test are still in accordance with the standard qualities set by the government (Environmental Minister Decree No. 13 year 1995).

Testing of Ambient air at the POM office yard, In Front Of First Security Post, Access Road

Parameters that are tested include CO, SO₂, NO₂, O₃, TSP, Pb, PM 10. The results of the tests showed that the test parameters in accordance with the maximum levels set by the government (Government Regulation No. 41 year 1999).

The results of interviews with the management and Environmental Body Indragiri Hilir Regency known that the testing and

reporting of air quality are conducted regularly by Accredited Laboratorium and there are no issues and reports that comes from other parties about air quality pollutions.

The results of observation with community representatives around the village known that they feel the negative effects from the burning smoke of furnace. However, the company has made efforts to repair the furnace chimney, reducing the volume of empty fruit bunches that are burned, monitoring by testing the emission air qualities and reporting to the Environmental Bodies Indragiri Hilir Regency.

Status: Full Compliance

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.

The Company has a Social Impact Identification Study Reports of plantation and palm oil mill (SIA) of PT BPLP in 2013 by team of SIA - CSR Department of Sustainability Division. SIA report described the positive and negative impacts from the operational activities of plantation and also equipped with a Negative Impact Management Recommendations and Recommendations of Increasing the Positive Impact. There is also a Social Impact Monitoring Plan Matrix and Matrix of Social Impact Management Plans.

The document has been revised by adding positive and negative impacts of the activities of replanting on social and environmental aspects. The identified impacts, among others:

- Nurseries impact on employment, but on the other side also impact on reduced labor in other parts, for example in the harvesting due to the reduced area to be harvested so that most of labor experienced early retirement or increasing in the number of employees who left the company because it does not in accordance with the preliminary work demand.
- Mobilization of heavy equipment, for example excavators, bulldozers and chipping bucket for land clearing process and the use of trucks can have an impact in the form of employment at the time of the tools mobilization but also resulted in decreasing the air quality or the appearance of dust and air pollution.
- Felling of palm oil have an impact on employment because doing it manually and using heavy equipment which requires the employment of local contractors. However, it can also lead to other impacts such as a decreasing the air quality resulting from the use of heavy equipment that created an effect of exhaust emissions and felling process which can also caused pollution and dust in large quantities.
- Planting that impact on environmental degradation in the form of an indication of the increasing rate of soil erosion because the water cannot fully absorbed by the roots of trees.

Responding of the social impact to villagers related to beetle that attacks palm trees belonging to the community, then the company conducted a replanting study with method of fell directly soaked which perform by: (a). Fallen the palm trees, (b). Root demolitions, (c). Cut stems into two parts and cut the crown, (d). Make a hole for the stem and crown to be soaked and (f) Make a trench with the size of 1m x 1m. With the method above, it is expected that beetle attacks do not occur anymore. At the time to do the replanting, company will photograph the condition of the community estate and socialize so that in case of pest attack, it will be known what is the cause.

Identification Study of Social Impact plantation and palm oil mill (SIA) PT BPLP in 2013 by Team of SIA - CSR Department of Sustainability Division carried out with the involvement of affected parties. There is socialization meeting / Public Consultation on Social Impact Assessment (SIA), dated May 11, 2013 with 40 participants, including representatives from the surrounding villages, community leaders and representatives from PT BPLP.

The company has had a report on the implementation of the management and monitoring of the social impact in the period of March 2014 up to March 2015.

Management that is performed, among others: Conducting roads watering and installation of warning to reduce speed and the socialization of speed limit to the FFB transport driver, reducing the quantity of combustion process in the furnace, and increasing the height of chimney furnace; made a wellbore to the needs of public bathing, washing, and toilets for employees and the distribution of clean water to employees and employment.

Monitoring that is performed, among others: by conducting field observations and interviews with villagers around through the FGD system dated July 7, 2015 (available absences of FGD). This is performed to determine the perceptions and aspirations towards social impacts arising from oil palm plantations. Communities involved are representatives from every village around the company and its employees, which are the Village of Began Jaya, Suhada, Pembinaan, Sanglar, Karya Tani, Lintas Utara, and Rumbai Jaya.

The company has made a work plan on the monitoring results, for example TANK water pumps for watering, scheduling to watering the roads, maintenance and cleaning dust collector, the distribution of masks for the citizens, analysis of water quality, socialization of job vacation and reduction of employees based on the needs and so forth. This will become the observations on future activities.

PT BPLP did not have a coaching scheme of smallholders and have not been exposed the obligation to build smallholdings in accordance with legislation because it was built before 2007.

At the time of ASA-01, the company has not been able to show the records of management and monitoring of social impact through community participation made periodically in accordance with the planning of *Social Impact Assessment* which has been drafted. **NCR No 2015.01**

Auditor Observation, 04.02.2016

The company has had a report on the implementation of the management and monitoring of the social impact in the period of March 2014 up to March 2015.

Management that is performed, among others: (a) Conducting roads watering and installation of warning to reduce speed and the socialization of speed limit to the FFB transport driver; (b) reducing the quantity of combustion process in the furnace, and increasing the height of chimney furnace; (c) made a wellbore to the needs of public bathing, washing, and toilets for employees and the distribution of clean water to employees.

Monitoring that is performed, among others: by conducting field observations and interviews with villagers around through the FGD system dated July 7, 2015 (available absences of FGD). This is performed to determine the perceptions and aspirations towards social impacts arising from oil palm plantations. Communities involved are representatives from every village around the company and its employees, which are the Village of Began Jaya, Suhada, Pembinaan, Sanglar, Karya Tani, Lintas Utara, and Rumbai Jaya.

The company has made a work plan on the monitoring results, for example TANK water pumps for watering, scheduling to watering the roads, maintenance and cleaning dust collector, the distribution of masks for the citizens, analysis of water quality, socialization of job vacation and reduction of employees based on the needs and so forth.

This will become the observations on future activities.

Status: Full Compliance

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.

The Company has procedures of communication and consultation with the community in the form of SOP of Communication and Consultation (SOP / SMART / UMUM / SADV / I / 004), dated July 1, 2014 (Revision 0.0). In the SOP of communication can be made directly or through the media letters which can be informed through the suggestion box located in the mill and estate office or handed directly to the officers of communication and consultation which has been appointed.

Has provided the socialization records of communication and consultation SOP with the communities conducted in

- Bumi Palma Mill on March 10, 2015 (followed by 5 people of associate representatives and community leaders) and socialization on April 2, 2015 to 20 people of employee representatives.
- Bumipalma Estate on March 18, 2015 (available list of absence and documentation of the activities), which was attended by 20 employees.

News event of socialization of communication and consultation with the community, employees and government officials on September 7, 2015 in Bumilestari estate office attended by 16 participants.

The company has shown appointment decree of the officers which are responsible for communication and consultation process in each unit. As for the appointment decree is:

1. Bumipalma Mill: Available PC Decree of Indragiri No. 001/PC-INDRAGIRI/SPO/09/2015 dated September 2, 2015 which appointed Agus Murtadlo as a social responsible person of Bumi Palma Mill.
2. Bumipalma Estate: Available RC Decree of Indragiri No. 001/RC-INDRAGIRI/RSPO/ISCC/09/2015 dated September 21, 2015 which appointed Agung Tri Purwantoro as a social responsible person of Bumipalma Estate.
3. Bumilestari Estate: Available RC Decree of Indragiri No. 006/RC-Indragiri/SPO/III/2014 dated March 1, 2014 which appointed Dwi Mawarno as a social responsible person of Bumilestari Estate.
4. Bumisentosa Estate: Available RC Decree of Indragiri No. 005/RC-Indragiri/SPO/I/2013 dated January 1, 2013 which appointed Ronny Panjaitan as a social responsible person of Bumisentosa Estate.

Head of Administration is responsible for assisting the implementation of the process of communication and consultation with stakeholders and the recording and storage of communications and consultation documents.

List of Stakeholder owned by the company, among others: Local Government of INDRAGIRI HILIR Regency (Plantation Agency, Environmental Bodies, Labor and Transmigration Agency, National Land Agency, Regional Revenue Agency); Sub District Head of Enok, Village chief of Bagan Jaya, Village chief of Suhada, Village chief of Bagan Jaya, community leaders, officials, youth leaders, Workers Union.

Status: Full Compliance

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.

System used to resolve disputes primarily to ensure the anonymity of the complainant and the revealer of disgrace (whistleblower) set in Handling SOP of Complaints and dissatisfaction (Grievance) (SOP / SMART / SIGS-CSRD / SADV / I / 003) points 2.2.1 on receipt of complaints and dissatisfaction. The company guarantees the anonymity of the reporting and the revealer of the case (whistleblower).

Based on interviews with employees, the company has been providing suggestion and complaint boxes that are available in the division office or estate. The employees have also known that if the employees have a complaint, it can be informed in writing and put it in the box provided to then be taken up by the company. The confidentiality of the complainant is maintained properly.

Compensation process of the company's area has been completed in 2006, when the activities of ASA-2 there are no conflicts / disputes with communities.

Based on consultations and interviews with villagers around the plantation, for example Suhada Village, Pengalihan Village, Lintas Utara Village and Bagan Jaya Village, said that this time the whole area had been compensated and there is no area that is being disputed / conflicted with society.

Status: Full Compliance

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.

The company has the SOP of Compensation for Soil / Land No. SOP / NP / SMART / VII / D & L002, in effect since July 1, 2010. The scope of the SOP is in all related activities in the processes and procedures of compensation for Soil / Plant Growing in the Permit Area / Land Rights afforded by the Company, In Part 6. Work Steps, Points 6.2 explained that after the Pre-Inventory activity is completed, the Company made an inventory of physical activity that is systematic land soil measurements including: the measurement of land area, the calculation of the number and types of plants per parcel (inventory of land owners) in accordance with the proof of land ownership carried out and witnessed by the land Acquisition team and local Government, consisting of: landowner, local Government, limit Indicator, Riparian Witnesses (if any), the District Party and the Company party.

Based on the book (bundle) the compensation processes of land can be seen that the processes of identifying and compensation of land is performed by involving and through the approval of the parties. The parties are; the landowner, the village head, Sub District Head and staff from National Land Agency of Regency.

Compensation process of the company's area has been completed in 2006, when the activities of ASA-2 there are no conflicts / disputes with communities.

Based on consultations and interviews with villagers around the plantation, for example Suhada Village, Pengalihan Village, Lintas Utara Village and Bagan Jaya Village, said that this time the whole area had been compensated and there is no area that is being disputed / conflicted with society.

Based on interviews with relevant agencies (National Land Agency and Plantation Agency) known that there are no land conflicts between PT. Bumipalma Lestari Persada with other parties, including the communities

Based on the company's statement acreage known that there are no indication of conflicts / disputes in plantation area of PT BPLP.

Status: Full Compliance

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.

When ASA 2 audit was performed, wage determination decree in the period of 2016 have not been published so that they refer to the Governor Decree decision No. 244 / III / 2015 issued date on March 31, 2015 about the minimum wage in the agricultural sector / palm plantations and oil palm and rubber plantation of Riau province for the period 2015.

Based on the Decree of the Governor, the company sets the employees' wage by the decree as follows:

- Decree No. 026/CEO 5/HR PSM5/03/15 about Unit Payment employees monthly wages of PT BPLP on 2015, the set wages are determined in accordance with the lowest group class G1, outside the supply of rice.
- Decree No. 025/CEO 5/HR PSM5/03/15 about the permanent daily worker in 2015, with the minimum wage is an employee with a period less than 1 year outside the supply of rice.
- Decree No 023/ CEO 5/HR PSM5/03/15 which stipulated that wages of Daily Workers in the period of 2015.

The company can show documents of big salaries detail list for Unit Payment in the period of December 2015, the document is described the name, basic salary, type of income (overtime works, premiums and benefits), type of cuts (Social Insurance Agency, Cooperative, tax, provident fund benefit) and paid wages.

Based on the review of the document, it is known that the company has already paid the wages of employees in accordance with the applicable regulations.

Based on interviews with employees in the field, for example by mill employees of BPMM known that the payment of employee wages has been carried out in accordance with the specified time in Collective Labor Agreement / Work Orders, wages are paid in accordance with the applicable provisions.

Work conditions and provisions that bind between labor and company are listed in the document of collective Labor agreement (PKB) between BKS PPS (Cooperation Agency of Sumatera Plantation Companies) with FSPPP - SPSI (Federation of Agricultural Unions and Plantation - Worker Unions Throughout Indonesia) in the period of 2015 to 2017. The document has been approved and registered to the General Director of Industrial Relations Coaching and Labor Social Security by decision No. KEP 88 / PHIJSK-PKKAD / PKB / VI / 2015 dated June 18, 2015. In that document informs among others: the scope of the Collective Labor Agreement, the recognition of the organization, recruitment, working hours, wages, contract labor, sick aid, work leave, payment of meal and official travel, overtime works and wages, premiums, holiday allowances, social security and social assistance, work equipments and OHS, Provident Fund Benefit and layoffs provisions.

Besides the working ties between each worker (Daily Workers and Unit Payment) with the company, it has been included in the form of Work Orders and Decree. The company can show the example of Work Orders for Daily Workers:

- Work Orders No: 88/bsne/PK BHL/IX/2013 dated September 25, 2013 inform the types of work and the workplace, days and working hours, wages, work rules, work relations and other provisions.
- BPMM: Agreement letter of has been hired as Unit Payment, informs the employees data, the employees dependents data, company's rule, facility and type of work. Letters of work agreement for a certain period, for example Decree of PKWT No. 008 / BPMM-PKWT / 08/2015 explained the employee data, tasks and responsibilities, salaries and facilities, the validity and expiry period of work agreement.

Based on interviews with workers in the field, for example, teachers in elementary and junior high school in PT BPLP known that the Decree / Work Orders have been given before work. The Decree / Work Orders are explained in Indonesian language and the copies have been given to the related employees.

Facilities and infrastructure for the welfare of employees ranging from houses, mosques, churches, sports fields and

aiding clinics are available. Auditor visited the housing in Division 1 and 3 of Bumi Lestari Estate to reviewing the feasibility of housing, educational facilities (Primary School), daycare and healthcare facilities.

Field observations in Housing of Bumi Sentosa and Bumi Palma, showed that there are several other supporting facilities around the employees housing complex, among others: religious facilities, sports fields, daycare and kindergarten, elementary school and junior high school. Housing conditions of the employee welfare facilities have been adequate. Interviews with Teacher in Class II and Pesifera Elementary School Headmaster of PT BPLP. From interviews it is known that the school was founded in 1997, the school building and operating costs and the payment of teachers' salaries will be fully covered by the Company. The pupils from the schools are come from some division in PT BPLP and not charged for the parents, except for the procurement of school uniform and sports wear are covered by the parents / guardians of the students. There is also a transportation for students who come from other divisions.

PT BPLP can show their efforts to monitor and improve workers' access to decent food sources, fairly and with reasonable prices. In this case the company has provided a convenience store (TOSERBA) that sell essential commodities to employees, provided Work Orders No. 002 / EM-BPME / Ekstern / 06/2015 about the cooperation of cafeteria / stall management in PT BPLP environment.

In addition the company has provided a place for pop up market once a month every employee payment, the pop up market provided the basic needs for employees. Circular Letter is Available on each unit manager associated with this, such as EM Circular Letter of BSNE No. 01-Ist / BSNE / 02/2016 dated February 2, 2016 described about the rules and procedures in the implementation of pop up market.

Status: Full Compliance

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.

Available a Circular Letter No.045 / CEO 5-SE / 11/2010 dated November 16, 2010 which stating that the company is respected the rules and regulations applicable in Statue No. 21 year 2000, including freedom of association for workers / employees which is a fundamental right of workers.

Contained in the document of Collective Labor Agreement of Cooperation Agency of Sumatera Plantation Companies on 2015 Section II Organization Recognition paragraphs a, b and c.

Cooperation Agency of Sumatera Plantation Companies (BKS-PPS) representing all its members to recognize the Federation of Agricultural Unions and Plantation with Workers Unions of Indonesia as workers' organizations to act and represent all its members who are working in the companies member of Cooperation Agency of Sumatera Plantation Companies in the implementation of labor relations and work requirements which are listed in this Collective Labor Agreement.

The company can show the organization structure of Unit Leader of Agriculture and Plantation Workers Union of BSNE in the period of 2015 to 2020 consisted a chairman, deputy chairman I and II, secretary and treasurer, has been registered to the Labor and Transmigration Agency of Tembilahan with register No. 02 / NAKERTRANS-PKHI / 560/2015 dated January 30, 2015.

Unit Leader of Agriculture and Plantation Workers Union of BPME consisted a chairman, secretary and treasurer, been registered to the Labor and Transmigration Agency of Tembilahan with register No. 56/NAKERTRANS-PKHI/560 dated January 22, 2012.

Unit Leader of Agriculture and Plantation Workers Union of BPMM registered to the Labor and Transmigration Agency of Tembilahan with register No. 58/Nakertrans-PKHI/560 dated October 22, 2012.

Each of Unit Leader of Agriculture and Plantation Workers Union has conducted regular meetings, meetings conducted if there are labor issues and report grievances / complaints of employees. The company can show the minutes of the meeting for example in the period of November 4, 2015 meeting to discuss about the rights and obligations of employees,

number of meeting participants as many as 17 people. Based on interviews with the head of the Branch Representative Council of Agriculture and Plantation Workers Union on February 2, 2015, stated that the company management of PT BPLP is welcome on the dispute resolution process. It also said that every meeting invitation that was sent to the management is responded well.

Status: Full Compliance

6.7

Children are not employed or exploited.

The Company has established in the Circular of HR Director No. 002 / SE-HRDV / 03/09 dated March 31, 2009 about Minimum Age Limit stated that the Company set a minimum age limit is 18 years under based on Law No. 13 year 2003. Based on a review of documents on employee data of PT BPLP in the period of January 2016 known that all workers have at least 18 years old at the time of admission to work.

Based on field observations and interviews with employees in the field of BSNE, BPME and BPMM known that workers who are received must be in 18 years above. In the work acceptance, the companies ensure by requiring the ID number and the recommendations of the local government.

Status: Full Compliance

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.

The Company has a CEO PSM 5 Circular Letter No. 003 / CEO5-SE / 06/2009 dated June 24, 2009 about the Implementation of Industrial Relations in Unit, stated that each operational unit must realize industrial relations regardless of ethnic, religion, race and gender in all types of occupations.

Based on a review of documents on employee data of PT BPLP in the period of January 2016 and field observations and interviews with employees in the field of BNSE, BPME and BPMM known that in recruitment and improved career paths and in obtaining their rights, all employees have an equal opportunity and no discrimination based on race, religion, origin, age and gender.

The company has had a guidelines in the selection process, hiring and work promotion, the guidelines contained in companies SOP, as follows:

- SOP of labor procurement documents No: SDM A-004-00, explain the process and stages of recruitment starting from labor recruitment, selection process, interviews, deals of compensation package, medical tests, and the results of the selection and decree of employment.
- The Company has a system of career path which is set on the promotion procedures (SDM D-010-00) set on September 1, 2005. The summary of the procedure that the promotion is divided into two, namely the promotion of rank / grade and promotion of position, with the following mechanism as follows, proposed by direct supervisor, the value of work performance, assessment results (for the position of section head above), passed a compulsory training determined by the company, passed the promotion selection, there are empty positions and appropriate. And for the assessment of permanent employees achievement and non staff of city, the company has a basic mechanism of assessment as the general elements (knowledge of the job, the initiative work, productivity and work efficiency, work quality, communication, cooperation, responsibility and dedication, discipline and attendance, work attitude, environmental adjustment) and elements of managerial (leadership, planning and organization, supervision, problem solving, making decision, and understanding of the cost).

Status: Full Compliance

6.9

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

The Company has a policy on the prevention of sexual harassment set forth in CEO 5 Circular Letter No. 001 / CEO5-SE / 02/2009 dated February 20, 2009 about the Socialization of Sexual Harassment mentioned that the company had to socialize the prevention of sexual harassment to all employees.

In implementing the policy, company has formed a females committee. The structure of the females committee consists of a chairman, section of reporting and documentation, section of coaching / socialization, section of monitoring and public relation.

Socialization of policies to employees has been done routinely, for example socialization dated August 14, 2012 with the number of participants as many as 44 people.

The Company has a policy on the protection of reproductive rights, set on:

- Letter of CEO 5 No. 002/CEO 5-SE/03/2009 dated March 2, 2009 on Granting Menstrual Period mentioned that the company provides menstruation leave for female employees as much as 2 days / month (first and second day) with a doctor's examination.
- Memorandum of VPA PSM 5 No. 001 / SE / VPA5 12/05/08 dated December 20, 2008 regarding the employment of pregnant and breast-feeding mentioned that the company does not allow pregnant and breast-feeding women workers are employed as sprayer.
- Collective Labor Agreement between Cooperation Agency of Sumatera Plantation Companies (BKS-PPS) with Federation Central Committee-Agriculture and Plantation Workers Union-Indonesian Workers Union (PPFSPPP-SPSI):
 - Menstruation Leave (H1), for female employees as much as 2 days / month (first and second day) with a doctor's examination.
 - Maternity leave (H2) for 3 months with details of 1.5 months before giving birth and 1.5 months after giving birth with the calculation of doctor's examination.

Implementation of the policy among others by granting leave of H1 and H2 to the female employees. BSNE can show the data of granting H1 and H2 leave in the period of 2015, for example in December 2015 there were seven employees who get H1 leaving. BPMM recorded during the period of December 2015 there are no employees who take H1 leave.

The Company has a SOP of grievance and dissatisfaction No. SOP / SMART / SIGS-CSR / SADV / I / 003, the SOP is explained the stages ranging from:

- Receipt of complaints and dissatisfaction from workers to Union Unit Leader and from Union Unit Leader to Head of Administration.
- Head of Administration and head unit are verifying the facts in the field
- Doing the rating of complaints and dissatisfaction, lower category is resolved at the level of head unit; medium is resolved at the RC level and heavy is resolved at the level of CEO and VPA. If there is a complaint that cannot be resolved until the level of the CEO and the VPA, then it will be brought to the level of the grievance committee.
- Results of the verification and ranking the of complaint will be delivered by the head unit to the RC / PC
- Preparation and approval of plans for handling complaints and grievances
- Implementation of the complaints and dissatisfaction
- Preparation of plans for handling complaints and grievances
- Implementation

In the point 2.2.1 about the receipt of complaints and dissatisfaction mentioned that the company guarantees the anonymity of the reporting and the revealer of the case (whistleblower).

At the time of ASA-02 audit, auditors conduct interviews with sprayer teams that have been gathered at the office Estate. The interview results indicate that there are no pregnant or nursing women in the sprayer team. Routinely have conducted monitoring on H1 leave as an early detection tool for indications of pregnant women. Besides, monitoring of pregnant women is also carried out by paramedics every 3 months. Sprayers have understood and known the company's policies related to the ban on spraying for pregnant and nursing women as well as policies for the protection of reproductive rights.

Status: Full Compliance	
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6.10

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

In addition to receiving FFB from nucleus estate, the company also received FFB from non Smallholders community estate. Prices set is followed the prices set by the FFB Purchase of Jakarta for all mills that receive FFB from the outside. The documented price at any time if there is a change.

Pricing mechanisms for FFB refers to the Administrative Procedure of FFB Purchasing passed by Department Head System on January 9, 2012. The mechanism includes a search mechanism of potential vendors, field surveys (supplier name, estates spacious, distance to the POM, daily supply estimated, seed planted and planting year), supplier evaluation, negotiation of prices (considering the price of Plantation agency, daily delivery volume, grading criteria and fines and payment systems) and purchase agreement. Price consideration also refers to the quality of supplied FFB. The

better quality of FFB from the extraction, then the price will also increase.

Information related to price changes is delivered directly by the Department of FFB Purchase in Jakarta to all FFB suppliers who have been cooperating with the company.

Based on a review of documents and interviews with local contractors as a supplier of FFB to Bumipalma Mill, FFB price determined unilaterally by the Department of FFB Purchase. Prices set by the company may be greater or less than the purchase price of FFB in other mills that the supplier of FFB could send the FFB to another mill at any time. One of the criteria that mutually agreed between the company and the supplier of FFB is the quality of FFB.

The supplier of FFB have agreed in written about the pricing mechanism as contained in the Cooperative Agreement Letter of FFB sale and purchase with the company that signed and each party has the copies.

To having a contract with other parties, the company is documented the entire agreement in the form of Cooperative Agreement Letter (SPK). Cooperative Agreement Letter draft that has been returned to the parties to read its contents. If there has been a further agreement, the contract will be signed between the two sides on stamp duty and the copies held by each party. In the verified contracts contained clauses about the dispute resolution. If there is a complaint, objection or dissatisfaction in the agreement at a later time, both parties who tied on the agreement are agreed settlement together by law in District Court that are designated together.

For examples of Cooperative Agreements Letter that are verified by auditors, Cooperative Agreement Letter No. BSNE/JKTO/09/15/035 – Replanting, Cooperative Agreement Letter No. BPME/JKTO/05/15/028 – Replanting and Cooperative Agreement Letter No: BPMM / SPK-LKL / 08/15/024 - Disassembly services of kernel warehouse walls.

Based on interviews with one supplier of FFB, all this time, FFB supply cooperation is running smoothly and payment on time. On the basis of the document review and interviews above, the parties have understood the contract that is made and the company has been carrying out its obligations in accordance with the agreement with good and fair.

The company has shown proof of payment for local transactions. For example, FFB payments on behalf of the vendor Andi Hamzah for the period of December 2015 on January 6, 2016 through account transfer. Receipt of deposit has been signed by the concerned person.

Based on information from the local contractors during the public consultation, the company has fulfilled its obligations in terms of payment of work. So far there has been no dissatisfaction from the contractor in terms of work payment.

Thus, it can be concluded that the company has recorded well the evidence of local transactions payment.

Status: Full Compliance

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

The Company has a community development program in the form of Corporate Social Responsibility (CSR) which the program is based on community needs. The Company has been carrying out the construction of infrastructure in villages around the estate. This is consistent with the results of interviews with people at the time of the auditor conduct a public consultation with village chiefs and community leaders. Some of the development assistance that strongly felt by the community, among others:

- Wellbore developments to meet the need for clean water in the village of Bagan Jaya.
- Construction of religious facilities (mosques) in the village of Suhada. According to the community leaders, religious facilities routinely performed by companies every year.
- Maintenance of school buildings assistance in the village of Lintas Utara.
- Access roads maintenance of Bagan Jaya Village and Pengalihan Village.
- Road Paving assistance with sand stone (gravel) in the village of Pebenaan.
- Community mosque assistance of Pebenaan Village in the form of prayer rugs.
- Sports facilities assistance (ping pong) for SMK Budi Mulia in Lintas Utara Village.

In addition, the company is also quite enough to cooperate with the community economically that help to increase incomes. For example in the form of FFB supplier collaboration, the construction of companies infrastructure (houses, fire towers, kernel warehouse and others).

Conclusion: the company has made efforts to develop the sectors of community social life such as the development of road infrastructure, religious, educational, economic and others that directly affect to the local development.

Based on a review of documents and interviews with management and community leaders, there are no scheme smallholders in the estate operations of PT. Bumipalma Lestari Persada.

Status: Full Compliance

6.12

No forms of forced or trafficked labour are used.

Based on a review of documents and interviews with employees known that the entire employees of PT BPLP is a legal labor based on acceptance by the company. The company reporting regularly to the relevant agencies in accordance with the actual data of its labor.

Proof of employment report is a legality evidence of the company's labor used, as follows:

- BPMM: Registration No. 00058 WLTk (labor compulsory report), period of October 20, 2015 up to October 20, 2016, with the amount of labor as many as 149 people, on October 23, 2015.
- BPME: Registration No. 00062 labor compulsory report, period of December 23, 2015 up to December 30, 2016, with the amount of reported labor as many as 376 people (Daily Workers and Unit Payment).
- BSNE: Registration No. 00063 labor compulsory report, period of December 23, 2015 up to December 30, 2016, with the amount of reported labor as many as 752 people (Daily Workers and Unit Payment).

Based on a review of documents and interviews with employees known that the entire employees of PT BPLP is a labor based on acceptance by the company. Labor placement and types of work in compliance between actual work and stated in the employment contract.

When ASA 2 audit, it is known that the company does not employ migrants and also Inter-city Inter-Regional. The entire labor is come from the villages around the plantation. It has been confirmed by auditors through review of documents and employee data, interviews with workers and consults with Labor Agency of Rengat.

Status: Full Compliance

6.13

Growers and millers respect human rights

Policies related to the respect for human rights contained in the policy of social and community role. In the point 6, mentioned their respect / respect for human rights (HAM) set by the President Director on November 10, 2011.

Socialization of human rights policy carried out on September 10, 2015, with the number of participants as many as 30 people.

Based on interviews with employees in the field known that the understanding of employees related to human rights policies have been quite adequate. Routinely both in the activities of morning briefing or during a meeting with the unions, the policy have been delivered.

Status: Full Compliance

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.

The Company does not perform land clearing after 2005, but performed replanting in some parts of the estate since 2005. For the replanting activities, environmental documents that used still refers to the environmental management document which drafted at the beginning of the construction of the estate, that is Environmental Evaluation Study (SEL) and the Environmental Management Plan and Environmental Monitoring Plan (RKL / RPL) as part of the Environmental Evaluation

Study process. The Company has revised the document of Environmental Management Plan and Environmental Monitoring Plan to adjust the extent of the impact analysis in 2006. The implementation of the revised document of Environmental Management Plan and Environmental Monitoring Plan has received approval from Environmental Agency of Indragiri Hilir Regency through letter No. 660 / DLHPE.02 / VIII / 2006/273. Matrix of Environmental Management Plan and Environmental Monitoring Plan include changes in hydrology, water quality degradation, Hazardous waste management, solid waste disposal, noise nuisance and air quality degradation, fires prevention, increased pests and plant diseases, job vacation and increased revenue.

The company has been doing management and environmental monitoring, among others: the use and monitoring the canal's door, the use of double water gate, the management of effluent in WWTP, collecting Hazardous Waste on Hazardous Waste Warehouse then submitted to the licensed third parties, utilization of bunch ash / boiler as fertilizer, giving an earplug to workers who are in a place that has high noise, setting the load / volume for EFB combustion, increasing the height of furnace chimney, installing emissions control equipment and gas in the generators chimney, boiler and furnace, watering the road that passing through the settlement, the provision of light fire extinguisher, use pesticides as needed, integrated pest management, opening job vacation, using local contractors, and others.

While monitoring that is conducted, among others by testing the quality of air and effluent regularly with the results according to certain standard qualities set by the government and report the test results to the Environmental Body of Indragiri Hilir Regency regularly.

PT. BPLP does not have a coaching of scheme smallholders, and has not been affected by the obligation to build smallholdings in accordance with legislation because it was built before 2007.

The Company does not perform land clearing after 2005. HCV document that used is still refers to the HCV report drafted by the team in February 2013. Based on the reports known that the presence of identified HCV were HCV 1.2 in the form of protected animal species and HCV 6 in the form of local cultural identity / employees graveyard.

Status: Full Compliance

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 perform land clearing after 2005.

Status: Full Compliance

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.

The Company does not perform land clearing after 2005.

Status: Full Compliance

7.4
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.

The Company does not perform land clearing after 2005.

Status: Full Compliance

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.

The Company does not perform land clearing after 2005.

Status: Full Compliance

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.

The Company does not perform land clearing after 2005.

Status: Full Compliance

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.

The Company does not perform land clearing after 2005.

Status: Full Compliance

7.8

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

The Company does not perform land clearing after 2005 and after August 1, 2014 so it is not obliged with the calculation of carbon stock estimates (c-stock). But the company has made estimate calculations of greenhouse gases (GHG) in 2014/2015 by using Palm GHG Calculator ver. 2.1.1. The amount of emission estimates generated by Bumipalma Mill as much as 3.99 tCO_{2e}/t of CPO and 3.99 tCO_{2e}/t of PK, and has been reported to the RSPO Secretariat on January 27, 2016.

The Company has made efforts to mitigate the greenhouse gas emissions include: implementing *zero burning* policy, fertilizer and using pesticides in accordance with the procedures, the use of fiber and shell to replace fossil fuels, maintenance the engine regularly, peat land management (monitoring peat subsidence and monitoring the depth of the soil water surface in the peat area), perform emissions quality testing periodically and GHG calculations.

Status: Full Compliance

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

8.1

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

The Company has conducted an internal audit activity of ISPO and RSPO on 26 to 31 October 2016. The activity was carried out by the internal audit team consisting of Hasto Tri Djatniko, Ardian Risky Yulianto, Bayu Yuda Andika, Yudhi Faisal Amin and Widodo C. Yuwono.

Based on the audit report above, there is a record as follows:

- RSPO internal audit identified 11 discrepancies. All of the discrepancies have been corrected.
- Especially for SCCS not identified the discrepancies.

Besides the routine internal audit implementations, the company has been carrying out continuous improvement activities, among others:

- The application of three-in-one tools of harvesting clerk to control the FFB
- The use of moss sustainable dozer to clean the moss in the canal
- Implementation of shadow BOB to increase the activity of the owl (*Tyto Alba*) and increasing its population.
- Reduction / elimination of limited pesticides used (paraquat).

The company has been carrying out activities / sustainable management of the environmental aspects, among others: testing of effluent quality and report to Local Environmental Bodies regularly, such as air quality testing and report the test results to Local Environmental Bodies regularly, store the hazardous waste in licensed hazardous waste warehouse, monitoring and report the management of hazardous waste to Local Environmental Bodies periodically, implement *zero burning* policy, utilization of solid waste (fiber and shell) as a boiler fuel, engine examination regularly and perform the GHG calculation.

The company also has provided the peat water treatment for employees clean water supply with *Reverse Osmosis* technology.

	Status: Full Compliance	

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module E) CPO Mills - Mass Balance Requirements
E.1	Definition
E.1.1	<p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>BPMM received FFB supplies from the unit itself (certified) and also from farmers and other suppliers (non-certified). This can be shown on FFB acceptance process carried out from the reception in security and weighed, acceptance documents of FFB and interviews with key personnel, indicate that the FFB is received by BPMM consists of certified and non certified. In this case BPMM is implementing supply chain of E Model (mass balance requirements).</p> <p>The company has the SOP for the implementation of supply chain in the identification procedure and searching abilities with code: SOP / SMART / CERS-EHSD / SADV / I / 001 issued on July 2, 2014 and applied effectively start from January 1, 2015.</p> <p>SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. The procedure also explains the related officers and the responsibility in the implementation of the requirements, namely:</p> <ol style="list-style-type: none"> Laboratory analysis by laboratory workers Assistant, performed FFB received supervision in accordance with standards and criteria set, to supervise the processing of FFB, To supervise the process of analyzing the quality of processed products. Head of Administration who did the recording, reporting quality and quantity, regularly; Supervision of the administration process of FFB acceptance and delivery of products; supervision of the essential tools in the supply chain; calculating the mass balance based on the amount of products that can be claimed as certified products; drafted a report of the certified products claculation. <ol style="list-style-type: none"> Mill head unit which is responsible for the entire process of the supply chain Production controller, ensure and guarantee that the resulting product can be traced to their sources, delivery of the product is acceptable according to the quantity and quality <p>Weighing clerk, separating and recording documents of FFB / CPO of certified product claim from a document of FFB / CPO non-certified product.</p>
	Status: Full Compliance
E.2	Explanation
E.2.1	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>Estimates of CPO and PK products that can be produced by BPMM in the period of March 25, 2015 - March 24, 2016 have been included in the certificate, which for estimation of CPO in the amount of 19,767.88 tons and PK in the amount of 5,062.50 tons.</p> <p>The actual production of the certified product, certificate period March 25, 2015 up to February 3, 2014 (ASA 2) produced by BPMM note that CPO in the amount of 15,322.182 tons and PK in the amount of 3,593.307 tons.</p>

	Status: Full Compliance
E.2.2	
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	
<p>BPMM has met the registration and reporting requirements to the supply chain through the organization of RSPO supply chain (RSPO IT platform or book and claim), as shown by their member ID: RSPO_PO1000001064.</p> <p>There are no sales of CPO and PK which certified by RSPO during the period of the certificate, the company selling with the claim of ISCC.</p>	
	Status: Full Compliance
E.3	Documented procedures
E.3.1	
The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:	
<p>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>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.</p>	
<p>The company has SOP for the implementation of supply chain in the identification procedure and Traceability with code: SOP / SMART / CERS-EHSD / SADV / I / 001 issued on July 2, 2014 and applied effectively start from January 1, 2015.</p> <p>SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. The procedure also explains the related officers and the responsibility in the implementation of the requirements, namely:</p> <ul style="list-style-type: none"> Laboratory analysis by laboratory workers Assistant, performed FFB received supervision in accordance with standards and criteria set, to supervise the processing of FFB, To supervise the process of analyzing the quality of processed products. Head of Administration who did the recording, reporting quality and quantity, regularly; Supervision of the administration process of FFB acceptance and delivery of products; supervision of the essential tools in the supply chain; calculating the mass balance based on the amount of products that can be claimed as certified products; drafted a report of the certified products calculation. Mill head unit which is responsible for the entire process of the supply chain Production controller, ensure and guarantee that the resulting product can be traced to their sources, delivery of the product is acceptable according to the quantity and quality. Weighing clerk, separating and recording documents of FFB / CPO of certified product claim from a document of FFB / CPO non-certified product. 	
	Status: Full Compliance
E.3.2	
The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	
<p>The company has SOP for the implementation of supply chain in the identification procedure and Traceability with code: SOP / SMART / CERS-EHSD / SADV / I / 001 issued on July 2, 2014 and applied effectively start from January 1, 2015.</p> <p>The procedure has covered an adequate explanation about the:</p> <ul style="list-style-type: none"> FFB admissions (Nucleus estate, smallholders, and effort) Delivery Order Letter examination to verify the certified and non-certified FFB Reporting to the Head of Administrator if there are things that are not in accordance with the procedure 	

- Weighing in weighbridge
- Printing weighing tickets to determine the quantity of certified and not certified FFB
- FFB Grading
- FFB processing
- Monitoring the quality of CPO/PK
- Monitoring the quality of CPO/PK
- Recording and reporting of quality and quantity
- Approval of reporting
- mass balance calculation and delivery of products
- Validation of mass balance calculations
- Preparation of sales documents based on the mass balance
- Delivery order acceptance
- Dispatch of CPO / PK
- Weighing of CPO / PK
- Printing weighing tickets and delivery letter of CPO / PK
- Shipping of CPO / PK
- Document saving

Status: Full Compliance

E.4 Purchasing and goods in

E.4.1

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

Verification and documentation of certified and uncertified FFB received by BPMM has begun at the time of acceptance in security and weighing process. Verification and identification is performed by the separation of FFB acceptance documents for the two types of products such as document of Delivery Order Letter and FFB weighing tickets. The company can show the documents, for example, reception on 3rd February, 2016 are described as follows:

- Delivery Order Letter of certified product with No. 2220/TBS/02/16/02/5559 from division 1 of BPME, inform barges numbers, complex, block, the amount of bunch, the amount of lose fruits, taxation weight, gross, tarra and net. In the Delivery Order Letter has been contained MB stamp that informs the type of certified products.
Weighing ticket for certified FFB for example tickets dated February 3, 2016 informed serial No: B003428 053617, product code: FFB, No: 154983, weigh of gross weight, weigh of net weight, transporter, and delivery note No: 2220 / TBS / 02/16/02/5559. In the document has a mark of the certified product.
- Delivery Order Letter of Non certified, for example on February 3, 2016 informed police No: BM8871GA, Delivery Order Letter No: 0102, supplier: DRSX (No DO), weight sent: 3,000 kg and the amount of bunch is 300. In the weigh tickets for the fruit that is not certified informed number, product code, date, weigh time, weight weighed and delivery No: DRSX/TBS/01/16/02/0102.

Status: Full Compliance

E.4.2

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

In the certificate period from March 25, 2015 till February 3, 2016, the production of certified FFB, CPO and PK produced does not exceed the projected tonnage, i.e. **FFB in the amount of 71,083.98 tons, CPO in the amount of 15,322.182 tons and PK in the amount of 3,593.307 tons.**

Status: Full Compliance

E.5	Record keeping																
E.5.1																	
<p>a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p> <p>b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)</p>																	
BPMM has recorded and balanced all FFB acceptance of RSPO certified and the production of CPO and PK resulting in a quarterly basis, as follows:																	
April 2015 up to June 2015																	
	<table><tr><td></td><td>FFB</td><td>CPO</td><td>PK</td></tr><tr><td>April to June 2015</td><td>20,761.706</td><td>4,315.446</td><td>957.423</td></tr><tr><td>July to Sept 2015</td><td>22,500.496</td><td>4,954.108</td><td>1,090.065</td></tr><tr><td>Oct to Dec 2015</td><td>19,362.544</td><td>4,182.263</td><td>1,103.124</td></tr></table>		FFB	CPO	PK	April to June 2015	20,761.706	4,315.446	957.423	July to Sept 2015	22,500.496	4,954.108	1,090.065	Oct to Dec 2015	19,362.544	4,182.263	1,103.124
	FFB	CPO	PK														
April to June 2015	20,761.706	4,315.446	957.423														
July to Sept 2015	22,500.496	4,954.108	1,090.065														
Oct to Dec 2015	19,362.544	4,182.263	1,103.124														
The total of certified product produced in the period of certificate is FFB in the amount of 71,083.98 tons, CPO in the amount of 15,322.182 tons and PK in the amount of 3,593.307 tons.																	
During the period of the certificate, BPMM had never performed sales of CPO and PK by RSPO claim, delivery of certified products conducted with the ISCC scheme.																	
	Status: Full Compliance																
E.5.2																	
In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.																	
BPMM is not performing palm kernel crushing, final product for Palm Kernel is PK and for palm oil is CPO.																	
	Status: Full Compliance																

3.3. Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-2	The company does not use RSPO logo.	√
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-2	The company does not use RSPO logo.	√
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-2	The company does not use RSPO logo.	√
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-2	The company does not use RSPO logo.	√

3.4. Summary of RSPO Partial Certification.

Total management unit observed: Unit of Sawita Mill (Province of South Kalimantan) Pre assessment RSPO has been carried out by the other certification bodies dated 24 to 25 March 2015, while the other units under PT. Ivo Mas Tunggal has got RSPO certificate		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	X or√
	Results of audits by other CB in Sawita Mill Unit, there are no issues regarding on compliance with applicable laws and regulations.	√
	Status: Full Compliance	
2.2	The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.	X or√
	Results of audits by other CB in Sawita Mill Unit have obtained the Land Use Title area of 8,724 hectares, but there is an area of 155.87 hectares still in the process to obtain the Land Use Title which has been performed Meeting of B Committee (Land Use Title in the process).	√
	Status: Full Compliance	
6.3	There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.	X or√
	The Company has provided the facilities and mechanisms opened to receive complaints and disputes through SOP / SMART / SIGS-CSR / SADV / I / 003 about the reporting guidelines of complaints and dissatisfaction that comes from within and outside the company. The results of the audit by SGS, there are no major issues.	√
	Status: Full Compliance	
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.	X or√
	Results of audits by other CB in Sawita Mill Unit, there are no issues regarding to the community who have lost the right of legal or customary.	√
	Status: Full Compliance	
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.	X or√
	Results of audits by another CB known that Pamukan Estate and Sawita Estate performed planting after November 2005. HCV Assessment Activity has been carried out, but the HCV report is still in the completing process.	√
	Status: Full Compliance	
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.	X or√
	Results of audits by other CB, there is no issue of new plantings (over January 2010) in the land of local communities without FPIC.	√
	Status: Full Compliance	
7.6	Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	X or√

	Results of audits by other CB, there is no issue of new plantings (over January 2010) in the land of local communities without FPIC.	√
	Status: Full Compliance	

3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.5.1 Finding identification, Corrective Action, and Observation during (ASA-1) Assessment

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closed Date
2015. 1	Minor 6.1.1.	Management and Monitoring of Social Impact The company could not show records of management and monitoring of social impact through community participation made periodically in accordance with the planning of <i>Social Impact Assessment</i> that has been drafted.	Estate and Mill	Minor	Surveillance 2	Companies must show evidence of social impact management and monitoring with the participation of the community regularly	Root of the problem: Corrective action: Preventive measure: Auditor Observation, 04.02.2016 The company has had a report on the implementation of the management and monitoring of the social impact in the period of March 2014 up to March 2015. Managed by the following: (a) conduct watering roads and installation of warning to reduce speed and socialization of speed limit to the driver of FFB transport; (B) reducing the quantity of combustion process in the furnace, and increasing the height of chimney furnace; (C) make a wellbore to the needs of employees bathing, washing and toilets and the distribution of clean water to employees. Monitoring conducted among others by performing field observation and interviews with villagers around through FGD system on July 7, 2015 (available the absences of FGD). This is performed to determine the	Closed	04.02.2016

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closed Date
							<p>perceptions and aspirations of communities towards social impacts arising from oil palm plantations. Communities involved are representatives from every village around the company and its employees, that is the village of Bagan Jaya, Suhada, Pembenaan, Sanglar, Karya Tani, Lintas Utara, and Rumbai Jaya.</p> <p>The results of the monitoring, among others: (a) Impact of dust is still felt by the residents, especially who are living around the estate axis road and watering the road is not performed routinely. (B) Impact of mill smoke is still felt by residents and boiler ash is fell on residential areas. (C) wellbore water is smelled and can only be used when the power is on. Communities are expecting that the frequency of watering roads and environmental management are improved.</p> <p>The company has made a work plan on the monitoring results, for example TANK water pumps for watering, scheduling to watering the roads, maintenance and cleaning dust collector, the distribution of masks for the citizens, analysis of water quality, socialization of job vacation and reduction of employees based on the needs and so forth. This will become the observations on future activities.</p>		

3.5.2 Finding identification, Corrective Action, and Observation during (ASA-1) Assessment

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closed Date
2015. 1	-	-	-	-	-	-	-	-	-

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	Minor 2.1.4	Companies can improve the performance associated with regulatory reforms / regulations that relevant to the activities of the mill / estate including the repeal of laws / regulations that are no longer valid.
2	Minor 4.7.6	Companies are encouraged to continue to monitor and ensure the Labor Social Insurance Agency registration process of Daily Workers running until all of them has been registered.

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

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>Tuesday, February 02, 2016</p> <p>Environmental Body (BLH) INDRAGIRI HILIR Regency (Officials of Environmental Monitoring)</p> <ul style="list-style-type: none"> Environmental documents owned by the company is Environmental Evaluation Study year 1993 with document of Environmental Management Plan / Environmental Monitoring Plan revised in 2006. The document became new references for environmental activities at PT BPLP. The knowledge of the respondent that the impact assessment on the activities of replanting has been discussed in the Environmental Evaluation Study even though not specific, for example the impact on Pests and Diseases. The company can make the procedure / SOP of replanting activities Management and socialized to the public. Have a Hazardous Waste Warehouse (TPS LB3) located in the POM, while for the Estate is not yet available Licensed Hazardous Waste Warehouse (Hazardous Waste is still stored in temporary storage warehouse). If it refers to the legislation then any of Hazardous Waste should be kept at Licensed Hazardous Waste Warehouse without exception. But for now the company can make the procedure / SOP of Hazardous Waste management of estates unit which are clearly regulating the management 	<ul style="list-style-type: none"> For the environmental activities, the companies still refer to the owned environmental documents namely Environmental Evaluation Study year 1993 with a document of Environmental Management Plan / Environmental Monitoring Plan revised in 2006. The Company has procedures / SOP of replanting activities Management with NO: SOP / SMART / MCAR / TA-RPL year 2012 and has socialized to the public on June 26, 2014 in the Bumi Lestari and Bumi Palma plantations by including government (Plantation Agency). The Company has had permission of Hazardous Waste Warehouse in POM of Bumi Palma with permit No. 503/BP2MPD-IPSL.B3/V/2012/05 which refers to the legislation while the hazardous waste management in the estate unit is temporarily stored in the Estate Hazardous Waste Warehouse periodically sent to the Hazardous Waste Warehouse in the POM of Bumi Palma appropriate with RC circular Letters of Indragiri Regional No. 02 RC / RC-BPLP / Reg.Indragiri / Juli / 2013. 	<p>The company has been managing the environmental aspects, the whole has been described in criterion 5.3</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>of Hazardous Waste, for example, storage period of Hazardous Waste in temporary warehouse should not be long (Less than 3 Days).</p> <ul style="list-style-type: none"> • Packaging of pesticides / herbicides is a kind of Hazardous Waste and must be managed in accordance with management of Hazardous Waste, for example stored in the Hazardous Waste Warehouse, submitted to the licensed collector, management reporting quarterly to the relevant agencies. • Waste of medical / clinic is a type of Hazardous Waste, which should be managed in accordance with the management of Hazardous Waste. • Transporters and collectors of Hazardous Waste must have the permission of the Ministry of Environment and must have Cooperative Agreement Letter with the company. • Have permission to dispose effluent into water bodies. • The company still uses Furnace. Until now, there is no 	<ul style="list-style-type: none"> • The company carries out the management of used herbicides packaging with the 3R concept in the form of returning the used packaging to the supplier according to the direction of The Indonesian Environmental Ministry letter No: B-5381/Dept.IV/LH/PDAL/ 05/2012. • Waste of medical / clinic from the clinic have been managed properly and in accordance with the management of Hazardous Waste. The waste is sent to regional public hospital of Bangkinang through Rama-Rama central clinic to be destroyed. • The company has cooperated with PT. PRIMANRU contained in Cooperative Labor Agreement No: 0089 / AF / I / 2016 for transporting and collecting the Hazardous Waste. PT PRIMANRU has permission from the Ministry of Environment. • The company has had a license No: 503 / BPMD-IPAL / V / 2012/09 • Management has reviewed the use of empty bunch for boiler fuel. In the early stages will be applied in Indrasakti POM. • The Company has been monitoring sample routinely by a third party. • Conservation area / HCV including canals have been managed well by the company. 	

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>specific legislation for prohibiting the use of Furnace, but preferably in the transfer of technology. The Company has been managing and monitoring including quality testing of emissions produced, but the parameters of particulates and SO₂ can often exceed the standard qualities set by the government.</p> <ul style="list-style-type: none"> Companies already doing conservation management / HCV including canals. There is no Land Clearing on the conservation area / HCV. Facilities / infrastructure of fires are sufficient although not fully in accordance with the decree of General Directorate of Plantation, 2010. The company has already justify the need of facilities / infrastructure of fires in accordance with the business area and the condition of the landscape. There has been no incidence of fires in the area managed by the company. Reporting per semester routinely performed and human resources for emergency response have been trained. Not doing Proper 	<ul style="list-style-type: none"> Companies did not perform land clearing in the conservation area / HCV. The Company has completed the equipment and procedures to anticipate in case of fires. Companies still do a monitoring to anticipate fires incident. Still in management considerations. 	
<p>National Land Agency (BPN) INDRAGIRI HILIR Regency (Section head of Dispute Conflict and Case)</p> <ul style="list-style-type: none"> The company has had legal documents including Land Use Title (HGU), ended in December 31, 2090 with an area of 6,690 hectares. Once there was a land dispute with H. Anwar in 2006 but 	<ul style="list-style-type: none"> The company has had legal documents including Land Use Title (HGU), ended in December 31, 2090 with an area of 6,690 hectares. 	<p>The entire area cultivated and managed by the company already have documents of legal ownership. Auditors have verified the documents and by field observation, the overall described in</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>already has a decision that the company won the case. After 2006 until now, there have been no reports to the National Land Agency related to land disputes.</p> <ul style="list-style-type: none"> Natural River was far away from the Land Use Title, only surface water of peat bogs flow in the canals for drainage and transportation facilities. Legality of land tenure of the company has clear and clean with the publication of Land Use Title (already has forest concession licenses, not on a protected forest area, not at the mine site, etc.) There are no complaints from the public that went into National Land Agency related to land dispute Pole must be maintained properly 	<ul style="list-style-type: none"> Land dispute with H. Anwar in 2006 has been completed and has the decision. After 2006 until now, there is no land dispute with any parties. Drainage / canal in the Land Use Title area which is used for transportation does not pollute the natural river, because it is located far apart from Natural River. With the publication of Land Use Title, then Legality of land tenure of the company has clear and clean (The company has owned permission of forest area release, not on a protected forest area, not at the mine site, etc.) The Company has fulfilled the regulations relating to land ownership. Boundaries pole are well maintained. Once a month is cleaned and repainted every 6 months. 	<p>criterion 2.2</p> <p>Results of the verification documents, field observations and interviews with local communities known that there are no land disputes in the area managed by the company.</p>
<p>Plantation Agency of INDRAGIRI HILIR Regency (Plantation Development Bodies)</p> <ul style="list-style-type: none"> Old estate class has expired. Has already carried out an assessment of new estate class, but the results have not been sent to the Plantation Agency. Plantation Business Progress Report has been reported 	<ul style="list-style-type: none"> The company has been taking care of the estate Class assessment and the results are "Class Two" but was still awaiting signature by Governor of Riau. Routine in each semester, the company 	<ul style="list-style-type: none"> PT. BPLP has passed the stages of a reassessment of the plantation business. Related of had not risen a Decree of estate class assessment from Governor of Riau at this time would be a record of legality to be observed by the auditor. The Company has completed all documents related to land

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>regularly (every six months).</p> <ul style="list-style-type: none"> • All of the management areas (Land Use Title) has been utilizing / managing. • Have a Plantation Business Permit. Based on the owned Plantation Business Permit then the company does not have obligation to build smallholdings and until now there has been no letter / report came from communities or companies associated with the planned smallholdings. • CSR has been performed for village around the company although need to be improved. • Facilities / Infrastructures of fire extinguisher has been adequate, reporting regularly and human resources has been trained. • Pest problems have ever occurred around 2003, where communities seek for compensations. The Company has indemnified and the problems have done. • The company received FFB from surrounding communities in the small amount. 	<p>reported Plantation Business Progress Report.</p> <ul style="list-style-type: none"> • The Company has utilized / commercialized the whole of management area (Land Use Title) • The company has the Plantation Business Permit. Based on the Plantation Business Permit then the company is not obliged to build smallholdings. • The company has had CSR program for the village around the company in accordance with the conditions of surrounding villages and the company's ability. • The company has owned facilities / Infrastructures of fire extinguisher, with human resources that have been trained and reported regularly to the relevant agencies. • Beetle pest problem around 2003, with the surrounding communities has been completed and the company has provided compensation to the community. • The company also receives FFB from surrounding communities, with a pre-determined quality and competitive price. • Land ownership is in accordance with the Land Use Title. 	<p>rights in the form of Land Use Title and documents related to business activities (Plantation Business Permit). This is consistent with major indicators 2.1.1 and 2.2.1 major. The entire area controlled has been utilized well for the planting areas, nurseries, mills, housing / office, public facilities, roads, bridges, etc.</p> <ul style="list-style-type: none"> • The Company has demonstrated its commitment to social responsibility and RSPO indicators 6.11.1 related to local development. It has already received and perceived the benefits by society in accordance with the results of the public consultation with community representatives. • The Company receives FFB from farmers through a vendor / FFB supplier representative which has established a partnership with the company. Related to the pricing, determined internally by the company, in this case FFB Purchasing by taking into the global CPO prices, types of seed planted, yield, and quality of FFB. Price informed directly by FFB Purchasing to suppliers for any price changes. This is consistent with major indicators 6.10.2 RSPO

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<ul style="list-style-type: none"> There are no overlapping between Company Land Use Title with communities land and mining areas. Cooperation of Plantation Agency with the company is running well. 	<ul style="list-style-type: none"> Companies always work together with Plantation Agency to maintain good relations. 	
<p>Labor and Transmigration Agency of INDRAGIRI HILIR Regency (Head of Labour Inspection)</p> <ul style="list-style-type: none"> The company has received a certificate of zero accident in 2014. For now, it is being proposed. Wages standards in accordance with District Minimum Wage Minimal Rp 2,163,650 (2016), Rp 1,940,500 (2015) and UMSP Rp 2,150,000 (2015), UMSP decision year 2016 has not yet published. The entire workforce has permanent status (<i>no Buruh Harian Lepas / Daily Workers</i>) All employees have been included in the Social Security program and Health Social Insurance Agency There are no reports to Labor and Transmigration Agency about workplace accidents. Reports of Guiding Committee of Occupational Safety & Health and Reports of employment have been reported regularly. Special Operator has owned Operator License There are no underage workers 	<ul style="list-style-type: none"> Companies committed to comply with laws and regulations related to labor. The company has received a certificate of zero accident in 2014. The company pays the wages of workers based on the applicable of District Minimum Wage. Dominantly the labor has a permanent status, but some of Daily Workers who in temporary or contract jobs are tied with Work Agreement Letter. All employees have been included in the Social Security program and Health Social Insurance Agency There are no work accidents. Companies routinely reporting on Reports of Guiding Committee of Occupational Safety & Health and reports of employment to Labor and Transmigration Agency. All special operators in the company have owned SIO. The company is not employing underage workers. 	<p>Auditors have verified the implementation aspects of the K3 and labor performed by the company. The entire application is done with sufficient. As a whole is described in criterion 4.7, 6.5, 6.6, 6.7 and 6.8</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<ul style="list-style-type: none"> • Sprayers and mill employee has worn PPE when working • Labor and Transmigration Agency has issued a publication requirements of pesticide use with guidelines to the decree of Agriculture Ministry. • Guiding Committee of Occupational Safety & Health secretary have experts about OHS and already have the decree in 2015. Until now there is no companies structure. • Collective Labor Agreement that owned is still valid • Have Workers Union • No negative issues that come to Labor and Transmigration Agency relating to the employment • There are no foreign workers • Living facilities is feasible, provided clean water and electricity. 	<ul style="list-style-type: none"> • PPE is always worn by sprayers and mill employee when working. • The company has had a requirement of publishing / pesticide use which guided by the provisions of Agriculture Ministry obtained from Labor and Transmigration Agency. • The Company is committed that all Secretary of Guiding Committee of Occupational Safety and Health are experts in OHS and have a Decree. • Collective Labor Agreement that owned is still valid. And the Company has workers union. • No negative issues about employment that occurred within the company that came to Labor and Transmigration Agency. • Companies do not hire foreign workers. • For the company employee welfare, the company has provided facilities of proper shelter, clean water and electricity. 	
<p>Tuesday, February 03, 2016 Village Community Around the Estate:</p> <ol style="list-style-type: none"> 1. Village Chief of Suhada Village 2. Village Chief of Pengalihan Village 3. Village Chief of Lintas Utara Village 4. Community Leaders of Lintas Utara Village 5. Village Secretary of Lintas Utara Village 6. Community Leaders of Bagan Jaya Village <ul style="list-style-type: none"> • Replanting socialization has never performed well in the 	<ul style="list-style-type: none"> • Before performed replanting, The Company is performed replanting socialization first to the 	<ul style="list-style-type: none"> • CSR program which drafted by the company have been



Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>Bagan Jaya Village, Pengalihan Village, Suhada Village and Lintas Utara Village.</p> <ul style="list-style-type: none"> Previously, the replanting is performed by chipping, now has been planted as a result of complaints for beetles pest that attacked the village, especially in Pengalihan Village, the company has made compensation relating to it in the form of monetary compensation of 100 thousand per rod. The compensation process has been completed and received directly by the person concerned and witnessed by Regent. In the agreement of beetles attack compensations, mentioned that will be built smallholdings for communities for further process, the terms from the company's land should be above 200 hectares, Pengalihan Village has invested the available land of about 1500 hectares, currently the smallholdings is currently not yet built because the issue of costs (debt to be borne by the public) where the company offers 98 million per hectare and the public is only capable of 50 million per hectare Company is expected to improve the cross road from estate to the village because the road is used for employees and students, for now the conditions are inadequate Burning of empty bunch give an ash impact to the houses in the Suhada Village, it causes communities not dare to consume rainwater. So far, there has been no health complaints associated with it. 	<p>communities around plantation including Suhada Village community. Pengalihan Village and Lintas Utara Village. This is performed on June 26, 2014 and on August 21, 2014 which was held in the Bumi Lestari plantation and Bumi Palma plantation by involving the government (Plantation Agency).</p> <ul style="list-style-type: none"> The company has been doing replanting with rod cropping patterns that eliminate the breeding sites. The Company has conducted socialization to the community related to the plan of opening smallholdings, as a form of beetles attack compensation. But constrained by Presidential Instruction No: 10 year 2011 that companies should not develop new plantations on peat areas. Then it is expected that the effort / insistence or request from the community to the local government for asking the local Government to appoint the company (PT BPLP) to build smallholdings around the nucleus plantation. But until now there has been no request from the community come to the local government. The company has been doing road maintenance in accordance with the conditions of the field. The burning of empty bunch in the furnace still be monitored by doing emission test each semester with the results that corresponding to the standard qualities. 	<p>accepted and perceived the benefits by public. This is consistent with indicators 6.11.1.</p> <ul style="list-style-type: none"> The Company has set a special officer assigned to establish the communication and consultation in accordance with minor indicators 6.2.2.

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<ul style="list-style-type: none"> • CSR program Given by the company is already quite a lot and support the welfare of the community. Preparation of CSR program is based on the programs from previous years (continued). The Company has never been consulted again with the community related to the needs of society in the preparation of CSR programs recently (2014-2016) • There are no transportations provided for employees who live in village. The employees are using their own vehicles. • There was a reduction in the working day of Daily Workers, now set at 20 days per month, this reduces public revenue. • The Company has conducted socialization associated with conservation areas and protected species. The signposts have already exist at various points around the conservation area • company has provided a suggestion box in the central office to inform complaints, suggestions and complaints from the communities • If there are new regulations of the company, always has a written letter to the village head and posted on the village board • There is already a special officer (staff) provided by the company to communicate with the village community (staff of Public Relations on behalf of Ihsan Nasution) • Lintas Utara Village Society expects the construction of school buildings in Sentosa Estate unit, because of the village of Lintas Utara is far enough to school facilities that 	<ul style="list-style-type: none"> • The Company has drafted its CSR activities and updated every year by considering the surrounding conditions. • The Company has provided a proper shelter facility, provided clean water and electricity. • Daily Workers because of temporary then the handling of his working day is adjusted to the applicable rules and requirements in the field. • To preserve the nature and wildlife, the company socializing matters related to the conservation area and protected wildlife. Installing warning sign at various points around the conservation area. • To accommodate complaints, suggestions and complaints from the communities, company has provided a suggestion box in the office and division office. • The Company always provides written information about the regulations to the village head and pinned in the village board. • To establish communication with outside parties, the company has a special officer (staff). • The Company has provided the education facilities especially in the estate environment. • Equipment and Fire Extinguisher Team of the company can also be made available to the public in the anticipation of the fires. • The Company has given tower assistance for saving the clean water in Bagan Jaya Village. 	

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>exist today</p> <ul style="list-style-type: none"> • Fire extinguisher engines are expected in the village of Lintas Utara because very frequent of land fires • The company are expected to provide wellbores in the village of Bagan Jaya as a source of clean water for the community 		
<p>Local Contractors :</p> <ul style="list-style-type: none"> • DO Owner (supplier TBS) • contractor of gradual delivery for ash and road piles <ul style="list-style-type: none"> • The company's relationship with contractors and suppliers so far is very good and two-way communication is always going well • The bond between the contractor and the company is Cooperative Agreement Letter, Cooperative Agreement Letter making is done per activity, Cooperative Agreement Letter copies already available in each party. • Price fixing activities are in accordance with the provisions and agreements, and had adjusted to the fuel prices. • FFB prices from suppliers are determined by the company, the price information to the owner of DO is performed via SMS. FFB price information is always timely. • FFB and contractor payments made in accordance with the agreement, but there is contractors work (road piling) in November, 2015 that has not been paid until now (February, 	<ul style="list-style-type: none"> • The company is maintained good relations and two-way communication with contractors and suppliers. • Cooperation between contractors with the companies is tied into an agreement of Cooperative Agreement Letter, Cooperative Agreement Letter making is done per activity, Cooperative Agreement Letter copies are given to each party. • In determining the price of activities in the Cooperative Agreement Letter, the company adjusts with the provisions and agreements, and the price of fuel. • FFB prices from suppliers which are determined by the company, the price information was delivered to the DO owner via SMS and always on time. • FFB and contractor payments made in 	<ul style="list-style-type: none"> • The company has documented all business cooperation with the contractors (the second party) in a Cooperative Agreement Letter (SPK), which must be signed by both parties legally, fairly and transparently. This is in accordance with minor indicators 6.10.3. • FFB pricing determined unilaterally by the company. However, it has been known and agreed by the supplier and is written in the employment contract. • Payment in accordance with the agreement and the time specified. This is consistent with RSPO minor indicators 6.10.4. • Based on the verification of documents, payment of piling road contractors has been paid. After performing cross-checking, there was a mistake in the description from the contractor and has been completed.

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
2016).	accordance with the agreement, based on the record of the company that for the contractor job (road piling) in the November 2015 was not exist, there are only in February and June 2015 and this has been performed the payment in accordance with the Giro No. BU628323 on March 9, 2015 amounting to Rp 15,381,800 and Giro No. BU633842 on July 11, 2015 amounting to Rp 2,430,000.-	
Wednesday, February 03, 2016 Gender Committee <ul style="list-style-type: none"> The activities that are routinely conducted is maternal and child health centre, these activities are always supported by the company. Gender Committee is expecting a special place to carry out the maternal and child health centre, all this time the activity is performed at supervisors and administrators home and also in the location of daycare. Other routine activities such as meetings have also been facilitated in the form of place and Office Stationery 	<ul style="list-style-type: none"> Companies routinely been doing maternal and child health centre activities and related to the implementation place, until now are still performed at supervisors and administrators home and in Daycare. Companies still facilitate routine activities performed by gender committee 	The company has been doing well and implementing aspects related to the prevention of sexual harassment and the protection of the rights of reproduction in accordance with the criteria specified in 6.9
Workers Union of Agriculture and Plantation (PT BPLP) Head of Branch Representative Council of Indragiri Hilir Regency (Yohar) <ul style="list-style-type: none"> Communication between the chairman of Estate Operational Unit with the chairman of Branch Representative Council and communication between the chairman of Branch Representative Council with the 	<ul style="list-style-type: none"> The company is still maintained good relations and communications with the Chairman of Working Unit Board and the chairman of Branch Representative Council. In accordance with Collective Labor Agreement of Cooperation Agency of Sumatera Plantation 	The company has been doing well and implementing aspects related freedom of association in accordance with the criteria specified in 6.6

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>company so far has gone well, the aspirations of the employees have been handled properly.</p> <ul style="list-style-type: none"> • The Company has granted the freedom to employees in association, has been included in the Collective Labor Agreement of Cooperation Agency of Sumatera Plantation Companies in period of 2015 to 2016. • The company has facilitated each of Agriculture and Plantation Workers Union activity, both activities in the Estate Operational Unit and activities to Branch Representative Council. • Meetings with representatives always responded well by the company • Agriculture and Plantation Workers Union is expected that estate clinics can be registered to become health facilities of Social Insurance Agency, because during this time the employee feels difficult to get treatment at the health facilities 1 of community health center and its reference. 	<p>Companies in the period of 2015 - 2016 the company gave freedom to employees in association.</p> <ul style="list-style-type: none"> • The company has always facilitating any activities generated by the Agriculture and Plantation Workers Union, both activities in the unit of Unit Leader and activities to Branch Representative Council. • The company has always responded well of meeting with a representative. • The company is still reviewing of estate clinical use to be able to become health facilities of Social Insurance Agency. 	

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 style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Bumupalma Lestari Persada (Ivomas Tunggal) Perwakilan Management</p>  <p><u>Ismu Zulfikar</u> February 06th, 2016</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Sandra Purba</u> February 06th, 2016</p> </div> </div>

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.	Environmental Body (BLH) INDRAGIRI HILIR Regency	INDRAGIRI HILIR Regency	-	Interview	February, 02 th 2016	√	
2.	National Land Agency (BPN) INDRAGIRI HILIR Regency	INDRAGIRI HILIR Regency	-	Interview	February, 02 th 2016	√	
3.	Plantation Agency of INDRAGIRI HILIR Regency	INDRAGIRI HILIR Regency	-	Interview	February, 02 th 2016	√	
4.	Labor and Transmigration Agency of INDRAGIRI HILIR Regency	INDRAGIRI HILIR Regency	-	Interview	February, 02 th 2016	√	
5	Village Community Around the Estate:	INDRAGIRI HILIR Regency	-	Interview	February, 02 th 2016	√	
6	Local Contractors	INDRAGIRI HILIR Regency	-	Interview	February, 02 th 2016	√	
7	Gender Committee	INDRAGIRI HILIR Regency	-	Interview	February, 02 th 2016	√	
8	Workers Union of Agriculture and Plantation (PT BPLP) Head of Branch Representative Council of Indragiri Hilir Regency (Yohar)	INDRAGIRI HILIR Regency	-	Interview	February, 03 th 2016	√	
9	WWF	Jakarta	wwf-indonesia@wwf.or.id	Email	January, 29 th 2016		√
10	Walhi	Jakarta	informasi@walhi.or.id	Email	February, 03 th 2016		√
11	Sawit Watch	Bogor	info@sawitwatch.or.id	Email	February, 03 th 2016		√
12	Jikalahari	Pekanbaru	jikalahari@indonet.id	Email	February, 03 th 2016		√

Appendix 2. Assessment Program

DATE / TANGGAL		1-6 February 2016			
PLANNED TIME RENCANA WAKTU	ACTUAL DURATION DURASI AKTUAL	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR		
Monday, 1 February 2016			SHL	SP	AP
06.00 – 08.00 09.00 – 15.00 16.00 – 17.00		Jakarta – Pekanbaru Pekanbaru – Site Opening Meeting	√	√	√
Tuesday, 2 February 2016					
08.00 – 12.00		<ul style="list-style-type: none"> Stakeholders consultation to Related Government Institution (BPN, BLHD, Disnekertrans, Disbun) and local NGO Stakeholders consultation to village community around company and local contractor Field observation (Bumi Sentosa Estate): Best Practices (Spraying, harvesting, manuring, IPM, water management, and marjinal soil management) 	√	√	√
12.00 – 14.00		BREAK			
14.00 – 17.00		Field observation (Bumi Sentosa Estate) : <ul style="list-style-type: none"> Conservation area, legal boundary and conflict area (if any) Labour facilities (housing, waste landfill, day care) and general facilities (store, workshop, clinic, landfire facilities etc) Continue Stakeholders consultation to Related Government Institution 	√	√	√
Wednesday, 3 February 2016					
08.00 – 12.00		Field observation (Bumi Palma Estate) : <ul style="list-style-type: none"> Best Practices (Spraying, harvesting, manuring, IPM, water management, and marjinal soil management) Conservation area, legal boundary and conflict area (if any) Labour facilities (housing, waste landfill, day care) and general facilities (store, workshop, clinic, landfire facilities etc) 	√	√	√
12.00 – 14.00		BREAK			
14.00 – 17.00		<ul style="list-style-type: none"> Continue field observation Clarification of field observation Verification of ASA-01 Nonconformance and updating 	√	√	√

DATE / TANGGAL		1-6 February 2016			
PLANNED TIME RENCANA WAKTU	ACTUAL DURATION DURASI AKTUAL	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR		
		document			
Thursday, 4 February 2016					
08.00 – 12.00		Field observation (Bumi Palma POM) : - Best practices of FFB proses - Waste management (IPAL, schedule waste) - SCCS and OHS	√	√	√
12.00 – 14.00		BREAK			
		- Continue field observation - Clarification of field observation - Verification of ASA-01 Nonconformance and updating document	√	√	√
Friday, 5 February 2016					
		- Continue field observation - Verification of ASA-01 Nonconformance and updating document - Closing meeting preparation	√	√	√
12.00 – 14.00		BREAK			
14.00 – 15.00 15.00 -		Closing Meeting Site - Pekan Baru	√	√	√
Saturday, 6 February 2016					
10.00 –		Pekan Baru – Jakarta	√	√	√