

Roundtable on Sustainable Palm Oil Certification
R S P O

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : Bumi Palma Mill – PT Bumipalma Lestari persada, subsidiary of PT IVOMAS TUNGGAL
 Plantation Name : PT Bumipalma Lestari persada – Bumi Palma Mill, Bumi Palma Estate, Bumi Sentosa Estate and Bumi Lestari 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 : 25 March 2014 Date of License Issue : 25 March 2017
 Date of Certificate Expiry : 24 March 2019 Date of License Expiry : 24 March 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	13 – 18 February 2017	Ardiansyah (Lead Auditor), Rudi Ramdani, Mohamad Amarullah, Dwi Haryati, Radytio Puspanjana	Octo H.P.N. Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	17 March 2017

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FIGURE

Figure 1. Location Map of PT Bumipalma Lestari Persada

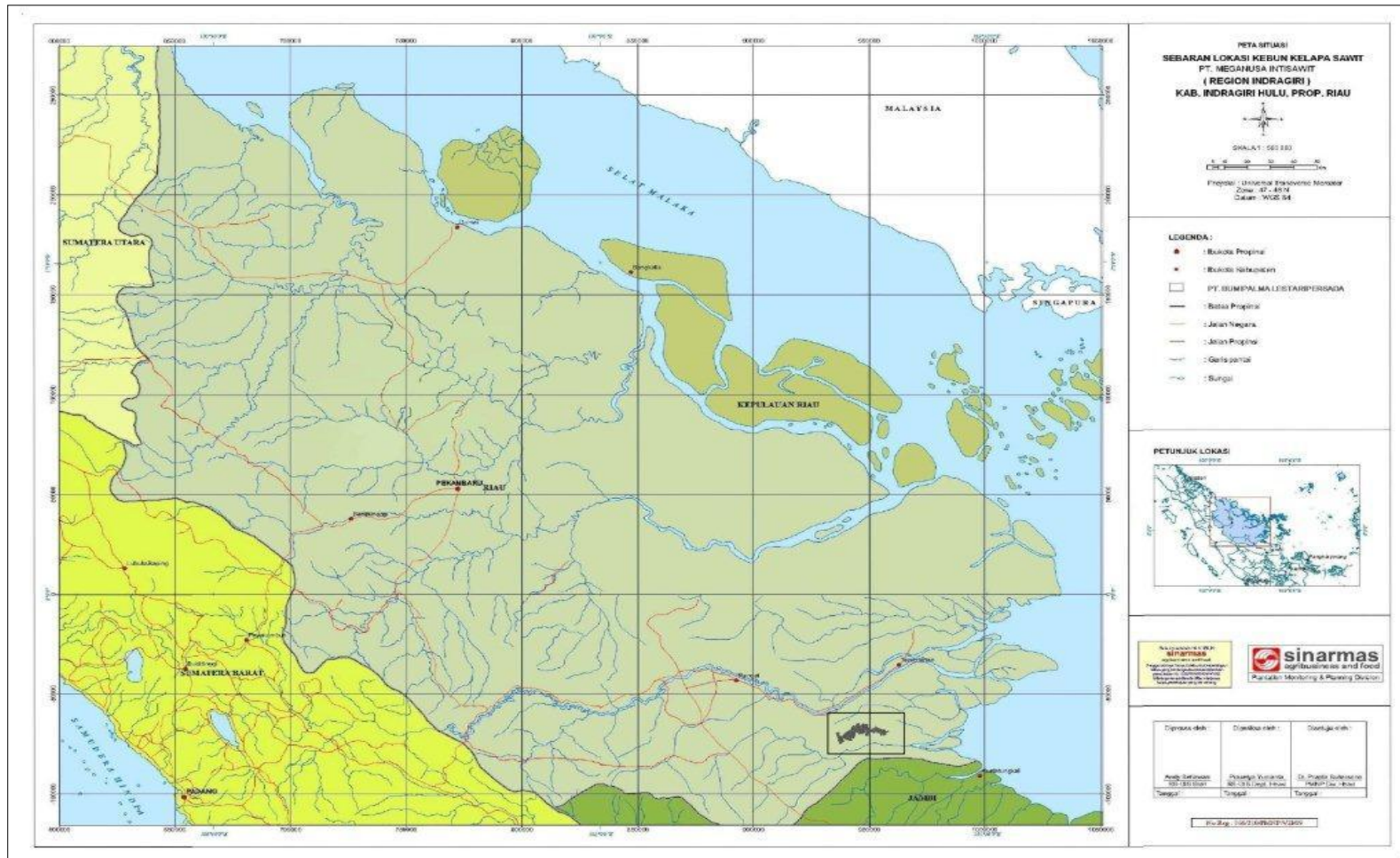
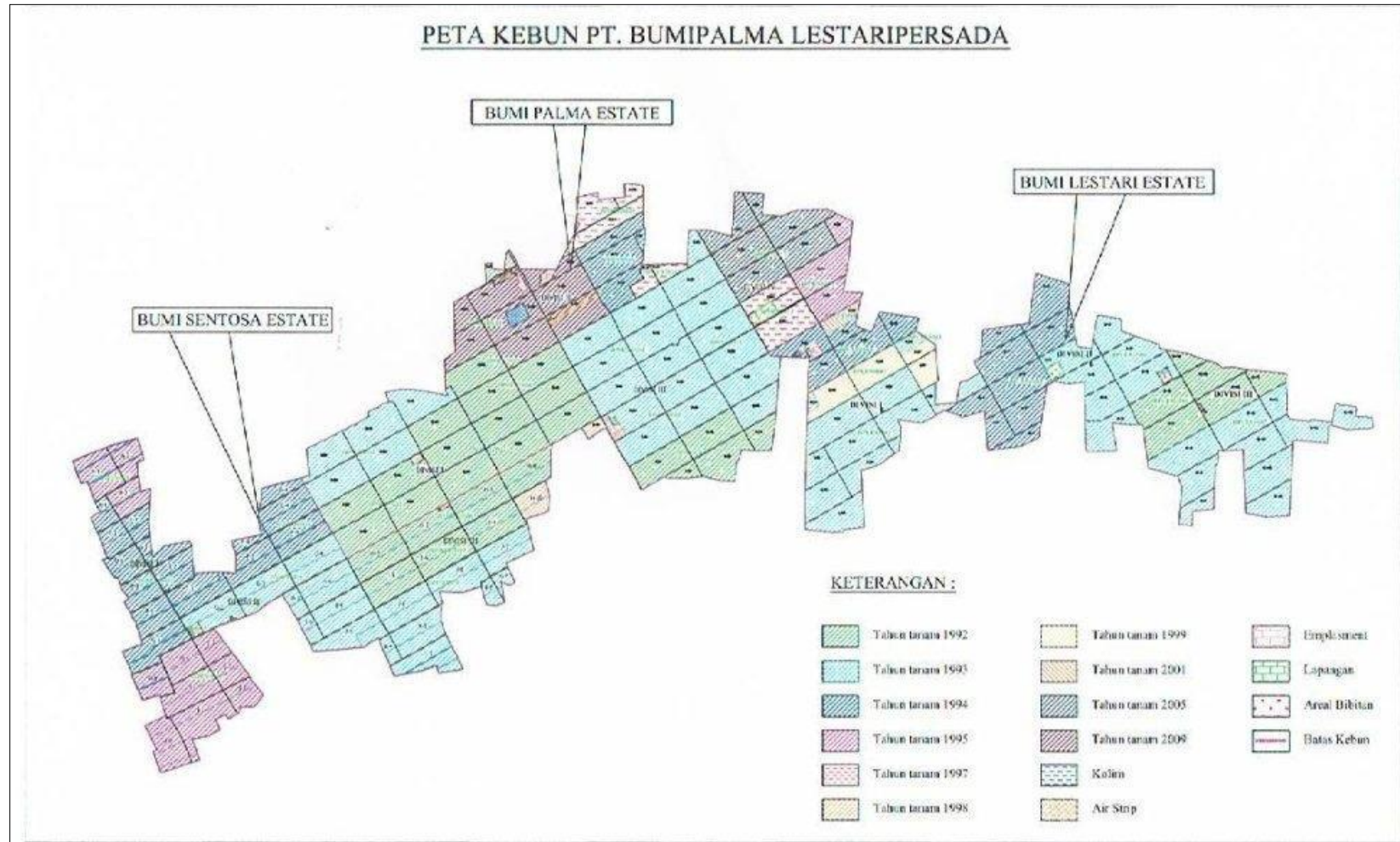


Figure 2. Operational Map of PT Bumipalma Lestari Persada



Glossary

AKAD	: <i>Antar Kota Antar Daerah</i> (inter-area worker)
AMDAL	: <i>Analisis Mengenai Dampak Lingkungan</i> (Social and Environmental Impact Assessment)
ASA	: Annual Surveillance Assessment
BKSDA	: <i>Balai Konservasi Sumber Daya Alam</i> (Conservation and Natural Resources Board)
BPJS	: <i>Badan Penyelenggara Jaminan Sosial</i> (Social Assurance of Labor)
BPLE	: Bumi Lestari Estate
BPLP	: Bumipalma Lestari Persada
BPME	: Bumi Palma Estate
BSNE	: Bumi Sentosa Estate
BOD	: Biological Oxygen Demand
CH	: Certificate Holder
CPO	: Crude Palm Oil
CSR	: Corporate Social Responsibility
FFB	: Fresh Fruit Bunch
FPIC	: Free Prior Informed and Consent
GAR	: Golden Agri Resources
GHG	: Greenhouse Gas
HCV	: High Conservation Value
HRD	: Human Resource Division
IPM	: Integrated Pest Management
ISCC	: International Sustainability & Carbon Certification
ISPO	: Indonesian Sustainable Palm Oil
KER	: Kernel Extraction Rate
MCAR	: Management Committee Agronomy and Research
MCMD	: Management committee for Mill development
MSDS	: Material Safety Data Sheets
NGO	: Non Government Organization
OER	: Oil Extraction Rate
OHS	: Occupational Health and Safety
OHSMS	: Occupational Health and Safety Management System
OIA	: Operational Internal Audit
P2K3	: <i>Panitia Pelaksana Kesehatan dan Keselamatan Kerja</i> (OHS Guiding Committee)
PIC	: Person In Charge
PK	: Palm Kernel
PMNP	: Plantation Monitoring and Planning
PPE	: Personal protective equipment
RKL/RPL	: <i>Rencana Pengelolaan Lingkungan / Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan)
RSPO	: Roundtable Sustainable Palm Oil
SCCS	: Supply Chain Certification Standard
SEL	: <i>Studi Evaluasi Lingkungan</i> (Environment Evaluation Study)
SIA	: Social Impact Assessment
SMARTRI	: SMART Research Institute
SOP	: Standard Operating System
SPO	: Sustainable Palm Oil
WTP	: Water Treatment Plant
WWTP	: Waste Water Treatment Plant

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1 Assessment Standard Used		<ul style="list-style-type: none"> • <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill)</i> 	
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	Bumi Palma Mill - PT Bumipalma Lestari persada, subsidiary of PT IVO MAS TUNGGAL	
1.2.2	Contact person	Ismu Zulfikar	
1.2.3	Organisation address and site address	RSPO Registered Company : Plaza BII Tower 2, 30th Floor JL. MH Thamrin No 51 Kav 22 Jakarta 10350 Indonesia Liaison Office : Plaza BII Tower 2, 30th Floor JL. MH Thamrin No 51 Kav 22 Jakarta 10350 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 (<i>Head of Environmental Departement</i>)	
1.2.9	Registered as RSPO member	1- 0056 – 08 – 000 – 00; 17 June 2008	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Bumi Palma Mill, Bumi Palma Estate, Bumi Sentosa Estate and Bumi Lestari Estate	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude
			Longitude
	Bumi Palma Mill	Village of Bagan Jaya, Sub District of Tempuling, District of Indragiri Hilir, Province of Riau, Indonesia.	S 0°35' 53.26"
			E 102° 59' 00.95"

1.4.2	Location of Certification Scope of Supply Base				
	Name of Supply Base	Location	Coordinate		
			Latitude	Longitude	
	Bumi Palma Estate	Village of Bagan Jaya, Sub District of Tempuling, District of Indragiri Hilir, Province of Riau, Indonesia.	S 0°36' 14"	E 102° 59' 19"	
	Bumi Lestari Estate	Village of Pebenaan, Sub District of Kritang, District of Indragiri Hilir, Province of Riau, Indonesia.	S 0°35' 59"	E 103° 01' 35"	
	Bumi Sentosa Estate	Village of Suhada, Sub District of Kritang, District of Indragiri Hilir, Province of Riau, Indonesia.	S 0°39' 11"	E 102° 55' 54"	
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State		6,690.00	Ha	
	• Community		-	Ha	
1.5.2	Area Statement				
	• Total area		6,690.00	Ha	
	• Mature area		5,065.88	Ha	
	• Immature area		1,025.30	Ha	
	• Mill and Emplishment		51.41	Ha	
	• Infrastructure (road and bridge)		254.94	Ha	
	• Canal (water body)		271.92	Ha	
	• Air Strip		5.49	Ha	
	• HCV		0.5	Ha	
	• Others		14.56	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	-	-	541.57
	1994	512.28	-	-	512.28
	1995	98.2	-	-	98.2
	1997	-	-	96.39	96.39
	1998	-	-	30.77	30.77
	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	203.80	350.02	239.37	793.19		
	2016		244.57	337.56	582.13		
	TOTAL	1,703.98	1,642.98	2,744.22	6,091.18		
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 Cycle				
1.7 Description of Mill and Supply Base							
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Bumipalma	30	136,000.64	28,476.77	20.91	6,462.08	4.75
	<i>* Source: Production Data of POM period Feb 2016 – Jan 2017</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/yea)	Supplied to Mill	
						FFB (tonnes/year)	%
	Bumi Palma Estate	1,829.28	1,642.98	39,176.46	18.08	39,176.46	100
	Bumi Lestari Estate	1,860.51	1,703.98	16,628.64	11.89	16,628.64	100
	Bumi Sentosa Estate	3,000.21	2,744.22	15,585.13	10.39	15,585.13	100
	TOTAL	6,690.00	6,091.18	71,390.23	14.09	71,390.23	100
	<i>* Source: Production Data of Estate period Feb 2016 – Jan 2017</i>						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location	Supplied to Mill			
				FFB (tonnes/year)			
	INDA (Indra Giri Plasma) – RSPO Certified	PT Meganusa Intisawit	District of Indragiri Hilir, Province of Riau	2,681.00			
	IDSA (Indra Sakti Plasma) – RSPO Certified	PT Meganusa Intisawit		20,184.17			
	IDSP (Belilas Mandiri) – Non RSPO Certified	Independent outgrower		7,123.37			
	PT Kharisma Riau Sentosa Prima – Non Certified	Independent outgrower		5,901.60			
	PT Agro Tunggal Jaya Mandiri – Non Certified	Independent outgrower		28,901.37			
	TOTAL			64,791.51			
	<i>* Source: Production Data of POM period Feb 2016 – Jan 2017</i>						
1.7.4	Product categories			FFB, CPO, PK			

1.8 Estimate Tonnage of Certified Product							
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim 25 March 2016 to 24 March 2017 (tonnes/year)		Actual certified product 25 March 2016 to 13 February 2017 (tonnes/year)		
	• FFB Production		91,167		87,228.669		
	• CPO Production		20,513		18,638.590		
	• Palm Kernel (PK) Production		5,014		4,230.648		
1.8.2	Estimate of Certified FFB Claim						
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Bumi Palma Estate	1,829.28	1,642.98	43,346	20.00		
	Bumi Lestari Estate	1,860.51	1,703.98	19,578	14.00		
	Bumi Sentosa Estate	3,000.21	2,744.22	19,502	13.00		
	TOTAL	6,690.00	6,091.18	82,426	16.27		
	<i>*Projected FFB production from 25 March 2017 – 24 March 2018</i>						
1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Bumi Palma	30	82,426	18,134	22	4,121	5
	<i>*Projected CSPO and CSPK production from 25 March 2017 – 24 March 2018</i>						
1.9	Other Certifications						
	ISPO from Mutuagung Lestari period 2014 – 2019						
	Gold Flag of OHS Management System from Sucofindo						
	ISCC from GutCert						
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					
	Samsam Mill	2009	Samsam Estate	2009	SIAK-RIAU	Certified	
			Kandista Estate	2009	SIAK-RIAU	Certified	
			Palapa Estate	2009	SIAK-RIAU	Certified	
	Libo Mill	2009	Libo Estate	2009	SIAK-RIAU	Certified	
			Nenggala Estate	2009	SIAK-RIAU	Certified	
			Sungai Rokan Estate	2009	SIAK-RIAU	Certified	
	Naga Sakti Mill	2010	Naga Mas Estate	2010	KAMPAR-RIAU	Certified	
			Naga Sakti Estate	2010	KAMPAR-RIAU	Certified	
			Rama Bakti	2010	KAMPAR-RIAU	Certified	

	Kijang Mill	2010	Kijang Mas Estate	2010	KAMPAR-RIAU	Certified
			Kijang Kencana Plasma	2010	KAMPAR-RIAU	Certified
	Ramarama Mill	2010	Ramarama Estate	2010	KAMPAR-RIAU	Certified
			Amartajaya Plasma	2010	KAMPAR-RIAU	Certified
	Indra Sakti Mill	2011	Indra Lestari Estate	2011	INDRAGIRI-RIAU	Certified
			Indra Sakti Estate	2011	INDRAGIRI-RIAU	Certified
			Indragiri Plasma	2011	INDRAGIRI-RIAU	Certified
			Indrasakti Plasma	2011	INDRAGIRI-RIAU	Certified
	Bumipalma Mill	2012	Bumi Lestari Estate	2012	INDRAGIRI-RIAU	Certified
			Bumi Palma Estate	2012	INDRAGIRI-RIAU	Certified
			Bumi Sentosa Estate	2012	INDRAGIRI-RIAU	Certified
	Sawita Mill	2018	Sawita Estate	2018	KALIMANTAN SELATAN	ST-1
			Pamukan Estate	2018	KALIMANTAN SELATAN	ST-1
			Sawita KKPA	2018	KALIMANTAN SELATAN	ST-1
	Sawita Mill had conducted pre assessment RSPO on 2015 and Another entire Management Unit under PT Ivo Mas Tunggal has been RSPO certified.					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	Bumi Palma Mill receive FFB from outgrower that has not been certified RSPO which is PT Agrotunggal Jayamandiri and PT Kharisma Riau Sentosa Prima. CH have made a planning to identify the outgrower by creating program namely Traceability to Plantation. The mill will have develop a plan to ensure the associated smallholders and outgrowers are of certifiable standard, but within 3 yearssince the FFB from outgrower was included in the Bumi Palma Mill the implementation of certifiable standard not yet done. It is become Nonconformity No. 2 with minor category .					

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ASA-3	<ol style="list-style-type: none"> Ardiansyah (Lead Auditor). Indonesian citizen, Bachelor of Forest Resources Conservation, Department of Forestry. Had work experience in Environmental NGO for 6 month (2007) and consultant for making EIA Document and KLHS for 3 years (2009 – 2012). Had attend training such as RSPO Lead Auditor course, Lead Auditor ISPO, awareness OHSAS, land cover crop mapping and Management System Certification (ISO 9001-2008), Environmental Management System Certification (ISO 14001-2004), Social Auditing and Conflict Resolution. Had many times following audit activities related to sustainable palm oil certification system which is ISPO as an auditor since 2012 for environmental aspect, conservation and social. Fluent in bahasa and Malay. At the time of audit, has verify aspect of Legality, SCCS and Land Dispute. Rudi Ramdani (Auditor). Indonesian citizen with bachelor degree majoring in Agronomy. Experience as assistant manager in private oil palm company for ±3 years. He has followed training in several aspects as of: ISO 9001, ISO 14001, In house training of OHSAS, RSPO Lead Auditor course and Lead Auditor ISPO. His role as lead auditor of ISPO since April 2016. He had involved many audit in scheme of ISPO and RSPO certification since 2012, with aspect audit of best management practice in oil palm plantation & mill, legal, environment, social, worker welfare. At the time of audit, has verify aspect of Worker Welfare and Social. Mohamad Amarullah (Auditor). Indonesian Citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has been attended several trainings such as Lead Auditor of ISPO, Lead auditor RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19011, ISO 14001, HCV, etc. Has been conducted several ISPO audit scheme as an Auditor since 2014 in BMP, environment, conservation and OHS aspect. Fluent in Bahasa, Malay and English. At the time of audit, has verify aspect of Legal, BMP, HCV and Environment. Dwi Haryati (Auditor). Indonesian citizens. Bachelor of Agriculture Department of Agriculture – Program study : Agronomy. Has experience on Palm Oil Plantation as Sustainability staff. Training have been followed : Training Auditor ISPO, Quality Management ISO 9001-2008, ISO 14001 Environmental Management, ISO 17021 & 17065, HCV, General Health Safety Expert, Health Safety Management System, Workshop GHG by the ISPO Commission, IHT Palm Oil Mill Processing, Awareness RSPO, IHT Best Practice in Peat Management, Mapping Potential and Conflict Resolution in Production Forest. RSPO audit experience since March 2015 and ISPO since May 2014. At the time of audit, has verify aspect of OHS and BMP. Radytio Puspanjana (Auditor Trainee). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Awareness In House Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. At the time of audit, has verify aspect of Transparency and Environment
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1	Figure of person days to implement assessment
ASA-3	Number of auditors : 4 auditor and 1 auditor trainee Number of days for ASA-3 at site: 5 days Number of working days for ASA-3 at site : 20 Working days
2.2.2	Assessment Process
ASA-3	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT BPLP to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module E for CPO Mill) The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or

	<p>substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site. Some opportunities for improvement of the results ASA-3 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-4).</p> <p>Improvement of findings from surveillance assesment findings were observed by auditors at this ASA-3 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-3. The assessment program please find Appendix 2</p>
<p>2.2.3</p>	<p>Location of Assessment</p>
<p>ASA-3</p>	<p>The number of management units of this activity consists of three estates that supply material FFB to the Bumi Palma Mill. In conducting the assessment, auditor team using formula $0.8 \sqrt{y}$ to determine the sample of and consider the issue of problems arising from the stakeholders (stakeholdes) as fundamentaly and critical. Based on this formula, the team of auditors determine the location of sample is 1 unit mill and 2 estates (Bumi Palma Estate and Bumi LestariEstate).</p> <p>Bumi Palma Mill</p> <ol style="list-style-type: none"> 1. Security pos. Observation and interview related to emergency procedures, inspection of vehicles in and out. 2. Weighbridge Station. Observation of supply chain procedure, manpower and wages 3. Loading Ramp. Observation and interview with sortation personnel related to personnel understanding over sortation procedure, the implementation of sortation, fruit criteria, fruit separation with ripeness and rawness criteria. 4. Diesel station. To observe OHS implementation. 5. Workshop. To observe and interview towards technical application, OHS implementation, as well as manpower laws and regulations pursuance. 6. Process Station. Observation and interview with personnel related to FFB’s processing into CPO, capacity each station, personnel understanding over the applicable SOP, fire emergency response facilities and infrastructure in mill, liquid waste management, first aid kits, the implementation of occupational health and safety, company’s facilities, trainings from company and worker welfare. 7. Water treatment Plant and reverse osmosis station. To observe OHS implementation, flowmeter and other machinaries condition. 8. Engine room. Observation and interview with the worker related to implementation of OHS, understanding of safe working, administration of fossil fuels use. 9. Hazardous waste warehouse. Observations and interview towards technical application, OHS implementation as well as manpower laws and regulations pursuance. 10. EFB Stacking Place. Observation on OHS condition and it management. 11. Furnace station. To observe furnace condition. 12. WWTP. Observation of the condition of wastewater management. 13. Mill drainage. Observation the management of waste water from mill operation and rain water. 14. Hydrant. Simulation the function offire extinguishers. <p>Bumi Palma Estate</p> <ol style="list-style-type: none"> 15. Workers housing Div 1 BPME and Div 1 BPLE. Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, domestic wastemanagement, childcare and sports facilities. 16. Fertilizer and chemical Warehouse. Field observations related to condition in the chemical warehouses and management of hazardous, OHS implementation and toxic materials. 17. Workshop. Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities and fire fighter equipments. 18. Block E6, Div 1. Observsation on landfill condition. 19. Block C10 Div 2(planted 2009). Observation and interview with foreman, harvester, loosefruit pickers towardstechnical application, OHS implementation,as well as manpower laws and regulations pursuance. 20. Block C10 Div 2. Observation the Peat management consist of canals system, subsidence and piezometer poles, as well as barn owl box and land cover crop condition.

	<p>21. Estate Office. Interview with agrochemicals (pesticide and fertilizer) applicators related to applicator knowledge and implementation towards technical application and best agricultural practices aspect, OHS implementation, conservation aspect, as well as manpower laws and regulations pursuance.</p> <p>22. Block D7, Div1. Observation the conditions and position of legal boundary BPLP 128.</p> <p>23. Block H9, Div 2. Observation the conditions and position of legal boundary BPLP 80.</p> <p>24. Block B10, Div 2. Observation the conditions and position of legal boundary BPLP 2.</p> <p>25. Block H9, Div 2. Observation the implementation of management in HCV area in form of cemetery.</p> <p>26. PPE Warehouse of Spraying team and mixing area. Observation the conditions PPE of warehouse and PPE handling.</p> <p>27. Educational facilities. Observation and interview related the provision of educational facilities.</p> <p>28. Clinic. observation on health facility, medical waste handling, general health condition of workers and record of accidents.</p> <p>29. Nursery. Field observations and interviews related to safety work and waste management.</p> <p>Bumi LestariEstate</p> <p>30. Block I6, Division 1. Observation the conditions and position of legal boundary No. BPLP18.</p> <p>31. Block L/K7, Division 2. Observation the conditions and position of legal boundary No. BPLP 57.</p> <p>32. Block L9, Division 2. Observation the conditions and position of legal boundary No. BPLP 28.</p> <p>33. Worker Housing Div 1. Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, religious facilities, health facilities, domestic waste management, childcare and sports facilities.</p> <p>34. Block G4 Div. 1. Observsation on landfill condition.</p> <p>35. Chemical Warehouse. Field observations related to condition in the chemical warehouses and management of hazardous and toxic materials.</p> <p>36. Fertilizer Warehouse. Observation the storage of fertilizers and OHS implementation.</p> <p>37. Workshop. Observation and interviews with employees related to management of hazardous waste and hazardous material, training, provision of PPE, training, emergency response facilities and fire fighter equipments.</p> <p>38. PPE Warehouse of Spraying team and mixing area. Observation the conditions PPE of warehouse and PPE handling.</p> <p>39. Block K8 Div.2. Observation and interview with harvester discussing about worker receiving, worker status, worker rights, OHS, right to freedom of association and implementation on company policy.</p> <p>40. Block H5 Div. 1. Observation the implementation of water management in form of piezometer</p> <p>41. Block G51 Div 1. Observation the IPM activity in replanting area such as oryctes control.</p> <p>42. Block H3, Div 1. Interview with workers of manual weeding related to complaint mechanism, OHS, accident insurance and worker union.</p> <p>Stakeholder</p> <p>43. Surrounding communities (Suhada Village, Bagan Jaya Village, Sanglar Village and Pembenaan Villange). Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities.</p> <p>44. Government Institutions of Indragiri Hilir Districts (Environmental Agency, Manpower Agency and Plantation Agency). Interviews related to regulatory compliance, the issue of environmental pollution, land conflict issue and company contributions to the area</p>
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-3	<p>Consultation of stakeholders for PT BPLP held by:</p> <ol style="list-style-type: none"> 1. Public announcement at web www.mutucertification.com on 23 January 2017. 2. Public consultation by interview with government agencies in Indragiri Hilir District (Plantation agency, Environmental agency and Manpower agency) on 14 February 2017. 3. Public consultation by interview with locals of the nearby village (Suhada Village, Bagan Jaya Village, Sanglar

	<p>Village and Pembinaan Villange)and local contractor on 14 and 16February 2017.</p> <p>4. Consultation meeting and interview with Internal Stakeholder (labour union, worker cooperative and gender commiitee)on 31 January 2017 and gender committee on 1February 2017.</p> <p>5. Consultation with NGO (Jikalahari and WWF) via email on 7 February 2017.</p> <p>Numbers of input from stakeholders were clarified by PT BPLP.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-4) will be determined at least 12 months after this ASA-3 (Feb 2018) .

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Bumi Palma Mill– PT BPLP operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there one (1) Nonconformities were assigned against minor compliance Indicators, one (1) Nonconformities were assigned against system certification and ten (10) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Bumi Palma Mill – PT BPLP complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016 And Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module E for CPO Mill).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is Continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
<p>1.1.1 The Company has procedures of 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>The company has the SOP No. SOP / SMART / GENERAL / SADVI / 004, issued on 01 July 2014. The procedure on communication and consultation to the stakeholders, the stakeholder updates if there are requests for information of a new stakeholders, a Similar statement is explained by the SPO Officer.</p> <p>The Company providing information is mandatory for government agencies, such as from the Environment Agency, Plantation Agency, Labor and Transmigration Agency, and National Land Agency</p>	
<p>1.1.2 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. Officer SPO is responsible for identifying and planning the necessary information and shall be communicated / response plan to stakeholders and the depository; responses to incoming mail not later than 03 weeks after the letter was received; and response that have been considered and then delivered to stakeholders equipped with a receipt.</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</p>	

Office); Sub District Head of Enok, Village chief of Bagan Jaya, Village chief of Suhada, Village chief of Sanglar, Village chief of Bagan Jaya, Community Leaders and Workers Union.

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 2017 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 funding request

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 reports,
- Waste management report,
- Environmental report implementation,
- Reports of plantation activity
- 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 periodical.

Status: Comply

1.2

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

1.2.1

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.

Status: Comply

1.3

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

1.3.1

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). Based on interviews with nursery foreman Bumi Palma Estate, assistant Environment, local contractor and SPO officer is know they have understood the policy.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

2.1.1; 2.1.2; 2.1.3

The CH has list of Indonesian laws/regulations, international laws or conventions which adopted as reference for oil palm plantation and processing process activities, and classified it based on several aspects. It was documented that totaling about 186 items of laws and/or regulations were related to land permit and legality aspect, manpower aspects, occupational health and safety (OHS) aspect, conservation aspect and environment aspect. CH has shown compliance with the regulatory changes include:

- Has had land use title and business permit.
- The company has comply with minimum wage.
- Has had license of hazardous waste warehouse that will be expired on 1 May 2017. The permit extension will be observed on next surveillance (OFI).
- Has had certified Electrician with registration No. Reg 8337/TK3-LIST/XII/2014-PO until 8th Desember 2017.

Procedure of laws/regulations pursuance of legal requirements was presented in document Form No. F/SMART/UMUM/SADV/002/002. The document has describes information of laws and regulations listed, identification of requirement, evidence of evaluation, status of pursuance, person in charge (PIC) and target. Furthermore, mechanism of laws and regulations update and evaluation was presented in document procedure No. SOP/SMART/UMUM/SADV/II/002. Chapter II of procedure describes a flowchart of laws/regulations pursuance, starts from identification of relevant national and local laws and regulations, collection and update, arrangement, distribution to the respective parties/Departments, acceptance of documents, document management (storage), socialization, evaluation, implementation, fulfillment and continuous evaluation.

2.1.4

Update, evaluation and document compilation was under Sustainability Palm Oil Officer (SPO) in every estate and mill units. The CH has shows letter of assignment of SPO Officer from Regional Controller (RC) of Indragiri No. 145/RC-INDRAGIRI/SK/X/2015 dated October 12th 2015. The letter mentioned that staff with SPO PSM-5 position was appointed as person in charge for update and monitoring of laws and regulations implementation. Several evidence of laws and/or regulations pursuance of the CH are, for example: the presence of land permit and land titles, environment Plan and Monitoring Management) Semester I and II report and report of flora and fauna identified within company operational areas. Based on the record, it was informed that last update of land permit and legality aspect, manpower aspect, OHS aspect, conservation aspect and environment aspect were carried out in January 18th 2017, January 10th 2017, September 20th 2016, January 10th 2017 and January 15th 2017, respectively. the CH has conduct summary of evaluation, for example, according to environment aspect, it was informed that the related laws/regulation was 100 % comply, which from total 138 points required, 97 points has identified as comply, while the rest was noted as not applicable. All documents listed were available to be accessed by all management level through SPO Officer.

Status: Comply

2.2

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

2.2.1

CH has had the land rights in the form of Land Use Title (HGU) for an area of 6,690 hectares which consist of 1 certificate. Based in document review and field visit known that management unit has manage a area of 6,690 Ha consist of 6,091.18 Ha planted area and 598.62 Ha supporting facilities. Interview with communities is known that the CH did not conduct expansion the operation area.

2.2.2

Management unit has had list and map of HGU poles from National Land Agency of Riau Province. Based on the data, there are 131 poles in PT BPLP. Management unit have conducted monitoring of boundaries pole once a months. The monitoring results for 2016 showed that 131 poles are in good condition consist of 32 poles in Bumi Palma Estate, 55 poles in Bumi Lestari Estate and 44 poles in Bumi Sentosa Estate.

Field visit in PT BPLP showed that Boundary Poles BPLP 128, BPLP 18, BPLP 28, BPLP 57, BPLP 80 and BPLP 2 are in a well-maintained condition. Besides that, the poles position are in accordance with the coordinate from HGU map.

2.2.3; 2.2.4 & 2.2.5

The consultation results with communities (Suhada Village, Bagan Jaya Village, Sanglar Village and Pembinaan Village) and Plantation Agency of Indragiri Hilir District known that there was no dispute / conflict of land between the companies and communities. Field visit and document review also shows that there was no dispute / land conflict in operation area of CH. The company has had procedure for conflict resolution which stated that the resolution involve the stakeholder.

2.2.6

GAR as parent company of CH has had policy of Social and Environment which stated “We commit to actively promoting and supporting the responsible resolution of any conflicts involving GAR operation with legitimate concerned at the time underlying events occurred. This will include working with relevant stakeholders to ensure that a balanced, accountable, mutually agreed and documented conflict resolution system is accessible to smallholders, indigenous peoples, rural communities and other affected parties based in order to deal with complaints, grievances and resolve conflicts to the mutual satisfaction of the parties based on respect for their legal and customary rights, including to lands and resources and their right to give or withhold their free, prior and informed consent to operation planned on their lands. The system will include the mapping of all conflicts in GAR’s operations, the development of action plans to address identified conflicts, transparent monitoring and reporting, the option to local community and or customary groups for accessing independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers as well as the option of a third party mediator.

We categorically reject the use of violence in any dispute by any parties.”

Consultation with the stakeholders (Suhada Village, Bagan Jaya Village, Sanglar Village and Pembinaan Village), there is no indicate that the company use the mercenary/paramilitar in operation area. The results of the interview is known that there are police were on guard in the company’s operations area. Guarding activities carried out by a warrant from the police sector of Enok Subdistricts. Companies need to ensure the use of the police in the their operations does not take action to interference and intimidation outside the law (OFI).

Status: Comply

2.3

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

2.3.1; 2.3.2; 2.3.3 & 2.3.4

Document’s verification and field visit show that land utilization by CH does not destruct local communities’ traditional and legal right. Land ownership is entirely belong to individual or belong to state. The evidence of communities’ land release have been well documented and well stored by D&L.

Company can present a complete document over land compensation in a form of: minutes of land compensation with previous occupant, which is known by head of village and head of sub-district, land release letter, acknowledgement letter and invoice. the latest land compensation has been conducted in 2006.

Document review, field visit and interview shows that since the ASA-2 until ASA-3, the company does not perform land expansion.

Status: Comply

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

3.1

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

3.1.1

Company has drafted estate and mill’s 5 years work plan (2017 – 2021) which has been approved by top management. This work plan consists of: prediction over price trend, CPO and Palm Kernel; production cost; FFB, CPO and Palm Kernel’s

production; mill's extraction level; areal statement; and profit projection.

The Company annually conducts financial audits assisted by a public accountant. Based on the study documents, the company has demonstrated record audit results public accountant PT. Bumipalma Lestari persada conducted by public accounting firms Mulyani Sensi Suryanto & Lianny (Registered Public Accountant No. 1219 / KM.1 / 2011). In the 2015 audit report document (No. 05701216SA) 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 2016 are 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 December 08, 2016 and December 20, 2016.
- Proof of the taxes payment of collecting and utilizing surface water in 2016 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 December 09, 2016.

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.

3.1.2

Based on interview with operational unit, replanting program currently in BPLE and BPME has been completed. Also based on the latest statement acreage report, the current oil palm planting year 1993 to 2001 has been completed replanting in 2016.

Status: Comply

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

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

Certificate holder has a Standard Operating Procedures (SOP) for palm oil plantation and mill, which consist of technical guideline document for palm oil plantation. This document 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 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 the information can be concluded that the company has documented all kinds of operational procedures. Based on interviews with workers at the boiling station (sterilizer). Workers released the results of FFB boiled sent to the station thresher and this has been done in accordance with the applicable procedures.

4.1.2

Company has a procedure for monitoring mill and estate operation, whether it has been run based on the established target through internal audit every semester by Operational Internal Audit (OIA) unit. Personnel in charge in internal control have been trained and have competency on their expertise.

The internal audit operation has been conducted on 22nd August 2016 for the entire activity in Bumi Palma Estate. The audit presents data that in general the condition from previous report has been improved. However, there are still some weaknesses from human error that need to be improved. The audit findings are informative and in general have been discussed with unit management representative. In addition, the unit also presents detail of findings from internal audit in Bumi Palma Estate and Bumi Palma Mill. The audit findings have been responded and explained from the management unit as part of its improvement efforts.

4.1.3

The management unit has documented the report and record its estate and mill's operation activity, such as recording supervisor daily activity and supervising the annual monitoring over internal activity of OIA. The improvement from the entire findings from internal audit is directly documented in a separate place. The document consists of management response and improvement suggestions, which can be taken by the management unit from internal audit team. Based on field visit in BPME Block K08, H04, G04 and H05, it is known that the management unit has implemented the harvesting activity, maintenance, holistic pest disease based on its applicable regulations.

4.1.4

The result of field visit, document review and interview with the management, known there is FFB sourced from external party which is from PT Agrotunggal Jayamandiri and PT Kharisma Riau Sentosa Prima. FFB deliveries performed under the agreement that has been agreed.

Status: Comply

4.2

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

4.2.1 & 4.2.3

Procedure (SOP) of soil fertility management was presented in document No. SOP/SMART/MCAR/IX/TA-PPK about manuring and document No. SOP/SMART/MCAR/X/TA-PTB about field upkeep on immature areas. The SOP has mentioned that leaf sampling for annual manuring program purposes shall be conducted annually, while soil sampling should be taken every five years. Both sampling is carried out by SMART Research Institute (SMARTRI) team. Leaf sampling analysis results period 2016 for BPME and BPLE which presented in documents Ref. No. 128/DAUN/LAB-SMARTRI/IV/2016 dated April 12th 2016 and Ref. No. 119/DAUN/LAB-SMARTRI/IV/2016 dated April 6th 2016, respectively. Furthermore, soil analysis results for BPME and BPLE were presented in documents Ref. No. 037/TANAH/LAB-SMARTRI/IX/2012 dated September 18th 2012 and Ref. No. 035/TANAH/LAB-SMARTRI/IX/2012 dated September 15th 2012, respectively. According to manuring recommendation program in 2016 and 2017, it could be concluded that calculation of fertilizer rates were derived from leaf and soil analysis. Actual time of application has followed the schedule recommended by SMARTRI Agronomist.

4.2.2 & 4.2.4

Records of fertilizer application was presented in document of fertilizer recommendation and realization 2016 and Division work program. Fertilizer recommended in 2016 are Urea, Rock Phosphate (RP) and/or Triple Super Phosphate (TSP), Muriate of Potash (MOP), Kieserite and/or Dolomite and Borate, as source of N, P, K, Mg and B, respectively. Apart from chemical fertilizers mentioned above, by-product of bunch ash has also applied in BPME with rates about 4.00 to 5.50 kg/palm. According to bunch ash application records in second Semester of 2016, it was informed that totaling about 177.50 ton of bunch ash had been applied on 222.93 ha areas, within September to November 2016. Furthermore, in order to enhance soil pH, about 588.24 ton and 15,811 ton of Kaptan (CaCO₃) had applied in BPME and BPLE, respectively. According to interview with estate and mill staff, it was stated that only bunch ash, a by-product which actually applied on the estate fields for nutrient cycle purposes.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1; 4.3.2 & 4.3.6

The company has soil map which derived from soil survey semi detail conducted by Plantation Monitoring and Planning Division (PMNP) in 2007, Reg. No. 447/202/PMNP/VII/2007 for Bumi Palma, Bumi Lestari and Bumi Sentosa Estate. Maps were in scale 1:25,000 and 1:50,000. According to map, it could be concluded that all estates has covered by 100 % peat soil with shallow depth category, ranged from 1.50 to 3.00 m. Moreover, slope within estates in PT BPLP operational areas were classified as flat (0-3 %). This is confirmed during field observation to BPME and BSNE. Overall, it could be concluded that soil suitability has classified as marginal for oil palm cultivation with limitation factor on the presence of peat soil which may lead to soil low fertility and poor drainage properties. To overcome those limitation factors, several strategies has been conducted, such as soil compaction, hole in hole planting and water management through installation and maintenance of field drain system with 1:16, 1:8, 1:4 or 1:2 patterns (depend on field conditions), as well as water level, water table and peat subsidence monitoring. Furthermore, in order to enhance soil fertility level, application of fertilizer towards leaf and soil analysis has also conducted by SMARTRI Agronomist.

4.3.3

The CH has two type of transportation. FFB from owned estates (BPME, BSNE and BPLE) were mostly transported through peat canals system while FFB from outside-grower, several owned estate blocks and CPO were transported through ground-based road. Both transportation system has maintained for smoothness of FFB and CPO transportation. The CH was able to shows canal desilting program and realization in BPME and BPLE for period 2016 which presented in work program division report dated January 5th 2017 and December 5th 2016, respectively. Furthermore, road maintenance report in BPME and BPLE for period 2016 were presented in work program division report dated January 10th 2017 and December 30th 2016, respectively. Based on field observation to BPME and BPLE, it was found that both canals and road conditions were well maintained and easily passable.

4.3.4

Procedure on peat management has presented in SOP of planning on new planting area and SOP of new land clearing. Both procedures mentioned that in order to minimize peat subsidence and peat overdrain, water level management on 50-70 cm, water table monitoring through piezometer, peat subsidence poles monitoring, Watergate installation and drains or canals desilting were compulsory to be conducted. According to document reviews, it could be concluded that the company procedures has adopt RSPO manual on BMPs for existing oil palm cultivation on peat 2013. Moreover, Indonesian regulations related to peat management such as Indonesia Forest Moratorium 2011, Presidential Decree No. 32/1990 and Minister of Agriculture Decree No. 14/2009 were also adopted.

During wet season when rainfall is more than 250 mm/month where noted in November to December 2016, water level was approximately in 40 cm. This is carried out as anticipation strategy on facing drought season (rainfall <100 mm/month) which predicted might be appears in July to October 2017. During drier months, water level has maintained in level 50-70 cm. It was reported in RKL/RPL Semester 1 and 2 that there were no floods and canals water deficit in all estates during 2016.

Water table measurement through piezometer monitoring report for period January to December 2016, dated December 31st 2016 informed that according to monitoring on 110 points in BPME and 91 points in BPLE, it could be concluded that water table were ranged from 39 to 79 cm, with average about 50 cm. Based on field observation of piezometer to Block C10 Div. 2 BPME and Block H05 Div. 1 BPLE, it was found that piezometer and measurement instrument conditions were seems well maintained. At the time of visit, water Table measured were about 50 cm.

Subsidence poles in BPME and BPLE were installed in Block C10 Div. 2 and Block H05 Div. 1, respectively. Subsidence monitoring records of the former and the later from January 2015 to December 2016 informed that during 2 years, the difference of peat subsidence scale were about 9.50 cm and 4.39 cm, respectively. Hence, it could be concluded that subsidence rates in BPME and BPLE were about 4.75 cm/year and 2.20 cm/year. These figures were still bellow Minister of Environment Regulation (PermenLH) No. 7 year 2006 threshold (35 cm per five years or about 7 cm/year). Based on field observation to subsidence poles, it was found that poles were installed on the harvesting path and inter palm. Its conditions were satisfactory maintained and installed firmly into the mineral substratum. Moreover, soft grasses has looks maintained to retain soil moisture on the field.

4.3.5

The CH was not able to shows drainability study on peat areas for long term viability of oil palm cultivation. Raised **NC No. 2017.01 with minor category.**

4.3.5	Status: Nonconformity No. 2017.01 with minor category
4.4 Practices maintain the quality and availability of surface and ground water.	
4.4.1 According to High Conservation Value (HCV), Environment Evaluation Study (SEL) report and soil map 2007, it was informed that there were no springs, basin and/or rivers flows across/through PT BPLP operational areas. Source of water were came from surface peat swamp which flows through estate canals and from Kuantan river which pumped for oil palm processing. The company canal system were isolated. This is corfirmed during field visit. According to environment monitoring program analysis, it was informed that the company activity has not affect the value of BOD and COD in the downstream, since the figure in the upstream is already above the standard required (PP No. 82/2001 Class 2). Moreover, domestic housing well and consumption water from reverse osmosis testing analysis shows that all parameters are less that the detection limit indicated by Minister of Health Regulation (Permenkes) No. 416/1990 and Permenkes No. 492/2010, respectively.	
4.4.2 Based on field visit to Block C10 Div. 2 BPME and Block H05 Div. 1 BPLE, it was found that ground cover condition were remain satisfactory. Soft grasses and <i>Nephrolephis bisserata</i> were kepted to retain soil moisture on the field.	
4.4.3 Liquid waste has processed on the waste water treatment plant (WWTP). Betung Factory have 16 ponds to process the waste water to fullfil the standard required by Governor of Riau Regulation (Pergub) No. 08 year 2001 and Minister of Environment Decree (KepmenLH) No. 28 year 2003 (pH 5-9 and BOD <5,000 mg/l). Permit of waste water discharge was presented in document No. 503/BP2MPD-IPAL/V/2012/09 dated May 29 th 2012, valid for five years. The waste wate was flowed out into estate transportation canals. The company is encouraged to arranged permit extinction since it will be expired in the coming May 28 th 2017. Observation. Monitoring of BOD has carried out every month regularly and reported to Environment Agency every three month. Evaluation and water sampling in WWTP outlet were carried out by PT Sucofindo and SMARTRI. Based laboratory testing, it could be concluded that testing results from July to December 2016 were less than the detection limit indicated byPergub Riau No. 08/2001 and PermenLH No. 28/2003 (pH 5-9 and BOD <5,000 mg/l). Based on observation to WWTP, it was found that flowmeter was well functioned and there were no spills to the land. Furthermore, there is no issues from stakeholders related to land application.	
4.4.4 The company has shows record of water usage for oil palm processing from January to December 2016.According to the data given, it could be concluded that average water used ratio for oil palm processing in 2016 was about 0.67 m ³ /ton FFB. The figure was still below company budget which projected about 1.23 m ³ /ton FFB.According to the Table above, it could be concluded that average water used ratio for oil palm processing in 2016 was about 0.67 m ³ /ton FFB. The figure was still below company budget which projected about 1.23 m ³ /ton FFB. The CH is currently on the process to get permit of groundwater used since January 1 st 2016, as required in Minister of Public Service Work Regulation (PermenPU) No. 1 year 2016. The company has shows evidence of administration process by ticket from Badan Perizinan, Penanaman Modal dan Promosi Daerah (BMP2MPD) of Indragiri Hilir District. Hence, the company is encourage to monitor and follow up the status of permit to the respective Agency. OFI.	
	Status: Comply
4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	
4.5.1 The management unit of Bumi Palma Estate has a program related to holistic pest management, such as: - The Tytoalba monitoring as natural predators of the pest rodents. Based on interviews with operations staff its knownthat it is effective in controlling pest rodents. The realization of the breedingTytoalba in BPLE are 43.01% and	

BPME number of 88 units.

- Monitoring rodent pest attacks carried out regularly three months with the economic threshold of 5% of the principal amount of the census. Based on data recapitulation pests in BPME and BPLE from 2016, there are no pests that are above the threshold economical. Against this has been done with the installation of control efforts and the introduction of an owl's nest.
- The program of beneficial plants (*Turnerasubulata*) as a predator of fire caterpillar in BPME and BPLE who has realized 100% in accordance with the program. Based on the results of field visits auditors in block G04 BPLE and block C-10 BPME useful plants has been well maintained.

4.5.2

IPM Training was held on October 8, 2016 to staff, supervisor and census workers. This training was conducted that the workers understand about the integrated pests management. The material presented by SMARTRI on the theme pest management, control of fire caterpillar, rats, *Oryctes*, and can distinguish the characteristics of ganoderma attacks on oil palm plantations.

Status: Comply

4.6

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

4.6.1

The Company has a commitment to eliminate use of paraquat through memorandum No.032 / PD / VIII / 2016 dated 13 August 2015 from the President Director. The Company is committed in the preparation of the 2016 budget already eliminated the use of paraquat. In addition to avoiding the development of resistance is the implementation of integrated pest management. The company also implemented a policy that the use of pesticides is only applied to the target species in accordance with the rules of the product, for example:

- Erkaforon 20 WG (adhesive for all types of weeds)
- Rolifos 150 SL (broadleaf weeds)
- Roll up 480 SL (narrow-leaved weeds).

Based on interviews with workers spray is known that the use of pesticides is the appropriate dose contained in the product and adjusted to predetermined targets.

4.6.2

The Company has documented records of pesticide toxicity (LD50) in the document of Pesticide Toxicity Data on 2016 (BPME and BPLE). The document is recorded the data of pesticides toxicity every month. For example, toxicity data for the month of December 2016, the active ingredient is *isopropylaminaglifosat* LD50 5000, 0.48% Active Ingredients, the number of applications of 40 liters, the total active ingredient 19.2, FFB production of 1,362 kg. This document is constantly recorded and updated by the sustainability officer of estate each month.

4.6.3

The Company has a commitment to eliminate use of paraquat through memorandum No.032 / PD / VIII / 2016 dated 13 August 2015 from the President Director. The Company is committed in the preparation of the 2016 budget already eliminated the use of paraquat. The management unit always tries to implement the utilization of proper herbicide, which is based on target, time and dose. The efforts such as operations unit has Material Safety Data Sheet (MSDS) for each type of agrochemical material include pesticide, that explains the storage direction and material handling, the handling in case of accident (first aid efforts), identification on hazards, actions over spill and leakage, Personal Protective Equipment (PPE), physical and chemical nature, reactivity and stability, toxicology information, ecology information, waste disposal and transport. MSDS has been placed in herbicide storing place, warehouse and spraying equipment washing station.

4.6.4

Operations unit has documented type of pesticide used, such as document on 2016:

No	Product Name	Active Material	The convention	Stockholm	Class WHO
1	Erkafuron 20 WG	Metil metsulfuron 20 %	-		
2	Rolifos 150 SL	Ammonium Glufosinante 150 gr/ltr	-		II
3	Roll Up 480 SC	Isopropil amina glifosat 480 g/l	-		

4.6.5
Based on field observation and interview with supervisor and spraying personnel in Block C10 Division I Bumi Palma Estate, its known that supervisor and personnel have understood the work instruction related to a proper herbicide application process, understood and knew chemical and hazardous symbols, understood the prohibition to apply herbicide in riparian area or conservation area and could demonstrate proper work procedure based on the applicable regulation within company's operation area. Personnel and supervisor also can explain sparying mechanishm for paraquat.

Based on the document review of MSDS and field observations in central warehous, operation unit use pesticide Rolifos containing active material Ammonium Glufosinate 150 SL. Based on field visits, the masks used by the company is carbon air mask. Based on MSDS determine the mask used is a mask that has a respirator. Related to this, company has shown an official letter from Rolimex (producer of the product Rollifos) with number 015 / RKN / Pest-Srt / III / 17 dated March 7, 2017. The letter explained that the 150 SL herbicide application Rolifos in outdoors enough PPE with ACC (Activated Carbon Cloth) filter that is capable of performing the filtering mask micro particles to 0.3 micron and the particle absorption of odors and harmful chemical particles from being inhaled into the lungs. The use of respirators is only used in emergencies and indoor spaces.

4.6.6
Company has a SPO material management and the displacement (SOP / SMART / LEMS-EHSD / SADV / I / 006), explained the material characteristics and hazardous chemicals. Officers do control is a warehouse clerk, chief warehouse entitled to reject the chemicals that have been damaged and the expired. Chemicals lts expiration will be stored in store of hazardous waste warehouse or be returned to 3rd Party Rolimex.

Base on field visit in Chemical warehouse of Bumi Lestari Estate is known, there are signboards and hazardous symbols maintenance chemical by category, Material Safety Datasheet (MSDS), chemical logbook, emergency response, personal protective equipment and OHS management.

Company has minutes of meet ex packaging pesticideswhich come fromBumi Palma Estate, Bumi Lestari Estate and BumiSentosa Estate to 3rd party, Rolimex. Based on field visit in housing division 1 and landfill, Bumi Lestari Estate is known there are not ex pesticide containers disposed in landfills and the use pesticide containers for other uses that are not Similar.

4.6.7
The application of pesticide in the field has been following the method, which will minimize the negative risk including the direction to choose pesticide, to store pesticide, to use pesticide, such as the chosen pesticide formula should be based on the target because one pesticide formula is only effective for one specific target.

4.6.8
Based on a review of documents and interviews with management staff, the company did not perform the application of pesticides from the air.

4.6.9
Based on the documents review, the management unit has conducted training for sprayer worker, for example:

- On 21st September 2016 held socialization work instruciones for spraying and fertilizer. The material presented is a working spray stages ranging from setting work, preparation of spray equipment, PPE, preparation of materials, giving a sign indicating that the area is being carried out by spraying, the PPE and spray equipment washing in the wash hood. Workers can understand the responsibilities so that no matter what harm both parties especially the concierge spray as a job using hazardous and toxic materials.

2. Socialization handling chemicals and MSDS dated 28th April. The training is provide insight to the foreman and workers especially those who work with chemicals or toxins to keep discipline in the use of PPE.

During the visits, the auditors conduct interviews with workers. The results of the interview mentioned that the workers understand and can explain well about the procedures for the handling of pesticides and the risks in the work using chemicals.

4.6.10

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

The Company has Agreement Transporter former Herbicide container 012 / BPLP-RKN / V / 2016 Applicable on May 20, 2017. The letter of agreement BPLP with Kimia Nusantara PT Rolimex, explained that Rolimex Kimia Nusantara transporting of packaging herbicides on PT BPLP. The letter of agreement apply 1 year and will Expires Valid Until May 20, 2017. PT Rolimex get approval from the Ministry of Environment Number. B-5381 / Dep.IV / LH / PDA / 05/2012 for activities flushing (The washing) ex pesticide containers.

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 ex 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. ex pesticide containers that have been washed Returned to Supplier. Interviews with the estate manager is known that the manager knows that hazardous waste of ex pesticide containers are placed in hazardous waste warehouse and then will be returned to the supplier.

Record management Hazardous Waste, included in reporting management hazardous waste quarterly period October to December 2016 to environment agency. The Training And socialization to spraying workers, about ex pesticide container disposal. All discarded containers of chemicals generated by Estate and Mill, placed in hazardous waste warehouse.

4.6.11

Annual medical monitoring in 2016 for pesticide operator has been conducted by company in May and November 2016. Types of examination such as cholinesterase, which the entire examined-personnel are stated healthy. Based on interview with sprayer of Bumi Palma Estate showed that specific examination for the entire sprayer has been informed to the entire personnel. They also stated that there were no problem with skin irritation due to agrochemicals used. This is confirmed by interview with medical doctor from clinic.

4.6.12

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.

During the audit there are no spraying activities, auditors conducted interviews with spray workers. 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: Comply

4.7

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

4.7.1

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 Safety Health 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 2017 include: monthly meeting, OHSAS documentation, training and counseling, health and monitoring of Industrial hygiene, ergonomic, and health, a review, target achievement, and OHS management review.

4.7.2

The management unit has done a risk assessment for all operational activities at the estate and mill and it was documented in Hazard Identification and Risk Assessment Period January-December 2017. The record of this assessment covers activity, identification of potential hazard (source/ event and impact), existing control, early-risk-analysis (the probability level, the seriousness level, and the risk level). In case of accident in operation unit, hence this will be inputted into follow up action over risk assessment for further evaluation in the next risk assessment. Moreover, company has socialized the hazard source identification and risk assessment through socialization by the management unit on on 5th March 2016.

4.7.3

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

- First aid training on August 14, 2016
- Training Electricians held on December 8, 2014
- Simulation of fire in the workplace, simulations of earthquakes and riots dated March 19, 2016
- Simulation of a chemical spill resistant dated April 28, 2016
- Socialization of MSDS dated April 28, 2016
- Socialization PPE dated 5 March and 28 April for the estates and on April 16 & 24, 2016 at the Mill.

Based on the results of field visits at Bumi Palma Mill on February 14, 2017, auditors found the worker at the station sterilizer and the press did not use PPE that has been provided by the company. Earplugs and boots are PPE provided by the company in the station sterilizer and press accordance with the risk analysis. In addition it is becoming evaluations for companies related PPE usage monitoring form (form No.F / SMART / HESS-EHSD / SADV / 010/005 Inspection Form indiscipline) and will be observe in the next assessment (OFI).

4.7.4

Mill and estate already has a guiding committee of OHS which has been already approved by the Social and Manpower Indragiri Hilir regency, those are:

- Decree from Social and Manpower Agency Indragiri Hilir District Number: 08/Nakertrans-PKHI/P2K3/560 on the guiding committee of OHS validation of Bumi Palma Mill dated June 6, 2016 with the secretary who is an OHS expert. The management unit can show appointment decree of OHS Expert No reg. 24393/PK3/AJ/14/2015/P0, dated August 20, 2015.
- Decree from Social and Manpower Agency Indragiri Hilir District Number: 12/Nakertrans-PKHI/P2K3/561 on the guiding committee of OHS validation of Bumi Palma Estate dated October 20, 2016 with the secretary who is an OHS expert. The management unit can show appointment decree of OHS Expert No reg. 4197/PK3/AJ/14/2016/P2, dated May 20, 2016.

- Decree from Social and Manpower Agency Indragiri Hilir District Number: 11/Nakertrans-PKHI/P2K3/560 on the guiding committee of OHS validation of Bumi Lestari Estate dated October 20, 2016 with the secretary who is an OHS expert. The management unit can show appointment decree of OHS Expert No reg. 7036/PK3/AJ/14/2014/P1, dated May 15, 2014.

OHS guiding committee meeting has been held regularly once a month at mill and estate with the theme of Health, Safety and Welfare, such as:

- December 8, 2016 in the meeting room of Bumi Lestari Estate with topics preparation training program, evaluation of risk analysis, PPE discipline form, and fire danger area identification.
- December 21, 2016 in the meeting room of Bumi Palma Mill with topics preparation of Medical examination semester II, 2016 and work accident review at Mill on this semester.

Delivery note for OHS guiding committee report, which has been submitted periodically every three-months. Moreover, the management unit could present the delivery note for the reports, such as delivery note for OHS guiding committee report of all operations unit, for the last quarter (October – December 2016) on January 23, 2017.

4.7.5

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. Records of all accidents shall be kept by clinic and the major accident has been reviewed periodically. CH has the opportunity to periodically review the accident record include the minor accident (OFI).

It has provided emergency structures in the respective unit and has conducted simulation of emergencies. Based on a field visit to Mill and Estate, it is known that the company has made compliance of First Aid equipment and the one who responsible for first aid equipment is first aid Officer who approve the unit operations.

4.7.6

All workers had been given medical treatment that was covered by accident insurance. The management unit shows evidence of payment of Labor Assurance (BPJS) dues with the details permanent workers and contract worker of Bumi Palma Mill as many as 136 workers and all workers of Bumi Palma estate as many as 332 people. And then, for daily contract workers for BPME has paid for 429 workers on January 9, 2017. Based on interviews with workers in mill and estate has explained that the last year there has been no case of accidents to get compensation from social insurance.

4.7.7

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 2016 (January to December 2016), based on a document review known that during that period there were no workplace accidents in the operations unit of PT BPLP.

Status: Comply

4.8

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

4.8.1

The CH has list of training/socialization/simulation program for 2017 which include best management practices (IPM, harvesting, manuring), OHS aspect (first aid kit, fire drill, MSDS of hazardous material, etc), environmental aspect (HCV, waste management) and certification (RSPO, ISPO, ISCC). The program was based on identification needs.

4.8.2

The certificate holder has a record of training for worker in estate and mill, such as:

- Socialization of WI for spraying in Bumi Lestari Estate on 16 April 2016.

- IPM training in PT BPLP on 8 October 2016.
- Socialization of MSDS and hazardous material handling in estate on 28 April 2016.

Based on interview with worker in mill and estate stated that they has had involved in socialization and training related to IPM, spraying technique, etc.

Status: Comply

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

5.1

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

5.1.1

The Company has 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 +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.

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.

5.1.2

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 equipment 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. Records of implementation of Environmental Management describe in RKL-RPL implementation report 2nd semester 2016 and has been reported to environment agency.

5.1.3

Implementation of environmental monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of semester 2 of 2016 known there isn't negative impact caused by CH, such as the result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government. Interview with environmental agency of indragiri hilir district show that CH has been submit the RKL-RPL implementation

report every six month and there isn't negative impact caused by CH.

Status: Comply

5.2

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

5.2.1

The CH has conduct HCV assessment which carried out by Biodiversity and Conservation Sustainability Division in February 21st to March 2nd 2012, presented in HCV report of HCV Identification PT BPLP dated February 2013. Four of five team of accessor were RSPO-approval HCV accessor. Peer review of the report had carried out in May 8th 2013 by Dr. Nyoto Santoso while public consultation had carried out in may 11th 2013 in Club House PT BPLP, attended by 40 stakeholders.

It was identified two HCV, i.e. HCV 1.2 on protected species and HCV 6. Based on HCV 1.2 identification, it was informed that there were eleven, eight and one fauna species listed in PP No. 7 year 1999 as protected, Appendix II CITES and IUCN with vulnerable category, respectively. Furthermore, HCV 6 has Identified in Block H09 Div. 2 Bumi Palma Estate as local cemetery for about 0.50 ha. Map of HCV area of PT BPLP was available in scale of 1:50,000.

5.2.2

It was informed that there is no species in PT BPLP operational areas categorized on RTE status. However, the CH has program on HCV identified, as follows:

- To conduct species identified protection.
- Socialization to employees and local communities.
- Training to employees.
- To determine keystone species as priority protected species, for example Elang Tikus (*Elanus caeruleus*), Elang Hitam (*Ictinaetus malayensis*) and Elang bondol (*Haliastur indus*).
- To conduct monitoring.
- Implementation of company procedure related to HCV management, such as No. SOP/NP/Smart/IV/LH001 about HCV identification and management, Senior Managing Director Circulation Letter No. 002/SE-SMDOPS/IX/2010 dated September 20th 2010.
- Marking area on HCV 6 and its maintenance.
- Make coordination and communication with respective families and/or relatives.

The company was able to shows monthly monitoring of Fauna report and monitoring/maintenance of marking poles HCV 6 in Block H09 Div. 2 BPME which conducted weekly. It was reported that there were no conflict between human and wildlife.

5.2.3

Company procedure related to HCV identification and management was presented in document No. SOP/NP/Smart/IV/LH001. The same matters was also presented in Senior Managing Director Circulation Letter No. 002/SE-SMDOPS/IX/2010 dated September 20th 2010. The CH has conduct socialization on HCV, for example as follows:

- Socialization to Suhada Village, conducted in August 20th 2016, attended by 5 society figures.
- Socialization to Lintas Utara Village, conducted in August 20th 2016, attended by 10 society figures.
- Socialization to BPLP employee, conducted in January 2016, attended by 13 Assistant and Foreman.
- Socialization during muster morning in BPLE, conducted in August 27th 2016, attended by 10 mechanic workers, 11 upkeep workers and 16 staff.
- Socialization during muster morning in BPME, conducted in June 8th 2016, attended by 12 staff, 16 harvesters, 12 upkeep workers and 12 loosefruits pickers.

Based on interview with society figures from Suhada and Bagan Jaya Village, it was state that the CH has conducting socialization on HCV area and protected fauna within estates operational areas whicj also informed by signboard. Moreover, there were no protected fauna on estate offices and employees housing areas in both BPME and BPLE.

5.2.4

The CH was able to show evidence of receipt note document of flora and fauna identified in PT BPLP to Forestry Agency of Indragiri Hilir District on February 4th 2016, to Environment Board (BLH) and Conservation and Natural Resources Board (BKSDA) of Riau Province on January 22nd 2016.

5.2.5

The HCV area was not overlapped with local communities' rights. According to estate management unit and interview with workers in BPME, it was informed that the respective cemetery area has not planted by oil palm and marked by poles.

Status: Comply

5.3

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

5.3.1

The entire products of waste and its sources have been identified and documented in the identification list document of Environmental Aspects on 2017. For examples of waste products, namely oil sourced from FFB trucks, emissions / smoke that comes from FFB 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.

CH showed a circular from RC Indragiri dated 3 February 2016 explains that the entire hazardous waste that produced by estate (BPME, BSNE and BPLE) can be stored at the site, with maximum period of 3 months (90 days).

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 mill 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.

5.3.2

Companies conduct an inventory of the waste described in the document Evaluation Aspects of 2017. The result of inventory is as follows:

Bumi Lestari Estate, such as :

- Spray activities produce waste, such as former pesticide container placed in hazardous waste warehouse.
- Preparation and Maintenance block mark, such as former paint cans, placed in hazardous waste warehouse.
- Plastic waste fertilizer, placed in hazardous waste warehouse.

Bumi Palma Mill, such as :

- Activities in the loading ramp, used sacks lose fruit placed in landfill
- Activities in WTP, Waste resulting is ex chemical container placed in hazardous waste warehouse.

Bumi Palma Estate, such as :

- Activities in nursery Waste resulting is polybag fruit placed in landfill
- Activities in plant maintenance, Waste resulting is ex herbicide container placed in hazardous waste warehouse.

- **IPM controlling**, Waste resulting is ex pesticide container placed in hazardous waste warehouse.

Based on field visits in chemical warehouse Bumi Lestari Estate (central warehouses) is known the resulting, former chemicals container be placed to hazardous waste warehouse.

Record management Hazardous Waste, included in reporting management hazardous waste quarter period October to December 2016 addressed to environment agency. The training and socialization to spraying workers, about ex pesticide container disposal. All discarded containers of chemicals generated by Estate and Mill, placed in hazardous waste warehouse.

5.3.3

Record management hazardous waste, included in reporting management hazardous waste quarter period October to December 2016 addressed to environment agency. Hazardous waste management recorded several documents, consist of:

- Company has Logbook (Hazardous Waste Warehouse) period October to December in 2016.
- Company has Balance Hazardous waste warehouse reported period October to December in 2016.
- Company has Agreement Letter, PT Primanru for transporter Hazardous waste
- Company has shipping manifest Hazardous waste warehouse, period October to December in 2016.

Based on field visits in the boiler station any a fiber and shell is used as fuel for boiler. Remaining fiber shell and placed so did not result in pollution and potential fire.

Company has minutes of meet ex packaging pesticides which come from Bumi Palma Estate, Bumi Lestari Estate and BumiSentosa Estate to pesticide produsen(Rolimex).Based on field visit in housing division 1 and landfill, Bumi Lestari Estate is known there are no ex pesticide containers disposed in landfills and the use pesticide containers for other uses that are not Similar.The ex pesticide containers was stored temporary at the site and send to hazardous waste warehouse every month. As for the management of domestic waste, CH manage through the separation of organic and an organic waste, in accordance with SOP. Based on the results of field visits in the landfill, known domestic waste whas been placed in the landfill.

Field visit in central warehouse at Bumi Lestari Estate found that ex lamp is stored at this warehouse. CH need to clarify the mechanism of hazardous waste management at the site (OFI).

Status: Comply

5.4

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

5.4.1

The Company already maximizing the use of renewable energy (fiber & shell) as boiler fuel. Total use of shells in 2016 was 6,917,808 kg and 14,412,101 kg the use of fiber, which produce 2,337,657 kWh of electricity. Known that the ratio of energy use / ton FFB is 0.061 kWh/kg FFB or 60.821 kWh/Ton FFB and when converted to diesel fuel, gained 17,377 liters/Ton FFB. The use of 667.902 liters of diesel fuel can be saved when using the entire fiber and shells.

Status: Comply

5.5

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

5.5.1 & 5.5.2

Based on Sinarmas Technical Guidelines for Palm Oil Cultivation point 5 on land preparation and planting No. SMA / MCAR / 05 / 05-07 states that in the context of land preparation should use the principle without burning (Zero Burning)

Replanting activities carried out by the principle without burning, as implemented in the Employment Agreement on April 15th, 2016 on behalf of the contractor CV. BintangMeriah (SPK No. BPME / JKTO / 04/16/008. Replanting) for Division 1 and Division 2 BPME with an area of 337.56 hectares. Details of its activities are Chipping rod plant = 337.56 Ha; unloading

dead trees / point blank = 337.56 Ha; make the planting hole with a standard 160 trees / ha: 337.56 Ha; create a trench with a size of 1 x 1 x 1 m: 67 512 meters.

Based on field trips to nurseries located in division 4 Bumi Palma Estate, H03 block division 1 Bumi Lestari Estate, and BPME housing not found any signs / burning activities.

Status: Comply

5.6

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

5.6.1

Company has list of activities that produce Greenhouse Gases in Bumi Palma Mill consists of use of chemicals factory, the use of fossil fuels, The use of Electricity, Garbage incineration, Liquid waste. List of activities that produce Green House Gases in Bumi Lestari Estate consists of, the use of chemical fertilizers, the use of pesticides, the use of electricity garbage incineration, the use of Fossil Fuels. List of activities that produce Green House Gases in Bumi Palma Estate consists of: the use of chemical fertilizers, the use of pesticides, the use of electricity, garbage incineration, the use of fossil fuels.

5.6.2

List of activities that produce GHG in mill and plan to reduce or minimize consists of:

1. The use of Chemicals Factory = Chemical use sufficiently correspond to the dose required.
2. The use of fossil fuels:
 - Subtracting the use of diesel fuel
 - Generators and heavy equipment were functioning properly be able to consume diesel fuel efficiently
 - The data is monitored energy use
 - Monitoring Kwh per ton of mill products derived from renewable energy.
 - Monitoring Kwh per ton of products derived from non-renewable energy
3. The use of Electricity
 - using an energy efficient lamps
 - Socialization in saving electricity
4. Garbage incineration
 - Waste separation an organic and organic
 - Socialization in prohibition of garbage incineration
5. Liquid waste
 - Plan for capture methane usage (biogas plant)
 - Greenhouse gas emissions from liquid waste into the air / atmosphere.

List of activities that produce GHG in estate and plan to reduce or minimize consists of:

1. The use of Chemical Fertilizers= maximize the use of Bunch ash and fertilizers with appropriate doses.
2. The use of Pesticides
 - Optimizing control of IPM
 - Use pesticides that have been registered and also appropriate and precise dose.
3. The use of Electricity
 - using an energy efficient lamps
 - Socialization in saving electricity
4. Garbage incineration
 - Waste separation an organic and organic
 - Socialization in prohibition of garbage incineration
5. The use of fossil fuels
 - Turn off the engine when the vehicle queue loading and weighing FFB.
 - Ensure the maintenance of transport equipment, generators and heavy equipment.
 - Monitoring of Kwh / ton production coming from renewable energy (fiber and shell).

Based on field visits in the boiler station any a fiber and shell is used as fuel. Remaining fiber shell and placed so did not

result in pollution and potential fire. Base on field visit in landfill, Bumi Lestari Estate is known there are not ex pesticide containers disposed in landfills and be divided organic and an organic trash.

5.6.3

Calculation of GHG emission and its monitoring has conducted by SADV. GHG emission has calculated through the RSPO PalmGHG Calculator Version 3.0.0, which informed summary of net GHG emission, summary of field emission and sinks, summary of mill emission and credits, POME treatment and POME diverted to anaerobic digestion

Summary of Net GHG Emissions

Emissions per product	tCO ₂ e/tProduct	Extraction	%	Production	ton/year
CPO	14.66	OER	33.69	FFB Processed	71,428.62
PK	14.66	KER	7.94	CPO Produced	24,062.41

OER and KER is high because the extraction calculation of FFB process is derived from FFB own estate, while CPO production data is derived from out growers and own estate.

Land Use	ha
OP planted area	6,091.18
OP Planted on peat	6,091.18
Conservation (forested)	0.5
Conservation (non-forested)	-

Summary of Field Emissions and Sinks

	Own Crop		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha
Emissions								
Land conversion	92579.98	15.2	-	-	-	-		
*CO ₂ emissions from fertilizer	3764.57	0.62	-	-	-	-		
**N ₂ O emissions	48918.61	8.03	-	-	-	-		
Fuel consumption	972.71	0.16	-	-	-	-		
Peat Oxidation	331543.76	54.43	-	-	-	-		
Sinks								
Crop sequestration	-57,024.01	-9.36	-	-	-	-		
Conservation Sequestration	-4.58	0	-	-	-	-		
Total	420,751.04	69.08	-	-	-	-		

Summary of Mill Emissions and Credits

	tCO ₂ e	tCO ₂ e/tFFB
Emissions		
POME	14001.22	0.2
Fuel consumption	1143.05	0.02
Grid Electricity Utilisation	0.00	0.00
Credits		
Export of Grid Electricity	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	15144.27	0.21

Palm oil Mill Effluent (POME) Treatment

Divert to compost	0.00 %
Divert to anaerobic digestion	100.00 %

POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond	100.00 %
Divert to methane capture (flaring)	0.00 %
Divert to methane capture (electricity generation)	0.00 %
Status: Comply	
PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills	
6.1 Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.	
6.1.1	
<p>The certificate holder has done social impact assessment in 2013 by their social impact assessment - CSR Department Sustainability Division by involving of affected parties. The social impact document explain of negative and positive impact for estate and mill operational with their recommendation for managing and monitoring its impact in form of social impact managing and monitoring matric.</p> <p>The SIA document was analyzing of local worker opportunity, worker welfare, economic improvement in the surrounding village, improvement of stakeholder activity, education, religion and health. On the other hand, the certificate holder has also done replanting impact assessment and added to their managing and monitoring plan.</p> <p>Prove of surrounding parties involving in social impact assessment is also showed by the document of social impact meeting in May 11 2013 which was attended by surrounding stakeholder and also in form of questioner to KaryaTani and Suhada village.</p>	
6.1.2	
<p>The certificate holder has done social impact assessment in 2013 by their social impact assessment - CSR Department Sustainability Division by involving of affected parties. It was shown document of social impact meeting in May 11 2013 which was attended by surrounding stakeholder.</p>	
6.1.3	
<p>The certificate holder has shown sample document of social impact managing period of 2015 - 2016, through report of August 2016. The document is explaining of related impact aspect. The impact aspect was described in matric of social impact with their managing and monitoring strategy. The responsible person in managing & monitoring social impact is unit manager of estate and mill, in coordination with social officer from the regional area.</p>	
6.1.4	
<p>The evaluation of social impact implementation is planned every 2 year. The certificate holder shows managing & monitoring of social evaluation document of 2015, which was made by report of managing & monitoring of social aspect in 2014-2016. The document is also filled with prove of social impact evaluation attendance which was held in Lintas Utara village in August 9 2016 and Bagan Jaya village, Suhada village in August 16 & 19 2016. The next social impact evaluation is planned in the year of 2018 and will be observe in next surveillance. Review of managing & monitoring of social impact according to the schedule by considering issue in the society (OFI)</p> <p>The responsible person in managing & monitoring social impact is unit manager of estate and mill, in coordination with social officer from the regional area.</p>	
6.1.5	
<p>The certificate holder do not have smallholder scheme.</p>	
Status: Comply	

6.2

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

6.2.1

The certificate holder has procedure of communication and consultation (SOP/SMART/UMUM/SADV/II/004, revised 1, July 1 2014) which explain about mechanism of request for information, complain and conflict handling. The mechanism of communication and consultation in the procedure has flow of FPIC. Communication and consultation in form of written letter through mail box or directly to the communication officer.

There is sample document of its socialization to stakeholder as of:

- Bumipalma mill in March 10 2015 and April 2 2015 which was attended by worker, contractor and village stakeholder.
- Bumipalma estate in March 18 2015.
- Bumilestari in September 7 2015 which was attended by surrounding stakeholder.

Based on interview with stakeholder from Suhada, Bagan Jaya and Sanglar village known that they already knew how to communicate with the company.

6.2.2

The PIC for communication and consultation on site is unit manager of estate and mill, in cooperation with social officer from the regional area. There is also communication staff from regional area of PSM 5 which was placed in the area of PT Bumipalmalestariopersada. Based on filed interview with surrounding stakeholder obtained information on how and who to communicate with the company.

6.2.3

The certificate holder kept stakeholder list. The list is managed by SPO officer and updated once in a year. Record of communication from external stakeholder is also available at estate and mill in form of communication book. There is sample book of communication from external stakeholder for Bumipalma Lestari Estate, where for 2016, there was 12 incoming letter. All of the letter was a request of funding and heavy equipment assisting. None of them request for information.

Status: Comply

6.3

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

6.3.1

The certificate holder has procedure for complaint and grievance handling (SOP/SMART/SIGS-CSR/SADV/II/003). which explain the mechanism of communication and handling of complaint. In the point of 2.2.1 explains of anonymity.

The PIC in site is unit manager of estate and mill, by coordination with division assistant and SPO officer. Based on interview with internal stakeholder (union worker and gender committee known that they already know of the complaint procedure.

The certificate holder shows sample of complaint handling in the book of complaint handling which was placed in estate and mill. For example in Bumipalma Mill for 2016, where there was 1 complaint letter of broken window dated December 5 2016 in mill emplacement and has been fixed in December 19 2016.

6.3.2

The certificate holder has also monitored request for information and complaint from stakeholder in form of book of complaint for internal and external stakeholder. It was managed through estate and mill, in coordination with social officer and division assistant. For 2016, there is sample of external complaint handling of SebrangSanglar village in October 28 2016. The certificate holder could show records of its handling. Based on interview with Sebrang Sanglar Village and Pembinaan Village stated that the complaint was handled well and involve stakeholders.

Status: Comply

6.4

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

6.4.1

CH has had SOP for land compensation which describes identification, calculation and compensation for land release mechanism. In this procedure was explained that the process of land identification is involved the community and the village government.

6.4.2 & 6.4.3

The results of document review, field visit and interviews show that the CH does not perform new expansion since ASA-2 until ASA-3. The latest land compensation has been conducted in 2006.

Status: Comply

6.5

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

6.5.1

The certificate holder has a document from Governor of Riau Province number 573 of 2016 concerning about minimum wage of 2016, as much as Rp.2.325.000. There is letter from CEO company concerning of wage for 2016 as of:

- number 010/CEO 5/HR PSM5/06/2016 dated June 7 2016 concerning of minimum wage of free daily worker per day as much as Rp.93.000.
- number 011/CEO 5/HR PSM5/06/2016 dated June 7 2016 concerning of minimum wage of fixed daily worker per month Rp.2.192.500 along with rice money as much as Rp.135.000.
- 012/CEO 5/HR PSM5/06/2016 dated June 7 2016 concerning of minimum wage of fixed monthly worker per monthper grade along with rice money as much as Rp.135.000.

Based on public consultation with manpower agency of Indragiri Hilir District known that there is no industrial conflict in the company. The company has followed worker regulation.

Based on worker payroll slip of process station in Bumipalma Mill on November 2016 known that salary payment as according with Manpower letter number 102 of 2004.The certificate holder has shown prove of minimum wage adjusment of salary for 2016 in June 2016. The Implementation of minimum wage which refers to minimum wage in plantation sector for 2017 and the review non harvest premium system of PSM 5 by referring to the minimum wage in plantation sector for Riau Province in 2017 will be observe in next surveillance.

6.5.2

The certificate holder has work agreement act for period of 2015-2017 until April 2017 and can be used as long as no new agreement. The certificate holder could show that agreement for daily worker and contract worker has been made based on both side agreement.

The certificate holder can also demonstrated that all of worker agreement has been fairly communicated and excepted by workers. Evaluation of worker run every year as a basis for their annual performance and promotion. There is example of settlement of free daily worker to contract worker from Bumipalma Estate number 084/SK-BPME/VI/2016 dated April 25 2016.Based on filed interview with worker in estate and mill known that the worker has understand of their working status.

6.5.3

Facility for worker is still same with previous surveillance. The company has shown that all facility for worker and other public activity is still in decent condition. based on field visit in worker housing show that the condition is in good condition and well maintained

6.5.4

There are worker cooperation of Prima Palma. Based on interview with cooperation member known that the member there is food and daily needs grocery in estate and mill. On the other hand , there is access road that is close enough to go to

public market.	
Status: Comply	
6.6	
The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	
6.6.1	
There is no change in company union policy. There is letter number 045/CEO5-SE/11/2010 dated November 16 2010 which stated that the company respect of decree number 21 of 2000 concerning in union right for worker. Worker union of PT BPLP has been registered to Manpower Agency of Indragiri Hilir District at October 22 2012. Based on interview with workers and member of union informed that it's a free will to become member of the union.	
6.6.2	
Based on interview with union representative of PT BPLP obtained information that meeting can be initiated in every 3 month or according to the situation. The certificate holder could show minutes meeting of union such as March 29 2016 in kindergarten school building of PT BPLP. The meeting talked about union program and union caretaker.	
Status: Comply	
6.7	
Children are not employed or exploited.	
6.7.1	
The certificate holder has policy of minimum age of worker in part of social and environment policy. There is also a letter from HR Director Number 002/SE-HRD/V/03/09 dated March 31, 2009 concerning of minimum working age in the company is 18 year old based on government regulation number 13 of 2003. Based on document review of manpower period January 2017 for Bumipalma mill and estate, there is no worker under 18 year old. As example for Bumipalma Lestari Estate, the youngest worker is worker who was born in January 9 1996. Field observation in BPME and BPLE shows that there is no worker under 18 year old. In Bumipalma Mill, there is sign board of minimum age for worker that is 18 year old.	
Status: Comply	
6.8	
Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.	
6.8.1	
The policy of non discrimination is written in the letter from CEO number 003/CEO5-SE/06/2009 dated June 24 2009 of industrial relationship in unit which is stated that every operational unit has to implement of industrial relationship with no discrimination of gender, race, religion, etc. Based on observation and filed interview with worker in BPME, BPLE and Bumipalma mill, it is known that they are coming from Java, Sumbawa, Kalimantan, Sulawesi, Sumatera, Nias and local area as of Riau.	
6.8.2	
Based on observation and filed interview with BPME, BPLE and Bumipalma mill, it is known that they are coming from Java, Sumbawa, Kalimantan, Sulawesi, Sumatera, Nias and local area as of Riau. Female worker has already knew of female committee, its caretaker and its function. They informed that there are no case or complaint against this condition. Female worker has a right to take a monthly menstruation leave and maternity leave. Based on consultation with surrounding stakeholder informed that the company has given opportunity to local people to work in the estate and in the mill.	
6.8.3	
The certificate holder has social and environment policy in point 3.1 stated implementing work practice with responsible, ethic, including of banning of cost to worker during recruitment process. The certificate holder could show work agreement	

which cover right and obligation of both party. Based on field interview with worker in BPME, BPLE and mill, they already understand and accepting the agreement.

Based on interview with HRD staff obtained information that evaluation of worker performance is done once in a year. There is no inter area worker in 2016, according to information from union worker and worker department of Indragiri Hilir. CH has made the proposal for the hiring of contract workers into permanent workers and of daily workers into contract workers based on unit head letter. The follow up of worker promoting in BPLE and Bumipalma mill will be observe in next surveillance.

Status: Comply

6.9

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

6.9.1

Company has a policy to prevent sexual assault and sexual harassment, which is stated in CEO Decree 003/CEO2-SE/01/2011 on 10th January 2011. This policy regulates the socialization efforts to prevent sexual assault for the entire personnel. Beside that, Company has a policy to protect reproductive right of the entire personnel, especially female personnel such as:

- CEO Decree no. 002/CEO5-SE/03/2009 on 02nd March 2009 related to menstrual leave. This decree states that the entire female personnel are entitle for menstrual leave based on company's physician examination. If female personnel feel pain on her first and second day of her period, she is entitle to take leave and receive full payment.
- Vice President Agronomy Decree No. 001/SE-VPA5/SPO/07/2011 on 8th July 2011 which regulates that female personnel who is pregnant and/or lactating are prohibited to work in spraying division and perform work that related to chemical material base.

6.9.2

Based on interview with gender committee's representatives, female personnel and midwives, it's known that personnel received menstrual leave for 2 days and maternity leave for 45 days before labor and 45 days after labor. Menstrual examination is conducted in policlinic, and midwives will provide copy of menstrual leave recommendation letter for personnel to be submitted to her supervisor.

6.9.3

Company also has a mechanism to handle sexual assault case which was prepared by gender committee personnel and the board of female personnel comisison (SPSI). The mechanism is: sexual assault report (written or oral) to gender committee and SPSI, then assessment by unit head (assisted by gender committee and SPSI) last, resolution in a form of penalty or legal solution to closed.

Status: Comply

6.10

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

6.10.1, & 6.10.2

Company did not purchase FFB from the third party, but company has a agreement with the third party for processing FFB. FFB received by the Bumi Palma mill comes from the own estate, PT Meganusa Intisawit (one group), a third party (PT Agrotunggal Jayamandiri and PT Kharisma Riau Prima Sentosa).

6.10.3 and 6.10.4

CH conduct cooperation with third parties for certain activities such as replanting. The company can show agreement letter for replanting with CV Bintang Meriah dated 15 June 2016. The CH is also make payments timely manner, such as payment of CV Bintang Meriah for replanting activity in Bumi Lestari Estate.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

The certificate holder showed CSR program for 2017, which was made according to local request. There is 9 program of CSR which is: corn farming in the area of ex coconut field, religion ceremony, sinking of unproductive coconut tree, children ransom, school building maintenance, national ceremony, glasses, medicine program, road maintenance. Realization of the CSRE program of 2016 is also showed by the company. In other hand, the company also gave opportunity for local people to participate as local contractor in any contract work agreement.

Based on interview with surrounding village stakeholder gathered information that they have given opportunity to participate in plantation activity.

6.11.2

The certificate holder does not have smallholder scheme.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1

The certificate holder could show that there is nouse of inter-area worker (AKAD). Based on interview with manpower agency of Indragiri Hilir District informed that there is no use of inter-area worker (in the company, for 2016. The certificate holder do not use outsource management in recruiting employee, Their own human resource department whom process any employee recruitment.

Based on interview with union worker, informed that the agreement has explain all about right and obligation for both two party (job desk, payment, housing facility, health insurance, etc).Based on interview with harvester in BPME and BPLE obtained information that they have been treated according to work agreement and regulation.

6.12.2

Based on field interview with worker in BPME, BPLE and Bumipalma mill, worker union, , it is known that the agreement has explained clear about job desk for workers. Both party has signed on the contract. Based on filed interview with harvester worker in BPME, informed that there are no contract substitution.

Based on field observation in the Bumi Palma Estate and Bumi Lestari Estate known that there were no harvester accompanied by their wife or children.

6.12.3

The certificate holder do not use inter –area worker or foreign worker for operation in estate and mill.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

Policy of human right is written in point 6 of social and community policy of the certificate holder which is stated by the President director at November 10 2011. It was stated that respecting human right.

The certificate holder has socialize its human right policy through socialization to worker and contractor at September 8 2016 in BPME concerning of no gender discrimination policy.Once in a year by the SPO Officer, it is planned for human right policy socialization.Based on interview with worker union representation and gender committee, it is known that during 2016 there is no case of human right violation.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings

PT BPLP does not make any expansion over its operation area after November 2005. Document’s review and interview with management revealed that the latest land clearing was conducted in October 2005.

The document review and interview with management showed that the company is not performed land clearing after 1 November 2005. HCV identification in PT BPLP was conducted on 2012. GAR, as the parent of PT BPLP has conducted disclosure of liability data and zero liability disclosure on 29 August 2014 by email.

Status: Comply

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

8.1

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

8.1.1

The Company has a commitment to eliminate use of paraquat through memorandum No.032 / PD / VIII / 2016 dated 13 August 2015 from the President Director. The Company is committed in the preparation of the 2016 budget already eliminated the use of paraquat.

According to documents reviews which supported by field observations, it could be concluded that the current environment, peat management and HCV related programs, realizations and its evaluations were in accordance with RSPO BMPs manual and Indonesian regulations. The implementations on the field has obviously considered satisfactory. Hence, the existing program will remain continued on the next following period.

To reduce solid waste from mill such as shell and fiber, CH already maximizing the use of fiber and shell as boiler fuel.

Status: Comply

3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements																																					
E.1	Definition																																					
E.1.1	<p>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>Bumi Palma Mill is used RSPO supply chain of Mass Balance module because mill still received FFB from the outgrowers which has not been certified with RSPO.</p>																																					
	Status: Comply																																					
E.2	Explanation																																					
E.2.1	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>Estimates of CPO and PK produced by Bumi Palma Mill obtained from the data of 12 months before the audit activities and have been described in this ASA-3 report.</p>																																					
	Status: Comply																																					
E.2.2	<p>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p> <ul style="list-style-type: none"> RSPO IT Platform member registration number: RSPO_PO1000001064 Certified CPO sold to each buyer period of 25March 2016 to 13 February 2017 <table border="1"> <thead> <tr> <th>Date</th> <th>Buyer</th> <th>Volume</th> </tr> </thead> <tbody> <tr> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td colspan="2">Total</td> <td>-</td> </tr> </tbody> </table> Certified Palm Kernel sold to each buyer period of 25March 2016 to 13 February 2017 <table border="1"> <thead> <tr> <th>Date</th> <th>Buyer</th> <th>Volume</th> </tr> </thead> <tbody> <tr> <td>9/8/2016</td> <td rowspan="13">PT IVO MAS TUNGGAL – LUBUK GAUNG REFINERY</td> <td>93.14</td> </tr> <tr> <td>6/9/2016</td> <td>145.48</td> </tr> <tr> <td>7/9/2016</td> <td>151.08</td> </tr> <tr> <td>27/10/2016</td> <td>101.88</td> </tr> <tr> <td>27/10/2016</td> <td>100.43</td> </tr> <tr> <td>27/10/2016</td> <td>35.92</td> </tr> <tr> <td>17/11/2016</td> <td>300.9</td> </tr> <tr> <td>18/9/2016</td> <td>303.48</td> </tr> <tr> <td>29/11/2016</td> <td>297.19</td> </tr> <tr> <td>5/12/2016</td> <td>303.54</td> </tr> <tr> <td>9/12/2016</td> <td>304.13</td> </tr> <tr> <td>13/12/2016</td> <td>200.36</td> </tr> </tbody> </table> 	Date	Buyer	Volume	-	-	-	Total		-	Date	Buyer	Volume	9/8/2016	PT IVO MAS TUNGGAL – LUBUK GAUNG REFINERY	93.14	6/9/2016	145.48	7/9/2016	151.08	27/10/2016	101.88	27/10/2016	100.43	27/10/2016	35.92	17/11/2016	300.9	18/9/2016	303.48	29/11/2016	297.19	5/12/2016	303.54	9/12/2016	304.13	13/12/2016	200.36
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	17/12/2016		203.29
	7/1/2017		198.02
	Total		2,738.84
	Status: Comply		
E.3	Documented procedures		
E.3.1			
<p>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> <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>Bumi Palma Mill has SOP for the implementation of supply chain in the identification procedure and Traceability. 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.</p> <p>The results of interviews with security and the weighbridge operator showed that workers have already known the duties and responsibilities of each in the implementation of SCCS.</p>			
	Status: Comply		
E.3.2			
<p>The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>			
<p>Bumi Palma Mill has had SOP for the implementation of supply chain in the identification procedure and Traceability. SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. To find the source of FFB comes from the estate that has been certified with RSPO and then it's labeled on the Delivery Note and the unique code of each supply base.</p>			
	Status: Comply		
E.4	Purchasing and goods in		
E.4.1			
<p>The site shall verify and document the volumes of certified and non-certified FFBs received.</p>			
<ul style="list-style-type: none"> Certified and non-certified FFB received period of 25 March 2016 to 13 Feb 2017 			
	Month	FFB (Ton)	
		RSPO Certified	Non Certified
		Total	
	25 - 31 Mar 16	1,046.456	666.550
	Apr 16	4,428.307	282.410
	May 16	4,227.364	431.420
	June 16	4,187.027	337.260
	July 16	4,037.619	319.120
	August 16	5,993.748	787.900
	September 16	10,404.114	1,016.890
	Oct 16	15,112.424	1,045.450
	November 16	16,229.742	782.490
	December 16	11,460.412	842.680
	Jan 17	7,352.260	315.410
	1 - 13 Feb 17	2,759.196	2,750.120
	Total	87,238.669	9,577.700
			96,816.369

Status: Comply

E.4.2

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

Bumi Palma Mill has had SOP for the implementation of supply chain in the identification procedure and Traceability. This procedure states that in case the projection is exceeding the claim of certified product, then company should perform: informs related RSPO certification body and RSPO IT System/ e-trace.

The results of interviews with representatives of the management unit indicates that the management unit has been understood about the procedures for providing information if there is excess production of RSPO-certified products. Document review showed that the production of RSPO certified products do not exceed the estimated production in the RSPO certificate attachment of ASA-2.

Status: Comply

E.5

Record keeping

E.5.1

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

Bumi Palma Mill has record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified product (CPO and PK) on a three-monthly basis as describe on table below

Periode	Production CPO (Ton)			Despatch CPO (Ton)			
	Cert	Non	Total	RSPO	ISCC	Non	Total
Apr 16	1,002.107	434.080	1,436.187	-	939.320	451.920	1,391.240
Mei 16	969.536	649.376	1,618.912	-	952.700	596.500	1,549.200
Juni 16	930.676	1,056.477	1,987.153	-	1,002.110	906.930	1,909.040
Total	2,902.32	2,139.93	5,042.25	-	2,894.13	1,955.35	4,849.48
Juli 16	898.635	534.770	1,433.405	-	893.1	715.790	1,608.890
Agus 16	1,333.452	1,056.971	2,390.423	-	1273.19	989.000	2,262.190
Sept 16	2,259.574	554.092	2,813.666	-	1816.16	301.280	2,117.440
Total	4,491.66	2,145.83	6,637.49	-	3,982.45	2,006.07	5,988.52
Okt 16	3,250.712	942.714	4,193.426	-	2806.690	1,254.690	4,061.380
Nov 16	3,406.363	507.295	3,913.658	-	4202.630	503.040	4,705.670
Des 16	2,579.553	403.637	2,983.190	-	2555.230	447.060	3,002.290
Total	9,236.63	1,853.65	11,090.27	-	9,564.55	2,204.79	11,769.34

Periode	Produksi PK (Ton)			Despatch PK (Ton)			
	Cert	Non	Total	RSPO	ISCC	Non	Total
Apr 16	210.67	105.27	315.94	-	-	357.620	357.62
Mei 16	193.75	156.91	350.67	-	-	299.070	299.07
Juni 16	189.63	263.73	453.36	-	-	448.900	448.90

Total	594.06	525.91	1,119.97	-	-	1,105.59	1,105.59
Juli 16	192.25	138.69	330.95	-	-	257.980	257.98
Agus 16	284.58	275.69	560.28	182.33	-	394.510	576.84
Sept 16	487.14	126.16	613.30	445.70	-	87.410	533.11
Total	963.97	540.55	1,504.52	628.03	-	739.90	1,367.93
Okt 16	734.22	228.57	962.79	757.24	-	200.550	957.79
Nov 16	758.97	119.19	878.16	746.16	-	181.920	928.08
Des 16	609.59	92.40	701.99	645.57	-	-	645.57
Total	2,102.79	440.16	2,542.94	2,148.97	-	382.47	2,531.44

Based on the data, the delivery of certified product (CPO and PK) only from positive stock.

Status: Comply

E.5.2

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

Bumi Palma Mill does not perform activities of palm kernel crushing to the independent palm kernel crushers.

Status: Comply

3.3 Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-3	The 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-3	The company does not use RSPO logo.	√
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-3	The company does not use RSPO logo.	√
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-3	The company does not use RSPO logo.	√

3.4 Summary of RSPO Partial Certification

Partial certification for un-certified units:

The audit team assessed compliance with the above requirements during this audit. Failure to address any non-compliance identified may lead to certification suspension.

Positive assurance statement only provided for one management unit. Based on TBP of PT Ivomas Tunggal there are one management unit which uncertified which is PT Sawitakarya Manunggal.

Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Yes, there was an internal audit and has positive assurance statement.
2.1.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	There is no land clearing after Nov 2005
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	There is no new planting after 1 Jan 2010
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	There is no land conflicts in uncertified unit
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	There is no issue of labour disputes in uncertified unit
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	There are an area is still in process for HGU (Panitia B meeting).

3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

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

NCR No.	: 2016.01	Issued by	: -
Date Issued	: -	Time Limit	: -
NC Grade	: -	Date of Closing	: -
Standard Ref. & Requirement	: -		
Non-Conformance Description & Evidence observed:			
-			
Root Cause Analysis:			
-			
Corrective Action:			
-			
Preventive Action:			
-			
Assessor Evaluation and Conclusion:			
-			
Verified by	:		

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

NCRNo.	: 2017.01	Issued by	: Mohamad Amarullah
Date Issued	: 17 February 2017	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	4.3.5 Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.		
Non-Conformance Description & Evidence observed:			
The CH was not able to shows drainability study on peat areas for long term viability of oil palm cultivation.			
Root Cause Analysis:			
Corrective Action:			
Preventive Action:			
Assessor Evaluation and Conclusion:			
Verified by	:		

NCRNo.	: 2017.02	Issued by	: Ardiansyah
Date Issued	: 17 February 2017	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	RSPO Certification System 4.2.3 The unit of certification shall be the mill and its supply base		
Non-Conformance Description & Evidence observed :			
Bumi Palma Mill receives FFB from PT Agrotunggal Jayamandiri and Riau PT Kharisma Prima Sentosa which is based on the agreement dated 1 March 2013 and 1 July 2016. Based on the agreement known that the period of cooperation is 5 years or up to 2018 and 2021. Certification unit has not shown the implementation to ensure 100% FFB from outgrowers follow the standards of the RSPO certification within 3 years.			
Root Cause Analysis:			
Corrective Action:			
Preventive Action:			
Assessor Evaluation and Conclusion:			
Verified by	:		

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	2.1.1	Conduct the extention of hazardous waste warehouse permit which will expire on 1 May 2017.
2	2.2.6	Companies need to ensure the use of the police in the their operations does not take action to interference and intimidation outside the law.
3	4.4.3	Conduct the extention of wastewater discharge permit which will expire on 29 May 2017.
4	4.4.4	Follow-up of the exploitation permit of surface water to the Licensing Body of Investment and Promotion Area of Indragiri Hilir.
5	4.7.3	The company has the opportunity to re-evaluate the implementation of monitoring the use of PPE (form No.F / SMART / HESS-EHSD / SADV / 010/005 Inspection Form indisciplin).
6	4.7.5	The company has the opportunity to periodically review the accident record.
7	5.3.3	Clarify the mechanism of hazardous waste management at the site
8	6.1.4	Conduct a review of the management plan and monitoring of social impact in accordance with a predefined schedule and considering issues that occur in the community.
9	6.5.1	<ul style="list-style-type: none"> Application the minimum wage referring to the minimum wage plantation sector in Province of Riau for 2017 Review on circular No.SE-023 / Non Harvest - Revised / 08 / VPA / 2016 dated 29 August 2016 regarding the premium system for non-harvest in PSM 5 with reference to the 2015-2017 Collective Labour Agreement and minimum wage plantation sector in Province of Riau for 2017.
10	6.8.3	Follow-up to the workers promotion in BPLE based BPLE manager letter to the RC on 22 December 2016 and workers promotion in mill based on letter on 15 February 2017 from mill manager.

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1	-	The company's commitment to implement the principles of sustainable management of oil palm
2	-	Has got a certificate of ISPO

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

Date of Stakeholders Consultation: 14 and 16 February 2017		
	Issue from Public	Auditor Response
1.	<p>Village of Bagan Jaya (head master)</p> <p>Bagan Jaya village comes from Sungai Rukam village in 1986. The villagers came from around of Enok, Tempuling, Banjar, Java and Bugis.</p> <p>Villager since 1980 hopes of any company in this area. Thus is proved by villager willingness to sale their land which is used as access road to the company. By building of company canal drainage, causing there is no flood to villager garden and functioned as access for villager activity to their garden.</p> <p>There is almost 40% villager of Bagan Jaya works in the estate, as of maintaining, fertilizing plan or picking leaf fruits.</p> <p>Every sub village has their own celebration, which is only for villager. There was no attendance invitation for the company.</p> <p>Area demarcation between company and villager land is clear enough in form of company canal. There is no land conflict since 2003.</p> <p>There is outsider whom made replanting activity as negative issue. But the company had been handling of <i>Oryctessp</i> issue in Sanglar village.</p> <p>Two year before replanting activity started, the company has socialized thus activity and anticipate handling of <i>Oryctessp</i>, in the estate and surrounding land, in form of socialization and material for handling <i>Oryctes sp</i>.</p> <p>Communication run well through DnL as CSR officer of the company. For proposal</p>	<p>The company has shown effort of communication with surrounding stakeholder through appointing of special officer, whom responsible to catch aspiration in any fields of needs, as shown in social program in criteria 2.2, 5.1, 6.1, 6.2, 6.3 and 6.11.</p>

	<p>given to the company, it will be responded by referring to responsible person. Proposal of fund will be answered for 6 month maximum, depends on its quantity.</p> <p>The company is oftenly came in to village yearly meeting, as listener.</p> <p>Village had been excepting from the company, in form of road maintenance, water supply, scholarship. Minimum age for worker is 18 years, which is told by the supervisor to the villager.</p> <p>The company staff often came to school and village for giving scholarship and job vacancy. The company has ever gave computer to surrounding school.</p> <p>There is no HCV around of Bagan Jaya village or inside of the company. There is no land fire for almost 2 years.</p> <p>The company has ever gave counseling of oil palm management to villager. There is no complaint of environment pollution.</p> <p>Feedback: About village aspiration for smallholder scheme which is hampered by land conformity procedures in the District, maybe the company could do in form of development patterns to farmers, even though the company has done collection data of land owners, which is now still processed in the district.</p>	
<p>2.</p>	<p>Village of Suhada (local contractor)</p>	
	<p>Village of Suhada comes from village of Sungai Rukam. The citizen came from many of tribes, local and others (java, bugis, banjar).</p> <p>There is no land conflict or others.</p> <p>Area demarcation between the company and villager land is clear enough in form of company canal.</p> <p>There is no HCV or local wisdom around village or in the company.</p> <p>There is no military use in handling villager complaint. Communication run through</p>	<p>The company has shown effort of communication with surrounding stakeholder through appointing of special officer, whom responsible to catch aspiration in any fields of needs, as shown in social program in criteria 1.1, 2.2, 4.7, 5.1, 5.2, 5.5, 6.1, 6.2, 6.3, 6.7 and 6.11.</p>

	<p>DnL staff.</p> <p>For the last 1 year, there is no land fire in estate or in the surrounding land. There is no complaint of environment pollution.</p> <p>The company gave permission to villager for using company canal as access to their land. The company staff has ever came to village meeting as a listener.</p> <p>The company has ever gave CSR for activity as of: Al Qur'an recitation, etc.</p> <p>As a local contractor in the mill, informed that process of contract and payment is in transparent condition. The company has socialized policy of minimum age for worker, use of PPE, ethic code, etc.</p> <p>There is also announcement of job vacancy.</p> <p>Feedback: Hopefully that contract of work under Rp.100,000,000 could be given priority to local contractor.</p>	
3	<p>Sawit Hemlet, Suhada Village (head of sub village)</p> <p>Sub village of Sawit is located inside and part of the company, which includes in Suhada village. So far, communication runs well with the company.</p> <p>During the election, there is no pressure from the company to the villager. There is no complaint of environment pollution. In 2016, there is no land fire nor land conflict.</p>	<p>The company has shown effort of communication with surrounding stakeholder through appointing of special officer, whom responsible to catch aspiration in any fields of needs, as shown in social program in criteria 2.2, 5.1, 6.1, 6.2 and 6.3.</p>
4	<p>RW 14, Bagan Jaya Village(Head of RW)</p>	
	<p>So far, communication between two parties is in good condition. Communication builds through company officer which is DnL.</p>	<p>The company has shown effort of communication with surrounding stakeholder through appointing of special officer, whom responsible to catch aspiration in any fields of needs,</p>

	<p>The company had ever gave assistance in kind of : road maintenance, clean water, and worship equipment. In 2016, there is no land fire in estate and citizen land. There is also no land conflict. Half of citizen of this village work in the company.</p>	<p>as shown in social program in criteria 2.2, 5.5, 6.1, 6.2, 6.3 and 6.11.</p>
5	<p>Masjid Hemlet, Village of Sanglar</p> <p>Community of Masjid hamlet (located near Bumi Lestari Estate) complain of <i>Oryctessp</i> in the coconut plantation of communities due to replanting activities in PT BPLP.</p> <p>The Company provides compensation RP 100,000 / coconut tree according to the agreement with the community.</p> <p>Communication between the community and the company has been good. In the past many people work in the company, but it's been a little bit because people have started independently and open their own business.</p> <p>There is no issue of fires and pollution caused by the company's operations.</p>	<p>There is no negative issues from the community. CH has demonstrated compliance with the RSPO criteria 5.1, 5.5, 6.1, 6.2, 6.3 and 6.11.</p>
6	<p>Suaru Hemlet, Village of Pembinaan</p> <p>Community of Surau hamlet (located near Bumi Palma Estate) complain of <i>Oryctessp</i> in the coconut plantation of communities due to replanting activities in PT BPLP.</p> <p>The Company provides compensation in the form of replanting assistance in community plantation, providing corn seeds and areca palm, as well as provides jobs. This is according to the agreement with the community.</p> <p>Communication between the community and the company has been good. In the past there are not people who work in the company and now there are people who work in the company.</p> <p>There is no issue of fires and pollution caused by the company's operations.</p>	<p>There is no negative issues from the community. CH has demonstrated compliance with the RSPO criteria 5.1, 5.5, 6.1, 6.2, 6.3 and 6.11.</p>

7	Workers Union of PT BPLP	
	<ul style="list-style-type: none"> • Generally, communication between company and worker union is in good condition. Aspirations of workers has been handled properly. • Membership for worker union is voluntary. • There is no significant industrial issue that could harm work condition. • Routine meeting conduct every 3 month • Collective Labour Agreement is still apply until October 2017. • Basic salary has followed the minimum wage of plantation sector for 2016. Soon, it will be adapted to minimum wage of 2017. • Overtime is company authority, but the calculation is not violate the government regulation. • Provision of PPE is carried out every 6 months • before becoming workers,there are probation period for 3 month • The employment status of daily worker still exist for temporary activities. But if it worked more than three years, the worker union will propose the filing of becoming permanent employees • Workers have described the complaints mechanism • There is monthly cash for member as much as IDR 10,000. • There is no worker or gender discrimination. Evaluation for worker has run every year. • The company has implement right for women worker, such as: menstruation and maternity leave. • There is no inter area worker. 	<p>The certificate holder has showed cooperation with worker union. There is no significant industrial issue for 2016. CH has shown the evidence of compliance to RSPO standard criteria 1.1; 4.7; 6.2; 6.3; 6.6; 6.8, 6.9 and 6.12.</p>
8	Gender Committee of PT BPLP	
	<ul style="list-style-type: none"> • There is work program of gender committee such as: monthly toddler health checks & immunization and socialization of sexual harassment. • In 2016, there is no case of sexual harassment or discrimination to women worker. • Women worker has received their right such as maternity leave (compulsory), menstruation leave (with a description of polyclinics). 	<p>The company can show their policy on women worker. Nondiscrimination has been implemented. Nevertheless, there is nonconformity regarding overtime payment for babysitter. CH has shown the evidence of compliance to RSPO standard criteria 6.7; 6.8 and 6.9.</p>

	<ul style="list-style-type: none"> • Every gender committee activities has been documented • Pregnant or breastfeeding mother is prohibited to work in conditions exposed to chemicals. • The gender committee has socialized to women worker about prohibition on bringing children under the age to work area. The minimum work age is 18 year old. • There is a mechanism for routine screening for spray workers whom pregnant and lactating. 	
9	Workers Cooperative	
	<ul style="list-style-type: none"> • Workers have the business as a consumer cooperative named “Koperasi Prima Palma” with the micro-credit • Cooperatives were in the mill (Bumi Palma Mill), but membership is not limited only to employees of the mill. • A cooperative relationship with the company quite well. 	The certificate holder has implement fairly cooperation with cooperative. There is no significant industrial issue between both parties. CH has shown the evidence of compliance to RSPO standard criteria 6.11.
10	Plantation Agency	
	<ul style="list-style-type: none"> • The company has had legal document such as plantation business permit. • The operation area of company are not on forest areas • The Company has reported Business Development Report every six month • The company already has adequate fire extinguishers. • fire monitoring conducted regularly and the results are reported monthly. • The CSR activities been made to communities around the company and could be improved • There was a problem of <i>Oryctes</i> spin 2016. The company has resolved the problem by involving Local Government. • PT BPLP do not have a new permit or expand the operational area 	There is no negative issues from the government agency. CH has demonstrated compliance with the RSPO criteria 1.1, 2.1, 5.1, 5.5, 6.1, 6.2, 6.11 and principle 7
11	Manpower Agency	
	<ul style="list-style-type: none"> • Wages given by the company in accordance with applicable regulations 	There is no negative issues from the government agency. CH has demonstrated compliance with the RSPO criteria 2.1, 4.7, 6.3, 6.5, 6.6, 6.7, 6.11 and 6.12

	<ul style="list-style-type: none"> • All employees have been included in the BPJS program (includeaccident insurance) • P2K3 report and employment report has been reported regularly • Workers have been equipped with the operating licenses as boiler operator • Inspection of the mill machines has been conducted regularly and last conducted in March 2016 • No workers under the age of 18 years • Collective Labour Agreement still valid until 2018 • Companies utilizing local labor and provide scholarships to local high school students. • The company has Workers Union • No negative issues related to labor • No foreign workers 	
<p>12</p>	<p>Environmental Agency</p>	
	<ul style="list-style-type: none"> • The company has had AMDAL document • The company has had license of hazardous waste warehouse. The company also has mechanism to manage the hazardous waste from estate • Hazardous waste from the company has been managed in accordance with regulation and the company has cooperated with the licensed transporter and collector of hazardous waste. • The company has a permit to dispose of effluent into water bodies • The company has been monitoring the quality of effluent every month and report the test results to Environmental Agency of Indragiri Hilir District • The company has been controlling the hazardous waste and report the the management of hazardous waste to Environmental Agency of Indragiri Hilir District • The Company has submitted a RKL-RPL implementation report to Environmental Agency of Indragiri Hilir District every six month. • There is no issue of fires and pollution caused by the company's operations. 	<p>There is no negative issues from the government agency. CH has demonstrated compliance with the RSPO criteria 2.1, 4.4, 4.6, 5.1, 5.3 and5.5</p>

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Sign-off of Assessment Findings

Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.

Signed on behalf of:

PT. Bumipalma Lestari persada
Management Representative

Mutuagung Lestari
Lead Auditor



Ismu Zulfikar
10 March 2017



Ardiansyah
10 March 2017

APPENDICES

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Manpower Agency	Tembilahan, District of Indragiri Hilir, Province of Riau.	-	Interview	14 February 2017	√	
2	Plantation Agency	Tembilahan, District of Indragiri Hilir, Province of Riau.	-	Interview	14 February 2017	√	
3	Environmental Agency	Tembilahan, District of Indragiri Hilir, Province of Riau.	-	Interview	14 February 2017	√	
4	Suhada Village (local contractor, head of sawit hemlet)	District of Indragiri Hilir, Province of Riau.	-	Interview	14 February 2017	√	
5	Bagan Jaya Village (head master, head of RW 14)	District of Indragiri Hilir, Province of Riau.	-	Interview	14 February 2017	√	
6	Surau Village of Pembenaan Village	District of Indragiri Hilir, Province of Riau.	-	Interview	16 February 2016	√	
7	Masjid Hemlet of Sanglar Village	District of Indragiri Hilir, Province of Riau.	-	Interview	16 February 2017	√	
8	Workers Union of PT BPLP	District of Indragiri Hilir, Province of Riau.	-	Interview	14 February 2017	√	
9	Gender Committee of PT BPLP	District of Indragiri Hilir, Province of Riau.	-	Interview	14 February 2017	√	
10	Workers Cooperative of PT BPLP	District of Indragiri Hilir, Province of Riau.	-	Interview	14 February 2017	√	
11	Jikalahari	Pekanbaru, Indonesia	jikalahari@indo.net.id ; secretariat@jikalahari.org	Email	7 February 2017		√
12	WWF	Jakarta, Indonesia	wwf-indonesia@wwf.or.id	Email	7 February 2017		√

Appendix 2. Assessment Program

DATE	13 – 18February 2017	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 13February 2017		
06.00 – 16.00	Jakarta → Pekanbaru → PT BPLP	ARD / RRI / MAH / RP / DH
16.00 – 17.00	Opening Meeting	ARD / RRI / MAH / RP / DH
Tuesday, 14February 2017		
08.00 – 12.00	Public consultation to: <ul style="list-style-type: none"> Communities (if any local contractor) Contractor, internal stakeholder (labor union, gender committee and cooperative employees) Government Institution of Indragiri Hilir District 	RRI MAH / DH RP / ARD
12.00 – 14.00	BREAK	ARD / RRI / MAH / RP / DH
14.00 – 17.00	Field Observation at Bumi Palma Mill <ul style="list-style-type: none"> POM (security, weighbridge, loading ramp, process, engine room, workshop, boiler) WTP, WWTP, Hazardous Waste Warehouse/TPS limbah B3, drainage, collecting place of solid waste (EFB, fiber, shell), methane capture (if any), composting (if any) SCCS 	ARD / MAH / RP / DH MAH / DH RP ARD
Wednesday, 15February 2017		
08.00 – 12.00	Field Observation at PT BPLP <ul style="list-style-type: none"> HCV and boundary Field Observation at Bumi Lestari Estate <ul style="list-style-type: none"> Harvesting, Manuring, Sparying, IPM, application of waste (if any EFB or composting), Land application (if any) and replanting/new area (if any) Housing, chemical warehouse, hazardous waste warehouse, cleaning and storage of PPE for spraying team, workshop, Landfill and firefighters equipment 	MAH DH / RRI RP / ARD
12.00 – 14.00	BREAK	ARD / RRI / MAH / RP / DH
14.00 – 17.00	Review of Previous Visit Non-conformance (Stage-2 – ASA-2), partial certification and time bound plan RSPO Document Review and clarification of field visit	ARD MRD/ MAH / RP / DH
Thursday, 16 February 2017		
08.00 – 12.00	Field Observation at PT BPLP <ul style="list-style-type: none"> HCV and boundary Field Observation at Bumi Palma Estate <ul style="list-style-type: none"> Harvesting, Manuring, Sparying, IPM, application of waste (if any EFB or composting), Land application (if any) and replanting/new area (if any) Housing, chemical warehouse, hazardous waste warehouse, cleaning and storage of PPE for spraying team, workshop, Landfill and firefighters equipment 	ARD / MAH MAH / RRI RP
12.00 – 14.00	BREAK	ARD / RRI / MAH / RP / DH

DATE	13 – 18February 2017	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
14.00 – 17.00	RSPO Document Review and clarification of field visit	ARD / RRI / MAH / RP / DH
Friday, 17 February 2017		
08.00 – 11.30	Field Observation at Bumi Sentosa Estate (if necessary) and RSPO Document Review	ARD / RRI / MAH / RP / DH
14.00 – 15.00	Interim Meeting/ preparation for closing meeting	ARD / RRI / MAH / RP / DH
15.00 – 17.00	Closing Meeting	ARD / RRI / MAH / RP / DH
Saturday, 18 February 2017		
06.00 – 16.00	PT BPLP → Pekanbaru	ARD / RRI / MAH / RP / DH
17.00 –	Pekanbaru → Jakarta	ARD / RRI / MAH / RP / DH

The audit is based upon a representative sampling method therefore there may be non-conformances within the system that have not been identified during this audit.

Please inform Mutu Certification if you object to the appointment of the auditor or team members stated in this audit plan prior to the audit date

Kegiatan Audit ini berdasarkan metode pengambilan lokasi sample yang representative, oleh karena itu adanya kemungkinan ketidaksesuaian yang tidak teridentifikasi didalam sistem saat audit sertifikasi ini berlangsung

Mohon informasikan kepada Mutu Certification jika terdapat keberatan terhadap penunjukkan auditor atau anggota team yang tercantum dalam rencana audit ini.